



Meeting of the Cabinet

Wednesday, 29th October, 2014 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 any changes in representation of opposition group members.
3. To receive any declarations of interest under the Members' Code of Conduct.
4. To confirm and sign the minutes of the meeting on 1st October, 2014 as a correct record.

Budget, Strategic, Policy and Performance Issues

5. Medium Term Financial Strategy (Key Decision) – pages 1 to 20
6. Capital Programme Monitoring (Key decision). – pages 21 to 28
7. Review of Housing Finance (Key Decision) – pages 29 to 45

Service Related Corporate Issues

8. Dudley Town Centre Regeneration – pages 46 to 52
9. Business Improvement District – pages 53 to 57
10. Annual Review of the Constitution (Key Decision) – pages 58 to 67
11. Annual Review of Equality 2014 – pages 68 to 70

12. To consider any questions from Members to the Chair where two clear days notice has been given to the Director of Corporate Resources (Council Procedure Rule 11.8).
13. To report on any issues arising from Scrutiny Committees.



Director of Corporate Resources

Dated: 21st October, 2014

Distribution:

Members of the Cabinet:

Councillor D Sparks (Leader - Chair)

Councillor P Lowe (Deputy Leader)

Councillors K Ahmed, H Bills, D Branwood, T Crumpton, J Foster, R Harris, G Partridge and S Turner

Opposition Group Members nominated to attend meetings of the Cabinet:

Conservative Group:

Councillors P Harley, R James, P Miller, G Simms, D Vickers and M Wood

UKIP Group:

Councillors P Brothwood and S Etheridge

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- The Democratic Services contact officer for this meeting is Richard Sanders, Telephone 01384 815236 or E-mail richard.sanders@dudley.gov.uk

Minutes of the meeting of the Cabinet

Wednesday, 1st October, 2014 at 6.00pm
in Committee Room 2 at the Council House, Dudley

Present:

Councillor D. Sparks - Leader of the Council (in the Chair)
Councillor P. Lowe - Deputy Leader (Vice Chair)
Councillors K. Ahmed, H. Bills, J. Foster, R. Harris, G. Partridge and
S. Turner

Opposition Group Members nominated to attend meetings of the Cabinet:-

Councillors N. Barlow, A. Goddard, P. Harley, N. Neale, D. Vickers and
M. Wood (Conservative Group);
Councillors P. Brothwood and S. Etheridge (UKIP Group)

Officers:-

J. Polychronakis (Chief Executive), P. Sharratt (Interim Director of Children's Services), T. Reilly (Assistant Director of Corporate Resources – Human Resources and Organisational Development), C. Williams (Director – West Midlands Employers) and S. Griffiths (Democratic Services Manager).

25. Apologies for absence

Apologies for absence from the meeting were received from Councillors D. Branwood, T. Crumpton, R. James, P. Miller and G. Simms.

26. Changes in representation of Opposition Group Members

Councillors N. Barlow, A. Goddard and N. Neale were serving in place of Councillors R. James, G. Simms and P. Miller for this meeting of the Cabinet only.

27. Declarations of Interest

Councillor M Wood declared a non-pecuniary interest, in accordance with the Members Code of Conduct, in relation to Minute No. 29 below as a Governor (and Chair of the Finance Committee) at Halesbury School and Vice-Chair of the Board of Trustees at the People's Field Trust (Halesbury and Sutton Schools).

The Chief Executive recorded a pecuniary interest on behalf of all Directors and Assistant Directors in respect of Minute No. 30 below.

28. **Minutes**

Resolved

That the minutes of the meeting of the Cabinet held on 17th September, 2014, be approved as a correct record and signed.

29. **Demographic Growth Funding – The Creation of a New Special Educational Needs Post 16 facility**

The Cabinet considered a report of the Interim Director of Children's Services, seeking approval to create a new Post 16 facility for young people with learning difficulties and disabilities through the refurbishment of an existing building on the former Pensnett School site. The report also sought approval to develop a master plan for the former Pensnett School site and to commence a series of consultation events.

During the discussion on this item, the Cabinet Member for Regeneration undertook to provide a written response concerning the projection the Council had made for an increase in demand for Special Educational Needs.

Resolved:

- (1) That the proposal to provide a new Post 16 facility for young people with learning difficulties and disabilities through the refurbishment of an existing building on the former Pensnett School site, be approved.
 - (2) That the proposal to develop a master plan for the entire former Pensnett School site, including demolition of the main school building that fronts Tiled House Lane, be approved.
 - (3) That the proposed series of consultation events be commenced.
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30. **Review of Senior Management and Operational Structure**

The Cabinet received a report of the Chief Executive on the outcome of consultation on the proposed senior management and organisational restructure.

Following the introduction of this item, a question was raised concerning the project methodology used in developing the proposals. The Director – West Midlands Employers reported on the process used, including formal and informal consultation, appropriate external benchmarking and other statutory considerations.

All officers then left the meeting with the exception of the Chief Executive and the Democratic Services Manager.

The Leader responded to points raised by the main opposition group, as summarised in Appendix 3 to the report. He referred to the involvement of all opposition groups in the restructuring process and all consultation responses had been considered. The Leader emphasised the need to implement proposals that were fit for purpose to meet the significant challenges faced by the Council and the clear objectives identified in the report, including the adoption of the leanest management structure of any Metropolitan District Council.

Opposition spokespersons raised concerns regarding the proposed salaries for the new posts of Strategic Director and Chief Officer. The proposed salary levels were based on the outcome of a full job evaluation exercise, taking account of external factors and market forces. The Strategic Directors and Chief Officers were new posts to replace the existing Director and Assistant Director structure. Overall there would be a reduction in the top three tiers of management from 22 to 11 posts. The recruitment process would be considered by the Appointments Committee and Members of the Committee reserved the right to advertise any posts externally if there were no suitable internal applicants.

The Deputy Leader undertook to arrange for a written response to be provided in response to detailed questions concerning the savings of £1m as referred to in the report. The Chief Executive made specific reference to paragraph 22 of the report concerning the financial implications and would provide a written response prior to the meeting of the Council on 13th October, 2014.

Resolved:

That the Council be recommended to:

- (1) Note the outcome of the formal consultations summarised in Appendix 2, and the comments of the Conservative Group and Overview and Scrutiny Management Board as set out in Appendices 3 and 5 of the report now submitted.
- (2) Approve the new senior management structure as set out in Appendix 1 of the report now submitted.
- (3) Approve the spot salaries for the new Strategic Director and Chief Officer posts as set out in paragraphs 10 and 11 of the report now submitted.
- (4) Approve the policy and procedure for market forces supplements as set out in Appendix 4 of the report now submitted.

- (5) Amend the terms of reference of the Appointments Committee and the Appeals Committee as set out in paragraphs 15 and 18 of the report now submitted.
- (6) Authorise the Chief Executive to apply the approved policy on voluntary redundancies in accordance with paragraph 17 of the report now submitted.
- (7) Note the next phase of consultation on the 4th tier structure as referred to in paragraph 20 of the report now submitted.

(This was a Key Decision with the Cabinet and the Council named as Decision Takers)

The meeting ended at 6.55pm

LEADER OF THE COUNCIL

Meeting of the Cabinet – 29th October 2014

Joint Report of the Chief Executive and Treasurer

Medium Term Financial Strategy

Purpose of Report

1. To consider the latest General Fund revenue position for 2014/15 and Medium Term Financial Strategy (MTFS) to 2017/18.
2. To present spending and funding options for consultation.

Background

3. At its meeting on 3rd July, Cabinet considered the latest General Fund revenue position for 2014/15 and MTFS to 2017/18. It noted savings proposals for future years and that these would be brought back for further consideration by Cabinet on 29th October together with any other savings proposals identified prior to that date.

Forecast 2014/15 Position

4. Forecast General Fund revenue spend compared with budget for each Directorate is shown in Appendix A.
5. Latest monitoring indicates favourable Treasury variances amounting to £0.5m resulting from better than expected cash flows. This is a prudent estimate and may improve by the year end.

Looked After Children

6. In July, we reported that a review of Looked After Children had been undertaken. That review produced a number of recommendations for increased revocations of care orders, improved prevention and diversion, better commissioning and lower cost provision of care. On the basis of that review the Directorate of Children's Services predicted that numbers of Looked After Children could be reduced by around a third by the end of 2017/18. In particular, it was predicted that large reductions could be made in the numbers of children in the highest cost categories of care (external residential care and independent foster agency placements). It was forecast that these reducing numbers would lead to cumulative savings of £7.0m from the direct costs of Looked After Children and further consequential savings in social work, transport costs, etc of £0.8m by 2017/18.

7. Monitoring in the current year shows that overall numbers of Looked After Children have not started to reduce as predicted and, within that overall number, external residential and independent foster agency placements have risen. In addition, there are overspends in the Social Work budget and in the budget for 14+ supported accommodation. The Directorate of Children's Services has identified some measures to partially offset the pressures set out above and, on this basis, the latest financial monitoring by the Directorate forecasts an overspend of £1.0m although there is a risk that this overspend will increase.
8. In view of the current position, the Directorate of Children's Services has reviewed its forecasts for numbers of Looked After Children taking into account the age profile of the children currently in care and numbers of children likely to come into care in future. This review is not complete but indications so far are that any reductions in numbers will not be at the rate predicted in July. Savings in future years that are based directly or indirectly on reducing numbers of Looked After Children have therefore been removed from the proposed MTFS set out in this report, pending further review by the Strategic Director (People Services) and the Chief Officer (Children's Services) as and when they are appointed.
9. In light of the above it is proposed that all senior managers be reminded of the need for strict budgetary control in accordance with the Financial Management Regime and care and caution in managing the budget, particularly in the context of commitments into later years and the impact that any overspending in any one year will have on the availability of resources to meet future budgetary demands.

General Fund Balances

10. The use of balances for 2014/15, as approved by Cabinet and Council in July, is set out below. Members are asked to note the risk to this position if the Directorate of Children's Services fails to control the forecast overspend set out in paragraph 7 above. In view of this risk, there is no proposal at this stage to amend the current year budget to reflect the favourable forecast Treasury variance in paragraph 5.

	Budget £m
Balance at 31st March 2014	25.1
Planned use 2014/15	-0.1
Forecast balance at 31st March 2015	25.0

Medium Term Financial Strategy to 2017/18

11. In updating the Council's Medium Term Financial Strategy, Members will need to consider carefully:
 - (a) the levels of Government support allocated to the Council;
 - (b) spending pressures, opportunities to free up resources (including savings), and Council Plan priorities;
 - (c) the implications of spending levels in later years as part of the Council's medium term financial plan;

- (d) the views of consultees;
- (e) the external factors and risks inherent in the Strategy;
- (f) the impact on Council Tax payers.
- (g) the Government's stated intention to offer Council Tax Freeze Grant for 2015/16 (see paragraph 14 below);
- (h) the potential impacts on people with protected characteristics as defined in the Equality Act 2010. Members will need to have due regard to the public sector equality duty under the Equality Act 2010. (Further details are set out in the Equality Impact section below.)

Government Funding

12. The provisional settlement for 2014/15 included indicative figures for 2015/16. Figures for 2016/17 onwards have not been announced. Our current forecasts for 2016/17 and 2017/18 are in line with latest Treasury indications based on the 2013 Autumn Statement that for those years total Government expenditure will continue to fall in real terms at the same rate as over this Parliament. The implications of this for Local Government funding in general and Dudley's funding in particular are subject to a number of assumptions. However, if:
 - expenditure on welfare is constrained such that departmental expenditure is not cut more steeply than over this Parliament;
 - elements of departmental expenditure, in particular Education, the NHS, International Development and the devolved regions, are protected in real terms;
 - Dudley's funding changes in line with overall Local Government funding,
 then RSG would reduce by around 23% (£13m) in 2016/17 compared with 2015/16 indicative figures, and a further 27% (£11m) in 2017/18 compared with 2016/17.
13. We have assumed that New Homes Bonus will continue to increase at the same underlying rate as for 2014/15 up to 2016/17 after which it will remain stable.¹
14. The Government has indicated that it will offer a grant equivalent to a 1% Council Tax increase to Councils who freeze Council Tax in 2015/16, and that this funding will be included in the "base" position for future funding reviews. No announcement has been made at this point in respect of subsequent years.
15. The Government has indicated that Education Services Grant (the grant that funds support services to schools which become the responsibility of academies after conversion) will reduce by around 20% in 2015/16, equivalent to around £1m.

¹ New Homes Bonus is received for 6 years for each new home or long term empty home brought back into occupation. As the scheme commenced in 2011/12, homes for which grant was received in that year will no longer count from 2017/18. This will continue in each subsequent year as the "oldest" year falls out of the formula. We have assumed that this fall out will be offset by more new homes at similar levels so that overall grant will not vary significantly.

Other Forecasts

16. The new Local Government pension scheme came into operation from April 2014. In order to smooth the impact of the significant increase in employers' contributions that would have otherwise occurred from 1st April 2014, both Future Service employer contributions and Past Service Deficit contributions are being stepped up over the period 2014/15 – 2016/17. The difference between stepped contributions and un-stepped contributions will then be added to the contributions certified by the Fund actuary for the period 2017/18 to 2019/20 (i.e. an additional £2.5m per annum).
17. In addition to the direct impact of changes in employer pension contributions, the current National Insurance rebate for employees and employers for "contracting" out of the Additional State Pension into the Local Government Pension Scheme will end from 1st April 2016 as part of the move to the new Single Tier State Pension from that date. Although the Government has indicated the impact of this on public sector employers will be taken into account in funding allocations, it would not be prudent to assume this means the cost will be funded.
18. The Collection Fund includes income from council tax and business rates. From 2013/14 there has been a transfer of risk from central to local government in respect of both these areas:
 - Nationally set and funded Council Tax Benefit was replaced by locally determined Council Tax Reduction schemes (see below). As part of this change the risk relating to changes in claimant numbers and value of claims is now borne by Councils.
 - 49% of business rates collected are retained by the Council, involving significant new risks resulting from any changes in rateable value as a result of new building, change of use, demolitions, or successful appeals. The latter may be backdated, sometimes as far as 2005, and give rise to substantial refunds to ratepayers.

The flip side of this risk transfer is that local authorities equally stand to gain from positive movements in either of these income streams. The impact in both areas is difficult to predict, and will continue to be monitored closely, and the position will be reviewed when reporting to Cabinet in February 2015.

19. We have assumed that the Integrated Transport Authority (ITA) Levy will reduce by 5% in 2015/16 in accordance with the ITA's own MTFS, and will be frozen in cash terms thereafter.

Council Tax Reduction Scheme

20. The Council agreed at its meeting on 2nd December 2013 that the Council Tax Reduction (CTR) scheme be amended from 1st April 2014 to be based on the eligibility and calculation rules of the current (2013/14) scheme with a 20% cut in the resulting level of the reduction; and that a transitional arrangement of an 8.5% cut in the calculated reduction apply at least up to 31st March 2015 - with full protection from any scheme changes being given to pensioners, disabled adults, disabled children, war pensioners and lone parents with a child under 5.

21. It is proposed that the transitional arrangement be terminated on 31st March 2015 and that the full 20% cut be implemented from 1st April 2015. It is proposed that full protection from any scheme changes should continue to be given to pensioners, disabled adults, disabled children, war pensioners and lone parents with a child under 5. This has been assumed in the forecasts of the Council's tax base for 2015/16 onwards along with other estimated changes as a result of increased property numbers, etc.

Base Budget Forecasts

22. The following key assumptions have been made (and are also referred to in the risk analysis in paragraph 32):
- (a) The provision for pay in 2015/16 reflects the employers' current pay proposals, covering the 2 year period up to 31st March 2016. These comprise a minimum 0.45% non-consolidated lump sum to cover the period 1st April 2014 – 31st December 2014, and a 2.2% minimum increase from 1st January 2015 – with larger increases to the lower pay grades. We are expecting pay awards for local government to continue to be settled at very low levels in the next few years, and have provided 1% each year for pay for the remainder of the MTFS.
 - (b) The provision for prices of 2% each year for the duration of the MTFS assumes that competitive contract management and tendering will continue to minimise the impact of price rises on Council budgets.
 - (c) Interest rates will continue to have a relatively low impact in the medium term.
23. Details of Base Budget Forecasts including the cost of demographic and other pressures for the next three years are set out below.

	2015/16	2016/17	2017/18
	£m	£m	£m
2014/15 Base(*)	240.0	240.0	240.0
Pay & Prices	3.1	6.4	9.9
Capital Programme and Treasury	0.2	-0.8	-1.8
Pensions and National Insurance	1.7	5.1	6.7
Other Adjustments (**)	2.5	2.9	2.9
Spending Pressures (***)	1.1	2.2	3.3
Base Budget Forecast	248.6	255.8	261.0

(*) Following amendment by Cabinet and Council in July.

(**) Mainly the costs of Single Status, and the Government's planned reduction in Education Services Grant (ESG).

(***) Reflects increased numbers of adults with learning disabilities and clients with dementia, and pressures relating to waste collection and disposal costs.

Savings

24. The following savings have been identified. Detailed proposals are set out in Appendix B.

	2015/16 £'000	2016/17 £'000	2017/18 £'000
Adult, Community and Housing	11,801	12,907	12,907
Children's Services	1,695	2,157	3,540
Urban Environment	5,338	5,598	6,107
Corporate Resources	3,613	4,067	4,167
Chief Executive's	477	561	701
Total	22,924	25,290	27,422

The savings above include a number of proposed savings at Assistant Director and Head of Service level that were developed by directorates in advance of the corporate review of senior management. In order to avoid double counting, these earlier proposals will in due course be removed from the MTFS and replaced by savings arising from the corporate review. The precise impact on the MTFS of the review will be calculated when the proposals have been finalised, and will reflect the proper accounting for the General Fund, Housing Revenue Account, Public Health budget and Dedicated Schools Grant.

Public Health

25. The provisional core allocation for Dudley in respect of Public Health grant for 2015/16 remains unchanged from the 2014/15 allocation at £18.974m. The proposed budget for consultation is shown at Appendix C.
26. The Government intends that from 1st October 2015, local authorities will take over responsibility from NHS England for commissioning public health services for children aged 0-5. The initial transfer of funding will be handled separately to the core allocations. From 2016/17 onwards, the 0-5 baseline funding will be added to existing local government public health grant allocations to form an overall public health grant allocation.
27. The General Fund savings proposals in Appendix B include proposals to support Sports Development and Park Rangers from Public Health grant on the basis of the contribution that these services make to delivery of health and wellbeing outcomes. It is proposed that this support will be funded from a combination of Public Health reserves, decommissioning and redirection of funds within the Public Health budget.

Human Resource Implications

28. It was agreed by Council in July that:
- An "Expressions of Interest" process for voluntary redundancy to open from July through to early September 2014 with clear communication relating to priority given to areas of savings and that the process will be for a register to be held for future consideration including budget saving requirements and service restructures.

- That directors through HR may continue to offer the opportunity of volunteering for redundancy to any employee whose service is undergoing a restructure involving the saving of posts as it may be that some employees did not express an interest through the corporate process that might wish to consider this option if and when their service is reviewed.
- The continued delegation for approval of voluntary redundancies to the Cabinet Member for Human Resources, Legal, Property & Health and the Director of Corporate Resources, and of compulsory redundancies to the Cabinet Member for Human Resources, Legal, Property & Health and the Assistant Director for Human Resources and Organisational Development.

Redundancy costs, including those relating to pension strain, are dependent on the age and length of service of the individuals being made redundant and therefore cannot be precisely calculated at this stage. However, it is anticipated that they can be met from use of resources earmarked for committed capital expenditure (which in turn could be funded from prudential borrowing), review of earmarked reserves, and general balances. It is proposed that the above delegation be confirmed up to an initial maximum of £5.0m for direct redundancy costs and the capitalised cost of pension strain, in respect of redundancies required to achieve the proposed savings set out in this report.

Medium Term Financial Strategy

29. The MTFS reflecting the revised spending proposals set out above, and forecasts of likely resource availability can be summarised as follows.

