

COUNCIL

8 DECEMBER 2004

QUARTERLY UPDATE ON URGENT KEY DECISIONS AUGUST 2004 – NOVEMBER 2004

ACTING CHIEF EXECUTIVE, JAN DOUGLAS

PURPOSE OF THE REPORT

1. To provide Council with an update on special urgent and urgent key decisions for the quarter August – November 2004.

SPECIAL URGENT KEY DECISIONS

2. As soon as it is known that a key decision will be taken it must, amongst other things, be entered into the Forward Work Programme. A special urgent key decision arises when a decision has to be taken within 5 working days and it has not been previously added to the Forward Work Programme. In order for the decision to be taken, approval must be sought from the Chair of the Overview and Scrutiny Board. If approval is given, public notices are placed at the Town Hall, the Contact Centre and Central Library receptions. The decision taker must sign a form recording the decision and a record of that decision is then e-mailed to all Councillors and forms a public record of that decision. The information is also available on the Commis system or via the Executive Office. Special urgent key decisions are exempt from the Scrutiny call-in procedure.

URGENT KEY DECISIONS

3. An urgent key decision is where the required statutory notice of the decision can be given and it has been entered into the Forward Work Programme, but due to urgent deadlines the Scrutiny call-in procedure does not apply. A key decision is defined urgent where any delay likely to be caused by the call-in process would seriously prejudice the interests of

the Council or the public. In order for the decision to be taken, approval must be sought from the Chair of the Overview and Scrutiny Board. The decision taker must also sign a form recording the decision. The decision is then e-mailed to all Councillors, and it becomes a public record. The information is also available on the Commis system or via the Executive Office.

SPECIAL URGENT KEY DECISIONS TAKEN IN THE PERIOD AUGUST - NOVEMBER 2004

4. There were no special urgent decisions taken during this period.

URGENT KEY DECISIONS TAKEN IN THE PERIOD AUGUST – NOVEMBER 2004

5. Clairville Stadium Executive Meeting 3rd August 2004

The report provided an update on the position at Clairville Stadium and sought approval for a commitment to refurbishment.

The Chair of the Overview and Scrutiny Board, Cllr Mike Carr gave permission for the Executive to take the following urgent decisions:

- i. That the submitted report and service response to the Community Safety and Leisure Scrutiny Panel's Final Report on Clairville Stadium, be approved and the Community Safety and Leisure Scrutiny Panel's Final Report on Clairville Stadium, be noted.
- ii. That the Community Athletics Refurbishment Programme (CARP) award of £160k (against £179,367 applied for) to improve the outdoor athletics facilities and enhance security through improvements to perimeter fencing, be approved. Work to be completed by autumn 2005/2006.
- iii. That officers be authorised to progress with and accept if successful, the application to the Community Club Cycling Development Fund (CCCDF) for £220k to improve the cycle track and undertake internal building works.
- iv. That £100k CARP match funding from the Capital Programme 2004/05 be reallocated to begin the process of refurbishing the changing facilities in the current year.
- v. That £120k be committed from the Council's Capital Programme 2005/06 to match fund the CARP award (£100k) and to complete the refurbishment of the changing facilities (£20k).

The decisions were considered urgent as the external funding bodies were awaiting a decision.

6. Education Schools Asset Management (Planned Capital Maintenance) Allocation – Individual Executive Decision 5th August 2004 – Executive Member for Education

The report advised on the funding allocation for Education Schools Asset Management Planned Capital maintenance and sought approval of the schedule of work for 2004/05.

The Chair of the Overview and Scrutiny Board, Cllr Mike Carr gave permission for the Executive Member of Education to take the following urgent decision:

That the schedule of works identified in appendix one, of the submitted report, be approved.

The decision was considered urgent as some of the expenditure was planned for the summer 2004 holiday period when the schools were closed i.e. roof repair, window replacements.

7. Housing Stock Transfer – Final Approval to Transfer Executive Meeting 31st August 2004

The report identified the process undertaken to achieve Stock Transfer and the main contractual elements included within the formal transfer agreement relating to the Large Scale Voluntary Transfer of the Councils **Housing** Stock to **Erimus Housing**.

The Chair of the Overview and Scrutiny Board, Cllr Mike Carr gave permission for the Executive to take the following urgent recommendations:

That Council approve

- i. That the execution (whether by application of the Council's seal (to deeds) or otherwise), delivery and performance of the Transfer Agreement (including all ancillary agreements detailed in the Schedules thereto) to be made between **Erimus Housing** Limited (the "Company") and the Council, and any other agreement, document, transfer and deed to be entered into thereunder or in connection therewith;
- ii. That the execution, delivery and performance of the transfer, subject to receipt of the consent of the Deputy Prime Minister (in his capacity as First Secretary of State at the Office of the Deputy Prime Minister) pursuant to Sections 32-34 and 43 of the **Housing** Act 1985 for the disposal of any non-**housing** related assets;
- iii. That the execution, delivery and performance of Deeds of Warranty to be given to the funders or to any security trustee for the funders and the Company;
- iv. That the Chief Executive after consultation with the Executive Members for Resources and **Housing**, be authorised to agree any final financial issues which must be settled before completion of the transfer.
- v. That the Chief Executive after consultation with the Executive Members for Resources and **Housing**, be authorised to resolve any outstanding matter which might need to be dealt with before completion of the transfer, including agreement of the final terms of all documentation.
- vi. That the Chief Executive be authorised to resolve any outstanding matters relating to the amendment of the Service Middlesbrough PPP Agreement with HBS.
- vii. That the Director of Legal and Democratic Services be required to give an opinion to the funders in the form set out in Appendix 1 attached to the submitted report.

