

Cabinet

A meeting of Cabinet was held on Thursday, 14th November, 2019.

Present: Cllr Robert Cook (Chair), Cllr Jim Beall, Cllr Nigel Cooke, Cllr Lisa Evans, Cllr Mrs Ann McCoy and Cllr Steve Nelson.

Officers: Julie Danks (MD), Beccy Brown, Ged Morton (HR&L), Garry Cummings (F&BS), Richard McGuckin (ED&D), Reuben Kench (C,L&E), Martin Gray (CS), Ann Workman (AH), Jamie McCann, Margaret Waggott, Gary Woods, Peter Bell (DS).

Also in attendance: Cllr Jean O'Donnell (Chair of People Select Committee), Cllr Carol Clark.

Apologies: Cllr Michael Smith.

CAB 59/19 **Welcome and Evacuation Procedure**

The Chair welcomed everyone to the meeting and the Evacuation Procedure was noted.

CAB 60/19 **Declarations of Interest**

Councillor Nigel Cooke declared a personal non prejudicial interest in respect of agenda item 5 - Bright Minds Big Futures - The Big Plan 6 Month Update as he was a member of Tees Music Alliance.

Councillor Steve Nelson declared a disclosable pecuniary interest in respect of agenda item 8 - Procurement Plan / Higher Value Contracts as he was a Director of Thirteen. Councillor Steve Nelson withdrew from the meeting and left the room during consideration of the item.

Councillor Bob Cook declared a personal non prejudicial interest in respect of agenda item 9 – Minutes of Various Bodies as he was a Cabinet Member of TVCA.

Councillor Ann McCoy declared a personal non prejudicial interest in respect of agenda item 14 - Annual Fuel Poverty Estimates and Affordable Warmth Measures across Stockton-on-Tees 2018/19 as she was the Chair of SDAIS.

CAB 61/19 **Minutes**

Consideration was given to the minutes of the meeting held on 17 October 2019.

RESOLVED that the minutes of the meeting held on 17 October 2019 be confirmed and signed as a correct record.

CAB 62/19 **Bright Minds Big Futures - The Big Plan 6 Month Update**

Consideration was given to a report that provided a 6-month update on the BMBF Big Plan, following Cabinet's approval of the Plan. The Big Committee were in attendance at the meeting and presented their update.

The BMBF Committee welcomed the opportunity to present their 6-month

review at the meeting and highlighted areas of good practice, areas of development and aspects of the plan which had been revised / reconfigured following a mid-point review and re-election of Big Committee members and revision of portfolios.

There had been some excellent achievements in the last 6 months including:

- Winners of the national BYC award for Outstanding Youth Led Project (March 19)
- Best practice coverage in the national LGA Magazine (Sept 19)
- Project Finalist in the Catalyst Achievement Awards (June 19)
- Individual Finalist in the Catalyst Achievement Awards (June 19)
- Contribution to the Customer Service Excellence Award (July 19)
- Contribution the LGA Peer Review (Sept 19)
- Launch of the BMBF Approved Scheme (Sept 19)

In addition to the above achievements there had been a significant contribution in making the Borough a great place to grow up through projects and initiatives such as:

- Environmental Work
- Social Action Projects
- Health & Well Being initiatives
- Community Safety
- SBC Correspondents coverage
- Improving the voice of the child in statutory services
- Established excellent links with local MP's

These achievements were expanded upon in the presentation.

The Plan outlined the 'wish list' of young people in the Borough. The Plan had been researched and written by the Committee in consultation with over 400 young people from schools and colleges. This review followed 6 months of comprehensive work by the BMBF Committee with Officers, Elected Members and the Community.

The Big Plan covered the following areas and mirrored the roles of individuals on the Committee:

- Young Peoples Services
- Community Safety
- Environment
- Transport
- Business and Regeneration
- Health and Wellbeing
- Education
- Fitness and Leisure
- Diversity and Equality
- Democratic Services
- Our Priorities

63/19 Accommodation and Buildings

Consideration was given to a report on the Scrutiny Review of Smarter Working in Stockton-on-Tees - Accommodation and Buildings - Final Report of People Select Committee.

The People Select Committee's Task and Finish Group had completed a review examining the Council's office accommodation. The Group had reviewed the arrangements within the context of the Smarter Working programme and the future needs of the Authority and workforce.

