

**DECISIONS SHOULD NOT BE IMPLEMENTED BEFORE
MONDAY 19 DECEMBER 2022**

CABINET

Tuesday, 6 December 2022

PRESENT – Councillors Dulston (Chair), Bartch, Clarke, Durham, Keir, K Nicholson, Renton and Tostevin

INVITEES – Councillors Curry, Harker, Snedker and Wright

ALSO IN ATTENDANCE – Councillors Crudass and McCollom

C215 DECLARATIONS OF INTEREST.

There were no declarations of interest reported at the meeting.

C216 TO HEAR RELEVANT REPRESENTATION (FROM MEMBERS AND THE GENERAL PUBLIC) ON ITEMS ON THIS CABINET AGENDA.

In respect of Minute C224 below, a written representation was made by a member of the public which was read out at the meeting.

C217 TO APPROVE THE MINUTES OF THE MEETING OF THIS CABINET HELD ON 8 NOVEMBER 2022

Submitted - The Minutes (previously circulated) of the meeting of this Cabinet held on Tuesday 8 November 2022.

RESOLVED – That the Minutes be confirmed as a correct record.

REASON – They represent an accurate record of the meeting.

C218 MATTERS REFERRED TO CABINET

There were no matters referred back for re-consideration to this meeting.

C219 ISSUES ARISING FROM SCRUTINY - CHILDCARE SUFFICIENCY TASK AND FINISH REVIEW

The Chair of the Children and Young People Scrutiny Committee introduced the report of the report of the Childcare Sufficiency Review Group (previously circulated) presenting the outcome of the Review Group established to gain a better understanding of childcare sufficiency and the general supply of childcare within the Borough and the barriers to provision.

The Chair of the Scrutiny Committee reported that the review group recognised that there were no immediate concerns around overall sufficiency, however, the Childcare Act 2006 placed a duty on Council's to provide support to secure, as far as reasonably practicable,

sufficient childcare to meet the requirements of parents in their area. This support could include financial support or could enable it to provide childcare itself if no other provider was willing to do so. From the information available, the Review Group felt that the Council was not doing everything reasonably practicable to provide childcare for a number of families around the Borough who required it.

RESOVLED – (a) That assistance in communicating the availability of jobs in the childcare sector, be provided, including the communication of jobs in Events Planning, Jobs Initiatives, Publications and Digital communication.

(b) That the local Members of Parliament be made aware of the concerns highlighted by Members of the Children and Young People Scrutiny Committee with regard to the provision of sufficient childcare to meet the needs of families.

REASON - To ensure that the local authority is discharging its statutory duty to secure sufficient childcare to meet the requirements of parents in the area.

C220 KEY DECISION - PROCUREMENT PLAN UPDATE

Pursuant to Minute the Cabinet C123/Apr/22, the Cabinet Member with the Resources Portfolio introduced the report of the Chief Executive (previously circulated) requesting that consideration be given to the Annual Procurement Plan (also previously circulated); the assessment of contracts that are considered to be strategic or non-strategic; updating Members on the outcome of procurements that were previously designated as Strategic; and the decisions taken by the Procurement Board to waive the Contract Procedure Rules.

The submitted report stated that any contract award decision with a value below £100,000 was delegated to officers; the annual Procurement Plan detailed all the existing and new contracts that were over £100,000 which required a tender process; and that for those contracts which were over £100,000 and considered strategic, the final contract award decision would be approved by Procurement Board and reported to Cabinet. It was reported that one additional contract had been designated as strategic and included in the annual Procurement Plan (also previously circulated).

Particular reference was made at the meeting to the current position with regard to two contracts that were previously designated as strategic namely the supply of materials and products for the repair and maintenance to Council housing and buildings and to the Railway Heritage Quarter. A request was also made for more information on contracts where Contract Procedure Rules had been waived. The Cabinet Member with the Resource Portfolio responded thereon.

RESOLVED – (a) That the assessment of strategic and non-strategic contracts as presented in Appendix 1 of the submitted report, be approved, and it be agreed that:

- (i) further reports/ updates on the procurement process for those contracts designated as strategic (including decisions made by the Procurement Board) be brought to Cabinet;
- (ii) the contract award decisions for those contracts designated as non-

strategic, as detailed at Appendix 1 to the submitted report, be delegated to the appropriate Directorate; and

- (iii) the contract award decisions for those contracts designated as strategic, as detailed at Appendix 1 of the submitted report, be delegated to the Procurement Board to approve and report back to Cabinet.

