

Time Commenced – 18:02
Time Finished – 20:13

Executive Scrutiny Board

13 March 2018

Present: Councillor Stanton (Chair)
Councillors Carr, Eldret, Hezelgrave, Jackson, Pegg, Poulter
and Webb.

In Attendance: Andy Smith, Don McLure, Christine Durrant, Pervez Sadiq,
Suanne Lim, Richard Burton, Heather Greenan, Kas Sahota,
Catherine Williams, Emma Dann, Lisa Melrose, Clare Harrison
(Democratic Services).

72/17 Apologies for Absence

Apologies for absence were received from Councillors Bayliss, Barker,
Graves, Holmes and J Khan.

73/17 Late Items

There were no late items for the Executive Scrutiny Board Agenda, however
the Chair extended thanks and farewell on behalf of the Board to Clare
Harrison, Democratic Services Manager, who was departing the Council for a
role at the NHS after 17 years of service.

74/17 Declarations of Interest

There were no declarations of interest.

75/17 Minutes of the previous meeting

Minutes of the previous meeting held on 13 February 2018 were agreed as an
accurate record.

76/17 Forward Plan

The Board considered the contents of the Forward Plan published on 13
March 2018. No items were added to the future work programme.

The Board resolved to note the Forward Plan.

77/17 Transfers from Statements of SEN to EHC Plans

As requested at the previous meeting, the Board considered a report of the Strategic Director of People updating the Board on the processes and progress of the transition of existing statements of Special Educational Needs (SEN) to Education, Health and Care (EHC) Plans against the statutory deadline of 31 March 2018.

The Board was informed that for the Pre-16 Group, there are 331 plans in progress (against 469 last month), which includes 331 draft plans with parents (from 149), and 485 plans have been finalised in total so far (from 326). In relation to the Post-16 Group, the Board was further informed that there are 27 plans in progress (against 93 last month), which includes 26 draft plans with parents (from 48) and 1 in process of being finalised to be sent to plan writers (from 49). An additional 504 plans have been finalised in total so far (from 436).

It was reported that there are two teams dedicated to conversions that are committed to this shared priority. Members were reassured that every effort is being made by all to ensure that EHC Plans are finalised by 31 the March 2018 deadline. Members were reassured that the completion of transfer process is an absolute priority and dedicated teams continue to make good progress.

The Board again expressed some concern over the quality assurance of plans given the tight timescales and will to get the conversions completed as quickly as possible. Members also queried the possibility of having to re-do a large number of EHCPs through the review process if the quality had been compromised. Members were informed that there is every confidence in the quality of the conversions as they are mostly transferring information on children with unchanged needs from one format to another, and that the provision for those children will remain unchanged. Members were informed that where a child's needs have changed, a review will be scheduled and undertaken within 6 months of the conversion deadline.

The Chair raised the point that the true quality of the statements is unlikely to be realised until after the coming months after the conversion deadline and the Board agreed that they would like to see a report in the summer on the success of the converted plans and how many reviews have been requested. The Board also requested an update report to the next meeting of the Executive Scrutiny Board detailing whether or not the deadline has been met and what (if any) future steps are required.

It was resolved to request:

- 1) an update report on progress against the deadline to be reported to the next meeting of Executive Scrutiny Board in April; and**
- 2) A report on the success of ECHPs and number of review requested to be brought to the June of July meeting of the Executive Scrutiny Board.**

78/17 Strategic School Place Planning

Following a request made by the Board earlier in the Municipal Year, a report of the Strategic Director of People Services was received on school place planning proposals and the response to population changes as well as housing growth linked to Core Housing Strategies.

It was reported that Derby City Council has been working closely with partners in Amber Valley Borough and South Derbyshire District Councils to prepare separate but aligned Core Strategies. The proposals across the three Authorities will include around 33,000 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). A map showing the strategic housing sites in the DUA was presented to the Board.

