

ITEM 4

Time started – 6.00pm
Time finished – 9.30pm

COMMUNITY COMMISSION 19 JANUARY 2010

Present: Councillor Grimadell (Chair)
Councillors Bayliss, Chera, R Khan, Lowe and Redfern

In Attendance: Councillors Jackson and Troup

75/09 Apologies for Absence

Apologies for absence were received from Councillor Richards

76/09 Late Items introduced by the Chair

There were no late items.

77/09 Declarations of Interest

Councillors Bayliss and Redfern declared personal interests as Council-appointed members of the Board of Derby Homes.

78/09 Minutes

Resolved that the minutes of the meeting held on 2 December 2010 be confirmed as a correct record and be signed by the Chair.

79/09 Call-in

There were no call-ins to report to the Commission.

80/09 Councillor Call for Action

There were no Councillor Calls for Action to report to the Commission.

Responses of the Council Cabinet to any reports of the Commission

81/09 Community Legal Advice Centre

The Commission received Minute 143/09 and noted the response of Council Cabinet to the Commission's report on this matter.

Items for Discussion

82/09 Revenue Budget Proposals 2010/11 – 2012/13

The Commission received a report of the Corporate Director of Resources detailing the revenue budget proposals for 2010/11 – 2012/13. The Corporate Director of Resources Don McLure invited Members to make comments on the budget proposals which fall within the Commission's remit.

Councillor Bayliss expressed concern that there is still a budget pressure of £700k consequential on transferring council house repairs to Derby Homes. The Head of Technical Finance David Enticott informed the Commission that this was a problem with the Housing Revenue Account (HRA) and the funds were ring-fenced. Councillor Bayliss stated that the figure is too high and the pressure could be reduced by raising the fee to Derby Homes. The Corporate Director of Environmental Services said that legally the Council is constrained in its ability to access money from the HRA. Funds have to stay within the HRA and following the transfer there will be a gap in the General Fund. The Chair asked if this pressure could be absorbed when Derby Homes could be brought in-house in 2012. The Head of Technical Finance David Enticott stated that it is a matter of funding between the HRA and the General Fund and would not be solved by a move to bring Derby Homes in house.

The Chair asked what impact the £300,000 private sector housing pressure would have on both Rosehill and the development of the Osmaston Masterplan. The Corporate Director of Corporate and Adult Services stated that this pressure comes from the capital programme and the £300,000 figure has not yet been reached. The Chair asked for further clarification of the £300,000 budget pressure on private sector housing.

On housing benefit the Corporate Director of Resources informed the Commission that the Council pays for a growing number of properties in so far as the rent is over and above the Government subsidy level of about £70/80. In some cases the Council could be paying £180 benefit towards the rent of a property.

Councillor Redfern asked why the new Christmas refuse collection is only focussed on domestic waste. The Corporate Director of Environmental Services stated that the new service was in response to requests received from many residents across the city who have said their bins are overflowing in the Christmas period. The Council has since received positive feedback.

Councillor Redfern asked for clarification of the £15,000 saving at Markeaton Park. The Corporate Director of Environmental Services stated that this would come from closing the paddling pool at the park. The Chair asked how this would encourage use of the park. The Corporate Director of Environmental Services stated that to refurbish this facility would cost a huge amount of money in excess of the possible savings it would generate by closing it. Councillor Redfern said that the savings generated did not offset the loss of this facility. The Chair echoed her comments and stated that this was Derby's most popular park and people come from outside the city limits to use this facility in the summer.

The Chair asked officers to explain the income projected to be received from the privatisation of the golf courses. The Corporate Director of Environmental Services stated that it is not additional income. The golf courses cost £80,000 per year to run so it is releasing those funds.

The Chair queried the reduction in funding for park ranger services and again how this was going to improve the public's perception of the city's parks and increase their use. The Corporate Director of Environmental Services said it was not intended to improve the parks use. The intention is for street cleaning staff to come and do the litter picking that is currently done by the rangers. This will free up the rangers to organise events to promote the parks and the Council will need to employ less rangers. This will make the service the rangers provide more effective. Councillor Bayliss said he did not think this was the right approach. It will not send out the right message to residents.

