



Meeting of the Council

Monday, 14th July, 2014 at 6.00pm

in the Council Chamber at the Council House, Priory Road, Dudley

You are hereby summoned to attend a meeting of the Dudley Metropolitan Borough Council for the purpose of transacting the business set out in the numbered agenda items listed below.

Agenda - Public Session (Meeting open to the public and press)

Prayers.

1. Apologies for absence.
2. To receive any declarations of interest under the Members' Code of Conduct.
3. To confirm and sign the minutes of the annual meeting of the Council held on 5th June, 2014 as a correct record (Pages CL/1 – CL/16).
4. Mayor's Announcements.
5. To receive reports from meetings as follows:

Meeting of the Cabinet held on 3rd July, 2014:

Councillor D Sparks to move:

- (a) Capital Programme Monitoring (Pages 1 to 11)

Councillor S Turner to move:

- (b) Revenue Outturn 2013/14 and Medium Term Financial Strategy (Pages 12 to 36)

Councillor J Foster to move:

- (c) Consultation on the Community Infrastructure Levy revised Draft Charging Schedule and recommendation to Council for subsequent submission (Pages 37 to 41)

Councillor R Harris to move:

- (d) Food Service Plan 2014/2015 (Pages 42 to 50)

Meeting of the Overview and Scrutiny Management Board dated 11th June, 2014

Councillor D Tyler to move:

- (e) Membership of the Children's Services Scrutiny Committee (Pages 51 to 55).

6. Notice of Motion

To consider the following notice of motion received from Councillor K Turner on 28th May, 2014:

"This Council agrees to a reduction in the numbers of elected representatives serving each and every ward, such numbers to be adjusted to two per ward.

It further requests that the Leader of this Council submits an application for such a review of the composition of the Council to the Local Government Boundary Commission at the earliest opportunity.

We all agree that our principal aims in accepting election is to serve our constituents and these actions will demonstrate our true commitment."

7. To answer questions under Council Procedure Rule 11.

Questions on the Minutes of the Cabinet and Committees, Community Forums and the Delegated Decision Summaries – these are contained in the separate book circulated to Members of the Council.

8. To consider any business not on the agenda which by reason of special circumstances the Mayor is of the opinion should be considered at the meeting as a matter of urgency under the provisions of the Local Government Act 1972.



Director of Corporate Resources

Dated: 4th July, 2014

Distribution: All Members of the Council

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- Information about the Council and our meetings can be viewed on the website www.dudley.gov.uk
- The Democratic Services contact officer for this meeting is Steve Griffiths, Telephone 01384 815235 or E-mail steve.griffiths@dudley.gov.uk

Dudley Metropolitan Borough Council

**Minutes of the proceedings of the Council
at the annual meeting held on Thursday, 5th June, 2014
at 6.00 pm in the Council Chamber, the Council House, Dudley**

Present:

Councillor A Finch (Mayor)
Councillor M Aston (Deputy Mayor)
Councillors A Ahmed, K Ahmed, S Ali, A Aston, N Barlow, C Baugh, C Billingham, H Bills, D Blood, R Body, P Bradley, D Branwood, P Brothwood, K Casey, D Caunt, I Cooper, B Cotterill, J Cowell, T Crumpton, W Duckworth, B Etheridge, S Etheridge, K Finch, J Foster, A Goddard, N Gregory, C Hale, M Hanif, P Harley, R Harris, D Hemingsley, S Henley, T Herbert, Z Islam, R James, L Jones, I Kettle, P Lowe, I Marrey, J Martin, P Martin, P Miller, M Mottram, N Neale, G Partridge, C Perks, D Perks, M Roberts, H Rogers, D Russell, R Scott-Dow, K Shakespeare, G Simms, D Sparks, A Taylor, E Taylor, S Turner, D Tyler, D Vickers, S Waltho, M Wood and Q Zada together with the Chief Executive and other Officers.

1 Recording of Meeting

In accordance with Council Procedure Rules, the Council gave its consent to a recording of this meeting being made and for photographs to be taken.

2 Prayers

The Mayor's Chaplain led the Council in prayer.

3 Election of Mayor

It was moved by Councillor D Sparks, seconded by Councillor D Caunt and

Resolved

That Councillor Margaret Aston be elected Mayor of the Borough for the 2014/15 Municipal Year.

Councillor M Aston then made and subscribed to the Statutory Declaration of Acceptance of Office and took the Chair.

NB: In seconding the above motion, Councillor D Caunt also took the opportunity to congratulate Councillor D Sparks on his nomination as the Chair of the Local Government Association.

4 **Election of Deputy Mayor**

It was moved by Councillor D Sparks, seconded by Councillor P Lowe and

Resolved

That Councillor Stephen James Waltho be elected Deputy Mayor of the Borough for the 2014/15 Municipal Year.

5 **Acceptance of Office of Deputy Mayor**

Following a brief adjournment to enable re-robing to take place, Councillor S Waltho made and subscribed to the Statutory Declaration of Acceptance of the Office of Deputy Mayor.

6 **Address by the Mayor**

The new Mayor addressed the Council, expressing her thanks to Members and others on her election. In so doing she, along with other Members, paid tribute to the retiring Mayor and Mayoress.

7 **Tributes to the Retiring Mayor and Mayoress and Presentation of Badges**

Following tributes to the retiring Mayor and Mayoress (Councillor A Finch and Mrs H Finch), the Mayor presented them with badges.

Councillor A Finch addressed the Council, expressing thanks for all the support that had enabled him to carry out his duties during the year, including the support of the Mayoress.

8 **Minutes**

Resolved

That the minutes of the meeting of the Council held on 14th April, 2014 be approved as a correct record and signed.

Mayor's Announcements

(a) **Mayor's Consort**

The Mayor's Consort for the 2014/15 Municipal Year would be Councillor A Aston.

(b) **Deputy Mayoress**

The Deputy Mayoress for the 2014/15 Municipal Year would be Ms Jayne Magin.

(c) **The Mayor's Chaplain**

The Mayor's Chaplain for the 2014/15 Municipal Year would be Reverend Canon Judith Oliver.

(d) **The Mayor's Charities**

The Mayor's Charities to be supported in the 2014/15 Municipal Year would be:-

- Action Heart; and
- Guide Dogs

(e) **"At Home" Event**

The "At Home" event would take place on 17th July, 2014.

(f) **Civic Sunday**

Civic Sunday would be held on 22nd June, 2014 at St. Francis C of E Church, Dudley.

(g) **Armed Forces Day**

Armed Forces Day would be held at Himley Hall on 29th June, 2014.

(h) **Charity Cricket Match**

The Charity Cricket Match between Councillors and Officers would be held on 20th June, 2014 at Stourbridge Cricket Club.

(i) Newly Elected Members of the Council

The Mayor welcomed Councillors N Barlow, P Bradley, P Brothwood, I Cooper, S Etheridge, B Etheridge, A Goddard, N Gregory, S Henley, N Neale, D Perks, R Scott-Dow, E Taylor and M Wood who had been elected to the Council at the municipal elections on 22nd May, 2014.

The Mayor also paid tribute to the former Members who had not been re-elected, namely D Ameson, L Boleyn, J Hill, J Jones, S Ridney, B Sykes, T Westwood, T Wood and T Wright.

10 Apologies for Absence

Apologies for absence were received on behalf of Councillors S Arshad, M Attwood, C Elcock, M Evans, K Jordan, H Turner, K Turner and M Wilson.

11 Declarations of Interest

No declarations of interests, in accordance with the Members' Code of Conduct, were received in respect of any item to be considered at this meeting.

12 Appointment and Membership of the Cabinet, Committees and Community Forums for 2014/15 and Related Matters

A report of the Director of Corporate Resources was submitted.

It was moved by Councillor D Sparks, seconded by Councillor P Lowe and

Resolved

(1) That the information contained in the report of the Leader on the appointment of the Deputy Leader and Members of the Cabinet for the 2014/15 Municipal Year, as contained in the list circulated at the meeting and as set out below, be noted, together with the designations of Cabinet Members:-

(a) That Councillor P Lowe be appointed as Deputy Leader of the Council for the 2014/15 Municipal Year.

(b) That the Leader of the Council and nine other members comprise the Cabinet for the 2014/15 Municipal Year and that the names of the Members to serve for the year be as follows:-

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

- (c) That the names of the Opposition Group Spokespersons to attend meetings of the Cabinet to speak, but not vote, be received as follows:-

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

UKIP Group: Councillors P Brothwood and K Turner

- (d) That the assignment of Portfolios to the Cabinet Members and the names of the corresponding Main Opposition (Conservative) Group Spokespersons be as set out below:-

<u>Leader and Cabinet Members</u>	<u>Portfolio</u>
<u>Councillor</u>	
D Sparks (Leader of the Council)	Policy
P Lowe (Deputy Leader of the Council)	Without Portfolio
D Branwood	Adult and Community Services
T Crumpton	Children's Services and Lifelong Learning
H Bills	Environment and Culture
S Turner	Finance
G Partridge	Housing and Community Safety
R Harris	Human Resources, Legal, Property and Health
J Foster	Regeneration
K Ahmed	Transport

<u>Main Opposition Group Spokespersons</u>	<u>Portfolio</u>
P Harley (Main Opposition Group Leader)	Policy
D Vickers (Main Opposition Group Deputy Leader)	Adult and Community Services
G Simms	Children's Services and Lifelong Learning
A Goddard	Environment and Culture
M Wood	Finance
N Neale	Health and Wellbeing
R James	Housing and Community Safety
N Barlow	Human Resources, Legal and Property
I Kettle	Regeneration
P Miller	Transport

- (2) That the structure of Committees for 2014/15 be approved on the basis set out in the report now submitted and the lists circulated at the meeting.
- (3) That the terms of reference and onward delegation of functions of the Committees referred to in the report, and as set out in the Council's Constitution, be re-affirmed for the 2014/15 Municipal Year.
- (4) That, with the exceptions referred to in the report now submitted, the composition and membership of Committees for the 2014/15 Municipal Year be determined in accordance with the requirements of the Local Government and Housing Act 1989, as set out below:-

	<u>Total</u>	<u>Labour</u>	<u>Conservative</u>	<u>UKIP</u>	<u>Green</u>
Overview and Scrutiny Management Board	11	6	4	1	
Corporate Performance Management, Efficiency and Effectiveness Scrutiny Committee	11	6	4	1	
Adult, Community and Housing Services Scrutiny Committee	11	6	3	2	
Children's Services Scrutiny Committee (Excluding Co-opted Members)	11	6	3	2	
Health Scrutiny Committee (Excluding Co-opted Member)	11	6	3	2	
Urban Environment Scrutiny Committee	11	6	3	1	1
Appeals Committee	9	5	3	1	
Appointments Committee	9	5	3	1	
Audit and Standards Committee	9	5	3	1	
Development Control Committee	9	5	3	1	
Ernest Stevens Trusts Management Committee	6	4	2		
Licensing and Safety Committee	12	7	3	2	
Taxis Committee	9	5	3	1	

- (5) That the appointment of Members to Committees for the 2014/15 municipal year be approved as set out below:-

Overview and Scrutiny Management Board

<u>Labour</u> (6)	<u>Conservative</u> (4)	<u>UKIP</u> (1)
<u>Councillors</u>	<u>Councillors</u>	<u>Councillor</u>
I Cooper A Finch C Hale M Hanif M Mottram D Tyler	D Blood C Elcock R James L Jones	K Turner

**Corporate Performance Management,
Efficiency and Effectiveness Scrutiny Committee**

<u>Labour</u> (6)	<u>Conservative</u> (4)	<u>UKIP</u> (1)
<u>Councillors</u>	<u>Councillors</u>	<u>Councillor</u>
C Baugh B Cotterill A Finch I Marrey M Mottram D Russell	D Blood D Caunt P Harley M Wood	S Henley

