

Economy and Resources Scrutiny Committee Agenda



**9.30 am Thursday, 5
November 2020
Via Microsoft Teams**

**In accordance with Local Authorities and Police and Crime Panels (Coronavirus) (Flexibility of Local Authority and Police and Crime Panel Meetings) (England and Wales) Regulations 2020, this meeting will be held on a virtual basis. Members of the Public can view a live stream of the meeting at:
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Members of the public wanting to make representations at the meeting can do so by e-mailing shirley.wright@darlington.gov.uk 24 hours before the meeting begins

1. Introductions/Attendance at Meeting
2. Declarations of Interest
3. Minutes (Pages 1 - 8)
4. Business Week 2020 –
Report of the Director of Economic Growth and Neighbourhood Services
(Pages 9 - 10)
5. Towns Fund - Forward Funding –
Presentation by Officers
6. The Process for the Write off of Irrecoverable debt –
Report of the Director of Economic Growth and Neighbourhood Services
(Pages 11 - 26)

7. Project Position Statement and Capital Programme Monitoring - Quarter 2 –
Report of the Director of Economic Growth and Neighbourhood Services
(Pages 27 - 48)
8. Revenue Budget Monitoring - Quarter 2 –
Report of the Managing Director
(Pages 49 - 60)
9. Work Programme –
Report of the Managing Director
(Pages 61 - 72)
10. SUPPLEMENTARY ITEMS (if any) which in the opinion of the Chair of this
Committee are of an urgent nature and can be discussed at this meeting
11. Questions



Luke Swinhoe
Assistant Director Law and Governance

Wednesday, 28 October 2020

Town Hall
Darlington.

Membership

Councillors Bartch, Boddy, Crudass, Durham, Harker, L Hughes, Mrs D Jones,
McEwan, Paley, Renton and Tait

If you need this information in a different language or format or you have any other queries on this agenda please contact Shirley Wright, Democratic Manager, Resources Group, during normal office hours 8.30 a.m. to 4.45 p.m. Mondays to Thursdays and 8.30 a.m. to 4.15 p.m. Fridays E-mail: shirley.wright@darlington.gov.uk or telephone 01325 405998

ECONOMY AND RESOURCES SCRUTINY COMMITTEE

Thursday, 10 September 2020

PRESENT – Councillors Durham (Chair), Bartch, Boddy, Harker, L Hughes, Mrs D Jones, Paley, Renton and Tait

APOLOGIES – Councillors Crudass and McEwan

ABSENT –

ALSO IN ATTENDANCE – Councillor Johnson

OFFICERS IN ATTENDANCE – Ian Williams (Director of Economic Growth and Neighbourhood Services), Elizabeth Davison (Assistant Director Resources), Ian Miles, Assistant Director Xentrall Shared Services, David Hand (Head of Service for Planning Policy, Economic Strategy and Environment), Chris Oates (ICT Strategy and Operations Manager), Phillipa Rayner, Systems Strategy and Development Manager, Lee Downey (Complaints and Information Governance Manager) and Shirley Wright (Democratic Manager)

ER9 DECLARATIONS OF INTEREST

Councillor Durham declared an interest in Minute ER16 below as a Ward Councillor for Brinburn and Faverdale and as a resident of High Grange, Faverdale. There were no other declarations of interest reported at the meeting.

ER10 9 JULY 2020

Submitted – The Minutes of a meeting of this Scrutiny Committee held on 9 July, 2020.

RESOLVED – That the Minutes be received as a correct record.

ER11 16 JULY 2020

Submitted – The Minutes of a meeting of this Scrutiny Committee held on 16 July, 2020.

In relation to Minute ER8/Jul/20, and following a question by a Member in relation to the Government's scheme to reimburse lost income, where 75 pence of every £1 lost over and above the initial five per cent of planned income from sales, fees and charges would be covered, the Assistant Director reported that claims for the period April to July 2020 needed to be submitted to the Government by the end of September 2020 and that thereafter, quarterly claims would be submitted up to the end of the financial year. It was anticipated that the payments would be received relatively quickly following submission and that it was anticipated that the scheme would cease at the end of this financial year.

Members also questioned what impact the recently agreed 2.75 per cent pay award, which was higher than anticipated, would have on the current Medium-Term Financial Plan and it was reported that an assumption had been made in the quarter 1 monitoring report in relation to this and it had been accounted for within the MTFP.

RESOLVED – That the Minutes be received as a correct record.

ER12 DARLINGTON BOROUGH COUNCIL AND MICROSOFT 365 - PRE, DURING AND POST COVID 19

The Systems, Strategy and Development Manager and the ICT Strategy and Operational Manger, Xentrall Shared Services gave a presentation on the background to the purchase and implementation of Microsoft Office 365 within the Council.

It was reported that the information architecture plan for Microsoft 365, which put in place the building blocks and foundations for Microsoft Office 365, was developed by Xentrall Shared Services in 2018 to enable a more modern working solution to be implemented across the Council and its services. This early work had put the Council in a very strong position to react quickly to the COVID-19 pandemic by ensuring that staff were well equipped to work from home and enabling key services to be maintained and Members congratulated Officers on this.

The presentation highlighted the various components contained within 365, some of which would be familiar to staff and Members and some of which were still be rolled out; the high level requirements to underpin good information architecture; the original plan to move to 365 in a very low key and structured way during 2020 and the immediate objectives following the COVID 19 outbreak which included : mobilising staff safety and quickly, looking at gaps in business critical users, designing a desk top solution to move desktop machines, working with Chief Officers to keep key services operational and establishing a key communications channel.

The presentation also highlighted the on-going work between the Council and Xentrall Shared Services to continue to deliver the 365 programme and ensure the best value from the application.

Discussion ensued on the further roll out of the 365 application to staff and the need to ensure that a training programme/support was in place to enable them to get the best out of the application to meet their needs; the work undertaken to procure the 365 application at the significantly reduced cost; the matching of It equipment and devices to users individual needs, the work undertaken to compare 365 with other applications such as google suite and the need to continually look and consider other comparable applications to ensure the best option for the Council in the future.

Reference was made to the well-being strategies which were in place and being promoted by HR to ensure that staff were supported in working at home; the culture within the organisation to work on an outcomes/productivity basis and the supervision elements which were still in place for staff and managers to ensure that that continued

RESOLVED – That the thanks of this Scrutiny Committee be extended to the Officers for the presentation and the work undertaken.

ER13 COMPLAINTS, COMPLIMENTS AND COMMENTS - ANNUAL REPORT 2019/20

The Managing Director submitted a report (previously circulated) requesting that this Scrutiny Committee consider the 2019/20 Complaints, Compliments and Comments Annual Report (also previously circulated) and forward any views to Cabinet for consideration.

It was reported that the Council constantly strived to ensure an organisational culture in which complaints were accepted, owned and resolved as quickly as possible and one in which learning from complaints was used to improve services. It was also a statutory requirement for the Council to produce annual reports in respect of representations received under the Adult Social Care, the Children's Social Care and the Public Health Complaints, Compliments and Comments Procedures.

The submitted report gave detailed information in relation to the complaint's, compliments and comments under the different procedures which had been received during 2019/20, together with some examples of organisational learning resulting from complaints which had been implemented.

Discussion ensued on whether any benchmarking in relation to complaints, compliments and comments was undertaken and it was reported that it had been done in the past across the Tees Valley and the northern region, however, it was not considered to be particularly valuable. There was some benchmarking information in the Local Government and Social Care Ombudsman's Annual letter which could be shared with Members.

Reference was also made to the work undertaken to encourage staff to better report compliments so that they could be recorded centrally, the culture within the organisation in relation to aiming to reduce the number of complaints received; the importance of complaints being analysed to determine whether there were concerns in particular areas, the diversity of the organisation and the need to put the number of complaints into the context of the high number of transactions/interactions with the public and the inclusion of historic information in the graphs in future reports.

The Chair reported that he had a number of further questions for Officers which he would submit outside of the meeting and share any response with Members.

RESOLVED – (a) That the report be received.

(b) That Officers be requested to include both contextual and historic information in future reports.

ER14 REVIEW OF COMPLAINTS MADE TO LOCAL GOVERNMENT OMBUDSMAN

The Managing Director submitted a report (previously circulated) requesting that this Scrutiny Committee consider a report (also previously circulated) which outlined the outcome of cases which had been determined by the Local Government and Social Care Ombudsman (LGSCO) and the Housing Ombudsman (HO) and forward any views to Cabinet for consideration.

It was reported that Cabinet had previously agreed to receive reports on the outcome of cases referred to the LGSCO and HO during the Municipal Year on a bi-annual basis and that the opportunity to analyse the areas of the Council's functions where

complaints had arisen was appropriate to establish whether there was any pattern to complaints received or whether there was a particular directorate affected or a type of complaint which was prevalent.

The submitted report outlined the number of cases which had been the subject of decision by the LGSCO and the HO during the period October 2019 and March 2020, and it was reported that the two cases which had been upheld by the LGSCO related to financial assessments associated with the provision of adult social care services and that actions identified to remedy the complaints would ensure that there was not a re-occurrence. It was confirmed that both of these cases related to the process and not the actions of individual staff.

Members requested information on the number of complaints which had been referred to the Ombudsman in the previous six months which had been previously reported to Cabinet and it was reported that this could be included in future reports.

RESOLVED - That the report be received.

ER15 ECONOMIC INDICATORS - IMPACT OF COVID 19 - PRESENTATION

The Director of Economic Growth and Neighbourhood Services gave a presentation on the impact of Covid-19 on the economic indicators for Darlington.

It was reported that although Darlington continued to perform well on a range of economic indices it was facing some challenges, some of which had been growing for some years and some which had recently emerged as a result of COVID 19 and the likely subsequent recession and that it was important to understand those challenges to enable a shared understanding of the emerging issues to be developed, inform the Council's activities and resources and highlight those areas which required action.

The presentation highlighted some of the headline indicators and it was reported that the recovery would be slow with long-lasting effects specifically affecting low paid workers and young people, together with the early local impacts which showed that unemployment had increased with NEETs in Darlington from just over 600 to 900, unemployment within the younger age range of 18-24 had risen from a figure of just over 600 to a thousand; that the claimant count had significantly increased since March 2020, specifically within the age group 25-49 as a result of the increase in unemployment and that town centre footfall had declined significantly between March and May 2020 and was 17.9 per cent down on the previous year.

Reference was also made to a Business Impact Survey which had been undertaken across the Tees Valley to determine the extent of the impact of the virus on local businesses, the results of which would be used to help share the regions response and economic recovery and Members were advised of the following key findings of the survey :-

- 46 per cent of businesses reported a reduction in demand for their products or services;
- over a third of businesses (36 per cent) have taken to smarter working practices;

- 83 per cent of businesses were concerned about reduced business volume or revenue over the next three to six months;
- 83 per cent of all businesses stated that they required financial support and advice, with 58 per cent needing to find new/alternative customers or market;
- over half of all businesses surveyed (52 per cent) stated that they had no plans to make redundancies or terminate sub-contractors; and
- 73 per cent of businesses did not anticipate requiring additional staff to meet demand.

In relation to the immediate and longer-term impacts of the virus on the Tees Valley economy, Members were also advised that the analysis showed that :-

- the Tees Valley saw nearly 10,000 new unemployment related claimants by mid-April;
- 32 per cent of the region's workforce had been furloughed and 16 per cent made redundant;
- 60 per cent of the total employment impacts (furloughing plus redundancies) had occurred in six sectors: retail; manufacturing; health; hospitality; education and construction;
- furloughs in the Tees Valley were disproportionately impacting men (driven by manufacturing and construction) and workers under 25's (driven by retail and leisure); and
- 13 per cent of Tees Valley workers might lose their jobs by the end of 2020.

The presentation also covered the local actions which had been taken by the Council as a result of lock down, which included inter alia an increase in the number of businesses seeking advice and support from the Council, mostly emergency financial assistance, the management and development of grant schemes to businesses on behalf of the Government, which saw 2,093 businesses receive grants of £10,000 and £25,000, business rates discounts worth £16.6 million awarded to 682 local retail, hospitality and leisure businesses providing full exemption for business rates for 2020/21 and a discretionary grant scheme being implemented.

The Director of Economic Growth and Neighbourhood Services reported that the impact of COVID-19 on the local economy was still to be fully realised but there was an emerging picture of different impacts across the industry sector, occupation and places and that work would continue with colleagues and stakeholders across the Tees Valley to develop a Tees Valley Recovery Plan, setting out how it could form a key part of re-building the UK economy

Discussion ensued on the number of employers within the Borough who offered apprenticeships, particularly the higher-level apprenticeships which would help to deliver against the level 4 qualifications, the need to encourage employers to become living wage employers; the validity of the statistics in the Combined Authority's survey, whether employers were facing up to the pressures and challenges that were ahead and whether they and the local authority were ready for those challenges, opportunities which were being created regionally such as the Amazon developments; the skill shortage at level 4 and the need to bridge that gap; some work being undertaken by the Tees Valley Combined Authority to identify where the skills and training issues are both in the current and future growth prospect so that

there was a ready supply of skills and people when needed; and the need to continue to make Darlington a Town where people wanted to live, work and visit.

The Director of Economic Growth and Neighbourhood Services reported that businesses were concerned but did not anticipate a major downsizing of the employment base and that there appeared to be a robustness with the majority of employers.

RESOLVED – That the presentation be noted.

ER16 GREATER FAVERDALE (BURTREE GARDEN VILLAGE) - DESIGN CODE

The Director of Economic Growth and Neighbourhood Services submitted a report (previously circulated) requesting that this Scrutiny Committee consider the Greater Faverdale (Burtree Garden Village) – Design Code (also previously circulated) for the Masterplan area of Greater Faverdale and forward any views to Cabinet for consideration.

It was reported that the Design Code, which included ‘good’ and ‘bad’ design practices would ensure a comprehensive quality code which would be used to create developer- led Quality of Place and offer the Council’s development management team a clear assessment tool to be used in the planning process which would enable them to evaluate and appraise objectively forthcoming planning applications where design would be a material consideration.

The submitted report outlined the background to the site, a 178 ha mixed use site, being supported as a Garden Community by the Ministry for Housing Communities and Local Government (MHCLG) in July 2019 and its naming as Burtree Garden Village by the leading Investment Fund - opdeveloper, a collaboration of Hellens Limited and Homes England.

Reference was made to the need for all future developments where there was a mix of different developers working on the same site for the housing designs to be in harmony with each other; broadband connectivity to be a feature of any development to ensure a work/life balance and the need to balance affordability of housing with good design.

RESOLVED – That the report be noted and brought back to this Scrutiny Committee prior to its consideration by Cabinet.

ER17 INVESTMENT FUND - UPDATE

The Managing Director submitted a report (previously circulated) requesting that this Scrutiny Committee consider a report (also previously circulated) outlining the progress against the agreed investments being funded through the Investment Fund and forward any views to Cabinet for consideration.

The submitted report outlined the background to the establishment of the Investment Fund by the Council in November 2016 which was to be used for innovative investments opportunities beyond the traditional Treasury Management Strategy in order to achieve greater returns given the low returns on investments.

It was reported that the fund provision of £50 million was being used, as envisaged by Council, to include Joint Ventures (JV) vehicles and economic regeneration initiatives, with the returns of over £4 million being anticipated. The fund was also recyclable so as the life of an investment came to an end and repayment made, it would be recycled back into the Investment Fund for further utilisation, subject to a detailed business case being approved by Cabinet.

The submitted report outlined the ten uses of the fund to date, two of which had been completed and the funding recycled and it was reported that of the £50 million, there was a commitment against it of £39.47 million, leaving a balance of £10.53 million uncommitted, however, there was a paper due to be considered by Cabinet in relation to a Neasham Road Joint Venture which would call on this balance if agreed.

Discussion ensued on the current position in relation to Feethams House and the Assistant Director Economic Growth reported that Deep Ocean would be occupying one floor of the building with another tenant being secured for another half of one of the floors. Marketing was continuing to secure tenants for the remainder of the building, however, it was reported that, as a condition of the ERDF, the building was required to be let to small medium enterprises and that, in the current climate, that might prove a challenge.

RESOLVED – That the report be received.

ER18 WORK PROGRAMME

The Managing Director submitted a report (previously circulated) requesting that consideration be given to the work programme of this Scrutiny Committee for the Municipal Year 2019/20.

The Chair requested an update on the current position in relation to the Broadband infrastructure 2012 -20 item and when it might be possible to received information in relation to that and the Director Economic Growth and Neighbourhood Services reported that information and clarity was still awaited, however, information on the current coverage within the Town could be supplied to Members.

The Chair also reported that, following the all Member briefing on the Towns Fund later this month, it may be useful for this Scrutiny Committee to undertake some further work thereon and that he had also requested briefing notes from Officers on the processes involved in the collection of Council Tax and Business rates and how the authority was encouraging owners to bring empty properties back into use.

Members also requested an update on the current position of the Climate Change Working Group and its status.

RESOLVED – That the report be noted.

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ECONOMY AND RESOURCES SCRUTINY MEETING 5 NOVEMBER 2020

BRIEFING NOTE – BUSINESS WEEK 2020

1. This report provides an overview of Darlington Borough Council's Business Week 2020.
2. Darlington's Business Week provides a series of events to support, guide and help local businesses. The 2020 programme was focussed around supporting businesses recover from the Covid-19 pandemic. The 2020 schedule was an entirely virtual experience, brought together by the Business Investment Team.
3. Business Week consisted of 17 on-line activities, including the launch event with a keynote address from Tees Valley Mayor, Ben Houchen, information sessions, and a series of business development workshops. Business Week was also supported by networking events hosted by Darlington Business Club and Tees Valley Business Club.
4. Key partners involved in delivering Darlington Business Week 2020 were:-
 - (a) Tees Valley Business
 - (b) FW Capital
 - (c) Save the High Street
 - (d) Business Doctors
 - (e) Trident Manor
 - (f) Department for International Trade
 - (g) DigitalCity
 - (h) Darlington College
 - (i) HR2day
 - (j) Harvey & Hugo
 - (k) North East Chamber of Commerce
 - (l) Nepo
 - (m) Tedco
5. Business Week brings together this range of local companies, partners and business support organisations to provide free informative and engaging sessions to help local businesses build resilience, help recovery, and learn how to diversify and find new opportunities via new and existing customers.
6. In addition, there were also dedicated support sessions for those wishing to start their own business. There has been some good positive feedback from participants, many glad to be able to participate and engage in the programme of activities.
7. There were more than 250 registered sign-ups for the Business Week events, including 36 for the finance and funding event. Due to the virtual nature of the

events, it is difficult to state exact numbers who participated. There was some drop off for the events, both beforehand and during live web broadcasts.

8. One event (focussing on workforce skills development was cancelled due to low numbers of pre-registrations. However, those that had signed up for the event were contacted and provided one-to one advice and information.
9. As part of Business Week 2020, the council hosted its first ever virtual Jobs Fair, providing information and links on employment opportunities currently available in the Darlington area. The event was held entirely on-line as a Facebook live event, and provided details of more than 100 live vacancies, together with a range of training and volunteering opportunities. In addition, details of a number of measures to assist jobseekers with the support they need to progress were shared. Analysis shows that more than 75 people visited the event.
10. Business Week 2021 will commence on 4 October 2021.

Ian Williams
Director of Economic Growth and Neighbourhood Services

Andrew Perkin
Ext 6308

ECONOMY AND RESOURCES SCRUTINY COMMITTEE **5 November 2020**

THE PROCESS FOR THE WRITE-OFF OF IRRECOVERABLE DEBT

Purpose of the Report

1. To provide Members with the process for the write-off of irrecoverable Council Tax, Business Rates, former tenant rent arrears and Housing Benefit overpayment debts.

Summary

2. The collection of rent and taxes is critically important to provide the Council with an increasingly large part of the resources that it needs to provide essential services to residents and businesses. In 2019-20, over £119 million of Council Tax, Business Rates, rent and Housing Benefit overpayments were collected by the Council.
3. However, provision is made for the write-off of irrecoverable debts, where all reasonable steps have been taken to recover the amount but it is no longer practical or financially viable to proceed.
4. Writing-off irrecoverable debt at the earliest opportunity represents good financial management, allowing staff to concentrate on recoverable debts and ensuring that the level of outstanding debt within the Council's accounts is accurate and represents a true reflection of our financial position.

Recommendation

5. Members are asked to note the contents of this report.

Ian Williams
Director of Economic Growth and Neighbourhood Services

Background Papers

Background papers were not used in the preparation of this report.

