

**Minutes of the Future Council Scrutiny Committee  
Wednesday, 18<sup>th</sup> January, 2023 at 6.00 pm  
In Committee Room 2, The Council House, Priory Road, Dudley**

**Present:**

Councillor E Lawrence (Chair)  
Councillor A Davies (Vice-Chair)  
Councillors S Ali, C Barnett, P Dobb, J Foster, M Howard, I Kettle, A Lees, A Millward, M Rogers, T Russon and P Sahota.

**Officers:**

B Heran (Deputy Chief Executive – via Microsoft Teams), I Newman (Director of Finance and Legal), I Grosvenor (Finance Manager), H Martin (Director of Regeneration and Enterprise), S Connelly (Head of Culture, Leisure and Bereavement Services, S Gay (Leisure Services Manager) and K Taylor (Senior Democratic Services Officer).

**Also in Attendance:**

Councillor S Phipps (former Cabinet Member for Regeneration and Enterprise)  
Councillor D Stanley (Cabinet Member for Regeneration and Enterprise).

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**32    Apologies for Absence**

Apologies for absence were received on behalf of Councillors T Creed and K Shakespeare.

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**33    Appointment of Substitute Members**

It was noted that Councillors M Rogers and A Millward had been appointed as substitute Members for Councillors T Creed and K Shakespeare, respectively, for this meeting of the Committee only.

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34 **Declarations of Interest**

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

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35 **Minutes**

**Resolved**

That the minutes of the meeting held on 23<sup>rd</sup> November, 2022 be approved as a correct record and signed.

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36 **Public Forum**

No issues were raised under this agenda item.

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37 **Medium Term Financial Strategy**

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 2025/26, 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 2023 and Full Council in March 2023.

In presenting the report submitted, the Director of Finance and Legal gave an overview of the report, and in doing so, stated that the draft MTFS had been developed based on the Chancellor's Autumn Statement on 17<sup>th</sup> November, 2022, with the Local Government Finance Settlement for 2023/24 confirmed on 19<sup>th</sup> December, 2022.

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 total service spend of £304.2m for the 2023/24 financial year, rising to £309.4m and £310.4m for the 2024/25 and 2025/26 financial years respectively. It was noted that the Local Government Finance Settlement had identified an additional £2.1m each year, with proposals being identified and incorporated within the final MTFS for consideration.

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

- a) In responding to a question raised by Councillor M Rogers on the proposed savings within the Public Realm Directorate in relation to the Stores Review and Trade Waste – Round Optimisation, the Finance Manager confirmed that the Council was focussed on maximising vehicle assets and a further assessment would be undertaken of the future sustainability of in-house stores.
- b) In responding to a further question raised by Councillor S Ali in relation to the proposed Stores Review, it was confirmed that the review would include a number of elements with emphasis in relation to vehicle parts and improved procedures for orders and invoicing. It was acknowledged that whilst a net financial gain was beneficial, the review provided the opportunity to review goods and services more widely and ensure best value for money.
- c) Councillor P Sahota welcomed the summary of the MTFS presented, however expressed concern in relation to the number of risks and assumptions associated within the MTFS, and the lack of flexibility for amendments to the budget approved for the 2024/25 and 2025/26 financial years. There was also some apprehension in committing to energy prices for a three-year period given the uncertainty of wholesale prices.

In responding, the Director of Finance and Legal indicated that the report had been based on information prior to receiving the Local Government Settlement, and that there was opportunity for Elected Members to provide their input and suggestions prior to final approval. Although it was recognised that there were a number of assumptions, the Local Authority was required to set out future year forecasts. The wholesale price for electricity was expected to decrease by Summer, 2023, however, there remained some uncertainty in relation to the level of future Government support. Any underspend in proposed spendings would be reflected as a saving for that financial year and rolled-forward to the next year.

- d) The Director of Finance and Legal acknowledged the number of risks and uncertainty contained within the report submitted recognising the extremely complex current economic environment.
- e) Councillor P Sahota referred to the proposed savings resulting from the withdrawal of support for existing (and prospective) community groups/centres totalling £80,000. The Director of Finance and Legal confirmed that there was some flexibility set within the budget should Scrutiny Committees recommend the removal of the proposed saving.
- f) It was noted that the figures identified within the additional spending and savings tables as outlined in Appendices C and D to the report submitted, were categorised cumulatively rather than incrementally.
- g) In responding to a question raised by Councillor P Sahota in relation to the loss of income within the future regeneration proposal, the Director of Regeneration and Enterprise confirmed that the loss of income related specifically to the car park and rental income associated with the regeneration project located at Tower Street, Dudley.
- h) Councillor A Davies referred to the additional contribution to ongoing Communication and Public Affairs service pressures with reduced ongoing resource for Forging the Future now that it had been implemented. He emphasised the need to support and champion small businesses and sought clarification as the reasons why support had been allocated to this area for the 2023/24 financial years totalling £20,000 and not future years.

In responding, the Director of Finance and Legal, in conjunction with the Director of Regeneration and Enterprise, undertook to provide a written response.

- i) In responding to a further question by Councillor A Davies, the Director of Finance and Legal confirmed that the role of the Internal Communications and Engagement Officer primarily focussed on communications with employees including Human Resources matters and development work.
- j) Councillor J Foster considered that more equality impact assessments should have been undertaken whilst preparing the MTFS and requested further information on the spending increase in relation to the Strategic Contingency Fund within the Chief Executive's Directorate.

In responding, the Director of Finance and Legal referred to the work undertaken to triage MTFS proposals in order to identify those requiring an equality impact assessment. It was agreed that the triage list could be shared with the Committee for information.

