COUNCIL CABINET
12 July 2017

Present	Councillor Banwait (Chair) Councillors Bolton, Hussain, Raju, Rawson, Repton, Russell and Shanker
In attendance	Councillors Barker, Care, Graves, Hudson, M Holmes, Poulter, Skelton, Smale and West Christine Durrant – Strategic Director Communities and Place Andy Smith – Strategic Director of People Janie Berry – Monitoring Officer Mark Taylor – Interim Director of Finance Claire Davenport – Director of Leisure, Culture and Tourism Olu Idowu – Head of Legal Mark Elliott – Assistant Head of Libraries Julie Topham – Senior Operations Manager Karin Staples – Project Manager Gordon Stirling – Director of Strategic Services and Organisational Development Ian Fullagar – Head of Strategic Housing Matthew Frost – Marketing Officer - Media Ruth Sadler – Communications Officer Yvonne Wilkinson - Head of Communications and Consultation

This record of decisions was published on 14 July 2017. 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.

18/17   Apologies

An apology for absence was received from Councillor Afzal.

19/17   Late Items

There were no late items.

The Chair reported that there was an addendum to the Contract and Financial Procedure Matters Report.

20/17   Receipt of Petitions

There were no petitions received.

21/17 Identification of Urgent Items to which Call In will not Apply

There were no items.

22/17 Declarations of Interest

There were no declarations on interest.

23/17 Minutes of the Meeting Held on 21 June 2017

The minutes of the meeting held on 21 June 2017 were agreed as a correct record and signed by the Chair.

Matters Referred

24/17 Recommendations from the Executive Scrutiny Board

The Council Cabinet considered a report on Recommendations from the Executive Scrutiny Board. The Executive Scrutiny Board met and discussed items contained within the Council Cabinet Agenda. The report enabled the views and recommendations resulting from these discussions to be formally shared with Council Cabinet. These were submitted to Council Cabinet as Appendix 2, prior to commencement of the meeting.

Decision

To receive the report and consider the recommendations alongside the relevant report.

Key Decisions

25/17 Libraries Strategic Review: New Service Delivery Model

The Council Cabinet considered a report which stated that the aim was to deliver on our vision for a Library Service that improves life chances by encouraging reading, informal learning and digital access in a safe and welcoming environment.

The Council's Medium Term Financial Plan (MTFP) required the Library Service to identify £648k additional savings by April 2018. In September 2015 a Libraries Strategic Review was initiated to determine the best way to maintain a modern, high quality library service whilst delivering the essential cost savings. As part of the Review the Council instructed independent consultants to carry out a major 'phase 1' consultation over 12 weeks from 30 November 2015 and 19 February

2016. Data collected during the consultation was used alongside information from a variety of other sources to conduct a needs assessment exercise. This robust process then informed the development of four options for a new service delivery model. These were detailed in a report to Council Cabinet on 3 August 2016, and Cabinet agreed that all four options should be the subject of a further – 'phase 2' – consultation.

The phase 2 public and stakeholder consultation took place between 19 September 2016 and 14 December 2016. Response to the phase 2 consultation was outstanding, with a total of 4,378 questionnaires being completed and over 1,000 individuals expressing their interest in becoming a volunteer and helping run a local library. Analysis of responses to the consultation revealed that the Council's preferred option for the future of the library service in Derby – Option B – was the only one of the four options to enjoy net support. The consultation also showed a majority in favour of transferring the city centre lending library and internet service from the Central Library to a new Riverside Library at the Council House.

Whilst there was a majority in favour of Option B, including the Riverside Library proposal, the phase 2 consultation also revealed some areas where the approach could be revised or improved. The report therefore described the development of a further service delivery model, firmly rooted in Option B but with some amendments to accommodate, where appropriate, the responses to the findings of the phase 2 consultation. The new service delivery model was referred to as Option B *Plus*.

