

Council Cabinet Decisions made in September, October and November 2013 relating to the Corporate Scrutiny and Climate Change remit

SUMMARY

- 1.1 This report outlines the decisions made by Council Cabinet on items relating to the Corporate Scrutiny and Climate Change Board (CSCC). Its aim is to keep members informed on decisions made on items relevant to the board and to highlight the development of items that are on-going and that members may wish to include in the work programme for future scrutiny.

RECOMMENDATION

- 2.1 To note decisions made by Council Cabinet.
- 2.2 To identify any future areas for scrutiny informed by decisions made by Council Cabinet.

REASON FOR RECOMMENDATION

- 3.1 To ensure that the Board is aware of decisions made by Council Cabinet that are relevant to the portfolio of CSCC Board.
- 3.2 To ensure that the board is kept up to date with developments made in relevant on-going work areas that may merit future scrutiny.

SUPPORTING INFORMATION

- 4.1 The following decisions relevant to the CSCC Board portfolio have been made by the Council Cabinet in September 2013:
- 4.2 **74/13 Derby's Innovation Campus**

The Council Cabinet considered a report on Derby's Innovation Campus. The report provided an update of the progress made in the establishment of the Innovation Hub, previously known as the Innovation Campus, following the report provided to Council Cabinet on 17 October 2012. The report sought approval to proceed with the

implementation arrangements.

- 4.3 The Innovation Hub would be a facility for new and existing SMEs in high technology sectors, particularly planes, trains and automobiles, to access research, technology transfer, and other innovation advice from the three partner universities – Aston, Cranfield and Derby. Rolls-Royce plc was a significant player, as it was donating the three acres of land required for the development of the Innovation Hub. The project was also one of the key strands of our Regional Growth Fund programme, utilising an element of the £40m which we won from Government, to support our three key transport engineering sectors.
- 4.4 The project required a significant number of approvals from Council Cabinet. These would enable us to proceed with a number of important matters, including acceptance of offers of grant and other financial assistance, procurement of the team to manage the centre, procurement of the construction company to build the Innovation Hub and to proceed with marketing at the earliest opportunity.
- 4.5 **Decision**
1. To authorise the Chief Executive and Strategic Director of Resources following consultation with the Leader of the Council to formally accept any offer from Derby's Regional Growth Fund Programme (RGF) and the European Regional Development Fund (ERDF).
 2. To authorise the Chief Executive and Strategic Director of Resources following consultation with the Leader of the Council to agree to the final terms relating to the investment by the University of Derby into the project and to enter into a leasehold agreement and Marketing Agreement with Rolls-Royce for the land.
 3. To note the position regarding RGF and, subject to the capital plan prioritisation process, delegate authority to the Chief Executive, following consultation with the Leader, to increase the Council's investment into the project from the capital programme up to a maximum of £4.45m depending upon the success of the ERDF application.
 4. Pending confirmation of the above resources, to authorise the Chief Executive and Strategic Director of Resources following consultation with the Leader of the Council to enter into a contract with the selected construction company to build the Innovation Hub.
 5. To authorise the Chief Executive and Director of Regeneration following consultation with the Leader of the Council to conclude negotiations with the University of Derby, Aston University and Cranfield University over the establishment of a joint venture vehicle to oversee the marketing of land at the Innovation Hub and to direct the operation of Engineering Supply Chain Solutions.
 6. To confirm the Council's commitment to the appointment by the joint venture partners of the Managing Director of Engineering Supply Chain Solutions and to commence the recruitment of the remaining Executive Team and the marketing of the services on offer.

4.6 **Reasons**

The project started as the key part of our bid for RGF resources, and had developed considerable momentum. Approval to the recommendations above would enable the project to proceed. A verbal update would be given to your meeting about our progress with the ERDF application, the latest advice on the State Aid and taxation issues, and the outcome of the design competition that was currently underway.

4.7 **75/13 Roman House: Refurbishment for Relocation of Children and Young People's Services**

The Council Cabinet considered a report on Roman House: Refurbishment for Relocation of Children and Young People's Services. As part of the budget process 2013/14 to 2015/16 Members approved funding for a project to implement Derby Workstyle Phase 2 at the Beaufort Business Centre (BBC) to support implementation of the Accommodation Strategy . The redevelopment of this building would enable the relocation of up to 500 Children and Young People's Service (CYP) staff in one place and deliver savings associated with the subsequent closure and disposal of a number of peripheral buildings.

