



Contract and Financial Procedure Matters Report

SUMMARY

- 1.1 This report deals with the following items that require reporting to and approval by Council Cabinet under contract and financial procedure rules:
- Allocations from the Modernisation Fund for feasibility studies and document management within the Environmental Services department
 - Allocation from the Modernisation Fund to fund two efficiency reviews by Price Waterhouse Coopers in the Children and Young People's department
 - Allocation of 'Communities for Health' grant
 - ICT capital budget scheme
 - Housing capital programme adjustment
 - Amendment to the Home Relocation Assistance element of the Council's Housing Renewal Policy 2007-10.
 - Local Authority Business Growth Incentive – LABGI – funding allocation
 - Installation of automatic meter reading equipment
 - Additions of new grants to the Children and Young People's department revenue budget
 - Contract waivers – Children and Young People's department
 - Creation of ICT contract reserve
 - 2008/09 capital programme changes
 - Schools Access Initiative allocations
 - Use of Housing and Planning Delivery Grant (HPDG).

RECOMMENDATIONS

- 2.1 To agree an allocation of £195,000 from the Modernisation Fund to the Environmental Services department for a number of feasibility studies to assist with the delivery of budget savings, and for document management to replace the previously agreed "spend to save" proposals.
- 2.2 To approve an allocation of £19,995 from the Modernisation Fund to the Children and Young People's department to fund an efficiency review carried out by Price Waterhouse Coopers (PWC).
- 2.3 To approve the distribution of the 2008/09 £50,000 'Communities for Health' grant allocated to Derby City Council.
- 2.4 To approve expenditure of £250,000 from ICT capital budgets on a new Web Content Management System.

- 2.5 To approve the financing adjustment of £98,200 for the hand held devices capital scheme outlined in paragraph 3.5.1.
- 2.6 To approve the changes to the Home Relocation Assistance element of the Council's Housing Renewal Policy 2007-10 as set out in section 3.6 and Appendix 2 of the report.
- 2.7 To approve the addition of the balance of the new allocation of £1.008m Local Authority Business Growth Incentive funding to reserves.
- 2.8 To agree an allocation of £360,000 from an underspend on the waste contingency budget to fund the installation of automatic meter reading equipment, and to add this to the capital programme.
- 2.9 To approve an addition of new grants - the National Challenge Grant and grants for Integrated Youth Support Services, Positive Activities on Friday and Saturday Nights, Full-Time Volunteering Pilots and Designated Teacher Funding - to the Children and Young People's department revenue budget
- 2.10 To seek a waiver of Contract Procedure Rule C15 for the Children and Young People's department to enter into a contract with Nviron Ltd to undertake an upgrade of the schools network and comply with Government requirements for learning platforms.
- 2.11 To seek a waiver of Contract Procedure Rule C15 for the Children and Young People's department to enter into a contract with the National Childminding Association.
- 2.12 To transfer any year end underspend - currently forecast at £200,000 - on corporate ICT budgets to an ICT contract reserve for contract transition and contract smoothing costs with SERCO, our new ICT service partner.
- 2.13 To agree changes to the 2008/09 capital programme as set out in Appendix 3.
- 2.14 To approve the revised 2009/10 – 2011/12 capital programme totals as set out in Appendix 4.
- 2.15 To approve the scheme commencement as set out in Appendix 5.
- 2.16 To agree allocations from the Schools Access Initiative as set out in Appendix 6.
- 2.17 To agree the appropriation of £249,436 from the Development Control Action Plan reserve to the 2008/09 Regeneration and Community revenue budget.
- 2.18 To approve an increase of £311,893 in 2009/10 to the Regeneration and Community revenue budget, funded from the Development Control Action Plan reserve, to fund items related to the Housing and Planning Delivery Grant...

SUPPORTING INFORMATION

3.1 Allocation from the Modernisation Fund for feasibility studies and document management within the Environmental Service department

3.1.1 Within the Environmental Services department are a number of medium term projects that will look at possible major changes in the ways that certain services are delivered. There are significant savings forecast from these changes and these savings have been included in the Environmental Services Department's indicative 2010/11 and 2011/12 budgets with the balance of savings forecast in 2012/13. Feasibility studies are required to progress these schemes.

3.1.2 The four projects and the feasibility costs associated with these are described below:

Project	Forecast savings £000	Feasibility cost funding sought £000
Rationalisation of Stores Road and London Road depots	100	30
Review of trade waste collection service	200	30
Review of school meal preparation provision	660	50
Review of sport centre provision	Not known	50
Total	960	160

3.1.3 Cabinet agreed on 30 September 2008 to allocate £87,000 from the Pump Priming Fund to support a pilot electronic document management system in Environmental Health and Trading Standards. Originally it was intended that this would be repaid from future staff savings; however, this principle and the costs involved have now been reviewed. The Environmental Services department can fund the £17,000 cost of backscanning, but as the savings from the project are required to balance the Environmental Services budget, it is proposed that the Meridio system implementation costs of £35,000 are funded corporately from the Modernisation Fund.