	2015/16 £m	2016/17 £m	2017/18 £m
Base Budget Forecast	248.6	255.8	261.0
- see para 23			
Savings	-22.9	-25.3	-27.4
- see para 24			
Total Service Spend	225.7	230.5	233.6
Revenue Support Grant (RSG)	54.5	41.8	30.6
Retained Business Rates	48.3	50.0	51.2
Top-Up Grant	15.3	15.7	16.1
Business Rate Grant	1.4	0.8	0.8
New Homes Bonus	4.1	4.8	4.8
New Homes Bonus Adjustment Grant	0.5	0.5	0.5
Council Tax Freeze Grant	2.3	3.5	4.6
Collection Fund Deficit – Business Rates ²	-0.7	-0.7	-0.7
Council Tax	95.4	95.9	96.4
Total Resources	221.1	212.3	204.3
Deficit funded from Balances	4.6	18.2	29.3
Balances brought forward	25.0	20.4	2.2
Balances carried forward	20.4	2.2	n/a

² Forecast deficit as a result of technical accounting issues relating to back-dated appeals.

30. As demonstrated by the table above, balances are adequate to fund the deficit for 2015/16 and 2016/17, but it will be necessary to identify significant further savings to ensure that the Council can deliver a balanced budget in 2017/18 and beyond.
31. The table above assumes, as a prudent basis for forecasting, that Council Tax is frozen for 2015/16. Whilst there has been no Government announcement in respect of Council Tax Freeze Grant (CTFG) for subsequent years, a freeze for 2016/17 and 2017/18 has also been assumed as a prudent basis for forecasting. Any increase in Council tax above 1.2%³ would increase available resources.

Estimates, Assumptions & Risk Analysis

32. The proposals in this report are based on a number of estimates, assumptions and professional judgements, which are subject to continuous review. These may lead to further increases in expenditure and, therefore, the need to identify alternative funding sources, and include:
- (a) Revenue Support Grant for 2015/16 is as per the indicative figures announced with the 2014/15 settlement, and for 2016/17 and 2017/18 is in line with Government indications of ongoing national deficit reduction. It should be noted that these forecasts in particular remain highly uncertain;
 - (b) income from Business Rates (net of appeals etc.) will be in line with current forecasts;
 - (c) the cost of Council Tax Reduction awarded will not substantially exceed forecasts, and the tax base will continue to grow in line with recent years;
 - (d) New Homes Bonus funding for future years increases at the same underlying rate as for 2014/15;
 - (e) Equal Pay costs are no more than estimated;
 - (f) general levels of inflation, pay and interest rates do not vary materially from current forecasts;
 - (g) income and expenditure relating to treasury management activity, including airport dividend income, are in line with forecasts;
 - (h) the impact of schools transferring to academy status can be managed within existing Directorate budgets;
 - (i) there will be no other unplanned expenditure (including any resulting from demographic pressures) or shortfalls in income, which cannot be met from reserves;
 - (j) Council Tax will be frozen in each year and the Government will continue to offer an ongoing Council Tax Freeze Grant equivalent to a 1% increase;

³ Council Tax Freeze Grant is calculated with reference to a higher tax base than that used for Council Tax setting - to make it consistent with the calculation prior to localisation of Council Tax Benefit / Support. It is therefore worth more than 1% of actual Council Tax income.

- (k) income from the Better Care Fund will be as forecast, taking into account that a substantial element of this is contingent on achieving challenging performance targets;
- (l) there will be no overall pressure on resources resulting from implementation of the Care Act. (The Care Act received Royal Assent in May 2014 and has wide ranging implications for adult social care services some of which take effect in April 2015 and the remainder in April 2016. There are significant financial risks associated with the delivery of the Care Act and the likely costs are currently very difficult to identify with reasonable accuracy. The Government has committed to fully funding the additional costs, but we have no details of the impact on the financial settlement at this time.)
- (m) that the Directorate of Children's Services will contain spend within its current approved budget (noting that previously identified savings on Looked After Children have now been removed from the future years of the MTFS pending further review).

Consultation

- 33. Following the high profile and extensive Big Question consultations held over the previous two years a significant number of residents are now subscribed to the council's e-bulletin service. To minimise costs, last year's consultation was carried out predominantly online through the e-bulletin service, website and social media and it received a total of 2,500 responses. Over the last year, the number of people in receipt of the e-bulletin has continued to grow as the communication channel develops and there are currently more than 18,000 subscribers. The proposal for this year's consultation is to again utilise the successful online channels of the e-bulletin, internet and social media. We will also make hard copy, printed versions available in borough libraries and Dudley Council Plus through a consultation which will run through November, December and January.
- 34. Detailed consultation will also be undertaken with groups identified as being potentially affected by the specific savings proposals, with a particular emphasis on equalities issues. Further information is set out in the Equality Impact section below. Unions will be consulted in the context of the redundancy process considered in a separate report elsewhere on this agenda.
- 35. The Council is required by law to consult with representatives of Business Ratepayers before the final budget and Council Tax are agreed. A consultation meeting will be held to consider the issues set out in this report. Further detailed information (as required by law) will be distributed in February for comment before the Council Tax setting meeting.
- 36. In accordance with the Council's Constitution, the Scrutiny Committees will be asked to consider the issues set out in this report and any related specific issues relevant to their Council Plan and service responsibilities in the November cycle. In framing their responses, the Scrutiny Committees will be asked to consider both the spending and funding implications (including the impact on Council Tax) of any observations they may wish to make.

Finance

37. This report is financial in nature and relevant information is contained within the body of the report.

Law

38. The Council's budget setting process is governed by the Local Government Finance Acts 1988 and 1992, and 2012 and the Local Government Act 2003.
39. The Local Government Act 2003 requires the Chief Financial Officer to report on the robustness of estimates made for the purpose of final budget calculations, and the adequacy of the proposed financial reserves and this will be included in the final budget report.
40. The Localism Act 2011 introduced a new chapter into the Local Government Finance Act 1992 making provision for council tax referendums to be held if an authority increases its council tax by an amount exceeding principles determined by the Secretary of State and agreed by the House of Commons.

Equality Impact

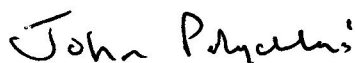
41. Section 149 of the Equality Act 2010 - the general public sector equality duty - requires public authorities, including the Council, to have due regard to the need to:
- eliminate discrimination, harassment and victimisation and other conduct that is prohibited by the Act;
 - advance equality of opportunity between people who share a protected characteristic and those who don't;
 - foster good relations between people who share a protected characteristic and those who don't.
42. Having due regard to the need to advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it involves having due regard, in particular, to the need to:
- remove or minimise disadvantages suffered by persons who share a relevant protected characteristic that are connected to that characteristic
 - take steps to meet the needs of persons who share a relevant protected characteristic that are different from the needs of persons who do not share it
 - encourage persons who share a relevant protected characteristic to participate in public life or in any other activity in which participation by such persons is disproportionately low.
43. The legislation states that "the steps involved in meeting the needs of disabled persons that are different from the needs of persons who are not disabled include, in particular, steps to take account of disabled persons' disabilities." In practice, this means that reasonable adjustments should be made for disabled people so that they can access a service or fulfil employment duties, or perhaps a choice of an additional service for disabled people is offered as an alternative to a mainstream service.

44. Having due regard to the need to foster good relations between persons who share a relevant protected characteristic and persons who do not share it involves having due regard, in particular, to the need to:
- tackle prejudice, and
 - promote understanding.
45. Compliance with the duties in this section may involve treating some persons more favourably than others; but that is not to be taken as permitting conduct that would otherwise be prohibited by or under this Act.
- The duty covers the protected characteristics of age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, sex and sexual orientation.
46. An initial assessment of the budget proposals has been made. Where proposals are likely to have a significant equality impact, they will undergo an equality impact assessment informed by consultation with the protected groups who may be adversely affected, during the autumn. The results of this process and any steps which emerge that might help to mitigate any potential impact of the budget proposals on the protected groups will be reported to Members so that they can pay due regard to the Public Sector Equality Duty in making decisions on the budget. In making decisions on budget proposals, Members will need to weigh the Public Sector Equality Duty against the forecast financial position, risks and uncertainties set out in this report.
47. With regard to Children and Young People, the proposed budget for the Directorate of Children's Services will be spent wholly on maintaining and improving services for children and young people. The expenditure of other Directorates' budgets will also have a significant impact on this group.

Recommendations

48. That Cabinet:
- (a) Notes the forecast favourable variances in relation to Treasury set out in paragraph 5, the forecast unfavourable variances in relation to Children's Services and the implications for future years set out in paragraphs 6 to 8 and the overall risk to General Fund balances set out in paragraph 10.
 - (b) Reminds all senior managers of the need for strict budgetary control in accordance with the Financial Management Regime and care and caution in managing the budget, particularly in the context of commitments into later years and the impact that any overspending in any one year will have on the availability of resources to meet future budgetary demands.
 - (c) Recommends to Council that, in respect of the Council Tax Reduction (CTR) scheme, the transitional arrangement be terminated on 31st March 2015 and that the full 20% cut be implemented from 1st April 2015, and that full protection should be given to pensioners, disabled adults, disabled children, war pensioners and lone parents with a child under 5, as set out in paragraph 21.

- (d) Recommends to Council that delegated powers be given to the Director of Corporate Resources for making other changes to the documented CTR 2015/16 scheme in line with any government prescribed regulations, upratings and other minor miscellaneous amendments; the resulting 2015/16 scheme documentation to be published on the council's website before 31st January 2015.
- (e) Approves the preliminary strategy outlined above as a basis for consultation, including the proposed allocation of Public Health funding for 2015/16 as set out in Appendix C.
- (f) Recommends to Council that the delegation for approval of voluntary redundancies to the Cabinet Member for Human Resources, Legal, Property & Health and the Director of Corporate Resources, and of compulsory redundancies to the Cabinet Member for Human Resources, Legal, Property & Health and the Assistant Director for Human Resources and Organisational Development be confirmed up to an initial maximum of £5.0m for direct redundancy costs and the capitalised cost of pension strain, in respect of redundancies required to achieve the proposed savings set out in this report.
- (g) Notes the various issues and risks which will need to be taken into account in finalising Budget proposals for 2015/16, and the Medium Term Financial Strategy.



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John Polychronakis
Chief Executive



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Iain Newman
Treasurer

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List of Background Papers

2013 Autumn Statement
Report to Cabinet 3rd July 2014

Latest Forecast 2014/15

Directorate	Revised Budget £m	Outturn £m	Variation £m	
Adult, Community and Housing	101.162	101.162		
Children's Services	68.997	69.997	+1.000	See note 1
Urban Environment	56.268	56.268		
Chief Executive's	4.206	4.206		
Corporate Resources	9.363	8.889	-0.474	See note 2
Total Service Costs	239.996	240.522	+0.526	

Note 1: Costs of Looked After Children, social work and 14+ accommodation, partially offset by one-off savings in other parts of the Children's Services budget.

Note 2: Favourable Treasury variances.

Proposed Savings

Adult, Community and Housing	2015/16	2016/17	2017/18
	£'000	£'000	£'000
Learning Disability - Assertive review of residential care and care packages for people, including Supported Housing. Leading to a re-modelling of how we deliver services to people with a Learning Disability, which will see more people supported in community based settings and through the delivery of Direct Payments	1175	1175	1175
<p>Health integration – These savings will be achieved through the transfer of monies from the Clinical Commissioning Group (CCG) via the Better Care Fund. This transfer is made up of two elements.</p> <p>The first element relates to a reduction in unplanned admissions to hospital and forms the payment by results part of the fund. The target reduction in unplanned admissions to hospital that will generate the planned transfer of resources to the Local authority is 7% in 2015/16; a further reduction in unplanned admissions of 2.4% is planned for 2016/17. In the event the performance targets are delivered in full, Dudley MBC will receive £3.75m performance related benefit.</p> <p>The second element is a transfer of resources from Dudley CCG to Dudley MBC of £3.12m. This sum supports the protection of adult social care and implementation of the Care Act.</p>	6870	6870	6870
Health integration - This option reflects the efficiencies that will be generated within DACHS as a result of the integration of services with the CCG, and the efficiencies identified following the redesign of the Adult Social Care model in respect of access to services and the customer experience.	700	1606	1606
Mental Health Services - Assertive review of residential care and care packages for people, including Supported Housing. Leading to improved value for money from existing care packages and increased use of telecare, extra care housing, and Direct Payments.	156	156	156
Reduction of management and staffing costs across adult social care	200	200	200

Adult, Community and Housing	2015/16	2016/17	2017/18
	£'000	£'000	£'000
Physical Disability - Assertive review of residential care and care packages for people, including Supported Housing. Leading to a remodelling of how we deliver services and more people supported in community based settings.	250	250	250
Older People/ Learning Disability - Review of existing shared lives service, with development of extending existing service provision to provide alternative to residential care.	250	250	250
Queens cross day centre - Remodelling of services at Queens Cross Network - remove in-house transport and replace with robust independent travel planning service and develop a traded service to include use of building by external organisations or individuals.	100	100	100
Unicorn day centre – this is a day centre for people with profound Learning Disabilities. A range of options including externalisation, community asset transfer and community fundholding are being considered. Final proposals following detailed consultation will be finalised shortly.	300	300	300
Employment Plus – this is a service that looks for employment opportunities for people with disabilities. The saving would be achieved through providing the service through a different delivery model and identifying efficiencies through the current use of resources	200	200	200
Savings arising from new running arrangements for New Bradley Hall	250	350	350
Changes to Reablement service - Following an independent review some changes in respect of the delivery of services will deliver the savings identified.	100	200	200
Extra Care Housing - The renegotiation of the contract for the running of the extra care housing provision will see current block contract being replaced with spot purchased care, which will see a reduction in the overall number of hours commissioned together with a reduction in the unit costs.	250	250	250
Introduction of tighter criteria for support to voluntary sector that is more aligned to the local authority preventative model.	300	300	300
Reduced support, and cancellation of schemes supported through Supporting People monies.	700	700	700
Total	11,801	12,907	12,907

Children's Services	2015/16 £000	2016/17 £000	2017/18 £000
Generate additional surplus traded service income.	65	109	317
Restructure the integrated youth support service.	267	397	597
Reduce the voluntary and community sector commissioning budget together with efficiencies in the Directorate's commissioning arrangements .	55	55	135
Asset Management Services will make staffing reductions.	50	50	50
Home to school and college transport budgets for pupils and students will be reduced through efficiencies and some redesign of the service provision.	210	210	210
A consultation on the future delivery of the Children's Centre service in Dudley was undertaken in 2013 resulting in a revised model of delivery for all 20 children's centres into 5 clusters together with a restructure of family support and partner contributions from the Dedicated Schools Grant.	450	450	504
Review the scope for closer integration between Children's Centres and the health visitor service focussing on improving health and wellbeing outcomes for children and families. This will involve a contribution from Public Health Grant to sustain the service in the short term pending the delivery of savings from integration.	350	350	350
Restructure within the Education Services division.	146	181	441
Options will be explored for Dudley Performing Arts (DPA) service to become 100% financially sustainable by 2016/17, through traded service income, grants, partner contributions and trust status.	-	160	160
Redesign the early help and family support service.	40	113	277
Restructure the Directorate leadership and management arrangements.	62	82	499
Total	1,695	2,157	3,540

Urban Environment	2015/16	2016/17	2017/18
	£'000	£'000	£'000
Service related savings			
Reduction in the Road reconstruction and resurfacing programme	461	461	461
Reduction in routine Street Lighting, signs and bollards maintenance	50	50	50
Reduction in Gully Drain Emptying with a greater focus on problem 'hot spots'	52	52	52
Reduction in the Grounds Maintenance of parks, open spaces, verges and other amenities including grass cutting, shrubs, hard surfaces & pitch marking and the pruning of trees	265	265	265
Office staff related savings			
Ongoing efficiencies, service transformation and corporate restructuring	3,105	3,105	3,444
Income generation			
Increase Bereavement charges	190	350	520
Other efficiency and contractual savings			
Gym equipment contract negotiated savings	40	40	40
New technology within Street Lights will reduce light pollution and save significant energy costs	205	205	205
Switch off selected Street Lighting from midnight	0	100	100
Redesign of Pest Control service	100	100	100
Review of rechargeable Green Care workloads	140	140	140
Further efficiencies including vehicle utilisation, overtime, fuel usage	200	200	200
Business efficiency and transformation	200	200	200
Sports Development and Park Rangers services to be maintained with support from the Public Health Grant on the basis of their contribution to health and wellbeing outcomes.	330	330	330
Total	5,338	5,598	6,107

Corporate Resources	2015/16	2016/17	2017/18
	£'000	£'000	£'000
ICT - service redesign, management savings, rationalisation of equipment and licenses and contract renegotiation following the consolidation of corporate and directorate ICT teams and reflecting the council's accommodation strategy and reducing workforce.	822	822	822
Accountancy - service redesign and management savings, focussing on strategic financial management and reducing non-core and transactional activity.	500	500	500
Management restructure within Internal Audit.	55	55	55
Customer Services - service redesign focussing mainly on self service / automation, reducing non-statutory activity, a payments review and management & staff savings .	589	846	846
Reduce grant to Dudley and West Midlands Zoological society.	0	0	100
Directorate management restructure. Removal of Assistant Director post.	0	100	100
Human Resources & Organisational Development - staff and management savings from system development & self service.	802	826	826
Staff and management savings from Law & Governance Division.	140	193	193
Increased Management & Valuation, conveyancing and lease income.	5	25	25
Office accommodation savings. Town Centre project - disposal of 12 sites.	200	200	200
Staff, energy and further efficiency savings within a consolidated property function. Council wide property restructure resulting in savings around £250,000. Energy Management savings expected to deliver around £250,000 savings.	500	500	500
Total	3,613	4,067	4,167

Chief Executive's	2015/16	2016/17	2017/18
	£'000	£'000	£'000
Reduction in voluntary sector grant	0	40	40
Staff savings across Policy and Customer Access to Services (CATS) teams	153	164	210
Admin support and directorate running costs savings	34	34	80
Communications and Public Affairs staff savings and additional income	96	129	177
Community Safety staff savings	169	169	169
Emergency Planning savings	25	25	25
Total	477	561	701

Proposed use of Public Health Grant 2015/16

	£'000	£'000
Substance misuse (alcohol & drugs) - adults	4,698	
Substance misuse (alcohol & drugs) - young people	487	
Substance Misuse Programme total		5,185
Sexual health services - STI testing and treatment (prescribed function)	478	
Sexual health services - contraception (prescribed function)	1,935	
Sexual health services - advice, prevention & promotion	255	
Sexual Health Services Programme total		2,668
Obesity (prevention & tiers 1 & 2 treatment) Programme		1,454
Children 5-19 - (School health & PH healthy school programmes)	1,532	
Children 5-19 - (National Child Measurement programme)	304	
Children 5-19 Programme total		1,836
Tobacco Control (prevention & treatment) Programme		1,480
Public Health Advice (core offer) (prescribed function)		1,081
Physical Activity Programme (including sports development and park rangers)		1,281
Community Health Improvement Programme		745
NHS Health Checks Programme (prescribed function)		560
Health Protection - communicable disease	262	
Health Protection - LA role (prescribed function)	263	
Health Protection Programme total		525
Mental Health Promotion Programme		485
Nutrition & Oral Health Promotion Programme		435
Long Term Conditions Self Management Programme		268

	£'000	£'000
Other PH Programmes (e.g. cancer awareness, falls prevention)		473
New Projects (parenting, diabetic eye screening, reduction in self harm)		184
Children's Centres (non-recurring use of reserves)		420
Overheads - central establishment charge	300	
Overheads - rent ,rates, service charge, cleaning	118	
Overheads - utilities, computer equipment, insurance etc	97	
Overheads total		515
Total Spend		19,595
Reserve funding		(621)
Total Public Health Grant funded		18,974
Estimated Opening Reserves 1.4.2015		1,713
Reserves use		(621)
Estimated Closing Reserves 31.3.2016		1,092

Meeting Of the Cabinet – 29th October 2014

Joint Report of the Chief Executive and Treasurer

Capital Programme Monitoring

Purpose of Report

1. To report progress with the implementation of the Capital Programme.
2. To propose amendments to the Capital Programme.

Background

3. The table below summarises the current 3 year Capital Programme updated where appropriate to reflect latest scheme spending profiles.

