

Time began 6.00pm
Time ended 8.35 pm

**COUNCIL CABINET
27 APRIL 2004**

Present: Councillor Burgess – Chair
Councillors Allen, E Berry, Care, Carr, Webb and West

This record of decisions was published on 29 April 2004. The key decisions set out in this record will come into force and may then be implemented on the expiry of 5 clear days unless a decision is called in.

406/03 Apologies

Apologies for absence were received from Councillor P Hickson.

407/03 Late items to be introduced by the Chair

There were no late items.

408/03 Identification of Urgent Items to which Call In will not Apply

It was reported that, as the following items had to be implemented with immediate effect, the Chair of the relevant Commission had agreed that it could be treated as an urgent item and therefore not subject to call-in.

Items 11 and 23 Derby Schools PFI: Appointment of Preferred Bidder
(Minute Numbers 416/03 and 428/03 refer)

409/03 Declarations of Interest

Councillor Burgess declared a personal interest in Minute Number 418/03 as he was a Governor at St Chads (CofE) Infant School.

410/03 Minutes of the previous meeting

The Part 1 minutes of the meeting held on 6 April 2004 were approved as a correct record and signed by the chair.

Matters Referred to Council Cabinet

411/03 Improving Controls on the Sale of Age Restricted Goods

The Council Cabinet considered a report from the Planning and Environment Commission, setting out details of the Planning and Environment Commission's Review of the Sale of Age Restricted Goods. Councillors Bolton and Brown presented the recommendations of the Commission, which arose from the Commission's review of age, restricted goods, a full report of the review was attached to the report.

The recommendations set out in the report were as follows:

- To issue a nationally recognised proof of age card to all young people in Derby when they attain their 16th Birthday.
- To propose that the proof of age card scheme should be administered by the Council's Trading Standards Section.
- To ask the Council Cabinet to consider making the funds available that the Trading Standards Section would need to commence the proof of age card scheme in September 2004 and to operate the scheme for the first year.

Decision

- 1 To thank the Commission for the report and welcome its recommendations.
- 2 To request officers to investigate the full implications of the scheme, in particular where the revenue funding could be found for it and report back to a future meeting of the Council Cabinet.

412/03 Repositioning of Policy Directorate Services

The Council Cabinet considered a report from the Director of Policy, setting out the comments of the Scrutiny Management Commission, the three equalities committees and the Trades Unions on their response to the report on Repositioning of Policy Directorate Services, which was first brought to Council Cabinet on 16 March 2004.

Decision

- 1 To note the comments of the Scrutiny Management Commission, the three advisory committees and the Trades Unions.
- 2 To confirm the in principle approval given on 16 March 2004 to mainstreaming equality services within the Council and focusing work on community cohesion within Derby City Partnership.

413/03 Social Inclusion and the Physical Environment

The Council Cabinet considered a report from the Community Regeneration Commission, which considered recommendation nine of the original report to the Council Cabinet which stated that a Physical Environment Committee be created, comprising those portfolio holders responsible for land to achieve a co-ordinated approach and convergence of standards.

Decision

To note the comments of the Community Regeneration Commission, but to uphold the original decision made by the Council Cabinet on 13 January 2004 and confirmed at the meeting held on 16 March 2004.

414/03 Adaptations Funded Through Disabled Facilities Grant - DFG

The Council Cabinet considered a report from the Social Care and Health Commission, setting out their comments on the Council Cabinet report on the Adaptations funded through Disabled Facilities Grant. – DFG.

The Social Care and Health Commission recommended that Council Cabinet:

- note the 14% reduction in Derby's disabled facilities grant allocation by the Office of the Deputy Prime Minister for 2004/05.
- request the Director of Social Services to make a written representation to the Office of the Deputy Prime Minister to determine the reason for the reduction in the budget and to ask for it to be re-instated at its previous level.
- note the Commission's recommendation as contained in the Topic Review Report to employ a progress chaser to support the disabled facilities grant applications
- note the Commission's previous recommendations to establish block contracts for providing stair lifts and bathing facilities and request a report back to the Council Cabinet in six months' time detailing its progress.

