

PUBLIC

**MINUTES** of a meeting of **CABINET** held on 10 September 2020.

**PRESENT**

Councillor S A Spencer (in the Chair)

Councillors A Dale, A Foster, C A Hart, T King, and J Wharmby.

**Declarations of Interest**

There were no declarations of interest made.

**151/20**                    **MINORITY GROUP LEADERS' QUESTIONS**

Councillor P Smith asked the following question:

**Agenda item 6(j) – Insurance Capital Maintenance Pool Allocations in 2020**

How many schools have left the Insurance Maintenance Program due to Academisation and how many Grant Maintained Schools have left by choice?

Is the Cabinet confident that the ongoing trend continues to make this scheme viable and represent good value for money for Schools that still participate?

Councillor A Dale, Cabinet Member for Young People responded that this was the second revision of the scheme for 2018/19 to 2021 and it was fixed for 3 years.

Statistics proved that there had been a reduction of 23 members from 2018/19 to 2020/21.

This policy is about what is best for Schools and therefore future Academisation would not be resisted.

**152/20**                    **MINUTES RESOLVED** that the non-exempt minutes of the meeting of Cabinet held on 30 July 2020 be confirmed as a correct record.

**153/20**                    **CABINET MEMBER MEETINGS - MINUTES RESOLVED** to receive the non-exempt minutes of Cabinet Member meetings as follows:



underspend on each yearly plan was to be rolled forward. The reportable schemes within the Appendix had changed slightly from those previously reported to represent the completion of two Capital projects relating to the Accelerated Highways Maintenance project and Tibshelf School and Autism Centre. A Capital project for a new care home at Bennerley had been created on 11 May 2020 and due to its value now appeared in the Appendix. One existing project was also now reportable relating to Alfreton Park Special School due to the completion of the previously mentioned higher value projects.

**RESOLVED** that Cabinet notes the current position on the monitoring of Capital schemes.

**155/20**                    **PREPARATION OF BUDGET 2021-2022** (Strategic Leadership, Culture and Tourism) The Director of Finance & ICT sought approval for the proposed timetable for the Council's 2021-22 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. The Constitution required that a timetable was 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 the proposed consultation activities were highlighted. 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.

The Council's Five Year Financial Plan 2020-21 to 2024-25 (FYFP) was being updated during 2020-21 and the results would be included in a report later in the year. The FYFP would be updated again as part of the budget setting process, to reflect the Government's Autumn Budget, the outcome of the Comprehensive Spending Review 2020 for the period 2020-21 to 2023-24 and the Provisional Local Government Finance Settlement, which were expected to be announced in November/December 2020.

The Council had in place a Reserves Policy which set 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 was included in the FYFP in a separate report to this meeting. A review of the

Earmarked Reserves Position was being undertaken and the results would be included in a report to Cabinet in November 2020.

**RESOLVED** to (1) approve the timetable for completion of the 2021-22 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.

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

**156/20**                    **HEAGE EDUCATIONAL CHARITY, CHESTERFIELD SCHOOL FOUNDATION AND LONG EATON CHARITIES** (Strategic Leadership, Culture and Tourism) Cabinet was asked to approve the annual reports and accounts of the Heage Educational Charity and Chesterfield School Foundation ('the Charities') for 2018 – 2019, and the transfer of three educational charities which benefit schools in Long Eaton, for which the Council was trustee, to Foundation Derbyshire

Heage Educational Charity was a charitable trust governed by the provisions of a Charity Commission Scheme dated 20 October 1997. The Charity primarily benefits the pupils and former pupils of Heage and Ambergate Primary Schools, and secondly, young people resident in the Parish of Ripley, and had a substantial endowment. It also owned land at Ambergate which was used by Ambergate Primary School as its detached playing field as well as being leased by the Charity to Ambergate Cricket Club.

Chesterfield School Foundation benefits pupils and former pupils of the 6 secondary schools which were in the Borough of Chesterfield prior to Local Government Reorganisation in 1974. These were now Brookfield School, Outwood Newbold Academy, Parkside School, Hasland Hall School, St. Mary's RC High School and Whittington Green School.