4.8 In April 2012 Council Cabinet agreed to secure a joint venture partner to refurbish the buildings known as Roman House once it was vacated in early 2013. Due to the current market conditions, it had not been possible to secure a deal and sell and redevelop Roman House which meant that the Council had been able to give consideration to using this building for CYP rather than BBC as it offers a more central city centre location.

4.9 A Feasibility Study had confirmed that Roman House could be refurbished and upgraded to accommodate up to 500 staff employed in Children and Young People's Services within an A rated energy efficient building. In addition, with the introduction of a central atrium on Stafford Street, the building could be completely rebranded and significant improvements could be made to the layout and utilisation of the building including creating 1040 square meters (m²) of Grade A lettable office space. This would provide accommodation for up to 210 workstation and 300 full time equivalents under Derby Workstyle.

4.10 **Decision**

1. To suspend the Beaufort Business Centre and the Roman House Joint Venture projects previously approved by Council Cabinet and complete an external and internal refurbishment to rebrand Roman House to provide:
 - modern 21st century modern accommodation for up to 500 staff in Children and Young People's Services;
 - 1040 m² of Grade A office space that could be let to generate income for the Council and provide lettable accommodation for 210 workstations.
2. To approve the transfer of the sum of £5.761m already identified to renovate the Beaufort Business Centre in the Corporate Capital Programme to fund the Roman House project and approve additional borrowing sum of £1.663 million to cover the

additional costs of implementing the total scheme.

4.11 **Reasons**

1. Roman House provided a more central city centre location which would improve access for customers. The modern layout and design of the building would improve customer experience and provide a marked improvement on current facilities for customers in locality bases.
2. To provide good quality accommodation of the same standard as the Council House for staff in Children and Young People's Services and enable them to be integrated and collocated in one building rather than in seven disparate buildings across the city.
3. To deliver a scheme that would make a significant contribution to the regeneration of the Cathedral Quarter and demonstrated the potential to upgrade vacant secondary office buildings to good quality accommodation.
4. This project would enable the vacation and rationalisation of seven buildings in Council ownership. This would support the delivery of the objectives of the Property Rationalisation Project by enabling potential savings in property maintenance and facilities management budgets. Each building would be reviewed as part of the Area Review process agreed by Cabinet and if all were found to be surplus to requirements could be sold to generate a potential corporate capital receipt of around £2 million.
5. To address the fact that despite significant effort, the Council had been unable to sell or secure a joint venture partner for Roman House and as a result it had remained empty since it was vacated in early 2013.
6. Designing Beaufort Business Centre to maximise the potential of Derby Workstyle principles had been constrained by the construction and structure of the building. Roman House had a larger footprint and was a much simpler construction which afforded the creation of a more efficient layout and design providing the Council with better value for money.
7. As well as meeting the brief for CYP services, the proposed refurbishment of Roman House would create a net lettable area of 1040 square meters. This would create capacity for an additional 210 workstations which could be let as Grade A office space and generate potential income which would off-set the costs of borrowing for this element of the project.
8. As Roman House was vacant, it could be redeveloped more quickly than BBC without the need to decant any staff. This would create far less disruption to service users and staff and reduce the one off revenue costs associated with decanting and recanting staff.

4.12 **76/13 The Derby Plan Refresh 2013-2015**

The Council Cabinet considered a report on The Derby Plan Refresh 2013-2015.

The report presented a draft of the refreshed Derby Plan 2013-2015 for review by Council Cabinet.

The Derby Plan (formerly the Sustainable Community Strategy) sets the Partnership vision and outcomes for the whole city. The Council Plan would support this by describing the Council's contribution to the outcomes as it was refreshed over the coming months.

4.13 **Decision**

1. To note the contents of the draft Derby Plan as set out in Appendix 2 of the report and approve the adoption of the three Big Ambitions and Spotlights set out in refreshed Derby Plan as the Council's priorities.
2. To refer the Derby Plan, subject to advised amendments, to Council.
3. To refer the Derby Plan to Corporate Scrutiny and Climate Change Board and report comments as an addendum to the Council report as required.
4. To recommend that Council delegate authority to the Chief Executive to make any final amendments to the Derby Plan in consultation with the Leader of the Council as Chair of Derby City and Neighbourhood Partnerships.

