



DARLINGTON
Borough Council

Cabinet Agenda

5.00 pm

Tuesday, 7 October 2025

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 9 September 2025 (Pages 5 - 12)
5. Matters Referred to Cabinet –
There are no matters referred back for reconsideration to this meeting
6. Issues Arising from Scrutiny Committee –
There are no issues referred back from the Scrutiny Committees to this Meeting, other than where they have been specifically consulted on an issue and their comments are included in the contents of the relevant report on this agenda.
7. Key Decisions:-
 - (a) Procurement Plan Update –
Report of the Executive Director of Resources and Governance
(Pages 13 - 26)
 - (b) Tees Valley Energy Recovery Facility (TVERF) - Update –
Report of the Executive Director of Environment, Highways and Community Services
(Pages 27 - 34)

8. Membership Changes - To consider any Membership Changes to Other Bodies to which Cabinet appoints.
9. 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.
10. Questions.

EXCLUSION OF THE PUBLIC AND PRESS

11. 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PART III NOT FOR PUBLICATION

12. 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.
13. Questions.

A handwritten signature in dark ink, reading 'A. Wennington', with a long horizontal flourish underneath.

Amy Wennington
Assistant Director Law and Governance

Monday, 29 September 2025

Town Hall
Darlington.

Membership

Councillors Curry, Garner, Harker, McCollom, McEwan, Porter, Roche and Wallis

If you need this information in a different language or format or you have any other queries on this agenda please contact Olivia Hugill, Democratic Officer, Resources and Governance, 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 olivia.hugill@darlington.gov.uk or telephone 01325 405363).

This page is intentionally left blank

**DECISIONS SHOULD NOT BE IMPLEMENTED BEFORE
MONDAY, 22 SEPTEMBER 2025**

CABINET

Tuesday, 9 September 2025

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

INVITEES – Councillors Snedker and Dulston

APOLOGIES – Councillors Curry

ALSO IN ATTENDANCE – Councillors M Nicholson

C1 DECLARATIONS OF INTEREST.

There were no declarations of interest reported at the meeting.

**C2 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.

C3 TO APPROVE THE MINUTES OF THE MEETING OF THIS CABINET HELD ON 8 JULY 2025

Submitted - The Minutes (previously circulated) of the meeting of this Cabinet held on XXX.

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

REASON – They represent an accurate record of the meeting.

C4 MATTERS REFERRED TO CABINET

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

C5 ISSUES ARISING FROM SCRUTINY COMMITTEE

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

C6 KEY DECISIONS:-

C7 BLUE BADGE POLICY STATEMENT

The Leader introduced the report (previously circulated) of the Executive Director of People to update Members on the current issues which are affecting Blue Badge Applications and to agree the recommendations outlined in the report.

The report explained that the existing blue badge application process which is aligned with the government is experiencing backlog in applications and as a result there is an increase in complaints. This report outlined the revisions made to the process which included the introduction, changes to eligible conditions, procedures and revisions to the process that will address these issues in both the interim and moving forward.

RESOLVED – It is recommended that:

- (a) An automatic extension of the blue badge after expiry, or those that are soon to expire, meaning these can be used without risk of a fine.
- (b) New eligibility conditions.
- (c) Note the procedural revisions underway across the service. (d) Increase the Service Level Agreement from 20 days to 12 weeks.
- (d) Note the contents of the Equality Impact Assessment.

REASONS - The recommendations are supported by the following reasons: -

- (a) There is currently a high volume of backlog applications for blue badges and an increase in complaints because of this.
- (b) Existing eligibility conditions have not been refreshed for several years.
- (c) Revisions to internal procedures to further improve the application process

C8 CLIMATE CHANGE AND NATURE RESTORATION STRATEGY

The Cabinet Member with the Economy Portfolio introduced a report (previously circulated) of the Executive Director of Economy and Public Protection to seek approval of the combined Climate Change and Nature Restoration Strategy.

The report explained that in May 2025, Council passed a resolution declaring a nature restoration emergency and combined it within the Council's existing climate change emergency. It stated the need to create wider variety of habitats in Darlington which would increase the resilience of our wildlife to Climate Change, human pressures and natural threats.

The report detailed how the target of a net zero Council by 2040 will remain and separate action plans will be developed for the climate change and nature restoration actions, with clear linkages where an action will benefit both sides of the emergency declaration. The existing Cross Party Climate Change Working Group will be explained to provide supportive review of the nature restoration actions.

RESOLVED - Cabinet recommends that Council approves the adoption of the attached Climate Change and Nature Restoration Strategy.

REASON - The recommendations are supported by the increasing public pressure to act on climate change and on nature loss, we run the risk of significant damage to our reputation if we do not deliver on our stated commitments.

C9 DOLPHIN CENTRE ASSET MANAGEMENT AND INVESTMENT OPPORTUNITIES

The Cabinet Member with the Health and Housing Portfolio introduced a report (previously circulated) of the Executive Director of Environment, Highways and Community Services to provide an update on the ongoing asset management programme for the Dolphin Centre and the investment opportunities to further enhance the facility.

