

**DECISIONS SHOULD NOT BE IMPLEMENTED BEFORE
MONDAY 4 MARCH 2013**

CABINET
19 February 2013

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

INVITEES – Councillors Curry and Mrs Scott. (2)

ALSO IN ATTENDANCE – Councillors Coultas, Johnson, Long and E A Richmond. (4)

APOLOGIES – Councillor Wallis and Mr M Phillips. (2)

C121. DECLARATIONS OF INTEREST – There were no declarations of interest reported at the meeting.

C122. REPRESENTATIONS – In respect of Minutes C123(1) and (4) below, representations were made by members of the public and representatives of Unison, in attendance at the meeting.

C123. KEY DECISIONS - (1) Medium Term Financial Plan 2013/14 to 2016/17 - Pursuant to Minute C111(3), the Leader introduced the report of the Chief Executive (previously circulated) proposing a budget for 2013/14 for consultation and to agree a timescale and approach to revising the Medium Term Financial Plan (MTFP) during 2013 to meet the further financial challenges faced by the Council over the life of the MTFP.

Representatives of Unison addressed Cabinet in respect of a number of issues including the number of posts that had been lost from the Local Authority over the last few years; the effect that the uncertainty was having on staff morale; the loss of services; the Council's Business Model and if it was still 'fit for purpose'; and the Council's future. The Leader and the Cabinet Member with the Efficiency and Resources Portfolio responded thereon.

RESOLVED - (a) That the proposed Revenue Medium Term Financial Plan, as summarised in Appendix 7 of the submitted report, be recommended to the special meeting of Council scheduled to be held on the 28 February 2013 for approval, including the following:-

- (i) a Council Tax increase of 2% for 2013/14;
- (ii) the schedule of charges, as set out in Appendix 3 of the submitted report;
- (iii) the use of £2.914m of revenue balances in 2013/14;
- (iv) no changes to agreed policy and service levels;

- (v) the transfer of £1.5m from revenue balances to the redundancy reserve;
- (vi) the capitalisation of £1m of expenditure currently included in the revenue budget for years 2013/14 and 2014/15; and
- (vii) revenue provision to cover the borrowing of £1m to fund the purchase of land at Blackwell Grange Golf Club as part of the arrangement to sell Stressholme golf course.

(b) That Cabinet receives a further report on proposals to reduce expenditure on HOW the Council operates at a future Cabinet meeting.

(c) That the approach to developing further budget reductions, as set out in paragraph 36 of the submitted report, be approved.

(d) That the proposed Capital Medium Term Financial Plan, as set out in paragraphs 41 to 56 and Appendix 5 of the submitted report, be recommended to the special meeting of Council scheduled to be held on the 28 February 2013, for approval.

REASONS - (a) To propose a Medium Term Financial Plan for 2013/14 to 2016/17 for consideration by Council.

(b) To meet the statutory timetable for setting the 2013/14 budget and Council Tax.

(c) Further reductions in spending during 2013/14 will reduce the call on revenue balances.

(d) To provide an approach to develop a sustainable Medium Term Financial Plan.

(e) To provide funding for capital schemes.

(2) Housing Revenue Account - Revenue Budget 2013/14 - The Cabinet Member with Adult Social Care and Housing Portfolio introduced the report of the Director of Place (previously circulated) requesting that consideration be given to the revenue budget, rent levels and service charges for the Council's Housing Revenue Account (HRA) for the financial 2013/14.

RESOLVED – That it be recommended to Council that:-

(a) an average weekly rent increase of 4.4% (£2.85) be implemented in line with the Government rent restructuring model, as outlined in the submitted report;

(b) £160,000 of General Fund contribution towards the cost of Sheltered and Extra Care accommodation, be ceased;

(c) garage rents and service charges be increased, as shown in Table 1 of the submitted report; and

(d) the budget, as detailed at Appendix 1 of the submitted report, be approved.