Members were informed that city-wide primary pupil numbers have been relatively high over the previous 5 years but, from September 2017, reception numbers were lower and are projected to stabilise at this level for future year's in-takes. However, pupil projections are now showing an increasing trend in secondary pupil numbers. Following a significant level of growth in pupil numbers in the primary sector, proposals have been developed to provide additional secondary school capacity. This is to ensure that there are sufficient secondary places available, with growth in pupil numbers projected for the Year 7 in-take from September 2018, and September 2019. Council Cabinet has already approved school expansion proposals for accommodating secondary pupil numbers from September 2019 to take account of children moving through the education system. The Board was informed that pupil projections are regularly updated and reviewed and proposals developed as necessary.

It was further reported that Derby City Council and Derbyshire County Council are responsible for providing education for those pupils residing within their own administrative boundaries. The two local authorities are working very closely together on school place planning, in close consultation with schools to shape and develop a school place planning strategy. This is, of course, complex as the proposed new housing developments straddle both the City / County boundaries. Pupil projections have been taken into account in developing the emerging school place planning proposals and will continue to be monitored and reviewed.

The Board was informed that there will always be a level of cross-city travel for pupils, as with regard to school catchment areas, all Derby schools accommodate pupils both from within catchment area and from outside of catchment area. Members were informed that whilst this could be mapped for each school, this would involve a great deal of work and resource, therefore Members would need to be clear on how they intend to use this data to produce meaningful outcomes before requesting that it is carried out.

Members raised concerns that outside of catchment area placements were causing an increase in parents driving their children to school and therefore an increase in parking issues outside of schools.

Members raised further concerns in relation to the expansion of secondary schools beyond their administrative capabilities. It was raised that there are a number of developments on the fringe of the city boundary and concerns that schools may become too large and overburdened as a result.

Members also discussed that with new housing developments, Section 106 funding is sought from developers to provide additional school places. It was explained to Members that where there is no requirements for a school to be provided on site as part of the development terms, Section 106 contributions can be sought and pooled with other developer contributions to provide education facilities. How these are spent and when requires careful consideration. It was also noted that land acquisition for any new schools, particularly secondary schools, could be challenging and that developers can only be asked for funding to mitigate the impact of their development and not to address any existing issues with schools places. Members discussed the recent consultation on the Supplementary Planning Document in relation to S106 contributions and schools and that it would be prudent for this to be brought to the next meeting of the Executive Scrutiny Board for consideration and comment.

It was resolved to request that a report on the Planning Obligations Supplementary Planning Document Review be added to the work programme for consideration and the next meeting of the Executive Scrutiny Board.

79/17 Performance Items and Performance Forward Plan

The Board considered a report of the Chief Executive and received a presentation from the Acting Director of Regeneration, Property and Housing on Regeneration and the impact on jobs in the City.

It was reported that regeneration and job creation in the city was about creating the right infrastructure, addressing market failures and seizing opportunities. This is being achieved in Derby through a number of initiatives, including: Connect Derby, Infinity Park and the AMRC, delivery of the City Centre Masterplan, and other activities, largely which are funded through the Regeneration Fund. The Board was informed about the new proposals for Becketwell Regeneration and the rebranding of the cultural core, including the new music and performance venue, Market Hall, and surrounding areas (Albion St, Osnaburk Square and the Market Place) as the Heart of the City. It was highlighted that new developments and regeneration in the city have a positive impact on economic growth and job creation in the city.

It was reported that there have also been a number of very powerful initiatives that have been developed and implemented through the economic development on promoting enterprise, skills development and an improved quality of life. These initiatives include:

- E4E (Enterprise for Education) – empowering young people and improving employability through mock interview, CV writing workshops, mentoring, career talks and other events and projects.

- Derby Apprentice Hub – a range of employers are involved across the city and the scheme is expecting to generate over 10,000 interventions with school pupils in Derby this year.
- Emerging international activities.
- Crisis support - help businesses with an aim to protect and maintain jobs in the city.
- Recruitment and training agreements.
- Employability and training clauses in Council contracts.
- D2 Business starter programme - funding and overseeing the delivery of an enterprise programme aimed at encouraging people to think about starting their own business. 3 cohorts have been commenced in Derby and 88 people have enrolled from Derby / 16 businesses have started.