Having reviewed the options available, the Group believe the best solution would be for the Council to move towards having a single main building for its office accommodation needs. Further work would be needed to more fully investigate the financial and development requirements of the options and the Group recommends that this work should now take place.

The review had been supported and informed by Finance and Business Services. The Task and Finish Group had visited existing Council buildings (Stirling House, Kingsway, Municipal Buildings, 16 Church Road, Bayheath House) and spoken with members of staff. The Group also visited North Tyneside Council at Cobalt Business Park, Thirteen Group at Northshore, and the Cleveland Police Community Safety Hub at Hemlington.

In relation to Property implications, details of the office accommodation (including locations and associated costs) had been considered as part of the review and this information was included in the Group's report. Final decisions in relation to specific buildings would be the subject of future work, subject to agreement of the recommendations.

RESOLVED that:-

1. The aim of developing accessible and inspiring workspaces which enable collaborative and flexible working be endorsed.
2. It be noted that the Council's existing office workspace is of inconsistent condition, inflexible, and too large for the current and projected needs of the Council's workforce. The total available space should be reduced, in conjunction with the creation of a more flexible working environment to allow staff to access different types of office space.
3. When taking steps to improve the quality of its office accommodation, the Council should ensure a key focus of this work is the wellbeing and productivity of its staff.
4. In order to achieve recommendations 1-3, the Council should further explore the options to create a single building for the Council's office accommodation.
5. As part of the above work, the Council should ensure that staff and stakeholder engagement is integral to the process.

64/19

Consideration was given to a report on the Council Plan Mid-Year update report 2019-20.

The Council Plan was attached to the report and covered the following key areas:

- Our Policy Principles
 - Our Culture
 - Our Resources
 - Our People
 - Our Ways of Working
 - Our Customers
 - Our Place
 - Our Region
-
- Economic Regeneration and Transport
 - Environment and Housing
 - Community Safety
 - Health and Wellbeing
 - Children and Young People
 - Strong Communities
 - Adult Services
 - Arts, Leisure and Culture
 - Your Council

RESOLVED that the report be noted.

**CAB
65/19**

Procurement Plan / Higher Value Contracts

Consideration was given to a report on the award of a number of planned higher value contracts, where the value exceeds the limit on officer delegated authority, and which were either funded within the approved MTFP or were subject to a bid for external funding.

The constitution defined a range of decisions that required a specific Cabinet approval, the financial threshold for was set at a level of £500k or more. Annex 1 of the report listed the procurement projects over £500k that were underway and due for contract award. The value of the individual contracts each exceeded the financial threshold and had not otherwise been delegated to officers.

RESOLVED that:-

1. The contracts listed in Annex 1 of the report be approved.
2. Delegated authority be given to the relevant Director or Assistant Director to make the specific contract award decisions and any subsequent contract extension decisions in accordance with the delegations listed in Annex 1 of the report.

CAB

Minutes of Various Bodies

66/19

In accordance with the Council's Constitution or previous practice the minutes of the meeting of the bodies indicated below were submitted to members for consideration:-

Tees Valley Combined Authority Cabinet – 26 July 2019

Safer Stockton Partnership – 16 July 2019

Teeswide Safeguarding Adults Board – 23 September 2019

RESOLVED that the minutes detailed in the appendices of the report be received.

**CAB
67/19** **Adoption Tees Valley Update**

Consideration was given to a report that presented the second bi-annual report of the work of Adoption Tees Valley, which covered the period 1 October 2018 to 31 March 2019 and included key performance information from the prior period of 1 May 2018 to 30 September 2018, for first operational year reporting.

Adoption Tees Valley was the new Regional Adoption Agency (RAA) operating as the Local Council adoption service for the 5 Local Authorities of Darlington, Hartlepool, Middlesbrough, Redcar & Cleveland and Stockton.

The RAA had been in operation since the 1 May 2018 and Valley had been the first RAA to set up in the North East region, and had embraced the change required to stimulate new ways of working, while maintaining and building on successful practice of the 5 Local Authority adoption services operating previously. There had been a lot of hard work, commitment to talk and explore change, and resilience through the change process within the adoption team.

As the service entered its second year of operation, a lot of the process of embedding change had taken place, and review / evaluation was directing the service plan for the year ahead.

