

Time began 7.00pm
Time ended 8.55pm

**COUNCIL CABINET
23 NOVEMBER 2010**

Present Councillor Holmes (Chair)
Councillors Grimadell, Ingall, Marshall, Poulter,
Webb and Williams

In attendance Councillors Bayliss and Jones

This record of decisions was published on 25 November 2010. 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.

111/10 Apologies for Absence

An apology for absence was received from Councillor Jennings.

112/10 Late Items Introduced by the Chair

There were no late items.

**113/10 Identification of Urgent Items to which Call-In
will not apply**

There were no urgent items.

114/10 Declarations of Interest

Councillor Bayliss declared a personal interest in items 9 and 10 because he was appointed by the Council to Derby Homes Board. Councillor Webb declared a personal interest in items 9 and 10 because he was appointed by the Council to Derby Homes Board and item 14 because he was a trustee on the Liversage Trust. Councillor Marshall declared a personal interest in item 14 because he was a trustee on the Liversage Trust.

115/10 Minutes of the meeting held 26 October 2010

The minutes of the meeting held on 26 October 2010 were agreed as a correct record and signed by the Chair.

Matters Referred

116/10 Budget Strategy: Impact of Comprehensive Spending Review

The Council Cabinet considered a report from the Scrutiny Management Commission which stated that at its meeting on 9 November the Scrutiny Management Commission gave initial consideration to the Comprehensive Spending Review and Chancellor's Statement to the House of Commons on 20 October. The Commission were also provided with the report to Council Cabinet on 26 October. The Commission made the following recommendations to Council Cabinet.

- To make an assessment of the consequential impact of Council cuts on the private sector locally.
- To seek to ensure that when responsibility for Public Health transfers from the NHS, sufficient funds will also be transferred to deliver the services.
- To note that the Commission had requested the Interim Strategic Director of Resources to provide a list of statutory and non statutory functions to each Commission.

Decision

To receive the report.

117/10 Climate Change Update

The Council Cabinet considered a report of the Scrutiny Management Commission which stated that as a result of the Council meeting on 7 July responsibility for scrutinising climate change issues transferred to the Scrutiny Management Commission. At its meeting on 9 November the Scrutiny Management Commission received an update on climate-related activity and initiatives. The following recommendations were agreed

- When constructing the budget, to consider whether the 'Warm and Well' energy advice and assistance project can be continued in some form after the current funding ceases
- To make representations to central government to mitigate the approximate ten-fold increase, from £50k to £500k per year, that will arise from the changes in the mandatory Carbon Reduction Commitment Energy Scheme.
- To note the Commission's great concerns about the potential risks to the achievement of the Longbridge Weir Hydro Scheme.

Decision

To receive the report.

118/10 Succession Strategy for Derwent New Deal for Communities Programme

The Council Cabinet considered two reports, one from the former Resources Commission and one from the Scrutiny Management Commission. The first report stated that the Resources Commission discussed the expiry of the Derwent New Deal for Communities programme at their September meeting and decided to lobby the Government for a six months extension to the scheme. This was required due to the number of delays that the programme had experienced in delivering its key objectives. Subject to central government approval, the extension would have enabled Derwent NDC to carry out vital, and necessary, capital works to the Gateway and Revive Centres which had both been part-funded with NDC resources. Any remaining NDC funding was to be spent on developing a residential housing portfolio to meet local housing needs. Unfortunately the Government was unable to support the NDC's request for an extension. As a direct consequence of this decision there was now insufficient time left to deliver any of the capital projects. It was now therefore necessary for the NDC Board, Derwent Delivers and Revive Charity and Trading Company to decide what should happen to the buildings that they are legally and financially responsible for.

When the NDC programme comes to an end, any unallocated NDC funding would be returned to the national Department for Communities and Local Government (CLG)

In order to support the NDC Board the Resources Commission reviewed the options for the flagship projects at its meeting on 25 October 2010. During the review meeting the Commission received evidence from the Council's Service Director (who has been responsible for the programme since 2007), Councillors for the Derwent ward, NDC Board members as well as senior officers of the Council. Together with local residents, the Commission had considered all the options and wished to put forward the following recommendations in support of leaving positive legacy for the local community:

- The Council Cabinet should explore further options to secure funding for a gymnasium to be run from the Gateway Centre and negotiate with Derbyshire Cricket Club for a binding agreement to provide sustainable community facilities for local residents.
- The Council Cabinet should engage with NHS Derby City and find a solution for the future ownership and management of the Revive Health Living centre.
- Land on Wiltshire Road should be transferred to a mainstream agency.

