

Public Document Pack



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Friday, 24 April 2015

Notice of Meeting

Dear Member

Cabinet

The **Cabinet** will meet in the **Council Chamber - Town Hall, Huddersfield** at **4.00 pm** on **Tuesday, 5 May 2015**.

The items which will be discussed are described in the agenda and there are reports attached which give more details.

A handwritten signature in black ink, appearing to read "Julie Muscroft".

Julie Muscroft

Assistant Director of Legal, Governance and Monitoring

Kirklees Council advocates openness and transparency as part of its democratic processes. Anyone wishing to record (film or audio) the public parts of the meeting should inform the Chair/Clerk of their intentions prior to the meeting.

The Cabinet members are:-

Member

Councillor David Sheard
Councillor Jean Calvert

Councillor Steve Hall
Councillor Viv Kendrick

Councillor Peter McBride
Councillor Peter O'Neill

Councillor Shabir Pandor
Councillor Cathy Scott
Councillor Graham Turner

Responsible For:

The Leader

Statutory Responsibility for Children and Children's
Services - Family Support and Child Protection
Place - Planning and Highways

Health, Wellbeing and Communities - Wellbeing and
Integration, Commissioning and Health Partnerships
and Public Health

Place - Investment and Regeneration

Health, Wellbeing and Communities - Communities
and Leisure

Childrens Services - Schools

Place - Streetscene and Housing

Resources

Agenda

Reports or Explanatory Notes Attached

Pages

1: Membership of the Committee

To receive apologies for absence of Members who are unable to attend this meeting.

2: Minutes of previous meeting held on 24 March and 7 April 2015

1 - 12

To approve the Minutes of the meeting of the Committee held on 24 March and 7 April 2015.

3: Interests

13 - 14

The Councillors will be asked to say if there are any items on the Agenda in which they have disclosable pecuniary interests, which would prevent them from participating in any discussion of the items or participating in any vote upon the items, or any other interests.

4: Admission of the Public

Most debates take place in public. This only changes when there is a need to consider certain issues, for instance, commercially sensitive information or details concerning an individual. You will be told at this point whether there are any items on the Agenda which are to be discussed in private.

5: Deputations/Petitions

The Committee will receive any petitions and hear any deputations from members of the public. A deputation is where up to five people can attend the meeting and make a presentation on some particular issue of concern. A member of the public can also hand in a petition at the meeting but that petition should relate to something on which the body has powers and responsibilities.

Any Member of the Public wishing to make a deputation is required to give notice in writing to the Assistant Director – Legal, Governance and Monitoring at least 24 hours prior to the start of the meeting.

6: Member Question Time

To consider questions from Councillors.

PLACE MATTERS

7: Proposed Joint Building Control Service for Kirklees and Bradford

15 - 26

A report seeking approval on the principle of forming a Joint Building Control Service to cover the districts of Kirklees and Bradford.

Contact Officer: Neal Fearn: 01484 221000

CAB21

Contact Officer: Andrea Woodside (860 1715) (01484 221715)

KIRKLEES COUNCIL

CABINET

Tuesday 24 March 2015

Present: Councillor Sheard (in the Chair)
Councillors Calvert, Kendrick, McBride, O'Neill, Pandor, C Scott and
G Turner

Observer: Councillor Bolt

263 Membership of the Cabinet

Apologies for absence were received on behalf of Councillors S Hall and Harris.

264 Minutes of Previous Meeting

RESOLVED – That the Minutes of the meeting held on 24 February 2015 be approved as a correct record.

265 Interests

No interests were declared.

266 Admission of the Public

It was noted that Agenda Items 20 and 21 would be considered in private session (Minute Numbers 282 and 283 refers)

267 Deputations/Petitions

No deputations or petitions were received.

268 Public Question Time

No questions were asked.

269 Member Question Time

No questions were asked.

270 Learning Places for Primary, Secondary and Specialist School Age Children across Kirklees Council

Cabinet received a report which set out the current position regarding (i) the basic need requirements for Kirklees in order to ensure that there would be sufficient learning places for children and young people, and (ii) the partnership approach which is taken with schools and service providers in order to secure the learning places. The considered report set out (i) a summary of the planning areas where additional places had been

established, as well as the areas where further places were required, (ii) an overview of the current position of factors affecting demand, alongside the context of that impacted upon supply, (iii) the Statutory Framework in relation to securing new provision and expanding and/or reorganising existing school provision, (iv) the actions that had already taken place to address the need for additional school places, and (v) the strategies that are in place to develop additional places where necessary up to 2017 and beyond.

Cabinet noted that engagement regarding the need for places had taken place involving key stakeholders including parents, governing bodies and school staff. It was noted that dialogue with all key stakeholders would continue as specific proposals emerge and options take shape.

RESOLVED –

(1) That the current position regarding the securing of sufficient learning places for primary, secondary and specialist school age children, as detailed within the report, be noted.

(2) That the proposal for Officers to continue to engage locally with school leaders, providers and stakeholders, that support appropriate strategies for securing sufficient, good quality learning places in priority areas where they are needed most, be endorsed.

(3) That Officers be requested to bring forward specific proposals as they emerge, that enable the Council to secure sufficient, good quality, learning places for Cabinet's consideration prior to progressing the appropriate statutory process.

271 Determination of School Admission Arrangements for 2016/17

Cabinet received a report which advised that the Council was required to produce admission schemes to coordinate the admission of children to the first year of all schools in Kirklees, and the admission of rising 5 year olds, the first year of junior, middle and secondary schools. Cabinet were asked to approve the Kirklees Schemes for the coordination of the admission of rising 5 year olds and admission to the first year of junior, middle and secondary schools in 2016/17 (including in-year admissions).

