

## **Cabinet**

A meeting of Cabinet was held on Thursday, 14th July, 2011.

**Present:** Cllr Robert Cook (Chairman) Cllr Jim Beall, Cllr David Coleman, Cllr Ken Dixon, Cllr David Harrington, Cllr Mrs Ann McCoy, Cllr Steve Nelson, Cllr David Rose, Cllr Michael Smith

**Officers:** N.Schneider (CE); J. Danks, G. Cummings (R); J. Humphreys, S McEneaney, T. Beckwith, S. Willson, S. McLurg, H. Grant (CESC); P. Dobson, J. Edmonds, S. Daniels, R. Kench, C. Straughan (DNS); M. Waggott, L. Lawty, A. Duffy, N. Hart

**Also in attendance:** Cllr Derrick Brown, Cllr Ian Dalgarno, Cllr Phil Dennis, Cllr Steve Walmsley, Cllr Tina Large, Cllr Ken Lupton, Mrs Smith (Parkside), Mrs Craggs

**Apologies:**

### **CAB 21/11**      **Declarations of Interest**

Councillor Mrs McCoy declared a personal, non prejudicial interest in the item entitled Stockton Town Centre Progress Report as she was a member of Shopmobility which was referred to in the report.

Councillor Mrs McCoy declared a personal, non prejudicial interest in the item entitled Economic Climate Update as she served on the Stockton and District Advice and Information Service Board.

Councillor Dixon declared a personal, non prejudicial interest in the item entitled Independent Remuneration Panel as he knew one of the candidates.

Councillor Cook declared a personal non prejudicial interest in the item entitled Parliamentary Constituencies Review as he worked in the Member of Parliament for Stockton North's constituency office.

Councillor Nelson declared a personal non prejudicial interest in the item entitled Housing Regeneration Scheme Update as he was a member of the Tristar Board, which was referred to in the report.

Councillors Walmsley and Dalgarno declared personal non prejudicial interests in the item entitled Thornaby Town Hall as they were members of Thornaby Town Council.

### **CAB 22/11**      **Minutes of the meeting held on 16 June 2011.**

The minutes of the meeting held on 16 June were signed by the chairman

### **CAB 23/11**      **Parkside Day Centre**

Cabinet considered a report relating to day care services for older people within the Borough.

It was explained that the Council supported two separate sites: Halcyon Centre at Thornaby and Parkside at Billingham, A specific Day Care Service for older people with mental health needs is also provided from the Kitwood Unit within the Halcyon Centre facility.

Cabinet was informed that the Halcyon Centre was a spacious, well appointed building with ample room for a wide range of activities to be carried out simultaneously. It also had extensive enclosed gardens and raised vegetable plots where clients with a desire to be involved in gardening could continue that interest. For others the enjoyment of a quiet spot to sit, and the soon to be developed sensory garden could be enjoyed for its beauty alone. Parkside Day Care Centre was less well appointed and was constrained by inadequate activity lounges and communal spaces. The garden was substantial but had not been developed beyond lawns and a pathway. The linking corridor in the centre itself was narrow and made passing, even for those with good mobility, difficult. Introduction of a wide range of activities at Parkside had been restricted due to those spatial limitations.

The Adult E.I.T. review acknowledged the outcome of the Fair Access to Care (FACS) E.I.T. review. In April 2011 the Council decided to provide services to clients who were assessed as having substantial or critical needs within the recognised banding structure.

The impact on service provision as a result of the FACS banding recognised that in the future, clients will have increased dependency and therefore at greater risk of requiring long term care. Clients who required a higher level of support were currently referred to Halcyon when Parkside was unable to provide identified needs.

It was explained that the service at Parkside Day Centre was well attended with approximately 25% of attendees living at Norton and the remaining 75% from Billingham, and while overall numbers registered for services had increased during the past two years the average daily attendance had remained comparatively unchanged. This was due to clients accessing services for fewer days each week than was historically the case. The reason for this was in part attributable to a greater number of alternative service options being available to clients through direct payments and self directed care.

The Day Centre building was no longer fit for purpose, and the shortcomings of the building would become more evident as clients with greater mobility problems and increased dependency were referred for services under the current FACS banding. Parkside was also unable to provide adequate services to younger adults due to limited facilities.

Transport by the Community Transport Service was an important component of Day Care Services and the Transport Manager had worked closely with officers to ensure client concerns regarding transport were addressed. Calculations on current client attendance to Parkside, estimated an average of 10 to 15 minutes more travel will be required to transport all clients who required it from their homes to the Halcyon Centre.

Members received financial information and noted that the unit cost of the current day care services combined at Parkside and Halcyon was £21.18. If the services were provided at the Halcyon Centre only savings of £56,432 would be realised and the unit cost was anticipated to fall to £19.38 per day.

Members noted the extensive consultation that had been undertaken with employee groups, Trade Unions and other stakeholders. It was explained that a

petition containing 234 valid signatures, requesting that the Council stop the proposed closure of Parkside had been received. The lead petitioner was present at the meeting and addressed Cabinet.

RESOLVED that

1. the services currently delivered at Parkside Day Care Centre be re provided at the Halcyon Centre
2. current employees from Parkside Day Care Centre be relocated to Halcyon Centre where applicable.

**CAB  
24/11**

### **Review of Cycling on Pavements**

Cabinet considered a report prepared by a Task and Finish Group appointed by the Executive Scrutiny Committee to look into cycling on pavements and the nuisance and safety concerns associated with the practice.

