



DARLINGTON
Borough Council

Cabinet Agenda

5.00 pm

Tuesday, 6 December 2022

Council Chamber, Town Hall, Darlington DL1 5QT

Members and Members of the Public are welcome to attend this Meeting.

1. Introductions/Attendance at Meeting.
2. Declarations of Interest.
3. To hear relevant representation (from Members and the General Public) on items on this Cabinet agenda.
4. To approve the Minutes of the Meeting of this Cabinet held on 8 November 2022 (Pages 5 - 12)
5. Matters Referred to Cabinet –
There are no matters referred back for reconsideration to this meeting
6. Issues Arising from Scrutiny - Childcare Sufficiency Task and Finish Review –
Report of the Chair of the Children and Young People Scrutiny Committee
(Pages 13 - 18)
7. Key Decisions:-
 - (a) Procurement Plan Update –
Report of the Group Director of Operations.
(Pages 19 - 32)
8. Complaints Made to Local Government Ombudsman –
Report of the Group Director of Operations.
(Pages 33 - 38)

9. Health and Care Integration and the Health and Wellbeing Board –
Report of the Group Director of People.
(Pages 39 - 48)
10. Housing Services Fire Safety Policy –
Report of the Group Director of Operations.
(Pages 49 - 70)
11. First Homes Policy Position Statement –
Report of the Chief Executive.
(Pages 71 - 84)
12. Housing Revenue Account - Medium Term Financial Plan 2023/24 to 2025/27 –
Report of the Group Director of Operations.
(Pages 85 - 100)
13. Mid-Year Prudential Indicators and Treasury Management Monitoring Report 2022/23 –
Report of the Group Director of Operations.
(Pages 101 - 116)
14. Land at Faverdale - Burtree Garden Village Development –
Report of the Chief Executive.
(Pages 117 - 122)
15. Land Assembly for Development at Gladstone Street/Kendrew Street including
Northgate House Darlington –
Report of the Chief Executive.
(Pages 123 - 164)
16. Schedule of Transactions –
Report of the Chief Executive.
(Pages 165 - 168)
17. Membership Changes - To consider any Membership Changes to Other Bodies to which
Cabinet appoints.
18. SUPPLEMENTARY ITEM(S) (if any) which in the opinion of the Chair of this Committee are
of an urgent nature and can be discussed at this meeting.
19. Questions.

EXCLUSION OF THE PUBLIC AND PRESS

20. To consider the exclusion of the Public and Press :- –
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 items on the grounds that they involve the likely disclosure of exempt information as

defined in exclusion paragraph 3 of Part I of Schedule 12A of the Act.

PART III NOT FOR PUBLICATION

21. SUPPLEMENTARY ITEM(S) (if any) which in the opinion of the Chair of this Committee are of an urgent nature and can be discussed at this meeting.
22. Questions.



Luke Swinhoe
Assistant Director Law and Governance

Monday, 28 November 2022

Town Hall
Darlington.

Membership

Councillors Clarke, Dulston, Durham, Keir, K Nicholson, Renton and Tostevin

If you need this information in a different language or format or you have any other queries on this agenda please contact Lynne Wood, Elections Manager, Operations Group, during normal office hours 8.30 a.m. to 4.45 p.m. Mondays to Thursdays and 8.30 a.m. to 4.15 p.m. Fridays (e-mail Lynne.Wood@darlington.gov.uk or telephone 01325 405803).

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**DECISIONS SHOULD NOT BE IMPLEMENTED BEFORE
MONDAY 21 NOVEMBER 2022**

CABINET

Tuesday, 8 November 2022

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

INVITEES – Councillors Curry, C L B Hughes, Snedker and Wright

APOLOGIES – Councillors Keir and Harker

ALSO IN ATTENDANCE – Councillors Heslop and Mrs H Scott

C202 DECLARATIONS OF INTEREST.

There were no declarations of interest reported at the meeting.

**C203 TO HEAR RELEVANT REPRESENTATION (FROM MEMBERS AND THE GENERAL PUBLIC) ON
ITEMS ON THIS CABINET AGENDA.**

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

**C204 TO APPROVE THE MINUTES OF THE MEETING OF THIS CABINET HELD TUESDAY 11 OCTOBER
2022.**

Submitted - The Minutes (previously circulated) of the meeting of this Cabinet held on Tuesday 11 October 2022.

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

REASON – They represent an accurate record of the meeting

C205 MATTERS REFERRED TO CABINET

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

C206 ISSUES ARISING FROM SCRUTINY COMMITTEE

There were no issues arising from Scrutiny considered at this meeting.

C207 KEY DECISIONS

**(1) DARLINGTON TRANSPORT PLAN, DARLINGTON TOWN CENTRE TRANSPORT PLAN AND
DARLINGTON PARKING STRATEGY**

The Leader introduced the report of the Group Director of Services (previously circulated) requesting that consideration be given to the adoption of the Darlington Transport Plan, Darlington Town Centre Transport Plan and Darlington Parking Strategy (all also previously circulated) following the consultation process.

The submitted report stated that the Tees Valley Strategic Transport Plan (STP) 2020/30, developed by Tees Valley Combined Authority (TVCA), in partnership with all Tees Valley local authorities, set out the strategic direction for transport in the Tees Valley and that it was supported by other strategies developed by TVCA including the Local Cycling and Walking Infrastructure Plan (LCWIP) and the Tees Valley Bus Service Improvement Plan (BSIP).

It was reported that the Darlington Transport Plan set out how the priorities detailed in the STP would be delivered in Darlington, taking account of local priorities and setting a delivery framework to ensure that those priorities were delivered; the Darlington Transport Plan framework had been approved by Cabinet (Minute C101(1)/Mar/21 refers), as a basis for consulting the public and other stakeholders on the Council's key transport objectives and priorities; the Darlington Town Centre Transport Plan would support the Town Centre Strategy 2019/30 and the Towns Fund Investment Plan; and that the Darlington Parking Strategy set out a framework for the provision and control of parking within the borough, in order to meet the aspirations of the Darlington Transport Strategy and the Darlington Town Centre Transport Plan. Good quality transport into and within the town centre was important to support the transformation, growth and management of movement within the town centre and would help to make it a more attractive place to live, work and visit.

Particular reference was made to the responses received to the consultation which included 34 responses to the Darlington Transport Plan and 14 responses to the Darlington Parking Strategy. No responses had been received to the Darlington Town Centre Transport Plan. The responses received were broadly in support of the approach and no changes were made to the documents as a result of consultation.

Discussion ensued at the meeting on the importance of climate change and to making changes in the way we travel, particularly for shorter journeys under five miles; the aspirations included in the plan to tackle climate change; the lack of early engagement in the development process of the plans with the Climate Change Officers; the need for Council departments to work together in tackling climate change; and the promotion of cycling as sustainable travel. The Leader of the Council responded thereon.

RESOLVED – (a) That the outcome of the consultation, as detailed in the submitted report, be noted.

(b) That the Darlington Transport Plan, Darlington Town Centre Transport Plan, and Darlington Parking Strategy, all as appended to the submitted report, be approved.

(c) That it be recommended to Council that the Darlington Transport Strategy, Darlington Town Centre Transport Plan, and Darlington Parking Strategy, all as appended to the submitted report, be approved and adopted into the policy framework.

REASONS – (a) To provide a strategic framework to support growth in Darlington through

the provision of improved transport infrastructure and promote sustainable transport initiatives.

(b) To support the Town Centre Strategy by improving transport links into, and reducing the impact of traffic travelling through, the Town Centre in order to help it be a place where people will want to continue visiting, shopping, working and living in.

(2) TOWN CENTRE CAR PARKING OFFER

The Leader and Cabinet Member with the Economy Portfolio introduced the report of the Group Director of Services (previously circulated) providing an update on the Town Centre Car Parking Offers and requesting that consideration be given to extending the current free car parking offer for a further three months.

The submitted report stated that parking offers had been in place to support the town centre since June 2018; since January 2021 the Tees Valley Combined Authority (TVCA) had provided the funding to support parking offers across the Tees Valley for a two-year period; for Darlington this funding enabled a free two-hour parking offer in Council operated car parks and on-street pay and display parking areas in the town centre area; and that the funding would come to an end at the end of December 2022.

It was reported that the number of people using car parking places that had offers in place had returned to pre-covid levels; it was not possible to identify one single intervention that had supported this recovery; and that it was likely to be a mixture of the town centre offer provided by the businesses and the range of events and initiatives to support the town centre delivered by the Council, including the parking offer.

Particular reference was made at the meeting to the Darlington Transport Plan, approved at Minute C207(1) above, and whether the proposals to extend the parking offer contradicted with that Plan and the aspirations contained within it; the affordability of the proposals; the impact of the offer on bus services; and the value for money of the proposals. The Leader and Cabinet Member with the Economy Portfolio responded thereon.

RESOLVED – (a) That £475,000 be released, to cover the costs of extending the parking offer for a further three months, up to 31 March 2023, as detailed in the submitted report.

(b) That authority be delegated to the Assistant Director, Highways and Capital Projects to implement the proposal.

REASONS – (a) To support the ongoing recovery of the town centre.

(b) To have regard to the best use of public funds.

C208 HOUSING COMPLAINTS REFORMS

The Cabinet Member with the Resources Portfolio introduced the report of the Group Director of Operations (previously circulated) requesting that consideration be given to the adoption of an updated Housing Complaints, Compliments and Comments Procedure (also previously circulated) to reflect changes to when a complaint can be referred to the Housing

Ombudsman Service.

The submitted report stated that after a complaint had been considered by the Council at stage 1 (local resolution) and stage 2 (formal investigation) there was a third stage (democratic filter), before it could be referred to the Housing Ombudsman. The legislative changes meant that the Housing Ombudsman could consider a complaint without requiring the democratic filter stage to be completed.

RESOLVED - That the proposed changes to the Housing Complaints, Compliments and Comments Procedure, as detailed in the submitted report, be approved, and the Housing Complaints, Compliments and Comments Procedure, as appended to the submitted report, be adopted.

REASONS – (a) To ensure the Council’s Housing Complaints, Compliments and Comments Procedure is consistent with the law and the revised Housing Ombudsman Scheme.

(b) To make it easier for residents to access the Housing Ombudsman Service, if they remain unhappy with the Council’s final response to their complaint.

C209 COUNCIL TAX EXEMPTION FOR CARE LEAVERS 2023/24

The Cabinet Member with the Resources Portfolio introduced the report of the Group Director of Operations (previously circulated) requesting that consideration be given to the Council Tax exemption for care leavers, under the age of 25, from 2023/24.

The submitted report stated that since 1 April 2018, a provision had been made in the Council Tax Support (CTS) scheme to provide care leavers under the age of 25 up to 100 per cent support with their Council Tax costs; all other working aged people could only receive up to 80 per cent support with their Council Tax costs under the CTS scheme; as the CTS scheme was means tested, some young care leavers may still have some or all of their Council Tax costs to pay, depending on their income and other circumstances; and that it was proposed to replace the current provision in the CTS scheme for care leavers under the age of 25, with a full Council Tax exemption from 1 April 2023. This would be achieved using the Council’s powers under section 13a of the Local Government Finance Act 1992 (discretionary Council Tax discounts).

Particular reference was made to the financial implications of this change which were considered to be minimal, given that most care leavers under the age of 25 already received support with their Council Tax costs through the CTS scheme.

RESOLVED – That it be recommended to Council that the Council Tax exemption for care leavers under the age of 25 from 2023-24, be approved.

REASONS – (a) This Council has a responsibility to support young care leavers whilst they are developing the skills and confidence to live independently.

(b) A Council Tax exemption will provide young care leavers with the assurance and stability with their Council Tax costs.

(c) A Council Tax exemption will be much easier for the Council to administer than the current arrangements through the CTS scheme and for young care leavers to access and understand.

C210 COUNCIL TAX SUPPORT - SCHEME APPROVAL 2023/24

The Cabinet Member with the Resources Portfolio introduced the report of the Group Director of Operations requesting that consideration be given to the draft Council Tax Support (CTS) Scheme for 2023/24 (also previously circulated).

The submitted report stated that Council approved the local CTS scheme for 2022/23 (Minute 42/Nov/21 refers); the scheme became operational on 1 April 2022; and that Councils were required to set a CTS scheme each year and, as part of that exercise, consider whether any changes should be made to the existing scheme and where changes were made, consider what transitional protection, if any, should apply to anyone affected by those changes.

It was reported that there were no significant changes proposed to the existing scheme, other than the removal of the provisions for care leavers under the age of 25 as it was proposed to introduce a Council Tax exemption for this group (Minute C209 above refers).

RESOLVED - That it be recommended to Council that the draft CTS scheme for 2023/24, attached at Appendix 1 to the submitted report, be approved.

REASONS – (a) The Council is required to publish a local CTS scheme for 2023/24 by 11 March 2023.

(b) The CTS schemes since 2013 have all been implemented successfully without any major challenges.

(c) The continued application of a reduced entitlement for working aged people is still appropriate, given the current financial position of the Council.

C211 PROJECT POSITION STATEMENT AND CAPITAL PROGRAMME MONITORING - QUARTER 2 2022/23

The Cabinet Member with the Resources Portfolio introduced the report of the Group Director of Operations and the Group Director of Services (previously circulated) providing a summary of the latest Capital resource and commitment position, to inform monitoring of the affordability and funding of the Council's capital programme; an update on the current status of all construction projects currently being undertaken by the Council; and requesting that consideration be given to a number of changes to that programme.

The submitted report stated that the projected outturn of the current Capital Programme was £307.616M against an approved programme of £307.748M; the investment was delivering a wide range of improvements to the Council's assets and services; the programme, including commitments, remained affordable within the Medium Term Financial Plan (MTFP) for 2022/23 to 2025/26; the Council had 46 live projects, with an overall projected outturn value of £186.155M, the majority of which were running to time, cost and

quality expectations, but were being monitored given the current pressures on resources in the construction sector nationally; and that the projects were managed either by the Council's in-house management team, a Framework Partner or by Consultants source via an open/OJEU tender process.

The Cabinet Member with the Health and Housing Portfolio made particular reference to the Dolphin Centre bowling alley scheme, and thanked officers for their work, and in particular, for keeping the scheme within budget.

RESOLVED - (a) That the status position on construction projects, as detailed in the submitted report, be noted.

(b) That the projected capital expenditure and resources, as detailed in the submitted report, be noted.

(c) That the adjustments to resources, as detailed in paragraph 23 of the submitted report, be approved.

REASONS - (a) To inform Cabinet of the current status of construction projects.

(b) To make Cabinet aware of the latest financial position of the Council.

(c) To maintain effective management of resources.

C212 REVENUE BUDGET MONITORING 2022/23 - QUARTER 2

The Cabinet Member with the Resources Portfolio introduced the report of the Group Director of Operations (previously circulated) providing an early forecast of the 2022/23 revenue budget outturn as part of the Council's continuous financial management process.

The submitted report stated that it was the second revenue budget management report to Cabinet for 2022/23 and that the latest projections showed an overall improvement of £1.351M on the 2022/26 Medium Term Financial Plan, which was due to £0.384M of additional balances following the 2021/22 outturn; £0.539M of projected departmental overspends in 2022/23; and a decline of £1.196M in corporate reserves.

Discussion ensued at the meeting on revenue balances; the impact of the pay rise on the Council's budget and whether the increase had been factored into future years; and the increased costs being faced by the Dolphin Centre due to the current economic climate and its impact on budgets and subsidies. The Cabinet Members with the Resources and the Health and Housing Portfolios responded thereon.

RESOLVED - (a) That the forecast revenue outturn for 2022/23, as detailed in the submitted report, be noted.

(b) That further regular reports be made to monitor progress and take prompt action if necessary.

REASONS - (a) To continue effective management of resources.

(b) To continue to deliver services to agreed levels.

C213 DISPOSAL OF LAND AT NEASHAM ROAD FOR HOUSING DEVELOPMENT

The Cabinet Member with the Resources Portfolio introduced the report of the Chief Executive (previously circulated) requesting that consideration be given to in principle approval, to the delivery of residential properties for private sale on Neasham Road, Cell C, as shown on the plan (also previously circulated) and to the release of funding, for Esh Homes Ltd, to undertake the preliminary surveys to seek detailed planning permission for the proposal.

The submitted report stated that in accordance with Minute C29/Sep/20, planning permission was obtained at Neasham Road for circa 450 homes, of which one third would be affordable and one third privately built by the Joint Venture (JV) and that outline planning permission was obtained for a 100 per cent affordable scheme, most likely via a Registered Social Landlord, for Cell C.

It was reported that the intention was for Cell C to be marketed as an opportunity for a Registered Social Landlord to deliver additional affordable homes, however, an affordable scheme on Cell C was not now considered viable, due to the changes since the first report in 2020, with new building regulations being introduced, biodiversity net gain, nutrient neutrality and cost increases in the sector more generally, had all contributed to increased development costs and strain on viability. As a result, it was felt prudent to explore the opportunity for Cell C to be developed for 100 per cent private homes.

Discussion ensued on the loss of the 150 affordable homes on the site; whether the Council could develop the site; the impact on the development from the loss of the affordable housing; and the planning process. The Cabinet Member with the Resources Portfolio responded thereon.

RESOLVED – (a) That the delivery of new housing for private sale on Cell C, as shown on the plan appended to the submitted report, be approved, in principle.

(b) That the release of funding for Esh Homes Ltd to undertake the preliminary surveys and seek detailed planning permission for the Cell C site, with sale terms being reported back to Cabinet for consideration, in accordance with Appendix 2 of the submitted report, be approved.

(c) 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 helping to meet the demand in Darlington.

C214 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 11 NOVEMBER 2022**

**CABINET
6 DECEMBER 2022**

CHILDCARE SUFFICIENCY TASK AND FINISH REVIEW

**Councillor Paul Crudass
Chair of Children and Young People Scrutiny Committee**

SUMMARY REPORT

Purpose of the Report

1. To consider the recommendations of the Children and Young People Scrutiny Committee following a piece of work undertaken via a Task and Finish Review Group to gain a better understanding of childcare sufficiency and the general supply within the borough and the barriers to the provision of childcare provisions.

Summary

2. At a meeting of the Children and Young People Scrutiny Committee held on 21 February 2022, Members received a report on the Childcare Sufficiency Assessment 2021/22 and discussed areas of the borough where they felt that sufficiency was not meeting demand. It was therefore requested that further information be brought to Members on demographical/community data.
3. At the Scrutiny meeting held on 27 June 2022, following further information provided by the Assistant Director, Education and Inclusion, Members agreed to undertake a piece of work around this via Task and Finish Review Group.
4. A meeting of the Task and Finish Group was held on 26 September 2022 and a note of the meeting and discussion is attached (**Appendix 1**).

Recommendation

5. It is recommended that Cabinet:
 - (a) Considers providing assistance in communicating the availability of jobs in the childcare sector and include this communication of jobs in Events Planning, Jobs Initiatives, Publications and Digital communication; and
 - (b) Make local Members of Parliament 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 our families.

Reasons

6. The recommendations are supported to ensure that the local authority is discharging its statutory duty to secure sufficient childcare to meet the requirements of parents in our area.

Councillor Paul Crudass
Chair of Children and Young People Scrutiny Committee

Background Papers

No background papers were used in the preparation of this report.

Allison Hill: Extension 5997

S17 Crime and Disorder	This report has no implications for Crime and Disorder
Health and Wellbeing	Good quality early education and childcare for children from birth to 14 years old and 18 years old for those young people with a disability, will assist in improving the health and well being of Darlington's 0 to 14/18 population and assists working families.
Carbon Impact and Climate Change	There are no carbon impact or climate change implications in this report.
Diversity	There are no specific proposals within the report that impact on diversity issues. All providers must meet their duties under the Equality Act 2010 when delivering education and childcare.
Wards Affected	All wards
Groups Affected	All children aged 0 to 14 years/18 years for those young people with a disability will benefit from being able to access high quality, education and childcare in the Borough.
Budget and Policy Framework	This report does not represent a change to the budget and policy framework
Key Decision	Not a key decision
Urgent Decision	Not an urgent decision
Council Plan	Access to high quality, affordable and reliable education and childcare will improve the quality of life and the health and well being of children and young people in the Borough and will also enable their parents to access or maintain training or work opportunities.
Efficiency	There are no specific proposals within the report that impact on efficiency.
Impact on Looked After Children and Care Leavers	Access to good quality early education and childcare places in the borough improves the life chances of 2 to 4 year olds who are Looked After Children or who have left care and also, provides support to families.

MAIN REPORT

Information and Analysis

7. The Council has a duty to secure sufficient childcare, so far as is reasonably practicable, for working parents, or parents who are studying or training for employment, for children aged 0-14 or up to 18 for disabled children, and that local authorities report annually to elected council members on how they are meeting their duty to secure sufficient childcare and to make this report available and accessible to parents.
8. Following the annual report to Members at their Scrutiny Meeting in February 2022 Members discussed affordability issues and the worrying financial situation for providers; the national retention and recruitment problems and the general uncertainty in the settings.
9. Members agreed to examine childcare sufficiency in more detail and the areas of the borough where they felt that sufficiency was not meeting demand.

Findings

10. Members recognised that there are no immediate concerns around overall sufficiency in the borough and that sufficiency issues were not solely in the gift of the Council to solve but recognised that the Childcare Act 2006 does place a statutory duty on Council's 'to secure, as far as is reasonably practicable, sufficient childcare to meet the requirements of parents in their area'.
11. The provisions of the Act recognise that it may not be practical for a local authority to secure childcare to meet the requirements of every parent.
12. The Act also allows local authorities to provide support to childcare providers (including financial support) or to provide childcare itself, if no other provider is willing to do so (section 8, Childcare Act 2006).
13. Members felt that the data available in our current Childcare Sufficiency Report did not enable this Scrutiny committee to be assured that our Council is actually doing everything reasonably practicable to provide childcare for a number of families around the borough who required it.
14. The discussions which took place at the Task and Finish Review Group are summarised at **Appendix 1**.

Conclusion

15. The Review Group considered that one area where the Council could provide assistance was in communicating the availability of jobs in the childcare sector and recommended that this Council include this communication of jobs in Events Planning, Jobs Initiatives, Publications and Digital communication.

16. Members also requested that Cabinet make our local Members of Parliament aware of the concerns highlighted with regard to provision of sufficient childcare to meet the needs of our families.

Legal Implications

17. The Childcare Act 2006 does place a statutory duty on Council's 'to secure, as far as is reasonably practicable, sufficient childcare to meet the requirements of parents in their area'.

Equalities Considerations

18. All providers must meet their duties under the Equality Act 2010 when delivering education and childcare.

Consultation

19. Members of this Scrutiny Committee met with the Parent Carer Forum on 16 March 2022.

Outcome of Consultation

20. To examine childcare sufficiency further.

APPENDIX 1

Childcare Sufficiency Task and Finish Review Group

26 September 2022

Via Microsoft Teams

Present:

Councillors Crudass, C Hughes, Snedker and Willis.

Officers: Tony Murphy, Assistant Director Education and Inclusion

Helen Ellison, Head of Education Partnerships

Allison Hill Democratic Officer

Purpose of Meeting:

To better understand childcare sufficiency and the general supply within the borough and to discuss the barriers to sufficiency issues.

Points Discussed/Raised at the Meeting:

- There is currently overall sufficiency within the borough.
- Childminders numbers have fallen but it was not clear if this was a fall in demand or people making other choices in terms of employment.
- A fall in childminder numbers has been seen nationally and not just in Darlington.
- The Early Years Education Strategy Group considers the challenges facing the sector and helps to inform the work of officers.
- The Education White Paper did not cover Early Years.
- The cost of childcare is making parents relook at their budgets. The latest increase to the hourly rates for early years entitlement funding was inadequate to meet the cost of statutory provision (15/30 hrs) often resulting in cross subsidisation from the parents and carers paying fees.
- Provision for disabled children is included in the local offer but specific cases were not discussed, however Members noted that places for disabled children must be monitored as part of the sufficiency assessment as a priority.
- The sector, whilst cooperative, is limited to the amount of data it can supply to the Council because of stretched staff and their focus on their primary objectives of care. There is some survey overload so Council officers have to be mindful.
- A potential decrease in future requirements triggered by a declining birth rate will impact on the sector going forward. Schools facing falling numbers may look to expand into nursery provision in the future.
- The upward pressure on wages as employers compete for workers is making childcare jobs less attractive financially.
- Providers feedback is that recruitment and retention is the biggest threat to provision at present, in particular for level 3 trained staff. A dialogue amongst partners must continue.

- Training opportunities available in Colleges and our Learning and Skills offer should be monitored to ensure that appropriate level 3 training opportunities are available.
- Boosting the profile of childcare within schools as a potential career opportunity is to be encouraged.
- Officers were keen to supply data that is helpful to Scrutiny Members, and welcome suggestions.

IT WAS AGREED – An area item identified where Members felt the Council could increase its support was by raising the awareness of job opportunities in the early years sector and recommend that every opportunity to do this be taken in Council events and communications.

Members also agreed to make our local MP's aware of the pressures in the sector caused by rising wages and declining, in real terms, funding for statutory entitlement provision.

CABINET
6 DECEMBER 2022

PROCUREMENT PLAN UPDATE

Responsible Cabinet Member – Councillor Scott Durham, Resources Portfolio

Responsible Officer – Elizabeth Davison, Group Director of Operations

SUMMARY REPORT

Purpose of the Report

1. To present the Annual Procurement Plan Update to Cabinet for approval. Cabinet are asked to consider and approve the assessment of contracts that are considered to be strategic or non-strategic.
2. To update Cabinet on the outcomes of procurement(s) previously designated as Strategic.
3. To update Cabinet about the decisions taken by the Procurement Board to waive the Contract Procedure Rules.

Recommendation

4. It is recommended that:-
 - (a) Members approve the assessment of strategic and non-strategic contracts as presented in **Appendix 1** and 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 the contracts designated as non-strategic be delegated to the appropriate Directorate as listed in the plan at Appendix 1.
 - (iii) the contract award decisions for the contracts designated as strategic, as listed in the plan at Appendix 1, be delegated to the Procurement Board to approve and will be reported back to Cabinet.
 - (b) that Members note the contents of this report in respect of the update of strategic procurements, Procurement Board waiver decisions, and Social Value.

Reasons

5. In respect of strategic/non-strategic contracts, the recommendations are supported by the following reasons: -
 - (a) The Contract Procedure Rules require Cabinet to approve the designation of contracts as strategic and non-strategic and:
 - (b) Contracts designated strategic are of high value and high significance in respect of the impact on residents, Health & Safety and public safety.
 - (c) The contracts designated non-strategic are of a lower value and lower significance in respect of the impact on residents and public safety.
6. In respect of Procurement Board waiver decisions, the recommendations are supported by the following reasons: -
 - (a) In order to comply with the Contract Procedure Rules.
 - (b) To provide Cabinet with information about the decisions made by the Procurement Board.
 - (c) 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.

Elizabeth Davison
Group Director of Operations

Background Papers

No background papers were used in the preparation of this report.

Patrick Saunders: Extension 5493

S17 Crime and Disorder	This decision will not have any direct impact on Crime and Disorder
Health and Well Being	This decision will not have any direct impact on Health and Wellbeing
Carbon Impact and Climate Change	This decision will not have a direct impact on the Council's carbon footprint.
Diversity	This decision will not have any direct impact on Diversity
Wards Affected	This decision will not affect any wards
Groups Affected	This decision will not have an impact on any groups.
Budget and Policy Framework	This report does not recommend changes to the Budget and Policy Framework
Key Decision	Yes
Urgent Decision	No
Council Plan	Strategic oversight of procurement will help in the delivery of the Council's objectives
Efficiency	The production of the update to the Procurement Plan is designed to save Member and Officer time for requesting delegated powers to make contract award decisions.
Impact on Looked After Children and Care Leavers	This report has no direct impact on Looked After Children or Care Leavers

MAIN REPORT

Information and Analysis

Strategic Contracts

7. Any contract award decision with a value below £100,000 is delegated to officers. Under the Contract Procedure Rules an annual Procurement Plan is produced listing details of all existing and new contracts that are £100,000 or above and which require a tender process.
8. This then allows Cabinet to be advised of the contracts of £100,000 and over and to decide which of those contracts are strategic.
9. For those contracts designated strategic the final contract award decision will be approved by the Procurement Board and will be reported to Cabinet.
10. For the contracts designated non-strategic, the decision will be delegated to the relevant Directorate and detailed in the decision record.

Assessment of contracts

11. Details of which contracts are designated strategic, and which are designated non-strategic are detailed in Appendix 1. The contracts have been assessed against the criteria agreed by Cabinet, the criteria are provided at **Appendix 2** for information. However, Members and Officers may decide to recommend other than what the score suggests. Anything else would be considered non-strategic.
12. Based on the criteria there is one contract that are designated strategic in the update to the Annual Plan:
 - (a) **NEPO508 Temporary Agency Staff**
The procurement will be via a collaborative over threshold open tender exercise, carried out by NEPO.
 - (b) **Railway Heritage Quarter Project**
The appointment will be via a Direct Award, on the over threshold compliant Scape Framework.

Update on Procurements previously designated as Strategic

13. There was no strategic procurement activity detailed in the previous update.
 - (a) **NEPO603 Framework for the provision of Independent Foster Agency service**
The Framework has been awarded to a number of organisations.
 - (b) **Supply of Materials and Products for the Repairs & Maintenance to Council Housing and Public Buildings**
The procurement has not progressed, further work is being undertaken to understand the market.

(c) **Railway Heritage Quarter Project**

The contract has been awarded via the Scape Framework. The original project was agreed at £20 million and the revised final project total is now £30m.

Procurement Board waiver decisions

14. Under the Contract Procedure Rules, the Procurement Board may waive the Contract Procedure Rules in specific circumstances and is required to report waiver decisions that have been made to Cabinet.
15. The Contract Procedure Rules can only be waived as an exception. The Contract Procedure Rules require the Procurement Board when considering requests for waivers to take into account the following:
 - (a) The contract value and the length of the proposed contract.
 - (b) What steps have been taken to satisfy that the best value duty has been complied with (for instance quotations, market testing).
 - (c) The extent to which there are good reasons why it is not possible to undergo a competitive process (for instance, pressing need or urgency, where further work is required before going to market, where only a short contract extension is needed, or the lack of an available market).
 - (d) Whether the new contract is intended to be a stop gap prior to undergoing a competitive process.
 - (e) The availability of compliant alternatives to direct awards, such as frameworks.
 - (f) Any other reason that is being given by the commissioning area.
16. This report details the circumstances and the reasons why the contract procedure rules have been waived by Procurement Board at **Appendix 3**, during the period to the 1st October 2022.

Social Value

17. A further update on the social value generated within procurement activity, will be detailed in the April update.

Outcome of Consultation

18. No consultation was carried out in preparation of this report.

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ASSESSMENT MATRIX (To be completed by Procurement)															
Item No	Procurement Board Number	Current Supplier or New Contract	Description of Contract	Contract Term in years	Approx Contract Value per annum	Approx Total contract Value	Cost	Impact on Residents (1)	Risk - Financial, Health & Safety, Public (2)	Innovative in design, New form of contract, Sustainability (3)	External Monitoring e.g. from funding body (4)	Total	Strategic	Delegation for Award of Contract (Director or Assistant Director)	Procurement Route if Known
1		Various	NEPO225 Traffic Management	4	£ 900,000.00	£ 3,600,000.00	4	4	1	1	1	11	Non Strategic	Group Director of Services	Open Over Threshold Tender Process
2	PB2022-00697		Front and Rear Doors and Maintenance	5	£ 350,000.00	£ 1,750,000.00	2	4	1	1	1	9	Non Strategic	Group Director of Operations	Open Tender
3	PB2022-00698	New Contract	Social Housing Decarbonisation Fund (SHDF) grant collaboration	1	£ 597,129.50	£ 597,129.50	1	4	1	1	1	8	Non Strategic	Group Director of Operations	Further Competition on the TVCA Framework
4		Geometric Results International Limited (GRI)	NEPO508 Temporary Agency Staff	5	£ 3,500,000.00	£ 17,500,000.00						15	Strategic	Procurement Board	Collaborative Open Tender Process
5		Various	NEPO513 – Legal Services	4	£ 55,000.00	£ 220,000.00	1	1	1	1	1	5	Non Strategic	Group Director of Operations	Collaborative Open Tender Process
6		Lloyds Bank PLC	NEPO531 - Banking Services	4	£ 40,000.00	£ 160,000.00	1	1	1	1	1	5	Non Strategic	Group Director of Operations	Collaborative Open Tender Process
7	PB2022-00835	Magnet	Survey and Supply of Kitchen Unit and Worktops	10	£ 300,000.00	£ 3,000,000.00	4	4	1	2	1	12	Non Strategic	Group Director of Services	Open Over Threshold Tender Process
8	PB2022-00829	ESS	CCTV Upgrade	1	£ 530,000.00	£ 530,000.00	1	4	3	1	1	10	Non Strategic	Group Director of Services	Open Over Threshold Tender Process
9		Willmott Dixon	RHQ Project	2		£ 30,000,000.00						15	Strategic	Procurement Board	Scape Framework
10	PB2022-00800	Abri Trading Ltd trading as NFS	Provision of white goods to council tenants	3	£ 62,500.00	£ 125,000.00	1	3	1	1	1	7	Non Strategic	Group Director of Services	Direct Award Call-Off Consortium Procurement Framework
11	PB2022-00750	Easby Flooring	Planned and Responsive, Survey, Repair and Installation of Floor Covering to Council Dwellings	4	£ 300,000.00	£ 1,200,000.00	2	3	1	1	1	8	Non Strategic	Group Director of Services	Open Tender

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ASSESSMENT MATRIX FOR STRATEGIC PROCUREMENT					
VALUE		SIGNIFICANCE			
Cost		Impact on Residents (1)	Risk - Financial, Health & Safety, Public (2)	Innovative in design, New form of contract, Sustainability (3)	External Monitoring e.g. from funding body (4)
=> £5,000,000		Automatically considered strategic			
Between £4,000,000 & £4,999,999	5	5	5	5	5
Between £3,000,000 & £3,999,999	4	4	4	4	4
Between £2,000,000 & £2,999,999	3	3	3	3	3
Between £1,000,000 & £1,999,999	2	2	2	2	2
Less than £1,000,000	1	1	1	1	1
Score	0	0	0	0	0
Total Score					
0		This procurement is Non-Strategic			

Each procurement must be reviewed against the matrix above. Any contract with an overall value in excess of £5,000,000 will be considered strategic. For any procurement where the value of the contract falls below £5,000,000 the goods or services to be purchased must be assessed on the value and the significance in relation to the other 4 columns and marked accordingly, where 5 is considered to be high significance and 1 low significance. Once a score has been decided for each column it is put in the relevant cell (c17 - K17) the spreadsheet automatically collates the score and determines if the procurement is strategic or non-strategic. Anything that scores 15 or more considered to be strategic. If however a procurement comes out as non-strategic but officers feel they would still want political support for the decision they can choose to take a report to Cabinet.

Note 1: What is the impact on residents? Is it restricted to one street, or estate or is it much wider than that? Does it affect 2 or more wards?

Note 2: Is there significant financial risk to the authority? Is there a H&S risk e.g. care for vulnerable people? Is there a risk to the public? Reputational risk?

Note 3: Is the authority familiar with the form of contract being entered into? Is the contract innovative in its delivery? Are we changing the service?

Note 4: Are there any specific requirements from external funders that represent a risk to the authority e.g. Pathfinder projects for DFES?

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APPENDIX 3

**PROCUREMENT BOARD DECISIONS TO WAVE CONTRACT PROCEDURE RULES WITH A CONTRACT VALUE OVER £100K
APRIL 2022 - SEPTEMBER 2022**

Procurement Board Reference Number	Approval Date	Description	Contract Term	Contract Value	Supplier
PB2022-00656	14 March 2022	Direct Award - Supported Living Network Benchmarking has been undertaken	6 years	£ 286,817.00	Keyring
PB2022-00657	14 March 2022	Direct Award - Framework Agreement for the Provision of Residential Care for Adults with Disabilities Benchmarking has been undertaken and a review of the service is required with a a procurement exercise to be carried out	12 months	£ 500,000.00	Various
PB2022-00662	28 March 2022	Direct Award -- IPM Electric Rewire Benchmarking has been undertaken	12 Months	£ 350,000.00	KM Electrical
PB2022-00664	28 March 2022	Direct Award - Provision of Home Care and Support for individuals within the Borough of Darlington to enable them to live independently within their own homes Benchmarking has been undertaken	18 Months	£ 12,750,000.00	Various
PB2022-00679	25 April 2022	Direct Award - Adult Residential Placement No suitable placements available on the Councils contracted provision	17 Months	£ 988,470.00	Rubix Care Ltd
PB2022-00683	25 April 2022	Direct Award -Traveller Education and Attainment Service. Benchmarking has been undertaken	2 Years	£ 172,000.00	The Rydal Academy
PB2022-00685	25 April 2022	Direct Award outside - Outreach and In Reach Service. Benchmarking has been undertaken	2 Years	£ 116,000.00	Beaumont Hill Academy
PB2022-00687	25 April 2022	Direct Award outside the original contract term - Low Incidence Needs Service. Benchmarking has been undertaken	2 Years	£ 442,000.00	Hurworth Primary School
PB2022-00688	25 April 2022	Direct Award - Resource Base Cognition and Learning Needs Service. Benchmarking has been undertaken	2 Years	£ 161,000.00	Heathfield Primary School
PB2022-00690	25 April 2022	Direct Award - Social Communication Outreach Service Benchmarking has been undertaken	2 Years	£ 217,762.00	Hurworth Academy

PB2022-00692	25 April 2022	Direct Award - Resource Base ASD needs. Benchmarking has been undertaken	2 Years	£ 252,000.00	Mount Pleasant Primary School
PB2022-00693	25 April 2022	Direct Award - Resource Base ASD Communication needs. Benchmarking has been undertaken	2 Years	£ 186,000.00	Hurworth Academy
PB2022-00694	25 April 2022	Direct Award - Unit SEMH needs. Benchmarking has been undertaken	2 Years	£ 147,334.00	Rise Carr College
PB2022-00695	25 April 2022	Direct Award - Unit (Red Hall) SEMH needs. Benchmarking has been undertaken	2 Years	£ 272,000.00	Red Hall Primary School
PB2022-00696	25 April 2022	Direct Award - Adult residential Placement No suitable placements available on the Councils contracted provision	4 years	£ 221,524.00	PIPS
PB2022-00699	09 May 2022	Direct Award - Child Education Placement No suitable placements available on the Councils contracted provision	5yrs 7 months	£ 404,629.75	Hartwell School
PB2022-00700	09 May 2022	Direct Award - Child Education Placement No suitable placements available on the Councils contracted provision	4yrs 2 months	£ 273,887.50	Hartwell School
PB2022-00701	09 May 2022	Direct Award - Child Education Placement No suitable placements available on the Councils contracted provision	2 years	£ 105,830.00	NEAS
PB2022-00702	09 May 2022	Direct Award - 30 virtual reality headsets and training materials Benchmarking has been undertaken	3 years	£ 103,000.00	BORNERSTONE TRAINING AND SUPPORT LIMITED (Aster)
PB2022-00706	09 May 2022	Direct Award - Foster Care Placement No suitable placements available on the Councils contracted provision	2 years	£ 230,880.00	A1 Foster Care
PB2022-00707	09 May 2022	Direct Award - Young Person Supported Accommodation No suitable placements available on the Councils contracted provision	1 year	£ 193,440.00	ROC Transitions
PB2022-00713	09 May 2022	Direct Award - Managed Print Service (MPS) Renewal. Benchmarking has been undertaken	3 years	£ 171,000.00	Canon

PB2022-00716	23 May 2022	Direct Award - Adult Residential Placement No suitable placements available on the Councils contracted provision	2 years	£ 433,160.00	Common Thread Group
PB2022-00724	23 May 2022	Direct Award - Missing from Home Service Benchmarking has been undertaken	3 years	£ 165,000.00	Barnardos
PB2022-00725	23 May 2022	Direct Award - Child Exploitation Support Service Benchmarking has been undertaken	3 years	£ 165,000.00	Barnardos
PB2022-00726	23 May 2022	Direct Award - Adult Residential Placement No suitable placements available on the Councils contracted provision	4 years	£ 287,812.80	The Gardens, Blackwell
PB2022-00727	07 June 2022	Direct Award - Adult Residential Placement No suitable placements available on the Councils contracted provision	4 years	£ 348,920.88	St Helens Care Home
PB2022-00728	07 June 2022	Direct Award - Adult Residential Placement No suitable placements available on the Councils contracted provision	4 Years	£ 174,704.46	Benfield Hall (D3 Care Limited)
PB2022-00732	07 June 2022	Direct Award - Childrens Education Day Placement No suitable placements available on the Councils contracted provision	4 Years 3 Months	£ 317,062.50	Hartwell School
PB2022-00740	04 July 2022	Direct Award - Childrens Education Day Placement No suitable placements available on the Councils contracted provision	3 years	£ 271,147.50	Thornhill Park School NEAS
PB2022-00741	04 July 2022	Direct Award - Childrens Education Day Placement No suitable placements available on the Councils contracted provision	9 years	£ 488,767.50	Aycliffe School NEAS
PB2022-00745	04 July 2022	Direct Award - Adult Residential Placement No suitable placements available on the Councils contracted provision	4 Years	£ 386,670.24	Careline

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**CABINET
6 DECEMBER 2022**

COMPLAINTS MADE TO LOCAL GOVERNMENT OMBUDSMAN

**Responsible Cabinet Member -
Councillor Scott Durham, Resources Portfolio**

**Responsible Director -
Elizabeth Davison, Group Director of Operations**

SUMMARY REPORT

Purpose of the Report

1. To provide Members with 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.

Summary

2. This report sets out in abbreviated form the decisions reached by the LGSCO and the HOS between 1 April 2022 and 30 September 2022 and outlines actions taken as a result.