Adult, Community and Housing Services Scrutiny Committee

<u>Labour</u> (6)	<u>Conservative</u> (3)	<u>UKIP</u> (2)
<u>Councillors</u>	<u>Councillors</u>	<u>Councillor</u>
R Body I Cooper M Hanif Z Islam J Martin D Tyler	A Goddard R James D Vickers	D Perks K Turner

Children's Services Scrutiny Committee

Labour (6)

Conservative (3)

UKIP (2)

Councillors

Councillors

Councillor

K Casey
I Cooper
Z Islam
I Marrey
M Mottram
C Perks

M Attwood
C Billingham
G Simms

P Bradley
R Scott-Dow

Together with the following non-elected members:-

Voting Members

Parent Governor Representatives

1. Secondary Schools – Vacancy
2. Primary Schools – Vacancy
3. Special Schools – Vacancy

Church Representatives

1. Worcester Diocesan Board of Education – Rev A Wickens
2. Archdiocese of Birmingham – Mrs M Ward

Non-Voting Members

Teacher Representatives

1. Primary Education – Mrs M Verdegem or Ms Sinden
2. Secondary/Special Education – Mr M Lynch or Mr Nesbitt

Free Churches

1. Mr S Taylor

Persons with experience of and interest in education in the Borough

1. Mr L Ridney
2. Mrs L Coulter

Health Scrutiny Committee

Labour (6)

Conservative (3)

UKIP (2)

Councillors

Councillors

Councillor

C Hale
M Hanif
D Hemingsley
K Jordan
M Roberts
E Taylor

N Barlow
C Elcock
K Shakespeare

P Brothwood
S Henley

Urban Environment Scrutiny Committee

Labour (6)

Conservative (3)

UKIP (1)

Green (1)

Councillors

Councillors

Councillor

S Ali
J Cowell
A Finch
C Hale
E Taylor
D Tyler

N Gregory
I Kettle
P Miller

R Scott-Dow

W Duckworth

Appeals Committee

Labour (5)

Conservative (3)

UKIP (1)

Councillors

Councillors

Councillor

A Aston
C Hale
I Marrey
J Martin
D Tyler

M Evans
H Rogers
P Martin

D Perks

Appointments Committee

Labour (5)

Conservative (3)

UKIP (1)

Councillors

Councillors

Councillor

J Foster
R Harris
P Lowe
D Sparks
S Turner

M Evans
P Harley
D Vickers

B Etheridge

Audit and Standards Committee

Labour (5)

Conservative (3)

UKIP (1)

Councillors

Councillors

Councillor

A Aston
J Cowell
M Roberts
D Russell
D Tyler

M Attwood
M Evans
A Taylor

P Brothwood

Development Control Committee

Labour (5)

Conservative (3)

UKIP (1)

Councillors

Councillors

Councillor

A Ahmed
K Casey
J Martin
C Perks
Q Zada

N Barlow
D Caunt
N Gregory

H Turner

Ernest Stevens Trusts Management Committee

Labour (4)

Conservative (2)

Councillors

Councillors

One Ward Councillor from each of the following wards:

Cradley & Wollescote –
G Partridge

Norton – H Rogers

Lye & Stourbridge North –
M Hanif

Pedmore & Stourbridge East –
I Kettle

Quarry Bank & Dudley Wood –
J Cowell

Wollaston & Stourbridge Town –
I Marrey

Licensing and Safety Committee

Labour (7)

Conservative (3)

UKIP (2)

Councillors

Councillors

Councillors

J Cowell
K Finch
D Hemingsley
C Perks
M Roberts
D Russell
E Taylor

D Blood
R James
A Taylor

S Etheridge
H Turner

Taxis Committee

Labour (5)

Conservative (3)

UKIP (1)

Councillors

Councillors

Councillor

A Ahmed
A Aston
R Body
J Cowell
J Martin

C Billingham
C Elcock
G Simms

P Bradley

- (6) That with regard to the Children's Services Scrutiny Committee and the Health Scrutiny Committee, the proposals in relation to co-opted representatives and the arrangements for the filling of vacancies for co-opted Members, as set out in the report now submitted, be approved.
- (7) That the statutory co-opted representatives serving on the Children's Services Scrutiny Committee be appointed to serve on the Overview and Scrutiny Management Board for the duration of any meetings that are necessary to determine any scrutiny 'call ins', insofar as they concern education issues only.
- (8) That the Licensing and Safety Committee be appointed in 2014/15 to undertake the statutory Committee functions in accordance with the Licensing Act 2003, as referred to in the report now submitted, and that the Committee comprise 12 Members.
- (9) That the Council confirm that the proportionality requirements of the Local Government and Housing Act 1989, shall not apply to Sub-Committees established by the Licensing and Safety Committee or to any Sub-Committee(s) established by the Audit and Standards Committee to hear complaints against Members under the Members' Code of Conduct.
- (10) That the Council endorse the continued establishment of the West Midlands Police and Crime Panel, as a joint Committee of the seven West Midlands District Councils, on the basis set out in the report now submitted.
- (11) That the governance arrangements of the Integrated Transport Authority be noted; that the establishment of the Joint Committee to be known as Centro Members be approved on the basis set out in the report now submitted and that the Director of Corporate Resources be authorised to take any necessary and consequential actions that may be required in connection with this matter.
- (12) That the arrangements for substitutes on Committees, as set out in Council Procedure Rules 5.2 to 5.4, be reaffirmed for the 2014/15 Municipal Year.
- (13) That the Director of Corporate Resources be authorised to make any necessary changes to the appointments to Committees or Sub-Committees that might arise from time to time during the 2014/15 Municipal Year, in accordance with the instructions of the Political Groups.
- (14) That Community Forums continue to be established on the basis outlined in the report now submitted.
- (15) That the Dudley Health and Wellbeing Board be established in 2014/15, on the same basis as in the previous municipal year, as set out in the report now submitted.
- (16) That the Chairs and Vice-Chairs of the following Committees be appointed for 2014/15:-

	<u>Chair</u>	<u>Vice Chair</u>
	Councillor	Councillor
Corporate Performance Management, Efficiency and Effectiveness Scrutiny Committee	D Blood	B Cotterill
Adult, Community and Housing Services Scrutiny Committee	M Hanif	R James
Children's Services Scrutiny Committee	M Mottram	I Cooper
Health Scrutiny Committee	C Hale	C Elcock
Urban Environment Scrutiny Committee	D Tyler	A Finch
Appeals Committee	J Martin	A Aston
Appointments Committee	D Sparks	P Lowe
Audit and Standards Committee	J Cowell	M Roberts
Development Control Committee	Q Zada	K Casey
Ernest Stevens Trusts Management Committee	J Cowell	M Hanif
Licensing and Safety Committee	D Russell	K Finch
Taxis Committee	R Body	A Ahmed

- (17) That the Director of Corporate Resources be authorised to take all the necessary and consequential actions that are required to implement the proposals contained in the report now submitted.

13 **Constitution and Scheme of Delegation**

A report of the Director of Corporate Resources was submitted.

It was moved by Councillor D Sparks, seconded by Councillor P Lowe and

Resolved

- (1) That the Constitution and Scheme of Delegation be reaffirmed for the 2014/15 municipal year.
 - (2) That the Director of Corporate Resources be authorised to make any necessary and consequential amendments to the Constitution arising from the decisions made at this meeting and to reflect any ongoing changes in legislative requirements.
 - (3) That all references in the Constitution to statutory provisions be taken to include any subsequent legislation, Statutory Instruments, Regulations, Orders or Guidance issued under those statutory provisions.
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14 **Ordinary Meetings of the Council, Cabinet, Committees and Community Forums for 2014/15**

A report of the Director of Corporate Resources was submitted.

It was moved by Councillor D Sparks, seconded by Councillor P Lowe and

Resolved

That the programme of ordinary meetings of the Council, Cabinet, Committees and Community Forums for the 2014/15 municipal year, as now submitted and circulated at the meeting, be approved.

15 **Appointments/Nominations to Outside Bodies**

A report of the Director of Corporate Resources was submitted.

It was moved by Councillor D Sparks, seconded by Councillor P Lowe and

RESOLVED

- (1) That the Director of Corporate Resources, in consultation with the Leader of the Council, be authorised to make appointments and nominations to the bodies referred to below in view of the urgency involved in making those appointments and nominations:-

Local Government Association
West Midlands Employers
West Midlands Joint Committee
Black Country Strategic Transport Board
West Midlands Fire and Rescue Authority and “Prime Member”
Integrated Transport Authority and any associated appointments,
including
Centro Members
West Midlands Police and Crime Panel and substitute(s)
Birmingham Airport Holdings Ltd – Board of Directors
Dudley and West Midlands Zoological Society Limited – Executive
Board
North Priory Project Board
Black Country Local Enterprise Partnership (LEP)
PSP Dudley Limited Liability Partnership – Members Board
Black Country Executive Joint Committee
Black Country Living Museum Trust
Black Country Consortium Limited - Directors

- (2) That the appointment of Members to serve on various other outside bodies be reported to the next meeting of the Cabinet.

The meeting ended at 7.00 p.m.

MAYOR

Meeting of the Council – 14th July, 2014

Report of the Cabinet

Capital Programme Monitoring

Purpose of Report

1. To report progress with the implementation of the Capital Programme, including the 2013/14 outturn position.
2. To propose amendments to the Capital Programme.

Background

Capital Spending and Financing 2013/14

3. The Council's capital expenditure in the year totalled £86.251m, as follows. A comparison with budget is shown in Appendix A.

	£'000
Public Sector Housing.....	40,753
Other Adult & Community	7,407
Urban Environment	26,134
Children's Services	9,147
Corporate Resources.....	2,810
	86,251

4. This expenditure has been financed as follows.

	£'000
Capital Financing Requirement*	15,439
Capital Receipts.....	6,062
Major Repairs Reserve (Housing).....	22,203
Revenue	22,456
Grants and Contributions	20,091
	86,251

*This was mainly funded internally from the Council's cashflow resources rather than from external debt.

5. 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	42,566	40,334	41,162
Other Adult, Community & Housing	6,362	550	550
Urban Environment	29,241	12,302	5,873
Children's Services	28,996	170	161
Corporate Resources	1,765	1,428	636
Total spend	108,930	54,784	48,382
Revenue	13,284	12,527	12,934
Major Repairs Reserve (Housing)	22,279	22,558	22,847
Capital receipts	19,327	11,961	9,507
Grants and contributions (inc. Lottery)	27,184	2,142	183
Capital Financing Requirement*	26,856	5,596	2,911
Total funding	108,930	54,784	48,382

*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.

6. In accordance with the requirements of the Council's Financial Regulations, details of progress with the 2014/15 Programme are given in Appendix B. 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 C.

Adult, Community and Housing

Disabled Facilities Grant Funding Allocation

7. The funding allocation for 2015/16 is £2.281m which along with the availability of other Housing capital resources will give a total budget of £2.777m. This will fund around 200 grants depending on the nature and cost of the works involved. The Council has been notified of an increase of £0.017m in its Disabled Facilities Grant funding allocation for 2014/15.

It is proposed that the allocations be noted and the associated expenditure included in the Capital Programme.

Holloway Hall Chambers

8. Holloway Hall Chambers - situated in Dudley town centre, adjacent to the recently refurbished Holloway Chambers and Elizabeth House buildings - is currently empty. Its refurbishment and return to use would create two town houses (of which there is a shortage) for rent as part of the new council homes programme. The estimated cost of £192,000 can be funded through monies from the Homes and Communities Agency (HCA), Right to Buy receipts and Council capital funding. It is anticipated that the refurbishment will be completed by March 2015.