- Two residential properties should be transferred to a mainstream agency.

The second report supplemented the first report, which was placed on the agenda by the Resources Commission following its final meeting on 25 October. The Resources Commission also resolved to hold a further meeting to examine this issue. That commission was dissolved by Council on 17 November, and its terms of reference transferred to Scrutiny Management Commission. As a result, this item was instead considered by Scrutiny Management Commission at a special meeting on 22 November 2010, giving rise to the following additional recommendations:

- To support recommendations 2.1 to 2.4 detailed in the report of the Resources Commission.
- To attempt to find an exit or succession strategy for the whole of the Derwent NDC programme.
- To request the Cabinet Member for Leisure and Culture to explore the incorporation of the Gateway Centre into the Council's developing Leisure Strategy.
- To request the Cabinet Member for Children and Young People to explore the wider use of the Gateway Centre for community purposes, particularly activities for younger residents.
- As a matter of great urgency, to seek meetings between the Chief Executives of the Council and NHS Derby City to achieve the exit or succession strategy.

Decision

To receive the reports.

119/10 Recommendations from the Adults, Health and Housing Commission

The Council Cabinet considered a report on recommendations from the Adult Health and Housing Commission. At its October meeting, the Adults Health and Housing Commission reviewed options for the future management and maintenance of Council's housing stock, which was currently managed by Derby Homes. As part of the review the Commission received evidence from a range of people including officers and Board members of Derby Homes, groups of tenants and Housing and Advice Services division. Members also considered the November 2010 Forward Plan which was a standing item on the Commission agenda.

The Commission recommended that;

- The results of the “Local Conversation” exercise carried out by Derby Homes tenants should be included as part of the appraisal process for determining future management and maintenance arrangements of the council housing stock.
- The Council Cabinet should undertake detailed consultation with tenants if a decision was taken to bring management and maintenance responsibilities back in-house.
- Regeneration of housing estates should be considered as part of the appraisal process for determining the future management and maintenance of the housing stock.
- Officers provide detailed information on VAT issues related with Derby Homes to Commission members.

Members were unhappy and wanted an explanation as to why insufficient notice was given to them on items 37/10 and 39/10 listed in the November Forward Plan for consideration by the Council Cabinet at its December meeting, as the Adults Health and Housing Commission was not scheduled to meet again until 24 January 2011 and would not have opportunity to consider the issues prior to the decision being taken.

The Council Cabinet also considered a report of the Strategic Director of Adults, Health and Housing in response to the recommendations.

Decision

1. To agree that it is important to seek tenants views on the future arrangements for management of the housing stock and repairs service. Before a final decision is taken on the future arrangements consultation with the tenants be undertaken.
2. To note that Council Cabinet considers that tenant consultation should take place before a final decision is made on the future arrangements.
3. To agree that there may be a need in the future, to change management arrangement in respect of some estates. However, it does not agree that this should be done as part of the current appraisal of options.
4. To note that Commission members will be provided with detailed information on VAT issues related to Derby Homes.
5. In relation of item 37/10 and 39/10 on the Forward Plan, Council Cabinet will be proposing that consultation be carried out on both of these issues. Therefore the Adults Health and Housing Commission will have the opportunity, at its meeting of the 24 January to consider both reports.

Key Decisions

120/10 Future for the Housing Management and Repair Service

The Council Cabinet considered a report on Future for the Housing Management and Repair Service. Since April 2002, Council housing in Derby has been managed on behalf of the Council by its Arms Length Management Organisation – Derby Homes. In June 2010, the Council also transferred the management of the Housing Repairs Service to Derby Homes.

Derby Homes' contract with the Council expires in March 2012 and the Council needs to consider whether or not to renew the contract. The report considers the options available to the Council for the future of the Housing Management and Repairs Service and evaluated the options against the criteria of:

- cost
- quality
- efficiency
- tenant engagement
- member engagement / democratic accountability.

Options Considered

The options of stock transfer and a Tenant Management Organisation were considered, but dismissed.

Decision

1. To agree to renew Derby Homes' contract in 2012 for a period of ten years with a break clause after five years, subject to testing the views of the majority of tenants by way of a consultation questionnaire.
2. To receive a further report detailing the outcome of the consultation exercise.
3. Subject to a positive response from tenants, to authorise the Strategic Director of Adults, Health and Housing, in consultation with the Cabinet Member for Housing and Advice Services, to make any changes to the contract to reflect the inclusion of the Repairs Service and make it fit for purpose for the ten year period from 2012 to 2022, and to include an agreement for Derby Homes' Head Quarters to move to the refurbished Council House and integrate its customer contact handling into the Council's Customer Contact Centre and any agreed business efficiency targets.