The report advised that Kirklees Council was the admission authority for Kirklees community and voluntary controlled schools and, following the annual consultation regarding admission arrangements, the report sought to confirm those admission arrangements for all Kirklees community and voluntary controlled schools for 2016/17, as required by 15 April 2015 in order to comply with the requirements of the School Admissions Code.

The proposed admission arrangements for Kirklees community and voluntary controlled schools for the school year 2016/17 was attached at Appendix 1 to the report. Kirklees Admission Schemes were attached at Appendix 2.

Cabinet noted that the coordinated admission schemes for 2016/17 were very similar to those determined for use in 2015/16, though the timetable for coordination in 2016/17 had been amended to take account of the increased number of own admission authority preferences that have to be processed before lists of pupils can be sent to own admission authority schools for ranking.

It was noted that one formal response to the consultation about coordinated schemes had been received, and was attached at Appendix 1F.

RESOLVED – That, in compliance with statutory duties, approval be given to; (i) the Kirklees co-ordinated admission schemes for 2016/17, including in-year admissions, as set out in Appendix 2 of the report, and (ii) the admission arrangements for Kirklees community and voluntary controlled schools as detailed in Appendix 1, including the recommended PAN for the schools where Governing Bodies have requested a change to the PAN proposed by the Local Authority.

272 Primary Pupil Places in the Huddersfield South West Area

Cabinet received a report which provided information in relation to the Council's duty to provide sufficient primary school places to meet the basic demand need across the wider area of Huddersfield South West, Huddersfield West, Huddersfield North West and Huddersfield North, and set out details of specific proposals for the Huddersfield South West area.

The report presented proposals to (i) establish a new primary school in a new building to serve Huddersfield South West for 630 pupils aged 4 - 11 years in order to establish primary places to meet basic need and (ii) amalgamate Crosland Moor Junior School, Dryclough CE (VC) Infant School and Thornton Lodge Nursery School (using the existing site and buildings) as an all through Church of England Voluntary Controlled primary school for 840 pupils (aged 4 - 11 year) and retain 130 part time early learning places (nursery children aged 3 - 4), and the existing 52 flexible child care places which could be used for a mixture of early learning and fee paying child care places (children 2 - 5 years).

The report sought approval from Cabinet to begin the relevant statutory processes and carry out consultation regarding the proposal to establish the new primary school, and, in collaboration with the Diocese of West Yorkshire and the Dales, for the proposed voluntary controlled school with families of pupils, staff, governors, members of the community and other key stakeholders.

Cabinet noted that wide engagement had taken place with key stakeholders including school leaders and governing bodies and that they had helped to shape the specific proposals. It was noted also that local early learning and child care providers had been specifically consulted regarding the early learning and child care places in the area. The report advised that a full consultation regarding the proposals would be carried

out involving all key stakeholders and that the outcome of this consultation would be presented to assist in determining the next steps of the process.

RESOLVED –

(1) That the strong collaborative approach demonstrated between school leaders, providers and the Local Authority, enabling the development of proposals for consultation that seek to ensure the provision of learning places that are intended to be complementary and cohesive to meet the needs of families, and the community, be noted.

(2) That Officers be authorised to develop plans for consultation on proposals for Huddersfield South West that support a community wide approach to making sure there are enough high quality learning places to serve the families in the area by (i) Establishing a new 630 place primary school in a new building using part of the Moor End Academy site with a PAN of 90 to cater for pupils aged 4 to 11 (ii) Amalgamating Thornton Lodge Nursery School, Dryclough CE (VC) Infant School and Crosland Moor Junior School by working in collaboration with the Diocese of West Yorkshire and the Dales to propose a replacement 4 Form Entry voluntary controlled all-through primary school with early education and childcare, to be located in the existing site and buildings of Thornton Lodge Nursery School, Dryclough CE (C) Infant School and Crosland Moor Junior School to cater for pupils aged 2 – 11 years with a PAN of 120 for 4 – 11 year olds (from Reception 2016) and over time retaining 840 primary places, and retaining the 130 part-time early learning places (nursery children aged 3-4 years) retaining the existing 52 full time flexible childcare places which can be used for a mixture of early learning and fee paying childcare places (aged 2-5 years), and, (iii) Retaining Mount Pleasant Primary School to cater for pupils aged 3 to 11 years, with a PAN of 90 for 4-11 year olds, and retaining 78 part time nursery places.

(3) That authority be delegated to the Director for Children and Adults in consultation with Cabinet Portfolio leads to; (i) engage and liaise with all stakeholders and, where applicable, in conjunction with the Diocese of West Yorkshire and the Dales, the Department for Education and the Education Funding Agency (ii) develop consultation materials on the basis of the proposals and (iii) organise and carry out consultation and engagement.

(4) That Officers be requested to report the outcomes of the consultation process to Cabinet to enable the consideration of next steps.

(5) That authorisation be given to Officers from Physical Resources and Procurement to develop options appraisals and undertake feasibility studies as necessary to firm up costings and proposals for the new school building at Moor End Academy Site, and appropriate changes needed to buildings as part of the amalgamation proposals.

273 Dewsbury Endowed Schools Foundation Trust - Approval of Working Party Recommendations 4th March 2015

Cabinet received the Minutes of the Working Party of the Dewsbury Endowed Schools Foundation Trust Fund which had taken place on 25 February 2015 and 4 March 2015. Cabinet were asked to (i) approve the Working Party's recommendations for the award of a grant and (ii) note that the Working Party on behalf of the trustees, meet the requirement to ensure that they carry out the charity's aims for the public benefit, and have regard to the Charity Commission's published guidance on public benefit.

