

Cabinet

A meeting of Cabinet was held on Thursday, 1st October, 2009.

Present: Cllr Ken Lupton(Chairman), Cllr Mrs Jennie Beaumont, Cllr David Coleman, Cllr Robert Cook, Cllr Alex Cunningham, Cllr Terry Laing, Cllr Mrs Ann McCoy, Cllr Steve Nelson, Cllr Mrs Mary Womphrey

Officers: N. Schneider (CEO); J. Humphreys, R. Kench, J. Morrison (CESC); P. Robson, R. Poundford, R. McGuckin (DNS); G. Cummings, L. King (R), D. Bond, M. Waggott, M.Henderson (LD)

Also in attendance: Cllr Maureen Rigg and Cllr Beall

Apologies:

CAB 85/09 **Declarations of Interest**

Councillor Cook declared a personal non prejudicial interest in the item entitled Building Schools for the Future – Draft Outline Business Case as he was a Governor at one of the schools referred to in the report.

Councillor Nelson declared a personal non prejudicial interest in the item entitled Building Schools for the Future – Draft Outline Business Case as he was a Governor at one of the schools referred to in the report.

Councillor Nelson declared a personal non prejudicial interest in the item entitled Tees Valley Regeneration Succession Arrangements as he served on the Tees Valley Living Board.

Councillor Cook declared a personal non prejudicial interest in the item entitled Tees Valley Regeneration Succession Arrangements as he served on the Tees Valley Unlimited Tourism Board and the Planning and Transport Board.

Councillor Lupton declared a personal non prejudicial interest in the item entitled Tees Valley Regeneration Succession Arrangements as he served on the Tees Valley Unlimited Leadership Board.

Councillor Cunningham declared a personal prejudicial interest in the item entitled Carbon Reduction Commitment as he was employed by a company that was commercially involved in issues relating to Carbon reduction. Councillor Cunningham left the meeting and took no part in the discussion or voting on the item.

Councillors Lupton and Mrs Womphrey declared a personal non prejudicial interest in the item entitled Carbon Reduction Commitment as they served on the Board of Tees Active which would be affected by the issue and was referred to in the report.

Councillor Beall declared a personal non prejudicial interest in the item entitled Building Schools for the Future – Draft Outline Business Case as he was a Governor at one of the schools referred to in the report.

CAB 86/09 **Minutes of Meetings held on 9th July 2009, 6th August 2009 and 3rd September 2009.**

The minutes of the meetings held on 9th July 2009, 6th August 2009 and 3rd September 2009 were confirmed as a correct record and were signed by the Chairman.

CAB 87/09 Local Authority representation on school Governing Bodies

In accordance with the procedure for the appointment of school governors, approved at Minute 84 of the Cabinet (11th May 2000), Cabinet were requested to approve the nominations to school Governing Bodies as detailed within the report.

RESOLVED that appointments be made to the vacant Governorships subject to successful List 99 check and Personal Disclosure, as follows:-

St Mark's Elm Tree Primary School – Mrs F.Williams

CAB 88/09 Children's Social Care Workload Pressures

Further to the meeting held on 9th July 2009 (Min 54/09 refers), Cabinet was advised of the latest position with regard to the recent growth in the number of social care referrals being received by the Council.

There had been a slight reduction in the number of referrals and assessments during July and August, which was common for this period of the year, and the number of referrals received in September and October will be critical in determining the future direction of the trend.

The number of child protection conferences remained high; which had translated into a continued rise in the number of children being subjected to a child protection plan. Whilst there had been a slight reduction in July in the number of children entering the looked after system, the overall numbers had exceeded 250 for the first time in 3 years.

Reference was also made to difficulties in being able to recruit to permanent positions within the section, the number of vacancies that existed and the impact of staff absent through maternity leave, sickness, secondment etc.

The budgetary impact of these pressures was being addressed as part the overall Medium Term Financial Plan and particular budget pressures regarding the independent fostering agency, the children's homes agency placement budget, social work staffing budget and child protection conferences and looked after children, was noted.

Members were advised of the potential implications on authorities following the introduction in June 2009 of unannounced inspections of contact, referral and assessment by Ofsted, with all local authorities scheduled to receive one of these inspections before 31st March 2010. There was evidence in some inspected authorities so far that work load pressures had contributed to poor outcomes in these inspections.

