

Time began: 6.00pm
Time ended: 6.46pm

COUNCIL CABINET
18 March 2015

Present Councillor Banwait (Chair)
Councillors Afzal, Hussain, Martin, Rawson, Repton, Russell and Shanker

In attendance Councillors Graves, Hickson and Jones

This record of decisions was published on 20 March 2015. 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.

168/14 Apologies

There were no apologies for absence.

169/14 Late Items

In accordance with Section 100(B) (4) of the Local Government Act 1972, the Chair agreed to admit the following late items on the grounds that they should be considered as a matter of urgency because a decision was required before the next meeting:

- Addendum to Contract and Financial Procedure Matters
- Riverlights – Possible Variation to Head Lease

170/14 Receipt of Petitions

There were no petitions received.

171/14 Identification of Urgent Items to which Call In will not apply

The following item had to be implemented with immediate effect and had therefore been exempted from call-in on the grounds of urgency.

Late item – Riverlights – Possible Variation to Head Lease (Minute no 190/14).

The Chair of the Corporate Scrutiny and Governance Overview and Scrutiny Board had agreed the matter could be treated as an urgent item and therefore not subject to call-in.

172/14 Declarations of Interest

There were no declarations of interest.

173/14 Minutes of the meetings held on 18 February 2015

The minutes of the meetings held on 18 February 2015 were agreed as a correct record and signed by the Chair.

Key Decisions

174/14 Children and Young People's Capital Programme 2015/16, 2016/17 and 2017/18

The Council Cabinet considered a report on Children and Young People's Capital Programme 2015/16, 2016/17 and 2017/18. The Department for Education (DfE) had announced capital allocations for school condition maintenance for 2015-16. Derby had been allocated £2,670,340, along with an additional £246,027 for Voluntary Aided Schools. A full breakdown of the overall Schools Capital Programme Funding for 2015/16 was set out within Appendix 2 of the report. The proposed Schools Capital Programme for 2015/16, including proposed individual school projects, was outlined in Appendices 3 and 4 of the report. The proposal was for funding to be prioritised to deal with essential school condition and maintenance issues across the schools estate. 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 were safe and remained open.

The DfE had also announced basic need capital allocations (for school place planning) for 2017/18 and additional basic need funding for 2015/16 and 2016/17. Derby City Council had been allocated a total of £5,454,109 in relation to its statutory duty to ensure sufficient school places. This consisted of £2,027,045 for 2017/18 along with top-up funding of £852,268 for 2015-16 and £1,816,673 for 2016-17. Within the allocation was a £758,123 contribution for primary expansions that took place in 2013/14. Very careful consideration was now being given to the allocation of this funding, and proposed school projects would be developed in due course.

It had also been confirmed that Derby City Council had been successful with its bid for additional capital funding for two schools through the Priority School Building Programme (PSBP) 2 initiative. Our overall bid was for 7 schools. The successful schools were Cavendish Close Infant School for a new build, and Bemrose School for major refurbishment and re-modelling to the main teaching block only. The timescales for these projects were unclear at the moment, but were likely to be completed between 2015 and 2021. The Council had also been successful with its bid for an additional £282,495 capital funding relating to Universal Infant Free School Meals, for the provision of additional capacity for free school meals to all infant pupils. The successful schools were St Giles' Special School, and Redwood Primary School.

The report sought approval of the Schools Capital Programme 2015/16 as set out within Appendices 3 and 4 of the report. The report also provided an update on progress with the Priority Schools Building Programme (PSBP) 1 which was being procured and managed directly by the Education Funding Agency, with support from the Council. There were seven schools within this programme, one had been completed, and a further two were now on site. Further details were set out in paragraph 4.16 of the report.

Options Considered

The available capital funding had been prioritised in line with the Schools Asset Management Plan to deal with the most urgent condition and health and safety issues, and to ensure sufficient school places.

Decision

1. To approve the Schools Capital Programme priority schemes for 2015/16 as outlined in Appendices 3 and 4 of the report, and to approve scheme commencement.
2. To approve the amendment of the 2015/16 - 2017/18 capital programme to take account of the confirmed allocations received from the DfE replacing the indicative figures currently shown on the approved capital programme.
3. To note that Derby City Council had been allocated £5,454,109 basic need funding for 2015/16 – 2017/18 for additional school places, including top up funding for 2015/16 and 2016/17, and that careful consideration would now be given to the proposed priority projects.
4. To note that Derby City Council had successfully bid for £282,495 additional Universal Infant Free School Meals capital funding for two schools and to accept the grant.
5. To note that Derby City Council had successfully bid for the replacement or refurbishment of the main teaching block at Bemrose School and a new school for Cavendish Close Infant School as part of the national PSBP2 programme.

Reason

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 were safe and remained open. For 2015/16, it had been announced that Derby had been allocated £2,670,340 to deal with essential school condition and maintenance issues, along with an additional £246,027 for Voluntary Aided Schools.
2. Local authorities had a legal responsibility to ensure that there were sufficient school places available to meet local needs. Local authorities also had a duty to increase the scope for parental choice in planning for and securing school places.

