

ECONOMY AND RESOURCES SCRUTINY COMMITTEE

Thursday, 5 January 2023

PRESENT – Councillors Mrs H Scott (Chair), Crudass, Harker, L Hughes, Lee, Mills and Paley.

APOLOGIES – Councillors Mrs D Jones and McEwan.

ABSENT – Councillors Boddy and Wright.

ALSO IN ATTENDANCE – Councillor Durham.

OFFICERS IN ATTENDANCE – Mark Ladyman (Assistant Director Economic Growth), Brett Nielsen (Assistant Director Resources), Anthony Sandys (Assistant Director - Housing and Revenues), Michael Conway (Mayoral and Democratic Officer) and Paul Dalton (Elections Officer).

ER30 DECLARATIONS OF INTEREST

Councillor Harker declared a non-Pecuniary interest in Minute ER32 below, as the Chair of the Darlington Federation of Nursery Schools Governing Body.

ER31 TO APPROVE THE MINUTES OF THE MEETING OF THIS SCRUTINY COMMITTEE HELD ON 3 NOVEMBER 2022

Submitted – the Minutes (previously circulated) of the meeting of this Scrutiny Committee held on 3 November 2022.

RESOLVED – That the Minutes be approved as a correct record.

ER32 MEDIUM TERM FINANCIAL PLAN 2023/24 - 2026/27

The Assistant Director - Resources submitted a report (previously circulated) requesting that consideration be given to the draft Medium Term Financial Plan (MTFP) for 2023/24 to 2026/27, which had been agreed by Cabinet at its meeting held on 13 December 2022, as a basis for consultation.

The submitted report referred Members to a briefing held on 14 December 2022, which had been offered to all Members, on the background and the overall proposals contained within the MTFP 2023/24 to 2026/27, and requested that Members of this Scrutiny Committee now consider those services and finances specifically within the remit of this Scrutiny Committee to enable a response to be formulated to Cabinet as part of the consultation exercise.

The Assistant Director - Resources provided an update on the Local Government financial settlement, which had been received on 19 December 2022, subsequent to the approval of the draft MTFP by Cabinet, and advised on the impact this settlement had on the assumptions made within that approved draft MTFP.

Members entered into discussion on the timing of the receipt of the Local Government financial settlement and the timescales involved in producing an updated MTFP, and the

level of response to, and the wider public interest in, the consultation on the MTFP. Members sought clarification on the timescales involved in terms of potential future Council Tax and Adult Social Care Precept increases, with concerns expressed that any future reduction in the cap would leave a shortfall in the latter years of the MTFP.

Clarification was also sought on the timescales involved in the National Non-Domestic Rates (NDR) reset, and the small improvements in the Revenue Support Grant (RSG). It was highlighted that there were small increases in the income stream, and that there was a significant budget gap between expenditure and income which was being covered by the use of reserves to allow time for improved economic growth, although it was noted that protection was in place for ear-marked reserves.

Members examined the budget pressures and savings outlined in Appendix 2 of the submitted report, noting some savings resulted from a reduced administrative burden, and the income from concessionary fares was scrutinised, with linkages to patronage explored. Members expressed disappointment that there was no dedicated funding for climate change initiatives, though it was acknowledged that there was funding in relation to specific schemes and projects.

RESOLVED – (a) That the proposals contained within MTFP 2023/24 to 2026/27, in relation to those services and finances which are specifically within the remit of this Scrutiny Committee, be agreed, and that this Scrutiny Committee will formulate a final recommendation to Cabinet on behalf of all the Scrutiny Committees at a Special Meeting of the Economy and Resources Scrutiny Committee scheduled to be held on 19 January 2023, once the views of the Adults Scrutiny Committee, the Children and Young People Scrutiny Committee, the Communities and Local Services Scrutiny Committee and the Health and Housing Scrutiny Committee have been taken into consideration;

(b) That the Chair, in consultation with the Lead Scrutiny Officers supporting this Scrutiny Committee, be given authority to agree the Minutes of this Scrutiny Committee, to enable the Minutes to be considered at a Special Meeting of the Economy and Resources Scrutiny Committee scheduled to be held on 19 January 2023.'

ER33 PERFORMANCE INDICATORS

Submitted - A report (previously circulated) of the relevant Assistant Directors, giving detailed performance information against the key Performance Indicators for Quarter 2, which were within the remit of this Scrutiny Committee. It was noted that twenty-two indicators, aligned to key priorities, are reported to the committee, eighteen of them on a six-monthly basis and four annually.

Members entered into discussion on staff retention, specifically in relation to the Customer Service Centre, with Members hearing about the work undertaken to improve retention, the reasons for high turnover, and the use of agency staff. Discussion continued on the increase in voluntary leavers (FHR 019), however it was reported that this was anticipated during the post-Covid-19 pandemic recovery period.

Clarification was sought on the number of FTE working days lost due to sickness (excluding schools) (FHR 001), and it was confirmed that the number of days had increased over the

previous quarter, however it was suggested that the baseline figure was unrealistic as this figure was skewed due to the previous method of recording absence due to Covid-19.

RESOLVED - That the report be noted.

ER34 WORK PROGRAMME

The Assistant Director Law and Governance submitted a report (previously circulated) requesting that consideration be given to the work programme of this Scrutiny Committee for the remainder of this Municipal Year.

RESOLVED – (a) That the presentations on ‘Markets Update’ and ‘Towns Fund’ be submitted to the next Ordinary Meeting of this Committee (Thursday, 2 February 2023).

(b) That the ‘Archived’ section of the Work Programme not be submitted to future meetings of this Committee.