

Time began 6.00pm  
Time ended 7.23pm

**COUNCIL CABINET  
21 APRIL 2009**

Present: Councillor Jones (Chair)  
Councillors Allen, Care, Naitta, Skelton and Troup

In attendance Councillor Hickson

This record of decisions was published on 23 April 2009. 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.

**266/08 Apologies for Absence**

An apology for absence was received from Councillor Carr.

**267/08 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 could not wait until the next meeting.

- Development Control Charging got Giving Pre-Application Advice

**268/08 Identification of Urgent Items to which Call-In will not apply**

There were no items.

**269/08 Declarations of Interest**

Councillor Naitta declared a personal interest in minute no 273/08 because he was the vice chair of Spirita. Councillor Jones declared a personal interest in minute no 274/08 because she is a member of the Methodist Church – the Open Centre's present landlord. Councillor Care stated as a point of information that, as a member of the Planning Control Committee, she would not be involved in any debate or decision with regard to items 20 and 27 on the agenda minute nos 286/08 and 293/08 (Waste Management Contract Approval of Commercial and Financial Close).

**270/08 Minutes of the previous meeting held on 17 March 2009**

The minutes of the meeting held on 17 March 2009 were noted as a correct record and signed by the Chair.

## 271/08 Annual Audit and Inspection Letter 2007/08

The Council Cabinet considered the Annual Audit and Inspection Letter 2007/08 presented by Beverley Parker from the Audit Commission and Jon Roberts from Grant Thornton. The Annual Audit and Inspection Letter summarised the inspection work undertaken by the Audit Commission and the Council's external auditors, Grant Thornton.

It provided the annual Direction of Travel statement on progress made in addressing our priorities and the auditor's work on the Council's accounts, governance and performance. The Letter provided a positive report on the Council's performance in 2007/08 where the Council had retained the highest '4 star excellent' rating in Comprehensive Performance Assessment - CPA and was assessed as 'improving well' under the direction of travel criteria. The Council was continuing to improve services across priority areas and delivers good services for children and young people and for adults. The Council received an unqualified opinion on the annual financial statements 2007/08. A number of significant accounting adjustments were made, but these would have no impact on Council Tax levels.

The Council had made proper arrangements to secure economy, efficiency, and effectiveness in its 'use of resources' assessment and had maintained an overall assessment of '3' for Use of Resources. Data quality arrangements were continuing to perform well. The Annual Audit and Inspection Letter also contained recommendations arising from reviews of health inequalities, fees and charges and the Connecting Derby project. The Letter was received by the Audit and Accounts Committee on 2 April 2009.

### **Decision**

To note the Annual Audit and Inspection Letter 2007/08.

## Matters Referred

### 272/08 Development Control Charging for Giving Pre-Application Advice

The Council Cabinet considered a report and minute extract from the Planning Control Committee requesting Council Cabinet to approve the adoption of a charging regime for giving pre-application advice in respect of development control.

### **Decision**

To approve the adoption of charging for giving pre-application advice for development control.

## 273/08 Review of Handy Person's Scheme

The Council Cabinet considered a report on a Review of Handy Person's Scheme. The Handy Person's Scheme helps older people to retain their independence by carrying out minor household repairs and other small jobs which they were unable to do safely themselves. The scheme had initially been set up as pilot project using Supporting People money to carry out 400 jobs per year. However due to its resounding success it was expanded to carry out 1200 jobs per year. In July 2008 the Adult Services and Health Commission learned that the performance of the Scheme during 2007 had been off target with completion of 900 jobs against a target of 1200. The Commission therefore decided to select this as its second major topic for review in its 2008/09 work programme. Written and oral evidence was presented to the Commission by the Council's Housing Renewal Manager, Operations Manager at Spirita, Handy Person's Van Operative and three service users at a meeting held in public on 24 February 2009. The Commission was informed that the main reason for the scheme to be below target was due to lack of awareness amongst potential recipients of the availability. As a consequence insufficient numbers of people were applying for assistance from the scheme. This situation was not helped by the restriction on the eligibility criteria as the service was currently only available to people over 60 who were in receipt of means tested benefits and to adults with disabilities. However, the scheme had been promoted recently and as a result the monitoring figures for the first ten months showed the scheme to be on target for this year. After checking for accuracy of the evidence with the witness, the final draft was approved by the Commission at their 16 March 2009 meeting and was attached in Appendix 2 of the report. The Commission felt that this service fulfilled an important local function and should continue to be supported. Evidence received by the Commission shows that there was capacity in the system to increase the total number of jobs carried out in a year. Members therefore recommended extending the service to all people over the age of 60 as it was considered that many elderly people could become vulnerable at some stage in their lives and could therefore benefit from this scheme.

