

Time began: 4.00pm
Time ended: 4.48pm

COUNCIL CABINET

12 April 2023

Present	Councillor Poulter (Chair) Councillors Barker, Eyre, Hassall, J Pearce, Smale, Webb and Williams
In attendance	Councillors Care, Graves and Peatfield Rachel North – Strategic Director of Communities and Place Emily Feenan – Director of Legal, Procurement and Democratic Services Alison Parkin – Director of Financial Services Gurmail Nizzer – Director of Children’s Integrated Commissioning Pauline Melvin – Anderson – Director of Learning, Inclusion and Skills Shaun Bennett – Director of Investment and Maintenance Derby Homes Karen Brierley – Development and PFI Team Leader

This record of decisions was published on 14 April 2023. The key decisions set out in this record will come into force and may be implemented on the expiry of five clear days unless a key decision is called in.

209/22 Apologies

Apologies for absence were received from Councillors Atwal and Shanker.

210/22 Late Items

There were no late items.

211/22 Receipt of Petitions

There were no petitions.

212/22 Identification of Urgent Items to which Call In will not apply

There were no items.

213/22 Declarations of Interest

There were no declarations of interest.

214/22 Minutes of the meetings held on 10 and 15 March 2023

The minutes of the meeting held on 10 and 15 March 2023 were agreed as a correct record.

Matters Referred

215/22 Recommendations from the Executive Scrutiny Board

The Council Cabinet considered a report on Recommendations from the Executive Scrutiny Board. The Executive Scrutiny Board met and discussed items contained within the Council Cabinet Agenda. The report enabled the views and recommendations resulting from these discussions to be formally shared with Council Cabinet.

Decision

To receive the report and to note that no recommendations had been put forward by the Executive Scrutiny Board.

Key Decisions

216/22 Social Housing Decarbonisation Fund – Authorisation to bid for Wave 2.1 Funding

The Council Cabinet considered a report which sought authority to bid for and acceptance of the new Social Housing Decarbonisation Fund (SHDF) Wave 2.1, launched by the Government in August 2022, with the aim of raising the energy performance of low EPC rated social housing.

The Executive Scrutiny Board noted the report.

Options considered

The Council could choose not to submit a bid under the SHDF, Wave 2.1 programme. This would however impact on low-income tenants who would not thereby benefit from lower energy costs. This option would also not contribute to the Council's climate change agenda.

Decision

1. To approve submission for the SHDF, Wave 2.1 funding application to the Midlands Energy Hub (MEH), for capital funding of up to £2,051,178 including administration and ancillary costs of £619,178 over the financial years, 2023/24 and 2024/25.

2. If the bid was successful to delegate approval to the Strategic Director of Communities and Place and the Strategic Director of Corporate Resources following consultation with the Cabinet Member for Adults, Health & Housing:
 - To accept, subject to satisfactory grant conditions, any resultant SHDF, Wave 2.1 grant award
 - To enter into a Memorandum of Understanding (MoU), a Privacy Notice, Data sharing Agreement and a Grant Determination Notice with MEH subject to acceptable grant conditions.
 - To enter into a Collaboration Agreement with Derby Homes to complete the proposed project.
 - To add the grant and associated HRA match funding to the capital programme

Reasons

1. The bid would enable tenants living in 143 Council properties the benefit of significant energy cost savings through the installation of external solid wall insulation to improve heat retention and reduce electricity costs.
2. The insulation measures would reduce lifetime tonnes of carbon emissions by an average of 30 tonnes per property treated.
3. In line with the Council's Finance Procedures Rules, Council Cabinet approval was required prior to submitting a bid for external funding and for accepting a bid for external funding.

217/22 Schools Capital Programme 2023/24

The Council Cabinet considered a report which stated that the Council had received notification from the Department for Education (DfE) of school condition maintenance allocations for 2023/24 for Community and Foundation schools.

In order to commence scheme development, and to complete essential work during the school summer holiday period, early approval of schemes was necessary. It was therefore proposed to seek scheme approval for schemes in line with the notified allocation of £3,172,948.

A breakdown of the school maintenance Capital Programme funding for 2023/24 was set out within Appendix 1 of the report. The proposed phase 1 schools capital programme schemes for 2023/24, including proposed individual school condition maintenance projects, were outlined in Appendix 2 of the report.