The Task and Finish Group ('the Committee' henceforth) took particular interest in Stockton Town Centre although it was recognised as a problem in various wards as evidenced when consulting with councillors.

In Stockton Borough there were 199 pedal cycle casualties including slight injuries between January 2006 and December 2010. In this period only 1 pedestrian was recorded as being seriously injured in the 4 pedal cycle accidents which occurred on a footpath / pavement whilst 4 cyclists sustained injuries of varying degrees. The accidents were recorded as:

2006 – Slight accident - Mill Lane, Billingham prior to junction with South View.

2007 – Serious accident – Lanehouse Road, Thornaby outside No.147. Serious – Lowfields Avenue, Ingleby Barwick junction with Broughfield Close.

2009 – Slight accident – Knole Road, Billingham junction with Quenby Road

Cabinet noted the legislation and penalties associated with cycling on pavements.

It was explained that in the Tackling Crime and Disorder Audit consultation (summer 2010) Grangefield, Stockton Town Centre, Eaglescliffe and Parkfield and Oxbridge were the wards where most respondents thought that cycling on pavements should be dealt with as a priority. This was closely followed by Hartburn, Fairfield, Yarm and Norton West.

During its review the Committee recognised that education was important and cyclists needed to be aware of their legal responsibilities. The Committee supported the education programme being delivered by the Council but believed that this needed to be supported by actions taken by the police and PCSOs to deal with transgressors in a consistent manner.

RESOLVED that

1. the Sustainable Travel Officer develop a Code of Conduct to be introduced in Stockton Town Centre to determine acceptable cycling behaviour in pedestrianised areas. This would be subject to a review after 12 months when it would be determined whether to extend it throughout the borough or further legislation be investigated.

2. Stockton Borough Council's Police Authority Representative makes representation to the Chief Constable to confirm the powers of Police Community Support Officers. Consideration should then be given to ensure that PCSOs have adequate powers to deal with cyclists who ride dangerously, carelessly, ignore traffic signs or signals, or cycle on the footway.

3 the installation of increased signage as investigated, in line with Council planning policies, to address key/problem areas in the borough in order to better inform cyclists of where cycling is prohibited.

4 a high visibility campaign be organised by Cleveland Police and SBC to target the problem of cycling without due care and attention on pavements in Stockton Town Centre.

5. any action taken by Cleveland Police in relation to dangerous cycling on pavements be fully supported by the Council, including by the provision of CCTV evidence where appropriate.

**CAB  
25/11**

#### **Efficiency Improvement and Transformation -Review of Early Intervention Grant**

Members were reminded that the Task and Finish review of the impact of the introduction of the Early Intervention Grant ("EIG") was being undertaken in response to the challenge of the 25% cut in annual funding associated with the introduction of the grant.

Cabinet was provided with a draft consultation document and plan for consideration prior to the start of a public consultation about the future of Early Years Services in the Borough. Cabinet had previously considered a report that set out the principles and approach to the provision of Early Years Services. At that meeting Cabinet approved "The principle of greater targeting of Early Years Services in the Borough to allow for services to be focussed in areas of greatest need and approved the development of a public consultation document on this basis."

It was explained that DFE guidance required that any Local Authority seeking to make a significant change to the operation of its Children's Centres was required to undertake consultation with the public. The precise nature of this consultation was to be determined by the Local Authority but it must be meaningful and substantive and as the changes the Council was proposing met the definition of "significant" in the guidance was unlikely that this could be achieved in less than 12 weeks.

In order to meet this requirement a draft consultation document and consultation plan had been prepared and were provided to members.

The consultation would run from 18th July 2011 – 7th October 2011 and the

results would then be used to inform a final set of proposals which would be brought to Cabinet in November 2011.

RESOLVED that Cabinet approve the Public Consultation Document as set out in Appendix 1 and the Consultation and Communication Plan as set out in Appendix 2.

**CAB  
26/11**      **LA Nominations**

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

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

All Saints School - Chris Rogers  
Bewley Primary School - Lynn Ward, Christopher Anderson, Margaret Rees,  
Claire Goodwin  
St. John the Baptist CE Primary School -

**CAB  
27/11**      **Stockton Town Centre Progress Report**

Cabinet considered a report that provided an update on progress on development and schemes in Stockton town centre including the launch and subsequent consultation for the Stockton Town Centre Prospectus.

Members noted that since the last report to Cabinet on Stockton Town Centre there had been several positive developments in the form of new retailers, businesses and investment.

Despite these recent, positive developments, Stockton town centre had witnessed a gradual decline over recent years, in line with national retail trends.

In an attempt to reverse this trend a Town Centre Prospectus had been produced, which detailed a number of proposed projects and developments across the town centre, building on principles set out in the Stockton Town Centre Urban Design Guide. The prospectus would promote the town centre and generate confidence and interest in the development of the town. Members noted that the prospectus could be viewed on the Council's web site.

Members were provided with details of the consultation that had been undertaken on the Prospectus.

Cabinet noted the main comments and findings of the consultation, covering the following areas:-

Car Parking  
Markets  
Events Space  
Public Transport  
Public Realm  
Heritage

Cabinet also noted a range of other comments made during consultation, not necessarily relating to the areas listed above. A schedule of future consultation had been developed to ensure comprehensive feedback on the findings of the consultation.