Under Option B *Plus* the Council would continue to run five libraries as part of its statutory offer. As well as Riverside, the Local Studies and Family History Library, Alvaston and Pear Tree Libraries, which were all included in the original Option B, Mickleover Library would also be part of the statutory offer. The other ten existing libraries would be earmarked as potential Community Managed Libraries (CMLs) outside the Council's statutory offer. An annual Grant pot of £175k would be established until 31 March 2022, to be distributed between the CMLs through a mechanism to be agreed by the Strategic Director of Communities and Place, following consultation with the Cabinet Member for Leisure, Culture and Tourism.

The report recommended that Council Cabinet approve Option B *Plus* on the grounds that it improved on Option B, which was judged to be the most favourable of the four options that were consulted upon. Specifically, Option B *Plus*:

- Changes the needed assessment methodology, giving equal weight in the analysis to socio-economic deprivation, library usage and library location factors.
- Frees up funding for another Council-run library by not increasing opening hours as significantly as outlined in Option B. Opening hours under Option B *Plus* would, however, remained higher than at present.
- Adds Mickleover to the portfolio of Council-run libraries. This meant that the second busiest library in the city was retained as part of the statutory offer and that the geographical spread of Council-run libraries was improved.
- Increases shelf capacity at Alvaston, Mickleover and Pear Tree Libraries, creating space on open public access for some of the books displaced from the Central Library by the move to Riverside.

- Created a robust framework for the establishment and sustainability of CMLs.

There would be a Minimum Standard Resource that a CML would be expected to provide for the benefit of its local community in return for access to the Grant. The report goes on to describe two Enhanced Support Packages that would be available to organisations / community groups choosing to work closely with the Council. The packages would offer support with stock acquisition and management, computer systems and internet and wi-fi access. The Enhanced Support Packages would be a voluntary choice, and organisations / community groups could opt to provide the Minimum Standard Resource, and have access to the Grant to support this, without accepting them.

The annual Grant, the two Enhanced Support Packages and the additional support measures described in the report were intended to maximise the likelihood that all ten potential CMLs would be successfully established and would continue to thrive. This, in turn, would reduce the prospect of the Big Lottery seeking to recover part of the grant it awarded the Council to support the building of libraries at Allenton, Chellaston and Mackworth. Advice from the Big Lottery indicated that if a community organisation takes over the running of a library with financial and/or in-kind support from the Council "claw back" may not be sought, subject to the Lottery having agreed to the agreement that the Council would enter into with the CML.

The process for inviting suitable Expressions of Interest from organisations / community groups wishing to operate a CML would begin in late July 2017, with initial Registrations of Interest sought by 29 August 2017. The deadline for completed Applications was 23 October 2017; support would be available to groups from external organisations with relevant expertise.

A review of CML Grants and the Enhanced Support Packages was proposed between October 2020 and March 2021, with any modifications being implemented from April 2022.

The report provided further information about the proposed Riverside Library, including details of its stock-holding capacity, a draft floorplan, artist's impressions and new proposals to relocate, to the other Council-run lending libraries, some of the stock displaced from the Central Library. The Business Case for transferring city centre lending library and internet services from their current location at the Central Library to the Riverside Library was appended to the report.

The report described an informal expression of interest from Derby Museums Trust to take over occupancy of the Central Library building following the transfer of library services to the Council House, which was expected to take place midway through May 2018. A letter from the Trust's Executive Director, outlining some proposals, was appended to the report.

Recommendations 2.2 – 2.4 of the report, the latter in particular, were of significant importance. Council Cabinet's attention was drawn to the fact that if not resolved as recommended, the remainder of the recommendations that followed all became redundant. Should that be the case, Council Cabinet's express steer on the

appropriate direction to take in relation to the Libraries Strategic Review would be necessary.

In considering the report Council Cabinet paid particular regard to the outcomes of the equality impact assessment set out at appendix 14 of the report.

The Executive Scrutiny Board made the following recommendations to Council Cabinet:

1) In order to be transparent and expedite early agreements it is recommended that Council Cabinet agree to commission a condition survey and costed property maintenance programme for those elements of the potential CMLs that the Council will not be responsible for. This will enable communities to understand:

   a) what their responsibilities are;

   b) what is outside of the scope of their responsibilities; and

   c) the likely cost of these responsibilities over the coming years.

