

EXECUTIVE

Minutes of a meeting of the Executive held in Chamber Suites 1 and 2, The Arc, Clowne, on Monday, 27 April 2015 at 1000 hours.

PRESENT:-

Councillor E. Watts OBE in the Chair

Members:-

Councillor R. Bowler, D. Kelly, B. Murray-Carr, K. Reid, A. Syrett and A. Tomlinson

Officers:-

W. Lumley (Chief Executive), B. Mason (Executive Director – Operations), P. Hackett (Executive Director – Transformation), L. Hickin (Assistant Director – Leisure), S. Brunt (Assistant Director – Streetscene), P. Campbell (Assistant Director – Community Safety and Head of Housing), S. Chapman (Housing Strategy Manager), J. Fieldsend (Senior Principal Solicitor), M. Broughton (Commercial Property and Developments Manager), S. Chambers (Communications Manager) and M. Kane (Governance Manager)

1039. APOLOGIES FOR ABSENCE

There were no apologies for absence given at this meeting.

1040. URGENT ITEMS OF BUSINESS

There were no items of urgent business to be considered at this meeting.

1041. DECLARATIONS OF INTEREST

Councillor B. Murray-Carr declared a significant other interest in item 10, Shirebrook Contact Centre, and would leave the meeting for that item.

1042. MINUTES OF EXECUTIVE HELD ON 30 MARCH 2015

Moved by Councillor E. Watts OBE and seconded by Councillor A. Tomlinson.

RESOLVED that the minutes of the meeting of Executive held on 30 March 2015 be approved as a correct record and signed by the Chairman.

(Governance Manager)

1043. RECOMMENDED ITEMS FROM OTHER STANDING COMMITTEES

There were no items recommended from other standing committees.

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1044. INVESTMENT OF SECTION 106 CONTRIBUTIONS IN VARIOUS SPORT AND RECREATION SCHEMES ACROSS THE DISTRICT

Executive considered a report of the Portfolio Holder for Leisure which sought approval for the investment of monies received as formal and informal commuted sums through Section 106 Agreements with developers in projects with a value in excess of £50,000.

As part of the planning process, and particularly for new housing developments, the Council had entered into a number of Section 106 Agreements with developers for the delivery of community facilities. These could be provided by the developer as part of the development or a commuted sum could be negotiated for off-site provision, particularly the enhancement or improvement of an existing facility.

Over the last few years the Council had received significant amounts of money as commuted sums to be invested in providing new or improved leisure and recreation or sports facilities. The report sought approval for the investment of the following commuted sums which would enhance and improve a number of facilities across the District:-

- £52,000 for the drainage of football pitches at Common Meadow Recreation Ground, South Normanton.
- £79,963 for drainage works to football pitches at Common Meadow Recreation Ground and South Street Recreation Ground, South Normanton.
- £60,000 for a 7v7 3G Multi-Use Games Area at Frederick Gent School, South Normanton.
- £83,000 for the enhancement and improvement of Vale Park, Carr Vale.

Moved by Councillor A. Syrett and seconded by Councillor E. Watts OBE.

RESOLVED that:-

- (1) £52,000 of "formal" Section 106 monies be invested in the drainage of the football pitches at Common Meadow Recreation Ground, South Normanton.
- (2) Pitch drainage works up to the value of £80,000 be procured as a single contract to cover Common Meadow Recreation Ground and South Street Recreation Ground, South Normanton.
- (3) £60,000 of Section 106 monies be invested from the Joint Service Centre, South Normanton in a new 7v7 3G MUGA at Frederick Gent School, subject to securing additional funding from the Football Foundation.
- (4) £83,000 of "informal" Section 106 commuted sum be invested in the enhancement and improvement of Vale Park, Carr Vale.

REASON FOR DECISION:

All of the schemes outlined complied with the requirements set out in the respective 106

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Agreements and met and identified the community need.

OTHER OPTIONS CONSIDERED: These were set out in section four of the report.

(Executive Director - Transformation)

1045. LOCAL AUTHORITY MORTGAGE SCHEME (LAMS) AND CUSTOMER SELF-BUILD SCHEME (CSB)

Executive considered a report of the Deputy Leader and Portfolio Holder for Regeneration which outlined details of the proposed development of a Local Authority Mortgage Scheme (LAMS) for Bolsover District and in particular sought approval to establish a non cash based LAMS. The report also outlined details of the Custom and Self Build Mortgage Scheme (CSB) and sought approval to establish a CSB Scheme following identification of suitable land assets and recommendation from the Asset Management Group.

The Local Authority Mortgage Scheme (LAMS) was aimed at first time buyers, providing help for those who could afford mortgage payments but not the initial deposit to get on the property ladder. Under the Scheme, Local Authorities set aside a sum of money to support a financial indemnity for the partner mortgage lender. If a potential buyer met the criteria applied by the lender and by the Local Authority to qualify for a mortgage under the Scheme then the Local Authority would provide a top-up indemnity to the value of the difference between the typical loan to value (LTV) and a 95% LTV mortgage.

