

**Minutes of the Future Council Scrutiny Committee
Wednesday, 19th January, 2022 at 6.00 pm
In the Council Chamber, The Council House, Priory Road,
Dudley**

Present:

Councillor A Lees (Chair)
Councillor E Lawrence (Vice-Chair)
Councillors S Ali, C Barnett, D Corfield, J Cowell, A Davies, P Dobb, J Foster, Z Islam, M Rogers and S Saleem.

Officers:

B Heran (Deputy Chief Executive), J Branch (Head of Human Resources and Organisational Development), L Fulci (Director of Digital, Customer and Commercial Services), H Martin (Director of Regeneration and Enterprise), I Newman (Director of Finance and Legal), P Parker (Head of Communications and Public Affairs) and K Taylor (Democratic Services Officer).

Also in Attendance:

Councillor C Bayton – Shadow Cabinet Member for West Midlands Combined Authority
S Middleton (Chief Executive) – Black Country Consortium Ltd – for Agenda Item No. 6

49 **Declarations of Interest**

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

50 **Minutes**

Following a request by Councillor J Foster, consideration would be given to the inclusion of a standing agenda item in relation to outstanding actions and matters discussed at previous meetings for tracking purposes.

In responding to a request for an update in relation to Minute No. 48 – Scrutiny Review - Black Country Plan, the Chair referred to the response from the Public Health Intelligence Team confirming that they did not have the relevant skills or experience to advise on the datasets used to determine population growth, together with the planned work undertaken by the West Midlands Combined Authority on the Urban Capacity of

the Black Country. Members were informed that an additional meeting of the Future Council Scrutiny Committee dedicated to the Black Country Plan had been scheduled to take place on Wednesday 2nd March, 2022.

Resolved

That the minutes of the meeting held on 24th November, 2021, be approved as a correct record and signed.

51 **Public Forum**

There were no issues raised under this agenda item.

52 **Black Country Consortium Limited – Current Business Activity**

The Chief Executive of the Black Country Consortium Ltd gave a detailed presentation on the business activity undertaken by the Consortium through partnership working across the economic development landscape operating an evidence-based approach to support the ambitions of Local Authorities. Councillor P Harley, Leader of the Council, had been appointed Chair of the Black Country Consortium Company.

The Consortium's vision for 2033 outlined four leading Black Country objectives focusing on growing the population base, improving average wage levels for residents, changing Socio Economic mix and improving the quality of the environment by addressing the brownfield and green agenda.

An overview of the work undertaken by the Economic Intelligence Unit in providing rigorous economic analysis and place based compelling narrative in collaboration with Local Authorities and the West Midlands Combined Authority was outlined. Deep dives had been a fundamental part of the work programme to understand the challenges of the jobs market and access into employment, together with in-depth Labour Market intelligence arising from the Covid-19 Pandemic and European Union exit. The Consortium continued to campaign for and champion the Metals, Materials and Rail sectors together with building technologies, and the work undertaken in relation to green transformation including mapping trees and the Black Country Canal Strategy was also referred to.

It was reported that Dudley achieved a strong employment rate in comparison to neighbouring authorities, however there remained challenges in relation to the average wage levels of residents which were -5.3% compared to -0.9% nationally. The need to understand structural changes in work patterns was acknowledged.

It was noted that although the number of Enterprise Births was lower in comparison to other Black Country authorities and nationally, the overall success rate of Dudley businesses was positive.



Ongoing risk analysis was being undertaken on sectors arising from implications associated with the Covid Pandemic and the European Union exit which had been assessed through three ratings namely, Red (areas of concern), Amber (areas to monitor) and Green (areas with less impact). A significant amount of work had been undertaken in relation to the impact of steel quotas on the competitiveness of local industry.

The Black Country Recovery Plan highlighted the need to focus on skills, nurturing green growth and digital working, and it was confirmed that the Black Country Consortium had commenced discussions with Local Authorities and BT Openreach to influence plans going forward following successful investment for superfast broadband.

Particular focus had been given to business support during the Pandemic and European Union exit, in particular, distributing grants and support in partnership with local Growth Hubs and responding to approximately 1,500 enquires over the last 12 months. Further work would be undertaken to improve signposting in relation to services for customers and businesses.

Reference was made to developing the green infrastructure, in particular, that funding had been secured through the Woodlands Trust to map 1,000 sites to help inform the Tree Plant Strategy data to ensure that the right trees were planted in the appropriate location. It was noted that work had commenced in developing the Black Country Canal Strategy in partnership with the Canal and River Trust, outlining the shared vision across Black Country partners for the canal network, and identifying opportunities as to how the network could contribute to wider outcomes across economic, transport and health agendas.