2) To recommend to Council Cabinet that a Service Level Agreement is developed between the Council and CML managers. This is with an aim to clarify and formalise the level of services that communities can expect to receive from their CML and ensure review and scrutiny mechanisms are in place to allow an appropriate level of checks and balances.

3) To recommend that the Cabinet Member for Leisure, Culture and Tourism:

   a) consults with ward Councillors for the proposed CML areas on the mechanisms to be put in place to ensure the involvement of the Councillors in the proposals for setting up CMLs; and

   b) ensure that they are able to communicate with individuals and volunteers expressing an interest in being involved.

Options Considered

1. During an earlier stage of the Libraries Strategic Review four options for a new service delivery model were developed and worked up in detail. Following consideration of the response to the phase 2 consultation Options A, B, C and D had been rejected for the reasons outlined by the report.

2. Continuing to deliver the service in its current form was not an option given the scale of the budget challenge that the Council continues to face.

Decision

1. To note the final report of the phase 2 consultation, which was included at Appendix 2, the petitions outlined at paragraph 5.11 and the other notable submissions outlined at paragraph 5.12 of the report. The text of the comments and other submissions received was available for members to review.

2. To reject Options A, C and D.

3. To note that, based on results of the phase 2 consultation:
   - Option B was judged to be the option that best provided a firm foundation upon which to build a new service delivery model.
   - It was judged that Option B could be improved by responding constructively to the feedback received during the consultation. Option B *Plus* is firmly rooted in Option B, but with some amendments in response to the findings of the phase 2 consultation.

4. To reject Option B, and to approve Option B *Plus*, as the new service delivery model for Derby's libraries.

5. Subject to Cabinet's approval of the Council House Reconfiguration Project as a whole on 21 June 2017, and of Option B *Plus*, to approve the recommendations relating to Riverside Library (details of which were set out at paragraph 6.15 of the report).

6. To approve expenditure up to a value of £160k to increase the stock holding capacity at Alvaston, Mickleover and Pear Tree Libraries, as outlined at paragraph 7.9 of the report, funded through the Property Rationalisation funds, delegating authority to the Strategic Director of Communities and Place following consultation with the (Interim) Director of Finance, to add the relevant elements of the £160k to the capital programme as appropriate.

7. To approve the template wording for CML leases (details of which were set out at Appendix 9 of the report) and to delegate to the Strategic Director of Communities and Place, following consultation with the Cabinet Member for Leisure, Culture and Tourism, authority to agree the final terms of Lease, Management and Grant Agreements for libraries identified by the report as potential CMLs.

8. To approve provision of the Minimum Standard Resource, as set out in Appendix 10 of the report, as the minimum criteria to qualify for a CML Grant.

9. To agree in principle, subject to key decisions and other constitutional considerations that may apply at the time, to consider indemnities for CMLs for specific TUPE liabilities if they arise.

10. To approve the recommendations set out in paragraph 8.14 of the report regarding the Grant to organisations / community groups taking on the running of CMLs.

11. To approve Enhanced Support Packages (1) and (2), as outlined in Appendices 12 and 13 of the report respectively, noting that although CMLs accepting Enhanced Support Packages would work closely with the Council and within many of its procedures, this was a voluntary choice, and organisations / community groups could provide the Minimum Standard Resource without accepting the Packages.

12. To approve the provision of ongoing training and guidance to CMLs, accessible on a voluntary basis, in relation to routine library operations, processes and activities by creating a permanent Community Library Development Team within the Council's structure.

13. To establish a one-off CML pump-priming fund of £90k (the purpose of which was described in paragraph 8.25 of the report) in accordance with the Council Cabinet decision of 15 February 2017, and to delegate to the Strategic Director of Communities and Place, following consultation with the Cabinet Member for Leisure, Culture and Tourism, authority to develop and implement a mechanism for allocating the pump-priming fund.

14. To note the range of support that is proposed to inform and assist groups / community organisations completing an Expression of Interest and preparing to run a CML.

15. To approve the outline process for transferring some libraries from Council control to community management, as described in paragraphs 8.34 to 8.39 of the report, and to delegate to the Strategic Director of Communities and Place, following consultation with the Cabinet Member for Leisure, Culture and Tourism, authority to refine the process and make final decisions on Expressions of Interest / Applications.

16. To commission a review, with a particular focus on levels of Grant, the Grant allocation mechanism and the Enhanced Support Packages, to take place between October 2020 and March 2021. Any changes resulting from the review would be implemented from April 2022 meaning that groups / community organisations running CMLs would receive 12 months' notice of any changes.

17. To reject the recommendations of the Executive Scrutiny Board.

Reasons

1. Option A was rejected because:
- The consultation revealed a large body of opposition to Option A, but few substantive arguments in its favour.

- It withdraws funding from 11 out of 15 existing statutory libraries but did not offer Grant funding to groups / community organisations that might wish to take over their running. As a result all 11 would almost inevitably close.

2. Option C was rejected because:
- Despite high levels of support from users of some libraries, overall the consultation revealed significant net opposition to this option.
- It withdraws funding from 5 out of 15 statutory libraries but did not offer Grant funding to groups / community organisations that might wish to take over their running. As a result all 5 would almost inevitably close.

3. Option D was rejected because:
- Despite high levels of support from users of some libraries, overall the consultation revealed significant net opposition to this option.
- Although it guarantees the future of more libraries than Option B by making them Council-run, the smaller Grant available under Option D increased the risk that not all potential CMLs would come into being or prove sustainable in the longer term.

4. Option B was judged to be the option that best provided a firm foundation upon which to build a new service delivery model because, as well as achieving the Library Service's Medium Term Financial Plan (MTFP) savings target:
- In the consultation it attracted 11% more support than any other option, and was the only option to be supported by more respondents than opposed it.
- Although it secured the future of fewer libraries than Option D by making them part of the statutory offer, the larger Grant available under Option B *Plus* would improve the sustainability of any potential CMLs in the longer term.

5. Option B *Plus* responds positively to the phase 2 consultation, and improved on Option B by:
- Adjusting the needs assessment methodology so that, relatively speaking, more importance was attached than previously to how busy libraries were and how remote they were from other libraries, while relatively less importance was attached to the levels of deprivation / disadvantage in the communities they served.
- Freeing up funding for another Council-run library by not increasing opening hours as significantly as outlined in Option B. Opening hours under Option B *Plus* would, however, remained higher than at present.
- Adding Mickleover to the portfolio of Council-run libraries. This meant that the second busiest library in the city was retained as part of the statutory offer and that the geographical spread of Council-run libraries was improved.
- Increasing shelf capacity at Alvaston, Mickleover and Pear Tree Libraries, creating space on open public access for some of the books displaced from the Central Library by the move to Riverside.

- Clarifying and/or increasing support given to CMLs. For example, under Option B *Plus*:
  - The size of the permanent Community Library Development Team was increased from 2.5 fte to 3.0 fte, while the demand on it was decreased by the reduction in the number of potential CMLs from 11 to 10.
  - The size of the Grant pot was fixed until 31 March 2022, reducing uncertainty and giving CMLs time to become established.
  - The details of two Enhanced Support Packages were confirmed. Although it would not be mandatory for CMLs to take these up, those doing so would, for a peppercorn fee, gain access to and use of the Library Management System, support with stock selection and management, and support with the provision of public internet and wi-fi.
  - A funded package of support is proposed for groups / community organisations interested in running a CML.

6. Option B and Option B *Plus* were judged to offer the highest standard of library service that was achievable while still meeting the Library Service budget savings that were required by the Council's MTFP. However Option B was recommended for rejection and Option B *Plus* for approval because the latter retained the positive aspects of the former, while improving the quality of the total offer having taken on board, so far as appropriate, the consultation findings.

7. Cabinet was recommended to approve the creation of the Riverside Library as the location for a city centre lending library and internet service on the grounds that:

- It transferred services from a venue where levels of use fell by around 50% between 2011/12 and 2016/17, a decrease that reflected in part the limitations of the Central Library building, the relatively low levels of footfall in that part of the city centre and the increased incidence of anti-social behaviour at the library.

