

Meeting of the Cabinet

Thursday 18th September, 2025 at 6.00pm
In the Council Chamber at the Council House,
Priory Road, Dudley, West Midlands, DY1 1HF

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

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 meeting held on 30th July, 2025 (Pages 4 - 8)
4. 2025/26 Capital and Budget Monitoring Report (Pages 9 – 59)
5. Progress Update on Council Improvement Plan (Pages 60 – 71)
6. To report on any issues arising from Scrutiny Committees
7. To consider any questions from Members to the Leader where two clear days' notice has been given to the Monitoring Officer (Cabinet Procedure Rule 2.5)

Distribution:

Members of the Cabinet:

Councillor P Harley (Leader)

Councillor P Bradley (Deputy Leader)

Councillors P Atkins, I Bevan, S Clark, D Corfield, A Goddard, E Lawrence, W Little and S Phipps

Opposition Group Members nominated to attend meetings of the Cabinet:

Shadow Cabinet Members (Main Opposition Group Spokespersons):

Councillors A Aston, S Ali, C Bayton, K Casey, E Cobb, J Cowell, S Mughal, Q Mughal, S Ridney and P Sahota

Leader and Deputy Leader of each of the other political groups:

Councillors P Lowe and K Westwood
Councillors R Priest and E Stafford

Note: Opposition Group Members may speak at the meeting but may not vote.



Chief Executive

Dated: 10th September, 2025

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**Minutes of the Cabinet
Wednesday 30th July, 2025 at 5.00pm
in Committee Room 2 at the Council House, Dudley**

Present:

Cabinet Members

Councillor P Harley (Leader - Chair)

Councillor P Bradley (Deputy Leader - Vice-Chair)

Councillors I Bevan, S Clark, D Corfield, E Lawrence, W Little and S Phipps.

Opposition Group Members nominated to attend the Cabinet

Labour Group: Councillors J Cowell, Q Mughal, S Ridney and P Sahota.

Liberal Democrat Group: Councillor R Priest

Officers

B Heran (Chief Executive), K Jones (Group Director - Housing and Assets), A Razzaq (Director of Legal, Compliance and Assurance - Monitoring Officer), C Williams (Interim Head of Finance - Deputy Section 151 Officer), G Jones (Interim Director of Children's Services), and H Mills (Senior Democratic Services Officer).

Together with other officers and members of the public.

12 **Apologies for Absence**

Apologies for absence from the meeting were submitted on behalf of Councillors S Ali, A Aston, P Lowe and S Mughal.

13 **Declarations of Interest**

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

14 **Minutes**

Resolved

That the minutes of the meeting held on 19th June, 2025 be confirmed as a correct record and signed.

15 **Plan for Neighbourhoods Update**

The Cabinet received an update from the Group Director for Communities and Growth on the Plan for Neighbourhoods (PfN) programme, which replaced the Long-Term Plan for Towns (LTPfT) programme.

Councillor S Phipps, Cabinet Member for Economy and Infrastructure, presented the report and provided an overview of the implementation of the new plan following changes announced in March 2025.

Key changes were outlined, which included the expansion of activities eligible for funding across the eight thematical areas. The programme would be overseen by the Neighbourhood Board, which comprised of community and Council representatives, who had previously served on the Long-Term Town Board. The Council would continue to act as the accountable body via the Section 151 Officer.

It was noted that the ten-year regeneration and investment plan must be submitted by November 2025. Work was progressing at speed, with a community led engagement phase set to begin imminently.

Opposition Group Members commented positively on the report. The Cabinet Member for Economy and Infrastructure responded to questions raised and provided clarification with regard to staffing capacity to deliver the programme; the omission of baseline information to measure success; the need for key performance indicators to assess outcomes and outputs; clarification on the process and responsibility for funding allocation, and clarification of paragraph 25 of the report, specifically regarding the option to borrow funding against a guaranteed revenue stream and whether it was the intention to pursue this flexibility and how associated risks would be monitored in light of potential political changes.

Resolved

That the Plan for Neighbourhoods (PfN) being the replacement programme for Long Term Plan for Towns (LTPfT), the progress made to date in implementing the new guidance, and the next steps, be noted.

16 **Schedule 1 of the West Midlands Combined Authority (Functions and Amendment) Order 2017, Combined Authority Roads**

The Cabinet considered a joint report of the Chief Executive and the Monitoring Officer seeking consent for the submission of a proposal to amend the 2017 Order to the Secretary of State, following the West Midlands Combined Authority Board meeting on 12th September, 2025. The report also sought consent to the laying of the draft Order once it had been received from the Secretary of State.

Resolved

That the Chief Executive, in consultation with the Leader of the Council and the Cabinet Member for Economy and Infrastructure, be authorised to consent to the submission of the proposal to amend the 2017 Order to the Secretary of State, following the West Midlands Combined Authority Board meeting on 12th September 2025, and to the laying of the draft Order once it has been received from the Secretary of State.

17 **Cross City Bus Package 3 - Dudley to Druids Heath: Burnt Tree Junction Improvement Scheme**

The Cabinet considered a report of the Group Director for Communities and Growth, presented by Councillor S Phipps, Cabinet Member for Economy and Infrastructure, seeking approval on principle for the proposed preliminary Burnt Tree Junction Improvement Scheme.

The report also sought delegated authority for the Cabinet Member for Economy and Infrastructure to approve the final scheme designs and delegated authority for the Group Director for Communities and Growth to approve the funding agreement for delivery of the scheme once finalised, subject to the agreement of the respective Legal and Finance teams at Dudley Council and West Midlands Combined Authority.

In presenting the report, the Cabinet Member for Economy and Infrastructure outlined the purpose of the proposed scheme, which was to improve bus connectivity and reduce delays caused by congestion. It was noted that enhancements to the junction for public transport users were expected to benefit all road users by easing overall congestion. The scheme would be funded by West Midlands Combined Authority with minimal financial impact on Dudley Council.

At this juncture, Councillor P Harley, Leader of the Council, declared an interest, for transparency purposes, as he had been the original Councillor to unveil the current junction. It was noted that he had not been involved in the initial design or associated works.

Members welcomed the proposed improvements and the use of advanced traffic signalling technology.

Councillor D Corfield, Cabinet Member for Neighbourhoods, responded to comments raised by Opposition Group Members in terms of the maintenance and upkeep of strategic gateways into the Borough.

Resolved

- (1) That the proposed highways modifications at the Burnt Tree Junction within Dudley that form part of the Cross City Bus Package 3 – Dudley to Druids Heath Cross City Bus (Package 3) programme, as set out in Appendix A to the report, be approved in principle.

- (2) That the Cabinet Member for Economy and Infrastructure, subject to Dudley Council's Highway Officers providing technical approval of final scheme drawings, be authorised to approve the final scheme designs following consideration of the public consultation carried out by Transport for West Midlands, as set out in Appendix B to the report.
- (3) That the Group Director for Communities and Growth be authorised to approve the funding agreement to deliver the junction improvement scheme once finalised and agreed between Dudley Council's and West Midlands Combined Authority's respective legal and finance teams, following agreement of the funding required to deliver the scheme by Dudley Council Officers within Transport and Highway Services, with Transport for West Midlands as the scheme sponsor.
- (4) That due to urgency, the amendment to the Capital Programme be approved and the decision be reported to the next ordinary meeting of the Council for information.

18 **Issues arising from Scrutiny Committees**

No issues were raised under this agenda item.

19 **Questions from Members to the Leader (Cabinet Procedure Rule 2.5)**

No questions were raised under this agenda item.

The meeting ended at 5.20pm

LEADER OF THE COUNCIL

Meeting of the Cabinet – 18 September 2025

Joint Report of the Chief Executive and Director of Finance

2025/26 Capital and Budget Monitoring Report Quarter 1 30th June 2025

Purpose

- 1 To report the quarter 1 Revenue and Capital and Budget Monitoring report for the 2025/26 financial year.

Recommendations

2 That Cabinet:

- Note the quarter 1 (June 2025) forecast overspend of £ 2.5m
- Note the draft General Fund, Dedicated School Grant (DSG) Public Health Grant, and Housing Revenue Account (HRA) forecast outturns for 2025/26 as at the end of Quarter 1.
- Note the forecast deficit on the DSG of £53.2m (High Needs Block £59.6m), the statutory override and the impact on Council resources.
- Note the progress to date of delivering £61.1m of savings.
- Note the current and forecast level of general fund unearmarked reserves.
- Note the current forecast against capital budget and approve the increase in the Capital Programme and recommend to Full Council for approval.

Background

2025/26 Forecast Revenue Outturn as at the end of Quarter 1

- 3 In February 2025, the Council approved a net revenue budget of £367.4m. The quarter 1 (end of June 2025) forecast revenue outturn position is set out below and is reporting a gross overspend of £2.5m.
- 4 The corporate budget includes a budget to manage in-year budget pressures which is sufficient to fund the forecast overspend should no significant additional pressures emerge by the end of the financial year.
- 5 The Council approved a planned increase in its unallocated reserves by £5.0m, this is still forecast to be the case. In addition to the £5.0m being transferred to reserves there is a further £2.5m which can now be released from the contingency and transferred to reserves. This element of the contingency was created to manage potential risks relating to BCIMO Company which has gone into administration. The contingency set aside for this purpose is unlikely to be needed and therefore the unused element has been transferred to reserves to support the overall financial resilience of the Council.
- 6 A breakdown of the forecast outturn position is set out in the table below.

Table 1: Forecast 2025/26 revenue out turn position as at Quarter 1

	Latest Budget £m	Forecast Outturn £'m	Variance £m
Chief Executives	5.2	5.4	0.2
Adult Social Care	138.1	138.1	0.0
Children's Services	89.2	92.0	2.9
Finance and Legal Services	14.1	15.2	1.1
Health and Wellbeing	2.5	2.3	-0.2
Digital, Commercial and Cust Services	13.3	13.5	0.1
Environment	36.4	36.6	0.1
Housing and Communities	2.9	2.0	-0.9
Regeneration and Enterprise	12.6	11.7	-0.9
Corporate & Treasury	53.1	53.1	0.0
Total Directorate Service Costs	367.4	369.9	2.5
Funding	-367.4	-367.4	0.0
Net Revenue Budget	0.0	2.5	2.5

7 The reasons for the variances are as follows:

Chief Executive £0.2m - This projected overspend is due to staffing pressures however will be offset by the redundancy provision.

Adult Social Care £0.0m – The service is forecast to breakeven however there are forecast pressures of £2m within Disability Services. These relate to £0.8m for bed-based services because of increased average unit costs, reduced joint funding, and £1.5m on community provision because of increased client numbers. The overspends are partly offset by £0.3m savings on staffing costs and £1.1m market sustainability grant and inflation provision. The pressures in Disability Services are also offset by savings in Mental Health of £0.6m with lower client numbers both in community and bed-based provision, and savings within Assessment and Independence of £0.3m on community placements owing to lower client numbers.

Children's Services £2.9m – The overspend of £2.9m is predominantly due to an increase in the number and costs of external residential placements for some children in care. There is a pressure

of £0.3m relating to site security costs at the former Coseley School site and a net underspend of £0.1m relating to staffing vacancies.

Finance & Legal £1.1m – The projected overspend is primarily due to interim and locum appointments in Legal Services £0.7m and Financial Services £0.3m. There is also a pressure of £0.1m relating to printing and mailing costs in Revenues and Benefits arising from increased postal charges and contract costs.

Health & Wellbeing (£0.2m) – The underspend is mainly due to staff vacancies within Environmental Health, Trading Standards and Housing Enforcement.

Digital £0.1m - The overspend is due to the staff turnover target of £0.1m and £0.1m of savings forecast not to be achieved.

Environment £0.1m – An overspend is forecast due to utility cost savings £0.8m, establishment and various other savings of £0.2m, offset by a shortfall on pay and display and parking enforcement income £1.1m.

Housing (£0.9m) – The underspend is due to the utilisation of the homelessness grant income of £0.6m and savings in staffing of £0.3m.

Regeneration & Enterprise (£0.9m) – The underspend is due to a combination of savings from staffing, reduced spend on operational expenditure and the use of grants, totalling £1.3m. This is offsetting income pressures in the leisure centres, due to membership reductions and the closure of Halesowen Pool Car Park totalling £0.4m.

Corporate & Treasury Funding – The budget for 2025/26 was set with budgets to manage in year pressures and risks which may occur during the year. As at quarter 1, £2.75m has been transferred to Children's Services to manage demand pressures which were identified at the budget setting process and held centrally.