Recommendation

3. It is recommended that:
 - (a) The contents of the report be noted.
 - (b) The amendments to the Council's Travel and Transport Assistance Policy and SEND Travel Assistance Policy detailed in paragraph 24 be noted.

Reasons

4. The recommendations are supported by the following 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.

Elizabeth Davison
Group Director of Operations

Background Papers

Correspondence with the LGSCO and HOS is treated as confidential to preserve anonymity of complainants.

Lee Downey : Extension 5451

S17 Crime and Disorder	This report is for information to members and requires no decision. Therefore there are no issues in relation to Crime and Disorder.
Health and Wellbeing	This report is for information to members and requires no decision. Therefore there are no issues in relation to Health and Well Being.
Carbon Impact and Climate Change	This report is for information to members and requires no decision. Therefore there are no issues in relation to Carbon Impact and Climate Change
Diversity	This report is for information to members and requires no decision. Therefore there are no issues in relation to Diversity.
Wards Affected	This report affects all wards equally.
Groups Affected	This report is for information to members and requires no decision. Therefore there is no impact on any particular group.
Budget and Policy Framework	This report does not recommend any changes to the Budget or Policy Framework.
Key Decision	This is not a Key Decision.
Urgent Decision	This is not an Urgent Decision.
Council Plan	This report contributes to all the priorities in the Council Plan.
Efficiency	Efficiency issues are highlighted through complaints.
Impact on Looked After Children and Care Leavers	This report has no impact on Looked After Children or Care Leavers.

MAIN REPORT

Background

5. Cabinet has previously resolved that they would consider reports on the outcome of cases referred to the LGSCO and HOS during the Municipal Year on a bi-annual basis.
6. The opportunity is normally taken to analyse the areas of the Council's functions where complaints have arisen. It is appropriate to do that in order to establish whether there is any pattern to complaints received or whether there is a particular Directorate affected or a type of complaint which is prevalent. If there were a significant number of cases in any one particular area, that might indicate a problem which the Council would seek to address.

Information and Analysis

7. Between 1 April 2022 and 30 September 2022, the LGSCO determined 15 complaints.
8. Between 1 April 2022 and 30 September 2022, the HOS determined 0 complaints.
9. The LGSCO has recently updated the decisions they use. As a result it is not possible to make a direct comparison with previous years. However, the new decisions in ***bold/italics*** in the table below are broadly comparable to those previous decisions in *italics* in the table below.
10. The outcome of cases on which the LGSCO reached a decision is shown in the table below.

LGSCO Findings	No. of cases 2022/23 (April – Sept)	No. of cases 2021/22	No. of cases 2020/21	No. of cases 2019/20
Closed after initial enquiries: no further action	7	9	4	7
Closed after initial enquiries: out of jurisdiction	2	1	1	2
<i>Not upheld: no fault</i>	<i>1</i>	<i>N/A</i>	<i>N/A</i>	<i>N/A</i>
<i>Not upheld: no maladministration</i>	<i>1</i>	<i>1</i>	<i>2</i>	<i>1</i>
Premature	1	0	0	0
<i>Upheld: fault and injustice</i>	<i>2</i>	<i>N/A</i>	<i>N/A</i>	<i>N/A</i>
<i>Upheld: Maladministration and Injustice</i>	<i>0</i>	<i>4</i>	<i>2</i>	<i>6</i>
Upheld: Maladministration, No Injustice	0	0	1	0
<i>Upheld: fault and injustice – no further action, organisation already remedied</i>	<i>1</i>	<i>N/A</i>	<i>N/A</i>	<i>N/A</i>
<i>Upheld: maladministration and injustice - no further action, satisfactory remedy provided by the org</i>	<i>0</i>	<i>1</i>	<i>0</i>	<i>0</i>
Upheld: not investigated - injustice remedied during Body in Jurisdiction's complaint process	0	0	1	0

Local Government and Social Care Ombudsman (LGSCO)

Closed after initial enquiries: no further action

11. In this case the LGSCO concluded, they would not investigate the complaint about how the Adult Contact Team had processed the complainant's personal data because it would be more appropriate for the Information Commissioner's Office to do so.
12. In response to an Adult Social Care Complaint, about financial issues and the assessment process, the LGSCO decided not to investigate because the Council had remedied the injustice caused by the fault. The LGSCO concluded a further investigation could not add to the Council's responses or make a different finding of the kind the complainant wanted.
13. In response to a complaint for Housing Benefit & Council Tax, regarding eligibility for the hardship support fund, the LGSCO concluded there was insufficient evidence of fault by the Council.
14. In response to a complaint about the Mental Health Team, allegedly completing an inaccurate assessment of the individual's care and support needs and failing to complete Section 42 safeguarding enquiries, the LGSCO decided there was insufficient evidence of fault and that further investigation would not achieve a different outcome.
15. In response to a complaint for the Ongoing Assessment and Intervention Team (OAIT), the LGSCO decided they would not investigate the complaint about how the Council managed the complainant's care and support needs because their investigation could not add to the Council's investigation and because it would not lead to a different outcome.
16. In response to a complaint for Parks, Countryside and Allotments, the LGSCO decided they would not investigate a complaint about the Council giving notice to end the complainant's tenancy for their stables, as they could not achieve the outcome the complainant wanted.
17. In response to a complaint regarding the Safeguarding Partnership, the LGSCO concluded they would not investigate the complaint about care provided to the complainant's late spouse, because further investigation could not add to the responses provided by the Care Provider and the Council.

Closed after initial enquiries: out of jurisdiction

18. In response to a complaint about Council Tax, the LGSCO concluded they would not investigate the complaint because there was insufficient evidence of fault by the Council. In addition, they noted the complainant could appeal to the Valuation Tribunal or contact the Valuation Office.
19. In response to a complaint for the Adult Social Care Financial Assessment Team, the LGSCO concluded they would not investigate the complaint about the Council reducing the complainant's Direct Payments, as there was no good reason for the delay in the complainant making the complaint.

Not upheld: no fault

20. In response to a complaint about the Council's alleged poor handling of the COVID-19 grant schemes, resulting in the complainant missing out on business support worth £40,000 and being put to time and trouble in chasing the Council, the LGSCO found there was no fault on the Council's part.

Not upheld: no maladministration

21. Following a complaint for Highway Network Management, the LGSCO found no fault on the Council's part in allegedly failing to carry out proper monitoring of high speeds on a stretch of road near the complainant's home.

Premature

22. This complaint concerned a delay in the Council responding to subject access request i.e. a request from an individual to access their personal data under the UK General Data Protection Regulations (GDPR).

Upheld: fault and injustice

23. In response to a complaint about how the Council dealt with an appeal for home to school transport, the LGSCO concluded there was fault by the Council as the appeal panel did not consider the Council's discretion. The LGSCO also found fault in the Council's policies on home to school transport. The Council agreed to review the appeal panel's decision and its policies. The Assistant Director of Education and Inclusion subsequently made a delegated [decision](#) in relation to reviewing the policies, in consultation with the portfolio lead. This was because the amendments were of a minor nature and as a result of the limited time the Council had to make the amendments over the period Cabinet was in recess. The amendments to the Travel and Transport Assistance Policy clarified the rights of members of the public to attend appeal panels whether virtually or face-to-face in line with government guidance and including a reference to the Council's discretion to award transport outside the main terms of the policy. The amendment to the SEND Travel Assistance Policy clarified exactly who it covers and how it links with the statutory qualifying conditions.
24. In response to a complaint about Children's Services, the LGSCO concluded the Council was at fault for failing properly consider the findings and recommendations of an independent investigation carried out under the children's statutory complaints process. To address the injustice arising from the fault identified, the Council agreed to apologise and pay the complainant £1,200 for the distress, frustration and uncertainty identified and the time and trouble of having to refer the matter to the LGSCO. The Council also agreed to properly implement a recommendation of the Stage 3 Review Panel, reminded staff that case recording and other record keeping must provide accurate information of processes followed and remind staff to adhere to the timescales of the statutory complaints process.

Upheld: fault and injustice – no further action, organisation already remedied

25. In response to a complaint about the Council failing to consider a complaint in accordance with its Children statutory complaints procedure, the LGSCO found the Council was at fault for failing to complete its Stage 2 investigation within the maximum 65 working days allowed under the Regulations. The Council agreed to pay the complainant £175 and respond to the Stage 2 complaint within one month.
26. The organisational learning identified as a result of these complaints should ensure there is not a re-occurrence.

Outcome of Consultation

27. The issues contained within this report do not require formal consultation.

**CABINET
6 DECEMBER 2022**

HEALTH AND CARE INTEGRATION AND THE HEALTH AND WELLBEING BOARD

**Responsible Cabinet Member -
Councillor Kevin Nicholson, Health and Housing Portfolio**

**Responsible Director -
James Stroyan, Group Director of People**

SUMMARY REPORT

Purpose of the Report

1. To update Cabinet about suggested changes to the “place based” leadership in relation to the changes implemented through the development of the Integrated Care Board and Place based arrangements. In addition to agree a preferred option following discussion with partners across health, education, care and economic development.
2. To highlight potential changes to the role and function of the Health and Wellbeing Board following the publication of Draft Guidance by the Government.

Summary

3. The Health and Care Act 2022 received Royal Assent on 28 April 2022. The Act includes provisions to strengthen health and care integration which the Government set out in more detail in the Integration White Paper (February 2022).
4. Alongside other measures, the Integration White Paper offers 5 options for partnership working between health and social care at a place-based level. These options have been developed by NHS England with the Local Government Association. 'Place' is defined as upper tier Local Authority areas, for Darlington, these are the boundaries of Darlington Borough Council.
5. The Integration White Paper asks that health and care partners implement one of the 5 options in their 'places' by April 2023.
6. A health and care “Re-set Event” was hosted by the Council in July 2022 with subsequent meetings reviewed the number of options available.

7. The preference being for a Joint Committee to:
 - (a) Enable the North East and North Cumbria Integrated Care Board (ICB) to access additional benefits and opportunities for health and wellbeing outcomes for Darlington residents.
 - (b) Operate in 'shadow form' from January 2023 as detailed Government guidance is not currently available.
 - (c) Fully operational by April 2023.
8. The Act and Draft Guidance published in July 2022 gives an enhanced role to the Health & Wellbeing Board.
9. The Board's leadership of the health and care system is emphasised, and new responsibilities are proposed including:
 - (a) Oversight of any place-based governance arrangements such as a Joint Committee;
 - (b) Working with the Integrated Care Partnership to deliver a strategy (or plan) which will effectively address population health and inequalities.
10. These proposed changes are likely to mean that the HWBB will meet more frequently and have agendas which cover any Joint Committee and the shared duties with the Integrated Care Partnership

Recommendation

11. It is recommended that Cabinet: -
 - (a) Note the potential changes to health and care integration set out in the Health and Care Act 2022 and the Integration White Paper (February 2022);
 - (b) Agree the preferred option for future health and care integration is a Joint Committee to be:
 - (i) Co-produced with the ICB
 - (ii) Operate in 'shadow form' from January 2023
 - (iii) Fully operational from April 2023
 - (c) Note that further detailed discussion is needed with health and care partners and, that Government guidance may be published which would have an impact on the preferred option.
 - (d) Request further reports to be presented following discussions with health and care partners with more detailed proposals for consideration.
 - (e) Note the likely changes to the responsibilities of the Health & Wellbeing Board and the consequent changes to frequency of meetings and agendas.

Reasons

12. The recommendations are supported by the following reason;

- (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 & Wellbeing Board is likely to be extended and be enhanced.

James Stroyan
Group Director of People

Background Papers

- (i) NHS England and the Local Government Association 'Thriving Places: Guidance on the development of place-based partnerships' September 2021
- (ii) Department of Health and Social Care 'Health and Social Care Integration: Joining up care for people, places and populations' February 2022
- (iii) HM Government Health and Care Act 2022
- (iv) Department of Health and Social Care 'Health and Wellbeing Boards; draft guidance for engagement' 29 July 2022
- (v) Department of Health and Social Care 'Guidance on the preparation of Integrated Care Strategies' 29 July 2022

Author: Penny Spring: Extension 6203

S17 Crime and Disorder	No direct impact on the authorities' duties with respect to Crime and Disorder.
Health and Wellbeing	This has a significant and direct impact on the Health and Wellbeing of the citizens of the borough. The recommendations if accepted will set the conditions that the authority discharges its duties in the Health and Care Act 2022 and works together with the NHS through the Integrated Care Board for North East and North Cumbria.
Carbon Impact and Climate Change	This will have no immediate impact on the authorities duties or impact on carbon footprint and climate change priorities.
Diversity	Through these recommendations and working with the NHS the authority will ensure that health and care strategies, plans and services implemented in Darlington will reduce inequalities including inequalities or access and outcomes for those who have a protected characteristic.
Wards Affected	This will affect all wards in the borough
Groups Affected	This will affect all groups in the borough.
Budget and Policy Framework	This decision does not represent a change to the budget and policy framework.
Key Decision	This is a Key Decision as the recommendations and change in the partnership arrangements with the NHS will have a significant effect on the local communities in relation to the planning, commissioning and provision of health and care services in the future.
Urgent Decision	Non Urgent Decision
Council Plan	This delivers on key objectives relating to the council plan priority of supporting the economic growth by keeping the borough Healthy and Supporting the most vulnerable in the borough by: <ul style="list-style-type: none"> • Providing care and support when needed • Working with people to build on their strengths to maximise their potential • Working with partners
Efficiency	These recommendations will contribute to efficiency of the authority through streamlining processes and working more closely with other partners to reduce the burden on officer time, making planning and delivery of health and care services more efficient contributing to better value for money and more effective services. These recommendations will contribute to the allocation of NHS resources into the borough as well as providing a forum to bid and lobby for deployment or allocation of NHS resources through the Integrated Care Board in future.

Impact on Looked After Children and Care Leavers	No
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MAIN REPORT

Information and Analysis

13. Darlington Borough Council has a strong track record in integrating health and care services over many years. The Council and partners have:
 - (a) Integrated Adult Care and NHS Community Services and formed stronger working relationships with primary care
 - (b) Sustained integrated teams in Hospital Discharge and Rapid Response
 - (c) Revised our partnership structures in April 2021 in anticipation of changes in the Health and Care Act 2022
14. In February 2022, the Government published the Integration White Paper which set out its ambitions for future joint working between health and care. In summary, the White Paper:
 - (a) Recognised the joint challenges facing health and care in increasing and more complex demand, resources, prevention, and workforce
 - (b) Acknowledged the work done so far by the health and care sectors and the commitment to do more learning from the experience of Covid-19
 - (c) Set out its ambition to 'level up health outcomes' and put 'much greater emphasis on prevention'
 - (d) Defined successful integration as 'the planning, commissioning, and delivery of co-ordinated, joined up seamless services to support people to live healthy, independent, and dignified lives and which improves outcomes for the population. Everyone should receive the right care, in the right place at the right time'
15. The White Paper has some specific proposals, such as:
 - (a) A shared outcomes framework for health and care in Darlington
 - (b) A designated person with responsibility to deliver the shared outcomes framework
 - (c) Changes to nationally determined regulations about workforce, digital and data, financial pooling, and assurance mechanisms with underpin integration
 - (d) Proposals to strengthen the health and care services in place that feel familiar to the people living in them, while strategic planning
 - (e) Is carried out in the North East and North Cumbria level 'places will be the engine for delivery and reform'

16. The White Paper offers 'places' 5 options which have been developed with the Local Government Association. These include:
 - (a) A Consultative Forum led by the ICB with an advisory role on changes to health and care
 - (b) The delegation of decisions to an 'individual executive' or other staff by the statutory bodies in a 'place'
 - (c) A committee of a statutory body. This could be the ICB or Council acting alone or together
 - (d) A Joint Committee of health and care partners with delegated defined decision-making functions which are consistent with the Constitutions of the statutory bodies
 - (e) A lead provider, such as an NHS Trust, managing resources on behalf of partners under a contract with the ICB and/or the Council for a defined set of services
17. On 4 July 2022, wide range of partners met as part of a 'Re-set Event' to consider options for place-based governance in Darlington. A summary of the 'Re-set Event' is attached at Appendix 2. Participants in the Reset Event considered which of the options would:
 - (a) Help us to deliver our ambitions for integrated care in Darlington
 - (b) Build on the strengths of our current partnerships
 - (c) Support the wider aims of the Health & Wellbeing Board to reduce health inequalities
 - (d) Is the most effective way to address our shared demand, complexity, workforce, finance, and assurance challenges
 - (e) Involve all partners including the voluntary sector and HealthWatch
18. The participants in the 'Reset Event' concluded that the preferred option is a Joint Committee. This option meets the criteria set out above. Unlike the other options, it includes all partners and gives the maximum potential to integrate health and care.
19. In May 2022, the Chief Executive of the ICB suggested that the ICB would co-produce a Joint Committee with the local authorities. This would include arrangements for:
 - (a) Leadership, accountability, and finance
 - (b) Shared planning and managing delivery against an outcome's framework
 - (c) Shared risk identification and management
 - (d) Common systems to use data and maximise the impact of digital innovation on health and care
 - (e) Clear accountability to partners especially statutory partners

- (f) Financial frameworks and incentives
 - (g) Oversight of and support for the quality of services
 - (h) The inclusion of a wide range of services such as Adult Social Care, Children and Young People's Services, Public Health, Commissioning and Supported Housing
20. On 24 June 2022 ICB staff met with partners from local authorities, the voluntary sector, NHS Trusts, and patient groups to discuss each of the options. This meeting helped clarify the possible role, governance, membership and functions of a Joint Committee and the importance of the Health & Wellbeing Board.

Possible Governance

21. A Joint Committee would enable collective decisions to be made within its scope of delegated authority on behalf of several organisations such as the ICB and the Council. The Joint Committee would bring about multi-agency decision making and delegation of resources to address the health and care needs of residents more effectively.
22. A Joint Committee would have a direct line of reporting and assurance to the ICB, the Health & Wellbeing Board and Cabinet. It would require agreement by all partners but especially the statutory bodies of the ICB and the Council to levels of delegated authority. It would be expected that levels of delegated authority, governance and operating principles would be set out in a formally agreed Memorandum of Understanding

Possible Membership

23. As a minimum it is expected that the membership of a Joint Committee would include:
- (a) A chair jointly appointed by Joint Committee members
 - (b) Senior ICB officers
 - (c) Senior Local Authority officers covering services such as Adult Care, Children and Young People's Services and Public Health
 - (d) Clinical leaders from Primary, Community and Secondary care
 - (e) Senior officers from NHS Trusts
 - (f) The voluntary sector
 - (g) Patients and service users
 - (h) HealthWatch

Possible Functions

24. A Joint Committee could:

- (a) Develop and agree a plan to meet the healthcare needs of the local population. This would build on our current Health & Wellbeing Strategy and Commissioning and Delivery Plan.
 - (b) Plan and commission services (to include developing business cases and procurement strategies) in line with the ICB and Council's schemes of delegation and delegated financial limits
 - (c) Commission local primary care services (excluding nationally negotiated GP contracts)
 - (d) Develop local clinical leadership including clinical pathway redesign and helping to shape the commissioning of acute services
 - (e) Build on existing strong relationships with communities and the wider local system including HealthWatch, the voluntary sector and other local public services
 - (f) Foster service development and delivery with a focus on neighbourhoods and communities, ensuring local engagement and consultations are undertaken as necessary
 - (g) Monitor local service quality and the place-based delivery of key enabling strategies as agreed by the ICB, the Council and partners
 - (h) Monitor and deliver target outcomes and outputs set by the Secretary of State, NHS England, NICE, CQC, the Council and partners and providing assurance on progress.
25. In addition, the Joint Committee will work with ICB place teams to:
- (a) Coordinate NHS input into local partnerships to improve public health prevent disease and reduce inequalities
 - (b) Fulfil the NHS's statutory advisory role in adults and children's safeguarding
 - (c) Jointly commission local integrated community-based services for children and adults including:
 - (i) Care homes and domiciliary care
 - (ii) Continuing health care
 - (iii) Personal health budgets
 - (iv) Community mental health, learning disability and autism
 - (v) Children and young people's services (including transitions, special educational needs, and disabilities, looked after children)
 - (vi) Service integration initiatives and jointly funded work through the Better Care Fund and Section 75 agreements.

Health & Wellbeing Board

26. Throughout the discussions with the ICB the importance of the Health & Wellbeing Board has been emphasised. Boards will have a central role to play in developing plans and strategies but also in monitoring the operation and progress of the Joint Committee. This is in line with the Board's role to promote integrated working.

Financial Implications

27. In Darlington, we currently have shared funding arrangements with Health, for example the Better Care Fund. The Integration White Paper (February 2022) suggests that greater flexibility to pool budgets and share resources could be given to Joint Committees. This will lead to discussions about:
- (a) How shared budgets will be set, agreed, and monitored. It is likely that the Council's Budget and Policy framework and audit systems will continue to apply to Council funds put into shared budgets
 - (b) How we manage budget pressures, underspends, and overspends.

Scrutiny and Corporate Oversight

28. The work of a Joint Committee would be within the scope of Overview and Scrutiny Committees. It is expected, that as now, the Darlington Overview and Scrutiny Committees would receive reports from a Joint Committee and can scrutinise performance and progress against objectives. In addition Darlington's Overview and Scrutiny Committees would, as now, be able to carry out more detailed examinations leading to service improvements and better outcomes
29. The Joint Committee will have an agreed chair. It is expected that the senior staff who are part of the Joint Committee would report back to their organisations. For the Council this would be via Corporate Management Team. For other senior staff it would include the ICB Executive and NHS Trust Executives.
30. As part of the discussions with health and care partners we will need to identify which duties and responsibilities could be delegated to the Joint Committee. This will require the advice and support of the Council's Legal and Democratic Services Team to ensure consistency with the Council's Constitution.
31. Cabinet may wish to note that guidance from the Government about the 5 options for 'place' based working, finance and resources mentioned in the White Paper has not yet been published but is expected in late summer or early autumn.

Conclusion

32. Darlington has a strong track record in the integration of health and care. The Integration White Paper and Health and Care Act 2022 provides opportunities to build on our success. The option for 'place' based working offered by the White Paper which would appear to deliver our ambitions for integration and our wider aims for health and care is a Joint Committee.

Legal Implications

33. The detailed guidance about 'place' based working is yet to be published. However, the Joint Committee option is likely to have significant Legal implications including potential delegation of duties and budgets.

Procurement Advice

34. The Joint Committee option will enable further collaboration on procurement between health and care partners.

Consultation

35. The Reset Event involved a wide range of partners in discussions about place-based governance. In developing the Joint Committee, we would consult with partners and people who use services.

Equalities considerations

36. People who use health and care services have protected characteristics and these will be considered as part of the co-production of the Joint Committee.

CABINET
6 DECEMBER 2022

HOUSING SERVICES FIRE SAFETY POLICY

Responsible Cabinet Member -
Councillor Kevin Nicholson, Health and Housing Portfolio

Responsible Director -
Elizabeth Davison, Group Director of Operations

SUMMARY REPORT

Purpose of the Report

1. To approve the Housing Services Fire Safety Policy 2022-2027.

Summary

2. Darlington Borough Council provides 355 homes for local residents in 7 Sheltered Housing schemes and 3 Extra Care schemes. We are committed to ensuring that all of our tenants enjoy their right to a safe home.
3. The Housing Services Fire Safety Policy 2022-2027 at **Appendix 1** sets out how we will provide staff, residents, visitors and partner organisations in Council owned Sheltered Housing and Extra Care 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.
4. The Tenants Panel has been consulted on the draft policy and the outcome of this consultation is given at paragraph 11. However, the proposals have received overwhelming support.
5. This report was considered by Health and Housing Scrutiny on 2 November 2022, who agreed its onward submission for approval by Cabinet.

Recommendation

6. It is recommended that :-
 - (a) Consider the contents of this report.
 - (b) Approve the Housing Services Fire Safety Policy 2022-2027.

Reasons

7. The recommendations are supported by the following 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.

Elizabeth Davison
Group Director of Operations

Background Papers

No background papers were used in the preparation of this report.

Anthony Sandys: Extension 6926

S17 Crime and Disorder	This report has no implications for crime and disorder
Health and Wellbeing	There are no issues which this report needs to address
Carbon Impact and Climate Change	There are no issues which this report needs to address
Diversity	There are no issues which this report needs to address
Wards Affected	All wards with Council Sheltered Housing and Extra Care schemes
Groups Affected	Council tenants in those schemes
Budget and Policy Framework	This report does not represent a change to the budget and policy framework
Key Decision	This is not a key decision
Urgent Decision	This is not an urgent decision
Council Plan	This report supports the Council plan to provide tenants with good quality, safe Council housing
Efficiency	There are no implications
Impact on Looked After Children and Care Leavers	This report has no impact on Looked After Children or Care Leavers

MAIN REPORT

Information and Analysis

8. Darlington Borough Council provides 355 homes for local residents in 7 Sheltered Housing schemes and 3 Extra Care schemes. The schemes covered by this policy are as follows:

Sheltered Housing Schemes

Scheme	Number of Homes
Branksome Hall Drive	50
Dinsdale Court	22
Linden Court	20
Rockwell House	38
Roxby Court	32
Ted Fletcher Court	48
Windsor Court	32

Extra Care Schemes

Scheme	Number of Homes
Dalkeith House	39
Oban Court	32
Rosemary Court	42

9. The Housing Services Fire Safety Policy 2022-2027 sets out how we will provide staff, residents, visitors and partner organisations in these Sheltered Housing and Extra Care 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.
10. The policy covers the following areas:
- (a) **Relevant legislation** – this section sets out the relevant fire safety legislation that Darlington Borough Council must comply with as part of our statutory duties to provide our tenants with safe homes.
 - (b) **Policy statement and aims** – these sections set out the key aims of the policy, as follows:
 - (i) To provide appropriate guidance for staff.
 - (ii) To provide procedures and resident information as to what actions need to be taken in the event of a fire at any of our schemes.
 - (iii) To ensure that staff, residents, visitors and partner organisations are safe and protected.
 - (iv) To meet the requirements of Darlington Fire and Rescue Services.

- (v) To improve resident's knowledge of fire awareness and promote responsibility towards fire safety.
- (c) **Our schemes and responsibilities** – these sections set out the responsibilities for the Council, residents, visitors and partner organisations in relation to fire safety arrangements. This includes the Council's responsibilities to provide suitable and sufficient inspection, service and maintenance arrangements for each building, along with fire safety awareness training for staff and fire risk assessments for residents.
- (d) **Construction features and fire alarm systems** – this section sets out the construction features for each scheme to prevent fires and the procedures in place for when a fire alarm is activated, including the responses by staff.
- (e) **Fire risk assessments** – this sections sets out the processes as to how fire risk assessments will be conducted and reviewed.
- (f) **Personal emergency and evacuation plans and care assessments** – this section sets out the processes for residents who may require assistance to evacuate a building.
- (g) **Stay put policy** – this section sets out the guidance for residents as to when they should evacuate or remain in the building in the event of a fire. This policy has been developed with the Darlington Fire and Rescue Service.
- (h) **Instructions for residents and visitors** – this section sets out the key advice for residents and visitors in the event of a fire.

Regulator of Social Housing

- 11. Social Housing is controlled by the Regulator of Social Housing and they have set out specific expectations and outcomes that providers of social housing must comply with. One of the four statutory Consumer Standards set by the Regulator is the Home Standard.
- 12. The Home Standard sets expectations for registered providers of social housing to provide good quality homes for residents and in particular, to meet all applicable statutory requirements that provide for the health and safety of occupants in their homes, including fire safety legislation.

Outcome of Consultation

- 13. The Tenants Panel were consulted in September 2022 and overall, the Panel supported the proposed Housing Services Fire Safety Policy. Examples of the Panel's comments were as follows:
 - (a) "As with any policies some of the text is slightly longwinded, but that is completely understandable as you would want all bases to be covered. Maybe it could be an options to deconstruct it so that everyone could understand it. All in all it is a good policy."

- (b) "After reading the policy I think that it is very informative and covers any questions that I had. It is vital for any policies such as this to be understandable and it certainly is that."
- (c) "I think it is a brilliant piece of work and is extremely well written. It takes me back to my scheme manager days as we had to revise Fire Policies. I think the length is perfect and there isn't anything that I could think off that was missed off. The 'Stay Put Policy is a great name, because it is clear and ensures that everyone knows what they are doing. I have no issues."
- (d) "I think as a whole the document is really good. It is informative and covers everything that is needed. My only issue is that some people would not care about the legislation and only read about what they need to do in the case of a fire. So maybe that information should be higher up the policy because people may switch off and not read the rest."

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DARLINGTON
Borough Council

Fire Safety Policy for Sheltered and Extra Care Accommodation

2022-2027



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Introduction

Darlington Borough Council is committed to protecting staff, residents, visitors, partner organisations and contractors from the effects of fire within all our properties.

We aim to achieve this through:

- Robust fire risk assessment processes.
- Increasing fire safety awareness to our residents.
- Eliminating and reducing fire hazards in our premises.

- Preventing the spread of fire and early warning and notification to County Durham & Darlington Fire Service.

Safety is paramount and this policy is based on the principle that Scheme Managers, care staff and tenants continually assess the risks to their own safety prior to taking any action.

Relevant Legislation

The Fire Safety Policy is based on the principles of partnership working between Darlington Borough Council (Housing Services & Adult Services, Building Services, CCTV Control Centre), County Durham and Darlington Fire and Rescue Services and voluntary organisations.

Darlington Borough Council has a duty to comply with the requirements of fire safety legislation namely:

- Regulatory Reform (Fire Safety) order 2005.
- Regulatory Reform (Fire Safety) order 2005-Guide for Sleeping Accommodation (Sheltered Schemes).
- The Housing Act 2004.
- Furniture and Fittings (Fire Safety) Regulations 1988.
- Electrical Equipment (Safety) Regulations 1994.
- The Local Government Guide “Fire Safety in Purpose Built Blocks of Flats” 2011 (Blocks with Communal areas.)
- Building Regulation 2010 (as amended) Schedule 1 Part B.
- The Health and Safety at Work act 1974.
- Dangerous Substance and explosive Atmospheres Regulations (DESAR) 2002.



Policy Statement

The purpose of the Fire Safety Policy is to provide staff, residents, visitors, and partner organisations with clear guidelines of what action they should take in order to protect themselves and others.

This Policy is specific to Sheltered and Extra Care schemes owned by Housing Services, for general needs accommodation, with communal areas, please see the specific fire evacuation plans which are provided in all communal hallways.

The following bodies were consulted in the preparation of this document:

- Housing Services.

- Darlington Borough Council Health & Safety Team.
- Adult Social Care.
- CCTV.
- Building Services.
- County Durham and Darlington Fire and Rescue Service.

This policy has been developed with the recognition that staff may remain in the building in some instances, when the fire alarm has been activated, to maintain essential services to vulnerable and/or tenants with a disability.

Policy Aims

The aims of this policy are:

- To give appropriate guidance to Darlington Borough Council staff within the extra care and sheltered housing schemes while providing a clear understanding of their roles and responsibilities in relation to the Fire Safety Policy.
- To provide procedures, which accurately define the actions to be taken in the event of a fire within each facility. To be read in conjunction with other documents such as, Resident Information from each site. To ensure procedures meet the latest national guidance and best practice.
- To provide, monitor and update the Fire Safety Policy, so that it is fit for purpose, including a process, which, if followed in the event of a fire, will help to ensure that staff, residents, visitors, partner organisations and contractors are safe and protected.
- To meet the requirements of Darlington Fire and Rescue Services by providing quality information for each property. This information is located within the main entrance Property Information Box (PIB). This will include as a minimum; the building design/layout drawings and up to date information for Personal Emergency Evacuation Plans.
- To improve resident's knowledge of Fire Awareness and promote responsibility towards Fire Safety. Where possible utilising the fire service support.



Our Schemes

Sheltered properties are contained under the same roof, however all are individual flats. All schemes have communal lounges together with gardens, guest rooms, laundry, bin storage, mobility scooter store, security and safety features. Some have hair salons and meeting rooms. Communal areas can also be used by the wider community by prior arrangement.

Extra care schemes are similar in design to sheltered schemes but also have care staff on site 24 hours daily who provide social care.

All schemes have a Scheme Manager providing good neighbourly low level tenant support, housing management and delivery of activities during the normal working day Monday to Friday 08-30 to 17:00 (16:30 on Fridays) with Response Officers available at all other times.

Each property is linked to the Darlington Lifeline Control Centre, ensuring there is a 24-hour emergency response should the Scheme Manager be off duty.

Responsibilities

The implementation of this policy is the responsibility of the Head of Housing.

Delegated responsibility for day-to-day management, implementation and monitoring of the policy will be provided by Lifeline management with the support of staff working within Sheltered and Extra Care schemes.

It is the responsibility of Darlington Borough Council:

- To appoint a Responsible Person and/or Duty holders and have in place a written agreement matrix showing areas of responsibilities and to provide a suitable and sufficient inspection, service and maintenance to each building.
- To provide general fire safety awareness training for all staff covering the main aspects of basic fire safety and any issues relating to each Sheltered or Extra Care scheme. To provide an 'Individual Fire Risk Assessment' for each resident and record in the support plan.

It is the responsibility of residents and their visitors:

- To comply with the requirements of the Fire Safety Policy.

- To follow instruction provided by Darlington Borough Council staff and/or members of the Fire Service.

Other responsibilities are:

- The chair of any meetings held within any of the Sheltered or Extra Care schemes is responsible for ensuring attendees are familiar with fire safety procedures for the building, using information available and provided within meeting rooms.
- Partner organisations will be responsible for informing staff of this policy and provision of any suitable training to meet the needs within.

It is the responsibility of all to maintain good housekeeping, within both communal areas and individual accommodation. To report any defect found to the repairs and maintenance section at the earliest opportunity.



Construction Features

Our schemes provide independent living with communal facilities. Each property was constructed to the standards and regulations applicable at the time of build. Each subsequent remodelling scheme has also followed this process providing some degree of compartmentation.

Construction is typically, concrete floors, solid wall construction between flats and flats to communal spaces, FD30 Fire Doors on entrance to the flats, within corridors and onto the stair enclosures. The roof void is also sub-divided by the apartment walls.

It is key to note that:

- The travel distances for means of escape in case of fire in the existing buildings were suitable for its existing use.
- Any remodelling works undertaken includes fire doors within the flats, an upgrading of the fire doors and frames to also prevent the passage of smoke, reinstatement of the cavity barriers in the roof and ceiling voids.

General repairs and maintenance are carried out to the building/structure in a manner that will not compromise the compartmentation in communal areas and/or between flats or any means of escape or egress from the building.

All staff and contractors working in the building are suitably supervised and managed to prevent compromising the compartmentation while maintaining fire exit routes and ensuring good housekeeping is always kept.





Fire Alarm System

All Sheltered and Extra Care schemes have a fire alarm designed (as a minimum) to L2 Standard that was applicable at the time of design; the systems are permanently connected to a fire alarm monitoring centre, located at the CCTV centre in the Town Hall Darlington. Each Fire Alarm System is maintained as required in BS5839.

Within individual flats, as a minimum a combined heat and smoke detector is fitted in the entrance hall area that forms a part of the building's L2 fire detection system, which also connects to the voice call system. Each apartment is also provided with domestic smoke/heat detection to the kitchen and corridor.

In all sheltered accommodation schemes, activation of the fire alarm will trigger a response from:

- A duty member of staff on site (the Scheme Manager or a member of the care team) to the voice module within the apartment. Should this not be responded to, the activation will default to the fire alarm monitoring centre (CCTV)

or

- The fire alarm monitoring centre (CCTV) to the voice module within the accommodation unit.

In all Extra care accommodation units, activation of the fire alarm will trigger a response from:

- A duty member of staff on site (the Scheme Manager or a member of the care team) to the voice module within the apartment. Should this not be responded to, the activation will default to the fire alarm monitoring centre (CCTV).

Any no responses or an unsatisfactory response from the occupant will be investigated by the carer or Lifeline staff and emergency services will be contacted. An adequate response from the occupant and the sounder ceasing will result in the call being closed, with the safeguard that any second activation and/or no response or inadequate response will result in the full emergency procedures being followed. Instructions for residents on the actions to take if they discover a fire or on hearing the fire alarm, are in Appendix 1.

In communal areas, smoke detectors and heat detectors are installed throughout the building, with

manual call points located at each exit. Activation of any of the smoke detectors will result in activation of the fire alarm and should result in the actions as detailed in Appendix 1 by the following persons:

- Residents, their visitors, other visitors, and contractors.
- Staff on site.
- Staff on call.
- Alarm Receiving Centre.
- Staff from partner organisations.

Activation of a manual call point (break glass) or any smoke/heat detector in the communal areas will result in activation of the full fire alarm.

All activations of the fire alarm system will be recorded. This information will include.

- Location of the unit activated.
- The reason for activation.

- Actions taken following the investigation into the activation of the alarm.
- On site staff attendance within 3 minutes of the detector head detecting the fire situation (this is to allow some investigation if members of staff are on site and prevent unnecessary disruption of vulnerable residents).
- Off-site staff (Lifeline response officers) will respond within a 30-minute time frame but County Durham & Darlington Fire Service may already be in attendance.

