

Time began: 6.00pm  
Time ended: 8.07pm

## **COUNCIL CABINET**

### **21 January 2015**

Present                      Councillor Banwait (Chair)  
                                    Councillors Afzal, Hussain, Martin, Rawson, Repton and Russell

In attendance              Councillors Holmes and Jones

This record of decisions was published on 23 January 2015. 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.

### **124/14      Apologies**

Apologies for absence were received from Councillors Graves, Hickson and Shanker.

### **125/14      Late Items Introduced by the Chair**

In accordance with Section 100(B) (4) of the Local Government Act 1972, the Chair agreed to admit the following late item on the grounds that it should be considered as a matter of urgency because a decision was required before the next meeting:

- Contract and Financial Procedure Matters - Addendum

### **126/14      Receipt of Petitions**

There were no petitions received.

### **127/14      Identification of Urgent Items to which Call In will not apply**

There were no items.

### **128/14      Declarations of Interest**

There were no declarations of interest.

### **129/14      Minutes of the meeting held on 10 December 2014**

The minutes of the meeting held on 10 December 2014 were agreed as a correct record and signed by the Chair.

# Key Decisions

## 130/14 Bus Stops and Bus Stand Clearways Policy Review

The Council Cabinet considered a report on Bus Stops and Bus Stand Clearways Policy Review. As part of the Derby Bus Services Customer Charter, the City Council and the main bus companies in Derby had committed themselves to improving the quality of bus services across the city to bring real benefits to passengers and the wider community.

Improving bus service reliability and accessibility was a key element of the charter and the Council and bus companies had invested heavily over the years in accessibility improvements and low floor vehicles to achieve this.

It was proposed that a review of the current bus stop and stands was undertaken with a view to standardising the operation of all clearways. This would help improve driver compliance and reduce instances of obstruction enabling passengers, regardless of their level of mobility to access bus services.

### Options Considered

1. Do nothing-  
This would mean the current arrangements would continue however we had a duty to ensure that restrictions remained valid and meaningful which included the necessity to ensure all restrictions were signed and lined appropriately to ensure the general motorist could understand and abide by the restriction.
2. Introduce clearways at stops which operate precisely when the bus services do –  
This would be potentially expensive to introduce and difficult to enforce as the clearway restrictions and associated signage would need to change every time the bus service timetable did.

### Decision

To adopt a standard approach to the introduction of and times of operation for bus stop and bus stand clearways. The standard approach would apply to all new bus stops and stands and existing bus stops and stands would be reviewed and brought in line over the next 12 months.

### Reasons

1. Adopting a standard approach and setting clear operating times for bus stop and bus stand clearways would ensure that the Council meets its commitments under the terms of the Derby Bus Services Customer Charter and would ensure that vehicles, drivers and bus passengers were more easily able to understand what arrangements were in place.

2. Bus stop and stand clearways were essential to support bus passengers with mobility impairments, wheelchair/scooter users, young children and those with push chairs to access and exit buses more easily.

## **131/14 Draft Private Sector Housing Renewal Policy 2015/20**

The Council Cabinet considered a report on Draft Private Sector Housing Renewal Policy 2015/20. The report introduced the proposed Private Sector Housing Renewal Policy for 2015-2020 and the associated capital programme supporting its delivery. The report recommended its approval by Council Cabinet.

In addition to the fully funded Private Sector Housing Capital Programme, the Disabled Facilities Grant (DFG) Service was a statutory service helping disabled people to live as independently as possible in their own homes through the provision of physical adaptations. The Council attracted specific Government Grant for DFGs and chooses to top this up from the capital programme to meet the level of demand in the city.

Entitlement to a DFG was mandatory for eligible disabled people and the grant provides financial assistance for the provision of a wide range of housing adaptations ranging from stair lifts, level access showers and home extensions. The programme was therefore key in delivering the Government's objective of providing increased levels of care and support to both disabled and vulnerable people to help them live independently in their own homes. It would be unacceptable to leave vulnerable people waiting for excessive time periods for a mandatory entitlement.