Savings

- 8 The 2025/26 budget includes £61.1m of savings to be delivered of which £4.8m relates to 2024/25 savings carried forward for delivery in 2025/26, and £56.3m of new savings. As at 30 June 2025 a total of £50.0m is on track to be delivered. A total of £10.2m is amber rated with risks of non-delivery being managed with mitigations. A total of £0.9m is red rated and not considered to be deliverable. Alternatives plans are being explored.
- 9 The red rated savings of £0.9m include Parking Strategy Phase 1, savings from Transformation, Cleaning contracts, Youth provision, Communities Team and Business Change Team.
- 10 Appendix B provides a detailed breakdown of the savings.

Reserves

- 11 The general fund unearmarked reserve was £28.8m as at 31st March 2025 and is forecast to increase by £7.5m by the end of the year due to the budgeted contribution to reserves (£5m) and the release of the BCIMO reserves (£2.5m). to £36.3m by 31st March 2026. This, together with earmarked reserves of £6.0m, represents 12% of the net revenue budget.
- 12 The forecast position on reserves is £18.9m more than was anticipated when the 2025/26 budget was set in February 2025. As well as the planned contribution to reserves of £5m and the release of BCIMO contingencies of £2.5m, the improvement is due to the underspend at the end of the 2024/25 financial year.
- 13 Whilst this is an improved position and will support the overall financial resilience of the Council, this level of reserves is still well below the average of all Metropolitan Borough Councils which stands at around 20% of annual income using 2023/24 data from CIPFA's Financial Resilience Index. Increasing the level of reserves is a key part of the Council's financial strategy.
- 14 Levels of General Fund reserves will continue to be monitored to assess their reasonableness considering the risks facing the council and its ability to deliver within the 2025/26 budget set, as part of the setting of the 2026/27 budget.

Reserves	Forecast Outturn £m
Unallocated General Fund Reserves 31 st March 2025	28.8
Planned addition to Reserves approved by Council February 2025 plus surplus on contingency	5.0
Other forecast movements in year	2.5
Forecast Unallocated General Fund Reserve at 31st March 2026	36.3

15 Un-ringfenced reserves at 31st March 2025 and future years are set out in Appendix C.

Public Health

16 The Public Health Grant reserve position is set out in the table below. The projected closing balance of £4.9m at 31st March 2026 represents 19% of the annual ring-fenced grant of £25.1m.

	Opening Balance 1.4.2025 £m	Projected Movement in Year £m	Projected Closing Balance 31.3.2026 £m
Public Health Grant Reserve	4.9	(0.1)	4.8

Housing Revenue Account (HRA)

17 Overall, the HRA is forecasting a balanced position. The variances within the forecast are as follows:

18 There are a number of vacancies which will deliver an underspend of £2.3m. This is due to a review of the target operating model, which will result in significant changes.

- The budget included increased costs associated with grounds maintenance and communal cleaning because of the introduction of service charges. Due to the delay in the implementation of

service charges these associated costs were not incurred resulting in a saving of £0.9m which has been offset by the same amount in a reduction in income.

- A saving of £1.6m on subcontractor budget due to targeted work to reduce sub-contractor spend
- The HRA capital programme is predicted to be £26.2m underdelivered resulting in a £0.3m saving on interest due to reduced capital programme.
- Several small variances totalling £0.7m
- The income from rents and service charges was £1.47m lower than budget, due mainly to the delay in implementation of service charges and not implementing growth.
- The depreciation charge was lower than expected by £0.055m
- The underlying underspend has been offset by an increased revenue contribution to capital to avoid an increase in debt and to reduce borrowing costs.

19 HRA revenue reserves, the usable capital receipts reserve at 31.3.25 was £40.4m, of which £17.4m is ringfenced to Right to Buy replacements. The impact on HRA balances is shown below.

	Opening Balance 1.4.2025 £m	Forecast Movement in Year £m	Closing Balance 31.3.2026 £m
HRA unallocated reserves	12.1	0	12.1
HRA earmarked reserves	3.9	0	3.9
Total HRA Revenue reserves	16.0	0	16.0
Capital Receipts unapplied	40.4	12.4	52.8

Schools including Dedicated Schools Grant (DSG)

20 The projected movement in the school reserves is set out in the table below.

	Opening Balance 1.4.2025*¹ £m	Projected Movement in Year £m	Projected Closing Balance 31.3.2026 £m
Schools delegated (DSG)	6.3	(0.4)	5.9
Schools trading (GF)	1.8	0.0	1.8

21 Accounting regulations introduced for 2020/21 have resulted in the net deficit of the non-delegated DSG reserves being shown on the balance sheet, otherwise, they would be a call on General Fund balances.

	Opening Balance 1.4.2025 £m	Projected Movement in Year £m	Projected Closing Balance 31.3.2026 £m
Early Years	5.2	0.0	5.2
High Needs Block	(44.8)	(14.8)	(59.6)
Central Services Schools Block	(0.4)	(0.3)	(0.7)
Schools Specific Contingency	1.9	0.0	1.9
Total DSG Unusable reserve	(38.1)	(15.1)	(53.2)

22 Most of the Special Education Needs and Disability (SEND) services are met from the High Needs Block (HNB) within the Dedicated Schools Grant (DSG). As previously reported, the council, in common

¹ Adjusted for Academy transfers

with many other councils has been experiencing significant financial pressures from increasing demand for children that require additional educational support. The service has a high-level recovery plan that has been agreed, however there is a projected cumulative deficit of £59.6m on the High Needs Block, resulting in an overall forecast DSG deficit at 31st March 2026 of £53.2m. The Government has regulated a 'statutory override' temporarily to ensure that this pressure does not impact the General Fund and has recently confirmed an extension of this override which will now remain in place until 31st March 2028.

The Department for Education (DfE) acknowledges the pressures which local systems are experiencing delivering special educational needs and disability (SEND) services. Its 'Delivering Better Value in SEND programme' aimed to support local authorities to improve delivery of SEND services for children and young people while ensuring services are sustainable. This optional programme has provided dedicated support and funding to fifty-five local authorities. Dudley was selected to participate in the programme to work alongside Newton Europe, in collaboration with the Chartered Institute of Public Finance (CIPFA) and £1m grant was awarded to support the improvement of outcomes for children with Special Educational Needs. This funding was deployed during 2023/24 and 2024/25.

- 23 The service has completed the redesign of the specialist services which has provided some saving to the DSG in order that these better align to the new arrangements for Ordinarily Available Inclusive Provision. Sufficiency reviews have been completed, and a range of activities has been undertaken with partners and providers to improve and rationalise our Post 16 arrangements for young people with SEND.

Medium Term Financial Plan

24 The Medium-Term Financial Strategy (MTFS) approved by Council in February 2025, is shown below.

	Approved Budget 2025/26 £m	Proposed Draft Budget 2026/27 £m	Proposed Draft Budget 2027/28 £m	Proposed Draft Budget 2028/29 £m	Proposed Draft Budget 2029/30 £m
Opening Net Gap Budget	10.288	11.998	9.916	6.230	1.400
Pressures	22.949	34.435	44.274	46.323	51.153
Minimum Revenue Provision contingency	2.000	2.000	2.000	2.000	2.000
Domestic Abuse Grant	0.862	0.862	0.862	0.862	0.862
Provision for Redundancies	3.000	-	-	-	-
Risk Contingency	5.334	-	-	-	-
Expenditure chargeable to Flexible Use of Capital Receipts (FUCR)	9.800	-	-	-	-
Impact of Funding Changes	(6.746)	(1.549)	(1.380)	(1.211)	(1.211)
Contribution from Extended Producer Income	(1.000)	(1.000)	-	-	-
Contribution to reserves	5.000	5.000	5.000	5.000	5.000
Net Deficit before savings	51.487	51.746	60.672	59.204	59.204
Savings Proposals	(41.687)	(50.526)	(57.499)	(56.031)	(56.031)
Capital receipts applied (FUCR)	(9.800)	-	-	-	-
Supplementary Savings from TOM	-	(1.220)	(3.173)	(3.173)	(3.173)
Net Budget (Surplus)/ Shortfall	0.000	0.000	0.000	0.000	0.000

The budget setting process for 2026/27 has already commenced and this will include and update to the MTFS. Reports will be presented to Cabinet throughout the process.

Capital

25 The Council's capital budget in 2025/26 totals £145.7m, as shown in the table below along with proposed amendments resulting from 24/25 slippage and new schemes requiring approval as outlined within Paragraph 24. A comparison with budget is shown in Appendix E.

	Latest Approved Budget £m	Slippage from 24/25 to 25/26 for approval £m	New / Amended schemes for approval 25/26 £m	Proposed revised 2025/2026 programme £m
Public Sector Housing	78.5	0.0	0.0	78.5
Private Sector Housing	1.1	1.8	8.4	11.3
Transport	13.3	3.3	0.0	16.5
Environment	9.2	0.6	0.2	9.9
Culture, Leisure and Bereavement	2.6	0.5	0.0	3.1
Regeneration and Corporate Landlord	14.1	4.9	11.2	30.2
Schools and SEND	23.1	3.4	1.6	28.1
Children's Social Care	0.0	0.1	0.0	0.1
Adult Social Care	2.0	-1.0	0.0	1.0
Health & Well Being	0.0	0.0	0.0	0.0
Digital, Commercial & Customer Services	1.9	0.2	0.0	2.0
Totals	145.7	13.6	21.4	180.8
Major Repairs Reserve (Housing)	29.2	0.0	0.0	29.2
Capital Receipts	45.6	0.0	0.0	45.6
Grants and contributions	21.9	13.6	21.4	57.0
Capital Financing Requirement	49.0	0.0	0.0	49.0
Total Funding	145.7	13.6	21.4	180.8

26 The following requests to increase the capital programme have been made:

£13.6m of schemes approved in 2024/25 which are slipping into 2025/26, the details are set out in Appendix F.

27 Capital grants totalling £21.4m that have been received as follows:

Disabled Facility Grants £7.996m – this is the 2025/26 allocation, that was unknown at the time of budget setting. This supports adaptations for disabled individuals.

Housing Assistance Grants £0.431m, – this supports adaptations not necessarily covered by the Disabled Facility Grant.

Greenspaces £0.050m – Bernard Oakley Memorial Gardens play area improvements, funded by Enovert grant and third-party contributions already secured and held in Trust. Project will not add pressure to Street Scene budget as equipment is more robust and durable.

UKSPF £1.355m – At the Extraordinary meeting of the Council on the 19th June, it was approved that £1,355,000 of UKSPF funded spend could be included in the Council's Capital Programme. This spend is fully grant funded and will all be incurred in 2025/26.

Halesowen LUF Project £9.589 25/26, £20m total & Brierley Hill LUF Project £0 25/26, £20m total – The Council meeting of 14th July approved for the two Levelling Up Fund schemes to be included in the Council's Capital Programme. Both schemes are forecast to cost £20m and are fully grant funded.”

CIL funded schemes totalling £0.165m - Community Infrastructure Levy Funded Projects - Agenda item 5 of the June 19th 2025 Cabinet meeting allocated Community Infrastructure Levy (CIL) funding to approved capital schemes. Three capital schemes were approved which were: Delph Stables - Canal and River Trust - £0.038m, Buffery Bowls Project - Dudley MBC Neighbourhood Services - £0.080m, Milking Bank Pond Perimeter Pathway - Dudley MBC Neighbourhood Services - £0.047m. It is proposed that Cabinet recommend to Council that the three CIL funded schemes detailed above are included in the Council's Capital Programme.



Pens Meadow School £1.6m – an increase in budget of £1.6m from £16.1m to £17.7m (total) is proposed in line with latest projections. This increase has arisen owing to the general economic position in the construction industry with rising costs during the build period from supply chain subcontractors and suppliers. The additional budget can be resourced from Children’s Capital Grant (Basic Need).

Purchase of Black Country Innovative Manufacturing Organisation (BCIMO) Assets - Decision Sheet DFL/07/2025 approved that: (a) That the Council makes an offer to the Administrator of Black Country Innovative Manufacturing Organisation (BCIMO) for its assets up to a limit of £0.249m. (b) That the Council enters into a sale and purchase agreement with the Administrator of BCIMO for the purchase of BCIMO’s assets. (c) That the Council enters into any ancillary agreements necessary to transfer the assets of BCIMO including but not limited to the assignment/novation of its assets, contracts and agreements. (d) That the Director of Finance is authorised to make the necessary payments up to £0.249m with immediate effect should the Council’s bid be successful. The spend detailed above is to be funded by revenue resources held by the Council. It is proposed that Cabinet recommend to Council that the £0.249m budget is included in the Council’s Capital Programme.