It is therefore proposed that a budget of £192,000 for the refurbishment of Holloway Hall Chambers to provide new council homes be included in the Capital Programme.

Adult Personal Social Services Community Capacity Grant

9. The Council has been notified of its Adult Personal Social Services capital funding allocation for 2015/16 amounting to £857,000. This is intended to support development in three key areas: personalisation, reform and efficiency.

It is proposed that the allocation be noted and that the associated spend on relevant Adult Personal Social Services projects be included in the Capital Programme.

Urban Environment

Castle Hill Development Extension

10. Additional European Regional Development Fund (ERDF) funding has been applied for in relation to the Castle Hill development to provide the following:
- A new schools reception building servicing the new second entrance (formed as part of Castle Hill development), and enhancements to the primary entrance point on Tipton Road;
 - A pedestrian route in front of the Dudley Zoological Gardens (DZG) offices to link the Castle Hill development to Castle Hill itself;
 - A new DZG entrance accessed from the car parks;
 - Public realm enhancements to include interpretation panels, signage, seats, and variable message signs to the surrounding road network;
 - The Black Country Steam Project at the Black Country Living Museum (BCLM) comprising:
 - Expansion of the museum's "living Interpretation" by bringing back items of industrial machinery into working use and providing full sensory immersion of sights, sounds and smells and housing in a purpose built building housing an early example of a Haystack boiler;
 - Enhancements to Racecourse Colliery, steam hammer at the Anchor Forge and the purchase of a steam tractor.

The total cost of these works is estimated to be £1.523m and the ERDF grant being applied for is £0.905m. It is anticipated that the remaining £0.618m can be met from contributions from DZG (£0.200m) and BCLM (£0.268m), and existing Council budgets or Area Development Framework resources (£0.150m). It is proposed that subject to the grant application being successful, the project be approved and included in the Capital Programme.

Dudley Cemetery Extension

11. Due to Dudley Cemetery having only approximately 12 months burial space remaining, officers have identified the land opposite in Clee Road as a suitable location to site a new cemetery. The necessary planning consent was given on 9th June 2014.

Quotes to lay out the new cemetery have been received and it is expected that the total cost including fencing, gates, road/pathways and parking bays will be no more than £200,000. The cost of repaying borrowing of this sum can be met from the Bereavement Services revenue budget.

It is proposed the project be approved and included in the Capital Programme.

Cradley Forge Mushroom Green Dam

12. Cradley Forge embankment is located at the downstream section of the Mousesweet Brook near the confluence with the River Stour near Woodland Avenue in Cradley. A 50m long small diameter brick culvert, which runs through the 10m high man made ash embankment is failing due to its poor structural condition. The culvert entrance is under a constant risk of blockage resulting from both watercourse flood debris and illegal dumping.

The Council has been awarded £1.4m by DEFRA and the Environment Agency (EA) to replace the existing culvert with a much larger culvert in order to remove the serious threat to public safety from a risk of a major embankment failure resulting from a build up of flood waters.

This section of Mousesweet Brook forms the boundary between Dudley and Sandwell and the embankment together with the existing culvert is in the joint ownership of the two councils. The previously flooded and flood risk area is mostly in Dudley. In view of the limited engineering skills and resources available to Sandwell it has been agreed that Dudley would lead and manage the project in partnership with the EA. Sandwell would be a key stakeholder.

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

Effects of Severe Weather "Pothole" Grant

13. The Council has been awarded £319,000 by the Department for Transport to assist the Council with dealing with the effects of the severe weather from December 2013 to March 2014. It is planned to address 6,000 square metres of potholes, patching and repair of highway defects via revenue expenditure of £219,000 and to undertake capital expenditure of £100,000 on the enhancement of 12 unclassified roads which will be added to the micro-asphalting programme for 2014/15. It is proposed that this capital expenditure be added to the Capital Programme.

Urgent Amendment to the Capital Programme

Post 16 Facility for Pens Meadow School

14. It was reported to the Cabinet in September 2013 that the Council had been awarded funding by the Education Funding Agency (EFA) from the Demographic Growth Capital Fund (DGCF) to create a 45 place post-16 provision at Pens Meadow Special School for learners with learning difficulties and disabilities utilising the adjacent and vacant Shousters building.

However, we were unable to progress with the proposals set out in the original bid as we were informed by the landlord that the property is no longer available for use by the Council. In light of this, the Local Authority has appraised alternative suitable sites upon which a Post 16 facility could be developed. This provision is critical for Dudley as there is limited suitable accommodation available locally where the educational needs of Post 16 young people with severe learning difficulties and disabilities can be met.

The existing grant had a spend deadline of 31st March, 2015. Following consultation with the EFA, we were advised that due to the unforeseen circumstances we were faced with that they would consider a revised capital bid and that we should request an extension of expenditure of the capital grant to August 2015. The revised estimated cost of refurbishment of an existing provision is £1.270m of which £1.000m would be sought from the EFA and £0.270m from existing Children's Services capital resources.

In order to comply with the EFA timescales for a revised bid, a decision (ref. DCS/23/2014) was made by the Leader of the Council in consultation with the Cabinet Member for Children's Services and Lifelong Learning, the Interim Director of Children's Services and the Treasurer on 8th May 2014 that:

- the Interim Director of Children's Services be authorised to submit a revised proposal seeking capital funding for the growth and development of improved Post 16 provision for young people who have learning difficulties and/or disabilities;
- subject to the bid being successful, the project be included in the Capital Programme.

15. The recommendations in this report were submitted to the Cabinet at its meeting on 3rd July, 2014. Any amendments will be reported at the Council meeting.

Finance

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

Law

17. 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

18. These proposals comply with the Council's policy on Equality and Diversity.

19. 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

20. The Council is recommended:

- That the outturn position for 2013/14, as set out in paragraphs 3 and 4 and Appendix A be noted.
- That current progress with the 2014/15 Capital Programme, as set out in Appendix B be noted, and that budgets be amended to reflect the reported variance.
- That the Disabled Facilities Grant funding allocations be noted, and the associated expenditure included in the Capital Programme, as set out in paragraph 7.
- That a budget of £192,000 for the refurbishment of Holloway Hall Chambers to provide new council homes be included in the Capital Programme as set out in paragraph 8.
- That the Community Capacity Grant allocation be noted and that the associated spend on relevant Adult Personal Social Services projects be included in the Capital Programme as set out in paragraph 9.
- That subject to the grant application being successful, the Castle Hill Development Extension project be approved and included in the Capital Programme, as set out in paragraph 10.
- That the project to extend Dudley Cemetery be approved and included in the Capital Programme, as set out in paragraph 11.
- That the funding allocation for the Cradley Forge Mushroom Green Embankment be noted, and the project included in the Capital Programme as set out in paragraph 12.
- That the capital expenditure of £100,000 funded by the pothole grant be included in the Capital Programme, as set out in paragraph 13.
- That the urgent amendment to the Capital Programme, as set out in paragraph 14, be noted.



.....
Leader of the Council

2013/14 Capital Outturn

Of which:

	Budget	Outturn Spend	Total Variance	Slippage/ Rephasing	Over/Under Spend	Comments
Service	£'000	£'000	£'000	£'000	£'000	
Public Sector Housing	39,025	40,753	1,728	1,728	0	
Other Adult & Community	8,395	7,407	-988	-1,103	+115	See note 1
Urban Environment	27,426	26,134	-1,292	-1,295	+3	See note 2
Children's Services	10,099	9,147	-952	-952	0	
Corporate Resources	2,611	2,810	199	199	0	
TOTAL	87,556	86,251	-1,305	-1,423	+118	

1. Extra costs of the Archives project, including in particular additional works relating to the temperature and humidity controls and changes to the accommodation to incorporate additional services. This can be funded from revenue resources set aside.

2. Minor overspend on Footway Reconstruction, funded from revenue resources.

2014/15 Capital Programme Progress to Date

Service	Budget £'000	Spend to 31st May £'000	Forecast £'000	Variance £'000	Comments
Public Sector Housing	42,566	2,015	42,566		
Other Adult, Community & Housing	6,362	674	6,362		
Urban Environment	29,241	727	29,241		
Children's Services	28,996	605	28,996		
Corporate Resources	1,765	349	1,829	+64	See note 1
TOTAL	108,930	4,370	108,994	+64	

Note 1: Extra capital costs of £64,000 on Transforming our Workplace, offset by savings on revenue element of project.

Progress with Major Capital Schemes

Adult, Community and Housing

New Council Housing

The Council has been successful in securing match funding from the Homes and Communities Agency (HCA) from the Care and Specialised Support Housing Fund. Design work has commenced for the 14 two bedroom apartments for people with learning disabilities and who are on the autistic spectrum at the former depots at Norfolk Road, Wollaston and The Walk, Sedgley, and 3 two bedroom three person houses also at The Walk, procurement of a contractor is ongoing and tender evaluation is currently being undertaken.

Work is also continuing on feasibility studies for other potential new build housing and conversions of non-domestic properties across the borough and Pre-Application has commenced with the Local Planning Authority on a number of potential sites. Topographical and environmental habitat surveys and site investigations have been commissioned and a delivery plan is being developed. A bid has also been submitted to the HCA for the conversion of Arcal Lodge in Sedgley into 14 units.

Schemes are expected to be delivered within budget.

Dementia Gateways

Works have commenced on the second dementia gateway at Brett Young in Halesowen with completion planned for August 2014. Schemes are expected to be delivered within budget.

Tiled House Lane Modernisation

Refurbishment works to carry out improvements to Tiled House Lane have completed 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. 12,600 of the Council's 32,000 street lights can now be controlled via the CMS system remotely to help save energy; 7,300 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. Some advanced works have already been carried out, and detailed design work is ongoing such that main works can be programmed to start on site in Summer 2014. Spend is forecast to be within budget.

Recycling

The four vehicles are now operational and all 3 phases of the plastic and cardboard rollout are complete. The overall scheme will be complete with the deployment of a small number of black boxes to enhance the glass collection service.

Wheeled Bins

All three phases have been implemented within budget.

Mary Stevens Park

Recruitment of 3 year Heritage Ranger post complete and new staff due to start in mid July, volunteering for project work is being established. The design team was recruited in June and detailed design work will start mid July with capital work due to start beginning of 2015. 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. 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, with anticipated completion July 2014. Further phased works to commence July 2014, with final completion currently projected for March 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 well underway and progressing towards a July completion. The tender for the second phase which completes the whole of the scheme has now been appraised and awarded, and value engineering options are being considered to keep within budget, whilst still achieving a high quality scheme.

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.

Corbyn Road - base for joint Children's Safeguarding Unit and frontline social work teams

Tenders have now been returned, and work started on 20th January 2014 with a planned completion date of 27th June 2014. Expected outturn cost is within budget.

Corporate Resources

Transforming our Workplace (ToW)

The project is now nearing completion. There has been some overspend on the refurbishment of core offices but this has been offset by underspend on other ToW budget lines such as fewer staff moves. Work to offices at 3/5 St James's Road has now been completed and approximately 75% of the staff due to relocate there have done so. Alterations to offices at Mary Stevens Park Stourbridge have also been completed and the final group of Children's Services staff will have moved in by September. Various minor works to the Council House complex are in progress. The release of 12 surplus office sites has commenced with 5 office sites having now been sold. The overall programme of work is currently running to budget and is scheduled to complete in September 2014.

Meeting of the Council – 14th July, 2014

Report of the Cabinet

Revenue Outturn 2013/14 and Medium Term Financial Strategy

Purpose of Report

1. To report the provisional revenue outturn position for the year ended 31st March 2014.
2. To consider the latest General Fund revenue position for 2014/15 and Medium Term Financial Strategy (MTFS) to 2017/18.

