

Time began: 6:00pm
Time ended: 7:37pm

COUNCIL CABINET

17 July 2019

Present	Councillor M Holmes (Chair) Councillors Barker, Roulstone, Smale, Webb, Williams and Wood
In attendance	Councillors Anderson, Atwall, Graves, Shanker and Skelton Carole Mills – Chief Executive Don McLure – Strategic Director of Corporate Resources Andy Smith – Strategic Director of People Emily Feenan – Interim Director of Legal, Procurement and Democratic Services Heather Greenan - Director of Policy, Insight & Communications Simon Aitken – Head of Street Cleansing, Waste and Fleet Management Martin Brown - Housing Strategy and Initiatives Manager

This record of decisions was published on 19 July 2019. The key decisions set out in this record will come into force and may be implemented on the expiry of five clear days unless a key decision is called in.

17/19 Apologies

An apology for absence was received from Councillor Poulter.

18/19 Late Items

In accordance with Section 100(B) (4) of the Local Government Act 1972, the Chair agreed to admit the following late item on the grounds that it should be considered as a matter of urgency because the deadline for bids for funding to be submitted was 1 August 2019 and this was before the next scheduled meeting.

- D2N2 Careers and Employability Hub

Contract and Financial Procedure Matters

19/19 D2N2 Career and Employability Hub

The Council Cabinet considered a report which sought approval to jointly bid for a European Social Fund grant to develop a careers and employability hub, with Nottingham Futures. Nottingham Futures would be co-ordinating the bid.

The Executive Scrutiny Board recommended to Council Cabinet

1. That officers be requested to write to East Midlands MEPs to encourage them to support the bid on behalf of Derby and Nottingham City Councils (D2N2).
2. To ensure that work with young people included young people currently out of school, with special needs and also graduates who had not moved into the workforce.
3. That enquiries are made to establish the long term viability of the project in the event of a no deal Brexit.

Decision

1. To join with our top tier local authority partners in D2N2 (Local Enterprise Partnership) and jointly bid for a European Social Fund grant to develop a careers and employability hub, with Nottingham Futures co-ordinating the bid.
2. To delegate authority to accept the grant to the Strategic Director of People Services following consultation with the Cabinet Member for Children and Young People and the Strategic Director of Corporate Resources.
3. To delegate authority to accept the terms and conditions of the grant to the Strategic Director of People Services following consultation with the Cabinet Member for Children and Young People and the Strategic Director of Corporate Resources.
4. To accept recommendations 1 and 2 from the Executive Scrutiny Board.
5. To note recommendation 3 from the Executive Scrutiny Board.

20/19 Receipt of Petitions

There were no petitions

21/19 Identification of Urgent Items to which Call In will not apply

There were no items.

22/19 Declarations of Interest

There were no declarations of interest.

23/19 Minutes of the Meeting Held on 12 June 2019

The minutes of the meeting held on 12 June 2019 were agreed as a correct record.

Matters Referred

24/19 Recommendations from the Executive Scrutiny Board

The Council Cabinet considered a report on Recommendations from the Executive Scrutiny Board. The Executive Scrutiny 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 1, prior to commencement of the meeting.

Decision

To receive the report and consider the recommendations alongside the relevant report.

Key Decisions

25/19 Adult Commissioning Transformation Programme Procurement

The Council Cabinet considered a report which stated that in June 2018, the Adults Commissioning Transformation Programme (ACTP) commenced as one of the People Services strategic priorities in relation to managing demand for services and ensuring there was sustainable and good quality care service in Derby. The report provided details about the procurement activity that was now required as a major activity within this programme to secure wide ranging Approved Provider Lists (APL). This would be used to secure cost effective and quality care services for people with Care Act 2014 eligible social care needs in Derby.