Finance

- 28 The forecast outturn position is reporting an overspend of £2.5m with significant variances within Children’s Services and Legal and Finance. There is sufficient funding available within the contingency budget to fund this pressure however if overspends continue there may be a need to use reserves to fund the overspend.
- 29 The budget includes a £5m transfer to reserves to increase the level of reserves as the level of reserves was considered inadequate when the budget was set. The forecast includes this transfer along with further increase of £2.5m set aside to fund BCIMO which is no longer required.
- 30 The DSG High Needs deficit continues to increase and forecasting to be a cumulative deficit of £59.6m which is funded through cash balances and remains on the balance sheet as a deficit with a statutory override.

Law

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

Risk Management

32 The Corporate Risk Register recognises the risk that the Council may be unable to set and/or manage its budget so as to meet its statutory obligations within the resources available. At the last review point, this risk was allocated the rating of 15 (High). This rating will be reviewed in the light of the resolutions of Cabinet and Council.

Equality Impact

33 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 do not.

34 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.

35 The duty covers the protected characteristics of age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, sex, and sexual orientation. In line with the Public Sector Equality Duty, Directors were asked to identify which savings proposals may have a significant impact on people who share a protected characteristic and to complete equality impact assessments on these proposals in order to establish the extent of the impact. These are published on the council's website at: <https://www.dudley.gov.uk/council-community/equality/plans-policies-and-reports/equality-impact-assessments/>

Human Resources/Organisational Development

36 There are no direct Human Resource or Organisational Development implications of this report.

Commercial/Procurement

37 There are no direct Commercial or Procurement issues arising from this report.

Environment / Climate change

38 There are no direct climate issues arising from this report.

Council Priorities and Projects

39 The Council's 1 year plan has 8 priorities, one being Use of Resources, to deliver our Medium Term Financial Strategy (MTFS) by achieving sustainable savings, while delivering services to our residents.



Balvinder Heran
Chief Executive

C. J. Williams

Clare Williams

Interim Head of Financial Services/Deputy S151

Contact Officer:

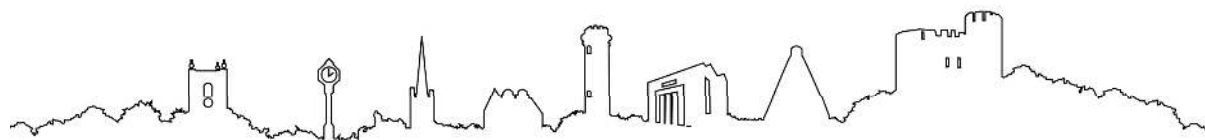
Clare Williams Head of Financial Services

Telephone: 01384 813512 email: clare.williams@dudley.gov.uk



2025/26 Provisional General Fund Outturn Position

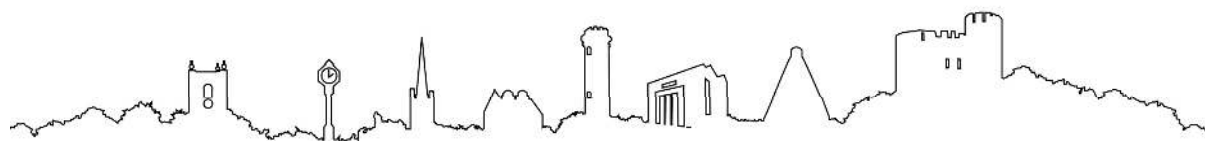
Directorate	Latest Budget £m	Forecast Outturn £m	Variance £m	Comment
Chief Executives Office	2.2	2.4	0.2	Net staffing pressure
Communications and Public Affairs	0.5	0.5	0	Net staffing pressure
People and Inclusion	2.5	2.5	0	Net expenditure pressure
Chief Executive	5.2	5.4	0.2	



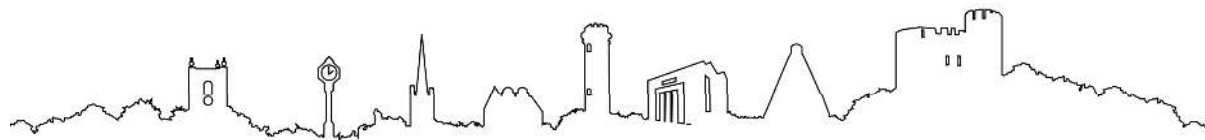
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Directorate	Latest Budget £m	Forecast Outturn £m	Variance £m	Comment
Access & Prevention	8.7	8.7	0.0	
Adults commissioning, Performance & complaints	3.3	3.3	0.0	
Adult Mental Health	14.0	13.4	(0.6)	Total £0.477m underspend bed-based and £164k community. Overall, -21 clients to budget (-5.7%). Pressure in residential +4 clients offset by savings on Nursing -14 clients, assumed saving for 50% of year only to allow for usual peak during August/September. 50% payroll turnover forecast achieved with capacity to achieve remaining 50%.
Adult Safeguarding & Principal Social Worker	1.9	1.9	0.0	Payroll turnover achieved
Assessment and Independence	48.6	48.3	(0.3)	Saving on community placements forecast for Q1/2 only. Currently - 190 clients to budget (-6.7%), client numbers usually peak August/September.



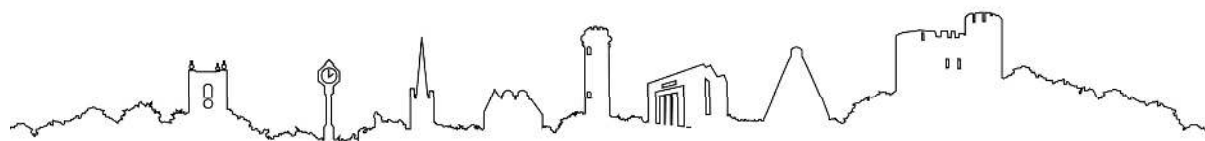
Dudley Disability Service	69.9	71.9	2.0	Pressure of £0.775m bed-based placements, +1 clients to budget, main pressure around average rates and reduced joint funding. Pressure of £1.496m on community placements, +22 clients to budget and further pressure due to higher rates/increased hours/reduced joint funding. Payroll turnover achieved with additional £0.225m forecast savings on staffing. MTFs assumed fully achieved - further risk here £1.150m plus £1.252m future clients not in forecast.
Other ASC	(8.4)	(9.5)	(1.1)	Centrally retained inflation forecast reduced to offset fee pressures within DDS + additional £0.800m market sustainability grant. £1.105m currently released - £2.350m remains held which would cover DDS pressures above with net £0.052m overspend.
Adult Social Care	138.1	138.1	0	



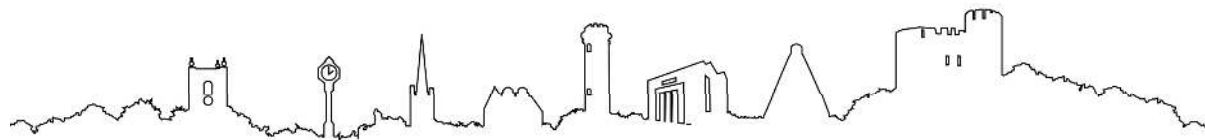
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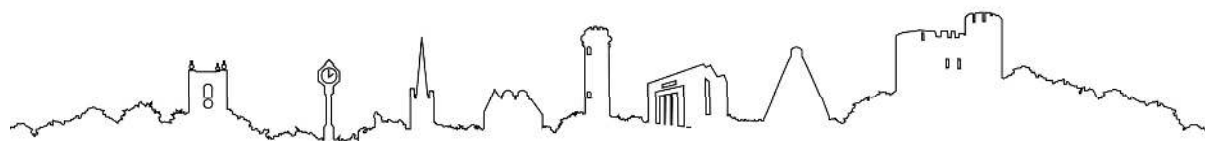
Directorate	Latest Budget £m	Forecast Outturn £m	Variance £m	Comment
Adolescent Safeguarding	4.3	4.3	0.0	Vacancy savings used to achieve payroll turnover
Family Safeguarding	4.5	4.3	(0.2)	Payroll turnover fully released in family safeguarding, net vacancies savings forecast of (£160k)
Through Care	7.7	7.7	(0.1)	Net vacancy savings slightly offset by property Brierley Bears and Stourbridge Road (£60k)
Placements	44.0	46.7	2.7	Net placement pressure increasing due to significant demand. 12 full time equivalent places in external residential, 12 in supported accommodation compared to budgeted without further growth. Financial impact of additional demand; £1m variance to budget in supported accommodation and £3.6m external residential plus £838k in other arrangements. Higher placement volume costs, in Connected persons and Adopted arrangements, is offset by slightly lower weekly rate in internal fostering. The service is undertaking an urgent review of all placements and is currently scoping a five-year sufficiency and invest-to-save plan aimed at reducing the cost of looked after children placements.
Front Door Partnerships EDT/Mash	3.3	3.3	0.0	
Safeguarding & QA	2.8	2.8	0.0	Vacancy underspend, payroll turnover achieved
Other Childrens Services	0.9	0.9	0.0	



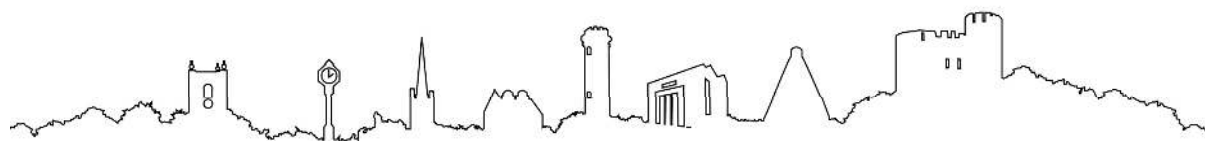
Childrens Governance and Operational Services	3.7	3.6	(0.1)	Net vacancy savings (£85k)
Childrens Commissioning	1.4	1.4	0.0	
Childrens Systems, and Transport Team	1.3	1.3	0.0	
Local Safeguarding Children Board	0.1	0.1	0.0	
Childrens Technical Capital & Depreciation	(7.2)	(7.2)	0.0	Net staffing pressure £15k
Home to School Transport Payments	10.1	10.1	0.0	
Family Solutions	2.6	2.7	0.1	£65k net pressure of payroll turnover target and youth centre remaining open.
Education	3.8	4.1	0.3	£316k net pressure due to 12 months expected costs for vacant Coseley site.
Children's Disability Service & SEND Team	6.0	6.1	0.1	Net payroll turnover and staffing pressure £26k
Children's Services	89.2	92.0	2.9	



	Latest Budget £m	Forecast Outturn £m	Variance £m	
Audit and Risk Management	0.5	0.4	(0.1)	Staffing savings of (0.0£67m) and additional income through recovery and traded service of (£0.65m)
Data Protection and Information Governance	0.2	0.2	0.0	Staffing Savings of (£0.032m) offset by income shortfall of £0.011m
Financial Services	6.7	7.0	0.3	Net staffing pressures due to agency cover of substantive posts
Law and Governance	4.5	5.2	0.7	Net Staffing Pressures due to Locums covering substantive posts
Revenues and Benefits	2.2	2.4	0.2	Pressure of £0.131m on printing contract. Pressure of £0.133m due to payroll turnover. Offset by additional income of (£0.061m)
Finance and Legal Services	14.1	15.2	1.1	



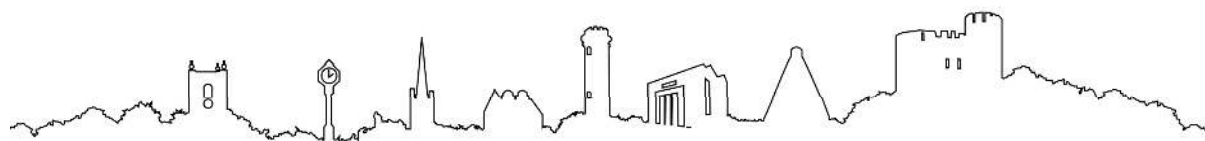
Directorate	Latest Budget £m	Forecast Outturn £m	Variance £m	Comment
Communities and Healthy Places	0.2	0.2	0.0	Community Forums and grant allocation payments assumed to budget
Environmental Health and Trading Standards	2.8	2.6	(0.2)	7.79fte staffing vacancies
H&W other	(0.6)	(0.6)	0.0	Currently forecast to budget
Substance Misuse	0.1	0.1	0.0	Currently forecast to budget
Health and Wellbeing	2.5	2.3	(0.2)	