It was noted that the Government had undertaken a review of Local Enterprise Partnership (LEPs) and their future role which would be outlined in the Levelling Up White Paper once published. It was anticipated that the direction of travel and economic development would result in the LEPs undertaking a business support role going forward. It was suggested that the review had been undertaken to ensure democratic accountability, and the Committee was informed that the Black Country Consortium Ltd was accountable to the Black Country Joint Committee which, through Local Authority Leaders, considered Cabinet based decisions on the allocation of resources.

Ongoing collaborative work with all school sectors was outlined with schools being partnered up with local businesses together with a pilot where teachers visited businesses in the Black Country to ensure robust communications and career pathways. The Gatsby Benchmarks had been introduced by the Government which included eight guidelines that defined the best careers provision in schools and colleges, and it was noted that the Black Country had performed well against all benchmarks. It was acknowledged that further work was required in relation to quality work experience placements.



The Black Country Economy of Together policy focused on addressing equalities, education, enterprise, and environment in order to develop an inclusive economy with an emphasis on obtaining greater data in relation to ethnic minority businesses and employment opportunities.

A number of investment projects within Dudley was mentioned including the Dudley Advance and Innovation Centre, Black Country Living Museum and Very Light Rail Test Track with £4m of investment awarded to support the Dudley Interchange and Pensnett High Street projects. It was noted that future capital funding would be allocated directly to the Local Authority or West Midlands Combined Authority going forward.

An online interactive tool had been developed to review the pipeline of investment and projects across the Black Country Authorities, which included the facility to filter results by wards, and ensure that the correct level of investment was obtained going forward. It was confirmed that £350m funding had been identified for Dudley to help deliver projects.

A number of programmes had been adopted to work with children to encourage and enhance physical activity utilising various funding streams that supported community-based groups in addition to Schools. The economic, social and physical activity opportunities following the announcement of the full Cycling Time Trail Route for the Commonwealth Games was mentioned, together with the importance of maintaining the legacy and providing continuing support in communities.

During the presentation given, Members asked questions, made comments and responses were given, where appropriate, as follows:-

- Following a request by Councillor J Foster, the Chief Executive of the Black Country Consortium Ltd undertook to provide statistical information on the average duration of new start-ups in Dudley.
- It was confirmed that the statistical information in relation to residents' wages included employment both inside and outside the Dudley Borough.
- In responding to a question raised by Councillor E Lawrence in relation to whether there were sufficient real estate to support and nurture new start-ups in Dudley, the Chief Executive of the Black Country Consortium Ltd confirmed that the need to provide facilities such as hot-desking serviced accommodation had been highlighted across the Black Country whilst recognising the change in work patterns and flexible working, and acknowledged that additional analysis could be undertaken to address this area further.



- It was acknowledged that there was increased pressure on employment across the West Midlands, and it was therefore important to understand the suitability of jobs and how best to support those. Support for recruitment and skills together with inward investment remained a top priority for Dudley and the Black Country, and the Committee was informed of the strong skills levels and qualifications achieved across Dudley. The West Midlands Combined Authority was currently developing an emerging plan for growth, and although there was a slight risk that focus was being given to moving regions back to the pre-Covid position, it was essential that support be provided to attain a mixed economy.
- Councillor Z Islam referred to individuals that did not have the financial ability to improve their quality of life, despite reports of additional funding being awarded by Central Government. It was suggested that action should be taken and he welcomed any help to ensure this issue was addressed and improved throughout the Black Country.
- The Chair commented on Dudley's unique position in that 80% of the population both resided and worked within the Borough and emphasised the importance of providing additional education and training to advance skills and apprenticeship programmes.

The Chief Executive of the Black Country Consortium Ltd referred to the opportunities within the structural investment in developing local procurement provision and apprenticeship opportunities under contractual requirements.

- Councillor C Bayton highlighted the importance of ensuring that Apprenticeships and the allocated placements were meaningful, and also made reference to the statistical information reported on and suggested that there appeared to be a movement in some areas compared to previous years and requested clarification as to how this had been achieved during the Pandemic.

In responding, the Chief Executive of the Black Country Consortium Ltd confirmed that there had been some movement in the statistics, which were constantly being updated, and further information could be provided if requested. It was recognised that although there were some sizeable gaps between the Black Country and Dudley Economy, Dudley had accelerated quicker than the England average on some metrics including those relating to skills as a result of investment to Colleges within the Borough.