(b) That the contents of the submitted report, in respect of the update of strategic procurements, Procurement Board waiver decisions, and Social Value, be noted.

REASONS – (a) In respect of strategic/non-strategic contracts, the recommendations are supported by the following reasons:-

- (i) the Contract Procedure Rules require Cabinet to approve the designation of contracts as strategic and non-strategic;
- (ii) contracts designated strategic are of high value and high significance in respect of the impact on residents, Health and Safety and public safety; and
- (iii) the contracts designated non-strategic are of a lower value and lower significance in respect of the impact on residents and public safety.

(b) In respect of Procurement Board waiver decisions, the recommendations are supported by the following reasons: -

- (i) in order to comply with the Contract Procedure Rules.
- (ii) to provide Cabinet with information about the decisions made by the Procurement Board.
- (iii) to supplement the reports that are taken to Cabinet about proposed spend over £100,000, that are set out in the Annual Procurement Plan and the in year update to that report.

C221 COMPLAINTS MADE TO LOCAL GOVERNMENT OMBUDSMAN

The Cabinet Member with the Resources Portfolio introduced the report of the Group Director of Operations (previously circulated) providing an update of the outcome of cases which have been determined by the Local Government and Social Care Ombudsman (LGSCO) and the Housing Ombudsman Service (HOS) since the preparation of the previous report to Cabinet on 6 September 2022.

The submitted report set out in abbreviated form the decisions reached by the LGSCO and the HOS between 1 April 2022 and 30 September 2022 and outlined the actions taken as a result of those complaints.

RESOLVED – (a) That the report be noted.

(b) That the amendments to the Council's Travel and Transport Assistance Policy and Special Education Needs and Disability (SEND) Travel Assistance Policy, as detailed in paragraph 24 of the submitted report, be noted.

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

(b) To comply with the recommendation made by the Local Government and Social Care Ombudsman and ensure the Council's Travel and Transport Assistance Policy and SEND Travel Assistance Policy are consistent with government guidance.

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

C222 HEALTH AND CARE INTEGRATION AND THE HEALTH AND WELLBEING BOARD

The Cabinet Member with the Health and Housing Portfolio introduced the report of the Group Director of People (previously circulated) updating Cabinet on the suggested changes to the 'place based' leadership in relation to the changes implemented through the development of the Integrated Care Board (ICB) and Place based arrangements; requesting that consideration be given to the preferred option following discussion with partners across health, education, care and economic development; and highlighting potential changes to the role and function of the Health and Wellbeing Board (HWBB) following the publication of draft guidance by the Government.

The submitted report stated that the Health and Care Act 2022 received Royal Assent on 28 April 2022; the Act included provisions to strengthen health and care integration which the Government set out in more detail in the Integration White Paper (February 2022); alongside other measures, the Integration White Paper offered five options for partnership working between health and social care at a place-based level; those options had been developed by NHS England with the Local Government Association; and that the Integration White Paper asked that health and care partners implement one of the five options by April 2023. The preference for Darlington was a Joint Committee to enable the North East and North Cumbria ICB to access additional benefits and opportunities for health and wellbeing outcomes for Darlington residents, with the it operating in 'shadow form' from January 2023 and to be fully operational by April 2023.

It was reported that the Act and Draft Guidance published in July 2022 gave an enhanced role to the HWBB; the Board's leadership of the health and care system was emphasised, new responsibilities were proposed including an oversight of any place-based governance arrangements such as a Joint Committee and working with the Integrated Care Partnership to deliver a strategy (or plan) which would effectively address population health and inequalities; and that the proposed changes were likely to mean that the HWBB would meet more frequently and have agendas which covered any Joint Committee and the shared duties with the Integrated Care Partnership.

Discussion ensued on the membership of the Joint Committee and the future role of the Health and Well Being Board.

RESOLVED – (a) That the potential changes to health and care integration, as set out in the Health and Care Act 2022 and the Integration White Paper (February 2022), and as detailed in the submitted report, be noted.

