

Time began: 6.05pm
Time ended: 7.20pm

COUNCIL CABINET

16 March 2016

Present	Councillor Banwait (Chair) Councillors Bolton, Eldret, Repton, Russell and Shanker
In attendance	Councillors Care, Holmes (part), Jones, Poulter and Stanton (part) Paul Robinson – Chief Executive Andy Smith – Strategic Director Peoples' Services Janie Berry – Director of Governance and Monitoring Officer Martyn Marples – Director of Finance Claire Davenport – Director of Leisure and Culture Phil Derbyshire – Head of Property Design and Maintenance Mick Henman – Head of Building Consultancy and Emergency Planning Alan Smith – Head of Economic Regeneration

172/15 Apologies

Apologies for absence were received from Councillors Afzal, Hussain, Rawson and Graves.

173/15 Late Items

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 they should be considered as a matter of urgency because a decision was required before the next meeting to enable a decision to be implemented by 31 March 2016:

- Changes to Neighbourhood Working, Community Safety and Cohesion and Integration.

174/15 Receipt of Petitions

There were no petitions received.

175/15 Identification of Urgent Items to which Call In will not Apply

There were no items.

176/15 Declarations of Interest

There were no declarations of interest

177/15 Minutes of the meetings held on 10 February 2016

The minutes of the meetings held on 10 February 2016 were agreed as a correct record and signed by the Chair.

Matters Referred

178/15 Recommendations from Corporate Scrutiny and Governance Board

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

Council Cabinet also consider a further recommendation from the Corporate Scrutiny and Governance Board on the 2015 Annual Education Performance Outcomes.

The Board resolved to recommend Council Cabinet to support Headteachers in raising the issues around poor quality marking at GCSE level through the appropriate avenues.

Decision

1. To receive the report and accept all the recommendations from the Corporate Scrutiny and Governance Board.
2. To receive the recommendations received from the Corporate Scrutiny and Governance Board in relation to the Annual Education Performance Outcomes and request that a response be prepared.

Key Decisions

179/15 Changes to Neighbourhood Working, Community Safety and Cohesion and Integration

The Council Cabinet considered a report which stated that the council in setting its budget for the next 3 years has identified savings in the above service area. These savings include the suspension of community budgets and Streetpride devolved budgets valuing: £570k. A budget reduction in neighbourhood working of £347k, resulting in a reduction of staff numbers and change in the way the service was

delivered. Reduced staff numbers were a reduction in the number of neighbourhood managers from 4 to 2 and reduction in the number of neighbourhood officers from 12 to 4 (this was complemented by three seconded officers from Derby Homes).

Given the budget savings neighbourhood working needed to reflect this, support the delivery of the Delivering Differently programme and reflect the new priorities of the council and local neighbourhoods.

There were a number of issues and risks in relation to community safety and cohesion and integration that require a renewed focus and increased operational service delivery.

Options Considered

1. Ending of all these services was considered as part of the budget decision making process.
2. Maintaining the existing level of service, this would not have delivered the identified budget savings.

Decision

1. To agree the staffing reductions and change in service offer in relation to neighbourhood working as outlined in paragraphs 4.2 and 4.3 of the report.
2. To agree to the priorities and resource allocation in relation to Community Safety and Cohesion and Integration.
3. To agree the suspension of devolved budgets from 1 April 2016, saving £570,000 per year.

Reasons

1. Neighbourhood Working had seen a budget reduction of £347k and required a change in the way the service was delivered and to support the delivery of the 'Delivering Differently' programme.
2. To move resource into Community Safety and Cohesion and Integration to reflect the nature of the risks and issues facing the city in these service areas.
3. To confirm the suspension of devolved budgets from 1 April 2016 as part of the approved budget

180/15 2016/17 Planned Property Maintenance Work Programme

The Council Cabinet considered a report on the 2016/17 Planned Property Maintenance Work Programme. The report allocated the budget approved at Council Cabinet on 20 January 2016 across a proposed number of projects to form

the 2016/17 proposed Property Improvement Capital Programme including the budget breakdown for each project.

The report also sought approval for part of the 2017/18 Work Programme where project delivery spanned more than 1 year and to reallocate £545k from 2016/17 into 2017/18.

