



DARLINGTON

Borough Council

Economy and Resources Scrutiny Committee Agenda

9.30 am

Thursday, 3 February 2022

Council Chamber, Town Hall, Darlington. DL1 5QT

Members of the Public are welcome to attend this Meeting.

1. Introductions/Attendance at Meeting
2. Declarations of Interest
3. To consider the Minutes/notes of meetings of this Scrutiny Committee held on –
 - (i) 4 November 2021
 - (ii) 6 January 2022; and
 - (iii) 20 January 2022(Pages 3 - 14)
4. Climate Change - Update –
Head of Highways Asset Management to provide a verbal update on service area
5. Project Position Statement and Capital Programme Monitoring - Quarter 3 –
Assistant Director Transport and Capital Projects
(Pages 15 - 38)
6. Revenue Budget Monitoring - Quarter 3 –
Assistant Director Resources
(Pages 39 - 62)
7. Work Programme –
Assistant Director Law and Governance
(Pages 63 - 74)

8. 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
9. Questions



Luke Swinhoe
Assistant Director Law and Governance

Wednesday, 26 January 2022

Town Hall
Darlington.

Membership

Councillors Bartch, Boddy, Crudass, Harker, L Hughes, Mrs D Jones, McEwan, Paley, Renton, Wright and Vacancy

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, Operations 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, 4 November 2021

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

APOLOGIES – Councillors Crudass, Paley and Wright

ABSENT – Councillors

ALSO IN ATTENDANCE – Councillors Curry, Durham and Marshall

OFFICERS IN ATTENDANCE – Mark Ladyman (Assistant Director Economic Growth), Brett Nielsen (Assistant Director Resources), Anthony Sandys (Assistant Director - Housing and Revenues), Brian Robson (Head of Capital Projects) and Shirley Wright (Democratic Manager)

ER20 DECLARATIONS OF INTEREST

There were no declarations of interest reported at the meeting.

ER21 MINUTES

Submitted – The Minutes (previously circulated) of a meeting of this Scrutiny Committee held on 2nd September, 2021.

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

ER22 CLIMATE CHANGE CROSS PARTY WORKING GROUP - UPDATE

The Chief Executive submitted a report (previously circulated) requesting this Scrutiny Committee to note the Climate Change Action Plan (also previously circulated) which had been approved by Cabinet at its meeting held on 5 October, 2021.

The submitted report outlined the background to the production of the Climate Change Strategy in July 2020, and it was reported that the action plan had been produced as the supporting document to that Strategy to help achieve its commitments and the approach being taken by the Council to achieve a carbon budget.

Following questions by Members, it was reported that each action within the plan, which was designed to be a rolling, organic plan which would be continually reviewed to allow the Council to respond to new technologies, new understanding and government initiatives as they arose, had an indication of its current status, whether funding was available and under which Cabinet Portfolio each action sat. It was also confirmed that milestones would be developed year by year to enable robust reporting to Full Council every six months and that an annual report would be produced.

Discussion ensued on the need for the Plan to be supported with milestones and costings to enable better understanding of what residents were being asked to support and how this

Scrutiny Committee could scrutinise the Action Plan going forward and hold Directors and Cabinet Members accountable for the actions within their own areas.

RESOLVED – (a) That a further briefing be given to Members of this Scrutiny Committee on the Climate Change Action Plan

(b) That consideration be given to Climate Change being included as a standing item on future agendas for this Scrutiny Committee.

ER23 COUNCIL TAX SUPPORT - SCHEME APPROVAL 2022/23

The Group Director of Operations submitted a report (previously circulated) requesting this Scrutiny Committee's views on the draft Council Tax Support Scheme for 2022-23 (also previously circulated) which was due to be considered by Cabinet at its meeting scheduled to be held on 9 November 2021.

The submitted report outlined the background to the approval of the last local Council Tax Scheme which had become operational with effect from 1 April 2021 and reminded Members that the Council was required to set a Council Tax scheme each year and that, as part of that scheme, was also required to consider whether any changes should be made to the existing scheme and, where any changes were made, consider what transitional protection, if any, should apply to anyone affected by those changes.

The submitted report set out the details of the proposed Scheme for 2022-23 and it was reported that there were no significant changes proposed to the existing scheme, however, Members were requested to forward views to Cabinet in relation to continuing to provide up to 100 per cent Council Tax Support for care leavers up to the age of 25 and to continue to provide up to 80 per cent support for all other working age people.

RESOLVED – That Cabinet be advised that, having considered the report, it has no further comments to make on the recommendation that up to 100 per cent Council Tax support should continue to be provided for care leavers up to the age of 25 and that up to 80 per cent support for all other working age people should continue.

ER24 PROJECT POSITION STATEMENT AND CAPITAL PROGRAMME MONITORING - QUARTER 2

The Group Director of Operations submitted a report (previously circulated) together with a report (also previously circulated) scheduled to be considered by Cabinet at its meeting to be held on 9th November 2021 giving a summary of the latest capital resources and commitment position to inform monitoring of the affordability and funding of the Council's capital programme, together with an update on the current status of all construction projects which were currently being managed by the Council.

It was reported that the Council had a substantial annual construction programme of work which was delivering a wide range of improvements to the Council's assets and more critically to Council services and that there were currently 46 live projects being managed with an overall projected outturn value of £138.692 million and that the majority of the Council's projects were running to time, cost and quality expectations, however, they were

being monitored in view of the current pressures on resources in the construction sector nationally.

Particular reference was made to the background to the drainage works at Ingenium Park, which were planned to be undertaken in phases, to be constructed at the same time and the recommendation to Cabinet for it to approve the transfer of £652,000 which had originally been set aside as contingency for the early phases of Central Park, to cover the delivery of a larger drainage system for future phases of Ingenium Park.

RESOLVED – That Cabinet be advised that, in understanding the reasons for the need to complete the drainage works in one phase, this Scrutiny Committee supports the recommendations and has no further comments to make.

ER25 REVENUE BUDGET MONITORING - QUARTER 2

The Group Director of Operations submitted a report (previously circulated) together with a report (also previously circulated) which was being considered by Cabinet at its meeting scheduled to be held on 9th November 2021.

It was reported that the Council's projected reserves at the end of 2021-21 were £29.536 million, a £4.610 million improvement on the initial 2021-25 MTFP position and Members were advised that this improvement in reserves, included a brought forward amount of £2.317 million from 2020/21, £0.185 million of projected departmental overspend, the rebasing exercise of £0.993 million, a £0.570 million increase in corporate resources and £0.915 million which was required from the CV19 reserve (a total drawn down from the reserve of £1.385m to fund the departmental CV19 costs and £0.470m to refund the shortfall in government grant for Sales, Fees and Charges in corporate resources).

The Assistant Director Resources reported that of the £29.536 million projected reserves, there was a risk reserve balance of £5.350million and a commitment to use £15.838 million to support years two to four of the current MTFP, leaving a surplus of £8.348 of unallocated reserves.

RESOLVED – That the report be noted.

ER26 WORK PROGRAMME

The Group Director of Operations submitted a report (previously circulated) requesting that further consideration be given to the work programme of this Scrutiny Committee for the Municipal Year 2021/22.

It was reported that a number of Councillors had expressed an interest in participating in the Strengthening Families Programme Task and Finish review Group which was to be established.

RESOLVED - That the report be noted and the following Members be appointed to serve on the Strengthening Families Task and Finish Review Group :-

Councillors Boddy, Crudass, Harker, McEwan and Renton.

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PLEASE NOTE THAT THIS WAS NOT A FORMALLY CONSTITUTED MEETING, AND THAT THIS IS A 'NOTE' OF THE INFORMAL MEETING THAT TOOK PLACE.

ECONOMY AND RESOURCES SCRUTINY COMMITTEE

Thursday, 6 January 2022

PRESENT – Councillors Renton (Chair), Bartch, Boddy, Crudass, Harker, Mrs D Jones and McEwan

APOLOGIES – Councillors L Hughes, Paley and Wright,

ABSENT –

ALSO IN ATTENDANCE – Councillor Marshall

OFFICERS IN ATTENDANCE – Elizabeth Davison (Group Director of Operations), Mark Ladyman (Assistant Director Economic Growth), Brett Nielsen (Assistant Director Resources), Anthony Sandys (Assistant Director - Housing and Revenues), Claire Gardner-Queen (Housing Manager) and Shirley Wright (Democratic Manager)

ER27 DECLARATIONS OF INTEREST

There were no declarations of interest reported at the meeting.

ER28 MINUTES

Submitted – The Minutes (previously circulated) of the meeting of this Scrutiny Committee held on 4 November 2021.

That the minutes be approved as a correct record

ER29 CUSTOMER SERVICES AND DIGITAL STRATEGY

The Assistant Director Housing and Revenues submitted a report (previously circulated) requesting Members' views on the draft Customer Services and Digital Strategy for 2021-24 (also previously circulated) prior to its consideration by Cabinet.

The submitted report outlined to the background to the Strategy which set out the Council's vision for delivering excellent services for its customers, and, in particular how more of these services would be delivered through digital channels in future, whilst also recognising the need to continue to support those customers who, for a number of reasons, were unable to use the on-line services, together with the seven key aims of the Strategy.

It was also reported that the Strategy set out improvements which were planned to the Council's website, the Customer Services Centre and the proposals to expand the number of services which were available on-line, together with how those customers who were digitally excluded could be supported which would range from providing assistance to use the on-line

services or to full support where needed.

Discussion ensued on the consultation process which had been undertaken, which had been difficult due to the Covid restrictions which had been in place; support which would continue to be available through the Customer Services Centre and other external agencies to assist those customers who needed assistance with on line access and electronic form completion and the proposed expansion of that support to other community venues.

That the report be noted and a further report on the outcomes against the key aims of the strategy be submitted to this Scrutiny Committee in six months' time.

ER30 PERFORMANCE INDICATORS QUARTER 2 - 2021/22

Submitted – A report (previously circulated) of the relevant Assistant Directors, giving detailed performance information against the key performance indicators for quarter 2 which were within the remit of this Scrutiny Committee.

Particular reference was made to FHR 10 which related to the number of staff leaving which was higher than the same period last year and it was reported that this had been expected as many employers were not recruiting at the beginning of the Covid pandemic and many employees were cautious about changing employment at that time. Members questioned whether this was evidence through the exit surveys which were undertaken and, although the full details of the content of the exit surveys were not available at the meeting, it was confirmed that of the ??? who had left the authority during that period 50 of those had commenced employment elsewhere.

Discussion also ensued on the collection of Council Tax arrears which had exceeded the target and it was confirmed that this was due to the re-commencement of recovery action which had been suspended during 2020/21 due to the pandemic and that the percentage collection rate was in line with pre-covid figures.

In relation to a question from a Members about the community mobility data in relation to retail and recreation, it was reported that further information on that would be obtained from Officer and forwarded to Members.

That the report be noted and that this Scrutiny Committee undertake some further work to look at all the reportable indicators within its remit to agree and indicator set which would provide the most relevant data information.

ER31 MEDIUM TERM FINANCIAL PLAN 2022/23 TO 2025/26

The Assistant Director Resources submitted a report (previously circulated) requesting that consideration be given to the draft Medium Term Financial Plan (MTFP) for 2022/23 to 2025/26, which had been agreed by Cabinet at its meeting held on 7 December 2021 as a basis for consultation.

The Group Director of Operations referred Members to a briefing which had been offered to all Members on the background and the overall proposals contained within the MTFP

2022/23 to 2025/26 and requested that Members of this Scrutiny Committee now consider those services and finances specifically within the remit of this Scrutiny Committee to enable a response to be formulated to Cabinet as part of the consultation exercise.

The Group Director of Operations provided an update on the finance settlement which had been received on 16 December 2021, following approval of the draft MTFP by Cabinet and the subsequent impact this settlement had on the assumptions made within that approved draft MTFP.

It was reported that the £1.5 billion funding which had been announced in the Autumn statement had been split with £822 million being allocated to the Services Grant and £636 million for social care specifically, with Darlington's allocation being £1.579 million and £1.162 million respectively, which was slightly higher than the figure initially included within the draft MTFP, however, Members were advised that the Services Grant was a one-off allocation whilst a further review of Local Government funding was conducted.

Members were advised that the New Homes Bonus had been extended for a further year, and that this would net approximately £1.4 million above anticipated levels in the MTFP, and, although there were a number of reductions from the initial draft figures, with the Top Up grant not being as high as expected, it was reported that there would be an additional £1.073 million funding for 2022/23 from the finance settlement.

Following a question from a Member in relation to the Services Grant and the funding for social care, it was reported that the Services Grant was for one year only and although the social care grant was recurring, there were no guarantees that this would continue. However, Members were advised that the recurring grant funding would be included in the Council's base line for future settlements and therefore would be included in transitional arrangements if there were reductions in future funding settlements.

In summary, the Group Director of Operations reported that the settlement was good news for 2022/23, however, the four-year MTFP position would still be challenging.

Discussion ensued on the New Homes Bonus and the criteria for that funding which it was clarified was only for those void properties which had already been brought back into use or new properties already constructed and was not applicable to future years property changes; the anticipated efficiencies and savings which were included within appendix 2 of the submitted report; whether consideration had been given as to how the additional £1.073 million funding from the finance settlement might be used to support the MTFP; the need to continue to lobby Government in relation to the inequality of the percentage rises in Council Tax; the recognition of that by the Government through the provision of the Lower Services Tier grant and any work which was being done by Cabinet to plan for the projected budget deficit over the four-year period.

