

## CABINET

### MINUTES OF MEETING HELD ON 25 OCTOBER 2017

## I N D E X

<b>Page No</b>	<b>Minute No</b>	<b>Heading</b>
1	314	Apologies for Absence
1	315	Declarations of Interests
1	316	Minutes of Last Meeting
2	317	Voluntary and Community Organisations – Derbyshire Unemployed Workers Centre
2	318	One Public Estate – Clay Cross
4	319	Business Rates Pilot
5	320	Streetscene Service Arrangements – Access to Private Unadopted Residential Carriageways
6	321	Medium Term Financial Plan – Budget Monitoring Report, Quarter 2 – July to September 2017
8	322	Urgent Business (Public Session)
8	323	Exclusion of Public
8	324	Exempt Minutes of Last Meeting
8	325	The Avenue – Affordable Housing
9	326	Land Sales
9	327	Urgent Business (Private Session)

## CABINET

### MINUTES OF MEETING HELD ON 25 OCTOBER 2017

#### **Present:**

Councillor G Baxter MBE ..... Leader (in the Chair)

Councillor J Austen

" N Barker

" M Gordon

Councillor P R Kerry

" J Lilley

#### **Also Present:**

D Swaine - Chief Executive

L Hickin - Strategic Director

D Clarke - Assistant Director – Finance & Revenues and Benefits

S Brunt - Assistant Director – Streetscene

S Sternberg - Assistant Director – Governance and Solicitor to the Council & Monitoring Officer

L Shaw - Managing Director – Rykneld Homes

S Cottam - Senior Governance Officer (Acting)

#### **314 Apologies for Absence**

An apology for absence was received from Councillor Mrs E A Hill.

#### **315 Declarations of Interests**

Members were requested to declare the existence and nature of any disclosable pecuniary interests and/or other interests, not already on their register of interests, in any item on the agenda and withdraw from the meeting at the appropriate time.

Councillor G Baxter MBE declared a non-significant other interest in Item No 4 – Voluntary and Community Organisations – Derbyshire Unemployed Workers Centre – arising from his membership of the Derbyshire Unemployed Workers Centre. As this interest was non-significant Councillor G Baxter could remain in the meeting for consideration of this item.

Councillor J Austen declared a disclosable pecuniary interest in Item No 13 – Land Sales – arising from her appointment as a Managing Director of the Council's Joint Venture Company, Northwood Limited. Councillor J Austen would leave the meeting for consideration of this item.

#### **316 Minutes of Last Meeting**

RESOLVED – That the Minutes of the meeting of the Cabinet held on 27 September 2017 and Special Cabinet held on 10 October 2017 be approved as a correct record and signed by the Leader.

**317 Voluntary and Community Organisations – Derbyshire Unemployed Workers Centre**

Cabinet considered a presentation from the Derbyshire Unemployed Workers Centre as part of a suite of presentations from the Voluntary Sector Organisations funded by the Council in 2016/17. Colin Hampton from the Derbyshire Unemployed Workers Centre attended the meeting to give the presentation.

An increase in enquiries from residents in North East Derbyshire District was time consuming as the enquiries were challenging decisions made by the Department of Work and Pensions (DWP).

It was advised that support from North East Derbyshire helped bring in extra funding from other sources. Cabinet were advised of the impending Job Centre closures on 10 November 2017 at Clay Cross and Bolsover on 1 December 2017. This would cause an issue for people having to travel further to Job Centre appointments and put more pressure on the voluntary sector.

A discussion took place regarding Universal Credit and the impact that this would have on the District. It was advised that the first roll-out of Universal Credit would impact 25% of the District.

Cabinet were advised of the issues around agency work and zero hours contracts. A research report was provided to Cabinet entitled Agency Workers and Zero Hours – The Story of Hidden Exploitation. The report was put together by representatives from the Derbyshire Unemployed Workers Centres, North Derbyshire Unit Community Branch, University of Salford and Sheffield Hallam University.

The Leader, on behalf of Cabinet, thanked the Derbyshire Unemployed Workers Centre for the hard work and dedication to the residents of North East Derbyshire.

**RESOLVED** – That the presentation be received by Cabinet and any comments from Members arising from the presentation be included in future commissioning considerations.

**REASON FOR DECISION** – To ensure that the Council maximises efficiencies and outcomes through commissioning voluntary sector organisations to help achieve Corporate Priorities.

**ALTERNATIVE OPTIONS CONSIDERED & REJECTED** - The options for Cabinet's consideration were detailed in paragraph 4.1 of the report. There were no alternative options considered and rejected.