The report explained that the Dolphin Centre is the Council's only indoor leisure facility and is key asset in contributing to the vision in the Council Plan and ambition for our residents to live well and stay healthy. It was explained that the Dolphin Centre is now over 43 years old and encompasses the much older central hall listed building, as with any building there is a need to undertake periodic investment to keep buildings operating and compliant with statutory requirements. The report included an update on the asset management programme for the centre and to seek approval with progression on the essential repairs programme.

The report detailed how the recent repairs to the pool had seen an increase in swimming and investment and DC Bowl has strengthened the provisions of the centre. The two new options for investment in the dolphin centre, the provision of an indoor golf and interactive darts and shuffleboard area and the new spinning studio and fitness studio refurbishment.

RESOLVED - It is recommended that Cabinet:-

- a) Approve the proposed asset management programme outlined in the report and recommend to Council approval and release of £6.742M to continue the programme of repairs and maintenance.
- b) Note that if Council approve the programme there will be a revenue pressure of £0.041M in 25/26 and £0.133M in 26/27 associated with closure of various services for various periods whilst work is undertaken.
- c) Approve the indoor golf, interactive darts and shuffleboard project as detailed in this report and recommend to Council approval and release of £1.456M for the project on the basis this will generate a surplus of funding from income.
- d) Approve the new spinning studio and fitness studio refurbishment project and recommend to Council approval and release of £0.752M on the basis this will generate a surplus of funding from income.

REASON - The recommendations are supported by the following reasons: -

- a) To enable the asset management programme of essential works on the Dolphin Centre to continue.
- b) To enable the indoor golf, interactive darts and shuffleboard project and the new spinning studio and fitness studio refurbishment project to progress, which will increase the facilities at the Dolphin centre for residents of the Borough, contribute to the vision and ambition of the Council Plan and reduce the

overall subsidy to the Dolphin Centre from the Medium-Term Financial Plan (MTFP).

C10 ANNUAL REVIEW OF THE INVESTMENT FUND

The Cabinet Member with the Resources Portfolio introduced the report (previously circulated) of the Executive Director of Resources and Governance updating Cabinet on progress against the agreed investments being funded through the Investment Fund.

The submitted report stated that in November 2016 the Council established an Investment Fund to be used for innovative investment opportunities beyond the traditional Treasury Management Strategy in order to achieve greater returns given the low returns on investment; the fund provision of £50m was being utilised as envisaged facilitating wide economic benefits as well as a direct impact on the Council's financial position; the £50m fund had a commitment against it of £35.81m leaving a balance of £14.19m uncommitted; the Investment Fund had been used for 17 schemes to date, six of which had been recycled back into the fund; and that returns on JV's were anticipated to be over £8.4m.

RESOLVED - It is recommended that Cabinet note the use of the Investment Fund and the returns achieved through the Joint Venture vehicles

REASONS - The recommendation is supported by the following reasons:-

- a) To keep Cabinet informed of progress made on opportunities undertaken and investment returns.
- b) To increase development opportunities and income for the Council.

C11 COMPLAINTS, COMPLIMENTS AND COMMENTS ANNUAL REPORT 2024/25

The Cabinet Member with the Resources Portfolio introduced the report (previously circulating) of the Executive Director of Resources and Governance providing Cabinet with the 2024/25 Complaints, Compliments and Comments Annual Reports for Adult Social Care, Children's Social Care, Corporate, Housing and Public Health (all also previously circulated).

The submitted report stated that in 2024/25 a total number of 747 complaints had been received, an increase from 746 in 2023/24, 219 compliments had been received, an decrease from 231 in 2023/24; and 45 comments had been received, a decrease from 77 in 2023/24.

RESOLVED - It is recommended that :-

- a) That Cabinet notes the content of the attached reports.
- b) That Cabinet endorses the further recommendations made in the Corporate, Children's and Housing Complaints, Compliments and Comments Annual Reports.

REASONS - The recommendations are supported by the following reasons:-

- a. To make Cabinet aware of the number and nature of the complaints, compliments and comments received by the Council and the resulting organisational learning.
- b. To ensure the Council is:
- b) Complying with the Children Act 1989 Representation Procedure (England) Regulations 2006;

- (ii) Complying with the Housing Ombudsman's Complaint Handling Code;
- (iii) Complying with the Local Government and Social Care Ombudsman's Complaint Handling Code;
- (iv) Complying with the Council's Complaints, Compliments and Comments Procedures; and
- (v) To improve satisfaction with complaints handling

C12 COMPLAINTS MADE TO THE LOCAL GOVERNMENT AND SOCIAL CARE OMBUDSMAN AND THE HOUSING OMBUDSMAN SERVICE

The Cabinet Member with the Resources Portfolio introduced the report (previously circulated) of the Executive Director of Resources and Governance providing an update of the outcome of cases which have been determined by the Local Government and Social Care Ombudsman (LGSCO) and the Housing Ombudsman Service (HOS) since the preparation of the previous report to Cabinet on 10 December 2024 (providing the Annual Review Letter (also previously circulated)).

The submitted report set out in abbreviated form the decisions reached by the LGSCO and the HOS between 1 April 2024 and 31 March 2025 and outlined the actions taken as a result of those complaints.