It was reported that the Derby Enterprise Growth Fund (DEGF) was set up in 2013 using Regional Growth Fund monies of £20m, to offer loan and grant funding for small and medium-sized businesses across Derby. Members were informed that in 2016, the Council was awarded a separate £2.6m Economic Regional Development Fund Grant to continue working with SMEs across Derby and Derbyshire. The funds support growth and sustainable job creation, and have so far achieved the following outputs:

- 2,400 jobs
- 177 businesses
- £1.5m per annum Business Rates uplift

It was further reported that the Council has is exceeding pledge targets to Create 2000 jobs and apprentices by March 2019 and create opportunities for 5000 school students to connect with businesses to improve their employability by Summer 2018. Furthermore, a pledge target to create 120 new enterprises by October 2019 is also currently on target.

Acting Director of Regeneration, Property and Housing highlighted that the next challenge will be to maintain funding levels for the Derby Enterprise Growth Fund and Regeneration Fund, as both pots are becoming depleted. However, the Council is currently looking at options to deal with this challenge as there is a general desire to retain these funds and continue the positive work currently being undertaken as a result.

Members queried the challenges around development in Osmaston and investment difficulties this poses. The Board was informed that progress is being made on the Osmaston site and that Rolls Royce, who are the owners of the site, have complex issues to deal with, including contamination, but are working with both the Council and Keepmoat to develop an appropriate scheme.

Members also queried the success of the iHub and the slow progress towards the occupation targets on the Infinity Park site. The Board was informed that with this type of initiative it is always expected that progress will be slow in the early stages, but there is confidence that it will be a success. It was clarified for the Board that the target deadline is to be achieved within 15 years of completion of the access road, which has only been open for 2 years to date.

Member expressed concern over the writing off of unrecoverable debt from loans given under the regeneration funds. The Board was informed that it is sometimes necessary to provide a loan which cannot be secured, as the type of loans given are of greater risk and would not be given by a bank, hence the need to provide them through this type on initiative. Members were reassured that the bad debt write off is less than 1% overall, which is far better than the level of bad debt write off traditional banks have to accept. Nevertheless, the Board requested that lessons can be learnt by the Regeneration Team to better understand the reasons behind these to help inform the future lending options so as to take smarter risks which are less likely to result in bad debt write-off.

Members also queried what is being done by the Council to ensure that the jobs created in the city are good quality jobs and are not low aspirational 'zero hours contract' jobs at a minimum wage. The Board was informed that the Council is confident that the majority of these jobs are of good quality and that the jobs created directly as a result of the funds are quality controlled by the Council to ensure that they are either full or part time, are on minimum 3-year contracts and that salary details are provided and verified. It was acknowledged that there is less control over the indirect job creation arising from those created as a direct result of the funds being awarded. Members requested that officers look carefully at the conditions for job creation arising from regeneration activities to ensure that the jobs are quality jobs at a minimum of the national living wage. Members also requested that officers look at what can be done to influence the job quality of those jobs arising as an indirect result of regeneration activities.

The Board resolved to request that officers:

- 1) Analyse the bad-debt write off information to determine what lessons can be learnt to better understand the reasons behind these and help inform future lending so as to take smarter risks which are less likely to result in bad debt write-off;**
- 2) Look carefully at the conditions for job creation arising from regeneration activities to ensure that the jobs are quality jobs at a minimum of the national living wage; and**
- 3) look at what can be done to influence the job quality of those jobs arising as an indirect result of regeneration activities.**

80/17 Council Cabinet Response to Scrutiny Recommendations

The Board considered a report of the Chief Executive which allowed the scrutiny board to receive responses from Council Cabinet on recommendations made at the previous Board meeting held on 14 February 2018.

The Board resolved to note the report.

81/17 Council Cabinet Agenda

The Board considered a report from the Chief Executive on the Council Cabinet Agenda. Members considered the Council Cabinet Agenda in its entirety for the meeting scheduled for Wednesday 14 February 2018 and made a number of comments and recommendations to Council Cabinet.

Item 8 - Revision to the National Non-Domestic Rates Policy for the award of Discretionary Rate Relief

Members considered a Council Cabinet report of the Cabinet Member for Finance and Governance to approve the revised Discretionary Rate Relief (DRR) Policy.