The Adults Commissioning Transformation Programme aimed to change commissioning practice and transform the way the Council purchased care services for Adults. The programme aimed to ensure that the Council effectively managed the local “market” of care organisations, ensuring that services were available, affordable and of sufficient quality to meet the needs of local people. This task became a new statutory duty for Councils when the Care Act 2014 came into effect. The report, which had been written in consultation with Council procurement colleagues, sought approval to commence the procurement activity that was required to establish a range of Approved Provider Lists. These were the lists that would be formed via various procurement processes such as a framework or dynamic purchasing system, under the 'light touch regime' as allowed by the Public Contracts Regulations 2015, and that would underpin the new commissioning approach.

The Executive Scrutiny Board recommended to Council Cabinet

- **That Council takes this opportunity to improve the working conditions of care staff, including zero hours contracts, payment for expected hours not only actual hours and supply of parking permits where appropriate.**

- **As these businesses were delivering Council Services to take advice on the level of openness and inspection that we should request for our Internal Audit function.**
- **Ask how the providers can work towards minimising carbon footprints, for example by routing of care staff and encouraging more sustainable travel.**

Options considered

Do Nothing

This would mean continuing to deliver a model of purchasing care and support that provided only partial market oversight. There was a particular deficit in market intelligence where Direct Payments were being used to purchase care and support. There had also been increased incidents of providers exiting the local market in an unplanned way and this may continue if more comprehensive contractual relationships were not in place with more of the care market than currently. Quality improvements anticipated may not be realised and the Council may be more exposed to poor quality provision against a backdrop of rising costs. All of these risks meant that moving forward with a new approach to commissioning was essential if we were to become fully compliant with our duties under the Care Act around market oversight and market shaping.

Decision

1. To agree the procurement of a set of Approved Provider Lists for adult social care as set out in the report.
2. To delegate authority to the Strategic Director for Peoples Service, following consultation with the Strategic Director for Corporate Resources, to approve the Council entering into such contractual arrangements and the award of contracts via the Approved Provider Lists as were necessary to give effect to the award.
3. **To note recommendations 1, 2 and 3 from the Executive Scrutiny Board.**

Reasons

1. It was imperative that the Council was able to manage and shape the local market for social care in Derby, entering into formalised contractual relationships with suitably qualified care and support providers. This approach was a required activity under the Care Act 2014 as part of Council's "Market Shaping" activities.
2. The Care Act 2014 states that Council's must ensure that they do not undertake actions which threaten the sustainability of care markets and should ensure that they take steps to have local services which:
 - Are appropriate to provide the amount of care required at a sustainable price and

that are of sufficient quality;

- Support and promote the wellbeing of people who receive care and support;

The Care Act also dictated that Council's produce a "Market Position Statement" to enable effective engagement with care providers and stakeholders about the future requirements of the local area. This document would form part of the tender information giving bidders an oversight of current needs/trends and forecasts of demands and where improvements within specific sectors are required.

26/19 Reintroduction of Blue Bins to Arboretum, Normanton and Mackworth

The Council Cabinet considered a report which stated that the Council had reviewed its waste collection in Arboretum, Normanton and Mackworth and was looking to offer additional recycling collections within this area. This would aid in meeting Government targets for reducing the volume of waste sent to landfill as well as positively contributing to the city's Climate Emergency status.

Council Cabinet considered a report on 15 May 2013 which covered a number of waste related items. One part of the report was to remove the dry recyclable service (blue bins) from a number of properties within the inner city wards (Arboretum, Normanton and Mackworth) due to high levels of contamination and bins on streets issues.

To review the current situation regarding the collection of dry recyclables and recommend provision of a collection service in the city that complies with the Environmental Protection Act 1990 (EPA).

The Executive Scrutiny Board recommended to Council Cabinet

- **That a plan be developed for a full return of these streets to the standard 2 weekly black bin and 2 weekly recycling pattern of collection.**
- **That the Executive Scrutiny Board commend the relevant Cabinet Member for the reintroduction of the blue bins to the areas of the city that currently did not have the means to recycle.**

Options considered

1. Deliver a blue bin to every household within the inner city wards which was estimated to be approximately 11,000 properties at a capital cost of £220,000 and was therefore not value for money. This would also increase the risk of contaminated bins which would in turn increase contamination costs at the waste treatment facilities and an increase in the number of bins stored/left on streets which negatively affected the street scene and reputation for the Council. This would likely require an additional vehicle and crew at further additional cost.

