

<b>Executive Scrutiny Board</b>	
<b>Recommendations from the meeting held on 13 November 2018</b>	
<b>Council Cabinet Agenda – 14 November 2018</b>	
<b>Item 10</b>	<b>DFE School Nursery Capital Fund (SNCF) – Pear Tree Infant School</b>
<p>The Board considered a report of the Strategic Director of People Services proposing a bid to the Department for Education's (DfE) School Nursery Capital Fund (SNCF), which was intended to create free early education entitlement places for eligible two, three and four year olds in the most disadvantaged areas.</p> <p>It was reported that all eligible schools in the city had been contacted and that expressions of interest had been received from Pear Tree Infant School and St Giles Special School, however St Giles did not meet the eligibility criteria set by the DfE. The bid was for a maximum of £503,000 and would create 26 nursery places; it was reported that the outcome would be received in March 2019.</p> <p>Members queried why St Giles Special School did not meet the eligibility criteria and questioned why maintained schools had been excluded from applying. It was reported that criteria were set by the DfE and that St Giles did not meet criteria relating to the number of pupils in receipt of free school meals. The Board also questioned which areas had the lowest take-up of free nursery places; which organisation would run the provision; whether there were ongoing revenue costs to the school; and, whether school holiday and wrap-around care would be provided. It was noted that the areas of maximum impact were straightforward to identify and that the intention was to ensure schools felt empowered and equipped to take on nursery places; further details would need to be explored once the outcome of the bid was known.</p> <p><b>The Executive Scrutiny Board resolved to note the report.</b></p>	
<b>Item 11</b>	<b>Property Disposals Programme – Update</b>
<p>The Board received a report of the Strategic Director of Corporate Resources detailing an updated property disposals programme.</p> <p>It was noted that 46 properties had previously been identified as surplus to requirements, as set out in Appendix 2 of the report. The report proposed that a further six properties were added to the list. It was noted that Council Cabinet had approved the Corporate Asset Management Plan in September 2018, which had identified the need to reduce the number of vacant properties and generate capital receipts to support the capital programme.</p> <p>The Board questioned officers on details relating to specific properties within the</p>	

disposals programme. Councillors suggested that the sale of adjacent properties were combined to ensure value for money; it was noted that this would be considered where appropriate. Members reported that the University of Derby were seeking land in the city for a Park and Ride facility for students and suggested that they were approached to establish whether any sites on the disposal list were appropriate.

The Board noted significant variance in estimated property values and expressed frustration that ward councillors were not always consulted about the sale or lease of vacant properties in their wards.

It was also reported that a recent change in legislation allowed capital receipts of less than £10,000 to be used to address revenue pressures. The Board suggested that greater oversight of the process was required to ensure the wider implications were fully understood.

**The Executive Scrutiny Board resolved:**

- **To recommend to Council Cabinet that no piece of council land or property should be sold or leased without prior consultation with ward councillors**
- **To note that the University of Derby are seeking land within the city for use as a Park and Ride facility for students and to recommend that Council Cabinet actively engage with the University to identify an appropriate site for this purpose**
- **To request that a further report was provided to the Executive Scrutiny Board on the disposal of land with a value of less than £10,000 and the wider implications of the revised policy.**

<b>Item 12</b>	<b>The Relocation of the Library Service Provision at Pear Tree Library</b>
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The Board received a report of the Strategic Director of Communities and Place regarding the proposed relocation of Pear Tree Library.

It was noted that under the Libraries Strategic Review it was proposed that the library was retained as part of the statutory offer, but that following the investigation of repairs required to the roof of the building, major structural defects had been discovered. It was anticipated that remedial work would cost £1.5m and take 12 months to complete.

Following the completion of an options appraisal, it was reported that moving the library to the St Augustine's Community Centre had been identified as a preferred option at a cost of £700,000. It was further reported that the creation of a community hub was being proposed, which would make the nearby Madeley Centre surplus to requirements. It was noted that work would likely take place between March and May 2019.

The Board questioned how the preferred option had been identified and members suggested that no consultation with local councillors, residents and service users had taken place. Members noted that while Pear Tree Library was at the centre of the community, St Augustine's was in a residential area with no dedicated parking provision. It was reported that consultation had been carried out between the Property and Library service and that a letter had been sent to Normanton and Arboretum ward councillors on

26 October 2018.

Members questioned whether the proposal was being considered in isolation to the wider Libraries Review. It was noted that as it was part of the statutory offer, it was not affected by the on-going review of Community Managed Libraries.