Members were informed that DRR is a means by which Derby City Council can use its discretionary powers to reduce the amount of Business Rates a business has to pay. Generally, there is a direct cost to the Council in awarding DRR and therefore expenditure has been controlled through the operation of a Policy for a number of years.

It was reported that the Council's policy is being refreshed to take account of a number of changes including;

- Removing time limited discretionary relief schemes that are no longer available,
- Updating the qualifying criteria of certain schemes so that spend is better aligned to Government grants,
- Updating certain schemes in line with announcements made at Autumn Budget 2017.

It was further reported that after operating the Revaluation Support Relief scheme for nearly a year it is clear that the value of awards made for the 2017/18 financial year will be well below the Government's allocation. Members were informed that the rules of the scheme do not allow unspent grant to be carried forward to a future year and unspent funds would need to be paid back to the Government. It is therefore proposed to amend the scheme to ensure that spend is as close to the Government allocation as possible and in the process offers support and help to more businesses across the City.

The Executive Scrutiny Board was in support of the changes to the DRR Policy.

Item 9 - Infrastructure Programme Board Capital Programmes 2018/19

Members considered a Council Cabinet report of the Cabinet Member for Neighbourhoods and Public Protection and Strategic Director for Communities and Place to approved the proposed work programmes for Highways & Transport (H&T), Vehicles Plant & Equipment (VP&E) and Land Drainage & Flood Defences (LD&FD).

Members were informed that the programmes have been developed following consultation with Members, Neighbourhood Boards, transport related forums (where appropriate) and other key stakeholders.

The Acting Director of Strategic Partnerships, Planning and Transformation explained the development of the programmes in the context of the third Local Transport Plan, and informed the Board that the key priority areas for delivering a balanced long term transport strategy are: Asset Management; Network Management; and Supporting 'Active Travel' and Public Transport. It was further explained that within the balanced approach of the long term transport strategy, there is a recognised urgent need to invest in maintaining our transport asset. In light of this, the Board was informed that investment in the maintenance of our transport assets is the highest priority for the allocation of limited resources in the short term, and that the proposed H&T programme includes a package of planned asset maintenance, which demonstrates effective asset management of the network.

In relation to land drainage, the Board was informed that the Land Drainage team prioritises drainage and flood defence schemes, which aim to reduce the potential for, and consequences of, flooding incidents. This is done by managing, reducing and controlling the rate of surface water discharge from each location, whilst improving water quality, thus promoting biodiversity benefits, which aligns with central Government and European policies.

The Board was also informed that the Council has secured funding from the Department for Transport's National Productivity Investment Fund over the next two financial years to progress the Derby Bus Station extension scheme through detailed design and planning. Members asked whether this meant that services currently operating outside the bus station would move back in, but were informed that this is down to operator choice.

Members were pleased to see that following engagement and consultation activities with Neighbourhood Boards and Forums about their top two highways, traffic and transport issues, the chosen priorities are used to inform the annual programme of work and that these priorities are clearly identified in the programme. It was reported that Neighbourhood Boards were also consulted on the s106 programme.

The Board raised concerns round drainage and flooding caused by blocked gullies, as well as issues with pot holes and were informed by officers that both issues are a big challenge within Highways and Transport and huge investment would be needed to make any improvements in the city beyond the current level of maintenance.

The Board resolved to note the report.

Item 10 - Infinity Park Derby – Research and Development Opportunity

Members considered a Joint Cabinet Report of the Cabinet Member for Regeneration and the Economy and Cabinet Member for Finance and Governance, and Joint Report of the Strategic Directors for Communities and Place and Interim Strategic Director of Corporate Resources. The report

seeks Cabinet approval to enter into a collaboration agreement with the Advanced Manufacturing Research Centre (AMRC) and the D2N2 Local Economic Partnership (LEP) with the aim of creating a major new research and development (R&D) facility on Infinity Park Derby (IPD) which would be owned by the Council but run by the AMRC.

