

Time began: 4.00pm
Time ended: 5.55pm

COUNCIL CABINET
10 March 2021

Present Councillor Poulter (Chair)
 Councillors Barker, M Holmes, Roulstone, Smale, Webb,
 Williams and Wood

In attendance Councillors AW Graves, Repton, Shanker and Skelton
 Paul Simpson – Chief Executive
 Rachel North – Strategic Director of Communities and Place
 Andy Smith – Strategic Director of People
 Simon Riley – Strategic Director of Corporate Resources
 Emily Feenan – Director of Legal, Procurement and
 Democratic Services
 Heather Greenan – Director of Policy Insight and
 Communications
 Steve Caplan – Director of Property
 Verna Bayliss – Director of Planning and Transportation
 Ian Fullagar – Head of Strategic Housing
 John Sadler – Strategic Asset Manager
 Catherine Williams - Head of Regeneration and Major Projects
 Connie Spencer – Youth Mayor
 Priya Gill – Deputy Youth Mayor
 Kara MacFadyen - Communications Officer

This record of decisions was published on 12 March 2021. The key decisions set out in this record will come into force and may be implemented on the expiry of five clear days unless a key decision is called in.

126/20 Apologies

There were no apologies for absence.

127/20 Late Items

There were no late items.

128/20 Receipt of Petitions

There were no petitions

**129/20 Identification of Urgent Items to which Call In will not
 apply**

There were no items.

130/20 Declarations of Interest

There were no declarations of interest.

131/20 Minutes of the meeting held on 10 February 2021

The minutes of the meeting held on 10 February 2021 were agreed as a correct record.

Matters Referred

132/20 Recommendations from the Executive Scrutiny Board

The Council Cabinet considered a report on Recommendations from the Executive Scrutiny Board. The Executive Scrutiny 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 1, prior to commencement of the meeting.

Decision

To receive the report and consider the recommendations alongside the relevant report.

Key Decisions

133/20 Community Managed Library Review Proposals

The Council Cabinet considered a report which set out details of proposals for an extension to the duration of the current Community Managed Library Management Agreement with Direct, Help and Advice (DHA) and to the associated grant review period.

The Executive Scrutiny Board noted the report.

Options Considered

For Council Cabinet to determine that the grant review was not required and that less than 12 months' notice would be provided to DHA on the Councils future intentions for the CML library service. The current management agreement with DHA was until March 2022.

Decision

1. To approve a 12 month extension to the Community Managed Library Management Agreement with DHA to cover 2022/23.
2. To approve a revised start date for the 2022/23 DHA grant award review of October 2021 and also the use of the CML library reserve until the end of 2022/23.

Reasons

1. The impacts of Covid-19 have affected a large number of key service providers across the country during 2020/21. DHA have had the delivery of their original model affected by the pandemic and it was therefore equitable, in recognising their endeavour, to give them an extension of time to deliver on the original model. To achieve this, these proposals enabled the impacts on DHA to be factored into the current Community Managed Library Management Agreement and grant review process
2. The proposals would enable an associated grant review to be completed as previously requested by Council Cabinet.

134/20 Infrastructure Board Capital Programme (Highways and Transport, Flood Defence and Vehicles, Plant and Equipment)

The Council Cabinet considered a report which set out the following proposed 2021/22 work programmes for approval:

- | | |
|-------------------------------------|-------------|
| • Highways & Transport (H&T) | £37,142,000 |
| • Vehicles, Plant & Equipment (VPE) | £1,100,000 |
| • Flood Defence (FD) | £250,000 |

Included in H&T was a 3-year programme, 2021/22, 2022/23 and 2023/24, for the Asset Management elements, as required by the Department of Transport (DfT) and in accordance with sound asset management principles. There was also a specific recommendation to approve s106 spend.

The H&T programme supported the achievement of the goals of Derby's long-term plan, set out in our Local Transport Plan, LTP3. It responded to the nine challenges in LTP3 but in particular – provide network efficiency, reduce unnecessary delays and facilitate economic activity. The H&T programme helped to keep the transport network moving efficiently and effectively.

In the VPE programme, funding was prioritised against a replacement criterion. This was based on the expected life of the different types of vehicles and equipment and the operational demands/requirements of the service.