Heage Educational Charity and Chesterfield School Foundation were two of the 47 educational charities for which Derbyshire County Council was currently sole trustee. On 23rd April 2020 Cabinet approved the transfer of these educational charities to Foundation Derbyshire. The process of transferring the trusts had begun, however the County Council was still required to submit annual returns for these two charities up to the point of transfer. This report was in respect of the charities' annual returns for 2018-2019 and the charities' accounts for the year 2018-19 were attached at Appendix 1 to the report for approval, together with the Trustee's Annual Report.

The report to Cabinet on 23rd April 2020 also referred to three educational charities established for the benefit of pupils at three Long Eaton schools – The John and Mary Crowe Scholarships, The John R Davis Memorial Prizes Fund and The Ernest W Roper Memorial Prize Fund which had also been inactive for some time and not fulfilling their objects.

The report advised that further enquiries were needed and on completion of these enquiries it had been established that the purposes for which the above three trusts were set up could not be met by those other local trusts within their own charitable objects. It was therefore proposed that the three charities should also be transferred to Foundation Derbyshire along with the other 43 for which Cabinet had already approved the transfer.

**RESOLVED** to (1) approve the draft Trustee's Annual Reports and accounts of the Heage Educational Charity and Chesterfield School Foundation for 2018-2019;

(2) approve the transfer of John and Mary Crowe Scholarships, John R Davis Memorial Prizes Fund and the Ernest Roper Memorial Prize Fund to Foundation Derbyshire to be administered as set out in the report to Cabinet of 23rd April 2020;

(3) authorise the Director of Legal & Democratic Services to execute all documents necessary for the purposes of the transfers of the John and Mary Crowe Scholarships, the John R Davis Memorial Prizes Fund and the Ernest W Roper Memorial Prize Fund to Foundation Derbyshire; and

(4) authorise the Director of Finance & ICT to transfer the funds of the John and Mary Crowe Scholarships, the John R Davis Memorial Prizes Fund and the Ernest W Roper Memorial Prize Fund held by the County Council to Foundation Derbyshire once the legal transfers have been completed.

**157/20**                      **DERBY AND DERBYSHIRE ANNUAL CASUALTY REPORT 2019** (Highways, Transport and Infrastructure) Cabinet was updated with the Derby and Derbyshire Annual Casualty Report 2019, with approval sought for its wider publication, both in electronic and printed form.

The report gave details of road traffic collision trends and what had been achieved in road traffic casualty reduction within the areas covered by the Derby and Derbyshire Road Safety Partnership (DDRSP), Derbyshire County Council and Derby City Council, as well as detailed analysis of casualty trends within each Local Authority District/Borough. The report would be used to guide casualty reduction work for each area.

**RESOLVED** to (1) note the current trends in road casualties as reported in the Derby and Derbyshire Annual Casualty Report 2019; and

(2) approve its wider publication both in electronic and printed form.

**158/20**                    **COUNTY TRANSPORT ENTERPRISING COUNCIL REVIEW** (Highways, Transport and Infrastructure) Cabinet were informed of the outcome of the Enterprising Council review of County Transport fleet services which proposed an Internal + External Top Up model for delivery of the service and sought approval for the proposed improvement plan to make changes to the way the Council managed its vehicle fleet to reduce the overall financial and environmental costs.

This work would focus heavily on reducing grey fleet travel (journeys undertaken by employees on council business); developing a council wide approach to the deployment of vehicles to minimise the need to hire in from external providers; and introducing low carbon alternatives in the core fleet.

County Transport provided fleet management and maintenance services for all Council departments and also a number of external organisations. It was originally identified as an Enterprising Council “early start” as part of the Highways Review, but as these services were fundamentally different, the Highways Review was progressed separately. Highways and Property Services were County Transport’s two biggest internal customers, therefore, the review was re-programmed to follow the two Enterprising Council reviews of those services.

