

Time Commenced – 18:00
Time Finished – 21:43

Executive Scrutiny Board

11 September 2018

Present: Councillor Graves (Chair)
Councillors Eldret, Hudson, Jackson, Marshall, Potter,
Rawson, Russell, Stanton and Willoughby.

In Attendance: Richard Antcliff, Ben Clawson-Chan, Duncan Cowie, Claire Davenport, Christine Durrant, Matthew Frost, Michael Gillie, Heather Greenan, Jo Hadson, Peter Ireson, Greg Jennings, Don McLure, Gurmail Nizzer, Iain Peel, Andy Smith, Charlotte Ward-Webster, Catherine Williams and Alex Hough (Democratic Services).

26/18 Apologies for Absence

Apologies for absence were received from Councillors Hassall and J Khan.

27/18 Late Items

There were no late items.

28/18 Declarations of Interest

There were no declarations of interest.

29/18 Minutes of the previous meeting

Minutes of the previous meeting held on 7 August 2018 were agreed as an accurate record.

30/18 Forward Plan

The Board considered the contents of the Forward Plan published on 14 August 2018 and the Forward Plan published on 11 September 2018.

No items were added to the future work programme.

The Executive Scrutiny Board resolved to note the Forward Plan.

31/18 Performance Items and Performance Forward Plan

The Board received a report of the Acting Chief Executive presenting the Executive Scrutiny Performance Forward Plan and allowing the Board to make amendments as necessary for items to be considered at future

meetings. A presentation on 'Leisure and Culture Projects' was received, as detailed in the Performance Forward Plan.

Outdoor Events

The Board received information about the Derby LIVE outdoor events programme, which included the Hannells Darley Park Concert, Festé and the Caribbean Carnival. A programme of community events was also detailed.

The Board heard evidence that Derby LIVE sought to nurture ownership and pride for community events, whilst also exploring new means to work with commercial partners. Members noted the extent of the outdoor events programme and discussed means by which events could remain both accessible and financially sustainable. The possibility of extending the programme for the Darley Park Concert over two days was considered.

New Swimming Pool Complex

The Board were also provided with an update on the new Swimming Pool complex at Moorways. It was noted that the project had a £33 million approved capital budget, within a maximum budget envelope of £35 million.

The proposed facility mix and public engagement exercise were detailed to the Board. It was noted that the pre-construction phase of the project would be complete by Autumn 2018, following the conclusion of a value engineering exercise.

The Board questioned whether site visits had been made to other facilities, either nationally or internationally. It was confirmed that officers and lead members had made recent visits to Huddersfield, Corby and Blackpool.

Members queried whether further planning approval would be necessary following the outcome of the enhanced feasibility study commissioned by the current administration. The Board also questioned officers as to whether this process would delay the delivery of the new pool.

Move More Derby Strategy

The Board heard evidence of the Move More Derby Strategy, which was intended to improve the physical and mental health of residents, by promoting physical activity. It was noted that the strategy also sought to create cohesive communities and improve independence amongst isolated groups.

Barriers to physical activity were discussed, as well as the need to embed the values of the strategy at an organisational level. It was noted that Derby mirrored national trends with regards to levels of physical activity, with 26 per cent of the adult population gaining fewer than 30 minutes of exercise per week.

Libraries Strategic Review

The Board received an update on the on-going Libraries Strategic Review.

It was noted that 'Option B Plus' had been implemented following a consultation process, which had resulted in an increased statutory offer from four to five libraries; increased opening times; and, additional investment in shelving space.

It was reported that the Riverside Library opened on 2 July, receiving positive feedback from service users and resulting in increased levels of book lending for adults and young people.

The opening of three Community Managed Libraries (CMLs) in Sinfin, Spondon and Allestree by Derby Help and Advice (DHA) was also detailed. It was noted that DHA had opted for an enhanced council support package, which included ongoing training, access to the library computer system and stock exchanges with council-run libraries.

The Board questioned how data protection concerns with regards to existing library customers were being addressed. It was confirmed that customers had been approached via email and in writing asking if they wished their data to be passed to DHA. In the event that no response was received, details would be removed from the system.

The temporary closure of Peartree Library was also discussed. It was reported that the library would likely remain closed until December, when a further report to Council Cabinet was anticipated. Members also heard positive feedback with regards to the enhanced services offered at CMLs, which had resulted in increased footfall at Sinfin library in particular.