(Partnerships Team)

<b>Non Key Decisions</b>
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**318 One Public Estate – Clay Cross**

Cabinet considered a report of Councillor G Baxter MBE, Leader of the Council which updated Members on the progress made with the One Public Estate (OPE)

initiative and to nominate a District Councillor to attend the OPE Project Control Board meetings.

In April 2016 the Government put out a call for bids to the One Public Estate fund. One Public Estate is an initiative delivered in partnership by the Cabinet Office Government Property Unit (GPU) and the Local Government Association (LGA).

OPE funding provided technical support and funding to Councils to deliver ambitious property focused programmes in collaboration with Central Government and other public sector partners.

The three core objectives at the heart of the OPE initiatives were:-

- The creation of economic growth in the form of new homes and jobs;
- The delivery of better integrated and customer focused services;
- The generation of efficiencies through capital receipts and reduction in running costs.

North East Derbyshire District Council and Derbyshire County Council submitted a joint bid to OPE fund for Clay Cross Town Centre in October 2017 and was subsequently successful, being awarded a total of £85,000. This was broken down as follows:-

- £50,000 for a feasibility study;
- £30,000 for a part time project manager;
- £5,000 for preparing a development brief/marketing literature.

The project area was centred around Clay Cross Town Centre with the majority of the land and buildings in public ownership, although some private property was included. It should be noted that there was still flexibility in terms of the study areas indicated in figure 1 of the report as this may evolve as discussion with stakeholders progressed.

Public sector agencies active within the project area included Derbyshire County Council, Rykneld Homes, North East Derbyshire District Council, Clay Cross Parish Council, Hardwick CCG, Derbyshire Community Health Service and Job Centre Plus.

The services currently being delivered included the Leisure Centre, Library, Social Services, Adult Education and Countryside Services, Thriving Communities, Health and the Third Sector. Consequently it was considered that OPE funding presented an opportunity to rationalise the public estate through a locality review.

To ensure a robust and transparent governance structure was in place it was proposed to adopt the model that had been used to good effect for the Coalite Initiative. Appendix 1 to the report set out the two tier structure, with the Project Control Board (PCB), responsible for strategic leadership and direction and a Project Officer Group (POG) for operational delivery. The POG would brief the PCB and report to it on a regular basis.

The PCB would be chaired by Councillor Angelique Foster, DCC Cabinet Member for Council Services and would also include a Councillor from North East Derbyshire District Council and one from Clay Cross Parish. It was anticipated that the PCB would meet quarterly.

**RESOLVED** – That Cabinet nominated Councillor Jane Austen to represent North East Derbyshire District Council on the Clay Cross OPE Project Control Board.

**REASON FOR DECISION** – To ensure the objectives and priorities at North East Derbyshire District Council are represented on the Clay Cross OPE Project Control Board.

**OTHER OPTIONS CONSIDERED AND REJECTED** – The options for Cabinet's consideration were detailed in paragraph 4.1 of the report. There were no alternative options considered and rejected.

(Assistant Director – Economic Growth)

### **319 Business Rates Pilot**

Cabinet considered a report of Councillor P R Kerry, Portfolio Holder with Responsibility for Economy, Finance and Regeneration, which sought approval that delegated powers be granted to the Assistant Director – Finance, Revenues & Benefits, in consultation with the Leader of the Council, to submit an expression of interest to enter in to a Derbyshire Business Rates Pilot arrangement for 2018/19.

Under the Business Rates Retention Scheme local authorities were able to come together on a voluntary basis to pool their business rates, giving them scope to generate additional business rates growth through collaborative efforts and to smooth the impact of volatility in rates income across a wider economic area. The Council had been part of a very successful Derbyshire Business Rates Pool that had been in operation since April 2015 which helped secure approximately £0.5m additional income per annum.

The Government had previously announced expansion of the pilot programme for 100% business rates retention for 2018/19. These would run alongside the five current 100% pilots which had been in operation since 1 April 2017. The pilots were deemed as an opportunity for the Government to test more technical aspects of the 100% business rates retention system, such as tier splits. It would provide the opportunity to evaluate how collaboration between local authorities worked in practice.

The Government were interested in exploring how rates retention could operate across more than one authority to promote financial sustainability and to support coherent decision making across functional economic areas.

All proposals would need to be submitted to Government by 27 October 2017 and must be signed off by the Section 151 Officer of each authority in the pilot. Successful pilots would be announced in December 2017 and launched in April 2018. Between these dates the Government would support authorities in preparing for implementation.

