

Time began: 6.00pm

Time ended: 7.15pm

**COUNCIL CABINET
7 October 2015**

Present Councillor Banwait (Chair)
 Councillors Afzal, Bolton, Hussain, Rawson, Repton and Russell

In attendance Councillors Holmes and Jones and Philip Hutchinson (Youth
 Mayor)

66/15 Apologies

Apologies for were received from Councillors Eldret, Graves and Shanker.

67/15 Late Items

In accordance with Section 100(B) (4) of the Local Government Act 1972, the Chair agreed to admit the following late items on the grounds that they should be considered as a matter of urgency because a decision was required before the next meeting:

- Becketwell Redevelopment Area – Permission to Commence Negotiations for the Acquisition of Property
- Dilapidations Settlement in Respect of Youth House Mill Street

68/15 Receipt of Petitions

There were no petitions received.

**69/15 Identification of Urgent Items to which Call In will not
 Apply**

There were no items.

70/15 Declarations of Interest

There were no declarations of interest.

71/15 Minutes of the meetings held on 9 September 2015

The minutes of the meetings held on 9 September 2015 were agreed as a correct record and signed by the Chair subject to the inclusion of Philip Hutchinson – Youth Mayor in the list of attendance.

Matters Referred

72/15 Recommendations from Corporate Scrutiny and Governance Board

The Council Cabinet considered a report on Recommendations from Corporate Scrutiny and Governance Board. The Corporate Scrutiny and Governance 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 2, prior to commencement of the meeting.

Decision

To receive the report and accept all the recommendations from the Corporate Scrutiny and Governance Board.

Key Decisions

73/15 East Midlands Regional Children's Framework for Independent Foster Agencies and Children's Homes Providers

The Council Cabinet considered a report which provided an overview of changes in relation to the East Midlands Regional Children's Framework (EMRCF), which was the principle mechanism for sourcing placements for children where there was no identified in-house provision that could meet the child's needs.

The framework was due to end on 31 January 2016 and was currently being re-procured. A recent review of its effectiveness had been undertaken to support the development of the new specification.

The number of placements Derby City Council were sourcing externally had increased, which was impacting on the overall cost of placements.

The Corporate Scrutiny and Governance Board endorsed the report as a means to achieving externally sourced placements as affordably as possible. The Board also recognised the on going necessity to promote foster caring through the local authority to meet the needs of foster children while achieving the best value for money.

Options Considered

Exiting the EMRCF would mean that Derby City Council must make alternative arrangements for either the spot purchase of agency residential and foster provision or the creation of our own framework. These options would require more resource and time to put in place and would lead to reduced spending power and a significant cost increase.

Decision

1. To note the report.
2. To approve Derby City Council's continued participation in the EMRCF for sourcing independent fostering and children's home placements.
3. To note the recommendations of the Corporate Scrutiny and Governance Board.

Reasons

1. Working regionally to re-tender and procure via the framework would minimise the administration costs involved. It would also enable the East Midlands Local Authorities (LA's) collectively to exert more influence over the market, quality and cost of these critical services.
2. The framework contributed to improvements in the efficiency and effectiveness of commissioning across the region, including:
 - Reduction in duplication of commissioning activity
 - Reductions in expenditure on high cost placements for small numbers of children and young people with complex needs, through more effective market management and joint negotiation with providers
 - Improved matching of needs and services for children and young people reducing inappropriate provision.

74/15 Kedleston Road Training Centre Redevelopment

The Council Cabinet considered a report on Kedleston Road Training Centre Redevelopment. To support the delivery of the property rationalisation programme, the Council had been seeking to reduce the number of buildings occupied by Children and Young People (CYP).

CYP, Strategic Asset Management and Transformation had been developing a solution to meet the requirements of the relocation of the CYP Quality Assurance Service from Eastmead, Duffield Road, Derby.

The report sought approval to the refurbishment of part of the Kedleston Road Training Centre and the relocation of the CYP Quality Assurance Service provision from Eastmead.