All existing staff will be trained in fire safety and new staff will be working towards this. They will have suitable and sufficient building and procedure knowledge to cope with any situation that may arise. Further 24-hour support will be provided by managers and supervisors.

Fire Risk Assessments

A Fire Risk Assessment (FRA) will be undertaken by a competent person in line with guidance and any relevant legislation. We will make all staff aware of the findings of the risk assessment, and this assessment will be reviewed regularly every three years or following any significant changes to the building or its use.

A copy of the FRA will be provided in a prominent place within each Sheltered and Extra Care scheme. All new residents at the start of tenancy will be made aware of the FRA. Details of new FRA's, reviews or completed remedial work will be provided to residents during tenant engagement sessions and coffee mornings.

All electrical installations will have an 'Electrical Installation Condition Report' (EICR) completed every 5 years or earlier, should a report indicate this is required.

A 'No Smoking' policy applies in all communal areas.

The Fire Alarm System will be regularly tested with records of the test maintained. The Emergency Lighting System will be regularly tested with records of the test maintained. All staff will be given Fire Awareness Training.

Regular reviews of and training on what to do in the event of a fire will be carried out with staff, residents, visitors, the Fire Service and Building Control, included within the review.

We will ensure appropriate staffing levels are maintained 24 hours each day.



Personal Emergency Evacuation Plan PEEPs and Care Assessments

A comprehensive list of residents, who may require assistance to evacuate the building, will be maintained close to the main fire alarm control panel. The list will be immediately accessible to the Fire Service on their arrival and, where possible, will be presented to them by a member of staff on duty. Any client information will be held in the fire document safe located next to the fire panel and is secured using a code known only to staff, and CCTV Control Centre, who will inform the Fire Service of the code on request.

When required, a PEEP will be jointly developed by the resident and Lifeline Services. This will aim to address how the resident can safely exit the building during an emergency. A copy of the PEEP will be placed in the Property Information Box (PIB).

A Care Assessment will be completed prior to any tenant moving into Extra Care accommodation. In addition, Lifeline staff will contact each tenant Monday to Friday and visit regularly. This will include, monitoring the fire risks associated with each tenant in their own home and reporting to the relevant line manager to take the appropriate preventative measures. This could include the removal of equipment if a risk is identified, and the provision of additional fire detection and warning devices, such as, smoke/heat detectors linked to the fire alarm system in the habitable rooms, along with vibrating pillows, visual alarms, or additional fire protection features, if required.

Stay Put Policy

The medical condition and degree of awareness of some residents can result in them not being capable of being moved easily during an evacuation or fire alarm scenario. They may become confused and disorientated if permitted to leave the building without adequate supervision or assistance.

It has been determined by the Fire Service and regulatory authorities for a 'Stay Put Policy' to be implemented.

The 'Stay Put Policy' for Sheltered and Extra Care schemes is based on the factors below. Should any item not be in place, a review will be undertaken to assess the risk and the findings and will be recorded and placed in the PIB.

- The building has a fully working and maintained Fire Alarm System for communal areas.
- Each apartment has working and maintained hard wired smoke detectors.
- Fire Doors, glazing and door furniture that meets the FD30 standard.
- Suitable compartmentation throughout the building.
- Concrete floors.
- Emergency lighting installed and maintained.
- Annual gas boiler checks (flats and communal).
- Fire retardant soft furnishings (communal areas).
- Good standard of housekeeping throughout.
- 'No Smoking' policy in place and enforced for communal areas.
- The building has an up-to-date EICR in place



- The building has an up-to-date FRA in place and that all issues identified have been addressed.
- Firefighting equipment is in place and serviced, such as, fire blankets.
- Portable Appliance Testing (PAT) is up to date on items within the building.

'Stay Put Policy' Quick Guide for Residents and Visitors

- On discovering a fire in your apartment or communal area, you and your visitor(s) should leave immediately, closing all doors behind you, raising the alarm on a Manual Call Point as you exit the building.
- If the fire is in a communal area and it is safe to

remain in your apartment, you will need to advise your visitors of the process to be followed.

- Only leave your apartment on the request of the building manager, Fire Service or if smoke or heat affects your home and if safe to do so.
- If you or your visitors are in the communal areas, you must leave the building by the nearest exit.
- Do not return to your apartment.
- If in any doubt, get out.
- On exiting the building, proceed to the Fire Assembly Point (FAP).

Further details of what to do in the event of a fire can be found in Appendix 1.

Review and Monitoring

The policy will be reviewed every five years or on change of legislation or regulatory guidance.

In addition, a Fire Safety Group chaired by the Compliance Manager will meet quarterly to review any changes in legislation and processes.



Appendix 1

Instructions to Residents and Visitors

DISCOVERING A FIRE IN/NEAR YOUR FLAT

1. If the fire is in your flat or near vicinity **LEAVE IMMEDIATELY**
2. If the front door is hot or there is smoke coming in do not open the door. Move into the lounge or bedroom, shutting the internal door/s and stay by an open window
3. If possible and safe to do so leave the flat and make your way to the nearest fire exit, leave the building, and meet at the fire assembly point
4. **DO NOT RETURN TO YOUR FLAT**
5. **DO NOT RE-ENTER THE BUILDING** (unless instructed by Fire Service)

WHEN IN YOUR FLAT AND YOU HEAR THE ALARM

1. You should 'STAY PUT' (remain in your flat on alert)
2. You must provide guidance and direction to any visitors in your flat in line with this policy.
3. Keep your front door closed but be ready to leave if instructed.
4. Await further instructions, either by the fire service, the duty staff or via the intercom system.

IF YOU ARE IN A COMMUNAL AREA

1. Make your way calmly to the nearest fire exit, leave the building and meet at the fire assembly point
2. Take any able-bodied person with you
 - DO NOT USE THE LIFTS
 - DO NOT STOP TO COLLECT BELONGINGS
 - DO NOT RETURN TO YOUR FLAT
 - DO NOT RE-ENTER THE BUILDING UNLESS TOLD IT IS SAFE TO DO SO

IF YOU DISCOVER A FIRE IN THE COMMUNAL AREAS

1. Leave the area of the fire immediately and proceed towards the Fire Assembly point via the nearest fire exit.
2. Operate the nearest manual call point (break glass) when exiting the building or when safe to do so.
3. Only if possible and when safe to do so dial **999**, giving them a full address/post code.

Darlington Borough Council's CCTV control Centre monitor the fire alarm systems.

On any fire alarm activation, they will:

- Attempt to communicate with Scheme Manager via the intercom to try and establish the cause of the alarm activation
- Contact the emergency services providing all information
- Instigate the appropriate actions

Assembly Points

Fire Assembly points (FAP):

Safe areas for people to meet and are identified by signage like the example below



(FAP) Locations by Building

- Dalkeith House – The Front Car Park
- Oban Court – The Front Car Park (Staff to Manage Access)
- Rosemary Court – The Rear Car Park
- Rockwell House – The Front Car Park or Garden Area
- Ted Fletcher Court – The Grassed Area of the Main Car Park
- Branksome Hall – The Grassed Area Near the Main Front Car Park
- Linden Court – The Front Car Park
- Dinsdale Court – The Car Park of Dinsdale Close Flats
- Roxby Court – The Pavement next to The Bungalows
- Windsor Court – The Front Car Park or Garden Area







**CABINET
6 DECEMBER 2022**

FIRST HOMES POLICY POSITION STATEMENT

**Responsible Cabinet Member -
Councillor Jamie Bartch, Economy Portfolio**

Responsible Director - Ian Williams, Chief Executive

SUMMARY REPORT

Purpose of the Report

1. To set out new Government policy on First Homes.
2. To approve a First Homes Policy Position Statement for publication.

Summary

3. In May 2021, the Government set out national planning policy for First Homes, a new affordable housing product. First Homes are a specific kind of Discount Market Sale Housing (DMSH), discounted by 30% of market value for first time buyers. The new policy came into effect from 28 June 2021 and required that a minimum of 25% of all affordable housing units secured through planning obligations should be First Homes.
4. Due to transitional arrangements in the guidance the Council did not reflect First Homes in the recently adopted Local Plan (2022). This was to give the Council time to review and consider the new policy and guidance. Following an analysis of the policy it is considered that it is a reasonable approach to seek the First Homes requirement from developers via a Policy Position Statement (**Appendix 1**). This is due to several reasons including that First Homes are the Government's preferred discount market tenure and that this is now adopted national policy. Fundamentally, First Homes offers another option for local people to get on the housing ladder. The new policy will also not affect what the Council seeks for affordable rent on market schemes via planning obligations. It will simply make up a proportion of the affordable home ownership sought. Local connection criteria are also set out which are required for eligibility and will ensure local people are prioritised.
5. Given the above cabinet is asked to approve the First Homes Policy Position Statement for publication.

Recommendation

6. It is recommended that Cabinet: -
- (a) Considers the new Government policy on First Homes and approves the attached Policy Position Statement (Appendix 1) for publication.
 - (b) Provide delegated powers to make minor modifications to First Homes Policy Position Statement (Appendix 1) in conjunction with the Assistant Director of Economic Growth and Cabinet Member for Economy.

Reasons

7. The recommendations are supported by the following 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.

Ian Williams
Chief Executive

Background Papers

- (i) Written Ministerial Statement 'Affordable Homes Update' 24 May 2021
- (ii) Planning Practice Guidance (online)

David Hand : Extension 6294

S17 Crime and Disorder	This report has no direct impact on crime and disorder.
Health and Wellbeing	The document requiring approval assists in delivering affordable homes across the borough. Good quality affordable housing is vital for local resident's health and wellbeing.
Carbon Impact and Climate Change	The construction of new homes has an impact on carbon levels and climate change. The document being considered does not deal with these issues however the Council's associated Local Plan contains policies which aim to achieve sustainable development.
Diversity	N/A
Wards Affected	All
Groups Affected	All
Budget and Policy Framework	Administration of First Homes would be undertaken within the planning policy team under existing budgets. The document will become part of the Council's policy framework and will influence affordable housing delivery.
Key Decision	This is not a Key Decision
Urgent Decision	This is not an Urgent Decision
Council Plan	This report assists with the aims and objectives of the Council's Plan Growing Darlington's Economy by delivering more homes.
Efficiency	N/A
Impact on Looked After Children and Care Leavers	This report has no impact on Looked After Children or Care Leavers

MAIN REPORT

Information and Analysis

8. In May 2021, the Government released a Written Ministerial Statement (WMS) and Planning Practice Guidance (PPG) setting out national planning policy for First Homes, a new affordable housing product. They are a specific kind of Discount Market Sale Housing (DMSH) but are subject to different criteria. They provide a route to home ownership, and they are the Government's preferred discount market tenure. The WMS issued changes to planning policy and outlined how First Homes would be delivered via the planning system. The changes came into effect from 28 June 2021.
9. The key criteria of a First Home are set out in the Policy Position Statement (Appendix 1). The main points are that it is a home which is discounted by a minimum of 30% against the market value and the purchaser must be a first-time buyer. There is also related price and income caps which apply.

10. The new national policy sets out that First Homes should account for at least 25% of all affordable housing units delivered by developers through planning obligations. This would either be in terms of the number of dwellings delivered or financial contributions received. Legal mechanisms are used to secure First Homes and ensure that the discount is passed on to all future purchasers.
11. At the time when the WMS and PPG on First Homes was released, the Council was in the process of a Local Plan examination. Due to transitional arrangements in the new policy, it was not required for the new Local Plan to include the requirement on First Homes. As such it was confirmed through the examination that policy H5 Affordable Housing would not reflect the new requirement as this would give the Council time to consider and gain a better understanding of First Homes before deciding on an approach. Officers have now had time to do this and have therefore prepared the associated Policy Position Statement.
12. National guidance emphasises that local planning authorities are encouraged to make the development requirements for First Homes clear for their area. It goes on to state that the most appropriate method or tool to do this will depend on individual circumstances. They might include the publication of an interim policy statement or updating relevant local plan policies. For Darlington Council a policy statement is the most appropriate method given that the Local Plan has only recently been adopted.
13. Officers consider that it would be reasonable to apply the First Homes requirement of 25% to all affordable housing planning obligations in the borough. The policy position statement sets out the approach and how it relates with policy H5 Affordable Housing. It is considered a logical way forward given that First Homes are the Government's preferred discount market tenure and the requirement is national planning policy. First Homes would also have to be reflected in the next review of the Local Plan which should be undertaken every 5 years or sooner in line with national policy.
14. More specifically, First Homes have a greater discount at 30% compared to standard DMSH which should be at least 20% below market value. Consequently, it can be said that they are more affordable in comparison for first time buyers. Overall, they are another option for getting local people on the housing ladder. The requirement would also simply make up a proportion of the affordable home ownership tenure split in policy H5 Affordable Housing of the Local Plan. It would not affect the percentage which is sought for affordable rent.
15. First Homes provided would be expected to meet the criteria set out in national policy and guidance. Local connection eligibility criteria can also be set where evidence supports this approach. As such the position statement sets out four different local connection criteria which are not intended to be overly restrictive but would help to ensure local people can purchase these homes first. A purchaser or a member of the household would have to meet one of the local connection criteria.

16. The proposed local connection criteria would only apply for the first 3 months of marketing. After this period, it would revert to the national criteria. There may also be circumstances where a suitable buyer for a First Home cannot be found. Therefore, the guidance allows a First Home to be sold on the open market providing certain conditions are met. The home would have to be marketed for at least 6 months in total and all reasonable steps taken to sell the property. The Council would also be compensated for the loss of the affordable unit. The developer or owner would pay to the authority the value of the discount the First Home was to be sold for, as a percentage of the final sale price.
17. If Cabinet approves the Policy Position Statement on First Homes internal procedures will be set up to manage the administration and delivery of this tenure. For example, certifying First Homes criteria and eligibility criteria have been met including the discounted sale price.
18. Officers also seek delegated powers to make minor modifications in the future to the statement in conjunction with the Assistant Director of Economic Growth and Cabinet Member for Economy.

Financial Implications

19. No direct financial implications. The planning policy team will largely oversee the procedural administration of First Homes.

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DARLINGTON

Borough Council

First Homes Policy Position Statement

Darlington Borough Council

October 2022

Introduction

1. On 24 May 2021, the Government released a Written Ministerial Statement (WMS) and Planning Practice Guidance (PPG) setting out national planning policy for a new affordable housing product called First Homes. First Homes are a specific kind of discounted market sale housing and should be considered to meet the definition of 'affordable housing' for planning purposes. They provide a route to home ownership. The PPG and WMS outlined how First Homes would be delivered through the planning system and changes to planning policy which came into effect from 28 June 2021. This statement provides an overview of First Homes but for greater detail please refer to PPG (<https://www.gov.uk/guidance/first-homes>) and the WMS (<https://questions-statements.parliament.uk/written-statements/detail/2021-05-24/hlws48>).
2. This document provides guidance on the implementation of First Homes in the borough and should be read in conjunction with the adopted Darlington Local Plan and associated Supplementary Planning Documents. This guidance alongside the PPG will be used as a material planning consideration when securing affordable housing as part of the determination of planning applications.

Background

3. At the time when the WMS and PPG on First Homes was released, the Council was in the process of a Local Plan examination. The new policy and guidance included transitional arrangements where Local Plan's which were at an advanced stage (submitted for examination before 28 June 2021) were not required to reflect the First Homes policy. As such it was confirmed through the examination that the plan and the related policy H5 Affordable Housing would not include requirements on First Homes, and this would give the Council time to reflect and gain a better understanding of the new policy before deciding on an approach. The Council has now had time to do this and therefore issue this position statement.

First Homes Requirements

4. First Homes are the government's preferred discounted market tenure and should account for at least 25% of all affordable housing units delivered by developers through planning obligations; this requirement came into effect from 28 June 2021. The key elements of a First Home are set out below.
 - (a) A First Home must be discounted by a minimum of 30% against the market value.
 - (b) Sold to a person or persons meeting the First Homes eligibility criteria (see below).
 - (c) On their first sale, First Homes will have a restriction registered on the title at HM Land Registry to ensure this discount and certain other restrictions are passed on at each subsequent title transfer.

- (d) After the discount has been applied, the first sale must be at a price no higher than £250,000. This does not apply to subsequent sales.
5. The PPG sets out that a higher minimum discount of 40% or 50% can be required however this would need to be supported by local evidence, mainly through the plan making process. Lower price caps can also be set but again a need would have to be demonstrated through plan making.
 6. Legal mechanisms are used to ensure that the discount is passed on to all future purchasers. This includes a section 106 agreement which is signed as part of the planning application process and a restriction registered on Land Registry to ensure the discount remains in perpetuity. The PPG provides a model title restriction that should be used.
 7. It is good planning practice to secure affordable housing on site, however there can be circumstances where financial contributions are sought instead. It is set out in the PPG that where cash contributions are secured, a minimum of 25% of these contributions should be used to secure First Homes. This could be achieved, for example, by acquiring additional First Homes from market development, paying the developer a sum to offset the discount from market price, and securing the tenure through section 106 planning obligations. Where a mixture of cash contributions towards affordable housing and on-site units are secured, 25% of the overall value of affordable housing contributions should be applied to First Homes.
 8. With regards to the remaining 75% of affordable housing secured through planning applications, the guidance sets out that social rent should be prioritised and delivered in the same percentage as set out in the Local Plan. The remainder of the affordable housing tenures should be delivered in line with the proportions set out in the Local Plan policy. For example if a Local Plan policy requires 80% of units to be shared ownership and 20% to be social rent, a policy compliant application would deliver 25% First Homes units, 20% social rent and 55% shared ownership.
 9. Planning Practice Guidance explains that the First Homes policy does not apply to applications made under section 73 of the Town and Country Planning Act 1990, to amend or vary an existing planning permission.

Eligibility Criteria

10. The eligibility criteria for people who wish to purchase a First Home are set out below:
 - (a) A purchaser (or, if a joint purchase, all the purchasers) of a First Home must be a first-time buyer (as defined in paragraph 6 of schedule 6ZA of the Finance Act 2003 for the purposes of Stamp Duty Relief for first-time buyers).
 - (b) Buyers, whether individuals, couples or group purchasers, should have a combined annual household income not exceeding £80,000 in the tax year immediately preceding the year of purchase.

- (c) A purchaser should have a mortgage or home purchase plan to fund a minimum of 50% of the discounted purchase price.
 - (d) These national standard criteria should also apply at all future sales of a First Home.
11. As part of the section 106 agreements, local authorities or neighbourhood planning groups can apply eligibility criteria in addition to the national criteria described above. This can include lower income caps if justified by evidence on average first time buyer income data, a local connection test or criteria based on employment status. The guidance highlights that First Homes are designed to assist people buying their own home in their local area and Government encourages the prioritisation of key workers for First Homes.
 12. Local criteria are limited to the first 3 months of marketing before reverting to the national criteria. Members of the Armed Forces, spouse/civil partners of members/deceased members or veterans within 5 years of leaving the Armed Forces will be exempt from any local connection criteria.

Darlington Borough Council Approach to First Homes

13. Darlington Borough Council Local Plan policy H5 (below) sets out affordable housing requirements on development schemes of 10 or more dwellings. The policy sets three affordable housing requirement areas and outlines the percentage sought for each one (see table below). There is a low (10%), medium (20%) and a high (30%) value area. The three requirement areas have been set to maximise the delivery of affordable dwellings but to ensure developments are still viable. The Local Plan and policy H5 can be viewed at <https://microsites.darlington.gov.uk/media/2399/local-plan-adopted-feb22v2.pdf>
14. The tenure split proposed in each area reflects latest evidence from the Strategic Housing Market Assessment (2020) and ensures that the NPPF requirement that 10% of the total number of homes on major developments are available for affordable homeownership is met.

Figure 2 Policy H 5 Affordable Housing Extract

Location (Wards)	Affordable Requirement	Tenure Split of the Affordable Requirement
Bank Top and Lascelles, Northgate, Park East, Stephenson.	10%	100% affordable home ownership
Brinkburn and Faverdale, Cockerton, College, Eastbourne, Harrowgate Hill, 20% Haughton and Springfield, Heighington and Coniscliffe, North Road, Pierremont, Red Hall and Lingfield, Sadberge and Middleton St George and Whinfield,	20%	50% affordable rent and 50% affordable home ownership
Hummersknott, Hurworth, Mowden and Park West.	30%	65% affordable rent and 35% affordable home ownership

15. In line with the requirements set out in the WMS and PPG, the Council will require that 25% of affordable homes delivered through developer contributions will be First Homes. As First Homes are an affordable home ownership product, the council will expect the 25% of First Homes to contribute to the 'affordable home ownership' tenure split outlined in policy H5 above. Generally additional home ownership dwellings will have to be provided on top of the First Homes requirement to ensure that the tenure percentage is met within the policy.

Local Criteria

16. First Homes provided will be expected to meet the criteria set out in national policy and guidance and will be secured via the legal mechanisms mentioned in this statement. At this time the Council does not intend to set a higher minimum discount or lower price cap. The Council will monitor the performance of First Homes against the national criteria and will consider via future reviews of this statement whether evidence indicates if a change is required through the introduction of local criteria. This is also the case with regards to the household income threshold for eligible purchasers. The £80,000 threshold will be implemented but monitored and reviewed if justified.

17. The WMS and PPG allow for the setting of local eligibility criteria for First Homes where evidence supports this approach. The evidence set out in the Darlington SHMA (2020) demonstrates a high level of need for affordable housing in the borough. This provides justification for the application of a local connections test as a starting point. This is because First Homes are intended to allow people to get on the housing ladder in their local area.

18. The local connection criteria below will be applied to ensure local needs are prioritised whilst not being unduly restrictive. A person will be considered eligible for a First Home if they, or a member of their household, meet one of the criteria below.
- (a) Have been resident within Darlington Borough for 12 months or more prior to application.
 - (b) Have been employed permanently with a minimum 16 hour a week contract within Darlington Borough for 6 months or more prior to application or has a firm permanent job offer in Darlington for a minimum of 16 hours per week.
 - (c) A person has strong established immediate family connections in Darlington Borough (e.g., parents, siblings or adult children) who have lived in the authority for 12 months or more.
 - (d) A person needs to live in Darlington because they require substantial care from a relative who has lived in the Borough for at least the last 6 months, or they need to provide substantial care to a relative who has lived in the Borough for at least the last 6 months.
19. In recognition of the unique nature of their circumstances, members of the Armed Forces, the divorced or separated spouse or civil partner of a member of the Armed Forces, the spouse or civil partner of a deceased member of the Armed Forces (if their death was caused wholly or partly by their service) or veterans within five years of leaving the Armed Forces are exempt from any local connection testing restrictions.
20. As required by the Written Ministerial Statement, these local eligibility restrictions are time-limited to the first three months from the start date of marketing of the property. Upon expiry of the three-month period, any homes which have not been sold or reserved will revert to the national standard criteria set out above.

Neighbourhood Plans

21. One neighbourhood plan in the borough has been captured under the transitional arrangements for First Homes (set out in the PPG). The Middleton St George Neighbourhood Plan was submitted to the Council in April 2021 to be examined, consequently its policies did not need to reflect the First Homes requirement. Where neighbourhood plans are adopted under the transitional arrangements, the First Homes requirements will also not need to be applied when considering planning applications in the plan area until such time as the requirements are introduced through a subsequent update.
22. Despite the above guidance and transitional arrangements, it has been agreed with Middleton St George Parish Council that the First Homes requirement will be applied to the whole borough including the neighbourhood area via this policy position statement.

Exception Sites

23. The WMS and PPG have introduced a First Homes exception sites policy. This has replaced the entry level exception sites policy as the Government considered that this approach did not deliver affordable housing to the extent originally envisaged. First Homes exception sites can come forward on land not allocated for development in the development plan and should:
- (a) Comprise First Homes (as defined in the WMS and PPG)
 - (b) Be adjacent to existing settlements, proportionate in size to them, not compromise the protection given to areas or assets of particular importance in the National Planning Policy Framework, and comply with any local design policies and standards.
24. The council will assess applications for exceptions sites in accordance with guidance set out in the WMS and PPG.

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CABINET
6 DECEMBER 2022

HOUSING REVENUE ACCOUNT – MTFP 2023-24 TO 2025-27

Responsible Cabinet Member - Councillor Kevin Nicholson,
Health and Housing Portfolio

Responsible Director – Elizabeth Davison, Group Director of Operations

SUMMARY REPORT

Purpose of the Report

1. To consider 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 to 2026-27 and the 30-year Business Plan.

Summary

2. Darlington Borough Council is the largest provider of social housing in the borough, providing 5,291 homes to local residents. Our homes offer a high standard of accommodation that meets the Decent Homes Standard and we provide a range of quality services to tenants, including a responsive repairs and maintenance service, lifeline services and emergency call out provision.
3. We are proud of our housing and want to continually improve so in addition to the day to day maintenance, significant investment is made in our housing stock each year to maintain and improve those standards, enhance the energy efficiency of our homes to reduce our carbon impact and help our tenants reduce their energy consumption and bills, whilst ensuring we have the financial capacity to continue with our ambitious programme of building new Council homes.
4. The great quality of our homes and the services provided mean they are in high demand, which is why we have an ambitious programme to build new Council homes in Darlington. Our new build Council housing programme is funded through capital receipts from right to buy sales, grant funding from Homes England and through estimated borrowing of £11.7m.
5. This report sets out the key decisions for the HRA for 2023-24, which includes:
 - (a) Proposed revenue expenditure of £26.557m, including
 - (i) £5.539m to fund our responsive repairs and maintenance service, and
 - (ii) £12.609m contribution to the capital programme.

- (b) A proposed capital programme of £24.585m, including
 - (i) £1.225m for heating system replacements,
 - (ii) £1.800m for property adaptations, structural works, external works and roofing,
 - (iii) £1.400m for windows and door replacements,
 - (iv) £2.760m for kitchen and bathroom replacements,
 - (v) £1.000m to deliver energy efficiency measures to tackle climate change,
 - (vi) £15.673m to deliver our new build Council housing programme.
- 6. The key decision regarding the HRA each year is the balance between setting rent and service charge levels that are affordable to our tenants, whilst ensuring we have sufficient resources to invest in our housing stock, tackle climate change and maintain services.
- 7. Councils usually have the discretion to increase rents each year by the Consumer Price Index (CPI) plus 1%. CPI for September 2022 was 10.1%, which means for 2023-24 Members would usually be able to increase rents by up to 11.1%.
- 8. However, the Government consulted on proposals to place a cap on social housing rent increases for 2023-24, and a decision to cap rent increases at 7% has been made.
- 9. Members will recall that a 2% rent increase was decided in February 2022 for the current financial year, although rents could have been increased by 4.1%. This was in recognition of the economic pressures facing our residents in the aftermath of Covid.
- 10. The Council has also faced substantial financial pressures over the last 12 month particularly around inflation and the cost of materials and services to maintain our homes, the most significant increases being in roofing, door and window replacements, and general day to day repairs, with an average overall increase in cost of 8.4%. These costs are anticipated to increase by a further 6.1% in 2023/24, as detailed in the main report.
- 11. Member discounted the option of CPI plus 1+ at an early stage, acknowledging this would be unaffordable for our tenants. Given the government consultation options, a 5% increase a 3% increase and a 2% increase have been considered and taking into account the current economic pressures facing our tenants and balancing this with the increased costs of maintaining and improving our housing and the need to deliver our ambitious capital and energy efficiency programmes, an increase of 5% is recommended, or an average of £3.69 each week. This is lower than CPI and lower than the Government's rent increase cap. It is also recommended to increase service charges by an appropriate inflationary amount.

Recommendations

- 12. It is proposed that the following recommendations are agreed for wider consultation:-
 - (a) An average weekly rent increase of 5% for 2023-24 be implemented giving an average social rent of £78.70 and affordable rent of £88.35.
 - (b) Garage rents and service charges are increased as shown in **Table 3**.
 - (c) The revenue budget at **Appendix 1** is approved.

(d) The Housing Business Plan at **Appendix 2** is agreed.

(e) The capital programme at **Appendix 3** is approved.

Reason

13. 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.

Elizabeth Davison
Group Director of Operations

Background Papers

Regulator of Social Housing - Rent Standard

Anthony Sandys: Ext 6926

S17 Crime and Disorder	There are no issues
Health and Well Being	By ensuring our housing stock is in good condition we are making a positive contribution to the health and well-being of our tenants
Carbon Impact	There are a range of energy efficiency measures included in the business plan which will have a positive carbon impact
Diversity	There are no diversity issues
Wards Affected	This will have an effect on all Wards in the Borough with Council Housing
Groups Affected	All Council tenants and Lifeline service users
Budget and Policy Framework	The issues contained within this report require Council approval and the report will be presented to Council in February 2023
Key Decision	This is not a key decision
Urgent Decision	This is not an executive decision
Council Plan	This report contributes to the Council Plan by involving Members in the plans to build new Council houses and ensuring the existing Council housing stock is maintained to a high standard and is environmentally friendly by maximising rental and service charge income
Efficiency	As the HRA is a ring fenced budget every effort is made to maximise income and identify savings in order to maintain a high quality service
Impact on Looked After Children and Care Leavers	No impact

MAIN REPORT

Background

14. Darlington Borough Council is the largest provider of social housing in the borough, providing 5,291 homes to local residents. Our homes offer a high standard of accommodation that meets the Decent Homes Standard and provides a range of quality services to tenants including a responsive repairs and maintenance service, lifeline services and emergency call out provision.
15. In addition, significant investment is made in our housing stock each year to maintain and improve those standards. A comprehensive capital programme delivers a range of home improvements to tenants, improves the energy efficiency of our homes to reduce our carbon impact and reduce the bills of our residents, whilst ensuring we have the financial capacity to continue with our ambitious programme of building new Council homes. Over 50% of households in Council housing have one or more person with a disability and we are therefore committed to providing good quality homes with generous space standards and lifetime homes principles to support people to live independently and maintain a good quality of life.
16. The great quality of our homes and the services provided mean they are in high demand, which is why we have an ambitious programme to build new Council homes in Darlington.
17. The key decision regarding the HRA each year is the balance between setting rent and service charge levels that are affordable to our tenants, whilst ensuring we have sufficient resources to invest in our housing stock, tackle climate change and maintain services.

Setting the MTFP for the HRA

Projected HRA Expenditure for 2023-24

18. Detailed estimates have been prepared based on current service levels and the following expenditure amounts for the revenue account are proposed for 2023-24:

Area	£m	Description
Operational costs	4.441	This includes all the costs associated with the provision of our housing management, housing income, tenancy sustainment and tenancy enforcement services, central support services and other associated support costs such as ICT, buildings and insurance.
Service charges	3.654	This covers services charged to tenants such as grounds maintenance and Lifeline charges to a range of clients. All service charges are fully recoverable. It also includes recharges that will be recovered through additional income including court costs and recharges to the General Fund for grounds maintenance.
Responsive repairs and maintenance	5.539	This covers the on-going general repairs to our 5,291 Council properties, which is an average of £1,047 for each property in 2023-24. The continued investment in a good quality repairs and maintenance service is essential to maintaining the high

Area	£m	Description
		standards of our housing stock, whilst also ensuring we meet all the statutory requirements to provide for the health and safety of our tenants.
Capital financing	3.447	Historic and ongoing cost of paying for borrowing undertaken to fund capital expenditure.
Bad debt provision	0.250	Provision to cover rents that are deemed to be unrecoverable.
Revenue contribution to the capital programme	12.609	This represents the amount by which the HRA can fund major capital works. A breakdown of the proposed Capital Programme for 2023-24 is given below in 'Housing Business Plan'.

Housing Business Plan

19. All Housing Capital schemes are funded fully from the HRA and this section explains what future capital investment is planned. The priorities are identified through the Housing Business Plan, which is constantly reviewed to ensure investment is targeted in the area of most need. The funding proposals for 2023-24 are:

Area	£m	Description
Adaptations and lifts	0.200	This budget delivers adaptations to Council homes to enable tenants with a disability to remain in their own home and live independently. In addition, the budget also covers any unplanned works to passenger lifts within sheltered and extra care schemes.
Heating replacement	1.225	To fund new condensing boilers and central heating upgrades that are due for replacement and in addition, to any unplanned replacements required due to boiler failure before their due replacement date.
Structural works	0.400	This budget will be used to address structural issues identified within the year.
Lifeline services	0.150	This budget will to continue fund any upgrades required to Lifeline equipment.
Repairs before painting	0.060	This budget will be invested in joinery repair works in anticipation of the cyclical external painting programme.
Roofing and repointing work	1.000	This budget will fund the replacement of flat and pitched roofs and the replacement of fascia's, soffits and rainwater goods. In addition, it will also fund loft insulation work, where appropriate.

Area	£m	Description
Garages	0.025	This budget will be invested in improvements to the Council's garage blocks including demolition where they are beyond economical repair.
External works	0.200	Used to provide new rear dividing fences and new footpaths to Council properties based on their condition, in various locations across the borough.
Pavements	0.032	To fund any identified work to upgrade or adapt any pavements (including requirements for dropped kerbs for Council properties) across the Borough.
Window and door replacement	1.400	To fund the window and external door replacement programme, including replacement fire doors in communal areas. This budget will also fund any window and door replacements required as a result of a responsive repair.
Internal planned maintenance (IPM)	2.760	This budget will fund kitchen and bathroom replacements that are due. This budget will also fund any kitchen and bathroom renewal works for properties as required, including any void properties that require this work before letting.
Communal works	0.150	This budget will fund any work required to communal areas and will also be used to carry out upgrades to card entry systems.
Energy efficiency improvements	1.000	This budget will continue to fund energy efficiency improvements such insulation and heating systems. This will also include any match funding required for Government energy grant bids (see the 'Climate Change' section below).
New build	15.673	This budget will continue to fund the new build Council housing programme (see the 'New Build' section below).

20. The purpose of the Housing Business Plan is to ensure that Housing Services has a sustainable medium-term financial plan, which focuses investment towards our strategic priorities. The following proposals will outline our strategic priorities and how resources will be aligned against these priorities (subject to final decisions on rent levels).

New Build

21. Darlington Borough Council has set an ambitious programme to build additional new Council homes to meet increasing demand for social housing in the area. Since the programme began, 293 new Council properties have already been delivered at various locations around Darlington, providing exceptionally high quality homes to local residents. Demand for our properties continues to be high, with over 1,100 Darlington residents on the Housing Allocations register.

22. Since the abolition of the HRA borrowing cap, we have been able to prudentially borrow and have included additional borrowing of £11.7m in 2023-24 to build new affordable homes. Our new build council housing programme is funded through capital receipts from right to buy sales, grant funding from Homes England and prudential borrowing.
23. The Housing Business Plan is funded by the rents and service charges received from Council properties and the loss of income from ongoing right to buy sales would put the Business Plan at risk if these properties were not replaced.
24. The following new build work is planned to be delivered in 2023-24:
 - (a) Phase 2 of the Sherbourne Close site is due to commence, providing an additional 14 new homes. Phase one of this site has already delivered 18 new homes.
 - (b) Work on the Skinnergate site is due to commence, delivering 15 new homes and will initially require some demolition work of existing commercial buildings.
 - (c) Work on the Neasham Road site commenced in September 2022 and will deliver 150 new homes by 2026. The first new Council homes on the site are due to be completed in 2023-24.
25. As noted previously, the new build programme for 2023-24 will partly be funded through additional borrowing. In addition, grant funding bids to Homes England's Affordable Housing Programme will also provide around 25% of the overall costs. It is difficult to predict exact grant funding levels as decisions are made by Homes England on a site by site basis, therefore grant projections are based on previous successful bids. In order to reduce financing costs, unallocated balances will be used before borrowing, however this is purely for treasury management purposes, as all new build schemes are self-financing.
26. Several new build 'pipeline' sites have been identified and are currently being worked up in more detail to enable planning permission to be sought. Meanwhile, delegated powers are being requested for the Group Director of Operations to enable new build schemes to be progressed in a timely manner, subject to planning permission.

Housing for Vulnerable People

27. Each year, Housing Services complete a range of minor and major adaptations to individual Council properties where a need has been identified by an Occupational Therapist. Works range from the provision of lever taps and grab rails to semi-permanent ramps, stair lifts, hoists and ground floor extensions.
28. The HRA adaptations budget reflects the fundamental role adaptations play in supporting vulnerable people to continue to live independently, reducing the need for expensive care packages and prevent a premature move into residential or care accommodation. These high levels of need have also been considered in developing our new build housing programme and properties are built in accordance with Lifetime Homes standards.
29. Inexpensive features include flush door entrances at the front and rear for wheelchair access, and raised sockets, as well as low level windowsills and openings. Increased space standards allow for hallways wide enough for 360° wheelchair turning circles, wider doors, and ground floor toilets. Occupational Therapists and Housing Officers also work closely with individuals to meet their needs where appropriate, such as bespoke lowered kitchens

and specific bathing requirements before they move in, wherever possible.

Existing Stock Investment and Responsive Repairs

30. In accordance with good practice, our housing stock is surveyed by an independent specialist organisation every five years and detailed analysis of the data takes place to help inform our priorities. Overall, our properties have been assessed as being in good condition, reflecting our significant annual investment as part of a structured programme for both on-going capital improvements and responsive repairs and maintenance. A new stock condition survey is currently taking place and data from this will continue to shape our Business Plan and energy efficiency priorities.
31. All of our properties reached the basic Decent Homes Standard in 2006 and continue to do so. This can be largely attributed to a central heating programme providing A-rated combi-boilers and a planned maintenance programme which ensures properties benefit from cavity wall insulation and 300mm of loft insulation. Properties have also been targeted in recent years for a more comprehensive package of energy efficiency measures including double glazed UPVC windows, composite doors and loft insulation.
32. The Housing Business Plan identifies a capital works budget of around £76m over the next four years and £477m budget for capital works over the next 30 years, including the New Build Programme (see **Appendix 2**).
33. The Business Plan also anticipates the number of responsive repairs will remain at current levels, with an annual inflationary increase for costs and so allocates a budget of £24m for responsive repairs and maintenance over the next four years.

Climate Change

34. We are committed to improve the energy efficiency of our homes, reduce our carbon impact and help tackle climate change and reduce tenant's fuel bills. However, significant investment is required to achieve Government targets to ensure all of our homes:
 - (a) Achieve a minimum Energy Performance Certificate (EPC) rating of C by 2030.
 - (b) Achieve a net zero carbon rating by 2050.
35. An independent consultant was commissioned earlier this year to produce a zero carbon study and our zero carbon plan, to retrofit our housing stock to meet Government targets over the next 30 years. The full cost of retrofitting all properties is difficult to determine at this stage, but estimates are in excess of £100m. The study recognised that the majority of this amount will need to come from Government funding.
36. The Council has already committed £1m of capital expenditure to tackle climate change in 2022-23 and this has been supplemented with Government funding from successful bids through the Local Authority Delivery (LAD) scheme and the Social Housing Decarbonisation Fund (SHDF) to deliver improvements to Council homes as follows:
 - (a) The LAD(1b) scheme delivered loft insulation and double glazed windows to 709 Council homes using £1.26m of Government funding and £0.71m of capital expenditure.

