

Report sponsor: Simon Riley, Strategic Director
of Corporate Resources
Report author: Toni Nash, Head of Finance

Compliance with Contract and Financial Procedure Rules

Purpose

- 1.1
- Derby Adult Learning Service - acceptance of funding of £0.750m from Futures Nottingham and approval for negotiations with Futures for the acceptance of the National Careers Service contract
 - Safety of Women at Night Fund - approval to bid for up to £0.300m to tackle violence against women
 - Derby Museum & Art Gallery – cabinet to note Expression of Interest and approve the full application for funding bid to the Museum Estate Development (**MEND**) of £0.750m and approval for a budget re-allocation of £0.200m to enable the project to reach RIBA stage 3 design
 - Derby Football Hub project – approval of changes to the scope and delivery method for the Derby Football Hub project and use of the Capital Feasibility reserve of £0.041m
 - Leisure & Culture Marketing Team – approval of budget transfer from Communities and Place to Corporate Resources directorate of £0.315m for staffing and marketing budgets
 - Traffic Signals Maintenance Grant - approval to accept a Traffic Signals Maintenance Specific Grant award from the Department for Transport and to add the grant to the Highways and Transportation Capital Programme based on the conditions of the grant.

Recommendations

- 2.1 To approve negotiations, with Futures as the main contractor and Derby City Council as the subcontractor, for funding through the National Careers Service (NCS) contract of £0.750m as outlined in section 4.1.
- 2.2 To approve the acceptance of £0.750m to deliver the NCS contract in Derby as a delivery partner for Futures and to delegate authority to negotiate terms for, accept and implement the proposals of the NCS Funding from Futures, to the Strategic Director for Peoples Services, in consultation with the Cabinet Member for Children & Young Peoples as outlined in section 4.1.
- 2.3 To approve bidding for up to £0.300m from The Safety of Women at Night Fund as outlined in section 4.6.

- 2.4 To delegate the acceptance of The Safety of Women at Night Fund grant, subject to acceptable grant conditions and the subsequent award of grants to external organisations, to the Councils Commission Support Service in consultation with the Strategic Director of Communities and Place, the Strategic Director of Corporate Resources and the Cabinet Member for Place and Community Development as outlined in section 4.6.
- 2.5 To approve a full application for a bid for funding to the Museum Estate and Development (MEND) Fund for £0.750m to address the urgent works required to the Museum & Art Gallery to prevent the water ingress into the building and protect the Council's collections as outlined in section 4.15.
- 2.6 To approve an estimated high-level re-allocation of £0.200m to develop the MEND project to RIBA stage 3 design as outlined in section 4.15.
- 2.7 To approve the changes to the scope of the Derby Football Hubs project as outlined in section 4.26.
- 2.8 To approve the proposed phasing and cost to develop the Derby Football Hubs project and conduct a feasibility study up to and including RIBA stage 3 and planning, but not stage 4 at this point, funded through the existing Football Foundation grant and approved Capital Reserve allocation as outlined in section 4.25.
- 2.9 To approve an additional contribution of £0.041m to complete RIBA stage 4 of the Derby Footballs Hubs project from the Capital Feasibility Reserve as outlined in section 4.25.
- 2.10 To approve the permanent transfer of £0.315m for the Leisure & Culture staffing and marketing budget from the Communities and Place directorate to the Corporate Resources directorate as outlined in section 4.36.
- 2.11 To approve acceptance of £0.500m Traffic Signals Maintenance Specific Grant award from the Department for Transport for use as outlined in section 4.39.
- 2.12 To approve the addition of the £0.500m Traffic Signals Maintenance Grant award to the Highways and Transportation Capital Programme as outlined in section 4.39.

Reasons

- 3.1 To comply with the Council's Financial and Contract Procedure Rules.

Supporting information

- 4.1 **Derby Adult Learning Service – Futures National Careers Service Information Advice and Guidance (IAG) contract**
Derby City Council Adult Learning Service is seeking approval to enter into negotiations, accept the National Careers Service (NCS) contract and acceptance of funding from Futures Nottingham of £0.750m for 3 years. The project start date is 1st October 2021 and runs to March 2024 with the aim to sustain the employment services currently delivered by the Derby Employment Hub and Derby Adult Learning Employment Advisors.