The Commission made the following recommendations to improve the access to the service and achieve better value for money.

1. The Commission recommended that the criteria for accessing this service should be extended to include all residents over the age of 60 and not restricted only to those receiving benefits. The service should continue to be provided to adults with disabilities.
2. Re-launch the scheme with the new eligibility criteria and promote the service across the city including in community centres and by giving presentations at all the Neighbourhood Forums
3. Advise clients not to buy capital items in advance unless directed by the scheme administrator

4. Each van should be stacked up with basic items required for daily activity to minimise time loss

**Decision**

To request a further report on the scheme to a future meeting.

At this point Councillor Care took the Chair

## 274/08     Open Centre

The Council Cabinet considered a minute extract from SACRE meeting on 16 March 2009 which requested Council Cabinet to investigate whether there was any suitable accommodation which the Open Centre could use in both short term and long term when the building they occupied currently on Pear Tree Road was sold.

**Decision**

To work with the Open Centre to try and find suitable premises.

At this point Councillor Jones re took the Chair.

## 275/08     Exeter House

The Council Cabinet considered a report from the Community Commission on Exeter House. The report stated that on 17 March 2009 Council Cabinet decided to revoke the Initial Demolition Notice dated 20 September 2007 and to authorise a programme of refurbishment of the building. The report was referred to the Community Commission with any comments to be reported back to Council Cabinet at this meeting. The commission recommended that Council Cabinet do not proceed with the refurbishment.

**Decision**

To reaffirm the decision taken on 17 March 2009.

## 276/08     Perceived Speeding Problems in Residential Areas

The Council Cabinet considered a report on Perceived Speeding Problems in Residential Areas. At the Council meeting on 21 January 2009 the following Motion was proposed by Councillor Roberts and seconded by Councillor Banwait in relation to concerns about speeding vehicles.

*Resolved, on the motion of Councillor Roberts, that Council recognises the concerns of many of our citizens about speeding vehicles in their areas. There are renewed calls for support for action to deal not only with speed problems but problems of the perception of speed. Council therefore requests the Council Cabinet to ensure that traffic management officers examine ways*

*of addressing neighbourhood based perceptions and present a report on effective traffic management methods that will meet residents' aspirations.*

The motion was reported to Council Cabinet on 17 February 2009 and the report set out the planned action in 2009/10 to start to address the concerns contained in the motion.

## **Decision**

To note the elements of the 2009/10 Highways and Transport programme, approved by Cabinet on 17 March 2009, that relate to addressing the problems and perceptions of vehicle speeds.

## **277/08      Review of Concessionary Travel Scheme**

The Council Cabinet considered a report on Review of Concessionary Travel Scheme. At the Council meeting on 16 December 2008 a Motion was proposed calling on the Council Cabinet to review the current terms of the English National Concessionary Travel Scheme for people aged over 60 and some disabled people so that Derby residents could easily and without cost:

- travel to pre 9.30am medical appointments
- travel beyond the current 11pm restriction.

A review on the current scheme arrangements and the proposed additional concessions had been undertaken. Both of the main bus operators in the City had expressed concern at the practicality of how they could implement the proposed travel before 9.30am for people with medical appointments. They felt such a scheme would only work if free travel was given to all card holders. The County Council who administer the scheme on our behalf also expressed concern at how two different system of validity could operate within the area. They, and the other borough/district councils in the Derbyshire group were unwilling to support any further extension in the validity of the pass outside of Derby. Since December the costs of the current scheme to the City Council had increased considerably from that estimated in briefing paper presented at the Council meeting. The costs each authority in the Derbyshire group pays were now based on the number of tickets issued in a Council area rather than a formula related to the eligible population, as was the situation prior to April 2008. As a result, authorities such as Derby where large numbers of concessionary tickets were issued were now paying significantly more than before. The total cost of the 2008/09 scheme throughout Derbyshire was now estimated to be £16.7m of which Derby's share is £6.016m. This is £2.49m more than had been made available by central government to pay for the scheme. This short fall in funding would have to be meet by the Councils own funds. The Chief Executive confirmed that Government were being lobbied by the Council and others to address the anomalies around the unfair allocation of grant between authorities and the shortfall in overall funding in Derbyshire.