Currently the Property Capital Programmes were split in to two programme areas, Property Maintenance and Refurbishment and Property Improvement. It was sensible at this time to merge the two programmes together and to call the newly formed programme Property Improvement Programme which encompassed all works carried out as part of the programme.

The on-going Property Rationalisation Project was affecting both revenue and capital spend on properties, with any works being focussed on essential works only, as it was not considered value for money to invest significant sums in buildings whilst this project was still progressing.

Proposed improvement schemes had been prioritised against essential condition issues and health and safety requirements, including fire precaution works, upgrading of emergency lighting systems, renewing life expired boilers and heating systems, lift improvements, window improvements, re-roofing, improvements to the building fabric and essential refurbishment.

The work programme was managed and monitored by the Property Programme Board in line with the governance arrangements of the Corporate Capital Programme Board.

The Property Improvement Work Programme was capitalised and funded corporately and was complemented by reactive revenue maintenance works which takes place throughout the year.

The Corporate Scrutiny and Governance Board recommended that further detail be provided on the following schemes for further consideration prior to making a decision on the approval of these schemes for inclusion in the Capital Programme:

- a. Funding in relation to a tarmacked surface at Markeaton Park;
- b. Security measures at the Assembly Rooms Car Park; and
- c. Elements of the Leisure Strategy which are proposed to be funded through the capital programme for both 16/17 and 17/18.

The Board also requested that the urgency of works scheduled to replace the high level glazing to the domed roof of the Market Hall on the grounds of health and safety be reassessed to consider whether these works could be carried out in conjunction with any future refurbishment of the Market Hall to maximise cost efficiencies.

Options Considered

The development of the Property Improvement programme had involved consideration of various options for the inclusion of projects. The programme recommended was considered to be the best way to meet statutory obligations and ensure building compliance, whilst the outcomes of the property rationalisation project were awaited.

Decision

1. To approve the Property Improvement capital programme of works for 2016/17 and 2017/18 (where project delivery spanned more than 1 year) as detailed in appendix 2 of the report.
2. To amend the corporate capital programme 2016/17 – 2018/19 to incorporate the inclusion of schemes that would cross two financial years.
3. To continue to give delegated authority to the Strategic Directors of Communities and Place and People Services following consultation with the relevant Cabinet Member, to enable them to respond to changing priorities throughout the year by introducing new schemes or bringing forward the implementation of some schemes at the expense of others.
4. To continue to give delegated approval to the Property Programme Board as per its Term of Reference (ToR). The ToR were about to be updated to reflect updated roles and processes. A meeting of the Property Board would not be taking place prior to this Council Cabinet meeting to approve the revised version.
5. To accept the recommendation from the Corporate Scrutiny and Governance Board that further detail be provided on the following schemes for further consideration prior to making a decision on the approval of these schemes for inclusion in the Capital Programme:
 - a. Funding in relation to a tarmacked surface at Markeaton Park;
 - b. Security measures at the Assembly Rooms Car Park; and
 - c. Elements of the Leisure Strategy which are proposed to be funded through the capital programme for both 16/17 and 17/18.

The Board also requested that the urgency of works scheduled to replace the high level glazing to the domed roof of the Market Hall on the grounds of health and safety be reassessed to consider whether these works could be carried out in conjunction with any future refurbishment of the Market Hall to maximise cost efficiencies.

Reasons

1. Approval of the work programme prior to the 2016/17 financial year would allow effective planning and programming of the detailed work programme,

with the objective of ensuring that the property improvement projects were delivered on time and achieve value for money.

2. With regard to partial approval of the 2017/18 Property Improvement programme, this would improve the planning and delivery of such schemes, especially larger projects which were often delivered over multiple years. Having longer term information on when work would be carried out would improve customer satisfaction. It would also provide operational benefits; early contractor involvement on larger schemes, allow more competitive prices to be secured for a clear guaranteed programme of work and optimise delivery on site.
3. Currently the Property Capital Programmes were split in to two programme areas, Property Maintenance and Refurbishment and Property Improvement. It was sensible at this time to merge the two programmes together and to call the newly formed programme Property Improvement Programme which encompassed all works carried out as part of the programme.
4. In the interest of the effective management of the programme, it was appropriate to maintain the delegated approvals as outlined in the Property Programme Board's Terms of Reference; to have the authority to review the programme and reallocate funding on the basis of the outcomes of investigations, feasibility studies and progress of other schemes and changing health and safety priorities.
5. It was essential that the Property Improvement Work Programme remained flexible to accommodate the outcomes of internal reorganisations, restructures, changing work patterns and operational commitments and was able to accommodate the outcomes of decisions linked to the council's property rationalisation project.