- It enabled the continuation of city centre lending library and internet services in an appropriate, modern and attractive environment situated in a building that had achieved the CredAbility Award for access

- It allowed opening hours to be substantially increased while reducing operating costs, and therefore made an important contribution to the aim / intended outcome of the Libraries Strategic Review.

- It supported the Council's aim to develop the Council House as a municipal hub for the citizens and visitors to Derby by increasing the building's total service offer.

26/17   Corporate Fraud Prosecution Policy

The Council Cabinet considered a report which stated that the Council had a zero tolerance to fraud. The Council's Anti-Fraud and Corruption Strategy 2013 sets out

the corporate commitment to the prevention, detection and investigation of all forms of fraud and corruption. Since early 2017, this commitment had been further enhanced with the creation of the Corporate Fraud Team, which sits within the Finance Department.

In 2011, the Council approved its Corporate Prosecution Policy. This set out the high level principles that the Council used to react to instances of fraudulent or criminal activity committed against it. The Policy applied to all staff, elected members, contractors, agents and the public at large.

The report introduced the Corporate Fraud Prosecution Policy. This would sit beneath the Corporate Prosecution Policy and set out the Corporate Fraud Team's approach to assisting in the prosecution of offenders. It also provided consistent guidelines for making decisions to prosecute, and the administration of other sanctions. The Policy was set out at Appendix 2 of the report.

A change would need to be made to the Council's Constitution, to delegate to relevant members of the Corporate Fraud Team the authority to fully investigate and take appropriate action relating to all corporate fraud matters within their remit.

An Equalities Impact Assessment (EIA) was conducted on 23 May 2017. A copy of the results was set out at Appendix 3 of the report.

The Executive Scrutiny Board noted the report.

Options Considered

Do not have a Corporate Fraud Prosecution Policy. The Corporate Fraud Team needs to have the means to fully conduct investigations and apply relevant sanctions where appropriate, if a robust approach to preventing and deterring fraud was to be delivered. Therefore, this option was discounted.

Decision

1. To approve the Corporate Fraud Prosecution Policy.

2. To recommend to Council that changes resulting from the adoption of the Policy detailed at recommendation 2.1 be made to the Scheme of Delegations

Reasons

1. To ensure the Council has robust processes in place to deter and prevent fraud.

2. To give the Corporate Fraud Team a consistent framework for their activities in preventing and deterring fraud being committed against the Council.

3. To ensure that the Corporate Fraud Team has the necessary delegated authority to utilise the full powers of the law when appropriate to do so as part of the investigation and prosecution process.

4. To provide more financial resilience to the Council and enable more effective targeting of money and resources to customers. The prevention and deterrence of fraud helps the Council to target money and services to those people in the community who were most in need, and not to anyone who seeks to defraud the Council by dishonestly claiming money or services they are not entitled to.

27/17 Post 16 Home to School Transport Consultation Outcome

The Council Cabinet considered a report which stated that Derby City Council remained absolutely committed to improving outcomes for children and young people with Special Educational Needs and Disabilities (SEND), and supporting our vulnerable children and young people.

The Council currently spends £3,200,000 per year on transport assistance; the majority of which was for children and young people with Education, Health and Care Plans (EHCP) or Statements of Special Educational Need who were placed at schools/colleges within Derby and outside of the city. Within the overall budget, the Council currently spends around £600,000 to provide free discretionary transport for Post 16 students with SEND.

Council Cabinet, at its meeting on 08 February 2017, approved an eight week consultation period which ran from 20 February 2017 to 17 April 2017 to consult on a proposal to change the way in which the Council provided free discretionary transport for Post 16 students with SEND, whilst maintaining its duty to ensure that every child and young person in the City has access to a school/college place. For some children, the Council, of course, had a legal duty to provide free transport assistance. It was important to clarify that the proposals, or the development of any future proposals, would not impact on this group of children to whom this duty applied.

In order to ensure there was full consultation, a number of engagement meetings were held with key stakeholders, parents and carers, representative groups, including the Parent Carer Forum, Voices in Action, Independent Travellers, the Special Educational Needs and Disabilities Information Advice and Support Service (SENDIASS), and the Council's Equality and Diversity Lead.

