



DARLINGTON

Borough Council

Economy and Resources Scrutiny Committee Agenda

9.30 am

Thursday, 20 January 2022

Microsoft Teams

As a result of concerns around the Omicron variant, this meeting will be held on a virtual basis. Members of the public can view a live stream of the meeting at: <https://www.darlington.gov.uk/livemeetings>

Members of the public wanting to make representations at the meeting can do so by emailing shirley.wright@darlington.gov.uk no later than 9.30 a.m. on Wednesday, 19 January, 2022. Members of the public may also approach their Ward Councillors (who can attend this virtual meeting) and request that they put their views to the Committee

1. Introductions/Attendance at Meeting
 2. Declarations of Interest
 3. 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 :- –
 - (a) Adults Scrutiny Committee – 21 December 2021
 - (b) Health and Housing Scrutiny Committee – 5 January 2022
 - (c) Economy and Resources Scrutiny Committee – 6 January 2022
 - (d) Communities and Local Services Scrutiny Committee – 6 January 2022
 - (e) Children and Young People Scrutiny Committee – 10 January 2022
- (Pages 3 - 14)



Luke Swinhoe
Assistant Director Law and Governance

Wednesday, 12 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

ADULTS SCRUTINY COMMITTEE

Tuesday, 21 December 2021

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

PRESENT – Councillors Donoghue (in the Chair), Mrs. Culley, Curry, Holroyd, Layton, M. Nicholson, Renton and A. J. Scott.

APOLOGIES – Councillors Johnson and B Jones.

OFFICERS IN ATTENDANCE – Elizabeth Davison (Group Director of Operations), Joss Harbron (Assistant Director - Adult Social Care), Brett Nielsen (Assistant Director Resources) and Sharon Raine (Head of Performance and Transformation) and Paul Dalton (Elections Officer).

DECLARATIONS OF INTEREST

There were no declarations of interest reported at the meeting.

MEDIUM TERM FINANCIAL PLAN

The Assistant Director Resources submitted a report (previously circulated) inviting Members to give consideration to the draft Medium Term Financial Plan (MTFP) for 2022/23 to 2025/26.

In introducing the report, the Group Director of Operations referred Members to the previously delivered MTFP Briefing, and advised that this meeting presented an opportunity to ask any general questions on the MTFP, however, more specifically to ask questions relating to the remit of this Scrutiny Committee, and for the Committee to subsequently forward any views or comments specifically relating to the services and finances within the remit of this Committee to the Economy and Resources Scrutiny Committee for consideration on 20 January 2022, when that Committee would be formulating an overall response from Scrutiny to Cabinet.

The Group Director of Operations provided an update on the finance settlement received subsequent to the previously delivered MTFP Briefing, and the impact this had on the assumptions made within the draft MTFP.

It was reported that the Council would be receiving £1.579M from the Services Grant announced in the Autumn Statement, and £1.162M from the Social Care Grant, which was slightly higher than initially included within the draft MTFP, however Members were advised that the Services Grant was a one-off payment whilst a further review of Local Government funding was conducted. The Group Director of Operations advised that Officers would need to give further consideration as to how this was reflected within the draft MTFP, and whether any further assumptions could be drawn going forward.

Members were also advised that the New Homes Bonus had been extended for a further year, and that this would net a further £1.4M above anticipated levels. It was reported that there were also a number of deductions from initial draft figures, however overall there

would be an additional £1.073M funding for 2022/23, over that which had been previously presented.

Members entered into discussion on the statutory nature of the majority of Adult Social Care services and funding allocation, and the potential for further work to examine this; sought clarification around the price inflation figure contained within the MTFP for 2025/26; enquired about the rationale behind the increase in the external purchase of care, and the reasoning for the perceived reduction in funding for long-term physical disability and long-term mental disability; encouraged the harnessing of under-utilized Council assets and building a Council managed Care Home and Sheltered Accommodation; scrutinised the margin of error in relation to National Insurance contribution and the Employee pay award; encouraged a greater focus on honing services via the Transformation Agenda to reduce spending and produce greater efficiencies, and encourage care providers to do likewise; and enquired as to whether tackling inequalities could be undertaken at a Council wide level to reduce specific service costs.

