

COUNCIL
17 JULY 2025

OVERVIEW OF ECONOMY AND RESOURCES SCRUTINY COMMITTEE

1. Since the last meeting of the Council, the following are the main areas of work the Economy and Resources Scrutiny Committee has undertaken.

Collection of Council Tax, Business Rates and Rent 2024-25

2. The Assistant Director of Housing and Revenues submitted a report which provided us with an update on the collection of Council Tax, Business Rates and Council rents during 2024-25 and consider the write-off debts over £1,000 that are irrecoverable before approval by Cabinet on the 8 July 2025.
3. The report explained that the Collection of Council Tax, Business Rates and Council rents during 2024-25 had continued to be a significant challenge in the current economic climate. However, the report explained that despite the challenges a total of £143.45m had been collected for 2024-25, £79.19m of Council Tax, £33.78m of Business Rates and £30.48m of Council rents.
4. The report stated that approval is to be sought to write-off a total of £1,226,320 of debts in respect to individual cases exceeding £1,000 for the financial year 2024-25. The report explained that it had become apparent that no further steps can be taken to recover the following sums, £386,385 of Council Tax, £331,368 of Business Rates, £174,791 of former Council tenant arrears, £86,253 of Housing Benefit overpayments, £247,523 of sundry debts.
5. We asked what the percentages would be for what we did and did not collect and how the statistics for Darlington Borough Council compare to other authorities.
6. We discussed how the Council differentiates individuals who can pay but will not and individuals who cannot afford to pay. We asked if the Council had a good working relationship with Citizens Advice.
7. We asked if it would be possible to look into the sundry debts further when the report next attends the Economy and Resources Scrutiny Committee.

Project Position Statement and Capital Monitoring Outturn 2024-25

8. The Executive Director of Resources and Governance and the Executive Director of Environment, Highways and Community Services submitted a report to update us on the current position in relation to the delivery of the Council's Capital Programme, the financial outturn positions as 31 March 2025 and the proposed financing of the 2024/25 capital expenditure, together with an update on the current status of all construction projects being undertaken by the Council.

9. It was reported that there had been significant enhancements made to the Council's assets in three major programme areas of schools, housing and transport which used mainly external funding as well as several other largescale schemes in the Borough. The investments delivered a wide range of improvements to the Council's assets and most importantly to Council services. This included refurbishment of Council homes, improved learning environments in schools, better traffic flows and opportunities for sustainable travel.
10. The report detailed the total capital expenditure for 2024/25 was £51.712m. The report also included that the Council currently had 22 live projects with an overall project outturn value of £132.748m. Most projects have been running to time, cost and quality expectations with no foreseeable issues.
11. We discussed the Skinnergate project, we wanted to know the current status of the project and if there had been any impacts to businesses on Skinnergate.
12. We then moved onto Hopetown project, and we asked for further information on the legal advice that had been sought around the areas of dispute. We also asked for clarification around the overspend budget position.
13. We questioned the increase of unsupported borrowing from last year to this year and the reason behind this. Other queries we raised were in relation to the Home Upgrade Grants and the Revenue contribution into the Capital Expenditure.

Revenue Budget Monitoring Outturn 2024-25

14. The Executive Director of Resources and Governance submitted a report which was being considered by Cabinet at its meeting scheduled for 8 July 2025, requesting us to consider the 2024/25 revenue outturn.
15. It was reported that the Council's General Fund reserves position at the 31 March 2025 is £12.607m, which is an increase of £0.264m on the planned balances in the 2024-28 MTFP. This improvement related to the £1.321m underspend in the Council's 2023/24 financial results, £0.777m projected departmental overspends in the 2024/25 financial year and a £0.280m decrease in corporate resources. The report included a number of carry forward requests which will assist with projected slippage and pressures in the coming year.
16. We discussed the savings in relation to staffing in social care; we asked for further information behind this. We asked for the overall running costs for the Hopetown Project and whether Hopetown has its own accounts.

Councillor Rebecca Baker
Chair Economy and Resources Scrutiny Committee