Background

General Fund Revenue Outturn 2013/14

3. The Council's final accounts for the year ended 31st March 2014 have been completed, subject to audit. The final audited accounts will be presented to Audit and Standards Committee in September. If there are any changes to the draft outturn set out in this report, these will also be reported to Cabinet in September.
4. Details of the outturn, together with reasons for the variance from approved budget are shown at Appendix 1 and summarised in the following table.

Directorate	Revised Budget £m	Outturn £m	Variation £m
Adult, Community and Housing	106.102	106.068	-0.034
Children's Services	77.296	77.296	0.000
Urban Environment	55.376	55.372	-0.004
Chief Executive's	3.783	3.767	-0.016
Corporate Resources	1.007	0.753	-0.254
Total Service Costs	243.564	243.256	-0.308
Total Funding	-248.363	-248.949	-0.586
Contribution to Balances	-4.799	-5.693	-0.894

5. The above figures are shown after transfers to and from earmarked reserves. Further details of the position before such transfers, with explanations for variances, are set out in Appendix 1. Total funding was £0.586m higher than forecast mainly as a result of the Council receiving a share of general government funding previously top-sliced nationally for capitalisation directions but no longer required.
6. The impact of the above leaves General Balances at 31st March 2014 as follows:

	Forecast Position*	Latest Position
	£m	£m
Balance at 31st March 2013	19.4	19.4
Budgeted Contribution to balances 2013/14	4.8	4.8
2013/14 outturn, as above	-	0.9
Balance at 31st March 2014	24.2	25.1

*2014/15 Budget Report to Council 3rd March 2014

7. The improved level of general balances will go some way to help the Council manage the significant pressures it continues to face in future years.
8. Earmarked reserves at 31st March 2014 were £61.6m, a net reduction of £2.6m compared to 31st March 2013. This arises mainly from the review of and further underlying reduction in Directorate earmarked reserves during the year. A summary is shown at Appendices 2 and 3.
9. The requirement for these reserves will continue to be reviewed and any changes will be reported back to the Cabinet as part of the 2015/16 budget setting process.

Collection Fund Outturn 2013/14

10. 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. 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.

11. There was a net unbudgeted surplus of £0.386m on the Collection Fund at 31st March 2014. The position will be reviewed when reporting to Cabinet in February 2015.

Medium Term Financial Strategy to 2017/18

12. 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 39 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

13. 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.

14. 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
15. 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.
16. 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.
17. No announcement has been made on Public Health Grant for 2015/16 onwards. The General Fund savings proposals in Appendix 4 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 (subject to approval by Cabinet and Council later in the year) that this support will be funded from a combination of Public Health reserves, decommissioning and redirection of funds within the Public Health budget. Further details on expenditure of the Public Health grant will be presented to Cabinet on 29th October.

Other Forecasts

18. 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).
19. 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.

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 years 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.

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 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. The full 20% cut 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.
21. 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.

Base Budget Forecasts

22. The following key assumptions have been made (and are also referred to in the risk analysis in paragraph 40):
- (a) We are expecting pay awards for local government to be settled at very low levels in the next few years. The budget provision for prices assumes that competitive contract management and tendering will continue to minimise the impact of price rises on Council budgets. We are therefore proposing a provision of 1% for pay and 2% for prices each year for the duration of the MTFS.
- (b) 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	244.0	244.0	244.0
Pay & Prices	2.8	6.2	9.6
Capital Programme and Treasury	0.7	-0.4	-1.3
Pensions and National Insurance	1.6	5.0	6.6
Other Adjustments (*)	2.1	2.5	2.5
Spending Pressures	1.1	2.2	3.3
Base Budget Forecast	252.3	259.5	264.7

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

Savings

24. As was reported to Council in March, the financial position remains difficult with forecast deficits worsening year on year. It was proposed in March that work be undertaken in the following areas and progress reported back to the Cabinet.

Proposed in March	Update
A review of services where there is an existing mature market for outsourcing, considering the scope to deliver further savings, over and above those already proposed in this report, subject to wider issues including the impact on jobs and the local economy and the length and flexibility of any contract.	A soft market testing exercise has been conducted in relation to environmental management and corporate support services. The results of this exercise do not support a business case to outsource these services.
A review of services to Looked After Children taking account of comparisons with other local authorities and exploring any potential to achieve service improvements and savings from changes to care practices.	A review has been undertaken. This has produced a number of recommendations for increased revocations of care orders, improved prevention and diversion, better commissioning and lower cost provision of care. Proposed savings from implementation of these recommendations are included in Appendix 4 of this report.
A review of the Council's property assets with a view to consolidating the delivery of services where possible from a smaller number of buildings.	A review has commenced and is ongoing.
Consideration of options for new or increased fees and charges for services.	A number of proposals for increased fees and charges are included in Appendix 4 of this report.
Prioritisation of services in light of Council Plan aims and public consultation results, recognising that as a last resort in the event that other measures are insufficient to deliver a balanced budget, it may become necessary to reduce some services to a statutory minimum level or cease to provide some services altogether.	This report includes a number of additional savings proposals to reduce the projected financial deficit while maintaining services to the public (see below). However, the financial challenge remains significant and it is likely that further work to prioritise services will be required.

25. The following savings have been identified, including further savings relating to the current financial year. Detailed proposals are set out in Appendix 4.

	2014/15 £'000	2015/16 £'000	2016/17 £'000	2017/18 £'000
Adult, Community and Housing	1,400	13,201	14,307	14,307
Children's Services	1,555	5,001	7,594	12,092
Urban Environment	569	5,907	6,167	6,676
Corporate Resources	418	4,031	4,485	4,585
Chief Executive's	100	577	661	801
Total	4,042	28,717	33,214	38,461

26. It is proposed that the Council amends the budget for the current year to reflect the 2014/15 savings set out above. The savings for future years will be brought back to Cabinet on 29th October together with any other savings proposals identified prior to that date.

Human Resource Implications

27. Further to information reported to the Cabinet on 12th February 2014, 72 requests for voluntary redundancy arising out of the November 2013 Expressions of Interest in Voluntary Redundancy process have been accepted and progressed with the individuals concerned, 68 of which have been authorised through the delegated process as of 16th June 2014. Of these 36 had pension implications.
28. To help achieve the budget savings set out in the February report there has been a need for some compulsory redundancies but these have been kept to a minimum due to the voluntary redundancy process, vacancy management, reductions in working hours, redeployment and redundancy bumping. Early in the budget saving process it was estimated that 40 Full Time Equivalent (FTE) posts might be lost due to compulsory redundancy. That figure has so far been reduced to 23 FTEs and may reduce further if redeployment and redundancy bumping takes place. As at 16th June 2014 there have been 5 employees who have been redeployed or redundancy bumped, 2 employees are on redeployment trials, 2 employees resigned due to obtaining alternative positions outside Dudley MBC and 5 have left as a result of compulsory redundancy.
29. Work is ongoing to complete restructuring of the Children's Centres. There are potentially 16 staff still at risk of redundancy under the restructuring with 2 of these currently undertaking redeployment trials. The process is due for completion by 31st August 2014.
30. The Directorate of Adult, Community and Housing Services is also undergoing a major restructure programme (The Customer Journey) to support their identified budget savings. This work is at an early stage and to date 10 expressions of interest for voluntary redundancy have been agreed with a further 8 being considered for 4 voluntary redundancy opportunities.

31. In May directors revisited the November expressions of interest information to ascertain if savings required to reduce the 2014/15 deficit could be made by reconsidering voluntary redundancy requests in areas that could not be supported previously, by bringing forward savings identified in the February report to Council as a 2015/16 or 2016/17 saving or by savings in areas not previously considered.
32. This exercise has identified no additional requests which could be followed up in areas that could not be supported previously but there are 19 additional ones.
33. Due to continuing budget constraints and the need to restructure to help meet the savings required it is proposed that a further expressions of interest process is commenced to support the savings required, but earlier in the financial year than usual to enable savings to be made in the year, and once again mitigate where possible the need for compulsory redundancies. As the process is becoming an annual event and there are other such expressions of interest which run for major restructures, a process to gather the intelligence for longer term use would be beneficial to all parties. Therefore it is proposed that employees are offered the opportunity to express their interest to be entered onto a register for voluntary redundancy for use at any stage now or in the future on the clear understanding that they might be contacted for savings in this financial year or 2015/16 savings and they can remove their name at any time.
34. Any compulsory redundancies are managed in accordance with both the Managing Employees at risk of Redundancy and the Retraining and Redundancy policies.
35. A staffing Equality Impact Assessment (EIA) is not completed until the budget savings process has been finalised. However no staffing equality issues have been identified to date.
36. 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.

Medium Term Financial Strategy

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

	2014/15 £m	2015/16 £m	2016/17 £m	2017/18 £m
Base Budget Forecast - see para 23	244.0	252.3	259.5	264.7
Savings - see para 25	-4.0	-28.7	-33.2	-38.5
Total Service Spend	240.0	223.6	226.3	226.2
Revenue Support Grant (RSG)	75.6	54.5	41.8	30.6
Retained Business Rates	45.6	48.3	50.0	51.2
Top-Up Grant	14.9	15.3	15.7	16.1
Business Rate Grant	2.9	1.4	0.8	0.8
New Homes Bonus	3.4	4.1	4.8	4.8
New Homes Bonus Adjustment Grant	0.2	0.5	0.5	0.5
Council Tax Freeze Grant	1.1	2.3	3.5	4.6
Collection Fund Surplus – Council Tax	1.4	-	-	-
Collection Fund Surplus – Business Rates	0.2	-0.7	-0.7	-0.7
Council Tax	94.6	95.4	95.9	96.3
Total Resources	239.9	221.1	212.3	204.2
Deficit funded from Balances	0.1	2.5	14.0	22.0
Balances brought forward	25.1	25.0	22.5	8.5
Balances carried forward	25.0	22.5	8.5	n/a

38. As demonstrated by the table above, balances are adequate to fund the deficit for 2015/16 and 2016/17. This is an improvement on the position reported in March, but it remains necessary to take further action going forward over and above the savings proposed in this report. Further reports will be brought to Cabinet later in the year.
39. 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%² would increase available resources.

² 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.

Estimates, Assumptions and Risk Analysis

40. 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;
 - (i) 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.

Housing Revenue Account (HRA)

41. The latest approved budget for the HRA allowed for a deficit in the year 2013/14 of £3.896m. The actual outturn shows a deficit of £2.123m, a positive variance of £1.773m, as detailed in Appendix 5.
42. The balance remaining on the HRA at 31st March 2014 was £5.612m. This balance will be rolled forward to maintain the Decent Homes Standard, to address a range of improvement works, to build new homes, and to prepare for further changes to the welfare reform system that will affect tenants.

43. At its meeting on 3rd July, 2014, the Cabinet was recommended to approve the following recommendations pursuant to the powers delegated to it:
- To note the draft General Fund and HRA revenue outturns for 2013/14.
 - To note the effect of the General Fund Revenue Outturn on General Balances at 31st March 2014.
 - To note the position on General Fund earmarked reserves at 31st March 2014.
 - To note the savings proposals for future years set out in paragraph 25 and Appendix 4 and that these will be brought back for further consideration by Cabinet on 29th October together with any other savings proposals identified prior to that date.
 - To note the proposal to use Public Health grant to support Sports Development and Park Rangers and that these, together with other proposals for the use of Public Health grant, will be brought back to Cabinet on 29th October.
 - To note the various issues and risks which may continue to affect the 2014/15 position and will need to be taken into account in finalising budget proposals for 2015/16, and the Medium Term Financial Strategy.

The other recommendations set out below are submitted to the Council for approval. Any amendments to the recommendations will be reported at the Council meeting.

Finance

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

Law

44. The Council's budget setting process is governed by the Local Government Finance Acts, 1988, 1992, and 2012, and the Local Government Act 2003.

Equality Impact

45. 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.
46. 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.