(a) That this Committee accept the draft MTFP 2022/23 to 2025/26, as proposed, particularly in relation to those services and finances within the remit of the Committee and undertake work throughout the forthcoming year to inform the MTFP 2023/24 to 2026/27.

(b) That the Chair, in consultation with the Lead Scrutiny Officers supporting this Scrutiny Committee, be given authority to agree the Notes of this Meeting of the Committee, to enable the Notes to be considered at a Special Meeting of the Economy and Resources Scrutiny Committee, scheduled to be held on 20 January 2022.

HEALTH AND HOUSING SCRUTINY COMMITTEE

Wednesday, 5 January 2022

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

PRESENT – Councillors Bell (Chair), Heslop, Layton, McEwan and Newall

APOLOGIES – Councillor Bartch

ABSENT – Councillors Dr. Chou, Lee and Wright

ALSO IN ATTENDANCE – Councillor K Nicholson

OFFICERS IN ATTENDANCE – Elizabeth Davison (Group Director of Operations), Anthony Sandys (Assistant Director - Housing and Revenues), Brett Nielsen (Assistant Director Resources) and Hannah Miller (Democratic Officer)

DECLARATIONS OF INTEREST

There were no declarations of interest reported at the meeting.

MEDIUM TERM FINANCIAL PLAN

The Assistant Director Resources submitted a report (previously circulated) requesting that Members give consideration to the Medium Term Financial Plan (MTFP) for 2022/23 to 2025/26 (also previously circulated).

In introducing the report, the Group Director of Operations reminded Members of the MTFP Briefing that was delivered to Members in December outlining the overall position of the MTFP, and advised that Members now had the opportunity to ask questions relating to the remit of this Scrutiny Committee and to forward any views or comments to the Economy and Resources Scrutiny Committee for consideration at its meeting scheduled to be held on 20 January 2022.

The Group Director of Operations provided an update on the finance settlement which had been received subsequent to the draft MTFP.

It was reported that the Council Tax and Precept levels remained as expected at 2 per cent and 1 per cent respectively; that the £1.5B additional funding announced in the Autumn Statement had been split into £822M Services Grant and £636M Social Care Grant; the Council would be receiving £1.579M from the Services Grant and £1.162M from the Social Care Grant, which was higher than the estimate included within the draft MTFP; and Members were advised that the Services Grant was a one-off payment whilst a further review of Local Government funding was conducted.

Members were also advised that the New Homes Bonus had been extended for a further year, and that this would net a further £1.4M above anticipated levels. It was reported that there were also a number of deductions from initial draft figures, however overall there would be an additional £1.073M funding for 2022/23.

It was reported that the Public Health and Housing Revenue Account were the two main funding streams within the remit of this Scrutiny Committee; these were both ring fenced grants; that the 2022/23 Public Health Grant allocation had not yet been announced; and there were no specific pressures for Housing or Public Health in 2022/23.

Following a question, the Group Director of Operations advised Members that there were no anticipated reductions in the Public Health grant.

(a) That this Scrutiny Committee has no comment to make on the MTFP 2022/23 to 2025/26.

(b) That the Chair, in consultation with the Lead Scrutiny Officers supporting this Scrutiny Committee, be given authority to agree the Notes of this Meeting of the Committee, to enable the Notes to be considered at a Special Meeting of the Economy and Resources Scrutiny Committee, scheduled to be held on 20 January 2022.

ECONOMY AND RESOURCES SCRUTINY COMMITTEE

Thursday, 6 January 2022

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

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)

DECLARATIONS OF INTEREST

There were no declarations of interest reported at the meeting.

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.

COMMUNITIES AND LOCAL SERVICES SCRUTINY COMMITTEE

Thursday, 6 January 2022

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

PRESENT – Councillors Tait (Chair), Allen, Bartch, Cossins, Mrs Culley, Donoghue, Haszeldine, B Jones, McCollom and Willis

APOLOGIES –

ABSENT – Councillor Wallis

ALSO IN ATTENDANCE – Councillors Dulston and Keir

OFFICERS IN ATTENDANCE – Elizabeth Davison (Group Director of Operations), Brett Nielsen (Assistant Director Resources), Ian Thompson (Assistant Director Community Services), Anthony Hewitt (Assistant Director Highways and Capital Projects), Brian Graham (Head of Environmental Services) and Hannah Miller (Democratic Officer)

DECLARATIONS OF INTEREST

There were no declarations of interest reported at the meeting.