The proposal was for funding to be prioritised to deal with essential school condition and maintenance issues across the schools estate for Council maintained schools. An on-going programme of work was required in school premises to deal with essential condition and health and safety issues to ensure that school buildings remained safe and open.

The report sought approval for the schools maintenance capital programme for 2023/24 as set out within Appendix 2 of the report.

The Executive Scrutiny Board noted the report.

Options considered

The available capital funding had been prioritised to deal with the most urgent condition and health and safety issues within Community and Foundation schools.

Decision

1. To approve the Schools Capital Programme priority schemes for 2023/24 as outlined in Appendix 2 of the report.
2. To approve scheme commencement of schemes outlined in Appendix 2 of the report.
3. To approve the amendment of the approved 2023/2024 and indicative 2024/25 capital programme with the revised budget projections detailed in Appendix 1 and the proposed scheme allocations detailed in Appendix 2 of the report.
4. To note the delegated approvals in place to add/amend a scheme to the approved capital programme up to £0.250m, if contained within the programme area, as set out in appendix 3 of the report.

Reasons

1. An on-going programme of work was required in school premises to deal with essential condition and health and safety issues across the schools estate to ensure that school buildings remained safe and open. In order to complete as much work as possible during the school summer holiday period, early approval of schemes was necessary.
2. In accordance with Financial Procedure Rules, amendments to the Council's capital programme were required to be reported to Council Cabinet.

218/22 SEND High Needs Transformation Programme

The Council Cabinet considered a report which proposed the introduction of the SEND Placement Sufficiency Strategy. The strategy provided a high-level outline of the placements required to meet special educational needs in Derby and to reduce dependence on out of area placements. It set out the ambition to create over 64 special school hub and spoke places per year for the next 5 years.

This strategy underpinned the SEND Capital Programme going forward, to reduce the dependency on out of area specialist placements, reduce the cost of home to

school transport by creating more local school places and maximise space in existing schools, giving better value for money and greater inclusion and outcomes.

The Executive Scrutiny Board noted the report.

Options considered

1. 'Do Nothing' would not enable us to maximise the funding available.
2. To continue with individual projects without an overarching programme, which would fail to use the data and intelligence available.
3. This plan could be further accelerated in co-production with schools, bringing the placements into the city sooner and cost benefits being greater.

Decision

1. To approve the SEND placement sufficiency strategy to ensure that activity was well planned and monitored within the existing SEND governance framework. A SEND capital programme was developed to deliver the strategy.
2. To approve the use the attached model for SEND Placement Sufficiency. The overarching ambition was to put Derby in line with statistical neighbours with no written statement of action and a sustainable budget.
3. To further expand the previously approved Hub and Spoke- model from 30 places a year to 64 places a year for the following 5 years (2023-2028) to ensure placement sufficiency.

Reasons

1. This was an overarching strategy that would inform and enable the individual SEND Capital projects. This was required to avoid placing children in out of area, high-cost independent school placements.
2. The plans had been coproduced with partners to ensure local area sign up to the approach of fixing the system-wide issues that had driven increased demand and associated costs.
3. The modelling had taken a demand-based approach looking at the movement of children and young people already within the system, and those likely to enter it based on the latest data available to us.

219/22 Development of the Site at Bonsall Avenue / Repton Avenue Formally Known as Warwick House Care Home

The Council Cabinet considered a report which sought approval to the proposed redevelopment of the site at Bonsall Avenue/ Repton Avenue formerly known as the Warwick House care home.

The site was previously a Council owned care home that was closed and transferred into the Housing Revenue Account (HRA), as approved by Council Cabinet in March 2021. The site had been demolished and identified as having potential to be redeveloped

The redevelopment of the site had been designed to deliver 22 new affordable homes for those in housing need and that were registered on the Councils choice based lettings system.

These houses would form part of the Council affordable housing stock and would be managed by Derby Homes (DH), the Council Arm's Length Management Organisation.

The report sought the necessary financial and contractual approvals to deliver the new affordable homes.

The Executive Scrutiny Board noted the report.