Reasons

1. The Options Appraisal had not provided evidence of a compelling case to change the current arrangements.
2. Before making a final decision, it was important that Council Cabinet was aware of the tenants preference.
3. If renewed, the current contract needed to be amended to include the Repairs Service, along with any other minor amendments considered necessary.

In accordance with Procedure Rule A126, the Chair of the Adults Health and Housing Commission had been advised that this item would be considered although not included in the Forward Plan.

121/10 Proposed Sale of the Former Merrill Upper School Site

The Council Cabinet considered a report on the Proposed Sale of the Former Merrill Upper School Site. Council Cabinet at its meeting held on 29 September, 2009 resolved to proceed with a sale to a named developer and delegated specified aspects for approval by nominated Cabinet Members. A report in the confidential part of the agenda provided an update and sought authorisation to revise the terms to accommodate changed circumstances.

Options Considered

This was contained within the confidential part of the agenda.

Decision

This was contained within the confidential part of the agenda.

Reasons

These were contained within the confidential part of the agenda.

122/10 Fairer Contributions Policy

The Council Cabinet considered a report on Fairer Contributions Policy. All councils had discretionary powers to charge for community based care services. Derby City Council took the decision to re introduce charges from January 2009. The introduction of personal budgets in adult social care required Councils to amend their charging policies to fit into the new system of delivering care services. In addition, the austerity measures the Council was facing required that it maximised its income from discretionary charging. The report outlined the current charging policy for care services and proposes a range of changes to incorporate personal budgets, generate additional

income and tackle the inequalities in the current policy between different services and service user groups. The impact of the changes on existing service users was concentrated on a minority of service users, where the increased charges would be considerable but would be assessed as now on the ability to pay. There was potential to raise an additional £1.5m in income in a full year of operation, although less than this – around £1m – was anticipated at this stage. In light of the above impact, officers were proposing short term transitional protection for people currently in the system whose charges may rise more steeply. A full public consultation was required and it was proposed that this was run jointly with the consultation on changes to the *Fair Access to Care Services* eligibility criteria. Following consultation, an analysis of responses shall be provided to Council Cabinet at point of decision together with service user impact and an equalities impact assessment.

Options Considered

The option of continuing with subsidised services and a unit based charge at point of delivery had been considered but due to equity issues, administration problems, sustainability and affordability this had been discounted.

Decision

1. To approve a full public consultation on changes to the Fairer Charging policy as detailed in the supporting information.
2. To note that a further report would be brought to March 2011 Council Cabinet detailing the results of the consultation, recommendations and impact assessments.

Reasons

1. The Fairer Charging policy in its current form did not comply with the new system of delivering social care services through the medium of personal budgets.
2. The current charging policy was inequitable across different services and service user groups.
3. Additional income was required from discretionary charges due to the financial constraints the Council was facing due to the economic climate.
4. There was a legal requirement to consult with the public on any substantial change to the fairer charging policy for adult social care services.

123/10 Fair Access to Care Services

The Council Cabinet considered a report on Fair Access to Care Services. Local authorities with adult social services responsibilities were required to set an eligibility threshold for those services as prescribed in the Fair Access to Care Services guidance to all local authorities, with due regard to their

resources. The Council had currently set its threshold at “moderate” risk to loss of independence and well-being if services were not provided. The report sought authority to consult with the public and service users to raise the eligibility threshold from moderate to substantial risk to loss of independence. i.e. to only provide services where there was a substantial or critical risk to an individual’s independence and well-being. One estimate of the impact of this change was that approximately 800 people currently in receipt of services may be affected by any potential change. However, it was difficult to be precise about the numbers without reassessing those who potentially fell into the Moderate band. This was something the Council would be required to do should it decide to change the eligibility threshold post-consultation. The majority of Councils in England and Wales (75%) already provided adult social care services to people at substantial or critical risk to loss of independence and well-being. A number of Councils who meet moderate needs were currently reviewing their eligibility threshold and were likely to raise it to substantial or critical risk. Following consultation an analysis of responses would be provided to Council Cabinet at the point of decision together with service user impact and an equalities impact assessment.