The FD programme funding was targeted towards schemes which managed and reduced the potential for and impacts of flooding to properties and infrastructure in the city.

The Executive Scrutiny Board noted the report.

Options Considered

1. The development of the H&T programme had involved the consideration of various schemes for inclusion. The draft programme was the best fit to the objectives of LTP3, the local priorities of Neighbourhood Boards, with the level of budget available. It also contributed to our statutory functions.
2. The VPE and FD programmes had been developed in consideration against Council objectives, Streetpride service standards and statutory obligations. They offered the maximum value for money considering available budgets.

Decision

1. To approve the proposed H&T programme for 2021/22, which included Asset Management schemes for 2021/22 as detailed in appendix 2a of the report, and Asset Management schemes for future years as detailed in appendix 5 (2022/23) and appendix 6 (2023/24) of the report.
2. To approve the allocation of s106 contributions in the 2021/22 H&T programme, as shown in appendix 2b and 2c of the report.
3. To approve the proposed VPE programme for 2021/22, as shown in appendix 3 of the report.
4. To approve the proposed FD programme for 2021/22, as shown in appendix 4 of the report.
5. To continue to give delegated authority to the Strategic Director for Communities and Place, following consultation with the Cabinet Member for Communities, Neighbourhoods & Streetpride, to respond to changing priorities through the year by introducing new schemes or bringing forward schemes to replace others, within the scope of the approved budget.

Reasons

1. Approval of the work programmes prior to the start of 2021/22 financial year allowed effective planning and programming, particularly for schemes allocated in 2022/23 and 2023/24 allowing a move away from design and delivery in the same year. This meant that schemes were delivered in the best possible way and achieve value for money. Early approval of the programmes would allow the identification of any risks to delivery. which would enable us to review and monitor risks and costs efficiently.

2. In the interests of the effective management of the programmes, it was appropriate to maintain the delegated approvals as outlined in the Infrastructure Board Terms of Reference. Any revisions to the H&T programmes would still reflect the strategy of LTP3, whilst any changes to either the VPE or FD programmes would continue to maintain the methodology of their original development.

135/20 Private Sector Housing Renewal Policy 2021 - 2030

The Council Cabinet considered a report which sought approval for the adoption of the new Private Housing Renewal Policy.

The Executive Scrutiny Board recommended to Council Cabinet that the Private Sector Housing Renewal Policy is reviewed again next year by when we should have a Zero Carbon target date for the city. Given that more than a quarter of carbon emissions are from housing, we need strong policy to deliver on this.

Options Considered

Although a policy for private housing in the city is not a statutory requirement a decision not to adopt this policy would mean Derby would lack a coordinated framework for improving private sector housing, in particular for carrying out works and adaptations to improve the living conditions of some of our most vulnerable citizens.

The policy included delegated powers and processes for the authorisation of loans, grants, including management of disability grants, and funding for works carried out by the Healthy Housing Hub, as well as how appeals from service users would be dealt with. These would have to sit elsewhere if the policy was not adopted.

Decision

To agree to the adoption of the new Private Housing Renewal Policy.

To accept the recommendation from the Executive Scrutiny Board to review the Private Sector Housing Renewal Policy next year by when we should have a Zero Carbon target date for the city. Given that more than a quarter of carbon emissions are from housing, we need strong policy to deliver on this.

Reasons

The policy provided the framework to identifying city-wide actions to improve the condition of privately owned and privately rented residential properties in the city.

The policy gave a summary of services and support available to residents and owners of private sector housing in Derby, including loans and grants, particularly for those who were the most vulnerable.

The current policy was agreed in 2015 and was due for review and to be updated.

It will expire in May 2021.

136/20 Derby Homes: Renewal of Partnership Agreement

The Council Cabinet considered a report which stated that the Council had a Housing stock of some 12,700 homes which were managed by the Council's Arms Length Management Organisation (ALMO), Derby Homes. The current partnership agreement between the Council and Derby Homes was due to expire in 2022 and the Council therefore needed to determine how it wishes to manage these homes after 2022.

A review of Derby Homes, by Members and Officers, during 2019/20, had determined that the ALMO continued to perform highly, combining good services for tenants and leaseholders whilst offering value for money.

The report proposed that the Council enters into a new 10 Year contract with Derby Homes from 2022 to 2032.

The Executive Scrutiny Board noted the report.