2. At the time that blue bins were removed from properties a number of mitigating options were offered to residents, including 'Bring Sites'. Unfortunately these were unsuccessful.
3. The do nothing option could result in further complaints and run the risk of potential legal action as outlined in the legal implications below.

Decision

1. To agree to introduce an-opt in service for blue bins within Arboretum, Normanton and Mackworth.
2. To approve the implementation of the service on a staged approach:
 - Asking those households who may still had a blue bin to register by 30 September 2019 to be confirmed to participate in the service from 5 November 2019.
 - Asking households, who wished to take part in the service and required a new blue bin, to register by 30 September 2019 to be confirmed to participate in the service from 17 December 2019.
3. To approve the inclusion of £12.5k in the 2019/20 capital programme to cover the cost of the purchase of the new bins to be funded from Direct Revenue Finance, this amount assumed an initial 5% sign up to this scheme (based on an estimated 11,000 properties currently without blue bins).
- 4. To note recommendations 1 and 2 from the Executive Scrutiny Board.**

Reasons

1. To enable residents within the inner city wards to positively contribute to the city's recycling objective.
2. It was estimated that the introduction of this service, in addition to the services already offered and the new Garden Waste Scheme currently being implemented would help the Council to meet the government's targets for reducing the volume of waste sent to landfill by recycling at least 50% of household waste by 2020.
3. Offering an opt-in service along with the new garden waste service satisfied the Council's obligations under the EPA.
4. A staged approach would allow the Council to communicate and engage with local residents to maximise the use of blue bins that were still within the community, therefore minimising the cost of providing new bins, and would also enable the Council to engage with local communities to maximise the benefits of the scheme.

The Council Cabinet considered a report which sought approval for the adoption of the new Older Persons' Housing Strategy.

The Executive Scrutiny Board recommended to Council Cabinet

- **That the strategy be referred to Council for approval.**
- **That options be explored to find more ways to reduce under occupancy of social housing including, enabling chains of swaps and the use of vacant properties.**
- **Priority 4 be reworded to read 'help people move to more appropriate housing 'before' their current housing becomes unsuitable or unmanageable' rather than 'when'.**

Options considered

A decision not to adopt this strategy would mean Derby would lack a coordinated framework for improving housing supply and quality for older people.

Decision

1. To agree to the adoption of the Older Persons' Housing Strategy 2019-2029.
- 2. To reject recommendations 1 and 3 from the Executive Scrutiny Board.**
- 3. To note recommendation 2 from the Executive Scrutiny Board.**

Reasons

Having a coordinated strategy in place would contribute towards improving housing supply and quality for older people. This in turn would support our broader corporate goals around health and well being, regeneration and economic growth.

28/19 Sale of Property to Derby Homes

The Council Cabinet considered a report which sought approval to implement an efficient process for the sale of vacant properties from the Council to Derby Homes.

The Executive Scrutiny Board noted the report.

Options considered

1. To do nothing and to re-let all larger and newer properties within the HRA as currently happens. However, the types of home under consideration for this scheme (as outlined in paragraph 4.1 of the report) had the greatest undersupply when compared to demand.
2. Approve the property transfers but not delegate authority. This would severely slow the transfer process and result in lengthy and costly void periods as

Council Cabinet or Cabinet Member approval would be needed for every transfer.

3. Approve the transfers and delegated authority mechanism and require that 100% of the receipts be recycled for solely HRA housing purposes. This would increase the number of affordable homes that could be provided, but would reduce the funding available for key regeneration projects in the City which may in turn deliver additional affordable housing together with wider community benefits.