S17 Crime and Disorder	There is no impact on the Council's Crime and Disorder responsibilities as a result of this report
Health and Well Being	There is no impact on Health and Well Being as a result of this report
Carbon Impact and Climate Change	There is no impact on Carbon Impact and Climate Change as a result of this report
Diversity	There is no impact on Diversity as a result of this report
Wards Affected	All wards will be affected by this report
Groups Affected	All groups will be affected by this report
Budget and Policy Framework	This report does not represent a change to the budget and policy framework
Key Decision	This is not a key decision
Urgent Decision	This is not an urgent decision
One Darlington: Perfectly Placed	The report has no particular implications for the Sustainable Community Strategy
Efficiency	This report does not contain proposals but the write-off of debts enables the Council's accounts to be maintained in accordance with the Financial Procedure Rules
Impact on Looked After Children and Care Leavers	This report has no impact on Looked After Children or Care Leavers

MAIN REPORT

Information and Analysis

6. Despite the numerous challenges this year has brought so far, staff in the Housing Income and Revenues and Benefits teams have continued to maintain high levels of Council Tax, Business Rates and rent collection performance.
7. At the end of Quarter 2, the Council has collected:
 - (a) £33.4 million of Council Tax
 - (b) £9.6 million of Business Rates
 - (c) £13.2 million of Council rents and arrears
8. The in-year collection rate for Council Tax is at 52.7%, which is only slightly below last year's figure of 53.3% for the same period. Business Rates collection is at 58.1%, which is slightly higher than last year's 56.8% for the same period. The collection rate for Council rents is at 97.1%, with rent arrears at the end of Quarter 2 standing at 3.2% compared to 3.3% for the same time last year.

Council Tax and Business Rates

9. The billing and collection of Council Tax and Business Rates is set out in national legislation, including the various stages of collection and recovery, as follows:
 - (a) The Council Tax or Business Rates bill is the first formal notice of recovery action and includes the statutory payment scheme with 10 or 12 monthly instalments.
 - (b) Reminder notice - If an instalment has become due but is not paid after 21 days (or is only part paid) the Council may issue a reminder notice requiring the outstanding amount to be paid within the next 7 days.
 - (c) Notice of Legal proceedings - If an instalment has not been paid (or only part paid) after 14 days from the issuing of a reminder notice, the Council may issue a notice of legal proceedings. This advises that the right to pay by instalments has been lost and that the full amount of the outstanding Council Tax or Business Rates for the year must be paid within the next 7 days.
 - (d) Summons and Liability Order - If after issuing a notice of legal proceedings, full payment has not been received, the Council may take legal action with the issuing of a summons to the Magistrates Court and costs are added to the account. If the full amount outstanding has not been paid by the Court date, a Liability Order will be issued by the court and further costs are added.
10. A flowchart summarising the collection process for Council Tax and Business Rates is given at **Appendix 1**.
11. The Liability Order gives the Council powers to recover and enforce the debt, through the following means:
 - (a) Payment arrangement – the Council will always seek to recover the amount outstanding through a payment arrangement with a view to collect the outstanding amount by the end of the financial year.
 - (b) Attachment of earnings (for Council Tax) - if the debtor is an employed earner, the Council can serve an Attachment of Earnings Order on the employer to recover the debt through deductions from their earnings.
 - (c) Deductions from benefits (for Council Tax) - if the debtor is in receipt of certain state benefits, the Council can request the DWP to recover the debt through deductions from their benefit.
 - (d) Referral to Enforcement Agents – if the Council is unable to recover the debt using the options above, the debt will be referred to an Enforcement Agent. The Council will write to the debtor to advise them that if payment of the

debt is not made, then it will be passed to the Council's Enforcement Agent and further fees will be added to the debt. This is the last chance the debtor has to pay the Council. The amount of fees an Enforcement Agent can charge to the debtor is prescribed in the Taking Control of Goods Act 2014 and they will always collect their fees first before any debts.

12. A flowchart summarising the recovery process following a Liability Order is given at **Appendix 2**.
13. If a debt is returned by an Enforcement Agent as uncollected, the Council will consider what further action can be taken to recover the debt or if the debt should be recommended for write-off. Further recovery action at this stage can include:
 - (a) Charging Orders - where the debtor owns property and there is enough equity in the property to cover the outstanding debt, a Charging Order can be placed against the property as a secured charge (in a similar way to a mortgage). This means that if the property is sold, the debt will be paid on completion of the sale.
 - (b) Orders for Sale - where the overall debt exceeds £4,000, the Council may force the sale of a property to recover the debt. This is usually where the property is empty, or the property is occupied but the debtor is making no attempt to pay their ongoing charge.
 - (c) Bankruptcy - where the overall debt exceeds £5,000 the Council will consider bankruptcy (for Council Tax) or liquidation (for Business Rates). In these circumstances, the Council will serve a 'Statutory Demand' on the debtor, and if full payment is not received, we can then petition for bankruptcy.
14. Where debts have been returned by the Enforcement Agents as "no trace" (and the Council Tax or Business Rates account is closed), the Council will undertake actions to trace the debtor. If the debtor cannot be traced, the debt will be recommended for write-off. However, if contact is made in the future, the debt will become recoverable again.
15. Where debts have been returned by the Enforcement Agents as "no goods" (where there are insufficient goods that can be removed to cover the value of the debt), the Council will take the following action:
 - (a) Where the account is closed and the debt is less than £100, the debt will be recommended for write-off.
 - (b) Where the account is closed and the debt is between £100 and £500, the debt will be recommended for write-off if the account was closed more than 12 months ago. If the account was closed within the past 12 months, the debt will be referred to a Recovery Officer to consider further recovery action.

- (c) Where the account is closed and the debt is more than £500, it will be referred to a Recovery Officer to consider further recovery action.
 - (d) Where the account is open and the debt is less than £100, the debt will be recommended for write-off unless the current Council Tax or Business Rates charge is not being paid.
 - (e) Where the account is open and the debt is more than £100, the debt will be referred to a Recovery Officer to consider further recovery action.
 - (f) All debts recommended for write-off for the reasons given above will be classed as “not financially viable to proceed”.
16. At any point during the recovery process, where a Recovery Officer considers that all reasonable attempts to recover the outstanding debt have been taken and that it will be uneconomical to pursue the debt further, the debt will be recommended for write-off.
17. In recommending a debt for write-off in these circumstances, a Recovery Officer will consider:
- (a) The steps taken so far to recover the debt
 - (b) The cost and likelihood of success of taking further recovery action
 - (c) What options, if any are available to recover the debt
 - (d) The debt history and whether previous debts have been written-off
 - (e) Any legal advice.
18. A flowchart summarising the process of debts returned by Enforcement Agents as uncollected is given at **Appendix 3**.
19. The Council will also recommend the write-off of Council Tax and Business Rates debts in the following circumstances:
- (a) Bankruptcy, Liquidation, Voluntary Arrangement, Administrative Order or Debt Relief Order – where evidence is received from a trustee, administrator or liquidator that no assets exist to repay the debt.
 - (b) Deceased and estate insolvent – where evidence is received from the executor that no assets exist in the estate to repay the debt.
 - (c) Statute barred - any debts uncollected after 6 years of obtaining a Liability Order where recovery is not actively in progress.
 - (d) Hardship – where recovery of the debt will cause the debtor hardship, and the current charge is being paid (for example, where the maximum deductions are already being made from a DWP benefit).

20. The process for recommending Council Tax and Business Rates debts for write-off is as follows:
 - (a) For debts under £500 – a Revenues and Benefits Officer or Recovery Officer will recommend the debt for write-off. The Collection Team Leader will check and approve the debt for write-off. The Assistant Director - Resources will authorise the write-off.
 - (b) For debts of £500 and over – a Recovery Officer or the Collection Team Leader will recommend the debt for write-off. The Revenues and Benefits Manager will check and approve the debt for write-off. Cabinet will authorise the write-off.

Former Tenant Rent Arrears

21. The collection of Council rent arrears is set out in national legislation (the Pre-Action Protocol for Possession Claims by Social landlords). This sets out the process the Council must follow in order to start possession proceedings as a result of a tenant not paying their rent and falling into arrears. However, the Council will not consider the write-off of any rent arrears until a tenancy has ended.
22. The process for the recovery of former tenant rent arrears is set out below. However, as the Council has already attempted to collect these amounts whilst the debtor was a Council tenant, there are limited further options available to the Council to collect the debt once the tenancy has ended.
23. In most cases, where the debt is under £200 it will be recommended for write-off as uneconomical to pursue (this equates to approximately 2 weeks rent). Where the debt is £200 and over, notification is sent to the debtor of the outstanding rent arrears, which is the start of the recovery process followed by a reminder if no response is received.
24. For debts of £500 and over, if the debt remains unpaid after the initial recovery process, further recovery action will be considered, as follows:
 - (a) Where the debtor is in work and a Possession Order was granted by the Court before the tenancy was terminated, the debt will be referred to Legal Services to apply for an Attachment of Earnings to recover the debt.
 - (b) Where the debtor is not in work and a Possession Order was granted by the Court before the tenancy was terminated, the debt will be referred an Enforcement Agent to recover the debt.
 - (c) Where the debtor is not in work and a Possession Order was not granted by the Court before the tenancy was terminated, the debt will normally be recommended for write-off, although a Housing Income Advisor will review each case individually at this stage to decide if any further recovery is viable.

25. A flowchart summarising the recovery process for former tenant rent arrears is given at **Appendix 4**. A flowchart summarising the recovery process for former tenant rent arrears where the current whereabouts of the debtor is not known is given at **Appendix 5**. A flowchart summarising the recovery process for former tenant rent arrears where the debtor is deceased is given at **Appendix 6**.
26. The Council will recommend the write-off of former tenant rent arrears in the following circumstances:
- (a) Bankruptcy or Debt Relief Order – where evidence is received from a trustee or administrator that no assets exist to repay the debt.
 - (b) Deceased and estate insolvent – where evidence is received from the executor that no assets exist in the estate to repay the debt.
 - (c) Debtor in prison or residential care – where there is no prospect of recovering the debt.
 - (d) Statute barred - any debts uncollected after 6 years where recovery is not actively in progress.
 - (e) No forwarding address – where the debtor’s current whereabouts cannot be traced.
 - (f) Not financially viable to proceed - where all reasonable steps to recover the debt has been taken, but it is no longer financially viable to proceed further.
27. The process for recommending former tenant rent arrears for write-off is as follows:
- (a) For debts under £500 – a Housing Advisor will recommend the debt for write-off. The Housing Manager will check and approve the debt for write-off. The Assistant Director - Resources will authorise the write-off.
 - (b) For debts of £500 and over – a Housing Advisor will recommend the debt for write-off. The Housing Manager will check and approve the debt for write-off. Cabinet will authorise the write-off.
28. Applicants who apply for Council housing with former tenant rent arrears (including debts that have previously been written-off) will only be considered for re-housing in the following circumstances:
- (a) For debts under £500 where the tenant was not previously evicted by the Council – the debt must be cleared, or a payment arrangement maintained for 13 consecutive weeks or more.
 - (b) For debts of £500 and over where the tenant was not previously evicted by the Council – the debt must be cleared, or a payment arrangement maintained for 26 consecutive weeks or more.

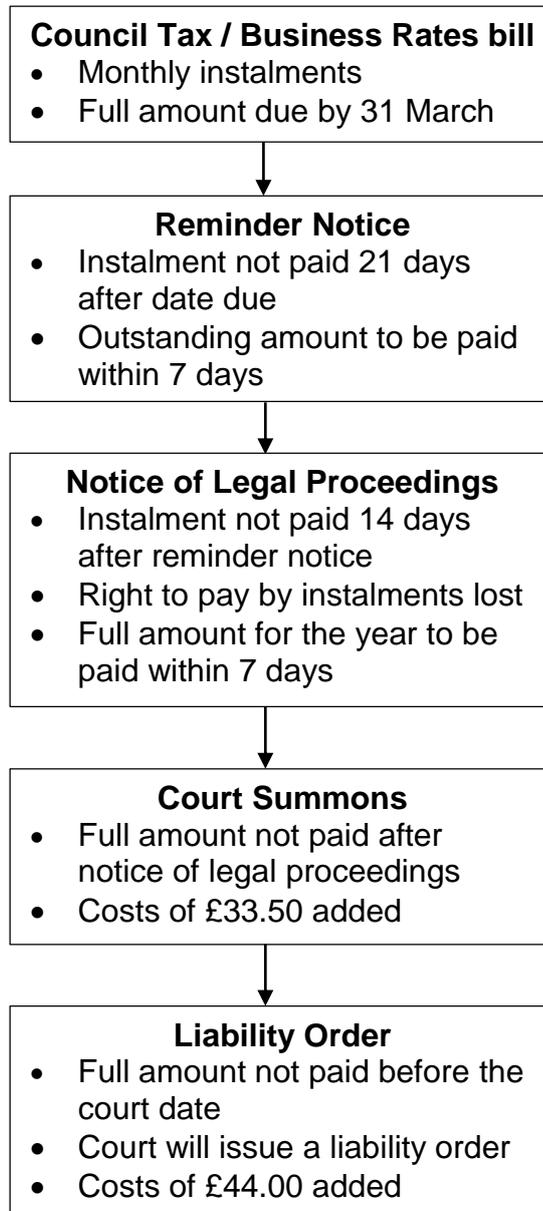
- (c) For all debts where the tenant was previously evicted by the Council – the applicant will be ineligible for re-housing for 12 months after the date of eviction. In addition, the debt must be cleared, or a payment arrangement maintained for 26 consecutive weeks or more.

Housing Benefit overpayments

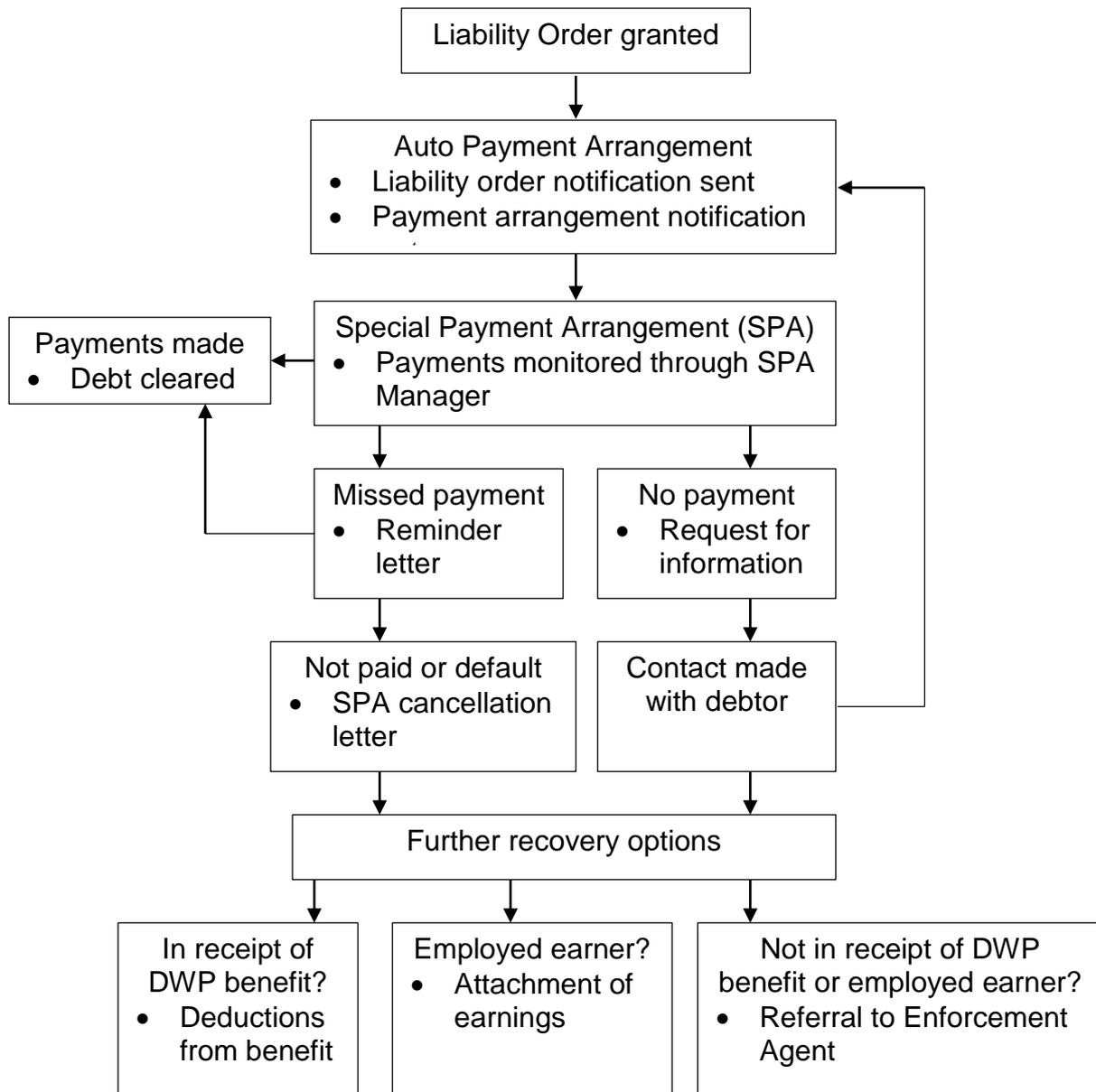
- 29. Housing Benefit is paid to over 5,000 tenants and landlords each year through the Housing Benefit scheme. Whilst every effort is made to minimise overpayments, due to the very nature of the scheme some overpayments will occur.
- 30. Overpayments are usually caused by a failure of the tenant or landlord to report a change of circumstances, which reduces or stops entitlement to benefit. Other overpayments can also be caused as a result of errors made by the Council or DWP.
- 31. Depending on how the overpayment occurs will determine whether, or not it can be recovered or must be written-off as irrecoverable.
- 32. In respect of recoverable overpayments, these may be recovered by:
 - (a) Raising an invoice, or
 - (b) Deductions from ongoing Housing Benefit payments, or
 - (c) Recovery from the landlord's scheduled Housing Benefit payments, or
 - (d) Deductions from certain social security benefits, such as Universal Credit, or
 - (e) Deductions from earnings for people in work.
- 33. During the recovery process, it may be found that an individual cannot be located, has been made bankrupt, or an appeal has been successful. Where appropriate, Revenues and Benefits officers will make every attempt to trace individuals by enquiries through other departments of the Council, and if necessary, via tracing agencies and the Council's contracted collection agents. Only when all avenues of recovery have been exhausted, will the overpayment be recommended for write-off.
- 34. The most effective way to recover overpayments is to make deductions from ongoing payments of Housing Benefit. However, with the migration of Housing Benefit claims to Universal Credit, this is making the recovery of overpayments more challenging.
- 35. A flowchart summarising the recovery process for Housing Benefit overpayments is given at **Appendix 7**. The process for recovering Housing Benefit overpayments where the current whereabouts of the debtor is not known or where the debtor is deceased is similar to the former tenant rent arrears processes.

36. The Council will recommend the write-off of Housing Benefit overpayments in the following circumstances:
- (a) Bankruptcy or Debt Relief Order – where evidence is received from a trustee or administrator that no assets exist to repay the debt.
 - (b) Deceased and estate insolvent – where evidence is received from the executor that no assets exist in the estate to repay the debt.
 - (c) Official error – where the debt was caused by Council or DWP error and it is not appropriate to take recovery action (but see below).
 - (d) Statute barred - any debts uncollected after 6 years where recovery is not actively in progress.
 - (e) No forwarding address – where the debtor's current whereabouts cannot be traced.
 - (f) Not financially viable to proceed - where all reasonable steps to recover the debt has been taken, but it is no longer financially viable to proceed further.
 - (g) Hardship – where the debtor has made a successful appeal against the recovery of the overpayment and further action is not appropriate.
37. The majority of Housing Benefit overpayments are subsidised by the DWP at a rate of 40%, whether they are recovered or not. For official error overpayments, the DWP has recognised that in a system as complex as the Housing Benefit scheme, errors will occur. Official error overpayments are subsidised at 100% providing we remain below the error threshold of 0.48% of total expenditure. For 2019-20 the error level was 0.17% and has never exceeded the 0.48% threshold. Therefore, these overpayments are fully subsidised by the DWP.