The Council Cabinet noted that:

- discussions were taking place with the ODPM about the grant allocation formula which was based not only on the numbers of households claiming Disability Living Allowance and Attendance Allowance but took account of the average cost of DFG which was identified from the annual returns made by councils.
- an unsuccessful bid for the post of progress chaser was made by Social Services in the 2004/05 budget process, and that there was no funding

available to establish such a post, but that a bid would be made again in the 2005/06 budget process.

- the possibility of entering into partnership arrangements with appropriate stairlift companies and also local contractors involved in the adaptation process was being actively pursued and that a progress report on this and the establishment of block contracts would be reported to the Commission in October 2004.
- at its next meeting, the Council Cabinet would be asked to consider re-allocating an additional £250,000 for DFGs from elsewhere within the private sector housing capital programme for 2004/05 which would give, if approved, a total allocation of £1.4 million for DFGs.
- it was expected that Derby Homes would recommend using the opportunity presented by their additional allocation of £16m to achieve the Decent Homes target, to increase the amount available from £500,000 to £800,000 in 2004/05 to take spend back to the 2003/04 level.

Decision

- 1 To note the report of the Social Care and Health Commission.
- 2 To ask the Director of Policy to report back to the Social Care and Health Commission in October 2004.

Best Value

415/03 Best Value Review of Bereavement Services

The Council Cabinet considered a report from the Director of Commercial Services, setting out the terms of reference for the Best Value Review of Bereavement Services, which formed part of the 2003/06 programme of Best Value Reviews. Appendix 2 of the report included the terms of reference for the review, which included health and safety, cemetery regulations, service response and adequacy of building and site of the crematorium to meet current and future requirements.

Decision

To endorse the terms of reference for the Best Value Review of Bereavement Services as outlined in Appendix 2 of the report.

Urgent Key Decisions Not Subject to Call-In

416/03 Derby Schools PFI: Appointment of Preferred Bidder

The Council Cabinet considered a report from the Director of Corporate Services, setting out the next stage in the Derby Schools PFI to recommend a preferred bidder from the two short listed on 24 February 2004.

Options Considered

To defer the point at which a recommendation is made.

Decision

- 1 To thank the Officers, Headteachers, Chairs of Governors and other Project Board Members involved for their hard work in carrying out a thorough assessment of the proposed bidders.
- 2 To appoint Vinci Investments Ltd as the Preferred Bidder, and that officers be authorised to enter into negotiations with a view to establishing a final contract.

Reasons

- 1 The Council's interests would be best served through appointment of the consortium to design, build, finance and operate the schools in the Project – the Preferred Bidder – at the earliest appropriate time.
- 2 The analysis and evaluation of the bids received from Jarvis PLC and Vinci Investments Ltd on 12 December 2003 has now been completed, and the results of that process clearly indicate that of the two bids received, the bid submitted by Vinci Investments Ltd would be the more robust and advantageous to the Council.
- 3 The Project Board gave thorough consideration to both the evaluation process and the outcomes at its meeting on Friday 23 April, and was unanimous in its support for the recommendation made to the Council Cabinet on 27 April 2004.

Key Decisions

417/03 Improving the Foster Care Service for Derby

The Council Cabinet considered a report from the Director of Social Services setting out the results of the Best Value Review of services for Children Looked After, which highlighted the need to modernise the fostering service in order to improve recruitment and retention and maintain a high quality, local authority foster care service. The report set out a number of proposals for improvement, which included a foster carer respite scheme and carer training.

A report of the Social Care and Health Commission was tabled at the meeting, which formed Appendix 3 of the report, which welcomed the paper to Council Cabinet and acknowledged the steps that had been taken to improve Foster Care Services for Derby.

