

**DECISIONS SHOULD NOT BE IMPLEMENTED BEFORE
MONDAY 21 JANUARY 2018**

CABINET

Tuesday, 8 January 2019

PRESENT – Councillors Harker (Chair), Crumbie, C L B Hughes, McEwan, S Richmond, A J Scott and Wallis

INVITEES – Councillors Curry and K Nicholson

APOLOGIES – Councillor Mrs H Scott

C91 DECLARATIONS OF INTEREST

There were no declarations of interest reported at the meeting.

C92 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.

C93 TO APPROVE THE MINUTES OF THE MEETING OF THIS CABINET HELD ON 11 DECEMBER 2018

Submitted - The Minutes (previously circulated) of the meeting of this Cabinet held on 11 December 2018.

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

REASON – They represent an accurate record of the meeting.

C94 ANNUAL AUDIT LETTER 2017/18

The Leader and Cabinet Member with the Efficiency and Resources Portfolio introduced the report of the Managing Director (previously circulated) presenting the Annual Audit Letter for 2017/18 (also previously circulated).

The Annual Audit Letter provided a high level summary of the results from the 2017/18 audit work undertaken by Ernst and Young LLP (EY), the Council's external auditors; confirmed that the Council's accounts gave a true and fair view for the year ending 31 March 2018; and that the Council had put in place proper arrangements to secure value for money in uses of its resources.

A representative from Ernst and Young LLP (EY), presented the main findings from the Annual Audit Letter 2017/18 and stated that, the Council had been issued with an unqualified audit opinion.

RESOLVED – That the Annual Audit Letter, as appended to the submitted report, be noted.

REASON - To enable Cabinet to receive the results of the external audit work carried out.

C95 MATTERS REFERRED TO CABINET

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

C96 ISSUES ARISING FROM SCRUTINY COMMITTEE

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

C97 KEY DECISIONS:-

(1) TEES VALLEY WASTE MANAGEMENT STRATEGY

The Cabinet Member with the Leisure and Local Environment Portfolio introduced the report of the Director of Economic Growth and Neighbourhood Services (previously circulated) requesting that consideration be given to adopting the Tees Valley Joint Waste Management Strategy (JWMS) (also previously circulated) following an eight-week consultation period, which closed on 3 December 2018.

The submitted report stated that the five Tees Valley Local Authorities were currently developing an outline business case for the options on the future of waste treatment/disposal post 2025 when existing contractual arrangements would come to an end; as part of the process, the JWMS for Tees Valley had been reviewed, refreshed and updated to take account of current policy direction; and that the other four Tees Valley Authorities had also carried out a similar consultation exercise with their residents.

Discussion ensued on the impact of implementing the strategy for the residents of the Borough and, in particular, children and young people.

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

(b) That the Joint Waste Management Strategy for Tees Valley, as appended to the submitted report, covering the period 2020 to 2035, be adopted.

REASON - The adoption of the Joint Waste Management Strategy will enable the Council to develop its own action plan to deliver the aims and objectives from the strategy.

(2) PERMIT SYSTEM TO MANAGE AND COORDINATE ROADWORKS

The Cabinet Member with the Leisure and Local Environment Portfolio introduced the report of the Director of Economic Growth and Neighbourhood Services (previously circulated) requesting that consideration be given to developing a Permit Scheme and

consulting on the proposed scheme to improve the management, coordination and operation of road works.

The submitted report stated that under the New Roads and Street Works Act 1991 and the Traffic Management Act (TMA) 2004, all highways authorities had a duty to effectively coordinate all activities on the highway to ensure the safe and expeditious movement of traffic, pedestrians and vulnerable road users; the Council currently managed the coordination of roadworks through a noticing system; the TMA 2004 allowed highway authorities to introduce a permit scheme; outlined the key features, benefits and feasibility of introducing a permit scheme; and the financial and legal implications.

Discussion ensued on the additional controls available on roadworks available through the introduction of the permit system.

RESOLVED – (a) That the development of a Permit Scheme and the consultation on the proposed scheme to improve the management, coordination and operation of road works, be approved.

(b) That a further report be considered by Cabinet upon the completion of feasibility and consultation to include the business case, resource requirements and to agree the detail of the scheme to be implemented, including the level of charges.

REASONS – (a) To fulfil duties under the New Roads and Street Works Act 1991(NRSA) and the Traffic Management Act 2004 (TMA).

(b) Improve the management and coordination of roadworks.

(c) Comply with requests from the Secretary of State to introduce a Permit Scheme.

C98 STRATEGIC SITES DEVELOPMENT PROGRAMME - DARLINGTON TOWN CENTRE

The Cabinet Member with Economy and Regeneration Portfolio introduced the report of the Director of Economic Growth and Neighbourhood Services (previously circulated) providing an update to Members on emerging high-level thoughts and the future development of proposals that will encourage further investment on key strategic sites in Darlington Town Centre that would complement and supports the work and actions outlined in the Town Centre Footfall Strategy report agreed by Cabinet in July 2018 (Minute C33/Jul/18 refers).

The submitted report stated since the Town Centre Footfall Strategy had been produced the landscape of retail and commerce within the town centres across the UK had changed; the threat to the country's high streets had been acknowledged by the Government which had announced a £675M Future High Street Fund as part of the 2018 budget; given the changes to both the environment of the high street and changes to peoples' shopping habits there was a need for all towns to develop plans that had business investment at their heart and were focussed on transforming them into a community hub incorporating health, housing, arts, education, entertainment, leisure, business/office space and retail; and that Darlington's Town Centre continued to retain a high proportion of top national retailers with a strong representation from

independent retailers.