181/15 Transforming Building Control Across Derbyshire

The Council Cabinet considered a report on Transforming Building Control Across Derbyshire.

The purpose of the report was to set out the business case for Derby City Council to be part of a transformational strategic joint building control service for Derbyshire. The report presented the basis of a proposed partnership for the future delivery of the Building Control service with other Local Authorities within Derbyshire.

Six Authorities within Derbyshire had been engaged in an options analysis and process to identify the solution that would sustain the delivery of building control services.

The six Authorities covered by this piece of work were:

- Amber Valley District Council
- Bolsover District Council
- Chesterfield Borough Council
- Derby City Council
- Derbyshire Dales District Council
- North East Derbyshire District Council

The Councils' currently provided a building control service that dealt with professionals, the public, building companies and other businesses and its primary role was to ensure that legal building standards were achieved within each authority's administrative area in line with the Building Act 1984, and other subordinate legislation. It also had a key role in dealing with dangerous structures and safety at sports grounds.

The building control service for Derby City Council was delivered by the Building Consultancy section within the Communities, Environment and Regulatory Services Department.

Options Considered

1. Do Nothing

There were major risks to maintaining the status quo. The building control business was under major competitive pressure and we would expect revenues to decline over time without concerted action. Competitors could attract our best staff further reducing our ability to secure revenue. We need to use agency staff for the business we win and agency costs would rise as competitive pressure increases and the numbers of available staff falls. Often teams were too small to cope with sickness or holiday commitments. Teams were generally 'mature' and many were nearing retirement. Recruitment to replace these staff would be difficult and expensive.

2. Limited partnership

The authorities could operate a less formal partnership sharing resources to meet needs. In fact a small amount of cross border resource transfer was carried out and in recent months under the initiative of this project a joint resource team had been established. However, it was operationally and legally difficult to genuinely share staff and resources. Staff could not be allocated to meet the needs of different areas over the medium term and competition between authorities had often seen staff recruited to across boundaries.

3. Outsource

The authorities could withdraw completely from the provision of building control services and outsource the provision of these services to either another authority or an outsourced provider. This would allow the authority to meet its regulatory needs and would be likely to allow the delivery of the service at a fixed cost. However the authority would miss the chance to take advantages of surpluses gained from business operations, build on the long

term investment we had already made in staff and resources and look for local solutions to meet local needs.

Decision

1. To approve, in principle, subject to final details to be agreed, the establishment of a Derbyshire Building Consultancy Company, wholly owned by the six local authorities, with a view to the transfer of the Council's building control functions and staff to the new company.
2. To authorise the Strategic Director for Communities and Place, following consultation with the Cabinet Member for Regulatory Services and the Director of Finance to negotiate suitable terms for the Council to be incorporated into (a) a service agreement, (b) a transfer agreement and (c) a shareholders agreement, to give effect to the transfer proposal.
3. To agree, in principle, to the creation of a separate trading company to deliver Approved Inspector Services outside the boundary of the Local Authorities with the aim of making a surplus.
4. To give delegated responsibility to the Strategic Director for Communities and Place following consultation with the Cabinet Member for Regulatory Services and the Director of Finance to approve the final contracts when determined in terms of the three agreements identified in recommendation 2 and approve the agreements to transfer of the Council's building control functions and staff to the new company.

Reasons

1. To allow further meaningful development and refinement of the proposed Derbyshire Building Consultancy Company in principle approval was required from Council Cabinet, such approval would demonstrate to the Council partners that it was committed to this proposal, subject to agreement of the final terms of the Corporate documentation.
2. Ultimately this recommendation would:
 - Enable local authority building control to compete effectively with the private sector Approved Inspectors.
 - Reduce each local authority partners' revenue costs for the provision of statutory (non-fee earning) elements of the service (such as dangerous structures).
 - Enable the development of a service that could deliver a budget surplus (and therefore a dividend to the partner local authorities), which was not available to Local Authorities under current arrangements.