REASON - To enable the Council to deliver an appropriate level of service to tenants.

(3) Third Local Transport Plan - Delivery Plan 2013/15 - The Cabinet Member with Transport Portfolio introduced the report of the Director of Place (previously circulated) requesting that consideration be given to the release of capital funding for investment in the Local Transport Network; amending the previously agreed investment programmes; and to agree, in principle, to make bids for additional funding.

Discussion ensued on the use of the maintenance budget.

RESOLVED – (a) That the budgets, using Local Transport Plan funding for 2013/14 and 2014/15 as set out in table A, Appendix 1 of the submitted report, be released, subject to approval of the Medium Term Financial Plan by Council at its meeting scheduled to be held on 28 February 2013.

(b) That the budget, using additional maintenance funding for 2013/14 and 2014/15 as set out in table B, Appendix 1 of the submitted report, be released, subject to approval of the Medium Term Financial Plan by Council at its meeting scheduled to be held on 28 February 2013.

(c) That the local budget for 2013/14 and 2014/15 of the Tees Valley Bus Network Improvement major scheme, as set out in table C, Appendix 1 of the submitted report, and the deletion of previously approved actions, as set in Table 5 of the submitted report, be released, subject to approval of the Medium Term Financial Plan by Council at its meeting scheduled to be held on 28 February 2013.

(d) That the amendments to previously agreed budgets to permit the schemes to proceed, as set out in table 2 of the submitted report, be approved.

(e) That the commitment to fully fund the John Street Cycle Route scheme, including the acquisition of all necessary land, be reconfirmed.

(f) That the principle of making a bid for Local Pinch Point Funding to part fund a scheme that contributes to economic growth and job creation, delegating the finalisation of the bid detail to the Director of Place in consultation with the Cabinet Member with the Transport Portfolio, be approved.

(g) That the principle of making a bid for Heritage Lottery Funding to improve countryside access in the River Tees corridor and delegate the finalisation of the bid detail to the Director of Place in consultation with the Cabinet Members with the Leisure and Local Environment and Transport Portfolios, be approved.

(h) That the principle of making a bid for additional funding from the Tees Valley Bus Network Improvement major scheme, delegating the finalisation of the bid detail to the Director of Place in consultation with the Cabinet Member with the Transport Portfolio, be approved.

(i) That the use of Winston Street West Car Park for contract parking by businesses located in the Town Centre who have a travel plan in place, reviewable on an annual basis, delegating the finalisation of the detail to the Director of Place in consultation with the Cabinet Member with the Transport Portfolio, be approved.

REASONS - (a) To enable investment in the local transport network to deliver the Local Transport Plan.

(b) To deliver additional maintenance schemes over and above those already funded.

(c) To deliver the Tees Valley Bus Network Improvement initiative.

(d) To enable preparatory work required to deliver the Council's Investment Plan for the Borough facilitating economic activity.

(e) To enable the implementation of John Street Cycle Route, including the use of a compulsory purchase order as previously set out to Cabinet (report 30 March 2010).

(f) To enable the submission of a bid by the deadline of 21 February 2013.

(g) To enable the submission of a bid by the deadline of 28 February 2013.

(h) To access additional funding not currently allocated for use in the improvement of the highway, or other facilities in the Town Centre, for the benefit of bus users.

(i) To increase the supply of contract parking in the Town Centre for businesses who have a travel plan.

(4) Stressholme Golf Course - The Cabinet Member with the Efficiency and Resources Portfolio introduced the report of the Director of Resources (previously circulated) requesting that consideration be given to the sale of Stressholme Golf Course to Blackwell Grange Golf Club; the acquisition of 24 acres of Blackwell Grange Golf Club freehold land; and to the surrender of the Blackwell Grange Golf Club lease on Council land surrounding Blackwell Grange Hotel.