The proposal to refurbish the Kedleston Road Training Centre was estimated to cost £560,000.

The benefits for the proposed re location were that it:-

- Would support the creation of a more fit for purpose facility for delivery of the Safeguarding elements of the CYP Quality Assurance Service.
- Would facilitate the increased utilisation of the Kedleston Road Training Site.
- Would make Eastmead 107 Duffield Road, Derby surplus to requirements, and would enable the disposal of a building which had Council Cabinet approval.
- Bring the CYP Quality Assurance Service onto a single site.

The Corporate Scrutiny and Governance Board supported the proposals subject to the reconfiguration of the car park being achieved to alleviate existing and new pressures as best as possible.

Options Considered

1. Remaining within the Eastmead site would require its refurbishment at an estimated cost of £300,000. This had been discounted due to the cost of the works and it would mean that the service remained in accommodation that was not fit for purpose.
2. Building a new structure within the grounds of Kedleston Road was discounted due to the costs of the proposal.
3. Expanding into space within Kedleston Road had been discounted due to the costs, time and related dependencies for delivering this solution.

Decision

1. To undertake the refurbishment of part the Kedleston Road site, the details of which were set out in paragraph 4.9 of the report, to enable the relocation of the CYP Quality Assurance Service from Eastmead, 107 Duffield Road, Derby.
2. To approve the amendment to the 2015/16 – 2017/18 capital programme to increase the property rationalisation scheme, within the property improvement programme, by £239,000 to provide capital of £560k to deliver the project. This would be funded from carried forward capital receipts already earmarked for the Property Rationalisation programme.
3. To approve the procuring of a contract to undertake the proposed works to the Kedleston Road Training Centre.
4. In the event that there was change in the use of the Kedleston Road site by Derbyshire County Council, a further review of the site would be undertaken.
5. To accept the recommendation of the Corporate Scrutiny and Governance Board to reconfigure the car park to alleviate existing and new pressures as

best possible.

Reasons

1. To enable the CYP Quality Assurance Service to move from outdated accommodation that was no longer fit for purpose and in poor condition.
2. The increased utilisation of the Kedleston Road Training Centre and make better use of the Council's property portfolio.
3. The proposal contributed towards the objectives of the Property Rationalisation Programme.
4. To enable the disposal of Eastmead, 107 Duffield Road, Derby.
5. To bring the CYP Quality Assurance Service onto a single site and improve the quality of the service provision.

75/15 European Structural and Investment Fund Strategy 2014-2020 - Successful Expressions of Interest

The Council Cabinet considered a report on European Structural and Investment Fund Strategy 2014-2020 - Successful Expressions of Interest. In March 2015 Department for Communities and Local Government (DCLG) released early calls for European Regional Development Fund (ERDF) in D2N2 the following calls had been issued;

- Priority Axis 1 – Promoting Research and Innovation
- Priority Axis 3 - Enhancing the Competitiveness of SMEs - £12.5m
- Priority Axis 4 – Supporting the Shift towards a Local Carbon Economy

The Council responded to these calls, working collaboratively with partners within the Derby and Derbyshire area (D2) to prepare a number of outline applications to meet the submission deadlines at the end of May 2015 (as reported through an Urgent Leaders Cabinet Member meeting in May 2015). Decision letters for the projects had been received following the D2N2 ESIF Programme Sub Committee meeting in July 2015. The report set out the decisions on the projects the Council was involved as a lead or delivery partner. Projects being developed to full application required confirmation of the Councils match funding.

Following the submission of an outline D2N2 wide proposal for Technical Assistance, a full application was expected to be supported. The Council had agreed in principle to be the Accountable Body for this bid, in the ESIF Technical Assistance report considered by Council Cabinet in July 2015. Initial feedback to the Expression of Interest had been positive and a decision was expected in the coming weeks. Assuming the proposal proceeds to full application, confirmation of the Council's match funding along with agreement to act as the Accountable Body role would need to be made.