182/15 Schools Capital Programme

The Council Cabinet considered a report on the Schools Capital Programme.

The Department for Education (DfE) had notified the Council of capital funding allocations for School Condition maintenance for 2016-17. Derby City Council would be allocated £2,517,098, together with an additional £246,027 for Voluntary Aided Schools.

In order to commence scheme development, and to complete essential work during the school summer holiday period, early approval of schemes is necessary. A full breakdown of the overall Schools capital programme funding for 2016/17 was set out within Appendix 2 of the report. The proposed Schools capital programme schemes for 2016/17, including proposed individual school condition maintenance projects, were outlined in Appendix 3 of the report.

The proposal was for funding to be prioritised to deal with essential school condition and maintenance issues across the schools estate. An on-going programme of work was required in school premises to deal with essential condition and health and safety issues to ensure that school buildings remained safe and open.

The DfE were also due to announce confirmation of Basic Need capital allocations (for school place planning) for 2016/17. Derby City Council was expecting to be allocated a total of £5,454,109 in relation to its statutory duty to ensure sufficient school places. This consisted of £2,027,045 for 2017/18 along with top-up funding of £852,268 for 2015-16 and £1,816,673 for 2016-17. Within the allocation was a £758,123 contribution for primary expansions which related to 2013/14.

Primary School Places - based on primary pupil projections, it was anticipated that there would be a higher number of pupils entering the reception year group across Derby's primary schools in September 2016. In order to effectively plan for the anticipated higher pupil numbers, some schools had given their agreement in principle to increase admission numbers, on a temporary basis, for the September 2016 in-take.

In order to plan for this projected bulge year group, capital funding was required to provide temporary classrooms or other accommodation changes. Following this projected higher reception in-take in September 2016, it was anticipated that there would be sufficient primary school provision to meet demand over future years. Pupil projections were regularly reviewed and updated to ensure that any specific issues within particular areas of the City, or within particular cohorts, were identified and considered at an early stage. Primary pupil numbers and projections would continue to be closely monitored.

Secondary School Places - in relation to secondary school place planning, following growth in pupil numbers in the primary sector, proposals had been developed to provide additional secondary school capacity. This was to ensure that there were sufficient places available in readiness for the higher primary year groups to progress through to secondary schools. Based on the secondary pupil projections, it

was necessary to plan for 700 places to be provided on a phased basis from September 2017.

In addition, careful consideration was being given to the provision of a further 100 secondary school places and any proposals would be developed working in close partnership with schools.

Priority Schools Building Programme (PSBP) - the report also provided an update on progress with the PSBP1 initiative which was managed by the Education Funding Agency, with support of the Council. There were seven schools within this programme; four had been completed, with contractors on site at the remaining three schools. Further details were set out in paragraph 4.20 of the report.

An update on Derby City Council's two successful bids, for Bemrose School and Cavendish Close Infant School, for additional capital funding through the PSBP2 initiative was also provided. The DfE timescales for these projects were only indicative at this stage. Further details were provided in paragraph 4.21 to 4.25 of the report.

The report sought approval for the Schools Capital Programme 2016/17 as set out within Appendix 3 of the report. The report also sought approval for the schemes set out within Appendix 4, subject to final confirmation of Basic Need funding allocations from the DfE.

The Corporate Scrutiny and Governance Board recommended that Council Cabinet considers the Board's concerns raised on the forced academisation of schools and local authorities to plan for school places in the future and that this policy will remove the local democracy of scrutiny of school provision.

Options Considered

The available capital funding had been prioritised in line with the School Asset Management Plan to deal with the most urgent condition and health and safety issues, and to ensure sufficient school places.

Decision

1. To approve the Schools Capital Programme priority schemes for 2016/17 as outlined in Appendix 3 and approve, in principle, schemes identified in Appendix 4 of the report subject to DfE confirmation of allocations.
2. To approve scheme commencement and amendment to the approved 2016/17 - 2017/18 capital programme with proposed scheme allocations and the addition of the actual funding allocations confirmed by the DfE.
3. To note the primary and secondary school place planning proposals outlined in the report.
4. To accept the recommendation of the Corporate Scrutiny and Governance Board that the Board's concerns be considered on the forced academisation

of schools and local authorities to plan for school places in the future and that this policy will remove the local democracy of scrutiny of school provision.

