

**DECISIONS SHOULD NOT BE IMPLEMENTED BEFORE
MONDAY 16 DECEMBER 2024**

CABINET

Tuesday, 3 December 2024

PRESENT – Councillors Harker (Chair), Curry, Garner, McCollom, McEwan, Porter, Roche and Wallis

INVITEES – Councillors Dulston, K Nicholson and Snedker

ALSO IN ATTENDANCE – Councillors Bartch, Durham, Henderson, Holroyd, Mammolotti, Toms and Tostevin

C71 DECLARATIONS OF INTEREST.

There were no declarations of interest reported at the meeting.

C72 TO HEAR RELEVANT REPRESENTATION (FROM MEMBERS AND THE GENERAL PUBLIC) ON ITEMS ON THIS CABINET AGENDA.

In respect of Minutes C76 and C78 below, representations were made by Members and members of the public in attendance at the meeting.

C73 TO APPROVE THE MINUTES OF THE MEETING OF THIS CABINET HELD ON 5 NOVEMBER 2024.

Submitted – The Minutes (previously circulated) of the meeting of this Cabinet held on 5 November 2024.

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

REASON – They represent an accurate record of the meeting.

C74 MATTERS REFERRED TO CABINET

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

C75 ISSUES ARISING FROM SCRUTINY COMMITTEE

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

C76 KEY DECISION - SKERNINGHAM MASTERPLAN CONSIDERATION

The Cabinet Member with the Economy Portfolio presented the report (previously circulated) of the Chief Executive requesting that consideration be given to the Skerningham Masterplan Document (also previously circulated) to ensure that is consistent with the Darlington Borough Local Plan Policy H 10 and the Skerningham Garden Village Design Code

Supplementary Planning Document (SPD).

The submitted report stated that Policy H 10 of the Local Plan required a comprehensive Masterplan, including an infrastructure phasing plan to be prepared, in consultation with the community, prior to the submission of any planning application relating to the site, that informed the mix of uses, layout, scale, design, provision of local and strategic infrastructure, including social and community facilities, and phasing of the proposed development. The final version of the Masterplan was prepared by Litchfields, on behalf of Theakston's Land and Banks Group, the two companies with the largest amount of land interest in the area; a consultation exercise ran from 30 October to 30 November 2023; following that consultation the responses received were reviewed and some amendments were made to the Masterplan; and following discussions between officers and the authors of the document, further amendments were made.

It was reported that the Garden Communities Officer from Homes England had also been involved with the process and was content that the Masterplan had met the terms of public engagement and did not conflict with the Garden Communities principles nor the Local Plan or Design Code SPD. The Council had sought legal advice who had confirmed that, in their opinion, the Masterplan, as drafted, was consistent with the Local Plan Policy H 10 and the adopted Design Code SPD.

Members and members of the public addressed Cabinet in respect of the Skerningham Masterplan and raised a number of issues and concerns and requested what assurances could be given that the number of authorised builds would not exceed 1,650 before 2036; the section of the local distributor road between Barmpton Lane and Bishopton Lane would be completed prior to house 450 being completed; the section between the A167 and A1150 would be completed between the 900th and 1,500th dwellings; and how this could be achieved, as no agreements had been reached with the landowners to secure the land for the local distributor road (LDR).

References were made at the meeting to the fact that the masterplan did not meet the '20 minute walkable neighbourhood' for all homes and essential services; the nearest schools to the development; the fact that planning applications had already been submitted for development of the site; the development of the bridge on the site; involvement of National Rail in the development of the bridge; the options for the alignment of the LDR; the development of the haul road, for construction traffic via Bishopton lane; the impact on traffic of the development on other roads in the area; the impact on the ecology and the woodland; biodiversity net gain; the impact on residents; possible flooding implications of the development; lack of sustainable travel; lack of protection for Skerningham Woods; construction traffic along Barmpton Lane; the fact that the development was taking place on a flood plain; and who would have oversight over the whole scheme.