The Board considered the impact of the review of the CML implementation plan, which had been announced at Council in July. It was reported that the review was being carried out during a natural pause in the implementation process. Members asked for clarification on the extent of wider consultation as part of the review; it was confirmed that customers, members of the project team and Cabinet Members had been asked to provide feedback.

The Board questioned whether the review had resulted in any additional costs. It was reported that the review had delivered significant savings to date, with a £38,000 forecasted variance at Q1 against the overall libraries budget for 2018/19.

It was noted that Council Cabinet and the Executive Scrutiny Board would receive regular performance reporting on leisure and culture projects through the Council Plan.

The Executive Scrutiny Board resolved to note the performance update on leisure and culture projects.

32/18 Council Cabinet Response to Scrutiny Recommendations

The Board considered a report of the Chief Executive which allowed the scrutiny board to receive responses from Council Cabinet on

recommendations made at the previous Board meeting held on 7 August 2018.

The Board resolved to note the report.

33/18 Council Cabinet Agenda

The Board considered a report from the Chief Executive on the Council Cabinet Agenda. Members considered the Council Cabinet Agenda in its entirety for the meeting scheduled for Wednesday 12 September 2018 and made a number of comments and recommendations to Council Cabinet.

Item 8 – Derby Opportunity Area: Developing Emotionally Healthy Schools

The Board received a report from the Strategic Director of People Services recommending the award of grant funding of up to £598,000 to Redwood Primary School to lead and co-ordinate a city wide emotionally healthy schools strategy, in line with proposals from the Derby Opportunity Area Board.

It was noted that consistent feedback had been received from Head Teachers and the Voices in Action youth council stating the need for more support services to be located in schools. It was proposed that the project would deliver training for school leaders; fund the development of an online Schools Mental Health Portal; and, allow schools to develop their own action plans for promoting emotional health and wellbeing.

It was reported that Redwood Primary School had demonstrated a clear interest in leading the project and had received support in this respect from other schools. It was further noted that the proposals mirrored the anticipated outcome of a Government green paper on mental health support.

Members queried whether the project would limit access to funding in future as a result of the outcome of the green paper and questioned the extent to which the potential academisation of Redwood Primary would impact the project. It was confirmed that funding would be released in tranches, but that it was not dependent on Redwood remaining a maintained school. It was further noted that liaison with the Regional Schools Commissioner would ensure that any multi-academy trusts would be encouraged to continue contracts of this nature.

The Board welcomed the proposals and stressed the need for more preventative and early warning support for emotional wellbeing in schools. Members also welcomed the opportunity for utilising the proposed IT portal as a sold-service to other schools in future and questioned the ownership status of the software should Redwood Primary become an academy.

The Executive Scrutiny Board resolved:

- **To welcome the report**

- **To recommend that Council Cabinet agree the recommendations contained within the report, subject to confirmation that Derby City Council retain ultimate ownership of the proposed Schools Mental Health Portal.**

Item 9 – Social Impact Bond for Children in Care and on the Edge of Care

The Board received a report of the Strategic Director of People Services regarding the procurement of a Social Impact Bond provider, in partnership with Nottingham City and Nottinghamshire County Councils.

It was reported that Social Impact Bonds were a means by which investors fund the costs to deliver an improvement to a service and a local authority makes payments only on the delivery of successful outcomes. In this instance, the proposal was intended to support children on the edge of care or at risk of placement breakdown.

The Board questioned whether anticipated savings detailed in the report had been incorporated in the Medium Term Financial Plan (MTFP). It was reported that expected savings of £1 million from reduction in placement costs were being included on a gradual basis over the next three years, but that £3 million from cost avoidance had not as it would take the lifetime of the contract for savings to be realised.

Members stressed the importance of monitoring the contract and requested an interim update on progress against the intended outcomes at an appropriate time, after the contract had been awarded.

It was noted that the proposal contained exempt information by virtue of Paragraph 3 of Part 1 Schedule 12A of the Local Government Act 1972. The Board were afforded the opportunity to question officers on this element of the report in private session, under Item 22 of the Council Cabinet agenda.

The Executive Scrutiny Board resolved to recommend that Council Cabinet request an update on progress against intended outcomes at an appropriate time during the lifetime of the contract.