The Minutes of the Working Party were attached at Appendix B of the report.

RESOLVED –

(1) That the Minutes of the meeting of the Dewsbury Endowed Schools Foundation Trust Fund held on 25 February 2015 and 4 March 2015 be received and noted.

(2) That approval be given to the recommended grants allocations as set out in the minutes of (1) above.

(3) That it be confirmed that the requirement to ensure that the charity's aims have been carried out for the public benefit with due regard to published Charity Commission Guidance has been met.

274 Corporate Performance Report, Quarter 3, 2014/15

Cabinet received a report which provided an overview of the Council's performance in relation to the Corporate Plan and Service Delivery Plans for 2014/15 as at the end of Quarter 3. The report advised that quarterly analysis had been undertaken in relation to performance data across 9 Service Delivery Plans, including 141 headline action commitments and 149 performance indicators. It advised that, at the close of Quarter 3, most headline actions and performance indicators were broadly on track, though some were considered to be at risk and details of such were set out at paragraph 2 of the report.

RESOLVED – That the Quarter 3, 2014/2015 Corporate Performance Report be received and noted.

275 Universal Credit

Cabinet received a report which set out details on the implementation of Universal Credit in Kirklees. The report advised that Universal Credit was the new Department for Work and Pensions Benefit which replaced a range of benefits for those of working age; income based job-seekers allowance, income based employment and support allowance, income support, working tax credit, child tax credit and housing benefit.

The report advised that Universal Credit would be paid as a single monthly payment in arrears and would include the housing element paid in respect

of the claimant rent. It advised that it would be the responsibility of the claimant to ensure that the money was paid to the landlord which would be a change to the existing system whereby housing benefit for all Kirklees Neighbourhood Housing tenants was paid directly to the landlord. Cabinet noted that, to date, Universal Credit had been introduced in a number of pilot Authorities across the country and that the proposed roll out date in Kirklees would be for newly unemployed single people who claim on or after 29 June 2015. The report indicated that claims from couples, families or households where someone is working would not be considered until a future date and that a date had not been set for the full implementation of Universal Credit as this would be when all cases had been transferred from existing benefits including housing benefit.

Appendix A to the report illustrated the Department for Work and Pensions anticipated number of Universal Credit cases in Kirklees during a period of 29 June 2015 to 31 March 2016.

RESOLVED –

(1) That Officers in Customer and Exchequer Services be asked to consider a realistic figure for the funding of Universal Credit in Kirklees and that the final figure be agreed and signed off by the Director of Resources in consultation with the Cabinet Portfolio Holder.

(2) That the Director of Resources be given delegated authority to sign the Delivery Partnership Agreement on behalf of the Council.

(3) That the Assistant Director for Customer and Exchequer Services be given delegated authority to progress the implementation of Universal Credit in Kirklees.

276 Mirfield Community Centre
(Item Deferred)

277 Fraud Investigation Team

Cabinet received a report which provided information on the transfer of staff to the Single Fraud Investigation Service which would take place on 1 November 2015. The Single Fraud Investigation Service (SFIS), which would cover all welfare benefit fraud was announced in the Autumn Statement by the Chancellor of the Exchequer on 5 December 2013. The announcement confirmed that SFIS would be launched within the Department for Work and Pensions as a single organisation and that implementation had initially commenced with the pilot sites from 1 July 2014, with the main implementation programme running from 1 October 2014 to 31 March 2016.

The report advised that SFIS would operate to a set of policies and procedures and would provide a national service to tackle all welfare benefit fraud. Cabinet noted that the number of Kirklees staff effected by the change was equivalent to 10.63 full time equivalent employees, and that the housing benefit staff currently undertaking fraud investigation work

for the Council would all transfer under either TUPE or a statutory transfer scheme under Section 38 of the Employee Relations Act 1999. The report indicated that it would be preferable to retain some of the skilled staff that the Council has within the fraud team in order to undertake the statutory obligations that were to be retained following the transfer of housing benefit work to SFIS. Paragraph 3.8 of the report provided details on how the team would be split and set out the main advantages for this preferred method of restructure.

RESOLVED –

(1) That the proposals relating to the fraud investigation team, as detailed in the report, be approved.

(2) That the financial investigation team be transferred to West Yorkshire Trading Standards, if a suitable transfer can be agreed, otherwise the team shall remain within Customer and Exchequer Services, and the position be reviewed.

(3) That authority be delegated to the Assistant Director (Customer and Exchequer Services) to progress the implementation of the fraud investigation team and transfer of staff.

(4) That the Assistant Director (Customer and Exchequer Services) (or via delegation, the Head of Customer Services) retains delegated powers to authorise prosecutions.

278

ABLE 2 site, Heckmondwike

Cabinet received a report which set out proposals in order to progress the ABLE 2 project and associated site at Heckmondwike.

The report advised that the original project for the ABLE 2 site had been to develop a multifunctional environmental scheme that would deliver a number of outcomes. The site was intended to include a community area with cafe, lake, picnic tables and footpaths together with a food production area and workshops located in rail coaches, though as the funding situation had since significantly changed, some of the outcomes in the initial scheme were unlikely to be feasible and it was no longer possible to deliver the original scheme.

The report provided an overview of the progress that had been made on site and advised that completing works to the lake in order to enable use by the Angling Club, and the installation of the rail carriage would require expenditure of £50,000, which was proposed to be funded from the Place Directorate revenue budget. It was noted that the works would be carried out subject to the negotiation of a suitable lease/license agreement with the Angling Club, which would reflect the principles as set out in paragraphs 2.8 to 2.10 of the report. Cabinet noted that, upon completion of the proposed works, which was anticipated to be 31 July 2015, Kirklees would give notice to withdraw its membership of the Green Business Network.