References were also made on when and how often the document would be reviewed and the involvement of Scrutiny Committees and Council in agreeing the masterplan.

The Cabinet Member with the Economy Portfolio and the Leader of the Council responded thereon.

RESOLVED – (a) That Cabinet was content that the developers Skerningham Masterplan, as

appended to the submitted report, was consistent with the Local Plan Policy and the Skerningham Garden Village Design Code Supplementary Planning Document.

(b) That the Skerningham Garden Village Masterplan, as appended to the submitted report, be agreed.

(c) That any subsequent revisions to the Skerningham Garden Village Masterplan be returned to Cabinet.

REASON - Policy H 10 of the Darlington Borough Local Plan requires the Council to agree a comprehensive Masterplan for the Skerningham Garden Village allocation in the Local Plan.

C77 PUBLIC CONSULTATION ON DRAFT APPRAISAL PROPOSING THE DESIGNATION OF A NEW MIDDLETON ST GEORGE CONSERVATION AREA

The Cabinet Member with the Economy Portfolio introduced the report (previously circulated) of the Chief Executive requesting that consideration be given to commencing a public consultation exercise on a draft appraisal (also previously circulated) proposing the designation of a new Middleton St George Conservation Area.

The submitted report outlined the background to the establishment of a conservation area; the definition of a conservation area; stated that much of the special interest in Middleton St George comprised structures and associations linked to the birth / early days of the Stockton and Darlington Railway (S&DR), which was of international significance, being the world's first public railway; general interest in the railway heritage had increased as a result of the 2025 bicentennial celebrations; and provided justification for the completion of an appraisal for Middleton St George including proposals to designate conservation area boundaries.

Particular references were made to assessment process; the public consultation process; financial, legal and climate change implications; and Estates and Property Advice.

RESOLVED – (a) That the public consultation on the draft appraisal for Middleton St George, as appended at Appendix 1 to the submitted report, be authorised.

(b) That the draft document be publicised for a period of at least six weeks, to allow members of the public and other stakeholders sufficient time to submit comments.

(c) That the draft document be amended and finalised in the light of comments received during the public consultation period.

(d) That a finalised appraisal be submitted to Cabinet for adoption and designation of conservation area boundaries.

REASONS – (a) Middleton St George includes non-designated heritage assets of international significance due to structures and associations directly linked to the birth/early years of the Stockton & Darlington Railway (S&DR) of 1825.

(b) The bicentennial of the S&DR is next year. There will be many events in Darlington and elsewhere to celebrate the birth of the modern railway. The Council is currently making

significant investments in preparation for the 2025 celebrations.

(c) In the run-up to 2025, heritage assets at Middleton St George have been promoted through the neighbourhood plan, S&DR Heritage Action Zone and Fighting Cocks Heritage Hub.

(d) The draft appraisal picks up the 'unfinished' work carried out recently by Durham County Council who proposed a conservation area boundary for Middleton St George in 2022.

(e) The draft appraisal provides a detailed record and analysis of Middleton St George and its wider surroundings which will be of interest to the public and other stakeholders, as well as some of the Council's staff (e.g. planning officers). It draws attention to locally important heritage assets to further public understanding and inform decision making.

(f) The proposed conservation area boundaries not only relate directly to the S&DR but also to other early development of the village, which used to be very industrialised due to the railway links.

(g) The draft appraisal also includes suggestions to improve the condition of the area. These are in line with the aims of the Middleton St George Neighbourhood Plan and the Fighting Cocks Heritage Hub.

C78 DARLINGTON COLLEGE PRE-16 CENTRE

The Cabinet Member with the Children and Young People Portfolio introduced the report (previously circulated) of the Executive Director of People requesting that consideration be given to the release of £2.6m of Department for Education (DfE) High Needs Capital Funding for the development of a Pre-16 alternative provision centre at Darlington College.