Options Considered

1. The Council could determine not to renew the contract with Derby Homes and instead bring its Housing management, maintenance and other related services back 'in house' as indeed a number of other Councils have done in recent years.
2. The 'winding up' of the Derby Homes Board and the rationalisation of senior management posts would reduce the focus on housing issues and would be likely to result in a decline of the current high level of service standards that were provided to tenants and leaseholders.
3. In addition, the support identified in paras 4.8 and 4.9 of the report would no longer be available to the Council and partner agencies, which would be likely to negatively impact on a number of service areas, but most particularly upon homelessness and rough sleeping in the City Centre. Such a decline in services, would result in worse outcomes for some of the most vulnerable in society and create a significantly harder and more visibly apparent problem for the City to address.
4. The Council could determine to outsource its Housing Management function. However, the ALMO would not thereby be in a position to support Council services and third sector organisations services in the way that it does currently, placing additional burdens upon the Council and partner organisations.

Decision

1. To agree to renew the Partnership Agreement with Derby Homes for a period of 10 years from 2022 incorporating a break clause after 5 years, by the end of September 2021.
2. To delegate the negotiation and approval of the final agreement to the Strategic Director of Communities and Place following consultation with the Cabinet Member for Adults, Health and Housing, the Strategic Director of Corporate Services and S151 Officer and the Director of Legal, Procurement and Democratic Services and Monitoring Officer.

Reasons

1. The current contract with Derby Homes expires in March 2022 and required 6 months notice by either party. The inclusion of a break clause at 5 years would enable both organisations to review the relationship in the light of any new legislation or emerging issues in what was likely to be a time of fast-moving change and some uncertainty.
2. To enable the details of the final agreement to be considered and approved in a timely manner.
3. In order to comply with the Contract Procedure Rules.

137/20 Update on Property Disposals Programme and Transfer of Assets to the Housing Revenue Account

The Council Cabinet considered a report which provided an update on the Property Disposals Programme and sought to improve the process by which assets may be declared surplus to the Council's requirements and the subsequent disposals of property to a specified value.

The report proposed that several of the Council's larger, high value assets were transferred into the Housing Revenue Account (HRA) which would enable much needed affordable homes to be provided. At the same time this would provide a stimulus to the local housing development industry and associated supply chains as the City seeks to drive economic recovery following the effects of Covid 19.

The Executive Scrutiny Board recommended to Council Cabinet to ensure that ward members are informed of land/building assets likely to be sold or reallocated prior to a final decision being taken.

Options Considered

1. In respect of the disposal programme, these were included in the main body of the report.
2. The Council could continue with its current HRA development and acquisitions programme utilising only the small-scale sites that were currently available. However, this would not maximise the new borrowing

powers provided by the Government and would not maximise the potential of the Council's land holdings to meeting housing needs.

3. An alternative means of acquiring land, would be to purchase it on the open market or from other public sector organisations within the City. The Council had indeed purchased several sites through this route. Whilst it was proposed that the Council would continue to seek opportunities to purchase sites, it was considered that this route alone would not deliver the volume required to meet the Council's new build ambitions.
4. The sites that were being proposed to be transferred to the HRA, could be sold on the open market. Whilst generating a capital receipt, this would be at the expense of delaying the delivery of the Council's housing agenda.

Decision

1. To delegated authority to the Strategic Director of Corporate Resources following consultation with the Cabinet Member for Governance and Licensing to -
 - a) Declare assets surplus to the Council's requirements up to, but not including, the value of £250,000; and
 - b) Approve the entry into property transactions up to, but not including, the value of £250,000.
2. To declare surplus to operational need, those properties listed in Appendix 4 of the report as at 1 April 2021.
3. To agree the amending of the following delegated authority granted by Council Cabinet on 14th November 2018: -

To delegate authority to the Strategic Director of Corporate Resources following consultation with the Cabinet Member for Governance and Licencing and the Cabinet Member for Adults Health and Housing to the transfer of assets, at market valuation between the Council's General Fund Account and the Housing Revenue Account.

To the following (changes shown in bold type): -

To delegate authority to the Strategic Director of Corporate Resources following consultation with the Cabinet Member for Governance and Licencing and the Cabinet Member for Adults Health and Housing to the transfer of assets, **at their carrying value i.e. the value at which the asset was held in the Councils Accounts**, between the Council's General Fund Account and the Housing Revenue Account.