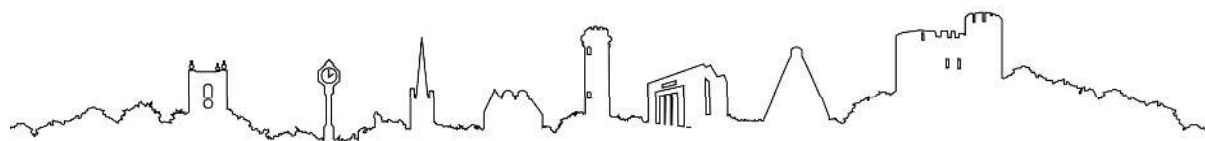
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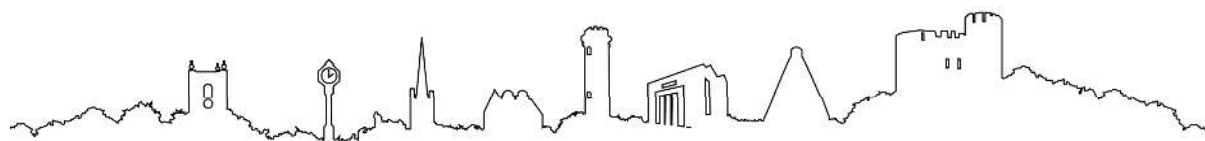
Directorate	Latest Budget £m	Forecast Outturn £m	Variance £m	Comment
Commercial	0.1	0.0	(0.1)	-£0.133m saving on DGFL due to reduced core service charges and improved income position and other minor savings.
Digital Customer Services	2.8	2.9	0.1	Pressures around achievement of savings of £0.050m £0.071mk pressure on salary on-costs including pay award, as well as minor other pressures.
Libraries	4.0	4.1	0.1	Unforeseen cost pressure for business rates.
Procurement	0.6	0.6	0.0	Currently balanced based on turnover pressures are mitigated by income.
Technology Systems and Services	5.8	5.8	0.0	£0.030m staffing pressure.
Digital & Technology Services	0.0	0.0	0.0	
Digital, Commercial and Customer Services	13.3	13.5	0.1	



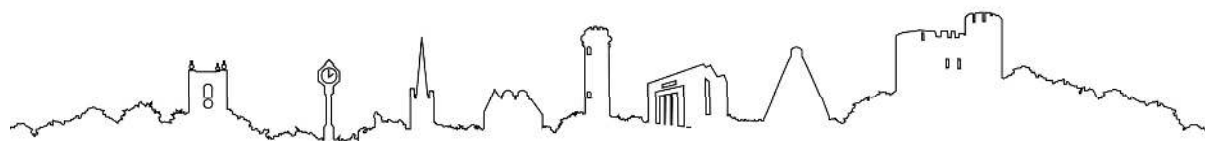
FMR Outturn	Latest Budget £m	Forecast £m	Variance £m	
Energy, Sustainability and Climate Change	4.6	4.6	0.0	EfW cost pressures for maintenance £0.123m, contract £0.064m and insurance £68k, offset with savings on Diversion, Textec costs -£0.250m. PPA income favourable against budget based current weighted prices offsetting unplanned outages.
Neighborhood Services	9.6	10.5	0.9	£0.852m short fall on pay and display income, whilst income is up 293% since the introduction of the new pricing the shortfall is due to the number of tickets issued being lower than expected. £0.246m short fall on parking enforcement income and £0.091m pressure on waste enforcement income. Partly offset by £0.132mk establishment savings and other operational savings including utilities £0.142m
T0ransport & Highways Services	9.6	8.8	(0.8)	-£0.810m utility saving due to unit price, -£0.357m salary savings and -£0.033m increased charges to capital. Partially offset by £0.233m NRWSA income pressure and £0.186mk highways material costs.
Waste & Transport Operations	12.7	12.7	0.0	Combination of various favourable and adverse movements across waste, pest control and transport. Underlying pressures on transport outsourcing costs, tyres and parts currently being mitigated to a net minor pressure.
Environment	36.4	36.6	0.1	



FMR Outturn	Latest Budget £m	Forecast £m	Variance £m	
Community Safety	2.2	1.5	(0.7)	£0.6m Utilisation of increased Homelessness grant rather than using base budget, £0.1m Vacancies
Housing Assets & Development	0.2	0.1	(0.1)	Vacancy savings
Housing Options	0.3	0.2	(0.1)	Vacancy savings in ASB team leading to saving in GF contribution
Housing Strategy	0.2	0.2	0.0	Vacancy savings
Maintenance	0.0	0.0	0.0	Service ceased
Housing and Communities	2.9	2.0	(0.9)	

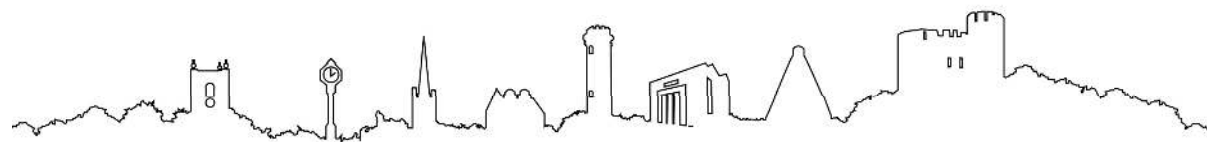


FMR Outturn	Latest Budget £m	Forecast £m	Variance £m	
Corporate Landlord Services	5.0	4.9	(0.2)	Mainly -£0.100m underspend on Repairs & Maintenance budgets plus -£0.120m underspend on admin building budgets netted off by other minor variances
Culture, Leisure & Bereavement Services	1.8	1.6	(0.2)	Leisure Centres +£0.095m overspend: Income under-achievement of £0.309m overall netted off by other net savings. Main income variance is at Duncan Edwards Leisure Centre (+£0.150m) due to loss of memberships (830 memberships lost since May 2024 - 2,126 now compared with 2,956) and Halesowen LC (+£0.219m) due to forecast loss of income due to Pool Road car park closure. Other leisure centre variances: gas & electricity -£0.334m; staffing +£0.070m; other +£0.050m. Plus forecast underspend of interims budget (-£0.250m)
Economic Growth & Skills	1.8	1.5	(0.4)	Mainly underspend of controllable supplies & services budgets (-£0.100m) plus utilisation of external grant funding (-£2.62m)
Planning	2.1	2.1	0.0	No net variance - income improvements of -£0.166m netting off staffing overspends (+£209k being mainly agency staff within Building Control). Balance due to underspends on supplies and services budgets
Projects and Placemaking	1.1	1.1	0.0	Staffing budgets underspend -£0.033m, Controllable budgets underspend -£0.032m ess forecast trading loss on Borough Artist account (+£0.030k)
Regeneration Projects	0.7	0.5	(0.2)	Non-payment of annual grant to Dudley Zoo (-£150k) plus general underspends (-£30k). BCIMO brought in-house from 14/7/25 - current assumption is that this will break-even for the period that it is managed by the Council.



Regeneration and Enterprise	12.6	11.7	(0.9)
TOTAL SERVICES	314.3	316.8	2.5

Directorate	Latest Budget £m	Forecast Outturn £m	Variance £m	Comment
Corporate	16.6	16.6	0.0	
Levies	15.8	15.8	0.0	
Treasury	20.7	20.7	0.0	
Corporate, Levies & Treasury	53.1	53.1	0.0	
TOTAL General Fund Revenue Budget	367.4	369.9	2.5	
Funding	-367.4	-367.4	0	
TOTAL	0.0	2.5	2.5	

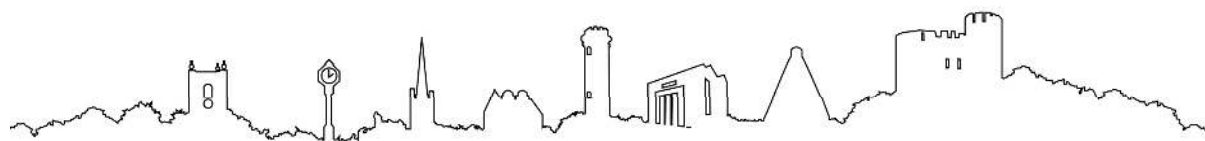


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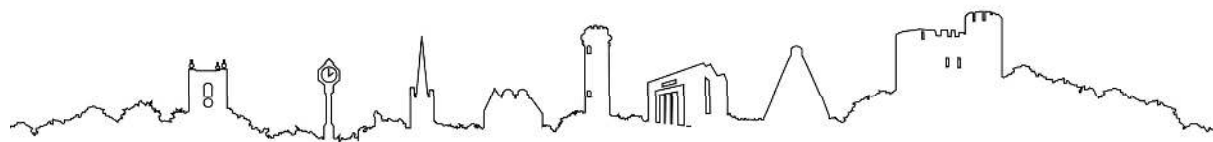


Delivery of savings in current Medium Term Financial Strategy

Reporting Directorate	Title	£m	RAG Rating
ASC	Review of Telecare services to achieve efficiencies through income and operational reviews	-0.2	A
ASC	Continuation of Direct Payments project and establishment of new reviewing team	-0.2	G
ASC	Continuation of Direct Payments project and establishment of new reviewing team	-0.9	A
ASC	Grant funding through the Better Care Fund to support inflationary pressures	-0.8	G
ASC	Income generation through protocol change	-1.0	G
ASC	Living Well Feeling Safe cease by reducing a team manager post and offering up associated non-pay expenditure by ending the service.	-0.1	A
ASC	Business Support service review by looking to identify efficiencies through creating more centralised teams and possible innovations to processes.	-0.2	G
ASC	Business Support service review by looking to identify efficiencies through creating more centralised teams and possible innovations to processes.	-0.1	A
ASC	Use Better Care funding, where possible, to support the cost of some of the business support review.	-0.4	G
ASC	Close Lye Community Project	-0.1	G



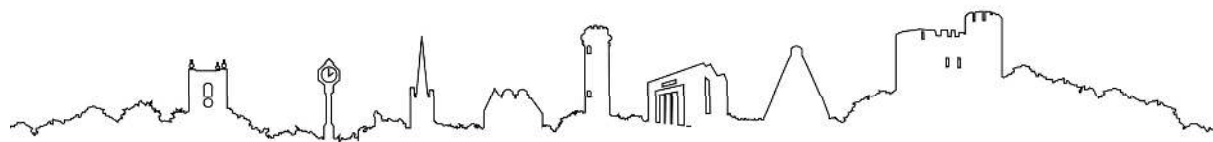
ASC	Welfare Rights Team reduction to statutory service	-0.2	A
ASC	Reduce Dementia Hubs from 3 to 2 and share service with Carers' Hub	-0.1	G
ASC	Reduce Dementia Hubs from 3 to 2 and share service with Carers' Hub	-0.4	A
ASC	Outsource Blue Badge and Community Equipment Service	-0.1	A
ASC	Recommission provision currently at Woodside and use alternative preventative service	0.0	A
ASC	DDS - Moving people via framework and review provider overprovision of shared hours and night support in supported living	-0.5	A
ASC	Review all S117 cases in DDS to ensure access to joint funding has been maximised	-0.2	A
ASC	Look to introduce a recovery for DDS to support discharges. Pilot recovery model that was tested pre-pandemic evidenced savings supporting recovery.	-0.2	A
ASC	Reduce Assessment and Independence budget through managing demand and avoiding (where possible) bed-based services	-0.7	G
ASC	Reviews of Mental Health packages of care, floating support and direct payments with a target 10% saving	0.0	A
ASC	Assertive reviews of Mental Health provision	-0.3	G
ASC	Assertive reviews of Mental Health provision	-0.1	A
ASC	Review Mental Health supported living provision moving to social housing with target 1/3rd of 96 cases	0.0	G
ASC	Review Mental Health supported living provision moving to social housing with target 1/3rd of 96 cases	-0.7	A
ASC	Reduction to the Safeguarding Learning and Development service	-0.1	A
ASC	Review supported living packages before implementation of framework, working in collaboration with providers to reduce packages rather than re-negotiate contracts	-0.5	A
ASC	Peer Advocacy	0.0	G