**RESOLVED** – That Cabinet:-

- (1) Notes the contents and requirements of the invitation to pilot 100% Business Rates Retention in 2018-19.
- (2) Grants approval for the Assistant Director – Finance, Revenues & Benefits, in her capacity as the Council’s Section 151 Officer and in consultation with the Leader of the Council to submit an expression of interest to enter in to 100% Business Rates Pool Pilot in 2018-19.
- (3) That a further detailed report is brought back to a future meeting of this Committee once more information is available.

**REASON FOR DECISION** – Entering in to a Business Rates Pilot across a two tier area should bring additional financial advantage.

**OTHER OPTIONS CONSIDERED AND REJECTED** – The options for Cabinet’s consideration were detailed in paragraph 2.1 of the report. Remaining outside the Business Rates Pilot would potentially cause the Council to lose out on additional income and potentially jeopardise piloting possibilities for other authorities within Derbyshire.

(Assistant Director – Finance, Revenues & Benefits)

<b>Key Decisions</b>
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**320 Streetscene Service Arrangements – Access to Private Unadopted Residential Carriageways**

Cabinet considered a report of Councillor M Gordon, Portfolio Holder with Responsibility for Environment which updated Members of Derbyshire County Council’s (Highway Authority) position in their adoption of highway infrastructure at new-build developments with up to 25 housing units and feedback received from other Derbyshire Authorities further to writing to them on the matter of Highway Adoption.

The report also sought Member authority to enter in to ‘indemnity agreements’ with developers and/or their management company/successors in title to facilitate access over roads at new housing developments which the Highway Authority (Derbyshire County Council) do not adopt for maintenance at public expense.

Further to Cabinet’s prior meeting on 30 August 2017 Derbyshire County Council had reaffirmed their future approach in the adoption of estate roads would be in accordance with ‘6C’s Highway Design Standards’ and therefore likely that structural highway infrastructure at such developments may not be adopted for maintenance at public expense in future.

The Chief Executive Officer raised the issue wider with Derbyshire Chief Executives. Responses received shared the Council’s concerns further to which it was recommended that the Joint Chief Executive Officer writes to the County Council asking that they review their policy position in light of the revised ‘6C’s

Design Guide' named 'Delivering Streets and Places' which recommends that streets at development serving six or more dwellings were adopted.

**RESOLVED** – That Cabinet:-

- (1) Notes the County Council's continued position in the adoption of highway infrastructure at new-build housing developments is in accordance with the '6C's Highway Design Standards'.
- (2) The Joint Chief Executive writes to the County Council urging them to review their policy position in light of the revised '6C's Design Guide'.
- (3) Approves the policy approach of entering in to 'indemnity agreements' with developers or their successors in title at new housing developments, in particular at developments where streets are not adopted and where the Council has need to access such to deliver local services.
- (4) The Assistant Director – Streetscene exercises delegated authority to enter in to 'indemnity agreements' with developers and/or their management company/successors in title to facilitate Streetscene service delivery arrangements.
- (5) The Joint Waste Collection and Recycling Policy is updated to reflect the Council policy position as set out in the report.

**REASON FOR DECISION** – To update Cabinet in regard to DCC's (Highway Authority) position in their adoption of highway infrastructure at new build developments with up to 25 housing units and to provide feedback received from other Derbyshire authorities.

**OTHER OPTIONS CONSIDERED AND REJECTED** – The options for Cabinet's consideration were detailed in paragraph 4.1 of the report. In the absence of indemnity agreements the Council may need to designate collection points at the nearest public highway, which would require residents to present bins over a lengthy distance and result in obstruction to the highway/footway.

(Assistant Director - Streetscene)

**321 Medium Term Financial Plan – Budget Monitoring Report, Quarter 2 – July to September 2017**

Cabinet considered a report of Councillor P R Kerry, Portfolio Holder with Responsibility for Economy, Finance and Regeneration which updated Members on the financial position of the Council following the second quarter's budget monitoring exercise for the General Fund, the Housing Revenue Account (HRA), Capital Programme and Treasury Management activity.

The General Fund Revenue Account summary was shown in an Appendix to the report. The original budget for 2017/18 showed a savings target of £0.363m. By the end of quarter two savings of £0.315m had been achieved against the target, leaving £0.048m to achieve. As savings were identified and secured they were moved in to relevant cost centres with the main General Fund Directorates.

In terms of the Housing Revenue Account (HRA) the summary for the second quarter for 2017/18 was set out in an Appendix to the report. At the end of quarter two the HRA was showing a net surplus of £0.592m. The quarter two income figures showed a small favourable variance of £0.052m. The dwelling rents were slightly lower than forecast. This was a minor variance (0.25%) and the position would be reviewed during the revised budget process and if necessary amended at that stage.