3.2 Allocation from the Modernisation Fund to fund efficiency reviews in the Children and Young People's department

3.2.1 As part of the 2009/10 to 2011/12 budget strategy two areas of significant overspends were identified within the Children and Young People's Department. These were the placements of children in the care of private fostering agencies and the subsidy on childcare in neighbourhood nurseries across the city.

- 3.2.2 Children's agency budgets have seen some significant investment in recent years and the forecasts are that these budgets will continue to be a pressure for the Council. With limited funds for investment in our own in-house fostering provision and an increasing number of children entering the care proceedings system a review has been undertaken in partnership with Price Waterhouse Coopers (PWC) with a view to identifying areas of efficiencies, good practice in other local authorities and reviewing the current commissioning process including contracting and procurement.
- 3.2.3 The review of our neighbourhood nurseries across the city was the result of the loss of a government grant (Neighbourhood Nursery Initiative, NNI). As these nurseries are situated in some of the most deprived areas of the city the provision is subsidised by what was once the grant and is now the Council's funding. The review was aimed at identifying the levers that may reduce this subsidy.
- 3.2.4 In the context of the Council's budget position, it is difficult to identify where significant savings might be possible in the medium term without serious risks to frontline services. These budgets are high-risk, high spend budgets and support for this review could result in savings through more effective processes rather than risking services to very vulnerable groups. This is consistent with one of the purposes of the Modernisation Fund, which is to "support business cases for service efficiency and modernisation initiatives where future ongoing savings can be delivered."

3.3 Distribution of Communities for Health grant

- 3.3.1 The Council has been allocated £50,000 via the Communities for Health programme. The money will be used in conjunction with partner agencies to fund a number of differing public health initiatives.
- 3.3.2 It is proposed that the allocated grant is awarded to the various public health projects as follows ...
- Activity, Obesity and Body (AOB) Project (£10,000) The project is planned for the duration of one year and aims to reduce obesity by increasing levels of physical activity, leading to increased self esteem and body image through education and the provision of physical activity throughout the school day. The lead partner is Derby City Council.
 - Arts 4 Health Project (£12,000). This project is for the duration of three years and aims to improve health and reduce the health inequalities of the most marginalised groups and communities in Derby City - including isolated and young parents, people living with HIV/AIDS and excluded young people - by improving self esteem and confidence through enabling access to further education and future employment. The lead partner is Derby PCT.
 - Delivering Physical Activity to your Doorstep Project (£13,000). This project is planned for the duration of one year and aims to increase physical activity and reduce health inequalities through targeted physical activity interventions with specific reference to patients referred from four GP practices by empowering individuals to take an active role within a physical activity programme. The lead partner is Derby City Council.

- Food in Schools Primary Training Project/Derby City Schools Partnership (£3,560). The project is for the duration of two academic years and aims to promote a whole school approach to food including increasing teachers' skills and confidence in a school setting to promote healthy eating messages and support schools in working towards achieving the healthy schools standards and beyond. The lead partner is Derby PCT.
- Derby Social Housing Health Project Officer ((£11,440). The project is for the duration of two years and aims to link health priorities and reduce health inequalities by working predominantly with residents in social housing and increasing engagement of the social housing sector with partnership organisations. The lead partner is Derby Homes Ltd.

3.4 ICT capital budget scheme

- 3.4.1 The current web technology that is used to build the Council's website is out of date. It is increasingly becoming problematic to meet the needs of the Council and our customers. We are facing an increase in risk due to the Disability Discrimination Act (DDA) and the present systems' inability to meet modern accessible standards. Our Service Managers are demanding more efficient means of interaction with the Council and we are seeing from our customers an increasing demand for new "social" media interactions like webcasting as well as on line self service capabilities. This is also a key objective for our Customer Services Strategy.
- 3.4.2 We have seen an increase in spending with external web development and design agencies on websites for projects within the Council; there has been expenditure of at least £100,000. These sites offer little value to the Council and increase our risk under DDA. A new Web Content Management system will seek to unify these disparate websites and give the Council a modern and flexible system fit for the 21st century. Approval is sought to spend £250,000 from the ICT capital budgets (£100,000 from the 2008/09 allocation and £150,000 from 2009/2010).

3.5 Housing capital programme adjustment

- 3.5.1 The Building Section in Environmental Services undertakes the day to day repairs of Council buildings based on an 'open book' partnership with Derby Homes which manages the Housing Repairs account for the Council. As part of the development re-designing the scheduling of such day to day repair jobs, it is planned that operatives will receive job notifications via hand held devices. The software provided by Consilium Technologies after a tendering exercise cost £98,200 and is to be funded initially by an external contribution earmarked for housing capital expenditure. A financing adjustment will be carried out to replace this funding from the Housing Repairs account within the Housing Revenue Account. The expenditure is already within the capital programme, but approval is requested for this financing adjustment.