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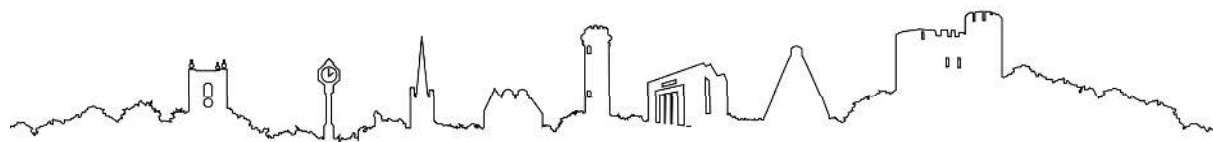
ASC	Peer Advocacy	0.0	A
ASC	Dudley CVS	0.0	A
ASC	Dudley Empowerment Partnership	-0.1	A
ASC	Low Level Mental Health Support Service	-0.2	G
ASC	Low Level Mental Health Support Service	-0.2	A
ASC	Healthwatch Dudley	0.0	G
ASC	Wellbeing Support for Carers	0.0	G
ASC	Wellbeing Support for Carers	0.0	A
ASC	Domestic Abuse	-0.1	G
ASC	Income generation through fairer cost policy change, financial reviews and implementing charge on first day of confirmation permanent stay in a care home	0.0	G
ASC	Transformation of service structures	-0.1	G
ASC	Review, assessment and appropriate financial packages of care	-0.1	G
ASC	Re-provision of the Unicorn Day Centre to alternative Council Day Opportunities	-0.5	G
ASC	New bed based banding framework	-0.1	G
ASC	Increase to Continuing Healthcare Clients income following consultancy reviews.	-1.0	G
CEX	Senior Management Review (TOM Phase 1)	-1.3	G
CEX	Savings resulting from review of Communications and Public Affairs team	-0.3	G
CEX	Savings resulting from review of Communications and Public Affairs team	-0.1	A
CEX	Savings resulting from vacancies within HR	-0.2	G
CEX	Vacancy management in People and Inclusion	0.0	G



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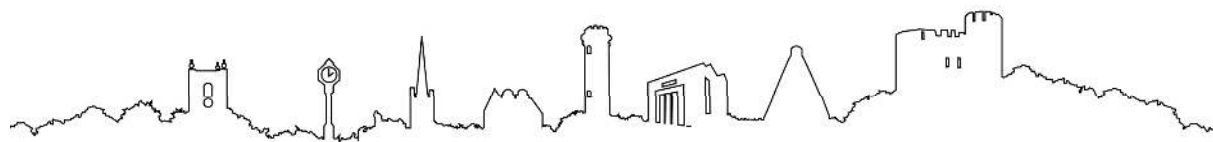
CEX	Vacancy management and reduced hours / posts in Communication and Public Affairs team (including Graphic Design and Forging the Future support)	-0.2	G
Childrens	Family Hubs review grant deployment	-0.5	G
Childrens	Supporting Families review grant deployment	-1.0	G
Childrens	All agency budget removed	-0.5	A
Childrens	Reduction in requirement for agency staff in Children's Social Care	0.0	A
Childrens	Redesign of Family Time service	0.0	A
Childrens	Safeguarding and Quality assurance Training Budget Reduction	0.0	G
Childrens	Adolescent Safeguarding hold 3 posts for 12mths	-0.1	G
Childrens	Independent Review Officer (IRO) reduction of 1.5 FTE in safeguarding and quality assurance.	-0.1	G
Childrens	Adolescent Safeguarding frontline social worker post	-0.1	G
Childrens	Reduction in the Adolescent and Family Safeguarding room hire and throughcare skills fund. Use Cable Plaza for meeting rooms rather than hiring external locations and reduction in skills share spend.	0.0	G
Childrens	Family Safeguarding - Frontline social worker post	-0.1	G
Childrens	Psychologist post in Throughcare	-0.1	G
Childrens	Finance officer post in Through care	0.0	G
Childrens	No recourse to public funds - grant switch	0.0	A
Childrens	Sessional Youth worker post removed	-0.1	A
Childrens	Early help enablers posts in hubs removed	-0.1	A
Childrens	Removal of parenting co-ordinator roles	-0.1	A
Childrens	Virtual School grant switch to general fund	-0.1	G
Childrens	HAF and household support - maximising use of administration element of grants	-0.1	G



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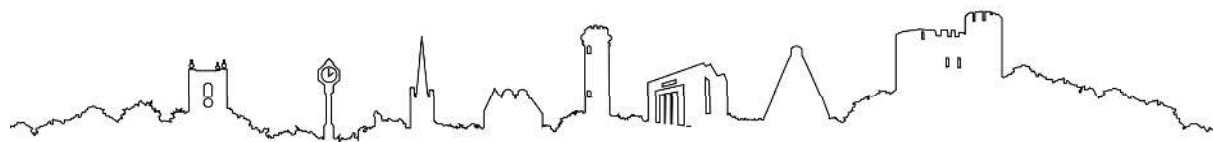
Childrens	Section 17 - all accommodation and equipment costs to be funded from Household Support Fund.	0.0	A
Childrens	New use for former children's homes	-0.1	A
Childrens	Income from school academisation	0.0	A
Childrens	Public Health grant switch – Family Hub	-0.2	G
Childrens	Saving from disposal of Lower Gornal Youth Centre	0.0	R
Childrens	Disposal of Netherton Arts Centre	0.0	A
Childrens	Hubs - Youth workers	-0.4	A
Childrens	Youth Justice posts	-0.1	A
Childrens	Meadow Road - Youth Centre funding changes.	0.0	A
Childrens	Release Stourbridge Road property.	0.0	A
Childrens	Reduction of the targeted family support team	-0.1	G
Childrens	Short breaks	-0.1	A
Childrens	Dudley CVS	0.0	A
Childrens	Cranstoun Here4Youth - switching PHG funding	0.0	G
Childrens	Cranstoun Here4Youth - switching PHG funding	0.0	G
Childrens	Wellbeing Support for Carers	0.0	A
Childrens	Sycamore site to identify future delivery options'	0.0	A
Childrens	Additional income target from traded services	-0.2	G
Childrens	Family Safeguarding	-1.5	A
DCCS	Dudley Council Plus	-0.1	G
DCCS	Himley Fees and Charges	0.0	G
DCCS	Saving from new library contract	-0.1	G
DCCS	Efficiencies and improvements in TSS	-0.3	G
DCCS	Customer Contact Functional Review phase 1	-0.1	A



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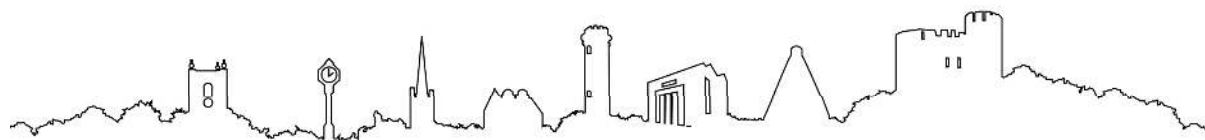
DCCS	Pause in e-tendering system	0.0	G
DCCS	Savings in E5 licences	-0.1	G
DCCS	Additional mobile saving contract	-0.1	G
DCCS	Savings in business change team	-0.1	A
DCCS	Remove some of 350 MFD's & Printers	0.0	G
DCCS	Procurement - savings to fund investment in service	-0.2	G
DCCS	Savings from reduction of costs to the school's uptake	-0.1	G
DCCS	Savings from transformation	-0.5	R
DCCS	Net saving from mobile phone contract	-0.1	G
DCCS	Reduction in printing costs	0.0	G
DCCS	Reduction in print and mailing costs	-0.1	G
DCCS	Virtualisation and consolidation of servers	0.0	G
DCCS	Reduction in c.4 customer service advisors in Dudley Council Plus. Increase customer self-serve	-0.4	G
DCCS	Himley - net increase in car park income and secondary spend due to increased visits as a result of the proposed installation of Play Area. (NOTE: Now managed by DCCS Directorate)	0.0	G
Environment	Car Park Charging	-0.9	A
Environment	Car Park Charging	-0.6	A
Environment	Green Waste additional income due to uptake	-0.3	G
Environment	Energy from Waste Contract	0.0	G
Environment	Textec – Mattress contract	-0.1	G
Environment	Textec - Income from HRA	0.0	G
Environment	Energy from Waste Capital Investment over 10 years	0.0	G
Environment	Increase in Green Waste Fees to £52	-0.6	G



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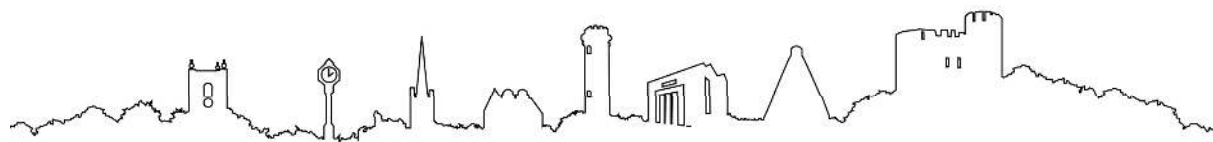
Environment	Trimming and Dimming	-0.2	A
Environment	Street Light rescheduling	-0.3	A
Environment	Parking Strategy Phase 1	-0.3	R
Environment	Closure of Pop up Tip	-0.1	G
Environment	Reduce Road re-surface programme by 1,610m2	-0.1	G
Environment	Removal of Parks Development Fund	-0.3	G
Environment	Review of Winter Maintenance	-0.1	G
Environment	Annual charge for Green Waste Collections based on an opt in basis.	-0.1	G
Environment	A review of services as part of Phase 2 (weed control) redesign, with a newly created street scene team.	0.0	G
Environment	Street Lighting Energy- Invest to save proposal, LED lighting across the Borough.	-0.2	G
F&L	TOM Pathway Phase1: Deletion of vacancies (220+)	-9.7	G
F&L	Management of pay budgets (vacancy factors)	-1.0	G
F&L	Fees & Charges – +10% (with exceptions)	-0.6	G
F&L	Review of Traded Services	-0.3	G
F&L	Changes to Council Tax Reduction (CTR) Scheme	-4.2	G
F&L	Review of non-pay expenditure, vacancies and vacancy factors within financial services	-0.2	A
F&L	Central Safety proposed deletion of the remaining senior H&S officer post and legal assistant within the employment team	-0.1	G
F&L	Removal of Secondment within Democratic Services	-0.1	G
F&L	Removal of increased costs to cover additional committees	-0.1	G
F&L	Cessation of legal subscription from June 2025	0.0	G
F&L	Increase in traded service buy back and reduction of training budget	0.0	G
F&L	Restructure of the Audit and Risk Management Service (ARMS)	-0.1	G



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F&L	Review of financial services	-0.1	A
F&L	Revenues & Benefits Universal Credit migration impact on Housing Benefit Admin grant. (Contra)	-0.2	G
F&L	Income from School Academisation	0.0	A
F&L	Members to go paper-less	0.0	G
F&L	Use of Household Support Fund for S13a Discretionary Council tax	-0.1	G
F&L	Adjustment – Release of Harbour Buildings	-0.6	G
F&L	Adjustment – Dudley Museum Sale	0.0	G
F&L	Transport levy 5% pa	-0.1	G
F&L	Council Tax Base: increased yield	-0.6	G
F&L	Adjustment – Corporate Surplus	-0.9	G
F&L	Adjustment – Net Rates Payable	-1.0	G
F&L	Removal of uncertain Growth from existing MTFS	-10.5	G
F&L	Deferral Metro complementary works	-0.2	G
F&L	Additional income via Green waste VAT assumptions	-0.2	G
F&L	School crossing patrols (removal of vacancy)	-0.1	G
F&L	Remove RCCO – Funding replacement	-2.0	G
F&L	Treasury assumptions	-1.8	G
F&L	Connect2Dudley - Dividend	-0.1	G
F&L	Vacancy management in Revenues and Benefits	-0.1	G
Housing	Housing Target Operating Model	-0.1	G
Housing	Black Country Womens Aid - Domestic Abuse services	-0.1	G
Housing	Barnardos - Domestic Abuse services	0.0	G
Public Health	Public Health Grant Switches	-0.5	G
Public Health	Removal of 1.50 Fte posts in Environmental Health from April 2025	-0.1	G

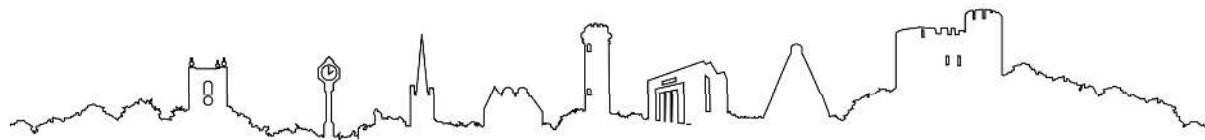


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Public Health	Dudley CVS	-0.1	G
Regen & Ent	Savings from Corporate Landlord Savings Re-structure	-0.2	G
Regen & Ent	Enterprise Zone - non-salary related savings	-0.2	G
Regen & Ent	Ex-New Heritage Regeneration budget - DMBC base budget	-0.2	G
Regen & Ent	Underlying underspend of base budget in relation to the Adult Community Learning service	-0.1	G
Regen & Ent	Additional reduction in Adult Community Learning Resource spending budget	-0.1	G
Regen & Ent	Release of residual budget following cessation of catering services	0.0	G
Regen & Ent	Savings from cleaning volumes & specifications – 9.6 hours per day	-0.1	R
Regen & Ent	Cease delivering Communities Team	-0.1	A
Regen & Ent	Cease delivering Communities Team	0.0	R
Regen & Ent	Increasing Bereavement Services prices	0.0	G
Regen & Ent	Alternative provision of food and beverage at leisure centres	0.0	G
Regen & Ent	Review of Catering prices	-0.1	G
Regen & Ent	Deferral of Metro complementary measures work. Until Sept 2025 (Debt charge budget managed within Treasury - no action for R&E to take)	-0.3	G

-61.1



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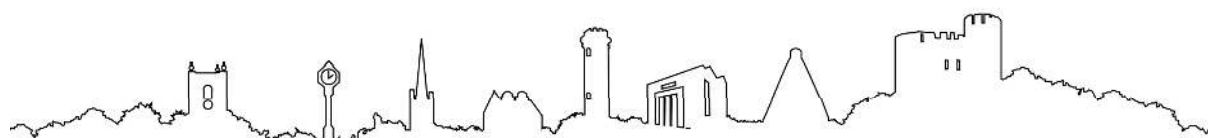


Appendix C

Reserves 25/26 Quarter 1

*Does not include deficit on central DSG (High Needs Block). This is held as an unusable negative reserve while the statutory override remains in place.