47. 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.

48. 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.

49. 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.

50. Equality impact assessments have been carried out on relevant additional savings proposals for 2014/15 (which have been made available to Cabinet members). Relevant groups will be consulted as appropriate in the implementation of these proposals:

- Looked after children;
- Efficiencies in the Directorate of Children's Services' commissioning arrangements;
- Home to school and college transport;
- Learning Disability – residential care and care at home;
- Health integration – customer journey and reduced placements in residential care.

Where savings proposals are for 2015/16 onwards, equality impact assessments and consultation will take place later in the year.

51. 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

52. That Council approve:

- 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 Human Resources, 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 and Health and the Director of Corporate Resources, and of compulsory redundancies to the Cabinet Member for Human Resources, Legal, Property and Health and the Assistant Director for Human Resources and Organisational Development.

53. That the 2014/15 General Fund revenue budget be amended to reflect the current year savings set out in paragraph 25.



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Leader of the Council

General Fund Revenue Service Spend Summary 2013/14

		Revised Budget	Outturn	Variance	Reasons for variance
		£m	£m	£m	
Adult, Community and Housing	Net Spend	110.642	107.454	-3.188	See note 1
	Use of / contrn. to earmarked reserves	-4.540	-1.386	3.154	See note 7
	Net	106.102	106.068	-0.034	
Children's (Non Schools)	Net Spend	80.442	78.707	-1.735	See note 2
	Use of / contrn. to earmarked reserves	-3.146	-1.411	1.735	See note 7
	Net	77.296	77.296	0.000	
Urban Environment	Net Spend	56.599	56.169	-0.430	See note 3
	Use of / contrn. to earmarked reserves	-1.223	-0.797	0.426	See note 7
	Net	55.376	55.372	-0.004	
Chief Executive's	Net Spend	3.174	2.306	-0.868	See note 4
	Use of / contrn. to earmarked reserves	0.609	1.461	0.852	See note 7
	Net	3.783	3.767	-0.016	
Corporate Resources	Net Spend	2.011	1.730	-0.281	See note 5
	Use of / contrn. to earmarked reserves	-1.004	-0.977	0.027	See note 7
	Net	1.007	0.753	-0.254	
Total Non Schools	<i>Net Spend</i>	252.868	246.366	-6.502	
	<i>Use of / contrn. to earmarked reserves</i>	-9.304	-3.110	6.194	
	Net	243.564	243.256	-0.308	
Schools / DSG	Net Spend	5.389	-0.469	-5.858	See note 6
	Use of / contrn. to earmarked reserves	-5.389	0.469	5.858	See note 7
	Net	0.000	0.000	0.000	
Grand Total	<i>Net Spend</i>	258.257	245.897	-12.360	
	<i>Use of / contrn. to earmarked reserves</i>	-14.693	-2.641	12.052	
	Net	243.564	243.256	-0.308	

Notes:

1. Includes:

- Review of commitments -£1.797m
- Planned expenditure funded from capital resources -£0.500m
- Extra winter pressures income from CCG -£0.533m
- Savings on Supporting People contracts -£0.461m
- Other net variances +£0.103m

2. Includes:

- Planned efficiencies, in year vacancies and additional traded service income achieved in respect of the Education Services and Quality and Partnership divisions -£1.199m
- Provision for payment to HMRC in respect of self employed tax status £0.911m
- Extra Troubled Families grant -£0.924m
- Other extra income -£0.523m

3. Includes:

- Pothole grant carried forward to spend in 2014/15 -£0.319m
- Vacancies and other net variances -£0.111m

4. Includes:

- Slippage in programmed Public Health expenditure -£0.825m
- Other net variances -£0.043m

5. Includes:

- Cost of redundancies in excess of £1m contingency £0.571m
- Unspent Local Welfare Assistance Grant -£0.543m, of which £0.076m was used to reduce the benefit claims backlog, leaving net variance of -£0.467m
- Extra Treasury and other income, and other net variances -£0.385m

6. Includes:

- Extra expenditure by schools from delegated budgets £3.073m
- Extra schools income -£5.022m
- Net underspend of central DSG resources -£3.909m (resulting from underspending in the high needs block, -£2.500m, and in respect of the DfEs new initiative to fund early years nursery provision for the most disadvantaged 2 years olds, -£1.500m, offset by provision for payment to HMRC in respect of self employed tax status, £0.091m).

7. In accordance with the Council's Reserves and Balances Policy, Earmarked Reserves are used in particular to carry forward resources (from budgets and grant income) to cover deferred expenditure and other commitments in future years. Positive figures reflect net contributions to reserves to fund future spend; negative figures reflect net use of previously set aside reserves to fund spend during 2013/14.

General Fund Earmarked Reserves

	Balance 31/03/13	Balance 31/03/14	Movement	Details
	£m	£m	£m	
<u>Corporate Reserves</u>				
Working Capital	2.000	2.000	0.000	"Contingency of last resort"
Insurance Fund	4.178	4.831	0.653	To meet self insured claims
LAA Reward	0.279	0.143	-0.136	To be spent on Partnership projects, etc.
Community Forums	0.377	0.369	-0.008	Carry forward of unspent budgets
Other	0.256	0.000	-0.256	
Total Corporate	7.090	7.343	0.253	
<u>Other Reserves</u>				
DGfL & Paragon Grants in Advance	12.856	11.928	-0.928	To match expenditure in later years
School Balances	28.911	29.262	0.351	From Schools' Delegated Budgets, Trading etc.
Directorate Reserves	15.376	13.060	-2.316	See Appendix 3
Total Other	57.143	54.250	-2.893	
Total	64.233	61.593	-2.640	

Directorate Reserves

Appendix 3

	Balance 31/3/13		Balance 31/3/14		Movt.	Details
	£m	£m	£m	£m	£m	
Children's Services						
Grants carried forward	0.688		1.367			Grant funding to be applied to ongoing projects in 2014/15, including Troubled Families
Social Care and other	1.719		0.134			Includes funding of initiatives for children in care
		2.407		1.501	-0.906	
Urban Environment						
Grants carried forward	0.717		0.793			Including Highways Pothole grant and former PCT funding for Healthy Towns
Other	1.050		0.048			Including management of acquired town centre properties
		1.767		0.841	-0.926	
Adult, Community & Housing						
Supporting People	0.538		0.999			Roll forward of grant funding
Housing initiatives	0.511		0.347			Including Mortgage Arrears and Debt Prevention Advice
Lifetime Costs	3.673		2.890			Funding of ongoing placements
Extra Care Housing	0.450		0.750			To fund Extra Care developments
Health integration	1.171		1.032			To support Better Care integration planning
Care Bill	0.508		0.841			To support implementation of the Care Bill
Other social care	1.912		0.527			Including management of various pressures
Libraries	0.272		0.085			Including funding for potential liabilities
		9.035		7.471	-1.564	
Corporate Resources						
ICT Development	0.275		0.326			Various investments in software and long term ICT infrastructure
Legal	0.301		0.235			Including funding for potential liabilities
Benefits	0.527		0.337			Recession grant carried forward funding pressures on benefits assessments and systems
Other	0.360		0.090			Including HR developments
		1.463		0.988	-0.475	
Chief Executive's						
Public Health	0.000		2.033			Roll forward of mainly ring-fenced funding
Other	0.704		0.226			Including Community Enterprise Fund resources
		0.704		2.259	1.555	
Total		15.376		13.060	-2.316	

Proposed Savings

Adult, Community and Housing	2014/15	2015/16	2016/17	2017/18
	£'000	£'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	200	1375	1375	1375
Health Integration - These savings will be achieved through the transfer of monies and the pooling of budgets with the Clinical Commissioning Group which will be known as the Better Care Fund. The funding identified will protect services that may otherwise have been reduced as part of the council's budget savings. These resources will support the needs of Dudley citizens, with a specific focus on older people and older people with frailties. This approach will require significant change in the way in which people access care and support with revised working practices for staff across both Health and Social care and the integration of health and Social care teams. The emphasis will be on building community based services linked to Primary Health and Social Care in order to avoid unplanned hospital admissions and admissions into residential and Nursing homes. The funding is subject to agreement of the planned use of resources by the Health and Wellbeing Board and NHS England and is also subject to performance targets being achieved.	0	7070	7070	7070
Health integration - This option reflects the efficiencies that will be generated within DACH'S as a result of meeting the Government's performance targets of the Better Care Fund, together with the redesign of the Adult Social Care model in respect of access to services and the customer experience.	700	1200	2106	2106
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.	0	156	156	156

Adult, Community and Housing	2014/15	2015/16	2016/17	2017/18
	£'000	£'000	£'000	£,000
Reduction of management and staffing costs across adult social care	0	200	200	200
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.	0	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.	0	250	250	250
Queens cross day centre - This proposal would see the council looking for a different delivery model for the centre and a different remit for the centre itself.	0	100	100	100
Unicorn day centre – this is a day centre for people with profound Learning Disabilities. This option would see a different delivery model being identified for the centre.	0	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	0	200	200	200
Savings arising from new running arrangements for New Bradley Hall	0	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.	500	600	700	700
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.	0	250	250	250
Introduction of tighter criteria for support to voluntary sector that is more aligned to the local authority preventative model.	0	300	300	300
Reduced support and cancellation of schemes supported through supporting people monies.	0	700	700	700
Total	1400	13201	14307	14307

Children's Services	2014/15 £000	2015/16 £000	2016/17 £000	2017/18 £000
Generate additional surplus traded service income.	50	115	159	367
Restructure the integrated youth support service.	33	300	430	630
Reduce the voluntary and community sector commissioning budget together with efficiencies in the Directorate's commissioning arrangements .	100	155	155	235
Asset Management Services will increase their traded service income targets and /or 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.	40	250	250	250
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 during 2015/16.	-	350	350	350
Restructure within the Education Services division.	165	311	346	606
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.	412	474	494	911
Secure efficiency in commissioning of placements and support for looked after children.	755	2,506	4,637	7,752
Total	1,555	5,001	7,594	12,092

Urban Environment	2014/15	2015/16	2016/17	2017/18
	£'000	£'000	£'000	£'000
Service related savings				
Reduction in the Road reconstruction and resurfacing programme	0	461	461	461
Reduction in routine Street Lighting, signs and bollards maintenance	0	50	50	50
Reduction in Street Cleansing linked to increased community led litter picking	71	71	71	71
Reduction in Gully Drain Emptying with a greater focus on problem 'hot spots'	0	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	0	265	265	265
Office staff related savings				
Ongoing efficiencies, service transformation and corporate restructuring	248	3353	3353	3692
Income generation				
Increase Bereavement charges	50	240	400	570
Other efficiency and contractual savings				
Gym equipment contract negotiated savings	0	40	40	40
New technology within Street Lights will reduce light pollution and save significant energy costs	0	205	205	205
Switch off selected Street Lighting from midnight	0	0	100	100
Redesign of Pest Control service	0	100	100	100
Review of rechargeable Green Care workloads	200	340	340	340
Further efficiencies including vehicle utilisation, overtime, fuel usage	0	200	200	200
Business efficiency and transformation	0	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	569	5,907	6,167	6,676

Corporate Resources	2014/15	2015/16	2016/17	2017/18
	£'000	£'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.	94	916	916	916
Accountancy - service redesign and management savings, focussing on strategic financial management and reducing non-core and transactional activity.	0	500	500	500
Management restructure within Internal Audit.	0	55	55	55
Customer Services - service redesign focussing mainly on self service / automation, reducing non-statutory activity, a payments review and management & staff savings .	0	589	846	846
Reduce grant to Dudley and West Midlands Zoological society.	0	0	0	100
Directorate management restructure. Removal of Assistant Director post.	0	0	100	100
Human Resources & Organisational Development - staff and management savings from system development & self service.	66	868	892	892
Staff and management savings from Law & Governance Division.	35	175	228	228
Increased Management & Valuation, conveyancing and lease income.	0	5	25	25
Office accommodation savings. Town Centre project - disposal of 12 sites.	223	423	423	423
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.	0	500	500	500
Total	418	4,031	4,485	4,585