Reference was also made to the continuing longer-term strategy of the Authority to grow the economy as the driver to deliver the long-term vision for the Borough;

(a) That Cabinet be advised that, following consideration, the following is this Scrutiny Committee's views on the draft MTFP 2022/23 to 2025/26 :-

- (i) the Leader and the Cabinet Member for Resources should continue to lobby the Government in relation to the need for increased funding;
- (ii) Cabinet should ensure work is undertaken to plan for the projected budget deficit over the four-year period of the MTFP, including details of what steps and actions might need to be taken; and
- (iii) a comprehensive communication strategy should be developed to better inform residents of the Borough of the reasons for the proposed increase in Council Tax and how the funding is being spent to deliver services

(b) That the Chair, in consultation with the Lead Scrutiny Officers supporting this Scrutiny Committee, be given authority to agree the notes of this Scrutiny Committee scheduled to be held on 20 January 2022.

ER32 WORK PROGRAMME

The Assistant Director Law and Governance submitted a report (previously circulated) requesting that consideration be given to the work programme of this Scrutiny Committee for the remainder of the 2021/22 Municipal Year.

It was reported that briefings had been arranged to update Members on the current position in relation to the Markets and the outcome of the employee survey which had recently been undertaken.

The Chair also reported that arrangements were in hand for the Tees Valley Combined Authority to brief this Scrutiny Committee and the Children and Young People Scrutiny Committee on the funding allocation as it related to this Council and where spend (adult education up to 28 years) was being focussed.

That the report be noted

PLEASE NOTE THAT THIS WAS NOT A FORMALLY CONSTITUTED MEETING, AND THAT THIS IS A 'NOTE' OF THE INFORMAL MEETING THAT TOOK PLACE.

ECONOMY AND RESOURCES SCRUTINY COMMITTEE

Thursday, 20 January 2022

PRESENT – Councillors Renton (Chair), Bartch, Boddy, Harker, L Hughes, Mrs D Jones, McEwan and Wright

APOLOGIES – Councillors Crudass and Paley

ABSENT –

ALSO IN ATTENDANCE – Councillors Durham, Marshall, Tait and Willis

OFFICERS IN ATTENDANCE – Elizabeth Davison (Group Director of Operations) and Shirley Wright (Democratic Manager)

ER33 DECLARATIONS OF INTEREST

There were no declarations of interest reported at the meeting.

ER34 MEDIUM TERM FINANCIAL PLAN - TO CONSIDER A RESPONSE TO CABINET ON THE PLAN TAKING INTO ACCOUNT THE VIEWS OF ALL OF THIS COUNCIL'S SCRUTINY COMMITTEES :-

Submitted – The Minutes (previously circulated) of meetings of this Council's Scrutiny Committees which had been held to discuss the proposals contained within the draft Medium-Term Financial Plan (MTFP) for 2022/23.

It was reported that each of the Council's Scrutiny Committees had been requested to consider the MTFP 2022/23 to 2025/26 and to forward any views, particularly in relation to those services and finances which were specifically within their remit, to this Scrutiny Committee for consideration.

Each of the Chairs/Vice Chairs, in attendance gave an overview of the discussions which had taken place at their meetings, together with the agreed response to this Scrutiny Committee.

(a) Economy and Resources Scrutiny Committee

It was reported that the following views had been proposed at the meeting held on 6 January 2022 :-

(i) the Leader and the Cabinet Member for resources should continue to lobby the Government in relation to the need for increased funding;

(ii) Cabinet should ensure work is undertaken to plan for the projected budget deficit over the four-year period of the MTFP, including details of what steps and actions

might need to be taken; and

(iii) a comprehensive communication strategy should be developed to better inform residents of the Borough of the reasons for the proposed increase in Council Tax and how the funding is being spent to deliver services.

Discussion ensued on the need to clarify further, points (i) and (ii) above, and it was suggested that a time frame should be included on the reporting back in relation to (ii) above, and that, in relation to (i) above, it should be clear that the Leader and Cabinet Member for Resources continue to lobby Government in relation to both the increased funding generally for local government and an alternative method of funding adult social care.

(b) Communities and Local Services Scrutiny Committee

It was reported that that Scrutiny Committee had no comments to make on the MTFP itself, however, in relation to the continuation of the Stronger Communities Fund, it had advised that

it supported the continuation of the scheme in the 2022/23 financial year.

Discussion ensued at the meeting on the total amount of funds which had been allocated to date; the need for the process to be clarified in terms of ensuring that Members understood that the fund needed to be allocated from their individual credit union account by the end of the financial year; the reporting process and monitoring to ensure that the aims and objectives of the fund were being met; the carry forward of any individual Members unspent funding with the caveat that any individual fund would not exceed £1,000 in any one financial year and the continued six monthly reporting by the Communities and Local Services Scrutiny Committee.

(c) Children and Young People Scrutiny Committee

It was reported that the following views had been proposed at its meeting held on 10 January 2022 :-

(i) if additional funding became available, Cabinet should give consideration to increasing the budget allocation to early Help Services to prevent expensive and intrusive statutory interventions in the future and is therefore a more financially viable way of supporting families.

Following questions by Member in relation to savings within the Adults and Childrens' staffing budget, it was reported that this related to staff turnover and that further detailed information could be provided.

(iv) Health and Housing Scrutiny Committee

It was reported that that Scrutiny Committee had no comments to make on the MTFP.

Discussion ensued on the New Homes Bonus Grant and the continuation of the work to bring derelict properties within the Borough back into use

(v) Adults Scrutiny Committee

It was reported that that Scrutiny Committee had no comments to make on the MTFP

Taking into account the above and the discussions which had taken place, the Economy and Resources Scrutiny Committee gave consideration to the views it wished to put forward to Cabinet on behalf of all of the Scrutiny Committees.

That Cabinet be advised that the following is the response of the Economy and Resources Scrutiny Committee on behalf of all of the Council's Scrutiny Committees in relation to the Medium Term Financial Plan 2022/23 to 2025/26 consultation :-

(a) the Leader and the Cabinet Member for Resources should continue to lobby the Government in relation to the need for :-

(i) increased funding generally for local government; and

(ii) an alternative method of funding the current pressures in Adult social care as the Adult Social Care Precept is not a sustainable solution.

(b) Cabinet should ensure work is undertaken to plan for the projected budget deficit over the four-year period of the MTFP, including details of what steps and actions might need to be taken and report back to the Economy and Resources Scrutiny Committee in 12 months' time;

(c) a comprehensive communication strategy should be developed to better inform residents of the Borough of the reasons for the proposed increase in Council Tax and how the funding is being spent to deliver services;

(d) If additional funding becomes available, Cabinet should consider increasing the budget allocation to Early Help Services to prevent expensive and intrusive statutory interventions in the future and is therefore a more financially viable way of supporting families;

(e) having considered the use, to date, of the Stronger Communities Fund, the view is that Cabinet should consider the continuation of that Fund in the 2022/23 financial year; and

(f) the continuation of the on- going work around the New Homes Bonus Scheme

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ECONOMY AND RESOURCES SCRUTINY COMMITTEE
3 February 2022

PROJECT POSITION STATEMENT AND CAPITAL PROGRAMME MONITORING – QUARTER 3

SUMMARY REPORT

Purpose of the Report

1. To consider the Project Position Statement and Capital Programme Monitoring – Quarter 3 report.

Summary

2. Attached at **Annex 1** is the Project Position Statement and Capital Programme Monitoring – Quarter 3 report. which is due to be considered by Cabinet at its meeting on 8 February 2022.

Recommendation

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

Anthony Hewitt
Assistant Director Transport and Capital Projects

Background Papers

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

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 and Climate Change	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.
Council Plan	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

**CABINET
8 FEBRUARY 2022**

PROJECT POSITION STATEMENT AND CAPITAL PROGRAMME MONITORING - QUARTER 3

**Responsible Cabinet Member -
Councillor Scott Durham, Resources Portfolio**

**Responsible Director -
Elizabeth Davison, Group Director of Operations
Dave Winstanley, Group Director of 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 £274.173m against an approved programme of £274.463m. 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 2021/22 – 2024/25.
4. The Council has a substantial annual construction programme of work. The current project position statement (PPS) shows there are 46 live projects currently being managed by the Council with an overall projected outturn value of £138.928m. The majority of projects are running to time, cost and quality expectations but are being monitored given the current pressures on resources in the construction sector nationally.
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.

Recommendation

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.

Elizabeth Davison
Group Director of Operations

Dave Winstanley
Group Director of Services

Background Papers

- (i) Capital Medium Term Financial Plan 2021/22 – 2024/25
- (ii) Project Position Statement November 2021

Brian Robson : Extension 6608
Claire Hayes : Extension 5404

S17 Crime and Disorder	This report has no implications for crime and disorder.
Health and Wellbeing	There are no issues relating to health and wellbeing which this report needs to address.
Carbon Impact and Climate Change	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.
Council Plan	The Capital Programme referred to in the report supports delivery of the Council Plan 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

2021/22 Capital Spend and Resources

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 2021-22 schemes previously released by Cabinet, is £176.774m.
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 2021, 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
Chief Executive & Economic Growth	12	52,011,633	51,927,513	(0.2)	(84,120)
Operations	20	31,679,271	31,665,601	(0.0)	(13,670)
People	2	4,154,566	4,154,566	0.0	0
Services	12	51,081,310	51,180,404	0.2	99,094
TOTAL	46	138,926,780	138,928,084	(0.0)	1,304

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
Chief Executive & Economic Growth	0	2	2	4	2	2	12
Operations	0	5	2	3	10	0	20
People	0	0	0	2	0	0	2
Services	0	3	1	4	4	0	12
TOTAL	0	10	5	13	16	2	46

- (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	▲	●	★
Chief Executive & Economic Growth	2	9	1
Operations	2	18	0
People	0	2	0
Services	2	10	0
TOTAL	6	39	1

- (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	As previously reported the project requires drainage works to be undertaken during certain ecological windows, which has resulted in a delay on the programme. There are also drainage works required for the future phases of Ingenium Park that need to be undertaken at the same time as the Phase 1 drainage works Tender prices are being sought for these works.	The new design covering Phase 1 and also parts of phase 2 and 3 drainage works have been completed and bids have been received from a suitable contractor.
Allington Way – Phase 3	The lack of certain resources, particularly bricklayers, has extended the programme past the original completion date.	The programme and resources are being closely monitored to minimise the delay. Funders have accepted the delay.
Crown Street Library Refurbishment	A delay resulted as the Council was awaiting an investigation into an alternative scaffolding solution, due to the complexities of the building, it's age and condition.	Following extensive analysis, a retendering exercise with a simplified scaffolding arrangement has begun. This is expected to allow a start of site before Christmas 2021.
Dolphin Centre Bowling Alley and Soft Play	The soft play area fit out was delayed and was not able to be completed with the bowling alley works.	Work complete.
Salix Low Carbon Works	A delay was created as a result of having to re-tender the electrical elements of the works after the initial tendering exercise.	The remaining works are to be programmed in for completion in the new year.
Skinnergate Housing re-development	A delay was encountered following the production of a revised design to satisfy concerns raised by English Heritage at the planning application stage.	The design has been agreed and planning permission has been granted and the detailed design work including looking at Party Wall issues is now underway.

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	138,928
Schemes closed or on hold within CP but awaiting PPS post project review.	26,664
Annualised Schemes excluded from PPS - Housing Repairs & Maintenance	687
Annualised Schemes excluded from PPS - Highways Maintenance	7,894
Annualised Schemes excluded from PPS - Childrens Services School Maintenance	0
Non construction excluded from PPS	15,375
Capital Investment fund excluded from PPS	31,713
Projects under 75k excluded from PPS	2,109
Capital Schemes not yet integrated into PPS reporting	15,559
Included in PPS & CMR	-317
Funding not yet allocated	35,561
Capital Programme	274,173

20. The table below shows the split of the approved capital programme of £274.463m, 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 £0.290m 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	32.635	0.687	6.815	0.122	0.940	0.000	33.524	74.723
Economic Growth	50.919	0.000	0.918	0.487	10.200	31.713	2.037	96.274
Highways/Transport	45.132	7.894	18.872	1.063	1.220	0.000	0.000	74.181
Leisure & Culture	21.620	0.000	0.000	0.225	0.000	0.000	0.000	21.845
Education	4.155	0.000	0.058	0.213	0.053	0.000	0.000	4.479
Adult Social Care	0.000	0.000	0.000	0.000	0.071	0.000	0.000	0.071
Other	0.000	0.000	0.000	0.000	2.890	0.000	0.000	2.890
Total	154.461	8.581	26.663	2.110	15.374	31.713	35.561	274.463

Capital Programme

21. Paragraph 22 shows the movements in the Capital Programme since the approval of the 2021/22 Capital MTFP, some of which have not yet been approved by Members.