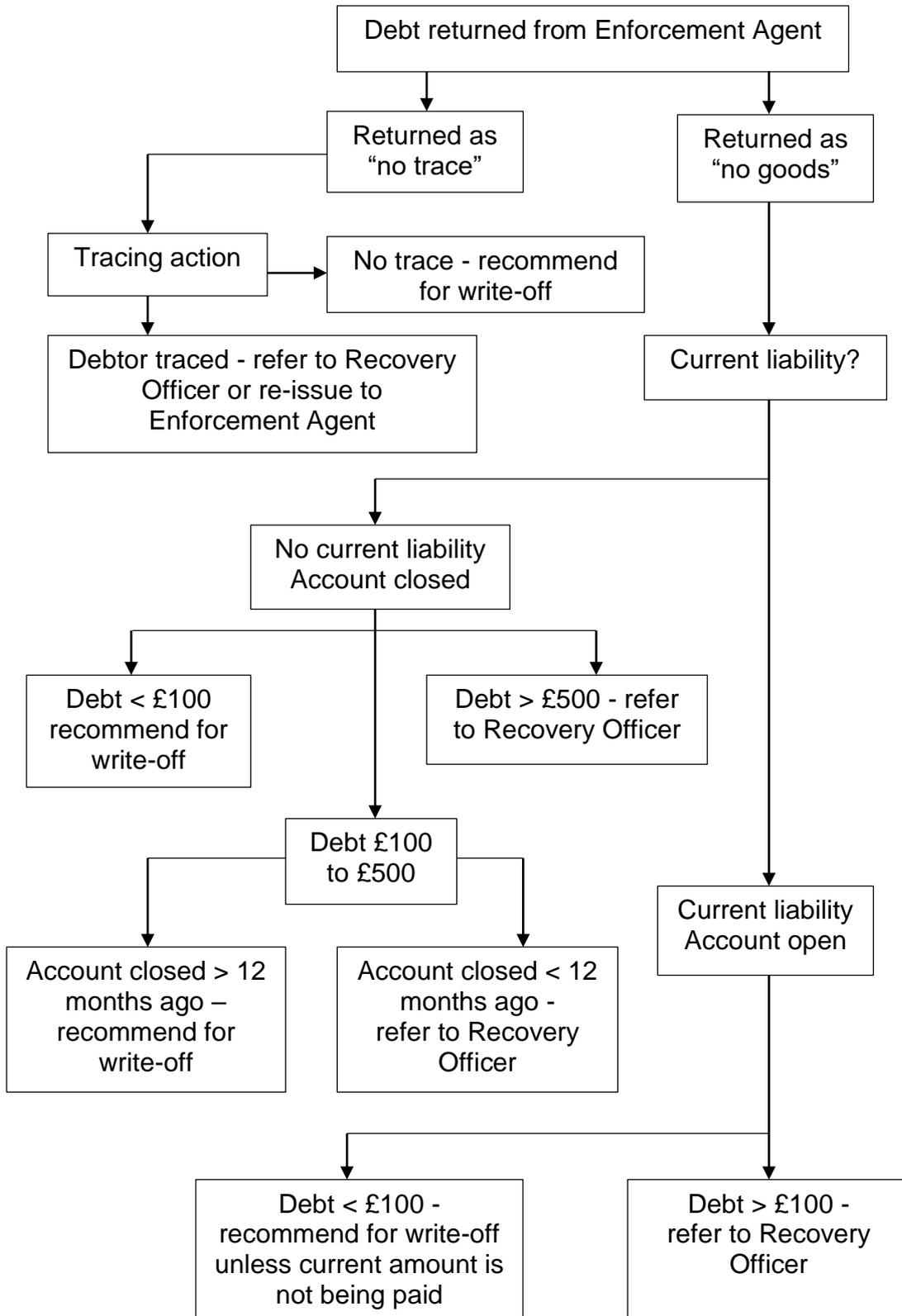
Council Tax and Business Rates Collection



Liability Orders

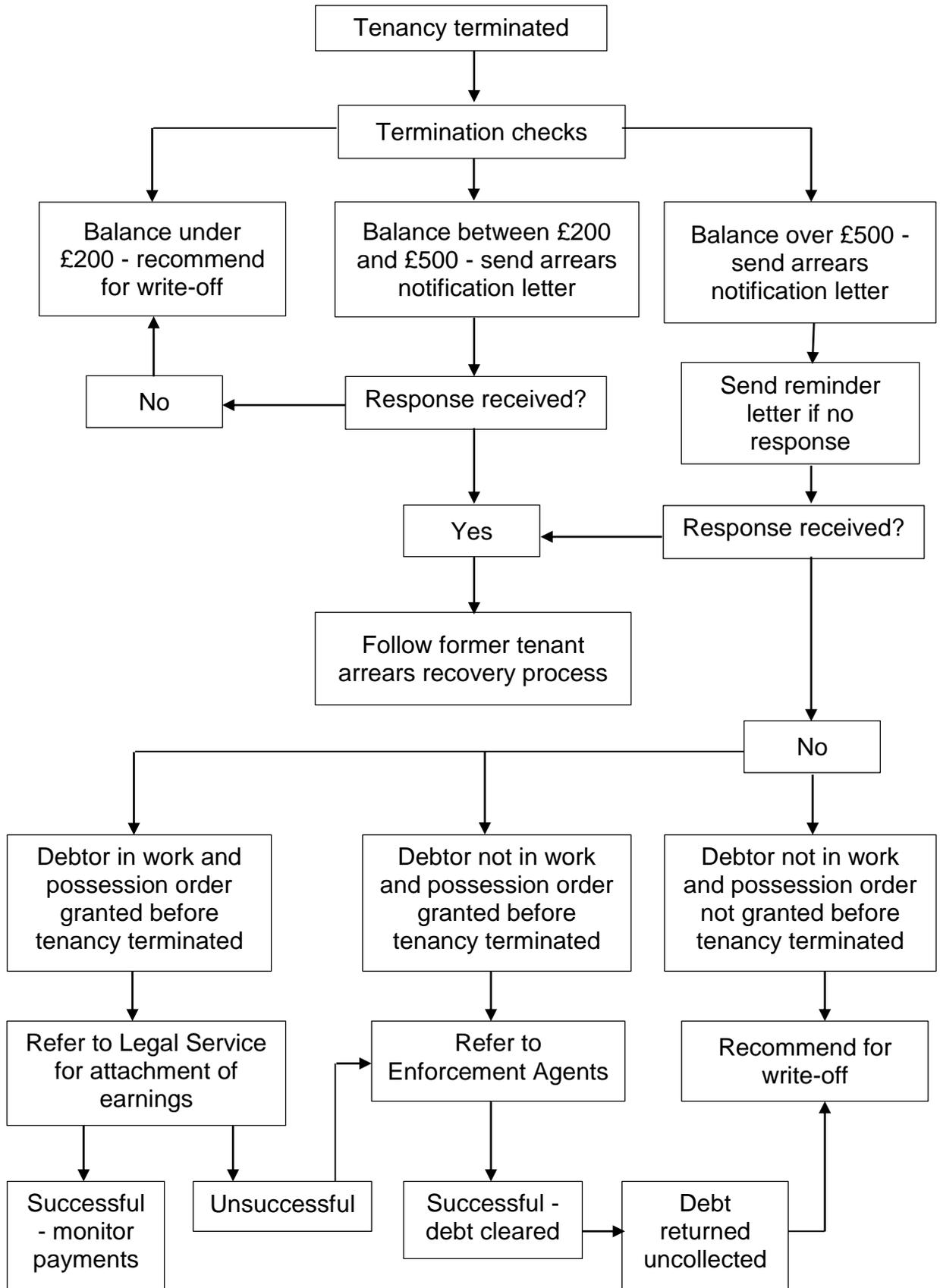


Enforcement Agent returns

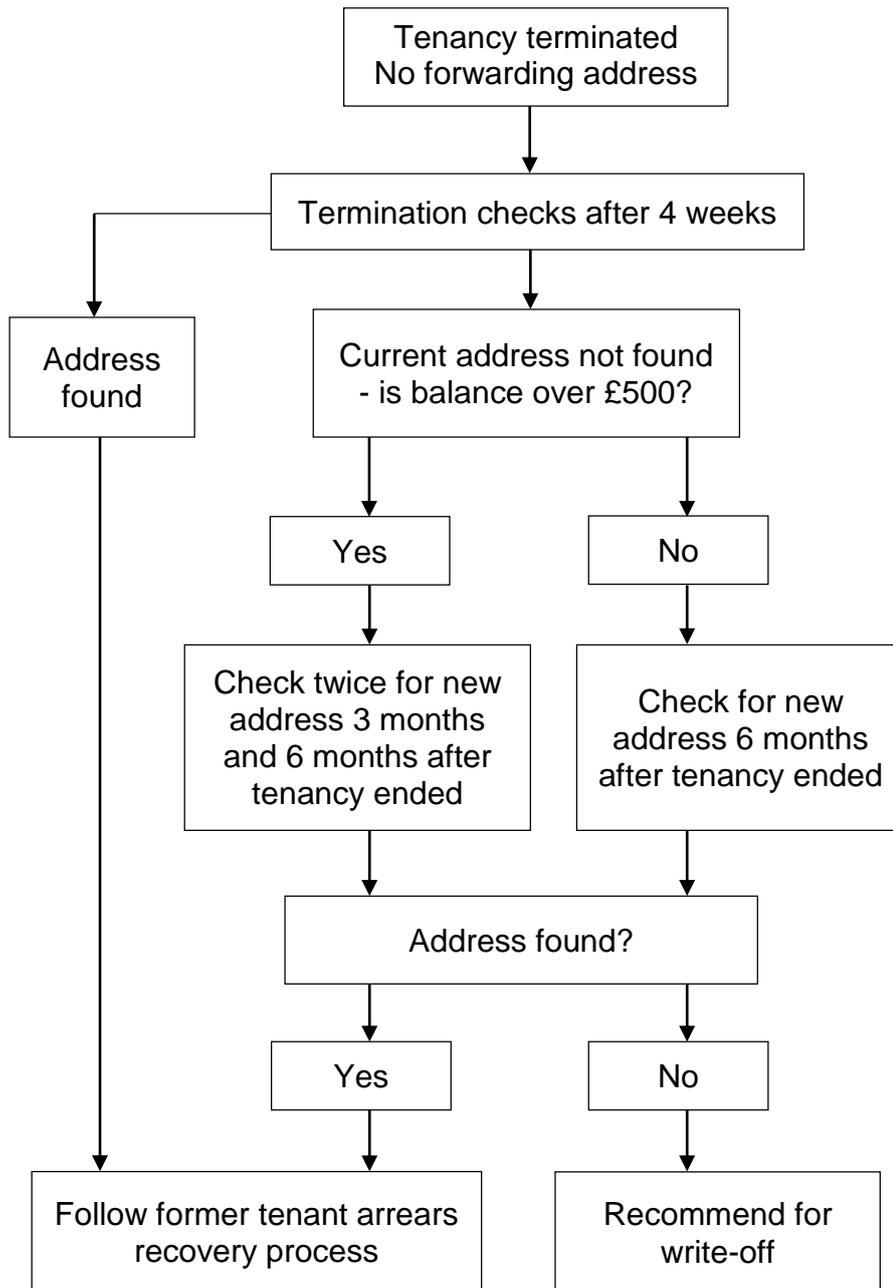


Appendix 4

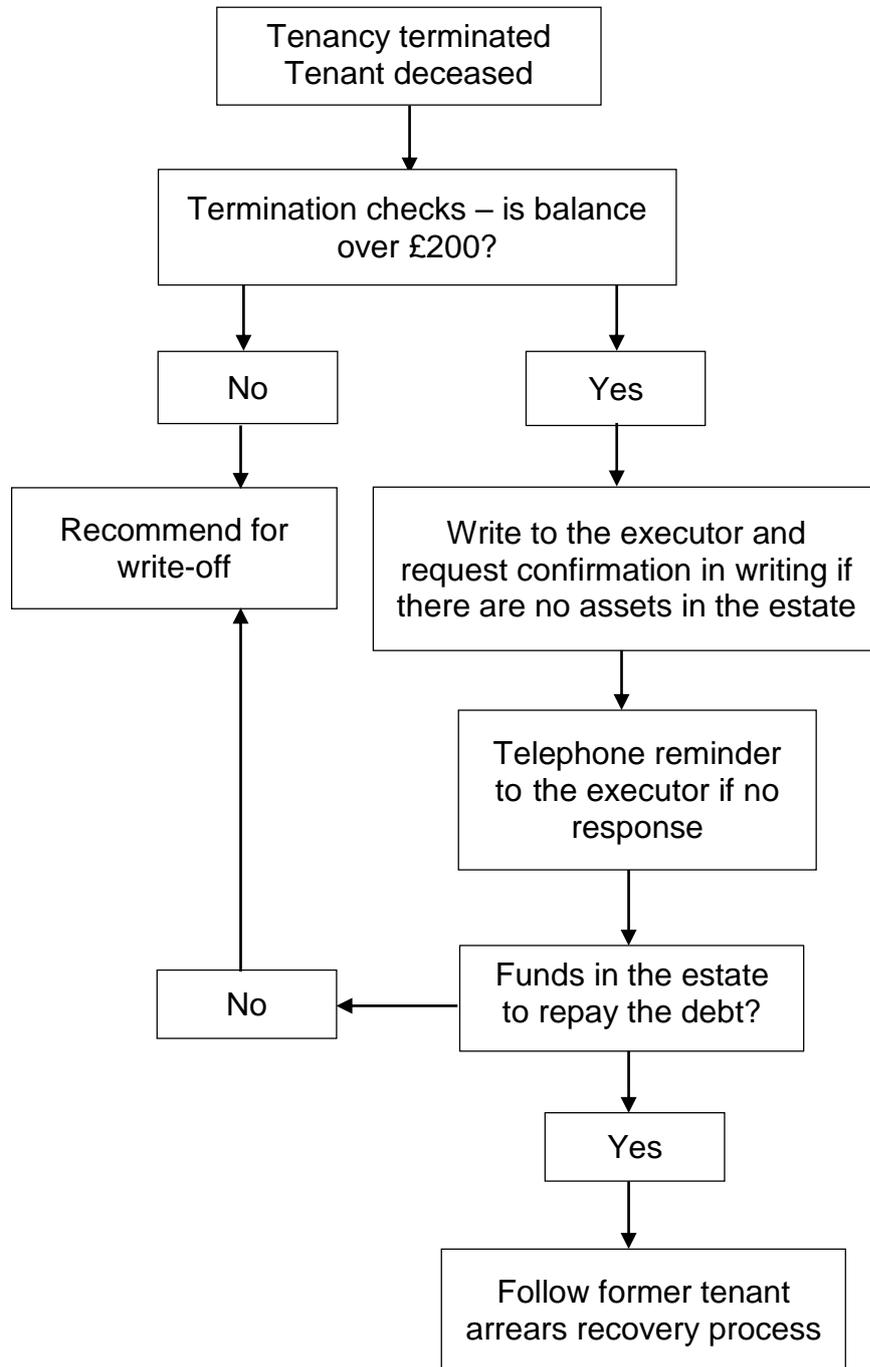
Former Tenant Arrears



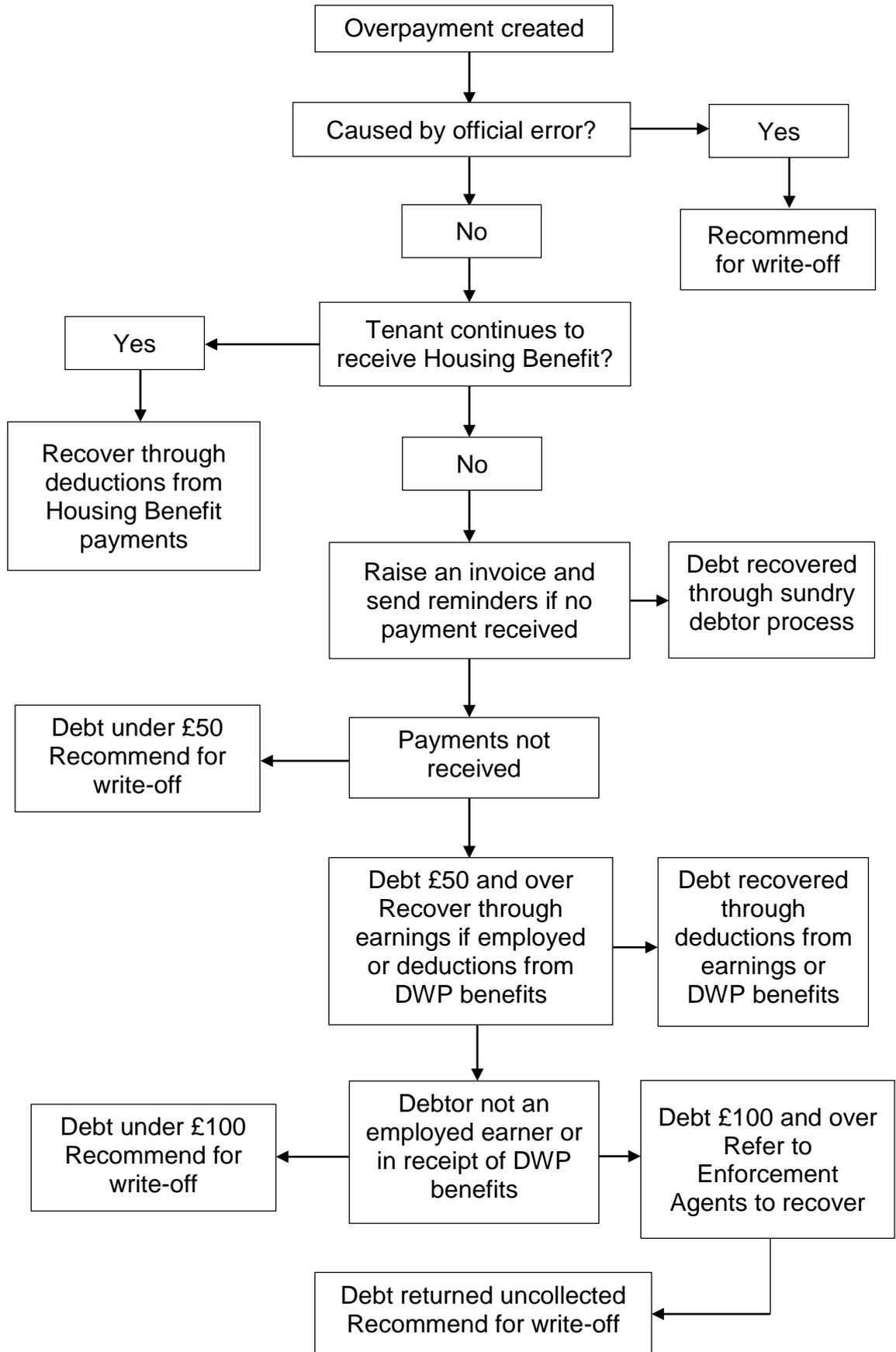
Former Tenant Arrears – No Forwarding Address



Former Tenant Arrears – Deceased



Housing Benefits overpayments



EFFICIENCY AND RESOURCES SCRUTINY COMMITTEE 5 November 2020

PROJECT POSITION STATEMENT AND CAPITAL PROGRAMME MONITORING – QUARTER 2 2020/21

SUMMARY REPORT

Purpose of the Report

1. To consider the Project Position Statement and Capital Programme Monitoring – Quarter 2 report.

Summary

2. Attached at **Annex 1** is the Project Position Statement and Capital Programme Monitoring – Quarter 2 report. which is due to be considered by Cabinet at its meeting on 10th November, 2020.

Recommendation

3. It is recommended that Members consider the Project Position Statement and Capital Programme Monitoring – Quarter 2

Ian Williams
Director of Economic Growth and Neighbourhood Services

Background Papers

No background papers were used in the preparation of this report.

S17 Crime and Disorder	There are no specific crime and disorder implications in this report.
Health and Well Being	There are no issues relating to health and well being which this report needs to address.
Carbon Impact and Climate Change	There are no specific carbon impact issues in this report.
Diversity	The report does not contain any proposals that impact on diversity issues.
Wards Affected	All wards are affected.
Groups Affected	No specific groups are particularly affected.
Budget and Policy Framework	This decision does not represent a change to the budget and policy framework.
Key Decision	The report does not require a key decision.
Urgent Decision	The report does not require an urgent decision.
One Darlington: Perfectly Placed	The subject matter of the report, the Councils financial standing and financial management, is critical to delivery of the SCS, but this report does not contain new proposals.
Efficiency	The report contains updated information regarding efficiency savings contained in the MTFP.
Impact of Looked After Children and Care Leavers	This report has no impact on Looked After Children or Care Leavers

**CABINET
10 NOVEMBER 2020**

ITEM NO.

**PROJECT POSITION STATEMENT & CAPITAL PROGRAMME MONITORING
QUARTER TWO 2020/21**

**Responsible Cabinet Member – Councillor Charles Johnson,
Efficiency and Resources Portfolio**

**Responsible Directors - Paul Wildsmith, Managing Director
Ian Williams, Director of Economic Growth and Neighbourhood Services**

SUMMARY REPORT

Purpose of the Report

1. This report provides
 - (a) A summary of the latest Capital resource and commitment position, to inform monitoring of the affordability and funding of the Council's capital programme.
 - (b) An update on the current status of all construction projects currently being undertaken by the Council
2. It also seeks approval for a number of changes to the programme.

Summary

3. The projected outturn of the current Capital Programme is £254.530m against an approved programme of £254.545m. The investment is delivering a wide range of improvements to the Council's assets and more critically, to Council services. Refurbishment of council homes, improved learning environments in schools, better traffic flows and opportunities for sustainable travel have been achieved and are detailed within the report. The programme, including commitments, remains affordable within the Medium Term Financial Plan (MTFP) for 2020/21 – 2023/24.
4. The Council has a substantial annual construction programme of work. The current project position statement (PPS) shows there are 39 live projects currently being managed by the Council with an overall projected outturn value of £126.126m. The majority of projects are running to time, cost and quality expectations with no foreseeable issues.
5. The projects are managed either by the Council's in-house management team, a Framework Partner or by Consultants sourced via an open/OJEU tender process.

Recommendations

6. It is recommended that Cabinet:
- (a) Note the attached status position on construction projects.
 - (b) Note projected capital expenditure and resources.
 - (c) Approve the adjustments to resources as detailed in paragraph 22.

Reasons

7. The recommendations are supported by the following reasons: -
- (a) To inform Cabinet of the current status of construction projects.
 - (b) To make Cabinet aware of the latest financial position of the Council.
 - (c) To maintain effective management of resources.