The key highlights were included within the report.

**CAB
68/19** **Inspection of Local Authority Children's Services (ILACS) – May 2019**

Consideration was given to a report that summarised the key message from the recent ILACS inspection held in 2019. ILACS was the format of the Ofsted inspection regime for Children's Services, replacing the Single Inspection Framework (SIF) under which Children's Services were last inspected in June 2016.

The new framework included a self-assessment, an annual conversation with Ofsted, one or more focussed visits which addressed a particular theme and the ILACS inspection.

The overall judgement from the inspection was that services 'require improvement' across the three areas of: impact of leaders; experience and

progress of children who need help and protection; and experience and progress of children in care and care leavers. The overall effectiveness was therefore also 'requires improvement'.

The key outcome from the inspection was that an action plan would be required to address the issues identified. This was submitted on 3 October 2019 and was attached to the report.

The report outlined the key issues from the inspection, the content of the action plan and next steps.

With regard to the response to the inspection the outcome of the inspection was disappointing, a view that was shared by all staff who were determined to improve.

The key areas for improvement were focussed in two main areas:

- 1) Oversight and management/grip of cases, including the need for thorough and effective supervision, challenging any delay and monitoring the effectiveness of interventions; a sense that for some children we are not enabling purposeful change in their circumstances;
- 2) A specific issue about a more effective approach to the tracking of children in pre-proceedings under the public law outline (PLO) procedures which can result in delays in bringing cases to court and drift in permanence planning.

Inspectors were clear in their view that these issues could be resolved and that the basis of the system was sound with many good features. The key over-riding issues which Children's Services were focussing on in the response were detailed within the report.

With regard to the next steps there would be regular reviews the Ofsted action plan with Managers to ensure progress was effective and timely.

Children's Services could expect to receive a focussed visit in May/June 2020 with an explicit focus on one of the issues from the inspection. This ungraded visit would check on progress in responding to the inspection.

Children's Services were scheduled to have the next ILACS inspection on or around May/June 2022.

CAB 69/19 Local Authority Governor Nominations

In accordance with the procedure for the appointment of school / academy governors, approved as Minute CAB 27/13 of the Cabinet (13 June 2013), Cabinet was invited to consider the nominations to school / academy Governing Bodies listed in the attachment to the report.

RESOLVED that the following appointments be made to the vacant Governorships in line with agreed procedures subject to successful List 99

check and Personal Disclosure:-

St Patrick's RC Primary School – Fairfield - Nicholas Mitchinson
Bishopton Centre – Pupil Referral Unit - Sharon Stevens

**CAB
70/19**

Affordable Loan Scheme For Vulnerable Homeowners

Consideration was given to a report on Affordable Loan Scheme for Vulnerable Homeowners.

The Council was previously a partner in the North East Home Loans Partnership which operated between 2010 to July 2019. Since the scheme came to an end the Council no longer had a facility to provide financial assistance to homeowners who had no other financial means to fund essential repair works to their homes.

The report provided an update on the performance of the former loans scheme and sought approval to introduce a new financial loan scheme (Homeowner Improvement Loan). Members noted that the proposed new scheme was aimed at maximising the limited financial resources available and to ensure it complemented the Council's existing Warm Home Healthy People (WHHP) initiative.

The Council had a total of £300,000 which was set aside for the Regional Loan scheme but had not been allocated. In addition, the Council would continue to receive interest and loan repayments back which would ordinarily be recycled back into the scheme. In summary options available to the Council were:

Option 1, Do nothing

Option 2, Use available monies to operate a 'new' SBC Loan scheme on the same terms as the Regional Loan Scheme

Option 3, Introduce a 'new' Affordable Loan Scheme

With regard to the proposed new scheme an analysis of the Regional Loan Scheme had been undertaken and identified that 75% of loans were under £10,000. On further analysis high value works included a package of works which if the £35k maximum value had been lower, works could have been prioritised.

In summary the top 5 type of works carried out were window, roof and heating replacements, rewiring and damp-proofing. 70% of the loans provided were equity loans proving that these homeowners were unable to access any other form of funding to carry out these essential repairs.