The potential buyer would therefore obtain a 95% mortgage on similar terms as a 75% mortgage but without the need to provide the substantial deposit usually required. The indemnity would be in place for a fixed five year period for each mortgage granted under the Scheme and may be extended for a further two years if a mortgage were in arrears in the last six months of the initial five year period. LAMS were administered nationally by Capita Asset Service who provided the procurement framework for financial institutions to be selected from and would support the Local Authority throughout the life cycle of its LAMS.

Capita had met with members and officers in July 2014 to set out the LAMS Scheme and the CSB Scheme. At this time members were keen to roll out LAMS and CSB locally but due to the launch of the Government's Help to Buy Scheme a lender could not be identified. Capita Asset Services had now secured Leek Building Society to partner with Bolsover District Council and to offer LAMS and the Custom and Self Build Scheme locally.

Leek Building Society offered a non cash backed land scheme meaning that the indemnity was unfunded. Under a non cash backed scheme the funding would remain with the Council and was only called upon in the event of a default leading to a mortgage repossession of the property. This indemnity funding would be available for each mortgage provided for a period of five years and after this time the lender would assume full responsibility for the mortgage and any future defaults. The Local Authority would receive a premium of a fixed amount per mortgage completion, typically in the region of £500 per mortgage.

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To launch LAMS the Council was required to determine a criteria based on total indemnity, maximum loans size and postcode included. It was felt that the total indemnity should be set at the lowest level agreeable with any lender (£500,000) and the maximum loan set size be set at £150,000 based on evidence from Hometrack and advice from Capita. Given that households across the District struggled to access home ownership it was felt that it should cover all postcodes and not be restricted to certain areas.

In relation to the CSB Scheme, members were advised that Capita had been working with partners to develop something which was aimed at supporting households who wished to undertake custom or self builds to secure a mortgage. It provided 95% LTV LAMS mortgaged to the self builder and as such fully incorporated the LAMS as set out above.

Under CSB, the applicant would apply for a mortgage at the outset and, once granted, the 5% non-refundable deposit would be paid directly to the Local Authority. The Local Authority would then fund the cost of the build to completion at which point the mortgage would be provided by the lender and the initial outlay, including interest, would be repaid to the Local Authority.

The rest of the report set out benefits of the LAMS and CSB, together with examples of how it could work in practice.

Executive considered the report and raised issues relating to whether LAMS and CSB would be affected by Right to Buy. Members were advised that this matter would be explored in a policy to be agreed by Council in due course.

Moved by Councillor A. Tomlinson and seconded by Councillor E. Watts OBE.

RESOLVED that:-

- (1) Executive agrees to the development of and launch of a non cash backed LAMS for Bolsover District and notes the £1,500 administration fee which would be paid from existing budgets.
- (2) Executive delegates authority to the Executive Director – Operations, following consultation with the Deputy Leader, to launch a customer and self build mortgage support scheme following identification of suitable land assets or schemes to be agreed by the Asset Management Group.
- (3) Executive notes the £2,000 administration costs of establishing a CSB Scheme which would be paid from existing budgets.
- (4) Executive recommends to Council that the maximum level of indemnity be set at £500,000 with a maximum loan size of £150,000.

REASONS FOR DECISION:

To assist first time buyers, boost the economy and thereby contribute to the Growth Strategy, increase affordable housing, decrease pressure on the Council's waiting list, provide a cash return for the Council and to meet statutory functions under the Self Build and Custom House Building Act 2015.

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OTHER OPTIONS CONSIDERED: As set out in section four of the report.

(Housing Strategy & Enabling Manager)

1046. LEISURE FACILITIES TOWARDS A SUSTAINABLE SERVICE – AWARD OF CONTRACT

Executive considered a report of the Portfolio Holder for Leisure which sought approval of an award of contract to deliver the enhanced leisure facilities at Clowne.

Council had agreed in February 2015 that £4m be set aside made up of £2m from Transformation Reserve and £2m from Prudential Borrowing, to fund and enhance leisure facilities at Clowne. Subsequently, the Chief Executive, following consultation with the Leader and Deputy Leader, approved the most appropriate procurement exercise which was via the Suffolk Coastal OJEU procurement exercise to identify and appoint a strategic leisure developer partner.

The successful contractor arising from the procurement exercise was Pulse Leisure. It was accordingly recommended that Executive approve the appointment of Pulse Leisure as the successful contractor, subject to the Council securing planning permission for the proposed development and any residual issues being satisfactorily resolved. The capital costs arising from the contract amounted to some £3,966m.

As part of consideration of the report, Executive was shown a short video showing a visual representation of the new facility.