- In responding to a question raised by Councillor C Barnett in relation to enterprise births and the need for facilities throughout Dudley and the wider Black Country to allow flexible working, the Chief Executive of the Black Country Consortium Ltd confirmed that Martin Dudley, Chief Executive Officer of Thomas Dudley Group Limited had undertaken work specifically relating to innovation and the provision required ensuring it was fit for purpose against demand. It was anticipated that the emerging structure of the Very Light Rail Centre and associated Innovation Centre in Dudley could be utilised to help close the gaps identified in this area.
- In responding to a question raised by Councillor J Foster, the Chief Executive of the Black Country Consortium Ltd confirmed that comparative analysis had been undertaken against authorities with a similar business base to Dudley and further information could be shared if requested.
- Councillor Z Islam referred to the work undertaken in developing incubation centres in Dudley and requested that consideration be given to non-industrial hubs to support a variety of business models, in particular, for small and medium sized enterprises (SME).
- It was suggested that businesses had adopted a pragmatic approach following the European Union Referendum, however, there was still some uncertainty going forward. The implications to sectors varied, and the additional impact to businesses arising from the Covid-19 pandemic and supply issues was mentioned.
- The Committee was advised that the Black Country was one of seven places focusing on the decarbonisation of SMEs, through the Repowering the Black Country programme, with consideration given to remaining competitive with net zero outcomes. The Black Country Industrial Decarbonisation Programme was launched at a manufacturing facility based in Dudley, namely Servosteel, and by demonstrating how businesses could deliver effective, efficient green use of energy, it was hoped this would influence others going forward.
- Arising from a question raised by Councillor C Bayton on work undertaken in relation to green Apprenticeships, the Chief Executive of the Black Country Consortium Ltd referred to the issues surrounding demand against supply, therefore more demand was needed to increase opportunities for apprenticeships and jobs in partnership with the public sector. It was noted that the skills sets delivered by colleges were appropriate for the sector however further assessment would be required on the affordability and scale.



- In responding to Councillor C Barnett's comments in relation to the unsuitability of incorporating existing walking and cycling routes within the development of wider transport plans, the Chief Executive of the Black Country Consortium Ltd confirmed that the aim of the policies was to ensure that walking and cycling routes were integrated with appropriate safety measures and encouraged leisure travel with input from partners and officers including the Director of Black Country Transport.
- In referring to the Black Country Economy of Together Policy, Councillor Z Islam emphasised the need for a matrix outlining quantitative data and timescales. The Chief Executive of the Black Country Consortium Ltd stated that an action plan had been developed alongside the Policy which could be shared with the Committee together with a dashboard that included data received in relation to apprenticeships.
- In responding to a question raised by Councillor J Cowell in relation to support available for Compulsory Purchase Orders, the Chief Executive of the Black Country Consortium Ltd confirmed that a business case would be prepared by the Local Authority outlining the need for the investment, however in most cases, Compulsory Purchase Orders were funded by the West Midlands Combined Authority and/or Local Authorities.
- Councillor Z Islam commented on the excellent facilities and opportunities available at the Resonance Music Centre based at the Waterfront, Brierley Hill, and queried whether support was available in gaining status as a University. In responding, the Chief Executive of the Black Country Consortium Ltd acknowledged that University's was a driving force in achieving a knowledge-based economy and referred to the partnership with Dudley Colleges and Worcester University.

The Chair, on behalf of the Committee, thanked The Chief Executive of the Black Country Consortium Ltd for her attendance and excellent presentation given.

Resolved

- (1) That the presentation on the business activity undertaken by the Black Country Consortium Ltd, and comments made at the meeting, be noted.
- (2) That the Chief Executive of the Black Country Consortium Ltd be requested to provide statistical information on the average duration of new start-ups in Dudley for circulation to Members of the Committee.
- (3) That the Chief Executive of the Black Country Consortium Ltd be requested to circulate the Action Plan in relation to the Black Country Economy of Together Policy and the dashboard outlining information on apprenticeships.



A joint report of the Chief Executive, Deputy Chief Executive and Directors of Finance and Legal Digital, Commercial and Customer Services and Regeneration and Enterprise was submitted on the draft Medium Term Financial Strategy (MTFS) to 2024/25, with emphasis on those proposals relating to the Committee's terms of reference. Items directly relevant to this Committee were those in relation to the Chief Executive, Finance and Legal, Digital, Commercial and Customer Services and Regeneration and Enterprise. The final version of the report would be considered by Cabinet In February 2022 and Full Council in March 2022.

