

**MINUTES** of a meeting of **CABINET** held on 11 September 2019 at County Hall, Matlock.

**PRESENT**

Councillor B Lewis (in the Chair)

Councillors A Dale, A Foster, C Hart, S Spencer and J Wharmby.

Apologies for Absence were received on behalf of Councillor T King.

**Declarations of Interest**

There were no declarations of interest made.

**144/19      MINORITY GROUP LEADERS' QUESTIONS**

It was acknowledged that the Minority Group Leader had submitted questions, but as Councillor A Western was not present, an undertaking was made to provide a written response.

**145/19      MINUTES RESOLVED** that the non-exempt minutes of the meetings of Cabinet held on 11 July 2019 be confirmed as correct records and signed by the Chairman.

**146/19      CABINET MEMBER MEETINGS - MINUTES RESOLVED** to receive the non-exempt minutes of Cabinet Member meetings as follows:

- (a) Corporate Services – 27 June, 18 July & 1 August 2019
- (b) Health & Communities – 27 June 2019
- (c) Young People – 8 July & 6 August 2019
- (d) Highways, Transport & Infrastructure – 11 July 2019
- (e) Economic Development & Regeneration – 8 August 2019
- (f) Adult Care – 15 August 2019

**147/19      BUDGET MONITORING 2019-20 (as at 30 June 2019)**  
(Strategic Leadership, Culture and Tourism) Cabinet was updated with the Revenue Budget position for 2018-19 as at 30 June 2019.

The report gave details of the controllable budget position by Cabinet Member Portfolios and further reports would be considered at Audit Committee and Council in accordance with the Budget Monitoring Policy and Financial Regulations.

A total portfolio underspend of £2.515m was forecast after the use of £2.622m of Earmarked Reserves to support the Highways, Transport and Infrastructure portfolio as detailed in the report. Any underspends in 2019-20 would be used to manage the budget in 2020-21.

The Debt Charges budget was projected to break-even, whilst the Risk Management Budget was forecast to underspend by £0.047m, to be used to support the management of a balanced budget in future years.

Details of the Council's Earmarked Reserves balances as at 30 June 2018 were detailed in Appendix One to the report, with a review of the Council's reserves balances to be reported to Cabinet later in the year.

**RESOLVED** to (1) note the 2019-20 budget monitoring position as at 30 June 2019; and

(2) approve the virement of £5.000m base budget from Adult Care to the Risk Management budget.

**148/19      CAPITAL BUDGET MONITORING TO MONTH 3 2019-2020**

(Strategic Leadership, Culture and Tourism) Cabinet was informed of the latest budget monitoring position for open capital schemes. The report reflected those schemes that were currently under way and have had previous Cabinet approval. Each scheme had a nominated budget holder who was responsible for ensuring the scheme stayed within budget and who verified the projected spend against their allocated schemes. The report contained some schemes that were open at 1 April 2019 but had been completed and closed in year.

The current budget for open schemes was approximately £673m, with the latest monitoring showing a forecast overspend over the life of the projects of £0.018m. The position statement by department was attached as Appendix 1 to the report.

**RESOLVED** to note the current position on the monitoring of Capital schemes.

**149/19      FINANCIAL STRATEGY**

(Strategic Leadership, Culture and Tourism) Approval was sought for the Council's Financial Strategy. The purpose of the Financial Strategy was to set out the Council's financial priorities and provide a financial framework for the Council to ensure the Council's financial operations contribute to the Council's strategic and policy objectives as outlined in the Council Plan 2017-2021.

The key components of the Strategy were to:

- Set out the framework for the financial operation of the Council which supported the strategic and policy objectives in the Council Plan;
- Ensure resources were allocated to achieve Council Plan objectives;
- Ensure cost effective, affordable service delivery that delivered value for money;
- Supported delivery of the Council's Enterprising Council Programme;
- Maximised resources available to the Council;
- Ensure Council Tax levels were kept within reasonable levels;
- Integrated Service Plans into the budget process.

The Council's Financial Regulations stated that the Strategy should be reviewed annually to remain consistent with the Council Plan and to ensure that the Financial Strategy drove the Five Year Financial Plan, Capital Programme and Revenue Budget. The Strategy had been reviewed and it was proposed that there were no changes to the Strategy, as attached to the report at Appendix One, other than to update the Financial Resilience section for current information.