In total there were 144 responses to the consultation, with comments also received via telephone conversations, letters and e-mails. A detailed report of the consultation outcome was attached as Appendix 2 to the report. Responses to the consultation broadly fell into two categories:

a) Those who generally agreed with the proposals in principle, but raised significant concerns, or felt there were considerations to be made, with

regard to the transport application and assessment process, and specific detail on how this would operate;

   b) A smaller group who disagreed with the purpose and principle of the transport proposals.

The Council had listened very carefully to parents and carers in each of the consultation meetings, and had also thoroughly analysed all of the 144 responses received. As a result of this very helpful engagement, the proposal was to develop alternative options which would help the Council achieve the required SEND post 16 transport savings.

A report setting out alternative options would be presented to Council Cabinet for consideration in September 2017. There would then be a further stage of consultation with parents, carers and SEND partners.

The Executive Scrutiny Board recommended to Council Cabinet that the new proposals are developed in consultation with the group identified from the consultation who wanted to be involved and had ideas on how best the scheme could operate and felt that the most productive results would be achieved from doing this.

Options Considered

   1. To develop a point based system and implement changes to the ways in which the Council provides free discretionary transport for Post 16 students with SEND.

   2. To restrict the expansion of the Independent Travel Training Initiative.

Decision

   1. To approve scoping of alternative options for SEND Post 16 transport savings.

   2. To approve the continuation of the successful Independent Travel Training Initiative.

   3. To accept the recommendation from the Executive Scrutiny Board that the new proposals are developed in consultation with the group identified from the consultation who wanted to be involved and had ideas on how best the scheme could operate, and felt that the most productive results would be achieved from doing this.

Reasons

   1. Responses received, as outlined within Appendix 2 of the report, indicated that that the development of a point based system may not be viable in ensuring that a number of young people with SEND received appropriate transport assistance.

2. The Independent Travel Training Programme continued to be successful in supporting children and young people with SEND. Since 2014, 121 young people who previously travelled in taxis/minibuses were now travelling independently, the majority being Post 16 students.

28/17   Compulsory Purchase of Empty Homes

The Council Cabinet considered a report which stated that approval was sought to initiate compulsory purchase proceedings in relation to 5 long-term vacant houses. The houses had stood vacant for some years and the owners had not provided sufficient assurances that the properties would be brought into beneficial occupation in the near future.

The aim of the Council's Empty Homes Strategy was to facilitate the renovation and re-occupation of vacant dwellings; thereby making a contribution towards meeting housing demand across the City. The actions would also help tackle the anti-social and environmental nuisance that neglected properties could present. The re-use of these homes would contribute towards the Council's New Homes Bonus income.

Where owners could not be traced, or were unwilling/unable to bring the property into use, there was a compelling case in the public interest for the Council to take enforcement action to ensure that the aims of the Strategy were achieved.

The Council's use of compulsory purchase powers should ensure that these problematic empty homes would be returned to the useful housing stock.

The Executive Scrutiny Board supported the recommendations and noted the report.

Options Considered

1. Do nothing.

   This was not considered appropriate. The properties, in their present circumstances, would remain a waste of potentially good housing and become an increasing blight within their respective neighbourhoods.

2. Enforced sale

   There were no financial charges held against these properties at present.

3. Empty Dwelling Management Orders

   Empty Dwelling Management Orders involved the eventual return of the properties to the original owner. As the current owners had failed to bring these empty homes into beneficial use a change of ownership was considered to be in the public interest.

4. Other enforcement powers

   Various legal powers empowered a Local Authority to deal with structural danger, nuisance or other environmental problems. These alone were piecemeal, reactive and short-term approaches, which did not provide a long-term solution.

Decision

1. To approve that the Council makes Compulsory Purchase Orders under the Acquisition of Land Act 1981(pursuant to the power under section 17 of the Housing Act 1985) for the acquisition of the houses, together with the associated land, as identified in Appendix 2 of the report for the purposes of their renovation and reoccupation as housing accommodation.

