

Time began 6.00pm
Time ended 7.15pm

**COUNCIL CABINET
8 FEBRUARY 2005**

Present: Councillor Burgess – Chair
Councillors Allen, E Berry, Care, Carr, Samra and West

Also present: Councillor Williamson

This record of decisions was published on 10 February 2005. The key decisions set out in this record will come into force and may then be implemented on the expiry of five clear days unless a decision is called-in.

282/04 Apologies

An apology for absence was received from Councillor Hickson.

283/04 Late items to be introduced by the Chair

There were no late items.

284/04 Identification of Urgent Items to which Call-In will not Apply

There were no urgent items.

285/04 Declarations of Interest

There were no declarations of interest.

286/04 Minutes of the Previous Meeting

The Part 1 minutes of the meeting held on 18 January 2005 were approved as a correct record and signed by the Chair.

Matters Referred to Council Cabinet

287/04 Draft Revenue Budget 2005/06 to 2007/08

The Council Cabinet considered a report from the Scrutiny Management Commission regarding the draft revenue budget for 2005/06 to 2007/08. The Commission made a recommendation that Council Cabinet consider the issues of graffiti and car parking provision when setting the budget and asked that, as a matter of urgency, the Planning and Environment Commission be provided with a report

detailing the actions that would be taken to address these issues. The Scrutiny Management Commission had also considered recommendations of the other Overview and Scrutiny Commissions and made comments on them.

Decision

1. To consider the recommendations of the Overview and Scrutiny Commissions as part of the Revenue Budget proposals for 2005/06
2. To thank the Commissions for their contribution to the budget process.

288/04 Education and Capital Funding

The Council Cabinet considered a report from the Chair of the Education Commission regarding the Education Capital Funding 2005/06 and 2007/08. The Commission were informed that Department for Education and Skills – DfES – had announced capital allocations for the next three years and that the Council's allocation had fallen from £10.8m in 2004/05 to £9.4m in 2005/06, a reduction of £1.4m. It was also reported that the Council had not been included in the next two waves of the Building Schools for the Future – BSF – programme, which the Commission expressed disappointment about. The Commission was also told that the backlog of condition issues in Derby schools remained at around £40m. The level of capital funding for 2005/06 – 2007/08 meant that the Council would have to use much of its decreasing capital allocation to keep inadequate school premises open and to attempt to address the large condition backlog. The Commission were also informed that, for school place planning, new guidance was being drafted by the DfES, which would have a significant impact on place planning strategies. Members expressed concern that the recommendations made following its review of school place planning, would be out of date by the time they were considered properly by Council Cabinet. The Commission recommended that the elements of the School Place Planning report that could be moved forward, should be considered by Council Cabinet at the earliest opportunity.

The Council Cabinet also considered a report from the Director of Education responding to the Education Commission. New guidance was being drafted by the Department of Education and Skills – DfES – which would have a significant impact on place planning strategies. Officers from the Education Service were consulted and it was anticipated that the guidance would be published shortly. A comprehensive report would be prepared for Council Cabinet as soon as possible after the new national guidance was published. The report would propose a strategic approach to school place planning, building on the recommendations of the Commission, and would take into account developments in the timing of the BSF programme.

Decision

To defer the recommendation of the Education Commission until the Council Cabinet meeting of 15 March 2005, when a further recommendation of the Commission is anticipated.

289/04 LTP Capital Programme 2005/06 Priorities for Investment

The Council Cabinet considered a report from the Planning and Environment Commission regarding the Local Transport Plan - LTP - Capital Programme 2005/06 – Priorities for Investment. The Commission considered a report from the Director of Development and Cultural Services which set out proposals for schemes under the 2005/06 LTP Capital Programme. The proposed schemes were grouped under seven main headings, which were...

- Strategic Integrated Transport Studies
- Road Safety and Travel Awareness
- Transport Management and Demand Restraint
- Walking
- Cycling
- Public Transport
- Planning and maintaining the transport network.

The Commission considered the proposals and recommended that they be addressed in the following order of priority...

1. Public Transport
2. Walking
3. Road Safety and Travel Awareness
4. Transport Management and Demand Restraint
5. Planning and maintaining the transport network
6. Cycling.

The Commission also recommended that £450,000 of the unallocated Public Priority funding is allocated for footway repairs and £50,000 for works to street trees.

Decision

To note the recommendations made by the Planning and Environment Commission.