A further ERDF call was issued at the end of July 2015;

- Priority Axis 2 – Enhancing Access to, and Use and Quality of, Information and Communications Technology - £3.8m

The Council was working collaboratively with D2N2 Local Authorities to develop an Expression of Interest.

D2N2 had started a consultation exercise to help shape a “Community Programme” that could utilise over £4m (combined ESF and ERDF resources) from the ESIF programme – for community led solutions to local economic development issues. For example the programme could support activities to tackle low business start-up in a community, local low carbon initiatives or skills and employment. The Council had fed into this consultation. A draft proposal for the Community programme was considered by the D2N2 ESIF Programme Sub Committee in September 2015.

The purpose of the report was to outline the Expressions of Interests that had been successful, set out the next steps in the application process, the role of the Council as an Accountable Body or Delivery Partner and sought approval of match funding required to take the projects forward. The report also provided an update on other activity within the ESIF programme.

The Corporate Scrutiny and Governance Board endorsed the proposals in the report.

Options Considered

1. The City Council could develop projects for the ESIF programme without engaging with partners outside of the City. However projects that were strategic and could demonstrate an impact across the D2N2 area were being encouraged through the ESIF programme and were more likely to be successful.
2. The Council could respond to the D2N2 ESIF Programme without dedicated staff resource. The risk in this approach was that it could lead to a response that lacked co-ordination and the full benefit of the ESIF Programme was not realised for the City.

Decision

1. To note the outcome of the first ERDF calls.
2. To approve the Council's match funding for ESIF projects supported to full application, set out in the table at Appendix 2 of the report.
3. To approve the Council's role in ESIF projects supported to full application, as Accountable Body or Delivery Body, as set out in the table at Appendix 2 of the report.
4. To delegate to the Acting Strategic Director of Communities and Place and the

Director of Finance, following consultation with the Cabinet Member for Communities and City Centre Regeneration, the agreement of the final detailed project budgets and match funding contributions of the projects identified in Appendix 2 of the report and the submission of full application.

5. To agree for officers to continue to work with Local Authority partners to develop a D2N2 collaborative bid for the Priority Axis 2 ICT call and submit an Expression of Interest to meet the deadlines.
6. To agree for officers to work towards identifying indicative Council match funding to support the ICT Expression of Interest which would be brought to a future Council Cabinet meeting for final determination.
7. To note proposals for the Community Programme and the Council's input the consultation exercise.

Reasons

1. The Council had been involved in a number successful Expressions of Interest for the first ERDF call of the EU Structural and Investment Fund 2014-2020 (ESIF). The table at Appendix 2 of the report provided details of the projects, D2N2 Programme Sub Committee decisions and requirements for taking the project forward to full application.
2. To take forward full applications required match funding contributions to be confirmed with evidence that the total funding package was in place.
3. The Council's role in ESIF projects was either as a project lead and Accountable Body or a Delivery Partner. As Accountable Body the Council was responsible for managing Delivery Partners to deliver the project to achieve approval financial and output targets, establishing robust systems that fulfilled EU audit requirements and to collate and submit compliant claims. There was a level of risk associated with fulfilling this role, however the Council had experience of acting as Accountable Body for EU projects and any costs associated with fulfilling this role would be built into funding bids.
4. Feedback from decisions made on the first ERDF call was that proposals that demonstrated wider benefits across the D2N2 area, were more likely to be prioritised. Therefore officers were working collaboratively with the other three upper tier authorities (Derbyshire County Council, Nottingham City Council and Nottinghamshire County Council) to develop a D2N2 wide bid through the ICT call. The report was seeking in principle approval for the Council to be a Delivery Partner within the ICT bid and to work towards identifying indicative match funding of up to £300,000 over a three year period.
5. An outline D2N2 wide bid had been submitted to access Technical Assistance (TA) which provided an opportunity for the Council to access funding through the ESIF programme to increase staffing. We were proposing to work collaboratively with Derbyshire County Council to secure TA support for two External Funding Officers, one for ERDF and one for ESF. The officer's time

would be split 50/50 across Derby and Derbyshire. The Council would need to contribute £65,000 over a three year period to secure this resource.