The review looked at the two distinct elements of the service: fleet management and fleet maintenance. It was considered important to distinguish between the two as they were very different functions that could be managed separately or together through a variety of different delivery models. The fleet management element of the service was responsible for providing cost-effective solutions and advice regarding the purchase, lease or hire of the Council’s core fleet, circa 500 vehicles including gritters, mobile libraries, lorries, street lighting platforms, vans, minibuses, 4x4 vehicles, trailers, plant, and pool cars. The fleet maintenance and repair service covered the Council’s core fleet and also that of a number of external customers, including other Derbyshire public sector organisations. The largest contract was for Derbyshire Constabulary which was won through competitive tender

An assessment of a number of delivery models had been undertaken to identify which would provide the best outcome to deliver the strategic drivers. It involved assessing the value that each model would bring to help the service to deliver the strategic drivers to enable a recommendation to be made on the most appropriate future delivery model for the service. The full

report from the review was attached at Appendix 1 to the report. The options that were considered were as follows:

1. Do Nothing (+2 years)
2. Internal + External Top Up
3. Internal Service Structured for Trading
4. Internal Service for Derbyshire County Council Only
5. Local Authority Trading Company
6. Outsourced (All)
7. Outsourced (Fleet Management)
8. Outsourced (Fleet Maintenance)
9. Agile Partnering

Details of the scoring from the Stage 1 high - level evaluation of each delivery option against the strategic drivers were provided of in the Appendix to the report. The top four options were as follows:

- Internal + Structured for Trading (87)
- Internal Service for Derbyshire County Council Only (87)
- Internal + External Top-Up (79)
- Agile Partnering (79)

Stage 2 involved a high-level assessment of the relative attractiveness and achievability of each of the four highest scoring delivery options, plus the “Do Nothing” option for comparison.

The highest scoring option was Internal + External Top Up. This option assumed that the core service would continue to be provided internally following the successful implementation of the improvement programme as outlined in this report. External support would be procured for specialist services and for additional capacity, as required. This option did not prohibit the expansion of the service, both internally and externally, but ensured that the priority was to provide and maintain a cost-effective and efficient service for existing customers, both Derbyshire County Council and external.

**RESOLVED** (1) that the outcomes of the Enterprising Council review for County Transport fleet services be noted;

(2) to approve the proposal to adopt the Internal + External Top Up model for delivery of the service; and

(3) to note that an improvement programme was underway to reduce the overall financial and environmental cost of vehicles which included a review of the financial model; review of the procurement policy around buying or leasing vehicles; review of grey fleet usage and introduction of a low emission pool vehicle fleet; introduction of a centralised vehicle hire booking

system; consideration of charging for additional services currently provided free of charge; continued standardisation of vehicle fleet; and other efficiency improvements.

**159/20**

**DEVELOPER CONTRIBUTIONS PROTOCOL**

(Highways, Transport and Infrastructure) The Developer Contributions Protocol (DCP) was originally published in 2012 and refreshed in 2013. Its purpose was to set out the requirements for, and approach to, the type and level of infrastructure the County Council sought to secure through planning obligations (or CIL) from applicants/developers in order to mitigate the impacts of development (whether for District/Borough or County Council determination) and make it acceptable in sustainable development terms.

Over the past three years, the Government had been committed to reviewing developer contributions through two consultations in 2017, followed by the publication of its 'Supporting Housing Delivery through Developer Contributions' in March 2018. The outcome of this latter consultation resulted in Government proposing various changes to the current system of developer contributions through the reform of the Community Infrastructure Levy (CIL) Regulations 2010 (as amended). A technical consultation followed on the integration of these changes into the CIL Regulations (published 21 December 2018), to ensure the draft regulations delivered the intended policy changes and did not give rise to unforeseen consequences. The County Council's responses to these consultations were reported to the Cabinet Member Meetings – Highways, Transport and Infrastructure on 20 December 2018 and 28 February 2019 respectively. The main changes brought in by the revised CIL Regulations were highlighted. Following initial implementation of the Regulations, this had provided the trigger for the wholesale review of the County Council's DCP.

Work had been ongoing with the relevant County Council departments to ensure the DCP review was fully inclusive of all relevant County Council service areas which were potentially impacted by new development and for which contributions should be sought in line with the three tests now enshrined in the CIL Regulations.