As noted previously an analysis of schemes operated by other local authorities had also been undertaken. This identified that many offered similar loans to homeowners to facilitate essential repair works, albeit the maximum loan offered was frequently limited to £15,000. Authorities had advised that they capped their maximum loan value to support more households and decrease the length of time it takes some of the equity funds to be paid back.

As members were aware the WHHP initiative provided support and

interventions to the Borough's most vulnerable households during the winter months, this scheme included funded support for repairing heating systems at no cost to the householder, benefits checks, income maximisation services and other energy efficiency measures. However, this scheme focussed on only one repair element, emergency heating repairs and was only provided during the winter months of the year. The proposed Homeowner Improvement Loan whilst a separate scheme would complement WHHP for example:

- Providing an option is available to vulnerable homeowners in the months when the WHHP scheme is not in operation to address heating failures, albeit in these months this would be via a repayable loan facility.
- Offer homeowners who do not qualify under the WHHP scheme criteria for heating repairs a potential financial solution if they are unable to fund works themselves and are unable to access mainstream funding.
- Supporting homeowners address affordable warmth issues which go over and above and heating repair i.e. improving energy efficiency within the home by funding repairs to windows, doors, roof repairs / replacement which are not included within the scope of the WHHP scheme.

Taking into account the above information Members were asked to support the introduction of a new Homeowner Improvement Loan (HIL), based on the following:

- Criteria
- Homeowners who do not have the financial means available to fund the essential repair/s to their home and are unable to access mainstream lending.

- Type of Loans available
- Maximum loan value £10,000.
- Equity Loan*
- Repayment Loan*
- Interest Free Loan* or
- A mix of the above up to maximum loan value*

*To be determined by FSA appointed loan administer following a financial assessment.

- Scope of Works
- Loans available for essential repairs only*. Essential works would be limited to the following:
 - Window replacement/ repairs
 - Heating replacement/ repairs
 - Roof repairs (including roof replacement, repointing, chimney repairs and guttering replacement)
 - Rewiring
 - Damp Proof Course / Tanking
 - Door replacement/ repairs

* A survey of the property would be carried out by a Technical Officer from the Council, who will identify the scope (and priority) of essential works.

The next steps would be taken to introduce the new HIL scheme:

- A procurement exercise would be undertaken to appoint a Loan

Administrator. The appointed Loans Administrator would be FSA registered to enable them to assess, approve and offer the right advice to home owners.

- Based on the proposal detailed within the report a new HIL Financial Assistance Policy would be drafted. Members were asked to delegate authority to the Director of Economic Growth and Development Service in consultation with the Cabinet Member for Regeneration and Housing to approve the terms of the new HIL Financial Assistance Policy.
- Leaflets and scheme publicity would need to be updated and distributed.

RESOLVED:-

1. A new, affordable Homeowner Improvement Loan (HIL) scheme as detailed in paragraph 16 of the report be approved.
2. Delegated authority be given to the Director of Economic Growth and Development Service in consultation with the Cabinet Member for Regeneration and Housing to approve the final terms of the new HIL Financial Assistance Policy.

CAB 71/19 Annual Fuel Poverty Estimates and Affordable Warmth Measures Across Stockton-on-Tees 2018/19

Consideration was given to a report on the Annual Fuel Poverty Estimates and Affordable Warmth Measures across Stockton-on-Tees 2018/19.

The report:-

- Provided an update on the Government's national, regional and local Fuel Poverty Estimates.
- Update Members on 'Warm Homes Healthy People' and 'The Big Community Switch' outcomes in 2018/19 which had:
 - supported 297 households through Warm Homes Healthy People interventions
 - collectively saved £31,713 per annum for 213 households through the Big Community Switch
 - Identified and secured £728,746 of previously unclaimed benefits for vulnerable individuals
 - improved the energy efficiency of fuel poor households
- Outline the continuing efforts to tackle fuel poverty and promote affordable warmth across Stockton-on-Tees.

With regard to the continued efforts to promote Affordable Warmth a bid was submitted in September 2019 to Round 4 of the national Warm Homes Fund. Stockton-on-Tees Borough Council had led a partnership bid including all the Tees Valley Authorities in an attempt to secure over £4m million to bring first time gas connections and central heating systems to fuel poor households across the Tees Valley and a 3 year programme of energy advice and support.