4.14 **The following decisions relevant to the CSCC Board portfolio have been made by the Council Cabinet in October 2013:**

4.15 **92/13 Council Plan**

The Council Cabinet considered a report on the Council Plan. The Council Plan 2011 – 2014 was scheduled to come to an end in March 2014. Alongside this, Council and the Partnership Leadership Board had agreed to refresh the Derby Plan for 2013 – 2015. The purpose of the report was to present Council Cabinet with proposals for the refresh of the Plan, in line with the changes made to the Derby Plan set out in Paragraph 6 of the report. The timetable for production of the Council Plan had therefore been drafted with the final plan being submitted to Council, alongside the budget early in 2014.

4.16 **Decision**

1. To approve the refresh of a one-year Council Plan for the period April 2014 to March 2015 that reflected the updated priorities from the Derby Plan 2013-2015 alongside revised priorities for the Council set out in Paragraph 6 of the report.
2. To note the key deadlines for the drafting of the Council Plan set out in Appendix 2 of the report.

4.17 **94/13 Annual Report 2012/13**

The Council Cabinet considered a report on the draft Summary Annual Report 2012/13 for approval. The Council produces an Annual Report each year to publicise

its achievements and progress made in delivering its Council Plan priorities. This year the Annual Report had been produced in two parts. Firstly, a summary document which provided highlights from each Cabinet Portfolio, which would be printed and distributed to key stakeholders. Secondly, a consolidated online version of the Annual Report which included the Statement of Accounts, Annual Governance Statement and performance outturn data.

4.18 **Decision**

1. To approve the Annual Report 2012/13 for publication.

4.19 **95/13 Customer Feedback and Complaints**

The Council Cabinet considered a report on Customer Feedback and Complaints. The report provided an update on the arrangements in place for recording and monitoring customer feedback, current levels of performance regarding complaints and actions being taken to improve.

4.20 **Decision**

1. To note the current levels of performance on numbers of complaints / response rates and some of the key issues impacting on performance in this area.
2. To note the improvement plan in Appendix 3 of the report, which included the development of a Customer Feedback Policy (incorporating a complaints procedure).

4.21 **The following decisions relevant to the CSCC Board portfolio have been made by the Council Cabinet in November 2013:**

4.22 **104/13 Approval of Our City Our River Business Case**

The Council Cabinet considered a report on Approval of Our City Our River Business Case. The Our City Our River (OCOR) Masterplan was approved by Council Cabinet in July 2012 to guide the provision of flood defences and associated regeneration along a new alignment set back from the river to allow more space for flood water.

Much had happened over the last 15 months to significantly advance the project. The £36.3m of indicative funding to start and complete the first package of works stretching from Darley Abbey Mills to the City centre had successfully been secured.

The report sought approval to adopt the draft business case to secure this funding and for the Council to become the lead organisation in taking forward the scheme, subject to the approval of the business case by the Environment Agency's Large Project Review Group (LPRG).

Following approval by the LPRG and Defra it was proposed that the Council would become the lead organisation for the scheme and would be responsible for all project management responsibilities.

Options Considered

1. Not delivering the OCOR scheme. If the Council decided not to take on the responsibility as lead agency for OCOR this would jeopardise the £19 million Growth funding coming into the project which would be directly allocated and controlled by the Council. The scheme would then fall down the priority list for the EA resulting in a considerably larger funding need and delivery timeline. The City would then be more exposed to a severe flooding incident where the current defences were only designed for a 1 in 25 event as opposed to a 1 in 100 event. Over the coming decades climate change was likely to exacerbate the situation leading to more frequent and severe flood events potentially affecting 1,450 homes and 800 businesses.
2. Delivering the scheme over a longer timeframe. This option had been rejected because of the risks of not getting a sizeable amount of upfront funding to start the project. The £36.3m on offer provided an excellent opportunity to complete the first package of works and at the same time look to attract further funding to complete the rest of the scheme.