These tests were that such a contribution was:

- necessary to make the development acceptable in planning terms;
- directly related to the development; and
- fairly and reasonably related in scale and kind.

This DCP review had been particularly necessary to ensure that in relation to the exceptional level of planned growth that was anticipated across Derbyshire over the coming 15 years, the County Council had systematically and sensitively considered the key areas of potential impact and mitigation

and that existing Council services/functions were adequately supported to fulfil their responsibilities.

The purpose of the DCP was therefore two-fold:

- To set out clearly the County Council's expectations as to how development would need to mitigate its impact with regard to the infrastructure and services delivered by the County Council. The DCP details the type and level of contributions which may be sought by the County Council when consulted on planning applications, and the methodology which underpins the calculations.
- To support the local planning authorities to incorporate contributions towards infrastructure requirements into their local plans. This was necessary in order to comply with the advice in Planning Practice Guidance, that policies for planning obligations should be set out in plans and examined in public and should be informed by evidence of infrastructure and affordable housing need, and a proportionate assessment of viability.

A full draft revised DCP had therefore been developed, which was attached at Appendix A to the report; had due regard to climate change considerations and the Council's Environment and Climate Change Framework that was approved by Cabinet in November 2019. The draft DCP also reflected updated procedures, consistent with the revised National Planning Policy Framework (NPPF) and CIL Regulations. The headline changes to the DCP were summarised.

**RESOLVED** to approve the draft Developer Contributions Protocol for publication on the County Council's website and used in the assessment of the impact of development on the County Council's services and infrastructure.

**160/20**                      **ELVASTON CASTLE MASTERPLAN DELIVERY PROGRAMME** (Clean Growth and Regeneration) The Director Economy, Transport and Environment presented a report requesting "in principle" approval to the implementation of a delivery programme for the Elvaston Castle Masterplan and secure funding in accordance with the proposed Funding Strategy outlined in the report.

The draft Masterplan had been approved by Cabinet on 15 March 2018. Following a public consultation exercise which was undertaken during 2018 the revised Masterplan was approved by Cabinet on 20 December 2018. The options that had been considered by the Council prior to the development of the Masterplan concluded that the only viable option for the future of the Elvaston estate was to develop a programme of work and a funding strategy to secure its future in line with the vision in that document.

Masterplan Delivery Programme

The Council had worked closely with the ECGT, the body that was created to ultimately take responsibility for the management of the site, and now a registered charity, to develop detailed proposals to deliver Phase One of the Masterplan - the repair and conversion of the core buildings and their development as an improved visitor attraction. It should be noted that a later phase was referred to in the Masterplan (Phase Two). This included longer term proposals for renovation and restoration of the historic landscape, for which any future funding from the Council was intended to be minimal, as it was likely that such works would be eligible for external grant funding once the earlier phase had been completed.

A contract was awarded to Mace Ltd, working with DCA Consultants, in June 2019, to undertake the strategic project management work required to develop detailed business cases for the various elements and advise on a programme of work that would achieve the desired outcomes.

DCA had completed the initial phase of its work and provided a comprehensive report that had informed the proposed Delivery Programme. In the report, DCA had demonstrated that a wide range of potential end uses at Elvaston had been fully explored through discussion with Council officers and ECGT Trustees and research carried out by DCA and specialist sub-contractors to appraise the market and the net income generation potential. Throughout, end uses had been considered in the context of the site.

The detailed proposals for Phase One of the Elvaston Castle Masterplan Delivery Programme were set out. The estimated £35m funding required for the Masterplan Phase One Delivery Programme fell under three categories:

1. Infrastructure to unlock the potential of the Estate including the new access, car park, services/utilities and other elements, such as drainage.
2. Repair of historic buildings – there is a large “conservation deficit” as the Council had not invested significantly in keeping buildings in good repair for many years. As landowner, the Council had a responsibility to do this regardless of any future use.
3. Invest to save – significant investment was required in order to generate income including a new café; conversion of buildings and spaces to create commercial retail/office spaces and events; and introduction of new facilities that visitors will pay to use such as adventurous play.