Options considered

1. Do nothing. This was not an option as this would not meet Council objectives.
2. It was not considered appropriate to sell this asset which was required for the development of social housing.
3. Develop the site in partnership with a Registered Provider or other party. Although the Council did have valuable partnerships with other Registered Providers of Social Housing, this site could contribute to the strategic aim to deliver more Council housing. As there was capacity within the latest approved HRA business plan to develop this site there was no particular benefit to a partnering route.
4. Repurposing of the former care home had been explored but was discounted as the homes would not meet energy efficiency and accessibility requirements.

Decision

1. To agree the principal of developing the site as detailed in the report funded through the HRA Capital Programme and Right to Buy (RTB) receipts.

2. To approve the project budget as defined within the confidential version of the report within the HRA Capital Programme, and to note that there was capacity within the latest approved HRA business plan to develop the site.
3. To delegate authority to the Strategic Director of Communities and Place, following consultation with the Section 151 Officer and the Cabinet Member for Adults, Health and Housing, to enter into all contracts and agreements necessary to deliver the project within the approved budget.
4. To agree to the new affordable homes being incorporated within the Councils housing stock and being managed by Derby Homes.
5. To note that the full Business Case would be presented to the Project Management Office (PMO) before contracts for delivery were entered into.

Reasons

1. To facilitate the delivery of new affordable homes to meet the high level of need in Derby.
2. To ensure the best value use of Council's assets.
3. To comply with the Council's Financial Regulations and Contract Procedure Rules.

220/22 Redevelopment of The Knoll, Village Street

The Council Cabinet considered a report which gave an update on proposals to deliver new affordable homes on the long-vacant site.

A scheme had been designed to deliver eighteen houses for Council rental on the site and would shortly be submitted for planning approval.

The report sought the necessary financial and contractual approvals to deliver the scheme.

The Executive Scrutiny Board noted the report.

Options considered

1. Do nothing. This option could be rejected as a poor use of a Council asset, and a missed opportunity to deliver on the Council's priority to build affordable homes.
2. Dispose of the site for commercial development. It was assumed the site would be unattractive for development of employment uses, given its limited highway frontage, and the constraints imposed by trees, neighbouring properties, and potential issues around traffic generation.

3. Dispose of the site for residential development. Although the location may be attractive for a private developer, we could assume they would not build out the scheme designed by the Council, which aimed to balance density with quality of life. They would be likely to design a scheme of fewer dwellings on larger plots, which would not incur a section 106 affordable housing contribution. Any capital receipt from sale of the site would be retained in the Housing Revenue Account. This would be of limited value; as explained at paragraph 4.4 of the report, the factor limiting delivery of new homes was a shortage of available land, not a shortage of capital.
4. Develop the site in partnership with a Registered Provider or other party. Although the Council does have valuable partnerships with other Registered Providers of Social Housing (i.e. housing associations), this site could contribute to the strategic aim to deliver more Council housing and, as funding was available in-house, there was no particular benefit to a partnering route.

Decision

1. To approve an amended project budget as detailed in the confidential version of the report, and to note that this could be funded within the overall value of the current Housing Revenue Account capital programme.
2. To note that internal approval of the Full Business Case would be required by the Council's PMO Board before contracts for delivery were entered into.
3. To delegate authority to the Strategic Director of Communities & Place, following consultation with the Section 151 Officer and the Cabinet Member for Adults, Health & Housing, to enter into all contracts and agreements necessary to deliver the scheme within the approved budget.

Reasons

1. To facilitate the delivery of new affordable homes to meet the high level of need in Derby, in accordance with the Council Plan and Council Delivery Plan.
2. To ensure the best value use of the Council's assets.
3. To comply with the Council's Financial Regulations and Contract Procedure Rules.

221/22 Compulsory Purchase of Empty Homes

The Council Cabinet considered a report which sought approval to initiate compulsory purchase proceedings in relation to 4 long-term vacant properties, where the owners had not sufficiently demonstrated that they would be occupied in the near future.

The Council's Empty Homes Strategy aimed to facilitate the renovation and re-occupation of vacant dwellings to help meet local housing demand. The actions may also help tackle environmental nuisance that neglected properties could present. Re-use of these homes would contribute towards the Council's New Homes Bonus income.

Where owners could not be traced or were unwilling/unable to bring a property into use, there was a compelling case in the public interest for the Council to take enforcement action to achieve the aims of the strategy.