ECO-flex, under the governments Energy Company Obligation (ECO) programme was an opportunity to bring energy efficiency measures to fuel poor homes using a levy imposed on energy providers. A refreshed Statement of Intent was being developed which was the starting point to actively promote Eco Flex opportunities by directing funding available to ECO registered energy efficiency installers to localities most in need. Eco flex was a route to secure practical improvement works at no cost to the householder or the Council.

CAB 72/19 Private Hire and Hackney Carriage Licensing Policy Consultation

Consideration was given to a report on Private Hire and Hackney Carriage Licensing Policy Consultation.

Members considered the views and comments received from the Licensing Committee, transport trade and other interested parties following consultation on the Private Hire and Hackney Carriage Licensing Policy.

At the Taxi Trade meeting in June 2019 private hire operators in attendance requested formal consideration of proposed amendments to the Private Hire and Hackney Carriage Policy. In addition a request was received from the chairman of the Stockton Hackney Carriage Driver Association (SHCDA) for an amendment to policy.

A 28 day period of consultation was undertaken giving all stakeholders opportunity to comment of the proposed changes. The electronic consultation survey was sent to all licensees via the Trade Times. In addition the link was emailed to private hire operators, SHCDA, other local authorities and the police. The consultation had closed and details of the responses were attached to the report.

The current policy wording and suggested amendments were also attached to the report.

RECOMMENDED to Council that the revised policy wording as detailed at Appendix 2 of the report be agreed.

CAB 73/19 Wynyard Master Plan

Consideration was given to a report on the Wynyard Master Plan.

Joint working had been on-going with Hartlepool Borough Council to prepare a masterplan for Wynyard. Approval was sought of the masterplan for use in the determination of planning applications at the site and to support delivery of allocated sites in the adopted Local Plan.

Both Stockton-on-Tees and Hartlepool Borough Councils had identified land at Wynyard as housing and employment allocations within respective adopted Local Plans. Specifically, the Wynyard Sustainable Settlement policy (H3) in the Stockton-on-Tees Local Plan outlined the Council's commitment to the production of a 'masterplan' incorporating an 'Infrastructure Phasing and

Delivery Schedule'. The policy sought a proportionate contribution to the delivery of new infrastructure, with the Council working proactively with developers and other partners to deliver key infrastructure.

Local plans and existing planning permissions had identified significant housing growth across the Wynyard area, equating to:

- Stockton – circa 1650 homes (this includes planning permissions at Wynyard Village for 500 homes as well as at Wynyard Golf Course for 44 home and a Local Plan allocation at Wynyard Park for 1100 homes) and;
- Hartlepool – circa 1,220 homes

The scale of development allocations in Wynyard meant that there were numerous shared infrastructure requirements which needed to be delivered; this included but was not limited to a school, local centre and highway junction improvements. In addition to this there were numerous landownerships across the site. A masterplan was seen as essential in ensuring that:

- individual planning applications come forward in accordance with the masterplan to deliver a sustainable and integrated urban extension; and
- infrastructure is delivered when it is required

The masterplan would provide a clear framework for decisions setting out requirements for education facilities, green infrastructure, community infrastructure, linkages to the public rights of way network, mitigation of any impacts of development on the highway network, including signalisation of roundabout junctions, and improvements at the junction of the A19/A689.

The Council had been working in collaboration with internal colleagues from both Local Authorities, landowners and developers and agents to prepare a comprehensive masterplan for the sites.

The masterplan, which was attached at to the report and sought to:

- Outline the vision and development objectives for Wynyard;
- Identify constraints and their impact on development;
- Identify infrastructure requirements;
- Provide a Strategic Framework Plan to shape development proposals;
- Provide clarity regarding the requirements for planning applications; and
- Provide clarity regarding the phasing and delivery of housing and infrastructure

Following allocation of the sites within the Local Plans the masterplan could be adopted as a Supplementary Planning Document (SPD) which would require a statutory period of consultation amongst other things.

The Masterplan was supported by an Infrastructure Strategy and Schedule which provided a strategic level assessment of the infrastructure requirements arising from the sites covered in the masterplan as a whole. Building upon this strategic assessment, a detailed Infrastructure Delivery Plan (IDP) had been produced as part of the masterplan to co-ordinate the delivery of the infrastructure which was necessary to support residential development on the Wynyard sites.