RESOLVED that Cabinet:-

1. Note the continued workload pressures within the social care system and the associated impact this is having on caseloads, performance and budget.
2. Receive further update reports on a bi monthly basis in order to continue to monitor the impact of these workload pressures.
3. Note the update relating to Ofsted inspections of contact, referral and assessment.

**CAB
89/09** **Economic Climate Update Report**

Consideration was given to a report that provided Members with an overview of the current economic climate, outlining the effects that this was having on Stockton Borough, and the mitigations already in place and those being developed in response to this.

The monthly update report enable a focussed account to be made of any recent changes to economic circumstances (both positive and negative) the direct impact that this may be having on the Borough, and the responses and mitigations either in place or being developed to support businesses and residents.

RESOLVED that Cabinet note the report and support the work being undertaken.

**CAB
90/09** **Third Local Transport Plan (LTP3)**

The Council's Second Local Transport Plan (LTP2) covers the period to 31st March 2011, after this date the Council's Third Local Transport Plan (LTP3) will come in to effect. Members considered a report explaining the Department for Transport's new approach to Local Transport Plans - as detailed in the latest guidance – and were advised of the proposed plan to develop the LTP3.

The guidance made it clear that LTP3 will be different from previous LTP's as the DfT has taken a fresh approach to this round, allowing Local Authorities a greater degree of flexibility to prepare a plan which best meets its own individual needs. The Local Transport Act 2008 requires that all LTP3 documents contain policies (the strategy element) accompanied by an "Implementation Plan" and that Authorities renew their plans as they see fit. The guidance suggests that joint working between neighbouring Authorities should be considered where cross-boundary travel is of particular importance.

With this in mind the Tees Valley Local Authorities had been considering the scope, content and format of LTP3 whilst also considering that the DfT is not intending to issue prescriptive guidance as it did previously, that LTP3 will no longer be a 'bidding' document – indicative block allocations up to 2019 have already been provided – and that there will no longer be any formal monitoring of LTPs.

A key theme within the development of LTP3 in the Tees Valley will be joint working between the five Local Authorities wherever possible. Whilst this worked well for LTP2, certain lessons have been learnt and through joint priorities, methodologies and combined use of funding it is hoped that closer

joint working can be achieved developing LTP3. This will help to deliver efficiencies and provide a stronger co-ordinated voice for the City Region. To facilitate this, an LTP3 Joint Working Group has been established with representation from the Authorities and the Tees Valley Joint Strategy Unit (JSU).

Based on the work done to date at City Region and local level a preferred option of a joint City Region Strategy, which is aligned to the RFA process and the MAA, underpinned by five individual Implementation Plans have been agreed.

The new LTP3 guidance allows the time horizon of LTP3 to be at the discretion of the Local Authorities producing them. It has been agreed that the longer term strategy should be in line with the City Region Business Case and current Regional Spatial Strategy, as well as Local Development Frameworks. Therefore the new City Region Transport Strategy will cover the period from 2011-2021. The five LTPs will cover a shorter period from 2011-16 to reflect the funding commitments from the Government, the links to Community Strategies, and the shorter timescales associated with planning local improvement measures.

It had been agreed that the City Region Business Case, due to be updated by the end of 2009, will set the context for the new City Region Transport Strategy. The context for the individual LTPs will be set by the City Region Transport Strategy and the Authorities' individual Sustainable Community Strategies and Local Area Agreements. The Government's long-term Transport Strategy, Delivering a Sustainable Transport System (DaSTS), would be integral to the development of the LTPs within the City Region as they replaced the Shared Priorities of LTP2 (Delivering Accessibility, Tackling Congestion, Safer Roads, Better Air Quality and Quality of Life Issues) and formed part of a 'golden thread' from the City Region Transport Strategy down through the five LTPs and five Local Implementation Plans.