The breakdown of costs and the main funding streams proposed by the Funding Strategy were provided.

**RESOLVED** that Cabinet gives “in principle” approval to the implementation of the proposed delivery programme for the Elvaston Castle

Masterplan and to secure funding in accordance with the proposed Funding Strategy outlined in the report.

**161/20                      FINANCIAL SUPPORT TO DERBYSHIRE FOODBANKS**

(Health and Communities) The Director of Public Health presented a report seeking Cabinet approval to provide a grant to the value of £0.150m to Foundation Derbyshire for the purpose of supporting foodbanks across Derbyshire.

In light of the unprecedented level of demand being faced by Foodbanks and the challenging operating environment in which they continued to provide such a vital service to our communities, Foundation Derbyshire had decided to set a monitoring deadline of 3rd December 2020 for all Food Bank grants, thereby enabling them to focus their time and resources on their frontline emergency response. A final impact evaluation would therefore be provided in January 2021. In the meantime, all Foodbanks applying for a Stage Two Food Bank grant were required to submit evidence that their Stage One grant had been fully spent and also provide an end of grant report.

To date, the £0.100m funding from the Council had enabled Foundation Derbyshire to award 41 grants to 27 organisations. In addition to the one-off grant of £32,900 to FareShare, in Stage 1, 26 grants had been awarded totalling £24,750, and 14 stage 2 grants had been awarded totalling £42,350. Although the original peak of the COVID-19 pandemic had passed, the longer term effect on poverty and food insecurity was continuing. For example, there had been an increase in the number of families eligible for Free School Meals, an indication that family income was reducing. It was expected that this would get worse as the government furlough scheme ends with a potential rise in unemployment. Additional funding of £0.150m would provide further support, through Derbyshire's foodbanks, to vulnerable people across Derbyshire who were experiencing financial crisis and food insecurity. Details of how the additional funding would be used were provided in the report.

**RESOLVED** to approve funding of £0.150m to Foundation Derbyshire to provide continued support for Derbyshire Foodbanks.

**162/20                      COVID-19 FUNDING ALLOCATION TO DISTRICT AND BOROUGH COUNCILS TO SUPPORT DERBYSHIRE RESPONSE TO COVID-19**

(Health and Communities) Environmental Health (EH) departments had both specialist expertise and skills and well as important legislative powers in relation to COVID response, their support was critical in implementing the outbreak plan and were a valuable resource in implementation. Funding of £0.05m per annum to each district and borough council in Derbyshire was a significant investment to cover back fill with

environmental health officers to provide adequate resources to respond to COVID related incidents and outbreaks utilising the COVID outbreak plan. EH departments were under significant pressure due to statutory enforcement duties and supporting the easing of restrictions for businesses. Additional capacity to support COVID response would therefore require investment from Derbyshire County Council to deliver local operational aspects.

**RESOLVED** to approve the funding allocation of £50,000m per annum for the financial years 2020-21 and 2021-22 to each district and borough council's environmental health teams to support Derbyshire's response to COVID-19, including the implementation of the Derbyshire Local Outbreak Management Plan.

**163/20**                      **INSURANCE CAPITAL MAINTENANCE POOL ALLOCATION IN 2020** (Young People/Corporate Services) Approval was sought for the co-funded capital maintenance projects under the Insurance Capital Maintenance Pool for 2020-21.

The Insurance Capital Maintenance Pool (IMP) was a building capital maintenance scheme for those schools that had joined for the period 2018-2021. Under the IMP, projects with a value of between £20K and £40K for primary schools and between £50K and £100K for secondary schools were co-funded by the IMP and the School Condition element of the Children's Services Capital Budget if the project was deemed to be a priority condition in accordance with the condition survey, or the works were considered to be urgent in nature upon the advice of the surveying team. The projects detailed in Appendix A to the report were schemes that are proposed for 2020-21.

Approvals made under delegated powers by the Executive Director Children's Services and the Children's Services Head of Development were set out in Appendix B to the report. The allocations totalled £52,090 leaving an unallocated balance of £268,910.