Decision

1. To agree the principle of property sales to Derby Homes, within the scope of section 32 and General Consent A of the Housing Act 1985 - currently limited to a maximum of 5 properties per year. Sales would only proceed under the provisions of this legislation where they supported corporate goals and was consistent with the Council's adopted asset management strategy.
2. To delegate authority to approve these sales, as and when arising, and subject to paragraphs 2.1 and 4.9 of the report, to the Strategic Director for Communities and Place, following consultation with the Strategic Director of Corporate Resources and the Cabinet Members for Governance and Licencing and Adults Health and Housing.
3. To agree in principle to ring-fence all receipts raised, to be applied towards replacement Council owned homes and Council regeneration/refurbishment programmes.
4. To authorise the Interim Strategic Director of Communities and Place to request Government to change the rules on the disposal of properties, to enable Local Authorities to be able to sell more than 5 properties per year to their respective arms length management organisations (ALMOs).

Reasons

1. Selling properties to Derby Homes would conserve and potentially expand the social housing stock in Derby by furnishing a receipt to the HRA which could, in turn, be reinvested in new housing stock.
2. Delegating authority for such sales to the relevant Strategic Directors and Portfolio Holders would ensure smooth and efficient transfers of empty properties. This would reduce the risk and liability associated with holding properties vacant and would reduce potentially lengthy and costly void periods.
3. Ring fencing all receipts raised and applying to replacement Council owned homes or regeneration initiatives would conserve Council stock and support key regeneration proposals and associated Community benefits.

4. Raising the ceiling on the numbers of properties that could be sold to ALMOs would increase the extent to which the benefits of such sales, as outlined in paragraphs 3.1, 3.2 and 3.3 of the report, could be achieved.

29/19 Allenton market – Future Proposals

The Council Cabinet considered a report which sought to establish the Council's Strategy for Allenton Market.

The Executive Scrutiny Board recommended to Council Cabinet

- **That Allenton Traders Association is fully consulted before the sale proceeds in order to avoid direct trade competition.**
- **That the delegation at 2.6 (iv) of the report be removed so that it would need to go back to Council Cabinet for approval.**
- **That a covenant be included in the sale to ensure that whatever replaces the market has an element of community use and is in keeping with the Allenton District Centre.**
- **For Markets and Neighbourhood officers to work with the local community and Councillors from the three local wards to help generate and consolidate possible plans for the market.**

Options considered

1. Given the persistent level of losses being incurred, combined with the failure of the, "rent one, get one free" initiative to improve performance, intervention was clearly required, and, "doing nothing" was not an effective response.
2. The other options considered were set out in the main body of the report.

Decision

1. To note that Allenton Market had been in long-term decline in common with many general markets throughout the country, and had operated at a loss since 2012/13.
2. To declare Allenton Market surplus to general need and to include the asset in the Property Disposal Programme.
3. To consult with stall holders and stakeholders, on the potential closure of the market.
4. To provide an opportunity for traders, local community groups and businesses to make viable business proposals which offered a sustainable future for the market, by way of an Expression of Interest Exercise.
5. To agree that if no viable proposal is received, that the market be closed and the site sold.

6. To delegate authority to the Strategic Director of Communities and Place and Strategic Director for Corporate Resources, following consultation with the Cabinet Member for Governance and Licensing to:-
 - i) Undertake consultation with stall holders and stakeholders.
 - ii) Undertake the Expression of Interest Process.
 - iii) Approve and agree the criteria for assessing the viability of any submitted business proposal which offered a sustainable future for the Market.
 - iv) Determine whether viable proposals had been submitted.
 - v) Approve the detailed terms for any disposal of the property, if no viable business proposal is submitted.
- 7. To note recommendations 1 and 4 from the Executive Scrutiny Board.**
- 8. To reject recommendations 2 and 3 from the Executive Scrutiny Board.**

Reasons

1. To enable the Council to dispose of an unviable asset, the performance of which was not providing value for money and was adversely impacted by multiple factors outlined in the report.
2. The operation of the market was running at a loss and was causing a budget pressure.
3. To provide an opportunity for traders and local community groups to manage the market in a more sustainable manner.
4. To allow the closure and subsequent disposal of the Allenton market site to proceed and to deliver a capital receipt for the Council if no viable proposals are submitted.

