

**DECISIONS SHOULD NOT BE IMPLEMENTED BEFORE  
MONDAY 22 JANUARY 2018**

**CABINET**  
9 January 2018

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

**INVITEES** – Councillors Curry, I G Haszeldine and Mrs Scott. (3)

**ALSO IN ATTENDANCE** – Councillors Coultas, Knowles and Nicholson. (3)

**C92. REPRESENTATIONS** – No representations were made by Members or members of the public in attendance at the meeting.

**C93. DECLARATIONS OF INTEREST** – In respect of Minute C103 below, non-pecuniary interests were declared by the Leader, Council Dixon, and Councillors C L B Hughes, Harker, McEwan and Wallis, as they were appointed respectively to the Tees Valley Combined Authority Cabinet, Education and Skills Board, Cabinet (as named substitute), Land Commission and Transport Committee.

**C94. MINUTES** - Submitted - The Minutes (previously circulated) of the meetings of this Cabinet held on 5 and 12 December 2017.

**RESOLVED** - That the Minutes, with the deletion of the words ‘that although’ from the first line of the second paragraph of Minute C84(2)/Dec/17, be confirmed as a correct record.

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

**C95. MATTERS REFERRED TO CABINET** - There were no matters referred back for re-consideration to this meeting.

**C96. ISSUES ARISING FROM SCRUTINY** - There were no issues arising from Scrutiny considered at this meeting.

**C97. ANNUAL AUDIT LETTER 2016/17** - 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 2016/17 (also previously circulated).

The Annual Audit Letter provided a high level summary of the results from the 2016/17 audit work undertaken by Ernst and Young LLP (EY), the Council’s external auditors; confirmed that the Council’s accounts gave a true and fair view for the year ending 31 March 2017; and that the Council had put in place proper arrangements to secure value for money in use of its resources.

A representative from Ernst and Young LLP (EY), presented the main findings from the Annual Audit Letter 2016/17 and stated that, the Council had been issued with an unqualified audit opinion.

Particular reference was made at the meeting to the application of materiality, as detailed in the Annual Audit Letter, and on the auditing of investment activity. The representative from Ernst and Young LLP responded thereon.

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

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

**C98. KEY DECISIONS - (1) Warm Homes Project** - The Cabinet Member with the Economic Regeneration Portfolio introduced the report of the Director of Economic Growth (previously circulated) requesting that consideration be given to this Council participating in the Warm Home Funds Project (WHF).

The submitted report stated that in July 2017, National Grid announced a national grant fund of £150M to address some of the issues relating to fuel poverty; expressions of interest had to made by 31 July 2017; and that the funding was available over a three year bidding cycle.

It was reported that a consortium of seven local authorities, including Darlington, registered housing providers and community partners had made a successful joint bid for Year 1 funding of £1.8M; only 43 bids out of 264 had been successful; due to the strength of the consortium bid, the funders had welcomed further bids in Years Two and Three of the funding cycle; and that a Memorandum of Understanding (MOU) would operate between all the consortium partner members.

Particular reference was made at the meeting to the processes to be put in place to ensure that the money goes to those individuals that would benefit from it.

**RESOLVED** - That participation in the Warm Homes Fund Partnership, to deliver energy efficiency measures across the Borough, be approved.

**REASONS** – (a) Participation in the project will deliver energy efficiency improvements for qualifying residents in the Borough. Funding availability elsewhere is now greatly reduced compared to previous years.

(b) Fuel poverty levels in the borough will be reduced and associated problems will be reduced.

**(2) Ingenium Parc** - The Cabinet Member with the Economy and Regeneration Portfolio introduced the report of the Director of Economic Growth (previously circulated) updating Members on Ingenium Parc and requesting that consideration be given to the granting of delegated authority for the completion of the associated Funding Agreement; releasing the capital funding to allow the first phase of infrastructure works to commence; and land and property matters arising in order to deliver the Masterplan.

The submitted report stated Ingenium Parc was a 40 hectare greenfield development site adjacent to a number of established advanced manufacturing and engineering businesses; the site had been earmarked as a strategic employment site; and that to open up the Phase One land, infrastructure works were required.

**RESOLVED** – (a) That the Director of Neighbourhood Services and Resources be authorised to conclude the Funding Agreement, with the Tees Valley Combined Authority, in relation to the Local Growth Fund contribution.

(b) That £4.959m of capital funding be released upon completion of the Funding Agreement to deliver works at Ingenium Parc, as described in paragraphs 19 and 20 of the submitted report.

(c) That the Director of Economic Growth be authorised to acquire third party interests at Ingenium Parc and to settle any compensation arising under the Tenancy Agreement.

**REASON** – (a) The project will stimulate, promote and help to manage development of the area in line with the Local Plan, Employment Land Review and Interim Planning Statement – where it is identified as employment land for B1, B2 and B8 use.

(b) To promote economic growth through opening employment land with the potential to create over 2000 jobs.

(c) Positive addition to our inward investment sites portfolio.

**(3) Darlington Borough Local Plan 2016/36 – Housing Targets and Local Plan Timetable** – The Cabinet Member with Economy and Regeneration Portfolio introduced the report of the Director of Economic Growth (previously circulated) requesting that consideration be given to an annual housing requirement to inform the housing site allocations in the new Local Plan and the revised timetable and process for producing the new Local Plan (including revisions to the Local Development Scheme (also previously circulated)).

The submitted report stated that one of the key elements of the Local Plan was to plan for housing needs in the Borough; a figure of 484 dwellings per annum had previously been agreed; since that decision had been made the base period for calculating the housing requirements had changed and new household projections had been published; and that the latest projections must be used in calculating the housing requirements for a Local Plan. Particular references were also made to the Local Development Scheme 2018/21; financial, workload and legal implications; equality considerations; and the proposed consultation for the draft Local Plan.