Members noted some proposed 'quick win' schemes across the town centre including:

- Lighting enhancements on the Riverside.
- Painting of street furniture, bollards, guard rails and benches
- Tree grills to be removed/replaced
- Shambles and Town Hall to be repainted.

It was explained that in advance of a further report outlining the overall expenditure profile and funding plan, there was a requirement to commence infrastructure work in pursuit of the Town Centre prospectus and masterplan. Members noted that the finance update report to be considered later on this meetings agenda recommended the Council earmarks £2m of one off funding to support the initiative with any expenditure from the budget delegated to Corporate Director of Development and Neighbourhood Services in consultation with the Cabinet Member for Regeneration and Transport.

RESOLVED that

1. developments within Stockton town centre be noted.
2. the findings of consultation on Stockton Town Centre Prospectus be noted.
3. the recommendations within the finance report be noted.

**CAB  
28/11**

### **Communities Fund Report 2 Year Update**

Cabinet considered a report that provided an update on the performance and progress of the Communities Fund of both the 'employability and skills' and 'enterprise' elements of the Fund. It also provided an update of the Communities Fund allocation for the Future Jobs Fund and the Area Partnership Boards activities towards employability.

Five contracts had been procured and were awarded to three providers.

- The Five Lamps Organisation covering the two contract areas of parts of Thornaby and Stockton Town Centre.
- Newtown, Norton and Clarences Community Resource Centres (now Know How North East) were focusing on the two areas of Newtown and parts of Billingham
- New College Durham working in the Hardwick/Ragworth areas.

Delivery had commenced in April 2009 and Members' noted features of the progress made, including:-

- The priority groups engaged:

338 lone parents;  
157 people with a drug or alcohol issue;  
288 ex-offenders;  
227 people with a health condition  
194 BME residents.

- over a quarter of people engaged had been out of work for over two years.
- After two years of delivery 1,037 of those residents engaged had found work, which equated to a ratio of 2.6:1, an improvement since the 18 months report.

Members noted that an independent assessment of the service delivery and the impact it was having on tackling worklessness had been undertaken and details of the interim report were provided.

Members were also provided with updates on the Council's Future Jobs Fund bid and activities being undertaken by Area Partnership Boards towards promoting employability.

Members were provided with some case studies that detailed the stories of individuals who had benefited from the programmes.

RESOLVED that the report be noted.

**CAB  
29/11**

### **Enterprise Zone Proposal**

Members considered a report relating to the Stockton element of the Tees Valley Enterprise Zone proposal submitted to Government.

Members were reminded that, in March, the Government announced that the Tees Valley area would be one of the eleven areas awarded an Enterprise Zone to stimulate business and job growth in the private sector.

Guidance issued by the Government made it clear that the Government wanted the new wave of Enterprise Zones to be different from previous models particularly in respect of preventing displacement.

The Guidance also set out the financial benefits to be gained through the Enterprise Zone of which perhaps the most important in terms of business rates was the ability to retain them within the area for 25 years to support reinvestment in the local economic infrastructure. The business rate discount would be worth up to £275,000 per business over a five year period. Of even greater significance for Tees Valley area was the single sentence about enhanced Capital Allowances for plant and machinery in certain cases although the value or details were not yet known.

The desired outcome to be obtained from the Enterprise Zone initiative in the Tees Valley area would be to stimulate private sector growth in accordance with the key priorities of economic development set out in Tees Valley Unlimited's Statement of Ambition to create a high value low carbon economy and a more

diverse and inclusive economy for the area. Given the complexity of considering what sites were best suited to provide the outcomes identified and meet the guiding principles established Savills were appointed to assist with this exercise.

This approach has resulted in the recommendation of multiple sites to form the Enterprise Zone rather than a simple one-site proposal. The sites produced a combination of incentives under the three elements of business rate incentive, capital allowances and tax incentive finance (TIF) schemes. Savills had produced a plan that showed the sites and a copy of this was provided.

Sites totalling 170 hectares were being put forward under the business rate incentive including five hectares at Northshore for the digital sector and 18 hectares at Belasis Hall Technology Park for the biotechnology related industries. The discount subsidised by Government would be retained by TVU and the local authorities for local reinvestment. Sites totalling 679 hectares are being put forward to benefit from Capital Allowances including 25 hectares at Haverton Hill for renewable energy production, and 65 hectares at the New Energy and Technology Park (Reclamation Pond), 165 acres at Seal Sands and 27 acres at Lucite for petrochemical industries. This would provide financial assistance for companies making capital investment, making these sites even more attractive for inward investment by major industrial enterprises. In addition approval will be sought for six TIF areas across 244 hectares including 30 hectares at Billingham North and 35 hectares at Billingham South for petrochemicals industries, and 9 hectares Billingham Reach and 18 hectares at Port Clarence renewable energy production. This incentive allowed growth in business rates to fund current infrastructure improvements.

Members noted that matters still to be resolved include how to prevent displacement and distortion of the market. Further consideration would be given to the governance and management arrangements to operate the Enterprise Zone and the ability to agree, through land ownership/management, only occupation which met the definitions of permitted uses/activities. Discussion with private landowners would be undertaken about sharing uplift in land value and investment in infrastructure to support future growth.

Further consideration was also required on the appropriate governance arrangements required to oversee the additional funding the Enterprise Zone regime would provide (through the equivalent business rate relief being paid to Tees Valley by Government).

