

**DECISIONS SHOULD NOT BE IMPLEMENTED BEFORE  
MONDAY 18 JANUARY 2016**

**CABINET**  
5 January 2016

**PRESENT** – Councillor Dixon (in the Chair); Councillors Copeland, Harker, C L B Hughes, McEwan, A J Scott and Wallis. (7)

**INVITEES** – Councillors Curry and Mrs H Scott. (2)

**ALSO IN ATTENDANCE** – Councillor Crichlow.

**APOLOGIES** – Dr A Jones.

**C92. DECLARATIONS OF INTEREST** – There were no declarations of interest reported at the meeting.

**C93. DEATH IN SERVICE – TRACY HARRISON** – The Cabinet Member with the Efficiency and Resources Portfolio informed Members of the recent sad death in service on Friday 25 December 2015 of Tracy Harrison. Tracy was employed as a Revenues and Benefits Inspection Officer and was a valued member of the Revenues and Benefits Team within the Neighbourhood Services and Resources Group.

It was reported that a letter had been sent to Tracy's family conveying the Council's sympathy and that Human Resources were ensuring that they receive the appropriate advice and support.

**RESOLVED** – (a) That it be noted with great sadness, the recent death in service of Tracy Harrison, a respected employee of the Council.

(b) That the actions take in conveying the Council's sympathy to Tracy's family and the support offered from Human Resources, be noted.

**REASON** – To make Members aware of the recent sad death in service.

**C94. REPRESENTATIONS** – There were no representations made at the meeting from Members or members of the public in attendance at the meeting.

**C95. MINUTES** - Submitted - The Minutes (previously circulated) of the meetings of this Cabinet held on 1 and 8 December 2015.

**RESOLVED** - That the Minutes be confirmed as a correct record.

**REASON** - They represent an accurate record of the meeting.

**C96. MATTERS REFERRED TO CABINET** - There were no matters referred back to this meeting for reconsideration.

**C97. ISSUES ARISING FROM SCRUTINY** – There were no issues arising from Scrutiny considered at this meeting.

**C98. ANNUAL AUDIT LETTER 2014/15** - The Cabinet Member with the Efficiency and Resources Portfolio introduced the report of the Director of Neighbourhood Services and Resources (previously circulated) presenting the Annual Audit Letter for 2014/15 (also previously circulated).

The Annual Audit Letter provided a high level summary of the results from the 2014/15 audit work undertaken by PricewaterhouseCoopers (PwC), the Council's external auditors.

A representative from PwC presented the main findings from the Annual Audit Letter 2014/15 and stated that, the Council had been issued with an unqualified audit opinion; and that as a result of the Council being provided with an overall 'inadequate' rating, following the Ofsted inspection of its Children's Services in June/July 2015, the Council had been issued with a modified conclusion on its ability to secure proper arrangements to secure economy, efficiency and effectiveness in its use of resources.

**RESOLVED** - That the Annual Audit Letter 2014/15, as appended to the submitted report, be noted.

**REASONS** - To enable Cabinet to receive the results of the external audit work carried out.

**C99. KEY DECISIONS – (1) Civic Theatre and the Hullaballoon Capital Project Scheme Approval** - The Cabinet Member with the Leisure and Local Environment Portfolio introduced the report of the Director of Neighbourhood Services and Resources (previously circulated) requesting that consideration be given to the release of capital funds to deliver the Civic Theatre and the Hullaballoon Capital Project Scheme, subject to final external funding approval.

**RESOLVED** - (a) That it be recommended to Council that the underwriting of the remaining sponsorship funding of The Hullaballoon project totalling £394,704 and the entering in to an agreement with Theatre Hullabaloo to recover any deficit on the funding by way of a loan agreement, as detailed in the submitted report, be approved.

(b) That it be recommended to Council that an additional £140,000 from the sale of the Arts Centre to fund The Hullaballoon, be approved.

(c) That it be recommended to Council that the overall cost for The Hullaballoon and the release of the remaining capital of £2.294m in respect of The Hullaballoon project, be approved and noted.

(d) That the Heads of Terms of the lease to Theatre Hullabaloo, as detailed in Appendix B of the submitted report, be approved.

(e) That it be recommended to Council that the overall costs of the Civic Theatre project and the release of the remaining capital to deliver the scheme of £10,341,000, as detailed in the submitted report, be approved and noted.

(f) That a compulsory ticket levy for the Civic Theatre of £2 per ticket to be implemented for all shows after Theatre opening, with the exception of dedicated children's shows (except the pantomime), be approved.

(g) That it be noted that recommendations (a) to (e) are subject to successful bids to Arts Council England in respect of recommendations (a) to (d) and the Heritage Lottery Fund in respect of recommendation (e) and Planning Permission.

(h) That subject to the recommendations, the Director of Neighbourhood Services and Resources be given delegated authority, in consultation with the Cabinet Member with the Leisure and Local Environment Portfolio, to agree changes to the agreed schemes within the overall vision and agree final terms of grant offers to the Council.