RESOLVED –

(1) That approval be given to the negotiation of a suitable agreement regarding the operation of the Able site with Dewsbury District Junior and Angling Club and, subject to these negotiations, agree to £50,000 of Council funding being made available to facilitate the future use of the site.

(2) That approval be given to the withdrawal from the Green Business network from 31 July 2015.

279

2013/14 to 2015/16 Council Capital Plan – Proposed allocation of 2015/16 capital funding from the Directorate for Children and Young People (DCYP) Basic Need baseline section of the Capital Plan for New Pupil Places.

Cabinet received a report which set out proposals for an additional 317 places in the primary school system, commencing September 2015. The report provided information on the overall level of capital funding and the indicative potential cost for each of the proposals.

Cabinet were asked to consider the projects and budgets listed in the final business case, which was attached at Appendix A of the report, in order to enable the project to be designed, developed and implemented in collaboration with schools during the financial years 2015/16 and 2016/17.

The report advised that, on 22 October 2013, approval had been given to a programme of basic need capital investment for 2013/14 and 2014/15 and that, in accordance with Financial Procedure Rules, an update was provided regarding the delivery of the programme along with the amendments to the schemes as set out in Appendix B of the report.

RESOLVED –

(1) That approval be given to the projects and allocations for the 2015/2016 Schools' baseline need capital programme as detailed in Appendix A of the report.

(2) That Officers be authorised to implement the schemes as outlined in paragraphs 2.9 to 2.14 of the report within the baseline budget of £470,000, as detailed on Appendix A of the report.

(3) That approval be given to the proposed delegated powers as outlined in paragraphs 2.5 and 2.6 of the report.

(4) That approval be given to the allocation of Section 106 funding to Heaton Avenue Primary School as detailed in paragraph 2.10 of the report.

280 2014/2015 and 2015/16 Council Capital Plan: Proposed Allocation of 2015/16 Capital Funding from the Directorate for Children and Young People (DCYP) Baseline Section of the Capital Plan for Condition Works along with details of Proposed Amendments to the 2014/15 Approved Programme of Works

Cabinet received a report which identified potential projects to be funded from the Directorate for Children and Young People schools capital and maintenance baseline condition programme section of the Capital Plan and requested authority to allocate funding to implement the 2015/16 programme of works.

The report also provided an update regarding the delivery of the schools capital maintenance programme in 2014/15 and amendments to this programme since the meeting of Cabinet on 21 February 2014 which had approved the allocation of projects to the programme.

RESOLVED –

(1) That approval be given to the business case, as set out in Appendix A of the report, which outlines the rationale for the school's condition work programme, the availability of funding, the selection process and the main categories of work, thereby enabling the projects to be designed, procured and implemented.

(2) That approval be given to the list of proposed works in schools, as detailed in Appendix B.

(3) That approval be given to the delegation of powers to the Director of Economy, Skills and the Environment, as detailed in paragraphs 2.19 and 2.20 of the report.

(4) That the revised amendments and allocations to the detail of the 2014/2015 Schools Capital Maintenance Programme, as detailed in Appendix C to the report, be noted.

281 Exclusion of the Public

RESOLVED - That acting under Section 100(A)(4) of the Local Government Act, 1972, the public be excluded from the meeting for the following items of business on the grounds that they involve the likely disclosure of exempt information as defined in Part 1 of Schedule 12A of the Act, as specifically stated in the under mentioned Minutes.

282 2013/14 to 2015/16 Council Capital Plan – Proposed allocation of 2015/16 capital funding from the Directorate for Children and Young People (DCYP) Basic Need baseline section of the Capital Plan for New Pupil Places.

(Exempt information under Part 1 of Schedule 12A of the Local Government Act 1972, as amended by the Local Government (Access to Information) (Variation) Order 2006 as it contains information relating to

the financial or business affairs of any particular person (including the Authority holding that information). It is considered that it would not be in the public interest to disclose the information contained in the report the disclosure could potentially adversely affect overall value for money and could compromise the commercial confidentiality of the bidding organisations and may disclose the contractual terms, which is considered to outweigh the public interest in disclosing the information including, greater accountability, transparency and spending public money and openness in Council decision making).

Cabinet gave consideration to the exempt information prior to the determination of Agenda Item 17 (Minute Number 279 refers)

283 2014/2015 and 2015/16 Council Capital Plan: Proposed Allocation of 2015/16 Capital Funding from the Directorate for Children and Young People (DCYP) Baseline Section of the Capital Plan for Condition Works along with details of Proposed Amendments to the 2014/15 Approved Programme of Works

(Exempt information under Part 1 of Schedule 12A of the Local Government Act 1972, as amended by the Local Government (Access to Information) (Variation) Order 2006 as it contains information relating to the financial or business affairs of any particular person (including the Authority holding that information). It is considered that it would not be in the public interest to disclose the information contained in the report the disclosure could potentially adversely affect overall value for money and could compromise the commercial confidentiality of the bidding organisations and may disclose the contractual terms, which is considered to outweigh the public interest in disclosing the information including, greater accountability, transparency and spending public money and openness in Council decision making).

Cabinet gave consideration to the information set out in the exempt report prior to the determination of Agenda Item 18 (Minute Number 280 refers)

CAB22

Contact Officer: Andrea Woodside (860 1715) (01484 221715)

KIRKLEES COUNCIL

CABINET

Tuesday 7 April 2015

Present: Councillor Sheard (in the Chair)
Councillors Calvert, S Hall, Kendrick, O'Neill, Pandor, C Scott and
G Turner

Observer: Councillor Stubley

284 Membership of the Cabinet

Apologies for absence were received on behalf of Councillor Harris.