In presenting the report submitted, the Director of Finance and Legal gave an overview of the report, and in doing so, stated that the financial position continued to change and referred to the number of proposed Government grants following the three-year Spending Review on 27th October, 2021 as outlined in paragraph 13 of the report submitted. It was noted that the Local Government Finance Settlement for 2022/23 had been confirmed on 16th December, 2021, and further work was being undertaken on local forecasting including Council Tax and Business Rates.

It was noted that the proposals contained within the report and formally considered by Cabinet on 15th December 2021 did not reflect any subsequent announcements, including the withdrawal of charging for green waste collections.

The Director of Finance and Legal confirmed that the Medium Term Financial Strategy reflecting the revised spending proposals and forecasts of likely resource availability identified a surplus of £1.8m for the 2022/23 financial year, which had been helped following a review of provisions for business rate appeals, however the budget was forecasted to carry a significant deficit of £9.4m in 2023/24. It was noted that £10m of reserves would be utilised over the three-year period.

Members asked questions, made comments and responses were given, where appropriate, as follows:-

- In responding to a question by Councillor C Bayton, it was confirmed that External Auditors regularly reported to the Audit and Standards Committee and had access to reports in relation to the budget. In December 2020, the External Auditors had issued a qualified Value for Money opinion raising concerns on the level of reserves and financial resilience, however it was noted that the process in assessing the Value for Money opinion would be revised this year, in that a narrative opinion would be given for future years. It was expected that concerns would remain in relation to the forecasted deficit going forward. The assumptions set out in the report submitted were subject to uncertainty, and in the event that outcomes were more negative than anticipated, then action to reduce levels of expenditure or increase income would be required.

- The Director of Finance and Legal confirmed that general reserves totalling £26.2m was forecasted for the end of the 2022/23 financial year, however it was anticipated that this figure would decrease in subsequent years.
- In responding to a question raised by Councillor J Foster in relation to expenditure for the re-branding of signage across the Borough should Dudley's bid for City Status be successful, the Head of Communications and Public Affairs confirmed that the re-branding of signage to vehicles and materials would be undertaken in accordance with a staggered programme of works within existing resources. The result of the submission bid was expected to be received during 2022.
- Councillor Z Islam sought clarification on the potential implications arising from the unringfenced reserves being 17% and 24% of the net expenditure as of 31st March, 2020 and 2021 respectively, in comparison to other Councils average unringfenced reserves being 45% of net expenditure as of 31st March, 2020.

The Director of Finance and Legal confirmed that Dudley's reserves as a proportion of spend was lower than other Councils, and it was reported that a reduction in spending would be needed in order to mitigate and improve the level of reserves for Dudley going forward.

- In responding to a question raised by Councillor E Lawrence in relation to the proposed £40,000 income from Boundary Signs identified within the Chief Executives Directorate, the Head of Communications and Public Affairs commented positively on the introduction of boundary signs in key routes across the Borough. It was noted that 12 signs had been sold at a rate to deliver the proposed £40,000 savings with consideration being given to additional signs in town centres and wards. Further work would be undertaken to existing signs within town areas to improve income generation.
- It was noted that spending pressures identified within the Directorate of Digital, Commercial and Customer Services in relation to Microsoft contract increases did not include an upgrade to Microsoft 365, however a business case would be prepared during 2022/23 for the procurement of Microsoft E-5 licences.



- Councillor J Cowell referred to the proposed savings identified within the Directorate of Digital, Commercial and Customer Services in relation to the reduction of Customer Services Advisors and queried whether employees were updated accordingly, and whether adequate support and services would remain available for those that could not access information or services digitally.

In responding, the Director of Digital, Commercial and Customer Services confirmed that the proposed remodelling would enable residents to submit requests and queries during evenings and weekends, and assured Members that the Council was committed to improving services and support. Services would continue to be available for all residents, including those that were unable to access services electronically, and it was further noted that as a result of staff turnover there was no need for compulsory redundancies.

- Councillor Z Islam referred to the Council's underlying position as a low taxing and low spending Local Authority, and in doing so, sought clarification as to whether the Local Authority had developed robust arguments in ensuring Dudley received fairer funding.

In responding, the Director of Finance and Legal confirmed that a review of local government funding had commenced three years previously, however due to the implications arising from the Pandemic, the outcomes had been delayed. Dudley had previously emphasised the financial position arising from a low taxing and low spending Local Authority and Referendum limits that prohibited an increase to Council Tax rates.

Resolved

That, subject to comments made above, the proposals for the Medium Term Financial Strategy to 2024/25, as set out in the report, and Appendices to the report, submitted be noted.

55 **Three Year Council Plan – 2022 – 25**

A report of the Chief Executive was submitted on the new three-year Council Plan setting out Dudley's direction of travel for the next three years to reflect the work that would be undertaken to support the seven aspirations of the Borough Vision 2030.