(b) That the preferred option for future health and care integration be a Joint Committee to :-

- (i) be co-produced with the Integrated Care Board;
- (ii) operate in 'shadow form' from January 2023; and
- (iii) be fully operational from April 2023.

(c) That it be noted that detailed discussion was needed with health and care partners and that, Government guidance may be published, which would have an impact on the preferred option.

(d) That further reports be presented following discussions with health and care partners with more detailed proposals for consideration.

(e) That the likely changes to the responsibilities of the Health and Wellbeing Board and the consequent changes to frequency of meetings and agendas, as detailed in the submitted report, be noted.

REASONS – (a) To promote the health and wellbeing of the population, reducing health inequalities, identifying needs, and securing investment to meet those needs are key responsibilities of the Council.

(b) To discharge those responsibilities effectively, the Council works in partnership with health and care organisations.

(c) To sustain progress and keep a strong focus on Darlington a Joint Committee is believed to be the best of the options available.

(d) To avoid duplication and ensure health and care partners are delivering on agreed priorities, the role of the Health and Wellbeing Board is likely to be extended and be enhanced.

C223 HOUSING SERVICES FIRE SAFETY POLICY

The Cabinet Member with the Health and Housing Portfolio introduced the report of the Group Director of Operations (previously circulated) requesting that consideration be given to the Housing Services Fire Safety Policy 2022/27 (also previously circulated).

The submitted report stated that this Council provided 355 homes for local residents in seven Sheltered Housing schemes and three Extra Care schemes and that the Housing Services Fire Safety Policy 2022/27 set out how the Council would provide staff, residents, visitors and partner organisations, in those Council owned schemes, with clear guidelines as to how to prevent fires and what action to take in the event of a fire, to protect themselves and others.

It was reported that the Tenants Panel and Health and Housing Scrutiny Committee had been consulted on the draft policy and it had received overwhelming support.

RESOLVED – That the Housing Services Fire Safety Policy 2022/27, as appended to the submitted report, be approved.

REASONS – (a) Darlington Borough Council has a duty to comply with fire safety legislation.

(b) The Social Housing Regulator’s Consumer Standards places a duty on social housing landlords to provide their tenants with quality, safe accommodation.

(c) The adoption of a formal Fire Safety Policy is one of the ways to demonstrate how we will achieve both compliance with the legislation and the Social Housing Regulator’s Consumer Standards.

C224 FIRST HOMES POLICY POSITION STATEMENT

The Cabinet Member with the Economy Portfolio introduced the report of the Chief Executive (previously circulated) setting out the new Government policy on First Homes and requesting that consideration be given to the First Homes Policy Position Statement (also previously circulated) for publication.

The submitted report stated that in May 2021, the Government set out national planning policy for First Homes, a new affordable housing product; First Homes were a specific kind of Discount Market Sale Housing (DMSH), discounted by 30 percent of the market value for first time buyers; and that the new policy came into effect from 28 June 2021 and required that a minimum of 25 percent of all affordable housing units secured through planning obligations should be First Homes.

It was reported that due to transitional arrangements in the guidance the Council did not reflect First Homes in the recently adopted Local Plan (2022); following an analysis of the policy it was considered that it was a reasonable approach to seek the First Homes requirement from developers via a Policy Position Statement; First Homes was the Government’s preferred discount market tenure and that this was now adopted national policy; and it offered another option for local people to get on the housing ladder.

References were made at the meeting as to how the need for affordable housing would be met, to the percentage of new homes that could be bought through the First Homes policy; and to its enforcement of the policy. The Cabinet Member with the Economy Portfolio and the Chief Executive responded thereon.

RESOLVED – (a) That the new Government policy on First Homes, be noted, and the First Homes Policy Position Statement, as appended to the submitted report, be approved, for publication.

(b) That delegated powers to make minor modifications to the First Homes Policy Position Statement, as appended to the submitted report, be given to the Assistant Director of Economic Growth in conjunction with the Cabinet Member with the Economy Portfolio.

REASONS – (a) First Homes are the Government’s preferred discount market tenure and are required by national policy.

(b) First Homes will assist in getting local people on the housing ladder.