Chief Executive's	2014/15	2015/16	2016/17	2017/18
	£'000	£'000	£'000	£'000
Reduction in voluntary sector grant	0	0	40	40
Staff savings across Policy and Customer Access to Services (CATS) teams	50	260	304	304
Admin support and directorate running costs savings	0	0	0	80
Communications and Public Affairs staff savings and additional income	8	132	132	192
Community Safety staff savings	42	160	160	160
Emergency Planning savings	0	25	25	25
Total	100	577	661	801

Housing Revenue Account 2013/14 Outturn

	Revised Budget £000	Outturn £000	Variance £000s
Income			
Dwelling rents	-89,296	-89,702	-406
Non-dwelling rents	-688	-678	10
Charges for services and facilities	-243	-245	-2
Contributions towards expenditure	-1,071	-1,471	-400
Interest on balances	-33	-29	4
Total income	-91,331	-92,125	-794
Expenditure			
Management (inc. North Priory)	14,974	13,853	-1,121
Responsive and cyclical repairs	23,661	23,671	10
Transfer to Major Repairs Reserve	21,893	22,040	147
Interest payable	18,354	18,257	-97
Purchase of Miscellaneous Properties	1,045	1,083	38
Revenue contribution to capital expenditure	13,960	13,960	0
Other expenditure	1,340	1,384	44
Total expenditure	95,227	94,248	-979
Surplus/deficit for the year	3,896	2,123	-1,773
Surplus brought forward	-7,735	-7,735	0
Surplus carried forward	-3,839	-5,612	-1,773

Main reasons for the variances shown above include:

- For dwelling rent income, although there was a reduction in rent received, largely owing to increased number of Right to Buy sales, the full provision for bad debts was not required in the year. This was owing to the slower than expected progress of the Government's welfare reforms, specifically Universal Credit.
- Additional contributions to expenditure have been received from tenants' rechargeable repairs and from works undertaken on leasehold properties, where the tenant or leaseholder contributes towards the cost.
- Savings on management costs have arisen from vacancies and running cost efficiencies. Resources have also been carried forward into future years relating to preparation for welfare reforms.
- The increase in the transfer to the major repairs reserve is owing to technical adjustments in how depreciation has been calculated.
- There has been a small reduction in interest paid, as lower rates were payable.

Appendix 1:

List of changes to CIL Charging Schedule, Infrastructure Delivery Plan and Viability Assessment

Change Number	Proposed Amendments to Charging Schedule and associated documents
1	Amend Infrastructure Delivery Plan (IDP) to incorporate comments from the Canal and River Trust and Sport England
2	Incorporate specific costed projects provided by Centro into the IDP and the Regulation 123 List where appropriate.
3	Publish information on recent funding through S106 Agreements as Appendix 3 of the Charging Schedule.
4	Amend heading in table on Page 10 of Charging Schedule from <i>“Less than 25% Affordable Housing provision (on sites of less than 15 dwellings or where provision has been reduced on viability grounds alone)”</i> to <i>“All Residential Development”</i>
5	Amend Retail Table on Map 5 so that the charge at Merry Hill and the Waterfront for standalone comparison retail from “N/A” to “£100” to ensure consistency with the Retail table in the main charging schedule document.
6	Amend Maps 3 and 4 (Retirement Housing) to reflect updated viability information following reconsideration of a number of assumptions on retirement housing development. Viability Assessment also updated accordingly.
7	Amend the footnote to the Retail table within the Charging Schedule to read <i>“Infrastructure at Merry Hill and Waterfront as required by Core Strategy Policy CEN3 to be delivered <u>primarily</u> through the use of Legal Agreements and not through CIL...”</i> .
8	Separate the 15% Community Proportion figure from the identified Funding Gap in the IDP and Draft Charging Schedule.
9	Amend Charging Schedule to reflect changes made in the 2014 CIL Amendment Regulations: <ul style="list-style-type: none"> • Change requirement from a building having to be in use for a six month period in the previous 12 months to a six month period in the previous 3 years (Page 19) • Remove the requirement for the cost of complying with the linked S106 Agreement to be greater than the relevant chargeable amount (Page 21)
10	Undertake a number of minor amendments to the Charging Schedule to make it appropriate as a submission document for consideration by the Planning Inspectorate including: <ul style="list-style-type: none"> • Removal of Consultation Questions from the Charging Schedule to a separate consultation form; • Update Infrastructure Funding Gap table and Draft Regulation 123 List to reflect changes made to the IDP

Meeting of the Council – 14th July, 2014

Report of the Cabinet

Consultation on the Community Infrastructure Levy (CIL) revised Draft Charging Schedule and recommendation to Council for subsequent submission

Purpose of Report

1. To inform of the progress regarding the development of a Community Infrastructure Levy (CIL); to note the publication of the revised Draft Charging Schedule (DCS) and revised Draft Regulation 123 List for a six week period of consultation and consider a recommendation that the Draft CIL Charging Schedule subsequently be submitted to the Secretary of State for independent examination.

Background

2. Following government regulation in 2010, Local Authorities were provided with the option of developing a Community Infrastructure Levy (CIL). The purpose was to have a mechanism to part fund infrastructure within a locality to support physical regeneration. Monies can be used to fund provision, improvement, replacement, operation or maintenance of infrastructure to support the development of the area.
3. In parallel the regulations reduced the ability of a Local Authority to fund infrastructure through planning obligations (section 106) and from April 2015 the use of Section 106 Agreements as we know them will be limited to affordable housing and other specific on-site requirements for example on-site public art.
4. CIL is more for generalised contributions to support infrastructure across the Borough. In the future, instead of a development attracting a section 106 contribution for libraries, for example, allocation of CIL monies will be made on a regular basis to support nominated projects that have been identified to support infrastructure and would depend on the CIL monies received.
5. Although CIL remains optional, the significant reduction of planning obligations from April 2015 means that without a Community Infrastructure Levy this could lead to severe pressure on existing infrastructure in areas and be a deterrent to growth. Overall it is therefore considered that the implications for not preparing a Community Infrastructure Levy from a financial context significantly outweigh the cost and resource implications for the Council preparing it.

6. Cabinet approved the commencement of the preparation and viability testing of the Community Infrastructure Levy for the Borough on 8th February 2012, and subsequently approved the draft preliminary charging schedule on 6th December 2012. Cabinet agreed to consult on the draft charging schedule at the meeting on 12th March 2014.
7. As a result of the public consultation on that Draft Charging Schedule in March and April 2014, a total of nineteen representations were received from a range of individuals and public and private sector organisations; where appropriate these representations have been incorporated into the revised Draft Charging Schedule and associated documents. A summary of the key issues raised and the Council's responses are contained in Appendix 1. A number of changes are proposed to the Draft Charging Schedule and Draft Regulation 123 List as a result of the consultation and these are set out within Appendix 1.
8. The revised Draft Charging Schedule identifies zones within the Borough where different types of development could be implemented with a Community infrastructure Levy (CIL) applied. The different zones represent varying levels of affordability to pay CIL across the Borough. Extensive work to check the viability of development across the Borough has been carried out by property and land experts.
9. In conjunction with the preparation of a Community Infrastructure Levy, the Council is required to prepare what is called a 'Regulation 123 List'; this is a list of specific projects and types of infrastructure that has been identified by various infrastructure providers across the Borough (Appendix 1 of the Schedule to the CIL Draft Charging Schedule) as candidates to be funded by CIL monies. This List needs to be approved by the Cabinet and publicised. Once approved, it is anticipated that the Regulation 123 List will be regularly reviewed with any proposed changes reported to Cabinet for approval. Appendix 2 of the revised Draft Charging Schedule sets out a prioritisation matrix for allocating monies for projects that are on the Regulation 123 List. Ultimately any spend of CIL receipts would be approved by Members before being committed and added to the capital programme.
10. The period of consultation on the revised Draft CIL Charging Schedule and revised Draft Regulation 123 List is recommended to begin on Friday 11th July and run for a period of 6 weeks until Friday 22nd August 2014. During that time, both documents will be able to be viewed at the reception area at 4 Ednam Road, Dudley and Dudley Council Plus, as well as at all main libraries and on the Council's website. The document is also available, alongside the list of all comments received on the Draft Charging Schedule, on the Internet via the Committee Management Information System and a paper copy is in the Members' Room.
11. Following this consultation, it is anticipated that the Draft CIL Charging Schedule will be submitted to the Planning Inspectorate. The submitted Charging Schedule is then likely to be subject to a formal Examination in Public in late 2014 with adoption intended early 2015.

12. At its meeting on 3rd July, 2014, the Cabinet was recommended to approve the publication of the revised Draft CIL Charging Schedule for a six week period of public consultation between 11th July to 22nd August 2014. The Council is invited to consider the recommendations set out below. Any amendments to the recommendations will be reported at the Council meeting.

Finance

13. The preparation of the document will be funded from existing budgets and resources dedicated to the production of Development Plan Documents and other such statutory planning documents.
14. Adopting the CIL approach will involve altering the method of achieving infrastructure contributions through development. The Local Authority's use of the Section 106 process will be much reduced with CIL replacing it in many areas. Dudley Council will be able to use the funds from the levy to recover the costs of administering the levy, the regulations permit up to 5% of the total receipts to be spent on administration of the levy. If receipts are not adequate to fully cover administration costs as the scheme is introduced, options will be considered to meet such costs as they arise.

Law

15. The CIL came into force on 6th April 2010 through the Community Infrastructure Levy Regulations (now amended in 2014). The Planning Act 2008 provides a wide definition of the infrastructure that can be funded by the levy, including flood defences, health, transport and social care facilities (list is not exhaustive). On the adoption of the levy the regulations restrict the local planning authority use of planning obligations for pooled contributions that are capable of being funded through CIL.
16. The regulations do not permit Affordable Housing to be funded through CIL and will continue to be collected through traditional planning obligations. The three mandatory tests which must, as a matter of law, be satisfied when seeking planning obligations are set out in Regulation 122 of the CIL Regulations 2010 namely: they must be a) necessary to make the development acceptable in planning terms b) directly related to the development and c) fairly and reasonably related in scale and kind to the development.

Equality Impact

17. The proposals take into account the Council's Policy on Equality and Diversity. The adoption by the local planning authority of a CIL regime will ensure that the mitigation and benefits of development are addressed across the Borough. This will include meeting the needs of children and young people by seeking to provide sufficient facilities for them as well as having a positive effect for future generations.

Recommendations

- 18. That following public consultation, the Community Infrastructure Levy (CIL) Draft Charging Schedule be submitted to the Secretary of State for Independent Examination in accordance with Regulation 19 of the CIL Regulations 2010.

- 19. That authority be delegated to the Director of the Urban Environment, in consultation with the Leader of the Council and the Cabinet Member for Regeneration, to agree any minor changes to the document prior to submission to the Secretary of State.



