

**DECISIONS SHOULD NOT BE IMPLEMENTED BEFORE
MONDAY 15 DECEMBER 2014**

CABINET

2 December 2014

PRESENT – Councillor Dixon (in the Chair); Councillors Harker, C L B Hughes, McEwan, A J Scott and Wallis. (6)

APOLOGIES – Councillors Copeland and D A Lyonette. (2)

INVITEES – Councillor Currie and Mrs H Scott. (2)

ALSO IN ATTENDANCE – Councillor Crichlow.

C81. DECLARATIONS OF INTEREST – There were no declarations of interest reported at the meeting.

C82. REPRESENTATIONS – No representations were made by Members or members of the public in attendance at the meeting.

C83. MINUTES - Submitted - The Minutes (previously circulated) of the meeting of this Cabinet held on 4 November 2014.

RESOLVED - That the Minutes be confirmed.

REASON - They represent an accurate record of the meeting.

C84. MATTERS REFERRED TO CABINET - There were no matters referred back for reconsideration.

C85. ISSUES ARISING FROM SCRUTINY – There were no issues referred from the Scrutiny Committees to this meeting.

C86. KEY DECISIONS – (1) Substance Misuse Service – Contract Award Decision - The Leader introduced the report of the Director of Commissioning (previously circulated) presenting the details of the procurement process for the Substance Misuse Service and requesting that consideration be given to the appointment of the successful tenderer.

RESOLVED - That Evaluation Panel's recommendation, to appoint the successful tenderer for the Substance Misuse Service to the bidder ranked first, as detailed in paragraph 18 of the submitted report, be approved.

REASON - The bid submitted by the supplier ranked first by the Evaluation Panel being the most economically advantageous tender in accordance with the evaluation criteria.

(2) Medium Term Financial Plan 2015/16 to 2019/20 - The Leader introduced the report of the Chief Officers Executive (previously circulated) proposing the Medium

Term Financial Plan for 2015/16 to 2019/20 for consultation, including the setting of a budget for 2015/16.

RESOLVED - (a) That the Medium Term Financial Plan, as summarised in Appendix 7 of the submitted report, be approved, for consultation including:-

- (i) a 1.99% Council Tax increase for 2015/16 and subsequent years;
- (ii) a schedule of charges, as set out in Appendix 3 of the submitted report;
- (iii) the use of a further £4.747m of revenue balances to fund revenue expenditure;
- (iv) the transfer £1.0m to the decommissioning and redundancy reserve fund; and
- (v) additional resources of £486,000 for the continuation of the services currently covered by the Local Welfare Provision Grant.

(b) That the results of consultation be presented to a special meeting of Cabinet, scheduled to be held on 17 February 2015, prior to the final Medium Term Financial Plan being recommended to Council.

REASONS - (a) To propose a Medium Term Financial Plan for consultation.

(b) To enable final recommendations to be made in light of consultation to propose a Medium Term Financial Plan for consideration by Council.

(3) Capital Programme - The Cabinet Member with the Efficiency and Resources Portfolio introduced the report of the Director of Neighbourhood Services and Resources (previously circulated) proposing the 2015/16 Capital Programme for consultation.

Discussion ensued at the meeting on the proposed works to be undertaken at the indoor market.

RESOLVED - That the proposed capital programme, as summarised in Appendix 1 of the submitted report, be approved, for consultation.

REASON - To provide funding for capital schemes.

(4) Housing Revenue Account – Medium Term Financial Plan 2015/16 to 2019/20 - The Leader introduced the report of the Director of Neighbourhood Services and Resources (previously circulated) requesting that consideration be given to proposals for the revenue budget, rent levels and service charges for the Council's Housing Revenue Account (HRA) for the financial year 2015/16, in the context of the HRA Medium Term Financial Plan to 2019/20 and the 30 year Housing Business Plan.