	2014/15	2015/16	2016/17
	£'000	£'000	£'000
Public Sector Housing	42,730	40,334	41,162
Other Adult, Community & Housing	6,379	4,184	550
Urban Environment	29,534	15,996	5,873
Children's Services	18,226	11,526	161
Corporate Resources	2,481	1,658	1,366
Total spend	99,350	73,698	49,112
Revenue	14,093	13,544	13,687
Major Repairs Reserve (Housing)	22,279	22,558	22,847
Capital receipts	18,569	13,662	9,507
Grants and contributions (inc. Lottery)	25,118	11,152	183
Capital Financing Requirement*	19,291	12,782	2,888
Total funding	99,350	73,698	49,112

*This will be funded internally from the Council's cashflow resources as far as possible, rather than from external debt.

Note that the capital programme for future years is in particular subject to government grant allocations, some of which have not yet been announced.

4. In accordance with the requirements of the Council's Financial Regulations, details of progress with the 2014/15 Programme are given in Appendix A. It is proposed that the current position be noted, and that budgets be amended to reflect the reported variances. An update on progress with the Council's most significant capital schemes is shown in Appendix B.

Adult, Community and Housing

Disabled Facilities Grants

5. It is proposed that in order to address pressures on waiting lists for Disabled Facilities Grants, £600,000 of funding be reallocated from the Housing Assistance Grants budget in 2014/15. This will fund around 40 grants depending on the nature & cost of the works involved.

North Priory Community Centre

6. As part of the development of Friar's Gate (North Priory) in partnership with Bromford Housing Association and Keepmoat, £300,000 was earmarked from the land value to provide a community facility. This will be built by Keepmoat, as part of the overall development works. The intention is that the community centre will be run entirely by the community not the Council. As yet, there is not a developed business plan to ensure the running costs of the Centre are covered. It is proposed that this allocation be noted and the expenditure included in the Capital Programme but that the build is not started until the business plan has been approved.

Urban Environment

Clean Vehicle Technology Fund

7. The Department for Transport has awarded the Council £158,000 as a part of this initiative. The grant is for a specific partnership scheme with Prospect Coaches (West) Ltd in Lye, to provide exhaust emission control equipment to 10 of their older vehicles. The vehicles are those used in contract work around the Borough which involves them being frequently driven through areas of poor air quality, so the scheme is designed to provide maximum benefit in terms of improving air quality.

It is proposed that the funding allocation be noted and the expenditure included in the Capital Programme.

Children's Services

Dudley Grid for Learning (DGfL)

8. DGfL is an educationally focused ICT service delivered in partnership with the private sector for the last 12 years, originally through a PFI arrangement. In October 2010, Cabinet approved the third phase of the project "DGfL3" to include an estimated cost of £4m in 2013/14 (the majority of which will now be expended in 2014/15), which was anticipated to be funded from schools' contributions and residual PFI grant.

Following review of available resources, it is now proposed that £562,000 of the cost of DGfL3 be funded from unallocated unringfenced 14-19/SEN capital grant.

Urgent Amendment to the Capital Programme

Lea Vale Road Culvert

9. Following the floods resulting from the extreme weather periods during December 2013 and January 2014 the Council secured £150,000 of Government funding to cover the full cost of mitigation works to reduce the level of flood risk to 45 residential properties in and around Lea Vale Road, Stourbridge. The scheme consists of the replacement of the existing damaged/collapsed small culvert with an oversized culvert, and the addition of a flood water detention pool. On completion of the works the ownership of the culvert will be transferred to the residents who will be responsible for inspections and long term maintenance.

In order to comply with the funding criteria and complete the works prior to the onset of winter, a decision (ref. DUE/39/2014) was made by the Deputy Leader of the Council in consultation with the Treasurer on 8th September 2014 that the project be approved and included in the Capital Programme.

Finance

10. This report is financial in nature and information about the individual proposals is contained within the body of the report.

Law

11. The Council's budgeting process is governed by the Local Government Act 1972, the Local Government Planning and Land Act 1980, the Local Government Finance Act 1988, the Local Government and Housing Act 1989, and the Local Government Act 2003.

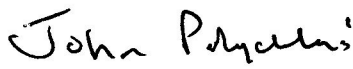
Equality Impact

12. These proposals comply with the Council's policy on Equality and Diversity.
13. With regard to Children and Young People:
- The Capital Programme for Children's Services will be spent wholly on improving services for children and young people. Other elements of the Capital Programme will also have a significant impact on this group.
 - Consultation is undertaken with children and young people, if appropriate, when developing individual capital projects within the Programme.
 - There has been no direct involvement of children and young people in developing the proposals in this report.

Recommendations

14. That the Council be recommended:
- That current progress with the 2014/15 Capital Programme, as set out in Appendix A be noted, and that budgets be amended to reflect the reported variances.

- That £600,000 of funding be reallocated from the Housing Assistance Grants budget in order to address pressures on waiting lists for Disabled Facilities Grants, in 2014/15, as set out in paragraph 5.
- That the allocation of funding for the North Priory Community Centre be noted, and the project included in the Capital Programme, as set out in paragraph 6.
- That the Clean Vehicle Technology funding allocation be noted and the expenditure included in the Capital Programme, as set out in paragraph 7.
- That the revised funding for the third phase of the Dudley Grid for Learning project be approved, as set out in paragraph 8.
- That the Urgent Amendment to the Capital Programme, as set out in paragraph 9, be noted.



John Polychronakis
Chief Executive



Iain Newman
Treasurer

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List of Background Papers

Relevant resource allocation notifications.

2014/15 Capital Programme Progress to Date

Service	Budget £'000	Spend to 31 st Aug £'000	Forecast £'000	Variance £'000	Comments
Public Sector Housing	42,730	15,358	42,730		
Other Adult, Community & Housing	6,379	2,542	6,379		
Urban Environment	29,534	4,954	29,537		
Children's Services	18,226	3,108	18,226	+3	See note
Corporate Resources	2,481	796	2,481		
TOTAL	99,350	26,758	99,353	+3	

Note:

- Minor cost increase in respect of the Corbyn Road (base for joint Children's Safeguarding Unit and frontline social work teams) project. Can be funded from unallocated unringfenced 14-19/SEN capital grant.

Progress with Major Capital Schemes

Adult, Community and Housing

New Council Housing

A contract has been awarded and work is expected to commence on site at Norfolk Road, Wollaston and The Walk, Sedgley in November. Other planned schemes include the conversion of the former Wren's Nest Estate Office (planning permission has now been granted for this scheme); conversion of the former Archives building at Roseville, Coseley; conversion of the former care home at Arcal Lodge, Sedgley; and a number of smaller housing infill and garage sites across the borough. Site investigations, ecological and topographical reports are being prepared and the schemes are currently in design stage.

Dementia Gateways

Works are now completed for the second dementia gateway at Brett Young in Halesowen. Final costs are still to be established but schemes are expected to be delivered within budget.

Urban Environment

Street Lighting

Street lighting improvement works are in progress and the Street Lighting Central Management System (CMS) is now fully commissioned and operational. 17,600 of the Council's 32,000 street lights can now be controlled via the CMS system remotely to help save energy; 11,000 of these can be dimmed. Spend is forecast to be within budget.

Better Bus Area

The proposals which involve the construction of a new signal controlled pedestrian crossing on the A4036 Pedmore Road, and the creation of additional road space and signal controls to facilitate bus priority measures at the junction of the Boulevard with Mill St, Brierley Hill were granted planning permission in March 2014. Main works commenced on site in July 2014 with substantial completion programmed for the end of October. Spend is forecast to be within budget.

Mary Stevens Park

The design team are finalising the detailed designs for the Park and have developed timescales for the 3 major contracts, most to start in March 2015. The Heritage Ranger has developed an events programme for the next 6 months, promoted in the Parks and Countryside events leaflet. Volunteering for project work is underway with a recruitment drive. Spend is forecast to be within budget.

Castle Hill

New Access Road: Phase 1a was completed during October 2012. Phase 1b (link road and roundabout) was completed April 2013.

Phase 2 onwards: This comprises the secondary route, recreational route, car parking and Visitor Hub. Planning permission was granted on 12th March 2013. The design team are currently working on detailed designs on a phased basis. Works commenced onsite for the initial phase of the secondary route on 23rd September 2013 and was completed February 2014. Works commenced on the lower level car parks on 4th December 2013, and completed March 2014. Works to upper level car park commenced April 2014, and was completed July 2014. Tenders for the Recreational route linking the existing attractions have been invited with work due to start at the end of October and be complete in February 2015. The contract for the Visitor Arrival Hub has been awarded with construction starting in November and completion due in April 2015.

Spend is forecast to be within budget.

Castle Hill Additional Funding

BCLM Schools Reception Building. Planning application has now been submitted, works are anticipated to commence January 2015, with an anticipated completion of July 2015. Spend is forecast to be within budget.

Dudley Marketplace and Town Centre

The first phase of the overall Dudley Market Place Public Realm scheme, which is Castle Street/New Street, is substantially complete and opened to full access on 10th August. There are some outstanding works in this location, seasonal tree planting being programmed for November and the construction work to the Earl of Dudley statue which has not yet been programmed in. The second phase has now started and the construction of the market stalls is well under way, and although there has been a delay in the construction of the market stalls due to levels issues, the project is due to complete on programme. Spend is forecast to be within budget.

Children's Services

DGfL3

Dudley Grid for Learning (DGfL) 3 includes a programme of ICT equipment upgrade and renewal across financial years 2013/14 & 2014/15. Consultation with schools to ascertain their priorities for the 'refresh' programme is complete. Refresh of ICT infrastructure and classroom equipment has now commenced phased roll out across the school estate. The programme and associated expenditure is therefore on schedule to bring improvement to schools ICT as planned.

Post 16 Facility for Pens Meadow School

The programme for design and procurement of the project is on track and the projected capital spend is in line with Education Funding Agency requirements.

Schools Basic Need projects

The first phase of projects funded from Basic Need capital grant are progressing well. Projects at the Brook and Woodside Primary Schools were completed during the summer with both schools now being able to admit up to 60 children in each year group. Projects at Kates Hill and Gig Mill are on site and are due to be completed by Easter 2015. The project at Sledmere Primary is on site and is on target to be completed during August 2015.

Corporate Resources

Transforming our Workplace (ToW)

The project is now practically complete. Nearly 2,000 staff have been relocated to core offices. All refurbishment works, with the exception of a new cycle shower/store area in the basement of the Old Police Buildings is complete. Of the 12 surplus office sites earmarked for disposal, 7 have been sold and 3 are due to go to auction at the end of October. Work is currently in progress on the remaining 2 sites prior to a submission to planning. The overall programme of work is currently running to budget. A formal review of the whole project is currently being planned and will take place in early 2015.

Meeting of the Cabinet – 29th October 2014

Joint Report of the Director of Adult, Community and Housing Services and the Treasurer

Review of Housing Finance

Purpose of Report

1. To propose revisions to the Housing Revenue Account (HRA) budgets to reflect latest financial forecasts, to be recommended to Council.
2. To propose revisions to the Public Sector Housing capital programme, to be recommended to Council.
3. To approve the HRA's 30 Year Business Plan.

Background

4. The HRA is a ring-fenced revenue account and deals with landlord functions associated with public sector housing. The costs of improvement and programmed maintenance of the Council's housing stock are treated as capital expenditure and are accounted for separately.

HRA Revised Budget

5. The current budget for 2014-15, approved by Cabinet on 12 February 2014, shows a surplus on the HRA of £0.523m at 31st March 2015. There are now a number of variations to the original budget.
6. The original 2014-15 budget and the proposed revised 2014-15 budget are shown in Appendix 1. The proposed revised budget shows a surplus on the HRA of £2.835m at 31st March 2015.
7. The balance brought forward from 2013-14 was greater than budgeted, at £5.6m compared to a budgeted £3.8m. £1.1m of this related to housing management savings where it was not possible to spend reserves in the year in which they were forecast, and a number of staff vacancies were not filled in the year. In addition, rental income was £0.4m higher than budgeted as the full bad debt provision was not required, and additional income of £0.4m was received in contributions to expenditure e.g. from leaseholders. An additional £0.1m was required to fund depreciation costs, as a result of accounting adjustments.

8. We are reporting an increase in rental income in 2014-15. This is because we will not need to make the full provision for bad debts that we had estimated in the original budget. Rent arrears have increased, but as yet we are not seeing the level of impact that we had anticipated with the roll-out of the government's welfare reforms.
9. The variance between the original and the proposed revised budgets for contributions to expenditure relates to additional income received from leaseholders and tenants' rechargeable repairs.
10. We have reviewed the reserves held for housing management activities and propose to release £2.1m to accelerate capital improvement works such as adaptations, heating, kitchens and bathrooms and bringing some high cost empty properties back into use. We are also forecasting in-year savings of £0.6m in Management, largely owing to staff vacancies.
11. Demand for responsive and cyclical repairs has increased, leading to an increase of £1.1m in the proposed budget.
12. The decrease in the Transfer to the Major Repairs Reserve reflects adjustments to depreciation on Housing non-dwellings.
13. Discretionary Housing Payments (DHP) are administered by Benefits and provide for tenants to receive additional benefit payments to meet housing needs. These are mainly awarded where a tenant has had housing benefit reduced as a result of underoccupancy penalties or the benefit cap, and 75% of awards relate to council housing tenants, although awards are also made to tenants of housing associations or tenants in the private rented sector. DHP is funded via a grant from central government, although the local authority has the option to top this up, to a maximum budget of 2.5 times the grant allocation. This top up can be from the General Fund or, subject to applying to the Department of Communities and Local Government for the appropriate Direction, from the HRA. It is proposed that £375,000 be added to the HRA budget to support council tenants in receipt of DHP for the current financial year.

Public Sector Housing Capital Programme

14. In February 2014, a 5 year housing public sector capital programme was agreed. A revised capital programme reflecting latest out-turn estimates is shown at Appendix 2.
15. The capital programme follows the principles approved in February 2014 and addresses the following priorities:
 - Continuing investment to target maintaining decent homes;
 - Improving energy efficiency, combating climate change and reducing fuel poverty;
 - Investing in empty homes to ensure that as many of the Council's homes as possible are available for occupation;
 - Maintaining investment, at affordable levels, in community safety, environmental and social programmes such as adaptations for persons with disabilities;
 - Providing new social housing homes within the borough.

16. The revised 2014-15 capital programme includes a proposal for increased expenditure on a number of new build schemes in 2015-16 and 2016-17 funded in part by £6.2m additional borrowing under the Local Growth Fund. It is proposed that Cabinet approve this borrowing, which will contribute towards expenditure of £15.6m on a number of schemes across the Borough. In addition, it is proposed to add a further £11.5m to the new build programme up to 2018-19 in order to meet the council's Right to Buy Replacement target.

Development sites include the former Wren's Nest Estate Office; conversion of the former Archives building at Roseville, Coseley; conversion of the former care home at Arcal Lodge, Sedgley; Middlepark Road, Russells Hall; the former Guest Hospital, Dudley; and a number of smaller housing infill and garage sites across the borough including the redevelopment of 14 to 24 Beech Road, Kingswinford, for which specific approvals are sought in paragraph 18 below.

In total, for the five year period, this will give a budget of £40.6m for new build, equivalent to around 350 new council homes.

17. As a housing authority, we have the option to buy back any properties that have been sold under Right to Buy, and the vendor's solicitors must give us first refusal on purchase. Up to now, we have not exercised this option. We are also able to buy properties on the open market or as part of a mortgage rescue scheme. Over the last five years 54 mortgage rescues have been successfully undertaken in the Borough, one of which was shared equity and 53 of which were mortgage to rent via housing associations. It is proposed to seek approval from Cabinet to exercise our right to buy back former right to buy properties and to buy other properties, either via mortgage rescue or on the open market, subject to a robust assessment that the property will be purchased at a discounted price that offers good value for money and will be sustainable in terms of lettings, maintenance and major works.

18. As part of the new build programme, it is proposed to seek approval from Cabinet for the redevelopment of the site of 14 to 24 Beech Road and to authorise:
- the acquisition of the leasehold interest of flat 22a Beech Road;
 - the termination of the lease of shop 20 Beech Road and the payment of statutory compensation equal to twice rateable value;
 - the rehousing of remaining existing tenants and the payment of homeloss and disturbance payments;
 - approval to acquire or divert vehicular access rights to the rear of 24 Pine Close if necessary;
 - approval of any other agreement necessary to facilitate the redevelopment of the site;
 - approval to use CPO powers for the acquisitions, should negotiation fail.

Sundry Charges

19. At present no charge is made to tenants wishing to buy their council flat for the information pack that must be provided to their solicitor. This is required to set up the leasehold and represents a significant amount of work that is not applicable when tenants buy their house (freehold) under right to buy. Many other housing authorities do make a charge, with neighbouring authorities charging between £45 and £75 per pack. Based on recovering our average costs, we propose a charge of £50, to be levied from 1 January 2015.

HRA Business Plan

20. The financial strategy for landlord housing is the subject of a continuing consultation process that includes tenants and residents.

The key elements of this financial strategy, which presents an overall 30 Year Business Plan and covers a rolling five year period in more detail, include:

- maintain the Decent Homes Standard;
- improve the energy efficiency of the housing stock and address fuel poverty;
- invest in housing stock and minimise the number of void properties;
- review the suitability of the housing stock and explore the feasibility of new build to increase stock and / or replace properties that are in poor condition or that do not meet modern requirements;
- support the aims of the Council Plan - promoting strong, caring communities through the provision of decent housing in a safe and clean environment;
- identify ongoing savings and efficiency gains, through the use of partnerships where appropriate;
- continue to undertake prudent management of reserves and other balances;
- set rents having regard to government rent policy for social housing and our investment needs.

The HRA Business Plan is shown at Appendix 3.

Finance

21. Section 76 of the Local Government and Housing Act places a duty on the Council to ensure that no action will be taken that may cause a deficit to arise on the HRA at 31 March 2015. A duty is also placed on the Council to review the financial prospects of the HRA from time to time. Reviews and regular monitoring carried out confirm that the HRA will be in surplus at 31 March 2015 and therefore complies with the requirements of the Act.

Law

22. HRA finances are governed by Section 74-78B and 85-88 in Part IV of the Local Government and Housing Act 1989. Sections 167-175 in Part VII of the Localism Act 2011 abolish the HRA Subsidy system (Sections 79-84 in Part IV of the Local Government and Housing Act 1989) and introduce self-financing.

Equality Impact

23. The proposals take into account the Council's Policy on Equality and Diversity.
24. This is a financial report concerned with forecasting of income and application of resources. Some areas of proposed expenditure are intended to promote independence and improve quality of life for protected groups.

Recommendations

25. That Cabinet:
- a. recommend that Council approve the revised HRA budget for 2014-15 (para 5-13 and Appendix 1);
 - b. recommend that Council approve the revised Public Sector Housing capital programme for 2014-15 to 2018-19 (para 14-16 and Appendix 2), including the increase in HRA borrowing in 2015-16 and 2016-17 to fund new building under the Local Growth Fund;
 - c. authorise the Director of Adult, Community and Housing Services to buy back former right to buy properties and to buy other properties, either via mortgage rescue or on the open market, subject to a robust assessment that the property will be purchased at a discounted price that offers good value for money and will be sustainable in terms of lettings, maintenance and major works (para 17), and recommend that Council approve that these be added to the capital programme as they are purchased.
 - d. authorise (para 18)
 - the acquisition of the leasehold interest of flat 22a Beech Road
 - the termination of the lease of shop 20 Beech Road and the payment of statutory compensation equal to twice rateable value
 - the rehousing of remaining existing tenants and the payment of homeless and disturbance payments
 - approval to acquire or divert vehicular access rights to the rear of 24 Pine Close if necessary.
 - approval of any other agreement necessary to facilitate the redevelopment of the site.
 - approval to use CPO powers for the acquisitions, should negotiation fail.

- e. approve the introduction of a charge of £50 with effect from 1 January 2015 for the provision of solicitors' information packs for leaseholders (para 19).
- f. agree the HRA 30 Year Business Plan (para 20 and Appendix 3).



