

ECONOMY AND RESOURCES SCRUTINY COMMITTEE

Thursday, 18 January 2024

PRESENT – Councillors Baker (Chair), Coe, Durham, Haszeldine, Henderson, Marshall, McGill, Mrs Scott, Crumbie, Johnson and Layton

APOLOGIES – Councillors Dillon, Ray and Allen,

OFFICERS IN ATTENDANCE – Olivia Hugill (Democratic Officer), Brett Nielsen (Assistant Director Resources), Anthony Sandys (Assistant Director - Housing and Revenues) and Michael Conway (Mayoral and Democratic Officer)

ER81 DECLARATIONS OF INTEREST

There were no declarations of interest reported at the meeting.

ER82 MEDIUM TERM FINANCIAL PLAN

Submitted – The Minutes (previously circulated) of all the meetings of the Scrutiny Committees which had been held to discuss the proposals contained within the draft Medium-Term Financial Plan (MTFP) for 2024/25-27/28.

Note - The Minutes of the Communities and Local Services and the Children and Young People Scrutiny Committee were submitted with the prior approval of the Chair to the matter being treated as urgent to enable all the responses to be considered at this meeting.

The Assistant Director Resources attended and outlined the process and consultation period surrounding the Medium Term Financial Plan (MTFP) for which he had attended the Council's individual scrutiny committees. It was clarified that the purpose of this Special meeting was to discuss and collate the feedback as presented by Chairs of the individual committees at this meeting and to form a combined response for onward submission.

The Chairs of the individual scrutiny committees were invited to relate any feedback to this committee.

- a) The Chair of the Economy and Resources Scrutiny Committee provided a summary of the 4 January 2024 meeting and the discussion held around MTFP. Highlighting that a minority view was recorded as expressed by members who felt they could not endorse the MTFP as presented without more time to consider and after the full inclusion of the Local Government Finance Settlement details.
- b) The Chair of the Adults Scrutiny Committee provided a summary of the 9 January 2024 meeting and the discussion held around MTFP. It was highlighted that the committee believed that a greater fund for mental health services is required going forward.
- c) The Vice Chair of the Health and Housing Scrutiny Committee provided a summary of the 3 January 2024 meeting and the discussion held around MTFP. Highlighting that a minority view was recorded as expressed by members who felt they could not endorse

the MTFP as presented without more time to consider and after the full inclusion of the Local Government Finance Settlement details.

- d) The Chair of the Communities and Local Services Scrutiny Committee provided a summary of the 11 January 2024 meeting and the discussion held around MTFP in which the reduction in crematorium income was noted. It was also highlighted that the committee felt that changes would be required for future MTFPs in order to avoid excessive overspend.
- e) The Vice Chair of the Children and Young People Scrutiny Committee provided a summary of the 15 January 2024 meeting and the discussion held around MTFP. It was highlighted that members wished to commend officers on their progress in bringing some services in-house that were previously externally provided at greater cost. Members also requested should additional funds become available that SEND provision be a priority for funding.

The Children and Young People Scrutiny Committee had also considered a report (previously circulated) in relation to Children's Social Care in Darlington, Ensuring Placement Sufficiency and Enabling Creative Alternatives.

Following the presentation from committees' Chairs, the Chair of this meeting opened the room to discussion and questions in order to facilitate a combined response.

Discussions were held which noted the drop in overall grant funding and that a close eye should be kept on services that could experience major strain from this. It was also highlighted that the increase in demand for statutory services reduces budgets elsewhere, this was acknowledged as a national issue but the point was made that more money and longer term financial stability should be the primary goal.

A member also requested that the lowering of central government funding be noted as this is a pressure for the Council.

Another member made the point that they believe looking at the budget from a zero-base position could assist in identifying opportunities going forward.

A member raised discussion with regards to climate change funding and their concern that action may need to be taken at short notice towards this which may not be included in the budget. Officers clarified that the Housing budget is a large area with climate change impacts and funding has been set aside in the HRA MTFP for this, however it was acknowledged that not every implication of climate change is built into the MTFP but will be considered as part of future MTFPs to coincide with government timeframes for net carbon zero.

Questions were raised which included as to whether funding will be available to maintain Darlington's roads and repair potholes with the response that keeping roads at the highest standard would cost around £10m and that extra funding would be required to achieve this.

A question was raised asking how other committees are able to satisfy themselves that they understand the MTFP report and numbers involved. Responses were provided including that briefings with officers and COE members are available to aid in understanding where needed. That members are provided with the most relevant information and that data from previous

meetings can be readily accessed should members wish to gain a broader understanding of the history and trajectory of reports. That many committee members have professional experience in the areas being scrutinised and that all members take the subject matter seriously regardless of past experience. Overall, the consensus being that other committees are capable of understanding and processing the MTFP reports with members being welcome and encouraged to attend and observe any committees represented at this meeting.

Members asked for clarification of reserves with the Assistant Director Resources responding that unearmarked reserves were used to balance the budget with other earmarked reserves used to fund specific service areas, it was also stated that funding could be released from earmarked reserves in due course if unused and no longer needed. It was also asked if any surplus in the Council Tax Collection Fund will be utilised in coming years with the Assistant Director Resources answering that £1m had been released this year.

RESOLVED – That Cabinet be advised that the following is the response of the Economy and Resources Scrutiny Committee on behalf of all of the Council’s Scrutiny Committees in relation to the Medium Term Financial Plan 2024/25 to 2027/28 consultation:

- (i) That the report and the input of the scrutiny committees’ representatives be noted with the majority view that the MTFP is approved for onward submission.
- (ii) A minority view was recorded from members who do not support the MTFP in its current form.

STRONGER COMMUNITIES FUND

The Scrutiny Committee also considered a report (previously circulated) of the Cabinet Member with Portfolio for Stronger Communities in relation to the Stronger Communities Fund.

The Assistant Director Resources reported that the Communities and Local Services Scrutiny Committee on 11 January 2024 had also considered the report and had recommended the continuation of the scheme for the 2024/25 financial year and had noted the scheme’s current spend against the £50,000 allocated funding.

The Chair of the Communities and Local Services Scrutiny Committee reported that, in making the recommendation to continue the scheme in 2024/25 the lack of funding available across the council had been acknowledged. The Assistant Director Resources added that the decided levels of funding would also need to be included in the MTFP.

Members entered into discussion with some Members positively encouraging others to make use of the funding available to help the residents in their wards. Other Members stated that the scheme should continue but that greater publicity would be beneficial, such as advertisements in One Darlington.

A further point was raised that if some Councillors struggled to allocate their funds, the funds could be reallocated to those wards with a greater need.

A Member highlighted the positive impact that the fund can have in maintaining community groups that benefit a lot of residents and also raised the possibility that, in the future, certain practitioners could be funded who would have a positive impact with their work.

Members also raised the point that Councillors who have had greater success would be happy to share ideas for issuing funds with other Members and that success stories of the scheme should be more widely promoted. Another Member clarified that Councillors can apply for funds for their residents who are taking part in schemes outside their Ward.

The Chair of this Committee acknowledged the current financial pressures and appreciated the continuation of such a scheme for communities. The Chair also suggests a review of spending levels and regulations around issuing funds.

A member raised the points that funding should always go those with the greatest need where possible and that strengthened conflict of interest checks when issuing funds would add to the robustness of the scheme.

RESOLVED – That the report be noted, and Cabinet be advised of the view to support the continuation of the scheme, taking into account the points raised during the discussion.