- (b) The LAD(2) scheme delivered Air Source Heat Pumps, Smart heating controls, loft insulation and solar panels to 28 Council homes using £0.26m of Government funding and £0.07m of capital expenditure.
 - (c) The SHDF (wave 1) scheme is currently delivering external and cavity wall insulation, Air Source Heat Pumps, loft insulation and solar panels to 23 Council homes using £0.25m of Government funding and £0.25m of capital expenditure.
 - (d) The SHDF (wave 2) scheme (currently awaiting approval) is proposing to deliver external and cavity wall insulation, solar panels, loft insulation, double glazing and low energy lighting to 130 Council homes using £1.2m of Government funding and £1.2m of capital expenditure.
37. In addition, all single glazed windows in Council properties are currently being replaced with double glazing and this work will be completed in 2023. A further £1m investment is recommended for each year in the HRA MTFP, which will help to deliver the following improvements:
- (a) Replacing timber front and back doors with composite doors.
 - (b) Improvements to external wall insulation.
 - (c) Installation of solar panels and air source heat pumps.
 - (d) Loft insulation upgrades as part of our roofing and IPM programmes.
38. All Government funding bids require match funding from the Council. Our initial objective is to ensure the EPC rating for all our Council homes is at a minimum of C. Over 3,400 Council properties currently have an EPC rating of D or lower, although it is recognised that many of these properties just fall short of an EPC rating of C where minimal investment is required to achieve this. Our zero carbon plan currently being developed will identify what actions are required from 2023-24 onwards to deliver this.

Income

Rents

39. All registered providers of social housing (including Councils) must set rents in accordance with the Government's Rent Standard guidance. The guidance allows social housing providers to increase rents, usually by CPI plus 1%, which means for 2022/23, Councils would have the discretion to increase rents by up to 11.1%.
40. However, the Government consulted on proposals to place a cap on social housing rent increases for 2023-24, and a decision to cap rent increases at 7% has been made.
41. Members will recall that a 2% rent increase was decided in February 2022 for the current financial year, although rents could have been increased by 4.1%. This was in recognition of the economic pressures facing our residents in the aftermath of Covid.
42. The Council has faced substantial financial pressures over the last 12 months around inflation, energy and the rising cost of materials and services to maintain our homes, the most significant increases being in roofing, door and window replacements, and

responsive day to day repairs, with an average overall increase in costs of 8.4% (see **Table 1**). These costs are anticipated to increase by a further 6.1% in 2023/24, as shown in **Table 2** below.

Table 1: Cost increases 2022-23

Item	Average cost 21-22	Average cost 22-23	Estimated properties	Total cost 21-22	Total cost 22-23	Percentage increase
Roofing	£6,569	£8,000	100	£656,900	£800,000	21.8%
Kitchen / bathroom	£8,782	£9,329	220	£1,932,040	£2,052,380	6.2%
Heating	£3,387	£3,600	200	£677,400	£720,000	6.3%
External doors	£595	£737	230	£136,850	£169,510	23.9%
Windows	£2,700	£3,000	250	£675,000	£750,000	11.1%
Painting	£250	£255	1,000	£250,000	£255,000	2.0%
Responsive repairs and maintenance	£159	£170	25,000	£3,975,000	£4,250,000	6.9%
Total				£8,303,190	£8,996,890	8.4%

Table 2: Estimated cost increases 2023-24

Item	Total cost 22-23	Estimated total cost 23-24	Percentage increase
Roofing	£800,000	£880,000	10.0%
Kitchen / bathroom	£2,052,380	£2,169,389	5.7%
Heating	£720,000	£759,056	5.4%
External doors	£169,510	£181,351	7.1%
Windows	£750,000	£833,250	11.1%
Painting	£255,000	£280,245	9.9%
Responsive repairs and maintenance	£4,250,000	£4,440,512	4.5%
Total	£8,996,890	£9,543,803	6.1%

43. The option of CPI plus 1+ was discounted at an early stage acknowledging this would be a significant pressure on tenants. Given the government consultation, a number of options were considered including a 5% increase, a 3% increase and a 2% increase for 2023-24. The Council recognises that the last 18 months have been a difficult time for all our tenants and in the current economic climate the pressures on fuel and price inflation in general puts a strain on family finances. Conversely, rising prices also means the cost of repairs, maintenance, contractor and material costs to maintain and invest in our stock are also increasing. Without any rise there would be an impact on our ability to maintain and invest in our tenant's homes and the ability to implement the required energy efficiency measures to tackle climate change. It is worth noting that over 70% of our tenants will have their rent and most service charges covered by Universal Credit or Housing Benefit payments. This means that the full amount of any increase will be covered by those benefits.

44. Taking into account the current economic pressures facing our tenants, the recent increase in CPI and balancing this with the need to deliver our ambitious capital and energy efficiency programmes, an increase of 5% is recommended for 2023-24, an average of £3.69 each week. This is lower than CPI and lower than the Government's rent increase cap. It is also recommended to increase service charges by an appropriate inflationary amount. The proposed increases reflect the rising cost of wages, building materials and contracted services.
45. In addition to the income from rent and service charges, in 2023-24 we plan to borrow an additional £11.7m to help fund our new build programme. This will be supplemented with grants from Homes England, which usually cover around 25% of the new build costs. We also plan to continue to bid for Government funding through the SHDF to improve the energy efficiency of our homes and reduce our carbon impact.

Garage Rents and Service Charges

46. The proposed service charges shown at **Table 3** below and achieves full recovery of costs from those tenants who directly benefit from the services provided. In most cases, this means an inflationary increase is necessary that either matches or is below CPI but in some instances, a higher increase is needed to maintain current levels of service and these are detailed below:
- (a) Heating – The heating charge for sheltered and extra care schemes covers the cost of heating the individual apartments, as well as the communal areas of the schemes. The heating charge for blocks of apartments only covers the cost of heating the communal areas. The price of gas over the past 12 months for these buildings, has increased by 43% and is estimated by NEPO (North East Procurement Organisation) to increase by a further 263% in 2023-24. The service charges for 2023-24 have been adjusted to reflect these increases. However, if the actual heating costs are lower than these forecasts in 2023-24, the service charge will be amended to reflect this change.
 - (b) Lifeline – The Lifeline service charges have been increased to take into account a re-grading of Lifeline staff following a job evaluation exercise, which has increased the cost of salaries to run the service. In addition, all Lifeline equipment (assistive technology and personal alarms) will need to be replaced over the next 3 years to ensure that it continues to operate under the national switch from analogue to digital telephony services by 2025. The Lifeline charge for sheltered and extra care schemes also includes the electricity costs relating to communal areas (lighting and other equipment). The price of electricity over the past 12 months for these buildings, has increased by 118% and is estimated by NEPO to increase by a further 142% in 2023-24. These costs and charges will be reviewed in 2023-24 (in line with the heating charges above).
47. Any additional costs will be covered by Housing Benefit or Universal Credit for the approximate 70% of tenants who are eligible. The HRA funds a Tenancy Sustainment Service and Income Management Team to address the financial challenges facing a significant number of Council tenants. Referrals are also made to CAB for independent financial advice as well as to food banks and furniture recycling schemes. Those tenants, particularly first-time tenants who require more sustained intensive support, will be referred to the Housing Plus Team.

Table 3: Garage Rents and Service Charges

Description	Current Weekly Charge (22-23)	Proposed Weekly Charge (23-24)	Percentage increase
	£	£	%
Garage Rents	8.33	8.74	5
Building Cleaning – Blocks of Flats	2.11	2.30	9
Building Cleaning – Sheltered and Extra Care Schemes	3.86	4.09	6
Building Cleaning – Extra Care Schemes	13.74	14.56	6
Grounds Maintenance – General Housing	1.80	2.06	14
Grounds Maintenance – Blocks of Apartments	1.80	2.06	14
Heating – Sheltered and Extra Care Schemes	12.86	42.88	233
Heating – Blocks of Apartments	1.70	6.21	266
Administration – Leaseholders	1.81	1.99	10
Furnishings and Fittings – Sheltered and Extra Care Schemes	2.30	2.42	5
Furnishings and Fittings – Good Neighbour Schemes	1.06	1.11	5
Lifeline Response	6.27	7.58	21
Lifeline – Sheltered and Extra Care Schemes	18.96	27.59	46
Pavement Crossings and Hard standings	4.50	4.72	5
Mid-day Meals – Extra Care Schemes (Residents only)	40.56	45.43	12
Mid-day Meals – Extra Care Schemes (Non-Residents only)	48.67	54.51	12
Guest Rooms in Sheltered Schemes	89.06	98.85	11
Door Entry Systems	0.82	0.86	5
TV Aerials	0.20	0.24	19
Housing Plus Service	19.78	20.62	4

Consultation

48. The Annual Review of the HRA Business Plan, together with the recommendation to increase rents and service charges is developed in consultation with Council tenants through our Tenants Panel and tenant surveys. The specific proposals included in this report have not yet been considered by the Tenants Panel but the outcome of consultation will be reported to Cabinet in the February 2023 report.

Financial Implications

49. The estimates included in this report represent a fair view of ongoing plans and commitments although Members will appreciate some budgets are subject to volatility and will continue to be monitored closely.
50. With the proposed increase in rents the expenditure plans presented are affordable and the level of revenue balances projected in this report represent an adequate level of risk.

APPENDIX 1

HOUSING REVENUE ACCOUNT – REVENUE BUDGET

	2023/24	2024/25	2025/26	2026/27
	£000	£000	£000	£000
<u>Income</u>				
Rents of Dwellings (Gross)	(21,964)	(23,328)	(24,342)	(24,967)
Sundry Rents (Including Garages and Shops)	(422)	(498)	(514)	(530)
Charges For Services and Facilities	(3,654)	(4,091)	(4,272)	(4,479)
Contribution towards expenditure	(928)	(966)	(980)	(994)
Interest Receivable	(6)	(6)	(6)	(6)
Total Income	(26,974)	(28,889)	(30,114)	(30,976)
<u>Expenditure</u>				
Operational Costs	4,441	4,719	4,871	5,009
Service Charges	3,654	4,091	4,272	4,479
Capital Financing Costs	3,447	3,926	4,371	4,337
Bad Debt Provision	250	263	270	278
Responsive Repairs and Maintenance	5,539	5,818	5,992	6,335
Revenue Contribution to Capital (RCCO)	12,609	12,150	12,097	9,381
Contribution to/(from) balance	(2,966)	(2,077)	(1,760)	1,157
Total Expenditure	26,974	28,889	30,114	30,976
(Surplus) / Deficit	0	0	0	0
Opening balance	11,811	8,845	6,768	5,008
Contribution to/(from) balance	(2,966)	(2,077)	(1,760)	1,157
Closing balance	8,845	6,768	5,008	6,165
Estimated closing dwelling numbers	5,291	5,324	5,400	5,471
Closing balance for each dwelling	£1,671.76	£1,271.21	£927.41	£1,126.94

APPENDIX 2

30 YEAR HOUSING BUSINESS PLAN 2023/24 - 2052/53

	Years 1-10 (£000)	Years 11-20 (£000)	Years 21-30 (£000)	Total Spend (£000)
Adaptations and Lifts	2,354	3,171	4,262	9,787
Communal Works	1,765	2,378	3,269	7,412
Decoration following IPM	408	862	1,170	2,440
External Works (footpaths, fencing, etc.)	2,405	3,264	4,453	10,122
Garages	509	748	983	2,240
Heating Replacements	14,379	19,368	26,618	60,365
Internal Planned Maintenance (IPM)	32,716	50,062	66,435	149,213
Repairs before painting	730	986	1,296	3,012
Roofing and Repointing Work	8,169	9,911	13,520	31,600
Structural Works	4,707	6,342	8,716	19,765
Lifeline Services	1,765	2,378	3,269	7,412
Energy Efficiency	28,509	38,484	51,937	118,929
Professional Fees	3,574	4,794	6,844	15,212
Pavements	383	517	711	1,611
New Build	38,357	0	0	38,357
Total expenditure	140,730	143,264	193,483	477,477

HOUSING REVENUE ACCOUNT – CAPITAL PROGRAMME

	2023/24	2024/25	2025/26	2026/27
	£000's	£000's	£000's	£000's
Scheme / Project				
Adaptations and Lifts	200	212	218	225
Heating Replacement	1,225	1,295	1,334	1,374
Structural Works	400	424	437	450
Lifeline Services	150	159	164	169
Repairs before painting	60	66	68	70
Roofing	1,000	1,100	683	703
Garages	25	27	52	53
External Works	200	210	221	232
Pavements	32	34	36	37
Window and Door Replacement	1,400	1,484	1,558	1,605
Internal Planned maintenance	2,760	2,898	3,043	3,134
Energy Efficiency	1,000	1,060	1,092	1,125
Communal Works	150	159	164	169
New build (net of HE grant)	15,673	11,546	11,138	0
Fees	310	326	333	340
Total spend	24,585	20,999	20,538	9,684
Resourced by:				
Capital Receipts	303	303	303	303
RCCO	12,609	12,150	12,097	9,381
Additional Borrowing	11,673	8,546	8,138	0

APPENDIX 4

Examples of Weekly Rent Changes for 2023/24						
Area		Property Type	Approved Rent 2022/23	Proposed Rent 2023/24	Increase between 22/23 & 23/24 £	Increase between 22/23 & 23/24 %
<u>Middleton St George</u>						
	Mount Pleasant Close	1 Bedroom Bungalow	85.00	89.25	4.25	5.0% *
	Pounteys Close	2 Bedroom House	79.54	83.52	3.98	5.0%
	Thorn tree Gardens	3 Bedroom House	90.74	95.27	4.54	5.0%
<u>Cockerton</u>						
	Newton Court	1 Bedroom Flat	65.69	68.98	3.28	5.0%
	Elvet Place	2 Bedroom House	76.93	80.78	3.85	5.0%
	Minors Crescent	3 Bedroom House	82.88	87.03	4.14	5.0%
<u>Haughton</u>						
	Ted Fletcher Court	1 Bedroom Flat	66.24	69.56	3.31	5.0%
	Lyonette Road	2 Bedroom Flat	75.03	78.78	3.75	5.0%
	Nightingale Avenue	1 Bedroom Bungalow	79.72	83.71	3.99	5.0% *
	Rockwell Avenue	2 Bedroom House	78.94	82.89	3.95	5.0%
	Dunelm Walk	3 Bedroom House	88.25	92.67	4.41	5.0%
<u>Branksome</u>						
	Branksome Hall	1 Bedroom Flat	65.79	69.08	3.29	5.0%
	Whitby Way	1 Bedroom Bungalow	72.77	76.41	3.64	5.0%
	Malvern Crescent	2 Bedroom House	75.46	79.24	3.77	5.0%
	Rosedale Crescent	3 Bedroom House	85.79	90.08	4.29	5.0%
	Sherborne Close	2 Bedroom Flat	90.92	95.46	4.55	5.0% *
<u>Lascelles</u>						
	Coxwold House	1 Bedroom Flat	65.03	68.28	3.25	5.0%
	Gilling Crescent	2 Bedroom Flat	72.52	76.14	3.63	5.0%
	Aldbrough Walk	2 Bedroom House	85.38	89.65	4.27	5.0% *
	Caldwell Green	3 Bedroom House	82.39	86.51	4.12	5.0%
	Fenby Avenue	3 Bedroom House	102.78	107.92	5.14	5.0% *
<u>Bank Top</u>						
	Graham Court	1 Bedroom Flat	66.21	69.52	3.31	5.0%
	Graham Court	3 Bedroom House	94.27	98.99	4.71	5.0% *
<u>Redhall</u>						
	Bramall House	1 Bedroom Flat	79.08	83.03	3.95	5.0% *
	Aviemore Court	2 Bedroom Flat	69.85	73.35	3.49	5.0%
	Murrayfield Way	1 Bedroom Bungalow	67.35	70.72	3.37	5.0%
	Aintree Court	2 Bedroom House	71.40	74.97	3.57	5.0%
	Aintree Court	3 Bedroom House	93.80	98.49	4.69	5.0% *
<u>Eastbourne</u>						
	West Moor Road	1 Bedroom Flat	62.40	65.52	3.12	5.0%
	Tansley Gardens	2 Bedroom Flat	69.49	72.97	3.47	5.0%
	Firthmoor Crescent	2 Bedroom House	72.37	75.99	3.62	5.0%
	Brignall Moor Crescent	3 Bedroom House	78.34	82.25	3.92	5.0%
<u>Skerne Park</u>						
	Trent Place	2 Bed House	73.18	76.84	3.66	5.0%
	Humber Place	3 Bed House	79.08	83.03	3.95	5.0%
<u>Parkside</u>						
	Wordsworth Road	1 Bedroom Flat	66.30	69.61	3.31	5.0%
	Shakespeare Road	2 Bedroom House	82.94	87.08	4.15	5.0% *
	Ruskin Road	3 Bedroom House	86.61	90.94	4.33	5.0%
* Affordable rent properties - these rents include applicable service charges.						

**CABINET
6 DECEMBER 2022**

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

**Responsible Cabinet Member -
Councillor Scott Durham, Resources Portfolio**

**Responsible Director -
Elizabeth Davison, Group Director of Operations**

SUMMARY REPORT

Purpose of the Report

1. This report seeks approval of the revised Treasury Management Strategy, Prudential Indicators and provides a mid-year review of the Council's borrowing and investment activities. Cabinet are requested to forward the revised Strategy and indicators to Council for their approval and note changes to the MTFP with regard to the Treasury Management Budget (Financing Costs).

Summary

2. The mandatory Prudential Code, which governs Council's borrowing, requires Council approval of controls, called Prudential Indicators, relating to capital spending and borrowing. Prudential Indicators are set in three statutory annual reports, a forward looking annual treasury management strategy, a backward looking annual treasury management report and this mid-year update. The mid-year update follows Council's approval in February 2022 of the 2022/23 Prudential Indicators and Treasury Management Strategy.
3. The key objectives of the three annual reports are:
 - (a) to ensure the governance of the large amounts of public money under the Council's Treasury Management activities:
 - (i) Complies with legislation
 - (ii) Meets high standards set out in codes of practice
 - (b) To ensure that borrowing is affordable.
 - (c) To report performance of the key activities of borrowing and investments.

4. The key proposed revisions to Prudential Indicators relate to:
 - (a) The Operational Boundary will reduce to £156.699m and the Authorised Limit to £239.879m which will allow for any additional cashflow requirement.
5. Investments include £30m in property funds which are expected to increase our net return on investments by around £0.340m in future years.

Recommendation

6. It is recommended that :
 - (a) The revised prudential indicators and limits within the report in Tables 1 to 6, 8, 10 and 12 to 17 are examined.
 - (b) The Treasury Management Budget (Financing Costs) projected outturn shown in Table 11 is noted.
 - (c) That this report is forwarded to Council in order for the updated prudential indicators to be approved.

Reasons

7. The recommendations are supported by the following 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.

Elizabeth Davison
Group Director of Operations

Background Papers

- (i) Capital Medium Term Financial Plan 2022/23
- (ii) Prudential Indicators & Treasury Management Strategy 2022/23
- (iii) Accounting records
- (iv) The Prudential Code for Capital Finance in Local Authorities

Peter Carrick: Extension 5401

S17 Crime and Disorder	This report has no implications for S17 Crime and Disorder.
Health and Well Being	This report has no implications for the Council's Health and Well Being agenda.
Carbon Impact	There are no carbon impact implications in this report.
Diversity	There are no specific implications for the Council's diversity agenda.
Wards Affected	All Wards.
Groups Affected	All Groups.
Budget and Policy Framework	This report must be considered by Council.
Key Decision	This is not an executive decision.
Urgent Decision	For the purposes of call in this report is not an urgent decision.
Council Plan	This report has no particular implications for the Council Plan.
Efficiency	The report refers to actions taken to reduce costs and manage risks.
Impact on Looked After Children and Care Leavers	This report does not impact on Looked After Children or Care Leavers

MAIN REPORT

Information and Analysis

8. This mid-year review report meets the regulatory framework requirement of treasury management. It also incorporates the needs of the Prudential Code to ensure monitoring of the capital expenditure plans and the Council's prudential indicators (PIs). The Treasury Strategy and the PIs were previously reported to Council on 17 February 2022.
9. This report concentrates on the revised positions for 2022/23. Future year's indicators will be revised when the impact of the MTFP 2023/24 onwards is known.
10. A summary of the revised headline indicators for 2022/23 is presented in Table 1 below. More detailed explanations of each indicator and any proposed changes are contained in the report. The revised indicators reflect the movement in the Capital MTFP since its approval in February 2022 and the means by which it is financed.

Table 1 Headline Indicators

	2022/23 Original Estimate	2022/23 Revised Estimate
	£m	£m
Capital Expenditure (Tables 2 and 3)	76.970	71.466
Capital Financing Requirement (Table 4)	243.523	228.456
Operational Boundary for External Debt (Table 4)	185.966	156.699
Authorised Limit for External Debt (Table 6)	255.699	239.879
Ratio of Financing Costs to net revenue stream- General Fund (Table 14)	2.14%	2.14%
Ratio of Financing Costs to net revenue stream- Housing Revenue Account (HRA)(Table 14)	14.79%	14.93%

11. The capital expenditure plans and prudential indicators for capital expenditure are set out initially, as these provide the framework for the subsequent treasury management activity. The actual treasury management activity follows the capital framework and the position against the treasury management indicators is shown at the end.
12. The purpose of the report supports the objective in the revised CIPFA Code of Practice on Treasury Management and the Department for Levelling Up, Housing & Communities Investment Guidance which state that Members receive and adequately scrutinise the treasury service.
13. The underlying economic environment remains difficult for Councils and concerns over counterparty risk are still around. This background encourages the Council to continue investing over the shorter term and with high quality counterparties, the downside is that investment returns remain low.

Key Prudential Indicators

14. This part of the report is structured to update:

- (a) The Council's capital expenditure plans
- (b) How these plans are financed
- (c) The impact of the changes in the capital expenditure plans on the PI's and the underlying need to borrow
- (d) Compliance and limits in place for borrowing activity
- (e) Changes to the Annual Investment Strategy
- (f) The revised financing costs budget for 2022/23

Capital Expenditure PI

15. Table 2 shows the revised estimates for capital expenditure and the changes since the capital programme was agreed at the budget.

Table 2

Capital Expenditure by Service	2022/23 Original Estimate	2022/23 Revised Estimate
	£m	£m
General Fund	40.231	55.315
HRA	32.980	16.359
Total Estimated Capital Expenditure	73.211	71.674
Loans to Joint Ventures	3.759	(0.208)
Total	76.970	71.466

16. The changes to the 2022/23 capital expenditure estimates have been notified to Cabinet as part of the Capital Budget monitoring process (Quarterly Project Position Statement Report).
17. The current capital programme that has not already been financed now stands at £207.208m, but this includes a number of schemes that will be spent over a number of years not just in 2022/23. A reduction of £135.742m has been allowed for schemes which are known will be finalised in future years, but it is likely that other schemes will also slip into future years.

Impact of Capital Expenditure Plans

Changes to the financing of the Capital Programme

18. Table 3 draws together the main strategy elements of the capital expenditure plans shown above, highlighting the original elements of the capital programme, and the expected financing arrangements of this capital expenditure. The borrowing element (Borrowing Need) increases the underlying indebtedness of the Council by way of the Capital Financing Requirement (CFR). Borrowing need has reduced for 2022/23 due to schemes

that have been estimated to have slipped into future years. This direct borrowing need may also be supplemented by maturing debt and other treasury requirements.

Table 3

Capital Expenditure	2022/23 Original Estimate	2022/23 Revised Estimate
	£m	£m
General Fund	40.231	55.315
HRA	32.980	16.359
Loans to Joint Ventures	7.446	6.165
Total Capital expenditure	80.657	77.839
Financed By:		
Capital Receipts - Housing	0.303	0.303
Capital Receipts –General Fund	3.832	0.794
Capital grants	4.575	39.643
JV Repayments	3.687	6.373
HRA Revenue Contributions	17.618	13.384
HRA Investment Fund	0.000	2.672
Self-Financing - GF	20.000	9.119
Total Financing	50.015	72.288
Borrowing Need	30.642	5.551

The Capital Financing Requirement (PI), External Debt (PI) and the Operational Boundary

19. Table 4 shows the Capital Financing Requirement (CFR), which is the underlying external need to borrow for capital purposes. It shows the expected actual debt position over the period. This is called the Operational Boundary. The reduction in Borrowing Need (Table 3) is around £25.1m and currently actual borrowing for the Council is £144.082m. The reduction is due to slippage in the Housing programme and the Railway Heritage Quarter which is predominantly grant funded. It is proposed to set an actual borrowing figure of £148.582m this will accommodate the additional borrowing need and any debt requirements for cash flow purposes. Other Long-term liabilities (the PFI scheme) will be added to give the revised operational boundary for 2022/23.

Prudential Indicator- External Debt/ Operational Boundary**Table 4**

	2022/23 Original Estimate	2022/23 Revised Estimate
	£m	£m
Prudential Indicator- Capital Financing Requirement		
Opening CFR- Post Audit of Accounts	225.663	224.285
CFR General Fund	141.661	143.275
CFR General Fund PFI/Leasing IFRS	8.117	8.117
CFR – Housing	77.225	67.225
CFR – Loans to Joint Ventures	16.520	9.839
Total Closing CFR	243.523	228.456
Net Movement in CFR	17.860	4.171
Borrowing	177.849	148.582
Other long-Term Liabilities	8.117	8.117
Total Debt 31 March- Operational Boundary	185.966	156.699

Limits to Borrowing Activity

20. The first key control over the treasury activity is a PI to ensure that over the medium term gross borrowing should not, except in the short term, exceed the total of the CFR in the preceding year plus the estimates of any additional CFR for 2022/23 and the next two financial years. As shown in **Table 5** below.

Table 5

	2022/23 Original Estimate £m	2022/23 Revised Estimate £m	2023/24 Revised Estimate £m	2024/25 Revised Estimate £m
Gross borrowing	177.849	148.582	163.582	178.582
Plus Other Long Term Liabilities	8.117	8.117	7.011	5.912
Total Gross Borrowing	185.966	156.699	170.593	184.494
CFR* (year-end position)	243.523	228.456	241.924	255.398

* includes on balance sheet PFI schemes and finance leases

21. The Group Director of Operations reports that no difficulties are envisaged for the current and future years in complying with this PI.
22. A further PI controls the overall level of borrowing, this is the Authorised Limit which represents the limit beyond which borrowing is prohibited and needs to be set and revised by Members. It reflects the level of borrowing which while not desirable, could be afforded in the short term, but is not sustainable in the longer term. The Authorised Limit is currently set 5% above the Capital Financing Requirement to allow for any additional cashflow needs, the revised figure for 2022/23 has been raised by 5% of the new CFR total.

Whilst it is not expected that borrowing would be at these levels this would allow additional borrowing to take place should market conditions change suddenly and swift action was required. This is a Statutory limit determined under section 3 (1) of the Local Government Act 2003.

23. It is proposed to move the Authorised Limit in **Table 6** in line with the movement in the overall Capital Financing Requirement.

Table 6

Authorised Limit for External Debt	2022/23 Original Indicator £m	2022/23 Revised Indicator £m
Capital Financing Requirement	243.523	228.456
Additional headroom to Capital Financing Requirement	12.176	11.423
Total Authorised Limit for External Debt	255.699	239.879

Interest Rate Forecasts Provided by Link Asset Services (as at 9 August 2022)

24. A forecast of future interest rates was provided by the Council's treasury management advisors on 9th August to give an update to Audit Committee in September as part of this report. As members will be aware the economic position of the country has changed significantly, since this update was provided, with the financial landscape moving rapidly and possible further interest rates projected. Further updates will be provided in the next treasury management report update.

Table 7

	Bank Rate	PWLB rates for borrowing purposes*			
		5 year	10 year	25 year	50 year
	%	%	%	%	%
2022/23					
Sept 2022	2.25	2.80	3.00	3.40	3.10
Dec 2022	2.50	3.00	3.20	3.50	3.20
March 2023	2.75	3.10	3.30	3.50	3.20
2023/24					
June 2023	2.75	3.10	3.30	3.50	3.20
Sept 2023	2.75	3.00	3.20	3.50	3.20
Dec 2023	2.50	3.00	3.10	3.40	3.10
March 2024	2.50	2.90	3.10	3.40	3.10
2024/25					
June 2024	2.25	2.90	3.00	3.30	3.00
Sept 2024	2.25	2.80	3.00	3.30	3.00
Dec 2024	2.25	2.80	3.00	3.20	2.90
March 2025	2.25	2.80	2.90	3.20	2.90

*PWLB rates above are for certainty rates (which are provided for those authorities that have disclosed their borrowing/capital plans to the government. Darlington Borough Council will be able to access these certainty rates which are 0.2% below PWLB's normal borrowing rates.

25. The coronavirus outbreak has done huge economic damage to the UK and to economies around the world.
26. Central banks in the developed economies have significantly quickened the pace of their monetary policy tightening. Although their policies are bespoke and reflect the economic backdrop in each of their countries, that is not to say there has not been a similar approach to dampening inflationary pressures that are still spiking upwards. In that respect, the US Federal Open Market Committee (FOMC) has led with increases of 225bps in the year to date, whilst the Bank of England's Monetary Policy Committee (MPC) has increased its Bank Rate by 150bps to 1.75%.
27. The latest Bank Rate increase was implemented on the 4 August. After an 8-1 vote in favour, Bank Rate shifted up 50bps from 1.25% to 1.75%, but the MPC was careful to keep its options open regarding future decision-making (also note that one vote was for only a 25bps increase). It tweaked its forward guidance in a couple of ways. First, it added that "policy is not on a pre-set path" and that the MPC will decide the "appropriate level of Bank Rate at each meeting". Second, it now says that "further changes" rather than "further increases" in Bank Rate "will reflect the Committee's assessment of the economic outlook and inflationary pressures". The first change suggests that rates will not automatically rise by 50bps at the next few meetings and that the higher rates go, the more important the level. The second change appears to open the door to rate cuts further ahead.
28. In addition, the MPC surprised the market with its candidness in respect of its UK economic growth forecast assumptions. It stated that the UK is in for five quarters of recession starting in Q4 2022 and running all the way through to the end of 2023. In the interim, it is projected that CPI inflation will exceed 13% in Q4 2022. Half of this increase can be attributed directly to gas/electricity price inflation and a further 2% - 2.5% to the indirect knock-on effects of higher energy on production/services.
29. Furthermore, the MPC said that it is "provisionally minded" to commence gilt sales of £10bn per quarter from the end of September. That means the balance sheet will soon start to shrink at a faster pace.
30. However, that said, the MPC appeared also to be sending dovish signals further ahead as the forecast recession involves a 2.2% decline in GDP and if interest rates rise to 3.00%, as the markets currently expect, inflation will be below the 2% target in three years' time. That appears to imply that rates don't need to rise as far as 3.00% and/or that at some point in the next three years rates will need to be cut again to boost inflation.
31. The Bank also acknowledged it has not taken account of the prospect of a change in Government policy regarding the potential tax cuts offered up by the new Prime Minister. If this policy change occurs, regardless of whether it is to a lesser or greater extent, it is likely to add to inflationary pressures and will be an additional issue for the MPC to consider in full at its November meeting.
32. There is a lot to digest from what the MPC has said and done but as has been apparent for some time, there is also a huge influence on UK gilt yields and their movements emanating from what happens with US Treasuries. Therefore, in putting together the interest rate

forecasts it is worth noting that should US inflation continue to be stubbornly high (currently the CPI reading is 9.1%) and the jobs reports continue to surprise on the upside (528,000 new jobs reported on Friday and unemployment at a record low of 3.5%), there is the prospect that any downward momentum in UK yields could be offset by Treasury yields shifting higher. Conversely, yield falls could also be supported by the Fed's determination to get inflation down in the US through robust monetary policy tightening.

33. Overall, the pace of the Bank Rate increases in the forecasts have quickened. We still have a peak of 2.75% in Q1 2023 but that is now based on a 50bps hike in September followed by two 25bps increases in Q4 and Q1. At this juncture, we feel the MPC will want to be seen to be remaining tough on inflation, but they will also be cognisant of the cost-of-living squeeze accelerating, following 60%+ gas/electricity price increases in October. Therefore, after Bank Rate moves up to 2.25% in September, we forecast the pace of rate increases will fall back again from Q4. However, the MPC could also reach 2.5% at the end of the year by implementing equal 25bps hikes in September, November and December. A further 25bps increase in Q1 2023 is our best estimate, but by then we should have a better understanding of whether inflation has peaked, how fast it is falling and what is happening in the broader economy following the important Christmas retail sales data and monthly jobs and wages data.
34. Regarding gilt yields, these have been on a march upwards since the turn of the year, but that march has been accompanied by significant bouts of volatility that have sometimes been not only hard to explain but also difficult to predict, including the direction of travel. The best judgment is that gilt yields across the curve have a little further to rise but only by 20 – 30bps, so a lower peak than we were forecasting back in June.
35. However, given the volatility we have witnessed in recent months, we are forecasting more of the same over the next couple of quarters at least. So, those clients looking to borrow will need to ensure they can act nimbly when the opportunity arises for locking out some interest rate certainty at attractive levels, whilst those looking to repay borrowing should take advantage of upward momentum in yields when that arises.

Treasury Management Strategy 2022/23 and Annual Investment Strategy Update

36. The Treasury Management Strategy Statement, (TMSS), for 2022/23 was approved by this Council on 17 February 2022.
37. There are no policy changes to the TMSS.
38. The details in this report update the position in the light of the updated economic position and budgetary changes already approved.

Debt Activity during 2022/23

39. The expected net borrowing need is set out in **Table 8**

Table 8

	2022/23 Original Estimate £m	2022/23 Revised Estimate £m
CFR (year-end position) from Table 4	243.523	228.456
<u>Less</u> other long term liabilities PFI and finance leases	8.117	8.117
Net adjusted CFR (net year end position)	235.406	220.339
Expected Borrowing	177.849	148.582
(Under)/ Over borrowing	(57.557)	(71.757)

40. The Council hasn't taken on any new debt in the current year to date.
41. The amount borrowed by the Council now stands at £148.582m, this excludes any additional cashflow loans which may be required.
42. There will still be an element of under-borrowing by the Council at the end of March 2023.

Debt Rescheduling

43. Debt rescheduling opportunities have been very limited in the current economic climate given the consequent structure of interest rates and following the increase in the margin added to gilt yields which has impacted PWLB new borrowing rates since October 2010. No debt rescheduling has therefore been undertaken to date in the current financial year.

Annual Investment Strategy 2022/23

Investment Portfolio

44. In accordance with the Code, it is the Council's priority to ensure security of Capital and liquidity, and to obtain an appropriate level of return which is consistent with the Council's risk appetite. It is a very difficult investment market in terms of earning the level of interest rates commonly seen in previous years as rates are very low and in line with the current 0.10% Bank Rate. The continuing potential for a re-emergence of a Eurozone sovereign debt crisis together with other risks which could impact on the creditworthiness of banks prompts a low risk strategy. Given this risk environment investment returns are likely to remain low.

Treasury Management Activity from 1 April 2022 to 31 August 2022

45. Current investment position – The Council held £53.849m of investments at 31/08/2022 and this is made up of the following types of investment.

Table 9

Sector	Country	Up to 1 year
		£m
Banks	UK	12.000
AAA Money Market Funds	Sterling Funds	11.850
Property Funds - CCLA	UK	10.000
Hermes		10.000
Lothbury	UK	9.999
Total		53.849

Short Term Cashflow Investments

46. Cash balances are invested on a daily basis to maximise the benefit of temporary surplus funds. These include investments in Money Market Funds, the Government's Debt Management Office and bank short term notice accounts. A total of 61 investments were made in the period 1 April 2022 to 31 August 2022 totalling c£132m these were for short periods of up to 180 days and earned interest of £0.143m on an average balance of £32.893m which equated to an annual average interest rate of 1.02%.

Investment returns measured against the Service Performance Indicators

47. The target for our investment returns is to better or at least match a number of external comparators, this performance indicator is also known as yield benchmarking. As can be seen from Table 10, the short term investment achievements (up to 6 months) are above market expectations.

Table 10

	Cashflow Investments %
Darlington Borough Council - Actual	1.02%
External Comparators	
Sterling Overnight Index Average (SONIA) – 6 months	1.00%

Treasury Management Budget

48. There are three main elements within the Treasury Management Budget:-

- (a) Longer term capital investments interest earned – a cash amount of which earns interest and represents the Councils revenue balances, unused capital receipts, reserves and provisions, this will now include Property Funds.
- (b) Cash flow interest earned – the authority has consistently had a positive cash flow. Unlike long term capital investments it does not represent any particular sum but it is the consequence of many different influences such as receipt of grants, the

relationship between debtors and creditors, cashing of cheques and payments to suppliers.

- (c) Debt serving costs – this is the principal and interest costs on the Council’s long term debt to finance the capital programme.

Table 11 - Changes to the Financing Costs Budget 2022/23

	£m	£m
Original Financing Costs Budget 2022/23		0.637
Add Increased debt costs	0.302	
Less Increased returns on Investments	(0.554)	
Add net reduced returns on Property Funds	0.252	
Total adjustments		0.000
Revised Treasury Management Budget 2022/23		0.637

49. This statement concludes that the Treasury Management budget is forecast to Outturn on budget in 2022/23, this will be reflected in the current MTFP projections.

Risk Benchmarking

50. A regulatory development is the consideration and approval of security and liquidity benchmarks. Yield benchmarks are currently widely used to assess investment performance and these are shown in Table 12. Discrete security and liquidity benchmarks are also requirements of member reporting.
51. The following reports the current position against the benchmarks originally approved.
52. **Security** – The Council’s maximum security risk benchmarks for the current portfolio of investments, when compared to historic default tables were set as follows;

0.077% historic risk of default when compared to the whole portfolio

Table 12

Maximum	Benchmark 2022/23	Actual May	Actual July
Year 1	0.077%	0.007%	0.001%

N.B. this excludes Property Funds

53. The counterparties that we use are all high rated therefore our actual risk of default based on ratings attached to counterparties is very low.
54. **Liquidity** – In respect of this area the Council set liquidity facilities/ benchmark to maintain
- (i) Bank overdraft - £0.100M
 - (ii) Liquid short term deposits of a least £3.000M available within a weeks notice
 - (iii) Weighted Average Life benchmark is expected to be 0.4 years with a maximum of 1 year

55. The Group Director of Operations can report that liquidity arrangements have been adequate for the year to date as shown in Table 13.

Table 13

	Benchmark 2022/23	Actual May	Actual July
Weighted Average Life	0.4 – 1 year	0.21 years	0.20 years

56. The figures are for the whole portfolio of cash flow investments deposited with Money Market funds on a call basis (i.e. can be drawn on without notice) as well as call accounts that include a certain amount of notice required to recall the funds.

Treasury Management Indicators

57. **Actual and estimates of the ratio of financing costs to net revenue stream** – This indicator identifies the trend in the cost of capital (financing costs net of interest and investment income) against the net revenue stream.

Table 14

	2022/23 Original Indicator	2022/23 Revised Indicator
General Fund	2.14%	2.14%
HRA	14.79%	14.93%

Treasury Management Prudential indicators

58. **Upper Limits on Variable Rate Exposure** – This indicator identifies a maximum limit for variable interest rates based upon the debt position net of investments.
59. **Upper Limits on Fixed Rate Exposure** – Similar to the previous indicator this cover a maximum limit on fixed interest rates
60. Historically for a number of years this Council has used these percentages; together they give flexibility to the treasury management strategy allowing the Council to take advantage of both fixed and variable rates in its portfolio whilst ensuring that its exposure to variable rates is limited.

Table 15

	2022/23 Original Indicator	2022/23 Revised Indicator
Limits on fixed interest rates	100%	100%
Limits on variable interest rates	40%	40%

61. **Maturity Structures of Borrowing** - These gross limits are set to reduce the Council's exposure to large fixed rate loans (those instruments which carry a fixed interest for the duration of the instrument) falling due for refinancing. The higher limits for longer periods reflect the fact that longer maturity periods give more stability to the debt portfolio.

