



Derby City Council

COUNCIL CABINET

4 October 2017

ITEM 13

Report of the Cabinet Member for Finance and Governance

Contract and Financial Procedure Matters Report

SUMMARY

1.1 This report deals with the following items that requires reporting to and approval by Council Cabinet under Contract and Financial Procedure rules:

- Use of the Dedicated Schools Grant reserve
- Acceptance of Grant – Opportunity Area Grant
- Acceptance of Grant – Office Police and Crime Commissioner – OPCC
- Procuring a contract with a value of up to £87,500
- Award of Grant

RECOMMENDATION

- 2.1 To approve the allocation and use of the Dedicated Schools Grant Reserve of £695,073 to support temporary capacity to deliver the Special Educational Needs and Disability Reforms and to support school improvement in the City through the work of the Primary and Secondary Strategy Groups as detailed in section 4.
- 2.2 To approve the acceptance of the Opportunity Area Grant for Derby of up to £6 million and to approve an adjustment to the People's Directorate Budget of £1.5 million in the financial year 2017/2018 to account for this grant as detailed in section 5.
- 2.3 To approve the acceptance of the Opportunity Area Grant: Essential Life Skills Grant for Derby of up to £2.4 million and to approve an adjustment to the People's Directorate Budget of £800,000 in the financial year 2017/2018 and £1.6 million in 2018/2019 to account for this grant as detailed in section 5.
- 2.4 To approve the acceptance of a grant from the Office of the Police and Crime Commissioner (OPCC) for £175,000, to approve accountable body status and to approve an adjustment to the People's Directorate Budget in the financial year 2017/2018 to account for this grant as detailed in section 6.
- 2.5 To approve the procurement and award of a contract capped at no more than £87,500 for the provision of specialist technical energy consultancy services, as detailed in section 7.

2.6 To approve the award of grants to external bodies as detailed in section 8.

REASONS FOR RECOMMENDATION

3.1 To comply with the Council's Contract and Procedure rules.

SUPPORTING INFORMATION

4 Use of Dedicated Schools Grant Reserve

- 4.1 At their meeting on 11 July 2017, Schools Forum considered and approved a request for the use of £395,000 of the Dedicated Schools Grant Reserve to add temporary resource to the Council's capacity to deliver the Special Educational Needs and Disability (SEND) Reforms and £300,000 to support the co-ordination of Derby's Strategy Heads Group to tackle some of Derby's continuing educational needs and build further capacity of primary and secondary schools to drive improvement.
- 4.2 **Special Educational Needs and Disability Reform Capacity**
The 0-25 Vulnerable Learners' Service has been able to deliver the statutory requirements around the 20 week assessment process, the process for Phase Transfers and the transfer from Learning Difficulties Assessments to Education Health and Care Plans – EHC, but additional capacity is needed to continue to meet statutory deadlines.
- 4.3 The DfE, in monitoring meetings, has indicated that Derby is making very good progress and there is confidence in Derby's ability to deliver the SEND reforms, and conversions of statements of special educational need to EHP plans. The conversion deadline is, of course, challenging and additional capacity would help further support meeting the 31 March 2018 deadline. The proposal is to make temporary staffing appointments for a two-year period using Dedicated Schools Grant reserves of £395,073.
- 4.4 **School Improvement and Support to Derby's Primary and Secondary Strategy Heads Group**
This will provide £300,000 of funding for three years to provide the co-ordination and facilitation of the Strategy Groups (SG) work, plus some infrastructure activity. It is anticipated that most of the programme delivery funds with which the SG will commission will be obtained from other sources, e.g. DfE Opportunity Area, Strategic School Improvement Fund, or similar. The commissioning role of SG within the city's primary and secondary school sector has been a significant, positive development in these two years and their work is highly evaluated by schools, the Local Authority leaders and DfE Opportunity Area colleagues. During 2017 SG will evolve to the next level to become the Opportunity Area Primary and Secondary Sub Group, with a role to support primary and secondary education, early years work and home learning environments.

- 4.5 It is recommended to approve the use of £395,073 of the Dedicated Schools Grant reserve for Special Educational Needs and Disability Reform capacity and the use of £300,000 for School improvement and Support for Derby's Primary Strategy Heads Group, totalling £695,073.