Paul Wildsmith
Managing Director

Ian Williams
**Director of Economic Growth
and Neighbourhood Services**

Background Papers

- (i) Capital Medium Term Financial Plan 2020/21 – 2023/24
- (ii) Project Position Statement August 2020

Brian Robson : Extension 6608
Claire Hayes : Extension 5404

S17 Crime and Disorder	This report has no implications for crime and disorder.
Health and Well Being	There are no issues relating to health and wellbeing which this report needs to address.
Carbon Impact	There are no carbon impact implications in this report
Diversity	There are no specific implications for diversity
Wards Affected	All wards are affected.
Groups Affected	The proposals do not affect any particular groups within the community
Budget and Policy Framework	This report does not represent a change to the budget and policy framework.
Key Decision	The report does not represent a key decision
Urgent Decision	For the purpose of the 'call-in' procedure this does not represent an urgent matter.
One Darlington: Perfectly Placed	The Capital Programme referred to in the report supports delivery of the Sustainable Community strategy through appropriate deployment of the Council's resources
Efficiency	The recommendations support the effective and efficient use of resources.
Impact on Looked After Children and Care Leavers	This report has no impact on Looked After Children or Care Leavers

MAIN REPORT

Information and Analysis

2020/21 Capital Spend and Resources

Information and Analysis

8. **Appendix 1** is a summary of all of the live construction projects and provides an overview on numbers, client responsibility, details of projected spend against budget and projected completion dates.
9. **Appendix 2** is for information and lists all live construction projects and provides details on numbers, type and details of the key individuals responsible for the delivery of the projects. It also provides a statement on the current status position on each project, details of actions being taken, where required and any current issues
10. **Appendix 3** summarises the Council's capital commitments which are yet to be financed and also shows how it is intended for them to be financed. The total value of commitments, including available resources brought forward from previous years and 2020-21 schemes previously released by Cabinet, is £159.486m.
11. **Appendix 4** shows the Council's projected capital receipts and how they are going to be utilised to help finance the capital programme over the life of the MTFP.

Project Position Statement

12. Project management procedures require the production by project managers of a Project Position Statement (PPS) for all projects over £75,000. This report brings together the pertinent data from the current PPS with financial information from the Financial Management System (FMS) and approvals by Cabinet.
13. The Project Position Statement (Appendix 1) details the current live construction projects, up to the end of August 2020, by delivery area, and provides details on numbers, the current status position on each project with regards to budget and completion and any comments on current issues. The statement excludes any completed projects or those on hold.
14. The overview of live construction projects is as follows:

	Projects	Current Approved Budget £ / p	Projected Outturn £ / p	Variance %	Variance (Value) £ / p
Economic Growth & Neighbourhood Services	37	122,108,713	121,971,397	(0.1)	(137,316)
People	2	4,154,656	4,154,656	0.0	0
TOTAL	39	126,263,369	126,126,053	(0.1)	(137,316)

15. The table shown above includes a column for current approved budget. In certain cases this budget figure may be different from the original approved budget. This could be as a result of variances identified during construction or other variables not known at the initiation stage. The original budget and all subsequent changes have been reported to and approved by Cabinet.

16. The live projects are at the following stages:

Department	Brief	CP1	CP2	CP3	CP4	CP5	Total
Economic Growth & Neighbourhood Services	0	22	3	7	5	0	37
People	0	0	2	0	0	0	2
TOTAL	0	22	5	7	5	0	39

- (a) **Control Point 1 (CP1) – Start Up:** is used to define the position of a project at its conception stage.
- (b) **Control Point 2 (CP2) – Initiate:** defines a project at feasibility stage and will likely include a desktop assessment of a project and the use of informed estimates.
- (c) **Control Point 3 (CP3) – Define:** the point that the project is progressed to RIBA Stage F, i.e. detailed design.
- (d) **Control Point 4 (CP4) – Construction Phase:** is the stage at which work begins on the project, i.e. for a construction project on site through to build completion.
- (e) **Control Point 5 (CP5) – Evaluate:** is the stage post completion of the project at which time the project is reviewed and lessons learned are discussed in order that they can be taken to the next or similar projects.

17. The status on live projects is as follows:

Department			
Economic Growth & Neighbourhood Services & Resources	1	36	0
People	0	2	0
TOTAL	1	38	0

- (a) Star and triangle symbols are used to identify projects that have variances which are:-
 - (i) More than £5,000, if the variance is also more than 5% of the approved budget for the project, or
 - (ii) More than £50,000 regardless of the percentage variance
- (b) Projects that are within these margins are symbolised with circles.
- (c) In addition to cost, the same symbols are used to indicate similar levels of variances in time and quality/outputs/outcomes.

18. Current projects with the triangle symbol are as follows:-

Project	Reason for Variance	Action
Ingenium Park	The drainage works for the scheme have had to be delayed due to the working restrictions we have around the Great Crested Newts. The window for undertaking the drainage works is only between November-February, and has therefore delayed the completion of the overall scheme	The drainage works will go out to tender in September for a November start on site

Reconciliation of Project Position Statement to Capital Programme

19. The table shown below reconciles the differences between the Capital Programme (CP) and the Project Position Statement (PPS). Differences occur because the Project Position Statement includes all construction projects over £75,000 in value funded from Capital and Revenue sources. Spending within the Capital Programme is not always of a construction nature, can be of any value and excludes Revenue funded schemes.

	Value £m
Live Projects from Project Position	126.126
Schemes closed or on hold within CP but awaiting PPS post project review.	27.441
Annualised Schemes excluded from PPS - Housing Repairs & Maintenance	0.360
Annualised Schemes excluded from PPS - Highways Maintenance	15.991
Annualised Schemes excluded from PPS - Children's Services School Maintenance	0.000
Non Construction excluded from PPS	12.295
Capital Investment Fund excluded from PPS	36.619
Projects under £75k are excluded from PPS reporting.	1.841
Schemes Included with PPS & CM Reporting	(1.443)
Capital schemes not yet integrated into PPS reporting.	12.912
Funding not yet allocated	22.389
Capital Programme	254.530

20. The table below shows the split of the approved capital programme of £254.545m, between the different service areas and also the various categories of spend. When compared to the table above it shows that there is a projected £0.100m underspend on the approved capital programme.

	Construction				Non construction	Capital investment fund	Housing New Build not yet allocated	Total
	Live Schemes 75k & Over	Annualised Schemes	Completed Schemes awaiting review	Live Schemes under 75k				
Area	£m	£m	£m	£m	£m	£m	£m	£m
Housing	20.069	0.360	12.324	0.151	0.392	0.000	21.692	54.988
Economic Growth	86.562	0.000	11.197	0.644	9.831	36.619	0.907	145.760
Highways/Transport	7.100	15.991	3.968	0.843	0.025	0.000	0.000	27.928
Leisure & Culture	19.107	0.000	0.000	0.134	0.360	0.000	0.000	19.602
Education	4.155	0.000	0.358	0.068	0.052	0.000	0.000	4.634
Adult Social Care	0.000	0.000	0.000	0.000	0.993	0.000	0.000	0.993
Other	0.000	0.000	0.000	0.000	0.641	0.000	0.000	0.641
Total	136.993	16.351	27.848	1.841	12.295	36.619	22.599	254.545

Capital Programme

21. Paragraph 22 shows the movements in the Capital Programme since the approval of the 2020/21 Capital MTFP, some of which have not yet been approved by Members.

22. Adjustment to resources requested by departments:

Adjustments needing approval release

Department	Scheme	Value £	Reason for adjustment	Resource type adjusted
Neighbourhood Services Economic Growth & Resources	Yarm Road Traffic Counters	£13,150	S106 Torrington Works Yarm Road Traffic Counters	S106
Neighbourhood Services Economic Growth & Resources	Woolsington Drive Link	£21,136	S106 Cycle & Footpath	S106
Neighbourhood Services Economic Growth & Resources	Railway Heritage Quarter	£50,000	RCCO 20/21 Train Signs Throughabout	RCCO
Neighbourhood Services Economic Growth & Resources	Railway Heritage Quarter	£5,000	RCCO 20/21 Royal George Engine Replica Project	RCCO
Neighbourhood Services Economic Growth & Resources	Town Centre Strategic Acquisition Fund	£7,250	RCCO 20/21 Skinnergate development	RCCO
Neighbourhood Services Economic Growth & Resources	Parkside Zebra Crossing	£49,816	RCCO 19/20 Contribution towards Crossing schemes (Parkside)	RCCO
TOTAL		£146,352		

Outcome of Consultation

23. There has been no consultation in the preparation of this report.

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Capital Project Position Statement

Appendix 1

Aug-20

Ref No	Title	Client	Approved Budget	Outurn Forecast	Planned Completion	Actual Completion	Comment
23	Civic Theatre Refurbishment & Theatre Hullaballoon	Economic Growth & Neighbourhood Services	£16,069,000	£16,069,000	06-Nov-17	06-Nov-17	Works complete. Activity plan elements are still being delivered up to March 2021, working to current approved budget.
25	West Cemetry Development	Economic Growth & Neighbourhood Services	£4,900,000	£4,900,000	31-Mar-22		The project is currently in the design stage with planning application to be submitted in December. Key project milestones, public consultation 07/11/19 Pre -planning application submission 19/11/19. A decision has been made to defer the project until April 2021 due to the current covid-19 situation.
26	Dolphin Centre Soft Play / Bowling Alley	Economic Growth & Neighbourhood Services	£1,784,687	£1,784,687	31-Mar-21		Project programme currently being reviewed
27	Railway Heritage Quarter	Economic Growth & Neighbourhood Services	£19,790,000	£19,790,000	30-Sep-24		Space Architects have been appointed via Willmott Dixon to undertake the design for the RHQ. Various workshops will commence in order to take the design forward.
28	Crown Street Library Refurbishment	Economic Growth & Neighbourhood Services	£2,910,436	£2,910,436	11-Nov-21		Discussion underway regarding when best to programme works. Likely that to avoid inclement weather and following delay for Natural England licence (Bats) that works would commence spring 21. Internal works may commence earlier but their could be a risk of water ingress when roof works ongoing. Main works to commence January 21.
174	RedHall SEND	People	£1,637,998	£1,637,998	01-May-21		<p>CP2 forms approved 29/07/19</p> <p>Planning consent approved with conditions on 04/03/20</p> <p>Building regs approved with conditions</p> <p>Tender cost (£1,181,135.80) for the SEND new build, carpark alterations, internal refurbishment of the ICT room and staff toilets agreed.</p> <p>3m social distancing prelims allowance has been added into the overall budget (£50k) as a contingency which has increased the overspend to £65k. Education approved the team to proceed while additional funds were being agreed. Cabinet approved the additional funds on 14/07/20.</p> <p>Construction programme June 2020 – February 2021 (3m provision has been added in for social distancing taking us until May 2021) ICT and toilet refurbishment works was completed over the summer holidays 2020.</p> <p>Construction phase H&S plan has been agreed on 04/06/20.</p> <p>Pre start meeting complete 19/05/20</p> <p>Monthly site progress meeting taking place every 4 weeks via team's Client in attendance and reports back to the end user and Education Project Board.</p> <p>CP3 V2 forms approved 23/07/20</p>

Capital Project Position Statement

Appendix 1

Aug-20

Ref No	Title	Client	Approved Budget	Outurn Forecast	Planned Completion	Actual Completion	Comment
175	Rise Carr SEND	People	£2,516,658	£2,516,658	01-Sep-21		<p>CP2 forms approved 29/07/19</p> <p>Planning and Listed building consent approved with conditions on 27/01/20</p> <p>Building regs approved with conditions on 27/04/20</p> <p>Listed building consent received for the window replacement on 14/05/20</p> <p>Tender cost V6 for the SEND new build, internal refurbishment, full window replacement, emergency roofing replacement and structural sports hall repairs, has now been agreed and Cabinet approved the additional funds on the 14/07/20.</p> <p>Pre-commencement condition discharged on 13/08/20</p> <p>Construction phase H&S plan has been agreed on 10/08/20.</p> <p>Start on site Monday 17th August until 31st August 2021. (12w had been added to the construction programme to adhere to social distancing during construction) Window replacement, Sport Hall repairs and internal remodel and small extension programmed in for Summer 2021.</p> <p>Pre start meeting complete 30/07/20</p> <p>Monthly site progress meeting taking place every 4 weeks via team's Client in attendance and reports back to the end user and Education Project Board.</p> <p>CP3 forms approved 11/08/20</p>
226	Ingenium Parc Masterplan + Infrastructure	Economic Growth & Neighbourhood Services	£5,687,756	£5,687,756	30-Mar-21		<p>Complete – McMullen Road Roundabout, Salters Lane Cycle Route, Cummins Car Park, Phase 1 Ecological mitigation: Ponds & hibernacula. Spine Road. One of the final elements of the spine road work for will be to lay service ducts underneath the road crossings (entrances to Cummins and the hammerhead at the bottom of the spine road) so that utilities can be connected into site. The revised surface water route will involve a complex dig additionally constrained by very limited access, ditches, underground stats, overhead HV lines and a small working area between permanent bodies of water within a nature reserve. In order to plan and carry out these works safely within these constraints the decision was taken to re-programme the procurement until July 2020. This will ensure we can approach the market with a comprehensive brief and design and make a start on 1st November when the ecological window reopens. Currently reviewing budget against outturn cost as a result of additional works post contract commencement.</p>
228	Feethams House	Economic Growth & Neighbourhood Services	£8,500,000	£8,423,670	29-Apr-20	15-May-20	Project complete and handed over. Fit out design of top floor for Deep Ocean underway.
231	Faverdale Project Development	Economic Growth & Neighbourhood Services	£440,000	£440,000	30-Sep-20		This work is feasibility on development options. Stage 1 Feasibility is complete, discussions ongoing with developer and whether DBC progress with Stage 2 or transfers to Developer.
232	Darlington Station	Economic Growth & Neighbourhood Services	£25,000,000	£25,000,000	20-Dec-24		<p>Eastern Gateway: Willmott Dixon appointed to design through to end of RIBA4. Stage 3 will be fully underway once agreement over red line boundaries and MSCP/station scope, scale and location are agreed.</p> <p>CPO: Process begun,. Next stage subject to agreement of above design.</p> <p>Western Gateway: Initial highways design being consulted upon.</p>

Capital Project Position Statement

Appendix 1

Aug-20

Ref No	Title	Client	Approved Budget	Outurn Forecast	Planned Completion	Actual Completion	Comment
233	Hybrid Innovation Centre	Economic Growth & Neighbourhood Services	£7,000,000	£7,000,000	31-Dec-21		Willmott Dixon presently appointed via SCAPE to undertake design up to Stage 3. SI works ongoing. Stage 3 submission received 22nd May 2020. Presently being reviewed.
234	Demolition at Union Street	Economic Growth & Neighbourhood Services	£200,000	£210,000	25-Aug-20		Delays in arranging the disconnection of utilities has halted commencement of the demolition until further notice. Due to the delays extra budget costs have been incurred for; 1. Hire of scaffolding and 2.Fencing 3.Extension to the required bat license 4.Parking for businesses
317	Dophin Centre Refurbishment	Economic Growth & Neighbourhood Services	£2,850,000	£2,850,000	05-May-16	30-Apr-16	Works complete CP5 to complete.
451	East Haven Housing	Economic Growth & Neighbourhood Services	£5,402,952	£5,402,952	31-Mar-22		Design progressing. Access arrangements confirmed.
454	Fenby Avenue Housing - Phase II	Economic Growth & Neighbourhood Services	£2,155,000	£2,097,684	23-Sep-20		Further delays beyond Covid19 pause.
459	Roof Replacement Programme Housing	Economic Growth & Neighbourhood Services	£700,000	£700,000	31-Mar-20	31-Mar-20	Works started on site 5/5/19, works planned to be completed on 31/03/2020
460	External Wall Repair Programme Housing	Economic Growth & Neighbourhood Services	£300,000	£300,000	31-Mar-20	31-Dec-20	Works started on site 5/5/19, works planned to be completed on 31/03/2020

Capital Project Position Statement

Appendix 1

Aug-20

Ref No	Title	Client	Approved Budget	Outurn Forecast	Planned Completion	Actual Completion	Comment
461	Allington Way - Phase 3	Economic Growth & Neighbourhood Services	£8,638,250	£8,624,580	20-Dec-21		Works recommenced on site
462	Skinnergate Re-development Housing	Economic Growth & Neighbourhood Services	tbc	tbc	tbc		Proposed site layout developed. Preparing planning application, but delays arising due to the potential requirement of having to retain an annexed non-listed building and Historic England not engaging in site visits due to Covid19 for 6 months. Site visit with EH took place 22 Sept and the planning application is to follow shortly.
463	Hundens Lane area- structural repairs	Economic Growth & Neighbourhood Services	£400,000	£400,000	31-Mar-21		Structrual repairs Identified to properties in this area, works to start on Byron and Shelley road
465	Central Heating Programme 2020/21	Economic Growth & Neighbourhood Services	£950,000	£950,000	31-Mar-21		Works have been delayed due to Covid 19, the works will start as soon as the government restrictions are eased.
466	Roof Replacement Programme 2020/21	Economic Growth & Neighbourhood Services	£500,000	£500,000	31-Mar-21		Works have been delayed due to Covid 19, the works will start as soon as the government restrictions are eased.
467	External Wall Repair Programme 2020/21	Economic Growth & Neighbourhood Services	£216,000	£216,000	31-Mar-21		Works have been delayed due to Covid 19, the works will start as soon as the government restrictions are eased.
468	Replacement Door Programme 2020/21	Economic Growth & Neighbourhood Services	£350,000	£350,000	31-Mar-21		Works have been delayed due to Covid 19, the works will start as soon as the government restrictions are eased.

Capital Project Position Statement

Appendix 1

Aug-20

Ref No	Title	Client	Approved Budget	Outurn Forecast	Planned Completion	Actual Completion	Comment
470	Hundens Lane area- structural repairs 2020/21	Economic Growth & Neighbourhood Services	£280,000	£280,000	31-Mar-21		Works have been delayed due to Covid 19, the works will start as soon as the government restrictions are eased.
471	Communal Flat entrance door and door entry replacement	Economic Growth & Neighbourhood Services	£170,000	£170,000	31-Mar-21		Works have been delayed due to Covid 19, the works will start as soon as the government restrictions are eased.
626	Feethams Crossing	Economic Growth & Neighbourhood Services	£266,167	£266,167	31-Mar-20	26-Jun-20	Scheme complete. Awaiting snagging
627	Redmire Close Cycle Route	Economic Growth & Neighbourhood Services	£150,000	£150,000	31-Mar-21		Design work underway. Deferred until September 2020
628	Houghton Road/Tornado Way	Economic Growth & Neighbourhood Services	£1,539,433	£1,539,433	31-Mar-20	07-Sep-20	Scheme to include VRS on Arnold bridge + extra surfacing on Houghton Road. Surfacing scheduled for week commencing 20/07/20 with the landscaping to follow. Completion estimated at 7 September, 2020.
631	Rotary Way cycleway	Economic Growth & Neighbourhood Services	£320,000	£320,000	31-Mar-20	31-Mar-20	Substantially complete, awaiting snagging
633	McMullen Road Roundabout	Economic Growth & Neighbourhood Services	£1,287,000	£1,287,000	31-Mar-20	31-Mar-20	Complete. Awaiting snagging on roundabout.