4. To agree the appropriation to the Housing Revenue Account of those properties set out in Appendix 5 of the report.

5. To withdraw the development site at Swallowdale Rd from the Council's disposal programme and for it to be used to support the Council's housing programme.
6. To endorse that a subsequent report be presented to Council Cabinet proposing a second batch of sites be appropriated into the HRA once the necessary due diligence work on these further sites has been completed.
- 7. To accept the recommendation from the Executive Scrutiny board to ensure that ward members are informed of land/building assets likely to be sold or reallocated prior to a final decision being taken.**

Reasons

1. To accelerate the disposal programme in order to support the Council's MTFP through the generation of capital receipts and minimise costs whilst ensuring that property assets had the relevant authority to be released as efficiently as possible in line with the principles of the Council's Corporate Asset Management Plan.
2. To ensure that the Council's Capital Receipt target would be achieved and that associated costs and liabilities from holding properties (including vacant properties) were extinguished as soon as possible.
3. The transfer of the sites to the HRA, would kickstart a development programme which would enable the Council to realise its affordable housing development ambitions whilst at the same time generate significant economic activity in the City.
4. To provide a balance between the need to dispose of properties as quickly as possible against the need to seek Council Cabinet's approval to individual property sales, particularly in relation to the Council's Accelerated Disposals Programme.
5. To allow the timings of sales to be varied to enable the Council to react promptly to changing market conditions and to deal effectively with complexities that might arise with some of the properties.
6. To ensure the efficient transfer of property assets to support the delivery of key housing objectives by minimising the delay in the transfer of property assets between the General Fund (GF) and Housing Revenue Account (HRA).
7. Further appraisal and due diligence work were required to identify other potential sites for transfer. A phased transfer would ensure that work on those sites that were 'available now' could commence without being unduly delayed.

138/20 Provision of Accommodation for Use by Children's Services

The Council Cabinet considered a report which sought approval for the acquisition and refurbishment of one property and the appropriation and refurbishment of a second property for use by Children's Services (CS), to be funded using un-ringfenced Right to Buy (RtB) receipts.

The properties would be used by Children's Services for an initial period of 3 years after which the success of their use would be evaluated and, if required, their use extended by a further 2 years.

These properties would be maintained by Derby Homes (DH) under a Service Level Agreement.

The Executive Scrutiny Board noted the report.

Options Considered

1. Do Nothing. This option had been discounted because it did not allow the Council to undertake its role as Corporate Parent and deliver the service in accordance with Ofsted's recommendations.
2. For the 2 properties to be owned by DH Ltd. This option had been discounted. Whilst theoretically possible, the Council has the relevant power to undertake this activity directly whilst using DH solely to undertake maintenance as proposed.

Decision

1. To approve the acquisition and refurbishment of one property and the appropriation and refurbishment of a second property for use by Children's Services, funded by un-ringfenced Right to Buy receipts, for an initial period of 3 years.
2. To approve the subsequent refurbishment of the properties by Derby Homes.
3. To approve the maintenance of the properties by Derby Homes.

Reasons

1. To provide two properties for use by Children's Services as accommodation for looked after children within the city under the role of Corporate Parent.
2. To ensure the properties were refurbished to an appropriate standard and that they were adequately managed and maintained.

139/20 Padley Centre Relocation

The Council Cabinet considered a report which stated that approval was granted at the July 2020 Council Cabinet, to acquire the Padley Centre as part of the Becketwell Regeneration area site assembly. The July 2020 Council Cabinet Report envisaged that a further report would be brought to Council Cabinet detailing the proposals for reprovisioning of the Padley Centre and the services provided by the Padley Group.

The report sought approval to the relocation and expansion of housing provision for those at risk of homelessness, homeless or recovering from homelessness by supporting the Padley Group's relocation to alternative premises including the relocation of their community facility and warehouse.

In order to support the relocation of Padley Group and the associated site assembly required for the Becketwell Regeneration area, the report sought approval for the Council to acquire a building owned by Metropolitan Thames Valley (MTVH) and leased by the Padley Group on Becket Street, along with an associated warehouse owned by the Padley Group, also on Becket Street.