- 4.2 The team who are qualified to IAG level 6 are already employed within the Derby Adult Learning Service. There would be no new employment costs associated with the delivery. The new NCS outcomes would add value to the existing delivery fund. existing delivery. Derby Adult Learning Service is MATRIX accredited, the quality kite mark for the delivery of information advice and guidance. The arrangement will support over 500 Derby citizens per year with employment advice and guidance – progressing to further learning and employment.
- 4.3 Derby City Council Adult Learning Service is seeking approval to enter into negotiations with the National Careers Service (NCS) and acceptance of funding from Futures Nottingham of £0.750m for 3 years. The project start date is 1st October 2021 to March 2024 with the aim to sustain the employment services currently delivered by the Derby Employment Hub and Derby Adult Learning Employment Advisors.
- 4.4 It is recommended to approve negotiations, with Futures as the main contractor and Derby City Council as the subcontractor, for funding through the National Careers Service (NCS) contract of £0.750m.
- 4.5 It is recommended to approve the acceptance of £0.750m to deliver the NCS contract in Derby as a delivery partner for Futures and to delegate authority to negotiate terms for, accept and implement the proposals of the NCS Funding from Futures, to the Strategic Director for Peoples Services, in consultation with the Cabinet Member for Children & Young Peoples.
- 4.6 **Commission Support -The Safety of Women at Night Fund – Bid for Funding £0.300m**
The focus of this fund is on public spaces during the night, however, this fund is one aspect of the Government's work to tackle violence against women and girls in all spheres of society as we know this also occurs in homes, at the workplace, in schools as well as in our streets. The Cross-Government Tackling Violence Against Women and Girls Strategy and complementary Domestic Abuse Strategy will help strengthen and advance the response to these crimes. They will have at their heart a focus on prevention, drive forward improvements in the targeting of perpetrators, ensure that we respond to the changing nature of these crimes, and most importantly, continue to put victims and survivors at the centre of our approach.
- 4.7 This fund focuses on preventing crimes which disproportionately affect women and girls in public spaces at night and in the night-time economy. 'Violence against women and girls' (VAWG) are an umbrella term that encompasses acts of violence and abuse that disproportionately, but not exclusively, affect women and girls. Bidders may also propose interventions that address these areas where they impact groups with other protected characteristics, should they have information this is a problem in a particular geographical area.
- 4.8 Bids must have a maximum value of £0.300m. There will be no match funding requirement. Bidders should be aware that the funding is only given until 31st March 2022 and all spend must be incurred by then, as per regular grant regulations laid out by HM Treasury.

- 4.9 Bidders will be required to consult with local or national VAWG stakeholders as well as local organisations that hold responsibility for groups of women or girls within the geographical range of the bid, such as colleges, universities, or local businesses. to ensure proposals reflect the needs of women and girls. Bidders are asked to work with relevant partners to design and deliver local plans in hotspot areas with the outcome of reducing violence against women and girls related crimes. This could be through initiatives that target potential perpetrators, those that seek to protect potential victims or through programmes intended to address offending behaviour. The Fund will not cover physical, situational measures such as street lighting or CCTV.
- 4.10 All bids must propose initiatives that protect victims of VAWG and/or identify and target perpetrators of these crimes at night, including in the night-time economy (NTE), and help women and girls feel safer in public spaces and venues within the night-time economy or on related routes home.
- 4.11 Bidders must ensure they are targeting areas of concern by demonstrating that the chosen area is disproportionately affected by VAWG crimes at night and/or in the NTE or fear of such crimes. The bid must include a convincing argument that the proposal will mitigate the effects of those forms of VAWG.
- 4.12 All forms of VAWG occurring in public spaces at night or the NTE will be in scope. This includes action taken to reduce or prevent any of the areas in the following (non-exhaustive) list:
- Rape
 - Assault by penetration
 - Causing a person to engage in sexual activity without consent
 - Sexual assault (including unwanted sexual touching)
 - Abduction
 - Harassment
 - Stalking
 - Exposure
 - Voyeurism
 - Up skirting
 - Relevant behaviour under the offences in sections 4, 4A and 5 of the Public Order Act 1986.
- 4.13 It is recommended to approve bidding for up to £0.300m from The Safety of Women at Night Fund.
- 4.14 It is also recommended to approve delegated authority to the Strategic Director of Communities and Place, the Strategic Director of Corporate Resources in consultation with the Cabinet Member for Place and Community Development for:
- i. The acceptance of the grant, subject to acceptable grant conditions
 - ii. The award of grants to external organisations to commission support and service.

