

Time began: 6.00pm
Time ended: 6.20pm

**COUNCIL CABINET
11 DECEMBER 2013**

Present Councillor Bayliss (Chair)
 Councillors Afzal, Banwait, Rawson, Repton, Russell
 and Tittley

In attendance Councillors Hickson and Ashburner.

This record of decisions was published on 13 December 2013. 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.

120/13 Apologies

An apology for absence was received from Councillor Shanker.

121/13 Late Items Introduced by the Chair

The Chair reported that the Resources and Governance Board had considered the item on the agenda relating to the review of the Serco contract and therefore the Chair agreed to consider the recommendations made by the Board.

122/13 Receipt of Petitions

There were no petitions received.

**123/13 Identification of Urgent Items to which Call In
 will not apply**

There were no items.

124/13 Declarations of Interest

There were no declarations of interest.

**125/13 Minutes of the meeting held on 6 November
 2013**

The minutes of the meeting held on 6 November 2013 were agreed as correct record and signed by the Chair.

Key Decisions

126/13 Breadsall Hill Top Infant and Junior Schools Proposal to Merge the Schools to Create a Primary

The Council Cabinet considered a report on Breadsall Hill Top Infant and Junior Schools proposal to merge the schools to create a primary. At its meeting of 2 June 2009, Council Cabinet approved the policy of promoting infant and junior school mergers whenever possible and appropriate. The report confirmed the Council's preferred model for the delivery of primary education as an all-through (4-11) primary school, as opposed to separate infant and junior schools. This model offered significant advantages in terms of continuity for pupils, alongside flexibility and efficiency in respect of staffing resources. The current policy was to consider 'mergers', when an opportunity arose due to a headteacher vacancy occurring in either an infant or junior school.

An opportunity had arisen to consider a merger of Breadsall Hill Top Infant and Breadsall Hill Top Junior Schools due to an Interim Executive Board being in place at Breadsall Hill Top Infant School and there being a headship vacancy at the Infant School. The Cabinet Member for Children and Young People, at a meeting on 11 September 2013, approved the commencement of initial consultation on the proposal to close the Infant School and simultaneously expand the size and age range of the Junior School to create an all-through primary school from April 2014.

Initial consultation on the proposals took place over a four week period with consultation papers circulated to all key stakeholders and interested parties. Meetings were also held with staff and parents as part of the consultation process. A summary of responses received was set out in Appendix 2 of the report and a copy of the Consultation Document was attached as Appendix 3 to the report.

Due to the majority of support shown in the consultation responses, and the Council's policy of promoting mergers wherever possible and appropriate, the report recommended that Council Cabinet considered giving approval to move to the next stage of the consultation process, which involved the publication of a statutory notice and a further six week representation period.

Options Considered

There was an option to retain existing Infant and Junior Schools. This would result in a missed opportunity to improve standards and continuity for pupils in those schools where clear benefits were envisaged.

Decision

1. To approve the publication of a statutory notice on the proposal to 'merge' Breadsall Hill Top Infant and Breadsall Hill Top Junior Schools to form an all-through primary school from April 2014.
2. To delegate authority to determine the proposal to the Strategic Director of Children and Young People if no objections are received and, if objections are received, to bring a further report to Council Cabinet for a decision.

Reasons

1. There were clear benefits to be gained in merging the schools to create an all-through primary as outlined in this report. Council Cabinet had previously approved a policy of promoting Infant and Junior School mergers wherever possible and appropriate.
2. From the consultation responses, there had been a majority of support for the proposal. Of a total of 15 respondents, 14 (93%) expressed support for the proposed merger. A breakdown of consultation responses was set out in Appendix 2 of the report.

127/13 Information Systems Replacement – Children and Young Peoples Services

The Council Cabinet considered a report on Information Systems Replacement – Children and Young Peoples Services. The current Children social care information systems had been in use for over seven years. When purchased and implemented the core system was the leading system in a limited market. This system was close to the end of its contracted period and a procurement process was underway to identify a new provider that met current requirements, this was both from a children's services perspective and an Ofsted inspection requirement.

The children social care systems market had evolved and new systems had been developed based upon functionality and technology which better supported new national policy initiatives targeted at children social care e.g. Munro reforms.

Simultaneously, the Council had transformed considerably over the past three years in terms of structure, resource availability, service channels and the public offer of children social care.

Given these changes, the children social care operation required a system that would better support professional practice, information sharing, peripatetic working and business intelligence.

There was a pressing need for this investment to facilitate meeting Ofsted inspection requirements of children services. Interfaces with adults systems needed to remain to ensure information on a family basis was visible to staff to support safeguarding across children and adults as well as co-ordinating service inputs and outcome from assessment. The new system would provide much needed support to safeguarding decision making, audit and outcome recording.

Following a joint open tender exercise with Adults Health and Housing (AHH), no applications were compliant with the procurement requirement and therefore no children's system was shortlisted for evaluation. Adult Services received compliant bids resulting in a contract being awarded to Liquid Logic and was approved by Council Cabinet on 16 October 2013. The aim with the CYP provider was to ensure synergy and operational fit with the procured AHH system.

A re-tendering process with a number of the leading suppliers was undertaken for a core children social care system which included Children Centre functionality but excluding Connexion and Education business systems. Two suppliers submitted bids, of which one provider was deemed compliant. Following a short-listing process a full evaluation had been commenced with a recently revised target date of 27 November 2013 for a conclusion of the evaluation process. At this stage the outcome of the tender was not known.