Executive passed on their appreciation to the Executive Director – Transformation and Assistant Director – Leisure for all their work in getting the project to this stage.

Moved by Councillor A. Syrett and seconded by Councillor E. Watts OBE.

RESOLVED that:-

- (1) Executive approves the award of the contract to Pulse Fitness to deliver the enhanced leisure facilities programme at Clowne in line with their project proposal, which was attached to the report as Appendix C, agreed detailed specifications and subject to planning permission being secured and any residual issues being successfully resolved.
- (2) Executive delegates power to the Chief Executive to make any necessary changes to ensure the delivery of the enhanced leisure facilities programme within the approved budget and within the proposed timescales following consultation with the Leader and Deputy Leader of the Council.
- (3) Officers provide updates and progress reports as necessary.

REASONS FOR DECISION: To select a strategic leisure partner via the most appropriate, cost effective and risk mitigated procurement route.

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OTHER OPTIONS CONSIDERED: For the Council to undertake its own procurement exercise but this was rejected due to the successful outcome of the Suffolk Coastal exercise which mirrored this Council's requirement. This procurement exercise would incur significant costs and be time consuming, not securing economies of scale.

(Assistant Director – Leisure)

1047. THE LOCAL GOVERNMENT (ACCESS TO INFORMATION) ACT 1985

RESOLVED that under Section 100(A)(4) of the Local Government Act 1972 (as amended), the public be excluded from the meeting for the following items of business on the grounds that they involve the likely disclosure of exempt information as defined in the stated Paragraphs 1 and 3 of Part 1 of Schedule 12A of the Act and it is not in the public interest for that to be revealed.

PROV10. EXEMPT – PARAGRAPH 3 KERBSIDE RECYCLING (BURGUNDY BIN) CONTRACT EXTENTION

Executive considered a report of the Portfolio Holder for the Environment which sought approval of an extension to the Council's kerbside recyclable waste (burgundy bin) collection contract upon it reaching its fifth anniversary.

The Council had jointly procured its current kerbside recyclable waste collection service with North East Derbyshire District Council in 2010, further to which contracts were formed with the current service provider.

The contract period was five years with the option to extend for two one year periods in 2015/16 and 2016/17, allowing the contract to run for seven years by way of agreement. The contract would reach the end of its fifth year at 31 October 2015 and the report was concerned with exercising the option to extend the contract up to a further two years, expiring on 31 October 2017.

The report set out the required revisions to the contract in light of the changed market for recyclables. The projected cost based on the revised rate was £509,670.

Moved by Councillor D. Kelly and seconded by Councillor E. Watts OBE

RESOLVED that:-

- (1) The Council's kerbside recycling contract with H W Martin be extended from 1 November 2015 up to a further two years ending 31 October 2017 in accordance with clause 5.1 (conditions of contract) as set out at paragraph 2.2 of the report.
- (2) The range of materials collected be extended to include wax food packaging and the original contract varied to allow this.

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REASON FOR DECISION: By extending the current contract the Council was securing an arrangement which was affordable and more advantageous than the price which would be secured on the market.

OTHER OPTIONS CONSIDERED: To re-tender the Council's kerbside recycling contract rather than extending the existing contract. That approach was considered to present greater uncertainty for the Council as the current market for recycled materials was poor and this would influence any contract which was negotiated.

(Assistant Director - Streetscene)

Councillor B Murray-Carr left the meeting at this point in proceedings having declared a significant other interest.

1048. EXEMPT – PARAGRAPH 3 SHIREBROOK CONTACT CENTRE

Executive considered a report of the Deputy Leader and Portfolio Holder for Regeneration which sought approval from members for the capital investment in a new contact centre for Shirebrook.

Over a number of years it had been evident that the Council's contact centre in Shirebrook was in need of significant capital investment and was limited in terms of service delivery as the reception area was not adequate to facilitate the channel shift to online access and there were no meeting facilities for discreet or confidential discussions with customers. In addition, the staff conditions were poor, with no natural light or ventilation, no area for lunch breaks and poor control of heating in winter due to storage heaters.

In recent times a number of alternative locations and options had been explored but these had been ruled out due to service needs. Over the past few months officers had negotiated with the Town Council for a joint investment in the Town Council owned market store. The building sits on the Market Square and has planning consent for conversion into offices. The location and proposed area are appropriate for service delivery and future changes.

The District Council would be investing £188,000 into the new contact centre in partnership with the Town Council.

Moved by Councillor A. Tomlinson and seconded by Councillor E. Watts OBE.

RESOLVED that:-

- (1) Authority be delegated to the Assistant Director – Property and Estates to enter into a lease agreement with Shirebrook Town Council on the terms outlined in the report and to make any subsequent changes to the lease agreement.

