

**COUNCIL**  
**24 SEPTEMBER 2020**

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**OVERVIEW OF ECONOMY AND RESOURCES SCRUTINY COMMITTEE**

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

**COVID – 19**

2. Like all other Scrutiny Committees we received an update from Officers on the actions taken within the service areas of our Scrutiny Committee over the previous months in relation to COVID-19, including the financial implications to the Council, the implications on Darlington businesses and the overall economy, how services were operating during the pandemic and the fundamental way in which employees had adopted to new ways of working.
3. At the time of our meeting, the Council had received a £6.231 million grant as part of the Government's £3.2 billion funding provided to support local Council's COVID-19 response, however we were advised that there would still be a shortfall within this financial year.
4. The main areas of pressure are additional expenditure, loss of income, an increase in applications for Council Tax support and Council Tax and non-domestic rates income losses. Some of the figures we were provided with in our report were based on assumptions at that time i.e. that there would be no further income from the Hippodrome during 2020, a graduated return of income in relation to the Dolphin Centre and a return of car parking charges.
5. It was reassuring to note that, in relation to Council Tax and Business Rates collection, despite the challenges faced by residents and businesses, collection levels were only slightly lower than the same period last year with £10.9 million of Council Tax and £3.6 millions of Business Rates collected. There had however been a significant increase in the number of residents applying for Housing Benefit and Council Tax support with the overall total at 11,992 (an increase of 12 per cent), the highest level since May 2016.
6. Local businesses are continuing to be supported both financially and operationally and Officers worked extremely hard to ensure that the business grant funding which had been received was distributed to those businesses eligible as quickly as possible to assist them and, in doing so, I am pleased to report that the Council were in the top ten quickest payers in the Country at one stage during the process.
7. We were also updated on the significant work done by HR during the pandemic, including health and safety, to ensure the safety of staff and members of the public, the reinstatement of the democratic processes of the Council and the work of the legal team, registrars and the complaints and information governance team and we placed on record our thanks to all staff for the way in which they have adapted to the challenges faced and the new way or working.

## **Darlington Borough Council and Microsoft 365**

8. It has been recognised that the Council very quickly managed to mobilise its workforce at the start of the lock down period and I thought it would be useful for our Scrutiny Committee to receive a presentation on the work which had already been taking place by the Authority and Xentrall Shared Services to implement Microsoft 365 which helped us to be able to respond so quickly and keep key services operational.
9. The information architecture plan for Microsoft Office 365, which put in place the building blocks and foundations for 365 was developed by Xentrall Shared Services in 2018 to enable a more modern working solution to be implemented across the Council and its services and had already begun to be rolled out in a very low key and structured way. This work put the Authority in a very strong position to react quickly to the COVID-19 pandemic and the presentation covered the immediate objectives following the outbreak which included, mobilising staff safely and quickly, looking at gaps in business critical users, designing a desk top solution to move desk top machines, working with Chief Officers to keep key services operational and the establishment of a key communications channel via TEAMS, which we are now all familiar with.
10. Further applications with the Office 365 suite will continue to be rolled out to staff with training and support, however, our thanks must be given to the Officers for the work which has been done and which put the Authority in such a strong position.

## **Complaints, Compliments and Comments**

11. We considered the Annual report which was also considered by Cabinet in relation to the number of complaints, compliments and comments which had been received by the Authority during 2019/20.
12. The Council constantly strives to ensure an organisational structure in which complaints and accepted, owned and resolved as quickly as possible and one in which learning from complaints is used to improve services. There is also a statutory requirement for the Council to produce annual reports in respect of representations received under the Adult Social Care, the Children's Social Care and the Public Health Complaints, Compliments and Comments Procedures.
13. We were advised that, during 2019/20, 838 complaints had been received, a slight increase from the previous year, 292 compliments had been received, again a slight increase from the previous year and that there had been a reduction in the number of comments which had been received from 240 to 168.
14. It is important for the Authority to analyse the complaints to determine whether there are any concerns in any particular areas and to implement organisational changes were needed, however, it is also important, when looking at the figures, to put the number of complaints into the context of the high number of transactions/interactions with the public.
15. We have asked for contextual information to be included in future reports, together with further graphical comparative information.