Options considered

- 1 Whilst the number of Looked After Children remained at the current level, the Council would continue to require a significant level of placement availability with its own foster carers. There was a range of potential options for increasing the attractiveness of fostering for Derby City Council.
- 2 Following consultation with carers it was not recommended at that point in time to develop a comprehensive payment for skills scheme. It was more important to respond quickly with a fair and simple means of both improving the allowances and giving some financial recognition to foster carers' service.
- 3 The report sought to identify potential actions across the whole area of recruitment and retention of foster carers to create a much improved package of financial and other support and benefits for carers. The existence of independent fostering agencies had shown that it was reasonable to expect some financial recognition for carers' contribution. Carers also expected that the authority would make reasonable provision in its fostering allowances to cover the costs of care. This option was an alternative to continuing to increase the percentage of placements bought from the independent sector. Doing nothing was not an option.
- 4 There were two areas where more detailed work was required; the contract carer scheme and the support services; it was not appropriate to hold back the improvements to the other areas outlined in the report whilst that work was completed.

Decision

- 1 To note the comments of the Social Care and Health Commission
- 2 To approve changes to the way Derby recruits, rewards, trains and supports foster carers
- 3 To agree a significant increase in the allowance levels paid for children and young people in foster care.
- 4 To introduce an annual remuneration payment for Local Authority foster carers, a qualification payment and a retention bonus for long service
- 5 To introduce a reward for successful introductions of new carers to the service.
- 6 To introduce a new respite care scheme for foster carers linked to the needs of specific children and young people.

- 7 To note the proposed arrangements for taking forward the future work needed to improve the fostering service in Derby.
- 8 To note the budget implications of these improvements.

Reasons

The need to modernise the fostering service was one of the major recommendations of the SSI/Audit Commission Joint Review and was clearly highlighted in the 2004/05 budget process due to the significant increased use of external agency fostering placement and the associated high costs for these.

Examination of what other authorities were doing gave a mixed picture of approaches used, but what was clear was that those authorities who provided greater investment and some form of reward tended to do better. Evidence at the time showed that if some change was not made in this direction, the recruitment and retention pressures would increase and the authority would not reduce its level of use of Independent Fostering Agencies, but there was less support for specific and regular remunerations and more support for positive and ongoing recognition as colleagues.

At this point Councillor M Burgess declared a personal interest in the following item as he was a Governor at St Chads (CofE) Infant School.

418/03 Education Service Capital Projects – Phase Two 2004/05

The Council Cabinet considered a report from the Director of Education, which set out Seed Challenge, Schools Access and Voluntary Aided schools' projects as detailed in the appendices to the report.

Options Considered

- 1 There was no option but to prioritise Seed Challenge Funding in accordance with the DfES funding criteria.
- 2 Voluntary Aided funding projects needed to be prioritised in accordance with the AMP Statement of Priorities and Local Policy Statement.
- 3 There was no option but to prioritise Schools Access Initiative funding to improve access to mainstream schools in accordance with the DfES funding criteria.

Decision

- 1 To approve Seed Challenge and Schools Access projects as outlined in Appendices 2 and 5 of the report.
- 2 To approve projects in Voluntary Aided schools as shown in Appendix 4.

Reasons

- 1 The Seed Challenge projects were in line with the requirements of Seed Challenge funding.
- 2 LEAs were required to co-ordinate the Voluntary Aided schools capital programme in conjunction with the Catholic Diocese and Church of England Diocese
- 3 The proposed schemes shown in Appendix 5 related to the use of Schools Access Initiative funding to assist the integration of children, parents, community users and staff with impaired mobility into mainstream schools. The Disability Discrimination Act (DDA), as amended by the Special Educational Needs (SEN) and Disability Act 2001, placed a duty on all schools and Local Education Authorities (LEAs) to plan to increase over time the accessibility of schools for disabled pupils.