Discussion ensued on the outdoor Market and on the Yards, and in particular, on how to advertise the shops and businesses that were located in the Yards.

RESOLVED – (a) That the report be noted,

(b) That the ongoing position which officers are developing, as detailed in the submitted report, that will lead to further private sector development, be supported.

(c) That the key Town Centre development areas that were appropriate for consideration, be agreed, namely:-

- (i) Victorian Indoor Market;
- (ii) Skinnergate and the Yards and Wynds;
- (iii) Northgate; and
- (iv) Crown Street.

(d) That further reports be brought back to future Cabinet meetings to update on progress.

REASONS – (a) To ensure that the strategic sites detailed in the report are addressed to improve the attractiveness and vitality of the Town Centre.

(b) Suitable alternative uses of sites are pursued to support the actions detailed in the Darlington Town Centre Footfall Strategy (2018).

(c) To contribute to the further economic wellbeing and vitality of the Town Centre.

C99 DELIVERY OF NEW HOMES AT MIDDLETON ST GEORGE - JOINT VENTURE PROPOSAL

The Leader and Cabinet Member with the Efficiency and Resources Portfolio introduced the report of the Managing Director (previously circulated) requesting that consideration be given to approving the establishment of a Joint Venture Company to provide the infrastructure build and sale of homes in Middleton St George, under the company name Middleton St George Joint Venture Limited.

The submitted report stated that a Joint Venture Company had already been established with Esh Homes Ltd to build and sell homes at Eastbourne; the site at Middleton St George was owned by a third party and the Joint Venture (JV) partner had negotiated terms to acquire the site with planning permission being obtained for the development of 55 homes; outlined the JV proposal; the two main areas of risk on the expected return; the financial implications; mitigations in place to minimise risk; outcome of consultation; and the legal advice received.

RESOLVED – (a) That the establishment of the Joint Venture Company to acquire land, deliver, build and sell up to 55 new private sale and affordable homes at Middleton St George, as detailed in the submitted report, be approved.

(b) That £4.7m from the Investment Fund, be approved, to fund the Joint Venture

Company, financed by prudential borrowing, subject to a first Legal Charge in favour of the Council over the land acquired by the Joint Venture Company together with a Guarantee from the Joint Venture Partner in respect of 50 per cent of the loan sum.

(c) That the Joint Venture Agreement be approved and authority be delegated to the Managing Director to finalise the establishment of the Joint Venture Company in line with the terms, as set out in the submitted report, and supporting Development Appraisal and Cashflows annexed at Appendix 2 (Part III) of the submitted report.

(d) That the Assistant Director – Resources (CFO), the Assistant Director Housing and Building Services and the Assistant Director Law and Governance be appointed to act as directors in the Joint Venture Company as part of its Executive Board.

(e) That the Joint Venture be funded from prudential borrowing from the Capital Investment Fund.

REASONS – (a) To assist in the delivery of the Economic Strategy by speeding up the building of new homes.

(b) To assist in the delivery of the Housing Strategy by enabling the building of fifty houses for private sale and five affordable housing properties.

(c) To deliver income for the Council.

C100 MEMBERSHIP CHANGES - TO CONSIDER ANY MEMBERSHIP CHANGES TO OTHER BODIES TO WHICH CABINET APPOINTS.

There were no membership changes reported at the meeting.

C101 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 item on the grounds that it involves the likely disclosure of exempt information as defined in exclusion paragraph 3 of Part I of Schedule 12A to the Act.

C102 LAND AT NEASHAM ROAD - PROPOSED NEW HOUSING DEVELOPMENT - DISPOSAL OF SITES

The Cabinet Member with the Economy and Regeneration Portfolio introduced the report of the Director of Economic Growth and Neighbourhood Services (previously circulated) reporting the progress made following the acquisition of the land at Neasham Road; requesting that consideration be given to engaging the services of Esh Homes Limited to facilitate an early planning application for the site and incur the associated costs; and seeking in principle approval to dispose of part of the site to the Esh Joint Venture and part of the site to a Registered Provider, with detailed terms being reported back to Cabinet in the future.

The submitted report outlined the background to the proposals; the land and property advice received; proposed fees and costs of planning application; legal and financial implications; and the risks associated with the proposals.

RESOLVED – (a) That the costs identified in Appendix 2 of the submitted report and the release of the funding necessary to appoint Esh and the relevant providers to undertake the specified work required to submit the planning application, be approved, with the costs to be funded from the Economic Growth Investment Fund.

(b) That the in principle disposal of part of the site to the Esh/Council formed Joint Venture Company and part to a Registered Provider with terms to be reported to Cabinet in due course, be agreed.

(c) That the Assistant Director – Law and Governance be authorised to execute the necessary documents to facilitate future development.

REASONS – (a) To provide a site capable of contributing to the delivery of Council Housing Stock and other affordable/social homes to satisfy the Borough's housing need.

(b) To achieve a capital receipt for the Council from a private developer as well as securing funding from Homes England and increased Council Tax receipts from approx. 450 new homes.

**DECISIONS DATED –
FRIDAY 11 JANUARY 2019**