- 4.15 **Derby Museum & Art Gallery – MEND Fund Application £0.750m**
Derby City Council is the local authority with the responsibility for ownership and maintenance of Derby's Museum sites and stores to ensure the security and care of the public collections. The museums are managed by Derby Museums, the trust that operates the three, free access museums, including the Museum and Art Gallery, Pickford's House, and the Museum of Making at Derby Silk Mill. The Museum and Art Gallery is home to the largest collection in the world of artwork by Joseph Wright of Derby, it is 'Designated' by the Arts Council England as a collection of national significance and sits alongside other splendid object collections including natural history, ethnography, archaeology, and ceramics.
- 4.16 The Museum and Art Gallery is an historic listed Grade II building which requires substantial investment in the repairs and maintenance of the building fabric to prevent further deterioration of the building. The MEND fund is an opportunity to seek additional funding to assist in financing these maintenance backlog works.
- 4.17 The MEND fund is administered by the Arts Council England. The purpose of the fund is to help non-national accredited museums across England complete urgent maintenance and improve their core infrastructure. There is a total grant pot of £18.8m with grants available between £0.050m to £5.0m. Applications for grants close to the maximum are likely to be made only as an exception. Work must take place in the next 1 to 2 years. Successful grants will be announced in February 2022, and work will be required to be completed by March 2025 at the latest.
- 4.18 For grants between £0.050m and £0.499m there is a requirement for a partnership contribution to funding of a minimum of 5%. For grants between £0.500m and £5m there is a requirement for partnership funding of a minimum of 10%.
- 4.19 An expression of interest (EOI) has been submitted and if the funding panel, consider the EOI proposal makes a significant contribution to the aims and outcomes of MEND fund they will advise the Council by the 2nd August 2021 and invite us to submit a full application. The full application will need to be submitted by 12 midday on the 18th October 2021.
- 4.20 There are currently substantial challenges to the fabric of Derby Museum and Art Gallery and this fund is designed to address the maintenance backlogs faced. The Council has instructed external conservation specialists to undertake a detailed survey of the building. The urgent items to address the fabric deterioration and water ingress in the next 1 to 2 years include replacement flat roof covering, pointing to brick work and repairs to consequential damage caused by continually leaking roofs. This will extend the life of the building and help to protect the Council's art and museum collection from damage.

The high-level budget costings for the work are in the region of £2m to £2.5m. These are not final costs and are pre RIBA stages for the purpose of the condition survey to inform the likely costs of repairs.

- 4.21 Working in partnership with the Derby Museum Trust it is considered that a bid of between £0.500m to £0.750m would give the best chance of securing any funding through the fund. The advice is made considering that the total fund is £18.8m and most local authorities across England are likely to apply. The decision was made to submit an EOI for £0.750m. This leaves the Council picking up the potential balance of £1.25m to £1.75m. This is not included in the current capital programme and associated MTFP and would result in a new pressure to be considered. These figures will be further clarified as part of the RIBA stage 2 design phase and cost plan.

This is considered essential work and will be required irrespective of whether the bid to the MEND fund is successful. Alternative solutions will need to be considered including reprofiling of other schemes, any emerging underspends and or further borrowing (which will have an impact on the current MTFP)