Key Decisions

290/04 Derby Joint Local Transport Plan – Report of Capital Settlement

The Council Cabinet considered a report from the Director of Development and Cultural Services on the Derby Joint Local Transport Plan – Report of Capital Settlement.

Options Considered

No other options were considered.

Decision

1. To approve the allocation of the 2005/06 LTP funds between integrated transport, roads and bridge maintenance, Connecting Derby and the Inner Ring Road integrated maintenance scheme - IRRIMS.
2. To approve the 2005/06 LTP preparation pool of integrated transport and maintenance schemes as shown in appendix 2, and approve the revenue spend on maintenance schemes as shown in appendix 3, subject to the confirmation of the 2005/06 revenue budget by Council in February 2005.
3. To delegate powers to the Director of Development and Cultural Services in conjunction with the Cabinet Member for Planning, Transportation and Environment to set scheme implementation priorities as further detailed investigations and appraisals are undertaken. This may include, where necessary, approving alternative schemes to the planned programme.
4. To continue to operate to increased financial limits set within the financial procedures rules for variations to the total cost of capital schemes that should be reported to cabinet, as set out in financial implications at Appendix 1 of the report.
5. To authorise the Director of Development and Cultural Services to invite tenders or quotations and to place orders as necessary to implement the 2005/06 Local Transport Plan programme, including IRRIMS and Connecting Derby.
6. To waive Contract Procedure Rule 15 and to authorise the ordering of on vehicle and depot equipment from INIT and on street display equipment from Poltech in relation to the proposed extension of the Real Time Information System without seeking tenders on the grounds of the need to ensure compatibility.
7. To delegate powers to the Director of Development and Cultural Services, in conjunction with the Cabinet Member for Planning, Transportation and Environment, to approve the detail of the 2005 LTP Annual Progress Report.

Reasons

1. Approval for the work programme before the commencement of the 2005/06 financial year, and flexibility to prioritise work would enable detailed design work to commence, with the objective of ensuring that highway transport schemes were delivered in the best possible way and achieve value for money.
2. The fifth Annual Progress Report – APR, would contribute to our bid for capital funding in 2006/07, and our final settlement would depend on the progress we could demonstrate through the APR as well as the quality of LTP2. The report must be submitted by 29 July 2005 and would require detailed work by officers to gather, collate and present the information in line with guidance supplied by the Department for Transport.

291/04 Restructuring of Special Educational Needs Support Service

The Council Cabinet considered a report from the Director of Education on the Restructuring of Special Educational Needs Support Services - SENSS.

Options Considered

From the range of options in the consultation, the current options recommended were an outcome of consultation and consideration of the strategic and financial requirements of the Council and Education Service.

Decision

1. To agree the following proposals as set out in the report, subject to the approval of the Council's Revenue Budget for 2005-2006:
2. To discontinue the sold primary support service from the end of the 2004/5 school year.
3. To create centrally funded support posts for the Foundation Stage, Dyslexia, Specific Learning Difficulties and Communication Needs.
4. To reorganise the secondary behaviour team and establish a behaviour support service for both the primary and secondary sectors.
5. To create centrally funded posts for 3 FTE behaviour support teachers in the primary phase.
6. To create centrally funded posts for 3.6 FTE behaviour support teachers in the secondary phase.
7. To create a separate service, comprising the Pupil Referral Unit – PRU, the proposed behaviour support team, the hospital teaching service and medical tuition service, managed by a Head of PRU and Behaviour Support.
8. To transfer management of the pre-school team, the Ronnie MacKeith Nursery and the proposed Foundation Stage posts to the Early Years and Childcare Service.
9. To establish a separate specialist team, managed by a Team Leader, for autistic spectrum disorders, learning impairment, physical impairment, visual impairment and the proposed specialist posts.

Reasons

Consultation was carried out on proposals to re-structure the Special Educational Needs Support Service – SENSS – and the PRU.

The role and function of the service had altered considerably in recent years and major national strategies and funding requirements have impacted upon it. The recommendations aimed to make sure that effective support was available for pupils with special educational needs and for their teachers and support staff within the resources available and the roles and responsibilities of schools and the authority. Subject to approval of the budget, significant investment was proposed to support these changes and improve provision for the future.