Table 16 - Maturity Structures of Borrowing

	2022/23 Original indicator	2022/23 Actual to Date	2022/23 Revised Indicator
Under 12 months	25%	17%	30%
12 months to 2 years	40%	6%	40%
2 years to 5 years	60%	12%	60%
5 years to 10 years	80%	9%	80%
10 years and above	100%	57%	100%

62. **Total Principal Funds Invested** – These limits are set having regard to the amount of reserves available for longer term investment and show the limits to be placed on investments with final maturities beyond 1 year. This limit allows the authority to invest for longer periods if they give better rates than shorter periods. It also allows some stability in the interest returned to the Authority.

Table 17 - Principal Funds Invested

	2022/23 Original Indicator	2022/23 Revised Indicator
Maximum principal sums invested greater than 1 year	£50m	£50m

Conclusion

63. The prudential indicators have been produced to take account of the Council's borrowing position. The key borrowing indicator (the Operational Boundary) is £156.699m. The Council's return on investments has been good, exceeding both of the targets. Based on the first five months of 2022/23 the Council's borrowing and investments is forecast to be on target on the approved 2022/23 budget.
64. The Council's treasury management activities comply with the required legislation and meet the high standards set out in the relevant codes of practice.

Outcome of Consultation

65. No consultation was undertaken in the production of this report.

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**CABINET
6 DECEMBER 2022**

LAND AT FAVERDALE – BURTREE GARDEN VILLAGE DEVELOPMENT

**Responsible Cabinet Member -
Councillor Jamie Bartch, Economy Portfolio
Councillor Scott Durham, Resources Portfolio**

**Responsible Director -
Ian Williams, Chief Executive**

SUMMARY REPORT

Purpose of the Report

1. To seek Cabinet approval to negotiate the necessary approvals and agreements required to facilitate the next stage of the delivery of the Burtree Garden Village.

Summary

2. At the time of writing this report Homes England are 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 includes circa 35 acres of Council owned land at High Faverdale Farm will be detailed for the spine/link road and outline for the remainder of Phase 1, as shown on the plan attached at **Appendix 1 (Note that the Council's land shown Cell CH is excluded from the planning application and the Spine/Link Road is marked AB on the plan)**.
3. Not all the information is available for the application at the time of writing this report and there is work being undertaken by Homes England on viability, Section 106, and Nutrient Neutrality for example. Therefore, the financial and development position, as far as the Council's land is affected, is subject to clarification.
4. However, the fallback position for the Council is that before granting access onto the Council's land to build the road and the enabling infrastructure, terms will need to be agreed for an Infrastructure Development Agreement and these will be reported back to Cabinet for consideration.
5. The Council is endeavouring to agree a high-level Promoter Agreement with Homes England to agree the principles of the planning application.
6. There are also independent proposals for a temporary Construction and Skills Hub on the Council's land, at cell CH and a separate report has been prepared for Members to consider.

Recommendations

7. It is recommended that: -

- (a) Homes England's proposal to submit a hybrid planning application for Phase I of Burtree Garden Village to include Council owned land at High Faverdale Farm be noted.
- (b) Delegated Authority is 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 covered by this report.
- (c) The Assistant Director Law and Governance is authorised to complete any associated legal agreements.

Reasons

8. The recommendations are supported by the following 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.

Ian Williams
Chief Executive

Background Papers

No background papers were used in the preparation of this report.

Guy Metcalfe : Extension 6725

S17 Crime and Disorder	The report has no implications for crime and disorder
Health and Wellbeing	The report has no implications for health and well being
Carbon Impact and Climate Change	There is potential for any new Building to be easily accessible by sustainable transport modes which will help ensure the carbon footprint of the development is acceptable.
Diversity	No implications
Wards Affected	Brinkburn and Faverdale
Groups Affected	All
Budget and Policy Framework	The resolutions in this report are not likely to result in changes to the budget framework.
Key Decision	This is not a Key Decision
Urgent Decision	This is not an Urgent Decision

Council Plan	Growing Darlington's Economy by delivering more homes
Efficiency	The workload resulting from the recommendations in this report assumes resources at existing levels.
Impact on Looked After Children and Care Leavers	This report has no impact on Looked After Children or Care Leavers

MAIN REPORT

Information and Analysis

9. At the meeting of Cabinet on 11 July 2019, the Council's land amounting to approximately 27 Ha (67 acres) was declared surplus to requirements and delegated authority was obtained to enter into an Equalisation Agreement on terms and conditions to be agreed.
10. However, since the meeting of Cabinet there have been some changes in that Homes England are now working via a collaborative agreement with developer Hellens Group to help fund land acquisitions and provide and fund strategic infrastructure into the site, including access over Council owned land.
11. Homes England and the Council have entered a Memorandum of Understanding confirming the Council's intention to grant Homes England access over Council owned land to help facilitate the Burtree Garden Village. Previously access from the Council's land was the only access available to facilitate development of the site and this was a Planning and Highways requirement too. However, it is now proposed that Homes England fund the construction of a Link Road from Rotary Way in the south of the site to Burtree Lane in the north to access the site for development, as shown route A to B on the plan attached at **Appendix 1**.
12. Since the last report to Cabinet in July 2019, the site has been granted Garden Village Status and is an allocated site within Darlington's Local Plan. Homes England are now working in collaboration with the Council and Hellens Group to accelerate delivery of housing.
13. The Master planning Visioning Document, provided for a mixed-use site of circa 2,000 homes and circa 200,000 sq. metres of employment space. The phase 1 proposals were for circa 700 dwellings and mixed uses to include retail, school, community facilities, employment, and office space. Details to be confirmed once the planning application has been finalised.
14. From a landowner's viewpoint, the Council considers the land in the Council's ownership is critical to bringing the development forward.

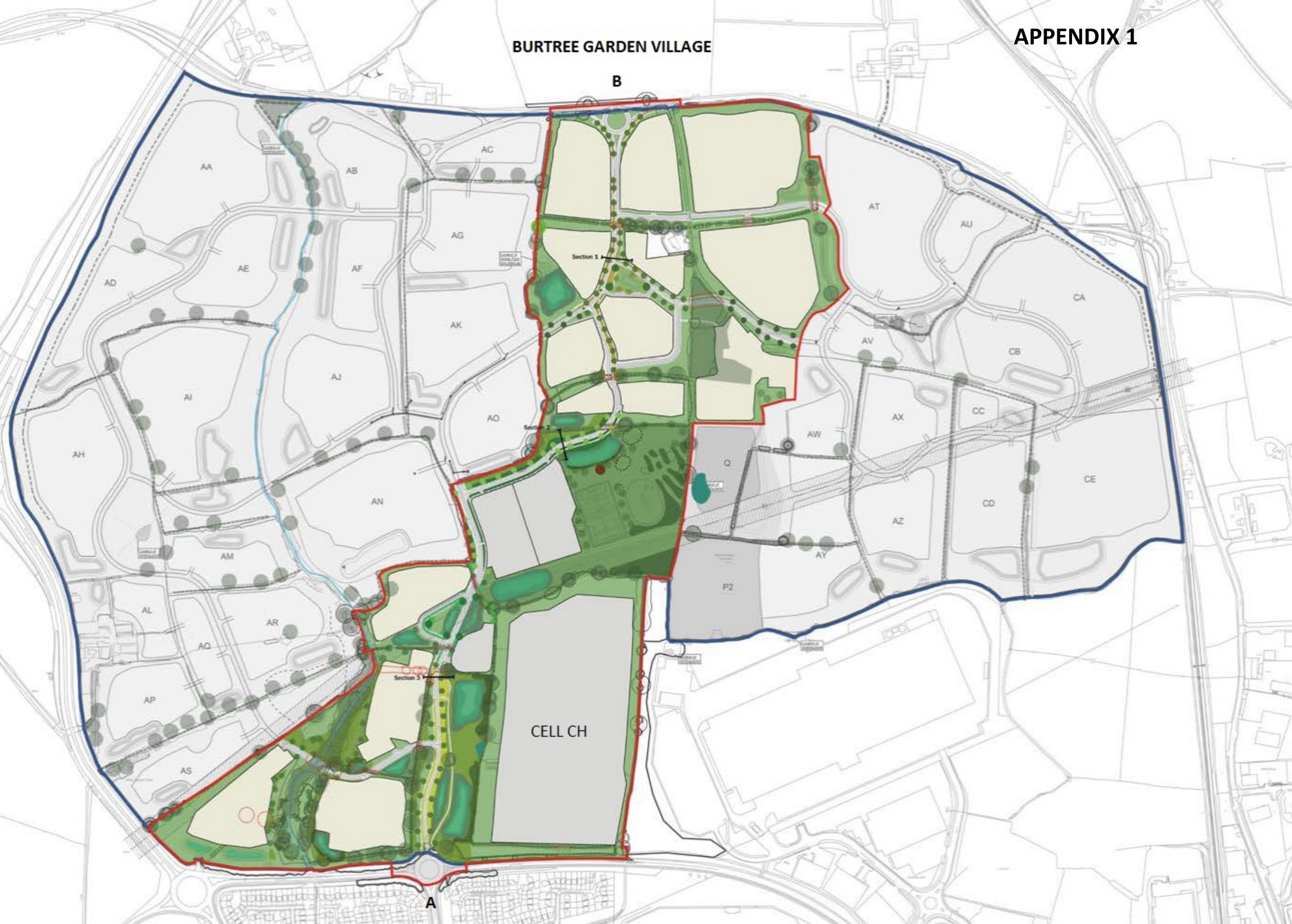
Financial Implications

15. As things stand the Council has signed up to a Memorandum of Understanding with Homes England but is not legally obligated to meet any costs. If the scheme proceeds beyond planning, the Council will then need to decide whether to enter a contract with

Homes England to permit them to construct the link road and infrastructure over Council land which will open up our land for development by a future Council Joint Venture. At that point we will then have a full breakdown of all the costs which we would then report to Cabinet for consideration.

Procurement Implications

16. All procurement activity will be undertaken in accordance with the Council's Contract Procedure Rules and the Public Contracts Regulations 2015.



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CABINET
6 DECEMBER 2022

**LAND ASSEMBLY FOR DEVELOPMENT OF GLADSTONE STREET / KENDREW STREET
INCLUDING NORTHGATE HOUSE DARLINGTON**

**Responsible Cabinet Member -
Councillor Scott Durham, Resources Portfolio**

Responsible Director – Ian Williams, Chief Executive

SUMMARY REPORT

Purpose of the Report

1. To gain Cabinet approval to commence the land assembly for the development of a mixed-use residential and commercial site in the area highlighted in **Appendix 1** through negotiated acquisitions with current landowners and the commencement of a Compulsory Purchase Order where a negotiated position cannot be achieved. The outcome of these negotiations will be reported back to Cabinet for consideration.
2. To approve 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.

Summary

3. 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 is a clear priority to revitalise the town centre by addressing derelict buildings and vacant land.
4. To date there are several notable successes in the delivery of this ambition. The former sport direct site has been acquired and the redundant building on the site demolished to present a cleared site for future development. In addition, the Northern Echo building has been acquired and work has commenced to transform this building into an Adult Training Hub on the ground floor and high-quality office space on the upper floors.
5. The site highlighted in Appendix 1 includes Kendrew Street car park which is within Council ownership and several privately owned buildings. The area also includes Northgate House which has been empty for several years. Officers have been negotiating with the owners for the Council to acquire the building based on independent valuations, however these negotiations have been unsuccessful.
6. Commencement of the Town Fund Programme has enabled officers to commission some early design work, which considers possible development options for the area, which is detailed in **Appendix 2**. The options consider the creation of residential and mixed-use development with the inclusion of green spaces and active travel options. It is stressed

that these are very early designs and merely indicative of what could be achieved. The design will continue to be developed resulting in a comprehensive design solution for the project area.

Recommendations

7. It is recommended that: -
- (a) Members approve that officer commence land assembly for the development of a mixed-use residential and commercial site in the area highlighted in Appendix 1.
 - (b) Members note that detailed design for the scheme will continue, producing a comprehensive preferred scheme.
 - (c) Members approve the negotiated acquisitions of properties from current landowners with the Chief Executive Officer being authorised to negotiate full terms in consultation with the Cabinet member for the resources portfolio and with the terms being reported subsequently on the Schedule of Transactions.
 - (d) Members authorise officers to prepare a draft Compulsory Purchase Order and schedule of interests to be acquired for the acquisition of any properties which cannot be acquired by agreement.
 - (e) Members authorise the Assistant Director of Economic Growth and Assistant Director Law and Governance to deal with any related matters and associated documents accordingly.

Reasons

8. The recommendations are supported by the following reason: Accelerates the building of new homes and the revitalisation of the town centre.

Ian Williams
Chief Executive

Background Papers

No background papers were used in the preparation of this report.

Mark Ladyman : Extension 6306

S17 Crime and Disorder	This report has no implications for crime and disorder
Health and Well Being	There are no Health and Well Being Issues
Carbon Impact and Climate Change	There are no sustainability issues
Diversity	There are no diversity issues
Wards Affected	Northgate
Groups Affected	Not Applicable
Budget and Policy Framework	This report does not represent a change to the budget and policy framework
Key Decision	This is not a key decision
Urgent Decision	This is not an urgent decision
Council Plan	Growing Darlington's Economy by delivering more homes
Efficiency	An investment return from the housing development will help the Council's MTFP position.
Impact on Looked After Children and Care Leavers	This report does not impact on Looked After Children or Care Leavers.

MAIN REPORT

Information and Analysis

9. Darlington Town Centre is a key element of the economic, social and environmental fabric of the town. It needs to be at the core of community and economic life, offering spaces in which to live, meet and interact, do business, and access facilities and services. The Council together with partners needs to take collective responsibility to help the town centre thrive sustainably, reinvent its function, and meet the needs of residents, businesses, and visitors.
10. Given the changes in both the environment of the high street and changes in peoples shopping habits there is a need for all towns to develop plans that have business investment at their heart and are focused on transforming the place into a complete community hub incorporating health, housing, arts, education, entertainment, leisure, business/office space, as well as retail. Councils together with business and the communities needs to develop a compelling proposition both for residents, stakeholders and visitors, a proposition that embraces the heritage, culture and social context of the town.
11. Members will recall in 2019 Cabinet approved the development of several proposals that aimed to encourage the delivery of key strategic sites in Darlington Town Centre. The sites identified in the report included the Northgate area incorporating Northgate House.
12. This proposed intervention was further detailed in the Council's Town Fund submission in 2020 which aims is to drive the sustainable economic regeneration of towns and to deliver long term economic and productivity growth through:
 - (a) Increasing density in town centres
 - (b) Strengthening local economic assets including local cultural assets

- (c) Site acquisition, preparation, remediation, and/or development; and
 - (d) Making full use of planning tools to bring strategic direction and change
13. Since the commencement of the Town Fund Programme officers have commissioned early design work on the possible development options for the area this is detailed in Appendix 2. **Members are asked to note that this design will continue to be developed and presented for agreement in 2023.**
14. The area highlighted in Appendix 1 includes Council owned land and privately owned buildings. One area of particular interest is Northgate House, a multi-story office block which has been unoccupied for over 10 years. Located in a pivotal and prominent position adjacent to the town centre, at the southern entrance to the North Road Gateway. Acquiring the site and potentially working in partnership with private sector developers will transform this abandoned area of town. The creation of residential and mixed-use development with the inclusion of green spaces and easy transport options.
15. Officers have been negotiating with the owners for the Council to acquire the building based on independent valuations, however these negotiations have been unsuccessful. It is recommended that negotiations continue with the threat of compulsory purchase powers in the background but that members authorise officers to start background work to pull together a draft Compulsory Purchase Order and schedule of interests to be acquired which will be presented to Cabinet for approval.

Financial Implications

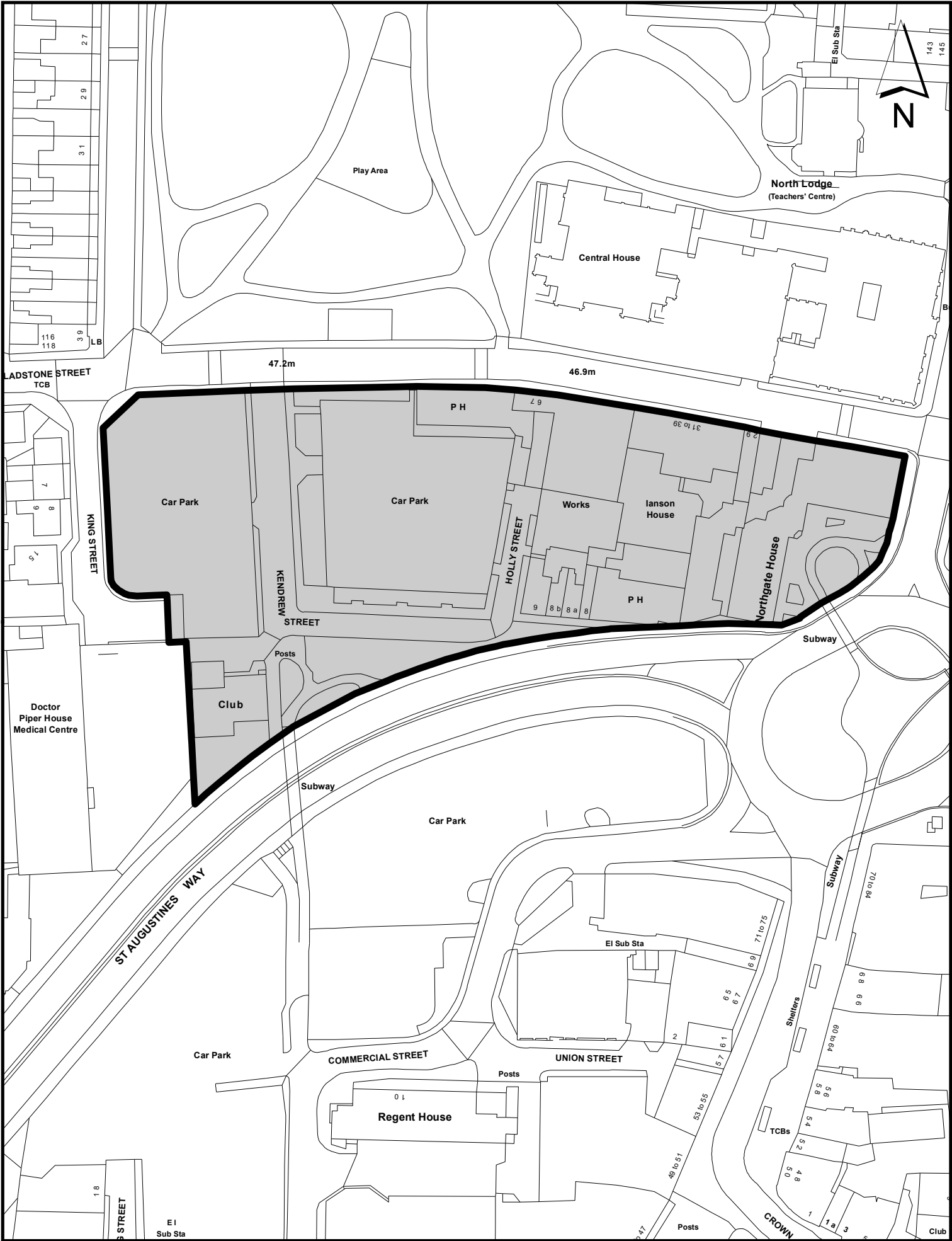
16. Acquisition and site development costs will be funded through the Towns Fund allocation.

Legal Implications

17. Under the provisions of the Local Government Act 1999 the Council is subject to a general duty to obtain 'best value' in the exercise of its functions.

Procurement Advice

18. The works commissioned to assembly the site detailed in Appendix 1, will be in accordance with the Council's procurement policy and procedures.



DARLINGTON BOROUGH COUNCIL ECONOMIC GROWTH GROUP ESTATES AND PROPERTY TOWN HALL, FEETHAMS, DARLINGTON, Co. DURHAM, DL1 5QT	Project Title: KENDREW STREET, GLADSTONE STREET, HOLLY STREET, KING STREET NORTHGATE HOUSE		Scale: 1 : 1250	Ref: AT A4
	Drawing Title:		Date: 07/11/22	Area:
			Drawn: RMH	

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Northgate, Darlington

Masterplan Framework

July 2021

working draft



Contents

01 Introduction	5
02 The Site and Surroundings	13
03 Design Concept	31
04 Design Proposal	49

Project Team

Client: Darlington Borough Council
Architect: IDPartnership





Revision	Date	Revision Notes
D1	30/07/21	First Draft

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01 INTRODUCTION

1.1 INTRODUCTION

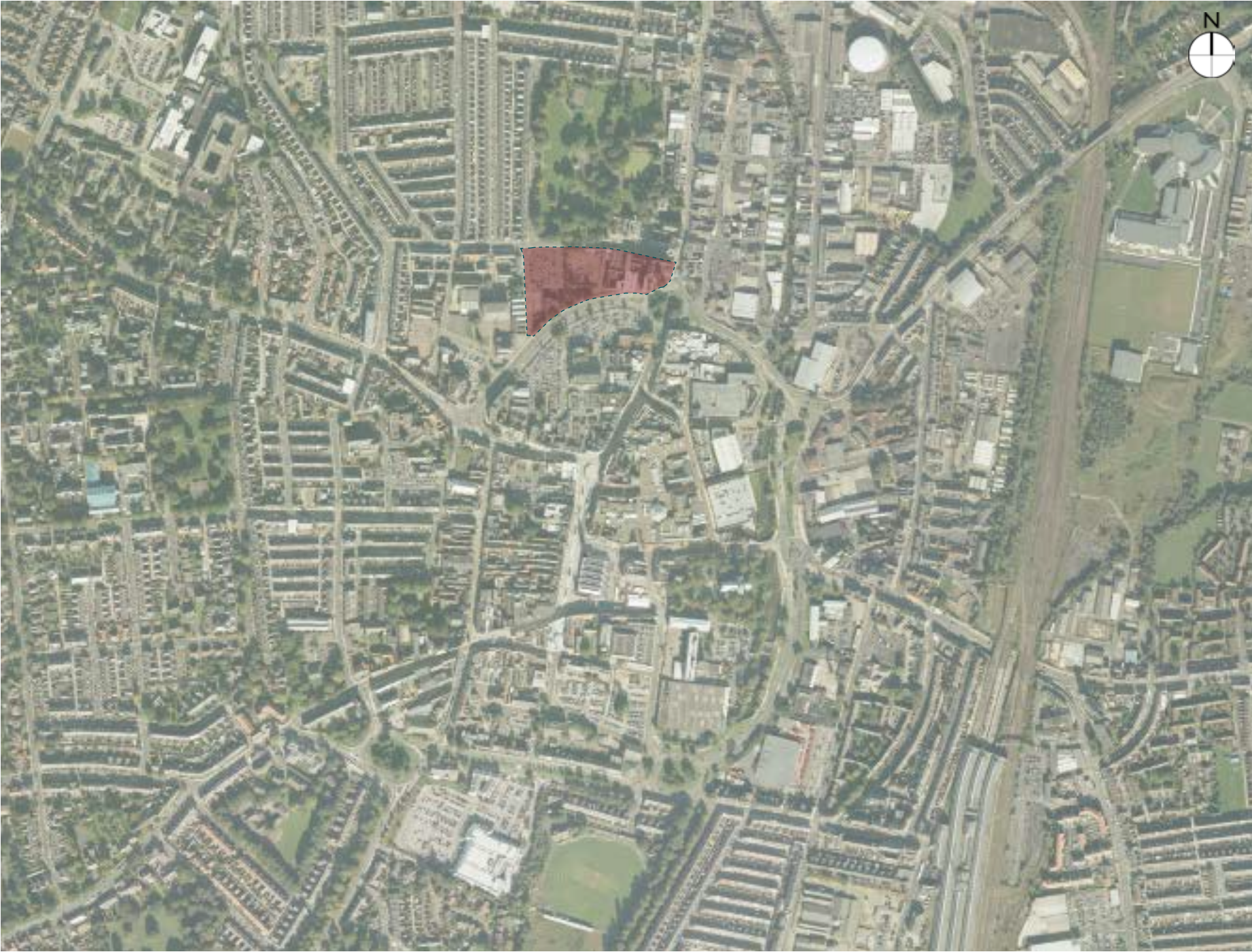
Masterplan Framework

This masterplan framework has been prepared on behalf of Darlington Borough Council. It's purpose is to provide a masterplan framework showing how the Northern Gateway area can come forward as part of a comprehensive development within this part of the town centre. The development framework relates to existing surface car parkings and buildings around King Street and adjacent to St Augustine Way, Gladstone Street and Northgate.

The redevelopment of this area will link in with the wider North Road Gateway works which will see heritage assets such as Edward Pease House refurbished to create a multi-use space.

The masterplan framework provides a detailed over view of the area alongside development options which should how the area could be redeveloped to respond to the local context and create a positive contribution to the surrouding urban grain. The work shows how a substantially improved public realm in and around the site with new pedestrian routes and spaces can create a vibrant amenity for future occupants.

The area provides an opportunity to provide high quality residential accommodation close to the town centre.



Site Location Plan.

1.2 VISION STATEMENT + DESCRIPTION

Masterplan Framework

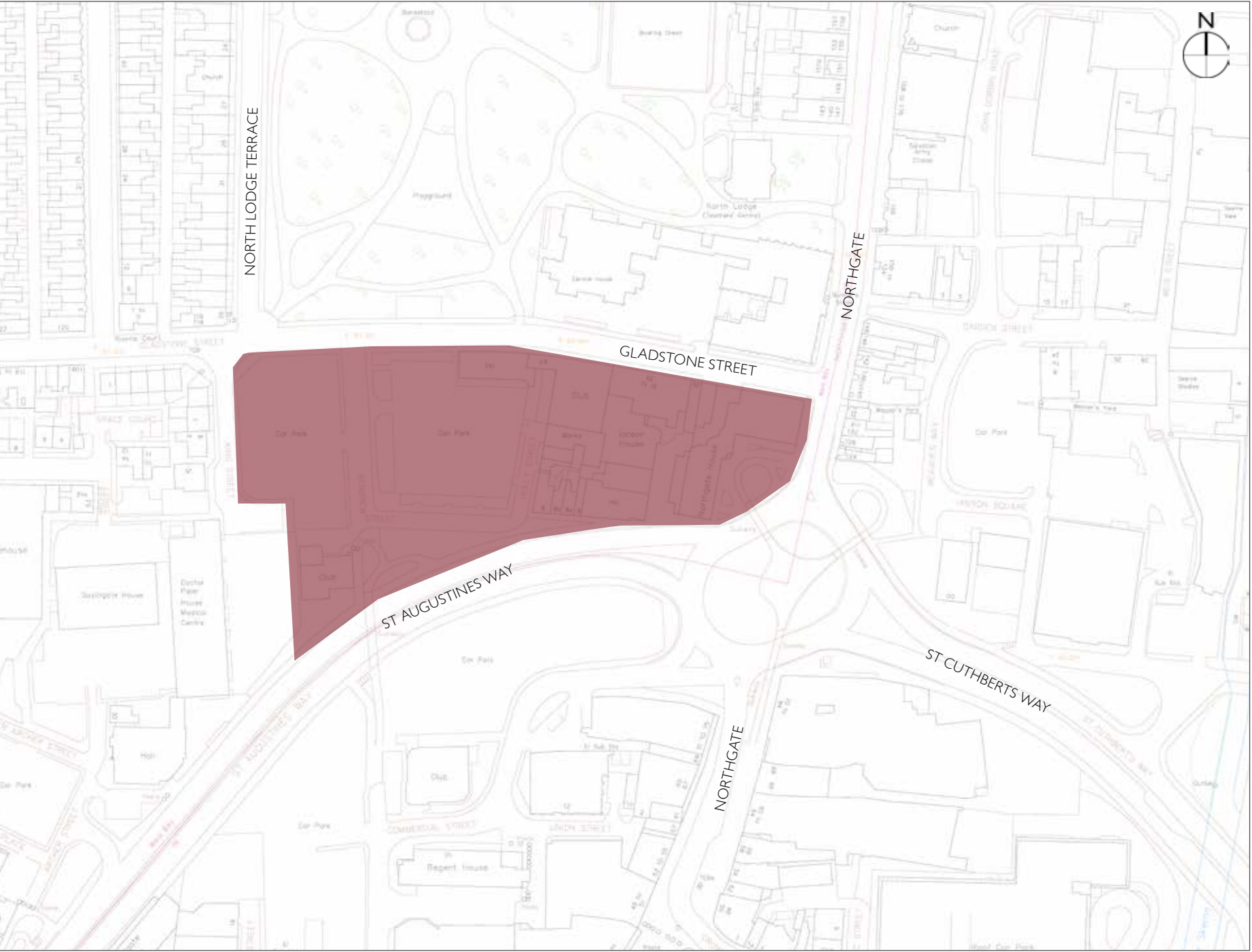
The Northagte study area is located north of St Augustines Way and south of Gladstone Street. The Northgate Roundabout is an important arrival point to the town centre. The study area includes Northgtae House intially named Telegraph House which is a dominant high rise building that has been vacant for a number of years. West of Northgate House area a collection of buildings before tow surface car parks (Kendrew East and West Car parks).

The masterplan framework seeks to set out options for how the wider area can be redeveloped to achieve the following:

- Redevelopment of an unattractive landmark either through comprehensive redevelopment or refurbishment
- creation of improved connections between Northgate House, Gladstone Street and North Lodge Car Park
- Enhance the existing urban grain and street pattern
- Celebrate and retain histroic building elements
- Create an improved setting to the important arrival point
- Provide new residential floor space
- Deliver a robust development of high quality architecture

The aim is for the masterplan framework to secure the redevelopment of this under utilised part of the town centre and encourage investment to enhance the site's unique heritage setting and improve the overall vibrancy of this part of the town complementing wider town centre initaitves.

The proposed new homes will have good connectivity to the existing surrouding community, facilities and amenities, thereby providing a significant boost to Darlington housing supply, and supporting the viability and vibrancy of the town centre.



Site location in relation to immediate context.

NORTHERN GATEWAY : DEVELOPMENT CONTEXT

01

The Planning Policy Context

National Planning Policy Framework

In summary, the aim of the NPPF is to contribute to the achievement of sustainable development by guiding development towards sustainable solutions whilst taking local circumstances (character, needs and opportunities) into account. At a high level, the objective of sustainable development can be summarised as meeting the needs of the present without compromising the ability of future generations to meet their own needs (Resolution 42/187 of the United Nations General Assembly).

Local Planning Policy

A new development plan is being prepared for Darlington. The public hearings for the emerging plan are due to commence at the end of May.

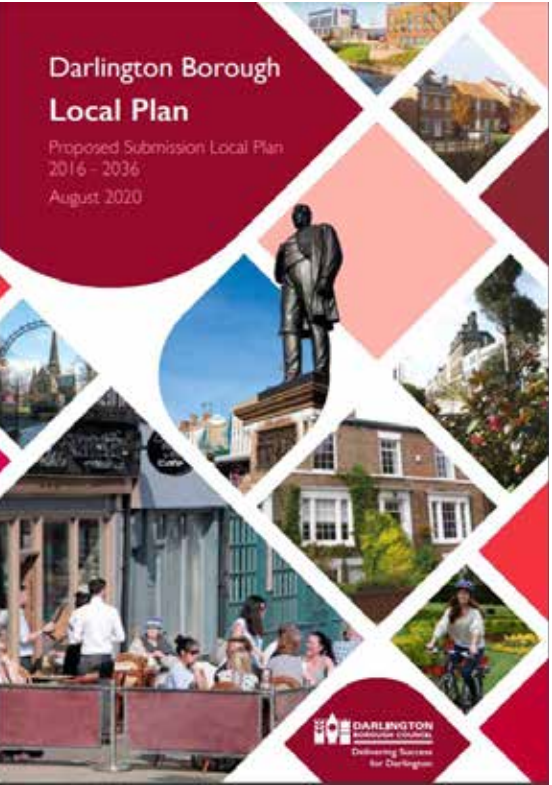
The Commercial / Kendrew Street site involves the regeneration of land and buildings to the North of Darlington Town Centre. Development proposals for this site should be underpinned by a masterplanning exercise for this site to reflect feasibility, place making ambitions and sustainable development.

Development proposals should take their cue from the historic grain of development within the site, with the design, scale and density of development reflecting the distinct characters of the Northgate and Town Centre Conservation Areas. Development proposals will need to consider an appropriate programme of targeted archaeological evaluation and mitigation prior to redevelopment.

Policy TC 3 Additional Site for Town Centre Uses

The Council will support the regeneration of the Commercial / Kendrew Street site providing the following matters have been addressed:

- a. Ensuring sensitive integration of new buildings with old, seeking where possible to incorporate the existing historic fabric and retaining buildings that are of historic importance;
- b. Development proposals must be of a high standard of design that are sympathetic and appropriate to the local area and makes use of local design styles and local materials;
- c. That any comparison and convenience retail element of the scheme are central and complementary to the wider regeneration of the Town Centre;
- d. Sufficient and appropriate provision is made for replacement vehicle parking, which minimizes surface car parking, to support the proposed development;
- e. Development should incorporate suitable linkages to the existing transport network and help mitigate issues of potential traffic congestion;
- f. Development proposals should utilise its frontage with St Cuthbert's Way to provide opportunities for innovative design and improved public realm.



Design Policy and Guidance

National Planning Policy Framework (NPPF)

The NPPF states (paragraph. 7), that the purpose of the planning system is to contribute to sustainable development. This is expressed in economic, social and environmental terms (paragraph 8).

Paragraph 12 confirms the presumption in favour of sustainable development does not change the statutory status of the development plan as the starting point for decision making.

The NPPF provides more detailed guidance on the various topic areas arising from the core principles. The most relevant of these topics are considered below in the context of the planning application for Northgate.

'Building a Strong and Competitive Economy': Shows that the Government is committed to ensuring that the planning system does everything it can to support economic development (paragraph. 80). As part of this planning decision should help create the conditions in which businesses can invest, expand and adapt.

'Promoting healthy and safe communities': Identifies the need to create healthy, inclusive and safe places which promote social interaction, are safe and accessible and enable and support healthy lifestyles.

'Promoting Sustainable Transport': The NPPF notes (paragraph 108) that when assessing sites for development appropriate opportunities are given to promote sustainable transport modes that safe and suitable access can be achieved for all users and any significant impacts from the development on the transport network can be effectively mitigated.

'Delivering a Wide Choice of High Quality Homes': The primary objective of this topic area is to significantly boost the supply of homes.

'Requiring Good Design': The NPPF states that the creation of high quality buildings and places is fundamental to what the planning and development process should achieve. Good design is a key aspect of sustainable development, creates better places to live and work and helps makes development acceptable to communities (Para 124).



General Design Guidance

A wide range of design guidance documents are available, giving information and advice on issues relevant to the development of the site. These cover diverse topics and range from the general to the specific. Therefore, whilst a general familiarity with all relevant guidance has been important, a number of key publications have been identified as core documents. These, in turn, have informed the development concept and illustrative masterplan and underlying principles

They include:

- The National Design Guide, 2019
- Building for a Healthy Life, 2020
- The Future Homes Standard
- Putting Health into Place
- TCPA Practical Guides
- Urban Design Compendium, Second Edition - English Partnerships and the Housing Corporation, (2007)
- Safer Places: The planning system and crime prevention ODPM, (2004)
- By Design - Urban design in the planning system: towards better practice - Commission for Architecture and the Built Environment (CABE), (2000)
- Manual for Streets - Department for Transport, and Community and Local Government, (2007)

Building for Healthy Life

The development responds positively to the 'Building for Life 12' checklist, encompassing 'Delivering Great Places to Live'. BfL12 is designed to help assess the quality of proposed and completed developments; and a key benchmarking tool used by Homes England and DBC.

Inclusive Design and Access

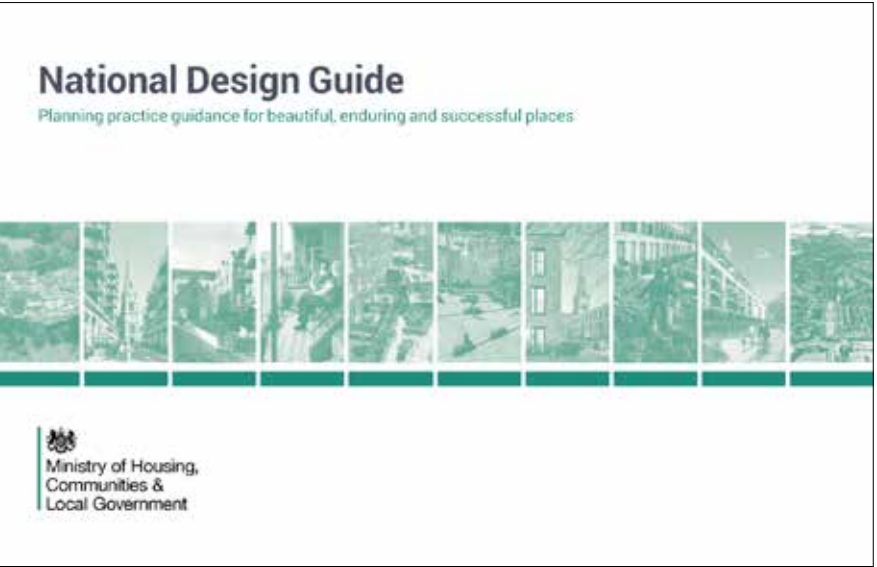
Reserved matters applications will ensure that detailed development proposals meet the requirements of the DDS and Part M of the Building Regulations. The masterplan proposals and subsequent reserved matters applications will seek to incorporate desire routes for those who find conventional routes very challenging. Levels, colours, lighting, markings, sizes and surface finishes, will all be coordinated to create a barrier free development.

Appropriate wheelchair accesses, and facilities for people with visual impairments will be an integral part of the movement process. The aim is to ensure that all potential site users, no matter what their disability, age or sex, will be able to enter the site, move around the area, enter housing and use facilities such as the community facilities proposed for the recreation area.

In general, roads will be designed to reduce car speeds, and allow people to walk, relax and play on all secondary and tertiary streets.

National Design Guide, 2019

The National Design Guide sets useful out overarching principals of design to create beautiful, enduring and successful places.



The National Model Design Code sets a baseline standard of quality and practice which local planning authorities are expected to take into account when developing local design codes and guides and when determining planning applications, including:

- The layout of new development, including street pattern;
- How landscaping should be approached including the importance of streets being tree-lined;
- The factors to be considered when determining whether façades of buildings are of sufficiently high quality;
- The environmental performance of place and buildings ensuring they contribute to net zero targets;
- That developments should clearly take account of local vernacular and heritage, architecture and materials.

Consideration has been given to the National Design Guide in the preparation of the masterplan and the Outline Design and Access Statement will provide details of how the proposals are compliant with the 10 principles from the National Design Guide.

National Model Design Code

The purpose of the National Model Design Code is to provide guidance on the production of design codes, guides and policies to promote successful design expanding on the the 10 characteristics of good design set out in the National Design Guide, which reflects the government;s priorities and provides a common overarching framework.