- 4.22 In the event the full application is approved, and the grant awarded the project must commence on site no later than the 25th April 2022 and the deadline to complete all activities is the 25th March 2025.
- 4.23 It is recommended to a full application for a bid funding to the Museum Estate and Development (MEND) Fund for £0.750m to address the urgent works required to the Museum & Art Gallery to prevent the water ingress into the building and protect the Council's collections.
- 4.24 It is recommended to approve that an estimated high-level budget of £0.200m will be required to develop the MEND project to RIBA stage 3 design by the 18th October 2021. This funding is proposed from the project development budget of the capital maintenance budget 2021/2022.
- 4.25 **Derby Football Hubs Project**
In 2016, The Football Association (The FA), the Premier League and Sport England announced a Parklife Football Hubs investment programme that targets populations in excess of 200,000 where demand for football is high. The £130m fund aims to provide local, accessible facilities through a portfolio approach that provides capital investment across a city-wide area rather than one-off site investment. Experience and learning from the Football Foundation in developing, delivering, and operating Football Hub sites across the country, plus the impact of Covid 19 on operational priorities, has developed a different and preferred route to market for the design and construction of Football Hub sites with Alliance Leisure via the UK Leisure Framework.
- 4.26 Derby City Council has been on the Parklife programme since 2017 and has conducted initial feasibility works (RIBA stages 1 & 2) in connection with a two-site portfolio programme (Racecourse Playing Fields and Sinfin Moor Park).

- 4.27 Approval was granted to use Gleeds Consultancy in May 2020, the Parklife mandatory Framework Management Consultant to deliver the feasibility stages of the project, however the national Football Hubs programme (formerly Parklife), has changed how it is delivered and the previous framework (with Gleeds) is no longer mandatory. In June 2019 a meeting took place between Derby City Council, Derbyshire FA and the Football Foundation and agreed to:
- Explore a reduced portfolio from two hubs sites to one solely focusing on the Racecourse Playing Fields site, reducing the proposed APG development from six to four
 - Develop a detailed operating model, including business case, for a Parklife funded scheme (60/40 funding splits) as well as a non-Parklife alternative operating model and business case based upon the borrowing thresholds of DCC based upon the existing revenue budget for The Racecourse.

- 4.28 The revised project brief estimates professional fees of £0.453m to conduct RIBA stage 1 to 4 (including planning) on an early total capital estimate of £8.056m by Alliance Leisure. The capital estimate is not included in the current capital programme and associated MTFP and would result in a new pressure to be considered. A future report and implications following the decisions from the feasibility RIBA stage 3 would need to be considered by cabinet if appropriate to add this.

If following RIBA stage 3 and planning, it is decided that the project will not progress any further, then the cost from the feasibility will be a pressure on revenue as these will become abortive capital costs resulting in an unbudgeted revenue pressure that will need to be mitigated.

- 4.29 The preferred operating model for Football Hub sites, including Derby, are that they are part of a National Operator portfolio with the Football Foundation leading on the procurement of a National Operator for all current and future potential sites.
- 4.30 Operational risk for the facility would be transferred to the appointed third-party Leisure Operator including management and maintenance via a National Football Trust (to be developed).
- 4.31 A surplus income share agreement would be put in place with the National Operator so that any profit made via the Derby Football Hub would be invested into grassroots football in Derby with reinvestment determined by a local Derby City Football Board with representation from the Council included.
- 4.32 As such, a new and updated project brief for the Derby Football Hub project has been developed to change the facility mix originally proposed in 2018 stage 1 feasibility. The significant changes include:
- Focus solely on a single site and not two, at the Racecourse Playing Fields
 - Develop 3 new Artificial Grass Pitches and refurbish the existing pitch to total 4, one more than the 2018 project scope of 3 in total
 - Have no health and fitness offer
 - Increased the volume of flexible space for the delivery of educational courses and community space.

Finances are outlined in section 7.3 to 7.8 of this report.