2. To authorise the Strategic Director of Communities and Place, following consultation with the Cabinet Member for Urban Renewal, the Director of Governance and the Head of Strategic Asset Management and Estates to:

- take all necessary steps to secure the making, confirmation and implementation of the Compulsory Purchase Orders;

- acquire the legal interests in the properties, whether by voluntary agreement or compulsorily using statutory powers set out in the preceding paragraph;

- suspend the compulsory purchase order proceedings, or withdraw an order, in relation to any particular property on being satisfied that the subject house would be satisfactorily renovated and re-occupied voluntarily;

- take necessary action to deal with all matters relating to the payment of compensation and statutory interest including, where appropriate, instituting or defending related proceedings;

- dispose of the properties in accordance with the proposals set out in the report; and

- take all other necessary action to give effect to these recommendations.

Reasons

1. The properties identified in Appendix 2 (the exempt appendix appeared later in the agenda) had been vacant for a number of years and all reasonable options open to the Council to encourage the respective owners to voluntarily bring them back into use had proven unproductive.

2. Restoring the houses to the useful housing stock would contribute to meeting the increasing housing needs in Derby.

3. The risk of common problems associated with empty buildings such as trespass, vandalism, fly tipping or anti-social activities would be reduced.

Budget and Policy Framework

29/17   Budget Outturn 2016/17

The Council Cabinet considered a report which summarised the overall financial position at the end of the 2016/17 financial year against the budget approved by Council on 3 February 2016. In summary, the year-end outturn was as follows:

- **Revenue budget** : £0.2m underspend against the approved budget of £219.2m;

- **Capital budget**: The capital programme was revised during the year from £106.2m to £55.3m as a result of delays in major projects including the Waste Plant (£25.0m). Actual expenditure was £52.5m;

- **Reserves:** the General Reserve balance was £8.8m as at 31 March 2017;

- **Treasury**: Total debt was £458.5m and total Investments £69.7m at the 31 March 2017; no prudential indicators set by Council were breached in the year;

- **Dedicated Schools Grant (DSG**): The total grant of £205.1m was underspent by £1.3m on the centrally retained elements and moved to an earmarked reserve;

- **Collection Fund**: the total deficit attributable to the Council was £3.0m due mainly to increased challenges from businesses in respect of property valuations.

Further analysis and explanations of key variances were provided in section 4 to 10 of the report.

Included in the revenue outturn were delivered savings of £18.0m; 94.5% of the £19.0m savings target set by Council. A summary of the net revenue cost by directorate was set out in the report.

How the net revenue budget was funded was also set out in the report.

The Executive Scrutiny Board resolved to monitor the Capital Programme at the mid-year review and recommend to Council Cabinet that more careful consideration is given to the setting of Capital Programme for 2018-19 to ensure that is a more accurate and realistic reflection of what can be achieved in the year.

Decision

1. To note the revenue outturn and key budget variances set out in the report in section 4 and the savings delivered in the year in section 5.

2. To note the capital outturn and the capital expenditure incurred during the year summarised in section 6 of the report.

3. To note the reserves position at the year-end as set out in section 7 of the report.

4. To note the Council's treasury position at the year end and performance in the year, set out in section 8 f the report.

5. To note the Dedicated Schools Grant position and balance at the year-end summarised in section 9 of the report.

6. To delegate authority to the s151 Officer to reflect any changes to the financial outturn arising from the External Audit of the Council's 2016/17 Statement of Accounts and report these to the Audit and Accounts Committee.

7. To accept the recommendation of the Executive Scrutiny Board that more careful consideration was given to the setting of Capital Programme for 2018-19 to ensure that was a more accurate and realistic reflection of what could be achieved in the year

Performance

30/17   Performance Monitoring 2016/17 – Year End Results

The Council Cabinet considered a report which included highlights from key performance measures and actions included in the Council Plan 2016/17. The report included the priority measures which form the Council Scorecard for 2016/17 and had been reported to Council Cabinet on a quarterly basis.

Results were assessed using traffic light criteria, according to their performance against improvement targets. A dashboard which summarised performance for the Council Scorecard was shown in Appendix 2 of the report.