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- (2) The £188,000 of costs are funded from either capital resources or from the Transformation Reserve.
- (3) Executive endorses the Property and Estates Team to market the existing Shirebrook Contact Centre for letting or disposal following completion of the new development.

REASON FOR DECISION: To improve the service to customers by enabling online provision, improving accessibility and discreet meeting facilities for customers with sensitive issues and to provide a modern, efficient facility which has lower operational repair costs.

OTHER OPTIONS CONSIDERED: Invest the capital in the existing premises which would improve the condition of the building but fail to address the current service limitations.

(Assistant Director – Property and Estates)

Councillor B Murray-Garr rejoined the meeting at this point.

1049. EXEMPT – PARAGRAPH 3 HRA ACQUISITION AND DISPOSAL

Executive considered a report of the Deputy Leader and Portfolio Holder for Regeneration which set out a number of Housing Revenue Account (HRA) acquisitions and disposals across the District.

These included:-

- Disposal of Meadow Lane Depot, South Normanton and Park Lane, Pinxton.
- Acquisition of the former Blackwell Hotel site and decommissioning of the garage site adjoining the Hotel.

In addition, the report set out the outcome of the tender evaluation exercise to appoint a construction partner for the delivery of new build council homes and sought approval to progress the development of the HRA sites.

Executive passed on their appreciation to staff for all their work on this project.

Moved by Councillor A. Tomlinson and seconded by Councillor K. Reid.

RESOLVED that Executive:-

- (1) Purchases the former Blackwell Hotel site, Blackwell, using HRA funds.
- (2) Decommissions the Primrose Hill garage site and develops it as new build council housing.

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- (3) Notes the proposed approach to identifying gaps in land and buildings availability and opportunities within the private sector to deliver new build council homes.
- (4) Disposes of Meadow Lane Depot, South Normanton and Park Lane, Pinxton, to Futures Housing for the provision of new build affordable housing and “tops up” the Development Fund back to £70,000 to support future development.
- (5) Notes the outcome of the tender evaluation exercise to appoint Woodhead Living as the Council’s construction partner for the delivery of new build council homes.
- (6) Approves the development of the HRA sites as specified below for new build council homes:

	Number of units
Fir Close, Shirebrook	6 units
Derwent Drive, Tibshelf	12 units
Recreation Close, Clowne	1 unit
Rogers Avenue, Creswell	7 units
Blackwell Hotel Site	7 units
Total	33

- (7) Recommends to Council that a sum of £3,883,100 be approved to fund the schemes through use of prudential borrowing.

REASON FOR DECISION: To assist with the regeneration of the District.

OTHER OPTIONS CONSIDERED: These were covered in the report.

(Commercial Property and Developments Manager)

1050. EXEMPT – PARAGRAPH 3 HOUSING CONTRACTS

Executive considered a report of the Portfolio Holder for Housing which advised members of contracts that had been let and sought retrospective approval for these contracts.

Executive was asked to grant retrospective approval for the following contracts:

- (a) Damp proof work – awarded to Baggaley and Jenkins Remedial. Estimated Value of £75,000 per year. This is a two year contract from April 2014.

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- (b) Scaffolding – awarded to Dark Scaffolding. Estimated value was £40,000 per year. This was a two year contract with the option of two extensions each of one year.
- (c) Asbestos Removal – awarded to Kaefer through the EEM framework. Estimated value was £40,000 per year. This was a two year contract with the option of two extensions each of one year.
- (d) Solar Panels at Park Fields awarded to Nationwide Solar. The cost was around £28,000 for one installation.
- (e) Solid Fuel Servicing awarded to Sure Group. Estimated value was £15,000 for two month contract.

Moved by Councillor K. Reid and seconded by Councillor E. Watts OBE.

RESOLVED that:-

- (1) Executive retrospectively approves the following contracts:-
 - (a) Damp proof work – awarded to Baggaley and Jenkins Remedial. Estimated Value of £75,000 per year. This is a two year contract from April 2014.
 - (b) Scaffolding – awarded to Dark Scaffolding. Estimated value was £40,000 per year. This was a two year contract with the option of two extensions each of one year.
 - (c) Asbestos Removal – awarded to Kaefer through the EEM framework. Estimated value was £40,000 per year. This was a two year contract with the option of two extensions each of one year.
 - (d) Solar Panels at Park Fields awarded to Nationwide Solar. The cost was around £28,000 for one installation.
 - (e) Solid Fuel Servicing awarded to Sure Group. Estimated value was £15,000 for two month contract.
- (2) All future contracts let through the EEM framework be reported to Executive.

REASON FOR DECISION:

To enable members to retrospectively approve the contracts set out above.

OTHER OPTIONS CONSIDERED:

Direct tendering for the work, however, this was time consuming and did not provide the same level of saving.

(Assistant Director – Community Safety and Head of Housing)

The meeting concluded at 1112 hours.