MEDIUM TERM FINANCIAL PLAN

The Assistant Director Resources submitted a report (previously circulated) requesting that Members give consideration to the Medium Term Financial Plan (MTFP) for 2022/23 to 2025/26.

In introducing the report, the Group Director of Operations reminded Members of the MTFP Briefing that was delivered to Members in December outlining the overall position of the MTFP, and advised that Members now had the opportunity to ask questions relating to the remit of this Scrutiny Committee and to forward any views or comments to the Economy and Resources Scrutiny Committee for consideration at its meeting scheduled to be held on 20 January 2022.

The Group Director of Operations provided an update on the finance settlement which had been received subsequent to the draft MTFP.

It was reported that the Council Tax and Precept levels remained as expected at 2 per cent and 1 per cent respectively; that the £1.5B additional funding announced in the Autumn Statement had been split into £822M Services Grant and £636M Social Care Grant; the Council would be receiving £1.579M from the Services Grant and £1.162M from the Social Care Grant, which was higher than the estimate included within the draft MTFP; and Members were advised that the Services Grant was a one-off payment whilst a further review of Local Government funding was conducted.

Members were also advised that the New Homes Bonus had been extended for a further year, and that this would net a further £1.4M above anticipated levels. It was reported that

there were also a number of deductions from initial draft figures, however overall there would be an additional £1.073M funding for 2022/23.

Discussion ensued regarding staffing savings within Children's Social Care and the provision of home carers; and Members sought clarification regarding increased demand in relation to Highways - responsive repairs.

Following a question regarding the provision for increasing staffing levels on the ground, with particular reference made to the arboricultural team, the Assistant Director Community Services advised Members that there was provision in the budget to recruit additional arboricultural officers; recruitment to these posts had been challenging however the posts had been reviewed and recruitment would continue.

Discussion also ensued regarding the Futures Fund and impacts of this being mainstreamed into the budget from 2025/26 onwards; the anticipated allocation of the additional £1.073M from the settlement; and Members sought clarification in respect of the allocation of the £310M that the Tees Valley Combined Authority had been allocated from the City Region Sustainable Transport Settlement.

(a) That this Scrutiny Committee has no comment to make on the MTFP 2022/23 to 2025/26.

(b) That the Chair, in consultation with the Lead Scrutiny Officers supporting this Scrutiny Committee, be given authority to agree the Notes of this Meeting of the Committee, to enable the Notes to be considered at a Special Meeting of the Economy and Resources Scrutiny Committee, scheduled to be held on 20 January 2022.

STRONGER COMMUNITIES FUND

The Stronger Communities Portfolio Holder submitted a report (previously circulated) updating Members on the spend to date against the Stronger Communities Fund and requesting that Members give consideration to continuation of the pilot scheme into the next financial year.

In introducing the report the Stronger Communities Portfolio Holder advised Members that the fund had been introduced to give all Councillors autonomy within their community to support local projects and community groups at a grass roots level and Members were requested to provide feedback in respect of the process.

The submitted report stated that Cabinet agreed, at its meeting held on 13 April 2021, to establish a pilot scheme enabling Members to use an allocated amount of money to deliver the objectives of building stronger communities; that each Councillor had been allocated £1k; and details were provided of the spend against the £50k to date, together with information on what had been delivered in wards on an individual Councillor basis.

Following a question, the Stronger Communities Portfolio Holder advised Members that the £1K should be spent before the end of the financial year; and that any funding not spent by Members may be carried forward to the next financial year however Members individual budget would remain at £1K.

Members felt that the deadlines and timescales for the process should be clearer and

acknowledged the Credit Union and Democratic Services for their support with the process; and discussion ensued regarding the key themes from Members allocations.

Following a question regarding the possibility of training for Members to identify and access other funding opportunities to help local projects and community groups, the Stronger Communities Portfolio Holder advised Members that discussions were ongoing to identify how the Council could support not only Members but residents to access funding opportunities; and it was suggested that an All Member briefing be arranged to help Councillors identify and access support for local communities.

Members expressed their views regarding the continuation of the scheme in 2022/23.

(a) That the current spend against the £50k be noted.

