

**DECISIONS SHOULD NOT BE IMPLEMENTED BEFORE
MONDAY 20 DECEMBER 2021**

CABINET

Tuesday, 7 December 2021

PRESENT – Councillors Mrs H Scott (Chair), Clarke, Dulston, Durham, Keir, Marshall, K Nicholson and Tostevin

INVITEES – Councillors Curry and Harker

APOLOGIES – Councillors Snedker and Tait

C70 DECLARATIONS OF INTEREST.

There were no declarations of interest reported at the meeting.

**C71 TO HEAR RELEVANT REPRESENTATION (FROM MEMBERS AND THE GENERAL PUBLIC) ON
ITEMS ON THIS CABINET AGENDA.**

No representations were made by Members or members of the public in attendance at the meeting.

**C72 TO APPROVE THE MINUTES OF MEETING OF THIS CABINET HELD ON TUESDAY, 9
NOVEMBER 2021**

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

REASON – They represent an accurate record of the meeting.

C73 MATTERS REFERRED TO CABINET

There were no matters referred back for re-consideration to this meeting.

C74 ISSUES ARISING FROM SCRUTINY COMMITTEE

There were no issues arising from Scrutiny considered at this meeting.

C75 KEY DECISIONS

There were no key decisions made at this meeting.

C76 THE CARE LEAVER COVENANT

The Cabinet Member with the Children and Young People Portfolio introduced the report of the Group Director of People (previously circulated) requesting that consideration be given to the signing of 'The Care Leaver Covenant' for the benefit of care leavers in Darlington.

The submitted report stated that in July 2016, the Government published a major policy

document entitled 'Keep on Caring', to support young people from care to independence; a key policy commitment in the paper was a strategic pledge to introduce a 'Care Leaver Covenant'; the Covenant worked with organisations across different sectors to provide support for care leavers aged between 16 and 25 years of age to help them to live independently; it was funded by the Department for Education and delivered by Spectra; it was an app that could be downloaded by care leavers and workers; and that there was no cost attached to signing up to the Covenant, more a commitment to continue to offer and strengthen opportunities for care leavers in Darlington. All young people are statutorily provided with support from their Local Authority, including being assigned a Personal Advisors, and these advisors would encourage young people to download the app and make use of any available offers.

It was reported that there were five care leaver 'outcomes,' which anchored all of the Care Leavers' Covenant activity, namely that care leavers were better prepared and supported to live independently; had improved access to employment, education and training; experienced stability in life and feeling safe and secure; had improved access to health and emotional support; and that they achieved financial stability.

RESOLVED – (a) That the content of the submitted report, be noted.

(b) That approval be given for this Council to sign 'The Care Leaver Covenant' for the benefit of care leavers in Darlington.

REASONS – (a) To ensure that care leavers in Darlington are given the best opportunities to support them into independence and to achieve their potential.

(b) To ensure that as Corporate Parents the Council continues to be ambitious for its children and young people and offer the highest quality of service, in line with our Care Leavers Local Offer.

C77 REVIEW OF OUTCOME OF COMPLAINTS MADE TO OMBUDSMAN

The Cabinet Member with the Resources Portfolio introduced the report of the Chief Executive, Group Director of Operations, Group Director of People and the Group Director of Services (previously circulated) providing Members with an update of the outcome of cases which had been determined by the Local Government and Social Care Ombudsman (LGSCO) and the Housing Ombudsman Service (HOS) since consideration of the report by this Cabinet in September (Minute C43/Sep/21 refers).

The submitted report stated that between 1 April and 30 September 2021 there had been seven cases that were subject to decisions by the LGSCO and no cases by the HOS; three upheld Maladministration Injustice decisions from the LGSCO, compared to one for the same period in 2020/21; organisational learning identified as a result of those complaints should ensure that there was no re-occurrence; and that LGSCO ceased investigating complaints between 26 March and 29 June 2020 due to Covid-19.

RESOLVED - That the contents of the report be noted.

REASONS - (a) It is important that Members are aware of the outcome of complaints made

to the LGSCO and the HOS in respect of the Council's activities.

(b) The contents of the submitted report do not suggest that further action, other than detailed in the report, is required.

C78 HOUSING REVENUE ACCOUNT - MEDIUM TERM FINANCIAL PLAN 2022/23 TO 2025/26

The Cabinet Member with the Health and Housing Portfolio introduced the report of the Group Director of Operations (previously circulated) requesting that consideration be given to the proposals for the revenue budget, capital programme, rent levels and service charges for the Council's Housing Revenue Account (HRA) for the financial year 2022/23, in the context of the HRA Medium Term Financial Plan (MTFP) to 2025/26 and the 30-year Business Plan.

The submitted report stated that the Council was the largest provider of social housing in the Borough, providing 5,275 homes to local residents; the homes were of a high standard of accommodation that met the Decent Homes Standard; as a result of the high quality of the homes and the services provided they were in high demand; to meet that demand the Council had an ambitious programme to build new homes in Darlington, funded through capital receipts from the right to buy sales, grant funding and borrowing of £15M; the proposed revenue budget expenditure of £25,448M included £4,282M to fund responsive repairs and maintenance and £17.618M to the capital programme; and the proposed capital programme of £32.98M included funding for work to current properties and £25.6M to deliver the new build Council housing programme.

It was reported that the key decision to be made regarding the HRA each year was the balance between setting rent and service charge levels that were affordable to the Council's tenants whilst ensuring there was sufficient resources to invest in housing stock, tackle climate change and maintain services; Local Authorities had the discretion to increase rents by the Consumer Prices Index (CPI) plus one per cent, which meant that Members could decide to increase rents by up to 4.1 per cent; 70 per cent of tenants would have their rent and services charges covered by benefit payments; and that a number of options had been considered, taking into account the current economic pressures facing tenants and delivering ambitious capital and energy efficient programmes.