In presenting the report submitted, the Deputy Chief Executive confirmed that the proposed three-year Council Plan would be outcome focused and based on four priorities, namely, a borough of opportunity, a safe and healthy borough, a borough of ambition and enterprise and destination of choice. An overview of the four priorities was outlined in Appendix 1 of the report submitted.



The importance of providing access to educational training for all residents together with working collaboratively with health partners to ensure appropriate support for people to live full and independent lives was emphasised. Partnership working would also be needed in order to tackle inequalities and ensuring communities were safe in healthy, sustainable environments and improve individual health and wellbeing.

Reference was made to building on regeneration plans that had been considered and approved to encourage investment, together with maximising the diverse culture, history and communities throughout the Borough to attract visitors and residents to access a wide range of accommodation and activities.

It was accepted that the three-year Council Plan would be delivered in consultation with partners, and in order to deliver the ambitions proposed, consideration would be needed for additional funding and petitioning external investment. Further details of implementation and funding opportunities would also be included in individual Directorate Delivery Plans.

Members asked questions, made comments and responses were given, where appropriate, as follows:-

- In responding to comments made by Councillor J Foster, the Deputy Chief Executive confirmed that there would be a consultation exercise with residents, and that the purpose of the report was to gather feedback and comments from the Committee. The Local Authority would consider resident's priorities post Pandemic, in particular, in relation to skills and retraining in partnership with local Colleges. The final three-year Council Plan would be approved by the Cabinet.
- It was noted that once the new Council Plan 2022-25 was approved, clear and detailed delivery plans would be incorporated within each Directorate's Service Plan to measure progress against areas, together with allocated responsible officers and timescales which would also assist with identifying and addressing gaps with partners. Progress updates would be presented to Scrutiny Committees, where appropriate, and it was also noted that the Council Plan was considered as an incremental step in achieving the Borough Vision 2030 programme.



- Councillor C Barnett considered that the proposed objectives did not sufficiently address the climate change emergency and suggested that a bigger focus was needed to promote the Local Authority's response and encourage and advise residents accordingly.

The Deputy Chief Executive reassured the Committee that there would be a detailed delivery plan with specific themes including climate change that demonstrated how the Local Authority worked with residents, businesses, and partners to ensure the Borough was environmentally friendly and creating a sustainable organisation to work in. Reference was made to the Future Council Programme and how the Local Authority could maximise the use of digital, reduce Carbon footprint and providing awareness to residents through education campaigns on areas including composting and maximising recycling in flat estates.

- Councillor M Rogers expressed his disappointment on the lack of reference to the environment and suggested that consideration should be given to enhancing local countryside, protecting greenbelt and nature reserves and tree surveying.
- In responding to Councillor Z Islam's suggestion of assessing achievements and progress made of the existing Council Plan, the Deputy Chief Executive agreed to discuss further with the Head of Communication and Public Affairs as to how this could be formulated and presented.
- Councillor Z Islam considered that the proposed Council Plan did not recognise the current Covid-19 Pandemic and indicated reference should be made to supporting those that had suffered with Covid and Long-Covid. The need to work with health colleagues to understand the objectives of the Council Plan in relation to Covid-19 was acknowledged by the Deputy Chief Executive.
- In responding to a question raised by Councillor E Lawrence in relation to how the Local Authority would assess and monitor actions and data within the delivery plans, the Deputy Chief Executive confirmed that the Directorate Delivery Plans would be smart, specific and illustrate future actions. It was noted that the actions would also be monitored through performance management reports.
- The Head of Communications and Public Affairs confirmed that the Council Plan was an organisational plan and it was vital that all employees and elected members understood their role in delivering the priorities. Once finalised, a visual product would be created with the Graphics Team to ensure it was user friendly and promoted accordingly. It was also noted that themes and bite size updates would be circulated to employees and residents where appropriate.
- The Chair referred to a successful Peoples Panel event that was attended by residents to provide recommendations to the Council on regeneration and priority areas and suggested that a similar event be considered during consultation of the Council Plan going forward.



- Councillor Z Islam referred to the increasing need for green and leisure spaces in communities for children to access.

Resolved

- (1) That the new three-year Council Plan setting out Dudley's direction of travel for the next three years to reflect the work that would be undertaken to support the seven aspirations of the Borough Vision 2030, be noted.
- (2) That the Deputy Chief Executive be requested to consider the future reporting of achievements and progress made in relation to the existing Council Plan 2019-2022.

The meeting ended at 8.40pm

CHAIR



FC/86