3. Derby City Council had successfully bid for additional DfE Universal Infant Free School Meal capital grant funding for two schools as detailed in Appendix 2 of the report.
4. Derby City Council had successfully bid for the replacement or refurbishment of the main teaching block at Bemrose School and a new school for Cavendish Close Infant School as part of the PSBP2 programme as detailed in paragraph 4.17 of the report.
5. In accordance with Financial Procedure Rules amendments to the council's capital programme was required to be reported to Council Cabinet.

175/14 Determined School Admission Arrangements for Derby City Maintained and Voluntary Controlled Schools 2016-2017

The Council Cabinet considered a report on the Determined School Admission Arrangements for Derby City Maintained and Voluntary Controlled Schools 2016-2017.

The Council was the Admissions Authority for all maintained and voluntary controlled schools within Derby City, therefore must comply with the statutory duty to consult on any changes to its admission arrangements on behalf of those schools before they were determined and published in the year proceeding admission.

For the academic year 2016-2017, the consultation on admission arrangements must have been completed by 1 March 2015 and a decision taken on the proposed arrangements by 15 April 2015.

Derby's proposed admission arrangements as set out in Appendix 2 of the report were consulted on from 1 December 2014 until 26 January 2015 with the following groups and partners:-

- Dioceses of Nottingham Education Service
- Church of England Diocesan Board
- Parents
- Community groups and other people within the City who may have an interest in the proposed admissions.
- Derby's own admission authority schools (including Academies and Free Schools)
- Derbyshire County Council
- Nottingham City Council
- Nottinghamshire County Council

The Department for Education revised the School Admissions Code 2012 (the Code) which came into force on 19 December 2014. The revisions and requirements of the Code (2014) were incorporated within the proposed admission arrangements set out in Appendix 2 of the report.

No objections to the proposed admission arrangements had been received. One response was received from Nottinghamshire County Council with minor comments relating to the proposed admission arrangements offer dates for maintained and voluntary controlled schools within Derby for the 2016-2017 academic year. The comments had been noted and relevant reply provided.

Options Considered

None.

Decision

1. To approve the proposed admission arrangements for Community and Voluntary Controlled infant, junior, primary and secondary schools as set out in Appendix 2 of the report as the determined (set) admission arrangements for the 2016-2017 academic year.
2. To note the published admission numbers as set out in Appendix 3 of the report.
3. To note information provided showing the catchment area change for Chellaston Infant and Junior Schools and Oakwood Infant and Junior Schools as a result of new housing.

Reasons

To ensure that fairness, equity and transparency was retained and that Derby City was fully compliant with the mandatory requirements of the School Admissions Code 2014, School Admission Appeals Code 2012, relevant legislation and regulations.

176/14 Older Persons Housing and Support Strategy 2015-18

The Council Cabinet considered a report on Older Persons Housing and Support Strategy 2015-18. The strategy examined recent demographics and older person profiles within the city to determine needs and reports on the unprecedented change and future changes to our society.

A number of key responses were identified, including actions on strategic and operational levels, to ensure maximum efficiency of our resources. Proposals for action included the release of under occupied homes, developing better quality and desirable accommodation for older people and promoting a better overall supply of both general and specialist provision.

The strategy's overall purpose was encapsulated in the following vision statement: 'Empowering the older citizens of Derby to make informed decisions and choices about their housing and support needs, while working together to ensure that those

choices are available’.

The strategy outlined priorities for action and these would underpin the need for capital investment over the next five years and beyond.

An extensive consultation process had been undertaken with a wide range of stakeholders. These included older people, their carers and families, as well as service providers. The consultation process and findings were set out in the supporting Information section of the report.

Options Considered

The Council could determine not to have an investment strategy in relation to the needs of older people, but funding decisions would have to be made on an uncoordinated ad hoc basis, outside of a wider strategic investment plan.

Decision

1. To pledge commitment to ensuring that older people are supported to make informed choices about their housing and support needs and that those choices are made available, thereby adopting the vision.
2. To adopt the Older Persons' Housing and Support Strategy 2015 - 2018.

Reasons

1. To respond to the growing crisis of the need for good quality housing for older people in Derby.
2. The Older Person's Housing and Support Strategy 2015 – 2018 provided the framework and plan of action to achieve this, by setting out an evidence based approach to new services and development of a range of accommodation options for older people.

177/14 Care Act 2014 Implementation

The Council Cabinet considered a report on Care Act 2014 Implementation. The Care Act 2014 was the most significant reform of social care legislation in more than 60 years, putting people and their carers in control of their care and support. It replaced a patchwork of laws which had built up since the 1948 National Assistance Act. The Care Act had created a single, modern law relating to social care and support for adults and carers, safeguarding and care standards.

The Care Act was clear about the social care people should expect. It also promoted the integration of care and support with health services. The Care Act applied to all adults in the area who needed care and support, whether arranged or funded by the Council, or by the individual themselves, or by a combination.

