

CABINET**MINUTES OF MEETING HELD ON 27 JUNE 2018****I N D E X**

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CABINET

MINUTES OF MEETING HELD ON 27 JUNE 2018

Present:

Councillor G Baxter MBE Leader (in the Chair)

Councillor N Barker
" M Gordon
" E A Hill

Councillor P R Kerry
" J Lilley
" R Smith

Also Present:

D Swaine - Joint Chief Executive Officer
K Hanson - Joint Strategic Director – Place
L Hickin - Joint Strategic Director – People
D Clarke - Joint Head of Finance & Resources and Section 151 Officer
S Sternberg - Joint Head of Corporate Governance and Monitoring Officer
S Lee - Strategic Partnership Co-Ordinator (for Minute No's 72 to 75 only)
T Burdett - Partnership Development Officer (for Minute No's 72 to 75 only)
N Calver - Governance Manager (for Minute No 84 only)
D Cairns - Senior Governance Officer (for Minute No's 72 to 83 only)

72 Apologies for Absence

There were no apologies submitted to this meeting of Cabinet.

73 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.

Councillors N Barker and E A Hill declared disclosable pecuniary interests in the following agenda items arising from their membership of the Rykneld Homes Ltd Board. Both Councillors left the room for consideration of these items and did not take part in the discussions or votes:

- Agenda Item 6(b) - Proposed Regeneration of Pine View, Danesmoor
- Agenda Item 9(a) - North Wingfield Compulsory Purchase Order (CPO)
- Agenda Item 9(b) - Bellway Homes – Purchase of Additional Units at Mill Lane, Wingerworth
- Agenda Item 10 - Hallowes Court, Dronfield – Housing Options

Councillor M Gordon declared a non significant other interest in Agenda Item 4(a) – Voluntary and Community Organisations, Derbyshire Law Centre and North East Derbyshire Citizens' Advice Bureau – arising from his position on the Derbyshire Law Centre Board.

Councillor M Gordon remained in the meeting and took part in the discussion and vote for this item.

74 Minutes of Last Meeting

RESOLVED – That the Minutes of the meeting of the Cabinet held on 6 June 2018 be approved as a correct record and signed by the Leader.

75 Voluntary and Community Organisations – Derbyshire Law Centre and North East Derbyshire Citizens Advice**Derbyshire Law Centre**

Cabinet considered a presentation from the Derbyshire Law Centre as part of a suite of presentations from the Voluntary Sector Organisations funded by the Council in 2017/18.

Teresa Waldron and Lisa Haythorne of Derbyshire Law Centre attended the meeting to give the presentation.

Cabinet were advised that the Derbyshire Law Centre provided free legal advice and representation to individuals and families on low and unstable incomes across North East Derbyshire. The Law Centre specialised in social welfare law, community care, debt, discrimination, employment, housing, homelessness, immigration and mortgage rescue.

Case studies were described to illustrate the nature of the issues experienced by clients of the Law Centre and their work undertaken to provide advice, assistance and representation. The Law Centre representatives also outlined the assistance provided to clients in tackling rent arrears to try and avoid debts continuing to increase.

It was noted that the Law Centre had a very good working relationship with Rykneld Homes Ltd and the Council.

The Chair, on behalf of the Council, thanked Derbyshire Law Centre for their work on behalf of the residents of North East Derbyshire and for attending the Cabinet meeting to provide the presentation.

North East Derbyshire Citizens Advice

Cabinet considered a presentation from North East Derbyshire Citizens Advice as part of a suite of presentations from the Voluntary Sector Organisations funded by the Council in 2017/18.

Phil Morris attended the meeting to give the presentation.

The presentation provided Cabinet with details of the profile of the clients accessing the Citizens Advice services as well as the issues they faced.

There had been a slight increase in enquiries and it was noted that the complexity of debt cases was increasing. The number of benefit appeals relating to Employment Support Allowance and Personal Independence Payments were also increasing and the Citizens Advice Worker dedicated to these appeals was experiencing a success rate of approximately 90%.

Concern was expressed regarding organisations offering debt and benefits advice on a fee-charging basis that was seen as exploiting vulnerable people when the same services are available for free by regulated and qualified providers such as the Law Centre and Citizens Advice.

The presentation outlined the locations of the outreaches and the drop-in centre where the public can access the Citizens Advice service. The availability of the service at GP surgeries helped to reduce the demand from drop-in at the Clay Cross Centre. There were no waiting lists currently for the service within North East Derbyshire.