**RESOLVED** to (1) approve the projects detailed in Appendix A to the report, and the expenditure of £1,305,500 from IMP and £678,000 from the Children's Services Capital Fund; and

(2) note the allocations approved under delegated powers by the Executive Director for Children's Services and the Head of Development totalling £52,090 as detailed in Appendix B to the report.

**164/20**                      **REFURBISHMENT OF THE COUNCIL'S HOMES FOR OLDER PEOPLE** (Adult Care) The plan to refurbish three homes followed public consultation on the future of ten of the Council's own homes for older people. The homes required refurbishment works, including rewiring. Following the consultation, on 4 June 2020 Cabinet approved a number of

proposals including that the proposed plan to undertake refurbishment works to New Bassett House, Briar Close and Rowthorne would continue, with a further report presented to Cabinet seeking a business case and procurement approval.

The proposed procurement process was set out in the associated exempt report. The information included in the exempt report was considered to be confidential on the basis that disclosure of the financial information included would prejudice the procurement outcome.

Direct Care provision played a key role in the local care market in Derbyshire as the largest sole supplier of residential care beds. The Direct Care homes for older people and Community Care Centres can play an important role in the wider market by fulfilling a number of functions. In order to continue to fulfil its responsibilities Direct Care would need to ensure that services could continue to be provided in the three homes identified in this report for at least 5 years.

The following project options had been considered:

- Phased refurbishment of the buildings which would remain occupied and fully operational during the proposed works
- A potentially quicker refurbishment of vacated buildings with residents relocated elsewhere.

The existing buildings featured residential wings around a central hub. This would permit refurbishment work to be phased, with residents being relocated within the home, to allow work to be undertaken wing by wing in a planned manner.

Although residents and staff would be inconvenienced during the refurbishment, and the works would take longer to complete, this was the preferred approach as expressed by residents and their relatives during the recent consultation. Any adverse impact on residents as a result of this approach would be addressed on an individual basis with support from the local social work team as appropriate, including consideration of a temporary move where this was desired. Alternatively, if the homes were fully vacated and residents were relocated to other homes, the work could be completed more quickly but residents would be more inconvenienced for a significant period of time. This was therefore not the recommended option.

The scope of proposed refurbishments had been carefully considered to address necessary repairs and renovations without significant structural alterations, and remodelling of the layouts. The proposed works were listed.

The proposed works would significantly enhance safety, energy efficiency, and environmental quality. It was not proposed to undertake significant structural alterations. The scope of works therefore did not include the creation of en-suite facilities, widening of corridors, increase in bedroom size or an increase in the number of disabled accessible bathrooms and toilets.

The total estimated costs of the work were £13.150m. The capital costs would be funded from the Older Peoples Housing Strategy Reserves set aside for this purpose in the January 2020 Cabinet report. The uncommitted balance in the reserve would be required to meet the cost of any additional works or other costs associated with the additional homes for older people which required refurbishment, including fire safety mitigation works and additional staffing.

**RESOLVED** to approve (1) the refurbishment of 3 Homes for older People as follows and that further to this approval agree that this decision and appropriate supporting information can be made public:

- Briar Close, Borrowash
- New Bassett House, Shirebrook
- Rowthorne, Swanwick

(2) the use of the Older Peoples Housing Strategy Reserve to fund the project.

**165/20**                      **ENTERPRISING COUNCIL PHASE 2** (Strategic Leadership, Culture and Tourism) The Cabinet considered a report which gave an update on progress made in relation to the Council's Enterprising Council programme and that sought approval to take forward proposals for Phase 2 of the approach.

The role and shape of public services had changed dramatically over recent years. Reduced public sector funding and increasing demand for services driven by demographics and long standing social, health and economic pressures meant that the Council, like many other authorities across the country, continued to face significant challenges in providing the services that local people need and want with available resources.

