

ITEM 4

Time commenced – 18:00

Time finished – 19:55

Corporate Services Scrutiny Review Board

31 January 2019

Present: Councillor Marshall (Chair)
Councillors Bettany, Cooper, A Pegg, P Pegg, Shanker, Peatfield

In Attendance: Democratic Services Officer
Nicola Sykes, Director of HR and OD
Richard Antcliffe, Director of Public Protection and Streetpride
Simon Aitken, Streetpride Area Manager
Catherine Williams, Head of Service Regeneration Projects

16/18 Apologies for Absence

There were no apologies.

17/18 Late items introduced by the Chair

There were none.

18/18 Declarations of Interest

There were none.

19/18 Minutes of the meeting held on 4 October 2018

The minutes of the meeting held on 4 October 2018 were agreed as a correct record.

20/18 Items referred from the Executive Scrutiny Board

There were none.

21/18 Remit, Work Programme and Topic Reviews

The Board considered a report of the Strategic Director of Corporate Resources which included the proposed work programme for 2018/19.

Resolved to note the report

22/18 Corporate Health and Safety

The Board considered a report of the Strategic Director of Corporate Resources.

The Director of HR and OD gave an update presentation regarding the ongoing development of the service.

The Board considered the new governance structure for Corporate Health and Safety. It was reported that the responsibility for Corporate Health & Safety sit in Corporate Resources to ensure corporate grip and the responsibility for local Health & Safety leadership, local and specialised roles sit in functions, for example Streetpride.

The Board noted that the proposed governance structure would be shared at the Corporate Health and Safety Board in April and that the recruitment of a Health and Safety Manager was currently underway.

The Board were concerned about sickness levels in the organisation, stressing that staff reductions and continuing workload had an impact on sickness levels. It was noted that the HR team was focusing on attendance management improvement. Councillors were also concerned that Audits were being monitored to ensure they were carried out to the correct level, noting that Corporate Health and Safety were focusing on the quality of audits rather than quantity.

Resolved to note the report.

23/18 Sinfin Energy from Waste Treatment Plant

The Board received a report of the Director of Public Protection & Streetpride which provided an update on performance of the new waste treatment facility. The Board noted that the report did not disclose confidential or commercially sensitive information.

The Board noted that the Waste Plant contract was discussed at Council Cabinet on 12 December 2018 and that some of the information was not in the public domain due to confidential and commercial sensitivities. Both Derby City and Derbyshire County Council had met at their respective Cabinet meetings to discuss their joint long-term waste management contract. The Board noted that all decisions about the waste treatment centre must be taken jointly by both councils as set out in the contract.

It was reported that under the contract Resource Recovery Solutions (Derbyshire) Ltd (RRS) had built a waste treatment facility on Sinfin Lane, Derby on behalf of the councils to divert 190,000 tonnes per year of waste from the landfill.

It was reported that Derby City Council remained in contract with RRS and the facility continued to be assessed by an Independent Certifier. The Board noted that Council Cabinet would receive a further update at the appropriate time.

The Board was concerned that the Incinerator Plant was due to open in December but was still closed, they asked if a new opening date could be confirmed. Concerns were also raised regarding payment for the Incinerator Plant which was not functioning to capacity. The Board noted the complexity of the contract surrounding the Plant and that the Council would not make any

payment until the Plant had passed its Acceptance test. The Board noted that the Plant was scanned on a daily basis and a watching brief was maintained by the Council. The Board requested that costs of technical advisers on a daily basis be provided. It was confirmed that this information could be provided as long as it was not commercially sensitive.

The Board requested information on the basic terms of the contract when agreed ie the price per ton at that time and the current price per ton. The Board noted that this would be a detailed piece of work to undertake and that the information requested was commercially sensitive; specific numbers could not be put into the public domain. It was confirmed that the original business case could be plotted on a graph together with key issues that influenced cost eg landfill taxes.

The Board asked if figures could be provided for what the Plant had cost since April 2017 together with the costs of technical, legal and financial advisors and any other independent advisors. They felt that this figure should be in the public domain. It was confirmed that the overall bill would be part of the discussion with contractors and that these figures were still in negotiation. The Board asked if figures could be provided for the value of the plant in December 2018; they also queried if there had been a reduction in value since then.

The Board discussed the possibility of the Plant remaining closed. It was confirmed that a joint contingency plan with Derbyshire County Council was in place. The Board requested costs for these contingency arrangements. The same rates for waste were being paid as elsewhere in the country, however the Plant was not yet over the contractual line. The Board noted that the Council would like to be completely transparent in detail but as PFI was involved there was a need to protect the interests of Derby City. It was confirmed that £25 million was still held by Derby City Council and that all the City's residual waste was being taken to the Plant.

The Board noted that neither recyclable or compactor waste was being taken to the Plant as it was difficult for the smaller vehicles involved in transporting this type of waste to move around the Plant safely.