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Leader of the Council

Appendix 1:

List of changes to CIL Charging Schedule, Infrastructure Delivery Plan and Viability Assessment

Change Number	Proposed Amendments to Charging Schedule and associated documents
1	Amend Infrastructure Delivery Plan (IDP) to incorporate comments from the Canal and River Trust and Sport England
2	Incorporate specific costed projects provided by Centro into the IDP and the Regulation 123 List where appropriate.
3	Publish information on recent funding through S106 Agreements as Appendix 3 of the Charging Schedule.
4	Amend heading in table on Page 10 of Charging Schedule from <i>“Less than 25% Affordable Housing provision (on sites of less than 15 dwellings or where provision has been reduced on viability grounds alone)”</i> to <i>“All Residential Development”</i>
5	Amend Retail Table on Map 5 so that the charge at Merry Hill and the Waterfront for standalone comparison retail from “N/A” to “£100” to ensure consistency with the Retail table in the main charging schedule document.
6	Amend Maps 3 and 4 (Retirement Housing) to reflect updated viability information following reconsideration of a number of assumptions on retirement housing development. Viability Assessment also updated accordingly.
7	Amend the footnote to the Retail table within the Charging Schedule to read <i>“Infrastructure at Merry Hill and Waterfront as required by Core Strategy Policy CEN3 to be delivered <u>primarily</u> through the use of Legal Agreements and not through CIL...”</i> .
8	Separate the 15% Community Proportion figure from the identified Funding Gap in the IDP and Draft Charging Schedule.
9	Amend Charging Schedule to reflect changes made in the 2014 CIL Amendment Regulations: <ul style="list-style-type: none"> • Change requirement from a building having to be in use for a six month period in the previous 12 months to a six month period in the previous 3 years (Page 19) • Remove the requirement for the cost of complying with the linked S106 Agreement to be greater than the relevant chargeable amount (Page 21)
10	Undertake a number of minor amendments to the Charging Schedule to make it appropriate as a submission document for consideration by the Planning Inspectorate including: <ul style="list-style-type: none"> • Removal of Consultation Questions from the Charging Schedule to a separate consultation form; • Update Infrastructure Funding Gap table and Draft Regulation 123 List to reflect changes made to the IDP

Meeting of the Council – 14th July, 2014

Report of the Cabinet

Food Service Plan 2014/2015

Purpose of Report

- 1 The Food Standards Agency requires that Local Authorities submit their food service plans for approval by Members.
- 2 To advise the Council of the contents of the Directorate of the Urban Environment (DUE) Food Service Plan 2014/2015 and to seek final approval of the document.

Background

3. Local authorities are required by the Food Standards Agency (FSA) to produce and implement an annual Food Service Plan that sets out how the authority will deliver food law enforcement functions to ensure national priorities and standards are addressed and delivered locally.
4. The food service is located within the Planning and Environmental Health Division of the Directorate of the Urban Environment. From June 2014, the food service will be provided within the re-modelled Environmental Health & Trading Standards service by officers within the Food and Consumer Safety section, bringing together all officers who work to ensure food safety into one section.
5. The service consists of inspections of food businesses to ensure compliance with food safety and food standards legislation, investigation of complaints relating to food and premises, sampling of foods for microbiological and compositional requirements, the investigation of food borne disease as well as educational and promotional activities.
6. By ensuring the safety of food produced and consumed within the borough and encouraging healthy eating and reducing health inequalities, the delivery of the food enforcement service contributes to delivering the Council Plan priorities of health and well-being. The service helps maintain public confidence in the standards of our local food industry and provides practical support to businesses in difficult economic times, which helps to ensure fair competition and allow well run food businesses to flourish and contribute to the local economy.

7. Service plans are developed under the framework agreement produced by the Food Standards Agency and provide the basis on which local authorities are monitored and audited by the Agency. It is a requirement that food service plans are submitted to Members for approval to ensure local transparency and accountability.
8. A summary of this year's service plan is appended to this report (Appendix 1). A full copy of the Food Service Plan is located in the Members' Room and on the Internet.
9. Regarding performance in 2013/2014, items to note are:
 - High levels of inspection of food premises in the borough have been maintained. 1221 food hygiene inspections and 173 food standards inspections were carried out during the year.
 - The proportion of food premises in the borough that are broadly compliant with food hygiene legislation is 87%, rising to 90% not including new premises not yet inspected. Statistics produced by the Food Standards Agency in November 2013 show Dudley to have the second highest proportion of broadly compliant food premises in the West Midlands and amongst the highest ranking for Metropolitan boroughs in the country. The national range for metropolitan boroughs is between 73% and 92%.
 - Over 40% of Dudley's food businesses now score the top hygiene rating of 5 and two thirds of all food premises in the borough are in the top two ratings bands 4 and 5. Dudley consumers can access the results of food hygiene inspections across the UK including Dudley in one visit via the Council's website to the national website www.foodratings.gov.uk and can download up to date information onto mobile phones.
 - During 2013-14 additional focus was given to assisting premises rated 1 and 2 to improve their ratings at next inspection by provision of additional tailored on site coaching for food business proprietors. This compliments the zero rated strategy which has provided additional support in previous years to the lowest achieving premises.
 - 389 food samples were purchased from food premises in the borough and submitted for microbiological or compositional analysis. This included 20 samples tested for lamb and chicken substitution, 3 of which were found to contain other species DNA which on follow up investigation were found to be low level non deliberate contamination within acceptable tolerances.
 - The Council has a clearly laid down enforcement policy, which focuses on providing advice and guidance for businesses to secure compliance. However, where businesses consistently fail to comply with the law or present a severe threat to public health it is important that action is taken to protect consumers. During the year, 5 prosecutions were completed involving 3 takeaways, one cafe and a public house which failed to achieve minimum levels of food hygiene and safety. Fines totalled £56,000 with over £9,000 in costs being awarded to the local authority. All concluded prosecutions are published in the prosecution register on the Council's website.

10. The Food Service Plan was submitted to the Cabinet on 3rd July, 2014 and any amendments to the recommendation will be reported at the Council meeting.

Finance

11. Financial implications from implementing the Food Service Plan are met from within existing budgets

Law

12. The Council's duties with respect to protecting consumer interests in relation to food safety and standards are set out under the Food Safety Act 1990.
13. Powers to enable the Agency to monitor and audit local authorities are contained in the Food Standards Act 1999.
14. Section 111 of the Local Government Act 1972 authorises the Council to do anything which is calculated to facilitate or is conducive or incidental to the discharge of any of its statutory functions.

Equality Impact

15. This report does not conflict with the Council's policy on equality.
16. The Food Service Plan contributes towards reducing health inequalities for all residents in the borough by promoting healthy eating. In particular healthy eating is encouraged for children and young persons and also elderly people through the Dudley Food for Health Award. Many of the premises achieving the award are schools, nurseries and residential homes.

Recommendation

17. That the Food Service Plan 2014/2015 be approved and adopted.



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Leader of the Council



Directorate of the Urban Environment
Planning and Environmental Health Division

Food Service Plan
Summary
2014/2015

Food Law Enforcement Service Plan 2014 – 2015

Summary

1 Service Aims and Objectives

1.1 Aims

- To improve and sustain the health of the local people in the borough by contributing to the reduction of the health inequalities gap via the Health Inequalities Strategy.
- To ensure that food and water available in the borough is safe to consume.
- To work to prevent avoidable illness and reduce the spread of communicable disease within the Borough.

1.2 Objectives

- To carry out a programme of routine inspection of food premises.
- To implement procedures to ensure compliance with the Food Standards Agency Framework Agreement.
- To ensure food offered or exposed for sale is fit for human consumption and to expedite the removal of hazardous/risk product from the food chain.
- To investigate service requests relating to food and the conditions of food premises and where appropriate prepare reports for prosecution.
- To raise awareness of the food hygiene and safety performance of food businesses with consumers through the Food Hygiene Rating Scheme.
- To investigate where appropriate cases of communicable disease, including the investigation of practices and processes identified as sources of infection at commercial premises.
- To produce and undertake a food sampling programme and to undertake reactive sampling as required in connection with outbreaks/service requests.
- To ensure that all food service work is carried out in accordance with relevant codes of practice and quality systems.
- To contribute to the work of the Obesity Strategy including encouraging food businesses to apply for and gain the Dudley Food for Health Award.
- To respond to requests for advice, and where appropriate liaise and advise businesses in accordance with the home authority principle and the Primary Authority scheme coordinated by the Better Regulation Delivery Office (previously known as LBRO).

The Environmental Health and Trading Standards Service directly supports and contributes to the importance of health and wellbeing within the Council Plan objectives by ensuring the provision of the following:

- Clean and safe food and water,
- A trading environment that is fair and equitable to the consumers and businesses of the Borough.

2. Service Delivery

The food service is located within the Planning and Environmental Health Division of the Directorate of the Urban Environment. In June 2014, the Environmental Health & Trading Standards Service is being re-modelled from three to two service areas and the food service will be delivered within the new Food and Consumer Safety service. The specialist food team of Environmental Health Officers (EHOs) will deliver both the food service including food standards (labelling, composition and food presentation) and trading standards officers will continue with food standards delivery into 2014-15. This will ensure a holistic approach to food enforcement across the borough and strengthen capacity for food standards work.

3. Demands on the Food Service

Dudley has 2,403 food premises within its area as of 1st April 2014. This is made up of

28	Manufacturers/Producers
37	Distributors
642	Retailers
540	Restaurants, Cafes, other Caterers
335	Pubs/Clubs
16	Hotels/Guest Houses
272	Takeaways
122	Schools/Colleges
250	Caring establishments
97	Mobile traders
64	Unrated (awaiting first inspection)

For Food Safety inspection purposes the ratio of premises in each score banding on 1st April 2013 as set out in The Food Standards Agency Statutory Code of Practice is as follows:

Category A (inspected at 6 month intervals)	7
Category B (inspected at 12 month intervals)	126
Category C (inspected at 18 month intervals)	612
Category D (inspected at 2 year intervals)	898
Category E (inspected at 3 year intervals)	665
Unrated premises	95

N.B. Category A are the higher risk premises and E the lowest risk.

There are 2 licensed abattoirs in the Borough.

There are 14 premises approved for the production of meat, fish or dairy products.

4. Review of Activity from Service Plan 2012/2013

- **99.5% (792)** high and **63% (429)** low risk food hygiene inspections achieved. Under achievement on low risk inspections was due to the allocation of 2 full time officers to a fatality investigation for 7 months of the year.
- **100% (18)** programmed high and **50% (155)** medium risk food standards inspections that were due were achieved against targets of 100% and 50% respectively.
- **430** new food premises registrations were dealt with during the year, including new businesses and existing businesses changing proprietors. The number of businesses on the register is now at the highest level ever recorded at just over 2,400. This continues a rising trend in new small food businesses such as home caterers, home bakers and mobile traders.
- **312** food samples were procured and examined for microbiological safety. All unsatisfactory samples received appropriate follow up.
- **77** food samples were procured and analysed to ensure correct labelling, description and compliance with compositional standards. This included 20 samples tested for lamb and chicken substitution, 3 of which were found to contain other species DNA which required follow up investigation and found to be non deliberate contamination.
- A small number of samples of spices were tested for irradiation levels as part of a regional project and all were satisfactory.
- Five prosecutions of food business proprietors were successfully concluded for poor food hygiene and safety standards. Fines issued by the courts totalled £56,000, including one fine of £27,500, with costs totalling over £9,000 awarded to the local authority.
- **192** food standards complaints were received. Many related to out of date food and quality issues.
- A total of **740** food service requests were actioned by the Food and Occupational Safety service (dealing with food safety and hygiene) during the year. Of this total figure, 82 related to food complaints, 207 related to food premises conditions and food hygiene practices and 451 were general requests for service and advice from both consumers and businesses.
- The number of infectious disease investigations for the year was **662**, of which **445** were cases of campylobacter; these were responded to by postal advice. The response time for the remaining cases is 24 hours with some diseases requiring immediate attention.