Capital Project Position Statement

Appendix 1

Aug-20

Ref No	Title	Client	Approved Budget	Outurn Forecast	Planned Completion	Actual Completion	Comment
634	Yarm Road/Lingfield Way junction	Economic Growth & Neighbourhood Services	£1,043,000	£1,043,000	31-Mar-20	25-Sep-20	Surfacing complete. Traffic signals installed 3 August, 2020
636	S & D Trackbed	Economic Growth & Neighbourhood Services	£237,033	£237,033	30-Jun-20		Planning approval was received on 20th August 2019. Brambledown Landscaping currently on site.
637	Allington Way Cycle Route	Economic Growth & Neighbourhood Services	£273,000	£273,000	31-Mar-20		Substantially complete. Landscaping and snagging required, weather permitting.
638	Abbots Yard Car Park	Economic Growth & Neighbourhood Services	£143,000	£143,000	31-Mar-21		Reopening 14 August 2020.
639	Victoria Road Access to Station	Economic Growth & Neighbourhood Services	£1,025,000	£1,025,000	31-Mar-20		Signed offer letter received from TVCA. Recommended on site 3 August 2020.
640	A68 Woodland Road	Economic Growth & Neighbourhood Services	£460,000	£460,000	31-Mar-22		Scheduled for 2021/22
641	Walking/Cycling Route Ingenium Parc	Economic Growth & Neighbourhood Services	£171,000	£171,000	31-Mar-20		Substantially complete. Awaiting snagging.
			126,263,369	126,126,053			

Capital Project Position Statement



L = Live; C = Complete; H = On Hold

Project Ref Number	Project Title	Stage				Status Symbol I = Triangle L = Circle H = Star	Project Status	Client Department	Delivery Department	Internal Project Sponsor	Internal Project Manager	Cost Centre	Original Project Budget (CP1)	Initial Approved Budget	Increase to Initial Approved Budget	Current Approved Project Budget	Project Expected Out Turn Cost	Variance (%)	Variance (Value)	Original Planned Project Completion Date (CP1)	Revised Approved Project Completion Date	Anticipated Project Completion Date / Actual	Schedule Variation (days)	Risk Log Used	CDM Notifiable	Principal Designer	Progress Report			Contracts In Place (Please provide information on the contracts that are in place as part of the Project)	Contract Type / Form	Contract With	Contract Value
		CP1 Start In	CP2 Initiate	CP3 Define	CP4 Construct																						CP5 Evaluate	Progress / Plan / Schedule	Budget				
23	Civic Theatre Refurbishment & Theatre Hullaballoon					●	L	Economic Growth & Neighbourhood Services	Economic Growth	Ian Thompson	Brian Robson	LO115	£50,000	£50,000		£16,069,000	£16,069,000	0	0	01-Aug-13	06-Nov-17	06-Nov-17	0	Yes	Yes	Todd Milburn	Works complete. In defect period. Activity plan elements are still being delivered up to March 2021, working to current approved budget.			SCAPE	NEC3	Willmott Dixon	£12,885,288
25	West Cemetery Development					●	L	Economic Growth & Neighbourhood Services	Economic Growth	Ian Thompson	Brian Robson	R0154	£4,500,000	£4,900,000		£4,900,000	£4,900,000	0	0	31-Mar-21	31-Mar-22	31-Mar-22	0	Yes	Yes	Todd Milburn	CP2 agreed on 03/04/20 Planning agreed on 09/03/20 with 17 conditions, additional items where agree within the planning meeting that are to be costed out as additional funding will be needed to fund these. The pre planning commencement drainage remedial works within the existing cemetery are underway and will be complete by August 2021, with a view to discharging the planning condition in September. The Chapel new build and existing Crematorium refurbishment start on site has been moved to April 2021. The new cremators will now be installed between July and December 2021. The extension of the existing cemetery wall and additional line of fencing are to be priced up and carried out during October 2020. These items needed to be Cabinet have agreed the £4.9m, the additional planning conditions works are to be costed out as these will be an addition to the scheme. The pre tender estimate was received on 31/07/20 from Align, using this figure we are currently £958,741 over budget. Given this and the extra time we now have as the works are not starting until April 2021, we agreed to go out to tender on the 5th October but to extend the return period to 8 weeks. This will allow the subcontractors time to supply a costs as per the tender drawings, and a cost for using alternative specs/providers to try and reduce the overall construction budget. Jet Aire have now finished their remedial works to the existing drainage system within West Cemetery. The report and CCTV evidence is being compiled and will be issued to the planners as soon as possible to have the pre-commencement condition discharged. We will also be submitting the detail in relation to the additional fencing and wall we have been asked to include for as part of our works, with a view to constructing these in during October.			Align - Architect Rose Project Management - Specialist Crematoria, Cemeteries and Consultancy Todd Milburn - Principal Designer Facultative Technologies - Cremator supplier Obitus - Audio and visual provider Treske - Specialist furniture provider	JCT	Building Services	
26	Delphin Centre Soft Play / Bowling Alley					●	L	Economic Growth & Neighbourhood Services	Economic Growth	Ian Thompson	Richard Storey	D0174	£1,700,000	£1,600,000		£1,784,687	£1,784,687	0	0		27-Nov-20	30-Nov-20	3	YES	YES	Mike Brown	On Site	On revised budget	Covid working restrictions could hinder works progress.	In house delivery	spirit of JCT	In House - No Contract	£1,731,721
27	Railway Heritage Quarter					●	L	Economic Growth & Neighbourhood Services	Economic Growth	Ian Thompson	Brian Robson	R0155	£210,000	£20,000,000		£19,790,000	£19,790,000	0	0	30-Sep-24		30-Sep-24	0	Yes	Yes	TBC	Scheme is working through to RIBA Stage 3		Covid working restrictions have slowed some design work in particular site investigations	Scape		Willmott Dixon	
28	Crown Street Library Refurbishment					●	L	Economic Growth & Neighbourhood Services	Economic Growth	Ian Thompson	Richard Storey			£2,910,436		£2,910,436	£2,910,436	0	0	01-Dec-20	01-Jun-21	11-Nov-21	163	Yes	Yes	Mike Brown	Tender for roof works issued. Roof works to commence November. Main works tender to be issued 16th October. Main works to commence January 21 CP2 forms approved 29/07/19 Planning consent approved with conditions on 04/03/20 Building regs approved with conditions Tender cost (£1,181,135.80) for the SEND new build, carpark alterations, internal refurbishment of the ICT room and staff toilets agreed. 3m social distancing prelims allowance has been added into the overall budget (£50k) as a contingency which has increased the overspend to £65k. Education approved the team to proceed while additional funds were being agreed. Cabinet approved the additional funds on 14/07/20. Construction programme June 2020 - February 2021 (3m provision has been added in for social distancing taking us until May 2021) ICT and toilet refurbishment works was	Currently projected to be at 2.9m	Roof works must be completed between October and March in line with Bat mitigation licence.	Consultants - M&E Design.	Standard T&C.	DTA	
174	RedHall SEND					●	L	People	People	Tony Murphy	Rebecca Robson	E1888	£1,538,074	£1,572,289		£1,637,998	£1,637,998	0	0	01-Sep-20	01-May-21	01-May-21	0	Yes	Yes	Mike Brown	Overall Cabinet approved costs - £1,637,997.98 SEND Capital approved 10/9/20 - £350,000 Basic Need Capital approved 10/9/20 £1,222,298 Basic Need Capital approved 14/7/20 £65,708.98 Location of the additional car parking is needed to be submitted to the planners before we get up to DPC Level (late August). The proposed carpark layout is still to be finalised and will need prior approval with the Client and End User before being submitted to planning. This items has been highlighted on the ICA log since 02/03/20 and despite being chased regularly is still outstanding as of 17/8/20. Discussion/update needed from the Design Team regarding the potential delay and additional cost for the groundworks over the existing gas pipe. 5 day delay currently being reported in relation to the groundworks, drainage is in hand and BHG are looking at the levels, update to be provided at the next site meeting on 18/08/20.			DLO Delivery	DBC standard T&C	Internal - Building Services	£1,181,136

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Project Ref Number	Project Title	Stage				Status Symbol = Triangle = Circle = Star	Project Status	Client Department	Delivery Department	Internal Project Sponsor	Internal Project Manager	Cost Centre	Original Project Budget (CP1)	Initial Approved Budget	Increase to Initial Approved Budget	Current Approved Project Budget	Project Expected Out Turn Cost	Variance (%)	Variance (Value)	Original Planned Project Completion Date (CP1)	Revised Approved Project Completion Date	Anticipated Project Completion Date / Actual Completion Date	Schedule Variation (days)	Risk Log Used	CDM Notifiable Project	Principal Designer	Progress Report			Contracts In Place (Please provide information on the contracts that are in place as part of the Project)	Contract Type / Form	Contract With	Contract Value
		CP1 Start In	CP2 Initiate	CP3 Define	Consent Discharge																						Progress / Plan / Schedule	Budget	Issues				
175	Rise Carr SEND					●	L	People	Peope	Tony Murphy	Rebecca Robson	E1889	£1,559,665	£1,526,920		£2,516,658	£2,516,658	0	0	01-Sep-20	01-Sep-21	01-Sep-21	0	Yes	Yes	Mark McIntosh	CP2 forms approved 29/07/19 Planning and Listed building consent approved with conditions on 27/01/20 Building regs approved with conditions on 27/04/20 Listed building consent received for the window replacement on 14/05/20 Tender cost V6 for the SEND new build, internal refurbishment, full window replacement, emergency roofing replacement and structural sports hall repairs, has now been agreed and Cabinet approved the additional funds on the 14/07/20. Pre-commencement condition discharged on 13/08/20 Construction phase H&S plan has been agreed on 10/08/20. Start on site Monday 17th August until 31st August 2021. (12w had been added to the construction programme to adhere to social distancing during construction) Complete - McMullen Road Roundabout, Salters Lane Cycle Route, Cummins Car Park, Phase 1 Ecological mitigation: Ponds & hibernacula. Spine Road. One of the final elements of the spine road work for will be to lay service ducts underneath the road crossings (entrances to Cummins and the hammerhead at the bottom of the spine road) so that utilities can be connected into site. All works will be complete by end March 2020. Ecological Mitigation Phase 2 delayed due to bad weather(wet weather and water logging) completion date (May2020) unaffected as original programme included a 12 week site break ahead of optimum seeding time in May). Utilities, Routes and connection costs have now been agreed with all suppliers likely utility demand assessed by an M&E consultant and presented in CP2 to be developed with agreed option (Green Street - 150 spaces). Project plan to be put in place through close lison with project team. Update CP satge, project completed within time and budget. CP5 Project Close out to be completed	Overall Cabinet approved costs - £2,516,658.00 SEND Capital approved 10/9/20 - £350,000 Basic Need Capital approved 10/9/20 £1,176,920 SEND Capital approved 14/7/20 - £148,837 Basic Need Capital approved 14/7/20 £840,811	Currently on programme with no issues to report. Programme needs to be in more detail so we are able to extract the internal abreactions information for the End User. Cost report no. 1 is due. A Bat licence needs to be applied for in the New Year so we can undertake the works to the Sports Hall in Summer 2021. CLT frame protection to be investigated by the Design Team for over the Christmas period. The level of information on the contractors progress reports has been highlighted and are currently the process of being changed to rectify both H&S and the PM comments. Awaiting the additional cost from the	Perfect Circle for the Design Team DLO for the Contractor	JCT	Internal - Building Services	£1,965,044
226	Ingenium Parc Masterplan + Infrastructure					◆	L	Economic Growth & Neighbourhood Services	Economic Growth	Dave Winstanley	Joanne Wood	R0130	£2,403,100	£5,650,712		£5,687,756	£5,687,756	0	0	31-Aug-18	30-Mar-21	30-Mar-21	0	Yes	Yes	Noel Walecki/ Kevin Snaith	Nov 2019: Approved budget increased by £37,044.30 to £5.68m due to additional costs of McMullen Road Roundabout and Salters Lane Cycle route. Spend managed by Highways and additional funding sourced from underspends on overall NPf programme. Currently projecting to be on budget with all outstanding work provided for (including contingencies). Estimates have been requested from DBC Highways for an extension to the Spine Road to provide access to Phase 2 plot.	Spine Road. Value £961,551, DBC Highways, Term Contract Phase 2 Ecological mitigation: Planting & seeding - delayed due to bad weather and waterlogging. To restart 6th March 2020. Value £148,346 Brambledown Construction, Contract Type: NEC Short Contract	1. Spine Road 2. Phase 2 Ecological mitigation; Planting & seeding	Term Contract NEC Short	DBC highways Brambledown Construction	1. £961,551 2. £148,346	
227	NBMC Car Park					★	C	Economic Growth & Neighbourhood Services	Economic Growth	Dave Winstanley	Brian Robson	R0131	£611,500.00	£611,500		£611,500	£510,643	-16.5%	-£100,857	01-Dec-16	01-Aug-17	01-Aug-17	0	Yes	Yes	Noel Walecki	Budget will be known once fully designed and the specification of car parking (including landscaping) is known. This is to be raised through prudential borrowing. CPI to pay £50k for their 100 spaces.	To be scoped at first project team meeting					
228	Feethams House					●	L	Economic Growth & Neighbourhood Services	Economic Growth	Ian Williams	Jenny Dixon and Jane Sutcliffe Project/ Richard Storey PM-building	D0161	£246,000	£8,500,000		£8,500,000	£8,423,670	0	-£76,330	30-May-19	29-Apr-20	15-May-20		Yes	Yes	Tim Rainford (Nappers)	Project complete and handed over. Fit out design of top floor for Deep Ocean underway.	currently 76k underspend.	Lease contracts for Deep Ocean (whole of top floor) and Agri-Epi (ground or 1st floor smaller right hand suite) are almost finalised. Deep Ocean planning to sign lease and start fit-out works 10/08/2020 - Deep Ocean need to get Building Regs approval and internal approvals - fit out plans have been agreed	Development agreement with Willmott Dixon for Design and Build	NEC3 ECC Option A	Willmott Dixon Construction	£8.065m
231	Faverdale Project Development					●	L	Economic Growth & Neighbourhood Services	Economic Growth	Dave Winstanley	Julia McCabe	R0137	£440,000	£440,000		£440,000	£440,000	0	0	01-Jun-18	30-Sep-20	30-Sep-20	0	Yes	Yes		This work is feasibility on development options. Stage 1 Feasibility is complete, discussions ongoing with developer and whether DBC progress with Stage 2 or transfers to Developer.	£372,000 remaining	Project delays associated with agreeing scope of stage 2: design appraisal and planning application scoping that reflect the works required to refine the masterplan, develop infrastructure designs and inform a pre-application planning enquiry and outline business case	Stage 1: Feasibility, options appraisal and strategy	Framework agreement	Arup	£34,611
232	Darlington Station					●	L	Economic Growth & Neighbourhood Services	Economic Growth	Dave Winstanley	Ian Stewart	R0158	£25,000,000	£25,000,000	£25,000,000	£25,000,000	£25,000,000	0	0		20-Dec-24	20-Dec-24	0	Yes	Yes	Eastern Gateway - Tim Rainford (Napper)	Eastern Gateway: Willmott Dixon appointed to design through to end of RIBA4. Stage 3 will be fully underway once agreement over red line boundaries and location are agreed. MSP/station scope, scale and location are agreed. CPO: Process begun. Next stage subject to agreement of above design. Western Gateway: Initial highways design being consulted	TVCA spend to date £1,00,000 Acquisitions £7,827,262 CPO Costs £250,000 Security & Site clearance £1,322,940 Multi Storey Car Park, Neasham Rd & Victoria Rd Interchanges £15,599,798	1. Challenge to work with network rail as their timetable is well behind DBC's, but regular working group and board meetings are allowing progress to be made, albeit at a slow pace. 2. CPO process dictates overall programme at this stage and is dependant on a clear footprint and design intent, which are yet to be confirmed. As a result Cabinet consideration of the CPO process has been delayed until an estimated time of Nov 2020	1. WDC - Contract for Stage 3 and 4 design of Eastern Gateway 2. TerraQuest - Land Referencing 3. Sanderson Weatherall - specialist property acquisitions	1. NEC EEC 2. and 3. Consultant contracts	1. Willmott Dixon 2. Terraquest 3. Sanderson Weatherall	1. £710,496 2. TBC 3. TBC
233	Hybrid Innovation Centre					●	L	Economic Growth & Neighbourhood Services	Economic Growth	Ian Williams	Joanne Wood	R0157	£500,000			£7,000,000	£7,000,000	0	0	31-Dec-21	31-Dec-21	31-Dec-21	0	Yes	Yes	Tim Rainford (Nappers)	Willmott Dixon presently appointed via SCAPE to undertake design up to Stage 3. SI works ongoing. Stage 3 submission received 22nd May 2020. Presently being reviewed.	Initial applications have been submitted for the following sums: TVCA - £2.4m & ERDF - £4.6m . Approval for development costs of £500k have been approved by TVCA. Additional application has to be submitted to ERDF by 31st May 2020. We have been requested by ERDF to withhold submitting the application due to staff being allocated to deal with COVID-19 until 31st July 2020. The costings submitted with the stage 3 information presently shows that the project can not be undertaken within the proposed budget although work is	Proposed site is heavily contaminated so remediation is required prior to any works starting. The land is also still owned by Homes England so approval has to be sought for any Site Investigations to take place. Discussion are ongoing between DBC & Homes England for all Central Park to come within the ownership of DBC.	SCAPE	PSDA	Willmott Dixon	£213,393

Project Ref Number	Project Title	Stage				Status Symbol ● = Triangle ○ = Circle ★ = Star	Project Status	Client Department	Delivery Department	Internal Project Sponsor	Internal Project Manager	Cost Centre	Original Project Budget (CP1)	Initial Approved Budget	Increase to Initial Approved Budget	Current Approved Project Budget	Project Expected Out Turn Cost	Variance (%)	Variance (Value)	Original Planned Project Completion Date (CP1)	Revised Approved Project Completion Date	Anticipated Project Completion Date / Actual Completion Date	Schedule Variation (days)	Risk Log Used	CDM Notifiable Project	Principal Designer	Progress Report			Contracts In Place (Please provide information on the contracts that are in place as part of the Project)	Contract Type / Form	Contract With	Contract Value	
		CP1 Start In	CP2 Initiate	CP3 Define	Contract Disposed																						Re-evaluate	Progress / Plan / Schedule	Budget					Issues
234	Demolition at Union Street					●	L	Economic Growth & Neighbourhood Services	Economic Growth	Ian Williams	Brian Robson	R0160	£160,000	£160,000		£200,000	£210,000	5.0%	0	25-Aug-20	25-Aug-20	31-Dec-20	0	Yes	Yes	Steel River	Works delayed due to utility disconnections	Some additional asbestos removal work has been required	Additional asbestos found in basement area which was included in conveyancing pack	Demolition Framework	NEPO Demolition Framework	Thompsons of Prudoe	£115,500	
317	Dolphin Centre Refurbishment					●	L	Economic Growth & Neighbourhood Services	Economic Growth	Ian Thompson	Brian Robson	D0125	£2,750,000	£2,850,000		£2,850,000	£2,850,000	0	0	30-Apr-16	05-May-16	30-Apr-16	-5	YES	YES	Todd Milburn	Works complete CP5 to complete.	Budget is made up of £2.75m Cabinet approval and additional £100k from Community Services	Works to external canopy complete	Willmott Dixon (Through SCAPE framework)	NEC ECC Option A	Willmott Dixon	£1,965,044	
451	East Haven					●	L	Economic Growth & Neighbourhood Services	Economic Growth	Pauline Mitchell	Ian Stewart	IPM	£5,402,952	£5,402,952		£5,402,952	£5,402,952	0	0	30-Jun-21	31-Mar-22	31-Mar-22	0	Yes	Yes	Mike Brown	Design progressing. Access arrangements confirmed.	CP3 budget estimate being produced		Internal	in spirit of JCT	Internal	TBC	
454	Fenby Avenue Housing - Phase II					●	L	Economic Growth & Neighbourhood Services	Economic Growth	Pauline Mitchell	Richard Storey	H6135	£2,019,963	£2,019,963		£2,155,000	£2,097,684	-2.7%	£-57,316	31-Jan-20	06-Mar-20	23-Sep-20	201	Yes	Yes	Mike Brown	Further delays beyond Covid19 pause.	Costs associated with C19 to be quantified.	Further delays	Main contractor DBC	in spirit of JCT	Building Services	£1,921,233	
459	Roof Replacement Programme					●	I	Economic Growth & Neighbourhood Services	Economic Growth	Pauline Mitchell	Matthew Plews	H6235	£700,000	£700,000		£700,000	£700,000	0	0	31-Mar-20	31-Mar-20	31-Dec-20	275		Yes	Matthew Plews	Works started on site 5/5/19, works planned to be completed on 31/03/2020	Works still planned to be completed on budget	Programme has been split into 2 phases to allow the second phase in Sadberge to be carried out in March to allow the whole village to be completed in one stage. The start date has been delayed due to Covid 19, the works will start as soon as the government restrictions are eased.	Main contractor Engie	in spirit of JCT	Engie	£500,000	
460	External Wall Repair Programme					●	L	Economic Growth & Neighbourhood Services	Economic Growth	Pauline Mitchell	Matthew Plews	H6237	£300,000	£300,000		£300,000	£300,000	0	0	31-Mar-20	31-Mar-20	31-Dec-20	275		Yes	Matthew Plews	Works started on site 5/5/19, works planned to be completed on 31/03/2020	Works still planned to be completed on budget	Programme has been split into 2 phases to allow the second phase in Sadberge to be carried out in March to allow the whole village to be completed in one stage. Works have been delayed due to Covid 19, the works will start as soon as the government restrictions are eased.	Main contractor Engie	in spirit of JCT	Engie	£300,000	
461	Allington Way - Phase 3					●	L	Economic Growth & Neighbourhood Services	Economic Growth	Pauline Mitchell	Ian Stewart	H6743	£8,623,253	£8,623,253		£8,638,250	£8,624,580	-0.2%	£-13,670	26-Feb-21	20-Dec-21	20-Dec-21	0	Yes	Yes	Mike Brown	Works recommenced on site	On budget, but to be reassessed due to Covid19.	1. Homes England funding decision currently in abeyance. 2. Covid delayed works and now impacts on the amount of activity on site.	Main works	in spirit of JCT	Building Services	£8,105,434	
462	Skinnergate Re-development					●	L	Economic Growth & Neighbourhood Services	Economic Growth	Mark Ladyman	Ian Stewart	H6743				TBC	TBC	#VALUE!	0	N/A				0	Yes	Yes	Mike Brown	Proposed site layout developed. Preparing planning application, but delays arising due to the potential requirement of having to retain an annexed non-listed building and Historic England not engaging in site visits due to Covid19 for 6 months. Site visit with EH took place 22 Sept and the planning application is to be submitted.	Budget still being developed.	1. Initial surveys undertaken, which reveal major loss of structure to heritage building and adjacent property. Conservation Engineer's Plan has been drafted to support application to planning for preferred design. 2. Historic England attended site on 22 Sept for preplanning assistance.	Main Contractor DBC	in spirit of JCT	Building Services	
463	Hundens Lane area-structural repairs					●	L	Economic Growth & Neighbourhood Services	Economic Growth	Cheryl Simmons	Matthew Plews	H6232	£400,000	£400,000		£400,000	£400,000	0	0	01-Jan-20	31-Mar-20	31-Jan-21	0		Yes	Matthew Plews	Structural repairs Identified to properties in this area, works to start on Byron and Shelley road	On budget, but to be reassessed due to Covid19.	Works have been delayed due to Covid 19, works didn't start until September	Main contractor JTL Construction	in spirit of JCT	JTL Construction		
465	Central Heating Programme 2020/21					●	L	Economic Growth & Neighbourhood Services	Economic Growth	Cheryl Simmons	Matthew Plews	H6242	£950,000	£950,000		£950,000	£950,000	0	0	31-Mar-21	31-Mar-21	31-Mar-21	0		Yes	Matthew Plews	Works have been delayed due to Covid 19, the works will start as soon as the government restrictions are eased.	Reassessed due to Covid19, we will be unable to complete all properties this year due to restrictions.	Works have been delayed due to Covid 19, works didn't start until September	Main contractor DBC	Building Services in spirit of JCT contract.	Building Services	£950,000	
466	Roof Replacement Programme 2020/21					●	L	Economic Growth & Neighbourhood Services	Economic Growth	Cheryl Simmons	Matthew Plews	H6235	£500,000	£500,000		£500,000	£500,000	0	0	31-Mar-21	31-Mar-21	31-Mar-21	0		Yes	Matthew Plews	Works have been delayed due to Covid 19, the works will start as soon as the government restrictions are eased.	Reassessed due to Covid19, we will be unable to complete all properties anticipated.	Works have been delayed due to Covid 19, works didn't start until September	Main contractor Engie	in spirit of JCT	Engie	£500,000	
467	External Wall Repair Programme 2020/21					●	L	Economic Growth & Neighbourhood Services	Economic Growth	Cheryl Simmons	Matthew Plews	H6237	£216,000	£216,000		£216,000	£216,000	0	0	31-Mar-21	31-Mar-21	31-Mar-21	0		Yes	Matthew Plews	Works have been delayed due to Covid 19, the works will start as soon as the government restrictions are eased.	Reassessed due to Covid19, we will be unable to complete all properties anticipated.	Works have been delayed due to Covid 19, works didn't start until September	Main contractor Engie	in spirit of JCT	Engie	£216,000	
468	Replacement Door Programme 2020/21					●	L	Economic Growth & Neighbourhood Services	Economic Growth	Cheryl Simmons	Matthew Plews	H6240	£350,000	£350,000		£350,000	£350,000	0	0	31-Mar-21	31-Mar-21	31-Mar-21	0		Yes	Matthew Plews	Works have been delayed due to Covid 19, the works will start as soon as the government restrictions are eased.	Reassessed due to Covid19, we will be unable to complete all properties anticipated.	Currently with procurement, full project is anticipated to be completed		in spirit of JCT		£350,000	
470	Hundens Lane area-structural repairs 2020/21					●	L	Economic Growth & Neighbourhood Services	Economic Growth	Cheryl Simmons	Matthew Plews	H6232	£280,000	£280,000		£280,000	£280,000	0	0	31-Mar-21	31-Mar-21	31-Mar-21	0		Yes	Matthew Plews	Works have been delayed due to Covid 19, the works will start as soon as the government restrictions are eased.	Reassessed due to Covid19, we will be unable to complete all properties anticipated.	Works have been delayed due to Covid 19, works didn't start until September	Main contractor JTL Construction	in spirit of JCT		£400,000	
471	Communal Flat entrance door and door entry replacement					●	L	Economic Growth & Neighbourhood Services	Economic Growth	Cheryl Simmons	Matthew Plews		£170,000	£170,000		£170,000	£170,000	0	0	31-Mar-21	31-Mar-21	31-Mar-21	0			Matthew Plews	Works have been delayed due to Covid 19, the works will start as soon as the government restrictions are eased.	Reassessed due to Covid19, we will be unable to complete all properties anticipated.	Currently with procurement, full project is anticipated to be completed		in spirit of JCT		£200,000	