Compulsory purchase could return problematic empty homes to useful housing stock.

The Executive Scrutiny Board noted the report.

Options considered

1. Do nothing. This was not considered appropriate. The properties would remain a waste of potentially good housing and increasingly blight their respective neighbourhoods.
2. Enforced sale. There were currently no relevant property-based financial charges registered against the properties that would facilitate this option.
3. Empty Dwelling Management Orders. These involved the return of the properties to the original owner in the longer term. As the owners had failed to bring these empty homes into beneficial use a permanent change of ownership was considered to be most beneficial to the public interest.
4. Other enforcement powers. The local authority has powers to deal with structural danger, nuisance or other environmental problems. These alone were piecemeal and reactive in nature and did not provide a long-term strategic solution for these long-term empty homes.

Decision

1. To authorise the making of Compulsory Purchase Orders under the Acquisition of Land Act 1981(pursuant to the power under section 17 of the Housing Act 1985) for the acquisition of the houses, together with the associated land, as identified in Appendix 1 of the report for the purposes of their renovation and reoccupation as housing accommodation.
2. To authorise the Strategic Director of Communities and Place, following consultation with the Cabinet Member for Adults, Health and Housing, the Director of Legal, Procurement and Democratic Services and Monitoring Officer and the Section 151 Officer to:
 - i. take all necessary steps to secure the making, confirmation and implementation of the Compulsory Purchase Orders;

- ii. acquire the legal interests in the properties, whether by voluntary agreement or compulsorily using statutory powers set out in the preceding paragraph;
- iii. dispose of the properties in accordance with the proposals set out in this report; apply financial procedure rules regarding acquisition and disposal of property;
- iv. suspend or abandon the compulsory purchase order proceedings, or withdraw an order, in relation to any particular property on being satisfied that the subject dwelling will be satisfactorily renovated and re-occupied voluntarily;
- v. take necessary action to deal with all matters relating to the payment of statutory compensation including, where required, instituting or defending related proceedings;
- vi. take all other necessary action to give effect to these recommendations.

Reasons

- 1. The properties identified in confidential Appendix 1 of the report had been vacant for a number of years and all reasonable options open to the Council to encourage the respective owners to voluntarily bring them back into use had proven unproductive.
- 2. Restoring the houses to the useful housing stock would contribute to meeting the increasing housing needs in Derby.
- 3. The risk of common problems associated with empty buildings such as trespass, vandalism, fly tipping or anti-social activities would be reduced.

Contract and Financial Procedure Matters

222/22 Compliance with Contract and Financial Procedure Rules

The Council Cabinet considered a report which dealt with the following items which required reporting to and approval by Council Cabinet under the Contract and Financial Procedure Rules.

- To approve the use of D2 Business Rates Pilot reserves and request delegated approval for decisions on grant funding that would support the development of vacant space in the city centre for creative business activity.

The Executive Scrutiny Board noted the report.

Options considered

Do nothing was considered but this would limit growth and regeneration in the city centre. In particular the following outcomes would not be achieved.

- Utilised underused city centre space – turning liabilities into assets
- Brought new types of economic activity to the city centre
- Supported placemaking and Derby's identity as a creative city of makers
- Supported start-up businesses and retained creative talent in Derby
- Created a pipeline of potential occupiers for the new Market Hall

Decision

1. To approve the use of £0.300m D2 Business Rates Pilot reserves to create a grants scheme to support the development of vacant space in the city centre for creative business activity as outlined in section 4.1 of the report.
2. To delegate authority to approve individual creative business scheme grants, subject to satisfactory due diligence, as follows:

Individual Grant Value	Job Title
Up to £20,000	Head of Regeneration and Major Projects
£20,001 up to £99,999	Director of City Development and Growth

following consultation with the Cabinet Member for Regeneration, Decarbonisation, Strategic Planning and Transport.

3. To delegate authority to the Section 151 Officer to add vacant space grants to the capital programme if approved under delegation, where individual grants approved are capital and are above the de-minimus threshold.

Reasons

To comply with the Council's Financial and Contract Procedure Rules.