RESOLVED - It is recommended that the contents of the report be noted.

REASON - The recommendations are supported by the following reason; 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.

C13 PROJECT POSITION STATEMENT AND CAPITAL PROGRAMME MONITORING QUARTER 1 2025/26

The Cabinet Member with the Resources Portfolio introduced the report (previously circulated) of the Executive Director of Environment, Highways and Community Services and the Executive Director of Resources and Governance 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 the programme.

The submitted report stated that the projected outturn of the current Capital Programme was £354.868m against an approved programme of £354.982m; 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 2025/2 to 2028/29; the Council had 19 live projects, with an overall projected outturn value of £131.234m, 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.

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 21 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.

C14 REGULATORY INVESTIGATORY POWERS ACT (RIPA)

The Cabinet Member with the Resources Portfolio introduced the report of the Executive Director of Resources and Governance (previously circulated) informing and updating Members on issues relevant to the use of the Regulation of Investigatory Powers Act (RIPA) 2000; developments that have taken place since the last report to Cabinet in March 2025 and requesting that consideration be given to the RIPA Policy (also previously circulated).

The submitted report stated that the RIPA Act 2000 enabled local authorities to carry out certain types of surveillance activity as long as specified procedures were followed; the Investigatory Powers Act 2016 (IPA) was the main legislation governing the acquisition of communications data; the information obtained could be relied upon in court proceedings providing RIPA and IPA was complied with; and that no RIPA directed surveillance applications or IPA communications data applications had been authorised since the last report to Cabinet. It was reported that Paragraph 4.47 of the Home Office, Covert Surveillance and Property Interference, Revised Code of Practice, August 2018, required each local authority to set the RIPA Policy at least once a year.

RESOLVED – (a) That the issues raised, as detailed in the submitted report, be noted. (b) That the Regulatory of Investigatory Powers Policy, as appended to the submitted report, be approved. (c) That further reports on the use of Regulation of Investigatory Powers Act (RIPA) and Investigatory Powers Act (IPA) and associated issues, be submitted to future meetings of Cabinet.

REASONS – (a) In order to ensure that the Council complies with the legal obligations under RIPA, IPA and national guidance. (b) As stated in the Home Office Code of Practice, the RIPA Policy should be approved by Members on an annual basis. (c) To help in giving transparency about the use of RIPA and IPA in the Council

C15 REVENUE BUDGET MONITORING 2025/26 - QUARTER 1

The Cabinet Member with the Resources Portfolio introduced the report of the Executive Director of Resources and Governance (previously circulated) providing an early forecast of the 2025/26 revenue budget outturn as part of the Council's continuous financial

management process.

The submitted report stated that it was the first revenue budget management report to Cabinet for 2025/26 and that the latest projections showed an overall decline of £2.166m on the 2025/29 Medium Term Financial Plan, which was due to £3.489m of departmental pressures and a decline in corporate resources of £0.166m, offset by £1.489m of additional balances following the 2024/25 outturn.

RESOLVED - (a) That the forecast revenue outturn for 2025/26, 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.

C16 SINGLE USE PLASTIC POLICY

The Cabinet Member with the Economy Portfolio introduced the report (previously circulated) of the Executive Director of Economy and Public Protection to propose an adoption of a single use plastic policy to Members.

The report explained that Global plastic production has increased significantly in recent decades with resulting increases in disposal costs. The UK Government has begun making strides to reduce single use plastic production. Council catering outlets are already working towards reducing their use of single use plastic. The report detailed the three principles which would help us reduce our dependence on single use plastic and encourage others to take action; Lead by example, work with suppliers and contractors and support Darlington.

RESOLVED - It is recommended that Cabinet approves the single use plastic policy

REASON - The recommendations are supported by the increasing public pressure to act on climate change and support our local environment. We run the risk of significant damage to our reputation if we do not deliver on our stated commitment to dealing with the Council's contribution to climate change and nature depletion.

C17 TREASURY MANAGEMENT ANNUAL REPORT AND OUTTURN PRUDENTIAL INDICATORS 2024/25

The Cabinet Member with the Resources Portfolio introduced the report (previously circulated) of the Executive Director of Resources and Governance providing important information regarding the regulation and management of the Council's borrowing, investments and cash-flow; treasury activity for 2024/25; and seeking approval of the Prudential Indicator results for 2024/25 in accordance with the Prudential Code.

It was reported that the financial year 2024/25 was yet another unprecedented year with

regard to treasury management due to a number of issues including the continuing conflict in Ukraine; events in the Middle East; inflation taking time to recover; the cost of borrowing continuing to rise steadily throughout the early part of the year; and that although the returns for cash investments had increased to higher interest rates they still remained below the cost of borrowing. The Council had complied with its legislative and regulatory requirements.

The submitted report summarised the Councils external debt as of 31 March 2025 was £172.738m which is £19.860m more than the previous year, this increase relates to the progression of various capital schemes and the rise in cost of the schemes due to inflationary pressures.

RESOLVED - (a) That the outturn 2023/24 Prudential Indicators, as detailed within the submitted report and in Appendix 1 to the submitted report, be noted.