419/03 Best Value Review of Development – Final report and Improvement Plan

The Council Cabinet considered a report from the Director of Development and Cultural Services, which set out details of the review completed as part of the 2003/2006 programme of Best Value Reviews. The review covered the work carried out by the building consultancy and development control sections, which formed part of the development division of the Development and Cultural Services department. After engagement with stakeholders the review team identified a schedule of improvements which was outlined in the improvement plan in appendix A of the report.

Options Considered

The Options Appraisal process resulted in the following options not being taken forward:

- revision and development of customer charters outlining levels of service
- training and support for frontline staff to develop greater specialist knowledge
- direct service control by the development service of the IT system that supports the service.

Decision

- 1 To approve in principle the Final Report and Improvement Plan of the Best Value Review Team
- 2 To refer the report to the Planning and Environment Commission for comment.

Reasons

The improvements outlined in the Improvement Plan would help to deliver improved services and outcomes associated with applications for planning permission and Building Regulations approval. They would also assist in better monitoring of development.

420/03 Derby Homes Service Level Agreements - SLAs

The Council Cabinet considered a joint report from the Directors of Finance and Policy, setting out an overarching SLA between the Council and Derby Homes, which was intended to set a framework for individual SLAs between the Council and the company for the provision of each service to be supplied. This would allow both parties to be able to consider all services individually without affecting an overall contract.

Options Considered

The Council and Derby Homes could conceivably continue to supply services without a formal agreement but this could have resulted in problems in the future if each party was unclear about their rights and obligations relating to each service. The process of setting out the detail of service provided had helped to clarify each party's role in the provision of each service.

Decision

- 1 To authorise signing the overarching Service Level Agreement with Derby Homes for the provision of services to Derby Homes Ltd.
- 2 To authorise Service Directors or their nominees to agree individual service agreements with the Company within the framework set by the overarching agreement, with the Director of Finance or his nominee countersigning the agreement in respect of the price agreed.

Reasons

- 1 To formalise the provision of support services by the Council to the Company and to agree to the overarching service level agreement between the parties.
- 2 To allow individual services to agree detailed service agreements directly with the Company individually rather than as one single contract.

Budget And Policy Framework Items

421/03 Housing Revenue Account Budget and Business Plan 2003/05

The Council Cabinet considered a joint report from the Directors of Finance and Policy, which set out the outcome of discussions between the Council and Derby Homes on their management fee and the HRA budget generally following the Council Cabinet's approval on 24 February 2004 of an initial fee of £10.181m for 2004/05. The draft HRA business plan needed to be amended and updated and the current capital programme did not include the additional £16m Homes Pride funding, as this was not confirmed until 1 April 2004. The estimated management fee for Derby Homes for the following three years was set out in Appendix 2 of the report and showed that the position in 2004/05 and 2005/06 was stable but that reductions were expected in 2006/07, for which Derby Homes had a further two years to plan.

Appendix 3 and 4 of the report showed the financial projections contained in a revised 30 year HRA business plan and the full revised HRA business plan for 2003/05 respectively. The second of which had been submitted to GOEM, subject to its status being confirmed by the Council Cabinet at GOEM's request.

Decision

- 1 To approve a revised management fee for Derby Homes for 2004/5 of £10.343m, and indicative figures for 2005/6 and 2006/7 of £10.809m and £10.819m.
- 2 To approve an additional management fee for Derby Homes for 2004/5 and 2005/6 only of £200,000 in each year for the purposes specified in paragraph 3.2.
- 3 To agree to the principle that variations to the management fee for stock losses would only take effect from 2006/7 onwards, and be consistent with stock losses two years prior to the year of each variation.
- 4 To confirm the retained HRA management budget for 2004/5 at the level set in the budget approved by Council.
- 5 To revise the contribution to the housing repairs budget to £8.374m in 2004/5, to take account of the impact of the Homes Pride capital programme.
- 6 To agree to revise the capital programme for 2004/5 and 2005/6 to take account of the award of £16m further borrowing approval for the Homes Pride programme, making a total of £97m in total, the amendment to take effect once the phasing of additional works had been confirmed by Derby Homes.
- 7 To note the submission to GOEM of the revised HRA Business Plan 2004/6 and the financial planning assumptions on which it was based.
- 8 To refer the revised HRA Business Plan 2004/6 to the Community and Regeneration Commission for comments.