The Board was concerned that the Plant would not be able to pass the Acceptance Test. It was confirmed that contractors would be given every opportunity to achieve success within a reasonable amount of time. Funding would not be provided until the Plant was working properly as all contractual obligations must be met.

The Board raised their concerns regarding the smell and noise from the Plant when in operation; this was a key issue for local ward councillors. It was noted that discussions about compensation from the Contractor had taken place, the Board asked how this was progressing and if residents would see any benefits. It was confirmed that talks were in process.

Resolved to request:

- 1. The costs from April 2017 of all advisory functions for the Sinfon**

Energy from Waste Treatment Plant, including technical, legal and financial be obtained for the Board and to establish which organisation will be responsible for payment of these costs.

- 2. That an analysis of the original business case versus the current business case be prepared for the Board**
- 3. That the latest value of the Sinfin Plant be obtained for the Board**
- 4. That a briefing on the Contingency Plan and cost to be prepared for the Board**
- 5. That a briefing be prepared on the latest position on compensation and the likelihood of payment.**

24/18 Assembly Rooms, Costings, Business Case, Timings, Consultancy

The Board received a report of the Strategic Director of Communities and Place which provided an update on the current position in relation to the Assembly Rooms, Costings, Business Case, Timings and Consultancy. A presentation was given by the Head of Service Regeneration Projects.

The Board noted the Project Vision was to create a new look and feel for the venue and re-open it as quickly as possible at a minimum capital and revenue cost, also to look at how to re-animate the City centre. A Feasibility Study had been undertaken by SCAPE. Essential work was identified to re-open the venue ie replacement of Plant room destroyed by fire, installation of fixtures and fitting, asbestos removal and disposal. Possible enhancements to the building were identified ie re-modelling of the market place frontages, the venue entrance to be re-modelled and improvements made to the lounge areas. Improvements were planned to the Darwin Suite, additional points of sale for food and drinks to be provided. Cladding to be added to the car park building. The Board noted that there was £24m funding available for works. £18.2m for essential works, £4.8m for enhancements and a reserve of £1m. The Board noted there would be an early years running cost which would be higher at first until the venue reached a steady state, funding had been built into the MTFP. The aim was to open the venue by 2020.

The Board noted that the Cabinet Member for Leisure, Culture and Tourism had been invited to this meeting but was unable to attend due to prior commitments.

The Board noted that no decision had been made yet about using an internal or external operator to run the Assembly Rooms. The Board queried how many external operators had shown an interest. It was confirmed that IPW had spoken to between 4 to 6 operators, a number of whom did express an interest in running the building. Councillors requested a breakdown of cost, it was confirmed that as yet there was no contractor in place, there was a need to keep any figures confidential. There was discussion around the benefits of in house/out house operation. Councillors requested a projection of figures for in-house operation.

The Board was concerned that work should be undertaken to improve the exit from the car park. It was confirmed that no structural changes were planned and that entrance and exits would currently pass health and safety standards. Councillors asked if the Assembly Room roof was to be replaced, it was confirmed that the essential repairs figure did not include roof replacement. The size of the venue was discussed. Councillors felt that Event Promoters would not be interested in a venue of this capacity for large events. It was confirmed that the capacity of the venue was 1500 standing and 1200 seated. It was noted that 25% of space would be lost if the stage was in use. It was noted that no internal structural change to the size and layout of the building was planned.

The Board considered the installation of commercial units outside the Assembly Rooms. Councillors were concerned that restaurants and bars would affect any profits from refreshments sold inside the building. It was confirmed that the outside units would be let by the Council and that it was usual practice to have units selling food and drink outside the venue and in the surrounding area to give customers a range of choice.

Councillors were concerned that an existing Jacobean ceiling in the Darwin Suite be protected. It was confirmed that if such a feature exists Derby City Council would want to retain and restore it.

The Board noted that no public consultation had been undertaken; although a number of events with stakeholders and individuals had taken place and Councillors queried if any of the events were open to the public. It was confirmed that events were mainly on an invitation basis, but members of the public could attend.

Councillors noted that there was grant funding associated for the project. It was confirmed there was no decision as yet, although £4.5m had been agreed in principle. An initial outline business case was being taken to LEP in March/April 2018 for consideration, with a final decision to be made once planning permission was in place. The recommendation from December Council Cabinet was that the project would proceed subject to approval of funding from LEP.

The Board was concerned about the refurbishment project on a value for money basis. They requested that an independent financial review of the business cases for refurbishment –v- rebuilding be made to establish which option was the best value for Derby Taxpayers.

Resolved:

- 1. That the Jacobean Ceiling in the Darwin Suite of the Assembly Rooms be retained and restored**
- 2. To request a breakdown of subsidy in various years**
- 3. That figures be provided to illustrate the benefits to the local economy of re-opening against rebuilding the Assembly Rooms.**

- 4. To request an independent review of the option refurbishment -v- rebuild to establish which option was the best value for money.**

MINUTES END