

**COUNCIL**  
**23 MARCH 2023**

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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.

**Towns Fund**

2. We received a presentation from the Towns Fund Programme Manager which provided Members with an overview of the budget position of a number of Town Centre schemes, noting that the Towns Fund revenue received to date was £291,965 Programme development and £243,029 Capacity funding, alongside over £18M capital funding received to date.
3. The Committee received an overview of a number of projects including Skinnergate and the Yards, Urban Green Space, Northgate and Commercial Street, Adult Skills on the corner of Priestgate and Crown Street, Northgate and Victoria Road. Members also received a brief update on the Railway Heritage Quarter, Bank Top and Edward Pease House.
4. We were keen to learn more about the immediate plans for Skinnergate, and to see concept pictures and key dates being placed in the public arena. Members were also keen to hear more about the feedback on the Yards project.
5. Discussion ensued on the Adult Skills project, with the Committee keen to understand the financing of the project, learning that funding had been allocated for the Ground Floor of the building, however an application for further funding would be required to progress the project.
6. Disappointment was expressed at the lack of funding received for the Northgate Linear Park concept, however we acknowledged that Darlington had done quite well in terms of funding to date. Members heard that negotiations were still ongoing in terms of Northgate House, and clarified details around the development of 156 Northgate. We were pleased to learn more about the Tiny Forest programme.
7. We had an interesting discussion on how the history of Darlington could be best promoted around the Town Centre, touching upon the use of plaques, the development of the Heritage Trail, signage and branding, the use of mobile phone apps and walking routes, the development of a Ghost Trail, and the promotion of the short films recently created by Chris Lloyd.
8. It was noted that some of the gaps in financing were due to the biannual assessment and biannual release of funding.
9. Overall, we were pleased to hear of the ambition for Northgate, with suggestions put forward that retail units be removed to reveal the original houses that back onto North

Lodge Park, opening up the Northgate entrance to the town, and we would also be keen to see work undertaken to improve shop frontages ahead of the 2025 bicentennial railway celebrations.

### **Markets Update**

10. A verbal update on the Markets was provided to the Committee, with Members receiving information on a new street food bar, a review of the mechanical and electrical systems, and the biomass heating system.
11. We received an overview of Phase Two, which had commenced in Summer 2022, and included work on the Vault Bar, uplifts to the façade of the market, new toilet facilities, and improved signage. Members were informed that there were some long-standing traders who had a loyal customer base, however who were struggling to attract new customers, so work was being undertaken in cooperation with the established traders to attract fresh business to the site. It was reported that work had also been undertaken to encourage electronic trade.
12. The Committee was informed that in the preceding twelve months a number of different speciality markets had taken place, and that there would be a continuation of such offers. Members entered into discussion on the offer available, noting that the Management Company had invested in the bar/food sector, potentially to the detriment of a more traditional market offer, however Members were informed that the more traditional retailers were not taking up the option to move into the market, and therefore the offer needed to be more reflective of what people wanted.
13. Members noted that markets in similar local towns appeared to be thriving, and we were advised that Darlington's outdoor market was slowly starting to recover. Members scrutinised the rental costs, and were advised that the rate was competitive, with a discounted rate for new stall holders. We felt that it was important that financial incentives were in place to attract new traders.

### **Revenue Budget Monitoring 2022/23 – Quarter 3**

14. We received a copy of the Revenue Budget Monitoring 2022/23 – Quarter 3 report, which was being considered by Cabinet at its meeting on 7 February, 2023.
15. We heard that the latest projections showed an overall decline of £0.616m on the 2022-26 Medium Term Financial Plan (MTFP), however this was an improvement of £0.735m compared with the previous Quarter 2 Revenue Budget Monitoring report submitted to Cabinet in November 2022. It was stated that this was due to an improvement in the departmental position of £0.412m, which was broken down within the submitted report, and the release of the Risk Contingencies budget of £0.323m.
16. The Committee was advised that the Council's projected revenue reserves at the end of 2022/23 were £23.397m, a £0.616m decline on the initial 2022-26 MTFP position. This reduction in reserves included a brought forward amount of £0.384m from 2021/22, £0.127m of projected departmental overspends, and a £0.873m decrease in corporate resources.

17. It was reported that, of the £23.397m projected reserves, there was a commitment to use £22.490m to support years 2–4 of the current MTFP (2022–26), which left a £0.907m in unallocated reserves.
18. We sought greater clarity around the projected overspend of £2.418m in the Adoption and Placements budget, which was £0.706m greater than reported at Quarter 2, due to an additional eight residential placements (at a projected cost of £0.612m) and two additional independent foster carer placements (at a cost of £0.161m), though Members recognised and acknowledged the unpredictable nature of residential placements.
19. Members were also keen to receive further information around the improved situation in Adult Social Care and Health (an improvement of £0.416m on the position reported in Quarter 2 ), noting the reduction in care packages, including domiciliary care and attrition. We also sought clarification as to how budgets were continually monitored.

### **Project Position Statement and Capital Programme Monitoring – Quarter 3**

20. The Committee gave consideration to the Project Position Statement and Capital Programme Monitoring – Quarter 3 report, which was due to be considered by Cabinet at its meeting on 7 February 2023. The submitted report provided a summary of the latest Capital resource and commitment position, to inform monitoring of the affordability and funding of the Council’s capital programme, and an update on the current status of all construction projects currently being undertaken by the Council.
21. We heard that the projected outturn of the current Capital Programme was £277.981m against an approved programme of £279.857m, and remained affordable within the Medium Term Financial Plan (MTFP) for 2022/23–2025/26, and the submitted report outlined the Council’s substantial annual construction programme of work, noting that there were 44 live projects currently being managed by the Council, with an overall projected outturn value of £183.507m. We noted that the majority of projects were running to time, cost and quality expectations, however were continually being monitored given the current pressures on resources in the construction sector nationally.
22. Members were eager to know more about those allocated funds in the Capital Programme which were no longer required, and were reassured that these monies were paid back into the investment fund.

### **Economic Growth Strategy for Darlington**

23. We received a report which outlined the approach to develop the intelligence and local economic understanding in order to build an evidence base to provide the foundation for the development of the local economic growth strategy. The report stated that there had been much change since the production of the previous Economic Development Strategy, and that the Council needed to reposition its economic growth strategy to take advantage of changing economic circumstances.
24. The Committee heard that the new economic growth strategy would identify local priorities for economic development, with the aim of promoting growth and inclusion for all parts of our area. It was outlined that the first step in this process was to gather intelligence and assess the current state of the Darlington local economy, and that this

would be achieved through the production of a series of scoping papers to gather research, knowledge, and qualitative and quantitative data to fully understand where the Council are at.

25. Members were keen to be engaged in future work to shape the Economic Growth Strategy, and were eager to learn more about the work being undertaken to halt the 'brain drain' from the North-East. We were pleased to learn of the sector profiling that would be taking place with employers, and the focus on the wage rate.

### **Equality Policy and Objective Refresh**

26. We gave consideration to the proposed changes to the Equality Policy, and were invited to comment on the proposed Objective, which must be updated every four years.
27. The Committee was informed that the Equality Policy had been reviewed and updated to reflect the current Council Plan, and that the previous objective has been reviewed, and a new objective drafted. We were pleased to learn that consultation on both had taken place, and in light of the consultation, some minor changes had been made to the wording of the policy itself.
28. Members welcomed the revised policy, noting that previous training provided had been well-received.

### **Work Programme**

29. We gave consideration to the work programme of this Scrutiny Committee for the remainder of this Municipal Year.

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