	£m Actual 01/04/25	£m Forecast 31/03/26	£m Forecast 31/03/27	£m Forecast 31/03/28	£m Forecast 31/03/29
Unallocated General Fund Reserve	28.8	36.3	41.3	46.3	51.3
Insurance	3.9	3.9	3.9	3.9	3.9
ICB Surge Funding	0.2	0.0	0.0	0.0	0.0
Accelerating Reform Fund	0.2	0.0	0.0	0.0	0.0
International Recruitment	0.1	0.0	0.0	0.0	0.0
Supporting Families	0.4	0.0	0.0	0.0	0.0
Virtual School	0.3	0.0	0.0	0.0	0.0
DBV Programme Grant	0.1	0.0	0.0	0.0	0.0
Early Years Grants	0.5	0.0	0.0	0.0	0.0
Elections	0.2	0.0	0.0	0.0	0.0
Homelessness Prevent Grant	0.3	0.0	0.0	0.0	0.0
Domestic Abuse Grant	0.9	0.4	0.0	0.0	0.0
Food Waste Revenue Grant	0.5	0.0	0.0	0.0	0.0
Levelling Up Capacity Funding	0.1	0.0	0.0	0.0	0.0
Long Term Plan for Towns Capacity Funding	0.2	0.0	0.0	0.0	0.0
Green Belt Grant	0.1	0.0	0.0	0.0	0.0
Project Based Strategies and Growth Zones Grant	0.5	0.0	0.0	0.0	0.0
Chief Execs Reserve - Leisure Concession	0.1	0.0	0.0	0.0	0.0
ICT Restructure & Cyber Resilience	0.1	0.0	0.0	0.0	0.0
Dudley Community Forum	0.1	0.0	0.0	0.0	0.0
Adults - Safeguarding Board	0.1	0.0	0.0	0.0	0.0
Children's Safeguarding Board	0.1	0.0	0.0	0.0	0.0
HR&OD & Procurement of HR System	0.2	0.0	0.0	0.0	0.0
Black Country Festival	0.1	0.0	0.0	0.0	0.0



CIL - Neighbourhood Element	0.3	0.2	0.2	0.1	0.1
BC Core Planning	0.1	0.0	0.0	0.0	0.0
Digital Platform Implementation	0.2	0.0	0.0	0.0	0.0
Energy From Waste Investment Projects	0.8	0.8	0.7	0.6	0.6
Arbor Strategy Project	0.3	0.2	0.0	0.0	0.0
Relocation of DC+ Walk in	0.1	0.0	0.0	0.0	0.0
Agresso cloud hosting migration	0.2	0.0	0.0	0.0	0.0
Council Tax relief Scheme	1.0	0.0	0.0	0.0	0.0
Discretionary Housing Payments Scheme	0.2	0.0	0.0	0.0	0.0
Unit 4 Development and Migration	0.1	0.0	0.0	0.0	0.0
Corporate Contingency	0.8	0.0	0.0	0.0	0.0
DGFL	0.2	0.0	0.0	0.0	0.0
Paragon	0.9	0.5	0.0	0.0	0.0

Total Earmarked General Fund Reserves	14.1	6.0	4.8	4.7	4.6
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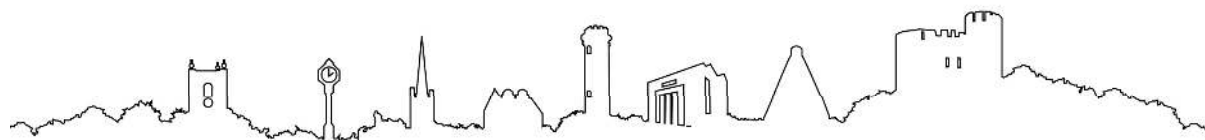
Total Unringfenced Reserves

42.9	42.4	46.1	51.0	55.9
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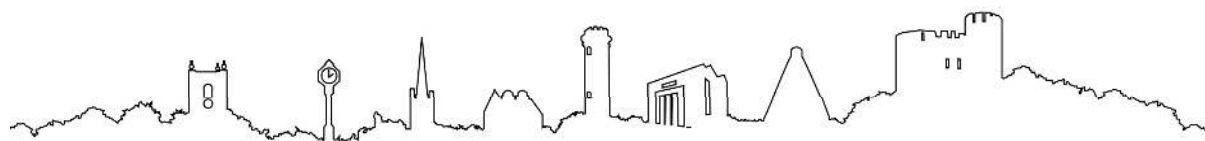


Housing Revenue Account 2024/25 Provisional Outturn

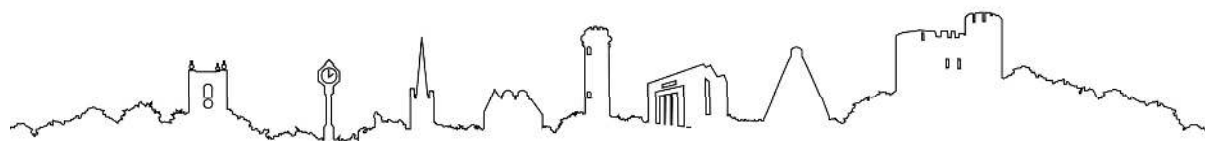
	Budget £'m	Provisional Outturn £'m	Variance £'m	Comments
<u>Income</u>				
Dwelling rents	-104.4	-103.8	0.5	Higher disposals & higher number of properties not in management
Non dwelling rents	-0.9	-1.0	-0.1	Higher shop and miscellaneous rental than budget
Charges for services & facilities	-4.1	-3.2	0.9	Reduced service charge income due to not fully implementing growth
Contributions towards expenditure	-0.8	-0.7	0.1	Reduced tenants recharges



Interest on Balances	-1.4	-1.7	-0.3	Higher capital balances due to capital programme spend lower than budget
Total income	-111.5	-110.4	1.1	
<u>Expenditure</u>				
Finance	2.9	2.7	-0.2	£-0.2m Vacancy savings
Community Safety	3.3	2.8	-0.6	£-0.4m vacancy savings, £-0.2m various other savings
Strategy	2.2	2.0	-0.2	Vacancy savings
Management & Admin	10.9	10.9	0.0	
Community Housing	12.2	10.2	-2.0	£-0.9m service charge growth not implemented, £-0.8m vacancy savings, £-0.3m various other savings
Overheads	0.0	0.0	0.0	



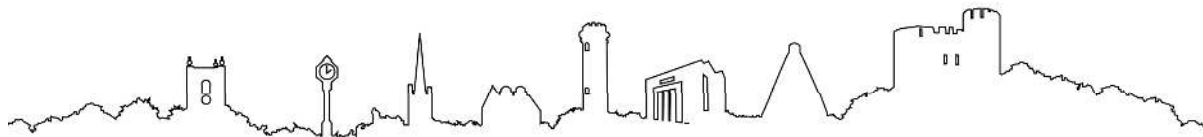
Responsive & cyclical repairs - Maintenance	19.7	19.4	-0.3	£-0.5m Vacancies & £-0.1 other savings offset by £0.3m vehicles
Responsive & cyclical repairs - Assets	9.5	7.2	-2.3	£-0.2m vacancies, £-1.6m reduced subcontractor spend, £-0.5m various other savings
Contribution to major repairs reserve	30.2	34.6	4.4	Increased contribution to capital to reduce future borrowing
Interest Payable	18.8	18.9	0.1	Higher internal borrowing b/f from 24/25
Other Expenditure	1.8	1.9	0.1	Assumed council tax on voids higher than budget
Total expenditure	111.5	110.4	-1.1	



Total: surplus or deficit for the year	0.0	0.0	0.0	
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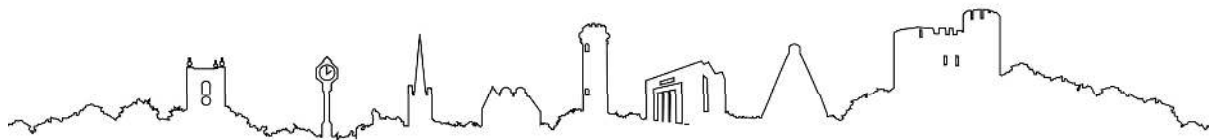
Key

EM – Elected Member priority



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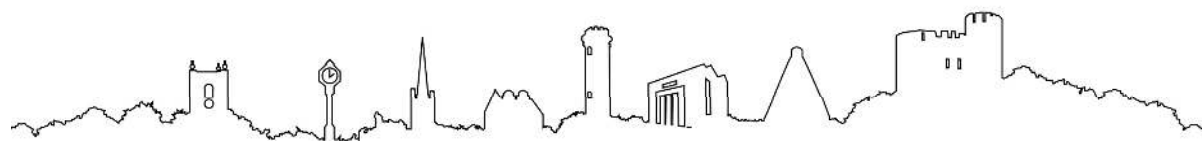


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2025/26 Capital Monitoring at end of Quarter 1

	Budget 25/26 £m	24/25 Slippage	Schemes to be approved £m	Revised 2025/26 Budget £m	Spend to Date	Forecast	Variance to Budget £m
Public Sector Housing	78.5	0.0	0.0	78.5	5.5	52.3	-26.2
Private Sector Housing	1.1	1.8	8.4	11.3	2.9	11.3	0.0
Transport	13.3	3.3	0.0	16.5	2.3	16.5	0.0
Environment	9.2	0.0	0.1	9.3	0.4	6.0	-3.3
Culture, Leisure & Bereavement	2.6	0.5	0.0	3.1	0.2	1.6	-1.5
Regeneration & CLS	14.1	4.9	11.0	29.9	3.8	30.1	0.2
Schools & SEND	23.1	3.4	0.0	26.5	4.5	25.3	-1.2
Adults Social Care	2.0	-1.0	0.0	1.0	0.0	1.0	0.0
Public Health	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Technology Services	1.9	0.2	0.0	2.0	0.2	2.0	0.0
Totals	145.7	13.0	19.5	178.3	19.8	146.3	-31.9



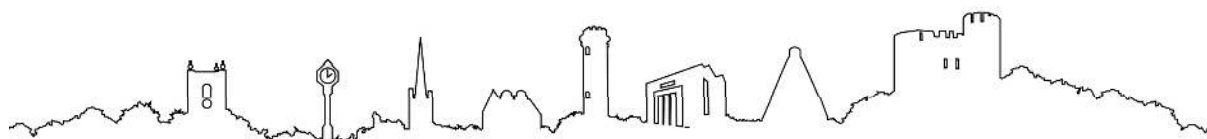
Notes

Environment (£3.3m) - slippage in procurement vehicle replacement - costs will be re-phased into 2026/27.