There was also a National Review of the system for Local Government Finance and further details were expected towards the end of July. A key element of the review was some form of localisation of Business Rates with incentives for Local Authorities to retain Business Rate Growth. The Council would need to understand the proposed system for Local Government Finance and the potential impact of Enterprise Zones before any proposal was finalised.

The Tees Valley proposal was submitted to the Government following final approval by the TVU Leadership Board on 28th June 2011.

Further detailed reports would be brought to Members once a decision from the Government had been received and member decisions were required, particularly around finance.



RESOLVED that the content of the report including the details of the sites located in Stockton Borough which had been included in the Tees Valley Enterprise Zone proposal be noted.

**CAB  
30/11**

### **Thornaby Town Hall**

Consideration was given to a report relating to the development and regeneration of Thornaby Town Hall.

Members were reminded that on the 13 March 2008 Cabinet endorsed, in principle, the freehold sale of Thornaby Town Hall and approved the recommendation to invite Python Properties as preferred developer to work up and agree detailed proposals and business plan based on their indicative submission for a viable and sustainable scheme for Thornaby Town Hall that incorporated Thornaby Town Council as an existing tenant and Thornaby Heritage Group as a future occupier on completion of the project.

Attempts were made both from Council officers and Python Properties to discuss and gain Thornaby Town Council's and Thornaby Heritage Group's approval for a new lease covering office accommodation within the refurbished building. However, it was recognised that the prospect of agreement was extremely unlikely and a notice to terminate Thornaby Town Council's lease was served on the Town Council order to provide vacant possession of the building which would allow the development to proceed.

This was challenged in court by Thornaby Town Council and the Court found in favour of the Town Council and the subsequent judgement entitled them to a new lease arrangement with the Council.

As a consequence of the court decision, Python Properties withdrew from the project resulting in the need for the Authority to revisit development options for the regeneration of Thornaby Town Hall.

Members considered the various development options available to the Council to enable the refurbishment of Thornaby Town Hall and a detailed analysis of each was provided. The options were as follows:

- A. invite ideas & proposals from interested parties who feel they can offer a workable / viable solution or package for the long-term use of the building, thus securing its future for years ahead;
- B. Stockton on Tees Borough Council develop the building
- C. Do nothing

Each option had been assessed against deliverability and risk criteria such as ability to be delivered, attractiveness to the market, availability of Council resources, external funding opportunities, political acceptability and procurement issues.

Members noted that, from the options analysis undertaken, officers considered that Option A represented the most deliverable way forward. The marketing of the building would allow all interested parties from all sectors to come forward and submit ideas and proposals to the Council. These would then be assessed against strict deliverability criteria allowing the most sustainable proposal to go forward. It was therefore suggested that members authorise officers to take

forward Option A as stated in the recommendations below.

Cabinet noted what the next stages, timescales and financial implications of pursuing this proposal.

RESOLVED that

1. the current position of the project be noted.
2. officers be authorised to progress Option A as identified in the report, namely to invite ideas & proposals from interested parties who feel they could offer a workable / viable solution or package for the long-term use of the building, thus securing its future for years ahead.
3. officers be authorised to invite interested parties to submit proposals including appropriate documentation detailing their ideas for the building for consideration by appropriate officers and members.
4. the Corporate Director of Resources in consultation with the Corporate Director of Development and Neighbourhood Services, the Director of Law and Democracy and Cabinet Member for Regeneration and Transport be authorised to draw up the necessary documentation required to progress Option A as identified in the report.
5. the Head of Legal Services be authorised to agree the associated terms in relation to the above decision and the Council's Scheme of Delegation.

**CAB  
31/11**      **Economic Climate Update Report**

Cabinet considered a monthly update report providing 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.

Members noted some of the positive and negative developments since the last report. Details of the support on offer to people and businesses was also provided.

RESOLVED that the content of the report be noted and the work being undertaken be supported.

**CAB  
32/11**      **Preliminary Flood Risk Assessment**

Consideration was given to a report that presented the draft Preliminary Flood Risk Assessment (PFRA) Report. The PFRA had been produced to meet the statutory duties placed upon local authorities, to manage local flood risk and deliver the requirements of the Flood Risk Regulations 2009.

The PFRA was aimed at providing a strategic assessment of flood risk from local sources including surface water, groundwater, ordinary watercourses and canals. The Environment Agency continued to manage the flood response to main rivers. This report was a high level screening exercise using readily

available data

It was explained that the report recorded past flood events and considered potential future flood events that may have a significant consequence on human health, economic activity and the environment including cultural heritage.

National methodology was used by the Environment Agency which was set out by Defra to identify indicative flood risk areas across England. Ten flood risk areas were identified in England, Stockton on Tees Borough Council did not have one of those 'significant' areas as defined by legislation and therefore would not be required to produce flood hazard maps, flood risk maps and flood risk management plans.

RESOLVED that

1. the response to the Flood Risk Regulations 2009 and that Stockton did not have any indicative flood risk areas as defined by legislation be noted.
2. the draft Preliminary Flood Risk Assessment for Stockton on Tees be agreed.