The Council Plan 2020/21 outlined the Council's strategic approach which focused on three key pillars of activity - Enterprising Council, Thriving Communities and Vision Derbyshire. This approach would be fundamental in ensuring an adaptive and dynamic response to the increasingly complex issues, such as the recent coronavirus pandemic and climate change, facing the Council, partner agencies and local communities.

Significant progress on all three pillars had been made in recent months. However, this report sets out the importance of the Enterprising

Council approach and its role in driving forward whole council transformational change. Whilst the initial focus of the programme would be on a small number of early start service areas, the Enterprising Council approach had subsequently been embraced and had proved critical in the review and the redesign of services across the full landscape of Council activity.

Progress, since the launch of the approach in early 2018, had been significant and fast paced which had resulted in a corresponding change to the culture of the organisation and the way in which the council undertakes reviews, explores new and innovative service models and commissions and delivers its services, to secure better outcomes and value for money services for local people. This provided a robust foundation on which to build and deliver the Council's future ambitions as it moves forward.

The report outlined:

- Progress on the delivery of Phase 1, identifying key achievements to date; and
- Proposals to take forward Phase 2, focusing on three priority areas which would be critical in driving forward the approach and future plans for organisation, community and economic recovery and renewal over the next twelve months.

A key focus of the Enterprising Council Strategy had been its emergent approach which had been designed to be flexible and agile, responding to challenges and opportunities and ensuring the conditions within the Council supported the culture change required to deliver whole council transformation as the approach embedded and matured. Proposals for Phase 2 and the future approach would take account of the new landscape in which the public sector and communities found themselves and direct effort and resource to those areas of council activity which would have the most impact moving forward.

**RESOLVED** to (1) note achievements and progress made to date on the implementation of the enterprising council approach and approve the closure of Phase 1 as set out in the report;

(2) approve proposals to take forward Phase 2 of enterprising council approach focusing on the four priorities set out in the report;

(3) note proposals to accelerate the delivery of the three cross cutting projects, modern ways of working, demand management and workforce and leadership behaviours, initially focusing on modern ways of working to maximise opportunities and challenges presented by the current pandemic.

**21** (Strategic Leadership, Culture and Tourism) The Executive Director Commissioning, Communities and Policy presented the Council Plan performance report for Quarter 1 2020/21.

The Council Plan set out the future direction of the Council and the outcomes that the authority was seeking to achieve. The Plan identified a small number of focused priorities to direct effort and resource, supported by “deliverables” under each priority. These set out what the Council aimed to deliver over the forthcoming year and were supported by key measures which enabled the Council to monitor the progress it was making.

The performance report for Quarter 1, attached at Appendix A to the report for consideration, had been developed to ensure effective monitoring and management of the performance of the Council. The report described the progress the Council had made on each of the deliverables set out in the plan for the period April – June 2020. Performance against key measures was also reported and these were compared to targets where they had been set.

Covid-19 had brought both challenges and opportunities for the Council. This has had a significant impact on many areas of activity but particularly on the priority for a prosperous and green Derbyshire, which at the end of 2019-20 was performing well. During Quarter 1, however, a number of deliverables which supported the delivery of this priority that had now been rated as “requiring review” due to economic challenges brought about by the pandemic. The Council however continued to build on the opportunities for developing a stronger economy, greater partnership working, enhanced community resilience and for harnessing changes to employee, resident and business behaviour to build a greener Derbyshire. Detailed information regarding the position as at the end of Quarter 1 was set out in the report, and the key areas of success and key areas for consideration were presented.

It was recommended that Cabinet considered and comment on the information contained within the report. Where performance issues were highlighted it was recommended that Cabinet considered whether there were any further actions that should be undertaken to improve performance to the desired level. The Council’s progress in delivering the Council Plan would continue to be monitored during 2020-21 and reports would be produced and reported to Cabinet on a quarterly basis.

**RESOLVED** to (1) note and consider the content of the report and the continued progress that has been made on the delivery of Council Plan priorities during the first quarter of 2020-21 as set out in Appendix A to the report;

(2) discuss key areas of success and areas for review and consider whether there were any further actions that should be undertaken to improve performance where it had not met the desired level;

(3) note plans to undertake regular monitoring and review of Council Plan performance during the forthcoming year; and

(4) continue to receive further reports on progress in delivering the Council Plan on a quarterly basis during 2020-21.