Budget and Policy Framework

30/19 Medium Term Financial Strategy 2020/21 – 2022/23

The Council Cabinet considered a report which outlined the proposed Medium Term Financial Strategy (MTFS) for the Council's revenue and capital budget over the next three year period 2020/21 to 2022/23.

Robust financial planning and financial management alongside our budget preparation, performance management and stakeholder reporting was an integral part of our corporate governance and gave us the ability to look strategically and

align our priorities beyond the current budget period. This was crucial to support and ensure our resilience and long-term financial sustainability.

Given the currently level of national economic uncertainty, fluctuating currency values, and the widespread pressures on public spending, it was more important than ever that we had an understanding of our financial outlook and continue to plan effectively for the future, and this planning be aligned to our Council Plan vision and priorities.

The MTFS sets out the Council's approach to the prudent management of our finances against a reducing reliance on central government funding and more of a reliance of local funding sources from council tax, business rates and fees and charges income.

The report commented on the risks that were facing the Council in the next three years and outlined concerns including the timings and outcomes including the Government's Spending Review, 'Fair Funding' proposals and its 'Business Rates Retention' proposals and the increasing demands and cost pressures in our social care services for both children and adults. The report also outlined potential mitigation of some of these risks.

Resource projections for the next three years were included and outlined in the Medium Term Financial Plan (sets out our forecasts and the £ numbers), together with the financial challenges that we face and the approach planned to meet the Council's priorities over this period.

Members agreed that the date outlined in recommendations 1 and 2 of the report be amended from 25 September 2019 to 24 July 2019.

The Executive Scrutiny Board recommended Council Cabinet

- **That the revenue budget for 2019/20 be revised to ensure that sufficient money is allocated to Children's Services to ensure that the service does not overspend as it did last year**
- **To include in year savings from other areas / services of the Council if necessary as there was a legal requirement to have a balanced budget.**
- **As part of the work this autumn to share the financial situation with staff and council tax payers / Derby residents and to welcome suggestions for possible savings and different ways of doing things from staff at all levels and the public including consideration of incentive schemes.**

Decision

1. To endorse the Council's Medium Term Financial Strategy for 2020/21 to 2022/23 and recommend that Council approve this Strategy on 24 July 2019.
2. To note the Capital Strategy and recommend the approval of the strategy to Council on 24 July 2019.

3. To approve the Corporate Resources directorate operational savings that did not require consultation outlined in section 12.2 and in Appendix 4 of the report.
4. To approve the Peoples directorate operational savings that did not require further consultation outlined in section 12.5 and Appendix 5 of the report.
- 5. To note recommendations 1, 2 and 3 from the Executive Scrutiny Board.**

31/19 Council Delivery Plan 2019 - 2020

The Council Cabinet considered a report which stated that on 12 June 2019, Council Cabinet considered the Council Plan 2019 - 2023, and resolved to recommend that Council approve the document. The Council Delivery Plan (CDP) for 2019/20 sets out the actions that would put the priorities and themes of the Council Plan into practice (subject to Council's approval) and deliver the outcomes.

The CDP was a non-statutory document, but was an essential piece of our performance management framework, forming part of the 'golden thread' that linked high level priorities to practical delivery. It reflected our commitment to transparency and accountability in our use of resources.

It was reported that the Administration recognised the importance of tackling climate change, as reflected on page 7 of its Delivery Plan. It was noted that an area of focus would be added to the Council Plan itself, which would fit into the City of Health and Happiness theme. The following additional recommendation was moved:

To add the Council Plan, under the City of Health and Happiness theme – an additional item – to work with partners to reduce Derby's carbon footprint.

The Executive Scrutiny Board noted the report.

Decision

1. To approve the Council Delivery Plan 2019/20.
2. To delegate authority to the Chief Executive, following consultation with the Leader of the Council, to publish and maintain the Council Delivery Plan as a dynamic document.
3. To receive monitoring reports on the progress of the Council Delivery Plan as at end of September 2019 and March 2020.
4. To add to the Council Plan, under the City of Health and Happiness theme – an additional item – to work with partners to reduce Derby's carbon footprint.

MINUTES END