Options Considered

The option of moving our eligibility threshold to critical only had been considered and dismissed as the service user impact would be too great. Consideration had also been given to stay at the moderate eligibility band. This was unsustainable in the current demographic and economic climate.

Decision

1. To approve a full public consultation on raising the adult social services eligibility threshold from the moderate to the substantial band as detailed in the supporting information.
2. To note that a further report would be brought to Council Cabinet in March 2011 detailing the results of the consultation, recommendations and impact assessments.

Reasons

1. The current eligibility threshold of moderate for adult social care services was unsustainable in the current demographic and economic environment.
2. There was a requirement to consult with the public on any substantial change to the eligibility threshold for adult social care services.

124/10 Council Care Homes for Older People

The Council Cabinet considered a report on Council Care Homes for Older People. The report amended the recommendations of the care home review submitted to Council Cabinet on 17 March 2009, 27 October 2009 and 16 February 2010. This reflected local and national developments over the

intervening time. The report focused on expediting Extra Care Housing development as an essential local alternative to care home provision. The report also recommended a different approach to meeting dementia-related needs. A key driver within the report was the need, in view of the extremely limited availability of capital, to prioritise investment in the development of Extra Care Housing over the remodelling of aged Council-run care homes. The report re-emphasised findings that Derby was over-supplied in terms of care home places and recommended consultation on the closure of two care homes, while demonstrating that this would still leave available places to meet local demand.

Options Considered

1. Doing nothing would fail to address the oversupply of care home places and the undersupply of Extra Care Housing and other modern alternatives being requested by local older people.
2. Seeking to close more than two care homes over the next calendar year would risk remaining care home capacity being insufficient to meet demand. Further care home closures should continue to be managed consistently with the availability of the supply of modern alternatives to residential care.

Decision

1. To continue the planning of Extra Care Housing development in Mackworth (to replace Arthur Neal House), Mickleover (to replace Bramblebrook House subject to future consultation) and Normanton (to replace Coleridge House subject to future consultation).
2. To provide extra resources from the Council's capital programme to support the development of Extra Care Housing by diverting funding previously earmarked for dementia care.
3. To adapt the Council's approach to Extra Care Housing to increase the emphasis on supporting people with high needs who might otherwise have needed to be in residential care.
4. To focus actions to extend and improve dementia care upon independent sector care homes instead of developing Council-run dementia care homes at Warwick House and Perth House.
5. To shift the proposed future location of dedicated intermediate care from Arboretum House to Perth House.
6. To consult on the closures of Warwick House and Merrill House, with a timescale for both to be closed subject to the outcome of consultation by September 2011.

7. To carry out further appraisal on Arboretum House and Raynesway View to determine future options.

Reasons

1. The development of Extra Care Housing (ECH) was a strategic priority of the Council after feedback from local older people that they would like these services to be available across the city. The schemes identified in recommendation 2.1 of the report were approved by Council Cabinet as part of the previous care home review work carried out in 2008-10. These developments would enable modern Extra Care Housing facilities for older people to be put in place in three more areas of the city (to join the small schemes already in place in Alvaston and Darley wards). The ECH schemes would effectively replace the Council-run care homes in those parts of the city. The rationale for this was provided in the Supporting Information section below.
2. ECH schemes with a high proportion of flats for rent require support from external grants because they could not provide enough revenue from sales. The Home and Communities Agency (formerly the Housing Corporation) had historically provided significant funding to ECH schemes but did not have the resources to continue with this. This had caused delay in the schemes identified above and created increased onus on Council capital funding to address the shortfall.
3. The two existing Extra Care Housing schemes in Derby had been developed on the "thirds" principle where only 1 in 3 residents had high-level needs. Evidence collated by the Department of Health (page 31 http://www.dh.gov.uk/en/Publicationsandstatistics/Publications/PublicationPolicyAndGuidance/DH_107596) suggested this did not maximise value-for-money, and that much more cost-effectiveness could be obtained by focusing all Extra Care Housing on people with high needs, many of whom might otherwise have needed to move to a care home. In the current financial climate especially, Derby could not afford to continue the thirds model on all but the largest schemes.
4. The refocusing of Council capital on Extra Care Housing rather than dementia care meant that there would not be funding available to deliver the dementia care developments proposed by the previous care home review on the sites of Warwick House and Perth House.
 - This was a matter of prioritising brand new Extra Care Housing facilities over the adaptation of current Council care homes which were limited in their effectiveness and sustainability by the shell of the existing 40 year old building.
 - The great majority of older people with dementia were already placed by the Council in independent sector care homes with frequently more modern design standards and the same regulatory regime as the Council's establishments. It was proposed to further increase the dementia focus of

the independent sector by issuing of a Council dementia specification linked to specific fee rates.