Reasons

1. An on-going programme of work was required in school premises to deal with essential condition and health and safety issues, across the schools estate, to ensure that school buildings remain safe and open. In order to complete as much work as possible during the school summer holiday period, early approval of schemes was necessary.
2. The Council has a legal duty to ensure sufficient school places for those pupils residing within its administrative boundary. Pupil numbers and projections were closely monitored and proposals developed as necessary to ensure sufficient school places. In accordance with Financial Procedure Rules, amendments to the Council's capital programme were required to be reported to Council Cabinet.

183/15 Innovation Hub Facility Management

The Council Cabinet considered a report on Innovation Hub Facility Management.

The report summarised the progress in establishing a new innovation centre that sought to support the development and growth of transport engineering businesses – the iHub. This was the first building constructed within the city's new commercial and technology park – Infinity Park Derby.

Due to an initial tender exercise that was unsuccessful in attracting a facilities management provider, the report sought approval for the facilities management of the iHub to be provided in-house by the Connect Derby Team. This would require a revenue budget of up to £131,000 in 2016/17, dependent on the factors outlined in the report.

The Corporate Scrutiny and Governance Board recommended that an early review on the operation of the Innovation Hub, including detail on the running costs, occupancy levels and business rates be carried out and reported to a meeting of the Corporate Scrutiny and Governance Board in around 12 months time.

Options Considered

1. Officers considered re-tendering the facilities management service but this was felt to be unlikely to result in a positive outcome unless the Council was willing to take a share of the risks and to potentially offer an income guarantee. This option would also take around 4-6 months to follow an EU-compliant open tender process.
2. The second alternative option available to the Council was to place the iHub on the market for sale as an innovation centre. This would require any future owner to become responsible for the output targets – most notably to secure 131 new jobs and attract 17 new businesses to Derby. Any sale would also

trigger a capital payment to the land-owner under the term of the lease with them. The iHub must assist the development and growth of Infinity Park Derby. Without the Council remaining in ownership of the building this outcome was less likely to be achieved. This option was therefore not recommended.

Decision

1. To note the contents of the report, particularly regarding the assumptions under-pinning the cash flow forecast and associated benefits and risks for the Council.
2. To approve the management and operation of the iHub by the Connect Derby team, overseen by the iHub Board, subject to DCLG approval.
3. To approve the creation of a Council revenue budget of up to £131,000 from the Budget Risk Reserve that enabled the successful operation and management of the iHub in 2016/17.
4. To request that further report(s) be periodically submitted to Council Cabinet, showing progress against the cash flow forecast.
5. To accept the recommendation from the Corporate Scrutiny and Governance Board that an early review on the operation of the Innovation Hub, including detail on the running costs, occupancy levels and business rates be carried out and reported to a meeting of the Corporate Scrutiny and Governance Board in around 12 months time.

Reasons

1. The commercial market was not willing to take on the operation and management of the iHub under the terms proposed by the Council.
2. For the Council to manage and operate the building it would require the creation of a revenue budget to cover initial deficits until the iHub breaks even. The building was new and forecasting running costs accurately was extremely difficult. It was proposed that officers would bring a report to Council Cabinet later this year once the building's systems had been in operation for a while.

184/15 Closure of Moorways Swimming Pool

The Council Cabinet considered a report on the closure of Moorways Swimming Pool.

Due to reductions in Government Funding, over the next three years the Council had to save approximately £45 million from its overall revenue budget, this was in addition to the £116 million the Council had already saved over the last three years. The closure of Moorways contributed to those savings being achieved.

As part of the budget consultation process for 2015 -16 the Council provided a further year to see if alternative proposals could be identified for Moorways, unfortunately no further viable proposals were provided for the Council to consider. Therefore as part of the Council's Medium Term Financial Plan (MTFP) for 2016 - 2019 the closure of Moorways was proposed to meet the saving targets required by the Council.

At Council on 3 February, the Council approved its budget for 2016-17, which included a reduction in Moorways' budget for 2016-17 of £214,000, the net effect of which would see Moorways close on 31 March 2016. The budget also identified additional savings for Moorways for 2017-18 and 2018-19 which would be realised following the disposal of the building.

There would have been over 200,000 customer visits at Moorways during 2015 -16 taking part in swimming related activities. These activities had been delivered by the committed team of staff of which there were currently 24.01 FTE. It was regrettable that both customers and staff were affected by the closure of this facility.

Two petitions had been received regarding the proposed closure of Moorways Swimming Pools. The first petition in February 2015 had 2814 signatures on it and the second petition in January 2016 had 603 signatures on it.

A number of health and safety concerns relating to fire and building maintenance had been identified. It was not seen to be good value to use funds to carry out the essential maintenance works given the need to close Moorways from 31 March 2016.

The Corporate Scrutiny and Governance Board recommended Council Cabinet tries where possible to deliver sufficient swimming provision for all school swimming lessons.

Options Considered

1. As part of the Council's 2015-16 budget proposals, the Council proposed the closure of Moorways Swimming Pool to the general public. Following this announcement the Council was approached by key stakeholders to discuss how they could support and work with the Council to either keep Moorways open or look at a replacement facility. While several very productive meetings had taken place, it would not be possible to reach a solution to allow the pool to remain open for general public use after 31 March 2016 due to both the budget reduction and significant health and safety concerns about the facility.
2. Meetings with stakeholders would continue in order to explore various options to see if alternative proposals could be provided for the Council to consider.

Decision

1. To approve the closure of Moorways Swimming Pool to the general public on 31 March 2016.

2. To continue to progress discussions with parties and key stakeholders to explore possible alternative proposals for swimming pool provision across the city.
3. To delegate authority to the Strategic Director of Communities and Place following consultation with the Cabinet Member for Communities and City Centre Regeneration and the Director of Finance, for the implementation of a financially viable proposal, that meets the Council's strategic plan for swimming should the on-going discussions with stakeholders provide a sustainable alternative to the full closure of Moorways Pool to the general public.
4. To accept the recommendation from the Corporate Scrutiny and Governance Board to try where possible to deliver sufficient swimming provision for all school swimming lessons.

Reasons

1. Due to reductions in Government Funding, over the next three years the Council has to save approximately £45 million from its overall revenue budget, the closure of Moorways contributes to those savings being achieved.
2. Whilst the Council provided a further year to see if alternative proposals could be identified for Moorways, unfortunately no further viable proposals were provided for the Council to consider. Therefore as part of the Council's MTFP for 2016 - 2019 the closure of Moorways was proposed to meet the savings targets required by the Council.
3. In addition a number of health and safety concerns relating to fire and building maintenance had been identified. The cost of the essential maintenance works that would be required should Moorways stay open was estimated at £370,000. This would have had to be funded through capital budgets as funding was not available in the 2015/16 property maintenance and improvement budget.
4. The budget savings for Moorways had been approved at Cabinet on 20 January 2016 and Council on 3 February 2016.
5. By continuing to progress discussions with parties and key stakeholders to explore possible alternative proposals for swimming pool provision across the city it would help to reduce the impacts of the facility closure.

Budget and Policy Framework

185/15 Housing Revenue Account Business Plan 2016 - 46

The Council Cabinet considered a report on the Housing Revenue Account Business Plan 2016 – 46.

The Housing Revenue Account (HRA) had been in a financially robust position due to the financial self funding settlement and rent increases above the level of inflation over the past decade, bringing council rents much closer to Housing Association levels. This had enabled the Council to progress its ambitions to deliver new council housing.

A number of significant impacts had emerged recently which would necessitate some revisions to expenditure assumptions within the Business Plan. In the main, this referred to the 1% reduction in social rent levels over the next four years which would have a considerable impact on revenue streams moving forward. Secondly the sale of high value council housing as compensation payable to private Registered Providers for their losses under the extended Right to Buy was likely to have a further impact moving forward although the impact has not been clarified yet.

The report summarised the HRA Business Plan, details the assumptions supporting the Plan and sets out the proposed changes to planned expenditure.

