

ITEM 4A

Time Commenced – 18:00

Time Finished – 21:47

Executive Scrutiny Board

11 December 2018

Present: Councillor Graves (Chair)
Councillors Ashburner, Eldret, Hudson, Jackson, J Khan,
Marshall, Potter, Rawson, Russell, Stanton, Willoughby and
Wood.

Other councillors in attendance: Councillor Cooper

In attendance: Keith Cousins (Communications Officer), Claire Davenport (Director of Leisure, Culture and Tourism), Christine Durrant (Strategic Director of Communities and Place), Emily Feenan (Principal Lawyer), John Gilman (Principal Regeneration Manager), Heather Greenan (Head of Performance and Intelligence), Alex Hough (Members' and Civic Services Manager), Greg Jennings (Director of Development and Growth), Don McLure (Strategic Director of Corporate Resources), Glen O'Connell (Interim Monitoring Officer), Sam Rosillo (Regeneration Manager), Andy Smith (Strategic Director of People Services) and Catherine Williams (Head of Regeneration and Major Projects).

58/18 Apologies for Absence

There were none.

59/18 Late Items

The Chair introduced an amended version of Item 10 on the Council Cabinet agenda (The New Assembly Rooms) and an addendum to Item 15 (Compliance with Contract and Financial Procedure Rules).

Following advice provided by the Monitoring Officer in relation to the long term waste management contract, a resolution to exclude the press and public at Item 16 of the Council Cabinet agenda was put to the vote and carried.

60/18 Declarations of Interest

The Interim Monitoring Officer declared an interest in Item 10 of the Council Cabinet agenda (The New Assembly Rooms) owing to their position as the company secretary and director of the operating company for the National Ice Centre in Nottingham.

61/18 Scheduling of the Executive Scrutiny Board

A proposal to reschedule the Executive Scrutiny Board to take place on Monday evenings was considered, following a request from officers that more time was allowed for the drafting and consideration of recommendations prior to Council Cabinet meetings on Wednesday evenings.

The Board expressed concern that this would reduce the number of days that members had access to the Cabinet agenda and that a change of date may lead to clashes with other commitments; it was noted that the publication of reports was dictated by statutory timescales. Members requested that a formal proposal was prepared for further consideration.

The Executive Scrutiny Board resolved to request that a formal proposal was prepared for further consideration in relation to the scheduling of the Board.

62/18 Minutes of the meeting held on 13 November 2018

The minutes of the meeting were agreed as a correct record.

63/18 Forward Plan

The Board considered the contents of the Forward Plan published on 13 November 2018.

No items were added to the future work programme.

The Executive Scrutiny Board resolved to note the Forward Plan.

64/18 Performance Items and Performance Forward Plan

The Board received a report of the Chief Executive presenting the Executive Scrutiny Performance Forward Plan and allowing the Board to make amendments as necessary for items to be considered at future meetings.

A presentation on Inspections – JTAI, ILACS, YOS, SEND and the Adults Peer Review was received by the Board.

Inspections – JTAI, ILACS, YOS, SEND and the Adults Peer Review

The Strategic Director of People Services provided an overview on inspection activity related to adult's and children's services.

It was stated that in 2018 to date, the following inspections had been carried out: Mocksted2, Youth Offending Service, Adults Peer Assessment and Mock Joint Targeted Area Inspection (JTAI). It was reported that preparations were ongoing for anticipated inspections in 2019, including a formal JTAI, SEND

Peer Assessment, SEND Inspection and an Inspection of Local Authority Children's Services (ILACS).

The Board considered a range of evidence related to the content and findings of the Adult Services Peer Assessment. It was noted that strengths included a high level of commitment from staff; an understanding of the importance of early intervention; cross-council initiatives valued by citizens; and, a strong approach to building community capacity. However, it was noted that areas for improvement included a need to review the 'front door'; identification of a stronger set of performance measures; and, a requirement to refresh the Adult Social Care Strategy, which dated from 2016.

In relation to the Mock JTAI, the Board heard that inspections were conducted on a thematic basis and that the current focus was on sexual abuse in a family environment. The inspection tracked the experiences of three young people at risk of or subject to abuse and sampled a range of cases across Youth Offending Services and Children's Social Care.