22. Adjustment to resources requested by departments:

Virements

Department	Scheme	Value £	Reason for adjustment	Impact on budget
Chief Executive & Economic Growth	Advanced Design fees	(£10,000)	Eastbourne Sports complex	Nil Effect
Services	Eastbourne Sports complex	£10,000	Eastbourne Sports complex	Nil Effect
TOTAL		£0		

Adjustments needing approval release

Department	Scheme	Value £	Reason for adjustment	Resource type adjusted
Operations	Joint Venture Esh - Middleton St George	(£42,921)	Scheme complete. Funds no longer required.	Funds returned to centre
Operations	Green Homes Grant - LA Delivery Phase 1b	£239,568	Match funded grant for energy efficiency as per MTFP	Release
TOTAL		£196,647		

Consultation

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

Capital Project Position Statement

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Ref No	Title	Client	Approved Budget	Outturn Forecast	Planned Completion	Actual Completion	Comment
23	Civic Theatre Refurbishment & Theatre Hullaballoon	Services	£16,069,000	£16,069,000	06-Nov-17	06-Nov-17	Works complete. Activity plan elements are still being delivered up to November 2021, report to be submitted to NLHF.
25	West Cemetery Development	Services	£6,400,000	£6,400,000	13-Jun-22		The original programme of 1st April 2020 to 31st March 2021 was postponed by 1 year due to pandemic. Works commenced on the existing Crematorium building on 6th April 2021. Works are progressing well, and the handover is still on track for late March 2022. The cremator installations (July 2021 – January 2022) are on programme, with all three of the old cremators now being removed, and a new one installed and operational, while the second new cremators is currently being installed due to be handed over late January 2022. The new Chapel build commenced on the 6th April but had to stop due to ecological issues. Following the receipt of the Great Crested Newt licence on 1st June 2021, works resumed but pushed the handover back from April 2022 to May 2022. The programme has since experience another delay, due to having to stop the erection of the steel frame until 29th September until a section 73 to vary a planning condition had been approved. This has pushed back the handover date for the new Chapel from 26th May 2022 to 13th June 2022.
26	Dolphin Centre Soft Play / Bowling Alley	Services	£1,784,687	£1,784,687	31-Mar-21	19-Mar-21	Complete.
27	Railway Heritage Quarter	Services	£20,055,000	£20,000,000	30-Sep-24		The planning application for the scheme was submitted on 11th June and is now in the determination period. Planning is due shortly. The Design team continue to work on the RIBA Stage 4 design and logistics proposals for the build stage are being pulled together.
28	Crown Street Library Refurbishment	Services	£3,130,436	£3,284,530	08-Mar-23		Scaffolding works have begun. Roof works scheduled to commence w/o 4/01/22
174	RedHall SEND	People	£1,637,998	£1,637,998	19-Mar-21	31-Oct-21	All phases complete - CP4 being drafted. End of defects periods are listed below SEND extension – May 2022, Carpark resurfacing - September 2022, Path resurfacing - October 2022
175	Rise Carr SEND	People	£2,516,568	£2,516,568	03/19/2021	31-Oct-21	All phases complete - CP4 being drafted. End of defects periods are listed below, Roofing works – September 2021, Condition works to sport hall – April 2022, Window replacement – October 2022, Internal remodel - October 2022

Capital Project Position Statement**Appendix 1**

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Ref No	Title	Client	Approved Budget	Outturn Forecast	Planned Completion	Actual Completion	Comment
226	Ingenium Parc Masterplan + Infrastructure	Chief Exec and Economic Growth	£4,877,093	£4,877,093	30-May-22		The new planning application was validated on 24th August 2021. The endstop date for planning approval is 24th November 2021. 3 items were outstanding on the planning permission, Highways England approval, DBC Highways & Bio net diversity gain. The two highway issues have been resolved and DBC Ecologist is finalising the report to issue to planning in order to provide planning permission. Teams meeting held with Seymours and it was decided to split the works into 2 stages in order to undertake the installation of the drainage within the ecological sensitive areas before 28th Feb 2022. The works have been split into 2 stages, 1 which just involves vegetation clearance (grass/shrub cutting) which have been given permission to commence straightaway and construction of the drainage(after Christmas) only once planning approval received. Stage 2 (Basin and associated works and Landscaping won't commence until April/May 22.
228	Feethams House	Chief Exec and Economic Growth	£8,500,000	£8,460,880	15-May-20	15-May-20	Project complete and handed over. Treasury to take lease of whole building for min 3 years. Lease in travelling draft form to be completed shortly.
233	Innovation Central	Chief Exec and Economic Growth	£8,599,854	£8,599,854	31-Aug-22		Construction work is ongoing. Foundations and ground beam complete. Commencement of Steel erection. Presently on programme.
234	Demolition at Union Street	Chief Exec and Economic Growth	£210,000	£210,000	20-Nov-20	14-Dec-20	Demolition has been completed
236	Clarks and Buckton's Yards Improvements	Chief Exec and Economic Growth	£500,000	£505,000	30-Mar-22		Works to the Green Wall, Wall Art and Welcome Signage from High Row; although been finalised in design, because of the weather and the upcoming busy Christmas period, are being re scheduled until the new year to ensure minimal disruption to the businesses. This will have an impact on the spend profile in that monies although fully committed but not spend fully until March 2022.
237	Central Park Mound Removal and Transformation	Chief Exec and Economic Growth	£2,650,000	£2,650,000	30-Jun-22		Framework Agreement for Pre-Construction works Signed to allow Full Surveys. Works to Northern Access Road 99% complete. Final 'Black Top' will be done at the conclusion of the Innovation Centre works. Land Survey Works complete Detailed reports for each plot being created. Landscape Designer Preparing Planning and Pre Planning documentation for the Project. Planning Application for the Southern and Western access Roads currently being reviewed.
238	Post House Wynd	Chief Exec and Economic Growth	£100,000	£50,000	30-Apr-22		Initial Property Works Complete small snagging elements are being sorted. Project subject to Evaluation
239	Station Gateway East	Chief Exec and Economic Growth	£12,934,732	£12,934,732	17-May-24		Pensbury/Victoria road party wall agreement started as has Hogans. Utility disconnections have been requested on Profix, Exhaust A Fix and 14 Neasham Road

Capital Project Position Statement**Appendix 1**

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Ref No	Title	Client	Approved Budget	Outturn Forecast	Planned Completion	Actual Completion	Comment
240	Station Gateway West	Chief Exec and Economic Growth	£1,996,771	£1,996,771	21-Dec-23		Design progressing by Fairhurst/Sanderson. Planning approval granted. Currently in RIBA Stage 4.
241	Station Gateway Demolitions	Chief Exec and Economic Growth	£1,445,234	£1,445,234	31-Oct-22		Pensbury/Victoria road party wall agreement started as has Hogans. Utility disconnections have been requested on Profix, Exhaust A Fix and 14 Neasham Road
242	Station Gateway CPO & Acquisitions	Chief Exec and Economic Growth	£8,077,262	£8,077,262	11-Nov-22		Public Inquiry to be held 18th-21st January in Central Hall. The Inspector will consider both the CPO & Stopping Up order. Witnesses identified and Proofs (witness statements/evidence) to be submitted to the Inspector by 21st December. Counsel appointed: Richard Moules, Landmark Chambers.
320	Salix Low Carbon Works	Services	£443,000	£443,000	28-Jan-22		Mechanical Site works commenced 28th June and are now complete. PV installation at Town Hall is to commence shortly
451	East Haven Housing	Operations	£5,402,952	£5,402,952	01-Feb-24		41 units Design produced, but access arrangements are subject to complex legal agreements so delaying progress. It is likely it won't proceed until late 2022/23, but DBC resources will be fully committed delivering other housing sites.
461	Allington Way - Phase 3	Operations	£8,638,250	£8,624,580	31-May-22		56 units A market shortage of bricklayers had pushed the programme back. Other trade shortages pose a threat going forward.
462	Skinnergate Re-development Housing	Operations	£4,950,000	£4,950,000	01-Jun-23		16 units residential units Proposed site layout developed. Planning permission secured 09/08/21, RIBA Stage 4 design underway and services disconnections are in progress
464	IPM (Internal Planned Maintenance) Programme 2020 /21	Operations	£2,239,000	£2,239,000	31-Mar-23		Programme will cover the 20/21 and the 21/22 properties. Work to commence in April 2022
465	Central Heating Programme 2020/21	Operations	£1,946,719	£1,946,719	31-Mar-22		Programme has started to cover the 20/21 and the 21/22 properties. 21/22 properties will commence in February 22.

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Ref No	Title	Client	Approved Budget	Outturn Forecast	Planned Completion	Actual Completion	Comment
468	Replacement Door Programme 2020/21	Operations	£725,638	£725,638	31-Mar-23		Programme has started to cover the 20/21 and the 21/22 properties
469	Windows Replacement Programme 2020/21	Operations	£1,000,000	£1,000,000	31-Mar-23		Programme has started to cover the 20/21 Haughton & Springfield Areas & the 21/22 Lascelles Programme. To maximise grant funding the windows programmes have been combined alongside additional grant funded properties. This will mean grant eligible properties will be installed first to meet grant tight timescales, with the remaining properties being completed after that.
472	Roof replacement and repointing 2021-22	Operations	£1,000,000	£1,000,000	31-Mar-22		Haughton Scheme has commenced (est £850k). Works planned to re-roof the main roof and the side flat roofs and repoint the whole building. £150k committed to responsive works properties.
473	External works 2021-22	Operations	£414,000	£414,000	31-Mar-22		Works to replace fencing to front and rear gardens (Fencing in Albert Hill c£270k & Redhall c£144k)
474	Communal flat entrance door and door entry replacement 2021-22	Operations	£187,144	£187,144	31-Mar-22		Works to replace communal entrance doors and door entry systems (Henry Street & North Road c£140k) & Responsive replacements c£47k
475	Garages 2020-22	Operations	£151,828	£151,828	31-Mar-22		Works to demolish prefab garages and fence off gardens to provide off-street parking bays at Lascelles
476	Repairs before painting and External Decoration 2021-22	Operations	£60,000	£60,000	31-Mar-22		To complete pre-paint repairs and external decoration in line with the 5 year programme Capital Works - H6234 (£60k) Revenue - 66025 (£240k)
477	LAD 1b funded loft insulation upgrade 2021-22	Operations	£958,596	£958,596	31-Mar-22		LAD1b - Loft insulation work complete. Windows Contractor onsite delivering. Additional funding agreed by BEIS
478	LAD 1b funded window replacement 2021-22	Operations	£874,412	£874,412	31-Mar-22	30-Sep-21	LAD1b - Loft insulation work complete. Windows Contractor onsite delivering. Additional funding agreed by BEIS
479	Sherborne Close Phase 2	Operations	£2,750,019	£2,750,019	31-Mar-23		22 units Planning approved November 2021. Starting on site January 2022.

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Ref No	Title	Client	Approved Budget	Outturn Forecast	Planned Completion	Actual Completion	Comment
480	Neasham Rd	Operations	TBC	TBC	31-Mar-26		150 units Design nearly completed. ESH on-site since May 2021 to build out drainage and road layouts. DBC housing programme to begin in first quarter of 2022.
481	Meynall Road	Operations	TBC	TBC	30-Nov-23		16 units Planning Application submitted. Decision not anticipated before February 2022.
482	LAD2 Funding	Operations	TBC	TBC	31-Dec-22		LAD2 Funding to provide a range of energy efficiency measures across Private Sector and Social Housing(Including Solar, EWI and ASHP)
484	Adaptations / Lifts	Operations	£283,733	£283,733	31-Mar-22		Ad-hoc requests to carry out Social care adaptations in tenants homes.
485	Lifeline Services	Operations	£96,981	£96,981	31-Mar-22		To support infrastructure work required to transition lifeline analogue lines across to digital. This also supports refurbishment works required within schemes.
628	Houghton Road/Tornado Way	Services	£1,539,433	£1,539,433	31-Jul-21	31-Jul-21	Scheme to include VRS on Arnold bridge + extra surfacing on Houghton Road. Scheme complete
636	S & D Trackbed	Services	£237,033	£237,033	31-Mar-21	30-Nov-21	Planning approval was received on 20th August 2019. Retention held due to grass seeding works. Due for release December 2021. Also repair required for flood damaged stretch. Scheme complete.
639	Victoria Road Access to Station	Services	£1,025,000	£1,025,000	31-Jul-21	31-Jul-21	Signed offer letter received from TVCA. Scheme complete awaiting final costs. Stage 3 Safety Audit issues need to be resolved.
640	A68 Woodland Road	Services	£1,702,408	£1,702,408	30-Jun-22		Scheduled start 15 November 2021 on Woodland Road. Possible increase in costs due to price increase of materials.
642	Walking/Cycling Route MSG Yarm Road/Mill Lane	Services	£150,000	£150,000	31-Mar-22		Scheduled for 2021/22. Health & Safety compliance required. May need to reprocur. Sustrans to fund A67 works.
643	Skinnergate & Indoor Market	Services	£120,000	£120,000	31-Mar-22		Ongoing design works complete. Meeting required to discuss Indoor market options.