285 Minutes of Previous Meeting

RESOLVED – That the Minutes of the meeting held on 10 March 2015 be approved as a correct record.

286 Interests

No interests were declared.

287 Admission of the Public

It was noted that Agenda Item 9 would be considered in private session (Minute Number 292 refers)

288 Deputations/Petitions

No deputations or petitions were received.

289 Member Question Time

No questions were asked.

290 Dewsbury Townscape Heritage Initiative (THI) - 'Imsons' Grant Application

Cabinet gave consideration to a report which sought approval for a Dewsbury Townscape Heritage Initiative Grant towards improving 'Imsons' property situated at 34 Northgate/41 Foundry Street, Queensway Arcade, Dewsbury, which was one of the priority properties within the Heritage Lottery Fund and Council funded Townscape Initiative Programme.

The report advised that the project comprised of external improvements to the property and had received full planning permission in accordance with the guidelines of the Dewsbury Design Guide and Conservation Area principles. An outline of the grant application was attached at Appendix 1

of the report. More detailed matters relating to financial aspects of the application were considered in the exempt session prior to the consideration of this item.

The report advised that, subject to approval, a grant offer would be made to 'Imsons', and upon acceptance of the grant, an agreement would be drawn up by Legal Services. It was anticipated that the improvements would be completed by the end of July.

RESOLVED –

(1) That approval be given to the award of a Townscape Heritage Initiative Grant to 'Imsons' for the sum as identified in Appendix 2 of the considered report for the improvement of buildings at 34 Northgate/41 Foundry Street, Queensway Arcade, Dewsbury.

(2) That authority be delegated to the Director of Place to review and approve supporting evidence for the allocation of the grant.

291 Exclusion of the Public

RESOLVED - That acting under Section 100(A)(4) of the Local Government Act, 1972, the public be excluded from the meeting for the following item of business on the grounds that it involves the likely disclosure of exempt information as defined in Part 1 of Schedule 12A of the Act, as specifically stated in the under mentioned Minute.

292 Dewsbury Townscape Heritage Initiative (THI) - 'Imsons' Grant Application

(Exempt information relating to the financial or business affairs of persons (or the Authority holding that information), specifically information relating to the applicants financial status and contractors tender prices. It is considered that disclosing the information would adversely affect the companies concerned. The public interest in maintaining the exemption, which would protect the interest of the Council and the company concerned, outweighs the public interest in the information and providing greater openness in Council decision making)

Cabinet gave consideration to the information set out in this report prior to the determination of Agenda Item 7 (Minute Number 290 refers)

KIRKLEES COUNCIL			
COUNCIL/CABINET/COMMITTEE MEETINGS ETC			
DECLARATION OF INTERESTS			
Name of Councillor			
Item in which you have an interest	Type of interest (eg a disclosable pecuniary interest or an "Other Interest")	Does the nature of the interest require you to withdraw from the meeting while the item in which you have an interest is under consideration? [Y/N]	Brief description of your interest

Signed: Dated:

NOTES

Disclosable Pecuniary Interests

If you have any of the following pecuniary interests, they are your disclosable pecuniary interests under the new national rules. Any reference to spouse or civil partner includes any person with whom you are living as husband or wife, or as if they were your civil partner.

Any employment, office, trade, profession or vocation carried on for profit or gain, which you, or your spouse or civil partner, undertakes.

Any payment or provision of any other financial benefit (other than from your council or authority) made or provided within the relevant period in respect of any expenses incurred by you in carrying out duties as a member, or towards your election expenses.

Any contract which is made between you, or your spouse or your civil partner (or a body in which you, or your spouse or your civil partner, has a beneficial interest) and your council or authority -

- under which goods or services are to be provided or works are to be executed; and
- which has not been fully discharged.

Any beneficial interest in land which you, or your spouse or your civil partner, have and which is within the area of your council or authority.

Any licence (alone or jointly with others) which you, or your spouse or your civil partner, holds to occupy land in the area of your council or authority for a month or longer.

Any tenancy where (to your knowledge) - the landlord is your council or authority; and the tenant is a body in which you, or your spouse or your civil partner, has a beneficial interest.

Any beneficial interest which you, or your spouse or your civil partner has in securities of a body where -

- (a) that body (to your knowledge) has a place of business or land in the area of your council or authority; and
- (b) either -

the total nominal value of the securities exceeds £25,000 or one hundredth of the total issued share capital of that body; or

if the share capital of that body is of more than one class, the total nominal value of the shares of any one class in which you, or your spouse or your civil partner, has a beneficial interest exceeds one hundredth of the total issued share capital of that class.



Name of meeting: Cabinet
Date: 5 May 2015

Title of report: Proposed Joint Building Control Service for the Districts of Kirklees and Bradford

Is it likely to result in spending or saving £250k or more, or to have a significant effect on two or more electoral wards?	Yes – the report affects the provision of the Building Control Service across Kirklees
Is it in the Council’s Forward Plan ?	Yes - February 2015
Is it eligible for “call in” by Scrutiny ?	Yes
Date signed off by <u>Director</u> & name	Jacqui Gedman – 23 rd April 2015
Is it signed off by the Director of Resources?	David Smith – 7 th April 2015
Is it signed off by the Assistant Director - Legal & Governance?	Julie Muscroft – 24 th April 2015
Cabinet member portfolio	Cllr Steve Hall

Electoral [wards](#) affected: All
Ward councillors consulted:

Public or private: Public

1. Purpose of report

To seek cabinet approval on the principle of forming a Joint Building Control Service to cover the districts of Kirklees and Bradford, subject to an appropriate report back on the detailed implications and governance before a final decision is taken.