292/04 Grouped Schools PFI: Future Oversight and Management of the Project

The Council Cabinet considered a report from the Director of Corporate Services on behalf of the Project Board regarding the Grouped Schools PFI: Future oversight and management of the Project. The Schools PFI Project was overseen on behalf of the Council by the Project Board, membership of which was:

- Cabinet Member for Lifelong Learning
- Director of Corporate Services
- Director of Finance
- Director of Education
- representatives of the Project schools
- a representative of the non-teaching trade unions.

The signing of the Project Agreement between the Council and Derby School Solutions Ltd – DSS – on 23 December 2004, signalled the start of the next phases of the Project – construction and the provision of Interim Services – which required changes to the responsibilities and functions undertaken by the Project Board. The recommendation is that the Board should now be made up of:

- Cabinet Member for Lifelong Learning
- Director of Corporate Services
- Director of Finance
- Director of Education
- a teaching trade union representative
- a non-teaching trade union representative
- representatives of the Project schools.

It was anticipated that the Board would meet termly, and that school representation would be decided by the Heads and Chairs of the Project schools, within a framework to be determined by the Board.

Options Considered

The arrangements proposed in the report represent a balance between those required by the Project and Governing Body Agreements, and those 'internal' to the Council in order to safeguard its best interests. Various variations on these arrangements were considered.

Decision

1. To approve the PFI Programme Manager, the Pride Park Project Manager and the Head of Education Asset Management Planning being nominated to represent the Authority on the Project Liaison Group.
2. To agree that the Chair of the Project Liaison Group for the period of February to July 2005 inclusive should be the Director of Corporate Services.
3. To agree that future membership of the Council's Project Board remains as now, with the addition of a representative of the teaching trade unions and a ward member from amongst the wards in which the schools were situated, to be nominated by the Director of Corporate Services in consultation with the Cabinet Member for Lifelong Learning.
4. To agree that the Council's Project Board act as the forum through which the Authority's representatives on the Project Liaison Group be advised of the Council's position on matters to be considered by the Project Liaison Group.
5. To prepare a termly newsletter reporting the work of the key Project forums be prepared and distributed to all stakeholders.
6. To invite a Ward Member from the wards in which the schools are situated, to each of the five School Liaison Groups, that the second nomination be the PFI Programme Support Officer, and that the third nomination by the PFI Liaison Officer to be appointed within the Education Service.
7. To agree that the arrangements for management of the next phases of the Project be determined by the existing Project Board in conjunction, as necessary, with the Project Liaison Group.

Reasons

1. The Project Agreement between the Council and Derby School Solutions Ltd, and the Governing Body Agreement between the Council and each of the five schools, regulate the development and implementation of the Project.
2. The Project Liaison Group and School Liaison Group represent forums, which must be established under the terms of the agreements.
3. There is still a role for the existing Project Board. This will be much reduced from what it has been to date, and will concentrate on overseeing the Project as a whole, ensuring liaison arrangements work effectively in all five schools, and briefing where necessary the Council's three representatives on the Project Liaison Group.

293/04 Negotiating Derby's LAA and Second Generation LPSA

The Council Cabinet considered a joint report from the Directors of Policy and Finance regarding negotiating Derby's Local Area Agreement and 2nd Generation Local Public Service Agreement. Both the 2nd Generation Local Public Service Agreement – LPSA2 – and the Local Area Agreement – LAA – need to be negotiated within a tight timescale determined by the Government. It was reported that the government's LPSA2 timetable appeared to be slipping and that this would not now be signed off with the LAA.

Options Considered

The Council could withdraw from the LAA process if it felt that the timescale was entirely unreasonable and the benefits only marginal. However, this would deprive us the opportunity to influence a major national policy initiative which was likely to be further rolled-out nationally in 2006-07 and subsequently and Derby, like other councils, had identified the inefficiencies arising from multiple funding streams. Similarly, the Council could withdraw from the LPSA2 process, but this would deprive us of the opportunity to benefit from pump-priming grant in 2005-06 and subsequent performance reward grant and our next LPSA would not be in place to follow on when our current LPSA concluded on 31 March 2005.

Decision

1. To note the progress made in developing Derby's Local Area Agreement and 2nd generation Local Public Service Agreement.
2. To approve the draft Local Area Agreement and draft Local Public Service Agreement outcomes and indicators as the basis for further negotiation.
3. To give delegated authority to the Chief Executive, in consultation with the Leader of the Council and the Directors of Finance and Policy, to negotiate both the LAA and LPSA2 on behalf of the Council and its partners to these agreements.
4. To receive further reports to confirm the Council's approval before agreements are entered into.