Capital Project Position Statement

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Ref No	Title	Client	Approved Budget	Outturn Forecast	Planned Completion	Actual Completion	Comment
TBC	Darlington Station Enabling Works	Chief Exec and Economic Growth	£546,000	£546,000	01-Aug-22		Planning application going to committee in Jan 22, Fairhurst Engineers instructed to progress towards completion of Stage 4 design Feb 22, based on feedback from Planning. Highways civils team engaged early as preferred contractor, start of site aimed for April 22. Target is to agree performance spec with LNER/NR pre Christmas to achieve the above dates.
			138,926,780	138,928,084			

Project	Project Ref Number	CPI Start Up	CPI Start Initiate	CPI Define	CPI Phase	CPI Evaluate	Status Symbol	Status	Client Department	Delivery Department	Internal Project Sponsor	Internal Project Manager	Cost Centre	Original Project Budget (CPI)	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	Revised Approved Project Completion Date	Anticipated or Actual Project Completion Date	Schedule Variation (Days)	Risk Log Used	CDM Notifiable Project (Yes/No)	Principal Designer	Progress Plan / Schedule	Progress Budget	Progress Issues	Lead Consultant	Contracts In Place	Contract Type / Form	Contract With	Contract Value
A68 Woodland Road Outramp Street Duke Street							●	Live	Services	Services	Andy Carey	Sue Dodson	TP240	£460,000	£460,000	£1,242,408	£1,702,408	£1,702,408	%	ED	31/03/2022	30/06/2022	30/06/2022	0	Yes	Yes	Noel Walicki	Scheduled start 15 November 2021 on Woodland Road. Possible increase in costs due to price increase of materials.	Funding is £975,000 LGF + £300,000 LTP	None		DBC	Agreed Contract Rates	DBC	£589,540.00
Adaptations Life							●	Live	Operations	Operations	Cheryl Williams	Matthew Pews	H6230	£283,732	£283,732		£283,732	£283,732	%	ED	31/03/2022	31/03/2022	31/03/2022	0	Yes	Yes	Matthew Pews	Ad-hoc requests to carry out Social care adaptations in tenants homes.	2021 budget slippage £84k + 2122 Approved £200k			Ad Hoc		Ad Hoc	
Arlington Way - Phase 3							▲	Live	Operations	Operations	Anthony Sandys	Ian Stewart	H6743	£8,623,253	£8,623,253	£14,997	£8,638,250	£8,624,580	%	ED	26/02/2022	31/05/2022	31/05/2022	0	Yes	Yes	Mike Brown	56 units a market shortage of bricklayers had pushed the programme back. Other trade shortages pose a threat going forward.	On budget but delays as noted are creating a pressure on costs.	1. Homes England funding decision currently in abeyance. 2. A market shortage of trades threaten programme.		Main works	In spirit of JCT	Building Services	£8,105,434.00
Central Heating Programme 2021-22							●	Live	Operations	Operations	Cheryl Williams	Matthew Pews	H6231	£1,946,719	£1,946,719		£1,946,719	£1,946,719	%	ED	31/03/2021	31/03/2022	31/03/2022	0	Yes	Yes	Matthew Pews	Programme has started to cover the 2021 and the 2122 properties. 2122 properties will commence in February 22.	2021 budget slippage £932k + 2122 Approved £1,015M. The budget has been adjusted to allow the completion of the properties for both years to be completed this financial year.			Main contractor DBC	In spirit of JCT contract.	Building Services	£1,947,000.00
Central Park Mound Removal and Transformation							●	Live	Chief Exec and Economic Growth	Chief Exec and Economic Growth	Anthony Hewitt	Michael Bowron	RO172	£300,000	£2,350,000		£2,650,000	£2,650,000	%	ED	31/03/2022	30/06/2022	30/06/2022	0	Yes	Yes	WDC	Landscape Designer Preparing Planning and Pre Planning documentation for the Project. Planning Application for the Southern and Western access Roads currently being reviewed.	Overall Budget for the site works is circa £2,650,000.00 to cover contamination removal, Landscaping and development plot preparation. The remaining monies agreed are to be used against the Innovation Centre within Central Park.	There is still uncertainty around the Treasury North proposals however the project is continuing and any abortive works will be kept to a minimum. A Clear Critical Path is being established which will be used to highlight where other works can be expedited which should reduce some pressures on the project. Where possible works are being scheduled to facilitate and assist them whilst ensuring minimum impact on the Central Park Landscape works. Mitigation and rescheduling options are being looked at should there be delays with obtaining Planning Permission for the works.		Pre Construction and Construction Projects through Procurement Hub now signed and sealed.	Framework Agreement	Willmott Dixon Construction	£1,200,000.00
Civic Theatre Refurbishment & Theatre Hub/Studio							●	Live	Services	Services	Ian Thompson	Brian Robson	LO115	£50,000	£50,000	£16,019,000	£16,069,000	£16,069,000	%	ED	01/08/2013	06/11/2017	06/11/2017	0	Yes	Yes	Todd Miburn	Works complete. Activity plan elements are still being delivered up to November 2021, report to be submitted to NLHF.				SCAPE	NECS	Willmott Dixon	£12,885,288.00
Clarks and Buxtons Vests Improvements							●	Live	Chief Exec and Economic Growth	Chief Exec and Economic Growth	Chris Mans	Michael Bowron	RO176	£350,000	£150,000		£500,000	£500,000	1%	ED	31/03/2021	30/03/2022	30/03/2022	0	Yes	Yes	DBC	Works to the Green Wall, Wall Art and Welcome Signage from High Row; although been finished in design because of the weather and the upcoming busy Christmas period, are being rescheduled until the new year to ensure minimal disruption to the businesses. This will have an impact on the agreed profile that monies although fully committed but not spent fully until March 2022.	The original £350K was an estimated projection with a realistic deliverable amount of circa £300K. Works costs are circa £440K with the remainder fees and costs.	Delays initially because of Covid Restrictions have created the need to move much of the projects remaining work back until 2022. To ensure minimum disruption over the Christmas period. However works are being programmed in to ensure the required spend is achieved within the financial year.		With Darlington Contract Services	In the spirit of JCT	DBC	£350,000.00
Communal flat entrance door and door entry replacement 2021-22							●	Live	Operations	Operations	Cheryl Williams	Matthew Pews	H6243	£187,144	£187,144		£187,144	£187,144	%	ED	31/03/2022	31/03/2022		0	Yes	Yes	Matthew Pews	Works to replace communal entrance doors and door entry systems (Henry Street & North Road c£140k) & Responsive replacements c£47k.	2021 budget slippage £87k + 2122 Approved £100k.			Securedshield	In spirit of JCT	Securedshield	£140,000.00
Crown Street Library Refurbishment							▲	Live	Services	Services	Ian Thompson	Richard Storey	LO148	£2,910,436	£2,910,436	£220,000	£3,130,436	£3,284,530	5%	ED	01/12/2020	08/03/2023	08/03/2023	0	Yes	Yes	Mike Brown	Scaffolding has begun. Roof works scheduled to commence w/ 40/1/22	Currently £154k over agreed budget - however funding bid to LfP in place. Also we are investigating the potential for a reduction in the provisional sums; and a scaffold price reduction is likely to bring the overrun further towards budget.	Start approved.		Consultants - MAE Design	Standard T & C Internal - Building Services	DTA	£2,658,250.00
Darlington Station CPO & Acquisitions							●	Live	Chief Exec and Economic Growth	Chief Exec and Economic Growth	Dave Winstanley	Julia McCabe	RO170	£8,077,262	£8,077,262		£8,077,262	£8,077,262	%	ED	10/10/2022	11/11/2022	11/11/2022	0	Yes	Yes	N/A	Public Inquiry to be held 18th-21st January in Central Hall. The Inspector will consider both the CPO & Stopping Up order. Witnesses identified and Froods (witness statements/evidence) to be submitted to the Inspector by 21st December. Counsel appointed: Richard Moules, Landmark Chambers.	Fees proposals currently within budget based on a 4 day Public Inquiry.	Work ongoing to remove as many objections as possible before the Inquiry. Heads of Terms for land transaction agreed with Network Rail and LNER and their objections to the CPO have been withdrawn. 8 objections remain.		1. CPO Legal advice	Standard T&Cs	Ward Hadenby Richard Moules, Landmark Chambers	£120,000.00
Darlington Station Demolitions							●	Live	Chief Exec and Economic Growth	Chief Exec and Economic Growth	Anthony Hewitt	Deborah Holland	RO165	£1,322,940	£1,322,940	£122,294	£1,445,234	£1,445,234	%	ED	31/10/2022	31/10/2022	31/10/2022	0	Yes	Yes	A & N Consultants	Pensbury/Victoria road party wall agreement started as has Hogans. Utility disconnections have been requested on Profits, Ebbwax A Fx and 14 Neaburn Road	Budget agreed at £1,445,234 for all demolitions required.	Some properties have party walls to deal with		TBC	Demolition Framework	TBC	£1,332,940.00
Darlington Station Enabling Works							●	Live	Chief Exec and Economic Growth	Chief Exec and Economic Growth	Anthony Hewitt	Ben Waldie	RO181	£546,000			£546,000	£546,000	%	ED	15/07/2022	01/08/2022	01/08/2022	0	Yes	Yes	Graeme Smith Fairhurst	Planning application going to committee on Jan 22. Fairhurst Engineers instructed to progress towards completion of Stage 4 design Feb 22, based on feedback from Planning. Highwayists team engaged early as preferred contractor, start of site aimed for April 22. Target is to agree performance spec with LNER/NR pre Christmas to achieve the above dates.	£546,000 allocated from wider project to fund to provide temporary car park, based on initial cost plan. Fairhurst currently undertaking cost comparison of different parking reverse control systems to identify any risk/opportunity with original cost plan. Separately, revised cost plan to be provided with Stage 4 report.	Condition of existing boundary wall has worsened since cattle market demolition, removal survey due this week is likely to highlight a degree demolition/repair works to make safe. Planning decision delayed due to 3 objections, supporting information being submitted before Christmas. Surface water drainage design philosophy is not in line with LLFA standard procedure, due to carpark's temporary nature to reduce project costs. LLFA consultation comments being chased.	Fairhurst	Design services contract with Fairhurst under negotiation	Works & Services contract	Fairhursts	£44,065.00
Darlington Station Gateway East							●	Live	Chief Exec and Economic Growth	Chief Exec and Economic Growth	Dave Winstanley	Richard Storey	RO149	£12,934,732	£12,934,732		£12,934,732	£12,934,732	%	ED	31/03/2024	17/05/2024	17/05/2024	0	Yes	Yes	Napper Architects	Stage 3 Design completed subject and agreed with Network Rail. Planning approved 29/09. Stage 4 Design commences 04/11 October. 2021 Initial AMP May 22. Main construction works to commence October 22.	Stage 3 cost estimate returned at £23,620,867. Main reason for increase due to addition of station shell, rounda entrance enhancement, NR & planning requirements. Discussions ongoing with TfCA and DfT to increase in overall allocation/savings opportunities. Total scheme costs across all three areas £116m est against £105m budget.	Budget pressures due to market and NR requirements. CPO decision is outstanding. Site construction phasing and logistics with NR are highly complex. DBC have agreed to help with some aspects of NR project so an agreed budget provided by NR needs to be agreed to ensure the delivery of the full scheme.	WDC	Stage 3 & 4 Design	NEC Professional Services Development Agreement through SCAPE	Willmott Dixon Construction	£1,052,699.00
Darlington Station Gateway West							●	Live	Chief Exec and Economic Growth	Chief Exec and Economic Growth	Dave Winstanley	Julia McCabe	RO169	£1,600,000	£1,815,246	£181,525	£1,996,771	£1,996,771	%	ED	21/12/2023	21/12/2023	21/12/2023	0	Yes	Yes	Noel Walicki DBC	Design progressing by Fairhurst/Sanderson. Planning approval granted. Currently in RBA Stage 4.	£2,202,533 (£1,915,246 + 15% risk Stage 3 to be reduced to 10% end Stage 4)	One property left to be acquired on west side therefore CPO dates will determine demolition and subsequent construction start date.		Fairhursts appointed through Willmott Dixon contract for Station Gateway East	N/A	N/A	Inc. in above (CEI 02) £45,450
Demolition of Church & Cottages Cottage Union Street							●	Live	Chief Exec and Economic Growth	Chief Exec and Economic Growth	Dave Winstanley	Brian Robson	RO169	£115,000	£96,000	£210,000	£210,000	£210,000	%	ED	14/08/2020	14/12/2020	14/12/2020	0	Yes	Yes	Steel River	Demolition has been completed	Extra budget costs have been attributed to: Rat removal and extra asbestos removal and an extension to the bat license had to be sought (£45,000) Further budget costs are needed for problems with the party wall (TBC) Extra funding as necessary to be funded from the Indigenous Growth Fund. Site has now been fenced off.	Awaiting Party Wall Agreement		Demolition Framework	Framework Agreement	Thompson of Prudhoe	£115,000.00
Dolphin Centre Bowling Alley & Soft Play							▲	Live	Economic Growth & Neighbourhood	Economic Growth	Ian Thompson	Richard Storey	DO174	£1,600,000	£184,687		£1,784,687	£1,784,687	%	ED	27/11/2020	27/11/2020	19/03/2021	112	Yes	Yes	Mike Brown	Complete	On revised budget	Complete		In House delivery	In spirit of JCT intermediate	In House no contract	£1,731,721.00
East Haven Housing							●	Live	Operations	Operations	Anthony Sandys	Ian Stewart	H6747	£5,402,952	£5,402,952		£5,402,952	£5,402,952	%	ED	30/06/2021	01/02/2024	01/02/2024	0	Yes	Yes	Mike Brown	41 units Design produced, but access arrangements are subject to complex legal agreements so delaying progress. It is likely it won't proceed until late 2022/23, but DBC resources will be fully committed delivering other housing sites.	CPI budget estimate being produced	Resolution of 4-way legal agreements are delaying progress.		Internal	In Spirit of JCT	Internal	TBC
Energy Efficiency							●	Live	Operations	Operations	Cheryl Williams	Matthew Pews	RO171	£1,000,000	£1,000,000	£41,404	£958,596	£958,596	%	ED	31/03/2022	31/03/2022	31/03/2022	0	Yes	Yes	Matthew Pews	LAD15 - Loft insulation work complete. Windows Contractor onsite delivering LAD2 - E.ON are starting to make contact with tenants 'BWD' - Awaiting decision	Budget Agreed for match funding (£1m) which will be supported by Great LAD1b - £422k LAD2 - £220k (This is max as the grant is shared with Private Sector Housing and this assumes only LA Social housing properties are completed)			Supporting LAD1b & LAD2 contracts	LAD1b - Anglian Novost/13 LAD 2 - E.ON (Via TVCA)	£41,404.00	
External works 2021-22							●	Live	Operations	Operations	Cheryl Williams	Matthew Pews	H6237	£414,000	£414,000		£414,000	£414,000	%	ED	31/03/2022	31/03/2022	31/03/2022	0	Yes	Yes	Matthew Pews	Works to replace fencing to front and rear gardens (Fencing in Albert Hill c£270k & Redhall c£144k)	2021 budget slippage £214k + 2122 Approved £200k.	Due to supply chain issues the contractor has completed the works at Albert Hill and are prioritising the responsive repairs. They are awaiting materials to allow works to start on Redhall estate.		Deerness	In spirit of JCT	Deerness	£270,000.00