223/22 DLUHC Rough Sleepers Initiative (RSI) Targeted Funding Application 2023 - 2025

The Council Cabinet considered a report which stated that in March 2014 Derby City Council delegated the delivery and management of the housing options and homelessness service to Derby Homes. Later, In December 2016 Council Cabinet approved the TUPE transfer of Housing Options employees to Derby Homes. In addition, Council Cabinet approved Derby Homes as the Council's chosen vehicle for delivering a co-ordinated Homelessness Offer for Derby, responding to the aims and objectives of Derby City Council's Homelessness Strategy. On 11 February 2021, the Council and Derby Homes signed an "Agreement for the provision of Housing Options, Advice and Homelessness Services" – this included the financial

arrangements on how Derby Homes would recharge the Council for works on the Homelessness service.

The Government published a Rough Sleeping Strategy (RSS) in August 2018, setting out their commitment to halve rough sleeping by 2022, and end it entirely by 2027. This was subsequently updated in the Conservative Manifesto December 2019 to end rough sleeping by 2024 through an extension of the Rough Sleeping Initiative and the announcement of additional funding.

Derby had been consistently highlighted as an area that was achieving positive outcomes with national recognition from the Department of Levelling Up, Housing and Communities.

The Government Department for Levelling Up, Housing & Communities (DLUHC) had confirmed Derby had been identified as an area that could apply for additional funding from the Rough Sleeping Initiative in 2023/24 and 2024/25.

On 10 March 2023 Government invited applications for Targeted RSI Funding. RSI Targeted Funding was a grant opportunity to run 2-year funding opportunity. The closing date for application is 14 April 2023. This bid opportunity was available to cover the delivery period 1 July 2023 to 31 March 2025 to run alongside the existing RSI 5 award 2022 - 2025.

The Executive Scrutiny Board noted the report.

Options considered

1. The Council could choose not to submit a bid under the Targeted RSI Funding 2023/25 grant opportunity. This was not recommended and would threaten the ongoing opportunities to add additionality to the viability of the Cities Rough Sleeping Strategy.
2. The Council could choose to bid for alternate provision to support rough sleepers in the City. Derby Homes, as the delegated delivery agent of the Housing Options and Homelessness Services, and in conjunction with the lead Department of Levelling Up Homes and Communities feel that the bid, as presented, provided the best opportunity to continue to enhance existing provisions to reduce rough sleeping in Derby.

Decision

1. To approve the submission of a Targeted RSI Funding grant bid 2023/25 up to a maximum of £450,000. The delivery period for this bid, if successful, would be 1 July 23 to 31 March 2025.
2. To delegate approval of the acceptance of the resultant DLUHC revenue RSI grant to the Strategic Director of Communities and Place, following consultation with the Director of Finance and Cabinet Member for Adults, Health and Housing, subject to acceptable grant conditions.

Reasons

1. This bid, if successful, would ensure we were able to continue to support some of our most vulnerable citizens. The bid enabled the council to continue to be able to offer accommodation and support appropriate to the needs of rough sleepers, those at risk of rough sleeping and those recovering from rough sleeping.
2. The bid, if successful would also ensure that we were able to continue to capitalise on the gains made so far in ending rough sleeping in Derby.
3. In line with the Council's finance procedures rules, Council Cabinet approval was required prior to submitting a bid for external funding, and for accepting a bid for external funding.

224/22 Exclusion of Press and Public

Resolved that under Section 100(A) of the Local Government Act 1972, the press and public be excluded from the meeting during discussion of the following item 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 and that the public interest in maintaining the exemption outweighs the public interest in disclosing the information.

Key Decisions

225/22 Development of the Site at Bonsall Avenue/ Repton Avenue Formerly Known as Warwick House Care Home

The Council Cabinet considered exempt information in relation to the proposed redevelopment of the site at Bonsall Avenue/ Repton Avenue formerly known as the Warwick House care home.

The Executive Scrutiny Board noted the report.

226/22 Redevelopment of The Knoll, Village Street

The Council Cabinet considered exempt information in relation to the redevelopment of The Knoll, Village Street.

The Executive Scrutiny Board noted the report.

227/22 Compulsory Purchase of Empty Homes

The Council Cabinet considered exempt information in relation to the compulsory purchase of empty homes.

The Executive Scrutiny Board noted the report.

MINUTES END