Current financial restraints affecting both local government and the private sector had significantly limited the range of options available. The Private Sector Housing Capital Programme supported delivery of the Policy, made best use of the available resources. Council Cabinet was asked to formally approve the Private Sector Housing Capital Programme.

The housing sub group, chaired by the Cabinet Member for Housing, Finance and Welfare, and attached to Derby's Inner City Renewal project, was placing a particular focus on addressing housing related issues within inner city areas. The objectives of this group were supported through this strategy, particularly in regard to driving up housing standards through a range of housing renewal and enforcement activities.

### **Options Considered**

1. Current financial restraints affecting both local government and the private sector had significantly limited the range of options available. The Policy as proposed and the Private Sector Housing Capital Programme supporting delivery of the Policy made best use of the available resources and sought no additional resourcing from the Council's General Fund Capital Programme; additional profiling being fully funded from contributions.
2. Consultation on the draft Policy and an Equalities Impact Assessment had been carried out, the minutes and notes were available at Appendices 3 and 4 of the report respectively. No alternative options arose from these exercises.

## **Decision**

1. To approve the proposed Private Sector Housing Renewal Policy 2015-2020.
2. To approve the funded Private Sector Housing Capital Programme supporting delivery of the Private Sector Housing Renewal Policy 2015-2020.

## **Reasons**

The Private Sector Housing Renewal Policy served to target help across a range of housing-related issues toward the more vulnerable residents within Derby and focused activity to promote, encourage, support and, where necessary, enforce the improvement and better use of private sector housing.

## **132/14 Draft Private Sector Empty Homes Strategy**

The Council Cabinet considered a report on Draft Private Sector Empty Homes Strategy. The report introduced the proposed Private Sector Empty Homes Strategy for 2015-2020. The report recommended its approval by Council Cabinet.

The draft Private Sector Empty Homes Strategy 2015 – 2020 sets out the council's policy and procedures in relation to the return of private sector empty properties to the useful housing stock. The strategy detailed the advice, assistance and encouragement offered by the council to owners of empty homes, the incentives that were available to owners and/or purchasers of such properties, and where necessary, the enforcement measures that could be utilised to ensure empty properties were reoccupied. The strategy also detailed the ways in which the council's Empty Homes Service undertook to maximise the opportunity for income from empty homes related activities.

Derby City Council's Empty Homes Service as a whole, and individual officers within the team, had been nationally recognised for their achievements and development of best practice by such organisations as the Homes and Communities Agency and the Empty Homes Network.

## **Options Considered**

1. Current financial restraints affecting both local government and the private sector had significantly limited the range of options available. The Strategy as proposed made best use of the available resources and sought no additional resourcing from the Council's General Fund Capital Programme; additional profiling being fully funded from contributions.
2. Consultation on the draft Strategy and an Equalities Impact Assessment had been carried out, the minutes and notes were available at Appendices 3 and 4 of the report respectively. No alternative options arose from these exercises.

## **Decision**

To approve the proposed Private Sector Empty Homes Strategy 2015-2020.

## **Reasons**

To ensure the continued delivery of the Empty Homes Strategy and to maximise New Homes Bonus income to the council, as well as maximising recovery of debt associated with empty homes.

## **133/14 Homelessness Strategy 2015/19**

The Council Cabinet considered a report on Homelessness Strategy 2015/19. The Housing Act 1996 (as amended by the Homelessness Order 2002) required local authorities to develop and implement a homelessness strategy. This legal requirement was further reinforced by social, political and moral concerns, which make tackling homelessness a key priority in Derby.

Derby's current Homelessness Strategy expires in March 2015. The report set out the key elements of the new strategy. It focused on the vision, strategic priorities and specific actions which would be implemented over the next four year period.

The new strategy had been drafted over the period July to October 2014, concurrent with an on going consultation with service providers, members of the public, councillors and other council departments.

It had been developed in the context of shrinking resources and increasing demand for services. These factors impacted on what could realistically be achieved in the years ahead. Nevertheless, the aspiration remained to prevent homelessness wherever possible, but where it did occur, provide suitable accommodation for the people affected. Consequently, partners had agreed the following vision statement:

*Our vision is for a Derby where the Council and its partners work together effectively to ensure that homelessness is prevented wherever possible, and to enable those who do become homeless to have access to housing that is sustainable and suitable for their needs.*

The vision was aspirational and described a situation we would like to achieve. However, resource limitations were likely to prevent it being fully achieved for the foreseeable future.