(i) That, the Chief Executive be given delegated authority, in consultation with the Cabinet Member with the Leisure and the Local Environment Portfolio, to agree sponsorship and naming rights for elements of both Theatres (for Hullaballoon in consultation with the Theatre Hullaballoo Board).

(j) That the Civic Theatre be renamed the Darlington Hippodrome.

**REASONS** - (a) To allow the projects to progress to completion subject to funding and planning.

(b) To enable the commercial terms to be agreed.

(c) To allow Council to consider the release of the capital sums involved.

(d) To allow sponsorship to be negotiated.

(e) To enable the project to progress without delays.

(f) To enhance financial sustainability.

**(2) (URGENT ITEM) Proposed Delivery of New Improved Gypsy and Traveller Site** – With the prior approval of the Leader to the matter being treated as urgent to enable a decision to be made at the earliest possible date, the Cabinet Member with the Economy and Regeneration Portfolio introduced the report of the Director of Economic Growth (previously circulated) informing Members of an award of a grant to the value of £1.87m from the Homes and Communities Agency (HCA) to rebuild, with improvements and two additional pitches, the Gypsy and Traveller site known as Rowan West (formerly Neasham Road Caravan Site), Levisham Lane, Darlington and requesting that consideration be given to the release of £150,000 of capital funding to demolish the existing site (this work being excluded from the HCA grant).

**RESOLVED** - (a) That the release of up to £150,000 of capital funding to demolish the Rowan West Gypsy Traveller site, be approved.

(b) That a new site be delivered on the same land providing 22 pitches, funded by the Homes and Communities Agency grant.

(c) That the introduction of a new Homes and Communities Agency compliant lease for the new site, be approved, and the Director of Economic Growth be given delegated authority to award a new lease (appointing a lease holder) following a procurement process compliant with the Council's procurement policy.

**REASONS** - (a) The recommendations provide the most cost effective way of securing the long term future of the Rowan West site to provide 22 Gypsy and Traveller pitches to meet the housing needs of this community and the Homes and Communities Agency grant conditions.

(b) Securing the long term future of the site and the addition of two further pitches makes a significant contribution to the pitches identified as being required within the Local Plan Core Strategy and the Tees Valley Sub-Regional Gypsy and Traveller Area Assessment (GTAA).

**C100. MID YEAR PRUDENTIAL INDICATORS AND TREASURY MANAGEMENT MONITORING REPORT 2015/16** - The Cabinet Member with the Efficiency and Resources Portfolio introduced the report of the Director of Neighbourhood Services and Resources (previously circulated) requesting that consideration be given to the revised Treasury Management Strategy and Prudential Indicators; providing a half-yearly review of the Council's borrowing and investment activities; and requesting that the revised Strategy and indicators be forwarded to Council for their approval and to note changes to the Medium Term Financial Plan with regard to the Treasury Management Budget (Financing Costs).

**RESOLVED** - (a) That the revised prudential indicators and limits, as detailed within Tables 1 to 6, 8 and 14 to 17, of the submitted report, be noted.

(b) That the instruments used to make investments now include Certificates of Deposit and Treasury Bills

(c) That the reduction in the Treasury Management Budget (Financing Costs) of £0.163M, as shown in Table 11 of the submitted report, be noted.

(d) That the report be forwarded to Council, in order for the updated prudential indicators to be approved.

**REASONS** - (a) In order to comply with the Prudential Code for Capital Finance in Local Authorities.

(b) To inform Members of the performance of the Treasury Management function.

(c) To comply with the Local Government Act 2003.

(d) To enable further improvements to be made in the Council's Treasury Management function.

**C101. MEMBERSHIP CHANGES** – There were no membership changes reported at the meeting.

**C102. EXCLUSION OF THE PUBLIC - RESOLVED** - That, pursuant to Sections 100A(4) and (5) of the Local Government Act 1972, the public be excluded from the meeting during the consideration of the ensuing item on the grounds that it involves the likely disclosure of exempt information as defined in exclusion paragraph 3 of Part I of Schedule 12A to the Act.

**C103. SCHEDULE OF TRANSACTIONS (EXCLUSION PARAGRAPH NO 3)** – With the prior approval of the Leader to the matter being treated as urgent to enable a decision to be made at the earliest possible date, the Cabinet Member with the Efficiency and Resources Portfolio introduced the report of the Director of Economic Growth (previously circulated) requesting that consideration be given to the Schedule of Transactions (also previously circulated) and seeking approval of the terms negotiated.

**RESOLVED** - That the schedule of transactions, as appended to the submitted report, be approved, and the transactions be completed on the terms and conditions detailed therein.

**REASON** - The terms negotiated require approval by Cabinet before binding itself contractually to a transaction.

**DECISIONS DATED –  
FRIDAY 8 JANUARY 2016**