The Commission asked how the savings to the Museums and Libraries had been achieved. The Corporate Director of Regeneration and Community stated that a number of options had been considered such as a reduction in the opening hours and new materials. Councillor Bayliss expressed concern that this would create a downward spiral and that these options should not be offered for Cabinet to consider. Councillor Redfern said that these proposals would deprive the public of a valuable resource which could help them look for jobs in the economic downturn.

Resolved:

- A. To thank the officers for this year's improved format to the budget setting process document but requested that there be additional or fuller narratives;**
- B. To endorse the budget proposals to Cabinet. However, Members recommended the following amendments to the proposals:**
 - 1. The paddling pool at Markeaton Park be retained;**
 - 2. The budget pressure of £700,000 consequential on transferring council house repairs to Derby Homes be negotiated to a lower figure;**
 - 3. The £20,000 reduction in the park ranger service be reinvested in the service;**
 - 4. The Commission does not support the proposed reduction in opening hours and spending on materials for museums and libraries;**

83/09 Proposed Housing Capital Programme Budgets 2010/11 – 2012/13

The Commission received a report of the Corporate Director of Corporate and Adult Services on the proposed housing capital programme for 2010/11 to 2012/13. Private Sector Housing Manager Martin Gadsby informed the Commission that capital resources for housing have been severely reduced in the financial year. In turn this has resulted in a reduction in the housing capital programme.

It was reported that right to buy sales have dried up, and Compulsory Purchase Orders have been placed on hold until more resources are available. The annual Government grant to pay for disability adaptations has also been reduced and currently is about half of the figure the Council needs.

Councillor Redfern raised concern about the reduction in Government funding for disability adaptation grants. She stated that roughly 80 percent of people with disabilities are under retirement age. If the funding is not provided then how will the Council help these people? The Assistant Director for Housing and Advice Mark Menzies stated that Disability Facilities Grants are a mandatory provision. The funding would have to be provided from elsewhere from within the budget.

The Chair stated that in the future it appears as though the resources available to the housing capital programme will drop considerably. Councillor Redfern stated that it may be a good idea to delay consideration of this item until the next meeting.

Resolved to defer consideration of this item until the next meeting of the Community Commission on 11 February 2010.

84/09 Proposed Environmental Services Capital Programme Budgets 2010/11 – 2012/13

The Commission received a report of the Corporate Director of Environmental Services on the proposed environmental services capital programme for 2010/11 to 2012/13. The Corporate Director of Environmental Services informed the Commission that the refurbishment of the play areas is still in progress. The Council's leisure centres and the provision of leisure facilities in the city is currently under review.

There is a need to purchase new incinerators for Markeaton Crematorium to meet with new legislation governing air quality in particular the burning of mercury. Officers have proposed to buy two standard and one large sized incinerator.

Councillor Redfern asked for an explanation of the level of spending on the Gayton Pool refurbishment. The Corporate Director of Environmental Services stated that the specifications for the refurbishment were drawn up by

the Property Services Department of the Council but his directorate funded the scheme.

Resolved:

- A. To recommend to Council Cabinet the proposed Environmental Services Capital Programme for 2010/11 – 2012/13; and**
- B. To defer consideration of capital spending proposals for Markeaton Crematorium until the next meeting. Officers are asked to contact Councillor Baxter to incorporate his concerns into the report back to the Commission.**

**85/09 Proposed Regeneration and Community
Department Capital Programme Budgets
2010/11 – 2012/13**

The Commission received a report by the Corporate Director of Regeneration and Community on the proposed Regeneration and Community Department's capital programme budgets for 2010/11 – 2012/13. The Corporate Director of Regeneration and Community Jonathon Guest stated that there are four major spending commitments for the Directorate this year.