6. Proposals had started to be developed for a D2N2 ESIF Community Programme. Council officers had an opportunity to feed into this consultation exercise in August 2015 through a workshop, a summary of this input was provided at Appendix 4 of the report. Initial feedback from this consultation exercise would be considered at the D2N2 ESIF Programme Sub Committee.

76/15 Protecting Derby Residents from Poverty

The Council Cabinet considered a report on Protecting Derby Residents from Poverty. The Government's Emergency Budget on 8 July 2015 contained a number of welfare reform changes that would impact the residents of Derby and inform the way in which the Council could best support our residents.

The welfare reforms set out by the Government in the budget had three key themes:

- Reducing welfare expenditure
- Introducing policies to change behaviour from welfare to work, and
- The implications for Local Authorities

Whilst the council believed in assisting people back into employment that enabled them to achieve and maintain decent living standards, it believed in a minimum safety net to ensure the most vulnerable in Derby did not fall into a situation of desperate poverty they would struggle to get out of. The Council was concerned that the changes would have an adverse rather than positive impact overall. For example the number of people in work and in poverty was increasing and so was the number of working people relying on food banks.

The likelihood for Derby was that these welfare changes would increase demand for discretionary services such as Discretionary Housing Payments (DHP), Council Tax Hardship payments (CTH) and Local Assistance Scheme awards (LAS) at a time when Government funding for these awards was significantly reducing.

Each of these discretionary schemes had its own policy and were all managed independently of each other, with many residents making multiple applications to all three of them, increasing the cost to administer the three schemes.

The DHP policy was paid to successful applicants as a contribution to the cost of their rent, whilst the CTH policy was a discount against the individual's Council Tax liability. The LAS offered those in most need food parcels, utility 'top-ups' and home starter packs.

Central Government provided the Council with a DHP grant each financial year. During 2014/15 the funding received was £652,164, whilst the allocation for 2015-16 was £475,669 a reduction of £176,495. Although the Emergency Budget on 8 July 2015 stated there would be an additional £800m made available to Local Authorities over the next five years to help the most vulnerable Housing Benefit claimants there were no details about what could be Derby's share.

The Council allocated funding to both the CTH and LAS schemes at £200,000 and £212,000 per year though the current budget cuts places pressure on all non statutory expenditure.

A recent review of the take up of these three discretionary awards was suggesting that these multiple single interventions kept the individual within the discretionary award system.

Options Considered

DHP Policy

1. Write the DHP policy for 2015-16 to match the Government grant

This option would ensure the Council only spend the amount in the Government grant.

This option had been rejected because our current spend had exceeded the Government grant. This option would also put the Council in conflict with existing case law as detailed in Appendix 1, section 2.1 of the report.

2. No change.

This option would quickly become unaffordable as the welfare changes increased demand for these services whilst funding was reduced.

Welfare Strategy

3. No Welfare Strategy

To continue with multiple single interventions would not achieve the financial or support benefits of our co-ordinated strategy.

Decision

1. To agree the principles of a Derby Welfare Strategy for Derby to be implemented from April 2016. These principles of a proposed Strategy were outlined in paragraph 4.2 of the report.
2. To implement a revised DHP policy to 31 March 2016, detailed in paragraph 4.5 and set out at Appendix 2 of the report.
3. To allocate funding from Local Assistance reserves for 2015-16.
4. To investigate alternative and more innovative ways to secure grants to help deliver Derby's Welfare Strategy.
5. To bring a detailed Welfare Strategy for 2016 onwards to a future Council Cabinet for approval.