(b) That the Economy and Resources Scrutiny Committee be advised that the Communities and Local Services Scrutiny Committee supports the continuation of the scheme in the 2022/23 financial year.

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CHILDREN AND YOUNG PEOPLE SCRUTINY COMMITTEE

Monday, 10 January 2022

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

PRESENT – Councillors Ali, Crudass (Chair), Mrs Culley, C. Hughes, Lucas, Renton, Snedker, Sowerby and Willis

STATUTORY CO-OPTees – None

NON-STATUTORY CO-OPTees – John Armitage and Nick Lindsay

APOLOGIES – Councillors Bell and Lister, Tim Fisher

ALSO IN ATTENDANCE – Councillor Clarke

OFFICERS IN ATTENDANCE – Elizabeth Davison (Group Director of Operations), Chris Bell (Assistant Director of Children's Services), Brett Nielsen (Assistant Director Resources), Tony Murphy (Head of Education and Inclusion) and Allison Hill (Democratic Officer)

DECLARATIONS OF INTEREST

Councillor Snedker declared a non-pecuniary interest in the item below.

MEDIUM TERM FINANCIAL PLAN

The Assistant Director Resources submitted a report (previously circulated) requesting that Members give consideration to the Medium Term Financial Plan (MTFP) for 2022/23 to 2025/26.

In introducing the report, the Group Director of Operations reminded Members of the MTFP Briefing that was delivered to Members in December outlining the overall position of the MTFP, and advised that Members now had the opportunity to ask questions relating to the remit of this Scrutiny Committee and to forward any views or comments to the Economy and Resources Scrutiny Committee for consideration at its meeting scheduled to be held on 20 January 2022.

The Group Director of Operations provided an update on the finance settlement which had been received subsequent to the draft MTFP.

It was reported that the Council Tax and Precept levels remained as expected at 2 per cent and 1 per cent respectively; that the £1.5B additional funding announced in the Autumn Statement had been split into £822M Services Grant and £636M Social Care Grant; the Council would be receiving £1.579M from the Services Grant and £1.162M from the Social Care Grant, which was higher than the estimate included within the draft MTFP; and Members were advised that the Services Grant was a one-off payment whilst a further review of Local Government funding was conducted.

Members were also advised that the New Homes Bonus had been extended for a further year, and that this would net a further £1.4M above anticipated levels. It was reported that there were also a number of reductions from initial draft figures, however overall there would be an additional £1.073M funding for 2022/23.

Members discussed in particular with the Assistant Director of Children's Services and the Assistant Director of Resources the level of unpredictability within Children's Services and the Strengthening Families Programme which was key to the improvement journey and providing high quality services and the challenges faced which were still ongoing from the pandemic; how the level of funding for Children's Services is measured and set and it was noted that there had been a significant increase in funding over recent years mirrored by the increase in expenditure; the challenges around placement markets which was to undergo some national changes in Spring 2022; it was noted that the overspend at the year end for Children's Social Care which was approximately £0.5M was due to Covid costs; how Adoption Tees Valley funding was calculated and the ongoing work in relation to calculating charges to each of the five Tees Valley authorities; and ongoing work to reduce the costs in relation to Inter Agency Fees.

Members also discussed the known pressures and efficiencies in relation to Social Care staffing and the increased demand in relation to public funds and the number of children requiring support.

Scrutiny Members asked the Assistant Director of Children's Services, if extra funding could be made available for Children's Services where this would be best allocated and focussed. His response was that the area he would most seek to expand would be the Early Help offer, to create more Early Help practitioner posts and for the service to be larger, more accessible and more visible to local communities, children and families in Darlington.

Members agreed that access to Early Help helps families address their issues early and if successful prevents expensive and intrusive statutory interventions at a point in the future, thus being both the right thing to do and a more financially viable way of supporting families; and is at the very heart of the Strengthening Families journey already being undertaken working with families.

(a) That, the Economy and Resources Scrutiny Committee be advised that, following consideration, the following is this Scrutiny's views on the draft Medium Term Financial Plan 2022/23 to 2025/26:

- (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.

(b) That the Chair, in consultation with the Lead Scrutiny Officers supporting this Scrutiny Committee, be given authority to agree the Notes of this Meeting of the Committee, to enable the Notes to be considered at a Special Meeting of the Economy and Resources Scrutiny Committee, scheduled to be held on 20 January 2022.