3.6 Amendment to the Home Relocation Assistance element of the Council's Housing Renewal Policy 2007-10

- 3.6.1 In support of the Council's compulsory purchase commitments within its Private Sector Empty Homes Strategy 2008-2011 and Housing Enforcement Policy and to support delivery of the Housing General Fund Capital Programme, it is necessary to slightly amend wording of the Home Relocation Assistance element of the Council's Housing Renewal Policy 2007-2010.
- 3.6.2 The current wording and proposed revised wording of Clause 10 and Appendix 11 of the Housing Renewal Policy are shown in Appendix 2.
- 3.6.3 The proposed amendment allows ...
- Home Relocation Assistance to be considered where properties are acquired by the Council, whether for clearance, strategic acquisition or re-sale/transfer on to an alternative owner (e.g. housing association) whereas the current wording limits that consideration solely to houses acquired for clearance.
 - Home Relocation Assistance to include provision of a discretionary payment to a recognised tenant at the acquired property of up to £1,000, to be offered to assist with sourcing, securing and removal to alternative accommodation.
- 3.6.4 In routine cases, the administration of the Housing Renewal Policy is determined by the Housing Renewal Review Panel (membership detailed at Appendix 2). Where a situation is exceptional or may set a significant precedent the panel presents a report to the Corporate Director of Corporate and Adult Services who, in consultation with the Council Cabinet Member for Housing and Public Protection, may then authorise a recommended course of action.
- 3.6.5 The financial implications arising from this change can be fully contained within the Housing General Fund Capital Programme budgets for acquisition and demolition of unfit properties and Empty Property Assistance.

3.7 Local Authority Business Growth Incentive (LABGI) funding allocation

- 3.7.1 The Council has previously benefited from allocations of LABGI funding. This funding is allocated by government based on increases in the total rateable value of businesses in each local authority area. A further allocation has now been made from a Government contingency which had been held back but which is no longer required. The allocation to Derby is £1.145m, the 13th highest in the country because of the effect of the growth in total rateable value, including the new shops in the Westfield Centre.
- 3.7.2 LABGI can be used for either revenue or capital expenditure. Council has approved the use of £137,000 to support the capital programme in 2009/10. It is proposed that the balance of £1.008m funding is added to reserves, with decisions on its allocation to be determined at a future Cabinet meeting.

3.8 Installation of automatic meter reading equipment

- 3.8.1 Climate change measures were noted as a key issue during the budget process. The Carbon Reduction Commitment is being introduced from 2010. Large organisations including the Council will pay into a pool, which will then be

redistributed according to progress in reducing energy consumption. There could therefore be financial penalties if energy consumption reduces by less than the average. It will, therefore, be important to take accurate readings which will enable measures to be targeted effectively. The installation of automatic meter reading equipment will enable this to happen. In the initial phase of the scheme, organisations will also be assessed on early action they have taken – and this will include the installation of meters.

3.8.2 The capital cost of installation is estimated at £360,000 over two years. This will include schools, which are counted towards the Council's overall measurement. The equipment can be funded from an underspend in the waste contingency budget in 2008/09. The use of this budget is consistent with its purpose, as it was originally established to address environmental targets.

3.8.3 The £68,000 annual revenue costs of operating the meter reading equipment have been included in the revenue budget proposals agreed by Council. These costs cover not just the maintenance of the equipment, but also the acquisition of the data from the meters and its subsequent processing and transmission to the Council – probably on a monthly basis.

3.9 Additions of new grants to the Children and Young People's department revenue budget

3.9.1 A number of new grants have recently been announced and need to be added to the Children and Young People's department revenue budget in line with Financial Procedure Rules.

3.9.2 The National Challenge is a crucial part of the Government's strategy to secure higher standards in all schools, and has a specific focus to ensure, by 2011, that every secondary school will have at least 30% of its pupils achieving five or more good GCSEs, including both English and mathematics. A ring-fenced grant of £595,000 has been allocated to the Council for the current academic year to support and challenge our five National Challenge schools, to secure effective leadership; a focus on the basics of good teaching and learning; excellent behaviour; to raise aspirations and to remove the external barriers to learning. This will need to be added to the 2008/09 revenue budget, with any unspent balance carried over to 2009/10 in line with Standards Fund regulations. Indicative allocations of £187,000 have been awarded for 2009/10 and £120,000 for 2010/11, and these also need to be added to the revenue budgets for those years. The grant will be used to provide support and challenge to schools from a combination of staffing and projects at both local authority and school levels.