The report sets out the rationale for the property acquisitions and the financial support that will be given to the Padley Group and Derby Homes Limited (DH) to support these acquisitions and reprovisioning.

The Council could choose to exercise compulsory purchase powers, however, this would take longer and would impact on delivery and cost of the Becketwell Performance Venue Project. Officers had therefore determined that the better option was to engage and reach a negotiated solution with the Padley Group. By taking this approach the Council was also able to help the Padley Group's transition to a revised operating model that supports the overarching strategy.

The Executive Scrutiny Board recommended to Council Cabinet that Padley are asked to contact the decarbonise team to ensure that their new buildings are as energy efficient as possible.

Options Considered

The Council could determine to do nothing, but this would impact the Becketwell Performance Venue project. To do nothing was not an option. The council had committed to negotiate with the Padley Group to secure the acquisition of the Becket St properties under the terms of an Exclusivity Agreement entered into between the Council and SJS in July 2020 to deliver the redevelopment of Becketwell.

Decision

1. To approve a capital grant to the Padley Group to fund the acquisition of a replacement community hub and warehouse premises and associated costs.
2. To approve the grant by the Council of a secured loan to the Padley Group.

3. To delegate authority to the Strategic Director of Communities and Place, following consultation with the Strategic Director of Corporate Resources and the Cabinet Member for Adults, Health and Housing and achievement of any necessary Gateway approvals, to:
 - a) enter into all necessary agreements required to secure the acquisition of the properties at Becket Street at a price supported by formal (RICS approved) valuations;
 - b) enter into all necessary grant, loan and associated agreements with the Padley Group as detailed in paragraph 2.1 and 2.2 of the report; and
 - c) to sell to Derby Homes Ltd any suitable HRA properties that could be used for the programme at Existing Use Value Social Housing (EUVSH).
4. To approve the changes to the capital programme as required.
5. **To accept the recommendation from Executive Scrutiny Board that Padley are asked to contact the decarbonise team to ensure that their new buildings are as energy efficient as possible.**

Reasons

1. The acquisitions of the Padley Group and MTVH interests on Becket Street and relocation of the Padley Group to alternative premises would support the land assembly required for the Becketwell Performance Venue.
2. The relocation provided an opportunity for the Padley Group to align their operating model with the Council's Homelessness and Rough Sleeping Strategy 2020-25 adopted in March 2020.

140/20 Compulsory Acquisition of Empty Homes

The Council Cabinet considered a report which sought approval to initiate compulsory purchase proceedings in relation to 4 long-term vacant properties, where the owners had not sufficiently demonstrated that they would be occupied in the near future.

The Council's Empty Homes Strategy aimed to facilitate the renovation and re-occupation of vacant dwellings; thereby contributing towards meeting local housing demand. The actions would also help tackle any anti-social and environmental nuisance that neglected properties could present. The re-use of these homes would contribute towards the Council's New Homes Bonus income under the Government's current rules.

Where owners could not be traced or were unwilling/unable to bring the property into use, there was a compelling case in the public interest for the Council to take enforcement action to achieve the aims of the strategy.

Compulsory purchase could return problematic empty homes to useful housing stock.

The Executive Scrutiny Board noted the report.

Options Considered

1. Do nothing. This was not considered appropriate. The properties would remain a waste of potentially good housing and increasingly blight their respective neighbourhoods.
2. Enforced sale. There were local land charges registered against property 2 and the debt recovery process was at an early stage. Resolution to compulsory purchase provided an additional option, should the debt be repaid by the owner. There were currently no relevant financial charges registered against the other properties that would facilitate this option.
3. Empty Dwelling Management Orders. These involved the return of the properties to the original owner in the longer term. As the owners had failed to bring these empty homes into beneficial use a permanent change of ownership was considered to be most beneficial to the public interest.
4. Other enforcement powers. The local authority had powers to deal with structural danger, nuisance or other environmental problems. These alone were piecemeal and reactive in nature and did not provide a long-term strategic solution for these long-term empty homes.