Strengths identified by the Mock JTAI again included the commitment of staff as well as a good awareness of thresholds and matters related to Child Sexual Abuse; the strength of the Multi Agency Safeguarding Hub (MASH) and The Keep were also highlighted. Areas for improvement included caseloads and timeliness; capacity gaps identified in multi-agency working; and, the need for improved understanding of experiences for boys, particularly within minority ethnic and new communities at risk of CSA.

It was noted that officers considered there to be a good level of inspection readiness across all areas in which the authority anticipated inspections in 2019.

The Executive Scrutiny Board resolved to note the report.

65/18 Council Cabinet Agenda

The Board considered a report of the Chief Executive on the Council Cabinet Agenda. Members considered the Council Cabinet Agenda in its entirety for the meeting scheduled for Wednesday 12 December 2018 and made a number of comments and recommendations to Council Cabinet.

Key Decisions

Item 9 – Approval of the Council Tax Support Scheme for 2019/20

The Board received a report of the Strategic Director of Corporate Resources seeking approval for a revised Council Tax Support (CTS) Scheme, for implementation from 1 April 2019.

It was noted that the CTS Scheme was intended to support working age claimants who required financial assistance to pay their Council Tax bills. Further to this, it was reported that following the introduction of Universal Credit in Derby from July 2019, some claimants were unaware that they would

be required to submit a separate claim for CTS. Under the current scheme, claims could only be backdated for one month, leading to some residents missing out on financial support to which they may be entitled.

In response to this and following a four week period of public consultation from 3 September 2018, it was proposed that the period for the backdating of CTS claims was extended from one to three months. It was reported that 84.4 per cent of respondents were in favour of the proposed measure.

The Executive Scrutiny Board resolved to note the report.

Item 10 – The New Assembly Rooms

The Board received a report of the Strategic Director of Communities and Place detailing proposals for the renewal and enhancement of the Assembly Rooms. An updated version of the report was circulated at the meeting, which provided additional information in relation to consultation with stakeholders and the proposed financing of the project.

The report sought approval for the refurbishment of the existing Assembly Rooms building, at a total capital cost of £24 million. The report also included a proposed delegation for the Strategic Director of Communities and Place to enter into all actions necessary for the delivery of the project, including the identification and procurement of an operator.

It was proposed that the project would be funded from £13 million of capital receipts; a £4.5 million grant from the D2N2 Local Enterprise Partnership (LEP); the remaining £0.8m balance of the Assembly Rooms Insurance Reserve; and, £5.7 million from a range of other funding sources including the discretionary 1 per cent Council Tax increase for 2018/19 and 2019/20, which had not yet been committed.

The outcome of a feasibility study conducted from July 2018 was detailed to the Board. It was reported that the brief was to create a 'new look and feel' Assembly Rooms, with a more commercial programme, as quickly as practical at a minimum and capital revenue cost. The project also aimed to animate and enhance the vitality of the Market Place.

Two options had been established through the feasibility study: to undertake essential repairs to the Assembly Rooms and car park to a minimum 15 year working life at a projected cost of £18.2m; or, to deliver a series of enhancement work to improve the look and feel of the Assembly Rooms, in addition to essential repairs, at a total projected cost of £23 million. These enhancements included remodelling of ground floor frontages; installation of first floor solar glazing; remodelling of the entrance area; new internal finishes; enhancements to the Darwin Suite and new seating in the Great Hall; and, the addition of timber cladding to the car park.

The business case for the future operation of the Assembly Rooms was outlined to the Board. It was noted that if the proposed recommendations were accepted, the Assembly Rooms would require an ongoing revenue subsidy of £753,000 in 2020/21; £716,000 in 2021/22; £447,000 in 2022/23;

and, £311,000 in subsequent years. It was suggested that should the report be approved, work was likely to start in September 2019 for completion in Autumn 2020.

The Board questioned officers on a range of issues related to the project. Some members stated their serious concern that the anticipated 15 year lifespan of the refurbishment and on-going revenue subsidy did not constitute value for money.

Furthermore, some members expressed frustration that the proposal lacked ambition and would constitute a missed opportunity for the city. The Board also noted that no direct comparison had been provided in relation to the previous proposal for a new Performance Venue and that a prior public consultation on that project had been discounted. It was stressed that Council Cabinet should take this information into account when considering its decision.