Item 10 – Derbyshire Business Support Grants Scheme (DBSGS)

The Board received a report of the Strategic Director of Communities and Place regarding a proposal to invest up to £1.6 million of pooled business rates into a Small Business Support Grants Scheme. The report also sought to devolve decision making responsibilities to the Derby Enterprise Growth Fund (DEGF) investment panel.

Terms of access to grants were detailed; it was reported that businesses would be able to access grants of between £2k and £50k to fund up to 50 per cent of projects intended to increase turnover, growth, productivity and job creation.

The Board sought clarification on the membership of the DEGF investment panel. Members raised concerns with regards to job displacement and stressed the importance of ensuring the intended benefits of grants were proportionate to any funding awarded. It was reported that all bids would be rigorously assessed in this regard, prior to approval being sought by the investment panel.

The estimated additional income from the pooled business rates pilot across the whole County was reported to be circa £28 million for 2018/19; it was noted that £8 million of this had been allocated to the Derby and Derbyshire Joint Committee for Economic Prosperity. Members questioned how this would be split between Derbyshire authorities; it was confirmed that Derby City Council had initially agreed to cash flow the scheme for an interim period, until details of a separate agreement with Derbyshire County Council and Derbyshire Districts had been signed off.

It was reported that expressions of interest had already been received from businesses that may not be suitable for other DEGF investment schemes. Members noted that the documentation circulated with the report was entirely focused on business and questioned whether opportunities existed for voluntary sector organisations to access funding.

It was noted that the report stated at 4.8 that no sectors were excluded from accessing funding providing that the applicant paid business rates. However, the Board also noted that many small businesses and charities were liable for business rates, but received rate relief meaning they may be excluded from the proposed scheme.

The Executive Scrutiny Board resolved:

- **To recommend that Council Cabinet amend the proposed scheme to reflect that all those 'liable' for business rates were entitled to access funding, rather than only those that 'pay' business rates, allowing businesses to apply to the scheme who currently receive 100 per cent relief.**
- **To recommend to Council Cabinet that publicity for the scheme reflects that voluntary sector organisations would also be entitled to apply for support.**

Item 11 – Improvements to the iHub and Support for an Advanced Manufacturing Research Centre Pilot

The Board received a report of the Strategic Director of Communities and Place seeking approval to spend £160,000 on improvements to the iHub on Infinity Park to facilitate a proposed Advanced Manufacturing Research Centre (AMRC). It was also proposed to offer £171,000 of funding to the AMRC from the Regeneration Fund Board.

It was reported that the AMRC would be investing £3 million and creating 18 jobs over a two year pilot period. It was noted that the Council would provide

support through rent and service charge reductions, with the intention of establishing a permanent base for the facility on Infinity Park. It was also emphasised that enhancements to the iHub would be of benefit to future tenants.

It was noted that the proposal contained exempt information by virtue of Paragraph 3 of Part 1 Schedule 12A of the Local Government Act 1972. The Board were afforded the opportunity to question officers on this element of the report in private session, under Item 23 of the Council Cabinet agenda.

The Executive Scrutiny Board resolved to welcome the report.

Item 12 – Becketwell Regeneration

The Board received a report of the Strategic Director of Communities and Place seeking authority to acquire various assets to support the regeneration of Becketwell.

It was noted that the proposal contained exempt information by virtue of Paragraph 3 of Part 1 Schedule 12A of the Local Government Act 1972. The Board were afforded the opportunity to question officers on this element of the report in private session, under Item 24 of the Council Cabinet agenda.

It was noted that the regeneration of Becketwell represented a priority in the City Centre Masterplan. The risks and complexities surrounding the proposed purchases were set out in the exempt section of the report.

The Board noted that a previous proposal to procure an operator for a commercial ice-rink was to be terminated; members noted that £190,000 had been spent on this process to date.

It was reported that the council was embarking on a number of significant capital projects and that the ice rink was not considered a priority for this site by the current administration. It was noted that the original proposal for a commercial ice rink had emanated from evidence presented by external consultants demonstrating market demand for a leisure rink in the city.

Members questioned whether officer advice had altered and if a preferred option for the site had been identified. It was confirmed that officers were working with a private sector developer to formalise proposals.

The Board also expressed concern over the source of funding for the acquisitions and questioned whether other sources had been explored.

The Executive Scrutiny Board made recommendations under Item 24 of the Council Cabinet agenda, following the consideration of exempt information.