Decision

1. To approve the making of Compulsory Purchase Orders under the Acquisition of Land Act 1981 (pursuant to the power under section 17 of the Housing Act 1985) for the acquisition of the houses, together with the associated land, as identified in Appendix 1 of the report for the purposes of their renovation and reoccupation as housing accommodation.
2. To authorise the Strategic Director of Communities and Place, following consultation with the Cabinet Member for Adults, Health and Housing, the Director of Legal, Procurement and Democratic Services and Monitoring Officer and the Director of Financial Services to:
 - take all necessary steps to secure the making, confirmation and implementation of the Compulsory Purchase Orders;
 - acquire the legal interests in the properties, whether by voluntary agreement or compulsorily using statutory powers set out in the preceding paragraph; dispose of the properties in accordance with the proposals set out in this report; apply financial procedure rules regarding acquisition and disposal of property;

- suspend or abandon the compulsory purchase order proceedings, or withdraw an order, in relation to any particular property on being satisfied that the subject dwelling would be satisfactorily renovated and re-occupied voluntarily;
- take necessary action to deal with all matters relating to the payment of statutory compensation including, where required, instituting or defending related proceedings;
- take all other necessary action to give effect to these recommendations.

Reasons

1. The properties identified in Appendix 1 (this exempt appendix appears later in the agenda) had been vacant for a number of years and all reasonable options open to the Council to encourage the respective owners to voluntarily bring them back into use have proven unproductive.
2. Restoring the houses to the useful housing stock would contribute to meeting the increasing housing needs in Derby.
3. The risk of common problems associated with empty buildings such as trespass, vandalism, fly tipping or anti-social activities would be reduced.

141/20 Purchase of a Residential Development to Provide 10 New Affordable Homes

The Council Cabinet considered a report which sought approval to purchase a housing scheme to be funded from the Housing Revenue Account (HRA) capital programme and Right to Buy receipts (RtB).

The Council had been offered the opportunity to purchase 10 newly converted homes on a self-contained development in the Abbey ward.

These homes would form part of the Council's affordable housing stock and would be managed by Derby Homes (DH), the Council's Arm's Length Management Organisation.

The Executive Scrutiny Board noted the report.

Options Considered

1. An option would be not to proceed with the purchase of the 10 newly converted homes. However, not doing so would compromise the Council's ability to meet its affordable development targets and provide much needed affordable housing. It also fails to minimise the potential repayment of RtB receipts to the Ministry of Housing Communities and Local Government (MHCLG).

2. An option would be to not proceed with the purchases and let the open market manage the development. Due to the size of the site there was no planning obligation to provide any affordable homes on the development and there would be no additionality of affordable homes to rent within the city.

Decision

1. To agree the principle of acquiring the development as detailed in the report, funded through the HRA capital programme and RtB receipts at the price not exceeding the formal (RICS approved) valuation.
2. To delegate authority to the Strategic Director for Communities and Place following consultation with the Strategic Director of Corporate Resources to enter into all necessary agreements required to secure the acquisition of the properties.
3. To agree to the development being incorporated within the Councils housing stock and being managed by Derby Homes.

Reasons

1. The acquisitions would provide new affordable homes which would meet the needs of households on the waiting list.
2. To ensure the purchase of the development was undertaken in accordance with Council procedures ensuring due diligence throughout.
3. To ensure that the properties, once acquired and construction completed, were correctly managed and maintained.

142/20 Supporting the Delivery of SmartParc and Innovative Food Production Park

The Council Cabinet considered a report which outlined the Council's support to be given to SmartParc, for the redevelopment and delivery of an innovative food production park. This was a key priority for the City and would support the diversification of the local economy, introducing a new sector to Derby's industrial base.

In July 2020, MHCLG awarded £44m of funding to the D2N2 LEP for the delivery of immediate impact projects (Getting Building Fund). In August 2020, the Council submitted an expression of interest for a share of this fund, and succeeded in securing the largest single allocation in the region of £12m, to support the SmartParc project (subject to the submission of a full business case, which was currently on target for Summer 2021.)

The SmartParc project would generate up to £300m of private sector inward investment to the City (and the wider D2N2 region), creating thousands of jobs and

delivering the early phases of a world-class, cutting edge food production campus, on a 112-acre reclaimed site near to Derby city centre.

To facilitate this private sector investment, the project required total public sector investment of £17.5m, which was to be funded through a direct grant of £5.5m from the City Council's capital programme, alongside the £12m of Getting Building Fund allocation.

The report summarised the key elements of the project, the rationale for investment and the feasibility work undertaken to date. The report sought approval to submit the full business case to the D2N2 LEP, to make subsequent grant funding awards to SmartParc to facilitate the delivery of the project and to enter into necessary land transactions in relation to the project.

