

## **ADULTS SCRUTINY COMMITTEE**

Tuesday, 5 January 2021

**PRESENT** – Councillors Curry (Chair), Crumbie, Mrs Culley, Holroyd, Laing, Layton, M Nicholson, Renton and A J Scott.

**APOLOGIES** – Councillors Bell and Preston.

**OFFICERS IN ATTENDANCE** – Elizabeth Davison (Assistant Director – Resources), Christine Shields (Assistant Director Commissioning, Performance and Transformation), Linda Thirkeld (Acting Assistant Director - Adults Services), Jeanette Crompton (Strategic Commissioning Manager), Ann Baxter (Independent Chair, Darlington Safeguarding Partnership) and Paul Dalton (Elections Officer).

### **AD22 MEDIUM TERM FINANCIAL PLAN**

The Chief Officers Executive submitted a report (previously circulated) which proposed a Medium Term Financial Plan (MTFP) for 2021/22 to 2024/25, and which also included setting a budget and council tax increase for 2021/22, for consultation.

The submitted report stated that the Council had faced significant challenges over the last decade following the economic downturn and reduction in public sector spending, and highlighted that the Council had been successful in responding to these challenges to date, however noted that the challenges were becoming increasing difficult, particularly in respect of a growing elderly population, the pressure in the children's social care sector, and the major economic impact of Covid-19, which had had a direct impact on the Council's finances.

It was reported that in his 2020 Spending Review, delivered on 25 November 2020, the Chancellor of the Exchequer had referenced a number of funding streams, which included Social Care Grant, Covid-19 support, the continuation of Revenue Support Grant and an Adult Social Care precept, and that, as the Local Government Finance Settlement had not been received at that point, a number of assumptions in relation to Government funding had been made in the preparation of the submitted report.

The submitted report outlined details of the Core Offer budget, which had been agreed following a significant consultation exercise in 2016, and which had reduced expenditure and services to a risk based minimum level, with a small investment fund of £2.5m per annum for services which the Council was not required to provide, but which it was felt added great value to Darlington, and its residents (Futures Fund).

It was also highlighted that subsequent good progress made on achieving savings, strong cost management, and innovative treasury initiatives had allowed the Council to add to the Futures Fund, and that unallocated balances of £6.5m were invested in key five areas which held great value to the community, namely Community Safety; Maintaining an attractive street scene environment; Maintaining a vibrant town centre; Developing an attractive visitor economy; and Neighbourhood renewal.

The submitted report further detailed some of the significant pressures on the Core

Offer budget, in particular the pressures arising in social care and the ongoing impact of Covid-19 pandemic on the Council's expenditure and income budgets, however it was determined that, should the expected funding streams identified above be received, and through tight financial management, innovative financial investments and increased income from economic growth successes, the Council could still deliver the agreed balanced plan, finance the MTFP a further year to 2024/25, whilst retaining usable balances of £3.504m.

Members entered into discussion on the sustainability of Adult Social Care funding, the budget reductions in reablement, and the increasing costs associated with inflation and the increased National Living Wage costs associated with service providers, both of which it was highlighted were outside of the Council's control. Members also heard about the budget pressures associated with service provision for those with learning disabilities, and the increased costs associated with an ageing population.

Discussion ensued on the potential of using the Futures Fund to contribute to the cost of Adult Social Care, the use of discretionary spending, and the likelihood of further Government funding to assist with the costs of the Covid-19 pandemic.

**RESOLVED** –That this Scrutiny Committee

- (a) Supports the Council Tax increase of 1.99 per cent plus the 3.00 per cent Adult Social Care Precept to help fund social care for 2021/22, totalling a 4.99 per cent increase;
- (b) Has no comment to make on the proposed Schedule of Fees and Charges for those services within its remit; and
- (c) Supports the continuation of the Futures Fund into 2024/25.