The Board noted that the building was locally listed and suggested that an alternative community use was identified, in the same manner that the Derby Museums Trust were now utilising the Central Library building. Members also sought further clarification on the revenue impact of the proposals, holding costs and the composition of the steering group detailed under 4.15 of the report.

It was reported that no alternative use of the building had been identified and that no further investment in the property was proposed should the proposal be agreed. It was noted that the steering group would comprise of council officers, the existing tenant of St Augustine's Community Centre and community representatives.

**The Executive Scrutiny Board resolved to recommend that Council Cabinet defer the decision to relocate Pear Tree Library until such time as the following conditions were met:**

- **That a full consultation with ward councillors, the local community and service users had been carried out**
- **That an alternative community use for the Pear Tree Library building had been identified, in the same manner as the former Central Library building.**

<b>Item 13</b>	<b>D2N2 European Structural Investment Fund 2014 – 2020</b>
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The Board received a report of the Strategic Director of Communities and Place regarding the next phase of calls for funding from the European Structural Investment Fund.

It was reported that the fund had been open for four years and provided 50 per cent external funding towards projects eligible under the European Development Fund and European Social Fund. It was reported that the fund had been underwritten by the UK Government until 2023.

Members sought clarification on the proportion of the funds allocated to date to Nottingham and Nottinghamshire compared to Derby and Derbyshire. The Board also questioned whether alternative funding streams were in place as a result of Brexit; it was noted that a Shared Prosperity Fund had been proposed to be allocated across LEP areas, but that further details were yet to be defined.

Members suggested that the delegations made under 2.2 and 2.3 were strengthened to ensure greater oversight from Council Cabinet.

**The Executive Scrutiny Board resolved to recommend that Council Cabinet amend the delegations detailed under recommendations 2.2 and 2.3 of the report, to ensure that no bid submitted in consultation with the relevant Cabinet Member**

<b>could be subsequently withdrawn or amended without further consultation with the Cabinet Member.</b>	
<b>Item 14</b>	<b>Market Rights Policy</b>
<p>The Board received a report of the Strategic Director of Communities and Place presenting a new Market Rights Policy, which was detailed at Appendix 2 of the report.</p> <p>The report was intended to effectively manage and regulate markets in line with statutory requirements, particularly in relation to temporary markets, and had been developed in consultation with a range of service areas.</p> <p>Members questioned whether the formal Eagle Market would be covered by the policy and the likely impact on the Night Market and Farmers Market in the city centre. It was confirmed that INTU had been consulted and would be subject to the policy. It was noted that the charging structure had been developed to strike a balance between promoting vibrancy and ensuring safety and legality. The Board also sought clarification between the application of the policy in relation to charitable and commercial markets.</p> <p><b>The Executive Scrutiny Board resolved to note the report.</b></p>	
<b>Item 15</b>	<b>Garden (including Food) Waste Recycling Scheme</b>
<p>The Board received a report of the Strategic Director of Communities and Place proposing the reintroduction of for fortnightly, 52 week brown bin collections for 80,000 eligible properties in the city.</p> <p>It was reported that, if approved, the scheme would be introduced in three phases, with those on the existing scheme transferred in April 2019; those who may still have a brown bin asked to register by 1 March 2019; and, asking remaining households to register by 1 March for introduction of the scheme by 1 August 2019.</p> <p>It was reported that revenue costs were anticipated at £774,000 for 2019/20 and £589,000 in subsequent years, with an anticipated capital cost of £740,000 to purchase new bins. The reduction in revenue cost was predicated on a predicted 65 per cent uptake in the first year and 85 per cent in year two.</p> <p>Members sought clarification on a range of technical aspects of the scheme, including the revenue cost of the existing scheme and the number of additional bins required if all eligible households take up the offer of free collection; and, the amount of waste that would likely be diverted from black bins. The Board sought further assurances that the proposals represented value for money.</p> <p>The planned communications strategy was also discussed, including the promotion of home composting. The processing of food waste and the impact of additional bins being left on streets was also considered. It was reported that the council's recycling target was 50 per cent by 2020 and that the rate was currently 30 per cent; it was suggested that the proposed scheme would contribute to meeting the target. In relation to contamination, it</p>	