Reasons

1. A Welfare Strategy with a single discretionary award policy, managed through one team would provide a consistent and informed programme of support to help residents access the benefits they were entitled to whilst at the same time moving them towards financial independence and out of the discretionary awards system.
2. A single discretionary award policy with a single needs assessment would help to lessen the future welfare burden on Derby City Council whilst ensuring those in most need got a more comprehensive programme of support.
3. This Strategic approach would reduce the number of single interventions, reducing the administrative costs and give the resident a clear support plan over a defined period of time.
4. The table in section 1.2 of Appendix 1 of the report showed that the forecast DHP spend as at 8 September 2015 was £73,386 above the Government grant. The forecast DHP spend would continue to rise with the receipt of new applications. The allocation of £369,331 to the Government grant of £475,669 would help to ensure that the Council operated DHP awards within the parameters of existing case law, as detailed in Appendix 1 section 2.1 of the report.
5. Identifying new and different sources of funding would help deliver more sustainable interventions designed to help residents develop their skills and confidence moving them closer to and into work.

Contract and Financial Procedure Matters

77/15 Contract and Financial Procedure Matters Report

The Council Cabinet considered a report on Contract and Financial Procedure Matters. The report dealt with the following items that required reporting to and approval by Council Cabinet under Contract and Financial Procedure rules:

- changes to the current 2015/16 capital programme.
- write off of bad debts

The Corporate Scrutiny and Governance Board recommended to the Cabinet Member that the process for pursuing those with unpaid debts be reviewed to ensure every possible avenue had been exhausted prior to bad debts being proposed for write-off to include consideration of pursuit through the courts where appropriate.

Decision

1. To approve changes, additions and progression of these on the capital programme in section 4 of the report.

2. To approve the write off of bad debts in Housing and Council Tax Benefit in the Organisation and Governance directorate as detailed in section 5 of the report.
3. To accept the recommendation of the Corporate Scrutiny and Governance Board that the process for pursuing those with unpaid debts be reviewed to ensure every possible avenue had been exhausted prior to bad debts being proposed for write-off to include consideration of pursuit through the courts where appropriate.

Performance

78/15 Adults Social Care Use of Resources Peer Challenge Findings 2015

The Council Cabinet considered a report on Adults Social Care Use of Resources Peer Challenge Findings 2015. The Council welcomed external review of its services and used peer challenge reviews on a regular basis to assess the quality of outcomes delivered and support improvement planning in an open and transparent way.

In early 2015 Derby requested a LGA led 'Use of Resources' Peer Challenge Commissioned through the Strategic Director Adults Health and Housing (AHH). Derby sought an external view of the effectiveness of their use of resources in Adult Social Care. This was focused on two key lines of enquiry; (a) value for money in the quality of services and outcomes for customers with the available budgets and (b) governance arrangements for budget risk and risk to individuals.

The report presented a summary of the findings as detailed in a letter to the Strategic Director of AHH (Appendix 2 of the report). The peer challenge team agreed with the majority of the evidence presented and identified some key strengths recognising Adult Social Care at Derby as "very self-aware, well led and very well run with savings made in most areas whilst quality had been maintained in many services". Overall the Council was judged to be delivering best value with evidence of good progress but needed to monitor costs with room for some improvement in governance arrangements.

Actions for improvement had been identified and incorporated into business plans for 2015/16. Progress on actions would be monitored during 2015/16 to inform our strategic planning and act as marker on our improvement journey. The findings letter would be published on the Council's website.

Decision

To note the findings of the Use of Resources Adult Peer Challenge.

79/15 Council Scoreboard 2015/16

The Council Cabinet considered a report on Council Scoreboard 2015/16. To make sure Chief Officers and Members remained cited on key performance outcomes, Derby City Council developed a 'Council Scorecard' in April 2010, which was a small basket of priority performance measures reported on each quarter. Derby, like other Councils, was subject to regular monitoring against hundreds of performance measures and the Council Scorecard allowed leaders to focus on the areas that they had decided 'mattered the most'.

Each year the scorecard was subject to review and refresh to make sure that it remained focused on the outcomes that were most relevant at the time. For 2014/15 there were a total of 67 performance measures that cut across all services and were structured into four areas that reflected the principles of 'balanced scorecard'...

- Business processes.
- Community.
- People.
- Value for money.

The content of the 2014/15 Council Scorecard was mapped to priorities within the Council Plan 2014/15. A refreshed Council Plan for 2015/16 was published in April 2015 setting out Derby City Council's commitment to four pledges; safe, strong, ambitious and resilient.

