

**COUNCIL**  
**26 November 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.

**Business Week 2020**

2. We received an overview of the activities which took place as part of the Council's Business Week 2020 which took place for the first time virtually due to the current pandemic. The programme this year, which was brought together by the Business Investment Team, focussed around supporting businesses to recover from the pandemic and consisted of 17 on-line activities, including the launch of the event by the Mayor of the Tees Valley Combined Authority, information sessions and a series of business development workshops.
3. Business week brings together a number of local companies partners and business support organisations to provide free informative and engaging sessions to help local businesses build resilience, help recovery and learn how to diversify and find new opportunities and more than 250 businesses registered for the week's events, with positive feedback being received..
4. A virtual Jobs Fair was also hosted during the week to promote the wide range of job vacancies which were available at the time and approximately 100 live vacancies were posted during the week to the audience that were in attendance.
5. We noted that the Skills workshop had been cancelled due to lack of interest at this particular time in taking on new recruits due to the current situation, however, it was re-assuring to note that bespoke training was given to those that had registered for that event by the Darlington College and that, going forward, this more bespoke skills training would be more readily available as one-off events outside of Business Week.
6. Next year's Business Week will be held during the week of 4 October and we have requested Officers to keep us updated, following the lessons learnt from this year's events, of the proposed arrangements once next year's planning commences.

**Towns Fund – Forward Funding**

7. We have received a presentation on the proposed use of the Towns Fund – Forward Funding, following accelerated funding of £1 million which has been received from the Government to fund capital projects that are in line with the Towns Fund. This money must be spent this financial year with the aim of making an immediate impact to support the growth and recovery of Darlington during the pandemic.
8. The presentation covered the individual projects which were included within the overall project, which included improvements to the historic yards, town centre

enhanced lighting, town centre WIFI and property acquisition in Northgate.

9. We were pleased to note that Town Centre WIFI was included within the plan which will enable businesses to better promote their businesses electronically and with electronic payment systems etc.
10. We also discussed the need for any planting within the Yards to be low maintenance and for businesses to hopefully maintain that planting and build a sense of pride within their community and we asked the Officers to look at the provision of CCTV coverage within the Yards as part of the project to prevent anti-social behaviour and give reassurance to businesses. There is also a need to effectively engage with residents to communicate and consult on any plans.

### **The Process for the Write-off of Irrecoverable Debt**

11. We asked Officers to provide us with information on the statutory processes which were followed for the write-off of irrecoverable Council Tax, Business Rates, former tenant rent arrears and Housing Benefit overpayments.
12. The collection of these rents and taxes is important to provide the Council with resources which it needs to provide essential services to residents and businesses and we felt it was useful to see the processes and how they were implemented, within the statutory framework and how diligent Officers were in following those processes both in terms of collecting the debt and in supporting those people who were not paying due to financial difficulties.
13. The Head of Housing and Revenues reported that the statutory framework did give options and the Council operated within its own recovery strategy based on what it felt worked best in terms of collecting debt, with the debtor always being given the opportunity to contact and engage with the Council before any enforcement action was taken. It was explained that the significant increase in Former Tenant Rent Arrears which were deemed unrecoverable and written-off this year was due to a tidying up exercise after all recovery methods had been exhausted, with £400k of the £607k being before 2019 and some going back to the 1990's.
14. We were advised that, as part of the collection process and the large sums of money involved, £119.2 million last year, it was inevitable that some debts were irrecoverable and had to be written-off, although this was only once all other options had been exhausted. Officers assured us that a lot of resource was focussed on collecting the small percentage of debt which was not being paid and in providing support and signposting to those residents who were unable to pay due to financial difficulty.
15. We were also given a update on the additional work the team had been doing following the Covid-19 outbreak to maintain collection rates and in processing £24 million of business support grants.

### **Project Position Statement and Capital Programme Monitoring – Quarter 2 2020/21**

16. We received the quarter 2 information in relation to the capital resource and commitment position of the Council's capital programme. The Council currently has 39 live projects being managed with an overall projected outturn value of £126

million.

17. Despite the Covid-19 outbreak, the majority of the Councils projects are moving forward and safe systems of work have been put in place to enable that work to continue, however we did ask some questions in relation to some of the projects which had been delayed and whether there were additional costs associated with those projects as a result of that.

### **Revenue Budget Monitoring 2019/20 – Quarter 2**

18. We received the quarter 2 revenue budget outturn report prior to its consideration by Cabinet. The Council's projected revenue reserves at the end of 2020 are £20.506 million, £1,143 million higher than the initial 2020-24 MTFP position and includes a brought forward amount of £0.274 million from 2019-20 and the rebasing exercise of £0.897 million
19. Of the £20.506 million projected reserves, there is a risk reserve balance of £4.350 million and a commitment to use £11.330 million to support years two to four of the current MTFP, leaving a surplus of £4.826 million, subject to no further pressures being identified and no impact of Covid-19 in future years.
20. Specifically in relation to impact of Covid-19 on the Council's finances, it is estimated that the cost to the year-end will be £13.7 million, however the Council has received to date £8.7 million of Government grant and approximately £4 million is anticipated from the sales, fees and charges income recompense scheme which would leave a Covid-19 gap of £875,000. Government is continuing to be lobbied for additional funding.

### **Work Programme**

21. We have considered our current work programme. One area which I will discuss further with Officers and other Scrutiny Chairs is the feasibility of undertaking a shared piece of work around staff well-being and productivity levels across services during this period. In addition, it has also been suggested that an item be included on the work programme in relation to youth unemployment and a quad of aims will be submitted for that work
22. As Chair, I have also had briefings on the process involved in bringing empty properties back into use and the advantages of that both in terms of neighbourhoods and communities and Council Tax income and I will be liaising with Councillor Dulston on how we can extend the Northgate initiative across the town

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