The primary objective of the act was to modernise the legal basis for adult care and support in England. This was intended to make the law easier to understand and

apply, and bring greater clarity, consistency and equality of access to care and support. The intended effect was also to improve the outcomes and experience of care, and secure a more effective use of public and community resources by giving people more choice and control. This would be reflected in the Councils “your life your choice” adult social strategy which was in co-production with a wide range of partners.

Most of the new duties and responsibilities of the Care Act 2014 were planned to take effect from April 2015. The most significant changes being introduced in 2015/16 were the improved legal rights and increased support for carers so that they could carry on caring and look after their own wellbeing. Appendix 2 of the report detailed the work undertaken to date, to comply with the new requirements.

The Care Act was being introduced at a time of significant growing need and unprecedented pressure on public spending.

The Care Act linked to the changes introduced in the Children and Families Act 2014 which included a new system to help children with special educational needs and disabilities. This needed to be considered in relation to transitions from children’s to adult services.

Major reforms to the way care was funded and paid for were planned to come into effect from April 2016. These changes would place a cap on the costs that people would have to pay for care, increase to the means testing level and introduce care accounts.

The Department of Health was currently seeking views on the draft regulations and guidance needed to introduce the cap on care costs and proposals for a new appeals system. Consultation was due to close on 30 March 2015. All costs were to be funded by central Government.

Options Considered

None.

Decision

1. To note the revised and new duties on the Council of the Care Act 2014, as detailed throughout the report and at Appendix 3 of the report, effective from 1 April 2015 and 1 April 2016.
2. To approve the work undertaken thus far to comply with the new duties of the Council under the Care Act 2014 as detailed at Appendix 2 of the report, in readiness for 1 April 2015 implementation.
3. To approve further work as necessary by the Strategic Director of Adults Health and Housing following consultation with the Cabinet Member for Adults and Health to comply with the Care Act 2014 changes to be introduced on 1 April 2016.

4. To receive a follow up review report to Council Cabinet six months post implementation.

Reasons

1. The Care Act 2014 placed revised and new legal duties, powers and responsibilities for adult social care on all Councils.
2. Derby City Council would need to meet the legal obligations placed on it by the Act and regulations which come into effect in April 2015. Financial reforms would come into effect in April 2016.
3. Further work was required to comply with the financial reforms to be introduced by the Care Act from 1 April 2016.
4. Specific grant funding had been made available to the Council to support the implementation of the Care Act 2014.
5. It was important to monitor the impact of the Care Act 2014 on the Council and report this back to Council Cabinet.

178/14 Findings of the Consultation on Updating the Outcomes for Voluntary Sector Grant Funded Services

The Council Cabinet considered a report on Findings of the Consultation on Updating the Outcomes for Voluntary Sector Grant Funded Services.

The Council and Southern Derbyshire Clinical Commissioning Group (SDCCG) currently had grant funding agreements with Voluntary and Community and Faith (VCF) Sector organisations for a range of preventative and infrastructure services.

The three year agreements were established after a grant funding process in 2011-12. A joint consultation with the CCG had taken place on updated grant funding outcomes and for a proposed grant bidding process. Further details of the background to the recent consultation and a list of the current grant funded organisation were provided to Members in a Council Cabinet report on 21 January 2015.

The Council and SDCCG had consulted on joint draft outcomes for preventative services that would support the Derby Plan, the draft Derby Health and Wellbeing Strategy and the implementation of the Care Act. The consultation exercise ran in parallel with the consultation on the Health and Wellbeing Strategy and feedback on the Health and Wellbeing Strategy had been used to inform the final outcomes. Appendix 3 of the report set out the final outcomes for grant funding. Appendix 4 of the report provided a report on the consultation.

In parallel to the Council's decision making process, SDCCG would carrying out a similar process to review the response to the consultation and plan for the proposed

joint grant funding process.

To allow sufficient time to develop jointly agreed service specifications for the grant bidding round, consider and evaluate responses from the sector, it was proposed to extend the current grant agreements with the sector to the end of March 2016. This would bring the funding duration for these agreements in line with the Arts grants to be considered in the financial matters report, thereby delivering a consistent approach across the third sector.

Options Considered

To allow currently funded grant agreements to end in September 2015.

This option was rejected because it failed to take advantage of the potential for grant funded services to provide cost effective support for the Council and SDCCG's priorities.

Decision

1. To approve the outcomes for grant funded preventative services identified in the report and note the findings of the consultation process in making that decision.
2. To approve the Council's participation in a joint grant funding process that would seek applications from VCF organisations to meet the updated outcomes. This would provide recommendations for a new set of VCF grant aid agreements and an equality impact assessment on these recommendations to a future Council Cabinet meeting in 2015.
3. To approve the extension of the current grant funding agreements identified at appendix 2 of the report to the end of March 2016.

Reasons

1. The current funding agreements for the services listed in Appendix 2 of the report come to an end in September 2015. The Council and SDCCG had identified that VCF grant funded services provide effective, value for money support for their priorities.
2. The consultation to refresh the outcomes for grant funded services had allowed the Council and SDCCG to update these outcomes to reflect current priorities and changes in the way that social care and health services were delivered in the City.
3. The focus of the updated outcomes had been to maximise the independence of vulnerable adults in the community, reduce demand upon statutory services and promote the independence and resilience of individuals and communities.
4. The extension to the current agreements would allow time for a planned bidding round with the sector.