Project Description	Status	Phase	Operational	Lead	Contractor	TP Ref	Budget	Actual	Variance	%	DD	Start	End	Open	Yes	Yes	Lead	Notes	Budget	Notes	Contractor	Notes	Notes	Notes	Notes							
Roof replacement and repointing 2021-22	●	Live	Operations	Operations	Cheryl Williams	Mathew Plews	H625	£1,000,000	£1,000,000		£1,000,000	£1,000,000	%	ED	31/03/2022	31/03/2022	31/03/2022	0	Yes	Yes	Noel Walecki	Houghton Scheme has commenced (est £850k). Works planned to re-roof the main roof and the side flat roofs and repair the whole building £100k committed to responsive works properties.	Budget Agreed			Engle	In spirit of JCT	Engle	£1,000,000.00			
S & D Trackbed	●	Live	Services	Services	Sue Dobson	Sue Dobson	TP922	£237,033	£170,000	£67,033	£237,033	£237,033	%	ED	30/06/2020	31/03/2021	30/11/2021	244	Yes	Yes	Noel Walecki	Planning approval was received on 20th August 2019. Retention held due to grass seeding works. Due for release December 2021. Also repair required for floor damaged stretch. Scheme complete.	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	Bramblewood Landscapes	£212,934.00			
Salk Low Carbon Works	▲	Live	Services	Services	Kevin McDade	Brian Robson	R0168	£28,000	£443,000	£443,000	£443,000	£443,000	%	ED	30/09/2021	30/09/2021	28/01/2022	120	Yes	Yes	Thomson Firkir	Mechanical Site works commenced 28th June and are now complete. PV installation at Town Hall is to commence shortly	Budget is solely from external funder Salk	Electrical tender was over budget and has been re-tendered	Desco	Mechanical Elements - Geoffrey Robinson	Geoffrey Robinson	£246,000.00				
Sherborne Close Phase 2	●	Live	Operations	Operations	Anthony Sandys	Ian Stewart	H6749	£2,375,962	£2,375,862	£374,067	£2,750,019	£2,750,019	%	ED	30/06/2022	31/03/2023	31/03/2023	0	Yes	Yes	Mike Brown	22 units Planning approved November 2021. Starting on site January 2022.	TBC	Due to shortages of materials, high costs of materials and the shortage of some labour, ongoing project uncertainties remain.	Internal	Internal	Spirit of JCT	Internal	£2,750,019.00			
Skinnersgate & Indoor Market	●	Live	Services	Services	Andy Casey	Noel Walecki	TP148	£120,000	£120,000		£120,000	£120,000	%	ED	31/03/2022	31/03/2022	31/03/2022	0	Yes	Yes	Noel Walecki	Ongoing design works complete. Meeting required to discuss Indoor market options.	£120,000 from Advanced Design budget	None		DBC	Agreed Contract Rates	DBC				
Skinnersgate Re-development Housing	▲	Live	Operations	Operations	Mark Ladyman	Brian Robson	H6748	£4,950,000	£4,950,000		£4,950,000	£4,950,000	%	ED	31/03/2022	01/06/2022	01/06/2023	365	Yes	Yes	Mike Brown	16 units residential units Proposed site layout developed. Planning permission secured 09/06/21, RIBA Stage 4 design underway and services disconnectors are in progress	Budget still being refined.	1. Initial surveys undertaken, which reveal major loss of structure to heritage building and adjacent property. 2. Historic England opposition to designs are now addressed but significant delays have ensued.	Space Architects	Services Contract	Via Bloom Framework	SPACE	£368,795.00			
Victoria Road Access to Station	●	Live	Services	Services	Andy Casey	Sue Dobson	TP818	£1,025,000	£1,025,000		£1,025,000	£1,025,000	%	ED	31/03/2020	31/07/2021	31/07/2021	0	Yes	Yes	Noel Walecki	Signed offer letter received from TUVCA. Scheme complete awaiting final costs. Stage 3 Safety Audit issues need to be resolved.	Funding is £875,000 LGF + £300,000 LTP	None		DBC	Agreed Contract Rates	DBC	£589,540.00			
Walking Cycling Route M50 Yarn Road Mill Lane	●	Live	Services	Services	Andy Casey	Sue Dobson	TP241	£150,000	£150,000		£150,000	£150,000	%	ED	31/03/2022	31/03/2022	31/03/2022	0	No	Yes	Noel Walecki	Scheduled for 2021/22. Health & Safety compliance required. May need to reprocure. Substrats to fund A&P works.	LTP	None		DBC	Agreed Contract Rates	DBC				
West Cemetery Development	●	Live	Services	Services	Ian Thompson	Brian Robson	R0154	£4,900,000	£4,900,000	£1,500,000	£6,400,000	£6,400,000	%	ED	31/03/2021	23/05/2022	13/06/2022	21	Y	Y	Todd Milburn	The original programme of 1st April 2020 to 31st March 2021 was postponed by 1 year due to pandemic. Works commenced on the existing Crematorium building on 6th April 2021. Works are progressing well, and the handover is still on track for late March 2022. The crematorium installations (July 2021 - January 2022) are on programme, with all three of the old crematoriums now being removed, and a new one installed and operational, while the second new crematorium is currently being installed due to be handed over late January 2022. The new Chapel build commenced on the 6th April but had to stop due to ecological issues. Following the receipt of the Great Crested Newt licence on 1st June 2021, works resumed but pushed the handover back from April 2022 to May 2022. The programme has since experience another delay, due to having to stop the erection of the steel frame until 29th September until a section 73 to vary a planning condition had been approved. This has pushed back the handover date for the new Chapel from 28th May 2022 to 19th June 2022.	Cabinet agreed £1.5m additional funding on the 6th March 2021, taking the overall budget to £6.4m. Construction contract sum received and agreed at £4,499,416.81 on 08/10/21. Currently on budget and the client has a contingency allowance, to deal with variations to the contract, while on site.	An additional planning application detailing the new burial areas A&D, was validated on 17/021 and will run until 22/11/21. The Environment Agency have objected to the proposal however the Design team have worked with them in regards to their comments and they have agreed to condition the need for ground water monitoring before burial can take place. The new fence along the southern boundary has been installed and the trees along this section will be planted in the New Year. Natural England red line boundary of the site has been extended to now include the pond area. Localised clearance works started on 27th November and will continue each Saturday until the end of the year, with an Ecologist present. This will then allow the Design team to undertake the relevant surveys to enable a scope of works to be drafted in the New Year. A section 73 has been submitted to encapsulate the non-material amendments on the project, and the additional contract facts on the existing Crematorium roof. The heritage impact assessment needs updating to support the application, once this has been submitted the application can be validated.	Align - Architect Rose Project Management - Specialist Crematoria, Crematoria and Consultancy/od of Milburn - Principal Designer/Facilitator Technologies - Crematorium supplier Octus - Audit and visual provider Tresha - Specialist furniture provider	JCT	Building Services	£4,499,354.00				
Windows Replacement Programme 2021-22 Housing	●	Live	Operations	Operations	Cheryl Williams	Mathew Plews	H6241	£1,000,000	£1,000,000		£1,000,000	£1,000,000	%	ED	31/03/2021	31/03/2022	31/03/2023	365	Yes	Yes	Matthew Plews	Programme has started to cover the 2021 Haughon & Sornfield Areas & the 21/22 Lascelles Programme. To maximise grant funding the windows programmes have been combined alongside additional grant funded properties. This will mean grant eligible properties will be installed first to meet grant tight timescales, with the remaining properties being completed after that.	2021 budget slippage £500k + 21/22 Approved £300k	Due to contractor delivery timescales and grant funding deadlines, programme properties are unlikely to start until April 22. These will be done ahead of 22/23 Programme	Anglian	In spirit of JCT	Anglian	£1,000,000.00				
Total								Sum of PPSO Original Project Budget	Sum of PPSO Initial Approved Budget	Sum of PPSO Increase To IAB	Sum of PPSO Current Approved Budget	Sum of PPSO Project Expected Outturn Cost	Sum of PPSO Variance Value																			
								£38,526,792	£102,984,975	£36,811,700	£138,928,780	£138,928,084	£1,304																			

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2021/22 Capital Resources Summary

Row Ref.		Approved Commitments £M	Virement of Resources £M	Variance £M	Total £M
1	Capital Commitments				
2	Brought forward from 2020/21	140.319			
3	2021/22 Capital Programme (released by Cabinet)	43.170			183.489
4	Projected (Under)/Over Spend				
5	Total Commitments	183.489	0.000	0.000	183.489
	To Be Funded By:				
	External and Departmental Resources				
6	External Funding and Departmental Supported Borrowing	5.856	-	-	5.856
7	Departmental Unsupported Borrowing	0.000	-	-	(0.000)
8	Capital Grants	79.157	-	-	79.157
9	Capital Contributions	1.248	-	-	1.248
10	Revenue Contributions	23.278	-	-	23.278
11	Capital Receipts - HRA	0.303	-	-	0.303
	Total	109.842	0.000	0.000	109.842
	Corporate Resources				
12	Capital Receipts (General Fund)/ Prudential Borrowing	73.647	-	-	73.647
	Total	73.647	0.000	0.000	73.647
13	Total Resources	183.489	0.000	0.000	183.489

Corporate Resources Analysis

	£M	
14	Required Resources to fund 2021/22 expenditure (see above)	73.647
15	Total Planned Use of Corporate Resources	73.647
16	Add: Total Projected Capital Receipts (as per Appendix 4)	3.725
17	Less: projects already released and included in the capital commitments above	(3.809)
18	Corporate Resources required to fund capital programme	73.563

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Capital Receipts Utilisation - latest projection

	2021/22	2022/23	2023/24
	£m	£m	£m
Projected Opening Balance as at 1 April	0.662	(3.725)	0.481
Projected Capital Receipts	0.716	5.231	12.279
Total projected Capital Receipts	1.378	1.506	12.760
<u>Less (as per approved capital programme)</u>			
Capitalisation utilisation as per MTFP	(1.030)	0.000	0.000
Council funded schemes	(1.843)	(0.400)	(0.400)
Economic Growth Investment Fund	(0.923)	0.000	0.000
Slippage from previous years	(0.936)	0.000	0.000
Earmarked Receipts included in opening balance	(0.371)	0.000	0.000
Earmarked receipts for Neasham Road	0.000	(0.500)	(1.000)
Earmarked receipts for St Modwens	0.000	0.000	(1.000)
Earmarked receipts for Burtree GV	0.000	(0.125)	(1.250)
Projected available Cap Receipts as at 31 March	(3.725)	0.481	9.110

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**ECONOMY AND RESOURCES SCRUTINY COMMITTEE
3 February 2022**

REVENUE BUDGET MONITORING – QUARTER 3

SUMMARY REPORT

Purpose of the Report

1. To consider the revenue outturn 2021/22 – Quarter 3 report.

Summary

2. Attached at **Annex 1** is the revenue outturn 2021/22 – Quarter 3 report which is due to be considered by Cabinet at its meeting on 8 February 2022

Recommendation

3. It is recommended that Members consider and discuss the revenue outturn 2021/22 – Quarter 3 report.

**Brett Nielsen
Assistant Director Resources**

Background Papers

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

Brett Nielsen: Extension 5403

S17 Crime and Disorder	There are no specific crime and disorder implications in this report.
Health and Wellbeing	There are no issues relating to health and wellbeing 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	1. The report does not require a key decision. 2.
Urgent Decision	The report does not require an urgent decision.
Council Plan	The subject matter of the report, the Councils financial standing and financial management, is critical to delivery of the Council Plan, 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

**CABINET
8 FEBRUARY 2022**

REVENUE BUDGET MONITORING – QUARTER 3

**Responsible Cabinet Member -
Councillor Scott Durham, Resources Portfolio**

**Responsible Director -
Elizabeth Davison, Group Director of Operations**

SUMMARY REPORT

Purpose of the Report

1. To provide a forecast of the 2021/22 revenue budget outturn as part of the Council's continuous financial management process.

Summary

2. This is the third revenue budget management report to Cabinet for 2021/22. The latest projections show an overall improvement of £4.847m. This is due to £2.317m of additional balances following the 2020/21 outturn, £0.993m of resources returned to reserves, £0.196m of projected departmental overspends in 2021/22, a £0.729m increase in corporate resources and a net £1.004m required from the Covid 19 reserve (a total drawn down from the reserve of £1.474m to fund the departmental covid costs and £0.470m to refund the shortfall in government grant for Sales, Fees and Charges in corporate resources).

Recommendation

3. It is recommended that:-
 - (a) The forecast revenue outturn for 2021/22 be noted.
 - (b) Further regular reports be made to monitor progress and take prompt action if necessary.
 - (c) The carry forwards requested are agreed.
 - (d) That a ring fenced reserve be created for a 2025 Rail Heritage fund.

Reasons

4. The recommendations are supported by the following reasons:

- (a) To continue effective management of resources.
- (b) To continue to deliver services to agreed levels

Elizabeth Davison
Group Director of Operations

Background Papers

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

Brett Nielsen : Extension 5403

S17 Crime and Disorder	There are no specific crime and disorder implications in this report.
Health and Wellbeing	There are no issues relating to health and wellbeing 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.
Council Plan	The subject matter of the report, the Councils financial standing and financial management, is critical to delivery of the Council Plan, 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

5. This is the third revenue budget management report to Cabinet for 2021/22 and provides a three quarter year forecast of the 2021/22 revenue position as part of the Council's continuous financial management process.
6. 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 third 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.
7. The information in this report has been taken from the financial records for November and managers' projections for the remainder of the year, using their knowledge of events affecting the services they manage.
8. Overall, the projected General Fund reserves position at 31 March 2022 is £29.773m, which is an improvement of £4.847m on the planned balances in the 2021-25 MTFP. This improvement relates to £2.317m underspend in the Council's 2020/21 financial results, £0.993m of funds returned to reserves from the rebasing exercise, £0.196m projected Group overspends in the 2021/22 financial year and a £1.733m improvement in corporate resources.