## **Review of Complaints Made to the Local Government Ombudsman**

16. We have also considered a report which was considered by Cabinet outlining the outcome of cases which have been determined by the Local Government and Social Care Ombudsman (LGSCO) and the Housing Ombudsman (HO) during the period October 2019 and March 2020.
17. During the period concerned, there were seven cases subject to decision by the LGSCO and one by the HO. Of the seven to the LGSCO two were upheld relating to financial assessments associated with the provision of adult social care services. Action has been taken to remedy the complaints and processes changed to ensure there is not a re-occurrence.

## **Economic Indicators – Impact of COVID19**

18. Following on from our special meeting in July when we received an update on the actions taken following the lock down period, we received a further presentation at our September meeting specifically on the effect of the pandemic on the economic indicators for Darlington.
19. We were advised that although Darlington has continued to perform well on a range of economic indices it was facing some challenges some of which have been growing for some years and some of which have recently emerged as a specific result of COVID 19 and the likely subsequent recession. It is important for the Authority to understand those challenges to enable a shared understanding of the emerging issues to be developed, inform the Council's activities and resources and highlight those areas which require action.
20. The presentation highlighted some of the headline indicators and it was reported that the recovery would be slow with long-lasting effects specifically affecting low paid workers and young people. Early indicators show that unemployment has increased across the age profiles.
21. A Business Impact Survey has been undertaken by the Tees Valley Combined Authority (TVCA) to determine the extent of the impact on local businesses across the Tees Valley, the results of this will help to shape the region's response and the economic recovery. The key findings of the survey were included in the presentation.
22. As highlighted in paragraph 6 above, local businesses were and continue to be supported, 2,093 businesses have received grants of £10,000 and £25,000, business rates discounts worth £16.6 million have been awarded to 682 local retail, hospitality and leisure businesses providing full exemption for business rates for 2020/21 and a discretionary grant scheme has been implemented.
23. The Director of Economic Growth and Neighbourhood Services reported that the impact of COVID-19 on the local economy was still to be fully realised but there was an emerging picture of different impacts across the industry sector, occupation and places and that work would continue with colleagues and stakeholders across the Tees Valley to develop a Tees Valley Recovery Plan, setting out how it can form a key part of re-building the UK economy

24. We particularly discussed the skills shortage and the number of employers within the Borough who offered apprenticeships, particularly the higher level apprenticeships which would help deliver against the level 4 qualifications, the need to encourage employers in Darlington to become living wage employers, the validity of the statistics in the TVCA statistics some work being undertaken by the Tees Valley Combined Authority to identify where the skills and training issues are both in the current and future growth prospect so that there is a ready supply of skills and people when needed; and the need to continue to make Darlington a Town where people wanted to live, work and visit.

### **Greater Faverdale (Burtree Garden Village) – Design Code**

25. A Design Code for the Greater Faverdale (Burtree Garden Village) has been developed. If approved, the Design Code will ensure a comprehensive quality code to create developer- led Quality of Place and offer the Council's development management team a clear assessment tool to be used in the planning process which will enable them to evaluate and appraise objectively forthcoming planning applications where design would be a material consideration.
26. The site at Greater Faverdale is a 178 ha mixed use site, which was supported as a Garden Community by the Ministry for Housing Communities and Local Government (MHCLG) in July 2019.
27. As the report had been deferred from Cabinet at the time of our meeting, we deferred discussion until a time when the final report was ready to be considered.

### **Investment Fund Update**

28. We received an update report on the progress against the agreed investments being funded through the Investment Fund.
29. Members will be aware that the Investment Fund was established by the Council in November 2016 for the Council to use for innovative investment opportunities beyond the traditional Treasury Management Strategy in order to achieve greater returns given the low returns on investments.
30. The fund has been used to fund ten schemes, two of which have been completed and the funding recycled. Of the £50 million in the fund there is a commitment against of £39.47 million, leaving a balance of £10.53 million uncommitted. We were advised however, that there was a business case being considered by Cabinet in relation to a Neasham Road Joint Venture Scheme which would call on this balance.

**Councillor Scott Durham**  
**Chair Economy and Resources Scrutiny Committee**