3.9.3 The Council has received a grant of £21,000 from the Children's Workforce Development Council to support the integrated development of those in the Children and Young People's Partnership workforce who work with young people aged 13 – 19 and up to 25 for young people with learning difficulties or disability. This is a one-off specific grant, which will be used to firstly support the attendance of staff and volunteers on multi-professional learning and development programmes between April 2009 and March 2010, including programme overheads, trainer costs, management and administration, and secondly to support the involvement of the

target workforce in the One Children's Workforce integrated working survey. This needs to be added to the 2009/10 revenue budget.

- 3.9.4 The Department for Children, Schools and Families (DCSF) has awarded £25,000 to the Council to provide activities on Friday and Saturday nights in neighbourhoods where crime and disorder are a concern. This funding will be deployed by the Youth Service working with the Community Safety Partnership to meet the objectives and conditions of the grant. This will need to be added to the 2008/09 revenue budget.
- 3.9.5 In October 2008 the Government launched a pilot Full-time Volunteering Programme for young people aged 16 – 25. Local authorities were invited to apply for one of 334 fully funded programmes. In December 2008 the Children's and Young People's Department was informed that it had been successful with its bid to deliver two twelve-month programmes for 15 Full-time Volunteers each year. The Council has been allocated £285,000 to deliver the two programmes commencing on 1 April 2009 and finishing on 31 March 2011. The funding is to be used to employ two project co-ordinators, deliver a NVQ qualification, provide a weekly allowance to volunteers, and offer all volunteers who successfully complete the twelve month programme a vocational training grant of £1,500. The programme will be run by the Youth Service. The funding will need to be added to the 2009/10 and 2010/11 revenue budgets.
- 3.9.6 The Children and Young Persons Act 2008 introduced a statutory requirement for the governing bodies of all maintained schools to appoint a designated teacher for looked after children. The role of the designated teacher is to take responsibility for the promotion of the educational achievement of looked after children who are registered pupils at the school. The DCSF has made funding available to local authorities for designated teachers to attend training. The allocation is £15,643 in each of 2009/10 and 2010/11 and is part of the Area Based Grant. In line with the principles agreed by Council, it is proposed to add this into the Children and Young People's department budget for those years.

3.10 Contract waivers – Children and Young People's department

- 3.10.1 The Government's agency for schools ICT, the British Educational Communications and Technology Agency (BECTA), sets standards and requires that all schools have a learning platform by March 2010. A learning platform is software that supports learner and teacher collaboration and is used for organising, mapping and delivering curriculum activities. A platform can be used to hold significant items of learners' work in an e-portfolio. Platforms are able to deliver anytime, anywhere learning and support a personalised approach. An in-house development of a learning platform has been introduced successfully in twelve primary schools.
- 3.10.2 The current infrastructure - servers and storage – of the schools' network does not have the capacity to cope with more schools using a learning platform and a significant upgrade is required. There are advantages if all primary school adopt the same learning platform and an in-house development would provide schools with a cost-effective option that is fully supported with training from the Council's ICT Curriculum team. Secondary schools have made their own decisions about learning platforms and further developments will be supported by the Building Schools for the Future programme.

3.10.3 Nviron Ltd is the service provider for the schools' network and was awarded this contract through a previous tendering exercise. As the upgrade is an addition to the existing infrastructure, Nviron is the preferred supplier. A quote from Nviron has been analysed and is considered a good technical proposal which offers good value for money compared to current contracts we have with Capita. It is, therefore, proposed to seek a contract waiver to use this existing provider. The total cost of the upgrade is £38,945 with ongoing annual support and maintenance costs of £4,455. The funding will be met from the Harnessing Technology Standards Fund grant.

3.10.4 The National Childminding Association (NCMA) is a unique organisation providing services and accreditation for childminders. The current two year contract expires in March 2009 and the proposal is to seek a contract waiver to continue with the service under a new contract from 1 April 2009 to 31 March 2011 to the cost of £125,533. The contract would include the costs of a Childminding Services Co-ordinator and Support Childminding Co-ordinator, including all associated costs such as travel and subsistence, staff development and line management time. These two posts coordinate, support and develop childminding services across the city. The existing contract is for £118,097 and is paid from the Sure Start Early Years and Childcare Grant. This grant is ring fenced to provide childcare and children's centre services.

3.10.5 No alternative organisation works closely with the DCSF and other national organisations to provide support and expertise nationally and locally to local authorities and the general public on issues related to home based childcare (childminding). An alternative service provision would be to provide the service in-house. To employ these staff directly it would cost £115,000 over the two year period (excluding other costs such as travel). This alternative provision would not provide the link to NCMA and which is vital to the delivery of the service - in particular the childminder specialism.

3.10.6 Such specific expertise is not available within the local authority and the contact and contract specifics mean that we have a direct link to the most up to date information in relation to childminding, more direct links with Ofsted, access into additional training for the two members of staff and the rest of the childcare and family learning team. We also have direct support through network meetings and conferences and a direct link to a senior member of the NCMA national team. Over time this has provided an excellent opportunity to have an input and shape services both nationally and locally.