A more detailed discussion of the strategic priorities and actions which derived from this vision was found in section 4 of the report.

## **Options Considered**

None. Implementing a homelessness strategy was a legal requirement.

## **Decision**

To adopt the Homelessness Strategy 2015-2019.

## **Reasons**

Tackling homelessness was a key priority in Derby. It was also a legal requirement that local authorities had an up to date homelessness strategy.

### **134/14    Review of the Housing Allocations Policy**

The Council Cabinet considered a Review of the Housing Allocations Policy. The current Housing Allocations Policy was agreed by Council Cabinet on 23 January 2013. It was reviewed to take account of the implementation of the Localism Act 2012. The policy was implemented on 7 March 2013.

Council Cabinet approved the policy with a caveat that a further report be submitted to the Cabinet member for evaluating the impact of the changes, particularly the introduction of additional priority in respect of 'Community Contribution'. This gave additional priority to people who contributed to the community through employment, volunteering or providing unpaid care and support.

Following a review, the report recommended that changes were made to the current policy. Appendix 2 of the report showed the detail of these changes with explanatory notes, and details of the ICT implications.

## **Options Considered**

None - failing to review the current Housing Allocations Policy would breach the Council Cabinet decision of 23 January 2013. Failure to address the issues raised by Homefinder partners would jeopardise the partnership potentially impacting on customer access to social housing and reduce revenue income to the Authority (Homefinder partners fund the Homefinder Service). Homefinder partners would also face business risks associated with longer void periods and rent loss.

## **Decision**

1. To approve the changes to the Housing Allocations Policy, subject to final legal approval and within the timescales for ICT changes, as outlined in Appendix 2 of the report.
2. To approve an on- going process to review the effectiveness of these changes six months from implementation.

## **Reasons**

1. The recommended changes to the allocations policy were intended to have the following positive impacts...
  - a) Give greater priority to those in the greatest need, such as people at risk of homelessness or living in unsafe housing
  - b) Improve flexibility and fairness for all applicants, while also supporting demand for some difficult to let properties

- c) Encourage downsizing and free up family accommodation
- d) Enable the housing register to provide a more accurate picture of housing need
- e) Make it easier for people to move to Derby to support family and friends
- f) Improve the functionality of the ICT system which supports Homefinder.

The actions that would bring about these changes were detailed in Appendix 2 of the report.

2. An on going review process would help to ensure that the changes were effective and that the process showed regard for vulnerable applicants. At the same time it could ensure that the business needs of the Homefinder partners which paid for the service were met. These were Derby Homes and the Registered Providers (housing associations).

## 135/14 Home to School Transport Consultation

The Council Cabinet considered a report on Home to School Transport Consultation. Whilst undertaking a review of home to school/college transport services, the City Council identified a number of ways students could be better supported whilst transitioning to adulthood.

One area identified was the promotion of independence skills for students with Special Educational Needs (SEN), who often required additional support to develop the independence skills needed to enable access to employment and leisure. In support of this and in line with best practise, Derby had recently begun an independent travel training programme. However, the current Transport policy acts as a disincentive to this, as when students were able to travel independently they were not always provided with assistance.

A second area identified was to align travel assistance for students with special educational needs and disabilities (SEND) with more sustainable travel options used in adulthood, by including personal travel budget options in the transport assistance offer.

In addition to the above:

- The recent introduction of specialist post 19 education in the city had reduced the need for extensive travel for older students, and
- Benchmarking against other Local Authorities (LAs) had found Derby had a generous post 16 SEN transport offer, where support was provided for longer and was fully subsidised. Both Leicester City Council and Derbyshire County Council had recently reduced support to post 16 students.

The report provided an overview of the Transport proposals to be consulted upon,

which focus on supporting students to develop the independence skills needed whilst retaining specialist transport support for students in most need.