COVID - 19

9. The impact of CV19 has had a significant bearing on the Council's financial position. Members will recall that in the 2021/22 MTFP, CV19 pressures were built into the plan to be funded in part by government grant and the Sales, Fees and Charges scheme. Additional CV19 pressures over those included within the MTFP are detailed in **Appendix 4** these pressures are to be offset through the use of the CV19 reserve.
10. There is still uncertainty regarding CV19 in particular with the impact of the Omicron variant. Questions remain about how, when and if services will return to normal and what the impact of CV19 will be on our communities and the wider economy, over the remainder of the financial year and future years. Therefore there remains the potential for further impacts of increased demand for services and council tax and business rate income reductions, which could increase pressures on the 2021/22 final position.
11. The actual expenditure on CV19 is higher than shown in Appendix 4, as the Council has received specific grants from government to fund those areas of expenditure. This expenditure is therefore excluded from this budget monitoring report as it has no direct effect on the Council's reserves. Examples of the specific grants received are Contain Outbreak Management Fund (COMF), and Covid Local Support Grant.

Departmental Resources

12. Departmental resource projections are summarised in **Appendix 2** and detailed in **Appendices 2(a) to 2(e)**.

13. The **People Group** budget is projected to be overspent by £0.556m at the end of the financial year, after carry forwards into 2022/23 of £0.906m. This is a slight increase in overspend of £0.074m on the position reported at Q2. The main changes to the previously reported position are detailed below:
- (a) **Children & Adult Services** are projecting an underspend of £0.051m of after carry forward requests which is a change of £0.008m on the position reported at Q2. £0.076m of carry forward to cover future staffing requirements have previously being approved. An additional carry forward of £0.045m is detailed in paragraph 25.
 - (b) **Children's Services** are projecting an operational overspend (excluding Covid 19 costs) of £0.183m after carry forwards, an increase of £0.149m on Q2. The mains changes since Q2 include the following:
 - (i) Adoption and Placements are projected to be overspent at year end by £0.288m, an increase of £0.222m from the Q2 report. This is mainly due to 3 new high-cost residential placements of £0.144m, increased numbers in the staying put scheme £0.042m and increased numbers of children receiving standard allowance foster payments, £0.187m. However, there has been a projected reduction in the Community Houses budget of £0.143m, due to recharges to another Local Authority for a child's attendance.
 - (ii) Assessment and Care Planning services overspend has increased from Q2 by £0.173m after carry forward requests to £0.351m, this is mainly due to delays in recruitment meaning that posts have had to be backfilled with more expensive agency staff of approximately £0.094m. There has also been an increase in Section 17 and other child support expenses of £0.079m.
 - (iii) Disabled Children is showing an underspend of £0.131m which is a reduction of £0.017m from the last report, this is due to a reduction in demand led services particularly day care of £0.067m, whilst staffing costs have increased by £0.050m.
 - (iv) First Response & Early Help is currently projecting an under spend of £0.399m, which is a further underspend of £0.248m from the previous report. This is due to staffing recruitment delays and running costs.
 - (v) Management and Other services have a projected overspend of £0.093m an increased cost of £0.048m from Q2. This increase has arisen from increased investigation costs for stage 2 complaints.
 - (c) The **Development & Commissioning** budget is projected to be underspent by £0.310m after carry forward requests. This is an increase of £0.132m on the position reported at Q2. This increased projected saving arises from a reduction in charges across several Housing Related Support services, due to lower demand for these services during the pandemic.
 - (d) Overall the Council's **Education** budget is projected to be overspent by £0.217m after carry forwards at the year end, which is a change of £0.002m from the Q2 report.

- (e) **Adult Social Care and Health** is projected to be overspend by £0.078m at the year end, an improvement of £0.377m on Q2. This is predominantly in the External purchase of care budget as follows:
- (i) 578 individuals have not used all their commissioned care as expected, generating a saving of £0.380m.
 - (ii) Additional income of £0.047m has been received from reclaims from 9 direct payment accounts,
 - (iii) A net increase of packages has given a budget pressure of £0.177m from 46 residential/nursing placements and 138 additional hours of domiciliary support.
 - (iv) Due to the changes to the packages of care, £0.137m additional income is projected.
14. The **Services Group** is projecting an underspend of £0.850m after taking into account the anticipated impact of CV19 and carry forward requests of £0.020m. This is an improvement of £0.121m from the position reported at Q2.
15. The projected underspend of £0.850m is broken down into pressures of £0.190m related to CV19 and an operational underspend of £1.040m.
16. The **Services Group** projected position for CV19 related pressures of £0.190m is detailed below:
- (a) Waste disposal costs continue to be impacted by CV19 and are expected to cost the council £0.303m. Of this additional cost £0.225m had been budgeted for as part of the MTFP which leaves an additional pressure £0.078m. It is anticipated this pressure will increase over the next few months given the current government advice to work from home where possible.
 - (b) The pressure on taxi licensing due to the reduced number of drivers registering with the authority at the start of the year has seen some improvement since Q2 and is now expected to be £0.037m.
 - (c) Losses in income for general licensing, libraries, and the bowling centre accounts for pressures of £0.025m.
 - (d) The consequences of Building Services & Highways operatives needing to self-isolate has also generated unrecoverable overheads and this equates to £0.050m.
17. The **Services Group** projected operational position is an underspend of £1.040m after carry forward. This is an improvement of £0.112m since Q2. The headline areas for the improvement are detailed below:

- (a) **Capital Projects, Transport & Highways Planning** the overall projected operational overspend of £0.339m (excluding CV19) which has changed by £0.103m from Q2. The main elements of this movement are broken down into:
- (i) Highways – there is a projected net pressure of £0.149m within highways which is an increase of £0.025m from Q2. The increase in the net pressure is mainly due to a reduction in previously reported savings in street lighting repairs.
 - (ii) Highways DLO -there is a projected pressure of £0.250m which is an increase of £0.103m from Q2. The increased pressure is due to slippage on several large capital schemes leading to a fall in turnover.
 - (iii) Car Parking R&M – non-domestic rates associated within the off-street car parks is £0.040m greater than budget but this is has been offset by £0.010m savings in repairs and supplies giving a net pressure of £0.030m.
 - (iv) Concessionary fares – the projected underspend has increased by £0.030m following a reduced need to use additional occupational health services.
 - (v) Sustainable transport – due to alternative funding being utilised for timetabling the service should see a saving of £0.015m as well as savings in past service pension costs of £0.010m.
- (b) **Community Services** is expected to have an operational underspend of £0.780m after excluding CV19 pressures of £0.098m. This is a reduction of £0.044m since Q2. While many of the services continue to be impacted by CV19 their recovery has been stronger than anticipated and this is reflected in the operational underspend.
- (i) The strong recovery of the Council’s Leisure & Cultural facilities has continued, with patronage remaining high during the autumn. Leisure and Cultural facilities have not been as severely impacted by CV19 during 2021/22 compared to original 2021/22 budget projections. There remains uncertainty around the impact of the Omicron variant which could see a change in position over the last quarter of the year. The net losses have improved during Q3 by £0.496m. It is proposed that this additional income is moved into a ring-fenced 2025 Rail Heritage Fund reserve to be utilised for the refurbishment of the Loco No. 1 replica.
 - (ii) Savings in staffing due to vacancies in Street Scene has released an underspend of £0.033m.
 - (iii) Winter Maintenance is now projected to overspend by £0.102m based on analysis of previous year’s salt usage and considering the cold start in April and May. This is £0.062m worse than what was reported at Q2.
 - (iv) Cemeteries is now expected to have an overspend of £0.016m due to lower than anticipated income levels.

- (c) **Community Safety** overall is expected to be operationally underspent by £0.423m (after carry forward) after excluding CV19 pressures of £0.042m. This is an improvement of £0.087m since Q2.
 - (i) Parking patronage is currently at average for the year at 86% of pre-Covid levels and for November was at 94% which is above the anticipated levels of 80%. As a result of this, the anticipated underspend has increased by £0.087m.
 - (d) **Building Services** overall is expected to be operationally underspent by £0.145m after excluding CV19 pressures of £0.039m. This is an improvement of £0.145m since Q2.
 - (i) Construction DLO is now expected to be better than budget by £0.100m, while turnover is down due to slippage on several work streams compared to target the release of historical provisions has offset the projected loss of profits.
 - (ii) Maintenance DLO has seen an increase in response repair works being ordered by Housing and as a result of this additional works is now expected to be £0.045m better than budget.
 - (e) **General Support Services** is anticipated to be £0.027m better than budget due to reduced pension costs.
18. The **Operations Group** is projecting a year end budget overspend of £0.406m, after carry forward requests of £0.425m. This is an improvement of £0.010m on the position reported at Q2.
19. The main changes to the previously reported position are as follows:
- (a) **Assistant Director Resources** is projecting an underspend of £0.284m after carry forward requests of £0.253m, which is an improvement of £0.114m on Q2.
 - (i) £0.193m, of funding was brought forward from 2020/21 into this year to facilitate the Agile Working project. Due to the onset of the Omicron variant and the Governments "Plan B" the agile working pilot has been put on hold and hence the funding will need to be rolled forward into 2022/23. £0.060m of resources to cover the ongoing pressures in Occupational Health is also to be carried forward to cover additional costs in the service brought about by increased demand arising during the pandemic.
 - (ii) Several services within the Resources area have been at the front of the Council's response to the ongoing pandemic with Human Resources and Health & Safety continuing to work on the Council's response. This work has been funded using the Department for Health's COMF grant and hence has resulted in savings within the Council's base budget for those service areas (£0.073m).
 - (iii) Additional savings have been made across a number of areas from staff turnover and savings within supplies and services budgets, £0.041m.

- (b) **Head of Strategy, Performance & Communications** is projecting an overspend of £0.074m after carry forward requests of £0.172m, this is an increase in of £0.105m on Q2.
- (i) ICT software packages costs have increased the overspend in the Systems Team by a further £0.054m from Q2. This includes the cost of the Verint system and additional service pack days to deliver system enhancements and improvements. This increase has been offset by savings in staffing budgets as staff have been working on the Council's CV19 response and therefore have been charged to the Departments for Health COMF grant.
 - (ii) The Council has invested in a range of interventions to support local young people to give them great prospects of securing work. The estimated costs of £0.070m will be taken from the CV19 reserve.
- (c) **Assistant Director Law & Governance** is projecting an overspend of £0.301m which is an increase of £0.043m on the position reported at Q2. This includes:
- (i) An increased pressure in legal services of £0.139m, from additional specialist legal advice and counsel for additional children's care proceeding (£0.082m) and the continued use of specialist professional fees (£0.063m) for complex cases.
 - (ii) An underspend within Administration of £0.110m which is a further reduction of £0.060m from the Q2 report, this is due to lower postage costs of £0.040m and delays in recruitment and reduced supplies and services costs of £0.020m within Secretarial Support.
 - (iii) The Registrar's section is reporting an increased underspend of £0.024m of which £0.016m is due to the end of prudential borrowing and leasing costs. The remaining £0.008m reduction relates to lower usage of supplies and services.
- (d) **Corporate Landlord** projected operational overspend has not changed since Q2 and is £0.427m which is due to a significant increase in electric and gas charges. Electricity is expected to increase by 20% whilst gas by 79%, compared to 20/21. There is some anticipated slippage on major revenue works which will likely be requested as carry forwards at the end of the year when the actual position is clear.
- (e) **Housing general fund** is projecting an underspend of £0.128m. This is an improvement of £0.050m on the Q2 position, which is due to a delay in recruiting to staff vacancies and savings on supplies and services and court fees.
20. The **Chief Executive & Economy Group** is projecting an overspend of £0.084m after taking into account the anticipated impact of CV19. This is a variance of £0.068m from the position reported at Q2.

21. The **Chief Executive & Economy Group** projected position for CV19 related pressures is £0.060m, which has increased by £0.019m since Q2. This pressure is linked to the impact of CV19 on rental income from the estates portfolio.
22. Operationally the group is projected to be £0.024m overspent when the impact of CV19 is excluded. This is an increase of £0.049m since Q2.
23. Based on current expectations the following operational pressures and savings are projected within the group:
 - (a) **Property Management and Estates** is expected to have a net pressure of £0.097m, which is an increase of £0.057m from Q2. While we have seen savings arising from the removal of some properties from the rating system for non-domestic rates there is a potential additional cost of £0.100m for back dated service charges. The Estates Team is working to resolve this potential cost and it is hoped that these additional charges can be avoided.
 - (b) Underspends arising from vacant posts and supplies within the **Economy Group** is delivering savings of £0.015m which are helping to reduce the overall net pressure.
24. The School balances and allocations are shown in **Appendix 2(f)**.