DaSTS set out five goals for transport to:

- Reduce transport's emissions of carbon dioxide and other greenhouse gases, with the desired outcome of tackling climate change;
- Support national economic competitiveness and growth, by delivering reliable and efficient transport networks;
- Promote greater equality of opportunity for all citizens, with the desired outcome of achieving a fairer society;
- Contribute to better safety, security and health and longer life expectancy by reducing the risk of death, injury or illness arising from transport and by promoting travel modes that were beneficial to health; and
- Improve quality of life for transport users and non-transport users, and to promote a healthy natural environment.

Underneath these five goals there were sixteen city and regional network challenges covering transport objectives at both the City Region and local transport level. Over the coming weeks one of the first tasks for developing

LTP3 within the Tees Valley would be to establish whether each of the sixteen challenges were a City Regional priority, a local priority or both.

The implementation plan within the City Region Transport Strategy will be based upon the RFA investment programme, the Tees Valley Area Action Plan and any emerging local schemes that can be delivered at a sub-regional level (eg Urban Traffic Management Control). The implementation plans within the five LTPs will be based around the priorities for investment identified through the Authorities' Strategic Community Strategies and consultation processes.

During the development of their LTP2s, the Tees Valley Local Authorities consulted upon their strategies independently. In order to undertake this process more efficiently and produce results that were comparable and could be combined across the City Region, the LTP3 Working Group would attempt to produce a standard consultation format. It would be designed so that it could be used independently by each of the Local Authorities through their normal consultation channels. It would also allow joint consultation with consultees such as the Environment Agency, the Highways Agency, bus operators, rail operators, North Yorkshire County Council, Durham County Council, etc. The Authorities would still undertake initial consultation on local priorities independently. Details of the methods of consultation to be used in this borough, were noted. The outcomes of this process would be used to inform the five-year Implementation Plan.

Once the priorities and implementation plans have been finalised at both a strategic and local level, delivery mechanisms would be developed. Agreement of the governance would be based upon what can be delivered at a City Region level, by more than one LA in partnership, by a lead authority on behalf of other Authorities, or individually.

The working group would also determine what could be monitored at a City Regional level or in partnership. There would be no LTP specific reporting of progress as in previous years; however progress towards transport outcomes would be recorded through the Comprehensive Area Assessment (CAA) Indicators and the ATS Steering Groups would continue to have an involvement throughout. The Local Authorities would continue to monitor outcomes other than these indicators to ensure effective delivery.

The JSU in conjunction with the five Local Authorities would aim to complete the first draft of the City Region Strategy by the beginning of 2010. Authorities would aim to produce an early draft of the front sections of their LTP3s shortly after, subject to their initial consultation requirements. These initial drafts would then inform the development of governance, monitoring and consultation arrangements, which would in turn inform the final draft LTP3s by the beginning of 2011.

In terms of Stockton-on-Tees Borough Council, a draft document would be taken to Cabinet in October 2010 to allow consultation to take place with a view to talking the final report to Cabinet in March 2011.

RESOLVED that Cabinet

1. Note the project plan for the development of LTP3 and the methods of

consultation as detailed.

2. Note the intention to carry out a Strategic Environmental Assessment and Equality Impact Assessment as part of the development of LTP3.

3. A Draft LTP3 be brought to Cabinet in October 2010 for comment and the final document be brought in March 2011.

CAB **Billingham Town Centre**
91/09

Details were provided to Cabinet of an update regarding the masterplanning for Billingham Town Centre regeneration.

In January 2007, Cabinet agreed to sell the freehold of Billingham Town Centre, and Kingsway car parks, to Halladale (now Stockland UK) to enable a major redevelopment and reinvestment of the town centre. The sale signified an important step forward, looking to resolve the issues that multiple ownership had posed over the previous years, in bringing about a comprehensive regeneration scheme. As part of the conditions of sale, Stockland was obliged to address several of the top priorities highlighted by the residents and businesses of Billingham in the consultation exercises carried out in 2005 in future masterplans for the Town Centre. Since the sale, Stockland had been consulting with potential supermarket operators and other national and local retailers and businesses to determine their needs, which were being used to form the basis of their masterplanning exercise. Due to the current economy and market forces; and in particular the property investment climate, this process had understandably slowed.