### **Options Considered**

1. Accept an on-going budget pressure for Home to School/College Transport.
2. Increasing the budget in line with forecasted costs.

### **Decision**

To approve the consultation as noted.

### **Reasons**

The proposals would:

- Better support students transitioning to adulthood by providing support in a more sustainable way.
- Enable increased demand for transport services to be managed within a balanced budget position.

## **136/14 Core Strategy – School Place Planning Update**

The Council Cabinet considered a report on Core Strategy – School Place Planning. Amber Valley Borough Council, Derby City Council and South Derbyshire District Council share a Housing Market Area (HMA). The three planning authorities were working together to agree strategies for deciding where future housing and other development should take place between 2011- 2028. The proposals across the three Authorities would include around 33,388 houses across the HMA, with around 18,000 of these properties being located within Derby or on the edge of the City, known as the Derby Urban Area (DUA).

The Core Strategies for the three planning authorities had been developed in an aligned manner, but were at different stages as follows:

- Amber Valley submitted their plan for examination in December 2013 and initial hearings commenced in Spring 2014. Following these hearings, further examination had been suspended until early 2015 to allow further work to be undertaken.
- South Derbyshire submitted their plan in August 2014 and hearings were expected to commence in November 2014. It should be noted that the Inspector appointed to examine the plan had specifically requested joint hearing sessions with Amber Valley and Derby City to discuss overall housing numbers in the HMA.
- Derby City would be carrying out consultation on the 'Pre-Submission'



version of their plan which would then be submitted for examination in Spring 2015.

The housing growth would have a significant impact on infrastructure. Derby City Council and Derbyshire County Council were legally responsible for providing education for those pupils residing within their own administrative boundaries. The two local authorities continued to work closely together on school place planning to shape and develop proposals. This was complex as some of the proposed new housing developments straddle both the City / County boundaries.

A map showing the proposed housing sites within the DUA is attached as Appendix 2 to the report. It was estimated that 3,458 primary school pupils and 2,883 secondary school pupils would be generated by the new housing proposed in the DUA. It should be noted that there were other sites within the City and County that would contribute towards the overall housing provision targets and would need to be taken into account.

To ensure sufficient school places, it was important for the Council to develop a strategy to provide significant additional school places. The Core Strategies would need to demonstrate to a Planning Inspector that there was a realistic strategy for school place planning being developed. Education provision had the potential to impact on the ability to demonstrate the overall deliverability of the Council's Core Strategy.

In relation to primary school provision, based on housing proposals within the Core Strategy, around 3,458 additional primary pupils would be generated in the period 2011 to 2028. The policy position for Derby City Council was that, for any development with more than 750 houses, the developer would need to provide both land and funding for an on-site primary school. Below this level, it was normally appropriate to consider expanding existing schools. In order to meet this significant growth in pupil numbers, initial thinking was that 8 or 9 new primary schools would be required across the City and County in the medium to long term to meet the needs of the proposed housing growth over the next fifteen years.

A report was considered by Council Cabinet on 19 March 2014 which outlined that it was likely that one or two new secondary schools would be required to deal with the growth in housing numbers around the City / County boundary. The report outlined that feasibility studies and informal consultation with schools would be progressed in order to assist in the development of an education strategy. Further work had now taken place on developing emerging strategic school place planning proposals, including detailed feasibility studies to understand the expansion capability of two Derby City secondary schools, Murray Park School and City of Derby Academy. The schools provided the most sustainable school place planning solutions. In close consultation with both schools, feasibility studies had taken place at these schools as the geographic locations relate well to the distribution of new housing growth proposed to the West and South of the City. There was agreement in principle from both governing bodies to consider expansion proposals in the medium to long term.

The report provided an update on the emerging proposals for the delivery of school places in relation to a secondary school strategy which includes medium to long term

proposals to expand Murray Park School and City of Derby Academy. City of Derby Academy and Murray Park School had both given their support, in principle, to potential expansions which would be subject to consultation and approval if they moved forward. The timescales for implementing any proposed expansions would need to link to the new housing and could be a number of years away. However, it was important to have a strategy in place to ensure that the Council was able to continue to meet its statutory duty for the provision of sufficient school places.