3.10.7 NCMA as part of the contract offer regular supervision of their staff on a monthly basis through quarterly meetings with the Early Years manager. There is regular contact with an identified manager within NCMA who ensures regular transfer of the most up to date information, with good access to high quality training for all of the team. To date there has been no failure by NCMA to meet their commitments to the Council and it is felt that the support on offer is of the highest quality

3.11 Creation of ICT contract reserve

3.11.1 In December 2008 Cabinet agreed to delegate responsibility for the identification of additional funding for the new ICT contract to the Corporate Director of Resources. The report noted that "*The change of contractor means that there are transition*

costs in 2008/09 financial year of approximately £700k, and uneven phasing of costs during the contract period. These have been considered in the overall affordability of the contract; however the phasing of the overall costs during the 7 year initial contract period requires funding to be identified on a short term basis." Additional funding is, therefore, required to meet contract transition costs and also to smooth the uneven phasing of costs during the contract period.

3.11.2 The latest forecast outturn shows that there is likely to be an underspend of around £200,000 on this year's corporate ICT budget, partly due to a reduced usage of Capita assignment days. It is recommended that any year end corporate ICT underspend be transferred to a new ICT contract reserve. This reserve will be used to meet contract transition costs and contract smoothing costs.

3.12 2008/09 Capital Programme Changes

3.12.1 Latest information on proposed changes to the 2008/09 capital programme is set out in Appendix 3. Most of the changes are due to rephasing, and 2009/10 budgets will be updated accordingly. The total reduction to the 2008/09 programme is £4.9m, which is mainly due to slippage.

3.12.2 Table 1 below shows the revised capital programme and associated funding following the changes at Appendix 3.

Table 1 – Revised 2008/09 Programme and Funding			
Programme	Latest Approved (17 Feb Cabinet) Capital Programme £000	Further Revisions (Appendix 3) £000	Revised Programme £000
Children and Young People's Department	41,059	(3,616)	37,443
Regeneration and Community Department	18,113	(408)	17,705
Corporate and Adult Services - Housing	20,910		20,910
Resources	1,359		1,359
Environmental Services	5,418	(538)	4,880
Corporate and Adult Services/Corporate	4,205	(336)	3,869
Total Programme	91,064	(4,898)	86,166
Funding 2008/09	Latest Approved (17 Feb Cabinet) Capital Programme £000	Further Revisions £000	Revised Programme £000
Supported Capital Expenditure (Revenue)	5,071	(289)	4,782
Supported Capital Expenditure (Capital)	38,999	(1,547)	37,452
<i>Unsupported borrowing</i>			
Corporate Programme	6,073	(55)	6,018
Service Financing	1,608	(165)	1,443

Service Financing Spend to Save	566	(185)	381
Housing major repairs allowance	7,294		7,294
Government grants	11,759	(819)	10,940
Capital receipts	4,251	(1,384)	2,867
External contributions	6,305	(172)	6,133
Lottery	1,238		1,238
Capital Reserves	1,155	15	1,170
Revenue/Revenue Reserves	6,048	53	6,101
S106 External Contributions	697	(350)	347
Total Funding	91,064	(4,898)	86,166

3.12.3 The principal schemes where rephasing is required are:

- Youth Capital Plus – this was an additional allocation of £452,000 announced well after the original funding for 2008/09
- St Benedict's – Multi Use games Area (MUGA) - £1.109m The contract for construction of the MUGA is currently out to tender and was due back by 6th March 2009; therefore no works will take place in 09/10 and the budget will slip..
- Normanton Juniors/Village School – demolition of buildings - £200k Works have been undertaken to strip out all asbestos from the buildings & actual demolition is to begin on site this month.
- Village Primary School – £530k although rephasing is necessary this school did, however, open in September 2008, so this relates mainly to retention payments
- Other ICT - Computers for Pupils/Access to Technology at Home - £282k rephased to take advantage of the new procurement framework by operated by Becta which will allow the Council to purchase brand new high specification equipment rather than the lower specification equipment anticipated.
- Local Transport Plan slippage of £408k across five of the strategy areas due to delays in design works, delays in completion of consultation, and shortages in staff resources
- Moorway Lane Park - £260k due to delays in acquiring the land
- West Chellaston District Park - £238k due to delays in acquiring the land
- Mental Health Scheme - £180k as the outcome of the strategy papers is awaited to determine how this budget will be spent
- Electronic Social Care Records - £185k due to the finalisation of business requirements for this scheme.

3.12.4 As well as rephasing, other changes have also been required to the 2008/09 Children and Young People's (CYP) department programme including the addition of £100k from the DCSF for da Vinci specialist school which will be used towards another bigger scheme which da Vinci has undertaken and completed.