The IDP drew upon the evidence base prepared to support the preparation of the masterplan and set out what infrastructure was needed and the anticipated timescales / phase of development when this should be provided.

The key infrastructure requirements identified in the IDP include the provision of:

- Junction enhancements;
- Other access and transport infrastructure;
- Local Centres, incorporating convenience facilities and community centres;
- Green infrastructure including open spaces and play equipment;
- Surface water drainage infrastructure;
- Affordable housing;
- Utilities related infrastructure.

In order to accommodate the level of development anticipated at Wynyard a number of highway interventions had been identified, modelled and agreed including:

- Widening the A19 to a three lane carriageway between Norton and Wynyard, to be completed by Highways England between 2020 and 2022;
- Improvements to 3 roundabouts on the A689 form included in a funding bid to the Major Routes Network and;
- A crossing of the A689 by foot/cycle bridge close to it's junction with The Wynd and Hanzard Drive.

The Council had and would continue to work with landowners and developers to agree an approach to the delivery of infrastructure through planning applications.

RECOMMENDED to Council that the Wynyard Masterplan be approved for use in the determination of planning applications and to support delivery of allocated sites in the adopted Local Plan.

**CAB
74/19** **Tees Valley Future Waste**

Consideration was given to a report on Tees Valley Future Waste.

The Joint Waste Management strategy ("JWMS") for Tees Valley was updated in 2018/19 to extend its validity from 2020 to 2035. It was adopted by all the Tees Valley Local Authorities in January 2019 following a period of public consultation. The aims and objectives of the JWMS included waste generation, reuse and recycling, waste recovery and landfill diversions; job creation and overall positive impact on the circular economy.

Stockton, Hartlepool, Middlesbrough and Redcar and Cleveland Authorities as the successor waste disposal authorities to Cleveland County Council operate residual waste disposal services under a single contract that they inherited from Cleveland. That contract that would to expire in March 2025. Darlington had its

own waste treatment and disposal contract which would expire at the same time.

There was a recognition within the JWMS of the ongoing benefits of the Tees Valley waste disposal authorities working together. The report introduced an Outline Business Case (“OBC”) which had been developed to address the aims and objectives of the JWMS specifically for the future treatment of municipal residual waste (waste remaining after recycled material had been removed) collected by all the Tees Valley Authorities.

It was proposed to formalise the existing partnership working by entering into an Inter-Authority Agreement (“IAA”) that set out in detail the terms of the joint working arrangements for the project. The IAA proposed appointing Hartlepool Borough Council as Lead Authority with responsibility for carrying out the procurement milestones.

The Tees Valley Local Authorities excluding Darlington had a single contract for the treatment of residual municipal waste which ran until 2025. Darlington had a separate contract and that also expired in 2025. A requirement to identify a new Tees Valley solution from 2025 had therefore been identified and the report detailed progress on a proposed joint procurement and set out how the authorities would work together to maximise competition for a Tees Valley solution and how the project would be funded over the immediate and the longer term.

Within the north-east region with the exception of Darlington, the incumbent contractor had over time established an effective monopoly on residual waste treatment contracts. The result was that without intervention to secure competition there was limited opportunity for other contractors to offer a residual waste treatment capacity. Consequently, for the Tees Valley authorities faced with going to the market, in order to ensure genuine competition it was apparent that the only realistic option would be to offer the market a site with a planning permission for a new residual waste treatment plant. Only by taking this approach would the authorities be able to promote a more level playing field that would increase competition and drive a value for money solution. This rationale was borne out by feedback from contractors at a Market Awareness day, held on 29th January 2019.

It was estimated that by 2025 around 200,000tpa of residual waste would require treatment in the Tees Valley, which was expected to increase to around 210,000tpa by 2050 as a result of housing and population growth. Government policy was expected to widen the definition of municipal waste to include similar commercial and industrial waste, effectively increasing the tonnage of material requiring treatment. This provided the Authorities an opportunity to attract income from third parties by treating additional waste through spare capacity and, thereby offsetting the gate fee. This opportunity was also confirmed during the Market Awareness day which was well attended by those organisations interested in this project.