RESOLVED - (a) That the following be agreed for consultation:-

- (i) an average weekly rent increase for 2015/16 of 3.43 per cent be implemented giving an average rent of £72.94; and
- (ii) garage rents and service charges be increased, as shown in Table 1 of the submitted report.

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

(c) That the Housing Business Plan, as detailed at Appendix 2 of the submitted report, be agreed.

(d) That the results of the consultation and the Equality Impact Assessment be reported to a special meeting of Cabinet, scheduled to be held on 17 February 2015, when Cabinet will propose a Housing Revenue Account budget to Council.

REASONS - (a) To enable the Council to deliver an appropriate level of service to tenants to meet housing need and to support the economic growth of the Borough through housing development.

(b) To allow consultation and an Equality Impact Assessment to be undertaken.

(5) Lifeline and On-Site Support Review - The Leader introduced the report of the Director of Commissioning (previously circulated) describing the outcomes of actions taken to remove inefficiencies in the costs associated with the running of the Lifeline Service and requesting that consideration be given to applying the existing Fairer Contributions Policy to service users receiving the Lifeline Services, as a result of an assessed need, and to removing the subsidies from the service which were currently provided for some service users, but not all.

The submitted report stated that these actions, taken together, will remove the inequities which have resulted from not applying the existing policies in full and will also contribute to the savings strategy identified in the Medium Term Financial Plan.

RESOLVED - (a) That the application of the Fairer Charging Policy to eligible service users of Lifeline Services, as detailed in the submitted report, be approved.

(b) That the new charging policy for the Lifeline Service, as detailed in the submitted report, be approved.

REASONS - (a) The new charging policy will help to reduce debt and ensure fairer costs to all service users.

(b) Application of the Fairer Charging Policy and the removal of the subsidy can be supported as sufficient mitigating actions are in place to support the service users who report that they may be adversely affected.

(6) Local Growth Fund Delegations and Release of Funding – With the prior approval to the matter being treated as urgent to enable a decision to be made at an early date, the Leader introduced the report of the Director of Commissioning (previously circulated) updating Members on the position in respect of the local bid to

deliver offender management services via Achieving Real Change in the Community CIC Limited (ARCC), a Community Interest Company.

RESOLVED - (a) That the action taken to date, as detailed in the submitted report, be endorsed.

(b) That the variation to the voting structure of ARCC, as detailed in the submitted report, with the effect that the Council has voting rights commensurate with its financial contribution and risk, be noted.

(c) That the appointment a member to the board of ARCC to exercise this Council's voting rights, be delegated to the Director of Neighbourhood Services and Resources.

(d) That the proposed delegation to the Director of Neighbourhood Services and Resources, to validate the content of the State Aid Assessment and to ensure the guarantee is in accordance with its requirements, be noted.

(e) That the proposed delegation to the Director of Neighbourhood Services and Resources to be satisfied that the independent financial assessment substantially validates the business model as set out in Appendix 2 of the submitted report, be noted.

And subject to (c) and (d)

(f) That, subject to Council approval to make a guarantee against reserves, this Council provide Stockton Borough Council a subsidiary guarantee of £2.45m to £3.53m alongside other partners in the bid.

(g) That a contract be entered into by this Council with the CRC company for repayment of the assessed market value of the guarantee.

(h) That subject to Council approval to release the £1m of reserves, this Council put in place a £1m loan to ARCC at commercial lending rates.

(i) That the Director of Neighbourhood Services and Resources be authorised, in consultation with the Leader of the Council, the Director of Commissioning and the Assistant Chief Executive to finalise the subsidiary guarantee and loan agreement and ancillary documents.

REASONS - (a) To put in place approvals for required actions to progress the bid to tender.

(b) To enable the Council to further participate in the due diligence activities to ensure risk is clearly understood and minimised.