3.12.5 Changes to 2009/10 – 2011/12 approved capital programme include a scheme in the CYP programme which requires an addition to the 2009/10 programme and scheme commencement approval:

- Alvaston Juniors roofing alterations, this scheme requires rephasing to 2009/10 and the addition of a further £60k funded from 09/10 modernisation fund to enable the phase 2 works to be undertaken in 2010/11.

The revised 2009/10 - 2011/12 programme totals and associated funding can be found at Appendix 4. Details of the scheme commencement are set out in Appendix 5.

3.12.6 As part of moves to boost the economy, the DCSF has announced an acceleration of capital funding from 2010/11 into 2009/10. The implication for Derby is that 40% of devolved capital funding for school will be brought forward, totalling £1.856m including aided schools. Schools will be encouraged to bring forward schemes accordingly.

3.13 Schools Access Initiative allocations

3.13.1 The Schools Access Initiative funds work to improve the accessibility of mainstream schools to disabled pupils and those with special educational needs. There is funding of £718,979 available in 2009/10, including slippage from 2008/09. Two further allocations are proposed, and these are set out in Appendix 6.

3.14 Use of Housing and Planning Delivery Grant (HPDG)

3.14.1 The Council received a Housing and Planning Delivery Grant (HPDG) grant of £294,811 in 2008/09. Added to the reserve carried forward into 2008/09, this gives a total budget of £953,362.

3.14.2 The funds are awarded for our performance in plan making, Development Control performance on planning applications, and housing completions in line with the adopted Local Plan and the allocations from the Regional Spatial Strategy. It is an unringfenced grant, but there is a split between capital (33%) and revenue (67%). We anticipate that we will receive elements of HPDG in 2009/10 and 2010/11, but that the scheme may be phased out going into 2011/12 when an increase in planning application fees is anticipated.

3.14.3 The use of the funds is shown in Appendix 7. This shows ongoing commitments previously approved and proposed uses of the budget in 2008/09 and in future years. The ongoing revenue commitments are predominantly posts, or contributions to posts, which help to achieve the Development Control performance, plan making, and related planning policy work, plus support costs for IT and software.

3.14.4 In the proposed revenue expenditure, we include an element for Derbyshire Wildlife Trust services to planning applications, economic development input into planning policy and planning applications, and a contribution to the LDF Core Strategy preparation. We have also allowed in 2009/10 for the starting of a thorough review of our Tree Preservation Order records, many of which are historic but need detailed and expert analysis, and CD archiving and advice.

3.14.5 For 2010/11 and 2011/12 the financial details are provided for information. During 2009/10 it is proposed that officers will consider options for developing the delivery of the planning service through the Transforming Derby process. This will include the anticipated increase in planning application fees anticipated in 2011/12, structural revisions within the Development Control Team, the proposed mergers of administration of Development Control and Building Consultancy, and searches for

other sources of external funding to fund one-off items relevant to the preparation of the Local Development Framework Core Strategy and related documents.

3.14.6HPDG includes a capital element. It is proposed that £87,000 should be earmarked for the acquisition of new IT software for GIS, mapping and record keeping, including the essential licenses. This will be considered by the Corporate Asset Management Group, together with the use of the other HPDG capital funds, as part of the Council's corporate capital programme. The total capital balance available is £388,000 including the estimated allocation for 2009/10.

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Background papers:	None
List of appendices:	Appendix 1 – Implications Appendix 2 - Housing Renewal Policy - Home Relocation Assistance: current and proposed wording; membership of the Housing Renewal Review Panel Appendix 3 – Changes to the 2008/09 capital programme Appendix 4 – Revised capital programme totals 2009/10 -2011/12 Appendix 5 – Capital Scheme Commencement Appendix 6 – Schools Access Initiative proposed allocations Appendix 7 – Housing and Planning Delivery Grant

IMPLICATIONS

Financial

1.1 As outlined in the report.

Legal

2.1 As outlined in the report.

Personnel

3.1 As outlined in the report.

Equalities Impact

4.1 None directly arising.

Corporate objectives and priorities for change

5.1 These recommendations, where relevant, are in line with approved budgets which accord with the Council's corporate priorities.

Current wording of the Home Relocation Assistance element of the Council's Housing Renewal Policy 2007-10

10. Home Relocation Assistance

Type of assistance: Grant/Advice Availability: Citywide

10.1 This assistance will be available to owners and tenants of properties which may be acquired by the Council for clearance.

10.2 Further details on this assistance are set out in Appendix 11.

Appendix 11

Home Relocation Assistance

Purpose

To provide compensation and assistance to homeowners where houses are purchased in Housing Improvement Areas or elsewhere for clearance action, or strategic acquisition prior to clearance action being formally declared.

The Property

To qualify for assistance the property must:

- Be identified within an approved Council strategy where clearance has been adopted as the best course of action to secure the improvement of adjacent areas.