The submitted report stated that the current provision for young people who had disengaged, or were at risk of disengaging from mainstream provision, was currently commissioned by the secondary academies for young people on an ad-hoc basis, often at significant expense; in developing a pre-16 centre at Darlington College, more young people would be able to access an alternative provision curriculum that counted towards school's educational outcomes and supported the development of young people; stated that Darlington College already had experience in delivering to a pre-16 age group; outlined the proposal to build a 50 place pre-16 academy; and the funding implications.

Reference was made at the meeting to the importance of having provisions for young people who did not fit into mainstream education; the importance of providing post 16 maths and English as part of that provision; the assessment process, to ensure that the right young people attended the centre; and the timescales for spending the available funding. The Cabinet Member with the Children and Young People Portfolio responded thereon.

RESOLVED – That £2.6m of DfE High Needs Capital Funding for the development, as detailed in the submitted report, be released.

REASON - There are a number of young people who have disengaged, or are at risk of disengaging, from mainstream provision. Often, these young people are placed in expensive

alternative provision commissioned by mainstream schools. This provision, whilst engaging the young people, often do not provide the educational outcomes needed for that young person to move forward and become an economically active member of the community.

C79 HOUSING REVENUE ACCOUNT - MEDIUM TERM FINANCIAL PLAN 2025/27 TO 2028/29

The Cabinet Member with the Health and Housing Portfolio introduced the report (previously circulated) of the Executive Director of Resources and Governance requesting that consideration be given to the proposals for the revenue budget, capital programme, rent levels and service charges for the Council's Housing Revenue Account (HRA) for the financial year 2025/26, in the context of the HRA Medium Term Financial Plan (MTFP) to 2028/29 and the 30-year Business Plan.

The submitted report stated that the Council was the largest provider of social housing in the Borough, providing 5,260 homes to local residents; those homes were of a high standard of accommodation that met the Decent Homes Standard; as a result of the high quality of the homes and the services provided they were in high demand; to meet that demand the Council had an ambitious programme to build new homes in Darlington, funded through capital receipts from the right to buy sales, grant funding and borrowing of £13.8m.; and that the HRA funded a Tenancy Sustainment Service to provide tenants with advice and support to address the financial challenges that they were facing. The proposed revenue budget expenditure of £30.186m included £6.503m to fund responsive repairs and maintenance and £15.947m contribution to the capital programme. The proposed capital programme of £30.092m included funding for work to current properties and £16.925m to deliver the new build Council housing programme.

It was reported that the key decision to be made regarding the HRA each year was the balance between setting rent and service charge levels that were affordable to the Council's tenants whilst ensuring there was sufficient resources to invest in housing stock, tackle climate change and maintain services; Local Authorities had the discretion to increase rents by the Consumer Prices Index (CPI) plus one per cent; CPI for September 2024 was 1.7 per cent which meant that Members could decide to increase rents by up to 2.7 per cent; and that consideration would need to be given to the current economic pressures facing tenants balanced against the need to maintain and improve the housing stock and deliver the capital and energy efficiency programme, in setting the rent levels.

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

- (a) an average weekly rent increase of 2.7 per cent for 2025/26 be implemented giving an average social rent of £86.15 and affordable rent of £97.55;
- (b) garage rents and service charges be increased, as shown in Table 3 of the submitted report;
- (c) the revenue budget, as attached at Appendix 1 to the submitted report, be approved;
- (d) the Housing Business Plan, as attached at Appendix 2 to the submitted report, be

agreed; and

- (e) the capital programme, as attached at Appendix 3 to the submitted report, be agreed.

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

C80 MEDIUM TERM FINANCIAL PLAN (MTFP) FOR CONSULTATION

The Leader introduced the report (previously circulated) of the Chief Officers Executive requesting that consideration be given to the Medium Term Financial Plan (MTFP) for 2025/26 to 2028/29 (also previously circulated) for consultation, including setting a budget and council tax increase for 2025/26.

