

ECONOMY AND RESOURCES SCRUTINY COMMITTEE

Thursday, 4 February 2021

PRESENT – Councillors Durham (Chair), Crudass, Harker, L Hughes, Mrs D Jones, McEwan, Renton and Tait

APOLOGIES – Councillor Paley

ABSENT – Councillors Bartch and Boddy

ALSO IN ATTENDANCE – Councillor Johnson

OFFICERS IN ATTENDANCE – Elizabeth Davison (Assistant Director Resources), Dave Winstanley (Assistant Director Transport and Capital Projects), Andrew Perkin (Business Growth and Investment Manager), Brian Robson (Head of Capital Projects) and Shirley Wright (Democratic Manager)

ER20 DECLARATIONS OF INTEREST

There were no declarations of interest reported at the meeting.

ER21 MINUTES

Submitted – The Minutes (previously circulated) of meetings of this Scrutiny Committee held on 6 and 19 January, 2021.

In relation to the Minutes of 19 January, 2021, the Chair referred to a letter which he had received from the Chair of the Children and Young People Scrutiny Committee, asking for this Scrutiny Committee to note a misunderstanding which had occurred at the Children and Young People Scrutiny Committee when considering its response to the consultation on the Medium-Term Financial Plan (MTFP). It was confirmed that the misunderstanding would be highlighted at Cabinet as part of the overall Scrutiny response on the MTFP.

RESOLVED - That the Minutes be approved as correct records.

ER22 BUSINESS GRANTS

The Business Growth and Investment Manager gave an update on the Governments various funding schemes to support local businesses during the Covid-19 pandemic.

It was reported that, since the last update in January, the government had announced a further two new schemes which had been launched making eight different types of schemes available for businesses to apply for across a range of different sectors and over different time periods.

As requested at the last meeting, Officers provided the Scrutiny Committee with quantitative information on the number of applications which had been received up to 1 February, 2021 under the various schemes, together with the number of those applications which had been approved and declined and those still awaiting a

decision and it was confirmed that information was also available on the reasons why those applications which had been declined were unsuccessful.

Following questions by Members, it was reported that applications were continuing to be received and funding awarded and that work was on-going to identify those businesses who had not applied for some of the grants for which they might be eligible to ensure all schemes were maximised prior to their closure.

Discussion ensued on the Additional Restrictions Grant, a grant provided to the Local Authority to provide discretionary support to businesses; the criteria which had been put in place to help priority sectors in Darlington in relation to that scheme, which was currently being reviewed to enable the scope and scale of the businesses reached to be extended and to the need, as much as possible, to synchronise the criteria for the discretionary grants with neighbouring authorities to ensure that there was some consistency on the criteria which was being applied within different areas.

Particular reference was also made to the continual work which was being undertaken to help and support businesses to ensure that they applied for the correct scheme and to the signposting to any national support measures which they might be entitled to such as Universal Credit, self-employment income support scheme etc.

Members were concerned that there were a lot of businesses who were currently without support as they were not eligible to receive financial support through the various schemes and were not eligible for the self-employed income support initiative and Officers confirmed that lobbying of Government was taking place in relation to this.

RESOLVED – That the update be noted and the Officers be thanked for all the work they are doing.

ER23 PROJECT POSITION STATEMENT AND CAPITAL PROGRAMME MONITORING - QUARTER 3

The Director of Economic Growth and Neighbourhood Services submitted a report (previously circulated) together with a report (also previously circulated) which was being considered by Cabinet at its meeting to be held on 9 February 2021, giving a summary of the latest capital resource and commitment position to inform monitoring of the affordability and funding of the Council's capital programme, together with an update on the current status of all the significant construction projects which were currently being undertaken by the Council.

It was reported that the Council had a substantial annual construction programme of work which was delivering a wide range of improvements to the Council's assets and more critically to Council services and that there were currently 40 live projects currently being managed with an overall projected outturn value of £127.405 million with the majority of those projects running to time, cost and quality expectations with no foreseeable issues.

Officers highlighted a time delay on the Ingenium Park project which was due to the need to undertake drainage works at a certain point in the year for ecological

reasons.

Attached to the report was a project position statement which was required to be completed by all project managers for all projects over £75,000 and which brought together details of the current live construction projects by delivery area and provided details on the numbers, the current status position on each project with regards to budget and completion and any comments on current issues.

Reference was also made to the new electronic capital project reporting system which was currently being rolled out.

RESOLVED – That the position be noted.

ER24 REVENUE BUDGET MONITORING - QUARTER 3

The Managing Director submitted a report (previously circulated) together with the quarter 3 revenue budget outturn report (also previously circulated) which was due to be considered by Cabinet at its meeting on 9 February 2021.

It was reported that the Council's projected reserves at the end of 2020/21 were £22.306 million, £2,943 million higher than the initial 2020-24 MTFP position and included a brought forward amount of £0.274 million from 2019/20 and the rebasing exercise of £0.897 million.

The Assistant Director Resources reported that, of the £22.306 million projected reserves, there was 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.

In addition, it was also reported that, since the quarter 2 report, further Covid-19 funding had been announced by the Government in relation to the collection fund and £1 million had been received from the Arts Council England to subsidise the Hippodrome from October to March and that it was planned to set up an earmarked reserve for Covid-19 which could be drawn on going forward

RESOLVED – That the report be received.

ER25 WORK PROGRAMME

The Managing Director submitted a report (previously circulated) requesting that consideration be given to the work programme of this Scrutiny Committee for the remainder of the Municipal Year 2020/21.

The Chair reported that he had had discussions with the Chair of the Children and Young People Scrutiny Committee on the possibility of undertaking a piece of work in relation to youth unemployment as a result of the current pandemic and that that Scrutiny Chair had advised that, once it had completed the piece of work it was already undertaking in relation to the impact of COVID-19 on families and young people, it would set out a plan to look specifically at youth unemployment, with the support of this Scrutiny Committee.

It was also reported that it was intended to undertake a piece of work to look at the performance indicators which were reported to this Scrutiny Committee in relation to the economy to agree which ones the Committee would like to scrutinise on a regular basis to give an indications as to how the Council was performing in supporting business and the economy going forward.