5 Acceptance of Grant – Opportunity Area Grants

- 5.1 Opportunity Areas were announced in October 2016 with the initial six areas being identified as some of the most challenged when it comes to social mobility; a further six areas were announced in January 2017. The twelve areas have access to funding to address the biggest challenges they face. In Derby a local partnership board has been formed of partners including a nursery, schools, city council, Department for Education (DfE), Derby College, the University of Derby, business, voluntary sector, the Careers Enterprise Company and the Confederation of British Industry.
- 5.2 **Opportunity Area**
As part of this, Opportunity Areas will also be given prioritised access to a wider support package helping young people from nursery right through to starting work. Some of this funding will be awarded directly by the Department for Education to providers who can support social mobility in the Opportunity Areas, but up to £6 million over three years (from April 2017) will be for the local Opportunity Area Board to make recommendations to the DfE on how this should be allocated. Derby City Council has been asked to receive this grant from the DfE on behalf of the local area and then to award it to providers in line with recommendations from the local Opportunity Area Board and DfE, and in line with public sector procurement rules. It is expected that all of the funding DfE receives from DfE would be awarded to the Opportunity Area programme. In the current financial year, the DfE will ask the city council to receive a grant up to £1.5 million for the area and to award this in line with the recommendations from the local Opportunity Area Board and DfE. Between April 2018 – March 2020, Derby City Council will receive additional funding as recommended by the Board and approved by the DfE up to a maximum of £6 million (over the three years) and for the city council to award this in line with such recommendations
- 5.3 The purpose of this targeted work, programmes and money is to ensure children, particularly from disadvantaged backgrounds, get the best start in the early years, to build teaching and leadership capacity in schools, to increase access to university, to strengthen technical pathways for young people, and work with employers to improve young people's access to the right advice and experiences.

5.4 Opportunity Area – Essential life skills grant

In order to enhance social mobility as part of the Opportunity Area programme, the Local Opportunity Area Board is keen to develop essential life skills such as resilience, confidence, team working and leadership skills. Schools have traditionally supported this work through both the curriculum and after school programmes and the Department for Education (DfE) is now supporting this work in Opportunity Areas by developing an 'Essential Life Skills' programme over two years to enable children and young people aged 5 -18 years old to participate in regular extra-curricular activities. It is intended that children and young people will be able to participate in additional out of school activities such as sports, volunteering and social action projects. The funding has been calculated on the basis that it would pay for weekly participation in extra-curricular activities for up to 40,000 pupils in up to 12 per cent of schools in the Opportunity Areas.

5.5 In Derby, this amounts to a two year grant of up to £800,000 in 2017-18 and up to £1.6 million in 2018-19. Derby City Council has been asked to receive this grant from the DfE on behalf of the local area and then to award it to providers in line with recommendations from the local Opportunity Area Board and DfE, and in line with public sector procurement rules. It is expected that all of this money would be awarded to the Essential Life Skills programme.

5.6 The purpose of this targeted work, programs and money is to fund a range of extra-curricular activities that develop non-cognitive abilities, collectively named 'essential life skills', including but not limited to:

- Resilience, perseverance and persistence.
- Hard work, self-control, discipline, good time keeping.
- Self-confidence, leadership and team working.
- Honesty, integrity and engaged citizenship.
- Attitude, respect and empathy.
- Curiosity and problem solving.

5.7 Derby City Council will be the Accountable Body for the grant and approval for its use will adhere to the Council's finance and contract procedure rules.

5.8 It is recommended to approve the acceptance of the Opportunity Area Grant for Derby of up to £6 million and to approve an adjustment to the People's Directorate Budget of £1.5 million in the financial year 2017/2018 to account for this grant.

5.9 It is recommended to approve the acceptance of the of the Opportunity Area Grant: Essential Life Skills Grant for Derby of up to £2.4 million and to approve an adjustment to the People's Directorate Budget of £800,000 in the financial year 2017/2018 and £1.6 million in 2018/2019 to account for this grant.

6 Acceptance of Grant – Office Police and Crime Commissioner

- 6.1 The OPCC grant agreement in 2017/18 of £175,000 is to provide funding to continue to support the high risk Domestic Violence support service. The funding will enable the service to continue to build and strengthen joint working relationships with key voluntary and statutory partners to create a seamless referral pathway across both City and County and to reduce the number of domestic abuse victims experiencing serious harm.
- 6.2 It is recommended to approve the acceptance of a grant from the Office of the Police and Crime Commissioner (OPCC) for £175,000, to approve accountable body status and to approve an adjustment to the People's Directorate Budget in the financial year 2017/2018 to account for this grant.