Culture, Leisure & Bereavement (£1.5m) - slippage on burial spaces project – costs will be re-phased into 2026/27

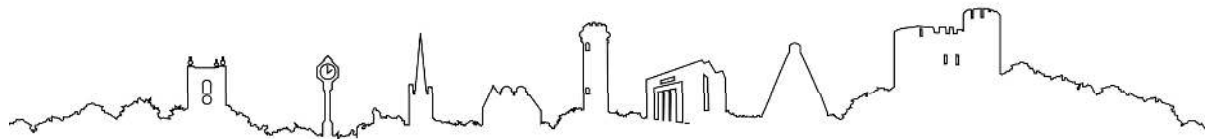
Public Sector Housing (£26.2m) - due to efficiencies within maintenance resulting in reduced use of subcontractors and new procurement regulations and associated timescales impacting on the mobilisation of new contracts within Assets.

Slippage largely impacting capital receipts and Major Repairs Reserve so minimal impact on MRP and borrowing.

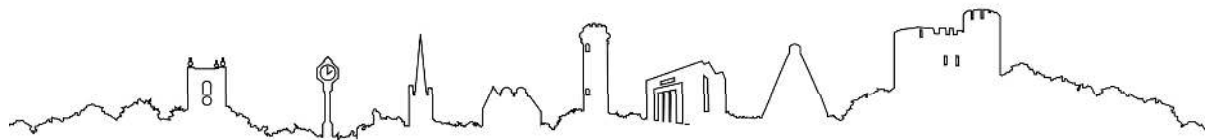


Appendix F – Capital Slippage from 24/25

Scheme	Service	£m
Disabled Facilities Grants	Private Sector Housing	0.6
Housing Assistance Grants	Private Sector Housing	0.1
Net Zero Neighbourhoods	Private Sector Housing	1.1
Pensnett High St A4101	Transport	0.2
A4101 / A461 Corridor Improvements	Transport	0.0
ATF3 - A4123 Cycle Route	Transport	0.0
Metro Complimentary Measures	Transport	0.3
BC Tpt Team Joint Initiatives	Transport	0.1
Electric Vehicle Charging Initiatives	Transport	0.3
Local Safety Schemes	Transport	0.3
Travel Plan Co-ordination	Transport	0.0
Pedestrian Measures	Transport	0.1
Public Rights of Way	Transport	0.1
Cycling Measures	Transport	0.1
Safe Routes to School	Transport	0.5
Disabled Facilities	Transport	0.0
Network Mgt and Urban Traffic Control	Transport	0.2
Minor Traffic Management Measures	Transport	0.1
Traffic Regulation Orders	Transport	0.0
Transport Planning Policy	Transport	0.0
Street Lighting	Transport	0.3
Advancing Network Improvements	Transport	0.0



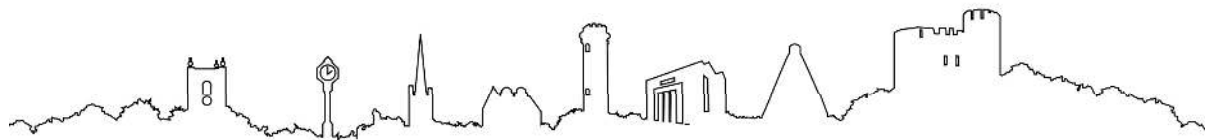
Bridges and Retaining Walls (Total)	Transport	0.1
Primrose Bridge	Transport	0.1
Highway Structural Maint. - Other Roads	Transport	0.0
Highway Structural Maint. - Classified Roads	Transport	0.0
Footway Reconstruction	Transport	0.0
Highway Authority Work	Transport	0.2
Public Realm	Transport	0.1
Signals and Signs	Transport	0.2
Lowndes Road Footpath	Transport	0.1
Green Spaces	Environment	0.2
Chess Tables	Environment	0.0
Car Park Infrastructure	Environment	0.2
Vehicle & Plant Replacement	Environment	0.1
Q Bank Park	Environment	0.1
Nature Conservation Projects	Environment	0.0
Parks Development	Environment	0.0
Tennis Courts Improvements	Environment	0.0
Himley Play Area	Culture, Leisure and Bereavement	0.0
Red House Cone - structural refurbishment	Culture, Leisure and Bereavement	0.2
Red House Glass Cone	Culture, Leisure and Bereavement	0.1
Gornal Wood Crem Refurbishment	Culture, Leisure and Bereavement	0.0
Burial Spaces	Culture, Leisure and Bereavement	0.2
Structural Maintenance (R&M) & Energy Efficiency	Regeneration and Corporate Landlord	0.1
Council House Refurb	Regeneration and Corporate Landlord	0.0
Town Hall 2022/23	Regeneration and Corporate Landlord	0.0
Metro WBHE	Regeneration and Corporate Landlord	0.6



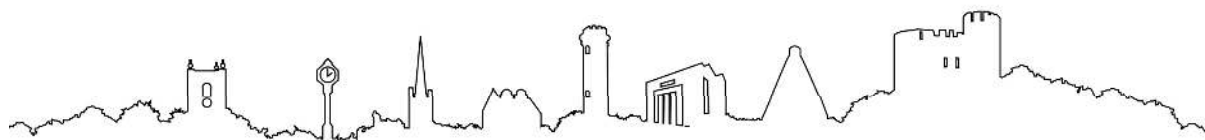
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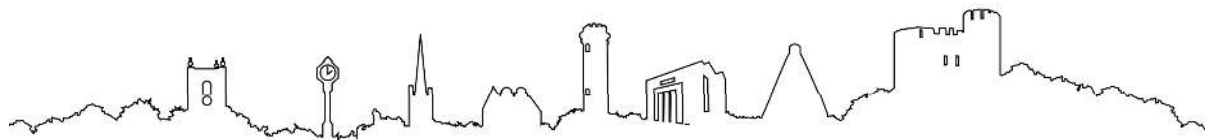
Townscape Heritage 2	Regeneration and Corporate Landlord	0.0
Dudley Town Centre Highways	Regeneration and Corporate Landlord	0.2
Stalled and Derelict Sites	Regeneration and Corporate Landlord	0.0
Public Sector Decarbonisation	Regeneration and Corporate Landlord	0.3
HE Building at Castle Hill (Towns Fund)	Regeneration and Corporate Landlord	3.1
Brierley Hill High Street (FHSF)	Regeneration and Corporate Landlord	0.4
Stourbridge Pocket Park	Regeneration and Corporate Landlord	0.0
Amblecote Air Source Heat Pumps 2021-22	Schools and SEND	0.0
Basic Need (New Pupil Places)	Schools and SEND	0.4
Belle Vue Caretaker's House	Schools and SEND	0.0
Belle Vue Boiler & Pipework	Schools and SEND	0.0
Brierley Hill Fire Alarm	Schools and SEND	0.0
Brierley Hill KS1 Roof	Schools and SEND	0.1
Brockmoor Sky Lights 21-22	Schools and SEND	0.0
Bromley Hills Boiler 2021/22	Schools and SEND	0.0
Capital Maintenance / Condition	Schools and SEND	-1.3
Caslon Air Source Heat Pumps 2021-22	Schools and SEND	0.0
Childcare Expansion Capital Grant	Schools and SEND	0.0
Coseley Capital Contribution	Schools and SEND	2.9
Cotwall End Hot Water Pipework	Schools and SEND	0.0
Cotwall End Air Source Heat Pumps 2021-22	Schools and SEND	0.0
Crestwood SEND Base	Schools and SEND	0.0
Devolved Formula	Schools and SEND	0.2
Dingle Roofing AMP 21/22	Schools and SEND	0.1
DGFL3 (2013/14 & 2019/20)	Schools and SEND	0.0
Earls Courtyard Canopy	Schools and SEND	0.9



Glynn Air Source Heat Pumps 2021-22	Schools and SEND	0.0
Greenfields Roof	Schools and SEND	0.1
Howley Grange H&C Water Services AMP 22-23	Schools and SEND	0.0
Leasowes Roof - AMP 16/17	Schools and SEND	0.0
Maidensbridge Hall Roof 22/23	Schools and SEND	0.0
Milking Bank Windows and Doors	Schools and SEND	0.0
Music Hub	Schools and SEND	0.0
Netherton Park Nursery Windows and Doors	Schools and SEND	0.0
Newfield Park Additional Classrooms	Schools and SEND	0.0
Paragon Enhancements Summerhill	Schools and SEND	0.0
Pens Meadow Boiler 23/24	Schools and SEND	0.0
Pens Meadow Demographic Growth	Schools and SEND	0.0
Pens Meadow post 16 Fencing	Schools and SEND	0.0
Pens Meadow New School	Schools and SEND	-2.2
Pensnett Demolition	Schools and SEND	0.0
Peters Hill Hall Floor	Schools and SEND	0.0
Queen Victoria Air Source Heat Boiler 2021-22	Schools and SEND	0.0
Redhall Damp Issues	Schools and SEND	0.0
Redhall Cold Water Mains AMP 22-23	Schools and SEND	0.1
Ridge Boiler AMP 22-23	Schools and SEND	0.0
Rufford SEND BASE	Schools and SEND	0.1
School Boiler Replacements	Schools and SEND	0.7
School H&SS	Schools and SEND	1.7
Short Breaks for disabled children 11/12	Schools and SEND	0.0
Straits Boiler AMP 20/21	Schools and SEND	0.0
Straits Air Source Heat Boiler 2021-22	Schools and SEND	0.0



St Margarets at Hasbury Emergency Ceiling Project 2021-22	Schools and SEND	0.0
St Margarets at Hasbury Roof	Schools and SEND	0.0
St Mark's C of E Classroom Expansion S106	Schools and SEND	0.0
TCF (Diplomas & SEN)	Schools and SEND	0.1
Thorns Roofing AMP 2020/21	Schools and SEND	0.1
Withymoore Windows	Schools and SEND	0.0
Wollescote Roofing AMP 22-23	Schools and SEND	0.0
Wordsley School Mobiles	Schools and SEND	0.2
Wordsley Concrete Windows	Schools and SEND	0.0
Wrens Nest Air Source Heat Pumps 2021-22	Schools and SEND	0.0
School Reserve Funded Schemes	Schools and SEND	0.4
Special Provision (HNPCA)	Schools and SEND	-1.6
Healthy Schools	Schools and SEND	0.0
Family Hubs Children's Grant	Children's Social Care	0.1
Access and Prevention UTF	Adult Social Care	0.0
Adult PSS	Adult Social Care	0.0
Telecare	Adult Social Care	-1.1
Air Quality Monitoring Equipment	Health & Well Being	0.0
TSS Strategy	Digital, Commercial and Customer Services	0.2
GRAND TOTAL		13.6



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Meeting of the Cabinet – 18th September 2025

Report of the Chief Executive

Progress update on Council Improvement Plan

Purpose of report

1. To provide a high-level summary of progress made by the Council in its improvement and sustainability journey.

Recommendations

2. It is recommended the Cabinet note progress made since the Dudley Council Improvement Plan was set up, notes future actions and priorities and that good progress continues to be made and the journey towards long-term sustainability and improvement continues.

Background

3. The Council established the '*Fit for the Future*' Programme in November 2023 to focus on delivering a balanced budget for 2024/25, setting a balanced budget/savings plan for 2025/26 onwards, spending controls on workforce spend, having a 1-year Council focussed plan, launching organisational redesign, governance, and communications and engagement workstreams.

The Improvement & Assurance Board (IAB) was established made up of members from the main political parties in the Council and senior Council officers, supported by the Local Government Association and external peer support.

A progress update report on deliverables covering November 2023 to September 2024 was accepted by the Cabinet in October 2024 and the Council moved to the next phase of wider transformation where revised arrangements were required to enable focus on the longer-term sustainability of the Council. The '*Fit for the Future Programme*' was

stood down and the Dudley Council Improvement Plan formally launched to provide the longer-term focus, the IAB thanked for their work and the Dudley Improvement Panel established.

Key measures introduced

From October 2024, several precautionary steps were taken, including:

- Recruitment freeze
- Suspension of new contracts
- Termination of interim/agency contracts
- Value for Money Panels to oversee all non-pay spending
- Pay Cost Control Board to manage vacancies and employee costs

These measures were designed to control spending while safeguarding the financial health of the Council.

Update

- **January 2025:** The Cabinet approved the Council's proposed Improvement Plan, supported the setup of the Improvement Panel, chaired by Kim Bromley-Derry and includes Group Leaders, deputies, senior officers, external experts and supported by LGA.
- **February 2025:** The Council approved the medium-term financial plan for 2025-26, which included a savings target of £41.6 million, provided funding for the council improvement plan, and put in place contingency budgets which could be drawn down if required.
- **June 2025:** The Cabinet noted a £17m surplus, which was transferred to the general fund reserves, bringing the total reserves to £28.9m by the end of March 2025.
- **July 2025:** The Council received a Best Value Notice (BVN) from the Ministry of Housing, Communities and Local Government (MHCLG), requiring monthly progress updates to ensure the ongoing improvement of the Council. A link to the BVN - <https://www.gov.uk/government/publications/dudley-metropolitan-borough-council-best-value-notice-july-2025>

The Improvement Plan, approved in January 2025, was already aligned with the Government's national Best Value themes: leadership, use of resources, culture, service delivery, governance, partnerships and community engagement, and continuous improvement. This framework helps the Council demonstrate and evidence its commitment to long-term improvement.