If the proposal was to develop the school place planning strategy which included the medium to long term expansions of City of Derby Academy and Murray Park School, this was likely to result in a strategy consisting of one new secondary school plus school expansions as opposed to two new secondary schools. A strategy of providing one secondary school would remain subject to review and continuing development work as it was possible that a new secondary school may not be required, depending on actual housing growth, timing of new housing, and pupil projections. The City Council was working very closely Derbyshire County Council, and the County Council was intending to consult on possible site locations in relation to major housing developments in the County, close to the City boundary.

It was possible that further secondary school expansion proposals may be required to deal with other housing developments within the DUA. For the majority of the other developments within Derby City, initial thinking was to consider the possibility of using existing secondary schools to accommodate pupil numbers from new housing, where possible, either through the use of existing surplus or school expansions where necessary. There would, of course, need to be continuing engagement and consultation with local schools to consider options.

As a result of the housing proposed in the Core Strategies, new education provision on this scale raises a number of issues around funding, timing, impact on existing provision and so on. Further update reports would continue to be provided as part of the complex development process for school place planning, including Council Cabinet consideration and approval.

### **Options Considered**

Options were continuing to be developed with regard to the provision of school places in line with Core Strategy numbers.

### **Decision**

1. To approve, in principle, an emerging sustainable secondary school strategy consisting of medium to long term expansions at Murray Park School and City of Derby Academy for new housing to the West and South of the City.
2. To note that, subject to continuing development work and review, it was likely that one new secondary school may be required in the County and Derbyshire County Council was intending to consult on possible site locations.
3. To note that further update reports would continue to be provided to Council Cabinet for consideration.

## Reasons

1. The report sought approval, in principle, to a secondary school strategy which consisted of the medium to long term expansions of Murray Park School and City of Derby Academy to deal with a large proportion of the of the housing growth proposed through the draft Core Strategies. As part of the overall strategy, based on current housing proposals and pupil projections, there may be a need for one new secondary school in the County. A strategy of providing one secondary school would be subject to review and continuing development work and it was possible that a new secondary school may not be required, depending on actual housing growth and pupil projections. Derbyshire County Council was intending to consult on possible site locations as part of the process of ensuring that a school could be delivered.
2. For the majority of the other developments within Derby City, the proposal was to consider using existing secondary schools to accommodate pupil numbers from new housing, where possible, either through the use of existing surplus or school expansions where necessary. This would be in consultation with schools.
3. Further updates would continue to be provided for Council Cabinet consideration.

## 137/14 Derby Core Strategy – Procedural Issue to Consider Whether to Prepare a Joint Plan with Partners

The Council Cabinet considered a report which stated that an issue had arisen in respect of the three Local Plans being prepared by Derby City Council, Amber Valley Borough Council and South Derbyshire District Council (SDDC). An objector to the SDDC plan was contending that all three authorities had failed to satisfy a requirement of the Planning and Compulsory Purchase Act 2004 (as amended) requiring local authorities to consider whether to prepare a Joint Plan. SDDC had been threatened with Judicial Review on the matter.

Whilst there had not been a formal resolution in regard to the preparation of a joint plan, the option to do so had always been known and available and it had been implicit in all stages of plan preparation that by choosing to prepare separate plans, it was not intended to prepare a single joint plan. Whilst the Joint Advisory Board and South Derbyshire's Environmental and Development Services Committee recently considered the matter and formally resolved to continue with the approach to prepare separate plans, the objector has suggested that in South Derbyshire's case this was too late because they had already submitted their plan for Examination, a view not accepted by South Derbyshire.

Derby City Council had not yet published or submitted its plan. Council Cabinet was being asked with due regard to its duty to cooperate and the matters outlined in this report in regard to the ability to prepare joint plans, to ratify the approach taken in regard to the preparation of a separate plan and to confirm the Council continued with that approach.