Particular references were made at the meeting to the proposal to increase the average weekly rent increase by two per cent and whether there was a reduction in the cleaning of communal areas. The Cabinet Member with the Health and Housing Portfolio responded thereon.

RESOLVED - That the following recommendations be agreed for wider consultation, namely that :-

- (a) an average weekly rent increase of two per cent for 2022/23 be implemented giving an average social rent of £75.01 and affordable rent of £92.06;
- (b) garage rents and service charges be increased, as shown in Table 1 of the submitted report;

- (c) the revenue budget, as attached at Appendix 1 of the submitted report, be approved;
- (d) the Housing Business Plan, at attached at Appendix 2 of the submitted report, be agreed;
- (e) the capital programme, as attached at Appendix 3 of the submitted report, be agreed; and
- (f) the Group Director of Operations be given delegated powers to proceed with new build schemes for affordable rent using the funding, as identified at paragraph 16 of the submitted report.

REASON - To enable the Council to deliver an appropriate level of service to tenants to meet housing need and to support the economic growth of the Borough through housing development.

C79 MEDIUM TERM FINANCIAL PLAN - INVESTING IN AND DELIVERING SUCCESS FOR DARLINGTON

The Leader introduced the report of the Chief Officers Executive (previously circulated) requesting that consideration be given to the Medium Term Financial Plan (MTFP) for 2022/23 to 2025/26 (also previously circulated) for consultation, including setting a budget and council tax increase for 2022/23.

The submitted report stated that the current MTFP remained deliverable, but it was not without risk and challenges; the proposed MTFP included the Risk Reserve at the same level as 2021; the Council still had financial capacity to deliver a four year balanced MTFP based on a core offer service level with limited discretionary services which was reliant on the use of balances across the four year MTFP; the Covid-19 pandemic had impacted on the priorities of, and the way in which, the Council conducted its business; the financial pressure on the public sector as a whole, and the Council more specifically, had been significant over the last couple of years; there had been a decade of significant financial challenge following the economic downturn and the reductions in public sector spending; and that the Council had been successful in responding to those challenges.

It was reported that the October 2021 Spending Review announced a three year local government settlement, though it was likely there would only be a one year finance settlement at local level; the 2022/23 Budget and MTFP aimed to ensure that the Council could continue to provide vital services in response to Covid-19 should it be required and importantly continue to provide its core offer level of services to the residents of Darlington regardless of Covid-19; a healthy level of reserves had been maintained for medium term stability and that this was now a crucial component of the budget strategy which would allow time for the key ambition of economic growth to take effect.

Particular reference was made to the 'futures fund' which had been established in five areas that had great value to the community. Whilst the fund was initially established for a time limited period, the ongoing commitments contained within the fund were key to driving the

Council's ambition of growing the economy and as a result it was proposed to mainstream those areas into the budget from 2025/26.

Details of the projected expenditure and income, budget pressures and savings, schedule of fees and charges, assumptions used to prepare estimates, projected Revenue Outturn 2021/22 and proposed Capital Programme, were also appended to the submitted report.

RESOLVED - That the Revenue Medium Term Financial Plan (MTFP) and the Capital Programme, as set out in Appendices 6 and 7 respectively of the submitted report, be approved for consultation, including:-

- (a) a Council tax increase of 1.99 per cent plus a one per cent Adult Social Care Precept to fund social care for 2022/23;
- (b) the Schedule of Charges, as set out in Appendix 3 of the submitted report; and
- (c) the mainstreaming of the ongoing services provided by the 'Futures Fund' into the budget from 2025/26, as set out in paragraph 63 of the submitted report.

REASONS - (a) The Council must set a budget for the next financial year.

(b) To enable the Council to continue to plan services and finances over the medium term.

(c) To ensure decisions can be made in a timely manner.

(d) To ensure investment in the Council's assets is maintained.

C80 MID-YEAR PRUDENTIAL INDICATORS AND TREASURY MANAGEMENT 2021/22

The Cabinet Member with the Resources Portfolio introduced the report of the Group Director of Resources (previously circulated) seeking approval of the revised Treasury Management Strategy, Prudential Indicators and providing a half yearly review of the Council's borrowing and investment activities.

It was reported that the mandatory Prudential Code, which governed the Council's borrowing, required Council approval of controls, called Prudential Indicators, which related to capital spending and borrowing. The indicators were set out in three statutory annual reports and the key objectives of those reports were set out in the submitted report, together with the key proposed revisions to the indicators which related to a reduction in the Operational Boundary to £174.081m and the Authorised Limit to £237.156m to allow for any additional cashflow requirements.

Particular reference was made to the investments of £30m in property funds, which were expected to increase the net return on investment by around £0.700m in future years.

RESOLVED - (a) That the revised prudential indicators and limits, as detailed within Tables 1 to 6, 8, 10 and 12 to 17 of the submitted report, be noted.

(b) That the under-spend in the Treasury Management Budget (Financing Costs) of £0.243m,

as shown in Table 11 of the submitted report, be noted.

(c) That the report be forwarded to Council in order for the updated prudential indicators to be approved.

REASONS - (a) In order to comply with the Prudential Code for Capital Finance in Local Authorities.

(b) To inform Members of the performance of the Treasury Management function.

(c) To comply with the Local Government Act 2003.

(d) To enable further improvements to be made in the Council's Treasury Management function.

C81 MEMBERSHIP CHANGES - TO CONSIDER ANY MEMBERSHIP CHANGES TO OTHER BODIES TO WHICH CABINET APPOINTS.

There were no membership changes reported at the meeting.

**DECISIONS DATED –
FRIDAY 10 DECEMBER 2021**