- Independent sector care home providers had shown considerable recent appetite to deliver dementia care in Derby, with two new build nursing homes built in 2010 alone. This had created significant capacity in the nursing home market, and also an opportunity to discuss with existing providers how they could meet dementia needs in the residential home sector.
5. The care home review previously identified Arboretum House as the best location for a dedicated Intermediate Care and short-term care resource. This was in view of the close proximity to the planned positioning of diagnostic and therapeutic facilities for older people on part of the Derbyshire Royal Infirmary site. However, more recent developments indicate that many of these facilities were now more likely to remain in the Royal Derby Hospital. In view of this Perth House was a more appropriate location for dedicated Intermediate Care. This was because of its recent history in providing intermediate care, the adaptation it had already undergone, and the investment received from Derwent New Deal. Arboretum House had none of these advantages.
 6. The care home review evidenced a residential care over-supply of in Derby of 78 beds by the end of 2010-11. This over-supply had been created by the development of alternatives like Extra Care Housing and the improvement of community care so people could be supported at home for longer. The total combined bed capacity of Warwick House and Merrill House is 68 beds. Further information about why Warwick House and Merrill House had been selected for consultation on closure was provided in the Supporting Information section.
 7. Extra Care Housing or equivalent services that replace Arboretum House and Raynesway View needed to be commissioned over time for the same reasons as other Council care homes. Also as with other Council care homes dealt with in this report, any future proposals on Arboretum House or Raynesway View would need to be coordinated with developments in the surrounding area, so that local older people and their families always had an appropriate choice of care and accommodation options

125/10 Proposed Merger of Redwood Infant and Junior Schools

The Council Cabinet considered a report on proposed merger of Redwood Infant and Junior Schools. At its meeting of 2 June 2009, Council Cabinet approved the policy of promoting infant and junior school mergers whenever possible and appropriate, once consideration had been given to a range of factors. The report confirmed the Council's preferred model for the delivery of primary education as an all-through (4-11) primary school, as opposed to separate infant and junior schools. At the formal Cabinet Member meeting on

1 July 2010, the Cabinet Member for Children and Young People approved the commencement of consultation on the merger of Redwood Infant and Junior Schools to form an all-through primary school. Consultation on the proposal took place over a 6 week period from 29 September to 10 November 2010, with consultation papers circulated to all key stakeholders and interested parties. A summary of responses received was set out in Appendix 2 of the report and a copy of the consultation document was attached as Appendix 3 to the report. Due to the majority of support shown in the consultation responses, and given the Council's policy of promoting mergers wherever appropriate, the report recommended that Council Cabinet give approval to move to the next stage of the 'merger' process, which involved the publication of statutory notices and a further six week representation period.

Options Considered

There was an option to retain existing Infant and Junior Schools. This would result in a missed opportunity to improve standards and continuity for pupils in those schools where clear benefits were envisaged.

Decision

1. To approve the publication of a statutory notice to 'merge' Redwood Infant and Junior Schools through the closure of the Junior School and the simultaneous expansion in age range and size of the Infant School to form a primary school from September 2011.
2. To delegate authority to determine the proposal to the Strategic Director of Children and Young People if no objections are received and, if objections are received, to bring a further report to Council Cabinet for a decision.

Reasons

1. There were clear benefits to be gained in merging the schools to create all-through primary as outlined in paragraph 4.2 of the report. Council Cabinet had previously approved a policy of promoting Infant and Junior School mergers wherever appropriate.
2. From the consultation responses, there had been a majority of support for the proposal. Of a total of 68 respondents, 50 (74%) expressed support for the proposed merger. A detailed breakdown of consultation responses was set out in Appendix 2 of the report.