The report presented Council Cabinet with a refreshed Council Scorecard for 2015/16, which was aligned to the Council Plan and most appropriately reflected current key performance / budget risks that Chief Officers and Members need to be reviewing outcomes against on a regular basis (Appendix 2 of the report).

The report in Appendix 2 of the report also included performance monitoring information for indicators within the refreshed scorecard for quarter one (April to June 2015). 77% of measures were forecast to meet or exceed the year-end target (where data was available). A full performance monitoring report would be presented to Council Cabinet for quarter two in November 2015.

The Corporate Scrutiny and Governance Board had performance as a standing item on their agenda and may select areas for further consideration on the basis of this report.

The Corporate Scrutiny and Governance Board supported the report and requested that compliance with e learning continue to be monitored and reported back to a subsequent meeting of the Board.

Decision

1. To note the refreshed structure of the scorecard (paragraph 6.3 of the report) and the revised methodology used to refresh the Council Scorecard for 2015/16 (paragraph 6.4 of the report).

2. To approve the Council Scorecard 2015/16 (which would be used as the basis for performance monitoring of key measures during 2015/16).
3. To note the 2015/16 quarter one performance results and give particular attention to the indicators which were identified as under-performing.
4. To note that Corporate Scrutiny and Governance Board review performance on a regular basis and may select indicators for Performance Surgery on the basis of the report.
5. To accept the recommendation of the Corporate Scrutiny and Governance Board to request that compliance with e learning continue to be monitored and reported back to a subsequent meeting of the Board.

80/15 Annual Report 2014/15

The Council Cabinet considered the Annual Report. The Council produces an Annual Report each year to publicise its achievements and progress made in delivering its Council Plan priorities.

The Annual Report had been produced in two parts. Firstly, a summary document which contained highlights and case studies for priorities contained in the Council Plan 2014/15 as shown in Appendix 2 of the report. This year the Annual Report included examples of feedback from service users in Adults and Children's services, demonstrating how the Council had made changes to service delivery to respond to those needs. The report also referred to our plans for 2015/16 and beyond, including our 15-year vision and Council Plan pledges for 2015-18.

Secondly, a consolidated version of the Annual Report which included the Statement of Accounts, Annual Governance Statement and Annual Performance Results would be published together online.

Subject to approval from Audit and Accounts Committee and Council Cabinet, the Annual Report would be published on the Council's website in October 2015.

The Corporate Scrutiny and Governance Board recommended that the Annual Report be shared more widely through groups such as Neighbourhood Forums to maximise its audience.

Decision

1. To approve the Annual Report 2014/15.
2. To accept the recommendation of the Corporate Scrutiny and Governance Board to share the Annual Report widely.

81/15 Exclusion of Press and Public

To consider a resolution to exclude the press and public during consideration of the following item

“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 involves the likely disclosure of exempt information as defined in paragraph 3 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”

Other

82/15 Becketwell Redevelopment Area – Permission to Commence Negotiations for the Acquisition of Property

The Council Cabinet considered a report which stated that the Becketwell Area had been identified for regeneration in the City Centre Master Plan 2030.

Decision

1. To authorise the undertaking of negotiations, if required, for the purchase of land and property in the Becketwell area.
2. To delegate authority to the Chief Executive following consultation with the Leader of the Council to agree to undertake negotiations for the purchase of any other land and property to support the redevelopment and regeneration of the Becketwell area.
3. To receive a report at a future meeting setting out the results of the negotiations authorised in paragraph 2.1 and 2.2 of the report.

83/15 Dilapidations Settlement in Respect of Youth House Mill Street

The Council Cabinet considered a report which set out details of a dilapidation claim served upon the authority in respect of Youth House, Mill Street Derby.

Decision

To authorise the full and final settlement of the outstanding Dilapidations Claim in respect of Youth House, Mill Street at the figure set out in paragraph 2.1 of the report using the budget set aside for this purpose.

MINUTES END