It was reported that there has been significant interest in the iHub (the first building on site which is now substantially let) and in the wider park, although these have yet to be converted into firm proposals. The Board was informed that if proposals are approved, the AMRC will immediately move into the iHub and the building will almost at full occupancy.

Members were informed that a full business case for the new facility will be reported back to Council Cabinet once developed and authority sought before entering into any contracts for progressing this.

Members were in full support of the proposals but requested that Officers check that the exemption will not result in any issues for individuals in future in relation to other benefit claims.

Members queried what will happen if the iHub is full and there is a lot of relevant interest from parties wanting to move into the building. It was reported that consideration is being given to the development of a second building on the site and discussions will be held with partners on this. Members also asked how this project will be governed and were informed that it is fundamentally owned by Sheffield University and will be under their responsibility.

The Board expressed full support for the proposals which open the Council up to new collaborations and partnerships. However, the Board also resolved to ask Council Cabinet to be minded to ensure that the iHub continues to be used for its intended purpose and occupants are encouraged into 'move-on space' at an appropriate time to maintain this.

Item 11 – Adoption of Move More Derby – A Physical Activity and Sport Strategy 2018 - 2023

Members considered a Council Cabinet report of the Cabinet Member for Leisure, Culture and Tourism and Strategic Director for Communities and Place seeking approval for the adoption of Move More Derby – a Physical Activity and Sport Strategy for Derby.

It was reported that the strategy has been designed to address the growing levels of inactivity across Derby and the primary aim of the strategy is to get people to move more supporting those who are defined as inactive (doing less than 30 minutes of activity per week) to become active and those who are already considered active, doing more. The Vision for the strategy is for 'an active city for everyone, improving our health, wellbeing and quality of life through supporting people to move more in Derby'.

The Board was informed that the priorities and priority actions for the strategy are evidence based, including through the Physical Activity Needs Assessment, and are supported by an extensive consultation exercise with

stakeholders across Derby. It was recognised that there is significant overlap with a number of the priorities and the Council's governance arrangements will help to ensure that work is done in a collaborative and integrated way and to avoid the risk of work being done in isolation.

Members queried the linkages to other existing schemes such as Livewell, and how officers expect to deliver this strategy with no additional resource. Officers reiterated the strategy is about working in partnership and supporting existing partners, groups and forums to deliver initiatives under shared objectives. Members were informed that the strategy aims to avoid duplicating existing governance arrangements and focus on a more co-ordinated approach to delivery. It was reported that the strategy includes recognition that partnership organisations work tirelessly to make a positive difference to life in Derby and that our partnership consolidates and co-ordinates those efforts. Officers acknowledged that this is not always easy to achieve but we know that only together can we accomplish something remarkable.

Members asked how the success of the strategy would be measured. It was reported that Sport England carry out an Active Lives Survey' on an annual basis which has provided a baseline for the city of inactivity in adults (16+) of 27.1%. The Active Lives Survey will be used to determine progress and measure performance on an annual basis.

Members queried whether work could be done with schools on initiatives such as walking buses, and whether the links have been made in relation to local job creation, flexibility of working hours and the practicalities around parents taking their children to school. Officers agreed to look at this and informed that Board that they would be working with education providers and schools across the city as part of the strategy. Members also recognised the responsibility and opportunities they have as community leaders to encourage these kind of behaviours.

The Board resolved to note the report.

Item 12 – Contract and Financial Procedure Matters Report

Members considered a Council Cabinet report of Cabinet Member for Finance and Governance and Interim Strategic Director of Corporate Resources outlining a number of items that require reporting to and approval by Council Cabinet under Contract and Financial Procedure rules.

It was reported that approvals were being sought for the following items:

- Award of grants totalling £175k from the Controlling Migration Fund to Safe & Sound, The Multi Faith Centre, and Derby Refugee Advice Centre.
- To approve the write off of three Derby Enterprise Growth Fund (DEGF) loans, totalling £106,861
- To approve the write off of Adult Social Care debt totalling £25,900.

- To approve the allocation of £214,000 from the budget risk reserve to provide funding for two years for 2018/19 to 2019/20 for the Peoples Directorate.
- To approve the creation of a ring-fenced Planning Reserve and approve continuing year end transfers to and from the planning reserves.