C87. REVIEW OF OUTCOME OF COMPLAINTS MADE TO OMBUDSMAN - The Leader introduced the report of the Director of Neighbourhood Services and Resources (previously circulated) providing Members with an update of the outcome of cases which had been determined by the Local Government Ombudsman (LGO) and indicating any points for particular attention since the preparation of the previous report to Cabinet on 1 July 2014.

RESOLVED - That the contents of the report be noted.

REASONS - (a) It is important that Members are aware of the outcome of complaints made to the LGO in respect of the Council's activities.

(b) The contents of this report do not suggest that further action, other than detailed in the submitted report, is required.

C88. TEES VALLEY UNLIMITED GOVERNANCE - A COMBINED AUTHORITY FOR THE TEES VALLEY - The Leader introduced the report of the Chief Executive and the Director of Economic Growth (previously circulated) highlighting the Council's ambition for establishing a Combined Authority (CA) for the Tees Valley to achieve its economic goals and to receive greater devolved powers.

Particular references were made to what the CA would do; its membership; its relationship with the Local Enterprise Partnership (LEP); the scrutiny arrangements and how they would be funded; timescales following a recent discussion with Department for Communities and Local Government (CLG); plans for consulting on the CA; and the decision-making process going forward.

RESOLVED - (a) That the work done so far, as detailed in the submitted report, be noted, and it be agreed to continue to progress the establishment of a Combined Authority for the Tees Valley, as set out in the submitted report.

(b) That appropriate consultation, as outlined in the submitted report, be carried out.

(c) That a further report be submitted to the five Borough Councils at the conclusion of the consultation prior to submission of a scheme to the Secretary of State.

REASON - To ensure Darlington Borough Council and the Tees Valley maximises the opportunity to develop the economy and positively shape and secure a more prosperous economic future.

C89. RAIL DEVOLUTION AND RAIL NORTH: INFLUENCING THE FUTURE OF NORTHERN AND TRANS-PENNINE RAIL SERVICES - The Leader introduced the report of the Chief Executive and the Director of Economic Growth (previously circulated) requesting that consideration be given to Darlington participating in the arrangements for greater influence over rail services across the North of England and giving details of how northern authorities propose to influence future services.

RESOLVED - (a) That the proposals and governance, as detailed in the submitted report, be noted, in relation to the formation of the following bodies, namely:-

- (i) the Association of Rail North Partner Authorities ("The Association"); and
- (ii) Rail North Limited (RNL).

(b) That it be agreed that the Council participates and becomes a Member of both bodies.

(c) That the Assistant Chief Executive be authorised to make the appropriate arrangements to enable the Council to join the Association and to have admitted membership of the RNL, by entering into the RNL Members Agreement.

(d) That the Leader be formally appointed as this Council's representative on the Association.

(e) That the appointment of the Leader to become a Director of the RNL, be authorised, to represent the interests of the Tees Valley Local Authorities should such an appointment be agreed to, by them.

(f) That further reports be presented to Cabinet as work on the North East Business Unit progresses.

(g) That the Council's Constitution be amended accordingly to reflect the appointments to external bodies.

REASON - To ensure Darlington Borough Council and the Tees Valley authorities maximise their potential to influence and positively shape the future pattern of local rail services across Northern England.

C90. HAUGHTON-LE-SKERNE CONSERVATION AREA CHARACTER APPRAISAL AND MANAGEMENT PLAN - The Cabinet Member with Economy and Regeneration Portfolio introduced the report of the Director of Economic Growth (previously circulated) reporting the outcome of the consultation process for the Haughton-le-Skerne Conservation Area Character Appraisal and Management Plan, including comments received on the proposed boundary addition; and seeking approval of the Haughton-le-Skerne Conservation Area Character Appraisal and Management Plan (also previously circulated) and for the boundary addition it proposes.

RESOLVED – That the Haughton-le-Skerne Conservation Area Character Appraisal and Management Plan, including the boundary addition proposed, as appended to the submitted report, be approved.

