
OVERVIEW OF EFFICIENCY AND RESOURCES SCRUTINY COMMITTEE

1. Since the last meeting of the Council, the following are the main areas of work the Efficiency and Resources Scrutiny Committee has undertaken.

Community Sponsorship

2. We have received a report in relation to community sponsorship so we can establish whether we feel the Council is doing all it can to secure community sponsorship. We were advised that there is a Sponsorship Assistant's post (0.5 FTE) within the Leisure and Culture team who had the remit to develop and secure community sponsorship and who proactively develops links with a broad range of partners to support the Council and its community based events. Sponsorship is fundamental to the Council's events programme through both direct financial support and in kind and, we are assured that despite the current financial climate, strong partnerships are in place with a diverse range of businesses and media operators. I will update Council if, following our meeting, we feel there is a need for us to further scrutinise this area.

Revenue Monitoring Report – Quarter Three

3. We received a Quad of Aims from a Member to look at the Revenue Monitoring Report Quarter Three which was considered by Cabinet at its meeting held on 5 February 2013. The Quad of Aims requests our Scrutiny Committee to review, with the Assistant Director - Finance, all items of expenditure listed in the appendices to the Cabinet report where the variation in budget exceeds £100,000. The aim of this piece of work is to ensure that we are aware of the significant variances to the budget; that we understand the reasons for those variances; and to recommend any appropriate course of action which we feel might be necessary. At the time of writing this report, the outcome of this piece of work is unknown, however, I will update Council verbally at the meeting and include in my next written report.

Financial Sustainability of Local Authorities - National Audit Office Report

4. We have considered a report, published by the National Audit Office, which outlines central Government's approach to local authority funding and reviews local authorities' financial sustainability against a background of changes to their funding. I am recommending to our Scrutiny Members that we undertake a further piece of work in relation to the specific effect of the funding reviews on Darlington and the its challenges and this will be reported back to Council in a future report.

Work Programme

5. We have further considered our work programme and our Task and Finish Review Groups are continuing to meet and further information about the work of those Groups is detailed below. As part of our work programme report, it is suggested that some of the work we have agreed to undertake previously in relation to the Medium Term Financial Plan may now sit alongside the work of the Budget Advisory Panels which are being established and this is to be further considered. In addition, I am also recommending to Members that we establish a Task and Finish Review Group to undertake some work in relation to the Council's management costs and again, it may be appropriate for the findings of this Group to be fed into the Budget Advisory Panels.

Budget Advisory Panels

6. As mentioned above, Cabinet considered a report at its meeting on the 5 March 2013, and agreed the approach to the development of the Council's service delivery priorities and accompanying 2014/15 Medium term Financial Plan. We also considered the report at our meeting and were advised of the approach approved by Cabinet, which includes the establishment of four Budget Advisory Panels with remits covering a variety of services from various areas of the Council and which will include Scrutiny Members. It is important that any work which we do in Efficiency and Resources Scrutiny Committee, contributes to the work of these Panels.

Health and Safety

7. As reported to the last meeting of Council, we are currently undertaking, through a Task and Finish Review Group, a piece of work in relation to health and safety within the Authority. This work will focus on the Council's health and safety management systems and its culture within the Authority and we will be challenging both of these areas through the work we are undertaking. At the first meeting of the Group held on 12 February 2013, we received a presentation from the Health, Safety and Well Being Manager outlining the need to manage health and Safety within the organisation, the roles and responsibilities of all employees and Elected Members, the role of the Health and Safety Executive as a regulator for health and safety in the workplace, and the work which is currently being undertaken by Senior Officers within the Authority through the Health and Safety Management Project. We will be undertaking a survey from a cross selection of Managers and employees to ascertain their commitment and understanding of the importance of health and safety and their individual roles and responsibilities and the findings of this survey will be analysed and reported back to the Group.

Medium Term Financial Plan

8. We have had a meeting of the Medium Term Financial Plan Task and Finish Review Group, to consider our response to Cabinet following its decision to consult on the following proposals in relation to the 2013/14 Medium Term Financial Plan :-

- (a) a Council Tax increase of two per cent for 2013/14;
- (b) the schedule of charges, as detailed in Appendix 3 of the Cabinet report;
- (c) the use of £3.991 million of revenue balances;
- (d) no changes to the agreed policy and service levels
- (e) the transfer of £1.5 million from revenue balances to the redundancy reserve;
and
- (f) the capitalisation of £1 million of expenditure currently included in the revenue budget for 2013/14 and 2014/15.

9. We are obviously aware of the very significant challenges facing the Council this year and in future years, and, in view of this, we reluctantly supported and did not forward any objections to Cabinet on the proposals. However, we may undertake some further work in relation to the schedule of charges for future years, particularly in relation to those areas which are subsidised and we propose to be involved in any further work in relation to future policy and service levels.

Stressholme Golf Club – Call In

10. In accordance with the provisions of the Council's Constitution, we received a call in of Cabinet's decision in relation to Stressholme Golf Course which was considered at a special meeting of our Scrutiny Committee held on 12 March 2013. The reasons for the call in which were given by the Members requesting it were for us to further scrutinise the freehold value of the land at Stressholme Golf Course and to look, in more detail, at the options appraisals for Stressholme and Blackwell Golf Clubs. The Members requesting the call-in stressed, at the meeting, the importance of Members to fully understand how the valuation of Stressholme Golf Club had been arrived at, and to ensure that all the options for managing Stressholme were examined fully prior to the decision to proceed with the proposal.

11. We had an informative discussion around the background to the five options which were considered by Cabinet and its decision in September 2012, to consult on option four and to pursue negotiations with Blackwell Golf Club, the Planning Policy Framework in relation to the future development of the land at sites 2 and 3 for executive housing and the capital receipt which would be achieved for the Council; the increasing level of subsidy paid to Stressholme; the current high level of golf provision in Darlington and the general decline in golf nationally; and the need to find a mutually beneficial outcome for both the future of Stressholme and Blackwell Golf Clubs. Questions were asked in relation to whether the Council should be retaining its assets and whether it was the appropriate time to negotiate a deal; the reasons for the increasing level of subsidy to Stressholme over the previous three years and whether the Council would be taking the proposal forward if the level of subsidy wasn't being paid; and the risks associated with the proposal. We were assured by Officers that, in their view, all the options had been explored fully and the option being proposed was the best option for the Council.

12. Having, considered the information, we were satisfied that the detail which it was felt needed clarifying, in respect of both of the areas requested by the Call-in, had been presented through the Scrutiny process and we were satisfied with Cabinet's decision. We will however, be undertaking some further work into the trading

activity of some of the Council's services and this will be added to our work programme.

13. I would like to thank the members of the public who attended and addressed us at the meeting, their contribution to this process was extremely useful.

Councillor Ian Haszeldine
Chair Efficiency and Resources Scrutiny Committee