The Owner

To qualify for assistance an applicant must:

- Have an owner's interest in the property.

Please note: The qualification may include leasehold with a legal obligation to repair with a minimum of 5 years left unexpired.

Details of the Assistance

- Market Value compensation will be offered to owners.
- Assistance will be provided with identifying suitable replacement properties for purchase for current homeowners (including shared ownership options).
- Assistance with locating suitable properties in the Council, RSL or private rented sector for tenants who will lose their current accommodation.
- Payment will be made of other statutory compensation amounts (such as Home Loss) whether action is formal or by agreement with the owner.

Proposed wording of the Home Relocation Assistance element of the Council's Housing Renewal Policy 2007-10

10. Home Relocation Assistance

Type of assistance: Grant/Advice Availability: Citywide

10.1 This assistance may be available to owners and tenants of properties which are acquired by the Council.

10.2 Further details on this assistance are set out in Appendix 11.

Appendix 11

Home Relocation Assistance

Purpose

To provide compensation and assistance to homeowners and tenants where houses are purchased by the Council.

The Property

To qualify for assistance the acquisition of the property by the Council must have been properly and appropriately authorised.

The Owner

To qualify for assistance an 'owner' applicant must:

- Have an owner's interest in the property.

Please note: The qualification may include leasehold with a legal obligation to repair with a minimum of 5 years left unexpired.

Details of the Assistance

- Market Value compensation will be offered to owners.
- Assistance will be provided with identifying suitable replacement properties for purchase for current homeowners (including shared ownership options).
- Assistance with locating suitable properties in the Council, RSL or private rented sector for tenants who will lose their current accommodation.
- Payment will be made of other statutory compensation amounts (such as Home Loss) whether action is formal or by agreement with the owner.

The Tenant

To qualify for assistance a 'tenant' applicant must:

- hold a recognised tenancy at the property.

Details of the Assistance

- A discretionary payment of up to £1,000 may be offered to assist with the sourcing, securing and removal to alternative accommodation.

Membership of the Housing Renewal Review Panel

The Housing Renewal Review Panel comprises:

- Head of Housing Regeneration -Chair
- Private Sector Housing Manager -Deputy Chair
- Housing Renewal Manager -Deputy Chair
- Housing Initiatives Manager -Deputy Chair
- Housing Standards Manager
- Empty Homes Manager
- Disabled Facilities Grants Manager
- Home Energy Advice Manager
- Area Programme Manager
- Senior Officers from other services and departments including Legal Services and Resources are on occasion asked to attend.

Summary of Changes to The Capital Programme 2008/2009				
	Latest Approved Capital Programme 2008/09 £000	Revised Capital Programme 2008/09 £000		Category
Children & Young Peoples Department				
Youth Capital PLUS	452	10	-442	S
Youth Capital Fund	201	199	-2	S
Chellaston Infants - 2 classroom extension to provide replacements for life expired Vic Hallam classrooms	60	50	-10	S
Window Replacement at Youth Centres	21	0	-21	S
Becket Adult Learning Store - site investigation works	40	25	-15	S
STEPS Schools Access initiative equipment	108	128	20	S
Da Vinci - Specialist Schools Grant	0	100	100	A
Sinfin (Carlton) Childrens Centre	357	365	8	S
Contingency	38	18	-20	S
Sinfin Vocational Centre	610	0	-610	R2
Sinfin Replacement School	11,025	11,635	610	R2
Sinfin Replacement School	11,635	11,056	-579	S
Other ICT - Computers for Pupils/Access to Technology at Home	282	0	-282	S
Village Primary Replacement School	4,698	4,168	-530	S
Sure Start Brookfield Children's Centre	89	26	-63	S
Sure Start Cavendish Close Children's Centre	102	7	-95	S
Sure Start Oakwood Infants/Juniors Children's Centre	89	19	-70	S
St Martins Special School - provision of secondary age places for autistic children	141	116	-25	S
School Glazing repair & replacement	97	17	-80	S
Various schools - encapsulation/removal of asbestos containing materials from boiler houses	111	80	-31	S
St Benedicts - Multi Use Games Area (MUGA)	2,003	894	-1109	S
Primary Capital Programme - implementation & feasibility	100	20	-80	S
Normanton Juniors/Village School - demolition of buildings	390	100	-290	R1 90, S 200
Total changes to Children & Young Peoples Department	32,649	29,033	-3,616	
Regeneration & Community Department				
Local Transport Plan (LTP)				
Strategic Implemented Transport Scheme (SITS)	367	307	-60	S
Smarter Choices	140	95	-45	S
Strategic Public Transport Improvements	787	737	-50	S
Maintenance	2,018	1,852	-166	S
Local Accessibility	1267	1180	-87	S
Total changes to Regeneration & Community Department	4,579	4,171	-408	
Environmental Services				
Gym Equipment	225	227	2	A1
Highview Neighbourhood Park	70	74	4	R1
Sinfin Moor play area	150	154	4	R1
Racecourse Play Area	70	34	-36	R1
Alvaston Play Area	134	155	21	R1
Moorway Lane Park	260	0	-260	S
West Chellaston District Park	288	50	-238	S
Markeaton Park	0	20	20	R1
Defective Sewers	55	0	-55	S
Refuse Collection Vehicles	0	123	123	R2
Rethink Rubbish	340	217	-123	R2
Total changes to Environmental Services	1,592	1,054	-538	
Corporate & Adult Services				
Mental Health	186	35	-151	S
Mental Health	35	6	-29	R2
Perth House	83	112	29	R2
Electronic Social Care Records	244	59	-185	S
Total changes to Corporate & Adult Services	548	212	-336	
TOTAL CHANGES TO PROGRAMME	39,368	34,470	-4,898	

