

## ECONOMY AND RESOURCES SCRUTINY COMMITTEE

Friday, 31 October 2025

**PRESENT** – Councillors Baker (Chair), Dillon, Henderson, Marshall and Mrs Scott

**APOLOGIES** – Councillors Coe, Durham, Haszeldine, McGill and Ray,

**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) and Olivia Hugill (Democratic Officer)

### **ER170 DECLARATIONS OF INTEREST**

There were no declarations of interest reported at the meeting.

### **ER171 TO APPROVE THE MINUTES OF THIS SCRUTINY COMMITTEE HELD ON 4 SEPTEMBER 2025**

Submitted – The Minutes (previously circulated) of the meeting of this Scrutiny Committee held on 26 June 2025.

**RESOLVED**- That the minutes of the meeting of this Scrutiny Committee held on 4 September 2025 be approved as a correct record.

### **ER172 COUNCIL TAX SUPPORT - SCHEME APPROVAL 2026-27**

The Assistant Director of Housing and Revenues submitted a report (previously circulated) for Members to consider the draft Council Tax Support (CTS) scheme for 2026-27 before recommendations to Cabinet and approval at Council in November.

The report explained that on 28 November 2024, Council approved the local CTS scheme for 2025-26 and the scheme became operational on 1 April 2025. It was stated that the Council are required to set a CTS scheme each year and as part of the exercise they should consider whether any changes should be made to the existing scheme and where changes are made, consider what transitional protection, if any should apply to anyone affected by those changes.

The report sets out the details of the CTS scheme for 2026-27 and it was identified that there are no significant changes proposed to the existing scheme.

**RESOLVED** – That the draft CTS scheme for 2026-27 be considered and agree the onward submission to Cabinet.

### **ER173 PROJECT POSITION STATEMENT AND CAPITAL PROGRAMME MONITORING QUARTER 2 2025/26**

The Executive Director of Resources and Governance and the Executive Director of Environment Highways and Community Services submitted a report (previously circulated) which is to be presented at the November Cabinet meeting.

Members considered the report which provides information on the delivery of the Council's capital programme and a summary of current construction projects. The report included the projected outturn of the Capital Programme is £339.385m against an approved programme of £339.992m.

Members discussed different construction projects such as Woodland Road, Hopetown, Skinnergate and the Northern Echo Building, the Committee asked for clarification on where some of these projects were in their phases.

**RESOLVED** – That Members note the report.

#### **ER174 REVENUE BUDGET MONITORING 2025-26 QUARTER 2**

The Executive Director of Resources and Governance submitted a report (previously circulated) providing an early forecast of the 2025/26 revenue budget outturn as part of the Council's continuous financial management process to be presented at November Cabinet.

Members were provided with the second revenue budget management report 2025/26 which included financial records to August and managers projections for the remainder of the year. Assumptions had been made concerning the future demand for services, therefore changes in the projected outturn are inevitable as the Council is a large and complex organisation.

The report included the Council's projected revenue reserves position at the end of 31 March 2026 which are £6.517m, £1.872m lower than the initial 2025-29 MTFP position. The changed position related to the £2.880m of departmental pressures and a decline of £0.481m from corporate resources, offset by £1.489m of additional balances following the 2024/25 outturn.

The Committee discussed the overspend in Children's Services to understand the pressures in that area.

**RESOLVED** – That Members note the report.

#### **ER175 BORROWING - HIGH LEVEL HEADLINES**

The Assistant Director of Resources submitted a report (previously circulated) which provided Members with a high-level summary of the Council's borrowing position.

The report explained that each year Full Council approves the Prudential Indicators and Treasury Management Strategy which includes proposals on the Council's borrowing need for the upcoming year. The 2025-26 Prudential Indicators and Treasury Management Report was agreed by Council on 20<sup>th</sup> February 2025.

It was clarified that borrowing is part of the Council's Treasury Management function, and all borrowing is in accordance with statutory requirements. All borrowing is affordable within the agreed MTFP and is used to fund The Council's capital programme, to deliver investment returns and for cash flow purposes.

The report stated that the Mid Year Prudential Indicators and Treasury Management Strategy 2025-26 was reported to Audit Committee on the 13<sup>th</sup> October 2025, the Committee noted the current borrowing as £162.668m with a projected year end borrowing of £173.268m. This is £31.878m less than the original agreed borrowing limit (operational boundary) of £205.146m agreed by Full Council in February.

**RESOLVED** - That Members note the report.

#### **ER176 WORK PROGRAMME**

The Assistant Director Law and Governance submitted a report (previously circulated) requesting that consideration be given to this Scrutiny's Committee's work programme.

**RESOLVED** – That the Work Programme be noted.