Item 14 – Variation to Waste Disposal Contract

The Board received a report of the Strategic Director for Communities and Place proposing a variation to a current waste disposal contract, which is in place until 31 March 2020.

It was reported that the proposed variation was the appropriate course of action given current market conditions for the disposal of recyclables. The Board noted recent media coverage of exported recycled waste being sent to landfill abroad and questioned what measures were in place to ensure this was not the case in respect of waste collected in Derby.

The Executive Scrutiny Board resolved to note the report.

Item 15 – Compulsory acquisition of empty homes

The Board received a report of the Strategic Director of Communities and Place seeking to initiate compulsory purchase proceedings in relation to four long-term vacant homes.

The Empty Homes Strategy was detailed and the benefits in terms of meeting local housing demand and addressing environmental nuisance caused by neglected properties were emphasised. It was noted that some of the properties concerned had remained vacant since 2012.

It was noted that the proposal contained exempt information by virtue of Paragraph 3 of Part 1 Schedule 12A of the Local Government Act 1972. The Board were afforded the opportunity to question officers on this element of the report in private session, under Item 26 of the Council Cabinet agenda.

The Executive Scrutiny Board resolved to welcome the report.

Item 16 – Building Safer and Stronger Communities

The Board received a report of the Strategic Director of Communities and Place proposing the establishment of a 'Safer and Stronger Strategic Outcomes Board', as well as a separate 'Safer Communities' and 'Stronger Communities' boards.

It was reported that the proposal followed recommendations as part of the Corporate Peer Challenge, in relation to establishing a strategic view of community safety. It was noted that terms of reference for the Safer Communities Board had been established, but similar proposals for the Stronger Communities Board were subject to consultation with partners. It was confirmed that this Board would include representation from the voluntary sector.

The Executive Scrutiny Board resolved to recommend to Council Cabinet that the Safer and Stronger Outcomes Board should include a representative from the community and voluntary sector, either as the Chair of the Stronger Communities Board or as an additional representative on the Strategic Outcomes Board.

Item 17 – Corporate Asset Management Plan (2018-2023)

The Board received a report of the Strategic Director of Corporate Resources presenting a new and refreshed Corporate Asset Management Plan for 2018 to 2023.

It was noted that the report was intended to ensure good governance and value for money from the council's 1800 corporate assets, which had a cumulative value of £500 million.

The Executive Scrutiny Board resolved to note the report.

Item 18 – A52 Wyvern Transport Improvements Scheme

The Board received a report of the Strategic Director of Communities and Place providing an update on work carried out as part of the A52 Wyvern Transport Improvement Scheme since a previous report to Cabinet in June 2018.

It was noted that construction was progressing on the inbound carriageway and that work on an additional lane for the outbound carriageway would start in the coming weeks. It was reported that a finalised design and scheme cost estimate was not yet known, owing to the difficulties encountered being extensively more complex than originally envisaged.

The report sought a further increase in the operational budget to £33 million. It was noted that this figure may rise further but that flexibility was needed in order to progress the project as quickly as possible.

The Board queried whether the scope of the scheme should be reduced, given that a final project cost was not fully known. It was confirmed that alternative design options were being examined in order to contain costs.

Members asked whether the original estimate for the cost of the project was inaccurate or if the budget was being increased in order to counteract mistakes that had been made as the project progressed. It was confirmed that the internal investigation was examining the extent to which this was the case.

The Board also queried whether the authority was solely responsible for meeting the funding gap for the project. It was confirmed that discussions were ongoing with Highways England and the Local Enterprise Partnership, but that it was considered unlikely that they would meet any of the additional cost.

Members expressed concern that Council Cabinet was being asked to agree to commit an unknown sum and that Cabinet Members did not have sufficient evidence at their disposal in order to make an informed decision.

Some members suggested it may be necessary to halt the project until such time as a full cost and timescale for delivery was known. It was confirmed that the cost of pausing the project would amount to £40,000 per week and that penalties may be payable should the contract be terminated. The Board

expressed concern that this was the case, given that the project was already substantially overspent.

It was noted that the proposal contained exempt information by virtue of Paragraph 3 of Part 1 Schedule 12A of the Local Government Act 1972. The Board were afforded the opportunity to question officers on this element of the report in private session, under Item 27 of the Council Cabinet agenda. Three recommendations to Council Cabinet were put to the vote and carried.