Key of Categories	
A	Additional schemes from new funding
A1	Scheme increase funded by previous years reserves income
S	Re-phasing
R1	Other Adjustments - Scheme
Re-allocation:	
R2	Within Department's programme
R3	To different Departments programme

Appendix 4

Revised 2009/10 – 2011/12 Capital Programme and Funding

Programme	2009/10 £000	2010/11 £000	2011/12 £000
Children and Young Peoples Department	34,715	25,817	50,269
Regeneration and Community Department	26,896	20,863	17,055
Corporate and Adult Services - Housing	23,216	15,511	12,853
Resources	2,098	1,174	266
Environmental Services	8,969	4,357	900
Corporate and Adult Services/Corporate	6,560	22,624	23,780
Total Programme	102,454	90,346	105,123
Funding			
Supported Capital Expenditure (Revenue)	8,951	4,408	3,857
Supported Capital Expenditure (Capital)	33,411	22,396	19,672
<i>Unsupported borrowing</i>			
Corporate Programme	5,558	19,499	27,767
Service Financing	1,455	1,726	266
Service Financing Spend to Save	1,112	300	135
Housing major repairs allowance	7,815	8,025	8,230
Government grants	22,477	13,214	36,245
Capital receipts	7,956	11,057	4,674
External contributions	3,878	4,949	2,294
Lottery	1,425	0	0
Capital Reserves	66	0	0
Revenue/Revenue Reserves	7,265	4,772	1,983
S106 External Contributions	1,085	0	0
Total Funding	102,454	90,346	105,123

Scheme Commencement

Appendix 5

Approval is sought for the following scheme commencement. Proposed funding details are shown below.

- Alvaston Juniors – replacement of defective North lights to roof of main building & replacement felt covering (incorporating £60k scheme increase to include phase 2 works)

Budget	£'000
2008/09	50
2009/10	240
2010/11	70
Total	360
Funding	
SCE® Modernisation funding	175
SCE© Modernisation Funding	100
Devolved Contributions	85
Total	360

Schools Access Initiative Projects 2009-2010

2009/10 Allocation:	£505,280
2008/09 Allocation rephased to 2009/10:	£213,699
Previously Approved Schemes:	-
Funding Available:	£718,979

New Projects:

School	Project	Total Project Cost	School Contribution/ Modernisation Funding & previously approved SAI funding	Schools Access Initiative Funding	Ward	Phasing 2007/08	Phasing 2008/09	Phasing 2009/10
Carlyle Infants	Uneven woodblock floor replacement	£9,873	-	£9,873		-	-	£9,873
STEPS Equipment	Additional specialist teaching & psychology service equipment	£128,000	-	£20,000*		-	£128,000	-
Total Schools Access Initiative Contribution				£29,873				

Remaining funding: £689,106

* Additional SAI funding allocated to increase scheme to the Total Project Cost

Housing and Planning Delivery Grant (HPDG)

Revenue

Funding available

	£	
Brought forward	447,198	396,759
HPDG allocation in year	198,997	***
Total	646,195	396,759

Ongoing Commitments

	2008/09	2009/10	2010/11	2011/12
	£	£	£	£
Provision for teams to support planning applications	28,000	28,000	28,000	28,000
Existing posts supporting the planning function	153,832	152,517	158,161	163,204
Software, maintenance and support costs	17174	17947	18486	19040
Total for committed revenue activities	199,006	198,464	204,647	210,244

Proposed

Derbyshire Wildlife Trust services for planning applications	9,430	9,430	9,430	9,430
Additional support across department for plan making	39,000	84,000	64,300	49,609
CD archiving & advice, training etc	2,000	20,000	10,500	10,500
Total for proposed revenue activities	50,430	113,430	84,230	69,539

Total for all activities

249,436	311,894	288,877	279,783
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Balance carried forward

396,759	84,865
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*** - 2009/10 allocation to be confirmed