2. Key points

A review of Building Control services across West Yorkshire was initiated in 2010 in response to economic and budget pressures. This resulted in Kirklees and Bradford Building Control agreeing to look into the possibility of a joint service.

A report by the Heads of Building Control was produced some years ago following publication of findings on the Quincetree report and the subsequent guidance made by the representative of the West Yorkshire Chief Executives.

Building Regulations ensure minimum standards of construction are satisfied on new, extended and altered premises. Servicing these applications is the main core of the business. These applications are subject to competition from the private sector, but the council remains the inspector of last resort and has a duty to pick up all submitted work.

Public Safety and protecting the public are the main issues including dealing with dangerous structures, demolitions, safety at sports grounds, demolitions and enforcement.

Other linked services include the naming and numbering of new streets and offering fire safety services and advice to the council and other external organisations.

Building Regulations work generates income to cover its costs and the economies of scale help reduce the cost of the remaining statutory public safety work.

Reduced staff levels are leading to reductions in service quality, the loss of specialist expertise, missed commercial opportunities and the lack of resilience in delivering services including emergency call outs.

Commercial pressure could lead to a rapid reduction in the skills, scope and income of the Building Control service as private companies recruit staff trained by Local Authorities.

The Heads of Building Control consider that the formation of a Joint Service in the first instance leading to a Wholly Owned Company is one option to provide a united service across the whole of the Kirklees and Bradford area. It would resolve many of the current issues and result in an organisation of sufficient mass and capacity to be resilient, sustainable and maintain both the quality of service and the necessary expertise.

If the two services become a joint partnership it will create a large Building Control Authority enabling additional market power, improved service provision and resilience.

Democratic governance and control by elected members would be retained through a governing board made up of Elected Members and senior officers from both councils.

Joint Building Control services are becoming common across the country in response to capacity, economic and commercial pressures.

A more detailed background, an outline of the next steps and a possible outcome scenario is given in Appendix 1.

Options

There are many types of service model available. A simple option appraisal for maintaining the status quo, forming a partnership or establishing a wholly owned company is given in Appendix 2.

Maintaining the status quo is not a sustainable option as dwindling resources will not allow the existing services to compete effectively with the private sector. This will result in a fall off in income and place more demands on both councils to fund the remaining statutory function. A new way of working based on sharing resources and increasing capacity is required. Of the models which share resources there is no one best solution and many different types have been implemented successfully across the country.

The simplest and most cost efficient to establish would be a Joint Service based on a partnership governed by a representative board from both councils. This will provide a platform for the two services to flourish and if the Joint Service becomes successful, the partnership could evolve further and become a wholly owned company of both councils, thus allowing further freedom to trade.

3. Implications for the Council

A Joint Service will provide more capacity and resilience ensuring the continued provision of the Building Control Service and its ability to maximise income.

The costs of preparing and consulting on a new Joint Service are unknown but will be investigated further once the principle of merging the two services is accepted.

Both councils will retain control and governance of the Joint Service through the board.

A service level agreement will need to be established between the Joint Service and both councils to indicate the level of cost and profit sharing.

4. Consultees and their opinions

Legal and Finance

The proposal at this stage is only to agree the principle of a joint service. Detailed comments will be provided at the next stage of the process when more information is available of the proposed model and implementation plan.

5. Next steps

Establish a Project Board with senior officers representing both Councils to monitor progress and make decisions.

Appoint a project manager to develop a detailed business case, a service specification and an implementation plan.

Next steps are also highlighted in Appendix 1.

A report including a more full and detailed assessment of the implications, service model and governance will be brought back to cabinet alongside the service specification and implementation plan.

The project manager work to take this forward will be picked up either by an external appointment with a cost to both councils or by existing employees of either council.

An update report will be brought back to members within 4 - 6 months.

6. Officer recommendations and reasons

That the Joint Service be approved in principle subject to an appropriate report back on the detailed implications and governance before a final decision is taken.

7. Cabinet portfolio holder recommendation

That the Joint Service be approved in principle subject to an appropriate report back on the detailed implications and governance before a final decision is taken.

8. Contact officer and relevant papers

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APPENDIX 1

Proposal for a Joint Building Control Service: Kirklees and Bradford

1.0 Introduction and Background

- 1.1 The Council Building Control Service deals with a wide variety of technical and regulatory issues. These include the safety and stability of buildings, safety at sports grounds, making safe dangerous structures, enforcement of Building Regulations, building and plan inspections of proposed developments, and provision of construction and building advice to the public. Officers have wholly delegated powers due to the technical nature of Building Control and Building Regulations.
- 1.2 Building Control is a customer based service that has little Council Member involvement. It deals in specialised areas, some of which are in direct competition with the private sector's Approved Inspector Companies. Kirklees and Bradford Councils' Building Control sections provide a good quality service despite a reduction in the size of the market which, in turn, has led to reducing staff retained in recent years.
- 1.3 In the last ten years Building Control Services across the country have faced increased competition from the private sector and the number responding by combining and providing joint services is increasing. Joint Services are becoming the new norm for Building Control provision. Many different models are used for joint services.
- 1.4 Certain types of work are attractive to the private sector. The less attractive and least profitable developments are usually left to Council Building Control Services, because they do not have the option to select or reject customers. The councils are the inspectors of last resort.
- 1.5 For a number of years Building Control Services have been required to prepare and publish their trading accounts to report their financial position over a rolling three year period. In accordance with national guidelines, services are not allowed to make a significant surplus over that three year period. Fees can be increased or reduced in order to ensure that a balanced account is achieved, whilst the service remains sufficiently competitive.
- 1.6 In addition to the trading account situation described above, the service can only recover the costs from its Building Regulations applications. It cannot charge for performing the Council's duty to enforce Building Regulations or for dealing with other public safety duties such as dangerous structures, demolitions and safety at sports grounds. However, retaining a Building Regulation element significantly reduces the cost of the non chargeable statutory services. Building Control is based on chargeable and non-chargeable work, so its fees need to be monitored regularly.