<p>was stated that as residents were required to opt-in, levels of contamination were expected to be low.</p> <p>The Board questioned the number of homes that were ineligible for the scheme; it was anticipated that around 30,000 homes would not benefit from receiving a brown bin. Further clarification was sought on funding for the purchase of new bins from the Corporate Capital Contingency; it was reported that this reserve was intended for unallocated corporate projects.</p> <p>It was noted that further contractual details were included in the exempt report detailed at Item 25 of the Council Cabinet agenda.</p> <p><b>The Executive Scrutiny Board resolved to welcome the proposal as the delivery of a manifesto commitment made by the Conservative, Liberal Democrat and UKIP groups at the 2018 local elections.</b></p>	
<b>Item 16</b>	<b>Opportunity Areas: Decision Making for Opportunity Area Grants, Procurement and Contracts</b>
<p>The Board received a report of the Strategic Director of People Services in relation to grants awarded under the Opportunity Areas programme.</p> <p>It was noted that Derby City Council was the accountable body for the allocation of funds and for grants in excess of £100,000 Cabinet approval was required. Given that the Opportunity Areas programme was time limited and the rigorous approval measures in place at various sub-groups and boards, it was proposed that decision making was delegated to the Strategic Director of People Services in respect of commencing, procuring and processing the award of grants and contracts.</p> <p>It was noted that member-level scrutiny of grant awards made under the Opportunity Areas Programme would continue through the Children and Young People Scrutiny Board.</p> <p><b>The Executive Scrutiny Board resolved to recommend to Council Cabinet that all members were kept informed of the destination and intended use of grants made under the scheme, and that this information was communicated to councillors in a timely manner.</b></p>	
<b>Item 17</b>	<b>Castleward Urban Village – Future Phases</b>
<p>The Board received a report of the Strategic Director of Communities and Place regarding future phases of the Castleward Urban Village.</p> <p>It was noted that 52 homes would be delivered by Compendium Living as part of the proposals and that planning permission was being sought for a further 180 homes by Elevate. The report sought in-principle approval for the use of compulsory purchase powers, to map land interests and develop a statement of case for further Council</p>	

<p>Cabinet approvals.</p> <p>The Board queried what support was being offered to local businesses affected by the proposed use of CPOs. It was confirmed that officers were working with businesses and partners to retain jobs in the city centre and to support those affected to relocate.</p> <p><b>The Executive Scrutiny Board resolved to recommend to Council Cabinet that support was offered to local businesses affected by the proposed scheme to relocate.</b></p>	
<b>Item 18</b>	<b>2018/19 – Quarter 2 Forecast of Outturn for General Fund, Housing Revenue Account, Capital Budgets, Dedicated Schools Grant and Collection Fund</b>
<p>The Board received a report of the Strategic Director of Corporate Services forecasting the financial outturn position at the end of September 2018 for the council's revenue budget, capital budget, reserves, treasury management, Dedicated Schools Grant, Collection Fund, Housing Revenue Account and sundry debt positions.</p> <p>It was noted that a £6.277m overspend was forecasted for the revenue budget, with the majority anticipated within Children's Services. It was reported that work was on-going to reduce in-year overspends. It was further noted that the Capital Budget was currently forecasting a modest spend against overall budget due to the profiling of the Capital Programme. Significant pressures contained within the Dedicated Schools Grant were noted; performance against savings targets was also detailed at 5.1 of the report.</p> <p>The Board recognised the challenges experienced within People Services but expressed concern at the size of the forecasted revenue overspend. Members suggested Council Cabinet should carefully consider the cuts identified in the MTFP and how the budget can be supported.</p> <p>Members sought clarification on a range of details contained within the report, including income targets at Queens Leisure Centre and Allestree Golf Course; and, slippages related to the Libraries Review and Moorways Swimming Pool.</p> <p>The Board expressed concern at the significant forecast reduction in the Budget Risk Reserve; it was noted that this was a consequence of overspend on the A52 project. Members also questioned where funds raised from the additional 1 per cent increase in Council Tax earmarked for the new Performance Venue were held.</p> <p><b>The Executive Scrutiny Board resolved to note the report.</b></p>	
<b>Item 19</b>	<b>Treasury Management Mid-Year Report</b>
<p>The Board received a report of the Strategic Director of Corporate Resources presenting the Treasury Management in-year report, as required under the Chartered Institute of Public Finance and Accountancy's Treasury Management in Public Services Code of</p>	