1. Chaddesden Park Library repairs;
2. Central Library improvements;
3. An upgrade to Derby LIVE Box Office; and
4. A number of health and safety improvements to Derby LIVE.

The Chair asked for clarification of the £186,000 spent on Chaddesden Park Library in 2009/10. The Corporate Director of Regeneration and Community stated that this money had not been spent because of delays. The money will be carried over to the 2010/11 – 2012/13 capital programme instead. Councillor Redfern asked if the cost of the project will have increased because of the delay. The Corporate Director of Regeneration and Community stated that officers have not revised the cost yet. But it is unlikely that there will be a large increase in the cost of the project because the building trade is very variable at the moment.

To recommend to Council Cabinet the proposed Regeneration and Community Department Capital Programme for 2010/11 – 2012/13;

**85/09 Housing Rent Account Budget and Business
Plan 2010/11**

The Commission received a report of the Corporate Director of Resources on the issues facing the Housing Revenue Account. The Head of Technical Finance David Enticott informed the Commission that the move of Housing Subsidy to a much higher payment to central government is due in 2011/12. The Council will then be likely to face an increase in payments of about £6m.

In the next four years this will rise from £6m sequentially up to £9m. The strategy for the last few years has been to save up for this eventuality to smooth an otherwise severely damaging impact while investing temporarily in the Estates Pride programme. This strategy remains under the current system.

However, there is a chance that an opportunity to opt out of the system may result from an offer due to be made in February 2010 by the Government. It is anticipated that this may offer better prospects than remaining in the system, although a proper judgement on that cannot be reached until the details are made clear. It is likely that to accept this offer to opt out of the system the Council will have to take on a significant amount of the Government's debt for a probable period of 30 years. If the Council is minded to accept this offer, it is likely to require a consensus about its merits and risks.

Resolved to recommend the Council Cabinet to approve the Housing Revenue Account Budget and Business Plan.

86/09 Housing Rents and Service Charges

The Commission received a report of the Corporate Director of Resources on the proposals relating to rents and service charges for 2010/11. The Head of Technical Finance David Enticott informed the Commission that the underlying average increase implied by the rent determination is 3.3%. The Council will be introducing two new service charges relating to smoke alarms and grounds maintenance. These will be 'unpooled' from the rent, resulting in lower rent increases to compensate for these new service charges.

Over time, the additional service charge income will raise in excess of £1m a year, but there will be much less initially. Of the amount raised, two thirds will be funded from the Housing Benefit system as two thirds of tenants are in receipt of full rent rebate. Individual tenants will be protected by the operation of a rent and service charge cap which is on the basis of Retail Price Index plus 0.5% plus £2 a week. Therefore, a tenant paying average rent at the moment should have an increase of around 2.5% from 2010/11. The average increase overall is likely to be between 2.5% and 3% as a result of the cap. All tenants will face varying increases as a result of their own rent compared to their formula rent.

Councillor Redfern expressed concern that some streets in the city may end up paying a different amount of rent in every house. The Head of Technical Finance stated that this will even out over time. But this new scheme will enable the Council to raise roughly £1.2m to fill the funding gap left by the reduction in the Government grant funding for disability adaptations. This is because, unlike the rent, the Council would be able to keep all of the money raised from the service charges.

The Head of Technical Finance also informed the Commission that a new scheme is being launched called Tenancy Sustainment. Some new tenants have existing problems, for example Anti-Social Behaviour. The Council will

now be offering a service to focus on these individuals to help them solve any issues they might experience. Lasting 12 months there will be a charge of £14.50 per week and this will only cover the cost of providing the service. Each new resident will have to pass a qualifying test before being exempted from the service.

The Chair asked if there is any room to manoeuvre on the amount that is charged for the rents. The Head of Technical Finance stated that if the Council does not raise the money for adaptations through the service charge proposal then there will be very little available to fund adaptations.

Councillor Redfern expressed concern that this new system is very complicated and difficult to understand. She requested officers to provide the Commission with a copy of the letter that would be sent to residents explaining the changes to the charging structure before it is sent to them.

Resolved:

- A. To endorse the proposals contained in the report; and**
- B. To request officers to provide the Commission with a copy of the letter which will explain the changes to the rent charging structure before it is circulated to residents.**

87/09 Review of Council Leisure Facilities

The Commission received a report of the Corporate Director of Environmental Services Paul Robinson relating to a feasibility study into the future provision of leisure facilities in the city. He stated that the current facilities have now reached the end of their operational lifespan. This prompted the review. Consultants PMPgenesis were employed to carry out the review and they identified that to refurbish or replace the current facilities would not be cost effective. The consultant then considered Derby's position with regards to sports provision nationally as well as regionally. The Place Survey has shown that public satisfaction in the Council's leisure facilities has dropped by 30 percent in the last two years. The Corporate Director for Environmental Services stated that the Council wants to meet residents' expectations for the future.

The consultant has found that the costs of running leisure facilities are very high. Manchester Aquatics Centre has two fifty metre pools as well as separate diving and leisure pools which costs £300,000 a year to run. The Council's current swimming facilities cost £800,000 per year. This is partially because of the staffing costs of operating pools in separate rooms and having to run three different sets of equipment to filter the pools and poor energy efficiency of the buildings.

Officers have looked at the next twenty five years of sports facility provision in the city. A 50 metre pool in the city centre and satellite swimming facilities in the North, East, West and South will meet Derby's requirements for the

foreseeable future. There would also be a second tier of dry indoor facilities based in school sports halls. The Corporate Director for Environmental Services stated that a proposal for a velodrome in the city has generated a substantial amount of interest. This facility would need a large amount of space but would be able to provide ten sports pitches in the centre and act as an arena/conference centre when not in use as a sporting facility. By providing a velodrome this would fill a gap in facilities in the East Midlands. It is estimated that the pool and the velodrome would each cost £20m and about £50m overall including costs for architects and the site for the projects. Any future plans would have to be comprehensive and bring in a number of investors such as British Cycling, Rolls Royce and other interested parties.

The Chair asked if sites had been identified for the projects. The Corporate Director of Environmental Services stated that there were sites identified in the Castleward Boulevard Masterplan, the former Derby Royal Infirmary site for the pool and Moorways Leisure Centre would be an ideal site for the velodrome.

The Chair asked if the velodrome would be big enough to act as an arena if it could only hold 4,000 people. The Corporate Director of Environmental Services said that our aspirations need to be realistic. Nottingham Arena is rarely full for all of its events. If there are larger music events then the football stadium could host the event. Medium sized events could be hosted in the velodrome and smaller events could go in the Assembly Rooms.

Councillor Redfern asked how the projects would be financed. The Corporate Director of Environmental Services stated that the money could be raised through prudential borrowing. Councillor Redfern stated that with any scheme such needs an effective transport infrastructure.

The Chair asked when the projects are likely to be completed. The Corporate Director of Environmental Services informed the Commission that the tender process would take about a year to complete so construction could start in 2011.

Resolved to commend the imaginative and visionary approach to the future of leisure provision in Derby, however, the Commission has concerns about the funding and costs of the projects and which it will scrutinise at future stages of the strategy's development.

Commission Business Matters

88/09 Homelessness Review – Finalisation

Resolved to note that the Chair, Vice Chair and Councillor Lowe exercised the authority delegated by Minute 71/09 to finalise the review on behalf of the Commission.

89/09 Additional Meeting

Resolved to schedule an additional meeting of the Community Commission on Thursday 11 February 2010.

90/09 Arrangements for Site Visits

Resolved to arrange a site visit for Friday 12 February 2010 pending the confirmation of Members' availability.

91/09 Council Cabinet Forward Plan

There were no significant items on the Council Cabinet's Forward Plan that the Commission wished to consider.

92/09 Matters referred to the Commission by Council Cabinet

There were no items referred to the Commission by Council Cabinet.

MINUTES END