**CAB  
33/11**      **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:-

Stockton Renaissance - 1 February 2011  
Tees Valley Unlimited Leadership Board - 9 March 2011  
Children's Trust Board - 29 March 2011  
Health and Wellbeing Partnership - 18 April 2011  
Safer Stockton Partnership - 10 May 2011  
Central Area Partnership - 26 May 2011  
Northern Area Partnership - 6 June 2011  
Tees Valley Unlimited Leadership Board - 8 June 2011

**CAB  
34/11**      **Year End 2010/11 Performance Report**

Member considered a report that outlined progress against service performance for the year end 2010/11. It highlighted achievements, areas for improvement, LAA outturn, consultation activity undertaken, provided a summary of Freedom of Information requests, complaints, commendations and comments and updates relating to RIPA and EIT, as well as details of suggestions from the staff suggestion scheme.

Members noted that despite many changes to the national performance framework over the last 12 months performance had remained strong. There had been a 75% achievement of Council Plan objectives, progress against targets in the corporate basket showed that 56% of measures had achieved targets, an improvement on last year's 53% achievement. The LAA achieved 42% of the stretching targets agreed. The number of Freedom of Information

and Data Protection enquires had seen a steady increase over the last 12 months. The staff suggestions scheme which was introduced this year for the first time had been well received with many suggestions coming forward and being approved. The EIT Review programme had accelerated this year (year 2) with many reviews now completed, savings identified and achieved. The Council continued to monitor the Complaints, Comments and Commendations with 736 complaints received this year compared to 782 last year and an increase in compliments, commendations and comments.

Cabinet noted some of the areas where performance had went well, across all themes, during 2010/11:

- All targets associated with determining planning applications had been achieved
- Business start ups assisted by the Council had significantly exceeded its target
- In over 4 million collections only 9 bins were missed.
- Visits to local authority funded museums and galleries had exceeded its target
- The overall quality of settings inspected by Ofsted was very positive with the proportion judged good or outstanding comparing well against benchmark groups
- The end of year position for NEETs ( Not in Education, Employment or Training) was extremely positive. The year end performance of 8.8% was well ahead of the target of 11% and reflected the successful work of Connexions and the wider 14 – 19 Partnership in supporting young people through transitions and into positive outcomes.
- Stop smoking – number of ‘quitters’ had exceeded targets
- Timeliness of provision of care packages had seen positive progress with 85% at the year end exceeding the 82% target
- Sickness absence – 5.21 days had been achieved per full time equivalent whereas the target had been 8.57
- Work on the Stockton multi service centre was expected to be completed on target, by the end of September.

It was explained that in response to requests from Members there would be a streamlining and rationalisation of reporting arrangements and volume of paperwork. Performance would be reported through Cabinet half yearly with performance issues being picked up on a quarterly basis through departmental briefings with relevant portfolio holders.

RESOLVED that the levels of performance and subsequent actions be noted.

**CAB**      **Building Assets Review - update**  
**35/11**

Cabinet considered a report that presented the Asset Transfer Strategy for approval following an extensive consultation process. The report also outlined progress on the EIT review of building assets, including identification of some assets which were surplus to requirements.

Member were reminded that the overall aim of the building assets review was to focus on the Council’s building estate to ensure that properties were being utilised efficiently and effectively. This included developing a strategic overview of facilities in the Borough and considering opportunities for rationalisation,

re-location and combining of facilities. The potential opportunities linked to any known or planned service developments would also be considered.

The consultation had resulted in significant level of feedback and this had been considered in finalising the strategy. Many of the comments re-enforced the points included in the strategy and recognised that the Council was being proactive in responding to the Localism agenda and that there were potential benefits to all concerned. There were some concerns and the strategy had been revised to incorporate the points made. The main amendments were:

- Document had been restructured with National Framework brought to the beginning.
- Clarification that the Strategy related to the Voluntary and Community Sector and not other public bodies.
- Clarification that the Strategy included land as well as buildings
- Where a building was currently subject to lease arrangements, including those awaiting renewals:
  - o No third party could take ownership or transfer the asset without agreement of the current leaseholder
  - o Given the point above, there would be no requirement or benefit of advertising such a property to a wider market for transfer.
- 3 years for a business plan was considered potentially difficult for some VCS organisations and this had been reduced to 2
- The need for any prospective transferring organisation to demonstrate robust consultation with users of the building, organisations involved in the management of the building, the wider local community and ward members.
- Strengthening of governance requirements, e.g. insurance and compliance with the Council's safeguarding policy
- The timescale was considered unachievable and this had been amended.

A proposed Strategy incorporating the amendments was provided.

The Consultation process identified a significant level of interest in support to the voluntary and community sector to support organisations potentially wishing to explore transfer. The Council itself would not be able to offer direct support do to potential conflicts of interest, however, it had organised a workshop for all interested parties on 26 July. The Council would also consider incorporating this requirement into any potential future community support specification.

Cabinet noted the progress with regard to vacating certain buildings. Wrensfield House would be surplus to the Council's requirements. The building suffered from flood risk, and as such there was minimal resale value. The options open to the Council were to demolish the building or explore the possibility of asset transfer, subject to the strategy being approved. Given that this would potentially create a community use of the building it was suggested that this be explored and the asset advertised in line with the strategy.

Cabinet noted the position with regard to community buildings and was reminded that the review was considering the utilisation of current buildings, the potential for improved utilisation and shared facilities and the most appropriate facility from which to deliver Council and Community based services. Work was still ongoing and this review would be influenced by a range of service reviews.