Decision

1. To adopt the Our City Our River draft business case prior to its submission to the LPRG.
2. To grant approval to submit the business case to bid for the project funds and to delegate authority to the Strategic Director of Resources to accept these funds if the business case was approved.
3. To approve that the Council would take lead responsibility for the project if the business case was approved and would endeavour to actively identify and work to secure funding opportunities to complete the overall scheme.
4. To note that there was no requirement for the Council to financially underwrite the delivery of the full scheme, nor were there any claw-back requirements in the grant conditions that require us to complete the full scheme.
5. To delegate authority to the Strategic Director of Resources and the Strategic Director of Neighbourhoods, following consultation with the Cabinet Member for Planning, Environment and Public Protection, to make any minor changes to the draft business case prior to its submission to the LPRG in agreement with the Environment Agency.
6. To delegate authority to the Strategic Director of Resources and the Strategic Director of Neighbourhoods, following consultation with the Cabinet Member for Planning, Environment and Public Protection, to agree the details of the legal agreement with the Environment Agency to enable the scheme to progress.

Reasons

1. Since the adoption of the OCOR Masterplan in July 2012, the opportunity had arisen to take advantage of the increased funding towards the project of £36.3m which had been secured.
2. The Council needed to be aware of its potential responsibilities in securing this funding both in terms of what was required from Defra and its future potential liabilities once secured.

4.23 **105/13 Derby's Citywide Climate Change Strategy**

The Council Cabinet considered a report on Derby's Citywide Climate Change Strategy. The report summarised the development of an outward facing city-wide Climate Change Strategy and proposed its adoption. The Strategy superseded the Council's own Climate Change Strategy (2010 to 2012) and had been developed as a city-wide initiative to be championed by the Renaissance Board and Climate Change Alliance.

The Climate Change Team would lead on the future progression of the Strategy and in line with the city partnership approach would gain the buy in and support from the main public, private and voluntary sector organisations throughout the city to develop a number of high profile projects.

4.24 **Decision**

To approve the adoption of Derby's Citywide Climate Change Strategy.

4.25 **Options Considered**

Not progressing with a city-wide strategy. The UK was committed under the Climate Change Act 2008 to an 80% emissions reduction by 2050 compared to 1990 levels and to build the UK's ability to adapt to climate change. Councils were vital in delivering these National Government targets and Derby needed to play its part at a local level by reducing the city's carbon emissions while at the same time preparing the city for the inevitable impacts of a changing climate.

4.26 **Reasons**

1. Since the adoption of the Council's Climate Change Strategy in January 2010, the local, regional and national agenda had changed significantly. Councils were expected to play more of an enabling role; identifying the issues and aspirations of the public, private and voluntary sectors in order to create a common agenda. By leading on the city-wide Strategy the Climate Change Team aimed to fulfil this role and create a city vision which sets out strategic level priorities (the themes) for action.
2. The issue of climate change needed to be embraced by the city to better understand the implications and to capitalise on the opportunities that a more resource efficient city would bring. It was therefore important that a partnership approach was adopted and that the ownership of the Strategy sits with the Derby Renaissance Board and the City's Climate Change Alliance.

4.27 **107/13 D2N2 European Union Structural and Investment Fund Strategy**

The Council Cabinet considered a report on D2N2 European Union Structural and Investment Fund Strategy. The Government issued guidance on the EU Structural and Investment Funds Strategies 2014-2020 earlier this year. The new EU programme would be managed through Local Enterprise Partnerships (LEPs). The D2N2 LEP had an indicative allocation in the region of €250m covering this programme period. LEPs were required to submit an EU Structural and Investment Fund Strategy (EU SIS) to the Government which outlined strategic priorities for EU investment through the next programme period 2014-2020.

The draft Structural and Investment Fund Strategy was submitted to the Government to meet the deadline of 7 October 2013. The finalised EU SIS must be submitted to by the beginning of January 2014.

4.28 **Options Considered**

The Government guidance to LEPs on the EU Structural and Investment Fund 2014-2020 specified the requirements in preparing the Strategy therefore no other options had been considered.

4.29 **Decision**

1. To note the consultation on the draft D2N2 EU Structural and Investment Fund Strategy 2014-2020 and provide feedback and comments.
2. To delegate to the Chief Executive, following consultation with the Leader, the authority to agree any changes to the Strategy and to report back to Council Cabinet as necessary.