Project Ref Number	Project Title	Stage				Status Symbol ● = Triangle ○ = Circle ★ = Star	Project Status	Client Department	Delivery Department	Internal Project Sponsor	Internal Project Manager	Cost Centre	Original Project Budget (CP1)	Initial Approved Budget	Increase to Initial Approved Budget	Current Approved Project Budget	Project Expected Out Turn Cost	Variance (%)	Variance (Value)	Original Planned Project Completion Date (CP1)	Revised Approved Project Completion Date	Anticipated Project Completion Date / Actual Completion Date	Schedule Variation (days)	Risk Log Used	CDM Notifiable Project	Principal Designer	Progress Report			Contracts In Place (Please provide information on the contracts that are in place as part of the Project)	Contract Type / Form	Contract With	Contract Value
		CP1 Start In	CP2 Initiate	CP3 Define	Contract Disposed																						Progress / Plan / Schedule	Budget	Issues				
626	Feethams Crossing					●	L	Economic Growth & Neighbourhood Services	Economic Growth	Andy Casey	Noel Walecki	TP802/TO605	£255,000	£255,000		£266,167	£266,167	0	0	31-Mar-19	31-Mar-20	26-Jun-20	YES	YES	YES	Noel Walecki	Scheme complete. Awaiting snagging	CP1 Budget made up of s106 £126,167 (£115,000 + indexation) and LTP £140,000	None	DBC	Agreed Contract Rates	DBC	
627	Redmire Close Cycle Route					●	L	Economic Growth & Neighbourhood Services	Economic Growth	Andy Casey	Noel Walecki	TP817	£75,000	£150,000		£150,000	£150,000	0	0	31-Mar-21	31-Mar-21	31-Mar-21	0	NO	YES	Noel Walecki	Design work underway, requires planning permission			DBC	Agreed Contract Rates	DBC	
628	Haughton Road/Tornado Way					●	L	Economic Growth & Neighbourhood Services	Economic Growth	Andy Casey	Noel Walecki	TP722	£1,367,433	£1,539,433		£1,539,433	£1,539,433	0	0	31-Mar-20	31-Mar-20	07-Sep-20	0	NO	YES	Noel Walecki	Scheme to include VRS on Arnold bridge + extra surfacing on Haughton Road. Surfacing scheduled for week commencing 20/07/20 with the landscaping to follow. Completion estimated at 7 September 2020.	Budget comprises £1,367,433 NPfIF + £172,000 LTP match funding	Vandalism to landscaping has required further works, awaiting final costs from DLO	DBC	Agreed Contract Rates	DBC	
631	Rotary Way cycleway					●	L	Economic Growth & Neighbourhood Services	Economic Growth	Andy Casey	Noel Walecki	TP801	£320,000	£320,000		£320,000	£320,000	0	0	31-Mar-19	31-Mar-20	31-Mar-20	0	YES	YES	Noel Walecki	Substantially complete, awaiting snagging	Budget comprises £218,000 Local Growth Fund + £100,000 LTP match funding	Additional tie in works at High Grange Estate, can be carried out within budget	DBC	Agreed Contract Rates	DBC	
633	McMullen Road Roundabout					●	L	Economic Growth & Neighbourhood Services	Economic Growth	Andy Casey	Noel Walecki	TP717	£1,287,000	£1,287,000		£1,287,000	£1,287,000	0	0	31-Mar-20	31-Mar-20	31-Mar-20	0	Yes	Yes	Noel Walecki	Complete. Awaiting snagging on roundabout.	Wholly funded by NPfIF grant	Awaiting snagging on roundabout	DBC	Agreed Contract Rates	DBC	
634	Yarm Road/Lingfield Way junction					●	L	Economic Growth & Neighbourhood Services	Economic Growth	Andy Casey	Noel Walecki	TP721	£1,043,000	£1,043,000		£1,043,000	£1,043,000	0	0	31-Mar-20	31-Mar-20	25-Sep-20	0	Yes	Yes	Noel Walecki	Surfacing complete. Traffic signals installed 3 August 2020, works complete, awaiting final costs from DLO	Budget comprises £1,003,000 NPfIF grant + £40,000	None	DBC	Agreed Contract Rates	DBC	
636	S & D Trackbed					●	L	Economic Growth & Neighbourhood Services	Economic Growth	Sue Dobson		TP922	£237,033	£237,033		£237,033	£237,033	0	0	30-Jun-20	30-Jun-20	30-Jun-20	0	YES	YES	Noel Walecki	Planning approval was received on 20th August 2019. Brambledown Landscaping currently on site. Works are 95% complete, no additional costs are anticipated	Grant awarded November 2019 Funding is £212,933.94 grant from the Rural Payments Agency + £24,099 LTP	None	Ecology, Tree Survey & Heritage Impact Assessment	Quote	Brambledown Landscapes	
637	Allington Way Cycle Route					●	L	Economic Growth & Neighbourhood Services	Economic Growth	Andy Casey	Sue Dobson	TP901	£273,000	£273,000		£273,000	£273,000	0	0	31-Mar-20	31-Mar-20	31-Mar-20	0	Yes	Yes	Noel Walecki	Works complete. Landscaping and snagging required, weather permitting.	Funding is £23,5000.00 LGF & £38,000.00 LTP		Main Contractor DBC	Agreed Contract Rates	DBC	
638	Abbots Yard Car Park					●	L	Economic Growth & Neighbourhood Services	Economic Growth	Andy Casey	Sue Dobson	TP719	£83,000	£83,000		£143,000	£143,000	0	0	31-Mar-21	31-Mar-21	31-Mar-21	0	Yes	Yes	Noel Walecki	Reopening 14 August 2020, works complete			Main Contractor DBC	Agreed Contract Rates	DBC	
639	Victoria Road Access to Station					●	L	Economic Growth & Neighbourhood Services	Economic Growth	Andy Casey	Sue Dobson	TP818	£1,025,000	£1,025,000		£1,025,000	£1,025,000	0	0	31-Mar-20	31-Mar-20	31-Mar-20	0	Yes	Yes	Noel Walecki	Signed offer letter received from TVCA. Recommended on site 3 August 2020. Phase 1 Back lanes is complete, Phase 2 commenced 18th September	Funding is £325,000 LGF + £300,000 LTP		Main Contractor DBC	Agreed Contract Rates	DBC	
640	A68 Woodland Road					●	L	Economic Growth & Neighbourhood Services	Economic Growth	Andy Casey	Sue Dobson	TP620	£460,000	£460,000		£460,000	£460,000	0	0	31-Mar-22	31-Mar-22	31-Mar-22	0	Yes	Yes	Noel Walecki	Scheduled for 2021/22. EOI submitted for Pinch Point funding – no announcement from DfT, EATF Tranche 2 bid submitted – no announcement from DfT, new member of agency staff appointed (2/11/2020) to progress the design work, flood risk assessment initiated for drainage design, pre-app to be submitted for all 3 roundabouts	Funding is £360,000 LTP + £100,000 Section 106 developer contribution		Main Contractor DBC	Agreed Contract Rates	DBC	
641	Walking/Cycling Route Ingenium Parc					●	L	Economic Growth & Neighbourhood Services	Economic Growth	Andy Casey	Sue Dobson	TP726/TP714	£171,000	£171,000		£171,000	£171,000	0	0	31-Mar-20	31-Mar-20	31-Mar-20	0	Yes	Yes	Noel Walecki	Substantially complete. Awaiting snagging. Has been delivered under main Ingenium Parc project	Funding is £81,000 NPfIF + £90,000 LTP		Main Contractor DBC	Agreed Contract Rates	DBC	

2020/21 Capital Resources Summary

Row Ref.		Approved Commitments £M	Virement of Resources £M	Variance £M	Total £M
1	Capital Commitments				
2	Brought forward from 2019/20	126.546			
3	Unused funds returned to corporate resources	(0.500)			
4	2019/20 Capital Programme (released by Cabinet)	32.795			158.841
5	Projected (Under)/Over Spend				
6	Total Commitments	158.841	0.000	0.000	158.841
	To Be Funded By:				
	External and Departmental Resources				
7	External Funding and Departmental Supported Borrowing	5.248	-	-	5.248
8	Departmental Unsupported Borrowing	0.000	-	-	(0.000)
9	Capital Grants	73.843	-	-	73.843
10	Capital Contributions	1.104	-	-	1.104
11	Revenue Contributions	21.562	-	-	21.562
12	Capital Receipts - HRA	0.303	-	-	0.303
	Total	102.060	0.000	0.000	102.060
	Corporate Resources				
13	Capital Receipts (General Fund)/ Prudential Borrowing	56.781	-	-	56.781
	Total	56.781	0.000	0.000	56.781
14	Total Resources	158.841	0.000	0.000	158.841

Corporate Resources Analysis

	£M
14 Required Resources to fund 2020/21 expenditure (see above)	56.781
15 Other approved Capital Expenditure not included above see (1) below	1.743
16 Total Planned Use of Corporate Resources	58.524
Less:	
17 Total Projected Capital Receipts (as per Appendix 4)	(4.354)
18 Corporate Resources required to fund capital programme	54.170

(1) - Schemes included in MTFP, not included above: -

Economic Growth Investment Fund not yet allocated	<u>£M</u> 1.743
Total	1.743

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Capital Receipts Utilisation - latest projection

	2020/21	2021/22	2022/23	2023/24
	£m	£m	£m	£m
Projected Opening Balance as at 1 April	1.978	0.267	8.994	14.369
Projected Capital Receipts	4.354	9.127	5.775	3.000
Total projected Capital Receipts	6.332	9.394	14.769	17.369
<u>Less (as per approved capital programme)</u>				
Capitalisation utilisation as per MTFP	(1.055)	0.000	0.000	0.000
Council funded schemes	(1.300)	(0.400)	(0.400)	(0.400)
Economic Growth Investment Fund	(1.743)	0.000	0.000	0.000
Slippage from previous years	(1.576)	0.000	0.000	0.000
Earmarked Receipts included in opening balance	(0.391)	0.000	0.000	0.000
Projected available Cap Receipts as at 31 March	0.267	8.994	14.369	16.969

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EFFICIENCY AND RESOURCES SCRUTINY COMMITTEE 5 November 2020

REVENUE BUDGET MONITORING 2020/21 – QUARTER 2

SUMMARY REPORT

Purpose of the Report

1. To consider the revenue outturn 2020/21 – Quarter 2 report.

Summary

2. Attached at **Annex 1** is the revenue outturn 2020/21 – Quarter 2 report which is due to be considered by Cabinet at its meeting on 10th November, 2020.

Recommendation

3. It is recommended that Members consider and discuss the revenue outturn 2020/21 – Quarter 2 report.

**Paul Wildsmith
Managing Director**

Background Papers

No background papers were used in the preparation of this report.

Elizabeth Davison: Extension 2601

S17 Crime and Disorder	There are no specific crime and disorder implications in this report.
Health and Well Being	There are no issues relating to health and well being which this report needs to address.
Carbon Impact and Climate Change	There are no specific carbon impact issues in this report.
Diversity	The report does not contain any proposals that impact on diversity issues.
Wards Affected	All wards are affected.
Groups Affected	No specific groups are particularly affected.
Budget and Policy Framework	This decision does not represent a change to the budget and policy framework.
Key Decision	The report does not require a key decision.
Urgent Decision	The report does not require an urgent decision.
One Darlington: Perfectly Placed	The subject matter of the report, the Councils financial standing and financial management, is critical to delivery of the SCS, but this report does not contain new proposals.
Efficiency	The report contains updated information regarding efficiency savings contained in the MTFP.
Impact of Looked After Children and Care Leavers	This report has no impact on Looked After Children or Care Leavers

**CABINET
10 NOVEMBER 2020**

ITEM NO.

REVENUE BUDGET MONITORING 2020-21 – QUARTER 2

**Responsible Cabinet Member - Councillor Charles Johnson
Resources Portfolio**

Responsible Director - Paul Wildsmith, Managing Director

SUMMARY REPORT

Purpose of the Report

1. To provide an early forecast of the 2020-21 revenue budget outturn as part of the Council's continuous financial management process.
2. To inform Cabinet of the budget rebasing exercise carried out following the 2019-20 outturn results.

Summary

3. This is the second revenue budget management report to Cabinet for 2020-21 and the impact of Covid-19 (CV19) on both expenditure and income levels is projected to be significant. To date the Government has provided a grant of £7.174m to assist with the pressures, they have also announced a further £1bn to be distributed between Local Authorities and Darlington's proportion will be £1.508m.
4. On the 2 July 2020 the Government announced a further package of support to Councils to help address the financial pressures due to CV19. A further £500m will be distributed to respond to spending pressures and a new scheme to help reimburse lost income during the pandemic where 75p of every £1 lost over and above the initial 5% of planned income from sales, fees and charges will be covered. This additional funding is anticipated to be £4.095m this financial year.
5. If all the funding comes to fruition it is estimated the CV19 pressure for 2020/21 will be £0.875m, significantly lower than initially anticipated in Quarter 1 given the additional government funding packages.
6. As in previous years, and following good financial management practice, a budget rebase exercise has been undertaken following the outturn position which has returned £0.897m into general fund reserves. The year-end projection, which takes into account the CV19 pressures and grants anticipated, rebasing, and the early indication of non Covid pressures and savings shows an overall improvement in the 2020/21 financial position of £1.143m.
7. Whilst this headline figure is good news for 2020/21 there is still a significant amount of uncertainty in regard to future pressures and the continued impact of

CV19. This early projection uses best estimates and assumptions based on the Governments recovery plans, however it is likely there will be unforeseen circumstances moving forward.

8. The projected CV19 pressure can be contained this financial year however the greater concern is future years and the longtail CV19 is likely to have on the Council and the Darlington economy. There is no indication if any Government funding will be received for 2021/22 and it is clear the impacts of the pandemic are likely to be prolonged and accumulated in forthcoming years. Any surpluses that may arise this year will be needed to assist with future MTFP pressures.

Recommendation

9. It is recommended that :-
 - (a) The financial position in the forecast revenue outturn for 2020-21 be noted.
 - (b) The CV19 pressures and government grant received to date be noted
 - (c) Further regular reports be made to monitor progress and take prompt action if necessary.
 - (d) The carry forward requested is agreed.
 - (e) The transfer of £0.143m to the ICT earmarked reserve be approved.

Reasons

10. The recommendations are supported by the following reasons:-
 - (a) To continue effective management of resources.
 - (b) To continue to deliver services to agreed levels.

**Paul Wildsmith
Managing Director**

Background Papers

No Background papers were used in the preparation of this report.

Elizabeth Davison: Extension 5830

S17 Crime and Disorder	There are no specific crime and disorder implications in this report.
Health and Well Being	There are no issues relating to health and wellbeing which this report needs to address.
Carbon Impact	There are no specific carbon impact issues in this report.

Diversity	The report does not contain any proposals that impact on diversity issues.
Wards Affected	All wards are affected.
Groups Affected	No specific groups are particularly affected.
Budget and Policy Framework	This decision does not represent a change to the budget and policy framework.
Key Decision	The report does not require a key decision.
Urgent Decision	The report does not require an urgent decision.
One Darlington: Perfectly Placed	The subject matter of the report, the Council's financial standing and financial management, is critical to delivery of the SCS, but this report does not contain new proposals.
Efficiency	The report contains updated information regarding efficiency savings contained in the MTFP.
Impact on Looked After Children and Care Leavers	This report has no impact on Looked After Children or Care Leavers.

MAIN REPORT

Information and Analysis

11. This is the second revenue budget management report to Cabinet for 2020-21 and provides a mid-year forecast of the revenue position as part of the Council's continuous financial management process.
12. To enable timely information to be presented and in accordance with the report publication requirements, this report has been completed before the end of the second quarter. As the Council operates frequent, regular and predictive budget management processes, including quarterly reports to Cabinet, changes in projected outturn, which are inevitable in a large and complex organisation, will be reported to future meetings.
13. The information in this report has been taken from the financial records to August and managers' projections for the remainder of the year, using their knowledge of events affecting the services they manage.
14. Overall the projected General Fund reserves position at 31st March 2021 is £20.506m, which is an improvement of £1.143m on the planned balances in the 2020-24 MTFP. Of this, £0.875m relates to the unmet CV19 pressure gap offset by the improvement in the Council's 2019-20 financial results of £0.274m; £0.897m being returned to reserves as a result of the rebasing exercise and £0.503m of Troubled Families Grant which was not anticipated at budget setting time and can therefore be returned to reserves along with other departmental improvements..