The Executive Scrutiny Board resolved:

- **To recommend that Council Cabinet reject recommendations 2.2 and 2.3 and pause the project until such time as a full and frank assessment of the total cost and timescale for delivery has been completed.**
- **To recommend that Council Cabinet approach other partners in the project, including Highways England, to identify additional resources for completion of the A52 improvements.**
- **To recommend to Council Cabinet that all councillors are provided with information in relation to any delegated decisions taken as part of the project, to ensure appropriate democratic oversight.**

Item 19 – Performance Monitoring 2018/19 – Quarter One Results

The Board considered a report of the Chief Executive presenting quarter one performance monitoring results. It was noted that the report included highlights from key performance measures in the Council Plan 2016-19 and departmental business plans.

It was reported that 69 per cent of measures were currently on track to exceed their year end target, with 46 per cent achieving their quarter one target. Areas where quarterly targets had been exceeded were highlighted to the Board, as well as areas of deteriorating performance.

The Board requested that additional information was provided in relation to the number of providers in the city offering extended childcare entitlement and the percentage of parents applying for a code.

The Executive Scrutiny Board resolved to note the report.

Item 20 – Compliance with Contract and Financial Procedure Rules

The Board considered a report of the Strategic Director of Corporate Resources outlining a number of items that required reporting and approval by Council Cabinet under Contract and Financial Procedure rules.

It was reported that approvals were being sought for the following items:

- To approve the addition of London Road Rail Bridge scheme to the Highways and Transport capital programme
- To approve the addition of City Centre CCTV Replacement Project to the Vehicles, Plant and Equipment capital programme
- To approve a grant award to Ripplez from the Public Health Reserve
- To approve a bid to Government for the 2019/20 Derbyshire County Wide Business Rates Pilot.
- To approve delegation to the Strategic Director of Communities and Place to submit bids to the D2 Business Rates Pilot 2018/19 Pooled Fund.

Members requested that information was provided in relation to bids submitted to the D2 Business Rates Pilot 2018/19 Pooled Fund under Strands 2 and 3 as detailed in the report. It was noted that bids were being prepared but were due to be finalised later in the week.

The Board queried how strategic priorities had been agreed and the amount of Business Rates retained in the city for 2018/19. Further information was provided in relation to levels of Business Rate retention, top-up grant and Revenue Support Grant.

Members asked how the funds could be utilised to address inequality in the city, noting that it had been identified as a priority by the Derby Renaissance Board as part of the 'closing the gap' agenda.

The Executive Scrutiny Board resolved:

- **To recommend that Council Cabinet utilise £3.2 million anticipated from the 2019/20 Business Rates Retention Pilot to support the 'closing the gap' agenda.**
- **To recommend that Council Cabinet circulate details of bids submitted to strands 2 and 3 of the D2 Business Rates Pilot 2018/19 Pooled Fund to members under the exempt section of the Cabinet agenda.**

Item 21 – Exclusion of Press and Public

The Board 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 items on the grounds that they involve 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.

Item 22 – Social Impact Bond for Children in Care and on the Edge of Care

The Board considered additional exempt detail in the Council Cabinet report of the Strategic Director of People Services regarding the procurement of a

Social Impact Bond provider, in partnership with Nottingham City and Nottinghamshire County Councils.

Item 23 – Improvements to the iHub to support an advanced manufacturing research centre pilot

The Board considered additional exempt detail in the Council Cabinet report of the Strategic Director of Communities and Place in relation to proposed rent and service charges for the Advanced Manufacturing Research Centre pilot at the iHub.

Item 24 – Becketwell Regeneration

The Board considered additional exempt detail in the Council Cabinet report of the Strategic Director of Communities and Place in relation to the regeneration of Becketwell.

Item 25 – Variation to waste disposal contract

The Board considered additional exempt detail in the Council Cabinet report of the Strategic Director of Communities and Place in relation to the variation of a waste disposal contract.

Item 26 – Compulsory Acquisition of Empty Homes

The Board considered additional exempt detail in the Council Cabinet report of the Strategic Director of Communities and Place in relation to the acquisition of four long-term empty properties.

Item 27 – A52 Wyvern Transport Improvements Scheme – Update

The Board considered additional exempt detail in the Council Cabinet report of the Strategic Director of Communities and Place in relation to the A52 Wyvern Transport Improvements Scheme.

MINUTES END