The Board considered the proposed timeline for the project and discussed the relative benefits, value for money and timescales of refurbished and new build options. It was noted that the refurbished option included no increase in capacity for the venue, leading members to question how the proposal would increase footfall in the city centre and whether a full economic impact assessment had been completed. It was confirmed that this work was ongoing.

In relation to public consultation, some members noted private polling suggesting that refurbishment was the most popular option and that it had appeared in three party manifestos at the 2018 local elections. Other members felt that this did not constitute a clear mandate for a decision of such magnitude.

The anticipated 15 year lifespan of the proposed refurbishment was also considered. It was confirmed that despite the building being structurally sound, this was the minimum period before which further significant work would be required. For example, it was suggested that additional work may be needed to the roof, which was estimated to cost around £5 million.

The Board expressed serious concern that the report sought to delegate responsibility for the identification of an operator to officers, in consultation with the Leader of the Council. It was emphasised that this element was fundamental to the financial viability of the project and therefore should be taken by Council Cabinet and be subject to further scrutiny by the Board. It was reported that this delegation had been included to ensure the project could progress as quickly as possible.

The Board requested clarification on the impact of transferring capital receipts originally intended for the Moorways project to the proposed Assembly Rooms refurbishment. It was reported that it was standard treasury management practice to spend cash balances before undertaking any borrowing. Following further questions from members, it was confirmed that it was anticipated that the refurbishment of the Assembly Rooms would likely start prior to construction of the new pool, which would be subject to a separate Cabinet

report in 2019. Members queried what would happen if the grant application to the LEP or Business Rates Pool was turned down. It was reported that if these funding streams did not materialise the project would need to be reviewed.

Modifications to the car park were also considered and members asked why significant changes had not been proposed, given the opportunity to create additional revenue. The implications for the project on the Derby Arena were also discussed, as well as suggestions in the local media that a private operator was interested in opening a venue on the Becketwell site.

Further details on the comparative value for money of a refurbished and new build option were discussed. It was reported that the financial implications of both proposals had been agreed by officers and that it was a matter for members to consider their relative value.

Three recommendations were put to the vote and carried. A further recommendation to urge Council Cabinet to progress the project as quickly as possible was put to the vote and lost.

The Executive Scrutiny Board resolved:

- **To recommend that Council Cabinet withdraw the report and any decision on the future of the Assembly Rooms is deferred until such time that:**
 - **An economic impact assessment of the proposed refurbishment has been completed and a cost benefit analysis of both refurbishment and rebuild options had been considered by Council Cabinet.**
 - **A full public consultation had been carried out that directly compares both refurbishment and rebuild options.**
- **To recommend that the delegation outlined at recommendation 2.3 is rejected and that any decision in relation to the procurement of an operator for the venue is considered by Council Cabinet and the Executive Scrutiny Board.**
- **To recommend that the original public consultation in relation to the New Performance Venue is appended to the report for public scrutiny and for consideration by Council Cabinet prior to any decision being made.**

Item 11 – Community Managed Libraries – Review of Implementation Plan

The Board received a report of the Strategic Director of Communities and Place in relation to the outcome of a review of the implementation plan for Community Managed Libraries (CMLs).

It was reported that following the outcome of the Libraries Strategic Review in July 2017, it was agreed that the council would retain five statutory libraries and aim to transfer the remaining ten libraries to a community managed model. Following the transfer of the first three libraries to Derby Help and Advice (DHA), a number of challenges emerged during the handover process. In August 2018, it was agreed that a review of the project delivery would take place prior to any further transfers.

Following stakeholder feedback, it was suggested that with revised timescales and additional support in place, the CML model remained the best option for a high quality library service in Derby. The report recommended that the transfer of the seven remaining non-statutory libraries should continue from February 2019 to February 2020; that additional resources were allocated to the project including the delay of savings identified in the Medium Term Financial Plan, as well as establishing a £400,000 library project reserve.

Members welcomed support for the underlying approach to the libraries strategic review, but queried whether additional costs had been incurred as a result of the delay in implementation. It was stated that in-year savings had been missed, but it was acknowledged that the original timeline was too ambitious and that this would have been the case regardless of the review period.

The Executive Scrutiny Board resolved to note the report.

Item 12 - Enforced Sale of a Long Term Vacant and Neglected, Privately Owned House

The Board received a report of the Strategic Director of Communities and Place seeking approval to initiate action that would enforce the sale of a privately owned longstanding vacant property.