422/03 Derby Joint Local Transport Plan 2006- 2011, LTP2 Draft Policy and Delivery Frameworks

The Council Cabinet considered a report from the Director of Development and Cultural Services, which set out a local transport plan for the joint LTP area which covered Derby and the surrounding rural area and was attached at appendix 2 of the report. The current LTP covered the period 2001 to 2006 and formed the Council's Transport Policy and Strategy for the area. A new LTP for the period 2006 to 2011, LTP2, should be submitted to the Government by 31 July 2005 and as the LTP formed part of the City Council's key policy framework it was a requirement to develop a broad policy and consult upon it well in advance of its submission.

Decision

- 1 To approve the draft policy and delivery frameworks for the second Derby Joint Local Transport Plan, LTP2, for the purpose of consultation.
- 2 To authorise the Director of Development and Cultural Services, in consultation with the Cabinet Member for Planning, Transportation and Environment, to approve a range of delivery frameworks for the purpose of consultation as part of the requirements of Strategic Environmental Assessment.
- 3 To seek the views of the Planning and Environment Overview and Scrutiny Commission on the draft policy and delivery frameworks.

Contract and Financial Procedure Matters

423/03 Public Priority Allocations 2004/05

The Council Cabinet considered a joint report from the Directors of Commercial Services, Development and Cultural Services and Corporate Services, setting out details of a number of block allocations which were approved within the Revenue Budget by Council on 1 March 2004.

It was noted that in addition to the 82 dog waste bins to be provided and serviced under the revenue budget a further 100 dual purpose bins to replace existing ones were to be installed in the current financial year.

Options considered

Detailed schemes meeting the priorities expressed in the Council's approved budget had in the main been determined from existing prioritised lists prepared by the relevant technical officers based on need and priority, together with an assessment as to whether the funds could be supplemented by external funding. More details for each area were outlined in the appendices as appropriate.

Decision

- 1 To approve the detailed schemes in Appendices 2 to 4 for the proposed use of the departmental public priority allocations included in the approved budget 2004/2005, in principle subject to consultation where stated in the report.
- 2 To approve the £150,000 litter and graffiti budget to be established on a permanent basis to enable a suitable team to be constructed.
- 3 To note the enhancements to the publicity, customer service and e-government aspects of the Street Care services the Council provided which was included in the proposals in Appendix 3 of the report.

Reasons

The 2004/2005 budget approved by Council on 1 March 2004 included only block allocations to address certain public priority issues. Member approval of individual scheme details, priority and timescales was required to make sure work commenced for the issues to be addressed.

424/03 Home Computing Initiative - HCI

The Council Cabinet considered a report from the Director of Finance, which set out details of the Government's tax exemption scheme on loaned computers that would allow employers to implement a tax-exempt loan scheme for computer equipment for their employees to use at home. Key features of the scheme included:

- the employer initially owned the equipment
- a salary sacrifice agreement was made with employees to cover the purchase/lease cost of the equipment plus warranty, support and insurance
- there was no cost to the employer
- the agreement with the employee was a formal hire agreement (regulated under the Consumer Credit Act)
- payments were deducted from employees' gross pay
- the HCI provider undertakes the marketing, promotion and administration of the scheme
- the HCI scheme would be approved by the Inland Revenue and Customs and Excise to apply the tax benefits (up to 58.5% savings)
- The HCI provider provides a comprehensive delivery and supply package, independent of the Council
- The scheme was available to all permanent employees (subject to minimum wage restrictions)
- employees would have a range of desktop, laptop and peripheral devices to choose from
- At the end of the three year agreement, employees would have the option to purchase the equipment at 'fair market value', typically £10 - £60
- software and training materials would be included within the scheme.

The report also set out a number of employer and employee benefits of the scheme.