Discussion ensued on the setting of the housing allocation; the number of sites with planning permission that had not been developed; and the figures used in producing the housing allocation.

**RESOLVED** – That it be recommended to Council that:-

(a) for the purposes of a housing need target, 422 dwellings, per annum, be agreed for the period of the plan;

(b) a housing target of 492 dwellings, per annum, or a total of 9,840 dwellings over the Plan period, for the basis of informing housing site allocations, be adopted in the Local Plan; and

(c) the Local Development Scheme 2018/21, as appended to the submitted report at Appendix 3, be approved to take immediate effect.

**REASONS –** (a) The National Planning Policy Framework states that local planning authorities should positively seek opportunities to meet the development needs of their area and Local Plans should meet objectively assessed needs.

(b) The Council is required to have an up to date Local Development Scheme (Planning and Compulsory Act 2004, as amended by Section 111, Localism Act 2011).

**C99. MEDIUM TERM FINANCIAL PLAN UPDATE –** The Leader introduced the report of the Chief Officers Executive (previously circulated) informing Members of the Local Government Settlement figures which were received on 19 December 2017 and the National Pay Award offer; proposing a change in the Council Tax increase initially approved by Cabinet for consultation (Minute C91(1)/Dec/17 refers); and requesting that consideration be given to consulting on the change

**RESOLVED -** That the amendment to the proposed Council Tax from 1.99 per cent plus social care precept of three per cent (4.99 per cent) to 2.99 per cent plus social care precept of three per cent (5.99 per cent) in 2018/19, be approved.

**REASONS -** To take advantage of the flexibility allowed by the government and increase Council Tax by an additional one per cent before requiring a referendum.

**C100. REGULATION OF INVESTIGATORY POWERS -** The Cabinet Member with the Efficiency and Resources Portfolio introduced the report of the Director of Neighbourhood Services and Resources (previously circulated) informing and updating Members about issues relevant to the use of the Regulation of Investigatory Powers Act (RIPA) 2000 and developments that have taken place since the last report to Cabinet in July 2017 (Minute C22/Jul/17 refers).

The submitted report stated the Investigatory Powers Commissioner's Officer (IPCO) were now responsible for the judicial oversight of the use of covert surveillance by public authorities and that a public consultation on RIPA Codes was launched by the Government in November 2017, on three revised codes of practice issued under RIPA.

**RESOLVED -** (a) That the developments that have taken place since July 2017, as detailed in the submitted report, be noted.

(b) That further reports on the use of the Regulation of Investigatory Powers and associated issues, be submitted to future meetings of Cabinet.

**REASONS -** (a) In order to ensure that the Council complies with the legal obligations under RIPA and national guidance.

(b) To help in giving transparency about the use of RIPA in this Council.

**C101. MID-YEAR PRUDENTIAL INDICATORS AND TREASURY MANAGEMENT MONITORING REPORT 2017/18**

– 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 and providing a half-yearly review of the Council's borrowing and investment activities.

It was reported that the mandatory Prudential Code, which governed Council's borrowing, required Council approval of controls, called Prudential Indicators, which related to capital spending and borrowing. The indicators were set out in three statutory annual reports and the key objectives of those reports were set out in the submitted report, together with the key proposed revisions to the indicators which related to lower capital expenditure in 2017/18 due to slippage on some Council schemes into 2018/19 and an increase in the Operational Boundary.

The Audit Committee, at its meeting held on 20 December 2017, examined the Prudential Indicators and the Treasury Management half-yearly review and were satisfied with the Council's borrowing and investment activities and the reported prudential indicators.

**RESOLVED** – (a) That it be recommended to Council that the revised prudential indicators and limits, as detailed within Tables 1 to 6, 8 and 15 to 18 of the submitted report, be approved.

(b) That the reduction in the Treasury Management Budget (Financing Costs) of £0.418M, as shown in Table 12, of the submitted report, be noted.

**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.

**C102. MEMBERSHIP CHANGES – RESOLVED** - That Councillor Baldwin be appointed to serve on the Community Library (Cockerton) Limited for the remainder of the 2017/18 Municipal Year.

**REASON** – To enable the appointment to the Community Library (Cockerton) Limited to be made.

**C103. (URGENT ITEM) TEES VALLEY COMBINED AUTHORITY** – 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 Leader introduced the report of the Chief Executive (previously circulated) requesting that consideration be given to the making

of the Tees Valley Combined Authority (TVCA) (Borrowing) Regulations 2018 (also previously circulated).

The submitted report stated that the TVCA was established on 1 April 2016, with the support of the five Tees Valley Authorities; the powers of the Combined Authority had been established by the devolution of powers from central government and formalised by a number of statutory instruments; the consent of each local authority within the area of the Combined Authority is required before an order can be made; and that the TVCA (Borrowing) Regulations 2018 had been drafted, with the purpose of widening the borrowing powers available to the Combined Authority to cover all its function

**RESOLVED** - (a) That consent be given to the making of the Tees Valley Combined Authority (Borrowing) Regulations 2018.

(b) That subject to (a) above being agreed, authority be delegated to the Chief Executive, in consultation with the Leader of the Council, to give the Council's consent to the final draft Order being made when requested by the Secretary of State

**REASONS** - (a) To enable the Tees Valley Combined Authority to have the power to borrow for transport functions.

(b) Consent from the constituent councils of the Tees Valley Combined Authority is required by Government before this legislation can be laid before Parliament.

**DECISIONS DATED –  
FRIDAY 12 JANUARY 2018**