It was reported that the property had been unoccupied since the death of the proprietor in 2014. Since that time, the property has remained neglected and become a source of complaint for local residents. It was further noted that no evidence existed of any application for probate of the estate of the deceased.

It was recommended that the transfer of the property was in the public interest as it would recover outstanding residential care home costs from the deceased; facilitate a transfer of the house to return it to use; enable recovery of Council Tax receipts; and, avoid the risk of anti-social behaviour and other issues associated with empty buildings.

The Executive Scrutiny Board resolved to note the report.

Item 13 - Investment in High Quality Office Development – One Cathedral Green, Full Street, Derby

The Board received a report of the Strategic Director of Communities and Place seeking approval of a Business Case for direct investment by the council in 25,000 square feet of new high quality offices on Full Street.

It was reported that the developers of the site had agreed heads of terms and had board approvals in place for the sale an adjoining 12,500 square foot site to UNITE the Union for the purposes of its regional headquarters. The proposed investment of £8.965 million by the council would facilitate the full 37,500 square foot development to go ahead. It was noted that the proposal would create workspaces for new and existing businesses, addressing market failure in the city centre to provide larger, high quality office units.

The Board accepted a recommendation to welcome the report, whilst considering exempt detail in private session.

Budget and Policy Framework

Item 14 – Medium Term Financial Plan 2019/20 – 2022/23

The Board received a report of the Strategic Director of Corporate Resources outlining the proposed Medium Term Financial Plan 2019/20 – 2022/23 (MTFP). The report included budget proposals to achieve a balanced position for 2019/20 and sought approval to begin a period of public consultation from Thursday 13 December until Thursday 24 January 2019.

It was noted that a dedicated Budget Scrutiny session was due to be held on Tuesday 18 December, where all Overview and Scrutiny members would be consulted on the budget proposals. The Board agreed to defer scrutiny of the budget proposals until that point.

The Executive Scrutiny Board resolved to defer scrutiny of the Medium Term Financial Plan 2019/20 – 2022/23 until the meeting of the Board scheduled for Tuesday 18 December.

Contract and Financial Procedure Matters

Item 15 – Compliance with Contract and Financial Procedure Rules

The Board considered a report of the Strategic Director of Corporate Resources outlining a number of items that required reporting and approval by Council Cabinet under Contract and Financial Procedure rules.

It was reported that approvals were being sought for the following items:

- To approve the procurement process and to enter into a Partnership Agreement to establish a compliant framework of Counsels' Chambers for childcare litigation.

- To approve delegation of final decision making and contract awards in relation to the Counsels' Chambers framework, to the Strategic Director of People Services in conjunction with the partnership authorities.
- To ensure that necessary approvals are obtained before a bid for external funding to the Transforming Cities Fund is submitted and an award of funding is made.

The Board suggested that reference to childcare litigation could be misleading and requested that this was clarified in the report. Members also requested that details of the bid for funding were circulated, once it had been prepared.

The Executive Scrutiny Board resolved to note the report.

Item 16 – Exclusion of the Press and Public

The Board considered a resolution to exclude the press and public for the consideration of exempt detail contained within two reports discussed earlier on the Council Cabinet agenda and for an additional exempt report concerning the Long Term Waste Management Contract.

The Executive Scrutiny Board 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 items on the grounds that they involve the likely disclosure of exempt information as defined in paragraphs 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

Item 17 – Enforced Sale of a Long Term Vacant and Neglected Privately Owned House

The Board received exempt detail in relation to the report of the Strategic Director of Communities and Place seeking approval to initiate action to enforce the sale of a privately owned, longstanding vacant property. Recommendations to Council Cabinet were made when the report was considered in public session.

Item 18 - Investment in High Quality Office Development – One Cathedral Green, Full Street, Derby

The Board received exempt detail in relation to the report of the Strategic Director of Communities and Place proposing direct investment by the council in 25,000 square feet of new high quality offices on Full Street.

The Board made one recommendation to Council Cabinet whilst in private session.

The Executive Scrutiny Board resolved to welcome the report.

Contract and Financial Procedure Matters

Item 19 – Long Term Waste Management Contract

The Board received an exempt report of the Strategic Director of Communities and Place in relation to the Long Term Waste Management Contract.

The Board made four recommendations to Council Cabinet whilst in private session.

MINUTES END