Decision

- 1 To approve in principle the introduction of an HCI scheme across the Council to be launched in Summer 2004 and run twice yearly thereafter and to delegate the approval of the detail of the scheme to the Director of Finance. The approval to be subject to the technical issues identified in report being resolved and detailed costings being approved by the Director of Finance
- 2 To approve the waiver of Contract Procedure Rules (CPR) under CPR 6 to allow for the HCI tender to be targeted on four selected HCI providers.

425/03 Implementation of the Single Assessment Process - SAP for Older People in Derby

The Council Cabinet considered a report from the Director of Social Services which outlined the Social Services plan for implementation of the Department of Health requirements for SAP for older people and formed part of the Social Services contribution to a joint health and social care initiative.

The Department of Health required health and social care agencies to implement its single assessment process for older people guidance by 1 April 2004. Attached to the report was a copy of the outline readiness to meet the implementation targets for April 2004. The report also outlined some further work, which would take place in 2004/05 and would concentrate on:

- providing a range of staff training and development opportunities
- concluding an evaluation of SAP against the Department's core business process
- testing SAP in another part of the Department, with Reception and Screening being actively considered
- agreeing the minimum data set for information to be shared across agencies
- confirming the IT solution

Decision

- 1 To note the work carried out to prepare for the implementation of the Single Assessment Process (SAP) in April 2004.
- 2 To approve the Social Services proposal for further Single Assessment Process development in 2004/2005.

426/03 Financial and Contract Procedure Matters

The Council Cabinet considered a report from the Director of Finance setting out the detailed service budgets which had been finalised since the approval of the 2004/05 Revenue budget at Council on 1 March 2004.

Decision

- 1 To approve the technical adjustments at Appendix 2 to the 2004/05 revenue budget approved by Council on 1 March 2004.
- 2 To approve the following in relation to the acquisition of equipment and vehicles for the Recycling Plan in 2004/2005:
 - additions to the capital programme and financing from additional £651,000 unsupported borrowing as detailed in paragraphs 3.2.2 to 3.2.4 of the report
 - revenue budget virement as detailed in paragraph 3.2.5
 - revenue financing of boxes as detailed in paragraph 3.2.6
 - creation of an earmarked replacement reserve as detailed in paragraph 3.2.7

427/03 Exclusion of the Press and Public

To exclude the press and public from the meeting during discussion of the following item on the grounds that it involved the likely disclosure of exempt information as defined in paragraph 11 of the Part 1 of Schedule 12A Section 100(A) of the Local Government Act 1972.

In accordance with Access to Information Procedure Rule AI36, Councillor Nath and John Brittain, Chair of the Derby Schools PFI Project Board, remained in the meeting during consideration of the following exempt item.

428/03 Derby Schools PFI: Appointment of Preferred Bidder

The Council Cabinet considered a report from the Director of Corporate Services, setting out the next stage in the Derby Schools PFI to recommend a preferred bidder from the two short listed on 24 February 2004.

Options Considered

To defer the point at which a recommendation is made.

Decision

- 1 To thank the Officers, Headteachers and other Project Board Members involved for their hard work in carrying out a thorough assessment of the proposed bidders.
- 2 To appoint Vinci Investments Ltd as the Preferred Bidder, and that officers be authorised to enter into negotiations with a view to establishing a final contract.

Reasons

- 1 The Council's interests would be best served through appointment of the consortium to design, build, finance and operate the schools in the Project – the Preferred Bidder – at the earliest appropriate time.
- 2 The analysis and evaluation of the bids received from Jarvis PLC and Vinci Investments Ltd on 12 December 2003 has now been completed, and the results of that process clearly indicate that of the two bids received, the bid submitted by Vinci Investments Ltd would be the more robust and advantageous to the Council.
- 3 The Project Board gave thorough consideration to both the evaluation process and the outcomes at its meeting on Friday 23 April, and was unanimous in its support for the recommendation made to the Council Cabinet on 27 April 2004.

MINUTES END