Harrogate does not have in place an adopted Design Guide or authority wide code. The approach proposed for the outline application is to provide further details in respect of the following

Movement strategy where appropriate

- Access and street hierarchy
- Landscape and open space strategy
- Land use and mix
- Density
- Heights
- Number of homes
- Identity and character of buildings and public spaces

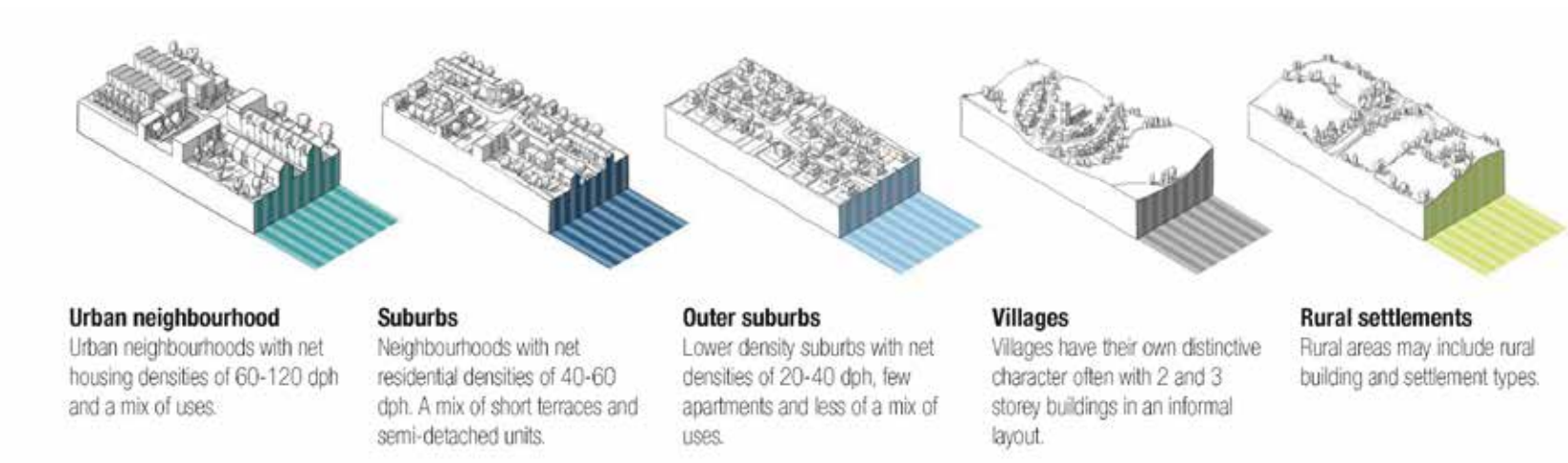
This information is contained within the Outline DAS and through the parameters plans and section relation to local character. The previous outline planning application considered density patterns in the surrounding locality along with reference to architectural details and character. Further consideration has been given as part of this masterplanning process in respect of how 'Darlington's' character can be related to new development and spaces within the revised masterplan.



Local transport Note 1/20 Cycle Infrastructure Design

This Local Transport Note (LTN) provides guidance to local authorities on delivering high quality, cycle infrastructure including:

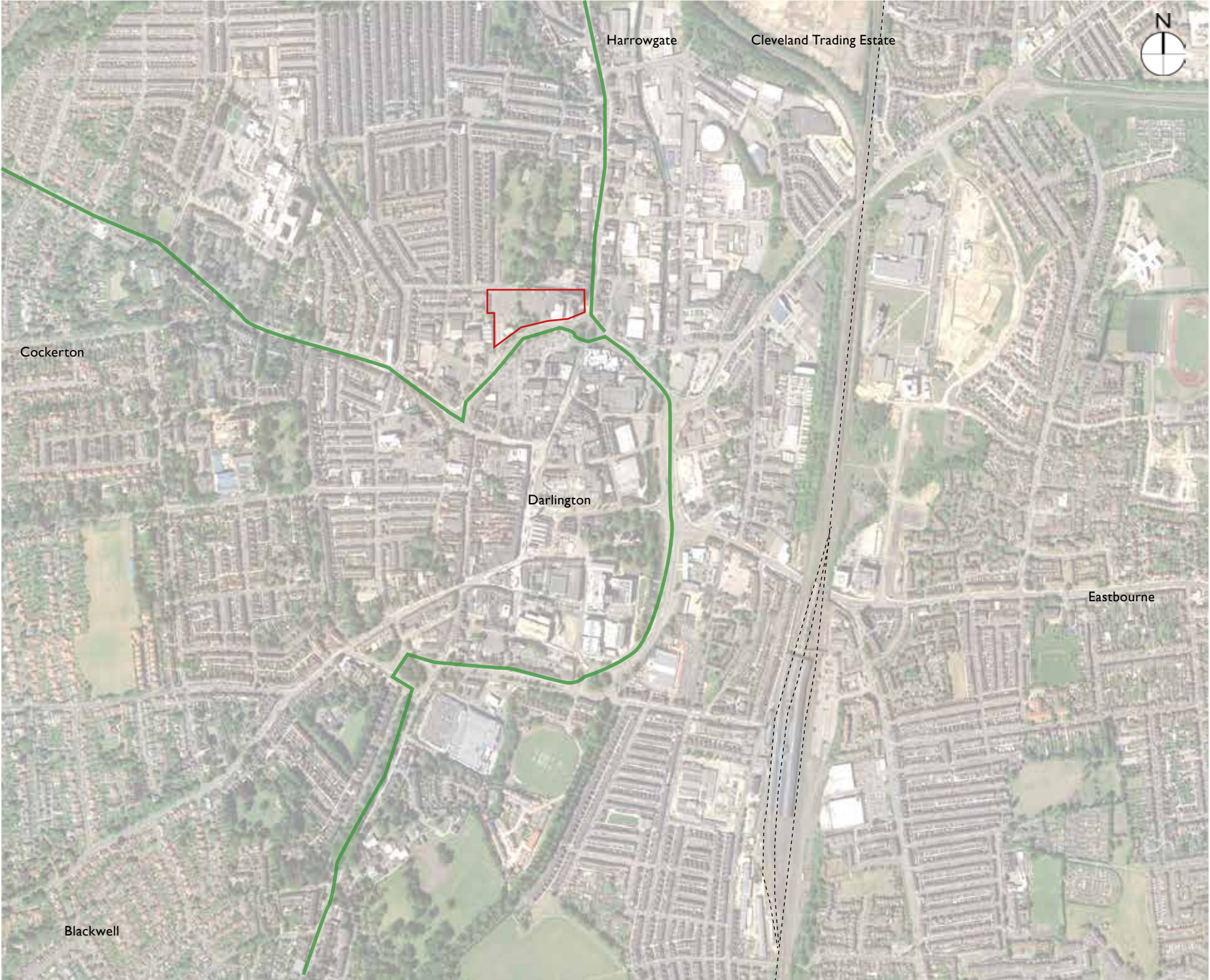
- planning for cycling
- space for cycling within highways
- transitions between carriageways, cycle lanes and cycle tracks
- junctions and crossings
- cycle parking and other equipment
- planning and designing for commercial cycling
- traffic signs and road markings
- construction and maintenance



Relevant area types for Bluecoats

Site Location and Context

The site is situated towards the North of Darlington town centre, and is bordered to the east and south by the A167 and A68 respectively, which provide vital connections to the surrounding suburbs of Harrowgate, Cockerton and Blackwell.



Map Showing site location within Darlington and surrounding area

Key:
— Site location
— Primary A road
- - - - - Railway line

Site Description

The site is bound to the north by Gladstone Street and is located opposite North Lodge Park, one of the largest areas of green space within Darlington town. The site is also situated opposite the grade II listed Old Technical College built in 1894-97, which accommodates council services along with a police station.

To the south of the site is Darlington Town Centre.

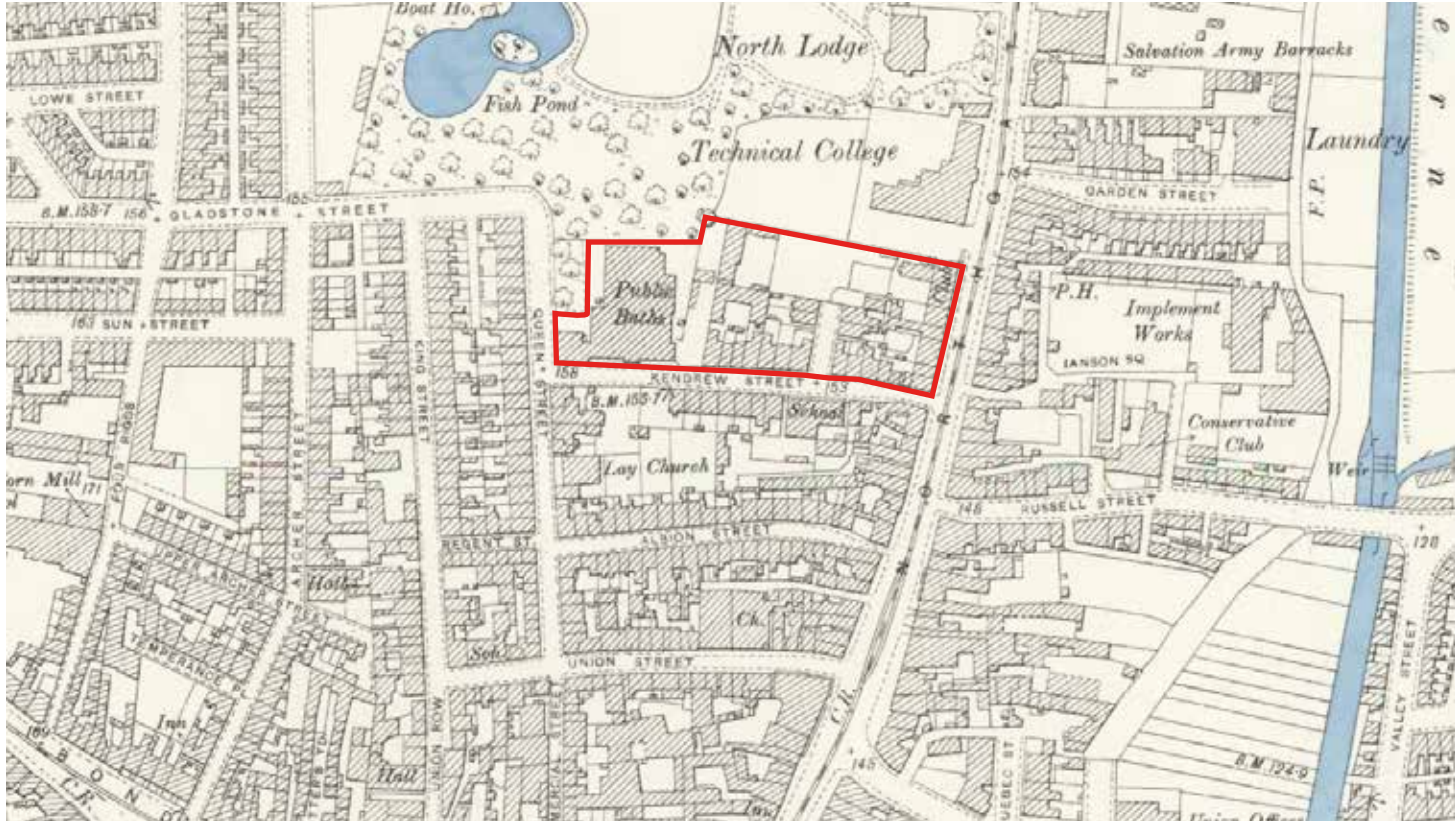
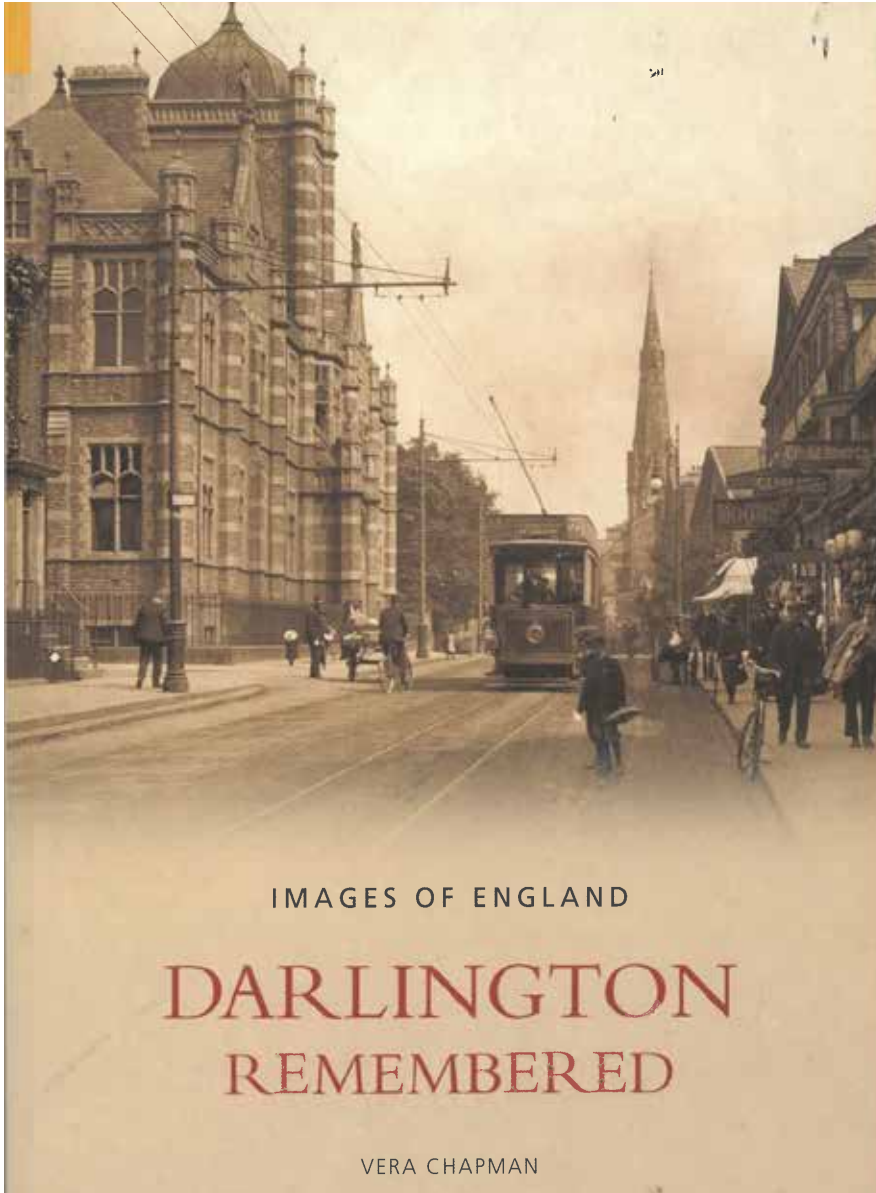
Key:
— Gladstone Street Site
— A road
— B road
— Minor road



Map Showing site location and surrounding road network.

Historic Maps

Historic maps and images of the site and its context.



Darlington - 1898



Darlington - 1915



Nursing home opposite North Lodge Park.



View of the Old Technical College, opened in 1897



Northgate house completed in 1977



View from Prospect Place towards Prebend Row



Prospect Place



Old Market Place looking north-west towards the town clock

Existing Uses

At the time of this application the site boundary includes:

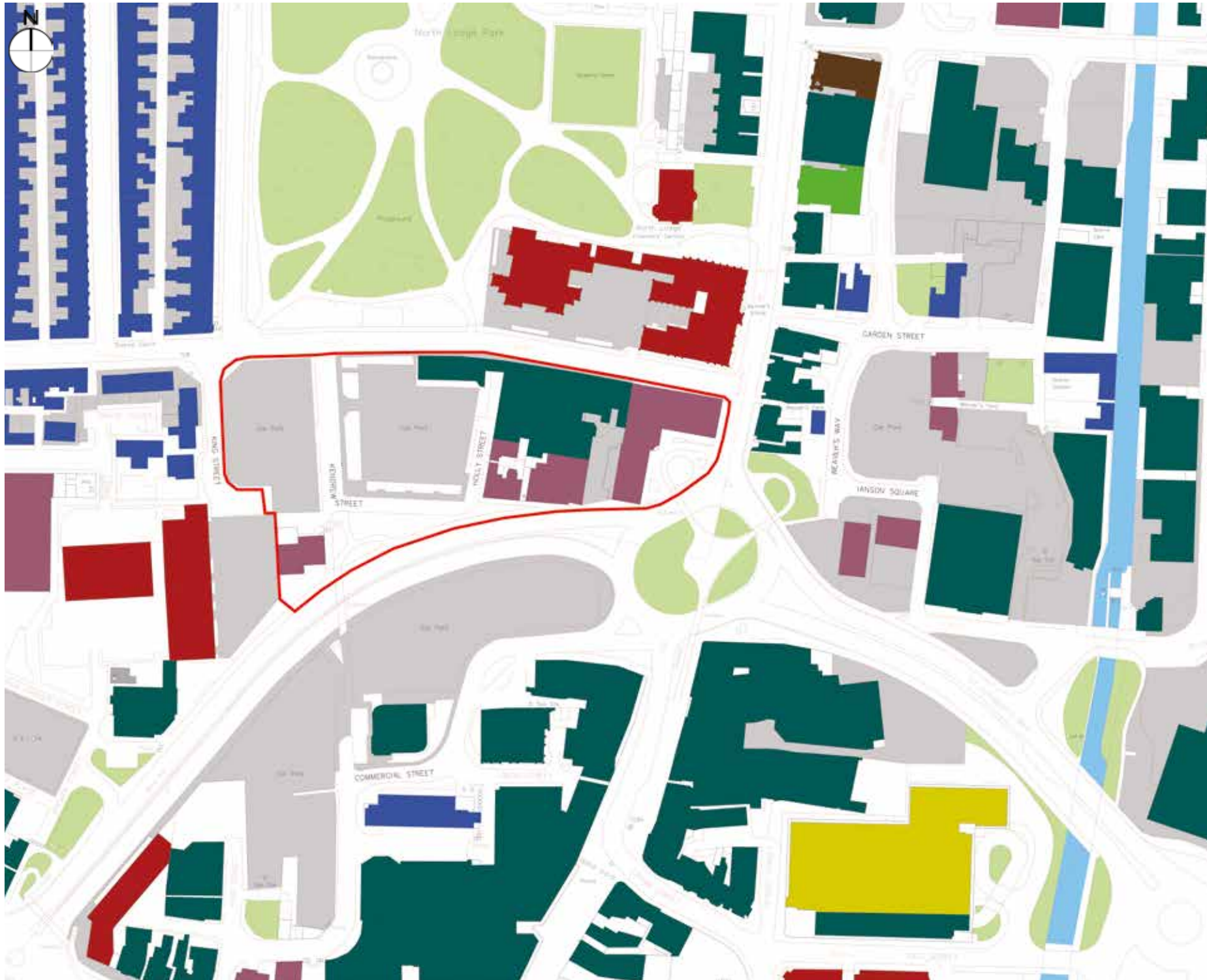
- Two public car parks to the east and west of Kendrew street.
- A number of small or disused retail units along Gladstone street.
- A couple of small businesses to the east of Holly street and a large, empty office block on Northgate roundabout.

Many of the buildings in close proximity to the site are utilised by the Council for various services, including both a police station along with the child services & education offices to the north and an NHS surgery to the southwest.

Building uses to the east and south of the site are predominantly retail and stretch down northgate and commercial street towards queen street shopping centre. Northgate is a key link between St Augustines Way and High Row and is an important part of the commercial and retail centre of the town.

To the northwest of the site the buildings become more residential in the form of terraced housing.

- Residential
- Retail
- Civic
- Religious
- Office/Commercial
- Community
- Multistorey carpark



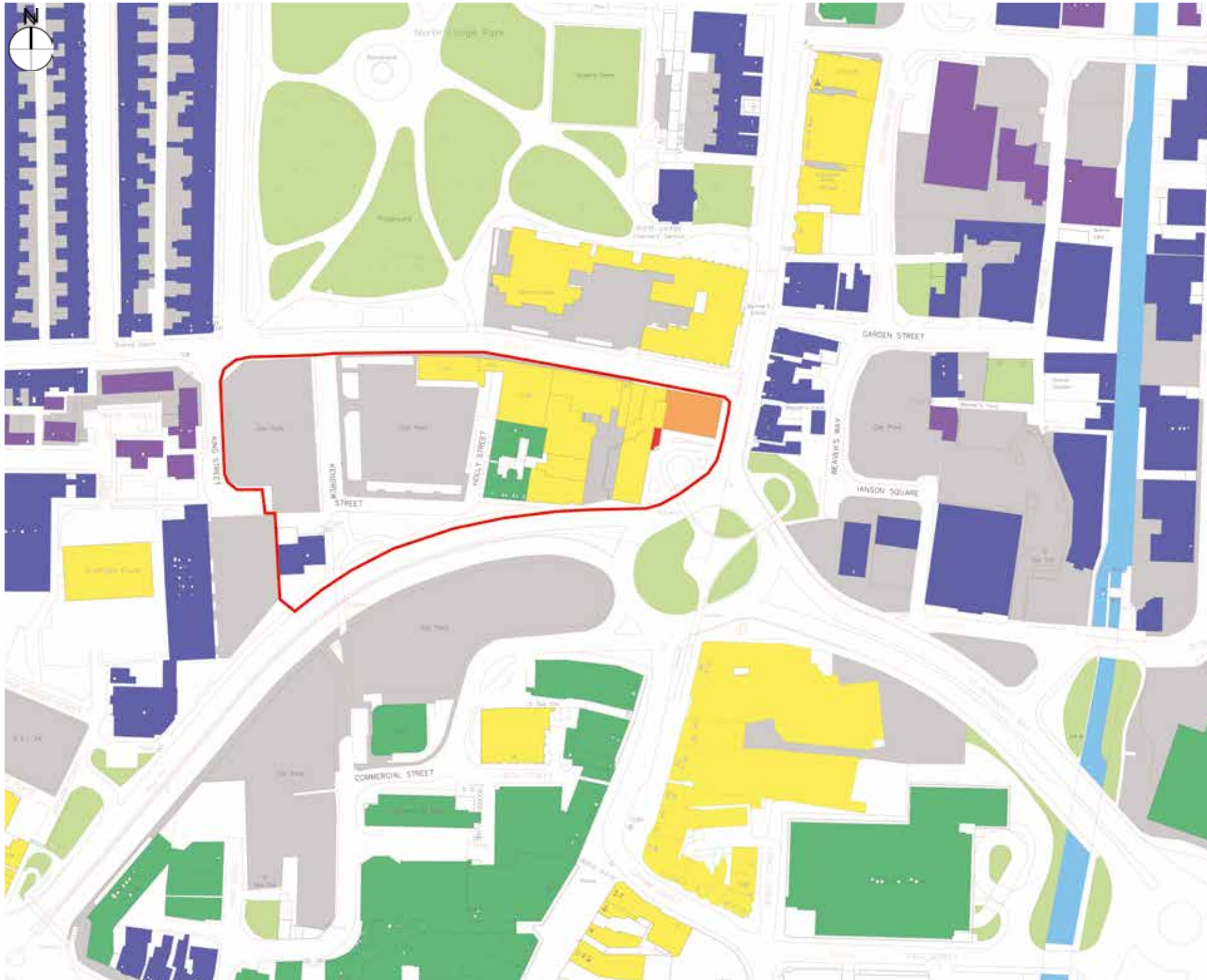
Map showing existing building uses in and around the site.

Surrounding Building Heights

The majority of the existing buildings found within the site boundary are about 15-20m with the corner of Northgate house (office block) reaching 30m. The communication tower which acts as the main circulation core for northgate house is one of the tallest buildings in Darlington. There may be an opportunity here to retain it as part of the development to preserve the character and history of the area and provide a waypoint or point of interest within the scheme.

The buildings to the east and west of the site are predominatntly 5-10m and increase in height slightly towards the south where the commercial and retail areas are located ranging between 10-20m.

- > 30m
- 20-30m
- 15-20m
- 10-15m
- 5-10m
- < 5m



Map showing existing building uses in and around the site.

Conservation and heritage

The site itself is situated on the border of the northgate conservation area, with parts of the northern edge of the site, along Gladstone street, falling within it.

There are also a number of heritage buildings with grade II and II* listings around the site and so the new development should aim to enhance the setting of these heritage assets.

- Conservation Area

Listed Buildings

1 North Lodge Grade (II)

2 Central School (East Block) (II)

3 Central School Annexe (II*)

4 138-148 Northgate (II)

5 Northgate United Reformed Church (II)

6 Bandstand to West of Bowling Green (II)
- Public Amenity

Sports Amenity

7 Bridge Over River Skerne (II)

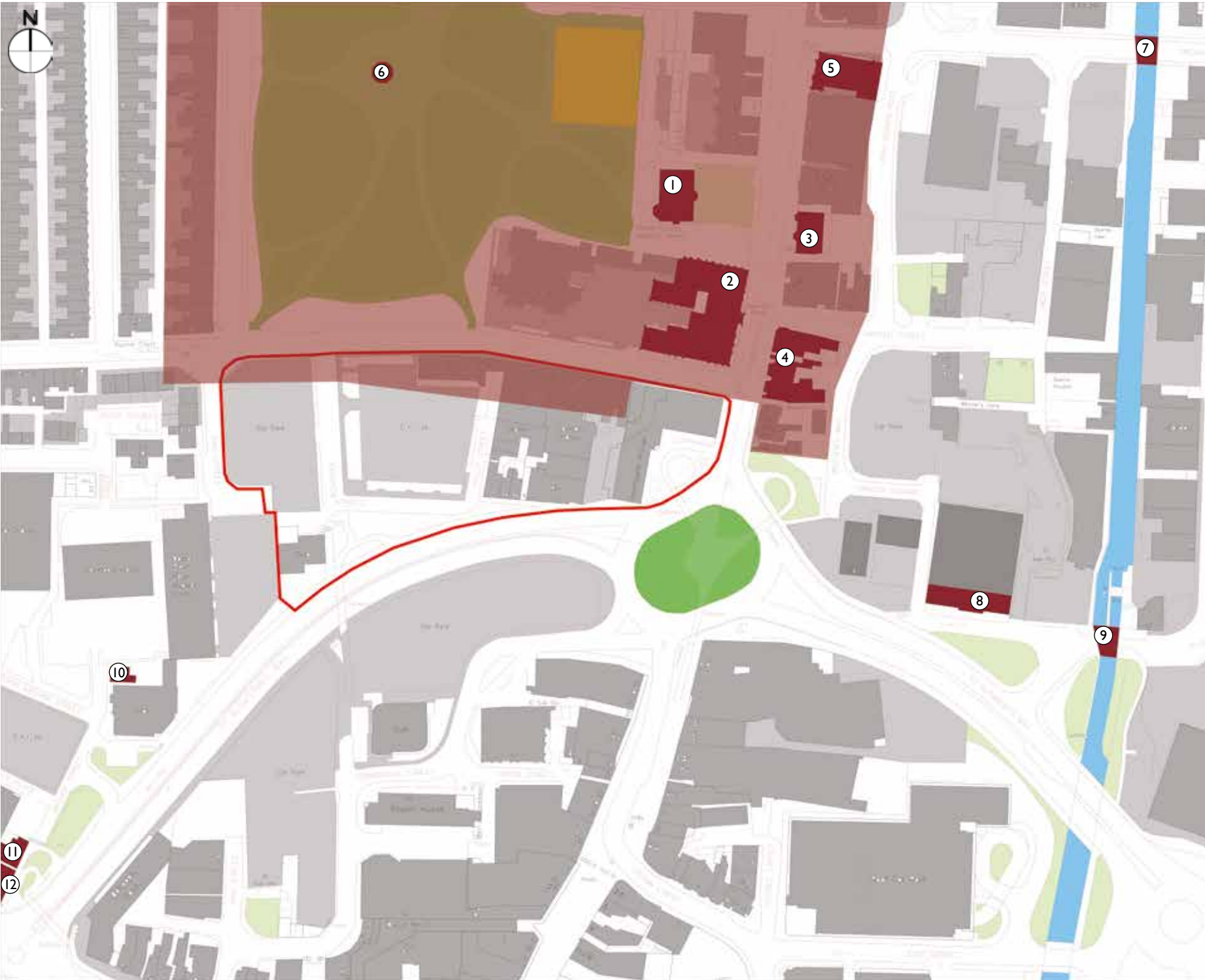
8 31-39 Russel Street (II)

9 Bridge Over River Skerne (II)

10 30 Archer Street (II)

11 The Britannia Public House (II)

12 81 Bondgate (II*)



Map Showing conservation areas and listed buildings.

Northgate Land Ownership

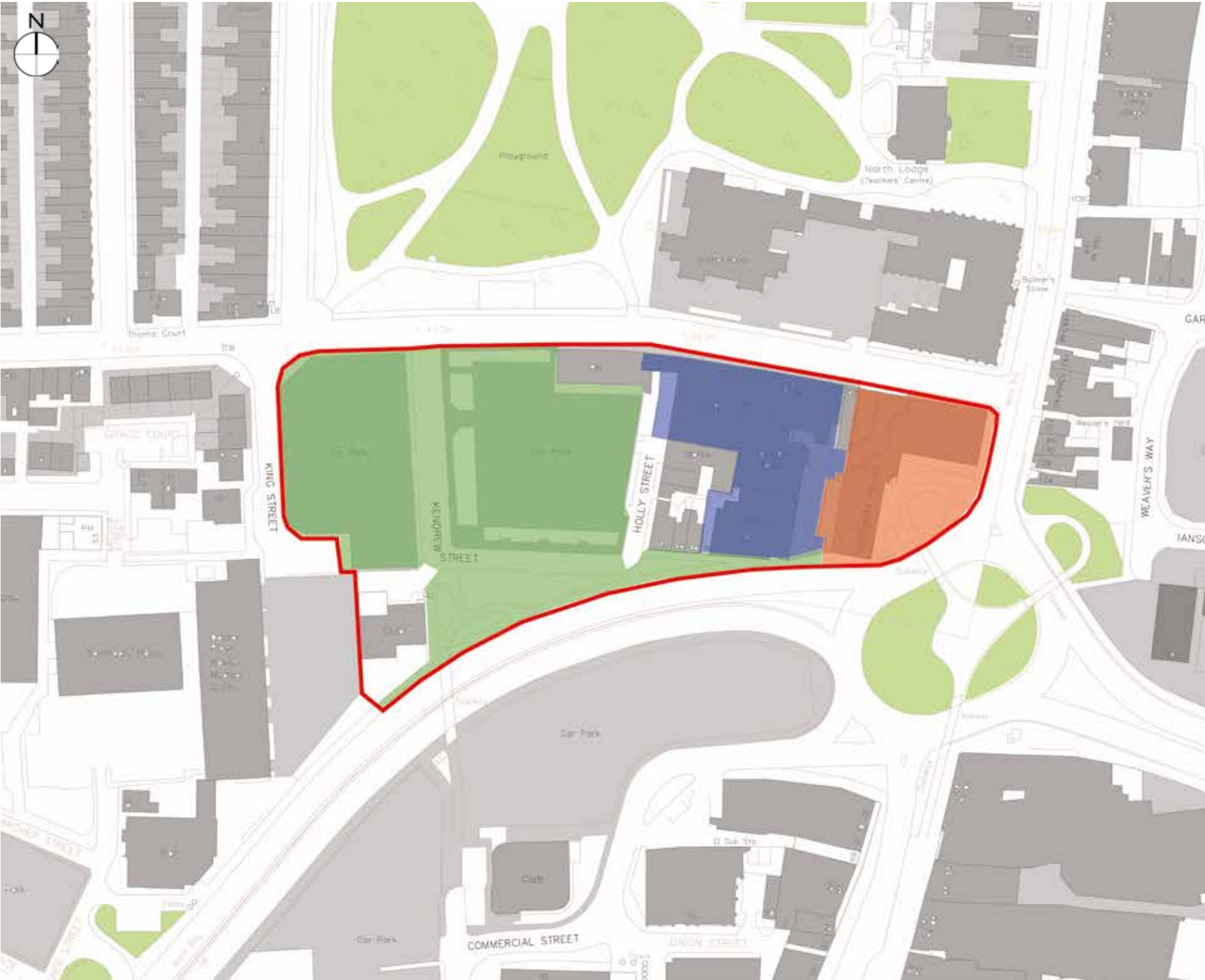
The land ownership within the study area is split between three parties. The two car parks on the west side of the site, either side of Kendrew street, along with the majority of the public space to the south is owned by the council.

The retail and small businesses on Holly street are owned by Allure Development. The disused office block on the eastern boundary and the public space that it borders is within seperate ownership.

- Council

Allure Development

Northgate House (owner tbc)

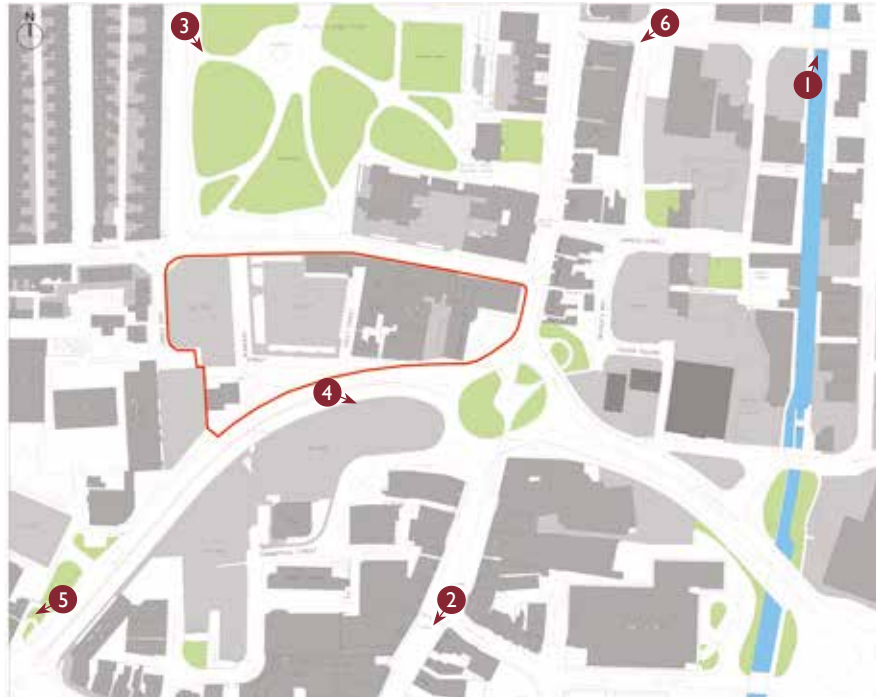


Map Showing existing land ownership within the site.

Local Context

Photographs of the local context are displayed here. The locations of the photographs are indicated on the map below.

By analysing the context around the site during early design stages, it is our aim that the scheme will make reference to its surroundings, creating a sense of connectivity between itself and Darlington town centre.



View 1 - Bridge over Skerne



View 2 - Darlington town centre



View 3 - North Lodge Park



View 4 - Car park across from site



View 5 - Britannia Inn Grade (II)

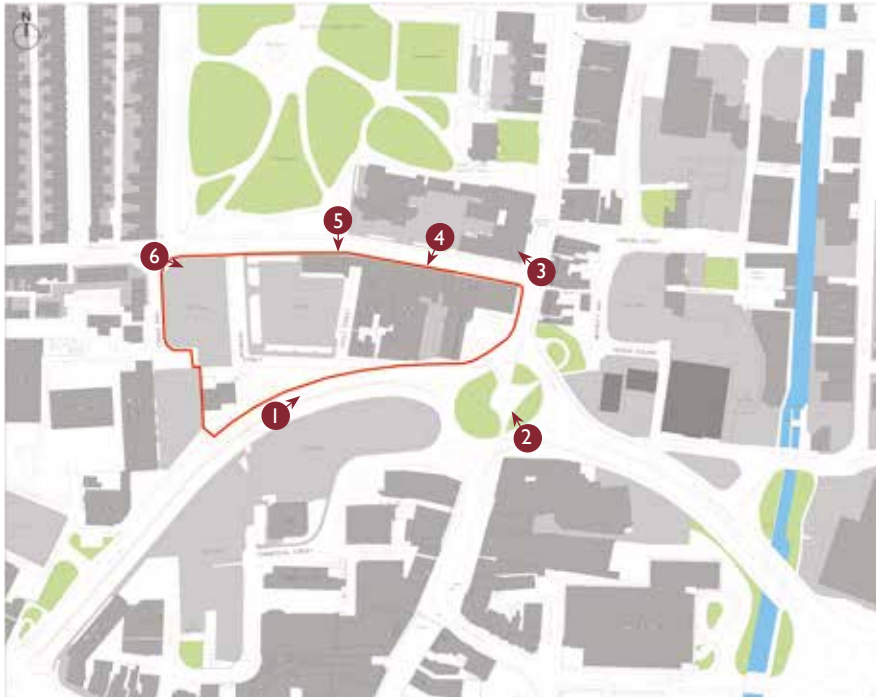


View 6 - View of united reform church Grade (II)

Site Context

Photographs of the site context are displayed here. The locations of the photographs are indicated on the map below.

There are many historic and heritage buildings within the site and its close proximity which may be retained and celebrated through the development.



View 1 - Approach to the site along St Augustine's Way



View 2 - View across northgate roundabout towards the site



View 3 - Grade (II) Listed council building across the road from site



View 4 - Historic facades along Gladstone street.



View 5 - Historic store fronts along Gladstone street



View 6 - Car parks either side of Kendrew Street

Existing Streetscape - A Journey from High Northgate to Prebend Row



1. Northgate house and united reformed church visible from approach along high northgate



2. Pass the grade II listed old technical building on the right towards Gladstone street



3. View back from northgate roundabout towards northgate house office



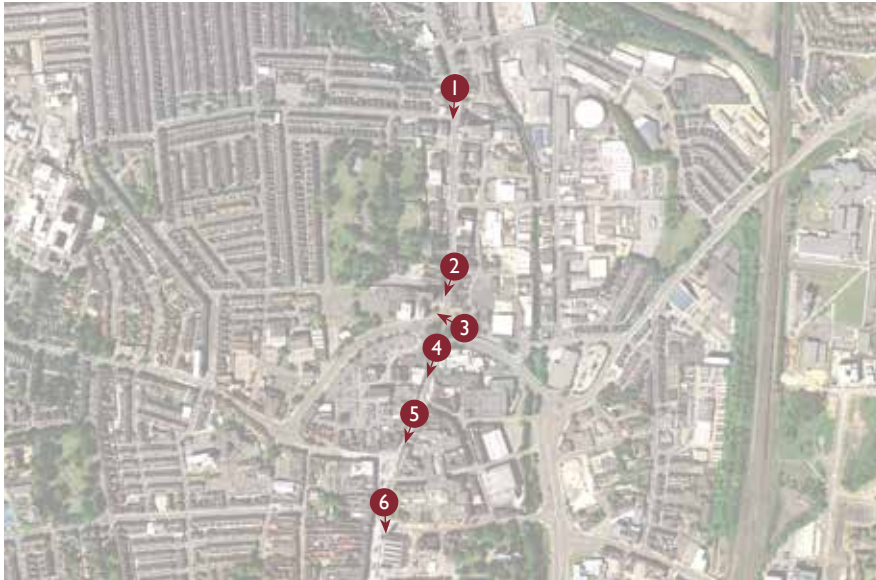
4. View down northgate across from the site.



5. Pass by the market stalls and Pease's statue at Prospect Place



6. Darlington clock tower at the corner of prebend row and tubwell row.



Existing Streetscape - A Journey out of the town centre from Northgate.



1. Leaving the town centre, walk up northgate towards Northgate Roundabout.



2. On approach to northgate roundabout, the existing northgate house office is visible in the distance.



3. Upon taking the first exit at northgate roundabout, the site can be seen on the right and will become a focal point as you leave the town centre.



