

Time began: 4.03pm  
Time ended: 4.40pm

## **COUNCIL CABINET**

### **13 May 2020**

Present	Councillor Poulter (Chair) Councillors Barker, M Holmes, Roulstone, Smale, Webb, Williams and Wood
In attendance	Councillors AW Graves, Shanker and Skelton Paul Simpson – Chief Executive Rachel North – Strategic Director of Communities and Place Simon Riley – Director of Financial Services Emily Feenan – Director of Legal, Procurement and Democratic Services Steve Caplan – Director of Property Services Catherine Williams – Head of Regeneration and Major Projects Emma Dann – Principal Regeneration Officer Abdul Siddiqi – Youth Mayor Connie Spencer – Youth Mayor Elect Priya Gill – Deputy Youth Mayor Elect

This record of decisions was published on 15 May 2020. 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.

### **172/19 Apologies**

There were no apologies for absence.

### **173/19 Late Items**

There were no late items.

### **174/19 Receipt of Petitions**

There were no petitions

### **175/19 Identification of Urgent Items to which Call In will not apply**

There were no items.

### **176/19 Declarations of Interest**

There were no declarations of Interest.

## 177/19 Minutes of the Meeting Held on 11 March 2020

The minutes of the meeting held on 11 March 2020 were agreed as a correct record.

### Matters Referred

#### 178/19 Recommendations from the Executive Scrutiny Board

The Council Cabinet considered a report on Recommendations from the Executive Scrutiny Board. The Executive Scrutiny Board met and discussed items contained within the Council Cabinet Agenda. The report enabled the views and recommendations resulting from these discussions to be formally shared with Council Cabinet. These were submitted to Council Cabinet as Appendix 1, prior to commencement of the meeting.

#### Decision

To receive the report and note that there were no recommendations from Executive Scrutiny Board to the items included in this meeting.

### Key Decisions

#### 179/19 Market Hall Transformation

The Council Cabinet considered a report which stated that approval was sought to the vision and brief for the new Market Hall and to take the necessary steps to deliver the internal transformation (Phase 2) to create a vibrant, high quality, flexible market, appealing to a diverse customer base.

The report also set out the progress made on the delivery of Phase 1 of the transformation works (roof improvements). It was noted that the implementation of the complete package of works associated with the internal transformation was conditional upon securing Future High Street Fund monies. Work was progressing on the future operating model and if required, a report would be brought back to Council Cabinet to consider any financial implications.

The Executive Scrutiny Board noted the report.

#### Options considered

There were three options considered to deliver the project:

1. Option 1 – Roof improvements

Undertake the necessary roof improvements only, no internal transformation works were undertaken and the Market Hall continued to operate business

as usual. This option had been discounted as it would not deliver the transformational elements of the project.

2. Option 2 - Phase delivery approach

Seek alternative external funding to deliver the project through a phased approach. This option had been discounted as it would not deliver the transformation impact on the city centre.

3. Option 3 – Transformation of the Market Hall

Undertake the required roof improvements and also deliver the transformation of the Market Hall to create a vibrant, high quality and flexible market that could respond to the changing retail market and attract a more diverse customer base. This was the preferred delivery option as the project would create a new flexible market with a more dynamic offer and a wider range of products appealing to a more diverse customer base.

## **Decision**

1. To approve the vision and project brief for the transformation of the Market Hall outlined in sections 4.4- 4.8 and appendix 1 of the report.
2. To increase the 2020/21 – 2022/23 corporate capital programme for the Market Hall Transformation project as set out in the confidential report, subject to a successful Future High Street Fund award.
3. To approve the delivery of the Phase 2 transformation works in line with the project brief as described in paragraph 4.7, 4.8 and appendix 1 of the report, subject to the approval of Future High Street Fund.
4. To delegate authority to Strategic Director of Communities and Place following consultation with the Cabinet Member for Regeneration, Planning and Transportation and the Director of Financial Services for undertaking all the actions necessary to deliver the proposed project.
5. To delegate authority to the Strategic Director of Communities and Place following consultation with the Cabinet Member for Regeneration, Planning and Transportation, the Cabinet Member for Governance and Licensing and the Director of Financial Services for the submission of external funding bids and to enter into associated funding agreements as outlined in section 7.2 of the report, to deliver the transformation of the Market Hall.
6. To delegate authority to the Strategic Director for Communities and Place, following consultation with the Cabinet Member for Regeneration, Planning and Transportation, the Cabinet Member for Finance and Procurement and the Director of Financial Services to pursue the optimum operating model for the Council.

## **Reasons**

1. To deliver a key regeneration priority and contribute to the delivery of the City Centre Masterplan.
2. To agree the vision that underpins the Market Hall transformation.
3. To evidence Council commitment to the project as part of the Future High Street Fund business case.