The Executive Scrutiny Board noted the report.

Options Considered

Other options had been considered and were outlined in the confidential report.

Decision

To approve the terms of the support to Smartparc the details of which were set out in the confidential report submitted to this meeting of Council Cabinet.

Reasons

1. The development of SmartParc would create a significant level of economic growth for the City with the potential to accommodate up to 5,000 new jobs and generate a Gross Value Added of £250m to £300m over 10 years.
2. The public sector investment of £17.5m would leverage up to £300m in the construction of new modern food production facilities and leverage of private sector investment at a ratio of 17:1.
3. Enable the redevelopment of a 112 acre brownfield, contaminated and underutilised employment site that was fit for purpose, which in turn would facilitate significant economic benefit to the City.
4. A key part of the economic recovery was tied to instilling confidence for the business community to make investment within our City. The delivery of a scheme of this nature and scope which would improve our city's resilience, would act as a great confidence boost to those businesses and investors seeking to generate opportunities within the City.
5. The ongoing Covid 19 pandemic had demonstrated that whilst the City has a strength in the advanced manufacturing sector, our reliance upon this was a risk when external factors threaten this sector. The investment in SmartParc would support the diversification and resilience of Derby's economy.

Contract and Financial Procedure Matters

143/20 Compliance with Contract and Financial Procedure Rules

The Council Cabinet considered a report which dealt with the following items which required reporting to and approval by Council Cabinet under the Contract and Financial Procedure Rules.

- Procurement and creation of a Framework for One to One Tuition and Teaching Support
- Addition to the capital programme of CCTV network equipment
- Write-off of loans – Derby Enterprise Growth fund (DEGF)

The Executive Scrutiny Board noted the report.

Decision

To Approve:

- a) The procurement and award of a contract of up to £0.880m for up to four years, for places on a framework for One to One Tuition and Teaching Support outlined in section 4.1 of the report.
- b) An addition to the 2020/21 capital programme of £0.030m for the renewal of the CCTV network and to increase the approval of Direct Revenue Funding to £0.030m to fund the project outlined in section 4.6 of the report
- c) The write-off of two DEGF loans, totalling £0.092m outlined in section 4.10 of the report.

144/20 Becketwell Performance Venue Project Update

The Council Cabinet considered a report which gave an update on and next steps for the Becketwell Performance Venue (BPV), noting that the project had developed in line with the financial parameters agreed by Council Cabinet in July 2020.

The Executive Scrutiny Board recommended to Council Cabinet

- 1. that it produces the full business case as soon as possible for the Becketwell Performance Venue. In order to be open and transparent we must be able to see the analysis of the business case, comparing**

and contrasting with all other possible options including the Assembly Rooms site and for this business case to be presented to the Executive Scrutiny Board for discussion.

- 2. that it ask officers to include an update on the Becketwell Performance Venue on the agenda for the next all-member (Covid) briefing.**
- 3. to ask for the new venue to be able to be made 'Zero Carbon' in operation at minimal cost, even if it isn't from the start. This needs to be part of us delivering action on the climate emergency.**

Decision

1. To note that the Becketwell Performance Venue capital costs remained within the parameters agreed at Council Cabinet meeting in July 2020.
2. To fund estimated capital project management costs and external professional fees of £0.412m from the MTFP Provision for Future Investment capital budget and to amend the 2021/22 -2023/24 capital programme accordingly.
3. To note that, with the exception of the £0.443m fees budget approved by Council Cabinet in July 2020, the scheme was subject to Gateway 3 approval from the Council's Programme Management Board before any commitment to spend was made.
4. To note the dependency with the acquisition of the Padley Centre that was also being considered by Council Cabinet at this meeting.
- 5. To accept recommendations 2 and 3 from Executive Scrutiny Board to ask officers to include an update on the Becketwell Performance Venue on the agenda for the next all-member (Covid) briefing and to ask for the new venue to be able to be made 'Zero Carbon' in operation at minimal cost, even if it isn't from the start. This needs to be part of us delivering action on the climate emergency.**
- 6. To reject recommendation 1 from the Executive Scrutiny Board because the key decision has been taken and production and review of the Business Case for the project will be in line with the delegated authorities granted by Cabinet on 15 July 2020.**

Performance

145/20 Council Plan Monitoring – Quarter 3

The Council Cabinet considered a report which stated that in July 2019, Council approved the Council Plan 2019 – 2023, with Council Cabinet approving the supporting Council Delivery Plan in the same month. The underpinning performance framework and priority measures were approved in September 2019.