126/10 Controlling the Distribution of Free Printed Literature in Derby City Centre

The Council Cabinet considered a report on Controlling the Distribution of Free Printed Literature in Derby City Centre. The distribution of free leaflets and other free printed literature could blight public spaces if they were

subsequently dropped as litter. A Local Authority could designate by Order areas of their own land or highways where the distribution of free printed literature was prohibited without prior consent. The purpose of the legislation was to help control these distributions and associated litter problems. It was proposed that the Council introduces an Order to control the distribution of free literature in the city centre. The scheme would be administered by the Environment and Regulatory Services Department and would commence on 1 February 2011. In order to introduce a scheme to designate areas of the city where the distribution of free literature was controlled it was necessary to follow prescribed procedures to advertise any proposals, consider objections and notify that an order was to be introduced. The Act authorised authorities to charge a fee for issuing consent. The amount was for the authority to determine but it must not be more than was reasonable to cover the costs of operating and enforcing the provisions in its area, but could not include potential clean up costs. The Council may also place conditions on the consent if it considered that these were necessary for protecting the designated land from defacement or for the effective operation and enforcement of the scheme. For example if the Council was concerned that a particular distribution was likely to cause defacement of the designated area it may place a requirement on the distributor to clear up any such material which was discarded there.

Options Considered

Taking no action, but this would mean the continued proliferation of litter resulting from free printed material.

Decision

1. To approve the making of an Order under Section 94B/Schedule 3A of the Environmental Protection Act 1990 to designate land where the distribution of free printed literature was only permitted with the consent of Derby City Council. The land to be designated was described in paragraph 4.6 and Appendix 2 of the report.
2. That distributors wishing to distribute free printed literature on designated land should be subject to standard consent conditions detailed in Appendix 7 of the report.
3. To charge distributors the fees set out in Appendix 8 of the report for obtaining consent to distribute free printed literature.

Reasons

1. That at the present time areas of the City centre experience significant levels of litter associated with discarded free literature.

2. That the introduction of a permitting scheme would help control such distributions and reduce the level of litter generated from such distributions.

127/10 Refuse Collection Revised Working Arrangements

The Council Cabinet considered a report which stated that it was proposed that the refuse collection arrangements be radically reorganised in order to deliver better customer service and to yield a revenue budget saving. The proposed arrangements were based on the collection of kerbside waste and recyclates over a four day week. Zonal working arrangements would be introduced with collective responsibility and 'pack' arrangements ensuring that properly presented bins would be emptied on the designated day. The proposed arrangements would mean that the collection would be changed for significant numbers of residents, but this would only happen once and there would be a comprehensive publicity campaign so that all residents were made aware of the changed arrangements. It was therefore proposed to introduce the new arrangements in June 2011.

Options Considered

Outsourcing of the service has been seriously considered by the crews. For instance, it has been made clear to the crews that if privatised, they may be able to earn bonus in the private sector. However, they have taken this and other factors into account in deciding by a very clear majority to change the way they work and keep the service in-house.

Keeping the service in-house will yield bigger savings to the Council than those predicted in the PwC report.

Decision

1. To approve the reorganisation of the refuse collection arrangements based on a four day collection week and zonal working with collective responsibility.
2. To lift the current constraint that the collection day cannot be changed.
3. To resolve to keep the refuse collection service in-house providing the savings identified are delivered.

Reasons

1. The proposal would reduce revenue operating costs by £500,000 per annum by reducing the number of crews collecting kerbside waste and recyclates.

2. The proposal would improve customer service because as part of the changed arrangements, there would be an acceptance by staff that all bins due to be emptied on a particular day would be emptied on that day.
3. At present the crews work all over the city at any one time. The introduction of zonal working, collective responsibility and pack arrangements would fuse the crews into a team with a common purpose and aim.
4. Recommendation 2.3 would improve morale and end the current confusion which exists amongst staff, management and trade unions regarding the future of the service.

In accordance with Procedure Rule A126, the Chair of the Neighbourhoods Commission had been advised that this item would be considered although not included in the Forward Plan.

128/10 Derby and Derbyshire Year of Culture

The Council Cabinet considered a report on Derby and Derbyshire Year of Culture. During 2009, the Department for Culture, Media and Sport launched a competition for UK City of Culture. Derby and Derbyshire stated their intention to bid for the 2017 competition and significant planning and research had been undertaken to prepare for this. In the past month, the Department for Culture, Media and Sport had stated that it would only decide in 2014 whether or when a future City of Culture competition would be held. The report reflected the significant progress made to date, its value regardless of whether there was a competition, and proposals for taking the work forward in the absence of the competition.

Options Considered

Do nothing – this would waste the valuable opportunity the City of Culture competition had presented to us to position our cultural offer more strongly both socially and economically. It also wasted the potential that a possible visit to Derby from the London 2012 Torch Relay would provide.

Decision

1. To note progress made to date on preparations for a possible Derby/Derbyshire bid to UK City of Culture 2017.
2. To support the proposal to stage a Derby and Derbyshire year of culture during 2015 regardless of the future of the competition.

3. To approve that a one off sum of £42,000, to match the Derbyshire County Council contribution to the project development fund, be found from within Leisure and Culture Department budgets during 2010/11.

Reasons

1. This area of work strengthened the significant role that culture plays in Derby and Derbyshire and the benefit of the county and city working together to deliver a more cohesive and higher profile offer.
2. The year of culture in 2015 would be the core of Derby's cultural strategy and so at the heart of our cultural ambitions. This was a cost effective and creative way to deliver some of our cultural ambitions while building on local strengths and more fully engaging local people.

129/10 Derby City Council Regeneration Fund

The Council Cabinet considered a report on Derby City Council Regeneration Fund. This was a follow on report from the one taken to Council Cabinet on 28 September 2010 where officers were instructed to bring a report on the proposed Regeneration Fund Business Plan and Investment Strategy to Council Cabinet for approval. To advise the Council that the proposed launch event for the Regeneration Fund would be held on 23 November 2010 hosted by the Leader of the Council and the Chief Executive.

Options Considered

1. Other options were considered in the Council Cabinet paper of February 2010 and remain unchanged.
2. With regard to Recommendation 2.3 of the report, initially consideration was given to suggesting that the Leader and Chief Executive received delegated powers to award monies from the Fund however, upon reflection it was thought that full Council Cabinet approval would be required for potential investments of a significant nature.

Decisions

1. To approve the Regeneration Fund Business Plan and Investment Strategy.
2. To approve the proposed scheme for processing, evaluating and approving bids for funding as set out in the report.
3. To agree that officers may bring forward specific appraised regeneration projects in which to invest in from the Regeneration Fund for Council Cabinet approval.

Reasons

Council Cabinet had previously approved the formation of the Regeneration Fund, and its Terms of Reference, and had asked for this Business Plan and Investment Strategy to be brought back for more detailed approval. This would enable us to move to the launch event for the fund on 23 November 2010, when a first call for prospective projects would be made.

In accordance with Procedure Rule AI26, the Chair of the Scrutiny Management Commission had been advised that this item would be considered although not included in the Forward Plan.

130/10 Derby City Health and Well Being Board

The Council Cabinet considered a report on Derby City Health and Well Being Board. The report considered the Government's proposals for strengthening local democratic legitimacy in health and how an enhanced role for local government would increase local democratic accountability. It proposed the creation of a "shadow" Health and Well-being Board while the Government considers its response to the national consultation on its proposals and to give time for local discussion to design a board that works best for Derby City. Derby City Council and city partners were keen to set up, in shadow form, a Health and Well-being Board which would facilitate partnership working covering four main functions:

- to assess the needs of the local population and lead the statutory joint strategic needs assessment;
- to promote integration and partnership across areas, including through promoting joined up commissioning plans across the NHS, social care and public health;
- to support joint commissioning and pooled budget arrangements, where all parties agree this makes sense; and
- to undertake a scrutiny role in relation to major service redesign

Options Considered

The current Healthy City Board could be retained and the Council could wait for the formal outcome of the Government's consultation and then set up the Health and Well-being Board. This option was not recommended as the "shadow" Board proposal represented a greater opportunity to work more effectively to health and wellbeing outcomes.

Decision

1. To approve the creation of a "shadow" Health and Well-being Board by December 2010 to replace the Healthy City Board of Derby City Partnership;

2. To approve the elected Member representatives, which should comprise two Members from each of the political groups plus the Leader of the Council as Chair.
3. To receive a further report from the shadow Health and Well-being Board with final recommended terms of reference and membership in light of the Government White Paper and discussion amongst city partners.

Reasons

Local decision-making and partnership working was key to ensuring Derby City makes the most of all its resources to promote the health and well-being of its citizens. The proposals contained within the White Paper *Liberating the NHS: Local democratic legitimacy in health* offers the opportunity to strengthen the links between the council, the NHS and local people which city partners were keen to develop as soon as possible.

In accordance with Procedure Rule A126, the Chair of the Adults Health and Housing Commission had been advised that this item would be considered although not included in the Forward Plan.

Budget and Policy Framework

131/10 Treasury Management

The Council Cabinet considered a report on Treasury Management. The report covered the Council's treasury management activity for the period to 30 September 2010. Treasury management activity during the half-year had generated an average rate of return on investments of 0.55% to 30 September although our forecast outturn average rate for the year is 0.48%, with the average rate of interest being charged on our loans being 4.478%. The very low rate of return on investments relative to the interest payable on loans continued the trend begun with the 2008 credit crunch. This had put substantial upward pressure on the Council's revenue costs. The forecast outturn for the Treasury Management budget in 2010/11 was currently £16.3m, compared with £14.7m in 2009/10. However, this would deliver an under spend currently estimated to be around £0.7m. In response to market conditions the Council had progressively tightened its counter party investment criteria over the past two years. The opportunity was taken with this Council Cabinet Report to make an amendment to the Council's Money Market Fund - MMF - criteria.