- 1.7 In order to provide a more resilient Building Control service in the face of market pressures it was proposed that the five West Yorkshire authorities (Leeds, Kirklees, Calderdale, Wakefield and Bradford) investigate joint working in Building Control. The impetus for a West Yorkshire wide Building Control Service has slowed in the last couple of years, but Kirklees and Bradford remain committed to exploring further joint working.
- 1.8 The formation of a joint service would secure the future of a vital statutory service during unfavourable economic conditions. It would also allow a service, whose staff profile shows an aging workforce, to be sustained and help to retain a professional service, able to respond to the recovery of the construction industry.
- 1.9 The impetus for joint working in Building Control came from the desire to work with the neighbouring Local Authorities to combat competition from the Approved Inspectors and to increase efficiency in service delivery. It was felt that some form of joint or partnership working would stabilise the service and allow the ability to plan and invest in the future workforce.
- 1.10 Due to the downturn in the construction industry and competition from approved inspectors, both Councils' services have struggled with finances over the last few years and although that pressure has eased with increasing revenues from the slow upturn in market conditions, both services still require contribution from the general council funds. The need to reduce costs has also resulted in a substantial reduction in staffing levels and this is now impacting on the resilience of the team and its ability to service the increasing demand from revenue generating work.
- 1.11 The proposed outline is for a two way joint Building Control service between Kirklees Metropolitan District Council and Bradford Metropolitan District Council. This does not preclude any future joint working with other local authority Building Control services.
- 1.12 The governance of the new joint partnership would be a Partnership Board comprising of two Elected Members (one from each authority) and two senior managers (again, one from each authority). The Board would manage the merged service at a strategic level. The Board would have no decision-making powers but would make recommendations to the cabinet and executive committee of both Kirklees and Bradford Councils on matters arising from its role of monitoring performance. In particular the Board would monitor the Service Level Agreement on the quality of Building Control service delivery.
- 1.13 A robust Service Level Agreement between the two authorities would establish the basis for apportioning costs, income and recharging based on workload. The Agreement would be the subject of regular review.
- 1.14 The proposal is driven by a need to ensure that the two Councils not only survive the financial challenges of the future years, but go on to grow and prosper as individual Building Control bodies. This would be based on a

commitment to reduce costs by moving to a high fee earning structure by cutting overheads and on-costs. It would have a dynamic approach to winning new fee earning business by promoting the service, obtaining new partners and recovering market share lost to Approved Inspectors.

1.15 The Councils have a requirement to deliver significant savings over the next five years to ensure that it remains financially viable. Through working in partnership both Councils would have the ability to reduce the cost of the service (including support costs); improve or maintain the level and quality of service; broaden the range of services provided; increase income earning opportunities; and increase the resilience of the service.

1.16 This proposal represents a major shared service opportunity for the Council; the business case would evaluate the key risks associated with the proposal. It is felt that with proper management these risks can be mitigated effectively.

1.17 The joint service will deliver the following advantages:

- Reduced costs through economies of scale.
- A consistent level of service delivery to improve customer satisfaction;
- A more attractive prospect for recruitment and retention of professional staff, and areas of expertise and excellence can be shared;
- Improved ability of the service to compete with 'Approved Inspectors'; over a larger geographical area.
- Enhanced resilience and flexibility of the service to cope with future pressures better;
- Opportunity of extending the shared service across West Yorkshire.

2.0 Next Steps

Project Board

- 2.1 It is proposed to merge the two Council's respective Building Control Services in order to establish a better critical mass, to improve standards, reduce costs and increase operational income against the challenges of competition from Approved Inspectors.
- 2.2 Initially, a project board would be appointed. If the project is to move forward successfully it will need to do so in a structured and controlled manner so that at all stages informed decisions can be taken.
- 2.3 An independent project manager would be able to guide the various project stages and provide the decision makers with appropriate and

timely information. The project manager should work with the service stakeholders but be independent to help promote a clear and fair approach.

- 2.4 The project manager work will be picked up either by an external appointment with a cost to both councils or by existing employees of either council.

Business Case

- 2.5 A business case needs to be developed to inform the many decision makers of the benefits and the potential pitfalls of joint service provision
- 2.6 The business case would cover the following and any other areas identified during the process
- Best model for joint working - an options appraisal of each model is required
 - Post implementation governance arrangements
 - Financial implications
 - Workload volumes
 - HR/Finance/ICT/Legal – issues around developing a joint service
 - Communications plan
 - Outline service design
 - Change management

Service Specification Design

- 2.7 As the project progresses through various stages of acceptance the outline service design will need to become more detailed
- Governance as set out above.
 - Relationship framework – stakeholder engagement e.g. customers, partners, support services
 - Workforce plan
 - Communications plan

Implementation plan

- Change Management
 - Human Resources activities
 - ICT activities
 - Finance activities
 - Accommodation and logistics
 - Marketing/Branding
 - Communications
- 2.8 The project will be complex and will require assistance from specialists in finance, Human Resources, Information Technology, etc.