C225 HOUSING REVENUE ACCOUNT - MEDIUM TERM FINANCIAL PLAN 2023/24 TO 2025/27

The Cabinet Member with the Health and Housing Portfolio introduced the report of the Group Director of Operations (previously circulated) requesting that consideration be given to the proposals for the revenue budget, capital programme, rent levels and service charges for the Council’s Housing Revenue Account (HRA) for the financial year 2023/24, in the context of the HRA Medium Term Financial Plan (MTFP) to 2026/27 and the 30-year Business Plan.

The submitted report stated that the Council was the largest provider of social housing in the Borough, providing 5,291 homes to local residents; the homes were of a high standard of accommodation that met the Decent Homes Standard; as a result of the high quality of the homes and the services provided they were in high demand; to meet that demand the Council had an ambitious programme to build new homes in Darlington, funded through capital receipts from the right to buy sales, grant funding and borrowing of £11.7M; the proposed revenue budget expenditure of £26.557M included £5.539M to fund responsive repairs and maintenance and £12.609M contribution to the capital programme; and the proposed capital programme of £24.585M included funding for work to current properties and £15.673M to deliver the new build Council housing programme.

It was reported that the key decision to be made regarding the HRA each year was the balance between setting rent and service charge levels that were affordable to the Council’s tenants whilst ensuring there was sufficient resources to invest in housing stock, tackle climate change and maintain services; Local Authorities had the discretion to increase rents by the Consumer Prices Index (CPI) plus one per cent; CPI for September 2022 was 10.1 per cent which meant that Members could decide to increase rents by up to 11.1 per cent; a decision was made by the Government to cap social housing rent increases at seven per cent; and that a number of options had been considered, taking into account the current economic pressures facing tenants and delivering ambitious capital and energy efficient programmes.

Particular reference was made to subsidence issues that were affecting some properties in the North Road Ward. The Cabinet Member with the Health and Housing Portfolio responded thereon.

RESOLVED - That the following recommendations be agreed for wider consultation, namely that :-

- (a) an average weekly rent increase of five per cent for 2023/24 be implemented giving an average social rent of £78.70 and affordable rent of £88.38;
- (b) garage rents and service charges be increased, as shown in Table 3 of the submitted report;
- (c) the revenue budget, as attached at Appendix 1 of the submitted report, be

approved;

- (d) the Housing Business Plan, at attached at Appendix 2 of the submitted report, be agreed; and
- (e) the capital programme, as attached at Appendix 3 of the submitted report, be agreed.

REASON - To enable the Council to deliver an appropriate level of services to tenants to meet housing need and to support the economic growth of the Borough through housing development.

C226 MID-YEAR PRUDENTIAL INDICATORS AND TREASURY MANAGEMENT MONITORING REPORT 2022/23

The Cabinet Member with the Resources Portfolio introduced the report of the Group Director of Resources (previously circulated) seeking approval of 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 the 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 a reduction in the Operational Boundary to £156.699M and the Authorised Limit to £239.879M to allow for any additional cashflow requirements.

Particular reference was made to the investments of £30M in property funds, which were expected to increase the net return on investment by around £0.700M in future years.

RESOLVED - (a) That the revised prudential indicators and limits, as detailed within Tables 1 to 6, 8, 10 and 12 to 17 of the submitted report, be noted.

(b) That the Treasury Management Budget (Financing Costs) projected outturn as shown in Table 11 of the submitted report, be noted.

(c) 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.

C227 LAND AT FAVERDALE - BURTREE GARDEN VILLAGE DEVELOPMENT

The Cabinet Member with the Economy Portfolio introduced the report of the Chief Executive (previously circulated) requesting that consideration be given to negotiating the necessary approvals and agreements required to facilitate the next stage of the delivery of the Burtree Garden Village.

The submitted report stated that at the time of writing the report Homes England were preparing the submission of a hybrid planning application for the delivery of phase 1 of the proposed Burtree Garden Village development; the hybrid planning application, which included circa 35 acres of Council owned land at High Faverdale Farm would be detailed for the spine/link road and outline for the remainder of Phase 1, as shown as AB on the plan (also previously circulated); work was being undertaken by Homes England on a number of issues including viability, Section 106, and Nutrient Neutrality; and stated that as a result the financial and development position, as far as the Council's land was affected, was subject to clarification.