Stockland had since tabled a draft masterplan based on a phased approach and its key elements include refurbishing the Town Centre to attract new retailers alongside the creation of new anchors to encourage pedestrian flow throughout the town. Stockland had also agreed terms to create a refurbished large retail unit at the former Kwik Save/1 East Precinct/Resource Centre/Town Centre MOT Testing site. Whilst this proposed development is outside the main masterplanning exercise it would improve the linkages between the Forum and the Town Centre. Stockland were currently in negotiations with a national retailer regarding this unit and in order to assist in the regeneration of the Town Centre it has been agreed that this development can come forward as a separate planning application, anticipated to be by the end of December 2009.

The draft masterplan is based on the principle of forming a major anchor in part of the West Precinct, which would be suitable for a national foodstore operator. In addition, the existing ASDA unit would be retained (and possibly expanded) and a fourth anchor store would be created opposite the former Kwik Save building. The remainder of the Town Centre would benefit from significant refurbishment to attract new retailers and create an attractive environment. Details of the refurbishment proposals were still under consideration by Stockland, following feedback from officers these may include new cladding, new shop fronts and feature lighting.

Positive negotiations with several national retailers regarding potential leases of the four anchor stores was also taking place. Grainger Games had recently opened (47 Queensway) in the Town Centre. Additionally, the Queensway

Dental Practice had also taken the opportunity to expand their successful business into former residential flats adjacent to their existing premises and to a substantial area within Crown Buildings opposite their practice.

The sale agreement provided that the Council and Stockland would endeavour to agree the draft scheme for the regeneration of the Town Centre before 26th July 2009 (being two years from the completion of the sale). However, given the current financial climate Stockland had requested a 9 month extension to agree the draft scheme and officers were currently in the process of agreeing this. A consultation / public engagement event was likely to be held in November 2009; the planning of which was now underway.

It was noted that Council officers continued to work closely with Stockland to ensure that there were no major technical issues upon submission of their masterplan and to ensure that the masterplan acknowledges and builds upon the other Council initiatives around the Town Centre. Namely these initiatives include the £15M enhanced refurbishment of Billingham Forum, due for completion in January 2011 and the £0.5M investment to significantly upgrade John Whitehead Park. Additionally, subject to bid approval, the Town Centre would also be benefiting from a £35M (PFI credits) Integrated Health & Social Care facility.

To date, a working group has been formed to address all outstanding highway, urban design and planning issues, alongside potential solutions. Key issues that Council officers were working with Stockland to resolve included the provision of sufficient good quality car parking, the need to ensure that there were adequate vehicular and pedestrian routes to the Town Centre and that the current national cycle routes were maintained. Future improvement to public transport provision was also being addressed, alongside the requirement for a new taxi rank and traffic calming.

Detailed proposals of the refurbishment materials and (hard and soft) landscaping had also been sought and discussions were being held regarding the Council's anticipated requirements in relation to any potential section 106 agreement. Officers were keen to ensure the public realm provision outside Billingham Forum reflected both the Town Centre regeneration and improvements to the Forum.

In November 2009, Stockland was expected to consult and engage with the people of Billingham regarding their plans, in particular regarding the urban/public realm element of their proposed scheme which would focus on street furniture and materials. A draft consultation action plan had been forwarded to Stockland advising them who to engage with, what mechanisms best to use to consult and a proposed timeline in terms of sequence of consultation. The information hub in the glazed entrance to Billingham Art Gallery would be utilised to showcase updates on the Town Centre scheme (plans, timescales, etc) once the masterplan had been agreed.

In the meantime, officers were endeavouring to improve the current appearance of the Town Centre by addressing the exterior of some of empty units through 'retail window dressing' in partnership with Stockland. The introduction of generic and bespoke graphics to the local shopping environment could be significantly improved during the pre-regeneration period. Additionally, officers

have strongly recommended that Stockland pro-actively promote the Town Centre, its current offer, and new developments with regular press releases to the media and updates to the Billingham Partnership and Town Council as appropriate.

Members noted comments made by the Managing Director of Stockland, confirming his company's commitment to investing in the town centre and consultation with the community. Cabinet was encouraged by this but expressed frustration at the delays in Stockland undertaking any meaningful engagement with the public. Members asked that officers relay this to Stockland and explain the uncertainty the lack of engagement caused within the community.

RESOLVED that the report be noted and Cabinet's comments relating to public engagement be relayed to Stockland.