**RESOLVED** to approve the Financial Strategy.

**150/19      FIVE YEAR FINANCIAL PLAN** (Strategic Leadership, Culture and Tourism) The Director of Finance and ICT sought approval to the updated Five Year Financial Plan (the Plan) for the period 2019-20 to 2023-24 and asked Cabinet to note the uncertainty and risks set out in the report and the budget savings forecast to be required to help balance the budget over the medium-term, along with budget savings proposals. Reference was made to the Chancellor's recent 2019 Spending Review announcements, providing further funding. The Plan would be revised accordingly once the actual figures were made known.

The Plan was a medium-term financial plan which set out the overall shape of the Council's budget by establishing what resources were available for allocation to reflect Council and community priorities. The Council Plan set out service and organisational priorities. This was reflected in the development of the Plan. The Plan had been updated to reflect the outcomes from the Local Government Finance Settlement 2019-20 and the Autumn Budget 2018.

The Plan showed that a total of £63m of budget savings were required over the period 2019-20 to 2023-24. In headline terms the Council had identified measures which should help achieve substantially all of the budget gap over the period of the Plan. The Plan was attached at Appendix One to the report.

The Cabinet Member for Health & Communities informed Cabinet of an amendment to the Budget Savings Proposals, in that the Trading Services

weight restriction work would continue by way of a transfer of funds from the Economy, Transport & Environment budget.

**RESOLVED** that Cabinet recommend to Council that it:

- (1) approve the Five Year Financial Plan, as amended;
- (2) note the uncertainty and risks set out in the report;
- (3) note the budget savings proposals set out in the report; and

(4) note that departments will be asked to make further savings over the Plan period to reduce reliance on the General Reserve and help meet future emerging pressures.

**151/19      PREPARATION OF BUDGET 2020-21** (Strategic Leadership, Culture and Tourism) The Director of Finance and ICT sought approval for the proposed timetable for the Council's 2020-21 budget preparation and procedures and the associated consultation arrangements.

The production of the Council's budget was undertaken in accordance with the requirements of the Council's Constitution, which required that a timetable be publicised by Cabinet for making proposals to the full Council in relation to the annual Revenue Budget, along with arrangements for consultation with stakeholders, which should be for a period of not less than six weeks. The proposed timetable was attached at Appendix 1 to the report.

A key element of the Council's budget setting process was consultation with stakeholders and it was proposed to undertake the following consultation activities, as determined by the Director of Finance & ICT and Policy and Research, in consultation with the Leader of the Council:

- Four focus groups to frame the public budget consultation survey questions, highlighting how residents' priorities and areas of Council funding need can differ.
- Online Residents Survey, including public budget consultation questions informed by the focus groups alongside the annual survey in respect of the Council Plan.
- The consultation was to be publicised with members of the Citizens' Panel; respondents to past consultations who had consented to such contact; articles on the Council's internal and external websites, in Our Derbyshire employee newsletter and Derbyshire Now; promotion in employee payroll letters; Facebook/Instagram paid-for campaigns; E-newsletters to community groups, parish councils, partner organisations and community publications; media releases and blogs; and organic social media campaigns.
- Statutory consultation with business ratepayers.
- Consultation with trade unions.

- Consultation with Improvement and Scrutiny Committee.

Cabinet would take account of the consultation when drawing up firm proposals to the Council and the results would be communicated after the consultation had ended.

As in previous years an initial Equality Impact Assessment would be undertaken at a corporate level and it was anticipated that this corporate assessment would help identify areas where there was a significant risk of adverse impact which would then be subject to a full equality impact assessment. Alongside the budget consultation, the budget saving proposals in the updated Five Year Financial Plan would be considered to assess which proposals would need a separate targeted consultation with staff, the public and/or with current / potential service users. The outcomes of these processes would be reported to Council and Cabinet as part of the budget process and specific assessments / consultation outcomes reported to Cabinet before decisions were made on individual services.

The Council's Five Year Financial Plan (the Plan) 2019-20 to 2023-24 had been updated during 2019-20 and the results were included in a separate report to the meeting. The Plan would be updated again as part of the budget setting process, to reflect the Government's Autumn Budget, the outcome of the anticipated Comprehensive Spending Review and the Provisional Local Government Finance Settlement, which were expected to be announced in November 2019 and December 2019 respectively.