4.30 **Reasons**

1. The preparation of the draft EU SIS had been submitted to the Government for consideration. During October, November and December officers from across the LEP would begin to finalise the strategy and prepare to ensure the programme was ready to be delivered from April 2014.
2. While the Strategy was being finalised there would be an opportunity for Derby City Council to consider the Thematic Objectives and ensure they linked to the City's economic and other priorities over the next seven years.

4.31 **112/13 Council Plan 2014/15**

The Council Cabinet considered a report on the Council Plan 2014/15. On 16 October 2013 Council Cabinet approved a revised set of priorities that would be used as the basis for the refresh of the Council Plan for the year April 2014 to March 2015.

Appendix 2 of the report set out the first draft of the Council Plan 2014/15.

Consultation on the revised priorities and the draft Plan commenced in October 2013,

alongside the budget, to enable a final plan to be presented to Council for approval in early 2014.

4.32 **Decision**

1. To note the contents of the draft Council Plan 2014/15 and forward amendments to the Performance and Improvement Team by the end of November 2013.
2. To refer the draft Plan to the Corporate Scrutiny and Climate Change Overview and Scrutiny Board on 21 November 2013, for comment.

4.33 **116/13 IBM Smarter Cities Challenge**

The Council Cabinet considered a report which stated that the Council had prepared an application for the IBM's philanthropic Smarter Cities Challenge 2014 in partnership with the University of Derby's Centre for Supply Chain Improvement. Over the past 3 years, 100 cities had been selected to receive assistance through the Smarter Cities Challenge. The grant supported a team of 5-6 IBM experts to work closely with winning cities to create a roadmap to address their proposed challenge.

The challenge proposed by Derby City Council was how to measure accurately movement (in the broadest sense) in the Connected sustainable transport programme area and to understand what contribution transport modes make to sustainability, emissions (greenhouse gases and air-pollution), well-being and the economy. In doing so, we could measure the difference that behaviour change programmes liked Connected make. It would be a movement towards real-time city-wide modelling, utilising the supply-chain innovation work undertaken by the University of Derby

The expected IBM contribution would be the intellectual innovation on how to make this work for the Council. This knowledge would underpin other Council Smart City and Open Data initiatives. This would open up a number of potential applications; to reduce resource demand through increasing performance across environmental, energy, health and user satisfaction indicators.

Derby would also benefit from on-going collaboration with IBM and other cities. This would include an invitation to join an international Smart Cities knowledge network and its events.

The bid would also move forward Derby's Digital City, Climate Change and Low-Carbon Economy (LCE) work so that Derby could utilise more effectively this radical change in how cities operate and develop. There were significant opportunities to be gained from advances in technology, communications and so-called 'big data' analytics in what was estimated to be a \$40billion market in the UK, and \$400billion globally by 2020.

The Climate Change team with Economic Regeneration was developing Derby's LCE and Smart City work, and had informed the new D2N2 LEP low-carbon plan. This application would increase awareness of what Derby's economic ambitions were for

this sector, with reference to Infinity Park and the Innovation Campus.

4.34 Decision

1. To approve the submission of a bid to the current IBM call for the Smarter Cities Challenge competition.
2. To provide high level co-operation to IBM throughout the competition's process and to delegate approval of acceptance of the assistance if Derby's proposal is successful to the Chief Executive.

OTHER OPTIONS CONSIDERED

- 5.1 None.

This report has been approved by the following officers:

Legal officer	N/A
Financial officer	N/A
Human Resources officer	N/A
Service Director(s)	N/A
Other(s)	Mahroof Hussain - Scrutiny Officer

Appendix 1

IMPLICATIONS

Financial and Value for Money

- 1.1 None arising directly from this report.

Legal

- 2.1 Section 21 (3) of the Local Government Act 2000 requires that the power of an overview and scrutiny committee to review or scrutinise a decision made but not implemented includes power to recommend that the decision be reconsidered by the person who made it.

Personnel

- 3.1 None arising directly from this report.

Equalities Impact

4.1 Effective scrutiny benefits all Derby people.

Health and Safety

5.1 None arising directly from this report.

Environmental Sustainability

6.1 None arising directly from this report.

Property and Asset Management

7.1 None arising directly from this report.

Risk Management

8.1 None arising directly from this report.

Corporate objectives and priorities for change

9.1 Our aim is to work together so that Derby and its people will enjoy a thriving sustainable economy, good health and well-being and an active cultural life.