The Deputy Chief Executive confirmed that Strategic Contingency Fund was a financial reserve specifically for minor one-off projects including civic events and activities and undertook to provide a written response outlining the former expenditure of the Fund and anticipated costs for future events.

- k) Councillor J Foster suggested that the additional savings table should reflect the categories identified within the additional spending information submitted. In responding, the Director of Finance and Legal referred to the recommendation of the External Auditors to include additional categories in relation to additional spending and it was considered that those categories did not apply in the same way to savings.
- l) Councillor S Ali referred to the significant financial pressures within the Dedicated Schools Grant and continuing forecasted deficit each year and sought clarification as to whether a recovery plan had been introduced in order to mitigate the pressures.

In responding, the Director of Finance and Legal confirmed that a Financial Recovery Plan had been developed, in consultation with external consultants, Newton Europe, and acknowledged that the deficit had grown each year. Although a plan had been implemented, it was recognised that the impact would be gradual. It was confirmed that the Government Regulation in ensuring that the pressure did not impact the General Fund would continue for a further three years.

- m) Councillor S Ali suggested that the Financial Recovery Plan should be shared with Members for information.
- n) In responding to a request by Councillor S Ali, the Director of Finance and Legal undertook to ascertain further information in relation to the proposals included in the one-off spending plans totalling £2.3m for the 2023/24 financial year within the Public Health Grant funded budget.
- o) Councillor C Barnett referred to the proposed reduction of Customer Service Advisors at Dudley Council Plus within the Digital, Commercial and Customer Services Directorate. In responding, the Finance Manager advised Members of the number of vacancies within the department currently and that a factor for the reduction corresponded with the investment to the digitalisation of services and customer self-serve.

## **Resolved**

- (1) That, subject to comments made above, the proposals for the Medium Term Financial Strategy to 2025/26, as set out in the report and Appendices to the report submitted, be noted.
- (2) That the Director of Finance and Legal, in conjunction with the Director of Regeneration and Enterprise, be requested to provide a written response in relation to Forging the Future to the Committee for information.
- (3) That the Director of Finance and Legal be requested to provide the triage list utilised during the MTFS process to the Committee for information.
- (4) That the Deputy Chief Executive be requested to provide supplementary information in relation to the Strategic Contingency Fund to the Committee for information.
- (5) That the Director of Finance and Legal refer the request for further information in relation to the proposals included in the one-off spending plans totalling £2.3m for the 2023/24 financial year within the Public Health Grant funded budget, to the Director of Public Health and Wellbeing for a response to be circulated to the Committee.

There were no questions to the Chair pursuant to Council Procedure Rule 11.8.

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39 **Exclusion of the Public and Press**

**Resolved**

That the public and press 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 under paragraphs 2 and 4 of Part 1 of Schedule 12A to the Local Government Act 1972, as amended.

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40 **Call-In of Decision Sheet – The Closure of the Café at The Crystal Leisure Centre, Stourbridge**

A report of the Monitoring Officer was submitted to respond to the call-in of the decision of the Cabinet Member for Regeneration and Enterprise concerning the closure of the Café at The Crystal Leisure Centre, Stourbridge. The decision had been called-in at the request of five Members of the Future Council Scrutiny Committee in accordance with the Scrutiny Committee Procedure Rules, as set out in the Council's Constitution. A copy of the exempt decision sheet relating to this item was circulated, together with the procedure to be followed at the meeting, as outlined by the Chair.

It was noted that Councillor S Phipps was the Cabinet Member for Regeneration and Enterprise on the date that the decision was taken. Councillor D Stanley was subsequently appointed as the Cabinet Member for Regeneration and Enterprise effective from 28<sup>th</sup> December, 2022. Both the former and the existing Cabinet Member had been invited to the meeting and would be invited to comment on matters leading to and at the time of decision making, and any issues raised by the Committee concerning the future of the service.

The Chair then invited Councillor S Phipps, former Cabinet Member for Regeneration and Enterprise, the Director of Regeneration and Enterprise and the Head of Culture, Leisure and Bereavement Services to make representations concerning the decision.

Arising from the representations made, Members made the following comments and raised questions, which were responded to at the meeting:

- a) The number of significant repairs required at the Leisure Centre and the reasons why the café had not been considered under phase one of the refurbishment project.
- b) Children's activity parties would continue, allowing users to bring their own refreshments, which was welcomed.
- c) Lack of evidence in relation to full options appraisals that could be explored, and market tested.
- d) Future consideration would be needed as to whether cafes were required in Leisure Centres.
- e) Some Members considered that the decision should be referred back to the Cabinet Member for Regeneration and Enterprise for further consideration taking into account the concerns raised during the meeting.
- f) The possibility of sourcing partnerships or sole trader enterprises in order to provide refreshments with peppercorn rent rates.
- g) It was evident that the café had been making a financial loss for a number of years, and queries as to why this had not been addressed previously.
- h) Lack of public consultation with service users.
- i) Whether additional time should be granted to enable the new Manager and staff to establish the facility, with appropriate advertising.
- j) The need to maintain the segregated area for visitors to the Leisure Centre.
- k) The possibility of updating the current vending machines to encourage purchases.

Following all questions and contributions, the Chair asked for any final statements before the Committee proceeded to consider the matter.

### **Resolved**

That the Future Council Scrutiny Committee recommends that no objection be raised to the decision in which case no further action is necessary and that the decision of the Cabinet Member for Regeneration and Enterprise be implemented with immediate effect.

The meeting ended at 7.50pm

CHAIR

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