The review of community buildings would be undertaken alongside Surestart services and would report to Cabinet in November 2011.

A review had been undertaken of the commercial property portfolio. Baseline information had been gathered on the properties within the portfolio including data on current rents, annual outgoings and estimated freehold value. Members were provided with details.

An assessment had been undertaken to determine whether or not there was a financial/commercial case to dispose of the commercial property portfolio. Disposal of all of the assets would generate a capital receipt of approximately £3.8m but would create a revenue pressure of £293,000 per year. On the basis of estimated property valuations, and in the context of the current property market, it was not considered to represent good value to dispose of the commercial property portfolio at the present time.

RESOLVED that

1. the Asset Transfer Strategy be approved.
2. the retention of the Commercial Properties within Council ownership be approved.
3. Wrensfield House be advertised for transfer.

**CAB  
36/11**      **Cabinet Appointments**

Cabinet considered a schedule detailing nominations to various outside bodies.

RESOLVED that

1. Councillor Mrs Womphrey be appointed to the Child Placement Panel. Councillor Mrs McCoy would stand down.
2. Councillor Harrington be appointed to Stockton Renaissance Children's Trust Board.
3. Councillor Corr be appointed to Stockton Renaissance Health and Wellbeing Partnership.
4. Councillor Nelson be appointed to Stockton Safeguarding Vulnerable Adults Committee

**CAB  
37/11**      **Independent Remueration Panel**

Members considered a report relating to the re-establishment of the Authority's Independent Remuneration Panel.

Details of the requirements and guidance associated with Remuneration Panels was provided.

Cabinet noted the Panel's functions and the suggested payment rates for its

members.

Details of 4 potential Panel members were provided to Cabinet in appendix 1 to the report.

**RECOMMENDED to Council that**

**1. the Independent Remuneration Panel be established comprising the persons specified at Appendix 1 to the report.**

**2. the terms of office of the four Panel Members be for the period up to May 2015**

**3. the Council reserve the right to remove any one or more of the Panel members at any time.**

**4. The Chair of the Panel be appointed by the Panel members from amongst their number.**

**5. The Panel's functions be as prescribed at Appendix 2 to the report.**

**6. The allowances for the Panel's work be as specified at paragraph 15 of the report.**

**7. The Panel reviews Stockton's Members' Allowances with a view to making any recommendations for 2011/12 and for 2012/13.**

**CAB  
38/11**

**Finance Outturn Report 2010/11**

Members considered a report that outlined the Council's financial position at the end of the 2010/11 financial year in respect of the Council's General Fund, Housing Revenue Account and Capital position

Cabinet was provided with details of the current Medium Term Financial Plan and noted the difficult financial position facing the Council. Officers continued to carefully consider expenditure in all areas with particular focus on areas where funding was known to be reducing or services which were in the process of an EIT Review.

Details of any movement within each directorate was provided.

Members noted that there had been an improvement in the general fund balance which meant a further £2.2million was available. The main reasons for the improvement were detailed.

Following the successful transfer of the Council's Housing Stock the Council would be closing the Housing Revenue Account at the end of 2011/12. It was noted that there would be £2million to transfer to the General Fund and would be available for one off expenditure during 2012/13.

Members were provided with details of the Council's capital position for 2010/11.

It was explained that although there were a number of positive indications within this report the Council still faced a potential funding gap of £6.3m by 2014/15. There was also a significant number of uncertainties currently facing the Council which could impact on the Council's position:

- Review of Local Government Finance
- Universal Benefits
- Localisation of Council Tax Benefit and funding reduction of 10%
- Changes in Health and in particular transfer of Public Health responsibilities to local Authority
- A range of service specific changes (e.g. Munro Review).
- Uncertainty surrounding Education Capital funding following the James review.

Work was ongoing to reassess the Council's MTFP to develop plans to address the estimated budget gap and this would be constantly reviewed and adapted to reflect decisions on the above areas.

Members noted that the MTFP incorporated a range of savings associated with EIT reviews. The Council had either implemented or is in the process of implementing recommendations for Year 1 and 2 EIT reviews and was embarking on the Year 3 reviews. The position for Years 1 and 2 was extremely positive and all areas had or were on target to achieve savings with the exception of the FACS review and Child Placement review.

It was explained that one off resources of £1.3m (Capital) and £2.2m (surplus balances) were available. A report outlining the results of the consultation process in respect of Stockton Town Centre had been considered by members previously on this Agenda, and there would be a further report outlining the programme and funding plan. In advance of this report and in order to commence infrastructure work in pursuit of the Town Centre prospectus and Masterplan, it was recommended the Council earmarks £2m to this initiative from the one off resources, with any expenditure from this budget delegated to Corporate Director of Development and Neighbourhood Services in consultation with the Cabinet Member for Regeneration.

#### **RECOMMENDED to Council that**

- 1. the updated Medium Term Financial Plan (MTFP) be approved.**
- 2. In order to support the infrastructure work in pursuit of the Town Centre Prospectus and Masterplan, Members approve the allocation of £2million of one-off resources (£1.3million capital and £700,000 from corporate balances), and authorise the Corporate Director of Development & Neighbourhood Services in conjunction with the Cabinet Member for Regeneration, to allocate this to individual schemes.**

**CAB  
39/11**

#### **Parliamentary Constituencies Review**

Members considered a report relating to the Parliamentary Constituencies review currently being undertaken by the Four UK Boundary Commissions in their respective parts of the UK.