## **Decision**

To maintain the current terms of the national concessionary travel scheme in Derby.

## **Key Decisions**

### **278/08 Accommodation Strategy – Selection of Bidders**

The Council Cabinet considered a report on Accommodation Strategy – Selection of Bidders which set out the expressions of interest received following the notice in the Official Journal of the European Union (OJEU) for the tender for the provision of office accommodation and requested approval of the proposed shortlist to participate in the next stage of the procurement process under which more detailed proposals will be submitted

## **Options Considered**

The process adopted would allow suitable currently available options to be considered as part of the accommodation strategy.

## **Decision**

To approve the shortlist as detailed in the Report in Appendix 2 in the confidential section of the Agenda

## **Reasons**

Eighteen expressions of interest were received in response to the OJEU notice. These had been evaluated against pre-determined criteria and a short list of the applicants most suitable to progress to the next stage of the procurement process established.

### **279/08 Land at Osmaston – Proposed Acquisition from Rolls-Royce**

The Council Cabinet considered a report on Land at Osmaston – Proposed Acquisition from Rolls-Royce. Over the past few months, we had been progressing the further development of the Osmaston Masterplan. We had also been seeking specifically to progress the acquisition of a site from Rolls-Royce to enable the travellers encampment within this area to be relocated to a more suitable location, as previously agreed by Council Cabinet. Officers' initial discussions with Rolls-Royce regarding the proposed acquisition of the site identified at Russell Street had become extended to cover all of their current freehold ownerships in Osmaston. This would offered a significant opportunity to bring forward the early redevelopment of these sites and provided a catalyst to the regeneration of the area in the wider context. Rolls-Royce's terms for the disposal of this land would require us to purchase in full knowledge of its previous use for industrial purposes, requiring us to ensure that we were aware before exchanging contracts of all the associated

contamination issues and that funds were available for dealing with these liabilities. One of the buildings had recently been Listed, which also required consideration of how funds could be identified to put this into beneficial use and maintained subsequently.

### **Options Considered**

There were no other options considered.

### **Decision**

To approve the terms provisionally agreed within the confidential part of the agenda.

### **Reasons**

There were no reasons.

## **280/08 St Alkmunds Playground – Darley Ward**

The Council Cabinet considered a report on St Alkmunds Playground – Darley Ward. To consider the options for the future holding and management of the former St Mary's School Playground on Darley Lane including an application for village green status.

### **Options Considered**

The purpose of the report was to explore the options for both the use of the land and the basis of holding it in the future. Other options were considered in some detail in the supporting information.

### **Decision**

1. To retain the land as a community garden
2. To voluntarily register the St Alkmund's Playground as a Village Green
3. To authorise the Corporate Director of Corporate and Adult Services to negotiate terms with the River Street Community Group for a long term management agreement for the land.

### **Reasons**

To permanently protect the land as community open space in recognition of the former gifting as a playground/garden, its use as a burial ground and the dedication and commitment of many local residents to create a community garden.

## 281/08     Final Approval of City Centre Eastern Fringes Area Action Plan Preferred Options

The Council Cabinet considered a report on Final Approval of City Centre Eastern Fringes Area Action Plan Preferred Options. At its meeting in November 2008 Council Cabinet were asked to consider responses to the 'City Centre Eastern Fringes' Area Action Plan (CCEFAAP) 'Preferred Option' consultation which took place between 30 July and 10 September 2008. Members agreed to a series of amendments to the principles and proposals in the light of the comments received. At the same meeting, Members also agreed to allow officers to enter into further discussions with the Derby Hospitals NHS Foundation Trust to discuss their aspirations for the DRI site and other landholdings in the area. This was in order to ascertain if the CCEFAAP needed further amendment. In December 2007, Council Cabinet also approved a revised route toward the regeneration of Castleward which included the suspending of the AAP process after the Preferred Option had been completed. The report aimed to update Members on the above discussions and sought authority to approve the CCEFAAP Preferred Option as amended, while confirming the decision to suspend further progress towards its statutory adoption. The report sits alongside two others on this agenda; one on Castleward Project Management Arrangements and one on the Railway Conservation Area Appraisal. These were also relevant to the future of the Eastern Fringes area and on-going projects that were seeking to bring about significant beneficial change.

### **Options Considered**

1. Continue with AAP preparation: This was not considered an appropriate option. Continuing to progress the AAP through the development plan process would delay Derby Cityscape from marketing the site, ultimately delaying the appointment of a preferred developer and the subsequent regeneration of the Castleward area. There was also less certainty of an Inspector finding the AAP 'sound' in advance of the Core Strategy. Further progression of the AAP would also divert resources away from the development of the Core Strategy.
2. Amend AAP proposals to reflect the NHS Trust's proposals: Owing to the ongoing concerns with the proposals, it was not felt appropriate to amend the AAP Preferred Option at this time.

### **Decision**

1. To approve the amended City Centre Eastern Fringes Area Action Plan 'Preferred Option' (Appendix 2) as part of the development framework for the Eastern Fringes area and as a material consideration in the determination of planning applications.



2. To confirm the decision to suspend the further progression of the Action Plan towards its statutory adoption as part of the Local Development Framework.

## **Reasons**

1. Suspending the statutory progression of the AAP at this stage would allow Derby Cityscape to take forward a marketing process to seek a preferred developer. This would use the agreed AAP proposals as part of a framework to select a developer and guide proposals.
2. To enable resources to be concentrated on the production of the Core Strategy.

## **282/08 Castleward Project Management Arrangements and Progress Report**

The Council Cabinet considered a report on Castleward Project Management arrangements and progress report. The development of the Castleward area was a priority for the Council and Derby Cityscape Limited, and a number of project teams had been pursuing their respective projects, studies, and pre-planning application preparations. The principal output of this project was the development of up to 1200 houses, plus retail and commercial developments. Discussions between Council officers and Derby Cityscape had led to the drafting of a Memorandum of Understanding, between the key partners – Cityscape, Derby City Council, Emda and Housing and Communities Agency and an outline of the partner roles. During the early part of 2009/10 Derby Cityscape Ltd and the City Council intend to undertake a marketing exercise to secure a partner developer. In order to do that the Council had been asked to:

- Formally agree the Memorandum of Understanding
- Confirm its position in respect of capital receipts for land in the councils ownership required for development.
- Confirm whether it wishes to construct and operate the multi storey car park outlined in the development strategy.

The report sits alongside two other reports to this Council Cabinet: Update on City Centre Eastern Fringes Area Action Plan and the Railway Conservation Area Appraisal and Management Plan.

## **Options Considered**

1. The 'do nothing option' was not tenable, given the Council's commitment to supporting Derby Cityscape's Masterplan implementation.

2. To leave Castleward to 'the market' could lead to either substantial delay or even a total failure to deliver development in Castleward. This would also have an impact on the housing target of 1200 new dwellings, with Cityscape and Council outputs not being achieved.
3. Not to intervene could also lead to Castleward being redeveloped in a piecemeal fashion, not particularly compliant with our planning policies.
4. Given the current state of the economy, intervention by the Council and its partners in the manner described in this report was the only feasible option, and even that could have substantial risks of delays in implementation.

## **Decision**

1. To authorise the Corporate Director of Corporate and Adult Services, to sign the Memorandum of Understanding with emda, HCA, and Derby Cityscape Limited, for the implementation of the comprehensive development of Castleward. Following agreement with the Corporate Director, Regeneration and Community on the final wording.
2. To agree in principle to commit the Council's land into the development and to defer any receipt until the end of the project, subject to details of the proposals for how the Council would recoup the future loss of car parking income being addressed within the development agreement and being bought back to Council Cabinet for a discussion and also subject to the details of the agreed development justifying this approach in the light of commensurate benefit to Derby coming from the agreed development.
3. To consult the Cabinet Members for Planning and Transportation and Housing and Public Protection on the investment priorities of the Housing and Communities Agency.
4. To advise Cityscape that the Council does not, at this stage, propose to construct and operate a multi story car park in Castleward.

## **Reasons**

1. To enable the redevelopment of Castleward to be implemented by the Council, Derby Cityscape, and our partners, in conjunction with a development partner, within an agreed and legitimate planning framework.
2. There was not yet sufficient evidence of car parking requirements for the development and construction of a multi storey car park at the outset of the development programme represents too high a financial risk. The issue would be further considered with a developer partner once selected.

## 283/08     Railway Conservation Area and Management Plan

The Council Cabinet considered a report on Railway Conservation Area and Management Plan. The report was to obtain approval for the publication of the Railway Conservation Area Appraisal and Management Plan, following receipt of public consultation responses and to obtain authority to extend the current Conservation Area Boundary.

### **Options Considered**

There were no other options considered.

### **Decision**

1. That the revised Railway Conservation Area Appraisal and Management Plan be approved for publication.
2. To delegate authority to the Director of Regeneration and Community to agree any final minor changes to the text of the Railway Conservation Area Appraisal and Management Plan for publication.
3. To authorise the proposed extensions to the Railway Conservation Area.

### **Reasons**

1. To approve the revised document prior to it being published.
2. To approve extensions 2 and 3, as described in paragraph 4.3, to the Rail Conservation Area.

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

## 284/08     Network and Telecoms Strategy

The Council Cabinet considered a report on Network and Telecoms Strategy. The Network and Telecoms Strategy outlined a strategic direction and programme of work focussed on the modernisation and rationalisation of the Council's network and telephony provision. The Strategy sets out to address the challenges set through the Council's transformation agenda – New Ways of Working and the ongoing drive for efficiencies, along with the national agenda, particularly around social inclusion and expanded connectivity aspirations.

## **Options Considered**

1. Opportunities for shared services had been and would continue to be considered for the development and provision of the Councils Network and Telecoms provision.
2. The strategy was being driven from the operational and modernisation needs of the Councils services. Full options appraisals were undertaken before any technical and/or investment decisions were considered.

## **Decision**

To approve the Network and Telecoms Strategy.

## **Reasons**

The approval of the strategy is a key decision

## **285/08 Membership of East Midlands Property Alliance**

The Council Cabinet considered a report on Membership of East Midlands Property Alliance. The East Midlands Property Alliance (EMPA) was launched on 31 March 2008 with the intention of promoting collaborative working between local authorities in property matters. The Council has been participating on an 'in principle' basis. The report sought approval to formalise membership of the Alliance.

## **Options Considered**

Not to participate in EMPA. However, collaborative working was high on the efficiency agenda. EMPA combined the buying power of the region's local authorities providing opportunities to influence the construction process and supply chains involved.

## **Decision**

1. To approve that the Council becomes a member of EMPA and the signing of the Memorandum of Understanding. This sets out the intent and governance arrangements for membership.
2. To approve the signing of the Access Agreement with Scape System Build Limited which will allow the Council to use framework agreements procured on behalf of EMPA.

## **Reasons**

Collaborative working arrangements were considered beneficial to the Council by sharing procurement of construction related services, knowledge and common systems with the aim of delivering associated efficiency savings.

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

## **286/08 Waste Management Contract Approval of Commercial and Financial Close**

The Council Cabinet considered a report which stated that Arrangements for the negotiation of and signing the Project Agreement between the Derby City Council, Derbyshire County Council and Resource Recovery Solutions (Derbyshire) Ltd (RRS), the company representing the partnership between United Utilities and Interserve, were now approaching a conclusion.

At the time of preparing the report, it was anticipated that signing of the Project Agreement would take place by 1 June 2009.

There were a comparatively small number of issues which would need to be resolved with RRS to the Council's satisfaction before the Project Agreement is finally signed. Where appropriate, these were referred to in the report

The Project Agreement would be subject to satisfactory resolution of any outstanding issues referred to in the report of the officers, who were two of the authorised signatories of the Council, after consultation between Corporate Directors of Environmental Services and Resources with the Cabinet Member for Direct and Internal Services over the final proposed cost

### **Options Considered**

1. Failure to award a contract would leave the Council exposed to very significant financial risks from Landfill Tax increases and projected LATs deficits.
2. Failure to award the Contract would not reduce levels of waste going to landfill, nor carbon emissions.
3. The current proposal, if concluded successfully, was expected to be at a similar cost to the Councils as the PFI option for which an Outline Business Case submission was presented to Government in October 2008 and which would continue to be pursued as a contingency in case of failure of the current procurement

### **Decision**

1. To approve and authorise the signature, sealing, execution and delivery of the Project Agreement between Derby City Council , Derbyshire County Council and RRS relating to the Residual Waste

Management Project, including such other legally binding documents as listed below (“the Documents”):

- Senior Lender's Direct Agreement
  - Sub-Contractor Direct Agreement
  - Independent Certifiers Appointment
  - Admission Agreement
  - Local Government (Contracts) Act 1997 Certificate for the Project Agreement
  - Local Government (Contracts) Act 1997 Certificate for the Funder's Direct Agreement
  - Such other legally binding documents including consents, waivers, undertakings, notices, letters, certificates and documents to be signed and/or initialled by the Authority, whether pursuant to the terms of the Project Agreement or otherwise (and including, without limitation, any documents referred to in the Project Agreement as 'Agreed Form' documents).
2. To authorise the Corporate Directors of Environmental Services and Resources in consultation with the Cabinet Member for Direct and Internal Services to clarify and fine tune the provisions of the Documents.
  3. To authorise the Corporate Directors of Environmental Services and Resources in consultation with the Cabinet Member for Direct and Internal Services to resolve any outstanding issues so those issues could be incorporated within the Project Agreement subject to the base annual Unitary Charge being within the affordability envelope as set out further in the confidential report.
  4. To authorise the issue of certificates under the Local Government (Contracts) Act 1997 to RRS and the Senior Lender in respect of the Project Agreement and the Senior Lender's Direct Agreement.
  5. To agree to receive further reports on the implementation and progress of the Project, as undertaken by RRS in conjunction with the Council.
  6. To delegate decision making powers in relation to the recommendations outlined in paragraphs 2.1 to 2.5 of the report and the Project generally to the Corporate Directors of Environmental Services and Resources and the Cabinet Member for Direct and Internal Services.

## **Reasons**

Everything possible should be done to minimise the risk of delays in signing of the PA, in order to minimise the Council's costs and help to ensure implementation of the Project in accordance with the Project Plan and Timetable

Councillor Care left the meeting during the above item.

## **287/08 Derby Housing Strategy 2009-2014**

The Council Cabinet considered a report on Derby Housing Strategy 2009 - 2014. The Government required that all Local Authorities had an approved 'fit for purpose' Housing Strategy. Derby was the first Local Authority in the country to produce a fit for purpose Housing Strategy in 2003. However, significant changes in housing policy and the housing market at a national, regional and local level now mean that an updated Housing Strategy was required. The Housing Strategy 2009 - 14 would set the blueprint for housing led services and provision in the City over the next 5 years and would be an overarching document outlining the strategic focus for the City Council and its partners. The Strategy had been developed within the framework of the national, regional, partnership and corporate drivers. The document interlinked with both the City Council's Corporate Plan and the wider Sustainable Community Strategy and contributed to partnership, corporate and community agendas throughout the City. As such, full and robust consultation with a wide range of stakeholders and organisations had been undertaken to ensure the effectiveness of the Housing Strategy in contributing towards sustainable communities. The draft Housing Strategy had been developed through extensive consultation, including a major stakeholder event on 16 September 2008 and the assimilation of data from extensive housing needs research which involved over 2,000 face to face household interviews across the City.

### **Options Considered**

The absence of an updated Housing Strategy would mean that Housing and related providers within the City would be without an overarching document to identify key priorities. The lack of a widely agreed action plan would mean that necessary new interventions initiatives may not be driven forward or they may occur in an ad hoc and uncoordinated manner.

### **Decision**

To approve the Derby Housing Strategy 2009 - 2014

### **Reasons**

To ensure that the City has an up to date Housing Strategy that is capable of responding to and addressing the significant challenges arising from changing housing and economic environments.