**CAB
92/09**

Tees Valley Regeneration Succession Arrangements

Consideration was given to a report relating to the winding up of Tees Valley Regeneration (TVR) by the end of March 2010 and the continuation of regeneration and inward investment post March 2010.

Cabinet was reminded that TVR was set up as a limited life company to achieve certain objectives. The TVR shareholders had indicated that TVR had been successful in working towards its objectives and that now was an appropriate time to integrate work more closely within that of Tees Valley Unlimited. The objectives of the succession arrangements would be to improve both effectiveness and efficiency: to improve the delivery of regeneration in the Tees Valley, by better integration of all regeneration-related work through Tees Valley Unlimited; to accelerate and improve the quality of the delivery of physical regeneration schemes across Tees Valley; to rationalise administrative overheads.

In order to maintain the momentum to date, and create greater synergies, it was proposed to move the TVR Business Investment and Marketing Team into the Tees Valley Unlimited arrangements. Detailed arrangements for the integration of this team with other joint Tees Valley teams would be brought forward subsequently as part of a more general review of joint arrangements.

It was proposed to create a new Tees Valley Unlimited Delivery Team, to take forward not just the existing TVR regeneration projects but also to drive forward, and further raise the standard of, major complex physical regeneration projects more generally across the Tees Valley.

The costs of winding up TVR and of the new arrangements could be met within the current funding envelope for TVR, with costs reduced from 2010/11 as a result of the efficiencies of integrating TVR work with other work and of efficiencies in costs currently incurred by TVR.

RESOLVED that progress and proposals for succession arrangements for Tees Valley Regeneration post March 2010 be noted

Carbon Reduction Commitment

Consideration was given to a report relating to Carbon Reduction Commitment.

It was explained that the Government was in the process of introducing the Carbon Reduction Commitment (CRC), a 'cap and trade' scheme for high energy users which was intended to increase energy efficiency and reduce carbon dioxide emissions.

Participation in the scheme was decided by the electricity consumption measured by half hourly meters during the calendar year 2008. On this basis Stockton-on-Tees Borough Council qualified and would be full participants in the scheme.

Registration to the scheme would take place between April and October 2010 with trading commencing in April 2011.

CRC required organisations in the scheme to purchase carbon emission 'allowances' from Government. These were to cover emissions associated with electricity consumption, gas consumption and any other fuels used but specifically excluding transport. The allowances would be available at the start of the scheme at a price of £12 per tonne of carbon dioxide. On the current carbon dioxide emission figures for Stockton-on-Tees Borough Council the cost would be around £350-400k. However, for the first year only, two years allowances would need to be purchased, thus an expenditure of £700k to £800k must be planned for April 2011.

The scheme was 'fiscally neutral' in that the payments received would be recycled back to participants on the basis of their performance in reducing emissions each October. Determination of the repayment was made according to the organisation's position in a league table of all participants. At the top of the league table a 'bonus' of 10% would be paid whilst at the bottom a 'penalty' of 10% applied. Over a period of five years this bonus (or penalty) would rise to 50%. The actual bonus or penalty payable for a given league table position was on a linear scale from top to bottom.

It was estimated that around 5,000 organisations would be participating in the scheme and would include supermarkets, other large stores, manufacturing and commercial business as well as local authorities.

Part of the process required the establishment of a 'carbon footprint report' and this would cover the actual emissions in 2010/11 financial year. The first allowances to be purchased were to cover retrospectively this base line year and for the predicted emissions for 2011/12 thus resulting in the double payment mentioned above.

After five years operation of the scheme the 'cap' would be introduced to set a limit on the number of allowances available and this would be progressively reduced over time to push towards Government carbon reduction targets.

Whilst initial pricing of allowances would be £12 per tonne of carbon dioxide, after the initial purchase period these would be traded on the open market with values set by supply and demand. In the event that an organisation had not

purchased sufficient allowances to cover the year's emissions more must be bought to cover the total and these would have to be sourced from the market. Their cost may be higher but they were also subject to brokerage fees and tax which the original purchase would not be. It was therefore important that sufficient allowances were purchased. Surplus allowances may be sold.

CRC would be administered by the Environment Agency which would also act as the regulator. There were both civil and criminal penalties for various aspects of non-compliance with the scheme.