The Council had in place a Reserves Policy which sets out the framework within which decisions would be made regarding the level of reserves. In line with this framework, the balance and level of reserves over the medium-term were regularly monitored to ensure they were adequate to manage the risk of the Council. This covered both the General and Earmarked Reserves. The results of a review of the General Reserves Position were included in a separate report to the meeting. A review of the Earmarked Reserves Position was being undertaken, with the results to be included in a report to Cabinet in November 2019.

**RESOLVED** to (1) approve the timetable for completion of the 2020-21 budget, including arrangements for consultation with stakeholders and the carrying out of an assessment of the need for full equality impact assessment on budget saving proposals;

(2) note the proposals for reviewing and updating the Five Year Financial Plan; and

(3) note the arrangements for reviewing Earmarked Reserves and updating the General Reserve projections.

**152/19      CONSULTATION ON PROPOSED ADDITIONAL SMOKEFREE PUBLIC SPACES ACROSS DERBYSHIRE** (Health and Communities) Cabinet was updated with a summary of the findings of the consultation to create additional smoke-free public spaces across Derbyshire, specifically aimed at protecting children from the dangers of second hand smoke.

**RESOLVED** to (1) note the outcomes from the Additional smoke-free public spaces consultation, and

(2) delegate any further approvals required to take forward expansion of smoke-free places agenda to Health and Wellbeing Board.

**153/19      PUBLIC HEALTH FUNDING FOR DOMESTIC ABUSE SERVICES** (Health and Communities) A request was made to Cabinet to retrospectively authorise public health funding to the value of £2.000m to be transferred to the Community Safety department for the purpose of re-procuring domestic abuse services for Derbyshire.

**RESOLVED** to retrospectively authorise public health funding to the value of £2.000m to be transferred to the Community Safety department for the purpose of delivering domestic abuse services across Derbyshire.

**154/19      CHILDCARE SUFFICIENCY ASSESSMENT REVIEW 2019-2020** (Children's Services) Cabinet was updated on the outcome of the Childcare Sufficiency Assessment Review 2019-2020 as required by S11 of the Childcare Act 2006.

The Childcare Act 2006 was introduced to give every child the best start in life and parents / carers a greater opportunity to balance work and family life. The Act placed a duty on local authorities to improve outcomes for young children, reducing inequalities between them. The Childcare Act gave local authorities a key role in shaping the childcare market for their area.

**RESOLVED** to agree the draft as Derbyshire County Council's response to the Government's requirements.

**155/19      CHILDREN'S SERVICES CAPITAL PROGRAMME 2018-19 – S106 PROJECT ALLOCATIONS AND FURTHER ALLOCATIONS PAPER 1** (Young People) Cabinet was informed of a capital project at Dunston Primary and Nursery Academy, with approval sought for the allocation of Children's Services Capital funding to allow the project to proceed ahead of the receipt of S106 developer funding.

**RESOLVED** to approve the allocation of £190,562 basic need funding to support the project at Dunston Primary and Nursery Academy in anticipation of further S106 funding.

**156/19      CHILDREN'S SERVICES CAPITAL PROGRAMME 2018-19 – S106 PROJECT ALLOCATIONS PAPER 2** (Young People) Cabinet was informed of the receipt and availability of recent Section 106 developer contributions, with approval sought for the allocation of those contributions to projects in line with the individual Section 106 agreements. Approval was also sought for, where appropriate, procurement exercises to be undertaken to commission services and to undertake works associated with the schemes.

**RESOLVED** to (1) note the receipt / availability of S106 funding and approve the following allocations:

- Overseal Primary School, Findern: £66,351
- Chellaston Fields New Primary School: £83,529
- Chellaston Academy: £128,902
- Belmont Primary School: £134,311
- Stanton Primary School: £87,425
- Melbourne Junior School: £24,588
- Hasland Infant School: £10,000

(2) approve that, where appropriate, procurement exercises be undertaken to commission services and undertake works associated with the schemes.

**157/19      ESTABLISHMENT OF THE DERBY AND DERBYSHIRE SAFEGUARDING CHILDREN PARTNERSHIP** (Young People) Cabinet was updated regarding the establishment of the Derby and Derbyshire Safeguarding Children Partnership. Following the permissions granted by Cabinet on 21 March 2019 a process was undertaken to determine which authority should host the combined partnership arrangements. This culminated in a decision by the Chief Officers of the statutory safeguarding partners (Derbyshire County Council, Derby City Council, Derby and Derbyshire CCG, Tameside and Glossop CCG and Derbyshire Constabulary) on 25 February 2019 that Derby City Council should host the business unit for the partnership.

