

ITEM 11c)

Derby City Council Update from Jo Andrew, Director of Derwent NDC

1. On the 22 November 2010, SMC met to consider the way forward for the ten year Derwent New Deal for Communities Programme that is coming to an end on the 31 March 2011. The intention was to re-consider this matter at the December meeting. However due to on going negotiations between the Council, NDC Board and the Department for Communities and Local government (CLG), this matter was deferred. As a result of negotiations, there has been significant progress and the NDC now has an agreed exit strategy in place.

2. Members of the Commission will be aware that, since 2007, there have been on going negotiations with CLG and Government Office for the East Midlands, to resolve outstanding issues. In 2008, CLG issued programme note 48 which required all NDC's to develop a succession strategy. However due to a number of issues, Derwent NDC was placed on hold from June 2009, whilst a number of reviews and discussions took place with CLG regarding potential ways forward. There was however a requirement that the NDC should explore all options for deciding who should own and manage the buildings that had been funded with NDC resources.

3. Whilst local residents involved in the NDC programme had expressed a preference that they would like either the Council or Derby PCT to take on the buildings funded by the NDC, both had declined to do so. This left one other local based body who would be affected by the succession strategy and who already had a history of working with residents and the NDC. Discussions were therefore held with the Derbyshire County Cricket Club. This led to the development of an exit strategy that would enable the NDC programme to leave a viable legacy.

4. On the 13 December 2010, Jo Andrew, Cllr Marshall and Paul Robinson met with key representatives from CLG. The purpose of this meeting was to discuss the issues affecting the programme and agree the following key actions that form the basis of the succession plan:

- Transfer the freehold title to the Gateway and Revive Centres to Derbyshire County Cricket Club at nil cost. In exchange, the NDC has secured an agreement that the Revive Charity will remain in place, all tenants within the Revive building will be offered legally binding leases, and the café will be re-opened. Both buildings will continue to be available for Derwent's residents to use and access at a reasonable cost.
- Use of £50,000 of NDC funding to refurbish and expand the community gym facility at the Gateway Centre.
- Access to up to £310,000 of NDC funding to cover the cost of repairs to the Revive centre. This funding will be spent by 31 March 2011.

- Closure of Derwent Delivers Ltd and Revive Management Services. This will include the transfer of any remaining funding at the point that both companies are closed. The NDC estimates that the Revive Charity trustees will have access to £100,000 of funding to 'kick start' the community chest in Derwent. To ensure longevity of these funds, this capital sum will be invested for future use.
- The transfer of the freehold title of three properties on Wiltshire Rd and one property on John Berrysford Close to the Revive Charity. Any income that is generated from these assets, and the Green Lane apartments, will be used to help the trustees to deliver Revive's charitable objectives. This funding will form a community chest for local groups to apply for.
- Development of the Revive Charity.
- NDC accrual of management and administration funding to cover the cost of the legal transfers and staffing until all payments have been made, legal negotiations are concluded and the companies have been wound up.

5. On the 13 December 2010, CLG provided their 'in principle' agreement to the NDC's exist strategy. They have since provided their consent for the NDC to use up to £315,000 to carry out repairs at the Revive Centre. Contractors have now been appointed and work has started on site. Work on progressing all the other key actions has started.

6. The proposals described above were submitted to and endorsed by the NDC Board on 21 December 2010 and so form the exit strategy.

JA
27/1/11