Members expressed concern that the approval to write-off Adult Social Care debt may not be a one-off issue and that there may be a more systemic issue that needs to be looked at.

Members also queried the use of £214,000 from the budget risk reserve proposed to fund Finance Officers to lead and drive further efficiencies, contain demand and therefore pressures, and maximise income over the next two years. The Interim Strategic Director of Corporate Resources informed the Board that this will be performance managed and reviewed on a monthly basis. The Board resolved to agree that a future report is brought to the Board on the return of this investment.

Members again identified a lack of detail and clarity accompanying requests and proposals included in the Contract and Financial Procedure Matters report. The Board resolved to request that in future such detail is included in order to minimise the number of questions raised in order to be satisfied with the proposals.

The resolved to:

- 1) agree that a future report is brought to the Board on the return of the investment of £214,000 from the budget risk reserve to provide funding for two years for 2018/19 to 2019/20 for the Peoples Directorate; and**
- 2) request that in future, further detail and clarity is included in the Contract and Financial Procedure Matters report on items for agreement in order to allow Members to be satisfied with the proposals.**

Item 13 – Update on Derby Partnership Arrangements

Members considered a Council Cabinet report of the Leader of the Council and Strategic Director for Communities and Place which proposes a way forward for The Derby Partnership. It sets out a very high level Derby Plan, encompassing both a new Strategic Partnership goal and a refreshed partnership Leadership and Governance Framework, through which the city's partners will work together for the good of the city; delivering 'more together than the sum of the parts'.

It was reported that the proposal is based around the principle that as a partnership we want to focus collectively and collaboratively on tackling one

overarching priority; which partners unanimously proposed should be closing the gap. The Partnership goal would therefore be 'Derby: Working together, Closing the gap'.

Members heard that it is also proposed that The Derby Partnership should begin to explore in more detail how we can tackle this issue by holding a Derby Partnership Summit in June, as part of Inspiring Derby Week. This would bring a range of experts in the field to Derby, so that we can create 'thinking and learning space' to improve our shared understanding and develop the approach and actions to achieve the vision. It was reported that there will be a lead task group working with existing delivery boards to deliver outcomes.

The Acting Director of Strategic Partnerships, Planning and Transformation highlighted that the term 'closing the gap' can mean a lot of different things to different people, which can be used to deliver a variety of commitments across the city to work towards achieving the partnership goal. It was also highlighted that this will be achieved through a pooling of partnership resources and collective spend, rather than using the Council's funds.

Members felt it was very important that one of the main focuses for the partnership and the 'Derby: Working together, Closing the gap' approach should be in relation to the gender pay gap and inequality in employment. It was felt that this should be included in the proposals as an aim to deliver this across the city in collaboration with our partners.

The Executive Scrutiny Board resolved to recommend to Council Cabinet than an aim to close the gender pay gap and inequality in employment across the city be included in the partnership proposals.

Item 14 – Review of Derby Winners - DCC School Improvement Strategy

Members received a Council Cabinet report of the Cabinet Member Education and Skills and Strategic Director for People's Services to note the increased focus on risk assessment, monitoring and formal intervention into Schools Causing Concern, and the increased focus on work with partners including the head teacher partnership groups, Opportunity Area Board, multi-academy trusts, other services and organisations.

It was reported that in 2015 DCC set out its approach to school improvement in the document 'Derby Winners', but that national and local changes in the education landscape since 2015 now require the document to be updated. The Board was informed that the document sets out the Council's strategy for school improvement through work with school leaders and through statutory work risk assessing, challenging and addressing under-performance.

The Board queried whether the strategy will be used to embed the use of Education and Health Care Plans across schools in a proper manner.

Members were happy to hear from the Director of Commissioning (Acting) and Head of School Organisation that this would come under the umbrella of the Derby Winners Strategy, and that other issues such as school improvement, wider special needs issues, challenges around multiple languages and deprivation would also be addresses, as well as performance in terms of key stages.

The Executive Scrutiny Board resolved to note the report.

MINUTES END