**RESOLVED** to (1) approve the delegation of functions as outlined;

(2) approve the proposed transfer of two members of staff under TUPE arrangements, but to note the future proposals of the new Partnership.

(3) note the arrangements for the operation of the Derby and Derbyshire Safeguarding Children Partnership to commence on 29 September 2019.

**158/19      CORPORATE PROPERTY FUTURE DELIVERY** (Corporate Services) Cabinet approval was sought on proposals to commence the next stages in respect of the implementation of a new operating model for the Corporate Property division. A further reported, titled 'Corporate Property Future Delivery and Outline Business Case' containing information not for publication was considered separately by Cabinet in the exempt part of the meeting.

In February 2019 Cabinet considered a review undertaken by Ernst Young in respect of the Corporate Property division, agreeing to the redesign of the service, in particular with respect to non-core property services:

- to approve in principle the externalisation of the Facilities Delivery service;
- to approve in principle the externalisation of the Design & Build service; and
- the redesign of the Repairs & Maintenance service and the externalisation of the balance of the service.

The report addressed the above three recommendations, following on from a Cabinet report in July 2019 which established a new structure for the senior management and extended management teams within the division, as well as a new operating model.

The new operating model had six new sections with clear areas of responsibility and a certain and stable supply chain to deliver non-core property services was required. The report addressed the supply chain and once complete would:

- ensure Corporate Property had capacity and expertise to support the Enterprising Council programme;
- strengthen the Corporate Property function to better meet the service delivery requirements of the operational departments; and
- provide a basis to secure revenue and capital savings from future realignment of the property portfolio, including the necessary capacity and expertise.

There were a number of options for externalisation available to the Council, for which a Business Case had been prepared in accordance with best practice HM Treasury Guidance. The Business Case, attached to the exempt report, had five sections within it, each to be updated as the next stages of the implementation was progressed. The five sections were:



- Strategic Fit – description of the Council’s requirement and its contribution to the Council Plan 2019-2021, ‘Working for Derbyshire’;
- Options Appraisal – an assessment of the options available to the Council, having regard to cost, benefit and risk;
- Affordability – a consideration of the financial issues arising from the preferred option(s);
- Commerciality – this set out the potential commercial arrangement with any third parties; and
- Achievability – this addressed the ‘how’ of undertaking the next stages including procurement.

**RESOLVED** to note the content of the report.

**159/19 EXCLUSION OF THE PUBLIC FROM THE MEETING.**

**RESOLVED** that the public be excluded from the meeting during the consideration of the remaining items on the agenda to avoid the disclosure of the kind of exempt information detailed in the following summary of proceedings.

**SUMMARY OF PROCEEDINGS CONDUCTED AFTER THE PUBLIC HAD BEEN EXCLUDED FROM THE MEETING**

1. To consider Minority Group Leaders’ Questions (if any).
2. To confirm the Exempt Minutes of the meetings of Cabinet held on 11 July 2019.
3. To receive the exempt minutes of Cabinet Member meetings as follows:
  - (a) Corporate Services – 27 June, 18 July & 1 August 2019
  - (b) Young People – 6 August 2019
4. To consider exempt reports as follows:-
  - (a) County Property Future Delivery and Outline Business Case – Executive Director Commissioning, Communities and Policy (contains information relating to labour relations matters)
  - (b) Proposal for the Future Human Resource (HR) Delivery Model to support the Council’s Strategic Priorities – Executive Director Commissioning, Communities and Policy (contains information relating to labour relations matters)
  - (c) Urgent decision taken by the Executive Director Economy, Transport and Environment – Long Term Waste Management Contract – update – Executive Director Economy, Transport and Environment (contains information relating to the financial or business affairs of any particular person (including the Authority holding that information))

- (d) Urgent decision taken by the Executive Director Economy, Transport and Environment – Extension to appointment of External Legal Advisors - Executive Director Economy, Transport and Environment (contains information relating to the financial or business affairs of any particular person (including the Authority holding that information))
- (e) Development of a New Care Home at Bennerley Avenue, Cotmanhay – Executive Director Adult Social Care and Health (contains information relating to the financial or business affairs of any particular person (including the Authority holding that information))