Options Considered

1. When no compliant bids were received for the CYP tender, the first option was to not continue with the procurement or evaluation of the Adult system, abort the entire procurement process and either not replace the existing systems or to restart a procurement covering both in different lots.
2. However this would have incurred higher delays and possible risk of challenge or requests for compensation of bid costs as there were four compliant bids for the AHH lot. It was concluded that although such an approach may have allowed us to reconfigure a new tender into a joint social care system and other systems, both the additional delays and the risk of challenge meant that this was not viable. It would also have left us non-compliant with the procurement regulations had we decided to extend the current system for longer than necessary to cover implementing replacement solutions.

Decision

1. To note the progress of the tender process and to delegate authority to the Strategic Director of Children and Young People following consultation with the Strategic Director of Resources and the Cabinet Member for Children and Young People to authorise

the award of contract to the successful provider for the replacement of the Children Services information system, should the evaluation of the product meet the specification criteria.

2. To approve the Year 1 Capital expenditure of £600k minimum from the capital budget to purchase the new software, hardware and services for Children Services. Exact figures would not be determined until then end of December 2013.

Reasons

1. The main software system used by Children Services staff had been in place for a long period of time and products with richer function had been developed which better supported children social care processes. Delegated authority would enable mitigation against further delay to implementation which had arisen through the need to retender.
2. Expenditure above £250,000 required specific Council Cabinet approval, in accordance with the Council's financial regulations.

Budget and Policy Framework

128/13 Power to Levy on Large Retail Outlets

The Council Cabinet considered a report on Power to Levy on Large Retail Outlets. The report proposed that Derby City Council submit a proposal under the Sustainable Communities Act for primary legislation to give local authorities the power to introduce a levy of 8.5% of the rateable value on large retail outlets in their area.

The report covered the salient issues arising from the proposal.

Decision

1. To approve a joint submission with other supportive councils for a bill to levy additional business rates on large retail outlets.
2. To request the Leader to write to other local authorities requesting support for a joint submission.
3. To further request support from the Local Government Association, SIGOMA and the Key Cities Group to assist in lobbying Central Government for the change.

Contract and Financial Procedure Matters

129/13 Contract and Financial Procedures 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 2013/14 – 2015/16 capital programme
- use of reserves
- award of contract
- signing a funding contract

Decision

1. To approve changes and additions to the capital programme as set out in Appendix 2 and highlighted in section 4 of the report.
2. To note the revised programme for 2013/14 in table 1 (paragraph 4.1) and the revised indicative programme for 2013/14-2015/16 as shown in table 2 (paragraph 4.4) of the report.
3. To approve the use of reserves as detailed in section 6 of the report.
4. To approve the tender and award of a contract to deliver Housing and Council Tax Benefit processing work and customer telephone contacts for a value of up to £230,000, for a period of one year with an option to extend for a further two periods of 12 months as detailed in section 7 of the report.
5. To approve the signing of a funding contract for £875,000 of European Regional Development Funding towards the Marble Hall renovation project as detailed in section 8 of the report.

Other

130/13 Food Banks in Derby – Briefing

The Council Cabinet considered a report on Food Banks in Derby – Briefing. The pressure on food bank services due to the economic recession and changes in welfare policy had been well publicised in the national and local media.

In Derby there was limited data on the pressure on food bank services, but this did indicate a significant increase in demand for food bank services.

Support for food banks was an area for action in the Derby Child and Family Poverty Strategy and there had been a successful expansion of the donation network in the city to improve supplies in order to ease the pressure on food bank stocks.

This had been overseen by the Chair of the Derby Child and Family Poverty Commission (DCFPC) who was the Cabinet Member for Children and Young People – Derby City Council.

Decision

To continue to support the development of food bank services through the Council's membership of the DCFPC.

131/13 Protecting the Public Purse 2013

This item was withdrawn.

132/13 Exclusion of Press and Public

Resolved 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 involved 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 outweighed the public interest in disclosing the information.

Key Decisions

133/13 Review of Serco Contract

The Council Cabinet considered a report on Review of Serco Contract and the recommendations from the Resources and Governance Board. The report provided an analysis of a recent Serco offer to extend our contract with them (due to expire March 2016) to March 2022 and made recommendations on their offer.

The report also provided an analysis of the different options available to deliver Information System services upon expiry of the current contract with Serco in March 2016.

The report considered the timescale in which a final decision was required, the work needed to complete and implement each solution and the business and financial pressures the Council would face over at least the next three years.

The report included information from:

- A detailed analysis of the initial and revised proposal from Serco
- An independent review of the four options carried out by SOCITM Consulting
- An outline model for internally managed service delivery

These had been summarised in Appendices 2, 3 and 4 of the report with more detail available from the full options appraisal if required.

Options Considered

None.

Decision

1. To not accept the Serco offer of a contract extension at this time, as in the context of further significant budget pressures, it represented a high risk option, may be too rigid in the form of one large contract and did not deliver sufficient value for money.
2. To prepare the service to be repackaged into different and smaller components which could then:
 - return to direct Council control with some elements being procured from the market
 - be delivered in partnership or as a shared service with others,
 - be procured from the market (using framework contracts)
 - or could be included in the re-provision of a wider set of services.
3. To develop these alternative approaches such that they could be implemented incrementally for new requirements from April 2015 and to manage the contract with Serco up to the end of March 2016.
4. To build into the new service delivery framework greater agility and flexibility making it easier to change both the scope of services and the costs of Information System provision in accordance with changing business demand, different ways to deliver services, fewer buildings being occupied, less staff to support and further reductions in budgets and expenditure.
5. To note that in making this recommendation the Council recognised the excellent contribution Serco had made to achieving the new working environment and achieving the objectives of the initial contract.

Reasons

Careful consideration had been given to each of the four options outlined in paragraph 1.3 of the report which was summarised in section 4 of the report. More detailed analysis undertaken was attached as Appendix 2 and an extract from the independent review carried out by SOCITM Consulting was attached as Appendix 3 to the report. This was the best decision to protect the Council's interest at this time.

MINUTES END