Reasons

The Government expected councils to submit draft Local Area Agreements in February 2005 so that negotiations could take place, enabling agreements to take effect from 1 April 2005. The delegation requested would allow the flexibility needed to negotiate an agreement.

Budget and Policy Framework

294/04 Housing Revenue Account Budget

The Council Cabinet considered a joint report from the Directors of Finance and Policy on the Housing Revenue Account Budget.

Decision

1. To set the Housing Revenue Account – HRA – 30 year plan for 2005/06 to 2032/33 as set out in Appendix 2 of the report.
2. To recommend Council to adopt the HRA budget for 2005/06 as set out in Appendix 5 of the report.
3. To approve the revision to the Derby Homes Management Fee for 2004/05 and approve the fee for 2005/06 as set out in Appendix 4 of the report.
4. To note that any minor variations in the HRA budget in 2005/06 during the year may be reported to Council Cabinet under contract and procedures matters.

Performance Monitoring

295/04 2003-04 Joint Audit and Inspection Letter

The Council Cabinet received a presentation from Steve Valentine from PriceWaterhouseCoopers and considered a report of the Director of Finance regarding the Annual Audit and Inspection Letter. The letter provides a positive report on the Council's progress in 2003-04 and its continuing good governance and financial management. The Executive Summary identifies some of the key issues. The following are identified as strengths...

- In the context of Derby City Council achieving Excellent status under CPA, the Council had increased its capacity to sustain improvement.
- All three Best Value type inspections of Customer Access, Cultural Services and Supporting People found promising improvement prospects.
- Performance management processes had improved and officers had a greater understanding of the importance of effective performance management.
- The audit on the accounts is unqualified and the Council's finance team should be commended for their efforts in achieving an efficient and timely accounts closure.

Decision

1. To note the contents of the Joint Audit and Inspection Letter
2. To recommend Council to note the contents of the letter.

Contract and Financial Procedure Matters

296/04 Contract and Financial Procedures Report

The Council Cabinet considered a joint report from the Directors of Finance and Corporate Services regarding Contract and Financial Procedures.

Decision

1. To authorise the write off of four debts amounting to £59,574.30 for irrecoverable overpayments of housing benefit.
2. To consult with Derby Cityscape on the proposed allocation of Westfield S106 funding.
3. To approve the allocation of a first tranche of £1.3m of the S106 funding towards initiatives identified in paragraphs 2.2.6 of the report.
4. To request the Director of Development and Cultural Services to report back in due course on proposals for allocating the remaining Westfield S106 funding.
5. To approve the allocation of £450,000 section 278 supervision fees for the Westfield and Riverlights developments to Development and Cultural Services department Highways and Transport division.
6. To note a £507,000 allocation to individual schemes from the e-Derby budget as detailed in paragraph 2.4 of the report.
7. To approve the initial project implementation budget for Integrated Children's Services at paragraph 2.5 of the report, including the use of £138,000 corporate reserves in 2005/06.

297/04 Extension of Traffic Maintenance Contract

The Council Cabinet considered a report from the Director of Development and Cultural Services regarding the extension of the Traffic Signal Maintenance Contract. The tender for maintaining traffic signal equipment in Derby to 2009, was recently granted to Peek Traffic Limited, who maintained Derby's traffic signals satisfactorily in the previous contract period. As part of the Best Value approach consideration was given to extending the contract beyond the usual five years. An interest was expressed in entering into a partnership approach to deliver the best quality service to residents and visitors of Derby. Peek Traffic also expressed a desire to deliver the contract under a partnership approach.

Decision

To approve the extension of the traffic signal maintenance contract with Peek Traffic Limited for an additional five years up to 30 September 2014.

298/04 Riverlights – Revision of the Development Agreement

The Council Cabinet considered a report from the Director of Corporate Services regarding Riverlights – revision of the Development Agreement. The Council entered into the current development for the Riverlights scheme with Metroholst Limited on 2 June 2004, after Cabinet approval was given on 6 April 2004.

Decision

1. To approve granting an early lease of the Development Site to the Developer on the basis and with the safeguards set out in the report.
2. To authorise the Director of Corporate Services to agree and conclude the necessary variations to the Development Agreement.
3. To approve the other proposed amendments to the Development Agreement in Appendix 3 of the report and authorise the Director of Corporate Services to make these and other minor amendments to the Development Agreement.

MINUTES END