## 288/08 Future Options for Shelton Lock Park Homes Sites

The Council Cabinet considered a report on Future Options for Shelton Lock Park Homes Sites. The Shelton Lock Park Homes site accommodates 38 Park Homes plots and was currently managed by Derby Homes on behalf of the Council. In recent years the site had operated at a financial loss which was projected to increase unless a significantly altered approach was adopted in relation to the management of the site. It would be inappropriate for these rising losses to be subsidised by the Housing Revenue Account, HRA, in future years. A consultant had been jointly employed by Derby Homes and the Council to consider alternative approaches to the management and ownership of the site in order to ensure that future financial losses are not incurred. The resulting 'Park Homes Futures Study' produced by Humberts Leisure has identified 4 alternative approaches:

- Derby Homes continue to manage the site on behalf of the Council but on a more commercial basis
- The site be leased to an operating company on a long-term basis
- The site be leased to the Residents' Association
- The freehold interest of the site be sold.

Derby Homes Board had considered the consultant's report and resolved to recommend to Council Cabinet that the site be leased to an operating company on a long-term basis. The Humberts Leisure 'Park Homes Futures Study' formed the basis of the report to Derby Homes Board and was attached to the report as Appendix 2. Following the Board decision, the residents of the park had met with their local Ward Members to express their opposition to this proposal. The majority of the residents had indicated a willingness to work with the Council in terms of accepting the new practices that would be necessary, to enable the site to be managed by Derby Homes on a non loss making basis. The report considered the Derby Homes Board recommendation, together with the other options identified within the Consultant's report and the recent oral undertakings given by the majority of residents to their Ward Members.

The Council Cabinet also considered a report setting out the comments of the Community Commission which supported the recommendations in the main report.

### **Options Considered**

1. The Humberts Leisure report recommended that the site be either:
  - Sold as a freehold disposal at a time when the market for such a sale has improved



- Disposed off under a long-term lease arrangement to an established Management company.
2. The Humberts Leisure report considered that the management of the site would always remain a distraction from other core management functions taking up a disproportionate amount of resources for Derby Homes in relation to the number of homes that were being managed.
  3. The report considered that the freehold disposal of the Park to a specialist organisation would be likely to achieve a Capital receipt in the order of £650,000 in the current market. The report does stress however that this was an estimation and that the Council should undertake a formal valuation if it were to pursue this option. It suggested that if Members were minded to make a freehold disposal that the Council should do this when the market for Park Homes had improved, suggesting that a higher receipt would then be obtained.
  4. The Humberts Leisure report considered that the long lease of the Park to an Operating Company would be likely to generate an initial income of approximately £15,000 per annum. It suggested that if the lease arrangements were reviewed every five years, that this level may well increase above the rate of inflation to reflect the Company's success in raising pitch fees and/or developing additional pitches.
  5. A third option, not recommended by the consultant, was that the leasehold interest of the site could be offered to the residents' association. The report, however, suggested that where this arrangement had been adopted elsewhere, it could result in the Park effectively being managed by a 'clique' who may not manage the site for the benefit of all.

## **Decision**

1. To continue to manage the site through Derby Homes but to introduce the commercial practices summarised in paragraph 4.15.
2. To authorise the Corporate Director of Corporate and Adult Services in consultation with the Cabinet Member for Housing and Public Protection, to secure the development of additional pitches and the purchase and re-sale of existing Park Homes and pitches as they become available.
3. To require a subsequent report to be brought back to Cabinet in the autumn of 2010 to review whether such practices have been successfully introduced and to consider such progress against the opportunities for a long leasehold or freehold disposal.

## Reasons

1. To enable the Council to determine whether it was practical for the site to operate with a balanced budget whilst in public management.
2. To enable the Council to realise the full commercial potential of the Park Homes site.
3. To enable the Council to review whether it had proved possible to implement sufficient commercial practices to prevent the Park from operating at a loss and to then re-consider the 1<sup>st</sup>, 2<sup>nd</sup> and 4<sup>th</sup> options referred to in paragraph 1.4 of the report.