3.0 Possible Scenario following process

- 3.1 Existing staff would continue to be employed by their current, respective authority under the pay, and terms and conditions of that employing organisation. New and revised job descriptions will be devised in order to standardise responsibilities across the two organisations. Any new job descriptions/profiles would need to go through the job evaluation process at each organisation.
- 3.2 In considering the financial implications surrounding the proposals, an analysis would need to be undertaken of the total costs both internally and externally across the two authorities. The proposals suggest that the Council increase the level of internal resources in order to generate additional income.
- 3.3 It is expected that home working and other technologies e.g. teleconferencing to reduce travelling requirements, use of palmtops and so on will be encouraged as part of the shared service arrangements.
- 3.4 In terms of governance, it is proposed to set up a Partnership Board consisting of Elected Members and senior managers from each council. The Board will oversee the operations of the service, and to ensure that the interests of each individual council are upheld. The new Building Control Manager will report to the board regularly on all matters, including financial, operational and performance.
- 3.5 The Building Control Manager will focus on providing and maintaining resources against demand for the service, e.g. finance, IT systems, human resources, marketing and business development and will report to the Partnership Board on a regular basis.
- 3.6 The two councils currently operate different IT systems and it is recognised that it would be more efficient for one computer system to be used by the partnership service. However, until this is achieved two separate systems will operate.
- 3.7 The Building Control service would deliver a range of statutory services that are broadly common to both authorities.
 - The new unit will allow the management and delivery of statutory BC services throughout the two authorities' area to be more efficient and market responsive.
 - In a declining market the authority must still retain an effective building control service with sufficient mass to provide the non-fee earning statutory building control activities e.g. emergency action to deal with dangerous structures, safety at sports grounds, etc. together with

Building Regulations compliance services to all those who choose to use the Local Authority over the Approved inspector.

- Potential for growing the business by fostering greater partnering opportunities with developers and architects to enhance customer retention and engage the business of new partners.
- Increased ability to resource large commissions and major projects.
- Improved management of the business risk of the service, which is extremely important in a service that may impact directly on public safety.
- Less likelihood of claims being made against the Councils as a consequence of failure to deliver the service.
- Councils would demonstrate innovation in the method of service delivery whilst retaining control via the joint board.
- Councils would be more able to maintain performance against national standards.
- It would be possible to train replacement and existing staff to a higher standard.
- More likely to retain existing staff due improvements in job security.
- Standardisation of and common approach to service delivery.
- Consistent interpretation of Building Regulations/Codes and other Approved Documents across neighbouring authorities.
- In staff numbers, have the critical mass to provide a focus for marketing activity to increase partnerships and market share.
- Increased diversity in types of work would be more attractive to potential new staff.

APPENDIX 2

Options Appraisal for a Joint Building Control Service for Kirklees and Bradford Councils

Status Quo – continue to maintain and improve the service

This option would see the two separate Building Control Services to continue, making savings required by each authority. Savings are usually made through salami slicing, by reducing and redesigning service provision. This may work in the short term but is unlikely to be sustainable over the longer term. Required savings would eventually make the service less competitive and allow private Approved Inspectors to attract more lucrative work. This would leave authorities picking up expensive and difficult work with little opportunity to generate income.

Advantages

- Continues tried and tested system which has had some success
- Has less disruption to services
- Continues to develop non Building Regulation fee earning consultancy services
- Continues to make a contribution to the specific agenda of each council

Disadvantages

- Limited scope for increasing revenue streams
- Limited control over budget
- Difficult to react quickly to changes in workload
- Inability to control overheads
- Savings would impact on ability to generate income
- Customers receive differing service levels in different areas
- No scope to benefit from economies of scale

Joint Service between two or more local authorities

Two or more neighbouring authorities enter into a formal partnership to deliver a Building Control service. This would utilise a partnership board. Many of the above disadvantages can be ameliorated by careful planning and design. Whilst initially for two authorities it can be easily used for more partners. It would enable services to improve, becoming more efficient and effective and deliver a better level of service. This model can help maintain statutory services whilst giving some degree of freedom and capacity to operate more commercially to develop future revenue streams.

Advantages

- Sharing of resources
- Easier to achieve staff buy-in
- Benefit from economies of scale
- Capacity to manage peaks and troughs in workload
- Provides a consistent approach and level of service across a wider area
- Creates the capacity for specialisms to develop within the service

- Provides a service with a bigger voice and a higher profile
- Control of the service is maintained through a partnership board
- Recruitment and retention of staff is improved with more certainty
- Service is provided on behalf of Local Authorities
- Increased ability to satisfy commercial priorities

Disadvantages

- Critical mass of authorities is required
- Seed investment needed ie increased set up cost
- Different pay grades will require consolidating over time
- Requires political support
- Staff concerns over change
- Communication and management logistics need resolving
- Different IT systems will require consolidating over time
- Service level agreements required with a range of services in each authority

Form a Wholly Owned Company

This is a company that would provide Building Control services, wholly owned by two authorities. It would be governed in a similar way to the Joint Service through a governing board made up of elected members and senior officers from the two councils. Some authorities have adopted this model eg Birmingham. The initial set up costs may be high. A company model would allow more freedom to trade and to develop its business whilst the partner authorities retain control as the governing body. Control of its budgets and overheads could be maintained. This model offers more flexibility to work in different markets, such as fire risk assessment and thermal assessment for bodies outside the councils.

Advantages

- Many of the Joint Service option
- Costs and income more transparent
- Potential to re-invest surpluses
- focus for the company
- Better incentivise staff
- Clear More opportunity for consultancy work
- Remain within the Local Authority environment

Disadvantages

- More disruption to the service
- Higher set up costs
- Company more vulnerable to downturn in workloads
- More uncertainty for workforce
- Might raise union issues