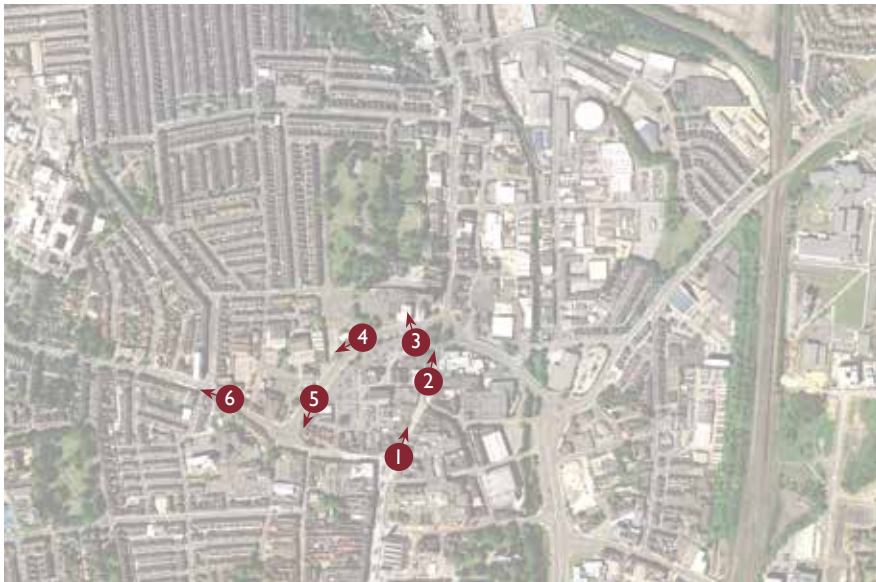
4. View down St Augustine's Way with the site visible on the right.



5. St Augustine's way towards bondgate roundabout.



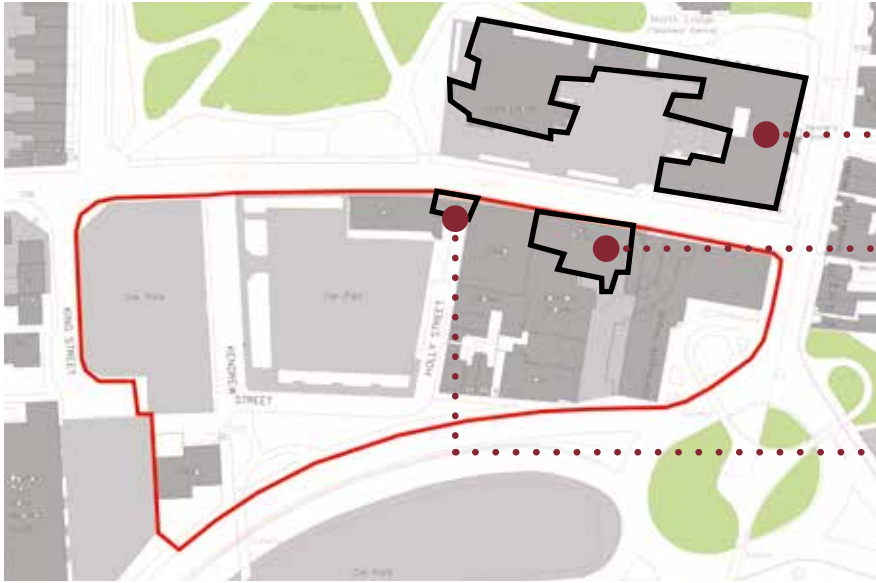
6. Exit Darlington town centre along the A68.



Heritage Assets along Gladstone Street

The grade II listed Old Technical building fronting Gladstone street was designed by G.G. Hoskins and built in 1894-97 by Ian R. Mackenzie. It displays quiet brickwork with orange terracotta dressings and provides vital material precedent for the proposed masterplan development. It is evident that minor renovation works have taken place with modern windows installed on the buildings southern elevation. These provide another point of reference for the schemes design.

Both the Temperance Institute (1903) and the old bottling company (1900) that lie along the northern boundary of the site, offer vital opportunities to retain elements of Darlington's heritage within the scheme. The intention here being to utilise these buildings within the new development - In doing so the Temperance building may house accommodation elements whilst the arches of the bottling company may be opened up to create a historic entrance to the scheme.



Old Technical Building G.G. Hoskins 1894-97.



Temperance Institute 1903.



Darlington Bottling Company 1900.

Conservation Area Character Appraisal

The Northgate conservation area character appraisal is a vital resource for understanding the sensitivity by which new developments need to preserve and enhance the area. In the past there have been a number of unsympathetic developments and alterations within the Northgate area that we can learn from and avoid repeating.

The appraisal includes examples such as the Navy Club along Coporation Road of 1960s design which is unympathetic to the surrounding area, along with the BP Garage on High Northgate which replaced terraces and left a gap in the urban fabric.



The Navy Club on Corporation Road



BP Garage on High Northgate

North Lodge Park

North Lodge Park is a key public space within the conservation area and is located on Gladstone street. It is vital that this space is not overshadowed or hindered by new development. The new Development across the street from the park will intend to sympathise with the park and have a positive impact on the area.

'Gladstone Street through to Northgate completes the southern boundary of the park, although today the quality of this edge has been degraded by modern development and open car parking.'

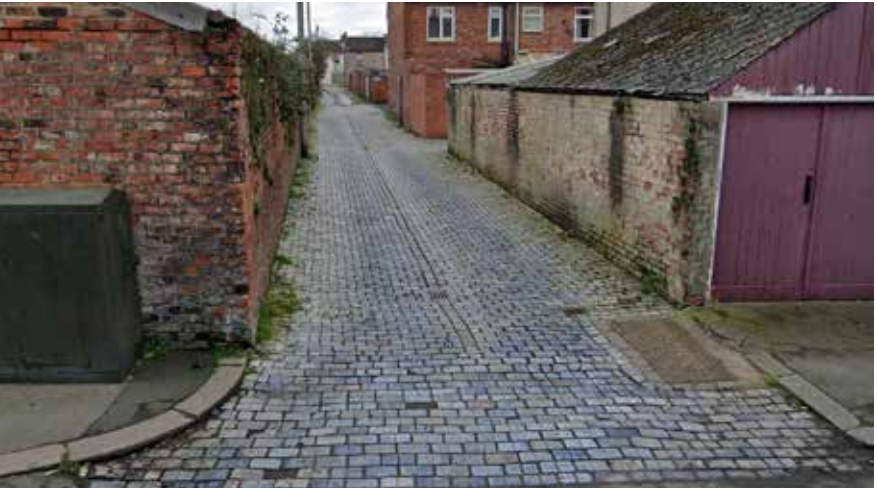


Existing Edge of North Lodge Park Along Gladstone Street

Streetscape

The proposal at Northgate will endeavour to learn from the architectural character and language of the surrounding context, paying close attention to detailing and materiality.

'An important element of the area's distinctive character is the blue-coloured blocks, which were laid in back lanes and alleyways.'



'Scoriae' Bricks Along Back Lanes of Darlington

Character Study - Darlington Terraces



By studying the terraces along north lodge park to the north-west of the site we can identify a number of key characteristics that could be referenced in the new proposal along Gladstone street.

The use of a similar details at the eaves lines and around openings, along with utilising dormer and bay windows could help to nestle the new proposal within its context.

The Darlington terraces also seem to use a multitude of colours on the lintels and sills at the openings, with each consecutive house utilising a different colour. Once again we might be able to reference this use of colour to add a sense of identity to each dwelling.



Character Study - Material Palette



Proposed materiality to reference context materials



Buff Brick



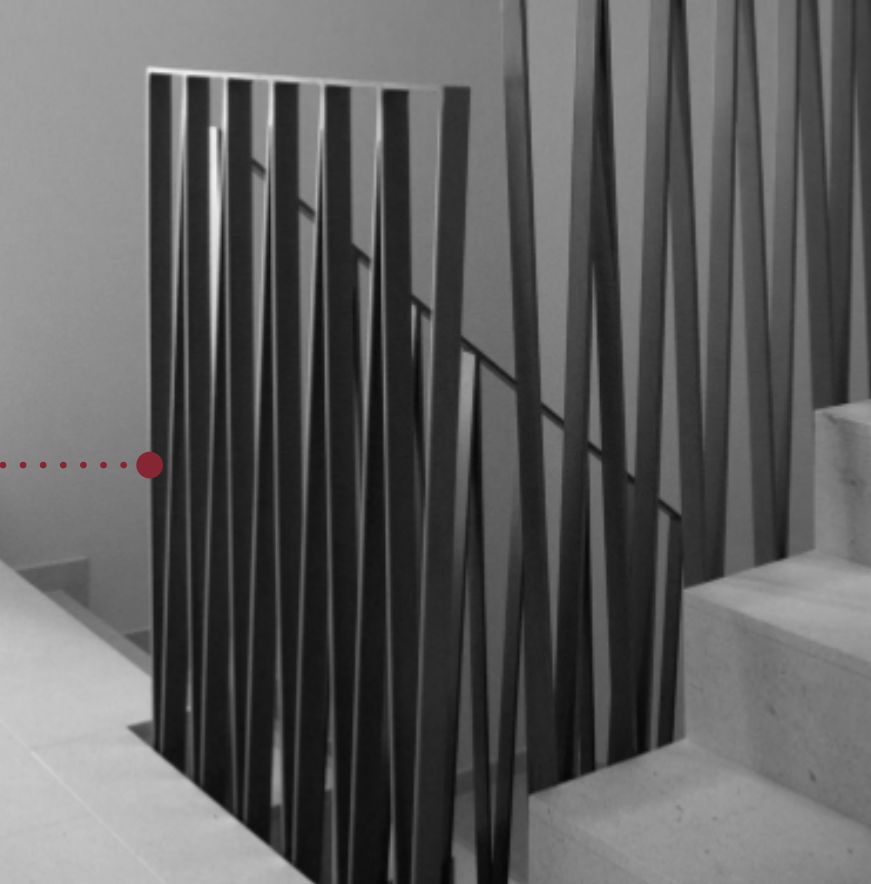
Red Brick



Dark Brick

The proposed material palette for the scheme would aim to reference the historic Old Technical Building across Gladstone street. Replicating the materiality of the grade (II) listed building it would aim to use a buff brick to replicate the stonework along with a similar red brick.

In reference to the metal railings typical of Darlington's architecture depicted in the image to the left, the development would also replicate this with some darker brick accents along with utilising a metal railing system along the private terraces of the scheme.



Contemporary metal hand rail

Precedent Study - Urban Villages

The images shown over the next two pages show possible inspirations for how the materiality and arrangement of spaces might work within the Northgate proposal.

The scheme will aim to take precedent from urban village projects such as The Malings in Newcastle Upon Tyne. This scheme was 'designed to nurture a genuine sense of cohesion and engagement among the inhabitants' and was conceived through consultation and collaboration with the existing occupants of the area.

It is important for the Northgate masterplan to follow a similar line of enquiry and for the design to be influenced by a greater understanding of the character of its surroundings.



Precedent Study - Architectural Precedent

Another precedent is Abode at Great Kneighton which utilises a multitude of housing types and spatial hierachys to suit the transition from urban to rural edge.

Although on a much smaller site - the proposal at Northgate will intend to house various house types relating to the proximity to the town centre and the surrounding residential areas.

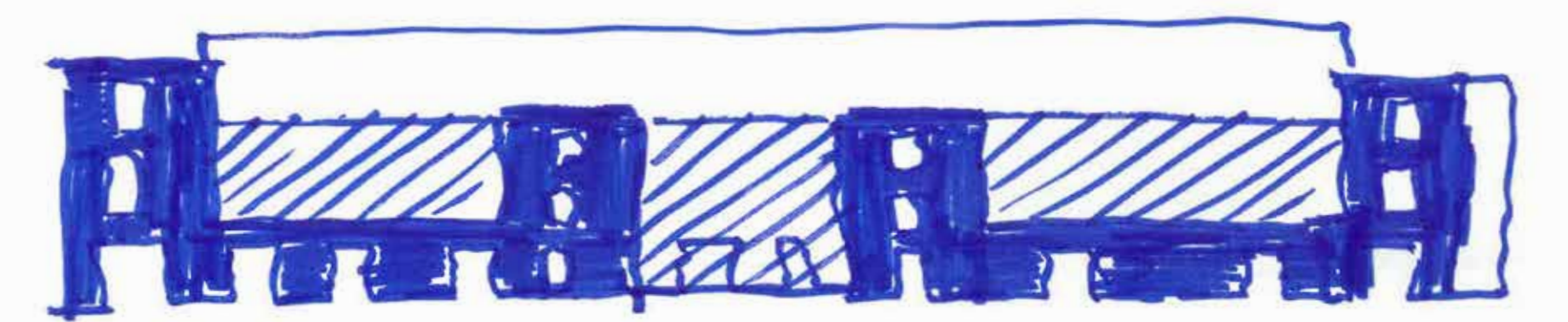


Window Proportions

Use of Intricate detailing



Shared surface alleyway between housing

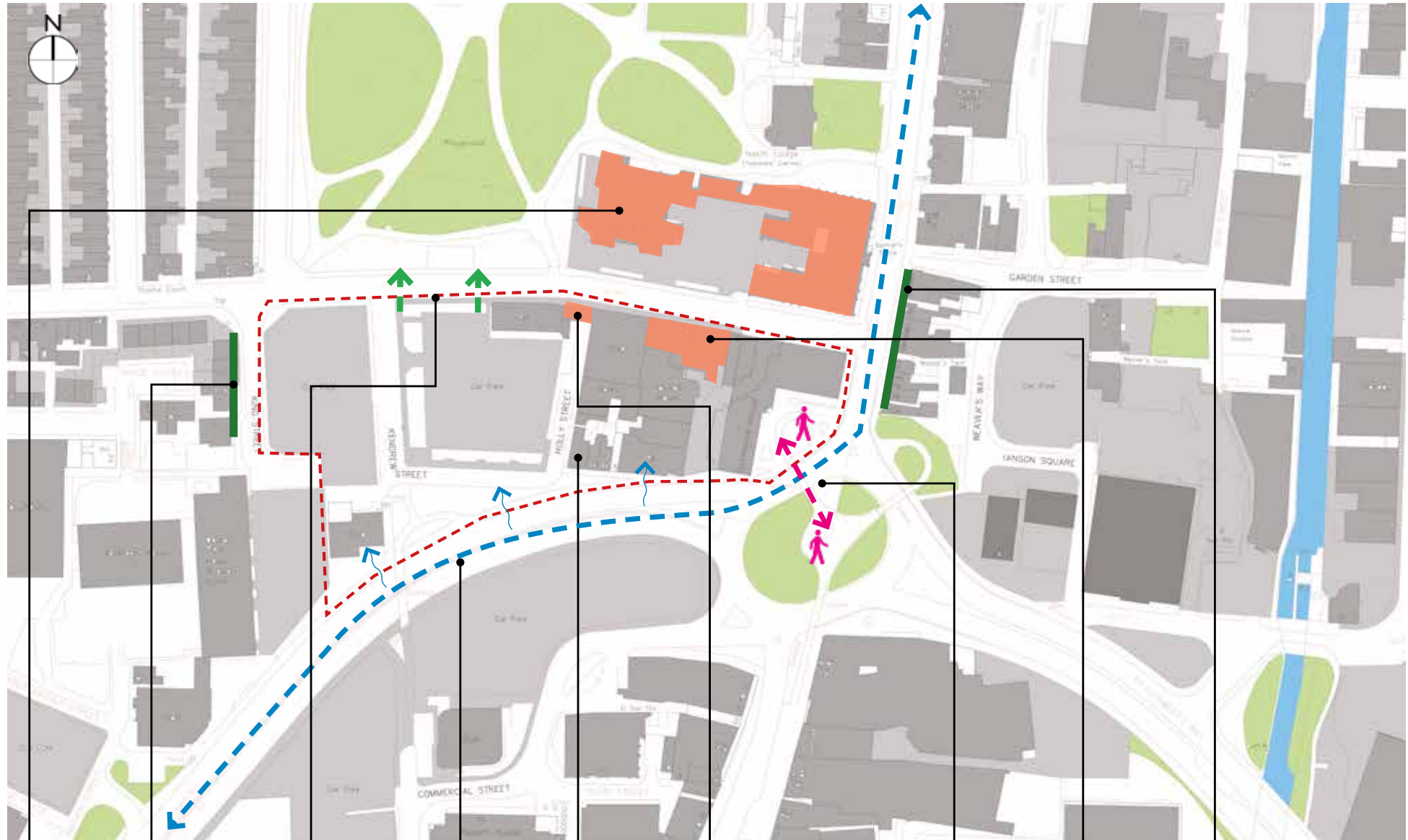


Sketch showing use of tower like strutures to emphasise certain elements of the scheme.

Site Constraints

The diagram to the right outlines our key considerations when approaching the development of the site, It is important for us to develop a scheme that has a positive impact within Darlington town centre and takes care not to hinder and disrupt the surrounding heritage.

- Key:
- Major A Road
 - Noise attenuation
 - Pedestrian Route
 - Key Views
 - Adjacent frontages
 - Existing heritage building

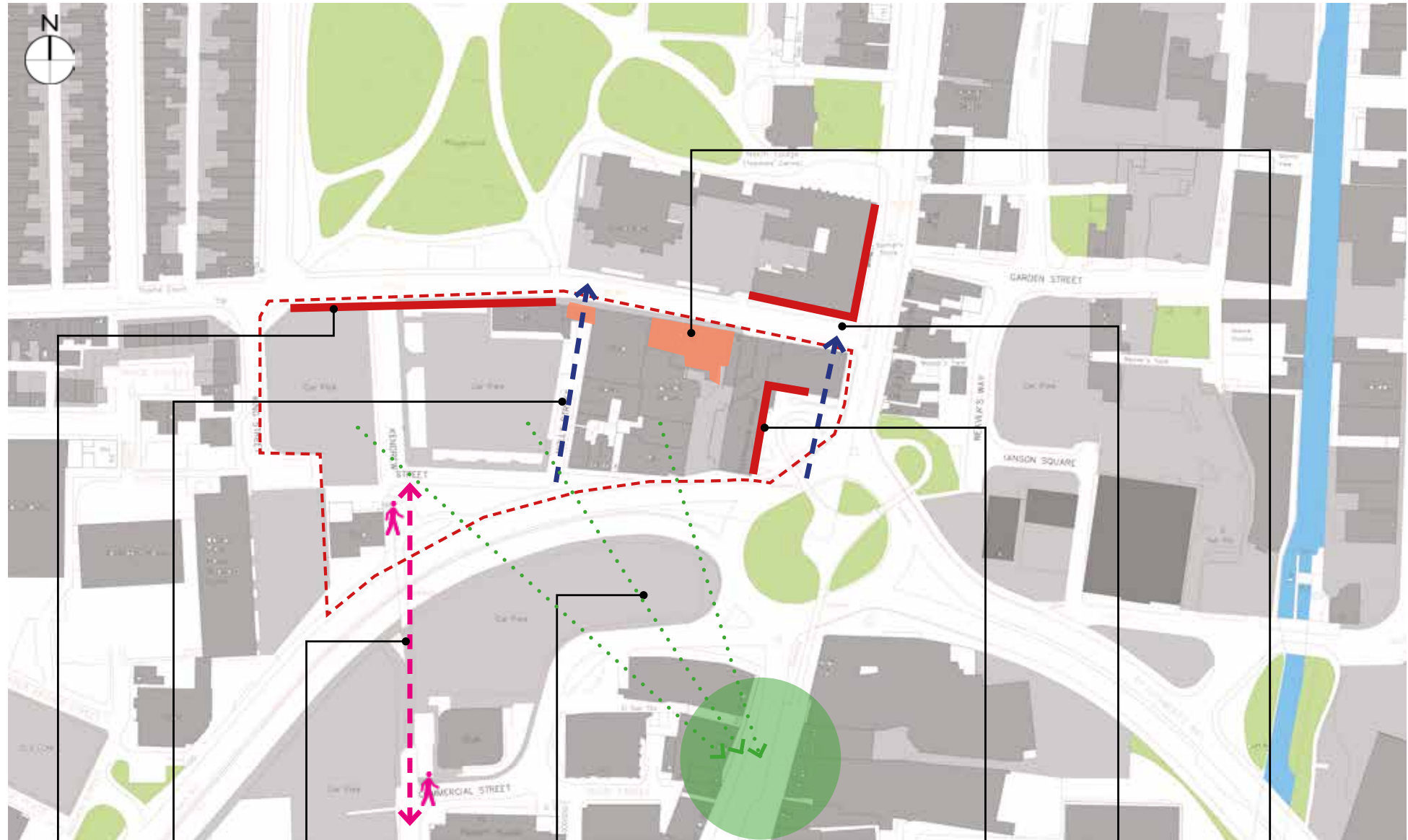


- Consideration of Old Technical building
- 3 storey residential units adjacent
- Retain relationship with north lodge park
- Consider access and noise along busy main road
- Small businesses along Holly st
- Consideration of darlington bottle company
- Retain pedestrian route into site from northgate roundabout
- Consideration of Temperance Institute
- 3 storey retail units adjacent

Site Opportunities

Key opportunities with this development involve creating a sense of connectivity between the proposal and the existing town centre. In doing this it will also be important to celebrate Darlington's heritage e.g pulling back the building line of northgate house office block to open up a view to the Old Technical College. It will also be important to create new routes from the town centre to the site such as from commercial street through to kendrew street.

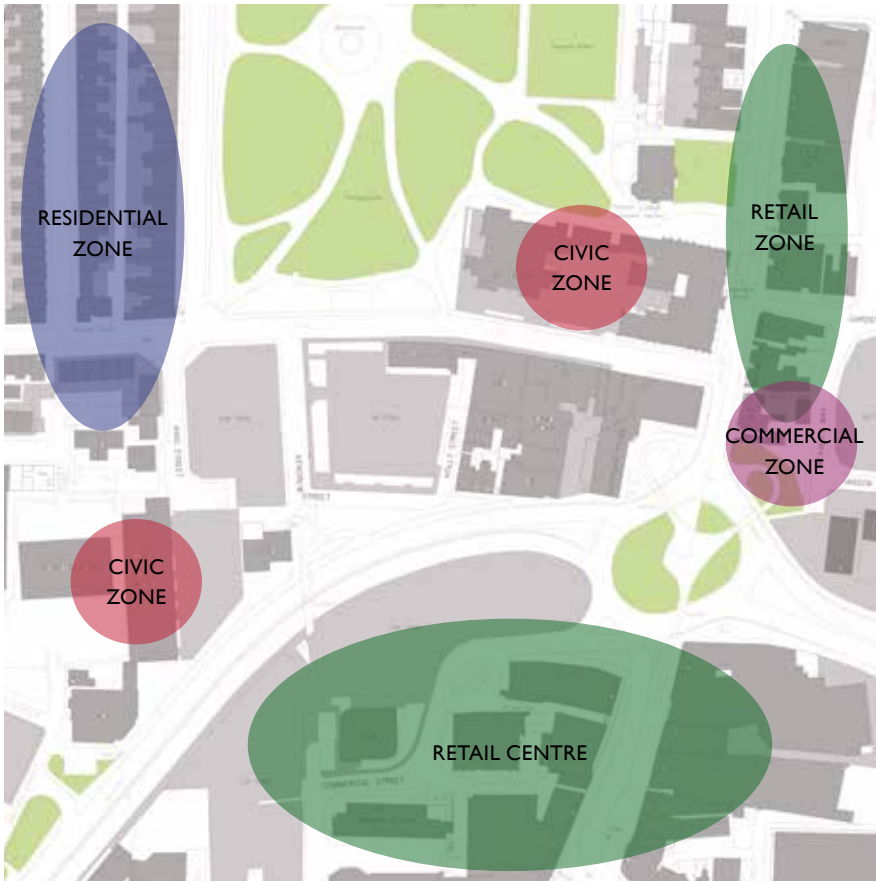
- Key:
- Key Frontage to be addressed
 - Pedestrian Route
 - Key Route
 - Connectivity
 - Existing heritage building



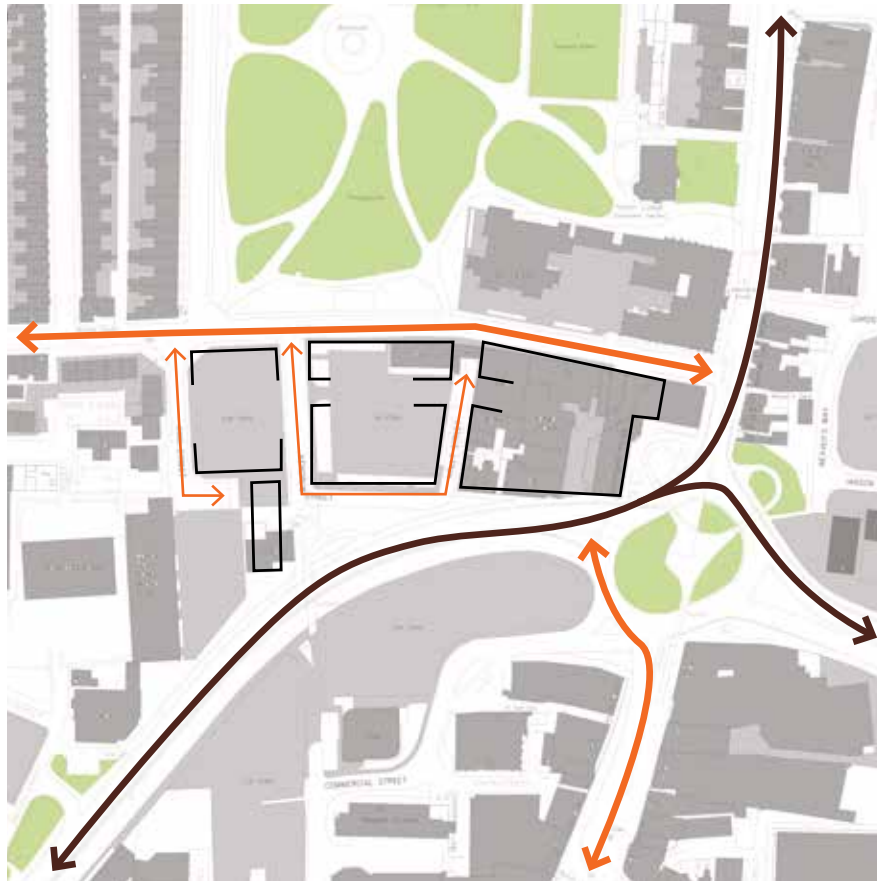
- Simple frontage facing onto north lodge park
- New route through site and new entrance way utilising old bottle company
- New pedestrian connection from Commercial street to Kendrew street
- Create connectivity between the site and existing town centre
- Retain similar frontage to existing
- Pull back existing building line, opening up views to heritage building
- Retain and repurpose temperance institute as part of the scheme

Strategic Principles

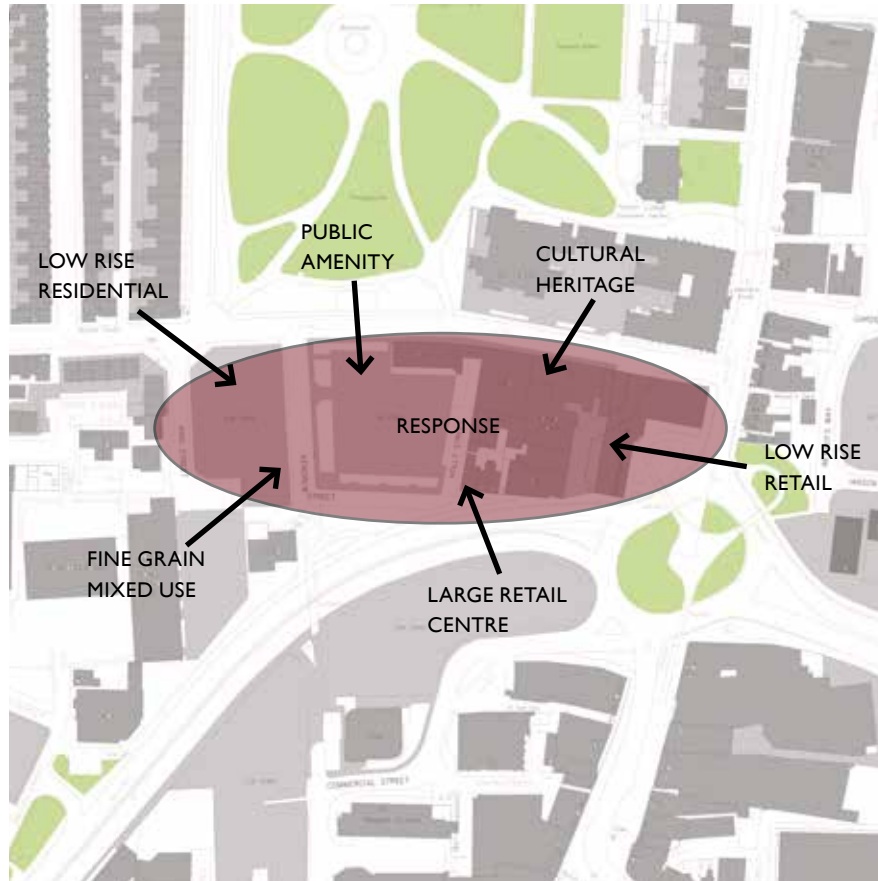
By undertaking a diagrammatic analysis of the site context we can determine patterns and begin to make crucial design decisions in relation to density, layout and orientation.



Identifying key use zones to influence accommodation density through the scheme.



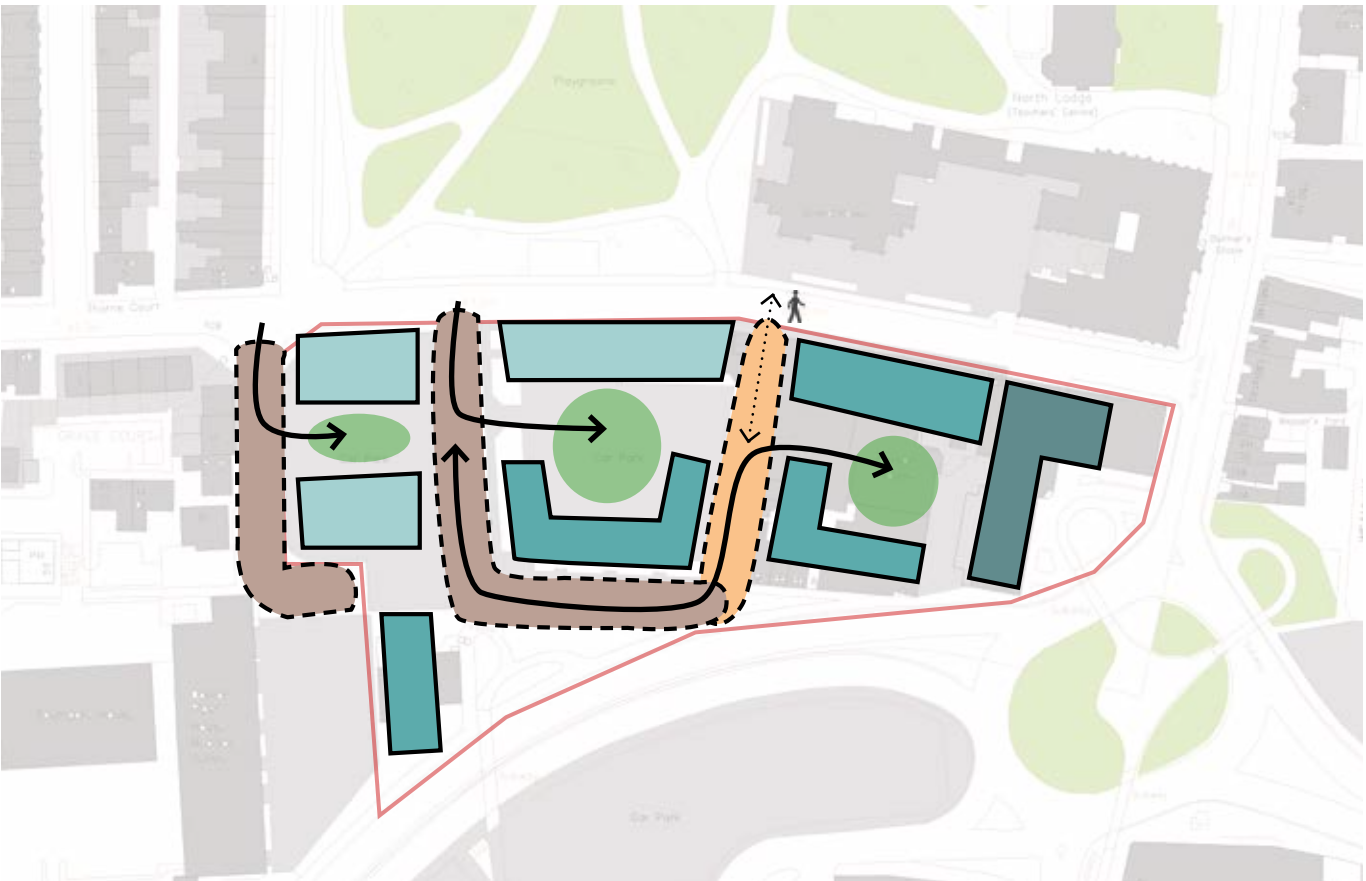
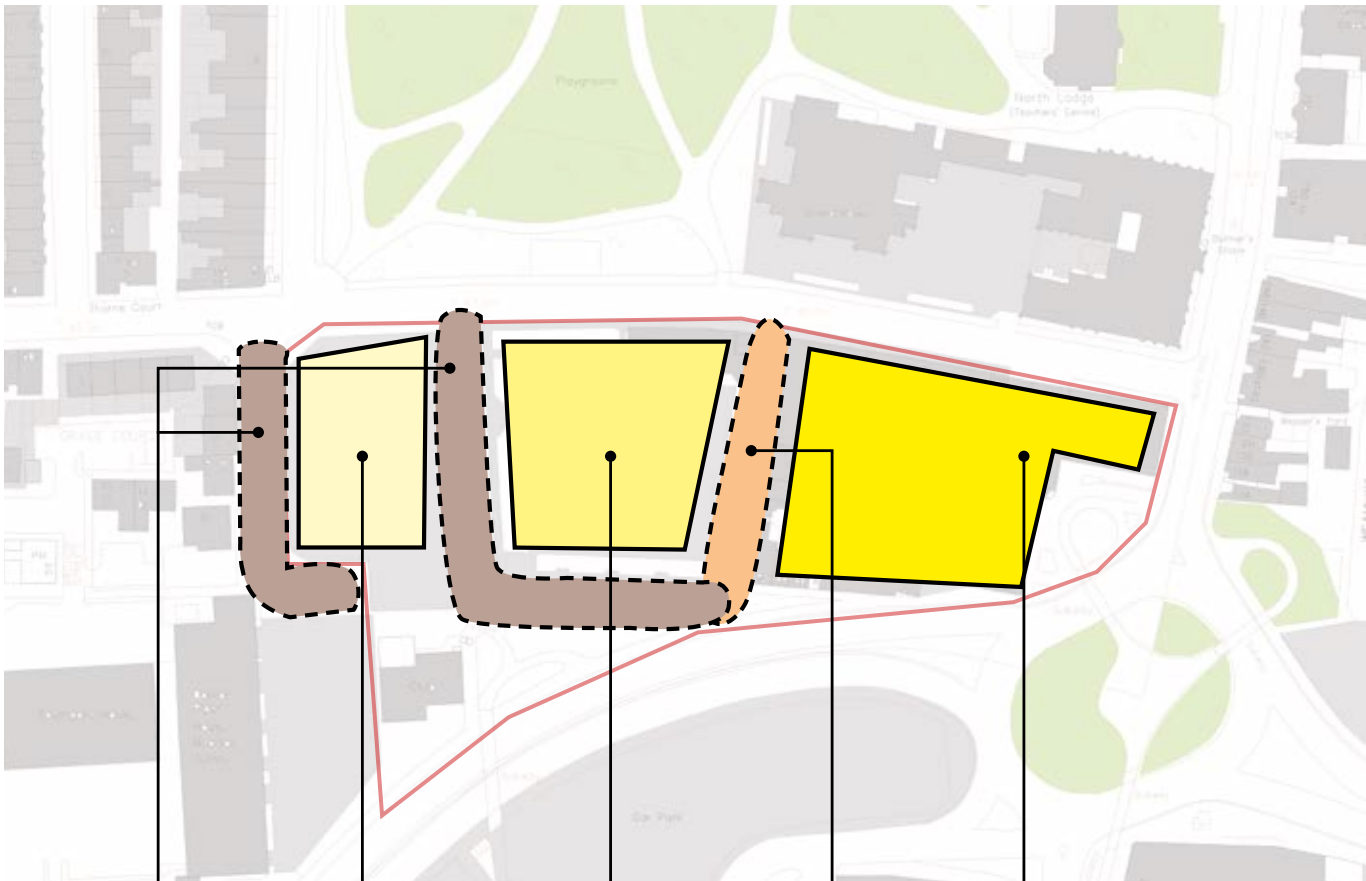
Defining frontages based on existing street layouts.



Sympathetic response to adjacent buildings and amenity, in terms of orientation, scale and height.

Layout Planning

Utilising the strategic principles set out on the previous page we have begun to work out how the density of accommodation may vary through the site, With rising density towards St Augustines Way and the town centre.

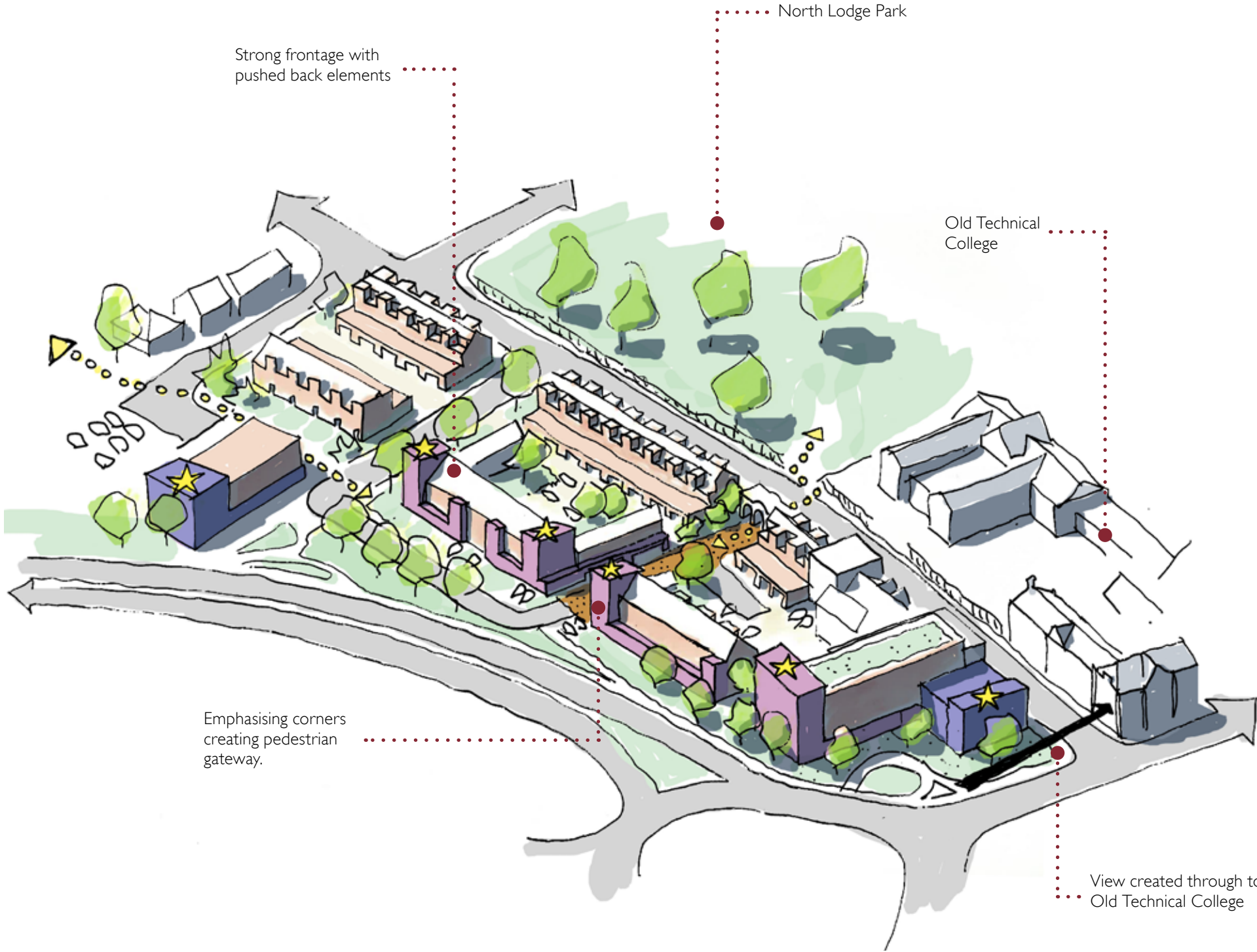


Low Density Med Density High Density

Concept Sketch

This concept sketch depicts the key design decisions for the Northgate scheme, highlighting the new routes through the scheme, opening up views to celebrate existing heritage buildings and creating exciting moments at the corner points of the development.