Representations were made at the meeting from a member of the public who submitted a letter, which was read out at the meeting; two members of the public in attendance at the meeting; and a Ward Councillor, in respect of the proposed sale of Stressholme Golf Course. A number of issues were raised by those representations including the amount of money that would be paid by BGGC for the purchase of Stressholme Golf Course; the benefit of sport to the town and to health of its residents; the possible use of Stressholme for development rather than the land at Blackwell; the sequential planning process; the consultation process; and a number of maintenance issues in respect of the land at Blackwell, should the sale go ahead. The Cabinet Member with the Efficiency and Resources Portfolio responded thereon.

RESOLVED – That, subject to the approval of the financial consequences of the report by Council when it considers the Medium Term Financial Plan at its meeting scheduled to be held on 28 February 2013:-

(a) the outcome of the consultation, be noted;

(b) Stressholme Golf Course be sold to Blackwell Grange Golf Club for £0.750m in accordance with the terms, as set out in paragraph 15 of the submitted report;

- (c) the freehold interest of Blackwell Grange Golf Club's land be acquired for £1m, in accordance with the terms as set out in paragraph 16 the submitted report;
- (d) Blackwell Grange Golf Club be paid £0.250m for the surrender of the lease on Council land surrounding Blackwell Grange Hotel, in accordance with the terms as set out in paragraph 17 of the submitted report;
- (e) the Director of Resources be given delegated powers to conclude the sale and purchase, as set out in the submitted report; and
- (f) both parties work towards a target relocation date of 1 July 2013.

REASONS - (a) To make a final decision having regard to consultation results.

(b) To achieve the best commercially advantageous deal for the Council.

(c) To provide flexibility to reach agreement on the detail of any arrangement and conclude the deal.

(5) Prudential Indicators and Treasury Management Strategies 2013/14 - The Cabinet Member with the Efficiency and Resources Portfolio introduced the report of the Director of Resources (previously circulated) requesting that consideration be given to the prudential indicators and limits for 2013/14 to 2015/16 relating to capital expenditure and treasury management activities; a policy statement relating to the minimum revenue provision; and the treasury management strategy 2013/14, which includes the investment strategy for 2013/14.

RESOLVED - That it be recommended to Council that:-

(a) the Prudential Indicators and limits for 2013/14 to 2015/16, as summarised in Tables 1 and 2 of the submitted report, be approved;

(b) the Minimum Revenue Provision (MRP) statement, as contained within paragraph 26 of the submitted report, be approved;

(c) the Treasury Management Strategy 2013/14 to 2015/16, as summarised in paragraphs 35 to 54 of the submitted report, be approved; and

(d) the Annual Investment Strategy 2013/14, as contained within in paragraphs 55 to 89 of the submitted report, be approved.

REASONS - (a) In order to comply with the Prudential Code for Capital Finance in Local Authorities and the Department for Communities and Local Government (DCLG) guidance on investments.

(b) To comply with the requirements of the Local Government Act 2003.

(c) To approve a framework for officers to work within when making investment decisions.

C124. GROWING PLACES FUND ROUND 2 - The Cabinet Member with Economy and Regeneration Portfolio introduced the report of the Director of Place (previously circulated) requesting that consideration be given to the operation of the Growing Places Fund in line with the prospectus (also previously circulated).

RESOLVED - (a) That the Growing Places Prospectus, as detailed at Appendix 1 to the submitted report, be approved.

(b) That paragraph 11 of the scheme of delegation be amended, under the heading 'The Chief Executive' with the creation of a new (e) 'To take decisions to release Growing Places funding which have completed Due Diligence following consultation with the Chief Executives of the other four Tees Valley authorities and the Tees Valley Unlimited Investment Panel'.

REASONS - (a) To enhance the environmental, social and economic well-being of the Borough.

(b) To support the delivery Darlington's and Tees Valley's key regeneration schemes.

(c) To ensure that decisions can be taken expeditiously on funding opportunities

**DECISIONS DATED
FRIDAY 22 FEBRUARY 2013**