Members were also advised that the Citizens Advice operated a ScamWatch awareness scheme, including awareness raising events and home visits. It was noted that the victim of scams tended to be older people living alone and through contact made through this scheme, other advice and support could be offered in relation to budgeting, debt and benefit issues.

Citizens Advice had been providing an advice service through local food banks and it was planned that this provision would be increased at certain food banks across the District as a result of the Feeding Britain Initiative.

The Chair, on behalf of the Council, thanked the North East Derbyshire Citizens Advice for their work on behalf of the residents of the District and for attending the Cabinet meeting to provide the presentation.

RESOLVED – That the presentations be received by Cabinet and any comments from Members arising from the presentations 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.

OTHER OPTIONS CONSIDERED & REJECTED – The purpose of the report was to provide information on the voluntary sector services commissioned by the Council therefore no alternative options were considered.

(Partnerships Team)

Non Key Decisions

76 Purchase of Leisure Centre Equipment

Cabinet considered a report of Councillor G Baxter MBE, Leader and Portfolio Holder for Corporate Strategy and Transformation, which sought approval to

purchase leisure centre gym equipment to replace that coming to the end of its useful life and enhance the current facilities available.

The majority of the new equipment was needed to replace the stock at Sharley Park Leisure Centre, however, additional equipment was also required at Dronfield Sports Centre and Eckington Swimming Pool and Fitness Centre.

The proposal sought to add to the unique selling experience offered by the leisure facilities by adding new innovative equipment with a view to increasing membership numbers and income levels over future years. The purchase of the equipment would come with a five year maintenance and warranty cover.

The report set out the reasons for the equipment to be purchased from the same manufacturer of the existing stock to ensure consistency of the equipment provided and avoid the need for multiple inductions to be undertaken. An exemption within the Council's Contract Procedure Rules was therefore relied upon in order to purchase the equipment from Pulse.

RESOLVED – That:-

- (1) Members approve the increase to the Capital Programme of £0.16m to purchase gym equipment for the Council's three leisure centres.
- (2) The purchase of the equipment from Pulse as set out within the report be approved.
- (3) Members approve the utilisation of capital receipts to fund the additional expenditure required.

REASON FOR DECISION – The equipment at the leisure centres needed to be replaced or supplemented in order to continue to enhance the Council's fitness offer across its leisure facilities to improve the experience of the customers. It was determined that the purchase of the equipment was more financially favourable than leasing.

OTHER OPTIONS CONSIDERED AND REJECTED – The alternative not to replace the equipment at Sharley Park Leisure Centre was rejected as this would have left the Centre without a functioning gym facility.

(Leisure Operations Manager)

77 Enforced Sale Procedure – Private Empty Properties

Cabinet considered a report of Councillor E A Hill, Deputy Leader and Portfolio Holder for Housing Strategy, which sought approval to implement a procedure for Enforced Sale for the Council to use in relation to long term empty properties.

Enforced sale was a procedure that could be used to recover debts attached to properties by way of a charge. Charges could be attached to an empty property through work being carried out in default by the Council where owners had failed to act. Use of this procedure could also help to bring long term problematic empty properties back in to use, but could only be used where there is an outstanding debt attached to the property.

The report set out the statutory powers that enable the Council to use enforced sale which were covered by the proposed procedure.

The Empty Property Officer would use a scoring matrix to assess whether enforcement action was required and to determine which procedures should be used. Enforced sale would be used only when all other avenues to encourage the owner to voluntarily bring the property back in to use had been exhausted.

The procedure would ensure that officers adhered to the guidance and legislation and that cases would be dealt with appropriately and successfully resulting in the reduction of empty properties and protecting the Council's reputation. The procedure would also help empty property owners and the public to understand the procedures and encourage them to engage with the Council to take appropriate action.

RESOLVED – That Cabinet:-

- (1) Agree to the introduction of the Enforced Sale Procedure for Private Empty Properties and that it be used when dealing with cases that are appropriate for this course of action.
- (2) Agree to delegate authority to the Joint Chief Executive Officer to use the Enforced Sale Procedure for properties that are appropriate for this course of action.

REASON FOR DECISION – To assist the Council in successfully carrying out enforced sales in accordance with guidance and legislation and to provide clarity for empty property owners and the public.

OTHER OPTIONS CONSIDERED AND REJECTED – The option to follow the enforced sale guidance from other authorities was rejected in favour of having an adopted procedure that was clear for officers, Members and empty property owners and the public. The option to use external legal firms to manage cases of enforced sale was also rejected as this would have incurred additional costs and the Council had the necessary skills available in-house.

(Housing Strategy & Growth Manager/
Empty Properties)

Councillors N Barker and E A Hill left the meeting at this point.

78 Proposed Regeneration of Pine View, Danesmoor

Cabinet considered a report of Councillor E A Hill, Deputy Leader and Portfolio Holder for Housing Strategy, which updated Members regarding the progress of capital works at Pine View, Danesmoor and sought approval to progress the wider regeneration of the estate and associated borrowing.

This report also included information and recommendations in relation to the external wall insulation programme at Grassmoor. The information within the report was publically available, however, this item of business was not specified on the agenda. The Leader agreed that this matter be considered at this meeting as

urgent business in order for the recommendations to be submitted to Council in July 2018.

Cabinet was advised of the updated position on the Pine View estate regeneration following detailed work that had been carried out on the Scheme. Some of the properties on the estate had experienced significant structural defects and had been held void whilst options for dealing with the problem were investigated. Consultation sessions had been held with residents and local Ward Members in the area.

Detailed structural surveys had been undertaken where required and the outcomes of these surveys and feedback from consultation were used in the development of the proposal to regenerate the estate.

The proposal consisted of the following key elements:-

- Construction of eight new Council bungalows to replace eight existing structurally defective bungalows;
- Comprehensive structural repairs to nine bungalows;
- Works to ensure the void properties being retained are brought to the current lettable standard;
- Replacement of windows and roofs;
- Estate improvements to provide off street parking, fencing to create individual gardens for each home, landscaping and security improvements including the reduction in the number of pedestrian access points to the estate.

Void works to existing homes that did not require major structural works had already commenced, with the funding for these works from the existing Housing Revenue Account (HRA) Capital Programme.

The cost of the proposed future work, including the development of new homes, major structural works and estate improvements, was approximately £1.5m over the financial year 2018/19 and 2019/20.

The final details of the new build aspects of the project were subject to securing planning permission.

In relation to the External Wall Insulation Programme at Grassmoor, Members were advised that a draft programme and budget to complete the scheduled works in the current financial year had been established. However, an increase in the Capital Programme of £395,000 was required to complete the Programme in 2018/19 with the works being completed by January 2019.

RESOLVED –That Cabinet:-

- (1) Approve the proposal for the continued regeneration of the Pine View Estate in Danesmoor, which included eight new build bungalows.
- (2) Recommend to Council the approval of additional HRA borrowing of £1.5m to fund the Pine View regeneration proposal over two financial years (2018/19 and 2019/20).

- (3) Recommend to Council the approval of additional HRA borrowing of £395,000 in the 2018/19 HRA Capital Programme funded to complete the external wall insulation works in the current financial year.

REASON FOR DECISION – The proposed regeneration of the Pine View Estate was to deal with a range of problems associated with the housing stock at this location and would provide an enhanced stock mix, improve the facilities and increase the number of Council homes available to rent. The recommended increase in the budget for the External Wall Insulation Programme at Grassmoor was to ensure that the works would be completed ahead of the original plan and to mitigate any risk of funding through the Energy Company Obligation (ECO) programme being reduced.

OTHER OPTIONS CONSIDERED AND REJECTED – A number of alternative proposals for the Pine View Regeneration Project were evaluated, however, these were not recommended as they were not viable. The option to continue to hold the defective properties void and undertake further consultation and options appraisal was rejected as the current proposal was considered affordable and met the needs and aspirations of the community. The alternative option to deliver the Grassmoor External Wall Insulation Programme over two financial years 2018/19 and 2019/20 was rejected due to the risk of increased costs and a possible loss of ECO funding.

(Director of Property Services & Development – Rykneld Homes)

79 Urgent Business (Public Session)

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

80 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 Paragraphs 1, 2 & 3 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

81 North Wingfield Compulsory Purchase Order (CPO)

Cabinet considered a report of Councillor E A Hill, Deputy Leader and Portfolio Holder for Housing Strategy, which informed Members of the latest position on the proposed purchase of privately owned homes in Phase 1 of the regeneration project at Whiteleas Avenue, North Wingfield and sought approval to proceed with the proposed course of action.

RESOLVED – That Cabinet:-

- (1) Notes that considerable effort had been undertaken to seek a negotiated purchase of all the privately owned homes in Phase 1 of the Whiteleas Regeneration Project.
- (2) Approves the use of appropriate compulsory purchase order powers to secure the ownership of privately owned homes within a Cabinet approved regeneration project.
- (3) Asks the Joint Chief Executive Officer to use his delegated powers to authorise the making of a compulsory purchase order.

