

## **Compliance with Contract and Financial Procedure Rules**

### **SUMMARY**

- 1.1 To seek approval by Council Cabinet under Contract and Financial Procedure rules for the following:
- i. To approve the addition of London Road Rail Bridge scheme to the Highways and Transport capital programme.
  - ii. To approve the addition of City Centre CCTV Replacement Project to the Vehicles, Plant & Equipment capital programme.
  - iii. To approve a grant award to Ripplez from the Public Health Reserve.
  - iv. To approve a bid to Government for the 2019/2020 Derbyshire County Wide Business Rates Pilot.
  - v. To approve delegation to the Strategic Director of Communities and Place following consultation with the Strategic Director of Resources and Cabinet Member for Regeneration and Public Protection to submit bids to the D2 Business Rates Pilot 2018/19 Pooled Fund.

### **RECOMMENDATION**

- 2.1 To approve the addition of the London Road Bridge scheme and associated funding to the Highways and Transport capital programme in 2018/2019 as outlined in 4.1.
- 2.2 To approve the addition of the City Centre CCTV replacement (Phase 1) scheme and associated funding to the Vehicles Plant and Equipment capital programme in 2018/2019 as outlined in 4.4.
- 2.3 To approve the Revenue Contribution to capital of £80,000 for the City Centre CCTV replacement (Phase 1) scheme in 2018/2019 as outlined in 4.4.
- 2.4 To approve the use of £281,000 from the Public Health Reserve as part of a grant award to Ripplez to fund the Pause Programme in the People Directorate for a further 18 months up to 31 March 2020, as outlined in 4.7.
- 2.5 To approve a grant award to Ripplez of £440,000, £281,000 of this, will be funded from the Council as outlined in 4.7.
- 2.6 To approve the submission of a bid to Government for the 2019/2020 Derbyshire County Wide Business Rate Pilot as outlined in 4.14.

- 2.7 To delegate authority to the Strategic Director of Communities and Place, following consultation with the Strategic Director of Resources and Cabinet Member for Regeneration and Public Protection to submit bids to the D2 Business Rates Pilot 2018/19 Pooled Fund and where successful to negotiate and accept funding agreements as outlined in 4.20.

## REASONS FOR RECOMMENDATIONS

- 3.1 To comply with the Council's Contract and Financial Procedure rules.

## SUPPORTING INFORMATION

### 4.1 Additions to Capital programme – London Road Bridge

Following completion of the scheme to replace the bridge over the railway line on London Road, Network Rail and their contractor have been engaged in protracted discussions to agree the value of the final payment.

- 4.2 Recently, this matter has been satisfactorily concluded and the final payment of £277,360 has become payable by the city council. A sum of £168,867 has been identified from service reserves, with the remaining £108,493 covered from within the Highways and Transport capital programme. In order to conclude this matter and comply with Financial Procedure Rules, it is necessary to add the scheme back onto the Highways and Transport capital programme, along with funding to address the final payment.

- 4.3 It is recommended to approve the addition of the London Road Bridge scheme and associated funding to fund the final payment to the Highways and Transport capital programme.

### 4.4 Additions to Capital programme – City Centre CCTV replacement

The current CCTV system has exceeded its operational lifespan, and as such, there is an urgent need to replace the existing system to ensure a secure, functional system in line with the current risks/threats.

- 4.5 The proposed new system would upgrade the cameras from analogue to digital, the communications from Wi-Fi to fibre/point to point secure radio hybrid and also increase server space. A detailed, feasibility study has indicated that a complete new system for the city centre would cost in the region of £240,000 to £250,000. It is proposed to progress these works in 3 phases, starting in 2018/19 with a budget of £80,000, which will be funded from a revenue contribution to capital from the Street Pride Public Protection revenue budget. Phases 2 and 3 will be included in capital programmes to be considered by Cabinet as part of the 2019/20 and 2020/2021 capital programme.

- 4.6 It is recommended to approve the addition of the City Centre CCTV replacement (Phase 1) scheme and associated funding to the Vehicles Plant and Equipment capital programme and the associated Revenue Contribution to capital in 2018/2019.

### 4.7 Award of grant to Ripplez

'Pause' is a national programme which works with women who have experienced

repeat removals of children from their care due to safeguarding concerns. The programme encourages and supports them to 'pause' and take control of their lives and deal with any issues they may have such as drug and alcohol addictions, domestic abuse relationships and mental health issues. The aim is to stop the cycle of repeat removals of children into care.