RESOLVED that

1. the forthcoming Carbon Reduction Commitment and it's impact on the Council budget and cash flow be noted.
2. the authority to trade allowances in the CRC scheme be delegated to the Head of Finance and Assets in consultation with the Director of Development and Neighbourhood Service
3. the benefit from the Carbon Management programme, in reducing emissions from Stockton-on-Tees Borough Council activities thus placing the Council in good standing regarding performance under the CRC scheme, be noted

**CAB
94/09** **Minutes of Various Bodies**

Consideration was given to the minutes of the meetings of Various Bodies.

RESOLVED that the minutes of the following meetings be received/approved, as appropriate:-

Housing and Neighbourhoods Partnership 14 July 2009
Tees Valley Unlimited Leadership Board 3 June 2009
Billingham Partnership Board 6 July 2009
Central Area Partnership Board 30 July 2009

**CAB
95/09** **Place Survey**

Consideration was given to a report that presented findings from the release of the national Place Survey data, providing comparative data with the picture nationally and locally, in advance of a special Members Seminar on 12th October.

It was explained that the Place Survey had been designed primarily for use at the local level to provide information on people's perceptions of their local area and the local services they received. The statutory survey was conducted nationally between September and December 2008 and was due to take place every 2 years with the next survey being undertaken in the autumn of 2010.

Member were provided with information showing the results for Stockton compared with the England average, Unitary Authorities, North East Authorities, Tees Valley Authorities and the CIPFA comparator family grouping, as well as quartile position.

It was noted that, compared with the national average, Stockton's performance was higher than, or equal in 50%, of the measures. These included:-

Clear of litter and refuse (up 7.4%)
Refuse collection (up 12.2%)
Doorstep recycling (up 8.5%)
Satisfaction with the Council (up 3.6%)

Areas where Stockton's performance was lower than the national average included:

Sport/leisure (down 3.6%)
Museums/galleries (down 7.7%)
Theatres/concert halls (down 5.8%)
Parks/Countryside (down 6.2%)

Members were provided with details of how Stockton's results compared with other Tees Valley authorities and CIPFA near neighbours. When compared with similar authorities the Stockton picture was more positive, overall, than when the other comparators were used.

Following the national release of the Place Survey data in June, IPSOS MORI undertook some analysis of the relationship between individuals' perceptions of their area and contextual factors such as demographic patterns, levels of deprivation and ethnic diversity in order to provide a framework within which to understand perception and performance data. Crucially, it further underlined the need for agencies to work in partnership to meet the needs and aspirations of their communities, marshalling resources across the public, voluntary and private sectors.

The report further explored ways in which individual services could build public confidence given that in the main the findings from the Place Survey reinforced the impression that many councils had failed to win the hearts and minds of those they served, so that even where satisfaction with local areas had been increasing and local people accepted council services were getting better, they often assume this was in spite of the council rather than because of it.

The report provided an insight into what drove individuals' perceptions of their local areas and gave clear pointers to local authorities about what they could do to turn trends around and where efforts may be best focussed, acknowledging and identifying those areas that are not within the control of local public services. It also acknowledged that influencing perceptions was not as easy as might be expected and had established 'challenge indexes'

It was explained that a members seminar had been planned in mid October where MORI would explore this further, based on Stockton data.

RESOLVED that the report and planned Members Seminar be noted.

Members considered a report relating to the Council's Constitution.

It was explained the Constitution was re published in October last year. Since then it had been revised further. It was noted that all Members had received instructions on how to access the revised version of the Constitution via public folders, and all changes on that version had been highlighted in red. Some of those changes reflected decisions already taken by Cabinet/Council or as a result of new legislation. Other highlighted changes were being proposed and, therefore, needed approval of Cabinet or Council. This included a revised protocol for electing a Mayor/Deputy Mayor.

An appendix to the report listed all of the major changes and indicated whether specific approval was needed for each one.

RESOLVED that

1. the updated Executive Functions delegations be agreed

RECOMMENDED to Council that:-

2. the revised Constitution as a whole be agreed/ noted as appropriate.