At the end of quarter four (up to 31 March 2017), 54% of priority measures had met or exceeded their year-end target. Performance had improved in 2016/17 across 39% of our priority measures when compared with performance in 2015/16 and there were some areas of strong performance including…

- 840 jobs had been created directly and indirectly through projects funded by the Derby Enterprise Growth Fund (DEGF) in 2016/17 and 20 businesses have been supported financially.
- 83% of inspected maintained schools were judged as good or outstanding, an increase from 76% last year.

- More customers were contacting the Council using existing online services, transactions increased by more than 60% compared to last year.

Improvement activity through Directorate Management Teams (DMTs) had been rigorous with regular challenge and review from Corporate Scrutiny. Areas for improvement were shown in Appendix 3 of the report. Accountable officers had provided commentary to put performance into context and identify actions that they were taking to address poor performance.

The results for all measures and actions within the Council Plan (including the scorecard priority measures) were shown within Appendix 4 of the report. This would form the results appendix that accompanies the Council's Annual Report 2016/17 and would be presented to Council Cabinet in October 2017.

The Executive Scrutiny Board noted the report.

Decision

1. To note the 2016/17 year end performance results.

2. To give particular attention to any areas for improvement and the actions being taken by officers to address performance.

3. To note that the Council's Annual Report 2016/17 would be presented to Council Cabinet in October 2017.

At this point Councillor Russell left the meeting.

Contract and Financial Procedure Matters

31/17   Contract and Financial Procedure Matters

The Council Cabinet considered a report and an addendum which dealt with the following items which required reporting to and approval by Council Cabinet under the Contract and Financial Procedure rules.

- Acceptance of Grant
- Allocation of Grant
- Procuring a contract with an estimated value of over £75,000
- Extension of existing Highways Maintenance Framework
- Changes to the current 2017/18 Capital Programme
- Allocation of grants to external bodies and delegation of authority for the allocation of funds from the Cultural Charter Reserve
- Procurement of professional external advisor to provide property valuation estimates
- Approval of a waiver to purchase IT equipment to support the Council's electoral register

The Executive Scrutiny Board made no recommendations to Council Cabinet on this report but resolved to request further information be provided on the detail on the Cashless Parking System, in particular relation to any option for card payments as well as internet or pay-by-phone payments.

Decision

1. To accept the award and approve the allocation of £709,640.87 new burdens funding from the Department for Communities and Local Government to Derby Homes to enable the delivery of Homelessness services, as detailed in section 4 of the report. Allocation will be subject to Derby Homes underwriting the spend and committing to terms and conditions of the award once established.

2. To approve the procurement and award of a contract of the value £300,000 for a Cashless Parking System, as detailed in section 5 of the report.

3. To approve the procurement and award of a contract of the value £142,000 for a Hybrid Mail system, as detailed in section 6 of the report.

4. To approve the procurement and award of a Derby City Council specific contract, and participation in a regional Framework (procurement led by Nottingham City Council) as a fall-back, of the value of £2.6m over a three year period. This would cover the training provision across the Council as part of the Apprenticeship Levy, including maintained Schools, as detailed at section 7 of the report.

5. To approve the extension of the existing joint Derby City Council and Nottingham City Council Framework Service Contract for Highways Maintenance Works to the 31 March 2018 or the implementation date of the new framework, whichever is sooner, to a maximum value of Derby City Council commissions of £2.9M.

6. To approve changes including additions to the capital programme in section 4- 4.4 and Appendix 2 and 3 of the report.

7. To approve the grant allocations to external bodies and the delegation of authority for future grants from the Cultural Charter Reserve as outlined in section 4 of the addendum report.

8. To approve the Procurement of professional external advisors to provide property valuation estimates to support the production of the Council's annual Financial Statements and delegate authority to the Section 151 Officer to procure and appoint as outlined in section 5 of the addendum report.

9. To approve the use of a named supplier to purchase IT equipment to support the Council's electoral register and be compliant with the existing software.

31/17   Exclusion of the Press and Public

To consider a resolution to exclude the press and public during consideration of the following item

"that under Section 100(A) of the Local Government Act 1972, the press and public be excluded from the meeting during discussion of the following items 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

32/17   Compulsory Purchase of Empty Homes

The Council Cabinet considered exempt information in relation to the compulsory purchase of empty homes set out in minute no. 28/17.

MINUTES END