Since the approval of the Council Plan 2019 – 2023, and the supporting 2019/20 Delivery Plan, there had been many factors that had impacted on our performance and supporting monitoring frameworks. Most notably the COVID-19 pandemic, which delayed the publication of a 2020/21 Delivery Plan as we needed to reflect our recovery priorities.

It was however essential that we continued to review our outputs and the impacts of these on outcomes for the city and our communities. The purpose of the report was to present a consolidated overview of performance, bringing together priority performance measures, projects, and strategic risks, in line with the current Council Plan themes.

A summary of notable performance, as at the end of December 2020, was set out in paragraph 4.3, with a full assessment of performance by Council Plan theme at Appendix 1 of the report. In addition to this, key timescales, and achievements to date, in the context of our COVID-19 response and recovery, were set out in paragraph 4.5 of the report.

The Executive Scrutiny Board noted the report.

Decision

1. To note the latest performance positions, paying particular attention to our strategic risks, the impacts of Covid-19 and areas where we had continued to deliver.
2. To note key progress, to date, in line with the identified themes for our recovery plan.

146/20 Exclusion of the Press and Public

Resolved 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 involved the likely disclosure of exempt information as defined in paragraph 3 and 5 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 Decisions

147/20 Provision of Accommodation for Use by Children's Services

The Council Cabinet considered exempt information in relation to the Provision of Accommodation for Use by Children's Services.

The Executive Scrutiny Board noted the report.

148/20 Padley Centre Relocation

The Council Cabinet considered exempt information in relation to the Padley Centre relocation.

The Executive Scrutiny Board noted the report.

149/20 Compulsory Acquisition of Empty Homes

The Council Cabinet considered exempt information in relation to the Compulsory Acquisition of Empty Homes.

The Executive Scrutiny Board noted the report.

150/20 Purchase of a Residential Development to Provide 10 New Affordable Homes

The Council Cabinet considered exempt information in relation to the Purchase of a Residential Development to Provide 10 New Affordable Homes.

The Executive Scrutiny Board noted the report.

151/20 Supporting the Delivery of SmartParc and Innovative Food Production Park

The Council Cabinet considered a report which outlined the Council's support to be given to SmartParc, for the redevelopment and delivery of an innovative food production park. This was a key priority for the City and would support the diversification of the local economy, introducing a new sector to Derby's industrial base.

In July 2020, MHCLG awarded £44m of funding to the D2N2 LEP for the delivery of immediate impact projects (Getting Building Fund). In August 2020, the Council submitted an expression of interest for a share of this fund, and succeeded in securing the largest single allocation in the region of £12m, to support the SmartParc project (subject to the submission of a full business case, which was currently on target for Summer 2021.)

The SmartParc project would generate up to £300m of private sector inward investment to the City (and the wider D2N2 region), creating thousands of jobs and delivering the early phases of a world-class, cutting edge food production campus, on a 112-acre reclaimed site near to Derby city centre.

To facilitate this private sector investment, the project required total public sector investment of £17.5m, which was to be funded through a direct grant of £5.5m from

the City Council's capital programme, alongside the £12m of Getting Building Fund allocation.

The report summarised the key elements of the project, the rationale for investment and the feasibility work undertaken to date. The report sought approval to submit the full business case to the D2N2 LEP, to make subsequent grant funding awards to SmartParc to facilitate the delivery of the project and to enter into necessary land transactions in relation to the project.

The Executive Scrutiny Board noted the report.

Options Considered

These were set out in paragraphs 6.1 – 6.2 of the report.

Decision

To approve the recommendations set out in paragraphs 2.1 – 2.9 of the report

Reasons

These were set out in paragraphs 3.1 – 3.5 of the report.

Contract and Financial Procedure Matters

152/20 Becketwell Performance Venue Project Update

The Council Cabinet considered exempt information in relation to the Becketwell Performance Venue Project Update.

The Executive Scrutiny Board noted the report.

MINUTES END