## **180/19 Exclusion of the Press and Public**

**Resolved that under Section 100(A) of the Local Government Act 1972, the press and public be excluded from the meeting during discussion of the following items on the grounds that they involved the likely disclosure of exempt information as defined in paragraph 3 of Part 1 of Schedule 12A of the Act and that the public interest in maintaining the exemption outweighs the public interest in disclosing the information.**

## **Key Decisions**

### **181/19 Re-financing Proposal for Derby Building Schools for the Future Private Finance Initiative Scheme**

The Council Cabinet considered a report which stated that in December 2010, Derby City Council entered into a PFI agreement with Derby City BSF Limited for the construction of Noel-Baker Academy and St Martins School. The operational contract would expire in August 2037.

More recently, there had been consideration of the possibility of obtaining better financing terms in the funding market than those secured in 2010. Following a review of different refinancing options, a financing proposal to move from the current two lender model to a single lender was selected as the preferred funding solution.

The Council had appointed external financial advisers through a tender exercise to assist with the refinancing process. The advisers' advice was for the Council to pursue the refinancing gain.

The Executive Scrutiny Board noted the report.

### **Options Considered**

The option of not pursuing a refinancing deal was discounted, as this would lead the Council to miss out on a financial gain.

## **Decision**

1. To approve the proposed Building Schools for the Future (BSF) refinancing proposal and delegate the details of finalising the deal to the Director of Financial Services (S151 Officer) following consultation with the Cabinet Member for Finance and Procurement. .
2. To approve the transfer of the refinancing gain to the appropriate PFI reserve.

## **Reasons**

The refinancing proposal offered the opportunity of a refinancing revenue gain to the Council.

## **182/19     Market Hall Transformation**

The Council Cabinet considered a report which stated that approval was sought to the vision and brief for the new Market Hall and to take the necessary steps to deliver the internal transformation (Phase 2) to create a vibrant, high quality, flexible market, appealing to a diverse customer base.

The report also set out the progress made on the delivery of Phase 1 of the transformation works (roof improvements). It was noted that the implementation of the complete package of works associated with the internal transformation was conditional upon securing Future High Street Fund monies. Work was progressing on the future operating model and if required, a report would be brought back to Council Cabinet to consider any financial implications.

The Executive Scrutiny Board noted the report.

## **Options Considered**

There were three options considered to deliver the project:

1. Option 1 – Roof improvements  
Undertake the necessary roof improvements only, no internal transformation works were undertaken and the Market Hall continued to operate business as usual. This option had been discounted as it would not deliver the transformational elements of the project.
2. Option 2 - Phase delivery approach  
Seek alternative external funding to deliver the project through a phased approach. This option had been discounted as it would not deliver the transformation impact on the city centre.
3. Option 3 – Transformation of the Market Hall  
Undertake the required roof improvements and also deliver the transformation of the Market Hall to create a vibrant, high quality and flexible market that could respond to the changing retail market and attract a more

diverse customer base. This was the preferred delivery option as the project would create a new flexible market with a more dynamic offer and a wider range of products appealing to a more diverse customer base.

## **Decision**

1. To approve the vision and project brief for the transformation of the Market Hall outlined in sections 4.4- 4.8 and appendix 1 of the report.
2. To increase the 2020/21 – 2022/23 corporate capital programme for the Market Hall Transformation project as set out in paragraph 2.2 of the report, subject to a successful Future High Street Fund award.
3. To approve the delivery of the Phase 2 transformation works in line with the project brief as described in paragraph 4.7, 4.8 and appendix 1 of the report, subject to the approval of Future High Street Fund.
4. To delegate authority to Strategic Director of Communities and Place following consultation with the Cabinet Member for Regeneration, Planning and Transportation and the Director of Financial Services for undertaking all the actions necessary to deliver the proposed project.
5. To delegate authority to the Strategic Director of Communities and Place following consultation with the Cabinet Member for Regeneration, Planning and Transportation, the Cabinet Member for Governance and Licensing and the Director of Financial Services for the submission of external funding bids and to enter into associated funding agreements as outlined in section 7.2 of the report, to deliver the transformation of the Market Hall.
6. To delegate authority to the Strategic Director for Communities and Place, following consultation with the Cabinet Member for Regeneration, Planning and Transformation, the Cabinet Member for Finance and Procurement and the Director of Financial Services to pursue the optimum operating model for the Council.

## **Reasons**

1. To deliver a key regeneration priority and contribute to the delivery of the City Centre Masterplan.
2. To agree the vision that underpins the Market Hall transformation.
3. To evidence Council commitment to the project as part of the Future High Street Fund business case.

**MINUTES END**