The decisions were considered as urgent as the report was being submitted to full Council on 15th September in order to meet the ODPM's deadline for formal application for consent to transfer on 17th September 2005.

8. Mortgage Interest Rate 2004/2005

Executive Meeting 31st August 2004

The report set the Local Average Interest Rate for the six months commencing 1st October 2004.

The Chair of the Overview and Scrutiny Board, Cllr Mike Carr gave permission for the Executive to take the following urgent recommendations:

That Council approve

- i. That the Local Average Interest Rate for the period 1st October 2004 – 31st March 2005 be set at 7.85%.
- ii. That this rate be used for all **Housing** Mortgages for this period.

The decisions were considered urgent as the deadline was dictated by statutory obligation in line with the **Housing** Act 1985.

9. **Housing** Stock Transfer – Financial Changes
Individual Executive Decision 19th October 2004 – Executive member for Transport plus **Housing**

The report sought approval to the implementation of financial adjustments relating to **Housing** Stock Transfer.

The Chair of the Overview and Scrutiny Board, Cllr Mike Carr gave permission for the Executive Member for Transport plus **Housing** to take the following urgent decision:-

That the changes to the financial arrangements, as part of the overall negotiations required to complete the **Housing** Stock Transfer, be approved.

The decision was considered urgent due to the tight deadlines of the **Housing** Stock Transfer, the transfer date was the 15th November 2004.

10. Proposed Option to Purchase Agreement, Empire Theatre, Corporation Road, Middlesbrough
Executive Meeting 26th October 2004

The report recommended that the Council entered a formal option agreement concerning the potential purchase of the Empire Theatre to provide the time to consider in detail the capital and revenue cost implications of purchase, conversion and operation of the building for live performance.

The Chair of the Overview and Scrutiny Board, Cllr Mike Carr gave permission for the Executive to take the following urgent decision:-

That the Chief Executive be authorised to negotiate the appropriate terms including the fee to obtain a formal option for 12 months to enable reports to be prepared on the detailed costs of acquisition, conversion and operation of the Empire Theatre, Corporation Road, Middlesbrough as performance space.

The decision was considered urgent as there was a need to secure a formal position with the current building owner to avoid the property being more extensively marketed.

11. **Erimus** – Centre North East Lease
Individual Executive Decision 2nd November, Executive Member for Resources

The report sought approval for the Council to provide funding for the rent falling due before stock transfer for offices at Centre North East to be occupied by **Erimus Housing** and, in the eventuality of the transfer of **housing** stock to **Erimus** not proceeding, take an assignment of the lease of those premises.

The Chair of the Overview and Scrutiny Board, Cllr Mike Carr gave permission for the Executive Member for Resources to take the following urgent decisions:-

- i. That payment be guaranteed on behalf of **Erimus** of all rental and other charges falling due under the lease of its proposed accommodation in the Centre North East for the period from commencement of the lease (scheduled for 1 November 2004) to conclusion of the transfer of the Council's **Housing** stock to **Erimus** (scheduled for 15th November 2004).
- (ii) That in the event that the transfer of the Council's **housing** stock to **Erimus** does not, for whatever reason, take place, an assignment of the lease of the premises would be accepted forthwith for the remaining unexpired term of the lease on the same terms as to rent and other conditions as applicable to the lease to **Erimus**.

The decisions were considered urgent due to the tight deadlines of the **Housing** Stock Transfer.

RECOMMENDATIONS

12. It is recommended that Council note the decisions.

BACKGROUND PAPERS

The following background papers were used in the preparation of this report:

- i. A **Constitution** for Middlesbrough
- ii. Report on Clairville Stadium
- iii. Report on Education Schools Asset Management (Planned Capital Maintenance) Allocation
- iv. Report on the **Housing** Stock Transfer – Final Approval to Transfer
- v. Report on the Mortgage Interest Rate 2004/05
- vi. **Housing** Stock Transfer – Financial Changes
- vii. Report on the Proposed Option to Purchase Agreement, Empire Theatre, Corporation Road
- viii. Report on **Erimus** – Centre North East Lease

AUTHOR: Diane Wallinger

TEL NO: 01642 729205

*Address: PO Box 99a, Town Hall, Middlesbrough, TS1 2QQ Website:
<http://www.middlesbrough.gov.uk>*