

ECONOMY AND RESOURCES SCRUTINY COMMITTEE

Thursday, 1 February 2024

PRESENT – Councillors Baker (Chair), Coe, Durham, Henderson, McGill, Ray and Mrs Scott

APOLOGIES – Councillors Dillon, Haszeldine and Marshall,

OFFICERS IN ATTENDANCE – Brett Nielsen (Assistant Director Resources), Anthony Hewitt (Assistant Director Highways and Capital Projects), Brian Robson (Head of Capital Projects), Anthony Sandys (Assistant Director - Housing and Revenues), Michael Conway (Mayoral and Democratic Officer) and Andrew Perkin (Business Growth and Investment Manager)

ER83 DECLARATIONS OF INTEREST

Councillor Roz Henderson declared employment as Finance Manager for Groundwork North East.

ER84 TO APPROVE THE MINUTES OF THIS SCRUTINY COMMITTEE:

Submitted – The following Minutes of meetings of this Scrutiny Committee:

- (a) 4 January 2024 Meeting of the Economy and Resources Scrutiny Committee.
- (b) 18 January 2024 Special Meeting of the Economy and Resources Scrutiny Committee.

RESOLVED:

- (a) That the Minutes of the 4 January 2024 Meeting of the Economy and Resources Scrutiny Committee be approved as a correct record.
- (b) That the Minutes of the 18 January 2024 Special Meeting of the Economy and Resources Scrutiny Committee be approved as a correct record.

ER85 INCLUSIVE GROWTH STRATEGY FOR DARLINGTON

The Business Growth and Investment Manager provided members with a presentation to outline the intended approach to develop and build an evidence base in order to create a framework for future long-term sustainable inclusive economic growth that will complement the emerging economic ambitions and priorities of the new Council Plan

Members were informed that the Council's current strategy predates COVID and the cost-of-living crisis and the intention is to now establish a long-term sustainable plan for economic growth in Darlington. It was highlighted that the initial phases of this would require a review of current data followed by the gathering of fresh evidence including scoping work to accurately shape and inform the development of the strategy.

It was highlighted that Darlington has a large business base employing 58,000 people, a job density higher than the UK average with the highest business start-up rate in the Tees Valley however business death rates in Darlington are also the highest in the Tees Valley showing an acute difference to other authorities that the strategy intends to investigate.

Population information for Darlington was provided which included 2,700 residents currently receiving Universal Credit with unemployment rates currently remaining static while jobs and opportunities are available however it was highlighted that certain areas / communities are not receiving benefit of these opportunities as much as others which the strategy aims to address.

Questions included as to how up to date the data is with reassurance given that all data used is most up-to-date available. The impact of recently improved school performance was also queried with clarification given that the effects of this will take time to be represented in data.

A member asked for a clear definition of “inclusive growth” with the response that this does not only translate to the creation of jobs and investment but the assurance that fair access to opportunities is present with the goal that rewards and benefits can be felt by all residents with sustainability being a major focus.

Discussion was held around blockers regarding inclusive growth with a member stressing the importance of identifying these, officers confirmed that next steps will involve establishing base-level feedback through interaction with individuals to create a picture of what can be achieved with available resources for the greatest benefit.

A member asked if it is possible to generate a breakdown of business deaths by sector which officers would need to generate outside of the meeting as well as a breakdown of residents with no relevant qualifications. It was asked if successful models used in other areas such as Preston are being used as precedents and it was confirmed that officers are taking note of proven success stories used in other localities in the production of the strategy.

RESOLVED – That members agreed to endorse the approach and goals outlined to create the Inclusive Growth Strategy.

ER86 PERFORMANCE INDICATORS QUARTER 2 2023/24

The Assistant Director Resources presented the performance data around key performance indicators for 2023/24 quarter 2. Members were asked to note the current position regarding the 22 indicators presented.

Members asked questions regarding staff sickness levels and officers confirmed that sickness levels were lower during the COVID period and then increased following the pandemic but have fallen this year. The sickness management strategy is used by management with support from HR to reduce sickness levels alongside wellbeing initiatives for example flu vaccinations which have been positive amongst staff. A member also asked if data can be provided in future regarding numbers of full-time staff no longer working in the Town Centre.

Further questions included if the collection periods of Council Tax have an impact on cash flow and it was confirmed that collecting payments over 10 months enable the Council to collect money quicker and is a well-established method however all residents have the right to pay over 12 months should they wish.

A question was raised as to whether climate change data can be added to future indicators with officers stating that this would be possible if specific indicator topics are requested.

RESOLVED – Members noted the performance information provided and were assured that any relevant queries can be raised with appropriate officers.

ER87 PROJECT POSITION STATEMENT AND CAPITAL PROGRAMME MONITORING QUARTER 3

The Assistant Director Transport and Capital Projects presented a summary of the latest capital resource and commitment position as well as an update on the current status of all construction projects currently being undertaken by the Council to be considered by Cabinet at its meeting on 6 February 2024. We were informed that there are currently 41 live projects with 6 projects experiencing delays for which reason were provided.

Members raised questions which included any current issues regarding Skinnergate projects with officers providing assurance that all required documentation has now been submitted. A member also asked for clarification whether the Railway Heritage Quarter is causing any variation on presented expenditure with officers confirming that this has no impact.

Discussion was held regarding the work being undertaken relating to the OneGym access road and car park with confirmation that work started 8 January 2024 and is predicted to be completed in June 2024.

RESOLVED – Members noted the current position of capital projects and projected capital expenditure and resources and endorsed onward submission to 6 February 2024 Cabinet.

ER88 REVENUE BUDGET MONITORING 2023/24 - QUARTER 3

The Assistant Director Resources presented a forecast of the 2023/24 revenue budget outturn as part of the Council's continuous financial management process to be considered by Cabinet at its meeting on 6 February 2024. Projected under / overspends were reported for individual service groups with the latest projections showing an overall decline of £0.738m on the 2023-27 Medium Term Financial Plan (MTFP), however this is an improvement of £0.381m on the Quarter 2 projection.

It was highlighted that the most prominent variance stems from the significant demand in Children's Services, with a 33% increase in children-in-care compared to pre-pandemic levels, it was stressed that this is a national issue. However, we were informed that Darlington's overspend in Children's Services has been offset by an underspend in Adults Services.

Members asked questions which included if lobbying central government is a possibility to acquire more funding with officers confirming that discussions have taken place with the local M.P. who is taking up this issue. The question was also asked as to the average housing maintenance cost of each property. A further question was presented with regards to fly-

tipping and if collection costs are too high with officers confirming that they are aware of this issue and are taking steps to remedy this.

RESOLVED – Members noted the forecast revenue outturn 2023/24 and endorsed onward submission to 6 February 2024 Cabinet.

ER89 WORK PROGRAMME

The Assistant Director Law and Governance submitted a report (previously circulated) requesting that consideration be given to this Scrutiny Committee's work programme and to consider any additional areas which Members would like to suggest being included in the previously approved work programme.

RESOLVED – That the work programme be considered, and Members requested updates on the Towns Fund and current town centre footfall and its cause / impacts for the next meeting of this committee 11 April 2024.