(b) That the Treasury Management Annual Report for 2023/24, as detailed in the submitted report, be noted.

(c) That the report be forwarded to Council, in order for the 2023/24 Prudential Indicators to be noted.

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

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

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

C18 MEMBERSHIP CHANGES - TO CONSIDER ANY MEMBERSHIP CHANGES TO OTHER BODIES TO WHICH CABINET APPOINTS.

There were no membership changes reported at the meeting.

C19 TO CONSIDER THE EXCLUSION OF THE PUBLIC AND PRESS :-

C20 QUESTIONS.

**DECISIONS DATED –
FRIDAY 12 SEPTEMBER 2025**

CABINET
7 OCTOBER 2025

PROCUREMENT PLAN UPDATE

Responsible Cabinet Member -
Councillor Mandy Porter, Resources Portfolio

Responsible Director -
Elizabeth Davison - Executive Director – Resources and Governance

SUMMARY REPORT

Purpose of the Report

1. The Annual Procurement Plan was considered by Cabinet in April this year. Since then, additional contracting intentions have developed. Cabinet is 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.
4. To give Cabinet an update concerning Social Value.

Recommendations

5. 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

6. The recommendations are supported by the following reasons for strategic and non-strategic procurements:-
 - (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.
7. 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
Executive Director – Resources and Governance

Background Papers

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

Claire Weatherburn: Extension 5497

Council Plan	Strategic oversight of procurement is important in the delivery of the Council's objectives
Addressing inequalities	This decision will not have any direct impact on addressing inequalities.
Tackling Climate Change	The strategic procurements for Warm Homes (HUG3 and SHDF) will have a positive impact on tackling climate change in Council Dwellings and Private Sector Housing.
Efficient and effective use of resources	The production of the update to the Procurement Plan is designed to save Member and Officer time requesting delegated powers to make contract award decisions.
Health and Wellbeing	This decision will not have any direct impact on Health and Wellbeing
S17 Crime and Disorder	This decision will not have any direct impact on Crime and Disorder
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
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

8. 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.
9. This then allows Cabinet to be advised of the contracts of £100,000 and over and to decide which of those contracts are strategic.
10. For those contracts designated strategic the final contract award decision will be approved by the Procurement Board and will be reported to Cabinet.
11. For the contracts designated non-strategic, the decision will be delegated to the relevant Directorate and detailed in the decision record.
12. The Contract Procedure Rules state that if a contract has not been included on the Annual Procurement Plan a separate report must be taken to Cabinet to determine if it is deemed strategic or non-strategic.

Assessment of contracts

13. 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.
14. Based on the criteria there are no contracts that are designated strategic in the update to the Annual Plan.

Update on Procurements previously designated as Strategic

15. Updates on the strategic procurement activity detailed in the previous report.
 - (a) **Town Centre Development Project**
Following a further competition via the Pagabo Developer Led Framework a decision was made to award the contract to City Heart Limited.
 - (b) **Warm Homes SHDF Works**
A decision has been made to abandon the procurement exercise and look at alternative procurement options, due to the lack of competitive bids, through another organisation's framework.

Procurement Board waiver decisions

16. 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.
17. 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.

18. 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 **April 2025 – August 2025**.

Social Value

19. Procurement is working with contracted suppliers on monitoring the social value achieved through a procurement process and will provide a further update in the Annual Procurement Plan Update in April.
20. Details of the social value achieve in current projects are detailed below;

(a) Framework Agreement for Joint Venture Residential Development with Darlington Borough Council

Esh Homes Limited have committed to a total of 15 measures to be achieved over the term of the contract.

Listed below is the progress to date against the measures:

- (i) 4.6 FTE Darlington residents employed
- (ii) 12.8 FTE Tees Valley residents employed
- (iii) 1.8 FTE Darlington and Tees Valley residents employed via NEETs
- (iv) 104 apprenticeship weeks delivered for residents across the North East
- (v) 6 hours of educational activity in construction in the curriculum

(b) Refurbishment of 156 Northgate

Compass Developments (NE) Ltd have committed to a total of 8 measures to be achieved over the term of the contract.

Listed below is the progress to dates against the measures;

- (i) 52 apprenticeship weeks delivered for Darlington residents
- (ii) 12 hours to support young people into work
- (iii) £11,520.98 local spend
- (iv) £2,918.00 SME spend**

21. The Council have awarded contracts/frameworks in the procurements listed below, where the suppliers have committed to several social value measures. An update on the progress will be provided in the April 2026 report.

- (a) Northern Echo Refurbishment
- (b) Home Care and Support Framework
- (c) NEPO508 Neutral Vendor for Temporary Workers

Outcome of Consultation

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

This page is intentionally left blank

ASSESSMENT MATRIX															
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 Procurement Board/Directorate	Procurement Route
1		New Contract	Garage Demolition and Refurbishment	1	£ 250,000.00	£ 250,000.00	1	1	1	1	1	5	Non - Strategic	Executive Director - Resources & Governance	Tender Exercise to a Minimum of 5 Suppliers
2		Secureshield	Maintenance and 24 Hour Call Out/Repairs Service of Doors, Gates and Lifeline Equipment	5	£ 250,000.00	£ 1,250,000.00	2	2	2	1	1	8	Non - Strategic	Executive Director - Resources & Governance	Over Threshold Tender Exercise

This page is intentionally left blank

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?

This page is intentionally left blank

APPENDIX 3

PROCUREMENT BOARD DECISIONS TO WAIVE CONTRACT PROCEDURE RULES WITH A CONTRACT VALUE OVER £100K
APRIL 2025 - AUGUST 2025

Procurement Board Reference Number	Approval Date	Description	Contract Term	Contract Value	Supplier
PB2025-00028	07 April 2025	Direct Award - Supported Living Placement. Total cost to the Council £199,341.65 No suitable placements on the Councils contracted provision	4 years + 6 x 12 months	£ 398,683.30	Home Group Limited
PB2025-00033	22 April 2025	Direct Award - Provision of a secure welfare bed No suitable framework	6 weeks	£ 186,000.00	Peterborough Borough Council - Clare House
PB2025-00039	22 April 2025	Direct Award - Permanent Nursing EMI placement No suitable framework	4 years + 6 x 12 months	£ 434,847.60	Victoria House Care Home
PB2025-00041	22 April 2025	Direct Award - Domiciliary Care Placement No suitable placements on the Councils contracted provision	4 years + 6 x 12 months	£ 163,417.18	Moorlands Care
PB2025-00045	22 April 2025	Direct Award - EMI Nursing Care Placement. Total cost to the Council £228,112.50 No suitable framework	4 years + 6 x 12 months	£ 456,225.00	The Gardens Care Home - Blackwell Suite
PB2025-00046	22 April 2025	Direct Award - Permanent Nursing EMI placement No suitable framework	4 years + 6 x 12 months	£ 573,540.00	Dewar Close Care Home
PB2025-00053	06 May 2025	Direct Award - Children's Residential Placement No suitable placements on the Councils contracted provision	5 years	£ 2,653,665.30	Hennessey Group -Willow Lodge
PB2025-00054	06 May 2025	Direct Award - IFA Placement No suitable framework	3 yrs 3 months	£ 160,982.25	Horizon Fostering Services
PB2025-00058	19 May 2025	Direct Award - Provision of a Day placement in an Independent School. No suitable placements on the Councils contracted provision	3 years	£ 182,520.00	Keys Group Progressive Education Limited
PB2025-00064	19 May 2025	Direct Award - Children's Unregistered Residential Placement No suitable placements on the Councils contracted provision	13 weeks	£ 165,685.00	Unified Care Services, Intelligent Care Ltd
PB2025-00068	02 June 2025	Direct Award - Children's Fostering Placement No suitable placements on the Councils contracted provision	2 years 5 months	£ 116,882.40	A1 Foster Care The Grangefield Centre

PROCUREMENT BOARD DECISIONS TO WAIVE CONTRACT PROCEDURE RULES WITH A CONTRACT VALUE OVER £100K
APRIL 2025 - AUGUST 2025

		Direct Award - Short Break and Residential Care Placement. Total cost to the Council £233,326.50			
PB2025-00070	02 June 2025	No suitable placements on the Councils contracted provision	4 years + 6 x 1 year	£ 466,653.00	The Gardens Care Home - Blackwell Suite
		Direct Award - Domiciliary Care Placement			
PB2025-00072	02 June 2025	No suitable placements on the Councils contracted provision	4 years + 2 x 3 year	£ 417,170.00	HMW Care Ltd T/A Bluebird Care
		Direct Award - Day school Placement			
PB2025-00075	16 June 2025	No suitable placements on the Councils contracted provision	3 years 1 month	£ 201,500.00	KEYS EDUCATION LIMITED
		Direct Award - Children's Residential Placement			
PB2025-00077	16 June 2025	No suitable placements on the Councils contracted provision and a nationwide search for regulated Ofsted providers	4 years 11 months	£ 1,524,030.47	Aspireone Care Ltd
		Direct Award - Education Day placement			
PB2025-00086	16 June 2025	No suitable placements on the Councils contracted provision	3 Years 7 months	£ 320,855.25	WITHERSLACK GROUP LIMITED (Hartwell)
		Direct Award - Education Day placement			
PB2025-00087	16 June 2025	No suitable placements on the Councils contracted provision	3 years 5 months	£ 181,117.50	Keys PCE Limited
		Direct Award - Educational Placement			
PB2025-00088	30 June 2025	No suitable placements on the Councils contracted provision	3 years 2 months	£ 270,470.40	Keys Education Ltd
		Direct Award - Children's Residential Placement			
PB2025-00089	30 June 2025	No suitable placements on the Council Framework or other residential care providers	4 year 1 month & 2 weeks	£ 1,934,140.00	Forever Care Ltd
		Direct Award - Children's Solo Residential Placement			
PB2025-00090	30 June 2025	No suitable placements on the Councils contracted provision and a nationwide search for residential providers	2 Years, 11 Months and 24 days	£ 2,387,000.00	Safe Haven Adolescent Care Services Ltd
		Direct Award - Domiciliary Care Package. Total cost to the Council £191,614.50			
PB2025-00092	30 June 2025	Continuation of the service with the Provider, who previously contracted with the CCG	4 years 2 x 3 years	£ 383,229.00	EXCELLENCE HOME CARE LTD
		Direct Award - Refugee and Asylum Seeker assistance and support			
PB2025-00095	30 June 2025	Only Specialist Provider in Darlington	1 year 2 x 12 months	£ 249,000.00	Darlington Assistance for Refugees (DAR)
		Direct Award - Dolphin Centre CHP Service Agreement			
PB2025-00102	14 July 2025	Continuation of the Service with the Contractor who installed the boiler through a competitive process	15 Years	£ 264,060.00	Centrica Business Solutions UK Ltd
		Direct Award - Children's Residential Placement			
PB2025-00113	14 July 2025	No suitable placements on the Council Framework or other residential care providers	3 years, 1 month 17 days	£ 882,762.86	Enhanced Care Group