- 4.33 It is recommended to approve the changes to the scope of the Derby Football Hubs project.
- 4.34 It is recommended to approve the proposed phasing and cost to develop the project and conduct feasibility up to and including RIBA stage 3 and planning and not stage 4 at this point, funded through the existing Football Foundation grant and approved Capital Reserve allocation.
- 4.35 It is recommended to approve contribution of £0.041m to complete RIBA stage 4 from the Capital Feasibility Reserve.
- 4.36 **Leisure & Culture staffing and marketing budget**
The Leisure & Culture Marketing Team transferred on a temporary basis to the Communications & Marketing division at the start of the Covid Pandemic to provide additional resilience. Following a wider restructure (including full consultation with all affected staff), this change has been made permanent.
- 4.37 It is now proposed to transfer the Leisure & Culture staffing and marketing budget from Communities & Place directorate to Corporate Resources directorate to reflect this permanent change.
- 4.38 It is recommended to approve the transfer of £0.315m for the Leisure & Culture staffing and marketing budget from the Communities and Place directorate to the Corporate Resources directorate.
- 4.39 **Traffic Signals Maintenance Grant award**
In April 2021, the Department for Transport (DfT) invited local authorities to submit expressions of interest to share £15m of new funding to repair and upgrade traffic signals. DfT were seeking to allocate funding of between £0.300m and £0.500m, the intention of the funding was to address the backlog in traffic signal maintenance and upgrading work. Equally, the additional funding should be used for new or additional projects and not to replace existing funding allocations. Derby City Council have since been formally offered £0.500m with no match funding requirements.
- 4.40 It is proposed to bring forward 4 signal refurbishment schemes, upgrade an existing pedestrian crossing by installing new controller technology, which will reduce energy costs and carbon dioxide emissions. The other proposed works involve the upgrade and extension of our private wire network.
- 4.41 It is recommended to approve acceptance of £0.500m Traffic Signals Maintenance Specific Grant award from the Department for Transport for use.
- 4.42 It is recommended to approve the addition of the £0.500m Traffic Signals Maintenance Grant award to the Highways and Transportation Capital Programme.

Public/stakeholder engagement

- 5.1 **Derby Adult Learning Service** – This project will be delivered in partnership with a wide range of community stakeholders and will link into the employability work that is being delivered at Shot tower, the priority groups are:
- NEET
 - Over 50s
 - Long term unemployed
 - People with learning disabilities
- 5.2 **The Safety of Women at Night Fund** - A Violence Against Women and Girls Consultation Group was convened to inform and develop the programme of projects included in this bid to ensure that the voice of women and their experiences in Derby were central to the development of the proposals. The membership of this group was diverse and representative of communities in Derby City, including community and voluntary sector organisations involved in leading the VAWG agenda locally, elected members, members of Reclaim These Streets Derby, local residents and representatives from Derby University to capture the student voice. The anecdotal evidence provided through this consultation group was then aligned with the data and intelligence provided by analysts.
- 5.3 **Derby Football Hubs Project** - Stakeholders directly involved in developing the Derby Football Hub project to date include the Football Foundation, Sport England, Derbyshire County Football Association, Active Derbyshire and Derby County Community Trust.
- 5.4 Council officers, together with Derbyshire County Football Association, have engaged with local football clubs to assess demand for becoming directly involved as a partner club at the two football hub sites being investigated as part of phase one of the project development work.
- 5.5 Subject to approval to continue the project, direct public engagement will be conducted including targeted engagement with the football leagues and clubs in the city and the immediate Derwent community to ensure that the development is a community asset and not just a football asset.

Other Options

- 6.1 **Derby Adult Learning Service – Do nothing:**
- National Careers Service will see a 'no bid' as a lack of interest in any future potential funding opportunities
 - A waste of opportunity to mitigate the costs associated with delivering information Advice and Guidance
 - Seek alternative funds to offer this type of employability provision – none available.
- 6.2 **Derby Football Hubs Project** - Do not proceed with feasibility stages of the Football Hubs project under the updated programme delivery model.

- 6.3 If, following more detailed feasibility work, the preferred option is not taken forward, consideration could be given to addressing the strategic shortfall of Adjusted Gross Profits via application to the Football Foundation involving other Council and/or non-Council sites (e.g. clubs).
- 6.4 **Traffic Signals Maintenance Grant award** - The funding could be declined, but this would impact negatively on our ability to improve traffic signal assets. It would also negatively impact on our reputation with DfT.

Financial and value for money issues

- 7.1 As outlined in the report.
- 7.2 **Derby Adult Learning Service** – This bid would represent new funding to provide essential services to some of the most vulnerable citizens of Derby, who ordinarily struggle to access services. The employability team in Derby Adult Learning Service currently have no associated funding for their information advice and guidance. Funding would mitigate the costs associated with running this team. There is no matched funding requirement and funds are unrestricted.

High quality Advice and guidance is an OFSTED expectation, however DALs funding from Education Skills Funding Agency ESFA provides no funding to support its delivery.