The Boundary Commission for England has formally commenced its part of the review.

The Commission was required by statute to allocate a precise number of constituencies to England (calculated from a fixed total for the whole of the UK of 600 constituencies), and it must ensure that every constituency had an electorate that was within 5% of the UK electoral quota. Any other factors which may be considered are subordinate to this “electoral parity” rule.

The number of electors whose names appear on the register of parliamentary electors published between 1 December, 2010 and 1 February, 2011 would be the basis for the review and the recommendations to Government on proposals for changed constituencies.

Using this data, the UK electoral quota had been calculated as 76,641 electors. Therefore every constituency in England must have an electorate that was no smaller than 72,810 and no larger than 80,473.

In Stockton’s case, the figures for the 2010 and for 2011 registers of parliamentary electors showed there to be 66,990 and 67,333 electors in the Stockton North Constituency and 73,924 and 74,521 in Stockton South. The relevant details from the Commissions website were provided to Members.

In view of the requirements to meet the rule about the defined number of Constituencies and the 5% electoral parity target, about which there was no choice, the Boundary Commission had concluded that very extensive and wide ranging changes to the existing pattern and composition of constituencies would be necessary.

In particular the Commission had said that many of the existing constituencies which had an electorate that was currently within the 5% parity target would nonetheless, need to be altered in order to create feasible constituencies in the surrounding area. It could not be assumed, therefore, that simply because an existing Constituency (such as Stockton South) appeared to have an electorate within the parameters of 72,810 and 80,473 it would be immune from change.

Whilst the Commission must satisfy the number of constituencies and electoral parity requirements as a priority, it proposed to take into account as part of the review the local government boundaries as they existed on 6 May, 2010. However, if the need arises, the Commission would divide wards between constituencies.

In addition after consultation, the Commission would be using the European Elections electoral regions as a template for grouping and allocating the 500 constituencies across England.

Based on its electorate, the North East would be allocated 26 constituencies.

The Commission had indicated that its initial proposals were likely to be published in the early part of September (week commencing the 12th) following which there would be a 12 week consultation period during which interested persons could comment on the proposals. The Commission would be visiting each region during this period to hold public meetings to gather views.

Representations would be able to be made at the meetings primarily by qualifying political parties (ones registered under the Political Parties, Elections and Referendums Act 2000) and either they had at least one Member of the House of Commons representing a constituency in the region in which the hearing was being held, or had received at least 10% of the votes cast in the region in the most recent parliamentary general election. Other persons considered by the hearing Chair to have an interest in any of the proposals for change would also be allowed to put forward their views.

It was explained that as and when more information about the review and the public hearings was published, Members would be kept apprised.

**RECOMMENDED to Council that the information be received.**

**CAB  
40/11**

### **Community Infrastructure Levy**

Members considered a report relating to a new planning charge which came into force on 6th April 2010 under the Community Infrastructure Levy Regulations 2010. It allowed local authorities in England and Wales to raise funds from developers undertaking new building projects in their area. The money could be used to fund a wide range of infrastructure that was needed as a result of development. This included transport schemes, flood defences; schools, hospitals and other health and social care facilities, parks, green spaces and leisure centres.

However it required the setting of a Levy which reflected the costs of the infrastructure, was proportionate, was sound and robust, and had been subject to consultation and testing by an independent Examiner.

The setting of the Levy required the preparation, and publication for consultation, of a Preliminary Draft Charging Schedule and evidence base documents. Following consultation and any amendments, the resultant document, known as the Draft Charging Schedule was submitted for independent examination and if approved, adopted and implemented by the Council.

The Regulations did not allow for the publication of a Draft Charging Schedule unless there was an adopted Core Strategy in place. The Stockton Core Strategy was being reviewed, and the distribution of housing in the Borough and consequently the scale and type of supporting infrastructure required could change. It was noted that this might have an impact on the range of infrastructure items in the Infrastructure Schedule. Nevertheless, the Council could undertake the viability assessment work necessary to prepare the Preliminary Draft Charging Schedule, in expectation that the Core Strategy Review would be completed in a timely fashion. There was a mechanism whereby a Draft Charging Schedule could be examined at the same time as the Core Strategy. This was an option that could be considered in due course.

Other work would include a review of the Open Space, Recreation and Landscaping Supplementary Planning Document (SPD) and Planning Obligations SPD to make sure that they did not include charging formulae for those items that fell under the definition of infrastructure.

It is envisaged that further reports be taken to Cabinet, in due course, to agree the Preliminary Draft Charging Schedule for consultation, to report on the outcome of that consultation, and to agree a resulting Draft Charging Schedule for consultation. Consideration would also need to be given, at a later date, to the method by which spending priorities would be determined.

Members received a report of the Corporate Director of Development and Neighbourhood Services to Planning Committee of 12 January 2011, which provided further details of the preparation and application of the Levy.

### **RECOMMENDED to Council that**

- 1. the contents of the report be noted.**
- 2. the Levy as the principal means of funding infrastructure through developer contribution be adopted.**
- 3. preparatory work being undertaken to inform the setting of a levy charging schedule.**
- 4. delegated powers be granted to the Head of Planning to prepare a Preliminary Draft Charging Schedule for consultation.**
- 5. that further reports be taken, in due course, to agree a Preliminary Draft Charging Schedule for consultation, to report on the outcome of that consultation, and to agree a Draft Charging Schedule for consultation.**

**CAB  
41/11**

### **Housing Regeneration Scheme Update including the recent announcement of Housing Market Renewal Transition Funding**

Members considered a report that provided a position statement with regard to the Parkfield/ Mill Lane Phase 2 housing regeneration scheme, following the cessation of Housing Market Renewal funding. The report sought endorsement for the Council's bid to the recently announced HMR Transition Fund.