The illustrative layout on the next page shows the proposed layout for the scheme which consists of 6 varying house types.



Concept Sketch Showing Scheme Intentions

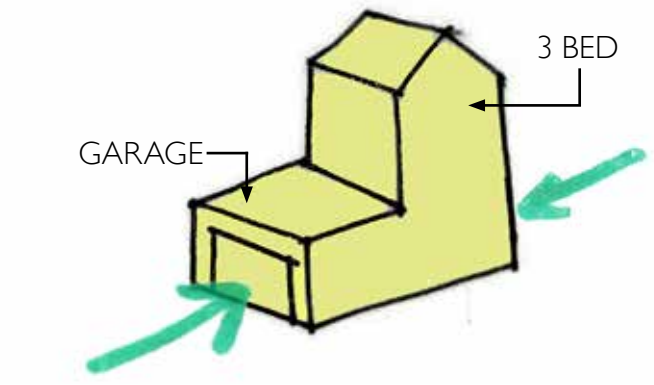
Proposed Site Layout

The proposed scheme is comprised of 4 main housetypes, outlined in further detail over the next couple of pages, ranging from a family oriented low rise terrace, to a medium density apartments.

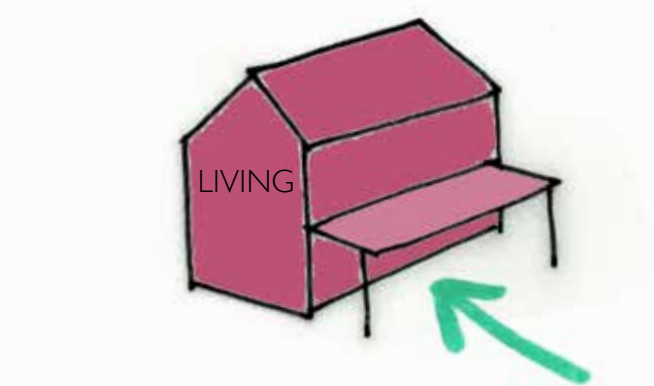
Along with this it is intended that there will be both an assisted living element to the scheme and an affordable housing block.



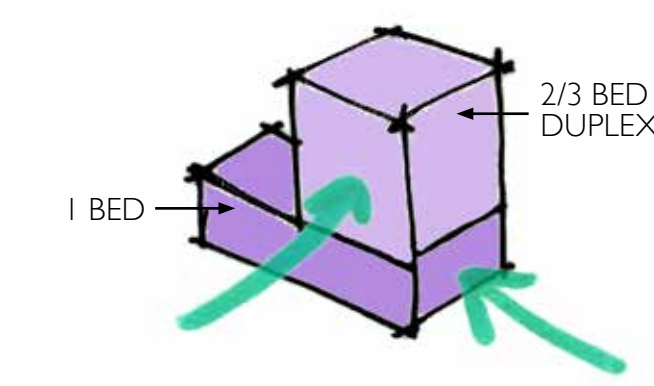
Illustrative proposed layout



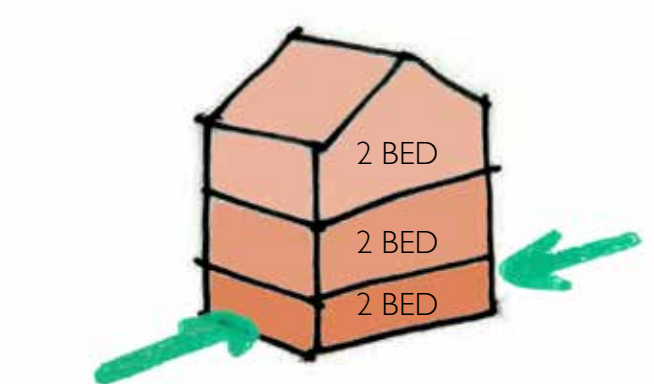
Housing type 1



Housing type 2



Housing type 3



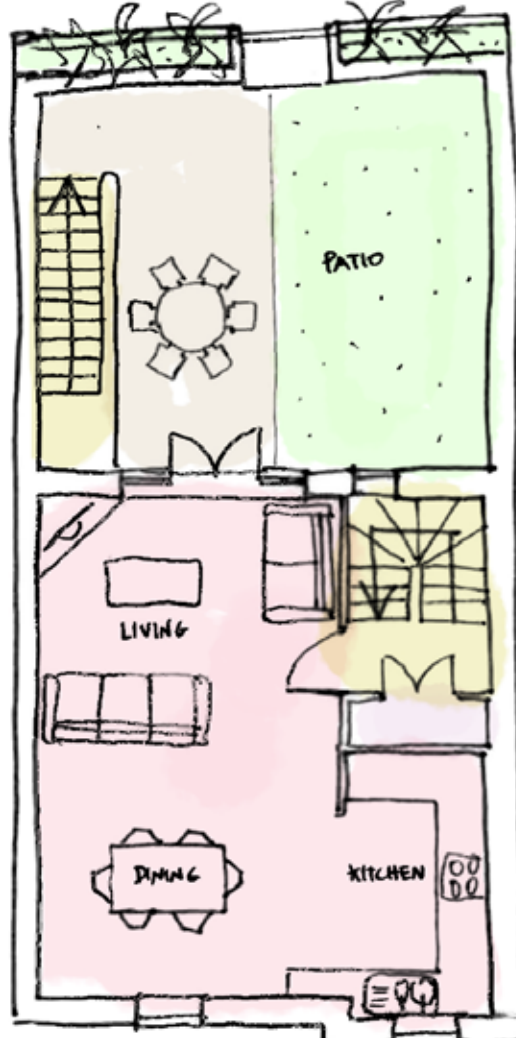
Housing type 4

House Type 1 - Amytis House

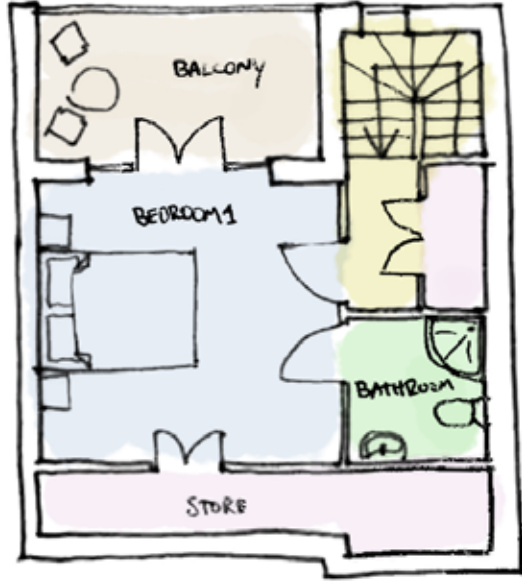
The Amytis house is a 3 bed family-oriented house type that makes efficient use of space with its garden/patio positioned above the garage, offering a great solution to the site's constraining size. The house type would be sympathetic to its context along North Lodge Park and the nearby residential areas as it is relatively low rise and low density.



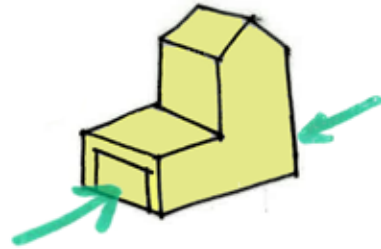
Ground Floor



First Floor



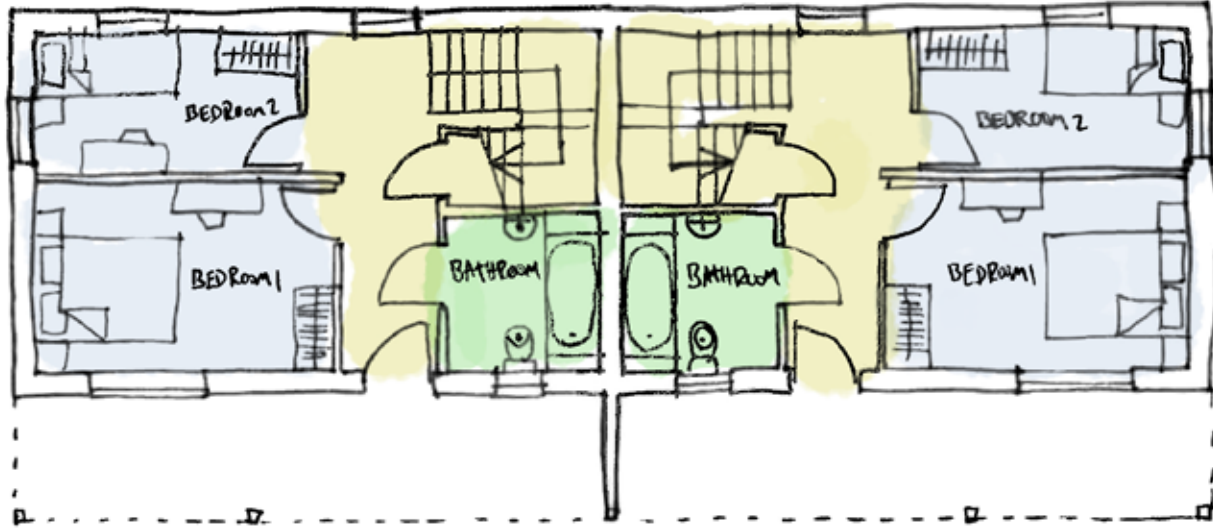
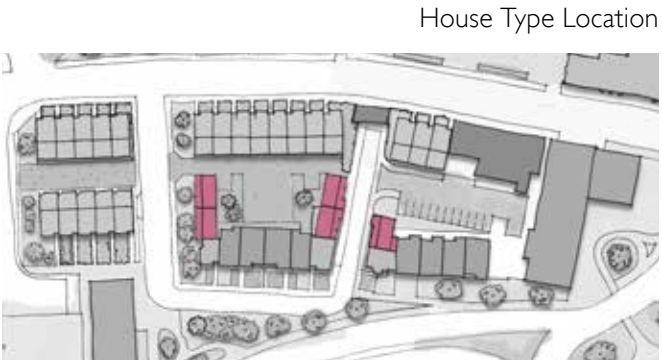
Second Floor



House Type 2 - Upside-down House

House type 2 offers an upside down arrangement with the living spaces on the upper floor and the bedrooms on the lower. This allows for the living spaces to be a little more open but at the same time have an added level of privacy.

These house types would be positioned within the higher density zones of the development and would be orientated along Kendrew street and the new shared surface of Holly street and so the provision of privacy in the living spaces would be even more crucial.



Ground Floor



First Floor



Note :

As an alternate option this house type can easily be rearranged to accommodate the living space on the ground floor and the bedrooms on the top floor if required.

House Type 3 - Corner House

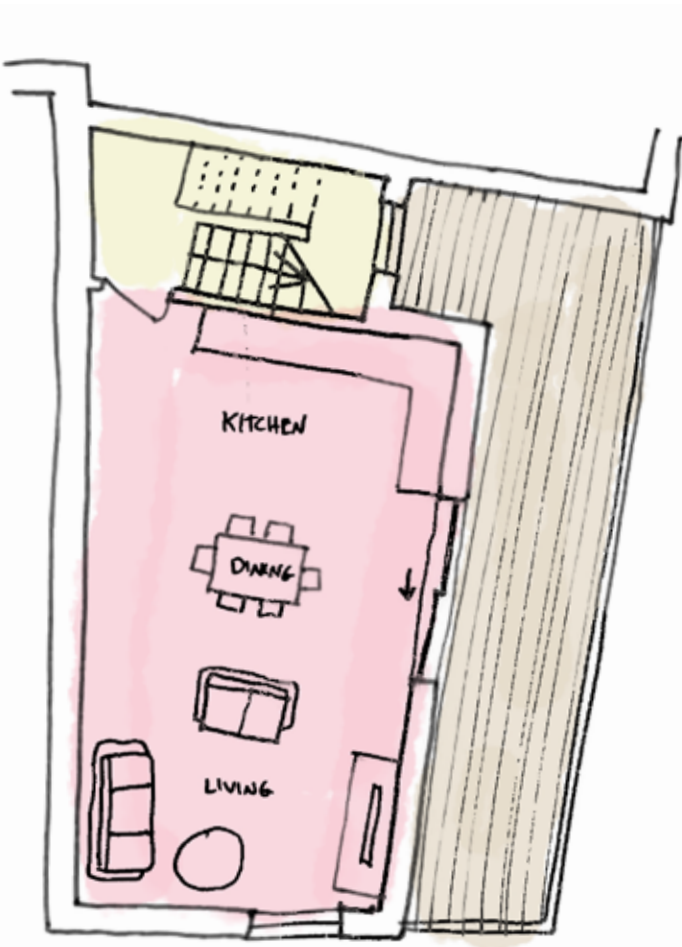
To accent the corners in the higher density areas of the scheme we would use a split house containing a 1 bed flat on the lower floor and a 2 bed duplex over the first and second floors.

This house type would help to break up the scheme and create key vistas throughout and would be positioned at the corners of house types 2 & 4 forming part of the buffer along St Augustines way.

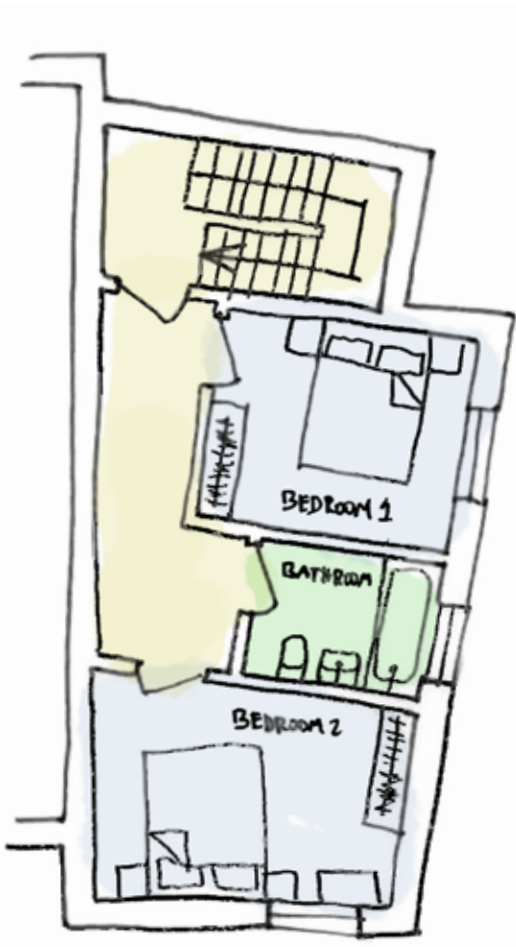
House Type Location



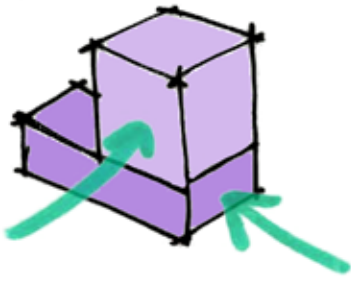
Ground Floor



First Floor



Second Floor

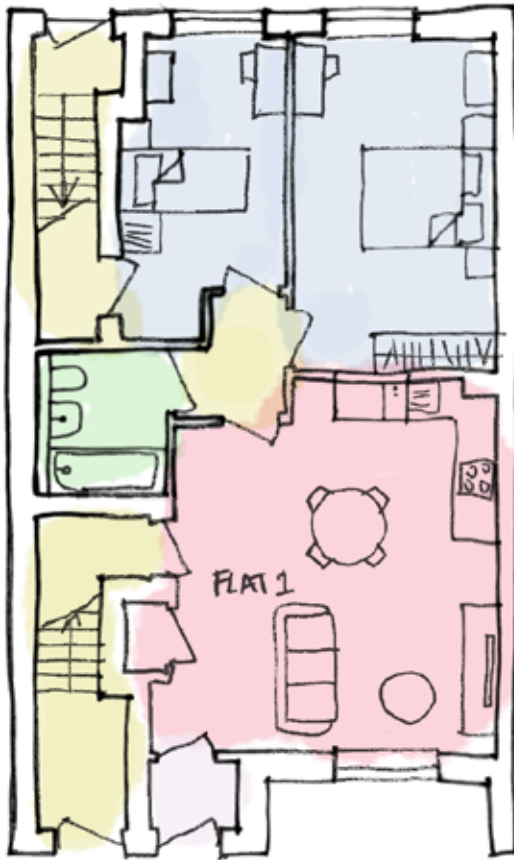


House Type 4 - Apartments

Along St Augustines Way and towards the south eastern portion of the site, towards the town centre, we would utilise an apartment typology to create a buffer that would help protect residents from the noisy main road and retail zone to the south.

These apartments would be three storeys high and would accommodate a 2-bed flat on each floor.

House Type Location



Ground Floor



First Floor



Second Floor



Existing Streetscape



Existing Northgate house office block.



Existing Temperance Institute to be retained and reused



Existing Darlington bottling company arches to be retained to create new pedestrian access.



Existing nightclub (The Hub).



Existing restaurant



Existing council run car parks either side of Kendrew Street

Proposed Indicative Streetscape



Northgate

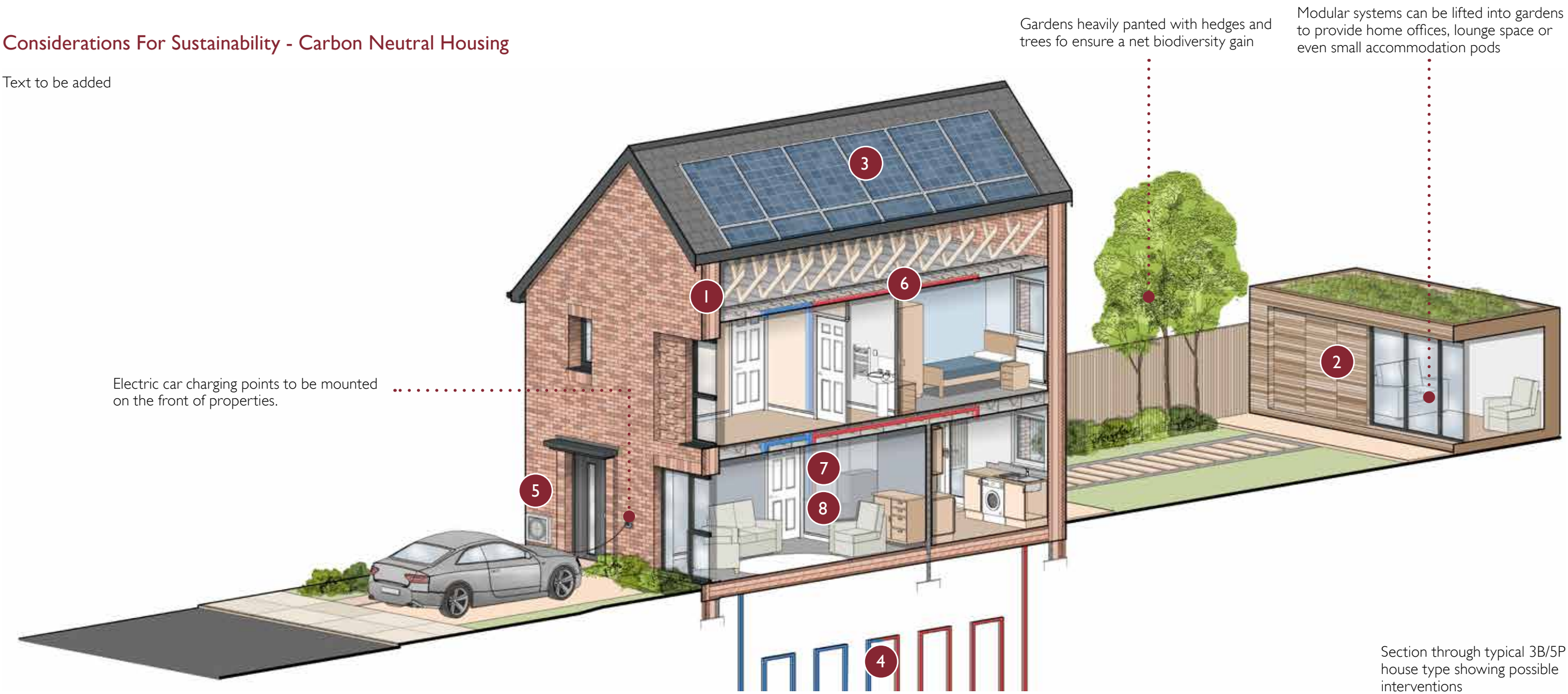
Holly Street


Kendrew Street


King Street


Considerations For Sustainability - Carbon Neutral Housing


Text to be added





- 


1. New part L for new build housing
- 


2. Modern Methods of Construction
- 

3. PV Solar Panels and Battery Storage
- 

4. Ground Source Heat Pump
- 

5. Air Source Heat Pump
- 

6. Mechanical Ventilation Heat Recovery
- 

7. Hot Water Storage Cylinders
- 

8. Systems Storage

Visuals - Overview

Over the next few pages we have shown virtualised views around the proposal, highlighting the various characteristics and materiality referenced from the context along with the variation in house types across the site.

Looking at the scheme as a whole we can begin to see the higher density areas that are orientated towards the town centre, with the density gradually lowering towards the quieter, residential areas of Darlington.

View Location



View of Scheme from above Northgate Roundabout

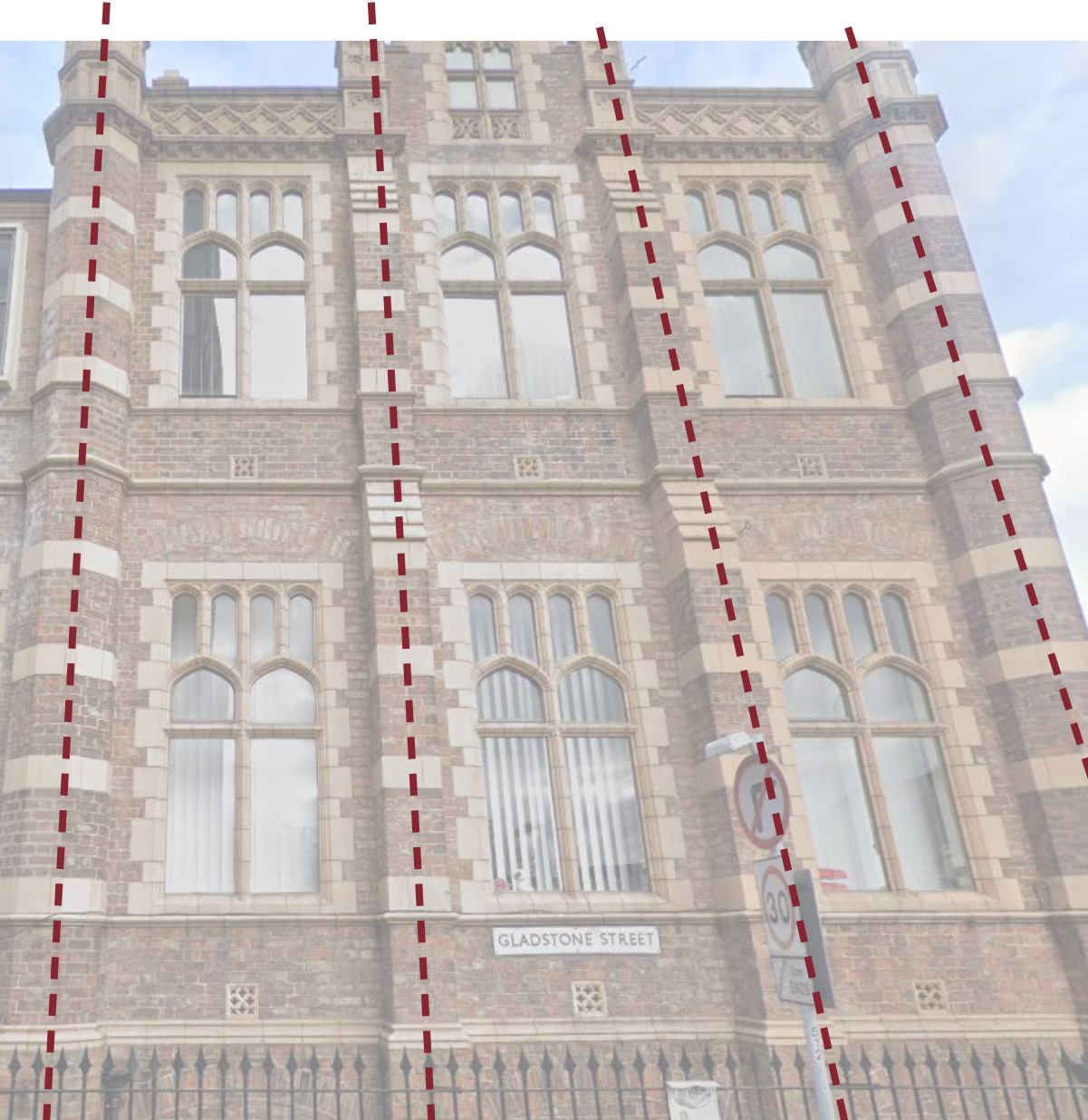
Referencing the context

In reference to the old technical building across Gladstone street, the care home will utilise a similar language in splitting up the facade into three parts, and will mimic the buildings large windows with the openings in the brick at the top level.

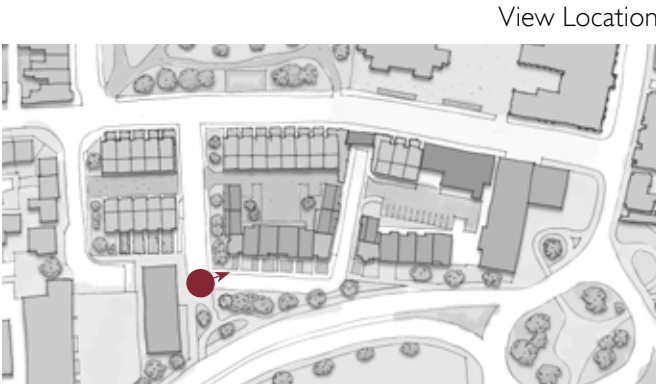
View Location



New Assisted Living Fronting onto St Augustines Way Drawing Precedent From the Old Technical College



Architectural Language of the Old Technical College



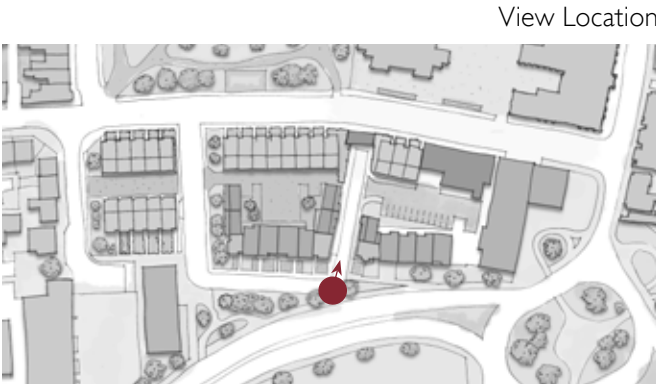
View Location



New Housing Fronting onto Kendrew Street

Privacy & Boundary Treatments

Along the private balconies overlooking the shared surfaces we have suggested the use of a metal railing system that would provide privacy to the residents and would make subtle reference to the surrounding architectural language.



View Location



New View Down Holly Street

..... Metal ballustrade provides privacy for residents

Celebrating Heritage

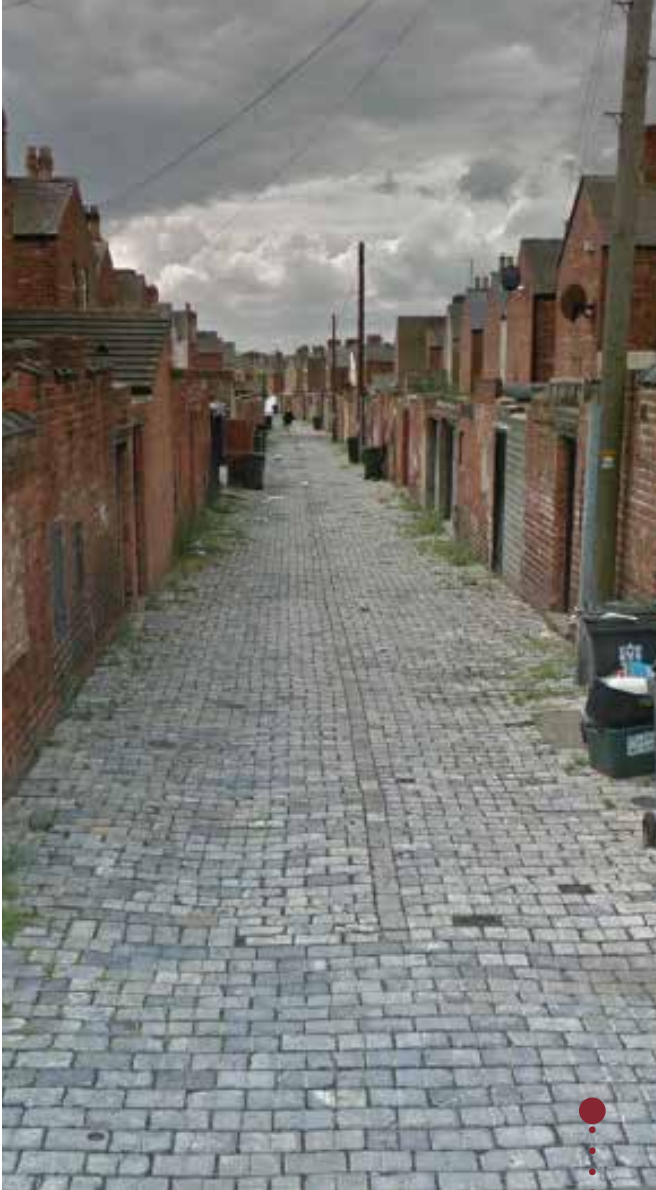
Upon entering the scheme through the new access created by the arches of the old bottling company, residents would arrive upon a new shared surface space layed with blue cobbles to reference those found in many of the shared surface alleyways in Darlington's residential areas.

Darlington Bottling Company



Old Darlington Bottling Building Creates a New Pedestrian Entrance onto Holly Street

View Location



Blue 'Scoriae' bricks laid in nearby alleyways.

View Location



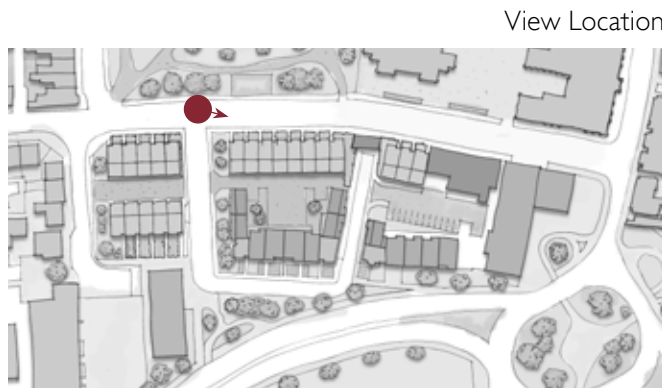
View from King Street

Sensitivity to Context

The scheme intends to be sympathetic to its context and will include low density housing towards the existing residential and green spaces. In the visual below we highlight the simplicity of the facades that front onto north lodge park to avoid overshadowing or disrupting this public space.



New Housing Opposite North Lodge Park



View Location

Communications tower redressed as part of scheme.

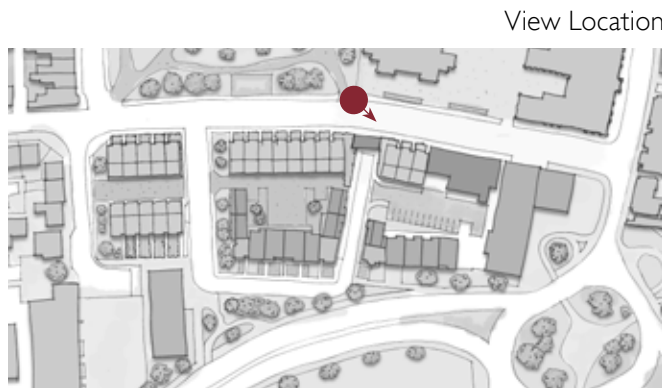
Simplicity of facades along Gladstone street

Temperance Institute repurposed to provide new accommodation

Darlington Bottling Company arches create new pedestrian gateway



Streetscape Along Gladstone Street



View Location

Opening up Views

By replacing the northgate house office block with the new assisted living accommodation we are able to pull back the existing building line, opening up new views through to the historic technical college which can now be seen on approach to the development from the town centre.



New View Past Assited Living Block Through to Old Technical College



View Location

Opening up view to celebrate Old Technical College

New green communications tower

Communications tower to become new green waypoint within Darlington

Referencing historic architecture creating a relationship between the old and new.



New View Down Gladstone Street From Northgate



View Location

Contextual Precedent

In some areas, the development will aim to take precedent from contextual details, such as utilising similar protruding openings to those can be seen on the facade of the old technical college.



View Adjacent to New Affordable Housing Towards Kendrew Street

Accommodation schedule

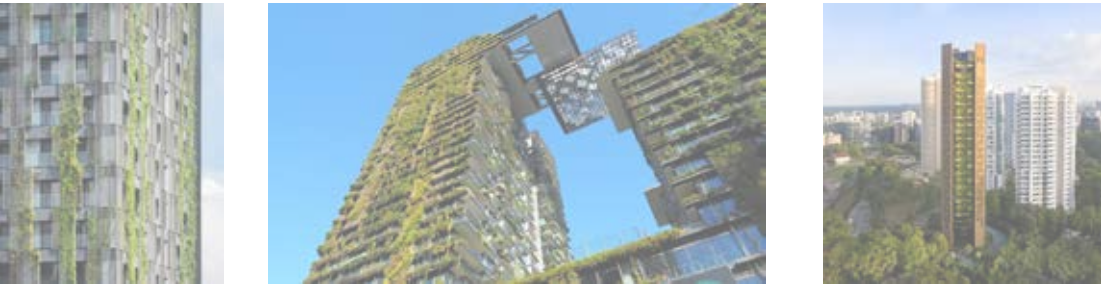


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Possible variations to the scheme - Communications Tower



View of Scheme Across From Northgate Roundabout



Planted tower precedents



Option to Retain Communications Tower as Part of Scheme



View on Approach to Scheme From St Augustines Way



Option to Retain Retail and Commercial Units Along Holly Street

Public realm Improvments

The existing underpass that connects northgate roundabout to the site is in dire need of revitalisation, and so as part of the scheme we have rethought the way in which pedestrians might use the space - this sketch shows how the space could function as more of a stopping space instead of a passing space.

The intention behind the rework of this space is to open up the site and create an improved connection between the development and Darlington town centre.



View of existing public space along St Augustines Way and Northgate Roundabout.

Indicative Sketch Showing Proposed Improvments to Public Space Opposite Northgate Roundabout.

Public Realm Precedents

When rethinking the green gateway to northgate we have looked at a few precedents that follow a similar line of enquiry to what we want to achieve with this space. The precedents shown here make subtle alterations to the landscape that bring out a distinct character to the area.



Pancras Square



Sovereign Square



The Deptford Project

Proposed Elevation - Gladstone Street



New pedestrian gateway through bottling company arches

Coloured panels to reference surrounding Darlington terraces



Elevation Line



Gladstone Street Proposed Elevation



Proposed Layout

04

Relationship to Wider Masterplan

The diagram to the right highlights the development's relationship to the wider masterplan for the regeneration of Northgate. There is an extensive plan to revitalise much of the urban fabric that borders the river skerne to the north east, intending to improve and celebrate the historic and distinct character of the area.

It is the intention that the scheme at Gladstone street will be a welcome addition to the masterpan and will provide a new gateway to northgate from Darlington town centre.

Key:

- 2 storey development
- 3-5 storey development
- Head of steam masterplan
- Proposed public green space
- Proposed private green space
- Public realm
- Opportunity for property enhancement
- Pedestrian / cycling movement
- Riverside pedestrian / cycling movement
- Gateways to be improved / proposed gateways

Gladstone street development



Relationship to Overall Northgate Regeneration

Proposed masterplan along river skerne

CABINET
6 DECEMBER 2022

SCHEDULE OF TRANSACTIONS

Responsible Cabinet Member – Councillor Scott Durham
Resources Portfolio

Responsible Director – Ian Williams
Chief Executive

SUMMARY REPORT

Purpose of the Report

1. To consider and to seek approval of the terms negotiated in respect of the Schedule of Transactions as set out below.

TRANSACTION	PURPOSE OF TRANSACTION	MINUTE REF
<u>Acquisitions</u> 10 Neasham Road (freehold residential property).	Compensation payment following vesting of property in the Council under the Darlington Station Gateway Compulsory Purchase Order	C103(2)(e)/Feb 2020
<u>Leases</u> 11/12 Horsemarket	Temporary rental adjustment.	

Summary

2. It is necessary for Cabinet to approve terms negotiated by the officers within the Chief Executive and Economic Growth Group on behalf of the Council to enable contractually binding contracts to be completed. The Part III **Appendix 1** details the terms negotiated for consideration and approval.

Recommendation

3. It is recommended that the schedule (Appendix 1) be approved, and the transactions completed on the terms and conditions detailed therein.

Reasons

4. Terms negotiated require approval by Cabinet before binding itself contractually to a transaction.

Ian Williams
Chief Executive

Background Papers

No background papers were used in the preparation of this report.

Guy Metcalfe : Extension 6725

S17 Crime and Disorder	This report has no implications for Crime & Disorder
Health and Wellbeing	There are no issues relating to Health & Wellbeing which this report needs to address
Carbon Impact and Climate Change	There are no impacts
Diversity	There are no issues relating to Diversity which this report needs to address
Wards Affected	The impact of the report on any individual Ward is considered to be minimal
Groups Affected	The impact of the report on any Group is considered to be minimal
Budget and Policy Framework	This report does not represent a change to the budget and policy framework
Key Decision	This is not a key decision
Urgent Decision	This is not an urgent decision
Council Plan	Growing the local economy, encouraging new investment in the Borough and maximising employment opportunities
Efficiency	The terms set out in the Schedule of Transactions appended to this report are considered to be in the Council's best interest and ensure the Council's business is conducted efficiently
Impact on Looked After Children and Care Leavers	There are no issues in relation to Looked After Children and Care Leavers

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A
of the Local Government Act 1972.

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