## **Options Considered**

None

## **Decision**

1. To affirm that the preferred approach was to continue to prepare a separate but aligned Core Strategy rather than a Joint Local Plan with Amber Valley, South Derbyshire or any other potential partner.
2. To ratify the approach taken to date in regard to the preparation of a separate Core Strategy and Local Plan.
3. To continue to discuss the most appropriate approach to joint working beyond the current Core Strategies/Local Plans, including scope for preparing joint site allocations plans, supplementary planning documents or at least using a common evidence base and joint consultation as part of aligned plans.

## **Reasons**

1. For clarification in regard to Derby City Council's position in regard to the preparation of a joint Core Strategy (Local Plan) with its neighbours having regard to its duties under section 33A Planning and Compulsory Purchase Act 2004 and in particular subsection 6(b).
2. To ratify the approach thus far taken by the Council in regard to the preparation of a separate Core Strategy.
3. To re-iterate that Derby City Council would continue to discuss with its partners the most appropriate approach to future joint working on plan making as the 'Duty' required constructive and active engagement on an on-going basis.

## **138/14      Extension of Grant Aid Agreements and Updating the VCF Grant Aid Strategy Outcomes**

The Council Cabinet considered a report on Extension of Grant Aid Agreements and Updating the VCF Grant Aid Strategy Outcomes. The Council and Southern Derbyshire Clinical Commissioning Group (SDCCG) currently had grant funding agreements with Voluntary and Community and Faith (VCF) Sector organisations for a range of preventative and infrastructure services.

The three year agreements were established after a grant funding process in 2011-12 and are due to end in March 2015. Appendix 2 provided a list of agreements. The current total of the funding provided for these services was £878,329, of which £577,237 was Council funding and £301,092 was SDCCG funding.

A review of the monitoring, annual review and other information provided by these

organisations had confirmed that they were able to provide cost effective services that met or exceeded their output and outcome targets. Current services supported hard to reach sections of the community and vulnerable people who, without these services, may be at risk of requiring additional intensive support from health and social care.

The Council and SDCCG had developed joint draft outcomes for preventative services that would support the Derby Plan, the draft Derby Health and Wellbeing Strategy and the implementation of the Care Act, draft outcomes were set out in Appendix 3 of the report. A joint Council and SDCCG consultation exercise, based on these draft outcomes, had been arranged that would run in parallel with the consultation on the Health and Wellbeing Strategy. It was proposed that after these consultation exercises, and subject to confirmation of the Council's 2015-16 Revenue Budget a final set of operational grant aid outcomes would be used to inform a joint grant aid process in April and May 2015.

To meet the timelines for consultation on the joint outcome and a potential grant aid process it was necessary to extend the existing grant aid agreement commitments for a further six months to the end of September 2015.

### **Options Considered**

The following alternative options were considered:

- a) Allow currently funded grant aid agreements to expire at their end date on the 31 March 2015 without allocating time for a VCF grant aid bidding process.

This option was rejected because there was a risk that currently funded services might have to close and then restart if they were successful in the grant bidding process. This would lead to:

- a break in service for service users and communities who were supported by current grant aided services
- the loss of staff and volunteer expertise
- inefficient use of grant and voluntary sector financial resources and the potential loss of funding levered in by grant aid funding.

### **Decision**

1. To note the Council and SDCCG consultation on joint outcomes for grant funded services for adults.
2. To approve the extension of existing grant funding arrangements until 30 September 2015.
3. To consider a further report in March 2015 on the results of the consultation exercise and recommendations for a joint grant funding exercise in April-May 2015.

## Reasons

1. The current funding agreements for the services listed in Appendix 2 of the report come to an end in March 2015. The Council had identified that VCF grant aid had the potential to support the Council's priorities and had identified funding for grant aided services within the proposed 2015-16 Revenue Budget consultation.
2. The extension of current agreements to September 2015 provided an opportunity to:
  - update the outcomes for VCF Grant Aid Strategy to reflect current priorities and changes in the way that social care and health services were delivered in the City
  - carry out a joint grant aid process that would seek applications from VCF organisation to meet these updated outcomes. This would provide recommendations for a new set of VCF grant aid agreements and an equality impact assessment on these recommendations to a Council Cabinet meeting in June 2015
  - provide continuity of service for service users who were supported by currently funded services that were successful in the proposed grant aid process

## Budget and Policy Framework

### 139/14 Council Tax Base for 2015/16

The Council Cabinet considered a report on Council Tax Base for 2015/16. The Council had to calculate its council tax base for 2015/16 as a means of raising council tax income for the 2015/16 financial year from Derby council tax payers.