Grant Shapps, Minister for Housing and Local Government recently announced a HMR Transition Fund. The Government had allocated £30m to a transition scheme intended to help residents trapped in the worst conditions where former HMR funded schemes have been stalled. The £30m must be match funded thereby generating a total investment of £60m to "resolve the worst problems in the most challenged HMR areas – Merseyside, East Lancashire, North Staffordshire, Hull and Tees Valley". It was clear from the scope of the guidance (and the pot of money available) that funding would not be sufficient to enable the completion of HMR pathfinder schemes rather it was intended to conclude only limited phases specifically where residents had been left 'isolated' in stalled programmes.

Bid guidance required one programme bid from each HMR pathfinder region with multi local authority bids contained within it. The guidance was specific in that:

- a) Bids could only be made to re-house residents in the most isolated

schemes, LAs must target the most vulnerable households in the worst streets and

b) LAs must submit an 'Exit Strategy' which must detail the process for either unwinding or transferring schemes to other local initiatives (on the full understanding that additional Government funding will not be made available). The Exit Strategy needed to detail the process of unwinding HMR commitments including how this would be taken forward with residents and how it would be approved at member level.

Members noted that it had not been possible to make a bid for the 'full' Parkfield/Mill Lane area, as properties contained within 'Extended Area B' were not bid compliant

The Stockton bid was for the conclusion of the 'original area' plus 'Extended Area A'. The bid would be seek Transition funding for the purpose of acquiring the remaining 34 properties and completing the necessary demolition and site remediation work for 103 properties. The total value of the bid was £3.04million (£1.52million would be required in terms of match funding).

As referred to above 80 properties in Extended Area B were not eligible for Transition funding; however, as part of our bid submission we were required to detail our Exit Strategy for these properties. The Transition Funding guidance was clear that the Government would not make any additional monies available and those Authorities that decide to progress with their original/full schemes must do so via locally funded initiatives. As the Council did not have access to the additional £6.3m required to acquire and demolish these 80 properties Members were asked to support the 'unwinding' of Extended Area B. Pending member approval it was proposed to contact residents/property owners in this area immediately confirming that will not be part of a demolition programme. Whilst a number of residents may be disappointed, residents had been advised previously that property demolition would only be undertaken if the Council was successful in obtaining additional funding.

In order to protect the level of investment made in the area to date and acknowledging that properties within this area were in need of investment, Members were asked to support pending a successful Transition Fund bid an external property improvement programme (a Facelift scheme) for properties in Extended Area B. Members noted that a Facelift investment programme was not eligible for Transition Funding and must be solely funded by the Council. Without full property inspections the cost of this programme could not be confirmed, however based on past experience it was estimated that costs would range between £200k - £400k.

As the deadline for submissions was 7 July 2011 and guidance was only issued in early June it had not been possible to bring a report to Cabinet (and Council) at an earlier date. As such the Council's Corporate Management Team (CMT) considered the bid guidance/criteria and the limited bid options available to the Council. On the basis of making a bid in accordance with the deadline the preferred bid submission (i.e. to complete the 'original area' and 'Extended Area A) and details of the Exit Strategy were then referred to the Cabinet Member for Housing and Community Safety and the Mayor to agree in principle and formally sign-off prior to the bid deadline as part of the Council's Urgency process. The

total cost to the Council of the full programme outlined in this report would be £4.53million and the urgent decision outlined that the match funding element and the other ineligible costs (i.e. project management costs, internal fees, potential CPO costs and Facelift costs) would be funded from the receipt in respect of the VAT shelter arrangement with VELA Homes. Members were reminded that the report to Cabinet in November 2010 identified the receipt in respect of this arrangement would be ring-fenced to housing and regeneration programmes and complimentary regeneration activities.

Should the Councils bid be unsuccessful or we do not secure the full value of the bid then a further report would be presented back to Cabinet.

Members were also provided with a general update on the Council's priority housing regeneration schemes at Parkfield, Mandale, Hardwick, Swainby Road and North Shore.

### **RECOMMENDED to Council that**

- 1. the current position regarding the Parkfield/Mill Lane (Phase 2) HMR project be noted, in particular the implications of the sudden cessation of HMR funding.**
- 2. the limited purpose of the Transition Fund, in particular its emphasis on assisting only 'isolated' residents left in stalled HMR projects rather than enabling a comprehensive and structured conclusion to HMR schemes be noted.**
- 3. both the Councils Transition Fund bid and proposed Exit Strategy as outlined above and in the report be endorsed.**
- 4. the use of £1.52million to fund the 50% match funding requirement and a further £901,000 to fund scheme costs which were not eligible for Transition Funding from the Council's share of the VAT shelter be approved.**
- 5. pending a successful Transition Fund support a 'Facelift' improvement scheme for the area not eligible for Transition funding ('Extended Area B') be approved.**
- 6. a further report be presented to Cabinet should the Council's bid be unsuccessful or not secure the full value of monies bid for.**