7 Procurement of Contract – Specialist Energy

- 7.1 The Council wishes to invite tenders for the provision of technical energy consultancy services for small and medium sized enterprises participating in the Derby and Derbyshire Energy Efficiency (D2EE) project within the Derby City and Derbyshire County areas.
- 7.2 D2EE is a comprehensive low-carbon support and energy efficiency grants programme (part-funded by the European Regional Development Fund) for small and medium sized businesses across Derby and Derbyshire. D2EE reduces the carbon emissions of business activities, products and processes by providing energy efficiency audits and grants, alongside access to state-of-the-art equipment and cutting edge technical expertise to foster improvement and innovation. It is a three year partnership project (until 31/10/2019) between Derby City Council, Derbyshire County Council and the University of Derby supporting business across the Region.
- 7.3 The Consultant will have a range of tasks and responsibilities, including: carrying out site-based technical energy surveys and producing recommendation reports for SMEs; providing technical guidance on the most practical and cost-effective option/s for energy improvements and carbon reduction interventions (including renewables), which meet the objectives of D2EE; performing energy, cost and carbon saving calculations as part of an energy audit or standalone consultancy where the Project Team requires assistance due to level of complexity; and working closely and flexibly with the Project Team, sharing knowledge and best practice for the benefit of the project and its beneficiaries.
- 7.4 The maximum budget available for consultancy services is £87,500. This will be released on a call off basis over the lifetime of the project and in line with the service need. The budget will come from underspend on our existing D2EE revenue budget, to which DCC is contributing £187,000 for the duration of the project (01/11/2016 – 31/10/2019). Derbyshire County Council is also contributing £187,000 (which we invoice them for periodically). The other £374,000 of the budget is ERDF. This original project budget was previously approved by Cabinet in 2016.

- 7.5 It is recommended to approve the procurement and award of a contract capped at no more than £87,500 for the provision of specialist technical energy consultancy services.

8 Award of Grant – Access Funding

- 8.1 At 14 September 2016 Council Cabinet approval was delegated to the Strategic Director of Communities and Place and Director of Finance to accept up to £1,124,000 revenue grant funding from the DfT to deliver a three year programme of smarter choices activities. This funding has now been issued to the Council to commence the development of the Access Fund programme and procurement activities in partnership with Nottingham City Council.
- 8.2 Two of the Access Fund projects will be delivered by third parties via a grant funding agreement. These projects were specifically developed with existing delivery partners and thereafter formed a specific element of the funding sought from the DfT and were named partners in the bid, these are;
- 8.3 **Rural Action Derby**
A total grant of £120,000 (£40,000 per annum) to Rural Action Derbyshire charity for "Wheels To Work", a project which enables those who are Not in Education, Employment or Training (NEET) to have transport to access training and employment opportunities.
- 8.4 **Life Cycle UK Charity**
A total grant of £120,000 (£40,000 per annum) to Life Cycle UK charity for "Bike Back Derby", a project which provides recycled low-cost bikes, bike maintenance sessions, training and Dr Bike sessions at workplaces and job centres.
- 8.5 Both projects are well established in Derby and offer a range of bespoke services that will be promoted by the Personalised Travel Planning (PTP) projects for workplace, job centre and households.
- 8.6 It is recommended that approval is given to award £120,000 to Rural Action Derby and a further £120,000 to Life cycle UK Charity, as detailed above.

This report has been approved by the following officers:

Legal officer Financial officer Human Resources officer Estates/Property officer Service Director(s) Other(s)	TBC Toni Nash, Head of Corporate Finance TBC TBC TBC TBC
For more information contact: Background papers: List of appendices:	Toni Nash – Toni.nash@derby.gov.uk None Appendix 1 – Implications

IMPLICATIONS

Financial and Value for Money

1.1 As detailed in the main body of the report.

Legal

2.1 None directly arising.

Personnel

3.1 None directly arising.

IT

4.1 None directly arising

Equalities Impact

5.1 None directly arising

Health and Safety

6.1 None directly arising

Environmental Sustainability

7.1 None directly arising

Property and Asset Management

8.1 None directly arising

Risk Management and Safeguarding

9.1 None directly arising

Corporate objectives and priorities for change

10.1 None directly arising