- 7.3 **Derby Football Hubs Project** - The Football Hubs programme is majority funded by the Football Foundation. All aspects of the projects are subject to a minimum 60% grant funding from the Football Foundation, following successful application of, with the remaining 40% to be provided by Derby City Council.
- 7.4 This net result of the revised brief and costings as detailed in section 4.25 are:

Professional Fees	2018/Current Brief	Revised/ New Brief	Diff + / -
Professional fee's (RIBA 1 & 2)	81,801	n/a	n/a
Professional fee's (RIBA 3 & 4)	351,854	453,361*	-101,507***

	2018/Current Brief	Revised/ New Brief	Diff + / -
Estimated total capital cost	7,986,000	8,056,139**	-70,139

*figure includes JJP Ground Investigation = 11,250, AGP PCSA = 17,000, Alliance Leisure - 425,111

**Total does not include projected internal DCC costs to deliver the project of 383,222

*** See Section 7.5 for breakdown costs/shortfall.

It is proposed to conduct feasibility up to and including RIBA stage 3 and planning, and not stage 4 at this point, to be funded through the existing Football Foundation grant (£0.164m of £0.211m) and the approved Capital Reserve allocation (£0.109m of £0.141m), within the remit of the existing budget.

- 7.5 However, if the project then continues to conduct RIBA Stage 4 feasibility to develop cost certainty for the overall capital cost this will result in a £0.102m shortfall.

	Total £	Football Foundation (60%) £	Derby City Council (40%) £
RIBA Stage 3	214,094	128,456	85,638
Ground Investigation	11,250	6,750	4,500
AGP pre-construction survey assessment	17,000	10,200	6,800
Planning	30,161	18,097	12,064
RIBA Stage 4	180,856	108,514	72,342
Total	453,361	272,017	181,344
Approved contributions	351,854	211,112	140,742
Difference	-101,507	-60,905	-40,602

- 7.6 The funding of the shortfall would be subject to the same 60/40 funding split with the Football Foundation funding 60% and Derby City Council required to fund the remaining 40%. As such, an additional £0.041m contribution from Derby City Council towards project development costs is required to be funded from the Capital Feasibility Reserve.
- 7.7 The Football Foundation have confirmed, in principle, that they will be able to top-up the existing grant award by £0.061m and the Football Foundation Delivery Manager for the project is seeking the necessary internal approvals in the Football Foundation.
- 7.8 If following RIBA stage 3 and planning, it is decided that the project will not progress any further, then the cost from the feasibility will be a pressure on revenue as these will become abortive costs coming from revenue resulting in an unbudgeted revenue pressure.

Legal implications

- 8.1 **Derby Adult Learning Service** – Legal advice and support will be obtained in-house, where necessary and/or appropriate, in settling the terms of the contract with Nottingham Futures.
- 8.2 **Traffic Signals Maintenance Grant award** - Funding to be allocated and spent in accordance with the accompanying grant conditions.
- 8.3 Legal Services will provide advice and support in agreeing grant terms with DfT, as well as in the preparation of any required agreement documents.

Climate implications

- 9.1 **Derby Football Hubs Project** - As part of the project development process the feasibility stages will conduct a climate impact assessment using the Climate Change Impact Assessment (CCIA) tool to consider all aspects of design, construction, and operation to inform the development brief at the earliest possible stage to incorporate into the design and construction plan.
- 9.2 The CCIA will be conducted once project consultants are appointed and works initiated

Equalities

- 10.1 Equality Impact Assessments will be completed as required.
- 10.2 **Traffic Signals Maintenance Grant award** - Signalised pedestrian crossings provide defined, safe opportunities for pedestrians and cyclists to cross the carriageway, including particular facilities to assist people with hearing and sight loss and also mobility issues.

Other significant implications:

- 11.1 **Derby Adult Learning Service** – Meets government skills white paper priorities and supports our work with local employers including the Smart Parc.

This report has been approved by the following people:

Role	Name	Date of sign-off
Legal	Olu Idowu	20/08/2021
Finance	Toni Nash – Head of Corporate Finance	19/08/2021
Service Director(s)	Alison Parkin – Director of Financial Services	20/08/2021
Report sponsor	Simon Riley – Strategic Director Corporate Resources	20/08/2021
Other(s)	Ann Webster – Equalities	26/08/2021
	Liz Moore – HR	25/08/2021

Background papers:

List of appendices: