



DARLINGTON

Borough Council

Economy and Resources Scrutiny Committee Agenda

2.00 pm

Wednesday, 26 February 2025

Council Chamber, Town Hall, Darlington. DL1 5QT

Members of the Public are welcome to attend this Meeting.

1. Introductions/Attendance at Meeting
2. Declarations of Interest
3. Darlington Indoor Market - Call in of Cabinet's Decision –

Call in request – from Councillors Durham, Marshall and Henderson, together with the Officers' response to those matters which can be considered in the public part of the meeting.

Please note that further elements of the Call-in will be dealt with in the confidential part of the meeting

(Pages 3 - 6)

4. Questions
5. 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 PART III NOT FOR PUBLICATION
6. Darlington Indoor Market - Call in of Cabinet's Decision –

- (a) Call in request from Councillors Durham, Marshall and Henderson, together with Officers' response
- (b) Report of the Chief Executive considered by Cabinet 4 February 2025
- (c) Cabinet Report dated 15 September 2020 and relevant appendices (Pages 7 - 152)



Luke Swinhoe
Assistant Director Law and Governance

Tuesday, 18 February 2025

Town Hall
Darlington.

Membership

Councillors Coe, Baker, Dillon, Durham, Haszeldine, Henderson, Marshall, McGill, Ray and Mrs Scott

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

QUAD OF AIMS

(TO BE COMPLETED WHEN MAKING CALL-IN OR REQUESTING AN ITEM ON AGENDA)

(TO BE COMPLETED WHEN MAKING CALL-IN)

**Title : Darlington Markets Cabinet Minute
(if appropriate) :**

Part I

REASON FOR ITEM/CALL-IN	RESOURCE
<p>1. Would "Council" as a decision making body have the legal competence to consider the proposals, rather than "Cabinet"</p>	<p>1. Council can only make decisions that are within their functions and responsibilities. The decision did not involve any change to the budget and policy framework and was considered to be a decision for the executive (Cabinet) to consider. It was not a decision that was within the competence of Council.</p>
<p>4. It is not clear how the establishment of a "Local Board" differs from the current governance or working arrangement between "MAM" and the Council. How have Cabinet satisfied themselves that the Council and the Portfolio holder have the expertise to add value over and above the current relationship.</p>	<p>4. Terms of reference and constituent members of the board are still to be agreed</p>
<p>8. "MAM Darlington" due to its size are only required to publish Micro Accounts which are effectively unaudited Financial Statements prepared by the "Sole Director", have Cabinet requested an audit be carried out by a suitably qualified practice?</p>	<p>8. The forecasts provided by MAM have been prepared by the Management Team which includes a qualified Group Financial Controller. No they have not.</p>
<p>10. The report references practical challenges with taking the "Market" back under its wing and the potential Investment write off. No other options are mentioned, at the very least an appraisal of bringing back in house v investment write off would have been carried out. Can full details of this appraisal please be provided to scrutiny. If this option was not explored then please provide an explanation as to why.</p>	<p>10. Bringing the market back inhouse was an option in the cabinet paper. A number of meetings took place with Portfolio Holders through which a preferred direction emerged. In view of this a detailed appraisal was not carried out. However, it should be noted that the Council does not have spare capacity to manage the market operations and does not have of the expertise in retail and marketing with very limited contacts in this segment of trading activity. Another consideration would be TUPE implications, and clear risks that management change of this scale could be very disruptive at a time when positive trading momentum is apparent.</p>

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PROCESS	ANTICIPATED OUTCOME
<ol style="list-style-type: none">1. To discuss with the Portfolio Holder and AD/Head of Service2. To scrutinise all paperwork requested in advance of the meeting	<ol style="list-style-type: none">1. To review the additional information and scrutinise the evidence2. To consider the decision made by Cabinet to change the terms of the Loan and revised working relationship and form a view as to whether the matter has received the appropriate level of due diligence and that all options were considered.

QUAD OF AIMS

(TO BE COMPLETED WHEN MAKING CALL-IN OR REQUESTING AN ITEM ON AGENDA)

COUNCILLOR Scott Durham

COUNCILLOR Alan Marshall

COUNCILLOR Roz Henderson

Signed - Assistant Director of Law and Governance

Dated

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of the Local Government Act 1972.

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