PROCUREMENT BOARD DECISIONS TO WAIVE CONTRACT PROCEDURE RULES WITH A CONTRACT VALUE OVER £100K
APRIL 2025 - AUGUST 2025

		Direct Award - Children's Residential Placement			
PB2025-00119	28 July 2025	No suitable placements on the Council Framework or other residential care providers	5 years, 10 months, 19 days	£ 1,673,171.52	Hennessey Group
		Direct Award - Education Day Placement			
PB2025-00120	28 July 2025	No suitable placements on the Councils contracted provision and a nationwide search for regulated Ofsted providers	4 years, 27 days	£ 380,030.49	Aspris Children's Services Ltd
		Direct Award - Independent Special School Placement			
PB2025-00123	28 July 2025	No suitable placements on the Council Framework	3 academic years	£ 386,262.00	Forest Park School
		Direct Award - Independent Special School Education Day Placement			
PB2025-00124	28 July 2025	Continuation of the Service	2 academic years	£ 200,499.00	NORTH EAST AUTISM SOCIETY
		Direct Award - Children's Regulated 90 day Residential Placement			
PB2025-00125	28 July 2025	No suitable placements on the Council Framework	4 months	£ 161,292.86	KEYS GROUP LIMITED
		Direct Award - Permanent Residential Care			
PB2025-00133	11 August 2025	No suitable placements on the Council Framework	2 years + 3 x 12 month	£ 464,828.10	Middleton Hall Retirement Village
		Direct Award - Internal Planned Maintenance Electrical Works			
PB2025-00137	11 August 2025	continuation of the service with the successful Contractor in the original process.	1 year + 2 x 12 months	£ 1,590,000.00	K M Electrical Services Limited
		Direct Award - Sandwich Supplier - Hopetown and Hippodrome			
PB2025-00140	26 August 2025	Local supplier who can provide the service within the required timescales	2 Years	£ 166,000.00	Proper Tasty

This page is intentionally left blank

**CABINET
7 OCTOBER 2025**

TEES VALLEY ENERGY RECOVERY FACILITY (TVERF) - UPDATE

**Responsible Cabinet Member - Councillor Libby McCollom, Local Services Portfolio
Responsible Director - Dave Winstanley, Executive Director – Environment, Highways & Community Services**

SUMMARY REPORT

Purpose of the Report

1. The purpose of the report is to seek supplementary approvals and delegations to support the previous Cabinet decisions on the project.

Summary

2. The five Tees Valley Authorities, Durham County Council and Newcastle City Council (together “the Councils”) are working collaboratively to procure a contractor to design, build, operate and finance a new Energy Recovery Facility (ERF) to be located in the Tees Valley.
3. A governance framework has been developed to manage the development and operation of the project. Cabinet has previously approved progressing with the project and the creation of a Special Purpose Vehicle (SPV), which will be a limited company owned by all seven councils. The SPV will enter into the contract with the preferred bidder, Viridor. The SPV will then manage the contract throughout the design, build, operation and financing of the ERF.
4. Cabinet has also previously approved entering into the Shareholders Agreement and the Waste Supply and Support Agreement with the SPV. Cabinet has also agreed that the SPV enter into contract with the successful bidder at financial close and enter into a 50-year lease with South Tees Development Corporation (Teesworks) for the TVERF site.
5. As part of previous approvals, Cabinet delegated authority to Group Director of Services, in consultation with the Cabinet Member for Local Services, to enter into two guarantees: the first for the SPV, the second to underwrite the SPV’s obligations under the 50-year lease for the site. Delegated authority was also approved to finalise and agree the business plan for the SPV and agree an equalisation agreement between the Tees Valley Authorities for the transfer and bulk transportation of material to the TVERF.

6. The project has a team of external specialist advisors. The legal advisors producing the contract documentation have advanced the development of the documentation and governance framework and there is a suite of associated agreements and ancillary documents that are required. This report seeks to supplement previous approvals, make appointments to the SPV and seeks approvals and delegations for the ancillary documents developed as part of the governance framework. The details of these are contained in the main report.

Recommendations

7. It is recommended that the following appointments to the SPV are approved:
 - (a) The Assistant Director of Environment and Community Safety as Darlington Borough Council's Director on the Board of the SPV and to authorise them, and any successors, to take all decisions as set out in the SPV and associated documents for the good governance of the SPV and TVERF and to authorise them to appoint an alternate representative to act as their substitute or deputy.
 - (b) The Executive Director of Environment, Highways & Community Services, and any successors, as the Shareholder Representative and to authorise that Shareholder Representative to appoint an alternate representative to act as their substitute or deputy.
8. It is recommended that the following authorisations in relation to the SPV are approved:
 - (a) authorise the Shareholder Representative and their alternate to make decisions under the Shareholder Agreement, the articles of association, including the making of shareholder resolutions on behalf of the Council.
 - (b) Endorse the Council being a shareholder, approve and adopt the Articles of Association and the Council subscribing for shares in the SPV.
 - (c) Delegate authority to the Assistant Director of Environmental Services and Community Safety in consultation with the Executive Director of Environment, Highways & Community Services, Chief Finance Officer and Cabinet Member for Local Services to enter into all other necessary agreements or legal documents on behalf of the Council or the SPV.
9. It is recommended that the following authorisations are approved
 - (a) To delegate authority to the Assistant Director of Environmental Services and Community Safety in consultation with the Executive Director of Environment, Highways & Community Services and Cabinet Member for Local Services to enter the Council into the following agreements
 - (i) The Shareholder Agreement
 - (ii) The Second Inter Authority Agreement

- (b) To delegate authority to the Assistant Director of Law and Governance to sign the Local Government Contracts Act (LGCA) Certificate.
- (c) To delegate authority to the Assistant Director of Environmental Services and Community Safety in consultation with the Executive Director of Environment, Highways & Community Services and Cabinet Member for Local Services to enter into the following agreements on behalf of the SPV.
 - (i) Shareholders Agreement and associated documents
 - (ii) Service Level Agreement
 - (iii) Secondment Agreement
 - (iv) Council Guarantee of the Project Agreement
 - (v) Novation of the Option Agreement
 - (vi) Side deed of the estate owner
 - (vii) Environmental Deed
 - (viii) The Lease and Lease Guarantee and associated documents
 - (ix) Waste Supply and Support Agreement

Reasons

10. The recommendations are supported by the following reasons:

- (a) External solicitors were appointed to advise and represent the Councils and have been advising on the necessary documentation. They have advised that an ancillary suite of documents and agreements are approved to compliment the governance of the contract and its future monitoring and management.

Dave Winstanley
Executive Director – Environment, Highways & Community Services

Background Papers

Cabinet Report dated 08 January 2019
Cabinet Report dated 05 November 2019
Cabinet Report dated 14 July 2020
Cabinet Report dated 05 April 2022

Ben Grabham : Extension 3321

Council Plan	The Council is committed to providing opportunities to reduce, re-use and recycle as much waste as possible. Whilst efforts to promote and enhance recycling will continue the Council needs a safe, reliable, sustainable and affordable treatment solution for its residual waste helping move towards the goal of sending zero waste to landfill.
Addressing inequalities	Not applicable to this report.
Tackling Climate Change	The waste hierarchy determines that it is preferable, from an environmental perspective, to treat residual waste by generating energy from it instead of disposing of it in landfill.

	There will be emissions from the TVERF facility, but these will be minimised and strictly controlled in line with the conditions of the Environmental Permit, regulated by the Environment Agency. The TVERF has been designed to allow carbon capture and storage technology.
Efficient and effective use of resources	The project ensures the Council has a reliable, sustainable and affordable treatment solution for its residual waste.
Health and Wellbeing	Effective and safe management of waste can have a positive impact on the health and wellbeing of residents.
S17 Crime and Disorder	The content of this report does not impact on crime and disorder.
Wards Affected	There is no impact on any ward particularly as a result of this report.
Groups Affected	No particular group is affected as a result of this report.
Budget and Policy Framework	This project will have capital and revenue implications for the authority as outlined in previous reports.
Key Decision	Yes, as it affects all wards.
Urgent Decision	Yes
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

11. In July 2020, Cabinet approved the first Inter Authority Agreement between the five Tees Valley Authorities, Durham County Council and Newcastle City Council to agree the governance arrangements to pursue a joint waste treatment facility and approved the commencement of the procurement process to procure a contractor to design, build, operate and finance the TVERF. The Cabinet Report of 14 July 2020 contains more details.
12. In April 2022, Cabinet approved the creation of the SPV and delegated the authority for the entering into of the Shareholder's Agreement and the Waste Supply and Support Agreement between the Council's and the SPV, and delegated the authority for the SPV to award the contract, enter into the Project Agreement with the successful contractor and the lease for the land with STDC (Teesworks) on which the TVERF would be built.
13. The April 2022 decision by Cabinet also delegated authority to officers to enter into two Guarantees, one to the SPV for the Project Agreement and the second to provide a guarantee that the SPV will meet its requirements under the lease. Cabinet further delegated authority to finalise and agree the Business Plan and sufficient resources to allow the SPV to reach financial close and to monitor and manage the contract on behalf of the Councils. The Cabinet Report of 05 April 2022 contains more details.
14. The Councils have selected a preferred bidder for the contract, Viridor, and the project is moving towards financial closure.

Governance and Management of the SPV

15. The Council is required to have a Director on the Board of the SPV to represent the interests of the Council and would require the authority to make Board decisions without needing to return to Cabinet or the approval of a delegated officer before each decision can be made.
16. This would effectively be the same authority that the Assistant Director of Environment and Community Safety has to manage and monitor our current waste disposal contract.
17. The Assistant Director of Environment and Community Safety is proposed as Darlington Borough Council's Director on the Board of the SPV.
18. Each of the seven Councils will acquire one share each in the SPV which will entitle them to one vote each. It is proposed that the Council will be the Shareholder and therefore will require a Shareholder Representative to make decisions on behalf of the Council in its role as shareholder in the company.
19. The Executive Director of Environment, Highways & Community Services is proposed as the Shareholder Representative for Darlington Borough Council.
20. SPV decisions will be made by the Management Team, appointed Board Director or Shareholder, the governance of which will be set out in the Shareholder's Agreement, second Inter Authority Agreement and articles of association of the SPV.
21. The First Inter Authority Agreement (IAA) will end upon financial closure and the Waste Supply and Support Agreement and Shareholder Agreement will govern the management and monitoring of the contract.

Governance Framework and ancillary documents

22. The agreements previously approved have been developed by the project teams legal advisors and an ancillary suite of documents and agreements have been produced to compliment the governance of the contract and its future monitoring and management. For clarity, the table below outlines all the agreements and ancillary documents and their current approval status.

Agreement	Brief Description	Status
Shareholder Agreement	An agreement between the company, the SPV, and its shareholders, the seven Councils, that outlines their rights, responsibilities and obligations. It governs how the SPV is managed and how disputes between shareholders should be handled. Cabinet have approved entry into this agreement for the Council, but approval is also required for the SPV to enter into the agreement.	Existing approval amended to reflect the formation of the SPV.
Waste Supply and Support Agreement	The Waste Supply and Support Agreement (WSSA) will deal with how the payment obligations and financial liabilities of the SPV will be shared between the Councils. Cabinet have approved the Council's	Existing approval amended to reflect the formation of the SPV.

	entry into this agreement, but approval is also required for the SPV to enter into the agreement.	
The Second Inter Authority Agreement	At financial close the First Inter Authority Agreement will fall away. The Second Inter Authority Agreement will set out the relationship between the Councils after financial close.	Approval for DBC to enter this agreement.
Service Level Agreement for SPV & Secondment Agreement	There will be a Service Level Agreement between Redcar and Cleveland Council as the 'Host Authority', providing support services to the SPV, such as Finance, HR, Legal and IT services. Linked to this there will be a Secondment Agreement between Redcar and Cleveland Borough Council in its role as the Host Authority providing support services to the SPV, whereby Redcar and Cleveland Borough Council shall second the Secondment to the SPV.	Approval for the SPV to enter into the two agreements
Council Guarantee of the Project Agreement	Cabinet have approved a Guarantee to the SPV with regard to the Project Agreement. To provide comfort to the Contractor that the SPV is fundamentally robust to meet its obligations under the Project Agreement	Approval for the SPV to enter the Guarantee.
Novation of the Option Agreement	Hartlepool Borough Council entered into an Option to lease the land from South Tees Development Corporation (Teesworks) for the land on which the TVERF will be built. Once the SPV has been formed and financial close reached, Hartlepool will novate (transfer) the option agreement to the SPV.	Additional approval as part of the lease agreement previously agreed by Cabinet. Authorise the SPV to enter into the novation.
Side deed of the estate owner	A side deed between the SPV and the South Tees Development Ltd, Teesworks and South Tees Development Corporation will set out how the wider site issues and interaction with the remainder of the STDC estate will be dealt with. For example, service charges.	Additional approval as part of the lease agreement previously agreed by Cabinet. Authorise the SPV to enter into the side deed.
Environmental Deed	This will form part of the Lease of the site and will deal specifically with contamination and how it will be dealt with, by whom, should any contamination be identified.	Additional approval as part of the lease agreement previously agreed by Cabinet. Authorise the SPV to enter into the Environmental Deed.
Lease Guarantee	A Lease Guarantee, to underwrite the SPV's obligations (such as rent for example) for the site, is required to be provided by the Councils in favour of the landlord. Cabinet have approved the Council	Approval for the SPV to enter the Guarantee

	providing a Guarantee to the SPV with regard to the Lease from South Tees Development Corporation.	
Local Government Contracts Act (LGCA) Certificate	The purpose of section 2 of the LG(C)A 1997 is to allow a private sector contractor to contract confidently with an authority without worrying whether the authority has exceeded its powers or the officer signing the contract on behalf of the authority has the power to bind the authority.	Approval required to provide assurance to the Contractor.

Legal Implications

23. Legal advice has been received from an external law firm on behalf of all seven Councils that proposed supplementary agreements and delegations outlined above are necessary or advised.

This page is intentionally left blank