

ECONOMY AND RESOURCES SCRUTINY COMMITTEE

Thursday, 23 January 2020

PRESENT – Councillors Durham (Chair), Allen, Bartch, Harker, Mrs D Jones, Keir, McEwan, K Nicholson and Renton

APOLOGIES – Councillor Paley

ABSENT – Councillor L Hughes

ALSO IN ATTENDANCE – Councillors Clarke, Curry and B Jones

OFFICERS IN ATTENDANCE – Elizabeth Davison (Assistant Director Resources) and Shirley Wright (Democratic Manager)

ER27 DECLARATIONS OF INTEREST

There were no declarations of interest reported at the meeting.

ER28 MEDIUM TERM FINANCIAL PLAN - TO CONSIDER A RESPONSE TO CABINET ON THE PLAN TAKING INTO ACCOUNT THE VIEWS OF ALL THIS COUNCIL'S SCRUTINY COMMITTEES

Submitted – The Minutes (previously circulated) of meetings of this Council's Scrutiny Committees which had been held to discuss the proposals contained within the draft Medium-Term Financial Plan (MTFP) for 2020/21 to 2023/24, which were within their remits.

It was reported that all of the Scrutiny Committees had supported the proposals in relation to the proposed Council Tax increase of 2.00 per cent, plus the 2.00 per cent adult social care precept to fund Social Care for 2020/21, the investment of £1.8 million in the Futures Fund and the proposed fees and charges. Each of the Scrutiny Chairs/Vice-Chairs presented, at the meeting, the outcomes of their Scrutiny Committees.

In relation to the Minutes of this Scrutiny Committee held on 9 January 2020, clarification was given in relation to the reference in the Minutes to the futures fund funding from the unallocated balances of £4.7 million which had been used to invest in a number of priority areas as part of the 2018/19 and 2019/20 MTFPs; the receipt of the Local Government Finance Settlement; and the need to highlight 'competition' as an additional factor when considering any proposed increase to fees and charges.

In presenting the findings of the Health and Housing Scrutiny Committee Minutes, the Vice-Chair of that Scrutiny Committee referred particularly to the proposals to realign Public Health budgets which could result in a loss of funding to the Tees Valley. Questions were raised in relation to whether there were any significant pressures in that area going forward and it was confirmed that nothing significant had been highlighted in the short to medium term and that it was anticipated that there would be an inflationary increase in funding

The Chair of the Children and Young People Scrutiny Committee reported that that Scrutiny Committee had noted their concerns on the proposed changes to Home to School Transport and the impact that may have on the MTFP and that an update report would be submitted to the next ordinary meeting of the Children and Young People Scrutiny Committee.

In relation to the Minutes of the Adults Scrutiny Committee, the Chair of that Scrutiny Committee reported that it had supported the proposals to increase Council Tax by two per cent, plus the two per cent increase in adult social care precept as it had felt that the increase was necessary in order for the increasing costs of adult social care to be adequately funded. Reference was also made to the significant transformation work which had been undertaken in adult services and the savings which had been achieved to date which it was hoped would continue.

Reference was also made to proposal to increase Council housing rents by 2.7 per cent for 2020/21 and the suggestion that Scrutiny could look further into how the Housing Revenue Account money was being utilised.

RESOLVED – That Cabinet be advised that, having considered the proposed Medium-Term Financial Plan 2020/21 to 2023/24 and all of this Council's Scrutiny Committees comments and decisions thereon :-

(a) the majority view of this Scrutiny Committee is to :-

- (i) support the proposed Council Tax increase of two per cent for the next financial year, plus the two per cent adult social care precept to fund social care for 2020/21;
- (ii) support the proposed fees and charges; and
- (iii) support the investment of £1.8 million into the Futures Fund, as set out in paragraph 60 of the submitted report; and

(b) the minority view of this Scrutiny Committee is to :-

- (i) support the proposed Council Tax increase of two per cent for the next financial year, plus the two per cent adult social care precept to fund social care for 2020/21, however, in doing so, requests Cabinet to note that this increase is necessary as Adult Social Care services are not being funded sufficiently by the Government.