It was reported that the fallback position for the Council was that before granting access onto the Council's land to build the road and the enabling infrastructure, terms would need to be agreed for an Infrastructure Development Agreement; the Council was endeavouring to agree a high-level Promoter Agreement with Homes England to agree the principles of the planning application; and that there were also independent proposals for a temporary Construction and Skills Hub on the Council's land, at cell CH on the plan (also previously circulated).

RESOLVED – (a) That Homes England's proposal to submit a hybrid planning application for Phase 1 of Burtree Garden Village to include Council owned land at High Faverdale Farm, as shown on the plan appended to the submitted report, be noted.

(b) That Delegated Authority be granted to the Assistant Director of Economic Growth in consultation with respective portfolio holders, to negotiate and agree the necessary approvals and agreements required to facilitate the work, as detailed in the submitted report.

(c) That the Assistant Director Law and Governance be authorised to complete any associated legal agreements.

REASONS – (a) To promote new development and Economic Growth.

(b) To establish the Council's position as landowner of part of the development site and to enable the necessary degree of control to benefit from a share of any capital receipt made from the development.

C228 LAND ASSEMBLY FOR DEVELOPMENT AT GLADSTONE STREET/KENDREW STREET INCLUDING NORTHGATE HOUSE DARLINGTON

The Cabinet Member with the Resources Portfolio introduced the report of the Chief Executive (previously circulated) requesting that consideration be given to commencing the

land assembly for the development of a mixed-use residential and commercial site in the area highlighted on the plan (also previously circulated) through negotiated acquisitions with current landowners; the commencement of a Compulsory Purchase Order where a negotiated position cannot be achieved; and to the use of funding from Darlington's Town Fund Programme for officers to undertake preliminary surveys and to seek outline planning permission for the proposal.

It was reported that in accordance with the Town Centre Strategy and Darlington's Town Fund Programme the development of residential properties within and adjacent to the town centre was a clear priority to revitalise the town centre by addressing derelict buildings and vacant land. To date there had been several notable successes in the delivery of this ambition including the former sport direct site, which had been acquired and the redundant building on the site demolished to present a cleared site for future development, and the Northern Echo building, which had been acquired and work had commenced to transform this building into an Adult Training Hub on the ground floor and high-quality office space on the upper floors.

The submitted report stated that the site highlighted area included Kendrew Street car park which was within Council ownership; several privately owned buildings; and Northgate House, which had been empty for several years. Officers had been negotiating with the owners for the Council to acquire the building based on independent valuations, however those negotiations had been unsuccessful.

Commencement of the Town Fund Programme had enabled officers to commission some early design work, which considered possible development options for the area and the options considered included the creation of residential and mixed-use development with the inclusion of green spaces and active travel options. The designs were merely indicative of what could be achieved at this stage and it would continue to be developed resulting in a comprehensive design solution for the project area.

RESOLVED – (a) That officers commence land assembly for the development of a mixed-use residential and commercial site in the area as highlighted at Appendix 1 to the submitted report.

(b) That it be noted that the detailed design for the scheme would continue, producing a comprehensive preferred scheme.

(c) That the negotiated acquisitions of properties from current landowners, be approved, and the Chief Executive be authorised to negotiate full terms in consultation with the Cabinet Member with the Resources Portfolio and the terms be reported subsequently on the Schedule of Transactions.

(d) That officers be authorised to prepare a draft Compulsory Purchase Order and schedule of interests to be acquired for the acquisition of any properties which could not be acquired by agreement.

(e) That the Assistant Director of Economic Growth and Assistant Director Law and Governance be authorised to deal with any related matters and associated documents

accordingly.

REASON - To accelerate the building of new homes and the revitalisation of the town centre.

C229 SCHEDULE OF TRANSACTIONS

The Cabinet Member with the Resources Portfolio introduced the report of the Chief Executive (previously circulated) requesting that consideration be given to the Schedule of Transactions (also previously circulated).

RESOLVED – That the Schedule of Transactions, as detailed in the appendix to the submitted report, be approved, and the transactions be completed on the terms and conditions detailed therein.

REASONS – The terms negotiated require approval by Cabinet before binding itself contractually to a transaction.

C230 MEMBERSHIP CHANGES - TO CONSIDER ANY MEMBERSHIP CHANGES TO OTHER BODIES TO WHICH CABINET APPOINTS.

There were no membership changes reported at the meeting.

**DECISIONS DATED –
FRIDAY 7 DECEMBER 2022**