COVID - 19

15. The impact of CV19 has had a significant bearing on the Council's financial position and is reflected the year end projections. There is still a great deal of uncertainty about how, when and if all services will return to normal and what the impact will be on our communities and the wider economy; the latter points are already having an impact on increased demand for services and council tax and business rate income reductions.
16. The Government has supported Local Authorities with £3.7bn in CV19 funding and have announced a further £1bn which is yet to be distributed. Darlington has received £7.174m to date and is anticipating a further £1.508m which is helping to offset the majority of this years pressures.
17. On the 2 July 2020 the Government announced a further package of support to Councils to help address the financial pressures relating to income loss due to CV19. The Sales Fees and Charges (SFC) scheme will help reimburse lost income during the pandemic where 75p of every £1 lost over and above the initial 5% of planned income from sales, fees and charges will be covered. Darlington's allocation of this funding is estimated to be £4.095m for 2020/21.
18. Taking into account the funding of £7.174m, the potential additional £1.508m and estimated SFC income of £4.095m there is anticipated to be a gap in CV19 funding of £0.875m in 2020/21 with further impacts likely in future years. A summary of anticipated CV19 impact in 2020/21 is detailed in **Appendix 4**.
19. The Medium Term Financial Plan 2020/21 – 2023/24 was balanced utilising general fund reserves over the period. Whilst the projected CV19 gap can be accommodated this year there is significant uncertainty about future pressures and funding. There has been no indication to date that government support will continue into 2021/22 yet it is clear the ongoing impacts of the pandemic will continue into future years in particular relation to the council income streams and additional demand for support. Unless any government funding is received in future years reserves are likely to be utilised earlier than anticipated and a full review of the plan will need to take place during 2021/22.

Departmental Resources

20. Departmental Resource projections are summarised in **Appendix 2** and detailed in **Appendices 2(a) to 2(d)**. Even without the CV19 implications it is difficult to predict year end positions at this early stage and management projections indicate all budgets are online to be achieved with the exception of those stated in the following paragraphs.
21. The **Adults & Children's Services Group** budget is projected to be overspent by £1.879m at the end of the financial year. This is an increase of £0.825m on the position reported at quarter 1. £2.438m relates to CV19, so the overall the budget would ordinarily have been projected to be underspent. The main changes to the previously reported position are detailed below.
 - (a) **Children's Services** is forecasting an overspend of £0.768m at the end of the financial year, £0.514m relating to CV19 expenditure which is an increase of £0.389m on the position reported at quarter one. As the COVID crisis has

continued the demand for services has increased with a number of the previously projected costs rising, along with new pressures. At quarter 1 an assumption was made that the COVID demand would reduce after August with additional measures in place unwinding, however these costs have and are predicted to continue as the pandemic carries on into the winter. This has increased the projected expenditure on placements previously reported by £0.022m and required temporary additional staffing arrangements to be extended adding £0.079m to the previously projected costs. In addition, new pressures are arising as children are staying in the care of the Local Authority longer than planned pre COVID (£0.082m) and the continuing lack of suitable placement provision, meaning a number of children have had to be placed in residential rather than foster care placements (£0.206m).

- (b) Assessment and Care Planning is projected to be overspent by £0.634m at the end of the financial year. This overspend arises from projected net (i.e. after reducing for savings on vacant posts) agency staff costs of £0.270m covering vacant posts, staff on maternity leave and staff sickness absence. The cost of supporting children who are not looked after, is projecting a pressure of £0.300m which is in line with additional caseloads. Whilst this budget is overspending the pressure is significantly less than the cost of formally looking after the children, should they end up in the care of the Local Authority. This support cost pressure is largely overspending due to expensive independent living arrangements for two child who have left custody. The Leaving Care budget continues to be under pressure with a projected year end overspend of £0.057m. This pressure arises from the cost of supporting increased numbers of care leavers with increased costs for supporting up to the age of 25.
- (c) Adoption and placements budgets continue to have a projected underspend, which is now £0.300m. This is based upon current child in placements so is subject to change should placement numbers or type change over the remainder of the year. .
- (d) **Development & Commissioning** is forecasting to be underspent by £0.029m at the end of the financial year. Whilst there are ongoing pressures due to CV19 of £0.042m, savings are projected in a number of the demand led contracts which are offsetting this pressure
- (e) **Education** is forecasting to be overspent by £0.011m at the year end. CV 19 continues to impact on the budget with £0.187m of pressures. This is an increase of £0.151m on the projection at quarter 1 and has arisen from an increase in the number of support arrangements that were required for pupils over the summer holidays as CV19 continued to impact on services (£0.035m). During the school closure period a number of vulnerable pupils were provided with laptop computers by the DfE to enable those pupils to continue with their schooling. The laptops require ICT support, which was not provided as part of the DfE scheme. The Council has therefore let a contract for ICT support which increases costs by £0.069m per year.
- (f) As pupils have returned to school in the autumn term school transport has been provided within the constraints of social distancing. This has required additional transport arrangements and the Council has agreed to contribute towards the costs of running a number of non statutory services. Although savings were made on school transport contracts as a result of reduced

payments through supplier relief the estimated additional cost of CV19 is projected to be £0.046m.

- (g) The CV19 projected cost increases are mostly offset by savings within the education budgets. £0.036m of COVID costs is to be offset by education grants and savings of £0.097m are projected from vacant posts, staff turnover and reduced historic teachers pension liabilities.
 - (h) **Public Health** is forecasting an overspend of £0.105m at the year end. This pressure relates to the need to purchase personal protective equipment for staff due to the CV19 crisis.
 - (i) **Adult Social Care & Health** is forecasting an overspend of £1.029m, of which £1.590m is due to additional costs associated with the ongoing CV19 pandemic. The increased expenditure is to support providers of adult social care, support to day care providers to maintain provision in the future, provision of personal protective equipment (PPE) and additional staffing costs.
 - (j) Adults (excluding CV19 costs) is underspending against budget by £0.561m, a slight improvement of £0.040m from the Q1 position due to various factors with savings in staffing, running costs and supplies and services of £0.025m.
22. The **Economic Growth and Neighbourhood Services Group** is projecting an overspend of £8.261m after taking into account the anticipated impact of CV19, particularly on the business activities of the group. This is an improvement of £0.787m from the position reported at Q1. Operationally the group is projected to be £0.350m overspent when the impact of CV19 is excluded.
23. The majority of the £0.787m improvement comes from improved income projections for car parking income. At Q1 we were projecting 100% loss of income for 12 months, however this has now been revised to only 100% losses for the first 6 months and 30% losses for October to March (excluding the current parking offers). Staff in the construction and highways DLO groups were also furloughed as a result of the national lockdown which suspended or seriously curtailed operations in the early part of the pandemic and this brought in £0.163m of additional government support.
24. Lockdowns and current social distancing guidelines have had and will continue to have a significant impact on fees and charges within the Economic Growth & Neighbourhood Services Group. While recovery activities have begun it is widely believed income levels will be severely affected for the remainder of the year. Current estimates of net losses are based on how managers expected current guidelines to impact on services and are subject to change and may improve or worsen depending on how government advice evolves to combat the increase in local and national cases.
25. Based on current expectations and guidelines the following pressures are projected;
- (a) Planning, Economic Initiatives & Asset Management has seen a reduction in the overall submissions for planning fees, however, the position may see some improvement as there are number of one-off larger planning applications expected to be submitted during the year. Overall, the service area is reporting

an operational overspend of £0.215m which is due to the recent receipt of a backdated claim for rental and service charges, we are looking into this and have included for prudence but hope to reduce this claim. Savings in staffing have helped to reduce the overall pressure.

- (b) Capital Projects, Transport & Highways Planning is currently expected to have an operational underspend of £0.079m, mainly as a result of reduced electricity consumption on street lighting due to more efficient lanterns. Additional section 38 income received during the year is offsetting an expected fall in fees from the capital project and building design teams following the delay or deferment of a number of housing schemes.
 - (c) Community Services saw a number of its public buildings closed from late March 2020 due to the government lockdown. While these buildings have reopened, they continue to be severely affected by the current social distancing restrictions. Other services provided by the group have continued and it is from these that there is an expected operational underspend of £0.126m;
 - (d) Income from the Cemeteries and Crematorium services is expected to £0.090m greater than budgeted for the year.
 - (e) A saving in Waste Disposal of £0.050m has arisen due to lower than expected inflationary increases on the contract.
 - (f) Community Safety overall is expected to breakeven operationally at the end of the year. Parking income losses due to CV19 have improved following the decision to return to charging from October 2020.
 - (g) Building Services returned to operations from June 2020 and while it is not expected to recover the costs and profit lost during this suspension it is currently projected that the services will meet their profit targets for the remainder of the year where operations have returned.
 - (h) Housing general fund is showing an overspend of £0.515m. This includes £0.158m in Homelessness and Rough sleeping related CV19 costs as well as an increase of £0.052m due to increases in B&B costs and placing people for extended periods. ICT costs for customer services have increased by £0.020m and there is a shortfall in income of £0.270m due to CV19 from a reduction in court fee income .
26. The **Resources Department** is projecting a year end budget overspend of £0.195m (including carry/forwards & transfers), a decrease in projected overspend of £0.024m on the position reported at quarter 1. £0.040m is requested to be carried forward to fund the Equality and diversity training which has partially been on hold during the pandemic and will be required in 2021/22. Furthermore, given the pressure there will be on ICT equipment moving forward to continue to support the deployment of staff to home and agile working, it is requested the underspend in the AD Resources areas of £0.143m is transferred to the ICT Architecture fund for future utilisation.
27. The main changes in the Resources group from quarter 1 are summarised as follows:

- (a) Xentrall Partnership, is projected to be underspent by £0.040m which arises due to lower employer pension contributions for staff within the Stockton on Tees Borough Council pension scheme.
- (b) Democratic services are projected to be underspent by £0.071m however £0.059m of this underspend is allocated to cover the costs of additional ICT equipment for members required due to CV19.
- (c) Administration is projected to be underspent by £0.172m at the year end. £0.67m of which has arisen from vacant posts and reduced support required for the Town Hall during the pandemic. Savings of £0.060m are also projected in postage budgets as the amount of mail has reduced during the period.
- (d) Legal & Procurement is projected to be overspent by £0.047m at the yearend primarily due to staffing costs covering maternity leave and also a shortfall in the central budget for printing/photocopying machines where the fixed costs of the machines are not being covered through recharges to the service departments. This pressure will however offset by savings within the departments as the printing budgets will be experiencing savings.
- (e) ICT budgets are projected to be overspent by £0.204m due to additional ICT requirements as a result of the CV19 crisis. This is an increase of £0.062m on that reported at quarter 1 as additional ICT equipment has needed to be procured as staff continue to work remotely.

28. The School balances and allocations are shown in **Appendix 2(e)**. Information on projected closing school balances is not yet available but will be included in future reports to Cabinet.

Council Wide and Corporately Managed Resources

29. The Council Wide and Corporately Managed Resources projections at this stage are projecting a £0.405m shortfall. Financing Costs are projected to be £0.109m underspent, and whilst the impact of CV19 has reduced the projected dividend receivable on the Council's property investment funds by £0.236m, this has been more than offset by lower than predicted interest rates that has reduced the cost of borrowing by £0.345m. There is also anticipated to be a reduction in the profits from our JV companies this year as the programme is pushed back, at this point we have estimated the reduction in dividends and profit to be £0.125m.
30. The 2020/21 MTFP assumed a pay award offer of 2%, however, the national employers and unions have since agreed on a pay award of 2.75%. This agreement has created an increased cost to the Council this year of £0.404m.

Housing Revenue Account

31. HRA projections are shown in **Appendix 3**. Income from rents is anticipated to be £0.373m lower than budget, slightly higher than the Q1 position and is due to additional void as we were not able to re-let or move people at the start of the pandemic until advised by government it was safe to do so. There were also further delays in sheltered complexes due restrictions in to communal areas and relets in these areas have just recommenced. Due to CV19 some areas of the Housing Capital Programme have been delayed in particular the new build

programme and will slip into the new financial year. Consequently, it is anticipated £9.748m of the Revenue contributions will not be required this financial year will remain in Housing balances until called upon next year. A further impact of this is a reduction in financing costs. These changes are being programmed into the revenue account going forward and do not fundamentally change the business plan position.

Collection Fund

32. The Collection Fund account reflects the statutory requirements for the Council to maintain a separate Fund in relation to the operation of Council Tax and Business Rates Retention Scheme (BRRS). The Fund records all of the transactions for billing in respect of Non Domestic Rates (NDR) and Council Tax, exemptions and discounts granted, provision for bad debts and appeals and payments made to the Council's General Fund, the Police and Fire & Rescue precept authorities and Central Government.
33. Due to the ongoing Covid-19 crisis it is anticipated the council tax collection fund will show a projected deficit of £2.018m, primarily due to the increase in local council tax support claimants along with an anticipated house building slowdown and increased bad debt provision. This deficit will need to be funded from GF reserves and this has been included in the projections.
34. Due to the ongoing Covid-19 crisis a 5% reduction in the business rates collection from non-retail premises has been assumed and reflected in the projections for NNDR at the cost of £0.550m. There are other elements that will increase the deficit due to the granting of reliefs, exemptions and the small business rates relief all of which are funded by section 31 grant received from the Government.

Conclusion

35. The Council's projected revenue reserves at the end of 2020-21 are £20.506m, £1.143m higher than the initial 2020-24 MTFP position and include a brought forward amount of £0.274m from 2019-20 and the rebasing exercise of £0.897m.
36. Of the £20.506m projected reserves, we have a risk reserve balance of £4.350m and a commitment to use £11.330m to support years 2 – 4 of the current MTFP, which leaves a funding surplus of £4.826m. This of course is assuming no further pressures are identified and there is no impact of CV19 in future years. In reality there will be ongoing pressures and as noted in paragraph 19 a full review on the MTFP will be required during 2021/22.

Outcome of Consultation

37. No external consultation has been carried out in preparing this report.

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REVENUE BUDGET MANAGEMENT 2020/21**Projected General Fund Reserve at 31st March 2021**

	2020-24 MTFP (Feb 2020) £000
Medium Term Financial Plan (MTFP) :-	
MTFP Planned Opening Balance 01/04/2020	18,092
Approved net contribution from balances	1,271
Planned Closing Balance 31/03/2021	19,363
Increase in opening balance from 2019-20 results	274
Projected corporate underspends / (overspends) :-	
Adult Social Care re-based savings	525
Economic Growth re-based savings	372
Council Wide	(389)
Troubled Families grant not required	503
Financing Costs	345
Financing costs - Covid 19	(236)
Joint Venture - Investment Return - Covid 19	(125)
Projected Collection Fund deficit - Covid 19	(2,568)
Government Grant - Covid -19	7,174
Government Grant - Covid -19 estimate of £1bn	1,508
Government Grant - SFC	4,095
Projected General Fund Reserve (excluding Departmental) at 31st March 2021	30,841
Planned Balance at 31st March 2021	19,363
Improvement	11,478

Departmental projected year-end balances

	Improvement / (decline) compared with 2019-23 MTFP £000
Children & Adults Services	(1,879)
Economic Growth & Neighbourhood Services Resources	(8,261)
	(195)
TOTAL	(10,335)

Summary Comparison with :-

	2019-23 MTFP £000
Corporate Resources - increase in opening balance from 19/20 results	274
Corporate Resources - additional in-year Improvement/(Decline)	12,875
Projected Collection Fund deficit	(2,568)
Quarter 1 budget claw back	897
Departmental - Improvement / (Decline)	(10,335)
Improvement / (Decline) compared with MTFP	1,143
Projected General Fund Reserve at 31st March 2021	20,506

GENERAL FUND REVENUE BUDGET MANAGEMENT 2020/21

	Budget			Expenditure	Variance
	Original 2020/21	Approved Adjustments	Amended Approved Budget	Projected Outturn	
	£000	£000	£000	£000	
Departmental Resources					
Children & Adults Services	58,423	1,929	60,352	62,231	1,879
Economic Growth & Neighbourhood Services	20,867	899	21,766	30,027	8,261
Resources	10,229	321	10,550	10,745	195
Total Departmental Resources	89,519	3,149	92,668	103,003	10,335
Corporate Resources					
Council Wide	405	0	405	794	389
Financing Costs	895	0	895	786	(109)
Joint Venture - Investment Return	(1,028)	0	(1,028)	(903)	125
Contingencies Budget					
Apprentice Levy	199	0	199	199	0
Risk Contingencies	323	0	323	323	0
Mid-Year Savings					
Adult Social Care	0	525	525	0	(525)
Economic Growth - Concessionary Fares	0	372	372	0	(372)
Total Corporate Resources	794	897	1,691	1,199	(492)
Net Expenditure	90,313	4,046	94,359	104,202	9,843
Contributions To / (From) Reserves					
Planned Contribution to General Fund Reserves (MTFP)	271	(351)	(80)	(80)	0
Departmental Brought Forwards from 2019/20		(3,695)	(3,695)	(3,695)	0
General Fund Total	90,584	0	90,584	100,427	9,843

Note: Appendix 1 shows an increase in reserves of £0.274m brought forward from 2019/20.

REVENUE BUDGET MANAGEMENT UPDATE 2020/21

	<i>Budget</i>			<i>Expenditure</i>			(Under)/ Over Spend £000
	Original Budget £000	Approved Adjustments £000	Amended Approved Budget £000	Expenditure to August £000	Projected Spend £000	Total Projection £000	
	<u>Council Wide</u>						
Salary Pay Award	0	0	0	0	404	404	404
Airport	27	0	27	0	27	27	0
Procurement Savings	(22)	0	(22)	(92)	55	(37)	(15)
Council Tax	400	0	400	400	0	400	0
	405	0	405	308	486	794	389
In Year Over/(Under) Spend	405	0	405	308	486	794	389

REVENUE BUDGET MANAGEMENT UPDATE 2020/21

	<i>Budget</i>			<i>Expenditure</i>			(Under)/ Over Spend £000
	Original Budget £000	Approved Adjustments £000	Amended Approved Budget £000	Expenditure to August £000	Projected Spend £000	Total Projection £000	
<u>Children & Adults Services</u>							
<u>Director of Adults & Children</u>	160	(1)	159	43	116	159	0
<u>Children & Adult Services</u>							
Transformation & Performance	557	45	602	303	294	597	(5)
Business Support	1,327	(1)	1,326	547	779	1,326	0
	1,884	44	1,928	850	1,073	1,923	(5)
<u>Children's Services</u>							
COVID 19 costs	0	0	0	154	360	514	514
Children's Services Management & Other Services	537	(41)	496	219	288	507	11
Assessment Care Planning & LAC	3,487	177	3,664	1,779	2,519	4,298	634
First Response & Early Help	2,475	(180)	2,295	(1,410)	3,614	2,204	(91)
Youth Offending/ASB	249	14	263	219	44	263	0
Adoption & Placements	13,740	(2)	13,738	6,464	6,974	13,438	(300)
Quality Assurance & Practice Improvement	419	79	498	80	418	498	0
	20,907	47	20,954	7,505	14,217	21,722	768
<u>Development & Commissioning</u>							
COVID 19 costs	0	0	0	142	(100)	42	42
Commissioning	2,161	199	2,360	307	2,022	2,329	(31)
Voluntary Sector	281	0	281	47	194	241	(40)
Workforce Development	205	(38)	167	(299)	466	167	0
	2,647	161	2,808	197	2,582	2,779	(29)
<u>Education</u>							
COVID 19 costs	0	0	0	60	127	187	187
Education	1,057	(96)	961	(9,458)	10,250	792	(169)
Schools	0	0	0	(706)	706	0	0
Transport Unit	1,684	0	1,684	362	1,315	1,677	(7)
	2,741	(96)	2,645	(9,742)	12,398	2,656	11
<u>Public Health</u>							
COVID 19 costs	0	0	0	73	32	105	105
Public Health	9	0	9	435	(426)	9	0
Healthy New Towns	0	0	0	0	0	0	0
	9	0	9	508	(394)	114	105
<u>Adult Social Care & Health</u>							
COVID 19 costs	0	0	0	533	1,057	1,590	1,590
External Purchase of Care	23,848	1,777	25,625	6,025	19,057	25,082	(543)
Intake & Enablement	590	0	590	834	(246)	588	(2)
Older People Long Term Condition	1,385	0	1,385	602	787	1,389	4
Physical Disability Long Term Condition	5	0	5	23	(18)	5	0
Learning Disability Long Term Condition	1,687	0	1,687	638	996	1,634	(53)
Mental Health Long Term Condition	1,122	0	1,122	311	792	1,103	(19)
Disabled Children	473	0	473	210	322	532	59
Service Development & Integration	965	(3)	962	265	690	955	(7)
Total Adult Social Care & Health	30,075	1,774	31,849	9,441	23,437	32,878	1,029
In Year Over/(Under) Spend	58,423	1,929	60,352	8,802	53,429	62,231	1,879