- The Dudley Food for Health Award, delivered in conjunction with the Office of Public Health, proactively encourages premises to provide healthy eating choices whilst ensuring compliance with food hygiene regulations. This work contributes to meeting targets in the Health Inequalities Strategy and Obesity Strategy. **48** Awards were made during the year to catering premises, many of these to small high street businesses achieving the award for the first time
- The results of food hygiene inspections were published on the national food hygiene rating website every 3 to 4 weeks throughout the year, with a link to the Dudley ratings from the Council's website. 2040 ratings were published by March 2014, not including sensitive, exempt & excluded premises for which ratings are not published. Sensitive premises includes child minders; some very low risk premises are exempt and premises not providing food direct to the final consumer, such as manufacturers are not currently included in the national scheme.
- The proportion of food premises that are broadly compliant with food hygiene legislation was almost 87% at the year end, rising to 90% if new food premises awaiting inspection are not included (as new premises are rated as non compliant until inspected). This is the second highest in the West Midlands and amongst the highest for metropolitan authorities in the country.

5. Issues for consideration during the year 2014/2015

- A re-modelling of the Environmental Health and Trading Standards service from 3 to 2 service areas under two new Public Protection manager posts is due to take place from June 2014. This will result in a specialist food service team in the new Food and Consumer Safety Division. The food service team, consisting of Environmental Health Officers (EHO's) and Food Safety Officers, will take on responsibility for food standards enforcement as well as food hygiene and safety. This will require a project plan to be implemented to ensure the smooth transition of the food standards service from Trading Standards Officers to EHOs. There will be additional training and development needs for staff on the new food service team.
- Changes to the Food Standards Agency Code of Practice in April 2014 have been taken on board. There has been a reduction in the number of high risk inspections as a result of premises previously in the bottom range of Category C risk ratings being reduced to Category D premises. This has seen 373 previous Category C premises reduced to category D and has reduced the inspection programme in 2014-15 by 145 premises. However there has been a compensatory increase in Category D premises as a result which will see an increase in the low risk inspection programme in this and subsequent years. The decrease in high risk inspections also has to be balanced against the expected continuing increase in small food business numbers overall and the new requirement of the revised Code of Practice to re-visit all premises which are not broadly compliant.

- The transfer of public health functions from the NHS to local authorities from April 2013 has resulted in closer links with public health professionals. The food service already makes contributions in the areas of obesity prevention and healthy eating and has important contributions to make to targets in the Public Health Outcomes Framework. Ensuring that the work of the food service has a profile in the Joint Strategic Needs Assessment process is important. 3 staff have been trained as Healthy Living Champions as part of the Making Every Contact Count Programme aimed at increasing referrals and signposting to public health services during routine enforcement work and this is to be rolled out to further staff during 2014-15.
- There has been an increase in some areas of reactive work including the number of food hygiene requests for service, largely due to an increased turnover in small food businesses and their need for advice and support, and an increase in reported food poisoning cases, particularly campylobacter cases, following the national trend in a rise in cases year on year. The number of small food businesses changing hands and requiring re-registration and inspection has steadily increased year on year due to the current economic climate. There has also been an increase in new home caterers, mobile food traders and home baking businesses. 430 new food registrations were received in 2013-14, raising the number of registered food businesses in the borough to just over 2,400 for the first time. This places an extra burden on the inspection programme in terms of additional inspections and providing extra support to new proprietors.
- The food service will be required to assist and advise businesses in order that they comply with the new Food Information Regulations. The regulations combine rules on general food and nutrition labelling into a single EU regulation. Transitional arrangements set out in the proposed new regulations mean that the bulk of the requirements will apply from late 2014, with nutrition labelling becoming mandatory in 2016.

Meeting of the Council - 14th July, 2014

Report of the Overview and Scrutiny Management Board

Membership of the Children's Services Scrutiny Committee

Purpose of Report

1. To consider recommendations from the Overview and Scrutiny Management Board on a review of the composition and membership of the Children's Services Scrutiny Committee.

Background

2. The Overview and Scrutiny Management Board have indicated a wish to review the composition and membership of the Children's Services Scrutiny Committee, to ensure that the Committee remains fit for purpose and to enable it to move forward with a wider focus than just educational issues. The Management Board had particular regard to the number of non-elected Members who serve on the Committee. The Board, at its meeting held on 29th April, 2014, requested a report on a review of the composition and membership of the Committee, pending which it was also resolved that the Committee's existing co-opted members remain unchanged and that an appropriate recommendation be made to the Annual Meeting of the Council on 5th June, 2014.
3. The Committee currently comprises 11 elected Members, appointed in accordance with the proportionality requirements, five non-elected, voting Members and five non-elected, non-voting Members. The non-elected, voting, Members are stipulated by law and comprise one representative of each of the Church of England and Roman Catholic denominations, appointed by the Worcester Diocesan Education Committee and the Archdiocese of Birmingham, respectively, and one parent governor from each of the primary, secondary and special education phases. While there are legal stipulations regarding certain issues relating to parent governor representatives, there is discretion for local authorities to agree the number and type of such representatives.
4. In relation to non-elected, non-voting, Members there is no legal requirement to appoint and the history to the appointees for Dudley is as set out below.
5. The composition and membership of the former Education Committee was initially determined at a meeting of the Council in 1973 and comprised a total of eight co-opted members, these being three representatives of the Church, three teacher representatives and two other persons of experience. While there were no legal stipulations regarding co-opted membership, the Committee was then a statutory body and required the approval of the Secretary of State on its overall composition.

6. The Church representatives were approved by resolution to be one representative of each of the Church of England and Roman Catholic denominations and one representative of the Free Churches, with the remaining co-optees being one representative of each of the Primary, Secondary and Further Education sectors and the two persons of experience.
7. The Local Government and Housing Act, 1989 introduced, among other issues, the political proportionality requirements for appointments to Council Committees and also stipulations regarding voting entitlements for non-elected members of Committees. Further to a Ministerial Direction given under the Act, the Council, on 15th March, 1990, determined its preferred composition of the (then) Education Committee. The approval of the Secretary of State to the composition was subsequently given. So far as non-elected members of the Scrutiny Committee were concerned, the Council resolved:-
 - (1) That, in accordance with the terms of the Direction, provision be included for two non-elected voting members.
 - (2) Provision be included for six non-elected non-voting members, as follows:-
 - (i) One representative of each of the Primary, Secondary and Further Education sectors.
 - (ii) One representative of the Free Churches
 - (iii) Two other persons with personal experience of education or knowledge of and interest in, educational conditions in the Borough.

to be appointed by the Council on the recommendation of the Education Committee.

- (3) That additional provision be not made to enable the inclusion of representative(s) of non-denominational bodies involved in the provision of voluntary schools in the Borough as non-elected, non-voting members; or, if they are appointed as representatives of persons who appoint foundation governors to voluntary schools, as non-elected members.
- (4) That, with regard to the means of selection of non-elected, voting members, a joint nomination be sought to Diocese and Education Committees for the Lichfield and Worcester areas in the case of the Church of England, and for one nomination from the Diocese and Schools Commission of Birmingham in the case of the Roman Catholic Church.
- (5) That, with regard to non-elected, non-voting members below, the following practices be undertaken:-

- (i) The Chief Education Officer to organise a ballot in respect of the representatives of the Primary, Secondary and Further Education sectors;
 - (ii) The Chief Executive to seek a proposal for one representative of the Free Churches.
- 8. The Education Committee subsequently resolved to discontinue representation by the Further Education sector, after the removal of Further Education from Local Government control. Additionally, the Diocese of Lichfield ceased jurisdiction for the Dudley area and, therefore, Church of England nominations are sought only from the Diocese of Worcester through the Worcester Diocesan Education Committee.
- 9. Under Department for Education and Employment Circular 19/99, a Direction was extended to Local Education Authorities in England to provide places, with voting rights, for representatives of the Church of England and the Roman Catholic Church, on those Committees dealing with education. In Dudley, the relevant Committee was defined as the Select (scrutiny) Committee dealing with Education. This is now the Children's Services Scrutiny Committee. The Circular specified the matters on which the Diocesan representatives were entitled to vote, and not to vote on.
- 10. In relation to non-elected, non-voting members, the Circular stated that nothing in the Circular should be read as to detract from the value of arrangements which had been made to include representatives of other faiths, as non-elected, non-voting members of Committees dealing with education. It stated further that the Secretary of State recognised the value of such arrangements and would like to see Local Authorities continue this practice. It also stated that Local Authorities might wish to include representatives of any non-denominational bodies involved in the provision of voluntary schools.
- 11. Further to the implementation of the Education (Parent Governor Representatives) Regulations, 1999 and 2001, which required the appointment of elected governor representatives to Council committees dealing with education, using discretionary powers provided for under the Regulations, the Council determined, in January, 2000, that the number of representatives be set at three and that the representatives be elected on the basis of school phase, ie one representative for each of the Primary, Secondary and Special Education phases. Notwithstanding that no representatives are currently members of the Committee (despite several attempts to secure nominations, none have recently been forthcoming), the requirement for representatives to be included on each Committee dealing with education remains.
- 12. At its meeting on 11th June, 2014, the Overview and Scrutiny Management Board agreed that the existing co-opted membership was no longer appropriate for all meetings given the wider remit of the Children's Services Scrutiny Committee. Views were expressed on the size of the Committee and the need to avoid a single focus on educational issues.

13. The Board recommended that the statutory co-opted members should be retained and that the Children's Services Scrutiny Committee establish a pool of specialist/key contacts to be invited to attend to advise the Committee, or give evidence where appropriate, at specific meetings. This would provide for flexibility depending on the topics under discussion. It was envisaged that the pool of contacts could include a wide range of educational and social care professionals, faith groups, disability groups, trade unions and persons from other Boroughs with specific expertise.
14. The above proposals were reported to the Children's Services Scrutiny Committee on 26th June, 2014 and the minutes are being submitted to this Council meeting. The Scrutiny Committee acknowledged that the focus of the Committee is wider than educational issues, however, some concerns were expressed regarding loss of continuity and the valuable experience of co-opted members. Reference was also made to the need to monitor the attendance of statutory co-optees in future. In order to retain this experience, as an interim measure, the Children's Services Scrutiny Committee has the discretion to extend an invitation to the existing co-opted members to attend meetings for the remainder of the municipal year. This will retain continuity and assist with a smooth transition to the revised arrangements, which will provide for much greater flexibility.

Finance

15. There are no direct financial implications arising from this report.

Law

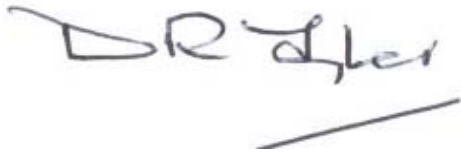
16. Section 111 of the Local Government Act, 1972 authorises the Council to do anything which is calculated to facilitate or is conducive or incidental to the exercise of any of its functions.
17. The relevant provisions regarding the appointment of non-elected, voting and non-voting members are contained in the Local Government and Housing Act, 1989, and associated regulations. Members with a voting entitlement do not affect Committees insofar as proportionality of membership is concerned.
18. The provisions regarding the requirement for Church representatives to be appointed to Council Committees dealing with education are contained in DfE Circular 19/1999 and to appoint Parent/Governor representatives to those Committees in the Education (Parent Governor Representatives) Regulations, 1999, as superseded by the 2001 Regulations of the same name.
19. The requirement to appoint Church Representatives, as indicated above, remains as does the requirement to appoint elected Parent/Governor representatives. The Council has discretion regarding the number and nature of Parent/Governor representatives to be elected, the period of office and responsibility for the election arrangements.

Equality Impact

20. This report complies with the auspices of the Council on Equality and Diversity.

Recommendation

21. That the Council approve amendments to the co-opted membership of the Children's Services Scrutiny Committee, as outlined above, namely to retain the statutory co-opted members and that the Scrutiny Committee be requested to establish a pool of specialist/key contacts to be invited to advise the Committee, attend or give evidence at meetings, as appropriate, depending on the specific topics under discussion.

A handwritten signature in black ink, appearing to read 'DR [unclear]', with a horizontal line underneath it.

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Chair of the Overview and Scrutiny Management Board