REASON – To provide a document to assist in the preservation and enhancement of the Haughton-le-Skerne Conservation Area.

C91. LOCAL GROWTH FUND DELEGATIONS AND RELEASE OF FUNDING - The Cabinet Member with Economy and Regeneration Portfolio introduced the report of the Director of Economic Growth (previously circulated) advising Members of the award of £90.3m of Local Growth Funding to the Tees Valley and seeking approval to the delegation of decision-making in respect of Local Growth Fund to Tees Valley Unlimited and on the funding award to the Council and seeking delegated authority to accept the funding.

RESOLVED - (a) That in respect of Local Growth Fund :-

- (i) the requirements, and progress made with the 2015/16 Growth Deal Funding Agreement and Implementation Plan, as detailed in the submitted report, be noted; and

- (ii) the principles and approach for decision making under the Local Growth Fund Programme Management Framework, as detailed in the submitted report, be noted.

(b) That, in respect of Local Growth Fund funding secured by the Council :-

- (i) £2.2m of Local Growth Fund, be released, to support the delivery essential infrastructure to Central Park;
- (ii) £300,000 of Local Growth Fund, be released, to undertake feasibility work in respect of Bank Top Station;
- (iii) it be noted that (b) (i) and (ii) are conditional on the projects satisfactorily completing a due diligence process and approval by Tees Valley Unlimited Management Board;
- (iv) the £90,000 contribution to the full cost of the project, be underwritten; and
- (v) the Director of Neighbourhood Resources enter into funding agreements with Stockton Borough Council (as accountable body for the TVU) in relation Central Park and Bank Top Station Feasibility.

REASONS - (a) To enhance the environmental, social and economic wellbeing of Tees Valley and the Borough.

(b) To support the developments of Central Park and Bank Top Station.

C92. MEMBERSHIP CHANGES - There were no membership changes reported at the meeting.

C93. LOCAL GROWTH FUND DELEGATIONS AND RELEASE OF FUNDING – With the prior approval of the Leader to the matter being treated as urgent to enable a decision to be made at an early date, he introduced the report of the Director of Commissioning (previously circulated) updating Members on the position in respect of the local bid to deliver offender management services via Achieving Real Change in the Community CIC Limited (ARCC), a Community Interest Company.

RESOLVED - (a) That the action taken to date, as detailed in the submitted report, be endorsed.

(b) That the variation to the voting structure of ARCC, as detailed in the submitted report, with the effect that the Council has voting rights commensurate with its financial contribution and risk, be noted.

(c) That the appointment a member to the board of ARCC to exercise this Council's voting rights, be delegated to the Director of Neighbourhood Services and Resources.

(d) That the proposed delegation to the Director of Neighbourhood Services and Resources, to validate the content of the State Aid Assessment and to ensure the guarantee is in accordance with its requirements, be noted.

(e) That the proposed delegation to the Director of Neighbourhood Services and Resources to be satisfied that the independent financial assessment substantially validates the business model as set out in Appendix 2 of the submitted report, be noted.

And subject to (c) and (d)

(f) That, subject to Council approval to make a guarantee against reserves, this Council provide Stockton Borough Council a subsidiary guarantee of £2.45m to £3.53m alongside other partners in the bid.

(g) That a contract be entered into by this Council with the CRC company for repayment of the assessed market value of the guarantee.

(h) That subject to Council approval to release the £1m of reserves, this Council put in place a £1m loan to ARCC at commercial lending rates.

(i) That the Director of Neighbourhood Services and Resources be authorised, in consultation with the Leader of the Council, the Director of Commissioning and the Assistant Chief Executive to finalise the subsidiary guarantee and loan agreement and ancillary documents.

REASONS - (a) To put in place approvals for required actions to progress the bid to tender.

(b) To enable the Council to further participate in the due diligence activities to ensure risk is clearly understood and minimised.

**DECISIONS DATED –
FRIDAY 5 DECEMBER 2014**