REVENUE BUDGET MANAGEMENT UPDATE 2020/21

	Budget			Expenditure			(Under)/ Over Spend £000
	Original Budget £000	Approved Adjustments £000	Amended Approved Budget £000	Expenditure to August £000	Projected Spend £000	Total Projection £000	
<u>Economic Growth & Neighbourhood Services</u>							
Director of Economic Growth & Neighbourhood Services	167	0	167	69	98	167	0
<u>Planning, Economic Initiatives & Asset Management</u>							
COVID 19 costs	0	0	0	0	354	354	354
AD - Economic Growth	127	58	185	50	134	184	(1)
Building Control	138	0	138	66	72	138	0
Consolidated Budgets	146	(11)	135	0	135	135	0
Development Management	(73)	0	(73)	47	(113)	(66)	7
Economy	196	114	310	(269)	539	270	(40)
Environmental Health	292	0	292	(22)	298	276	(16)
Place Strategy	582	18	600	(127)	685	558	(42)
Property Management & Estates	(603)	25	(578)	(541)	270	(271)	307
	805	204	1,009	(796)	2,374	1,578	569
<u>Capital Projects, Transport & Highways</u>							
<u>Planning</u>							
COVID 19 costs	0	0	0	0	290	290	290
AD Transport & Capital Projects	124	1	125	51	74	125	0
Building Design Services	19	1	20	112	(14)	98	78
Capital Projects	299	28	327	143	243	386	59
Car Parking R&M	566	0	566	421	145	566	0
Concessionary Fares	3,794	(356)	3,438	1,362	2,048	3,410	(28)
Flood & Water Act	86	25	111	(65)	176	111	0
Highways	2,413	94	2,507	339	1,980	2,319	(188)
Highways - DLO	(498)	(16)	(514)	(26)	(488)	(514)	0
Investment & Funding	(9)	520	511	21	490	511	0
Regeneration Projects	3	1	4	2	2	4	0
Sustainable Transport	263	1	264	(214)	478	264	0
	7,060	299	7,359	2,146	5,424	7,570	211
<u>Community Services</u>							
COVID 19 costs	0	0	0	0	4,940	4,940	4,940
AD Community Services	124	1	125	(421)	546	125	0
Allotments	11	0	11	(2)	14	12	1
Building Cleaning - DLO	125	(20)	105	(241)	346	105	0
Cemeteries & Crematorium	(870)	2	(868)	(402)	(556)	(958)	(90)
Dolphin Centre	548	31	579	831	(252)	579	0
Eastbourne Complex	(16)	0	(16)	35	(51)	(16)	0
Emergency Planning	97	0	97	83	5	88	(9)
Head of Steam	249	0	249	100	149	249	0
Hippodrome	2	(7)	(5)	177	(182)	(5)	0
Indoor Bowling Centre	14	(2)	12	0	12	12	0
Libraries	790	0	790	289	501	790	0
Move More	29	0	29	(150)	179	29	0
Outdoor Events	392	11	403	172	231	403	0
School Meals - DLO	59	(2)	57	120	(63)	57	0
Strategic Arts	110	2	112	13	99	112	0
Street Scene	4,986	11	4,997	2,025	2,972	4,997	0
Transport Unit - Fleet Management	(16)	0	(16)	(1,098)	1,082	(16)	0
Waste Management	2,936	0	2,936	443	2,443	2,886	(50)
Winter Maintenance	428	(8)	420	367	75	442	22
	9,998	19	10,017	2,341	12,490	14,831	4,814

REVENUE BUDGET MANAGEMENT UPDATE 2020/21

	Budget			Expenditure			(Under)/ Over Spend £000
	Original Budget £000	Approved Adjustments £000	Amended Approved Budget £000	Expenditure to August £000	Projected Spend £000	Total Projection £000	
<u>Economic Growth & Neighbourhood Services</u>							
<u>Community Safety</u>							
COVID 19 costs	0	0	0	0	1,446	1,446	1,446
CCTV	188	(1)	187	(76)	263	187	0
Community Safety	573	4	577	124	453	577	0
General Licensing	0	0	0	28	(28)	0	0
Parking	(2,081)	416	(1,665)	34	(1,699)	(1,665)	0
Parking Enforcement	69	(37)	32	64	(32)	32	0
Private Sector Housing	72	0	72	(112)	184	72	0
Stray Dogs	43	0	43	20	23	43	0
Taxi Licensing	0	0	0	(43)	43	0	0
Trading Standards	224	0	224	63	161	224	0
	(912)	382	(530)	102	814	916	1,446
<u>Building Services</u>							
COVID 19 costs	0	0	0	0	723	723	723
Construction - DLO	(467)	(101)	(568)	(3,588)	3,020	(568)	0
Maintenance - DLO	(458)	52	(406)	1,708	(2,114)	(406)	0
Other - DLO	0	14	14	1,111	(1,110)	1	(13)
Corporate Landlord	3,158	32	3,190	1,030	2,160	3,190	0
	2,233	(3)	2,230	261	2,679	2,940	710
<u>General Support Services</u>							
Works Property & Other	109	0	109	0	109	109	0
<u>Joint Levies & Boards</u>							
Environment Agency Levy	112	0	112	108	0	108	(4)
<u>Housing</u>							
COVID 19 costs	0	0	0	0	158	158	158
Local Taxation	459	(2)	457	356	353	709	252
Rent Rebates / Rent Allowances / Council Tax	(132)	0	(132)	5,908	(6,047)	(139)	(7)
Housing Benefits Administration	221	0	221	136	86	222	1
Customer Services	271	0	271	217	113	330	59
Homelessness	297	0	297	(206)	555	349	52
Service, Strategy & Regulation and General Services	179	0	179	(948)	1,127	179	0
	1,295	(2)	1,293	5,463	(3,655)	1,808	515
In Year Over/(Under) Spend	20,867	899	21,766	9,694	20,333	30,027	8,261

REVENUE BUDGET MANAGEMENT UPDATE 2020/21

	<i>Budget</i>			<i>Expenditure</i>			(Under)/ Over Spend £000
	Original Budget £000	Approved Adjustments £000	Amended Approved Budget £000	Expenditure to August £000	Projected Spend £000	Total Projection £000	
<u>Resources</u>							
Managing Director	164	(1)	163	112	51	163	0
Darlington Partnership	37	(1)	36	(38)	74	36	0
<u>AD Resources</u>							
Finance & Governance	1,406	102	1,508	762	623	1,385	(123)
Financial Assessments & Protection	261	(17)	244	120	114	234	(10)
Communications & Engagement	794	186	980	325	615	940	(40)
Systems	753	17	770	509	261	770	0
Xentrall (D&S Partnership)	1,693	0	1,693	673	980	1,653	(40)
Human Resources	582	0	582	318	294	612	30
Health & Safety	135	10	145	101	44	145	0
	5,624	298	5,922	2,808	2,931	5,739	(183)
<u>AD Law & Governance</u>							
COVID 19 costs	0	0	0	0	170	170	170
Complaints & FOI	186	0	186	110	93	203	17
Democratic Services	1,199	11	1,210	551	588	1,139	(71)
Registrars	(29)	16	(13)	(113)	100	(13)	0
Administration	698	(1)	697	290	235	525	(172)
Legal & Procurement	1,398	(1)	1,397	793	651	1,444	47
Coroners	215	0	215	215	0	215	0
	3,667	25	3,692	1,846	1,837	3,683	(9)
<u>AD ICT</u>							
ICT	737	0	737	(14)	751	737	0
COVID 19 costs	0	0	0	54	150	204	204
	737	0	737	40	901	941	204
In Year Over/(Under) Spend	10,229	321	10,550	4,768	5,794	10,562	12

BUDGET MANAGEMENT 2020/21

SCHOOLS PROJECTED BALANCES 2020/21					
School Name	Opening Balance at 1st April 2020	Formula Budget Allocation*	Total Available	Projected Closing Balance at 31st March 2021	Projected Closing Balance as proportion of Formula Budget Allocation
	£000	£000	£000	£000	%
<u>Primary</u>					
Federation of Darlington Nursery Schools	47	750	797	51	7%
Red Hall Primary	252	956	1,208	228	24%
Whinfield Primary	245	2,098	2,343	236	11%
Harrowgate Hill Primary	187	2,350	2,537	318	14%
Primary Total	731	6,154	6,885	833	

*Federation of Darlington Nursery Schools figure is indicative. Actual allocation is updated each term with attendance

HOUSING REVENUE ACCOUNT 2020/21

	Budget			Total Projection £000	(Under)/ Over Spend £000
	Original Budget £000	Approved Adjustments £000	Amended Approved Budget £000		
<u>Housing Revenue Account</u>					
<u>Income</u>					
Rents Of Dwellings (Gross)	(20,555)	0	(20,555)	(20,182)	373
Sundry Rents (Including Garages & Shops)	(429)	0	(429)	(422)	7
Charges For Services & Facilities	(3,049)	0	(3,049)	(3,049)	0
Contribution towards expenditure	(265)	0	(265)	(265)	0
Interest Receivable	(6)	0	(6)	(6)	0
Total Income	(24,304)	0	(24,304)	(23,924)	380
<u>Expenditure</u>					
Management	5,814	0	5,814	5,761	(53)
Maintenance	4,075	0	4,075	4,275	200
Capital Financing Costs	3,211	0	3,211	3,057	(154)
Revenue Contribution to Capital Outlay	14,273	0	14,273	4,525	(9,748)
Rent Rebate Subsidy Limitation	0	0	0	0	0
Increase in Bad Debt Provision	350	0	350	350	0
In year contribution to/(from) balances	(3,419)	0	(3,419)	5,956	9,375
Total Expenditure	24,304	0	24,304	23,924	(380)
(Surplus)/Deficit	0	0	0	0	0

HRA Balances	£000
Opening balance 01/04/2020	19,828
Contribution to/(from) balances	5,956
Closing balance	25,784

<u>Projected Covid-19 costs for 20/21</u>		App 4
	Total Projection £000's	
Children's Services	514	
Development & Commissioning	42	
Education	187	
Public Health	105	
Adult Social Care & Health	1,590	
Planning, Economic Initiatives & Asset Management	354	
Capital Projects, Transport & Highways Planning	290	
Community Services	4,940	
Community Safety	1,446	
Building Services	723	
Housing	158	
Law & Governance	170	
ICT	204	
Financing costs	236	
Joint Venture - Investment Return	125	
Collection fund deficit	2,568	
Total Projected Covid-19 costs	13,652	
Less Government Grant received - Covid 19	(7,174)	
Less estimated additional Government grant	(1,508)	
Less Government Sales Fees and Charges grant claim estimate	(4,095)	
Projected shortfall of resources	875	

ECONOMY AND RESOURCES SCRUTINY COMMITTEE 5 November 2020

ECONOMY AND RESOURCES SCRUTINY COMMITTEE – WORK PROGRAMME

SUMMARY REPORT

Purpose of the Report

1. To consider the work programme items scheduled to be considered by this Scrutiny Committee during the next Municipal Year and to consider any additional areas which Members would like to suggest should be included.

Summary

2. Members are requested to consider the attached draft work programme (**Appendix 1**) for the next Municipal Year which has been prepared based on Officers recommendations and recommendations previously agreed by this Scrutiny Committee.
3. Once the work programme has been approved by this Scrutiny Committee, any additional areas of work which Members wish to add to the agreed work programme will require the completion of a quad of aims in accordance with the previously approved procedure.

Recommendation

4. Members are requested to consider and approve the attached draft work programme as the agreed work programme and consider any additional items which they might wish to include.

**Paul Wildsmith
Managing Director**

Background Papers

There were no background papers used in the preparation of this report.

Shirley Wright: Extension 5998

S17 Crime and Disorder	This report has no implications for Crime and Disorder
Health and Well Being	This report has no direct implications to the Health and Well Being of residents of Darlington.
Carbon Impact and Climate Change	There are no issues which this report needs to address.
Diversity	There are no issues relating to diversity which this report needs to address
Wards Affected	The impact of the report on any individual Ward is considered to be minimal.
Groups Affected	The impact of the report on any individual Group is considered to be minimal.
Budget and Policy Framework	This report does not represent a change to the budget and policy framework.
Key Decision	This is not a key decision.
Urgent Decision	This is not an urgent decision
One Darlington: Perfectly Placed	The report contributes to the Sustainable Community Strategy in a number of ways through the involvement of Members in contributing to the delivery of the five themes.
Efficiency	The Work Programmes are integral to scrutinising and monitoring services efficiently (and effectively), however this report does not identify specific efficiency savings.
Impact on Looked After Children and Care Leavers	This report has no impact on Looked After Children or Care Leavers

MAIN REPORT

Information and Analysis

5. The format of the proposed work programme has been reviewed to enable Members of this Scrutiny Committee to provide a rigorous and informed challenge to the areas for discussion.
6. Each topic links to the outcomes and the conditions in the Sustainable Community Strategy – One Darlington Perfectly Placed :-

SCS Outcomes :	Three Conditions :
Children with the Best Start in Life	Build Strong Communities
More Businesses more jobs	Grow the Economy
A safe and caring community	Spend Every Pound Wisely
More people caring for our environment	
More people active and involved	
Enough support for People when needed	
More people healthy and independent	
A place designed to thrive	

7. In addition, each topic links to performance indicators from the Performance Management Framework (PMF) to provide robust and accurate data for Members to use when considering topics and the work they wish to undertake.

Forward Plan and Additional Items

8. Once the Work Programme has been agreed by this Scrutiny Committee, any Member seeking to add a new item to the work programme will need to complete a quad of aims. A revised process for adding an item to a previously approved work programme, has been agreed by the Monitoring and Co-ordination Group.
9. Details of the items included on the Forward Plan has been attached at **Appendix 2** for information.

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ECONOMY AND RESOURCES SCRUTINY COMMITTEE WORK PROGRAMME

Topic	Timescale	Lead Officer	SCS Outcome	Darlington Conditions	Scrutiny's Role
Performance Management Framework	Six monthly reports to be submitted to meetings of this Scrutiny Committee	Relevant Assistant Directors	A place designed to thrive	Spend Every Pound Wisely	To provide Members with an update regarding the Performance Management Framework.
Medium-Term Financial Plan	Quarterly monitoring reports to be submitted to meetings of this Scrutiny Committee Quarter 2 – 5 November 2002 Quarter 3 – 4 February, 2020	Elizabeth Davison	A place designed to thrive	Spend Every Pound Wisely	To contribute and challenge the Medium Term Financial Plan and assist with the implementation and development of the required savings
Medium-Term Financial Plan	December - January 6 January – to consider any specific areas within the remit of this Scrutiny Committee January – to consider responses from all Scrutiny Committees and provide feedback to Cabinet.	Elizabeth Davison	One Darlington Perfectly Placed	Spend Every Pound Wisely	To provide a response to Cabinet on the proposals in relation to the Medium-Term Financial Plan

Topic	Timescale	Lead Officer	SCS Outcome	Darlington Conditions	Scrutiny's Role
Capital Programme and project Position Statement	Quarterly monitoring reports to be submitted to meetings of this Scrutiny Committee Quarter 2 – 5 November 2020 Quarter 3 –4 February 2020	Brian Robson	A place designed to thrive	Spend Every Pound Wisely	To look at the position
Business Week 2020	Item elsewhere on this agenda	Mark Ladyman	A place designed to thrive	Grow the economy	To update Scrutiny
Towns Fund	All Member briefing held Item elsewhere on this agenda	Mark Ladyman	A place designed to thrive	Grow the economy	To update Scrutiny on the investment plan
Write off of Irrecoverable Debt	Item elsewhere on this agenda	Anthony Sandys	One Darlington Perfectly Placed	Spend Every Pound Wisely	To look at the process
Economic Strategy	To be programmed	David Hand	More businesses, more jobs	Grow the economy	To scrutinise progress of the Strategy Action Plan against outcomes and understand relationship with Tees Valley SEP and Local Plan.
Housing Strategy	To be programmed	David Hand	A safe and caring community A place designed to thrive	Build strong communities Spend every pound wisely	To scrutinise progress of the Strategy Action Plan against outcomes.

Topic	Timescale	Lead Officer	SCS Outcome	Darlington Conditions	Scrutiny's Role
				Grow the economy	
Climate Change	To be programmed	Cabinet Member	A safe and caring community More people caring for our environment	More People Caring for our Environment	To update on the work of the Review Group
Council Tax Support Scheme	To be programmed	Anthony Sandys	One Darlington Perfectly Placed	Spend Every Pound Wisely	To look at the proposed Scheme
Broadband Infrastructure in Darlington 2012-20	To be programmed	Jochen Werres	A place designed to thrive	Grow the economy	To scrutinise progress of the Broadband Delivery (BDUK) and Local Full Fibre Network (LFFN) programmes

FHR 001	DBC number of FTE working days lost due to sickness (excluding schools)
FHR 003	Number of reportable employee accidents / ill health
FHR 008	Number of complaints upheld by the Local Government Ombudsman/Housing Ombudsman
FHR 009	Number of complaints upheld by the Information Commissioner's Office
FHR 019	Staff turnover - Voluntary Leavers
HBS 002	Amount in £'s of Council Tax arrears collected
HBS 003	Amount in £'s of Housing Benefit overpayments recovered
HBS 009	% of Council Tax collected in year
HBS 010	% of Business Rates collected in-year

LGP 008	Contracted spend as a % of total non-salary spend
ECI 108	S.106 - Number entered into within current financial year
ECI 114	Total amount of S106 funding secured since 2010
ECI 115	S106 - Amount received [affordable housing/infrastructure/green space etc] since 2010
ECI 116	S106 - Total Amount outstanding [affordable housing/infrastructure/green space etc.] since 2010
ECI 117	S106 - Amount spent since 2010
ECI 130	% of Section 106 agreements signed within target time.

ARCHIVED ITEMS

Topic	Timescale	Lead Officer	SCS Outcome	Darlington Conditions	Link to PMF (Metrics)	Scrutiny's Role
Sickness Absence Year-end out-turn	Report circulated to Members (July 2020)	Helen Whiting	One Darlington Perfectly Placed	Spend Every Pound Wisely	FHR 001	To consider the year-end figures
Health and Safety Year end out-turn	Report circulated to Members (July 2020)	Joanne Skelton	One Darlington Perfectly Placed	Spend Every Pound Wisely	FHR 003	To consider the year-end figures
Complaints, Compliments and Comments - Annual Report 2019/20	Report considered 10 September 2020	Lee Downey	A place designed to thrive			To consider the 2019/20 Complaints, Compliments and Comments Annual Report and forward any view to Cabinet
Complaints Made to Local Government Ombudsman	Report considered 10 September 2020	Lee Downey	A place designed to thrive			To consider the outcome of cases which have been determined by the Local Government and Social Care Ombudsman (LGSCO) and the Housing Ombudsman (HO) and forward any view to Cabinet

Greater Faverdale (Burtree Garden Village) - Design Code -	Report considered 10 September 2020	Mark Ladyman	A place designed to thrive	Build strong communities Spend every pound wisely Grow the economy	To consider the Greater Faverdale (Burtree Garden Village) – Design Code for the Masterplan Area of Greater Faverdale and forward any view to Cabinet
Allocation of Section 106 Monies	All Member briefing held arranged Updates given to Planning Applications Committee	Dave Coates	A place designed to thrive	Spend every pound wisely	To look at the information currently available in relation to Section 106 Agreements
Investment Fund	Report considered 10 September 2020	Elizabeth Davison	A place designed to thrive	Grow the Economy	To consider progress against the agreed investments being funded through the Investment Fund.

**DARLINGTON BOROUGH COUNCIL
FORWARD PLAN**

**FORWARD PLAN
FOR THE PERIOD: 7 OCTOBER 2020 - 28 FEBRUARY 2021**



Title	Decision Maker and Date
Regulatory Investigatory Powers Act (RIPA)	Cabinet 13 Oct 2020
Treasury Management Annual and Outturn Prudential Indicators 2019/20	Council 26 Nov 2020 Cabinet 13 Oct 2020
Land to the Rear of Tandrige Court, Woodland Road - Proposed Self Build Plots	Cabinet 13 Oct 2020
Schedule of Transactions	Cabinet 13 Oct 2020
Repair to the Victorian Indoor Market	Cabinet 13 Oct 2020
Disabled Facilities Grant (DFG)	Cabinet 10 Nov 2020
Council Plan 2020/23	Cabinet 10 Nov 2020
Construction of Hybrid Business Innovation Centre - Central Park	Cabinet 10 Nov 2020
Revenue Budget Monitoring - Quarter 2	Cabinet 10 Nov 2020
Project Position Statement and Capital Programme Monitoring - Quarter 2	Cabinet 10 Nov 2020
Council Tax Support - Scheme Approval 2021/22	Cabinet 10 Nov 2020
Rail Heritage Quarter Tenant Leases and Stockton and Darlington Railway Walking and Cycling Route	Cabinet 10 Nov 2020
Annual Procurement Plan 2020/21 - Update	Cabinet 10 Nov 2020
Tenancy Policy 2020/25	Cabinet 10 Nov 2020
School Term Dates 2022/2023	Cabinet 8 Dec 2020
Climate Change Cross Party Working Group - Update	Cabinet 8 Dec 2020
Mid-Year Prudential Indicators and Treasury Management 2020/21	Cabinet 8 Dec 2020
Annual Audit Letter	Cabinet 8 Dec 2020
Tree & Woodland Strategy	Cabinet 8 Dec 2020

**DARLINGTON BOROUGH COUNCIL
FORWARD PLAN**

2021-31	
Medium Term Financial Plan	Cabinet 8 Dec 2020
Complaints Made to Local Government Ombudsman	Cabinet 8 Dec 2020
Housing Revenue Account	Cabinet 8 Dec 2020
Greater Faverdale (Burtree Garden Village) - Design Code	Cabinet 8 Dec 2020
Schools Admissions 2021/22	Cabinet 9 Feb 2021
Revenue Budget Monitoring - Quarter 3	Cabinet 9 Feb 2021
Project Position Statement and Capital Programme Monitoring - Quarter 3	Cabinet 9 Feb 2021
Calendar of Council and Committee Meetings 2021/22	Cabinet 9 Feb 2021
Skerningham Masterplan Report	Cabinet