

COUNCIL
25 MARCH 2021

OVERVIEW OF ECONOMY AND RESOURCES SCRUTINY COMMITTEE

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 Grants Update

2. Scrutiny received a further update on the Governments various funding schemes to support local businesses during the Covid-19 pandemic.
3. Since our last update in January, the Government have announced a further two new schemes which have been launched for businesses to apply for which now means that there are eight different types of schemes for businesses to apply for across a range of different sectors and time periods.
4. Officers provided us with quantitative information on the number of applications under the various schemes which had been received up to 1 February 2021, together with the number of those applications which had been approved and declined and those still awaiting a decision. The total amount of grants paid up to 1 February, 2021 is £7,539,111.16. Information is also available on the reasons why those applications which were declined were unsuccessful.
5. Applications are continuing to be received and funding awarded and work is on-going to identify those businesses who have not applied for some of the grants for which they might be eligible to ensure all the schemes are maximised before they are closed.
6. We were also reminded of the Additional Restrictions Grant, which is a grant provided to the Local Authority to provide discretionary support to businesses. The criteria which has been put in place to help priority sectors in Darlington in relation to the discretionary grant scheme is currently being reviewed to enable the scope and scale of the businesses reached to be extended and we were advised that as much as possible, the criteria for the discretionary grants was synchronised with neighbouring authorities to ensure that there was some consistency on the criteria which was being applied within different areas.
7. Signposting is on-going for businesses to ensure that they apply for the correct scheme and to national support measures which they might be entitled to such as Universal Credit, self-employment income support scheme etc. Lobbying of Government is also on-going to highlight that there are a lot of businesses who are currently without support as they are not eligible to receive financial support through the various schemes and are not eligible for the self-employed income support initiative.
8. Again, we thanked Officers for the work they are doing.

Project Position Statement and Capital Programme Monitoring – Quarter 3

9. We received the quarter 3 information in relation to the capital resource and commitment position of the Council's capital programme. The Council currently has 40 live projects being managed with an overall projected outturn value of £127.405 million.
10. We were advised that the only project which was outside the tolerance set was Ingenium Park which was due to a time delay and the need to undertake drainage works at a certain point of the year for ecological reasons.
11. It is pleasing to note that the new electronic capital project reporting system is currently being rolled out and we will be able to see how it will work at the next reporting period. It will take time to migrate project management across the new system.

Revenue Budget Monitoring Quarter 3

12. We received the quarter 3 revenue budget outturn report prior to its consideration by Cabinet. Since the quarter 2 report, further Covid-19 funding has been announced by the Government in relation to the collection fund and £1 million has been received from the Arts Council England to subsidise the Hippodrome from October to March. It is planned to set up an earmarked reserve for Covid-19 which can be drawn on going forward.
13. The Council's projected revenue reserves at the end of 2020-21 are £22.306 million, £2,943 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
14. Of the £22.306 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 £6.626 million to assist with any unknown future pressures and Covid-19 impacts.

Work Programme

15. In discussing our work programme, I, as Chair, have had discussions with the Children and Young people Scrutiny Committee in relation to taking forward a piece of work in relation to youth unemployment as a result of the current pandemic. That Scrutiny Committee are currently undertaking a specific piece of work in relation to the impact COVID-19 has on families and young people and the Chair has confirmed that once this section of work has been completed they will set out a plan to look specifically at youth unemployment. This Scrutiny Committee will support that piece of work.
16. We are also going to undertake a piece of work to look at the performance indicators which are reported to our Scrutiny Committee in relation to the economy and agree which ones of those we would like to see on a regular basis to give us an indication as to how the Council in performing in supporting businesses and the economy going forward.

Councillor Scott Durham
Chair Economy and Resources Scrutiny Committee