Decision

1. To note the progress report on Treasury Management for the period to 30 September 2010.

2. To approve the revised counterparty criteria in relation to Money Market Funds.

132/10 The Comprehensive Spending Review – Changes to the Housing Benefit System

The Council Cabinet considered a report on the Comprehensive Spending Review – Changes to the Housing Benefit System. The report outlined the key elements of the Government proposals affecting housing benefits and the potential impact that these would have on the Council. Far reaching changes were sketched out in the CSR which would have substantial impacts on benefit recipients and the administration of Council Tax and Housing Benefits by local authorities.

Decision

1. To note the report.
2. To bring further reports to Council Cabinet as more details become available.

Contract and Financial Procedure Matters

133/10 Contract and Financial Procedure Matters Report

The report dealt with the following items that required reporting to and approval by Council Cabinet under Contract and Financial Procedure rules:

- to approve proposed changes to the capital programme
- to approve in year Section 106 allocations
- to approve capital scheme commencements
- To approve the submission of an external funding capital bid to Sport England's Sustainable Investment in Community Sports Facilities fund towards the construction of the indoor and outdoor hubs as part of the Leisure Facility Strategy.

Decision

1. To approve the changes to the 2010/11 – 2012/13 capital programme as shown in Appendix 2 of the report.
2. To note the revised capital programme and associated funding detailed in Table 1 on page 2 of the report for 2010/11.

3. To approve the in year S106 allocation and the proposal for S106 usage for Arboretum Park, Markeaton Park, Borrowood play area and Chellaston Community Centre.
4. To approve the capital scheme commencements detailed in Appendix 3 of the report.
5. To approve the submission of an external funding capital bid to Sport England's Sustainable Investment in Community Sports Facilities fund and other external funding bodies as a contribution towards the construction of the indoor and outdoor hubs as part of the Leisure Facility Strategy.

134/10 Fees and Charges Review

This item was deferred.

Performance Monitoring

135/10 Financial Monitoring 2010/11 Quarter Two

The Council Cabinet considered a report on Financial Monitoring 2010/11 Quarter Two. The financial results to 30 September 2010 forecasted a number of pressures. Strategic Directors had identified relevant actions and continue to develop proposals to ensure a balanced position by the year end.

Decision

1. To note the quarter two 2010/11 performance and financial results with actions being taken to ensure a balanced position by the year end.
2. To approve the use of the budget risk reserve.
3. To approve the reprioritisation of service reserves and revenue budgets.

136/10 Performance Monitoring 2010/11 – Quarter Two

The Council Cabinet considered a report on Performance Monitoring 2010/11 – Quarter Two. This monitoring report included highlights from key performance measures included in our Corporate Plan 2010/11 and Local Area Agreement (LAA) 2008-2011. In relation to the performance results up to 30 September 2010 (quarter two), 70% of priority performance measures achieved their quarterly target, with 70% forecast to achieve year-end target.

Decision

To note the quarter two 2010/11 performance results.

Other

137/10 Corporate Restructure

The Council Cabinet considered a report which set out proposals to the restructure the 2nd to 4th tiers of the organisation as part of the budget saving proposals for 2011/12. As agreed at Council in September 2010, responsibility for personnel issues had been delegated to officers so the report was presented to Council Cabinet for information.

Decision

To note:

- The proposed changes to the structures as outlined within the report.
- The revised structures charts included in Appendices 2-6 of the report.
- The indicative budget savings as outlined in paragraphs 4.15 – 4.17 of the report.
- The implementation timetable for these changes as outlined in paragraph 4.20 of the report.

138/10 Exclusion of Press and Public

Resolved to exclude the press and public during consideration of the following items under Section 100(A) of the Local Government Act 1972, on the grounds that they involve 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 Decision

139/10 Proposed Sale of the Former Merrill Upper School Site

The Council Cabinet considered a report which requested that existing contract be revised to allow the sale to be concluded.

Decision

To vary the existing contract with Radleigh Homes on the terms set out in the report to allow the sale to be concluded on a revised basis.

MINUTES END