.....
Andrea Pope-Smith
Director of Adult, Community and
Housing Services



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Iain Newman
Treasurer

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List of Background Papers - none

Appendix 1

HRA Revised Budget 2014-15

	Original Budget £m	Proposed Revised Budget £m	Variance £m
<u>Income</u>			
Dwelling rents	-88.948	-89.892	-0.944
Non-dwelling rents	-0.738	-0.728	0.010
Charges for services and facilities	-0.243	-0.245	-0.002
Contributions towards expenditure	-0.100	-0.225	-0.125
Interest on balances	-0.011	-0.020	-0.009
Total income	-90.040	-91.110	-1.070
<u>Expenditure</u>			
Management	17.978	15.278	-2.700
Responsive and cyclical repairs	24.073	25.173	1.100
Negative Subsidy	0	0	0
Transfer to Major Repairs Reserve	22.279	22.176	-0.103
Interest payable	17.998	17.760	-0.238
Revenue contribution to capital expenditure	9.712	11.812	2.100
Discretionary Housing Payments	0	0.375	0.375
Other expenditure	1.316	1.314	-0.002
Total expenditure	93.356	93.888	0.532
Deficit in year	3.316	2.778	-0.538
Surplus brought forward	-3.839	-5.613	-1.774
Surplus carried forward	-0.523	-2.835	-2.312

- We are reporting an increase in rental income. This is because we will not need to make the full provision for bad debts that we had estimated in the original budget. Rent arrears have increased, but as yet we are not seeing the level of impact that we had anticipated with the roll-out of the government's welfare reforms.
- The variances between the original and the proposed revised budgets for contributions to expenditure relates to additional income received from leaseholders and tenants' rechargeable repairs.
- We have reviewed the reserves held for housing management activities and propose to release £2.1m to support capital improvement works such as adaptations, heating, kitchens and bathrooms and bringing empty properties back into use. We are also forecasting in-year savings of £600,000 in Management, largely owing to staff vacancies.
- Demand for responsive and cyclical repairs has increased, leading to an increase of £1.1m in the proposed budget.
- Minor variations to interest on balances and interest payable relate to higher balances and savings on interest rates.

- The decrease in the Transfer to the Major Repairs Reserve reflects adjustments to depreciation on Housing non-dwellings.
- We are proposing to contribute £375,000 to the Discretionary Housing Payment budget. This will support council tenants affected by loss of housing benefit because they are considered to be underoccupying their property.

Appendix 2

Proposed capital programme 2014/15 to 2018/19

	2014/15 £'000	2015/16 £'000	2016/17 £'000	2017/18 £'000	2018/19 £'000
Adaptations	2,713	2,647	2,794	2,825	2,887
Central heating	4,031	4,553	4,133	4,179	4,272
Community Safety and Environmental Improvements	275	730	1,131	1,144	1,702
Electrical Installations	1,648	1,622	1,663	1,682	1,848
External Improvement Programme	8,758	9,086	9,543	9,648	9,864
Insulation and Energy Efficiency	3,935	1,332	640	362	370
Minor Works	3,714	3,199	2,566	2,596	2,507
Internal Improvement Programme	3,429	2,414	2,786	2,819	2,638
New Council Housing	1,618	7,538	17,433	6,632	7,400
Tenants Association	66	64	84	85	86
Accommodation and Property	0	571	217	0	0
Void Property Improvements	12,891	12,249	11,096	11,152	11,055
Sheltered Accommodation	0	1,084	0	0	0
Mortgage Rescue	200	178	189	0	0
Grand Total	43,278	47,267	54,275	43,124	44,629

Resources

	2014/15 £'000	2015/16 £'000	2016/17 £'000	2017/18 £'000	2018/19 £'000
Borrowing	0	1,500	4,700	0	0
Major repairs reserve	22,176	22,560	22,834	23,104	23,374
Revenue contribution to capital	11,812	13,000	12,000	12,500	13,700
Usable capital receipts	8,274	10,036	15,250	8,042	8,090
Less usable capital receipts transferred to support private sector housing capital	-484	-496	-509	-522	-535
Other	1,500	666	0	0	0
Grand Total	43,278	47,266	54,275	43,124	44,629

Appendix 3

HRA Business Plan - Thirty Year Business Planning Strategy for Landlord Housing

Purpose

1. The Medium Term Financial Strategy for Landlord Housing (MTFS(LH)) has set out how the Council plans to balance spending pressures and available resources over the medium term, taking into account risks and uncertainties. It relates specifically to the Housing Revenue Account (HRA) and the capital programme for improvement of the Council's own housing stock.
2. The MTFS(LH) should be read in conjunction with the Council's overall Medium Term Financial Strategy (MTFS). The underlying principles set out in the overall document apply equally to the MTFS(LH).
3. In the context of the introduction of Self-Financing for public sector housing, the abolition of the HRA subsidy system, the increased autonomy and flexibility that housing authorities will have to manage their stock and, in Dudley's case, the increased debt taken on, a Thirty Year Business Plan has been developed. This takes into account issues including investment need, treasury management strategy, financial projections and tenants' engagement.

Background

4. The previous financial strategy for landlord housing focussed on the period up to 2010/11 and was determined through the Housing Stock Options Appraisal. This was a year-long consultation process involving a range of stakeholders and culminated in a decision by the Council in April 2005. This strategy showed that, on the basis of financial trends and government policy known at the time, it would be possible to deliver the Decent Homes Standard and other priorities for council housing by 2010, and this was achieved on time.
5. The new financial strategy for landlord housing takes into account the delivery of the Decent Homes Standard and the new opportunities and challenges arising from the introduction of the self-financing system. This is the subject of an ongoing consultation process that includes tenants and residents. The key elements of this new financial strategy, which will cover a rolling five year period, are:
 - maintain the Decent Homes Standard;
 - Improve the energy efficiency of the housing stock and address fuel poverty;
 - invest in housing stock and minimise the number of void properties;
 - review the suitability of the housing stock and explore the feasibility of new build to increase stock and / or replace properties that are in poor condition or that do not meet modern requirements;
 - support the aims of the Council Plan - promoting strong, caring communities through the provision of decent housing in a safe and clean environment;
 - identify ongoing savings and efficiency gains, through the use of partnerships where appropriate;
 - continue to undertake prudent management of reserves and other balances;

- set rents having regard to government rent policy for social housing and our investment needs.

The proposed budget 2014/15 and the MTFSLH)

6. The Decent Homes Standard was delivered by the end of 2010. Resources remain to be required to maintain this standard, and deal with properties where the age of the fittings mean that a replacement is required, and non-decent properties as they become void. The rolling five-year capital programme includes resources to maintain the Decent Homes Standard.
7. A new stock condition survey was commissioned and undertaken during late 2013 to validate and support existing stock investment information. The detailed output of this is being evaluated, but has initially identified a five year investment need to 2018/19 of circa £200m and a 30 year capital investment of circa £750m. In addition there is an estimated demand for around £600m over 30 years required to address ongoing responsive repairs, statutory servicing (e.g. gas appliances) and cyclical maintenance. Further work is planned to be undertaken to develop more detailed 5 and 30 year financial plans that will also consider the financial implications and need delivering other wider housing issues in addition to basic stock 'bricks and mortar' investment such as new build housing, conversions, adapting properties for vulnerable persons and persons with disabilities and estate based improvements to ensure sustainable communities are maintained together with other contingent major repairs. This is planned to be undertaken during 2014/15.
8. This forecast has been based on recent financial trends and our current assessment of the Government's housing finance policy and, like any forecast, should be regarded with caution (risks to the forecast are considered later). In view of our commitment to stock retention and maintenance of the Decent Homes Standard, it is proposed that we continue when necessary to give consideration to the following:
 - ongoing review of spending and resource forecasts;
 - further efficiency and other savings, including those achievable from use of partnerships;
 - addition to and replacement of the housing stock via new build programmes;
 - the level of housing debt;
 - service charges¹.
9. The volume of responsive repairs has generally decreased since the back-log of routine repairs was eliminated over the past few years. The increase in capital investment over the last few years together with efficiencies in the way repairs and capital works are delivered have resulted in significant cost savings.
10. A proposed rolling five-year capital programme has been developed as a continuation of the existing programme to maintain current standards and improvements following the achievement of the Decent Homes standard.

¹ Government subsidy calculations assume charges over and above the rent for special services to flats and for supported housing – the HRA is financially disadvantaged as a result of not applying these charges.

11. Resources have been identified for a new build programme, with £40.6m identified up to 2018/19, which will meet our current Right to Buy Replacement targets and also fund the schemes for which we have Local Growth Fund approval.
12. The table below summarises the 30 year financial business plan (based on the PriceWaterhouseCoopers self-financing 30 year model and detailed in the HRA Estimates 2014-15 detailed 30 year financial plan). This is updated at least annually and will take into account changes in policy. It reflects our current approach of stock retention, maintenance of the Decent Homes Standard, investment in the maintenance and improvement of our stock, and regard to national rent policy.

	Years 1-5 £m	Years 6-10 £m	Years 11-15 £m	Years 16-20 £m	Years 21-25 £m	Years 26-30 £m
Income						
Dwelling rents	-472,880	-532,337	-602,290	-681,436	-770,983	-872,296
Other	-6,001	-6,296	-6,723	-7,194	-7,713	-8,287
Total Income	-478,881	-538,633	-609,013	-688,630	-778,696	-880,583
Expenditure						
Management and maintenance (net of retained surpluses)	212,795	239,555	263,840	291,497	321,780	355,485
Depreciation and transfer to Major Repairs Reserve	114,049	124,078	136,992	151,251	166,993	184,374
Contributions to Capital / Debt Repayment	63,012	83,886	114,811	152,512	196,553	247,354
Interest Payments	89,025	91,114	93,370	93,370	93,370	93,370
Total Expenditure	478,882	538,633	609,013	688,630	778,696	880,583
Balance	0	0	0	0	0	0

Risks to the financial forecast

13. The main risks to the financial forecast are considered below:

Risk	Impact
Inflation higher than forecast	<p>While increased inflation has an impact on costs, in the case of the HRA, it also affects resources, through the rent increase applied.</p> <p>If cost inflation is lower than general inflation as used to determine the rent increase, this will have</p>

	<p>a positive budgetary impact.</p> <p>However, if cost inflation is higher than general inflation as used to determine the rent increase, this will have a negative budgetary impact.</p>
Income levels not achieved	<p><u>Rent loss from void properties</u></p> <p>We have seen over recent years an increase in void properties owing mainly to greater tenant mobility and this has resulted in an increased rent loss of up to 3% of total rent available, although this is now starting to reduce as the impact of recent investment in void property works is beginning to have an effect.</p> <p>We are however seeing an increase in the number of hard-to-let properties, for instance two-bedroom high rise flats and some three-bedroom houses.</p> <p>We have allowed in our forecasts for a rent loss of 2.7% of total rent available.</p> <p>The cost for each 1% void loss is around £1m per annum.</p> <p><u>Rent loss from non-payment of arrears</u></p> <p>As part of the Government's proposed welfare reforms, it is proposed that many tenants will in future start to receive Universal Credit direct and will therefore be responsible for paying their own rent. Currently, tenants in receipt of benefit have their rent paid as a transfer from Benefits. This is likely to lead to an increase in arrears and potentially in bad debts.</p> <p>Around 2,600 tenants of working age in receipt of benefits have already been affected by benefit restrictions from April 2013 as they were deemed to be under-occupying their property.</p> <p>We estimate that around £1.8m rent, which was previously paid directly via Benefits, is now being collected from tenants as a result of the new underoccupancy rules.</p> <p>We have seen an increase in arrears during 2013/14 and 2014/15.</p> <p>The impact of Universal Credit on rent collection</p>

	<p>rates is difficult to assess at this stage, but initial estimates from the pilot projects suggest that the collection rate may fall from the current 98% to 80% - 90%. The management cost of collecting rents is also expected to rise as more payments are made direct by tenants rather than via transfer from the Benefits system.</p> <p>There have been a number of delays to the Universal Credit programme, with only a small number of claimants, very few of whom currently have housing needs, having been transferred to the new system. At the moment the timescale for transfer of more claimants, including those with housing needs, remains uncertain, as does the government's approach to the ICT systems that will be adopted when Universal Credit is rolled out more widely than the current pilot schemes.</p>
Change in rent policy	<p>The national formula setting / advising the maximum rent increase for social landlords is now September CPI plus 1%. "Convergence" has also ended from 2014/15 i.e. one year early, and more flexibility is available for social landlords around charging market rents for more affluent tenants.</p> <p>It is expected that the move from RPI plus 0.5% to CPI plus 1% will be broadly neutral.</p> <p>The decision to increase rents in 2014/15 by only 1.5% effectively superseded any change to the government rent formula, and we have carefully considered the longer-term affordability of our proposed rent increase.</p> <p>Recent government guidance on the changes to social rent policy makes it clear that while housing associations are expected to comply with the policy, housing authorities are expected to have regard to it.</p>
Interest rates higher than forecast	<p>Our debt on housing properties is around £467m following the introduction of self-financing. Hence, interest rate risk is much more significant than it was under the subsidy system.</p> <p>Risk will be mitigated by borrowing at fixed rates and spreading repayment dates to minimise refinancing risk.</p>

Reduction in property values in the borough	Any reduction in property values will reduce the value of usable capital receipts.
Reduction in land sales and capital receipts	<p>We have seen as a result of the general economic situation a diminution in the value received for sale of housing land. We also expect that with a new council house building programme we are likely to be disposing of fewer housing sites.</p> <p>A specific risk applies in relation to £700k of the anticipated receipt for North Priory which is payable as Kickstart grant by the Homes and Communities Agency (HCA) to our developer partners on the successful completion of Phase 1 of the project. This will then be passed on to the Council. We are actively monitoring our developer partners' progress in claiming this grant.</p>
Reinvigoration of Right to Buy	<p>The Government has increased the cap on Right to Buy (RTB) discount from £26,000 to £77,000 per property, and in future years this will continue to increase by inflation annually. The maximum discount for houses has also been increased during 2014/15 from 60% to 70%. The changes have already resulted in increased sales from the last quarter of 2012/13 onwards.</p> <p>However, because the value of the maximum discount has increased and there has been a reduction in the average value of the properties sold, increased sales will not necessarily result in a proportionally greater value of capital receipt income.</p> <p>New regulations have replaced the capital receipts pooling arrangements and require councils to build replacement homes for all extra homes sold under Right to Buy.</p> <p>2014/15 is the last year of the current arrangements, under which councils are required to contribute a share of Right to Buy capital receipts to the Treasury. As yet, we have had no guidance on proposed arrangements from 2015/16 onwards. There is a risk to future new build investment, should funding arrangements change to our disadvantage.</p>

Suitability of stock	Some of our stock is old and nor particularly suited to modern styles of living. In addition, changes to the benefit system mean that some of our properties are less attractive than they were previously (e.g. two-bed high rise flats or three-bed maisonettes). We are already experiencing difficulty in letting such properties, which will lead to a loss in rental income and also potentially an increase in security costs and an increase in anti-social behaviour.
Availability of borrowing	<p>The HRA is currently at the government's borrowing cap, so all capital expenditure on housing stock must be funded from annual revenue (mainly dwelling rent income) or capital receipts from house or land sales. Our strategy is to invest our annual rental income into maintaining and improving our stock, and building new homes as resources permit. In the short to medium term we are not planning to repay any debt, as our priority is improving and extending our stock. However, this restricts the size of any redevelopment / new build scheme as we are not able under current rules to borrow on the strength of future rental income.</p> <p>We have been successful in our bid under the Local Growth Fund to increase our borrowing cap by £1.5m in 2015/16 and a further £4.7m in 2016/17, which will contribute to our new build programme. However, this has set us another challenging target for new build and, like the Right to Buy replacement target, also requires a contribution from other HRA resources.</p>
Unforeseen costs or costs greater than estimated	<p>Any unbudgeted costs would have to be met from economies or reductions in planned spending in the year in which they arise or from any balances available in that year.</p> <p>Calculations indicate that any costs to the HRA arising from Single Status can be met within proposed budgets.</p> <p>We anticipate that any Equal Pay settlement costs would be capitalised through a government dispensation.</p>

Partnerships

14. Housing Services is continuing to deliver on its partnership working and currently has a number of such arrangements, for example:

- Funding partnerships with energy service providers to increase resources under the Government's ECO (Energy Company Obligations) - which replaced CESP from spring 2013 - to deliver energy efficient whole house measures to combat climate change and CO2 emissions in Council Homes.
 - Strategic partnerships that are being delivered in accordance with the principles of Sir John Egan's report 'Rethinking Construction'. Through innovative payment mechanisms, incentivising good performance and modern methods of collaborative working, partnerships are delivering improved services at a measurably lower cost and have allowed valuable and limited resources to be re-invested in the housing stock (eg gas servicing, maintenance and repairs).
 - A strategic partner is also planned to assist in the delivery of new build homes.
15. Procurement consortia and other partnership arrangements will also continue to be used where appropriate, forming partnerships with established bodies to deliver procurement efficiencies.

Meeting of the Cabinet – 29 October 2014

Joint Report of the Director of the Urban Environment & Director of Corporate Resources

Dudley Town Centre Regeneration

Purpose of Report

1. To update Cabinet on regeneration activity in and around Dudley Town Centre
2. To seek Cabinet approval for the inclusion of the proposed improvements to Coronation Gardens in the Capital Programme

Background

3. The Dudley Area Development Framework (ADF) was adopted as supplementary planning guidance by the Council in 2005. Its vision is to achieve comprehensive redevelopment of nine opportunity areas together with public and civic spaces which will act as a catalyst for the transformation of the town centre. Implementation of the ADF is expected to bring significant benefits to the town centre arising from improvements to public and civic spaces and infrastructure, new development, jobs and increased resident population in the town
4. Work is now progressing on the preparation of the Area Action Plan (AAP) for Dudley Town Centre which will update the ADF and bring the policies and proposals in the plan within the development framework for the Borough. This plan will complete the suite of documents for the Borough's Town Centres. The AAP furthers the objectives of the ADF and seeks to gain investor and developer confidence in the Town by creating a greater degree of planning certainty about the regeneration proposals in the Town.
5. Since the adoption of the ADF the following have taken place

[a] Establishment of New Heritage Regeneration Ltd

6. The Arms Length regeneration company, New Heritage Regeneration Ltd (NHRL), was launched on 30 January 2009 and aims to work at arms length to, but on behalf of, the Council and its public sector partners to provide a broad range of expertise in programme management and design, public and private finance, valuation, cost, commercial and legal advice, and funding. It seeks, through close working with the Council, to achieve major regeneration via the complementary skills of the private and public sectors.

[b] Public sector investment

7. A successful programme of land acquisitions in the Town Centre and at the Castle Hill site has been underway since 2007, initially funded by £5.9m of investment from the former Regional Development Agency, Advantage West Midlands. This investment has acted to reduce development risk by bringing land within the control of the Council, and secured an income stream from rental income to support the running costs of NHRL.
8. £2.6m has been secured for the Dudley Town Centre Townscape Heritage Initiative from the following sources;
 - The Council
 - Heritage Lottery Fund
 - Department of Communities and Local Government (DCLG) Growth Points initiative
 - English Heritage's Partnerships in Conservation Areas programme
9. Funds totalling £7.6m have been secured under the European Regional Development Fund's Sustainable Urban Development programme, and in addition, support has been given by the Council and NHRL to successful funding bids totalling £3m submitted by Dudley Zoo and the Dudley Canal Trust to the Heritage Lottery Fund, European Regional Development Fund and the Black Country Local Enterprise Partnership's Growing Places fund

[c] Dudley Town Team (formerly Dudley Town Centre Partnership)

10. The Dudley Town Team has met on a regular basis over the last 5 years. Its membership includes Elected Members and representatives from business, the community and other key stakeholders. The Team will continue to play a key role in allowing effective consultation and engagement with stakeholders as details emerge on individual projects within the ADF

[d] Development activity

Dudley College

11. The Council and NHRL have worked closely with Dudley College to support the major redevelopment of its property in the town centre. The 'Evolve' Further Education Centre and the Sixth Form College opened in September 2012. Work commenced on site in July 2013 on the 'Advance' Engineering Centre and completion is due in October 2014.

Dudley Town Centre Townscape Heritage Initiative (THI)

12. The THI is a Heritage Lottery Fund (HLF) grant giving programme to assist the repair and regeneration of the historic environment within conservation areas in towns and cities. The Council has been successful in securing £2.6m of external funding and is contributing £150,000 from its own funds. The project has been a success, with 11 projects completed and 3 more projects underway, at a total cost of £4.1m. Given the success of the current THI, a Phase 2 bid was submitted to the HLF in August 2014 seeking development funding toward a subsequent bid for £1.1m of HLF funding and for which a decision is expected in January 2015.