**CAB
97/09**

Exclusion of Public

RESOLVED that the public be excluded from the meeting room, as consideration of the following item would involve the disclosure of exempt information as defined in paragraph 3 of Schedule 12a of the Local Government Act 1972.

**CAB
98/09**

Building Schools for the Future - Draft Outline Business Case

Consideration was given to a report that presented the Outline Business Case (OBC) for Wave 6 of the programme. Submission of the Business Case represented the final stage in the formal process of securing the release of BSF funding.

The draft OBC was provided to Members and a brief summary of its content was provided.

It was noted that if agreed by Cabinet the OBC would be submitted for formal assessment by government agencies later in October. Once approval had been received a lengthy procurement process would be carried out by the Council's BSF Team, in consultation with government agencies and external advisors. Members were informed of the principal stages of this procurement process which would culminate in the

Changes to school organisation such as closing schools, establishing new schools and transferring a school to a new site required a statutory process of consultation and decision. This process was ongoing and appropriate reports would be submitted to Cabinet when necessary.

Members were provided with details of the financial implications associated with the programme including its affordability. It was noted that it was estimated that capital costs would exceed the available funding allocation and it was intended that this shortfall be met from the sale of sites released through the BSF Programme.

It was explained that it was a requirement of the PfS that the Council's Corporate Director of Resources sign off a section 151 letter. The purpose of the letter was to demonstrate the Council's ownership and understanding of the OBC and to give confidence that the proposals set out were affordable and represented value for money. The letter would also commit the Council to the financial proposals set out in the OBC.

RESOLVED that:-

1. the draft Outline Business Case, as presented to Cabinet, be submitted for assessment by government agencies.
2. the affordability position as set out in the report be approved
3. delegated authority be granted to the Corporate Director of Resources, in consultation with the relevant cabinet member, to sign the S151 letter, required as part of the OBC submission. The letter commits the Council in line with the information and assumptions set out in the report considered by Cabinet and requires the Council to make every endeavour to bridge any affordability gap.
4. delegated authority be granted to the BSF Project Board to manage the procurement process as far as preparing a report to a future meeting of Cabinet recommending a preferred LEP provider.

RECOMMENDED to Council that:-

5. the affordability gap, as detailed in the report, be met from the sale of the surplus BSF sites, released through the BSF Programme.

**CAB
99/09** **Exclusion of Public**

RESOLVED that the public be excluded from the meeting room, as consideration of the following item would involve the disclosure of exempt information as defined in paragraph 2 and 3 of Schedule 12a of the Local Government Act 1972.

**CAB
100/09** **Sale of Land**

Consideration was given to a report relating to the disposal of land and buildings at Saltergill School.

Members were reminded that Cabinet had agreed the sale of the site, to an individual, at its meeting held in March 2009.

During the process of the sale, another party expressed an interest in the site and made an offer. Given the Council's legal responsibility to obtain best consideration both parties were invited to submit informal tenders.

Parties were asked to submit tenders on the basis of

- an upfront payment plus an additional payment if any planning approval was obtained and/or
- a one off payment.

Members were provided with details of the two tenders received and considered assessments of both of them.

Cabinet noted that the Local Government Act 1972 General Disposal Consent (England) 2003 Order enabled a Local Authority to dispose of land at 'undervalue' where the Authority considered that the purpose for which the land was to be disposed was likely to contribute to the achievement of the promotion or improvement of economic wellbeing of the area provided the difference between the unrestricted market value of the land and the actual consideration for the disposal did not exceed £2 million.

Having considered the information provided to it, Cabinet agreed to accept Tender B as detailed in the report. In agreeing this, members asked officers to ensure that the conditions of sale expressly indicate a deadline by which the buildings on the site must be demolished and cleared, and, that security of the site, following its sale, would be the sole responsibility of the purchaser. Additionally, any costs associated with demolition and security was to be met by the purchaser, and this cost was additional to the amount detailed in the approved tender. Also, the provision to pay additional consideration to the Council, should planning consent be obtained for a residential development in the next 20 years, must indicate that this consideration would be in respect of valuations undertaken at the time planning consent was granted for such a development.

RESOLVED that Tender B, as detailed in the report, be accepted and the Director of Law and Democracy be authorised to complete the sale, taking account of Cabinet's discussion detailed above.