Decision

1. To approve the 2016/17 update of the rolling 30 year HRA business plan, as set out at Appendix 2 of the report.
2. To approve the proposed expenditure commitments and revisions set out in paragraphs 4.11 and 4.12 of the report.
3. To note future risks and potential impacts on the viability of the HRA Business Plan set out within the report, and note the further report proposed at paragraph 4.15 of the report.

186/15 Quarter 3 Revenue Budget Monitoring 2015/16

The Council Cabinet considered a report on Quarter 3 Revenue Budget Monitoring 2015/16.

The report provided details of the latest financial position and forecast outturn for the 2015/16 Revenue Budget as at quarter 3. This was in line with the agreed strategy of reporting revenue budget monitoring figures on a monthly basis to Chief Officer Group and on a quarterly basis to Council Cabinet for approval and action as necessary.

The latest forecast position showed an underspend of £2.061m (-0.93%) against the budget requirement of £221.792m.

The current forecasting methodology required the earliest possible indication of possible savings, rather than waiting until the year end. As a result, these forecasts may change as further information was available and if demand for service rises above the latest forecast.

Included within the forecast outturn were a number of one-off pressures totalling £0.645m. These pressures were due to staffing restructures and reductions being

implemented after 1 April 2015 and therefore not achieving a full year saving. This slippage was anticipated and specific corporate funding was previously identified within the budget risk reserve. Applying this funding would improve the forecast outturn to a £2.706m underspend. However it was recommended that this position was monitored to establish if overall performance continued to contain these pressures.

Savings targets of £19.673m were included within the 2015/16 budget figures and the forecast achievement of these savings was included within the overall budget forecast above. Further details of current forecast savings delivery were included in section 6 of the report.

Section 6 of the report highlighted a number of transfers of funding into reserves for future use. In addition to these proposals a further use of the forecast underspend was proposed to allow the transfer of £500,000 into a specific reserve to support the driving forward of rapid improvements in Children's Services as we enter a period of heavy inspection.

Decision

1. To note the financial monitoring position and the current progress of savings delivery as at quarter 3.
2. To approve the movement in reserves requested in section 5 of the report.
3. To approve an additional movement of £500,000 into a specific reserve for Children's Services improvements.

Contract and Financial Procedure Matters

187/15 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:

- changes to the current 2015/16 Capital programme.
- tender and award of contract
- waiver of contract procedure rules
- use of reserves

Decision

1. To approve changes and additions to the capital programme in section 4 – 4.9 and Appendix 2 & 3 of the report.
2. To approve the tender and subsequent award of a contract, in line with contract procedure rules, for the provision of dementia support services as detailed in section 6.1 to 6.4 of the report.

3. To approve the award of a contract to the successful bidder, in line with contract procedure rules, to provide multi-systemic therapy as detailed in section 6.5 to 6.8 of the report.
4. To approve a contract extension with Axiom Fire Solutions Limited for a maximum of 12 months to deliver fire safety assessments as detailed in section 7 of the report.
5. To approve the use of £150,000 from the budget risk reserve to provide additional audit assurance work as detail in section 8 of the report.

188/15 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 item on the grounds that it involves the likely disclosure of exempt information as defined in paragraph 3 of Part 1 of Schedule 12A of the Act and that the public interest in maintaining the exemption outweighs the public interest in disclosing the information”

Key Decision

189/15 Innovation Hub Facility Management

The Council Cabinet considered exempt information in relation to Innovation Hub Facility Management including an exempt recommendation from the Corporate Scrutiny and Governance Board.

Options Considered

These were set out in paragraphs 5.1 and 5.2 of the report.

Decision

1. To note the contents of the report, particularly regarding the assumptions under-pinning the cash flow forecast and associated benefits and risks for the Council.
2. To approve the management and operation of the iHub by the Connect Derby team, overseen by the iHub Board, subject to DCLG approval.
3. To approve the creation of a Council revenue budget of up to £131,000 from the Budget Risk Reserve that enabled the successful operation and management of the iHub in 2016/17.
4. To request that further report(s) be periodically submitted to Council Cabinet,

showing progress against the cash flow forecast.

5. To accept the exempt recommendation of the Corporate Scrutiny and Governance Board.

Reasons

These were set out in paragraphs 3.1 to 3.3 of the report.

MINUTES END