- 4.9 Derby started working in April 2017 with Ripplez, a Derby-based Community Interest Company and Charity to deliver the programme, this currently ends 30 September 2018. To date this has been jointly funded by Derby City Council and government Innovations Funding at a cost of £440,000 (including Council grant funding of £220,000). From 01 October 2018 this will be jointly funded with Derby Homes contributing £159,000.
- 4.10 There are currently 23 women on the Derby Pause programme, who between them have had 56 children removed from their care with 10 women on a waiting list to join the programme. The outcomes to date are very positive with no women becoming pregnant in the 15 months of participating on the programme, evidence of increased stability in relation to Housing and mental health, and reduced attendances at the Accident and Emergency hospital unit. Positive engagement with Ripplez has also led to improving confidence and engagement with mainstream services.
- 4.11 It is proposed to award a grant to Ripplez of £440,000 to fund the programme for a further 18 months, from 1st October 2018 to 31st March 2020. £281,000 of this will be from the Council's Public Health reserve with the remainder being funded from Derby Homes.
- 4.12 It is recommended to approve the use of Public Health reserves to contribute £281,000 to grant award of £440,000 to Ripplez.
- 4.13 It is also recommended to formally approve the grant award of £440,000 to Ripplez.
- 4.14 **Derbyshire County Wide Business Rate Pilot – Approval to bid**  
Local authorities have been invited to submit proposals to apply for the 75% Business Rates retention Pilot in 2019/2020. Proposals for new pilots must be submitted to the Ministry for Housing, Communities and Local Government by 25 September 2018.
- 4.15 This builds on the Government's manifesto commitment to continue to give local government greater control over the money they raise. The government aims to increase the level of business rates retained by local government from the current 50% to 75% from April 2020.
- 4.16 There is a commitment to pursue this bid from the eleven authorities in the current Derbyshire Business rates pilot – subject to modelling and confirmation of details of the submission requirements and potential outcomes.
- 4.17 The membership is made up of the following authorities:
  - Amber Valley Borough Council
  - Bolsover District Council
  - Chesterfield Borough Council

- Derby City Council
- Derbyshire County Council
- Derbyshire Dales District Council
- Derbyshire Fire and Rescue Service
- Erewash Borough Council
- High Peak Borough Council
- North East Derbyshire District Council
- South Derbyshire District Council

4.18 The pilot is for one year at this stage and enables each authority to retain a higher proportion of its business rates (in the case of Derby City Council 74%) however the Revenue Support Grant will no longer be allocated to the Council should the bid be successful. Government have confirmed that the 'No Detriment' guarantee will not continue in the 2019/20 pilot.

4.19 It is recommended to approve the submission of a bid to Government for the 2019/2020 Derbyshire County Wide Business Rate Pilot.

4.20 **D2 Business Rates Pilot 2018/19 Pooled Fund**

Derby and Derbyshire (D2) local authorities were successful in bidding to become a business rate retention pilot for 2018/19. Under this D2 authorities retain 100% of their business rates for 2018/19 with 30% of the business rate pot 'pooled' to supported economic growth and 70% retained by the rating authority. The pooled funds are anticipated to total approximately £8.2m and Derby City generates around 35% of these. The D2 Economic Prosperity Committee, made up of leaders from all eleven D2 Councils, has agreed that the pooled funds will be used to support the following:

- Strand 1 Business grant scheme - £1.6m grant which businesses can apply for directly. The scheme will be administered by Derby City Council and is the subject of a separate more detailed report to Cabinet.
- Strand 2 Enabling future delivery - £1m to support feasibility and development works for economic regeneration schemes to be brought forward to a position where they can support robust funding bids.
- Strand 3 Economic impact projects - £5.6m to support projects with an economic or regeneration impact.

4.21 Strands 2 and 3 will be administered by the County Council and will require competitive bids to be submitted by the 14<sup>th</sup> Sept which will be judged on their merit. A multi-disciplinary team of officers has been working with Lead Members to prepare a number of robust bids which broadly reflect the following strategic priorities:

- City Centre vibrancy
- South Derby (i.e. South Derby Growth Zone, Science & Innovation Zone)
- Connectivity with Toton, East Midlands Airport and Nottingham

4.22 It is recommended to approve delegated authority to the Strategic Director of Communities and Place following consultation with the Strategic Director of Resources and Cabinet Member for Regeneration and Public Protection to submit bids to the D2 Business Rates Pilot 2018/19 Pooled Fund and where successful to negotiate and

enter into any consequent funding agreements.

**This report has been approved by the following officers:**

<b>Legal officer</b> <b>Financial officer</b> <b>Human Resources officer</b> <b>Estates/Property officer</b>  <b>Service Director(s)</b> <b>Other(s)</b>	 Toni Nash, Head of Finance – Corporate Resources     Don McLure Strategic Director of Corporate Resources – Section 151 Officer
<b>For more information contact:</b>  <b>Background papers:</b>  <b>List of appendices:</b>	 Toni Nash 01332 641491 e-mail Toni.nash@derby.gov.uk  None  Appendix 1 - Implications

<b>IMPLICATIONS</b>
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**Financial and Value for Money**

- 1.1 As detailed in the main body of the report and appendices.

**Legal**

- 2.1 None directly arising.

**Personnel**

- 3.1 None directly arising.

**IT**

- 4.1 None directly arising.

**Equalities Impact**

- 5.1 None directly arising.

**Health and Safety**

- 6.1 None directly arising.

**Environmental Sustainability**

- 7.1 None directly arising.

**Property and Asset Management**

- 8.1 None directly arising.

**Risk Management**

- 9.1 There are sufficient reserves and provision to sustain the recommendations in this report.

**Corporate objectives and priorities for change**

- 10.1 None directly arising.