Carry Forward Requests

25. People Group are requesting approval to carry forward the following:
 - (a) An additional £0.045m from Performance & Transformation to fund a Project Officer post within the Business Team. This post will be temporary and will be used to strengthen quality assurance processes whilst a review of the service is undertaken. This post will link into the Strengthening Families project.
 - (b) £0.006m to fund increased capacity and extend a temporary contract to the end of the academic year within Education Early Years.
 - (c) £0.446m – To cover the implementation costs of the new Education Case Management System. The detail of the request to procure a new software support and maintenance contract is covered under another item on this agenda. Savings across the People Services Group have been identified for carry forward to facilitate the procurement and implementation of this system.
26. Services Group are requesting approval to carry forward the following:
 - (a) £0.020m to support the fixed term Business Support Analyst in the Private Sector Housing team. This is due to slippage on recruitment.
27. Operations Group are requesting approval to carry forward the following:
 - (a) £0.042m to continue a Business Analyst post within Communications and Engagement that is currently funded through CV19 grant. The impact of CV19 has continued to

impact, particularly with the emergence of the new Omicron variant. This post will enable existing work to continue in 2022/23 once CV19 funding has stopped.

Council Wide and Corporately Managed Resources

28. The Council Wide and Corporately Managed Resources budgets are projected to be £0.729m underspent at year end, increase of £0.159m on the Q2 report.
29. The 2021/22 MTFP assumed a pay award offer of 2%, however, the current national employers pay award offer is 1.75%, this has resulted in a potential saving of £0.132m. This saving is subject to change, should the national employers revise their offer to employees.

Housing Revenue Account

30. HRA projections are shown in **Appendix 3** with an overall projected balanced budget. There has been a movement of £0.239m from the Q2 projection which is primarily due an increase in repairs and maintenance. During the pandemic there was a hold on planned maintenance works, whilst they are now up and running the delays have impacted on day to day repairs with increased numbers seen. Furthermore there has also been a UK wide increase in material prices which is feeding through and putting pressure on the budget. Conversely a saving has been achieved in management costs due to staff vacancies and savings on supplies and services which is reducing the impact.

Conclusion

31. The Council's projected revenue reserves at the end of 2021/22 are £29.773m, a £4.847m improvement on the initial 2021-25 MTFP position. This improvement in reserves includes a brought forward amount of £2.317m from 2020/21, £0.196m of projected departmental overspends, the rebasing exercise of £0.993m, a £0.729m increase in corporate resources and net £1.004m required from the Covid 19 reserve (a total drawn down from the reserve of £1.474m to fund the departmental covid costs and £0.470m to refund the shortfall in government grant for Sales, Fees and Charges in corporate resources).
32. Of the £29.773m projected reserves, we have a risk reserve balance of £5.350m and a commitment to use £15.838m to support years 2 – 4 of the current MTFP, which leaves £8.585m of unallocated reserves.

Outcome of Consultation

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

REVENUE BUDGET MANAGEMENT 2021/22Projected General Fund Reserve at 31st March 2022

	2021-25 MTFP (Feb 2021)	
Medium Term Financial Plan (MTFP) :-	£000	
MTFP Planned Opening Balance 01/04/2021	21,506	
Approved net contribution from balances	3,420	
Planned Closing Balance 31/03/2022	24,926	
Increase in opening balance from 2020-21 results	2,317	
Projected corporate underspends / (overspends) :-		
Public Health rebased savings	285	
Community Services rebased savings	308	
Adult Services rebase savings	400	
Council Wide	175	
Financing Costs	306	
Joint Venture - Investment Return	248	
Government Grant - SFC	(470)	
Transfer in from earmarked reserve - Covid	1,474	
Projected General Fund Reserve (excluding Departmental) 31st March 2022	at	29,969
Planned Balance at 31st March 2022		24,926
Improvement		5,043

Departmental projected year-end balances

	Improvement / (decline) compared with 2021-25 MTFP	
	£000	
People Group	(556)	
Services Group	850	
Operations Group	(406)	
Chief Executive	(84)	
TOTAL		(196)

Summary Comparison with :-

	2021-25 MTFP	
	£000	
Corporate Resources - increase in opening balance from 20/21 results	2,317	
Corporate Resources - additional in-year Improvement/(Decline)	1,733	
Quarter 1 budget rebase	993	
Departmental - Improvement / (Decline)	(196)	
Improvement / (Decline) compared with MTFP		4,847
Projected General Fund Reserve at 31st March 2022		29,773

GENERAL FUND REVENUE BUDGET MANAGEMENT 2021/22

	Budget			Expenditure	
	Original	Approved	Amended	Projected	Variance
	2021/22	Adjustments	Approved Budget		
	£000	£000	£000	£000	£000
Departmental Resources					
People Group	61,026	1,518	62,544	63,100	556
Services Group	18,464	596	19,060	18,210	(850)
Operations Group	15,156	676	15,832	16,238	406
Chief Executive	1,256	283	1,539	1,623	84
Total Departmental Resources	95,902	3,073	98,975	99,171	196
Corporate Resources					
Council Wide	(499)	132	(367)	(542)	(175)
Financing Costs	823	0	823	517	(306)
Joint Venture - Investment Return	(1,546)	0	(1,546)	(1,794)	(248)
Contingencies Budget					
Apprentice Levy	202	0	202	202	0
Transformation Fund	200	0	200	200	0
Risk Contingencies	323	0	323	323	0
Mid-Year Savings					
Public Health Rebase	0	285	285	0	(285)
Community Services Rebase	0	308	308	0	(308)
Adult Services Rebase	0	400	400	0	(400)
Total Corporate Resources	(497)	1,125	628	(1,094)	(1,722)
Net Expenditure	95,405	4,198	99,603	98,077	(1,526)
Contributions To / (From) Reserves					
Planned Contribution to General Fund Reserves (MTPF)	2,420	(93)	2,327	2,459	132
Departmental Brought Forwards from 2020/21	0	(4,105)	(4,105)	(4,105)	0
Covid Earmarked reserve	0	0	0	(1,474)	(1,474)
Government Grant - SFC	0	0	0	470	470
General Fund Total	97,825	0	97,825	95,427	(2,398)

REVENUE BUDGET MANAGEMENT UPDATE 2021/22

	<i>Budget</i>			<i>Expenditure</i>			<i>(Under)/ Over Spend £000</i>
	<i>Original Budget £000</i>	<i>Approved Adjustments £000</i>	<i>Amended Approved Budget £000</i>	<i>Expenditure to August £000</i>	<i>Projected Spend £000</i>	<i>Total Projection £000</i>	
	<u>Council Wide</u>						
Airport	27	0	27	0	0	0	(27)
Procurement Savings	(23)	0	(23)	(39)	0	(39)	(16)
Troubled Families Grant	(503)	0	(503)	0	(503)	(503)	0
Pay Award	0	132	132	0	0	0	(132)
In Year Over/(Under) Spend	(499)	132	(367)	(39)	(503)	(542)	(175)

REVENUE BUDGET MANAGEMENT UPDATE 2021/22							
	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>People Group</u>							
Group Director of People	176	0	176	(15)	170	155	(21)
<u>Children & Adult Services</u>							
Transformation & Performance	627	76	703	447	135	582	(121)
Business Support	1,403	0	1,403	878	474	1,352	(51)
	2,030	76	2,106	1,325	609	1,934	(172)
<u>Children's Services</u>							
COVID 19 costs	0	0	0	15	(1)	14	14
Children's Services Management & Other Services	485	0	485	330	248	578	93
Assessment Care Planning & LAC	3,918	54	3,972	2,753	1,517	4,270	298
First Response & Early Help	2,831	(45)	2,786	721	1,666	2,387	(399)
Youth Offending/ASB	268	0	268	421	(153)	268	0
Adoption & Placements	13,753	0	13,753	9,385	4,656	14,041	288
Disabled Children	1,517	0	1,517	785	601	1,386	(131)
Quality Assurance & Practice Improvement	609	134	743	254	376	630	(113)
	23,381	143	23,524	14,664	8,910	23,574	50
<u>Development & Commissioning</u>							
COVID 19 costs	0	0	0	423	(423)	0	0
Commissioning	2,227	207	2,434	551	1,428	1,979	(455)
Voluntary Sector	282	15	297	285	(29)	256	(41)
Workforce Development	145	23	168	(157)	325	168	0
	2,654	245	2,899	1,102	1,301	2,403	(496)
<u>Education</u>							
COVID 19 costs	0	0	0	0	0	0	0
Education	553	44	597	(7,041)	7,912	871	274
Schools	0	0	0	(2,062)	2,062	0	0
Transport Unit	2,396	0	2,396	2,312	21	2,333	(63)
	2,949	44	2,993	(6,791)	9,995	3,204	211
<u>Public Health</u>							
COVID 19 costs	0	0	0	(1,373)	1,373	0	0
Public Health	285	(285)	0	1,337	(1,337)	0	0
	285	(285)	0	(36)	36	0	0
<u>Adult Social Care & Health</u>							
COVID 19 costs	0	0	0	167	469	636	636
External Purchase of Care	23,674	1,295	24,969	11,281	13,386	24,667	(302)
Intake & Enablement	595	0	595	1,602	(1,011)	591	(4)
Older People Long Term Condition	1,430	0	1,430	1,302	148	1,450	20
Physical Disability Long Term Condition	5	0	5	20	(15)	5	0
Learning Disability Long Term Condition	1,737	0	1,737	1,039	576	1,615	(122)
Mental Health Long Term Condition	1,138	0	1,138	723	315	1,038	(100)
Service Development & Integration	972	0	972	399	523	922	(50)
	29,551	1,295	30,846	16,533	14,391	30,924	78
In Year Over/(Under) Spend	61,026	1,518	62,544	26,782	35,412	62,194	(350)

REVENUE BUDGET MANAGEMENT UPDATE 2021/22

	Budget			Expenditure			(Under)/ Over Spend £000
	Original	Approved	Amended	Expenditure to August £000	Projected Spend £000	Total Projection £000	
	Budget £000	Adjustments £000	Budget £000				
Services Group							
Group Director of Services	0	125	125	75	50	125	0
Capital Projects, Transport & Highways							
Planning							
COVID 19 costs	0	0	0	0	11	11	11
AD Transport & Capital Projects	129	(32)	97	51	46	97	0
Building Design Services	20	0	20	105	(85)	20	0
Capital Projects	306	16	322	167	155	322	0
Car Parking R&M	483	0	483	479	34	513	30
Concessionary Fares	3,434	50	3,484	2,164	1,255	3,419	(65)
Flood & Water Act	87	25	112	(237)	349	112	0
Highways	3,199	77	3,276	1,752	1,673	3,425	149
Highways - DLO	(515)	0	(515)	2,039	(2,304)	(265)	250
Investment & Funding	(3)	480	477	92	385	477	0
Sustainable Transport	42	20	62	(316)	353	37	(25)
	7,182	636	7,818	6,296	1,872	8,168	350
Community Services							
COVID 19 costs	0	0	0	0	98	98	98
AD Community Services	129	(3)	126	89	35	124	(2)
Allotments	11	0	11	5	7	12	1
Building Cleaning - DLO	139	0	139	(108)	242	134	(5)
Cemeteries & Crematorium	(897)	0	(897)	(425)	(456)	(881)	16
Dolphin Centre	1,793	0	1,793	564	577	1,141	(652)
Eastbourne Complex	39	0	39	14	(9)	5	(34)
Emergency Planning	99	0	99	165	(66)	99	0
Head of Steam	275	0	275	189	86	275	0
Hippodrome	855	(308)	547	(543)	978	435	(112)
Indoor Bowling Centre	12	0	12	6	6	12	0
Libraries	829	0	829	423	394	817	(12)
Move More	33	0	33	(137)	170	33	0
Outdoor Events	397	80	477	439	38	477	0
School Meals - DLO	65	0	65	88	(15)	73	8
Strategic Arts	114	7	121	77	44	121	0
Street Scene	5,368	34	5,402	3,192	2,150	5,342	(60)
Transport Unit - Fleet Management	(9)	0	(9)	(1,449)	1,440	(9)	0
Waste Management	3,274	(13)	3,261	1,157	2,074	3,231	(30)
Winter Maintenance	469	0	469	456	115	571	102
	12,995	(203)	12,792	4,202	7,908	12,110	(682)

REVENUE BUDGET MANAGEMENT UPDATE 2021/22

	<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>Services Group</u>							
<u>Community Safety</u>							
COVID 19 costs	0	0	0	0	42	42	42
CCTV	199	0	199	84	116	200	1
Community Safety	592	38	630	149	428	577	(53)
General Licensing	0	0	0	(58)	58	0	0
Parking	(2,116)	0	(2,116)	(1,777)	(760)	(2,537)	(421)
Parking Enforcement	5	0	5	54	(3)	51	46
Private Sector Housing	78	0	78	(83)	140	57	(21)
Stray Dogs	46	0	46	31	16	47	1
Taxi Licensing	0	0	0	(24)	24	0	0
Trading Standards	234	0	234	134	104	238	4
	(962)	38	(924)	(1,490)	165	(1,325)	(401)
<u>Building Services</u>							
COVID 19 costs	0	0	0	0	39	39	39
Construction - DLO	(571)	0	(571)	(2,887)	2,216	(671)	(100)
Maintenance - DLO	(407)	0	(407)	3,586	(4,038)	(452)	(45)
Other - DLO	0	0	0	843	(843)	0	0
	(978)	0	(978)	1,542	(2,626)	(1,084)	(106)
<u>General Support Services</u>							
Works Property & Other	111	0	111	84	0	84	(27)
<u>Joint Levies & Boards</u>							
Environment Agency Levy	116	0	116	111	1	112	(4)
In Year Over/(Under) Spend	18,464	596	19,060	10,820	7,370	18,190	(870)