Obtaining planning before procurement removed a significant risk which might otherwise reduce the number of bidders willing to participate or be priced into the contract. It also meant that any perceived “monopoly” advantage that the incumbent contractor had was mitigated. The procurement would use an

output specification with evaluation based around criteria developed collectively by the Tees Valley Authorities. This meant that any technology that was compliant with the criteria would be considered. The project would seek to use any electricity or heat produced by the facility locally.

The Procurement of the solution would be governed through an Inter-Authority Agreement (IAA) between the five Tees Valley authorities. The agreement sets out the terms of joint working arrangements for the Project, the procurement milestones, and the appointment of Hartlepool Borough Council as the lead authority in carrying out the key procurement milestones.

To support the delivery of the project and enable the inward investment of energy from waste facilities to Tees Valley it was proposed that the Combined Authority provide support to enable procurement of the project. As this was a complex project there was a significant funding requirement of up to £5m to cover the costs of the procurement, obtaining planning permission on the reference site, project management and external legal, financial and technical advice. The timetable contemplated in the OBC aimed to complete the procurement process during the summer of 2021, with construction of the facility completed by autumn 2024. This would enable operational commencement by April 2025. The funding arrangements for the £5m procurement costs were detailed in the Financial Implications section of the report.

The IAA dealt with the governance and co-operation of the Tees Valley Authorities during the procurement phase. Once a contractor was identified and the final contract was agreed, the authorities would need to enter into a Second Inter Authority Agreement setting out their respective rights and responsibilities within the operational phase. This second agreement would include the matters set out in the heads of terms.

Four options for residual waste treatment were identified in the Strategic Outline Case and taken forward as part of an options appraisal (in the JWMS) with a number of waste collection and recycling options. The highest scoring option was the new build Energy Recovery Facility (“ERF”), with Combined Heat and Power and high-performance recycling systems. The new build ERF would be taken forward as the Reference Case. However, the procurement would be designed so that it does not preclude the possibility of alternative technologies being proposed, as long as they can demonstrate similar levels of performance and reliability and meet the requirements of the output specification

It was intended that participating Authorities would work together under the proposed Inter-Authority Agreement which binds the parties together in a binding agreement. This was a key issue raised by a number of the organisations at the Market Awareness day. Representatives from each Council would form the project delivery team which would be supported by technical, legal and financial advisers. This team would report into the Tees Valley Chief Executive’s. The Combined Authority would be part of the Project Team. Further reports to Cabinet would be provided at key points during the project.

A copy of the Project Board Terms of Reference, Inter-Authority Agreement, Additional Financial Implications (Exempt) and the Outline Business Case (Exempt) were attached to the report.

RESOLVED that under Section 100A(4) of the Local Government Act 1972 the public be excluded from the meeting for the following item of business on the grounds that it involved the likely disclosure of exempt information as defined in paragraph 3 of Part 1 of Schedule 12A of the Act.

At this point Members considered the exempt information that was attached to the report.

RESOLVED that:-

1. The Outline Business Case (Annex 4 Exempt) be agreed for the future treatment of municipal residual waste and the intention of the other four Tees Valley authorities to similarly agree the OBC be noted.
2. The Council enter into the Inter-Authority Agreement (IAA) (Annex 2) between the five Tees Valley Authorities in respect of Tees Valley Municipal Residual Waste Treatment project substantially on the terms annexed and to delegate approval of minor amendments to the IAA to the Director of HR, Legal and Communications and Director of Community Services.
3. The Terms of Reference for the Project Board (Annex 3) be noted.
4. The financial commitment be noted to Stockton's share of the procurement and project costs of £1m and subject to approval by full Council as part of the 2020/21 MTFP agree to release funding to be supported through borrowing. The Council entering into a loan agreement with the Combined Authority in respect of the £1m procurement costs. The final details of the agreement to be delegated to the Director of Finance and Business Services in consultation with the Director of Community Services and the Director of HR, Legal and Communications.
5. The Director of Community Services be authorised, in consultation with the Director of Finance and Business Services, Director of HR, Legal and Communications and the Cabinet Member for Environment and Transport to accept any minor or inconsequential changes to the Outline Business Case, the Inter Authority Agreement and Terms of Reference of the Project Board if required.

**CAB
75/19**

Tees Valley Future Waste - Confidential Information

This is the exempt information that was considered with regard to the above item. Please see the above item for the decision of Cabinet.