<p>Practice.</p> <p>A forecast £0.450 underspend was noted owing to the overachievement of investment balances and delayed borrowing. It was reported that the council adopted a risk-averse strategy, which protected against volatility in financial markets.</p> <p><b>The Executive Scrutiny Board resolved to note the report.</b></p>	
<b>Item 20</b>	<b>Performance Monitoring 2018/19 – Quarter Two Results and Mid Year Target Review</b>
<p>The Board received a report of the Chief Executive providing an update on the Council Scorecard and a mid-year update on the Council Delivery Plan.</p> <p>It was reported that 55 per cent of performance measures in the Council Scorecard were forecast to meet or exceed their year-end target. A range of positive outcomes and areas for improvement were highlighted in 4.11 and 4.22 of the report.</p> <p>The report also sought approval to change six target measures and delete measure PM21 (Number of new businesses established arising from DCC interventions), which would now be reported as part of measure PM22 (Number of businesses supported by DCC through access to finance, advice and indirect support).</p> <p>Members noted that missed targets had increased from 13 to 37 per cent based on the previous year's performance figures. The Board also questioned why in-year changes were being proposed, particularly with regards to sickness absence.</p> <p>It was reported that a mid-year review of measures and targets was standard practice as performance measures needed to respond to changing circumstances. With regards to sickness absence, it was stated that the figure had been revised up to encourage incremental improvements as the current target was considered unachievable. It was stated that changes proposed by the Performance Team would always be evidence based.</p> <p><b>The Executive Scrutiny Board resolved to note the report.</b></p>	
<b>Item 21</b>	<b>Compliance with Contract and Financial Procedure Rules</b>
<p>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.</p> <p>It was reported that approvals were being sought for the following items:</p> <ul style="list-style-type: none"> <li>• To approve the procurement of a supplier to conduct a full review of all households within the city receiving a single person Council Tax discount and to fund the cost from the use of reserves</li> <li>• To approve the write off of a bad debt – 4Children</li> </ul>	

- To approve a grant award to Derby and Sandiacre Canal Society
- To approve the procurement of a Higher Education Initiative
- To approve the participation in the 'Step up to Social Work Programme' and to enter into a Partnership Agreement with a number of other Local Authorities in order to deliver this Programme with Derby as the lead authority.
- To approve the enhanced fostering allowance
- To approve the progression to a tender and procurement stage – Opportunity Areas and to approve delegation of authority to the Strategic Director of People Services to negotiate and award a contract for speech, language and communication between Derby City Council and the successful organisation(s)
- To approve delegation of authority to the Strategic Director of People Service to negotiate and agree the final terms of the post 16 English and mathematics grant agreement between Derby City Council and Derby College and to approve the Opportunity Area grant award,

The Board sought clarity on the means by which the Single Person Discount would be recouped and the rationale for going out to tender for the service. It was confirmed that the removal of discounts would not be backdated and that the proposal was intended to make existing records more accurate, in order to realise future savings. It was noted that external providers had access to specialist software that could be utilised as part of the review. Members queried whether additional Council Tax support claims were expected as a result of the proposal; it was confirmed that this was not anticipated.

**The Executive Scrutiny Board resolved to note the report.**

<b>Item 22</b>	<b>Inspection of Derby Youth Offending Service</b>
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The Board received a report of the Strategic Director of People Services with regards to the outcome of Her Majesty's Inspectorate of Probation's inspection of Derby's Youth Offending Service. It was noted that the authority was the first to be inspected under a new national framework and that an overall rating of Good had been received. Strengths and areas for improvement were highlighted in the report.

**The Executive Scrutiny Board resolved to note the report.**

<b>Item 23</b>	<b>Exclusion of the Press and Public</b>
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The Board considered a resolution to exclude the press and public for the consideration of exempt detail contained within two reports discussed earlier on the Council Cabinet agenda.

Members questioned whether it was necessary for detail in relation to the Garden Waste Recycling Scheme to be discussed in closed session.

**The Executive Scrutiny 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**



<b>12A of the Act and that the public interest in maintaining the exemption outweighs the public interest in disclosing the information.</b>	
<b>Item 24</b>	<b>Castleward Urban Village</b>
<p>The Board received exempt detail in relation to the report of the Strategic Director of Communities and Place proposing development of phase 2 of the Castleward Urban Village.</p> <p>Recommendations to Council Cabinet were made when the report was considered in public session.</p>	
<b>Item 25</b>	<b>Garden (including Food) Waste Recycling Scheme</b>
<p>The Board received exempt detail in relation to the report of the Strategic Director of Communities and Place proposing the introduction of a free Garden Waste Recycling Scheme.</p> <p>Recommendations to Council Cabinet were made when the report was considered in public session.</p>	