REVENUE BUDGET MANAGEMENT UPDATE 2021/22

	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>Operations Group</u>							
Group Director of Operations	183	(50)	133	139	(9)	130	(3)
<u>AD Resources</u>							
COVID 19 costs	0	0	0	10	(10)	0	0
AD Resources	0	87	87	51	36	87	0
Financial Services	1,406	(13)	1,393	895	412	1,307	(86)
Financial Assessments & Protection	244	0	244	152	99	251	7
Xentrall (D&S Partnership)	1,705	0	1,705	1,655	50	1,705	0
Human Resources	601	196	797	373	33	406	(391)
Health & Safety	163	0	163	112	(16)	96	(67)
	4,119	270	4,389	3,248	604	3,852	(537)
<u>Head of Strategy Performance & Communications</u>							
COVID 19 costs	0	0	0	0	70	70	70
Communications & Engagement	854	305	1,159	653	204	857	(302)
Systems	791	0	791	807	118	925	134
	1,645	305	1,950	1,460	392	1,852	(98)
<u>AD Law & Governance</u>							
COVID 19 costs	0	0	0	0	25	25	25
AD Law & Governance	0	120	120	83	42	125	5
Complaints & FOI	275	0	275	140	142	282	7
Democratic Services	1,227	0	1,227	801	425	1,226	(1)
Registrars	(24)	10	(14)	(255)	215	(40)	(26)
Administration	708	(49)	659	392	157	549	(110)
Legal & Procurement	1,444	(120)	1,324	1,270	455	1,725	401
Coroners	220	0	220	(250)	470	220	0
	3,850	(39)	3,811	2,181	1,931	4,112	301
<u>AD Xentrall Shared Services</u>							
ICT	713	0	713	16	707	723	10
COVID 19 costs	0	0	0	(4)	4	0	0
	713	0	713	12	711	723	10
<u>Corporate Landlord</u>							
COVID 19 costs	0	0	0	0	9	9	9
Corporate Landlord	3,272	260	3,532	1,337	2,622	3,959	427
	3,272	260	3,532	1,337	2,631	3,968	436
<u>AD Housing & Revenues</u>							
COVID 19 costs	0	0	0	8,484	(8,484)	0	0
Local Taxation	470	0	470	543	(137)	406	(64)
Rent Rebates / Rent Allowances / Council Tax	(132)	0	(132)	8,509	(8,641)	(132)	0
Housing Benefits Administration	227	(20)	207	(81)	256	175	(32)
Customer Services	307	0	307	264	11	275	(32)
Homelessness	323	0	323	(280)	603	323	0
Service, Strategy & Regulation and General Services	179	(50)	129	(1,203)	1,332	129	0
	1,374	(70)	1,304	16,236	(15,060)	1,176	(128)
In Year Over/(Under) Spend	15,156	676	15,832	24,613	(8,800)	15,813	(19)

REVENUE BUDGET MANAGEMENT UPDATE 2021/22

	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>Chief Executive</u>							
Chief Executive	172	22	194	126	68	194	0
<u>AD Economic Growth</u>							
COVID 19 costs	0	0	0	0	60	60	60
AD - Economic Growth	132	0	132	82	46	128	(4)
Building Control	142	0	142	50	92	142	0
Consolidated Budgets	146	(17)	129	0	129	129	0
Development Management	(62)	13	(49)	(155)	106	(49)	0
Economy	243	220	463	139	324	463	0
Environmental Health	316	(13)	303	77	178	255	(48)
Place Strategy	597	58	655	(53)	680	627	(28)
Property Management & Estates	(470)	0	(470)	(308)	(65)	(373)	97
	1,044	261	1,305	(168)	1,550	1,382	77
<u>Darlington Partnership</u>							
COVID 19 costs	0	0	0	0	0	0	0
Darlington Partnership	40	0	40	36	11	47	7
	40	0	40	36	11	47	7
In Year Over/(Under) Spend	1,256	283	1,539	(6)	1,629	1,623	84

BUDGET MANAGEMENT 2021/22

SCHOOLS PROJECTED BALANCES 2021/22					
School Name	Opening Balance at 1st April 2021	Formula Budget Allocation*	Total Available	Closing Balance at 31st March 2022	Projected Closing Balance as proportion of Formula Budget Allocation
	£000	£000	£000	£000	%
Primary					
Federation of Darlington Nursery Schools	55	764	819	36	5%
Red Hall Primary	318	1,347	1,665	310	23%
Whinfield Primary	253	2,349	2,602	319	14%
Harrowgate Hill Primary	214	2,726	2,940	158	6%
Primary Total	840	7,186	8,026	823	

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

HOUSING REVENUE ACCOUNT 2021/22

	Budget			Total Projection £000	(Under)/ Over Spend £000
	Original Budget £000	Approved Adjustments £000	Amended Approved Budget £000		
	Housing Revenue Account				
<u>Income</u>					
Rents Of Dwellings (Gross)	(20,602)	0	(20,602)	(20,332)	270
Sundry Rents (Including Garages & Shops)	(490)	0	(490)	(447)	43
Charges For Services & Facilities	(3,024)	0	(3,024)	(3,032)	(8)
Contribution towards expenditure	(262)	0	(262)	(262)	0
Interest Receivable	(6)	0	(6)	(6)	0
Total Income	(24,384)	0	(24,384)	(24,079)	305
<u>Expenditure</u>					
Management	5,950	0	5,950	5,878	(72)
Maintenance	4,157	0	4,157	4,600	443
Capital Financing Costs	3,623	0	3,623	3,273	(350)
Revenue Contribution to Capital Outlay	11,742	0	11,742	11,742	0
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	(1,438)	0	(1,438)	(1,764)	(326)
Total Expenditure	24,384	0	24,384	24,079	(305)
(Surplus)/Deficit	0	0	0	0	0

HRA Balances	£000
Opening balance 01/04/2021	25,152
Contribution to/(from) balances	(1,764)
Closing balance	23,388

App 4	
<u>Projected Additional Covid-19 costs for 2021/22</u>	
	Total Projection £000's
Children's Services	14
Adult Social Care & Health	636
Community Services/Community Safety	190
Corporate Landlord	9
Strategy Performance & Communications	70
Law & Governance	25
Chief Executive	60
Total Projected Covid-19 costs	1,004
Less/Plus Additional/Reduced Government Sales Fees and Charges grant above/below MTFP estimate	470
Projected shortfall of resources	1,474

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ECONOMY AND RESOURCES SCRUTINY COMMITTEE
3 February 2022

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.

Luke Swinhoe
Assistant Director Law and Governance

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	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.
Council Plan	The report contributes to the Council Plan in a number of ways through the involvement of Members in contributing to the delivery of the Plan.
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. The Council Plan sets the vision and strategic direction for the Council through to May 2023, with its overarching focus being 'Delivering Success for Darlington'.
7. In approving the Council Plan, Members have agreed to the vision for Darlington which is a place where people want to live and businesses want to locate, where the economy continues to grow, where people are happy and proud of the borough and where everyone has the opportunity to maximise their potential.
8. The vision for the Economy Portfolio is :-

'a borough where economic growth is high and the benefits are enjoyed by all residents'

by delivering

- More sustainable and well paid jobs
- More businesses
- More homes

9. The vision for the Resources Portfolio is :-

'a Council that is financially stable and delivering much needed services and support for the Borough'

Forward Plan and Additional Items

10. 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.
11. 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	Scrutiny's Role
RESOURCES				
232	Performance Management Framework	6 January 2022 Work to be undertaken to look at relevant PI's. Informal meeting to be arranged	Relevant Assistant Directors	To understand/monitor and challenge the indicators
61 60	Medium-Term Financial Plan - Monitoring	Quarterly monitoring reports to be submitted to meetings of this Scrutiny Committee Item elsewhere on this agenda	Brett Nielsen	To contribute and challenge the Medium-Term Financial Plan and assist with the implementation and development of the required savings
131 132 133	Capital Programme and project Position Statement	Quarterly monitoring reports to be submitted to meetings of this Scrutiny Committee Item elsewhere on this agenda	Brian Robson	To look at the position
	Procurement	To be programmed	Luke Swinhoe	To look at work and services of the North East Purchasing Organisation (NEPO) and the Authority's contract spend

	Strengthening Families Programme	Work to be undertaken via a Task and Finish Review Group to look at the spend across the Programme	Brett Nielsen/Children's Services	To look at the spend across the Programme
ECONOMY				
106	Economic Strategy	To be programmed	David Hand	To scrutinise progress of the Strategy Action Plan against outcomes and understand relationship with Tees Valley SEP and Local Plan.
114	Housing Strategy	To be programmed	David Hand	To scrutinise progress of the Strategy Action Plan against outcomes.
88	Broadband Infrastructure in Darlington 2012-20	Briefing to be arranged	Jochen Werres	To scrutinise progress of the Broadband Delivery (BDUK) and Local Full Fibre Network (LFFN) programmes
	Long-term impact of Covid on the economy	To be programmed	Mark Ladyman	To update Members on the scheme
209	Climate Change	3 February 2022	Cabinet Member	To update on the work of the Review Group
	Commercial Premises – hygiene inspections	Briefing to be held 8 February 2022	Stephen Todd	To update Members on the current position following the suspension of inspections due to covid

	Youth Unemployment	Joint piece of work to be undertaken with Children and Young People Scrutiny Committee taking the lead		
	Levelling Up	3 February 2022 - Deferred	Mark Ladyman	

ARCHIVED ITEMS

RESOURCES				
	Sickness Absence Year-end out-turn	Circulated to Members of the Scrutiny Committee as a briefing note	Brett Nielsen/Helen Whiting	N/A
	Health and Safety Year end out-turn	Circulated to Members of the Scrutiny Committee as a briefing note	Brett Nielsen/Joanne Skelton	N/A
	Workforce Strategy	Presentation held on 31 August 2021	Brett Nielsen/Helen Whiting	N/A
75	Complaints, Compliments and Comments - Annual Report 2019/20	2nd September, 2021	Lee Downey	To look at the position
16	Complaints Made to Local Government Ombudsman	2nd September, 2021	Lee Downey	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
	Freedom of Information Requests	All Members' briefing held	Lee Downey	

	Department for Works and Pension – Universal Credit	Presentation arranged for 7 September 2021	Anthony Sandys	To brief Members on the process and position
4	Investment Fund	2 nd September, 2021	Brett Nielsen	To consider progress against the agreed investments being funded through the Investment Fund.
99	Council Tax Support Scheme	4 November, 2021	Anthony Sandys	To provide comment to Cabinet on the proposed scheme
	Medium-Term Financial Plan	Response formulated for Cabinet	Brett Nielsen	To provide a response to Cabinet on the proposals in relation to the Medium-Term Financial Plan
	Customer Services and Digital Strategy	July/August 2022	Anthony Sandys	To brief Members on the work being undertaken
ECONOMY				
	Business Grant Scheme – Additional Restrictions Grant	1 July 2021	Mark Ladyman	To update Members on the scheme
	Project in a Box Repeat session to be arranged.	Presentation held on 16 July 2021	Brian Robson	To demonstrate the new project management system to Members
	Towns Fund	Presentation held on 18 August, 2021	Mark Ladyman	To update Scrutiny

	Business Week 2021	Presentation held on 19 October, 2021	Mark Ladyman	To update Scrutiny
	Markets Update	Briefing held 27 January 2022	Mark Ladyman	Update

DARLINGTON BOROUGH COUNCIL
FORWARD PLAN



DARLINGTON

Borough Council

FORWARD PLAN INDEX
FOR THE PERIOD: 5 JANUARY 2022 - 31 MAY 2022

Title	Decision Maker and Date
Access Opportunities for Young People	Cabinet 11 Jan 2022
Council Plan Performance Report 2021/22 – Quarters 1 and 2	Cabinet 11 Jan 2022
Customer Services and Digital Strategy 2021/24	Cabinet 11 Jan 2022
Darlington Credit Union	Cabinet 11 Jan 2022
Feethams House - European Regional Development Fund	Cabinet 11 Jan 2022
Maintained Schools Capital Programme - Summer 2022	Cabinet 11 Jan 2022
Annual Audit Letter 2020/21	Cabinet 8 Feb 2022
Calendar of Council and Committee Meetings 2022/23	Cabinet 8 Feb 2022
Housing Revenue Account 2022/23	Council 17 Feb 2022 Cabinet 8 Feb 2022
Land at Sparrowhall Drive	Cabinet 8 Feb 2022
Levelling Up Darlington	Cabinet 8 Feb 2022
Local Plan Adoption	Council 17 Feb 2022 Cabinet 8 Feb 2022
Medium Term Financial Plan 2022/23 to 2025/26	Council 17 Feb 2022 Cabinet 8 Feb 2022
Project Position Statement and Capital Programme Monitoring - Quarter 3	Cabinet 8 Feb 2022
Prudential Indicators and Treasury Management Strategy	Council 17 Feb 2022 Cabinet 8 Feb 2022
Rail Heritage Quarter Update	Council 17 Feb 2022 Cabinet 8 Feb 2022
Revenue Budget Monitoring - Quarter 3	Cabinet 8 Feb 2022
Schedule of Transactions - February	Cabinet 8 Feb 2022
Supplementary Planning Guidance (SPD) Design Code - Burtree Garden Village	Council 12 May 2022 Cabinet 8 Feb 2022
Darlington Cultural Strategy 2022/26	Cabinet 8 Mar 2022
Local Transport Plan	Cabinet 8 Mar 2022
Regulatory Investigatory Powers Act (RIPA)	Cabinet 8 Mar 2022
Restoration of Locomotion No 1 Replica	Cabinet 8 Mar 2022
Tees Valley Energy Recovery Facility	Cabinet 8 Mar 2022
Annual Procurement Plan 2022/23	Cabinet 5 Apr 2022
Supplementary Planning Guidance (SPD) Design Code - Skerningham Garden Village	Council 14 Jul 2022 Cabinet 14 Jun 2022

**DARLINGTON BOROUGH COUNCIL
FORWARD PLAN**

Proposed Waiting Restrictions on Woodland Road, Outram Street and Duke Street	Cabinet
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