The submitted report stated that the Council was facing significant and unparalleled financial challenges stemming from reductions in public spending; the aftermath of Covid; the current economic climate; increased cost of living; income deprivation and rising poverty; high inflation; and the increased demand for services particularly in relation to adults and children's social care and homelessness. Although the Council had previously met the challenges faced head on the significant additional demand for services was putting unprecedented pressures on affordability and despite additional savings achieved, the Council's reserves would be fully depleted by the end of 2026/27.

It was reported that the additional funding for core services had been announced in the budget along with a fundamental reform of how local government was funded; Darlington currently had the second lowest Council Tax in the North East, which limited the amount the Council could raise to fund the spending pressures; savings of £3.649m had been achieved following a review and challenge of services; and that reserves would be utilised to meet the funding gap. The MTFP had been developed to help meet the vision and priorities contained within the Council Plan despite the financial challenges faced, by directing the resources available to the areas where most impact could be made.

Reference was made to the additional funding announced by the Chancellor in the budget in October and to the Local Government Finance Settlement. As the Local Government Settlement was not expected until late December, a number of assumptions had been made in the draft 2025/26 budget which aimed to ensure that the Council set a legal budget and continued to provide the core offer of services to the residents of Darlington.

Details of the projected expenditure and income; budget pressures and savings; schedule of proposed fees and charges; assumptions used to prepare estimates; projected Revenue Outturn 2024/25; and proposed Capital Medium Term Financial Plan 2025/26 to 2028/29, were all also appended to the submitted report.

RESOLVED - That the Revenue Medium Term Financial Plan (MTFP) and the Capital Programme, as set out in Appendices 6 and 7 respectively to the submitted report, be approved for consultation, including:-

(a) a Council tax increase of 2.99 per cent plus a two per cent Adult Social Care Precept to fund social care for 2025/26;

(b) the Schedule of Charges, as set out in Appendix 3 to the submitted report; and

(c) the efficiency savings, transformation and the services reviewed proposed.

REASONS - (a) The Council must set a budget for the next financial year.

(b) To enable the Council to continue to plan services and finances over the medium term.

(c) To ensure decisions can be made in a timely manner.

(d) To reduce the pressures on the MTFT in the medium term.

(e) To ensure investment in the Council's assets is maintained.

C81 MID YEAR PRUDENTIAL INDICATORS AND TREASURY MANAGEMENT MONITORING REPORT 2024/25

The Cabinet Member with the Resources Portfolio introduced the report (previously circulated) of the Executive Director of Resources and Governance (previously circulated) requesting that consideration be given to the revised Treasury Management Strategy and Prudential Indicators and providing a mid-yearly review of the Council's borrowing and investment activities.

It was reported that the mandatory Prudential Code, which governed the Council's borrowing, required Council approval of controls, called Prudential Indicators, which related to capital spending and borrowing. The Prudential Indicators were set out in three statutory annual reports, a forward looking annual treasury management strategy; a backward looking annual treasury management report; and the mid-year update. The key objectives of those three annual reports were set out in the submitted report, together with the key proposed revisions to the indicators which related to a reduction in the Operational Boundary to £179.323m and the Authorised Limit to £259.628m to allow for any additional cashflow requirements.

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

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

(c) That the report be forwarded to Council in order for the updated prudential indicators to be approved.

REASONS - (a) In order to comply with the Prudential Code for Capital Finance in Local Authorities.

(b) To inform Members of the performance of the Treasury Management function.

(c) To comply with the Local Government Act 2003.

(d) To enable further improvements to be made in the Council's Treasury Management function.

C82 MEMBERSHIP CHANGES - TO CONSIDER ANY MEMBERSHIP CHANGES TO OTHER BODIES TO WHICH CABINET APPOINTS.

RESOLVED – (a) That Councillor Garner replace Councillor Dr Riley as this Council's representative on Darlington Cares.

(b) That Councillor Garner replace Councillor Dr Riley as this Council's representative on the Town Centre Deal Board

REASON – To enable a change to this Council's representation on Darlington Cares and the Town Centre Deal Board.

**DECISIONS DATED –
FRIDAY 6 DECEMBER 2024**