Expenditure within most of the operating areas of the HRA showed under spends in the second quarter. There were no budget pressures to report at this stage of the year. It was currently anticipated that expenditure would be in line with approved budgets at the end. In light of this, and the expenditure patterns to date, there were no significant issues to report regarding the overall position for the HRA at the end of the second quarter.

In terms of the Capital Programme the summary for the second quarter of 2017/18 was provided in an Appendix to the report. The Capital Programme Profiled Budget for quarter two was £9.300m and the actual spend and known commitments total was £5.657m which was £3.643m behind the planned position spend. Whilst there were no significant areas of concern regarding capital expenditure at the end of the second quarter, it was noted that the delivery of the approved Capital Programme was behind the profiled position as at quarter two. Officers would continue to closely monitor the delivery of the Programme.

The Treasury Management function covered the borrowing and investment of the Council's money. This included both the management of the Council's day to day cash balances and the management of its long term debt. All transactions were conducted in accordance with the Council's approved strategy and the CIPFA Code of Practice.

The Council approved their 2017/18 Treasury Management Strategy at its meeting in February 2017. An Appendix to the report identified the Treasury Management activity undertaken during the second quarter of 2017/18 and demonstrated that this was in line with the plans agreed as part of the Strategy.

Work was continuing to maximise interest yield from investments without any increase to risk and within the confines of the approved Treasury Management Strategy.

**RESOLVED** – That Cabinet:-

- (1) Notes the monitoring position of the General Fund at the end of the second quarter as detailed in Appendix 1 to the report (a net favourable variance of £0.46m against the profiled budget) and the key issues highlighted within the report.
- (2) Notes the position on the Housing Revenue Account (HRA), the Capital Programme and Treasury Management at the end of the first quarter (Appendices 2, 3 and 4 to the report).

**REASON FOR DECISION** – Advise Cabinet of the financial position of the Council following the second quarter's budget monitoring exercise.



OTHER OPTIONS CONSIDERED AND REJECTED – The options for Cabinet’s consideration were detailed in paragraph 4.1 of the report. There were no alternative options considered and rejected.

(Assistant Director – Finance and Revenues & Benefits)

**322 Urgent Business (Public Session)**

There was no urgent business to be considered in the public session at this meeting of Cabinet.

**323 Exclusion of Public**

RESOLVED - That the public be excluded from the meeting during the discussion of the following items of business to avoid the disclosure to them of exempt information as defined in Paragraph 1 Part 1 of Schedule 12A to the Local Government Act 1972 (as amended by the Local Government (Access to Information)(Variation) Order 2006). [The category of exempt information is stated after each Minute].

**Non Key Decisions**

**324 Exempt Minutes of Last Meeting**

RESOLVED – That the Exempt Minutes of the meeting of Cabinet held on 27 September 2017 be approved as a correct record.

**325 The Avenue – Affordable Housing**

Cabinet considered a report of Councillor Mrs E A Hill, Portfolio Holder with Responsibility for Housing Strategy and Social Inclusion.

RESOLVED – That Cabinet agrees the recommendations as set out in the report.

REASON FOR DECISION – The report set out the current status of the bidding process for the proposed purchase of affordable units at The Avenue Site, Wingerworth.

OTHER OPTIONS CONSIDERED AND REJECTED – The options for Cabinet’s consideration were detailed in paragraph 4.1 of the report.

(Director of Property Services & Development,  
Rykneld Homes Ltd)  
(Paragraph 3)

*Councillor J Austen left the meeting at this point*

**Key Decisions****326 Land Sales**

Cabinet considered a report of Councillor G Baxter MBE, Leader of the Council which updated Members on progress with the creation of the development led joint venture company, Northwood Group Ltd (NGL) and to seek approval from the Chief Executive Officer, in consultation with the Leader, to agree a land sale to NGL subject to an independent valuation by the District Valuer or other organisation with suitable expertise.

RESOLVED – That Cabinet agrees the recommendations as set out in the report.

REASON FOR DECISION – The reasons for Cabinet’s decision were outlined throughout the report.

OTHER OPTIONS CONSIDERED AND REJECTED – The options for Cabinet’s consideration were detailed in paragraph 4.1 of the report.

(Chief Executive)  
(Paragraph 3)

**327 Urgent Business (Private Session)**

There was no urgent business to be considered in the private session at this meeting of Cabinet.

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