Castle Hill & Zoo

13. The opportunity is being taken to ensure that, under the coordination of NHRL and with the strategic engagement of Dudley Zoo, the Black Country Living Museum and the Dudley Canal Trust, ambitious proposals for the site are effectively integrated with town centre development.
14. Funding of £5m has been secured from the European Regional Development Fund's Sustainable Urban Development programme. In addition, support has been given by the Council and NHRL to successful funding bids totalling £3m submitted by Dudley Zoo and the Dudley Canal Trust to the Heritage Lottery Fund, European Regional Development Fund and the Black Country Local Enterprise Partnership's Growing Places fund
15. The Council has taken the opportunity to carry out acquisitions of strategic sites to support the delivery of this project, and in late 2010 secured the purchase of the former Gala Bingo and Royal Brierley sites. The change in location from the Black Country Living Museum car park to the Royal Brierley site has secured a saving of approximately £1m to the Council and provided early and complementary development activity at the Castle Hill site
16. Work is progressing well on site with the first element of the work, the new £5.9m Dudley Archive centre, complete in October 2013. The access from Tipton Road to the site is complete as is the iconic Zoo Chair Lift and the refurbished premises providing new offices for the Zoological Gardens. The secondary access road and first and second phases of the car park infrastructure completed in March and July 2014. The contract for the Visitor Arrival hub building has been let with completion due in March 2015 and tenders are currently being invited for the recreational route which includes access into the Dudley Canal Trust and a separate access to the Black Country Living Museum to serve the new schools reception building, due to commence Jan 2015.

Foodstore developments

17. 3 planning applications have been approved for major foodstores in the Town Centre; 2 on the Cavendish House site and surrounding land and the third on the Falcon House site adjacent to King Street. Each of the 3 proposals includes significant tracts of Council land, and Compulsory Purchase Powers are likely to be required for each. Negotiations are currently underway with developers and operators to assist in the identification of the preferred proposal

Residential developments

18. One of the key principles of the ADF was to increase the population living in and around the Town Centre. Although the delivery of this has been adversely affected by the economic downturn, over 250 new homes are currently being built on the former Wolverhampton University campus site and on the former Gasworks site at Constitution Hill. Development of the former site has been possible as a direct result of Dudley College vacating this site as part of their Town Centre redevelopment strategy

[f] Proposed Tower Street car park

19. An early aspiration in the ADF development programme was the provision of a multideck car park associated with a foodstore in the Tower Street Opportunity Area. A car park in this location is proposed given its convenient location for the Town Centre and to provide car park capacity to mitigate for the loss of car parking elsewhere to development. The Council is proceeding with the development of a multideck pay and display car park in this location, for which a planning application will be submitted in the near future

Public Realm developments

20. A key element of the ADF is the enhancement of the town's public realm; its streets, squares, parks and gardens. Work is underway on the preparation of proposals for enhancements that will support safe, accessible and attractive public spaces. The first of these to be brought forward is the Market Place project, £6m improvements to the Market Place and Castle Street which includes revised layout of market stalls; restoration of the fountain, demolition of the existing toilet block and replacement with improved toilet provision; repositioning of the Duncan Edwards statue; new street furniture, refurbishment of the floorscape with highly durable and natural materials.
21. New Heritage Regeneration is leading on the coordination of this project in close liaison with the Council.
22. ERDF funding for the works has been secured and the first phase of the main construction works, along Castle Street, was completed in August 2014. The second phase based around the Market Place itself commenced in June 2014 and is due to complete in May 2015
23. Given the inability of other projects in the Black Country to meet their expenditure targets, the Local Management Committee of the West Midlands ERDF Programme sent out a call for new projects in June 2014 and as a result the opportunity has arisen to extend the Dudley Market Place project to Coronation Gardens and create a direct link between the town and Dudley College and the Gardens.
24. The purpose of these enhancements is not only to enhance the town's environment but to also improve the visitor experience by connecting the town more strongly with the Gardens and the Dudley College's £28m Town Centre campus development.
25. The proposed refurbishments to Coronation Gardens include the introduction of ramps to make the paths more accessible, a new student/events area including a stage, lighting and seating for outdoor performances; new and improved paving, lighting and furniture, the reinstatement and bringing back into use of the historic Apollo fountain in a similar way to the fountain in the Market Place, and enhancements to paving from Green Man Entry to the Broadway corner of Coronation Gardens in order to help connect this part of the town with the Market Place.

Finance

26. Regeneration activity already approved within Dudley Town Centre, and as set out in this report, constitutes a major investment which has enabled the Council to lever in significant sums of external funding to support its own investment in these projects
27. The estimated cost and proposed funding for the Coronation Gardens project is as follows

Estimated project cost	£1,298,000
Funded by	
ERDF	£717,000
Dudley ADF capital receipts	£581,000

28. Approaches are currently being made to organisations who may be willing to sponsor elements of the proposals, but the funding profile above assumes that these are not forthcoming. In addition, the Council has received £141,000 of Section 106 receipts for Open Space improvements from developments in the vicinity of Dudley Town Centre, which may be available for this project subject to consultations with Ward Members.
29. In the event of sponsorship approaches being successful and subject to consultation on the use of Section 106 receipts with Ward Members, it is proposed that detailed amendments to the funding profile are made under existing delegations granted to the Director of the Urban Environment and Cabinet Member for Regeneration

Law

30. Section 111 of the Local Government Act 1972 enables the Council to do anything that is calculated to facilitate or is conducive or incidental to this discharge of its various functions.
31. Pursuant to Section 1 of the Localism Act 2011 the Council has the general power of competence to do anything that individuals may do.

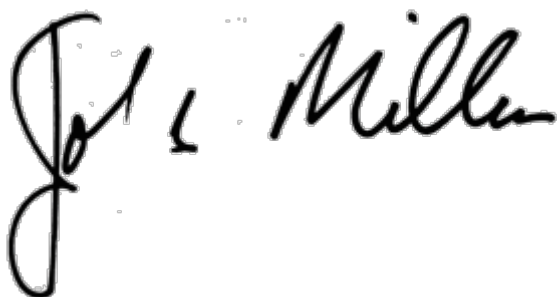
Equality Impact

32. Delivery of the Dudley regeneration programme would bring significant benefits to Dudley town centre. It would have a major positive effect on all users of the town centre including residents, visitors, businesses, investors and developers. Benefits would be achieved for people of all ages, including children and young people,
33. All work undertaken in connection with delivery of the Dudley Town centre regeneration programme will be carried out in accordance with the Council's Equal Opportunities Policy.

Recommendations

34. It is recommended that:

- Cabinet note the regeneration activity underway in and around Dudley Town Centre
- Cabinet recommend the Council approve and include the proposed improvements to Coronation Gardens in the Capital Programme



.....
John B Millar
Director of Urban Environment

Philip Tart
Director of Corporate Resources



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List of Background Papers

‘Developer Selection Protocol’, Dudley MBC Standing Orders

Cabinet Report (16 March 2011) ‘Dudley Town Centre Regeneration’, Joint report of the Directors of the Urban Environment & Corporate Resources

Cabinet Report (17 June 2009) ‘Delivering the Masterplan for Dudley Town Centre’, Joint report of the Directors of the Urban Environment, Law and Property and Finance

Cabinet Report (11 June 2008) 'Delivering of regeneration in the Borough: a proposed arms length company', Report of the Director of the Urban Environment

Cabinet Report (31 October 2007) 'Delivering the Masterplan for Dudley Town Centre', Report of the Director of the Urban Environment

Cabinet Report (13 June 2007) 'Delivering the Masterplan for Dudley Town Centre', Report of the Director of the Urban Environment

Cabinet Report (13 December 2006) 'Dudley Area Development Framework: Cavendish Quarter Compulsory Purchase Powers', Joint Report of the Directors of the Urban Environment and Law and Property

Cabinet Report (15 March 2006) 'Appointment of Consultants in Connection with Dudley Town Centre Area Development Framework', Joint Report of the Directors of the Urban Environment, Law and Property and Finance

Cabinet Report (8 February 2006) 'Dudley Area Development Framework: Cavendish Quarter Compulsory Purchase Powers', Joint Report of the Directors of the Urban Environment and Law and Property

'Dudley Area Development Framework' (December 2005) Dudley MBC

Cabinet Report (21 September 2005) 'Dudley Area Development Framework: Compulsory Purchase Powers', Joint Report of the Directors of the Urban Environment and Law and Property

Executive verbal report (17 December 2003) 'Establishment of the Dudley Town Centre Partnership', Director of the Urban Environment.

Meeting of the Cabinet – 29 October 2014

Report of the Director of the Urban Environment

Business Improvement District

Purpose of Report

1. To seek Cabinet approval to work with Businesses in Halesowen and Stourbridge on the feasibility of Business Improvement Districts in those Town Centres

Background

2. A Business Improvement District (BID) is a business-led and business funded body formed to improve a defined commercial area. Since the creation of legislation enabling their formation in 2003 a number of BIDs have been formed nationally, primarily in town centres, however there are increasing numbers in industrial areas, as well as commercial and mixed-use locations. The BID mechanism allows for a large degree of flexibility and as a result BIDs vary greatly in 'shape' and size.
3. In 2013, a survey carried out by British BIDs, the national association for BIDs, established that the total BID levy across the UK and Ireland in 2012/13 was £51.8m, with a further £44.5m raised by BIDS from other sources.
4. The improvements made by a BID are determined by businesses and local stakeholders and can include core services such as additional cleansing and security or more wide-ranging projects such as recycling, business support, improved infrastructure, area branding and promotion. In addition, BIDs include:
 - A businesses-led partnership for delivering improvements

- The ringfencing of BID levy money for use only in the BID area
- Area promotion
- Networking opportunities with neighbouring businesses
- Assistance in dealings with the Council, Police and other public bodies

5. The benefits that follow a BID are wide ranging and include:

- Increased footfall
- Increased staff retention
- Business cost reduction (shrinkage, crime, joint procurement)

6. Legislation requires that a BID can only be formed following consultation and a ballot in which businesses vote on a BID Proposal or business plan for the area. All businesses eligible to pay the levy are balloted and for a BID to go ahead the ballot must be won on two counts: straight majority and majority of rateable value. This ensures that the interests of large and small businesses are protected.

7. The BID Proposal or Business Plan sets out businesses' priorities for improvements for the area and area services, as well as how the BID will be managed and operated. This document becomes legally binding once a ballot has been won and becomes the framework within which the BID will operate. In addition, an Operating Agreement is entered into between a BID and their local authority governing how the BID levy monies are collected and administered and passed over to the BID.

8. A BID is funded through a BID levy, which is a small percentage of a businesses' rateable value. The majority of BIDs charge 1% of rateable value, however some have opted for higher levies, particularly in locations with lower rateable values such as industrial areas. Once a ballot is successful the BID levy is mandatory for all eligible businesses. BIDs can choose to exclude certain businesses from paying the levy (and therefore from voting in the BID ballot). Many BIDs exclude the smallest businesses and charities; some exclude certain business sectors or types of business.

9. The BID levy is collected by the local authority into a ring-fenced account (called the BID Revenue Account) and passed to the BID Company for use on the

projects and services set out in the BID proposal. In addition, Councils acting as Billing Authorities are permitted to charge the BID participants for collecting the levy.

10. BIDs operate for a maximum of five years. If they wish to continue they must go through a renewal ballot process to secure another BID term of up to five years
11. The BID levy is on business occupiers rather than property owners in line with the business rates system in the UK
12. BIDs are often successful at attracting funding in addition to the BID levy. They are particularly attractive to public sector grant making bodies due to the private sector match-funding available through the BID levy. Local authorities, property owners, and businesses outside the BID area can all provide additional income for BIDs through voluntary agreements.
13. To date there has been little appetite for the development of BIDs in the Borough. A feasibility study was carried out in 2005 in partnership with the Stourbridge Chamber of Trade and this concluded that there would not be sufficient interest to proceed with developing a BID for that Town Centre. The Stourbridge Chamber of Trade has been very effective in promoting events and activities in the town in recent years without the need for a BID, however, the Chamber would welcome the opportunity to work with the Council to explore what benefits would now follow from a BID proposal for the town.
14. The Council has been approached by representatives from Halesowen Chamber of Trade who have expressed interest in the development of BID proposals for Halesowen Town Centre. The basis of their proposal is to ensure the sustainability of regular Town Centre events and marketing such as Halesowen by the Sea, the Victorian Street Fair, and the Christmas Lights Switch on. It would also be fundamental in the continuation and sustainability of the successful Halesowen in Bloom initiative. The additional resource could also ensure that volunteering opportunities by people and community groups could be coordinated and could assist with crime reduction initiatives such as supporting the Dudley Borough Business Crime Partnership.
15. Analysis of the potential yields from a range of BID levy scenarios was carried out for the Council in 2010, and this indicated that a 1% levy on Business Rates

in Halesowen Town Centre would generate £51,668 and a 2% levy £103,337. A 1% levy on Business Rates in Stourbridge Town Centre would generate £91,000 and a 2% levy £182,000

Finance

16. The cost of the feasibility work will be borne by the businesses that will carry out the review. Any input from Council officers will be met from existing resources.
17. If a BID is created, costs to the Council of administering the scheme can be met from the BID levy.

Law

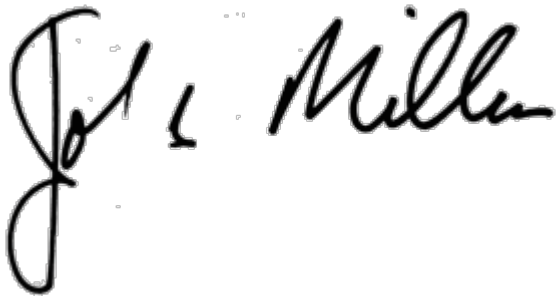
18. Section 111 of the Local Government Act 1972 enables the Council to do anything that is calculated to facilitate or is conducive or incidental to this discharge of its various functions. The restructure and consequent appointments process for the posts will be undertaken in accordance with the Council's employment policies and legislative framework.
19. Pursuant to Section 1 of the Localism Act 2011 the Council has the general power of competence to do anything that individuals may do.

Equality Impact

20. Business Improvement Districts aim to improve and maximise the economic and social benefits for residents, businesses and visitors and are therefore in accordance with the Council's Policies in relation to equality and diversity.

Recommendations

21. It is recommended that the Cabinet authorise the Director of Corporate Resources and the Director of the Urban Environment, in consultation with the Cabinet Members for Finance and Regeneration, to work with Businesses in Halesowen and Stourbridge on the feasibility of Business Improvement Districts in those Town Centres, and where appropriate, the preparation of fully costed Business Plans, prior to consideration at a future meeting of the Cabinet

A handwritten signature in black ink, appearing to read 'John Millar'. The signature is fluid and cursive, with the first name 'John' written in a more compact, stylized manner and the last name 'Millar' in a more extended, flowing script.

John Millar
Director of Urban Environment

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List of Background Papers

Business Improvement Districts; House of Commons Library Standard Note
SN/PC/04591 6 August 2014

Meeting of the Cabinet – 29th October, 2014

Report of the Director of Corporate Resources

Annual Review of the Constitution

Purpose of Report

1. To consider the annual review of the Constitution.

Background

2. The Council introduced its written Constitution in May 2002.
3. Section 37 of the Local Government Act 2000 requires the Council to keep the Constitution up to date. This is reflected in Article 15, which requires the Monitoring Officer to monitor and review the operation of the Constitution in order to ensure that the aims and principles are given full effect.
4. Full Council is responsible for approving changes to the Constitution after consultation with the Cabinet. An exception to this is that the Leader, in consultation with the opposition Group Leader, may approve amendments to the Scheme of Delegation from time to time.
5. The Constitution is an important vehicle by which the Council promotes its overall democratic governance arrangements.
6. The last annual review of the Constitution was undertaken in October, 2013. All previously approved amendments have been fully implemented. Amendments are routinely made to update legal provisions and reflect ongoing operational issues.
7. This report takes account of ongoing changes in the national and local context and it is recognised that further amendments to the Constitution will be necessary during 2014/15 and beyond.

Review of the Council's Senior Management and Organisational Structure

8. A report on the review of senior management and the Council's organisational structure was considered by the Council on 13th October, 2014. The restructuring proposals have major implications for the Council's Constitution, with particular reference to Cabinet and senior officer portfolios/delegated powers and the need for a review of the existing scrutiny arrangements.

9. Following the appointment of the Chief Executive, Strategic Directors and Chief Officers during October and November, 2014, a consultation exercise will take place during December and January concerning functions at fourth tier management level. These changes will need to be reflected in the Constitution.
10. In view of the ongoing restructuring process, I would request authority to make any urgent, necessary or consequential changes to the Constitution, for example to update terminology or post titles. The Constitution will need to be frequently updated to reflect ongoing decisions of the Council. The development of Scrutiny Committee structures and associated arrangements will be a member-led process. A report will be submitted to the Overview and Scrutiny Management Board in December to give consideration to this work in advance of the 2015/16 municipal year. It is recommended that the five existing Scrutiny Committees should continue unchanged for the remainder of this municipal year to complete the work previously allocated to them in the Annual Scrutiny Programme.

Integrated Transport Authority - Establishment of an Overview and Scrutiny Committee

11. During the process for the reform of the Integrated Transport Authority (ITA) earlier this year, the Department for Communities and Local Government indicated that, along the lines of combined authorities, they would like to see an Overview and Scrutiny function for the new ITA. This is to ensure that there is representation from minority parties given there will only be one member per authority on the ITA, and there should be cross party involvement in long term decisions made on transport.
12. At its meeting on 18th September, the ITA agreed to the establishment of a Joint Overview and Scrutiny Committee and its Terms of Reference. Further, that the model for the Committee be based on the principles used for the Police and Crime Panel; and that the appointment of Members to the Committee shall be made by the Authorities with a view to ensuring that the balanced appointment objective is met so far as is reasonably practicable.
13. The ITA has agreed to establish an Overview and Scrutiny Committee as set out in the attached Terms of Reference at Appendix 1 to this report.
14. Membership will comprise twelve elected members appointed on an annual basis by the Authorities.
15. (a) One Member appointed by each of the following Councils, subject to that appointee being the Elected Mayor if any Councils operate such a system of governance:
 - Birmingham City Council
 - Coventry City Council
 - Dudley Metropolitan Borough Council
 - Sandwell Metropolitan Borough Council
 - Solihull Metropolitan Borough Council
 - Walsall Metropolitan Borough Council
 - Wolverhampton City Council

(b) Two further Members to be nominated by Birmingham City Council and appointed by the West Midlands Joint Committee.

(c) Two further Members to be jointly nominated by Dudley, Sandwell, Walsall Metropolitan Borough Councils and Wolverhampton City Council (via the Association of Black Country Authorities) and appointed by the West Midlands Joint Committee.

(d) One further Member to be jointly nominated by Coventry City Council and Solihull Metropolitan Borough Council and appointed by the West Midlands Joint Committee.

16. Following the local elections in 2014 and recent change in political leadership at Walsall MBC, the following political balance applies to the West Midlands ITA Overview and Scrutiny arrangements: Labour 8, Conservative 3 and Liberal Democrats 1.
17. Each district council is responsible for making its own individual appointment. Appointments to the remaining 5 elected member places will be considered by the West Midlands Joint Committee in line with similar arrangements that apply to the West Midlands Police and Crime Panel.
18. The Joint Scrutiny Committee will be hosted under local governance arrangements by Wolverhampton City Council. The Managing Director of Wolverhampton City Council will be Clerk to the Joint Scrutiny Committee.
19. Wolverhampton City Council's Standing Orders will apply to the Joint Scrutiny Committee. The Host Authority will also provide Section 151 (Financial) and Monitoring Officer (Legal) roles to the Joint Scrutiny Committee.

Openness of Local Government Bodies Regulations 2014

20. Further to previous guidance issued by the Department for Communities and Local Government, the above Regulations were issued during the summer of 2014. The Regulations have two main effects – (i) requiring Councils to make available reasonable facilities for members of the public to report on both executive and non-executive meetings using any communication method, including the internet; and (ii) requiring significant officer decisions, both executive and non-executive, to be recorded and published.

Reporting of Meetings

21. The Regulations are designed to enhance people's rights to report on meetings in digital and social media.
22. The Regulations increase the rights of the press and public to film, audio record, take photographs and use social media (eg: Twitter/Facebook) and the internet to report on any meetings that are open to the public.

23. The Council already provides “reasonable facilities” to facilitate reporting. The rules do not allow oral commentary as this would be disruptive. We are encouraged to embrace the use of modern technology and allow maximum openness and transparency at all public meetings, including Community Forums.
24. Dudley’s Constitution already states that the Council has no objection to the use of social media, blogging or similar electronic facilities during any meetings to which the public have access.
25. However, the new Regulations have removed the requirement for the consent of the meeting to be obtained in advance. Individuals do not need to seek prior approval, however, it is good practice that anyone wishing to film or record should notify the relevant officers (eg: Democratic Services) beforehand so that any necessary arrangements can be made and reasonable facilities made available.
26. There is no legal requirement for any meetings to be webcast. Meetings of the full Council are currently recorded for live broadcast on the Internet. The recordings of the Council meeting are not currently retained following the live broadcast, however, given the extension of the rights of individuals to make their own recordings, it is recommended that, in future, the Council meeting is broadcast via the Council’s You tube channel. The recording would then be retained on the website.
27. Arrangements are in place to advise members of the public attending meetings that the proceedings may be recorded (eg: in the Chair’s announcements, notices in Council Chamber and meeting rooms and a statement on agenda papers). Guidance has been issued to Chairs and Lead Officers on the procedures for dealing with any disruptive behaviour or any objections from individuals concerning them being filmed or recorded.
28. It is recommended that Council Procedure Rule 24.6 be amended to provide that the Council has no objection to recording, filming, photography, use of social media, blogging or any similar electronic facilities during any meetings to which the public have access provided that the use of any equipment does not disrupt the meeting or the lawful transaction of business.

Publishing ‘Significant’ Officer Decisions

29. The new Regulations also require that certain decisions made by officers under both executive and non-executive delegated powers are recorded and published (unless they contain exempt or confidential information) in much the same way that Cabinet Member/Key Decisions are currently published. The Regulations require officers to make written records of certain decisions and make them available to the public along with any relevant background papers.
30. The form of the written record is for the Council to decide, but some guidance is given in the DCLG Guide. This is generally in line with the Council’s standard format for decision sheets and Committee reports, the latter being contained in the Constitution.

31. There is no definitive list of the decisions that need to be recorded and the exact scope of the new Regulations is difficult to determine. The Regulations do, of course, complement existing rights to access documents through the use of Freedom of Information legislation and local transparency arrangements. In the interim, I have taken steps to ensure that the Council complies with these Regulations either by the use of systems that are already in place or by publishing relevant decisions on the Committee Management Information System via the Internet.
32. As referred to above, the Regulations require local government officers to make a written record of certain decisions and to make the record available for inspection by members of the public. An officer, who without reasonable excuse, either intentionally obstructs a person exercising the right to inspect, or refuses a request to provide a written record or background papers, is guilty of a criminal offence and is liable on summary conviction to a fine not exceeding level 1 on the standard scale.

Employee Code of Conduct

33. The Employee Code of Conduct is subject to an annual review process. Following consultation with trade unions no significant issues or amendments have been raised for 2014. However, as a result of changes to Contract Standing Orders last April, the following revised paragraph needs to be inserted into the employee code to ensure consistency:

3.7 Contractors

Employees are reminded of the requirements of paragraph 4.1. of Contract Standing Orders which states that:-

"No employee, member, spouse or other close relative will supply goods, services or carry out works unless they have been procured by competitive tender or quotation. The same applies to any company, partnership or firm in which they have an interest."

"Other Close Relative" shall include but shall not be limited to a person cohabiting on a similar basis to a spouse, a civil partner, a parent, grandparent, uncle, aunt, son, daughter, grandson, grand-daughter, brother, sister, niece or nephew of the employee or member or their spouse or cohabitee, whether the relationship is through blood, marriage or adoption.

Anti –Social Behaviour, Crime and Policing Act 2014

34. The above legislation is in effect from 20th October 2014 and the majority of powers relate to Adult, Community and Housing Services and Children's Services.
35. Some of the powers under the Act relate to Urban Environment concerning the prevention of nuisance and annoyance; provision for community protection notices and public spaces protection orders (provision for premises closure notices and orders to be issued and made in respect of premises which cause nuisance to the public); the Act will also amend the provisions of the Dangerous Dogs Act 1991, etc.

36. The Act introduces a series of 'tools' available to deal with Anti-Social Behaviour, replacing a number of previous provisions. Alongside a general reference to the Act, the following delegations will need to be included in the Constitution under the portfolios of the relevant Cabinet Members and onward delegations to Officers:

- Injunction (replaces Anti Social Behaviour Order/Anti Social Behaviour Injunction/Individual Support Orders and Drinking Banning Orders)
- Criminal Behaviour Order (replaces Criminal Anti Social Behaviour Order)
- Closure Order (replaces Crackhouse and Premises Closure Order)
- Community Protection Notice (replaces certain Environmental Powers)
- Public Spaces Protection Order (replaces certain Orders relating to the control of land)

Powers Relating to Dangerous Trees and Functions of the Development Control Committee relating to Trees

37. The list of delegated powers, under the portfolio of the Cabinet Member for Transport, currently refer to 'Dangerous Trees (other than those on Education land or those abutting highways)'. The words in brackets have caused some confusion in that there are no other references in the Constitution to similar powers being undertaken by any other Cabinet Member(s) or Officers. Accordingly, it is recommended that the words in brackets are deleted for the purposes of clarity.
38. A number of amendments are required to the delegated functions under the Development Control Committee to bring the functions relating to trees in line with the way in which other development control applications are dealt with. This will ensure that the same criteria are applied to all applications. The wording of these amendments will be agreed in consultation with the Director of the Urban Environment and the Chair and Vice-Chair of the Development Control Committee prior to implementation.

Finance

39. There are no financial implications arising from this report. Any costs arising from compliance with the Constitution are met from existing budgets.

Law

40. Section 37 of the Local Government Act 2000 requires the Council to keep its Constitution up to date.

Equality Impact

41. This report complies with the Council's policies on equality and diversity and there are no particular implications for children and young people.

Recommendations

42. The Council be recommended:
- (a) That the Director of Corporate Resources be authorised to make any urgent, necessary or consequential changes to the Constitution arising from the ongoing review of the Council's Senior Management and Organisational Structure.
 - (b) That the Overview and Scrutiny Management Board consider revisions to the Council's Scrutiny Committees and associated scrutiny arrangements in advance of the 2015/16 municipal year with a view to recommendations being submitted to the annual meeting of the Council in May, 2015.
 - (c) That the creation of the ITA Overview and Scrutiny Joint Committee in the form set out in the report and at Appendix 1 be approved.
 - (d) That a Member be appointed as this Council's representative on the ITA Overview and Scrutiny Joint Committee.
 - (e) That West Midlands Joint Committee be given delegated powers to determine the remaining places on the ITA Overview and Scrutiny Joint Committee on the principles set out in this report and Appendix 1 in order to establish political proportionality.
 - (f) That the Director of Corporate Resources be authorised to agree and enter into such documents that are necessary to give effect to the above decisions concerning the ITA Overview and Scrutiny Joint Committee.
 - (g) That the proposals set out in this report to comply with the Openness of Local Government Bodies Regulations 2014 be approved, including the amendment of Council Procedure Rule 24.6 as referred to in paragraph 28.
 - (h) That the amendment of the Employee Code of Conduct, as set out in paragraph 33, be endorsed.
 - (i) That appropriate references to the Anti –Social Behaviour, Crime and Policing Act 2014 and the specific provisions referred to in paragraph 36 be included in Part 3 of the Constitution under the portfolios of the relevant Cabinet Members and Officers.

- (j) That the proposed amendments to the powers relating to dangerous trees and the functions of the Development Control Committee relating to trees be approved, subject to the revised wording of the Development Control Committee terms of reference being agreed by the Director of Corporate Resources in consultation with the Director of the Urban Environment and the Chair and Vice-Chair of the Development Control Committee.



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Director of Corporate Resources

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List of Background Papers

The Council's Constitution - Full copy on the Council's Website

**West Midlands Integrated Transport Authority Joint Overview and Scrutiny
Committee - Terms of Reference**

1. Governance

The Joint Overview & Scrutiny Committee will act as a Joint Committee under sections 101 and 102 Local Government Act 1972 and s9F Local Government Act 2000 (as amended).

1.2 Access to Meetings

Normal rules apply as to public access i.e. as a Joint Committee the public has access except for exempt business.

1.3 Host Authority

1.3.1 The Joint Overview & Scrutiny Committee will be hosted under local government arrangements by Wolverhampton City Council and the Managing Director of Wolverhampton City Council shall be Clerk to the Joint Scrutiny Committee.

1.3.2 Wolverhampton City Council Standing Orders will apply to the Joint Scrutiny Committee (save for section 5 below).

1.3.3 The Host Authority will also provide s151, Legal support and Monitoring Officer roles to the Joint Scrutiny Committee.

1.3.4 Administration costs will be met by the ITA Levy.

2. Objects of ITA Scrutiny Committee

2.1 To review and/or scrutinise decisions made, or other action taken, in connection with the discharge of any functions which are the responsibility of the WMITA.

2.2 To make reports or recommendations to the WMITA with respect to the discharge of any functions which are the responsibility of the WMITA.

2.3 To undertake the following as required:

- Consider the draft policies and strategies which the ITA will be progressing in the upcoming year, to be identified via the Forward Plan
- Identify policies or areas to review if necessary
- To examine areas of best practice and highlight national issues that may be of relevance
- To have oversight of the progress of Transport policy and strategy

3. Membership

3.1 One member from each constituent authority and then Section 7(b),(c) and (d) becomes applicable.

3.2 Power for the committee to co-opt other non-voting members as it sees fit.

3.3 Members of the Joint O&S cannot be members/subs of the ITA or Centro Members

4. Voting

- 4.1 One member one vote for local authority members i.e. twelve in total.
- 4.2 Conflicts of Interest will be dealt with in accordance with the Members Code of Conduct of the Host authority.

5. Quorum

- 5.1 Four members present at the meeting.

6. Meetings

- 6.1 The Chair of the Meeting will be elected at the first meeting of the Committee at the start of each municipal year. A Vice Chair shall also be elected at the same meeting.
- 6.2 Meetings are to take place when the Committee considers it expedient to have an overview of the overall expressed purpose and intended outcomes of the WMITA provided that a minimum of one meeting of the Scrutiny Committee shall be held in each municipal year.

7. Elected Member Appointments

The WMITA Overview and Scrutiny Committee consists of twelve elected members appointed on an annual basis by the Authorities as follows:

- (a) One Member appointed by each of the following Councils, subject to that appointee being the Elected Mayor in the case of those Councils operating such a system of governance:

Birmingham City Council
Coventry City Council
Dudley Metropolitan Borough Council
Sandwell Metropolitan Borough Council
Solihull Metropolitan Borough Council
Walsall Metropolitan Borough Council
Wolverhampton City Council

- (b) Two further Members to be nominated by Birmingham City Council and appointed by the West Midlands Joint Committee.
- (c) Two further Members to be jointly nominated by Dudley, Sandwell, Walsall Metropolitan Borough Councils and Wolverhampton City Council (via the Association of Black Country Authorities) and appointed by the West Midlands Joint Committee.
- (d) One further Member to be jointly nominated by Coventry City Council and Solihull Metropolitan Borough Council and appointed by the West Midlands Joint Committee.
- (e) Appointments shall be made in accordance with sections 15 and 16 of the Local Government and Housing Act 1989 in order to reflect political balance.
- (f) Allowances will not be paid, but travelling expenses will be re-imbursed.

Meeting of the Cabinet – 29th October 2014

Report of the Director of Corporate Resources

Annual Review of Equality 2014

Purpose of Report

1. To consider the annual review of equality for 2014, a full copy of which is available in the members' room and electronically on the Council's committee management information system (CMIS).

Background

2. An annual review of equality is prepared for the Cabinet. This gives an overview of progress in implementing equality objectives and progressing equality work.
3. The Council's current three-year equality scheme was approved by the Cabinet in March 2012. The scheme sets out the equality objectives that the Council has identified in response to the requirements of the specific public sector equality duties under the Equality Act 2010, along with a range of information around the Council's approach to equality. The annual review provides a summary of progress in implementing the scheme's objectives, along with other relevant information which includes analysis relating to the Council's workforce and employment record. This contributes to meeting the specific public sector equality duty to publish equality information that demonstrates how the council is meeting the general duty.
4. The 2014 review outlines significant progress against the majority of the published equality objectives. The review also notes that there have been no major changes to the public sector equality duty following the review carried out by the Government which reported twelve months ago. The Government has also not put forward any proposals to change the way challenges to how public authorities have met the duty are dealt with through judicial reviews, following its wider review of the judicial review process during the year.

5. The draft review was circulated to members of the Corporate Performance Management, Effectiveness and Efficiency Scrutiny Committee for comment, in line with its lead scrutiny role on corporate equality issues.

Finance

6. Any costs which might be associated with responding to the issues raised in the report which cannot be met from within existing budgets will need to be assessed in due course.

Law

7. The Equality Act 2010 replaced the previous anti-discrimination laws with a single Act. The first duties of the Act came into force on 1st October 2010.
8. The general public sector equality duty under the Act came into force on 5th April 2011 requiring public authorities to pay due regard to the need to eliminate discrimination, harassment and victimisation, advance equality of opportunity and foster good relations covering the protected characteristics of age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, sex and sexual orientation.
9. The Equality Act 2010 (Specific Duties) Regulations 2011 required public authorities to publish equality information by 31 January 2012 (and annually thereafter) and equality objectives by 5th April 2012 (to be reviewed at least every 4 years).

Equality Impact

10. The review contains a range of information, monitoring data and analysis relating to the impact of the council's policies and practices on promoting equality and the achievement of equality objectives in relation to both services and employment. More information is given in the Directorate of Children's Services strategic plan on the promotion of equality relating to children and young people.

Recommendation

11. It is recommended that the Cabinet approves the annual review of equality 2014.



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List of Background Papers

Dudley MBC employment monitoring data

Annual Review of Equality 2014



October 2014

Dudley Metropolitan Borough Council

Annual Review of Equality 2014

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1. Introduction

- 1.1 The annual review of equality provides a wide range of information about Dudley Council's work to advance equality. The review has been produced for a number of years well before any legal requirements to publish equality information were introduced, but currently contributes to meeting the specific public sector equality duties (PSED) under the Equality Act 2010. These require the publication of information demonstrating how the council meets the general duty under the Act. Other information about how the council is meeting the duty is published on its website at www.dudley.gov.uk/community-and-living/equality-diversity. In particular, the annual review reports on progress with the council's equality objectives, which are published in the council's equality scheme 2012-15, and provides an update on council employment data.
- 1.2 The annual review presents an opportunity for elected members to scrutinise the council's progress on equality. It is circulated to the scrutiny committee which has the responsibility for council-wide equality work – the Corporate Performance Management, Efficiency and Effectiveness Scrutiny Committee – and submitted to the Cabinet for approval.
- 1.3 Directorates also produce annual reports on their equality actions set out in their equality action plans or strategic plans. These can be found on the council's equality web pages as well.

2. National developments in law and policy

- 2.1 Following a few years of significant change, there have been no major developments in equality legislation over the last year. The completion of the Government's review of the public sector equality duty (PSED) which reported in September 2013, noted in last year's annual review, has resulted in no new proposals to amend legislation. Instead, the Government has begun exploring the opportunities for encouraging behaviour change by means other than equality legislation.
- 2.2 More minor changes have been put in place through the Enterprise and Regulatory Reform Act 2013 which has removed from the Equality Act 2010 the third party harassment clause (whereby employers were liable for harassment of their employees by third parties, such as customers) and changed the information gathering process for employment tribunals. The 2013 Act also requires the government to add caste to the protected characteristic of race in the Equality Act 2010. The Equality and Human

Rights Commission published research in the spring into the nature and extent of caste discrimination in Britain, which is due to be followed by Government consultation on the content of legislation to take place in the autumn.

- 2.3 The first marriages under the Marriage (Same Sex Couples) Act 2013 took place on 29th March 2014.
- 2.4 With the Government not proposing any changes to the PSED, the duty as it stands continues to be tested through the courts with more challenges to public authorities' decisions during the year. The frequency and level of success of such legal challenges has reduced to some extent as public authorities have become much more aware of and have responded appropriately to their responsibilities under the law. The Government carried out a consultation during 2013/14 on further changes to the judicial review process, including a call for suggestions as to how to settle disputes relating to the PSED without resorting to judicial review. Most responses to this indicated support for continuing to deal with PSED challenges through judicial review and the Government has not followed this up with any proposals.

3. Local priorities

- 3.1 The council's equality scheme 2012-15 was approved in March 2012. The scheme sets out the council's approach to equality and how it meets the requirements of the Equality Act 2010. The scheme sets out some background facts and figures about people with protected characteristics in the borough, describes officer and member roles and responsibilities and outlines processes in relation to equality work. It identifies key equality issues for the borough, challenges for equality and the council's statutory equality objectives.
- 3.2 The scheme is due for review during the current year and this review will need to be carried out in the context of the continuing budget reductions, the changing role of the council and the senior management and directorate restructuring. 2015 will also see the next General Election, the outcome of which may signal some significant changes to equality policy nationally that will have an impact on what the council needs to do locally.
- 3.3 The issues and challenges set out in the scheme in March 2012 are in the main still relevant but will need revisiting and the council objectives arising from them updating. One significant change since 2012 is the transfer of the Office of Public Health to the council which provides opportunities for the

council to play a much greater role in addressing with partners the challenges around health inequalities. The equality issues and challenges identified in March 2012 were relating to:

- the needs of an ageing population
- high and rising unemployment levels amongst young people
- child poverty and troubled families
- the impact of welfare reforms
- health inequalities
- the impact of the Localism Act and the development of 'Our Society in Dudley'
- respect and dignity – hate crime, harassment and domestic abuse
- council employment issues, including implementing the pay and grading review, improving recruitment and retention of disabled employees, improving training and employee competencies

4. Equality scheme objectives

- 4.1 The published equality objectives are set out in full at appendix 1. These were selected on the basis of action that the council could reasonably take to address some of the issues and challenges highlighted in paragraph 3.3 above, recognising that national policy and the economy, together with other organisations, would have a substantial influence over and above the role the council could play in addressing these issues. The following paragraphs provide a summary of progress and achievements against these objectives.

Narrowing the gap in educational achievement (objectives 1 and 2)

- 4.2 In this information about narrowing the gap the 'attainment gap' refers to the difference between the numbers of pupils gaining five or more GCSEs at grade A*-C including English and Maths and those who do not. The overall Dudley pupil average attainment at this level has been broadly in line with the England average since 2010. The ability of the local authority to influence school performance has, however, reduced significantly over the last few years with declining resources, and increases in the number of academies and school independence.
- 4.3 Attainment for looked after children (LAC) in Dudley has been higher than in England since 2010 but for the first time in four years Dudley LAC were broadly in line with England LAC in 2013. Provision of educational support for LAC, both through schools, and private tuition, was judged to be good with outstanding features in 2012. Since that time resources for private tuition have

been significantly reduced due to the withdrawal of funding by the HSBC bank.

- 4.4 The attainment gap between pupils eligible for Free School Meals (FSM) and their peers has remained largely consistent since 2011 at around 33%. School inspections focus closely on the progress of this group and it is increasingly a contributory factor to some schools receiving adverse judgements.
- 4.5 Pupils with Special Educational Needs include both pupils that have a statement and those that have been identified by schools as in need of extra support. As a consequence there are inconsistencies in the number and characteristics of children that are identified as having SEN from school to school. The attainment gap for pupils who have been included has decreased slightly since 2011 but remains close to 50% (49.2%) in 2013.
- 4.6 Additional funding (on average c £1000 per annum) is provided to schools for 'disadvantaged' children (eligible for pupil premium i.e. for FSM or LAC for six months). School inspections focus closely on how effectively this money is used to support the target group and it is increasingly a contributory factor to some schools receiving adverse judgements. The attainment gap has decreased from 53.8% in 2011 to 49.2% in 2013. Actual attainment for this group has risen in this period from 23.1% of cohort in 2011 to 25.4% in 2013.
- 4.7 Looking at attainment by ethnic groups, Indian ethnic group attainment is consistently higher than overall Dudley performance. Pakistani ethnic group attainment is consistently lower than the overall Dudley performance. Gypsy, Roma and Traveller and Yemeni ethnic groups' attainment is consistently lower than the overall Dudley performance but there has been some improvement for the Yemeni group in 2012 and 2013. Other ethnic groups' attainment varies throughout the five year period since 2009.
- 4.8 Girls continue to outperform boys in gaining five or more GCSEs at grade A*-C including English and Maths. White disadvantaged boys are the largest underperforming group in the borough.

Affordable housing provision (objective 3)

- 4.9 There is an on-going programme to deliver affordable housing provision across the borough, through partnerships with Registered Providers and in-house provision. 115 affordable completions were completed during the year against a target of 94 affordable homes for the full year (2013/14). Completions included additional general needs housing at Friars Gate, Dudley - as part of the ongoing delivery of this project; St James Mews, Dudley;

Himley View, Pensnett; and Coombs Road, Halesowen; delivering a range of house types including 2 and 4 bed houses. Four bungalows for people with learning disabilities were also completed in the last quarter of the financial year.

- 4.10 The future delivery programme includes completion of the Borough's third extra care scheme at the former Cradley High School site by March 2015. This will deliver 100 affordable homes for older people. Work is ongoing on the inclusion of some apartments for persons with dementia at the fourth extra care scheme in Stourbridge. The design will incorporate the Stirling School of Architecture standards for accommodation for people with dementia. It is anticipated that the scheme will be on site by March 2015.
- 4.11 The former Gibbs Road House has now been demolished and construction work has commenced on its replacement – a new direct access homeless scheme with move-on accommodation which will offer greater opportunities for residents to benefit from training and to develop new skills. The new scheme will be operational from early in the next financial year (2015/16).
- 4.12 The council's bid to the Care and Support Specialised Housing Fund to build 14 apartments for people with learning disabilities was successful and work is in progress to deliver the two schemes by June 2015. A bid to the Homes and Communities Agency to convert Arcal Lodge, Sedgley, the former council residential care home, into 14 new affordable homes has also been successful. This will help to meet needs in the borough for smaller homes and, in particular, accommodation suitable for people with disabilities and older people. It is anticipated that this scheme will be completed by May 2016.
- 4.13 A total of £13.4m to deliver over 100 new council homes over the 4 year period to 2017/18 has also been included within the council's capital programme. This programme is being funded from Housing Revenue Account resources and right to buy receipts as part of the council's commitment to the Government's one for one replacement. Two schemes are already under way and feasibility studies are being carried out on a number of other potential sites.

Welfare reforms and financial inclusion (objective 4)

- 4.14 A range of action continues to be taken to advise and support people affected by welfare reforms or who may be facing financial difficulties. For example, the council's housing services provides a housing support drop-in service, which is available to anyone who needs assistance to maintain their independence. Advice and guidance is available at these sessions about

many issues, ranging from budgeting and finances, welfare benefits, completing a range of application forms and available local resources. This service provides individuals with the opportunity to speak to someone about their problems in an informal setting.

- 4.15 The council's energy advice team supported Fuel Poverty Awareness Day on Friday 28 March by encouraging residents to be aware of the issue of fuel poverty and to seek advice and support from its Dudley energy advice line. The free advice line is a dedicated telephone helpline, run by impartial energy experts for the council, to help residents keep their homes affordably warm.
- 4.16 During 2013/14 the council absorbed the 10% reduction in Government subsidy with the localisation of council tax benefit, costing around £2.4 million. As noted in the 2013 annual review, given budget pressures, this decision to fund fully the reduction was not likely to be sustainable into the future. The council in December 2013 agreed that the council tax reduction scheme be amended from 1 April 2014 with a 20% cut in the resulting level of the reduction, but that a transitional arrangement of an 8.5% cut in the calculated reduction apply at least until 31st March 2015 with full protection from any scheme changes being given to pensioners (required by law), war pensioners, disabled adults and children, and lone parents with a child under 5 years.
- 4.17 The council recognises the impact that poverty has on people's life chances, and the contribution that may be made by changes in welfare provision. The range of action is being translated into a strategy for tackling poverty which is currently being drafted.

Localism and 'our society in Dudley' (objective 5)

- 4.18 The council, alongside Dudley Council for Voluntary Service, has been working with a number of community groups interested in community asset transfer or sharing resources, for example, community centres. This is providing a range of different communities with the opportunity to run and develop their own facilities, and is proving a more fruitful avenue for communities to pursue than the new rights under the Localism Act 2011. As required under the Act, a process is in place to deal with any nominations for assets of community value received¹. There has been little interest locally in nominating assets of community value.

¹ Voluntary and community organisations and parish councils can nominate an asset to be included in a 'list of assets of community value'. If the owner of a listed asset then wants to sell the asset a moratorium period will be triggered during which the asset cannot be sold. This is intended to allow community groups time to develop a proposal and raise the required capital to bid for the property when it comes onto the open market at the end of that period.

- 4.19 Similarly, the Right to Challenge gives community groups, parish councils and local authority employees the right to submit an “expression of interest” in taking over and running a local authority service, for which a window has opened for 2 months of each year (May and June), but again there has been little interest.
- 4.20 A new strategy for community engagement is being drawn up, together with some actions, which should support the aspirations of the council in becoming a community council in ensuring that the council engages closely with its different communities. Tools and guidance for engagement are being updated.

Hate crime (objective 6)

- 4.21 Work continued during the year through the community safety partnership Safe and Sound on tackling hate crime which has been highlighted as a partnership priority, with, for example, agreements in place for the prompt removal of hate motivated graffiti. A regional hate crime group of local authority leads shared information and good practice across the region.
- 4.22 The police (including on-line reporting through the ‘True Vision’ site), Dudley Council Plus and Victim Support are the major reporting facilities for hate crime in the borough, and further third party reporting centres have been added during the year, including St Thomas’s Network, Halesowen Yemeni Community Centre and Baitul Ghafoor Mosque, Halesowen. The Dudley Safe and Sound website had been improved with a specific reporting facility on the home page and is updated as new reporting centres are designated. The True Vision site provides downloadable materials such as posters, particularly useful for those setting up the third party centres.
- 4.23 The ‘Safe Places’ scheme, supported by the council and other partners within Safe and Sound, led by Dudley Voices for Choice (a local user-led voluntary organisation of people with a learning disability), now includes 27 locations across the borough. Initially set up to develop effective reporting mechanisms for disabled people, expanding the support to other groups is being discussed.
- 4.24 The Directorate of Children’s Services has updated the process for schools to report racist incidents and a number of initiatives such as ‘Show Racism the Red card’ events and anti-bullying debates were held over the year with the community safety team, including tackling issues such as on-line bullying.

- 4.25 The use of civil remedies such as restorative justice options as a response to hate crime are being explored where appropriate. Training has been rolled out and an evaluation of outcomes would be considered as these options are delivered.

Domestic abuse (objective 7)

- 4.26 A number of campaigns continue to be run to highlight domestic abuse. 'Domestic abuse isn't always obvious', which is intended to tackle underreporting amongst particular groups, has been running for over two years. It includes information cards and a YouTube video and has received interest both from the Home Office and the United Nations.
- 4.27 The Home Office changed the definition of domestic abuse during 2013 to include 16-18 year olds. As many young people suffering from abuse do not recognise that they are being abused, raising their awareness of what it constitutes is an important step. The Home Office has funded all local authorities for training to take on awareness raising around child sexual exploitation, sexual violence and honour-based violence and an officer in the community safety team is taking on this part-time role.
- 4.28 Work on tackling child sexual exploitation is also being carried out through the safeguarding children arrangements. Councils in the West Midlands county, along with the police and other organisations, are working together to raise the profile of child sexual exploitation. The 'See Me, Hear me' campaign was launched in June 2014 aiming to protect children at risk by increasing people's understanding of child sexual exploitation and how to spot the warning signs in a child's behaviour. There will be targeted resources, such as information packs, aimed at parents, schools, relevant businesses and the children and young people themselves, and a website has been developed at www.seeme-hearme.org.uk
- 4.29 Other developments include the Community Safety Team and the Office of Public Health in the Chief Executive's Directorate commissioning a new domestic abuse support service which has replaced the independent domestic abuse advisers from 1 July. The Home Office now had a scheme in place to provide some funding for victims who had 'no recourse to public funds'². Locally, links had been made with the Asian Women's Centre to try to deal with some local cases. The Multi-agency Risk Assessment Conference (MARAC) meets every two weeks to deal with domestic abuse cases with the highest risks involved. MARAC was dealing with an increase in cases of

² Condition attached to someone's permission to be in the UK preventing them accessing support or a safe place to stay

women from ethnic/religious backgrounds which had in the past had low reporting rates.

Council employment issues (objectives 8-11)

- 4.30 Recruitment to the council's workforce has fallen significantly over the last few years due to vacancy management and posts being deleted in order to meet budget savings. There has therefore been limited opportunity to address the objective to tackle underrepresentation in the council's workforce which had been set before the impact of public expenditure cuts had taken effect. The recruitment process has been reviewed and new guidance issued alongside the introduction of Talentlink during 2013. The current human resources strategy is coming to an end and will be reviewed during the year.
- 4.31 Looking at redundancies, the equality impact assessments of the budget process relating to staffing changes have shown little disproportionate impact on the percentages of employees from BME groups or who have a disability. Detailed employment data is presented in section 6 of the review.
- 4.32 A 'disability confident' campaign to promote the employment of people with a learning disability and or autism has been led by the council's Employment Plus Team with Dudley Voices for Choice. Related literature has been incorporated into the recruitment information. 'Job carving' (customising and swapping job duties) is to be included to help with employment opportunities for people with learning disabilities.
- 4.33 Having been in place for 12 months, the attendance management is subject to a review and, along with other key stakeholders including managers and trade union representatives, the employees with disabilities group has been consulted about its operation. The introduction of more flexible working as part of the council's Transforming our Workplace programme, reducing and making better use of offices in Dudley, has the potential to help with the retention of staff, particularly those who have caring responsibilities or disability or health-related issues. A workplace wellbeing programme has been piloted aimed at healthier lifestyles and reductions in absence.
- 4.34 There has been a need over the last two years to tackle the looming gap in senior management in terms of addressing future leadership requirements as the effects of redundancies and the restructuring of senior management are felt. A leadership development programme has been run for staff on the grades just below assistant director. Adjustments were made to the recruitment process to the programme to ensure a more diverse range of participants. In terms of leadership training, the next step is to look at the tier

covering grades 7-12. This will have a focus on the emotional impact of managers' actions and decisions. The aim is to launch this middle management leadership programme later in the year.

- 4.35 Following the collective agreement on the new grading and pay structure being implemented from 1 April 2012, nearly all remaining appellants had their appeals heard by the end of 2013, save for a small number due, for example, to long-term sickness absence.
- 4.36 The availability of e-learning courses on equality, which have covered all directorates and are available to elected members to complete, has been extended for a further year until April 2015. Face to face equality training sessions (based on the online package) are being held for employees without regular access to a PC and a 'workbook' approach is being piloted as a way of meeting ongoing equality training needs. E-learning courses, though, continue to be complemented by more traditional training, briefings and resources on the equality intranet pages for employees and members, such as an introductory briefing on equality responsibilities during the induction training programme for the 2014 intake of new members.

5. Other equality scheme issues

- 5.1 As in recent years considerable effort was made to ensure the decisions made around the budget for 2014/15 complied with the requirements of the public sector equality duty through undertaking consultation and equality impact assessments of relevant proposals.
- 5.2 The annual BME community engagement event was held in November 2013 and focussed on the budget proposals for 2014/15, giving members of the community the opportunity to ask questions and to take part in the budget consultation, as well including presentations on the ongoing welfare reforms and opportunities for developing social and community enterprises in the borough.
- 5.3 The equality scheme identified the high levels of unemployment amongst young people as a pressing issue. The council has worked with the Construction Youth Trust which has run eight courses in the borough since June 2013, reaching 135 people in the 16 to 30 age group, directly targeting areas where there is a high level of disadvantaged young people. The courses have been followed by work experience placements with partners, including Lovells and Midland Heart. Many of the trainees have gained work

within the industry, including apprenticeships with the council, entered education and gained qualifications.

- 5.4 Dudley Council for Voluntary Service and the council ran a campaign during Volunteers Month in June to encourage 100 organisations to commit to providing volunteering opportunities for young people. The campaign was a response to the low number of volunteering opportunities that exist locally for 15- 25 year olds, compared to the number of young people who wish to boost their CVs by volunteering.
- 5.5 Other notable achievements include the council's Telecare Service, which supports older and disabled people to live at home independently through providing remote care linked to a 24 hour monitoring service, receiving the highest level of accreditation from the Telecare Services Association following an assessment against its integrated quality standard.
- 5.6 The council supported the 'Dementia Friends' campaign launched by Public Health England and the Alzheimer's Society in June to help frontline staff to develop an understanding of dementia. Staff can complete an online training course to help them to recognise when a customer has dementia so they can provide a better service to them when they visit council buildings, such as libraries.
- 5.7 Carers Quest, a national drive to identify and support carers who are unaware of what support is available to them, was promoted during Carers Week in June. Both the Carers network, which offers advice and information to carers, and Dudley libraries pledged to work with local partners in the voluntary sector to identify 500 carers who are unaware of what support is available to them.
- 5.8 An LGBT employees network was established within the council during the year for the first time to provide support and contacts. The employees with disabilities group also continues to play a role in supporting and promoting the interests of disabled employees.

6. Employment monitoring data

- 6.1 The presentation and analysis of employment monitoring data assists the council in assessing the extent to which it is providing fair employment opportunities for all groups. It also provides evidence in reporting progress with relevant equality objectives, alongside its wider public sector equality duties. The specific duty to publish equality information does not specify exactly what must be included although the Equality and Human Rights Commission has provided some guidance on what it would expect to see published.
- 6.2 Since 2011/12 there has been a year on year reduction in the number of council employees. The programme of voluntary redundancies, a relatively small number of compulsory redundancies, alongside vacancy management has helped to achieve the required budget reductions which the council is having to implement. The council (including schools), as of 1 April 2014, employs around 2000 fewer people than in April 2010. As a result of budget decisions taken during 2013/14, there have been 115 voluntary redundancies approved to date (23rd September 2014). 12 employees at risk of compulsory redundancy were redeployed or redundancy bumped into posts vacated by voluntary redundancy. Compulsory redundancies were reduced through this means to 16 to date, although currently a number remain at risk.
- 6.3 Managers and employees faced with redundancy situations continue to be offered a range of support through the 'supporting people through budget savings' intranet site and the 'facing the future programme', a package of learning and development activities.
- 6.4 Employment data summary reports are provided quarterly for Cabinet members and directors.

Workforce profile

- 6.5 A summary of the council's workforce broken down by directorates, including schools, sex, disability, white/BME groups and part-time employees as at 1st April 2014 is set out at Appendix 2(a).
- 6.6 Appendices 2(b) and 2(c) provide a grade breakdown of this data, showing higher paid employees at grade 9 and above (principal officer grades – salaries of about £28,900 and above - approximately the highest paid 20% of the workforce), excluding schools, and employees in the lower grades below grade 9 respectively.

- 6.7 Appendix 2(d) shows the workforce profile by age and Appendix 2(e) a more detailed directorate breakdown by ethnic group.
- 6.8 Comparative information for other authorities which was provided by the former Audit Commission has not been available since 2007/08.

Sex

- 6.9 The sex breakdown of the workforce is shown at Appendix 2(a). The council's workforce remains at around 75% female. Excluding schools it is lower at 66%, having altered little over the past few years. This is a common picture for similar local authorities, but differs from the national economy where a higher proportion of men than women are employed. Professions such as teaching and care, which contribute large numbers to the public sector workforce, continue to employ high proportions of women and so explain a good deal of the difference between sectors. The proportion of women employed remains particularly high in the Directorate of Children's Services and in schools at over 80%. Where there are more traditionally male occupations in the Directorate of Urban Environment, there is a sizeable majority of male employees (64%).

Race

- 6.10 Table 1 shows the percentage of BME employees in the council's workforce including and not including schools.³ For the whole council including schools, 6.6% of the workforce is from a BME background. Taking schools out of the equation, the figure for BME employees in the workforce is 8.7%. There has been a significant year on year rise in this figure for many years.
- 6.11 Figures from the 2011 Census show that the BME population of the borough has increased from the 2001 Census figure of 6.3% to 10%, although it should be noted that there is a significantly higher proportion of the population of below working age from a BME background (18% of under 16s in 2011)⁴.
- 6.12 The more detailed breakdown (Appendix 2 (a)) shows some variation between directorates in the proportion of employees from BME communities with Children's Services and Chief Executive's the highest at 11% or more and Urban Environment and schools the lowest at just over 4%. Appendix 2(e) provides a breakdown of employees by individual ethnic groups.

³ The 16 ethnic origin categories in the 2001 Census have been used for the council's employment monitoring. BME communities are defined as the 13 non-white groups using these categories

⁴ The 2011 Census used revised ethnic origin categories so the results were not derived on exactly the same basis as in the 2001 Census.

Disability

6.13 Table 2 shows that the proportion of council employees who have stated that they have a disability in the workforce (not including schools) has remained the same at 3.2% as in the previous year. More detailed statistics are shown at Appendix 2(a). The equality impact assessments of the effect of the budget

Table 1. Dudley MBC percentage employees from ethnic minority communities

Year	Percentage of employees from BME communities	
	including schools	excluding schools
2013/14	6.6%	8.7%
2012/13	6.4%	8.4%
2011/12	6.2%	8.2%
2010/11	6.2%	7.8%
2009/10	6.0%	7.4%

Notes to table 1: those for whom ethnic origin is not known are excluded from the analysis. BME communities are defined as the 13 non-white groups using the 2001 Census categories.

Table 2. Dudley MBC percentage of employees with a disability

Year	Percentage of employees with a disability	
	including schools	excluding schools
2013/14	1.9%	3.2%
2012/13	1.8%	3.2%
2011/12	1.9%	3.3%
2010/11	2.0%	3.4%
2009/10	1.7%	2.8%

Note to table 2: disability is as defined in the Equality Act 2010; figures represent those employees who have indicated that they have a disability on the HR system.

cuts on employees have in the past shown a slightly higher proportion of redundancies of employees with a disability than those without, although this may be explained by the older age profile of voluntary redundancy requests with older workers more likely to have a disability than younger ones.

Age

- 6.14 The age profile of the workforce is set out at Appendix 2(d). Nationally, the default retirement age of 65 was phased out between 6th April and 1st October 2011. Previously to this, the council had raised its retirement age to 70 in response to age discrimination legislation that had come into force in October 2006. This saw initially an increase in the numbers of employees aged 65 or over. In more recent years it is hard to discern any clear trends in the age profile of the workforce, either with younger employees or with older employees.

Other protected characteristics

- 6.15 There has been a further increase in employees providing their sexual orientation, although these are still in a small minority. A small majority of employees has provided their religion or belief and, although it is not possible to draw significant conclusions from this level of data, the figures do not suggest a position much out of line with the background adult population of the borough. The large majority of recruits provide their religion or belief so this figure should increase. Employees are reminded annually about updating the information held on them, but it is not a requirement to provide this information. Once a decision is made about the future of the personnel and payroll system there is proposed to be a push to encourage more employees to provide the data.

Recruitment

- 6.16 Vacancies are advertised externally on www.wmjobs.co.uk, the portal for public sector jobs across the region, accessible through the council's website. People looking for jobs can sign up for alerts by email. The new Talentlink recruitment system which simplifies the process involved has been introduced. The retraining and redeployment policy for employees when they can no longer continue in their existing posts for reasons (e.g. restructuring, capability or ill-health), other than misconduct continues to operate, especially to provide opportunities for continuing employment for staff at risk of redundancy through budget pressures.
- 6.17 Appendix 3 provides a summary of overall recruitment activity for the council, including schools, by race, sex, disability, religion or belief and age during

2013/14. Tables 3, 4 and 5 show the percentage at each stage of the recruitment process for candidates from a BME background, women and disabled people respectively, compared with the previous four years. The Job Centre Plus's 'positive about disabled people' scheme (two ticks symbol) commits the council to shortlist disabled candidates who meet the essential criteria for a post. The trend over the last few years for the success rates of BME applicants in being taken on by the council to be below those for people from white groups continued in 2013/14. However, the trend over the previous four years for women to be more successful than men reversed in 2013/14.