## Contract and Financial Procedure Matters

### 289/08 Contract and Financial Procedure Matters

The Council Cabinet considered a report on Contract and Financial Procedure Matters. The report dealt with the following items that required reporting to and approval by Council Cabinet under contract and financial procedure rules:

- Amendments and additions to the capital programme 2009/10 – 2011/12 for the following schemes: St Andrews Special School temporary classrooms, Springfield Primary School various alterations, Babington Children's Centre – Stonehill Nursery and Brookfield Primary replacement pitched roof covering.
- Scheme commencements for all of the above as well as the Family Justice Centre and Markeaton Park refurbishment of the play area
- External Grant funding approval for the Play Builders scheme
- Extension of the internal repairs and maintenance service contract in Children and Young People Department provided by Environmental Services and to undertake a review of how the repairs and maintenance service is delivered to establish any possible efficiencies
- To request a contract waiver to obtain tenders for the provision of the Children's Centre activities in Osmaston/Allenton by Nacro and Barnado's
- Addition of the Parenting Early Intervention Programme grant to Children and Young People's Department budget 2009/10.
- A sundry debtor write – off for £23,138.76 for Adult Social Care.
- The waiver of Contract Procedure Rule C15 and enter into a 12 month contract with EzGov Europe Ltd for a "virtual assistant" Derby Direct service accessible via the Council's web site at a cost of £9,000.

## Decision

1. To amend the capital programme 2009/10 -2011/12 and to approve the scheme commencements for St Andrews Special School, Springfield Primary School, Babingtons Childrens Centre – Stonehill Nursery, Brookfield Primary, and retrospective scheme commencement for Family Justice Centre and Markeaton Park refurbishment of play area.
2. To note the 2009/10 allocation of Playbuilders capital and revenue grant funding and the indicative allocations for 2010/11 from the Department for Children, Schools and Families to the Council.
3. To approve the extension of the repair and maintenance service contract provided by Environmental Services (ES) until 31 March 2011
4. To note the review of how the Repair and Maintenance Service is delivered between Corporate and Adult Services (CAS), acting as client and ES as contractor, to establish any possible efficiencies.
5. To approve that where a repair and maintenance service is wholly contracted out and ES do not add value, then it is proposed that this will be contracted directly by CAS.
6. To approve the waiver of Contract Procedure Rule C15 relating to the requirement to obtain tenders, and award one year contracts for 2009/10 to Nacro and Barnardo's to provide Children's Centre activities in Osmaston/Allenton in Locality 2 with a review of the situation for 2010/11 when the funding position becomes clearer.
7. To agree the addition of the Parenting Early Intervention Programme grant of £183,293 to the Children and Young People's departmental budget for 2009/10
8. To approve the sundry debtor write off for Adult Social Care set out in paragraph 3.11 of the report.
9. To approve waiver of Contract Procedure Rule C15 and enter into a 12 month contract with EzGov Europe Ltd for a "virtual assistant" service accessible via the Council's web site at a cost of £9,000. To request feedback of the scheme after five months of operation.

## 290/08 Exclusion of 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 Decisions

### 291/08 Accommodation Strategy – Selection of Bidders

To consider exempt information in relation to the Accommodation Strategy – Selection of Bidders. The Corporate Director of Corporate and Adult Services reported orally on the recent receipt of further information from one bidder. As this was received after the deadline for receipt of bids this was not considered further.

#### **Decision**

To approve the shortlist of the first three companies for each of the options set out in Appendix 2 to the report.

### 292/08 Land at Osmaston – Proposed Acquisition from Rolls-Royce

To consider exempt information in relation to Land at Osmaston – Proposed Acquisition from Rolls-Royce.

#### **Decision**

To approve the purchase of the sites described below on the terms set out in the report, subject to contracts not being exchanged until it is established that:

- external funding will be available and committed to the full extent of the projected costs of demolition and dealing with contamination issues
- funding is identified for interim maintenance of the Listed Building and for the costs of unoccupied business rates, site security and suchlike.

### 293/08 Waste Management Contract Approval of Commercial and Financial Close

To consider exempt information in relation to Waste Management Contract approval of commercial and financial close.

#### **Decision**

To approve the recommendations set out in the report.

Councillor Care left the meeting during the above item.

MINUTES END