The tax base was an estimated figure of the number of domestic properties in terms of 'band D' in the Council's area during the financial year concerned. It was used to determine a headline charge for band D properties in the city. Charges for other bands were calculated as defined fractions of the headline charge.

Changes arising from the Government's Welfare Reform programme (specifically the replacing of council tax benefit with local council tax support) and the decision to give local authorities greater discretion over the reliefs from council tax available in respect of second homes and some empty properties would continue to have a significant impact on the Council's tax base.

The proposed council tax base for 2015/16 is 63,240.36 band D equivalent properties compared with the 2014/15 council tax base of 62,419.06. This represented an increase of 821.3 band D equivalent properties.

As well as taking into account the changes mentioned in paragraph 1.3 of the report,

the tax base also included a prudent estimate of the number of newly built homes between 1 December 2014 and 31 March 2016 that would add to the tax base.

## **Decision**

1. To approve the council tax base for the year 2015/16 as 63,240.36 band D equivalent properties in accordance with The Local Authorities (Calculation of Council Tax Base) (England) Regulations 2012 (SI 2012/2914).
2. That in accordance with the methodology and estimates shown at Appendix 2 of the report, to recommend Council to approve this calculation.

## **140/14 Revenue Account Business Plan 2015/45 and Rent and Service Charge Increase 2015/2016**

The Council Cabinet considered a report on Revenue Account Business Plan 2015/45 and Rent and Service Charge Increase 2015/2016. The Housing Revenue Account (HRA) remained in a financially robust position as a result of a combination of strong cost control and rent increases above the level of inflation over the past decade, bringing council rents much closer to Housing Association levels. The HRA still, however, faced a number of challenges:

- Welfare Reform – Universal Credits impact on rental income collection and Arrears
- Rental Constraint – Future rent increases limited to CPI plus 1%
- Right to Buy – Continued stock losses
- Service Charges - Universal Credit may result in charges no longer recoverable

The partnership of Derby City Council and Derby Homes remained strong and focussed on delivery of new homes through that partnership. The HRA and Derby Homes both had plans to deliver additional homes and to add to the stock of well managed affordable homes in Derby.

Overall, the plan indicates that there remained the financial capacity to deliver around 400 homes through the HRA. This combined with an additional 300 homes to be delivered by Derby Homes ensured financial capacity for around 700 new affordable homes by March 2019. Identifying appropriate sites remained an issue with meeting this objective, but plans were progressing well at this stage.

The HRA Business Plan assumes a rent increase of CPI plus 1% which amounts to an average increase of 2.2%. This was a considerably lower increase than recent years but never the less was sufficient to enable the new build delivery referred to above and ensure that the core service to existing tenants was able to remain at its current level, with homes being actively managed and maintained to a decent standard.

## **Decision**

1. To approve the 2014/15 update of the rolling 30 year HRA business plan, as set out at appendix 2 of the report.
2. To approve a rent increase of 2.2% in line with Government Policy of CPI + 1%.
3. To approve an increase to all service charges of 2.3% with the exception of those detailed at paragraph 4.10 in the report.
4. To agree that increases to other Council rents (set out in paragraph 4.10 of the report) were set in-line with RPI at January 2015.

## **Contract and Financial Procedure Matters**

### **141/14 Contract and Financial Procedure Matters Report**

The Council Cabinet considered a report on 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:

- Changes to the current 2014/15-2016/17 capital programme.
- Approval to extend a contract

## **Decision**

1. To approve changes, additions and progression of these on the capital programme as set out in Appendix 2 and highlighted in section 4 of the report.
2. To note the revised programme for 2014/15 in table 1 (paragraph 4.1) and the revised indicative programme for 2014/15-2016/17 as shown in table 2 (paragraph 4.7) of the report.
3. To waive contract procedure rules and approve the extension of the current HRIS project manager contract until 31 March 2015.

MINUTES END