Table 3. Recruitment analysis – percentage BME groups

Year	Applied	Shortlisted	Appointed
2013/14	20.9%	16.9%	12.6%
2012/13	19.1%	17.0%	12.5%
2011/12*	18.4%	16.7%	11.7%
2010/11	17.9%	15.9%	13.2%
2009/10	18.0%	20.3%	13.7%

Notes to table 3: for the analysis those for whom no ethnic origin is recorded are included in the white groups

*Amended figures from those originally published in annual review 2012

Table 4. Recruitment analysis – percentage women

Year	Applied	Shortlisted	Appointed
2013/14	68.6%	66.4%	62.0%
2012/13	57.2%	66.3%	65.0%
2011/12	59.8%	64.1%	62.5%
2010/11	54.2%	64.3%	70.0%
2009/10	39.1%	58.1%	58.9%

Table 5. Recruitment analysis – percentage disabled people

Year	Applied	Shortlisted	Appointed
2013/14	4.0%	4.8%	2.3%
2012/13	2.5%	3.4%	2.0%
2011/12	2.2%	2.2%	1.7%
2010/11	2.8%	3.4%	2.7%
2009/10	2.3%	3.0%	3.2%

Note to table 5: for the analysis those who have not stated whether or not they have a disability are included in the not disabled group

Grievances and disciplinary action

- 6.18 There was one claim lodged with the Employment Tribunal from April 2013 to March 2014 alleging discrimination in employment by the council on the grounds of any of the protected characteristics (equal pay claims are not included) (see table 6). One claim involving a school from the previous year was also passed to the council to deal with. No claims were lost by the council – both were settled outside of tribunal - and it continues not to have lost a tribunal case on the grounds of discrimination for many years.

Table 6. Dudley MBC employment tribunal discrimination cases brought April 2013 – March 2014

Directorate	Case Details	Application Lodged	Outcome
Adult, Community and Housing Services	Race discrimination	December 2013	Settled outside tribunal
Schools	Disability discrimination	December 2012*	Settled outside tribunal

*Brought to attention of HR in April 2013; the school brought in HR's support

- 6.19 The substantially lower number of grievances received from staff seen in 2012/13 compared with the previous two years continued into 2013/14 and with a drop in the proportion from BME employees to nearer to their proportion in the overall workforce. There was a slightly higher number of

instances of disciplinary action in 2013/14 than in 2012/13, but there was again a smaller proportion of BME employees within this.

7. Conclusions

- 7.1 This is the second full year of reporting on the council's equality objectives set out in the 2012-15 equality scheme. Since the objectives were approved by the Cabinet, the council, like other local authorities, has continued to have to make significant reductions in its budget year on year and these are inevitably having an effect on delivery of planned actions and the maintenance of past service levels. However, significant progress has been made against the majority of the equality objectives.
- 7.2 Where progress is less clear, in terms of closing the gap in educational attainment (objectives 1 and 2), the picture is mixed and the ability of the council to influence levels of attainment has reduced, although it continues to provide advice and support to many schools. With limited recruitment in recent years, there has been much reduced scope to improve the levels of recruitment of disabled employees and other underrepresented groups in the council's workforce, although action which has been taken has been outlined in this and previous annual reviews (objective 8). While a financial inclusion strategy was not completed in line with the original target date, a range of associated action has been taken over the last two years and a strategy on tackling poverty is currently being produced (objective 4).
- 7.3 This review, as well as reporting progress on the equality objectives, helps to fulfil the broader requirement to publish information about how the council is meeting the general public sector equality duty.

Corporate Policy and Research Team
Chief Executive's Directorate
October 2014

Appendix 1. Equality scheme key objectives 2012-15 (with lead director)

1. Narrow the gap in educational achievement between underachieving protected groups of children and young people and the borough average (Director of Children's Services)
2. Narrow the gap in educational achievement between looked after children and the borough average (Director of Children's Services)
3. Develop affordable housing provision such as extra care housing to meet needs of an ageing population (Director of Adult, Community and Housing Services)
4. Develop a financial inclusion strategy by March 2013 which identifies initiatives and actions to support protected groups ((Director of Adult, Community and Housing Services)
5. Ensure that the actions of the council and its partners in response to the community rights in the Localism Act and in developing our society in Dudley advance equality of opportunity and foster good relations (Chief Executive)
6. Improve awareness and reporting of, and responses to, hate crime (Chief Executive)
7. Improve awareness of domestic abuse amongst those communities which have low reporting rates with the aim of increasing reporting (Chief Executive)
8. Improve the levels of recruitment and retention of disabled employees and other underrepresented groups in the council's workforce (Director of Corporate Resources)
9. Implement the new pay and grading structure within the council from 1 April 2012, addressing equal pay and other issues (Director of Corporate Resources)
10. Improve the equality related knowledge and skills of employees (Director of Corporate Resources)
11. Develop and implement a clear and transparent framework for employees that identifies the development needed for current and future leaders and managers working at all levels (Director of Corporate Resources/Director of Adult, Community and Housing Services).

Appendix 2(a). Dudley MBC workforce profile - 31 March 2014

Directorate	All staff	Male	Male %	Male PT	PT % of Male	Female	Female %	Female PT	PT % of Female	White	White %	BME	BME %*	Not known	Disabled	Disabled %
Adult, Community & Housing	2412	790	33	117	15	1622	67	1011	62	2087	86.5	205	8.9	120	94	3.9
Chief Executive's	184	42	23	3	7	142	77	61	43	153	83.2	19	11.0	12	6	3.3
Children's Services	2041	346	17	149	43	1695	83	1134	67	1689	82.8	212	11.2	140	40	2.0
Schools	6471	965	15	396	41	5506	85	3782	69	6104	94.3	279	4.4	88	26	0.4
Corporate Resources	850	283	33	29	10	567	67	247	44	736	86.6	76	9.4	38	35	4.1
Urban Environment	1376	885	64	179	20	491	36	322	66	1240	90.1	53	4.1	83	48	3.5
Total	13334	3311	25	873	26	10023	75	6557	65	12009	90.1	844	6.6	481	249	1.9
Total excluding schools	6863	2346	34	477	20	4517	66	2775	61	5905	86.0	565	8.7	393	223	3.2

Notes:

Staffing figures exclude 212 relief support assistants (temporary employees)

PT – part-time (fewer than 37 hours a week)

*BME % excludes not knowns

Appendix 2(b). Dudley MBC workforce profile – grade 9 and above - 31 March 2014 (not schools)

Directorate	All staff	Male	Male %	Male PT	PT % of Male	Female	Female %	Female PT	PT % of Female	White	White %	BME	BME %*	Not known	Disabled	Disabled %
Adult, Community & Housing	503	267	53	7	3	236	47	70	30	434	86.3	53	10.9	16	25	5.0
Chief Executive's	96	33	34	3	9	63	66	21	33	79	82.3	14	15.1	3	5	5.2
Children's Services	460	125	27	8	6	335	73	101	30	367	79.8	56	13.2	37	16	3.5
Corporate Resources	246	120	49	10	8	126	51	35	28	218	88.6	18	7.6	10	10	4.1
Urban Environment	197	142	72	7	5	55	28	16	29	179	90.9	12	6.3	6	8	4.1
Total	1502	687	46	35	5	815	54	243	30	1277	85.0	153	10.7	72	64	4.3

Notes:

Staffing figures exclude 212 relief support assistants (temporary employees)

PT – part-time (fewer than 37 hours a week)

*BME % excludes not knowns

Bottom point of grade 9 on 31 March 2014 equates to a salary of £28,900 approx

Appendix 2(c). Dudley MBC workforce profile below grade 9 - 31 March 2014 (not schools)

Directorate	All staff	Male	Male %	Male PT	PT % of Male	Female	Female %	Female PT	PT % of Female	White	White %	BME	BME %*	Not known	Disabled	Disabled %
Adult, Community & Housing	1909	523	27	110	21	1386	73	941	68	1653	86.6	152	8.4	104	69	3.6
Chief Executive's	88	9	10	0	0	79	90	40	51	74	84.1	5	6.3	9	1	1.1
Children's Services	1581	221	14	141	64	1360	86	1033	76	1322	83.6	156	10.6	103	24	1.5
Corporate Resources	604	163	27	19	12	441	73	212	48	518	85.8	58	10.1	28	25	4.1
Urban Environment	1179	743	63	172	23	436	37	306	70	1061	90.0	41	3.7	77	40	3.4
Total	5361	1659	31	422	27	3702	69	2532	68	4628	86.3	412	8.2	321	159	3.0

Notes:

Staffing figures exclude 212 relief support assistants (temporary employees)

PT – part-time (fewer than 37 hours a week)

*BME % excludes not knowns

Bottom point of grade 9 on 31 March 2014 equates to a salary of £28,900 approx

Appendix 2(d). Dudley MBC workforce profile by age - 31 March 2014

Directorate	16 - 24	25 - 29	30 - 34	35 - 39	40 - 44	45 - 49	50 - 54	55 - 59	60 - 64	Over 65	Total staff
Adult, Community and Housing Services	92	138	178	187	310	438	459	372	186	52	2412
Chief Executive's	6	13	19	25	22	34	25	24	11	5	184
Children's Services	90	142	184	187	275	382	342	249	153	37	2041
Schools	536	538	706	658	951	1016	841	645	357	223	6471
Corporate Resources	46	62	97	93	120	150	147	86	40	9	850
Urban Environment	95	106	103	101	149	230	220	174	117	81	1376
Total	865	999	1287	1251	1827	2250	2034	1550	864	407	13334
% of total	6.5%	7.5%	9.7%	9.4%	13.7%	16.9%	15.3%	11.6%	6.5%	3.1%	100.0%

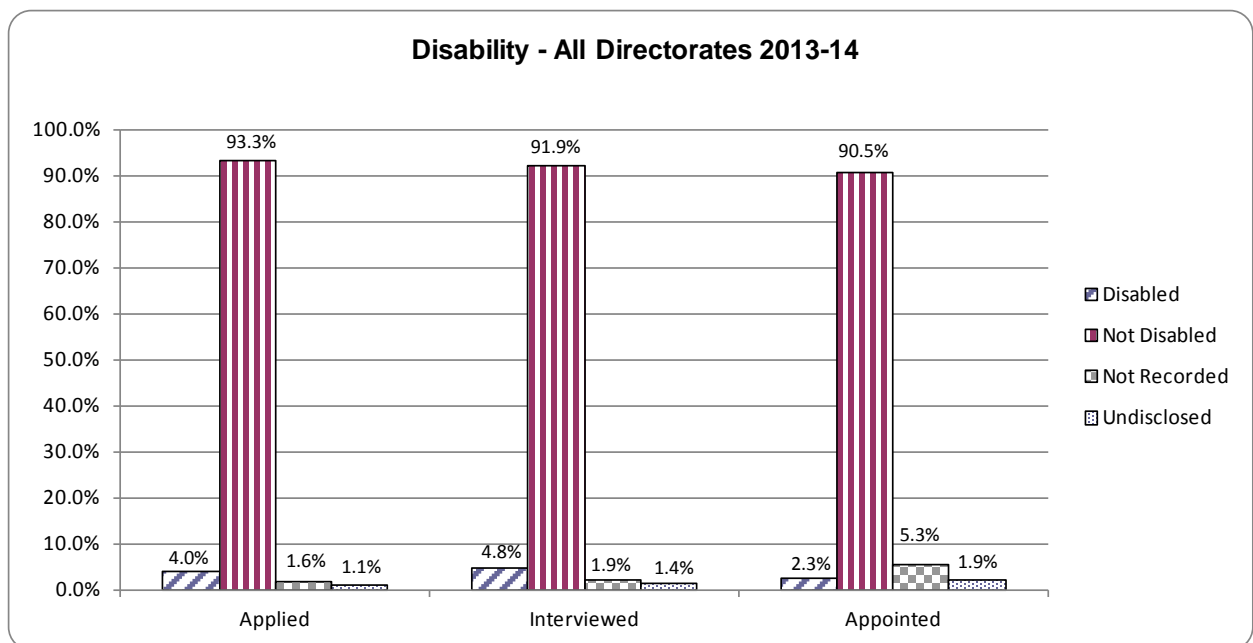
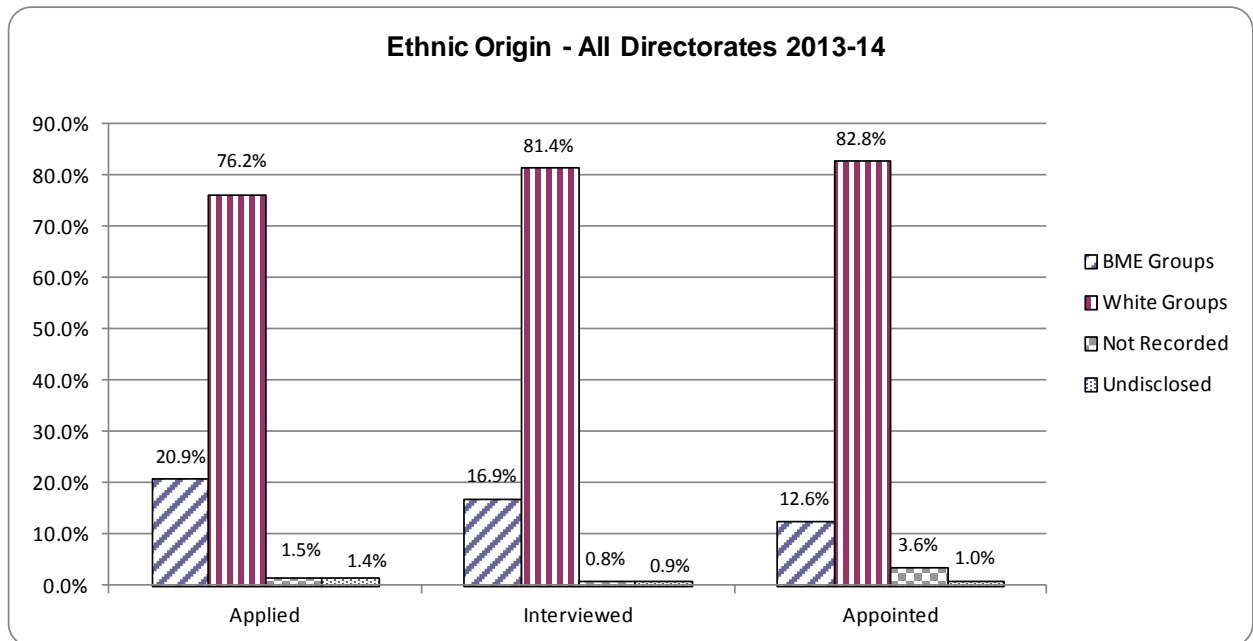
Note:

Staffing figures exclude 167 relief support assistants (temporary employees)

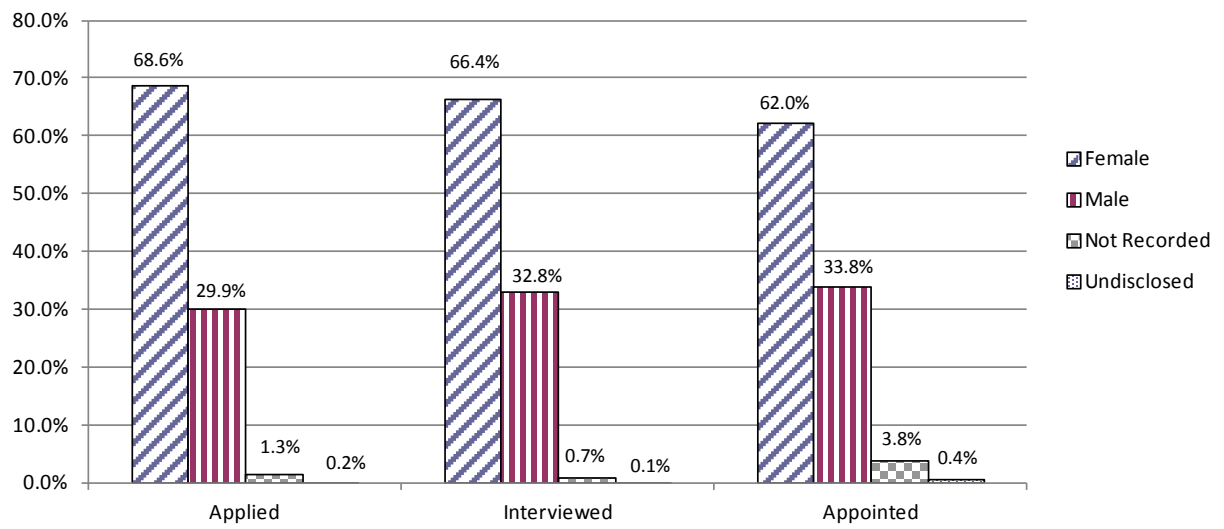
Appendix 2(e). Dudley MBC workforce profile by ethnic origin - 31 March 2014

Group	Adult, Community & Housing Services	Chief Executive's	Children's Services	Corporate Resources	Schools	Urban Environment	Grand Total	Total Excluding Schools
British	2057	151	1659	730	6018	1217	11832	5814
Irish	5	0	8	0	31	7	51	20
Any Other White Background	25	2	22	6	55	16	126	71
Caribbean	59	4	73	16	43	10	205	162
African	7	1	7	0	9	1	25	16
Any Other Black Background	4	2	7	1	4	3	21	17
Indian	66	8	50	34	99	19	276	177
Pakistani	29	1	31	11	58	5	135	77
Bangladeshi	5	0	2	3	4	0	14	10
Any Other Asian Background	7	1	15	5	19	1	48	29
White and Black Caribbean	16	0	15	3	17	8	59	42
White and Black African	2	0	0	0	1	0	3	2
White and Asian	4	1	3	1	8	2	19	11
Any Other Mixed Background	3	0	5	0	7	2	17	10
Chinese	2	1	2	2	6	2	15	9
Other	1	0	2	0	4	0	7	3
Unspecified	120	12	140	38	88	83	481	393
Grand Total	2412	184	2041	850	6471	1376	13334	6863

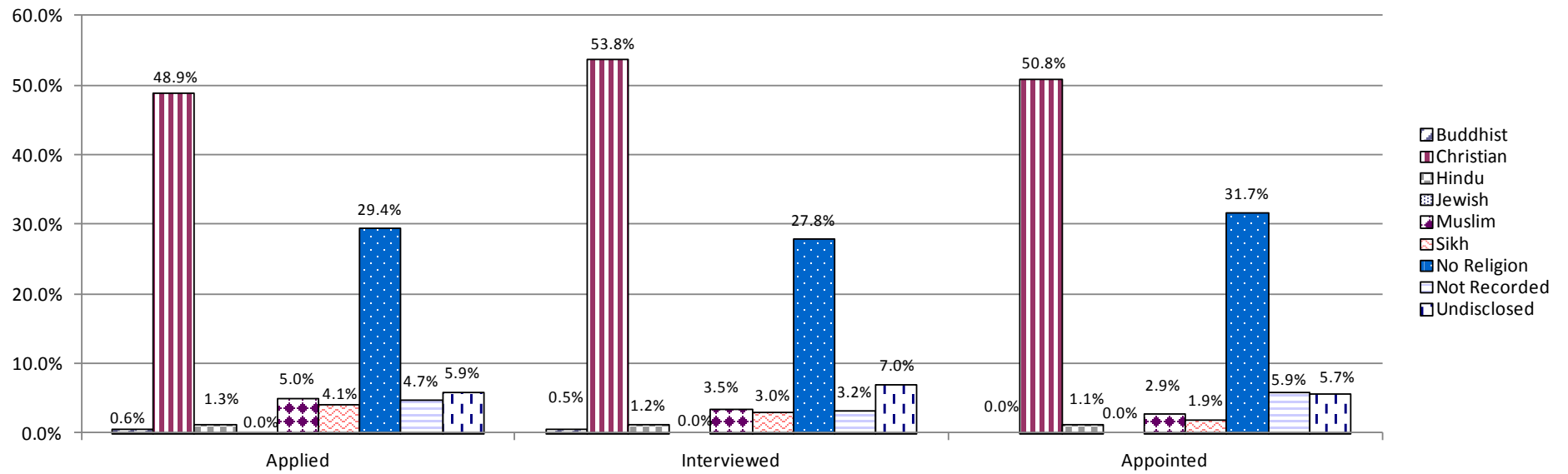
Appendix 3. Dudley MBC recruitment data: April 2013 – March 2014



Gender - All Directorates 2013-14



Religion or Belief - All Directorates 2013-14



Age Group - All Directorates 2013-14