REASON FOR DECISION – The Council was working in partnership with Rykneld Homes to undertake the regeneration of non-traditional housing on the Whiteleas Estate in North Wingfield. Phase 1 of the project included the construction of the new homes and the demolition of some non-traditional construction homes. A total of 11 of these properties identified for demolition were in private ownership and the Council needed to resolve these issues in order to progress the regeneration project.

OTHER OPTIONS CONSIDERED AND REJECTED – The alternative options considered were outlined in paragraph 4 of the report and contained exempt information.

(Strategic Director – Place/
Director of Property Services & Development – Rykneld Homes)
(Paragraph 3)

82 Bellway Homes – Purchase of Additional Units at Mill Lane, Wingerworth

Cabinet considered a report of Councillor E A Hill, Deputy Leader and Portfolio Holder for Housing Strategy, which sought Members views on whether the Council should purchase two additional units at Bellway Homes development at Mill Lane, Wingerworth.

RESOLVED - That Cabinet approves the purchase of plots 120 and 121 at the Bellway Homes Ltd development at Mill Lane, Wingerworth, as outlined in the report

REASON FOR DECISION – To enable the purchase of the affordable housing units at this site to proceed.

OTHER OPTIONS CONSIDERED AND REJECTED – The alternative option not to purchase these plots was rejected.

(Strategic Director - Place)
(Paragraph 3)

Key Decisions**83 Hallowes Court, Dronfield – Housing Options**

Cabinet considered a report of Councillor P R Kerry, Portfolio Holder for Finance, which updated Members regarding the negotiations being undertaken by Rykneld Homes Ltd (RHL) with Equity Housing with a view to purchase 79 flats (29 older persons units and 50 general needs units) at Hallowes Court, Dronfield.

Approval was also sought to submit a request to Council in July 2018 to borrow up to £3.5m General Fund Prudential Borrowing to facilitate the proposed purchase and refurbishment of the Hallowes Court complex by giving a loan of the same amount to Rykneld Homes Ltd. Subject to Council approval in July, a further report would then be submitted to Cabinet for final approval.

RESOLVED – That:-

- (1) Cabinet note the update regarding the negotiations being undertaken between Rykneld Homes Ltd and Equity Housing with a view to Rykneld Homes Ltd purchasing 79 units at Hallowes Court, Dronfield.
- (2) Cabinet approve the submission of a request to Council on 9 July 2018 to borrow up to £3.5m General Fund Prudential Borrowing.
- (3) Access to the £3.5m General Fund Prudential Borrowing be conditional upon the satisfactory conclusion of the negotiations and due diligence work and following final Cabinet approval to the purchase of the units at Hallowes Court, Dronfield.
- (4) A further report be presented to Cabinet following conclusion of the negotiations, due diligence work and consultation to seek final approval for the purchase of Hallowes Court, Dronfield and the loan for the purchase.

REASON FOR DECISION – The initial financial assessment of the option to obtain Hallowes Court indicated that this would be a sound investment with significant return over 30 years. There was a significant demand for housing in Dronfield and the purchase of these housing units was to increase the stock to support that demand.

OTHER OPTIONS CONSIDERED AND REJECTED - The alternative option not to proceed with the proposed purchase was rejected at this stage on the basis of the initial assessment carried out, however, this was subject to the final evaluation of the proposal following the conclusion of the negotiations and due diligence work.

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

Councillors N Barker and E A Hill returned to the meeting at this point.

84 Interim Review of the Governance Team, including PA Support to Senior Managers

Cabinet considered a report of Councillor R Smith, Portfolio Holder for Corporate Governance, which provided an update at the mid-point of the Review of the Governance Team and PA Support to Senior Members and Officers. The original report was supplemented by an addendum report providing a further, more timely, update to Members following closure of the initial 10 working days of the 30 calendar day consultation period.

RESOLVED – That:-

- (1) The update on the Review provided in the original report and the addendum report be noted.
- (2) The Chief Executive be requested to use his delegated authority to authorise the detailed voluntary redundancy request including a discretionary payment in lieu of notice.
- (3) A final structure be proposed to the following meeting of Cabinet.

REASON FOR DECISION - Members were asked to note an update on the review in advance of a final report being submitted to the following meeting in order to keep them apprised on progress and developments. Consideration of requests for voluntary redundancy at this point in the consultation period would shape a final structure that will not only potentially avoid further redundancy (where possible) but also deliver an effective and efficient service going forward.

OTHER OPTIONS CONSIDERED AND REJECTED – There were no alternative options considered and rejected.

(Governance Manager)
(Paragraphs 1, 2 & 3)

85 Urgent Business (Private Session)

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