Key activities and focus

Since January 2025, the focus has been on:

- Confirming and implementing a new senior management structure
- Baselining phase 1 of the new operating model
- Improving governance and scrutiny processes
- Enhancing member training and member/officer working
- Managing the delivery 2025/26 budget and associated savings
- Reviewing the Council's reserves and financial planning for 2026/27 onwards

The Improvement Plan will be delivered in phases which will be prioritised to focus on financial sustainability, maximising the use of technology to automate business processes, reviewing high spend areas and ensuring core business functions are as lean as possible with the priorities for October to March 2026 to be presented to the Improvement Panel in October 2025, with an update to Cabinet in November 2025.

4. Measures of success

The Council is focused on achieving several key objectives:

- **Stable leadership:** senior leadership team aligned with the Council's strategic objectives.
- **Resident-centric approach:** The Council remains focused on the needs and demands of its residents and customers.
- **Improved governance:** clear and transparent decision-making processes, with robust scrutiny and audit functions in place.
- **Organisational culture:** empowering staff to challenge and improve operational processes.
- **Partnerships:** strengthening relationships with external partners and stakeholders.
- **Financial resilience:** demonstrating long-term financial sustainability and informed investment decisions.

Progress in these areas are being tracked through both quantitative and qualitative measures, offering evidence-based assurance the Council is on the path to sustainable improvement.

5. Progress updates/achievements between October 2024 to August 2025 (this is not an exhaustive list but an illustration of key achievements).

October 2024:

- Interim governance arrangements established – strengthened ‘golden triangle’ statutory officers.
- Pay Control Cost Board and Value for Money Panels introduced to manage workforce costs and non-pay expenditure.
- Budget challenge sessions conducted to scrutinise the 2024/25 budget savings and set the stage for 2025/26.
- Discussions with housing colleagues from MHCLG in relation to the regulatory notice and the HRA finances confirming they felt reassured that the HRA is no longer facing significant challenges and pleased to hear about progress and our insights/reflections.

November 2024:

- A review of all vacant posts initiated to support budget reduction efforts.
- Senior management review began, including informal consultations with unions and impacted staff.

December 2024:

- The Dudley Local Plan submitted for public examination.
- A report was presented to Cabinet outlining changes to senior leadership to address both current and future challenges.

January 2025:

- The draft Dudley Council Improvement Plan approved, and the Improvement Panel began its work.
- The budget proposals for 2025/26 were scrutinised over 4 consecutive nights

February 2025:

- The Health Innovation Dudley Programme received approval, with Dudley Town Centre securing £25 million in funding.
- The 2025/26 budget was adopted, which included an additional £5m added to reserves annually.

March 2025:

- The senior management structure finalised, £1.2 million in annual savings confirmed and recruitment commenced starting with the appointment of the Chief Executive.
- The new accountability framework for budget management was approved and signed by budget managers.

April 2025:

- The 2025/26 Council Plan adopted, with real-time performance indicators introduced via Power BI dashboards.
- Work began on strengthening the Council's Constitution and member training programmes.
- Adult Social Care presented a successful Leadership presentation as part of the CQC inspection. Recognised as the first co-produced presentation it highlighted how embedded continuous development is in Adult Social Care.

May 2025:

- Key changes made to the audit and scrutiny committees, with new independent co-chairs for both the Audit and Standards Committees (being recruited to)

June 2025:

- Preparations began for the 'Borough Vision 2026-2036' community consultation to inform the Council's long-term planning.

July 2025:

- Workshops for the new Council Constitution completed.
- The Member Development Programme was updated based on feedback from a self-assessment exercise.
- Scrutiny training undertaken with members in conjunction with the LGA.
- Peer assessors providing feedback on Scrutiny meetings.
- Positive onsite visit as part of Adult Social Care CQC inspection. Positive high-level feedback received around Council approach to co-production, strong and positive leadership, positive culture with senior leaders being seen as approachable and visible.
- Children's Services – focussed work commenced around improved workforce engagement starting with workshops/management development sessions to ensure direct feedback is received. Recommendations agreed include greater recognition of service

pressures on staff, more opportunities for front line staff to talk directly to senior managers and more recognition of achievements by front line staff – all implemented. All senior managers hold weekly drop-in sessions to ensure on-going improvement along with swift action to address workload pressures which has reduced caseloads in front line social work and early help teams. Staff morale is improving and evidenced by improved staff retention and lowering levels of sickness absence related to stress.

August 2025:

- The revised governance schedule was approved, reinforcing the Council's commitment to improving decision-making processes.
- Formulation of Scrutiny Handbook. A constructive tool to support members in both understanding and undertaking effective scrutiny.
- Children's Services staff recognition event to recognise achievements and promote importance of staff getting support from each other and their managers from face-to-face interactions in the workplace.
- Revised schedule of key meetings agreed which underpins governance arrangements proposed to Cabinet in March 2025.
- £2.5m added back into reserves due to mitigation of risk (BCIMO) realised.
- Tiers 1-2 of the senior management structure complete and work underway to complete tier 3.

The running thread through all activities is on communications to ensure consistent messaging and raising awareness of the Council direction of travel and improvement journey.

Cultural shifts and officer reflections

Improvements to culture, collaboration and joint working are critical activities and the golden thread running through all work. The changes in governance and organisational culture to date have been acknowledged by Council officers. Below are some examples shared by officers from their perspective:

"Having been part of the Corporate Management Team (CMT) through these changes, I can confidently say that the culture at the senior level is more open, honest, and transparent than ever before. Financial data is shared more freely, and we are working together as 'one Council' to address our challenges."

Another officer noted:

"As someone deputising for the Group Director, I feel that CMT is now far more open and supportive of my input. This hasn't always been the case in the past."

As part of the Adult Social Care CQC inspection a staff member stated:

"Our Senior Managers are approachable, supportive and provide strong leadership "the door is always open."

Long standing Public Health Children's Manager:

"I can now feel confident that I can pick up the phone and speak with honest and transparency with the Children's director. I feel now we are working as One Council."

"There has been a shift in how PH managers can have an open discussion with services that have historically received funds from public health grant on the jointly agreeing the public health outcomes from the spend."

Emergency planner:

"I appreciate the change in senior leadership and new ways of working. I feel valued and listened to and empowered to do my work."

These are just a few reflections but highlight the positive cultural shift occurring within the Council, contributing to greater collaboration, transparency. We accept there is still more to do, understand our key challenges and are continually building those into our plans as they are further developed as well as the focus on culture, values and behaviours.

Chair of Improvement Panel comments

Since the establishment of the Improvement Panel a considerable amount of work has been done by the Council and there has been positive progress in a number of areas. It has been very positive to have the participation of political groups in the Panel and who have all demonstrated their commitment to the council's improvement journey. The progress to establish stable leadership is encouraging and we expect to see the positive impact of this over the coming months.

Setting a balanced budget in February 2025 was an important milestone for the Council and regular updates have been provided to the Panel on both the budget position and the MTFs. Ensuring these are both delivered

and ensuring a sustainable financial position over the next three years will be critical over the next few months.

Colleagues have made significant progress on developing appropriate dashboards to enable tracking of improvement and as these are implemented and become interactive reporting action and performance should become easier for all stakeholders and become more embedded as a way of working in the council.

The next stage of the work will be to prioritise key outcomes, evidence and workstreams in the plan. It will also be important to empower the new leadership team to drive forward the improvement actions whilst involving a broad group of politicians and officers to support them. This approach to delivering improvement will make progress sustainable.

Transformation, innovation and modernisation are critical activities both to support the delivery of improvement, ensure financial sustainability and improve outcomes for residents. This work is progressing well in some areas such as Adult's services, but this now needs to happen across the council.

To conclude, steady progress is being made across a broad range of areas, and a great deal of work has been undertaken across the council over the past year. Capturing the impact of this and maintaining the momentum of improvement will be important over the next year and the building blocks are now either in place or being established to ensure the positive progress to date is maintained.

Next steps

- The Council is focused on several priorities for the remainder of 2025 and into 2026:
 - Completing a robust induction for the new senior management team, followed by the leadership development programme which will include elected members.
 - Continuing the organisational redesign, confirming the final structure and undertaking detailed work attracting and retaining professional and technical roles.
 - Finalising the budget challenge sessions and enhancing budget scrutiny arrangements.
 - Developing a long-term financial sustainability plan to ensure that resources are aligned with the Council's priorities.
 - Working with RoSH to lift the regulatory notice but continue engagement with them on our plans to provide that on-going assurance.

- Receive the outcome of the CQC and Ofsted inspections and update all improvement plans in adult social care and children and young people to reflect the findings from those inspections.
- Invite CIPFA in early 2026 to provide an update on the council's financial sustainability.
- Invite CfGS to provide an update on governance improvements made.
- Updating the Improvement Plan to reflect the enhanced leadership capacity and key deliverables for 2026. The focus between October and March 2026 will be to strengthen foundations within the Core Business (finance, HR, technology, procurement, contract management, commissioning, administrative support, project management and business analysis) so they provide robust business partnering underpinned by clear operations that support business priorities, reduce duplication of effort, maximise automation and release capacity back to the business through efficiencies of operations.
- Completing the community consultation on the new Borough Vision 2026-2030 and preparing the Five-Year Council Plan for approval.
- Begin work on borough-wide master plans to regenerate town centres, ensuring the Council's future resilience and responsiveness to the needs of its residents.
- Confirm the timeline for the LGA to undertake a peer review in 2026/27 financial year.

Finance

6. A running thread in the Improvement Plan will be to set out how each project/activity supports financial sustainability and value for money when forming and implementing proposals to ensure it deals with its financial challenges and is stepping forward with confidence with the aim of delivering the Council Budget for 2025/26 and setting balanced budgets for future years. This approach will ensure the Council constantly confronts its on-going financial challenges.

The Council, when setting its budget for 2025/26, agreed funding of £9.3m for wider council improvement projects. Draw down on funding will be based on submission of a robust business case which sets out how the investment will reduce costs, improve service delivery and must include clear project and performance management arrangements.

Law

7. Under the 1999 Act, local authorities must legally deliver what is termed 'Best Value' – a council must be able to show that it has arrangements to secure continuous improvement in how it carries out its work. For

example, how authorities exercise their functions to deliver a balanced budget, provide statutory services, such as adult social care and children's services, and secure value for money in all spending decisions. Best value authorities must demonstrate good governance, including a positive organisational culture, across all their functions and effective risk management.

Local authorities are not expected to perform perfectly, given complex set of legal responsibilities and inherent levels of risk authorities must manage, but should strive for excellence and be able to demonstrate they are making effective arrangements to secure continuous improvement in each of these areas.

Risk Management

8. The main risks relate to the large-scale nature of this change and how that will impact business-as-usual activities. The Improvement Plan will set out how impact on Council business will be minimised and how quick wins can be achieved.

The other key risks are that the improvement plan may fail to deliver, and the expected financial and other benefits may not be realised. By introducing a clear benefits/mapping process we can more easily report on whether the efficiencies/savings are on target or whether different action needs to be taken.

Work is being undertaken to strengthen the Council's approach to risk management over autumn/winter 2025 to ensure that all key risks are effectively managed and mitigated, and training in risk management is provided to all managers and relevant officers/members.

Equality Impact

9. There are no special considerations regarding equality and diversity in noting and receiving this report.

Relevant changes will be assessed for impact through normal processes.

Human Resources/Organisational Development

10. This report in-itself contains no direct implications for individual staff. However, if implemented, the subsequent delivery programme will have a substantial impact for employees in the way they work.

Commercial/Procurement

11. There is no direct commercial or procurement impacts

Environment /Climate Change

12. The Council will continue to support and contribute to the Council's commitment to become a carbon net zero authority by 2030, as part of its Climate Emergency declaration.

Council Plan

13. The council improvement plan will directly support the Dudley Council Plan 2025-26, specifically: Delivering for our customers, residents and communities and Supporting businesses and the local economy.



Balvinder Heran
Chief Executive

Report Author: Dudley Improvement Team
Telephone: 01384 816673
Email: dudleyimprovementplan@dudley.gov.uk

Appendices

Appendix 1 – senior management structure chart

Organisational Re-design



@September 2025