179/14 Better Care Fund Plan

The Council Cabinet considered a report on Better Care Fund Plan. The Council had been working with the NHS commissioning and provider community in Derby and Derbyshire to provide joined up care for local people for over a year.

Our aim with partners was to maximise independence for people by delivering care as close to their own home as possible, as soon as this was needed. The implementation of community support teams, intermediate care services and an integrated equipment service were good examples of what we had achieved locally. The Council wished to continue with this direction of travel to improve care for those who needed it, creating a successful service model which others could follow.

To support further integration and deliver more health and care services in the community the Council with NHS partners submitted the Derby Better Care Fund (BCF) plan to NHS England. The aim of the BCF was to accelerate and incentivise local organisations to jointly plan and deliver services so that integrated care becomes the norm.

The BCF allowed local areas to use the existing funding within the health and care system differently to reduce unnecessary hospital admissions by providing care closer to home for older people in particular. It must be stressed this was funding which was currently within the health and care system already and was not new or growth funding. Indeed, as we had a growing older people population we were being asked to do more with the same amount of funding.

To create a pooled budget with Southern Derbyshire CCG, each Health and Wellbeing Board (HWB) area had to submit a spending plan for approval by NHS England. The Derby City plan was attached at Appendix 2 of the report.

The Derby HWB had been sighted on the plan as it had had sight of a number of iterations presented at the Board.

Following a rigorous multi stage assessment and approval process, the Derby plan was approved by NHS England on 6 February 2015.

The BCF currently was for 2015/16 only. At present there was no certainty about national support for the continuation of the approach into future years. However, locally the Council and NHS partners were committed to improving health and care services into the future.

Options Considered

No other options were considered.

Decision

1. To approve the Better Care Fund Plan as endorsed by NHS England.
2. To delegate authority to the Strategic Director of Adults Health and Housing following consultation with the Cabinet Member for Adults and Health to enter into a legal agreement with Southern Derbyshire Clinical Commissioning Group for the Better Care Fund pooled budget.

Reasons

1. The plan had been approved by NHS England and therefore Health and Social Care service leads in Derby could progress the implementation of the schemes contained within the BCF plan.
2. The transfer of funding from NHS organisations to the local authority to improve health services was governed by section 75 of the National Health Service Act 2006. This required the creation of a legal agreement known as a S75 agreement when NHS funding was transferred to local authorities.

180/14 Compulsory Acquisition of Long Term Empty Houses

The Council Cabinet considered a report on the Compulsory Acquisition of Long Term Empty Houses. The report sought approval to initiate compulsory purchase proceedings in relation to five long term vacant houses.

The houses had stood vacant for some years, most had been neglected and had been the source of nuisance to and/or complaint from local residents.

The aim of the Council's Empty Homes Strategy was to encourage and persuade owners of such properties to take action to enable the satisfactory renovation of the empty houses, to facilitate re-occupation and thereby make a contribution toward meeting the increasing housing need in the City. The actions would also go toward eliminating the anti-social and environmental nuisance that neglected properties could so often present.

Where owners could not be traced or where a voluntary solution had been fully explored and exhausted, there was a compelling case in the public interest for enforcement action to be taken by the Council to ensure that the aims of the Strategy were achieved. Such enforcement could, where considered appropriate, include taking compulsory purchase measures as in these cases.

Over recent years, the use by the Council of compulsory purchase powers has had significant impact on ensuring the return of particularly problematic long term empty houses to the useful housing stock.

Options Considered

1. Do nothing.

This was not considered an appropriate option. The properties, in their present condition, would remain a waste of potentially good housing accommodation; and, in the continued absence of maintenance and proper management, would become an increasing environmental blight, posing health, safety and anti-social behaviour risks within their respective neighbourhoods.

2. Enforced sale

The Law of Property Act 1925 empowers a local authority to enforce the sale of a property where it holds a Charge against it; and the Council was in the throes of initiating such action at other properties in the city. However, in the case of the subject properties any debt was either insufficient to justify the use of enforced sale procedures or there were circumstances which rendered enforced sales proceedings inappropriate.

3. Empty Dwelling Management Orders

Local Authorities could consider making Empty Dwelling Management Orders under the Housing Act 2004 to address the improvement and future use of empty dwellings. However, such action involved the eventual return of the management responsibilities for the property to its original owner – this was not considered appropriate in the particular circumstances of the report properties, where those in control had shown little evidence of reasonable intentions or of competent management abilities, and had chosen to ignore all endeavours to persuade a voluntary progress. A change of ownership was considered a more appropriate way forward.

4. Other enforcement powers

Various legal powers were available to a Local Authority to improve the condition of a neglected building, for example, to deal with structural danger, nuisance or other environmental problems. However these alone would not address the suitability of the accommodation for occupation, the on-going upkeep of the building, its re-occupation nor the future management of the property. These measures could only be viewed as piecemeal, reactive and relatively expensive short term approaches and did not provide the long term solution presented by the report proposals.

Decision

1. To approve that the Council makes 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 2 of the report for the purposes of their renovation and reoccupation as housing accommodation.
2. To authorise the Strategic Director of Adults Health and Housing following

consultation with the Cabinet Member for Housing Finance and Welfare, the Director of Legal and Democratic Services and the Head of Strategic Asset Management and Estates to:

- take all necessary steps to secure the making, confirmation and implementation of the Compulsory Purchase Orders;
- acquire the legal interests in the properties, whether by voluntary agreement or compulsorily using statutory powers set out in the preceding paragraph;
- suspend the compulsory purchase order proceedings, or withdraw an order, in relation to any particular property on being satisfied that the subject house would be satisfactorily renovated and re-occupied voluntarily;
- take all necessary action to deal with all matters relating to the payment of compensation and statutory interest including, where necessary and/or appropriate, instituting or defending related proceedings;
- dispose of the properties in accordance with the proposals set out in the report;
- take all other necessary action to give effect to these recommendations.

Reasons

1. The properties identified in Appendix 2 of the report (this exempt appendix appears later in the agenda) 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. Some of the buildings had been badly neglected and present a nuisance to local residents and adjacent buildings - others had been the subject of trespass, vandalism or anti-social and criminal activities. All would likely impact negatively on their local environments while they remained vacant and the neglect continues.

181/14 Revision of Discretionary Rate Relief Policy

The Council Cabinet considered a report on Revision of Discretionary Rate Relief Policy.

Discretionary Rate Relief - DRR - was a means by which Derby City Council (DCC) could use their discretionary powers to reduce the amount of Business Rates a business had to pay. There was a direct Cost to the Council in awarding DRR and therefore expenditure had been controlled through the operation of a policy for a number of years.

In the Autumn Statement, announced on 3 December 2014, the Government set out a range of measures to help businesses meet their Business Rates liability from April 2015. This included extending the current transitional relief scheme which was originally introduced in 2010 to help ratepayers who were faced with significantly increased bills as a result of the general revaluation.

The Government had said that any relief that was awarded as a result of extending the transitional relief scheme would be classed as discretionary rate relief and therefore it was up to individual Council's to decide which properties receive relief providing certain national criteria were met.

As a result the Council's DRR policy had been updated to include this new discretionary relief and the revised policy was attached at Appendix 2 of the report. The extension to the transitional relief scheme was included at section 17 of the report and for consistency it was proposed that the types of business that qualified for the extension to transitional relief would be the same as those that were likely to qualify for retail rate relief (section 15 of the DRR policy).

Options Considered

1. Do not award transitional relief. Taking this option may result in unnecessary hardship for businesses and reputational damage to the Council within the businesses community and this option was not recommended.
2. Do not revise the DRR policy to include the criteria and guidance necessary for a business to receive DRR through the extension to the transitional relief scheme. Not setting out the types of business that were likely to receive transitional relief would cause difficulty in the event of a dispute or challenge against a decision made by the Council. Again this option was not recommended.

Decision

1. To approve the revised DRR policy attached at Appendix 2 of the report which reflected the new measures introduced by Government.
2. To report back to Council Cabinet following the completion of an equality impact assessment to include any amendments required.

Reasons

1. To ensure that provision was available to enable qualifying businesses to receive transitional relief to help them meet their Business Rate liabilities.
2. To give effect to central Government guidance to secure the provision and availability of such relief to the business community.

182/14 City Centre Living – Approval of Two Schemes

The Council Cabinet considered a report which provided an update on progress with

the City Centre Living initiative the Council Cabinet approval of October 2014 and to sought approval for the two applications received for combined loan and grant support.

The City Centre Living Fund was a recoverable loan based fund of £6.5m set up through service financed borrowing. The purpose of the fund was to develop a distinct housing and lifestyle offer in Derby city centre. It was available to property owners/ developers of vacant buildings and sites for residential use. There was also a sum of up to £250k grant funding to support projects where there were specific viability issues including additional cost due to conservation, design, sustainability or other issues related to viability for new build schemes on brownfield sites.

There had been a very positive response to the Council's initiative so far and the project team had dealt with over 20 enquiries on various sites across the city centre. Two full applications had been received, processed and put forward for support by the City Living Fund:

- Lodge Lane – 35 two bed new build apartments for market sale.
- Willow House – Conversion of the two storey building opposite the Joseph Wright 6th Form College into 11 one bedroom apartments and 1 two bed apartment for market rental.

Significant due diligence and negotiation would be required for each scheme before the proposed financial arrangements could be completed.

The revenue impact over the lifetime of the proposed loans was viewed to be neutral on the Council. There was potential income of £30,000 for arrangement fees to be charged to the applicants to recover the costs of legal and property consultants and due diligence. A sum of £356,230 in form of New Homes Bonus paid over six years was expected to be received subject to delivery timescales being met. Delivery of 47 new homes would mean a maximum additional council tax income of £56,804 pa (This was at 2015/16 rates as Council Tax was set on 4 March 2015).

Options Considered

1. An option of considering the suitability of the Builders Finance Fund in collaboration with the Homes and Communities Agency as an alternative funding mechanism to enable the development on both sites had been considered. Due to the timescales involved in processing the applications through that route, it was jointly agreed with the developers to reject that option and support the scheme with DCC funding.
2. In terms of physical development Radleigh Group considered various options in relation to scheme design, layout and density to improve viability. It was understood that the proposed scheme for which planning permission was granted (subject to the discharge of several conditions) offered the best mix of unit type, scheme design and overall quality on this key site. Watering down the quality of design of development in this prime location was not an option as it was against the Council's key objective of creating a vibrant city centre.

Decision

1. To approve in principle the funding proposal as set out in paragraphs 4.5 to 4.12 of the report and instruct the officers to carry out the due diligence process and prepare the final loan and grant agreements.
2. To delegate authority to approve the final loan and grant agreements including the repayment schedule and security arrangements to the acting Chief Executive following consultation with the Cabinet Member for Planning, Environment and Regeneration and Director of Legal and Democratic Services and Director of Finance and Procurement.

Reasons

1. These were the first two schemes to come forward for funding approval under this initiative. Both applications met the award criteria set for the City Living Fund and had been appraised by the Council's property consultants to ensure the deliverability of the outputs. The approval of funding to assist in the delivery of the identified schemes would help to increase the long term sustainability of Derby city centre, whilst minimising the level of risk to the Council with minimal or no additional pressure on the Council's resources.
2. It had been assumed that the changes to the city centre over the past 5 years, including improvements to the public realm, improvements to retail (Intu Shopping Centre) and to leisure (Riverlights), had created an attractive environment for young professionals who would not previously have considered living in Derby city centre. These applications, along with the interest generated by the scheme, provide a clear indication of demand for residential development within the city centre.
3. The delivery of these schemes would bring forward an additional 47 dwellings, which would be unlikely to come forward without the assistance of this funding initiative. The delivery of residential development on these sites, close to the University and Joseph Wright College, was expected to act as a catalyst for more schemes to come forward, enhancing its overall exposure and attractiveness, whilst improving the city living market and helping the Council to achieve identified housing targets.

183/14 Infinity Park Derby: Progress Report and Approval of Associated Works

The Council Cabinet considered a report which provided an update on the progress of Infinity Park Derby and to sought approval to progress a further tranche of associated infrastructure works.

Infinity Park Derby had been a strategic aspiration for over 25 years; through the Council's leadership this aspiration was now being delivered. Planning consent had been obtained, contracts had been entered into, and the core infrastructure works were progressing on site.

There was insufficient funding available to support the full scope of infrastructure works considered desirable when the current scheme was developed. Funding was now available (subject to due diligence and final funding agreements) for further infrastructure works from both the Local Growth Fund and the private sector. The works would require planning consents, land transfers, the procurement of consultancy services and works contracts together with the appropriate funding agreements.

Infinity Park Derby would extend to 113 ha and would eventually accommodate 4,500 jobs. The first building on site would be the Innovation Centre, currently under construction.

Options Considered

If the opportunity of using the currently available Growth Funding was missed it was considered unlikely that there would be any alternative public or private sector funding sources for these works for many years. To do nothing would miss the opportunity help accelerate the development of Infinity Park Derby and to address the consequent issues arising from the opening of 'T12'.

Decision

1. To note the progress in delivering Infinity Park Derby (paragraph 4.10 of the report refers).
2. To approve the development and delivery of a further tranche of infrastructure works associated with Infinity Park Derby (paragraph 4.11 of the report refers) subject to the approval of Local Growth Fund funding and appropriate private sector contributions.
3. In order to pursue the above works, to delegate to the Acting Chief Executive following consultation with the Cabinet Member for Planning, Environment and Regeneration the:
 - a) preparation and submission of applications for statutory planning and other consents necessary (paragraph 4.13 of the report refers);
 - b) development and completion of all the necessary land agreements (paragraph 4.16 of the report refers);
 - c) design, development and procurement of the identified services and works (paragraph 4.17 of the report refers);
 - d) development and completion of all funding agreements and other contractual arrangements, including the amendment of the existing Infrastructure Delivery Agreement, necessary to deliver the identified works (paragraph 4.18 of the report refers);
 - e) assessment that the contractual arrangements were state aid

compliant.

4. To delegate to the Corporate Property Officer (the Acting Strategic Director for Neighbourhoods) to approve the terms and conditions of all Land transactions needed and as described herein, in relation to this matter.

Reasons

1. Infinity Park Derby was approved by Council Cabinet on the 17 October 2012. Following a protracted period of development and negotiation, contracts had now been entered into and works were progressing. It was therefore a good time to provide a progress report for Council Cabinet.
2. There was insufficient funding available at the time Infinity Park Derby was originally developed to support the full scope of the infrastructure works considered necessary to deliver the objectives of Infinity Park Derby. As a result the infrastructure works were limited to works considered to be absolutely essential only. Funding was now available to support additional works (subject to due diligence and final grant approval) and therefore approval was now sought to progress these 'associated works'

184/14 Specialist Services Framework

The Council Cabinet considered a report on Specialist Services Framework. The report sought approval to the establishment of the Derby City Council Framework for Specialist Services.

This Framework was being developed to enable the Council to engage specialist services on an ad hoc basis to support the delivery of Derby City Council projects and objectives, particularly where the use of in-house resources were either not allowed or in-house capacity or capability did not exist. The framework was not designed to replace any in house services.

The Regeneration Division and Procurement had led the development of this initiative, with input from services including Housing, Estates and Planning. However, use of the Framework would be open to all Council services and to external Derbyshire public sector bodies.

The report noted that on projects with European Union (EU) or European Regional Development Fund (ERDF) funding, if the Council intended to use in-house resources it could only claim for direct costs, for example salary costs supported by payroll information as the Council could not benefit directly from the funding.

In addition, frequently funding bodies set strict criteria regarding the use of Framework agreements and several current the national Frameworks did not meet funding body/ ERDF guidelines. The Framework had been developed to ensure compliance with EU procurement legislation and with the current requirements of the ERDF in mind.

To note that establishing the Framework would not incur any financial commitment.

Call- offs from the Framework would only be authorised through processes approved by Chief Officer Group.

Options Considered

Other Frameworks do exist, offering some of the services included here. However they had their limitations and problems as documented under paragraph 3.1 of the report.

Decision

1. To approve the establishment of the Specialist Services Framework as detailed in paragraphs 4.12-4.31 of the report.
2. To delegate authority to the Acting Chief Executive and the Director of Finance and Procurement to appoint the selected service providers on to the Framework.

Reasons

1. The Council had historically engaged external specialist services where, either in- house expertise was not allowed (due to grant funding conditions), the capability does not exist or where there was no internal capacity. These requirements had previously been sourced either from external Framework agreements such as the Crown Commercial Service (CCS), Eastern Shires Purchasing Organisation (ESPO) or Scape, the local government owned construction procurement organisation, or by seeking quotations or tenders as the requirements emerge.
2. These routes sometimes had disadvantages: for example, external Frameworks often attract large national suppliers, which was contrary to the Council's commitment to giving equal opportunities to SME's and local businesses. In structuring this Framework, the Council had increased accessibility for smaller organisations via the lotting structure and ability to form a consortium or sub contract arrangement.
3. Seeking quotes or tenders as the requirements arise was time consuming and could potentially delay projects as suppliers and bids were assessed. Time constraints could lead to the use of waivers or non-compliance with the Contract Procedure Rules if insufficient time was available to conduct a quotation or tender exercise. Furthermore, the Council frequently underestimated its requirements when appointing consultants leading to scope creep following appointment and further potential for breach of Contract Procedure Rules.
4. The establishment of the Framework which was compliant with the Public Contract Regulations 2006 would ensure procurement of specialist services was quick, simple and cost effective.
5. The Framework would offer access to pre-approved suppliers who could be

appointed using an efficient and streamlined procurement process; therefore ensuring Officers obtain value for money advice whilst enabling their outcomes to be achieved and ensuring compliance with Contract Procedure Rules.

6. The Framework would give the Council greater reassurance regarding the probity, compliance and value for money of specialist service contracts.

185/14 Regeneration Capital Programme 2015/16 – 2017/18

The Council Cabinet considered a report on Regeneration Capital Programme 2015/16 – 2017/18. The report contained proposals for the Regeneration Capital Programme between 2015/16 and 2017/18. The Programme was an essential means of delivering the Council's Regeneration Strategy, as approved by Council Cabinet in October 2014. The report provided proposals for budget allocations within the Programme to a range of projects across both City and District Centres.

The approved Regeneration Capital Programme included £29.5m of Derby City Council investment, of which 33% was recoverable. The Council's investment was leveraging in an additional £29.7m of external funding contributions, creating a total programme of £59.3m over the next 3 financial years.

The Programme would also lever additional private sector funding for development in Derby City. This additional leverage would not appear on the Capital Programme but would be spent on specific projects benefiting Derby.

The report included an overview of achievements in 2014/15 and described how the Regeneration Capital Programme would be monitored and reviewed to deliver best value for money for the Council.

The report also highlighted external funding opportunities, including the provisional award of Local Growth Fund money to economic infrastructure schemes in Derby and the emerging D2N2 Investment Strategy for European Structural Funds. External funding represented half of the Regeneration Capital Programme and it was essential that Derby continued to secure further funding to continue the regeneration efforts of the Council.

Options Considered

This programme formed the most appropriate use of Capital Funds to build on the achievements of the Regeneration Directorate to date, and would continue to deliver high quality schemes to improve the perception and attractiveness of Derby as a place to live, invest, work and shop into the future.

Decision

1. To note the re-profiled Regeneration Capital Programme 2015/16 – 2017/18 and approve the allocation of budgets to individual schemes. Detailed changes to the Capital Programme proposed in this report were contained in

the Contract and Financial Matters report also on this Council Cabinet agenda.

2. To approve the allocation of the District Centre Improvement Programme budget to 5 priority schemes as detailed in section 4.7 of the report.
3. To continue to give delegated authority to the Acting Chief Executive, following consultation with the Cabinet Portfolio holder to respond to changing priorities throughout the year by introducing new projects for implementation or bringing forward the implementation of some projects at the expense of others. Additional delegated approvals by the Director for Regeneration, Director of Planning and Property Services and Head of Regeneration Projects would be in line with financial procedure rules and approved by the Regeneration Capital Programme Board. Where necessary, in accordance with the Council's constitution, Council Cabinet approval for individual schemes would be sought when required.

Reasons

1. The 2015-18 Regeneration Capital Programme supported the delivery of Derby's Regeneration Strategy including the strategic priority of increasing regeneration activity in District Centres. The Programme would also maintain the Council's commitment to job creation within the city and delivery of regeneration schemes in the city centre.
2. The Regeneration Capital Programme monitoring systems were in place and working effectively to ensure that project managers regularly report on their progress and highlighted any variations to the existing spend profile for their projects.
3. The budget for each project had been allocated based on performance in 2014-15, external funding secured, or feasibility work for new schemes. Changes to the profile of funding for specific projects and any reallocations between projects had been proposed within the Council Cabinet approved funding envelope – there was no additional funding required from the Council to deliver the Programme described in the report.

Contract and Financial Procedure Matters

186/14 Contract and Procedural Matters Report

The Council Cabinet considered the Contract and Procedural Matters Report. The report dealt with the following items that required reporting to and approval by Council Cabinet under Contract and Financial Procedure rules:

- changes to the current 2014/15 – 2016/17 capital programme
- award of grants
- voluntary sector bid writing support
- transfer to reserves
- approval to bid for external funding over £250,000

Decision

1. To approve changes, additions and progression of these on the capital programme as set out in Appendix 2 and highlighted in section 4 of the report.
2. To note the revised programme for 2014/15 in table 1 (paragraph 4.1) and the revised indicative programme for 2014/15-2016/17 as shown in table 2 (paragraph 4.5) of the report.
3. To approve and accept the award of the Public Health capital grant for Milestone house as detailed in paragraph 4.6 of the report.
4. To approve the award of arts grants to third parties as detailed in section 6 of the report.
5. To approve the allocation of £30,000 to Community Action Derby to fund voluntary sector bid writing support as detailed in section 7 of the report.
6. To approve the award of a grant to Midland Community Finance to administer a low cost loan scheme, as part of the Local Assistance scheme, as detailed in section 8 of the report.
7. To transfer £154,000 to a specific reserve for the provision of addition external lighting to Derby Arena as detailed in section 9 of the report.
8. To transfer £118,000 to a specific reserve to support the Information and Governance team and insurance team in 2015/16 as detailed in section 9 of the report.
9. To approve the bid for external funding of up to £350,000 as set out in paragraph 4 of the addendum report.
10. To delegate approval to accept the funding, should it be successful, to the Strategic Director for Adults, Health and Housing.

187/14 Exclusion of Press and Public

To consider a resolution to exclude the press and public during consideration of the following items

“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”

Key Decisions

188/14 Compulsive Acquisition of Long Term Empty Houses

The Council Cabinet considered exempt information in relation the Compulsory Acquisition of Long Term Empty Houses. Since the report was prepared two of the properties had changed ownership and therefore they were removed from the list of Compulsory Purchase Order approvals.

189/14 Proposed Site Acquisition – City Centre

The Council Cabinet considered a report on Proposed Site Acquisition – City Centre. Approval was sought for the purchase of the freehold interest in a property offered with vacant possession in Derby City Centre. Its purchase would allow the property to be readily consolidated with surrounding Council owned land holdings.

Options Considered

These were set out in paragraphs 5.1 and 5.2 of the report.

Decision

1. To note the contents of this report.
2. To approve the principle of the purchase of the freehold of the subject property on terms to be agreed up to maximum of £250,000 plus VAT.
3. To approve the use of resources within the Capital Regeneration Programme allocated for this purpose in 2015/16.
4. To authorise the Acting Chief Executive, following consultation with the Leader, and in conjunction with the Director of Finance and Procurement and the Director of Legal and Democratic Services and the Interim Strategic Director of Neighbourhoods in respect of approving the detailed terms and conditions of the purchase.

Reasons

These were set out in paragraphs 3.1 to 3.5 of the report.

190/14 Riverlights – Possible Variation to Head Lease

The Council Cabinet considered a report on Riverlights – possible variation to Head Lease. The City Council, the freeholders of the Riverlights site, had received a request from the Head Lessee to agree to a variation to clauses within the Head lease that related to the reinstatement of the bus station in the event of it's destruction through a catastrophic event. As currently drafted, these provisions made the investment unattractive to the institutional investment market.

Options considered

These were set out in paragraph 5.1 of the report.

Decision

1. To approve the principle of the Council agreeing to enter into a Deed of Variation to the Head Lease on Terms and Conditions to be agreed.
2. To delegate to the Corporate Property Officer (the Interim Strategic Director for Neighbourhoods) acting following consultation with the Leader to approve the terms and Conditions of the proposed Deed of Variation and with a consideration of not less than £750k.

Reasons

These were set out in paragraph 3.1 of the report.

MINUTES END