**167/20**                      **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 meeting of Cabinet held on 30 July 2020.
3. To receive exempt minutes of Cabinet Member meetings as follows:
  - (a) Adult Care – 20 August 2020
  - (b) Corporate Services – 16 July 2020
  - (c) Highways, Transport and Infrastructure – 30 July 2020
4. To consider the exempt report on the Engagement of PSP Derbyshire LLP for Joint Ventures Delivery of Projects (contains information relating to labour relations matters; and information relating to the financial or business affairs of any particular person (including the Authority holding that information)).
5. To consider the exempt report on the Award of a contract for the construction of the Woodville – Swadlincote Regeneration Route (contains information relating to the financial or business affairs of any particular person (including the Authority holding that information)).
6. To consider the exempt report on the Refurbishment of the Council's Homes for Older People (contains information relating

to the financial or business affairs of any particular person  
(including the Authority holding that information))

PUBLIC

**MINUTES** of a meeting of **CABINET** held on 15 September 2020.

**PRESENT**

Councillor B Lewis (in the Chair)

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

**Declarations of Interest**

Councillor A Dale declared a personal interest in Agenda Item 4(a) Devolution, Vision Derbyshire and Local Government Reform as the Leader of North East Derbyshire District Council.

**174/20** **MINORITY GROUP LEADERS' QUESTIONS**

There were no Minority Group Leader questions.

**175/20** **DEVOLUTION, VISION DERBYSHIRE AND LOCAL GOVERNMENT REFORM** (Strategic Leadership, Culture and Tourism) The Executive Director Commissioning, Communities and Policy sought agreement to recommend to Full Council on the 16 September 2020:

- The approval of plans to secure a devolution deal for the East Midlands;
- The approval of Vision Derbyshire (non-structural reform) as the preferred option for local government reform in Derbyshire and approval of structural reform as a viable alternative option for local government reform in the event that Vision Derbyshire was not able to satisfy the Government's requirements for reform; and
- The approval for the Leader of the Council to write to the Secretary of State for Housing, Communities and Local Government requesting an invitation to submit a proposal for a single tier of local government for the county. Such an invitation was non-binding as it would be subject to approval by the Council.

The Government had announced its intention to publish a White Paper on Devolution and Local Recovery, as a means to 'level up' all parts of the country and reduce regional inequalities, with a clear ambition to remove the barriers to Covid19 recovery and complexity to devolution. Whilst the exact details of the White Paper were not yet known, it was widely expected that the Government would set out its proposals for local government structural reform

in England along with setting out the role which greater devolution would play in national recovery. Exact timeframes were also not yet known but the White Paper was expected by early October.

Reduced public sector funding and increasing demand for services driven by demographics and long standing social, health and economic pressures, meant that the Council, like many other authorities across the country, continued to face significant challenges in providing the services that local people need and want with available resources.

The impact of Covid19 had placed further pressure on the Council's revenue and capital budgets, the long-term implications of which were not yet fully known. The resulting impact of the pandemic on the national economy was likely to be significant and the anticipated financial shock on public finances would place local government under increasing pressures to deliver more efficient or even fewer services in the future.

Given the impact of the Covid19 pandemic and the anticipated publication of the forthcoming Devolution and Recovery White Paper, many councils were actively considering their routes to securing devolution deals and their stance on local government reorganisation in this context. It was the Council's understanding that local government restructuring was likely to be viewed as a prerequisite to future devolution deals. For example, recent devolution discussions in North Yorkshire would potentially result in £2.4bn of investment in the region, on the condition that the current two-tier local government system was replaced.

Based on existing deals, a devolution deal for the East Midlands could incorporate investment in infrastructure, skills, transport and housing. In the light of the current and continuing impact of Covid19, such investment would be of vital importance in enabling the local and regional economy to recover from the pandemic for the benefit of local people.

It was also anticipated that the Government would invite a small number of councils to take part in the 'first tranche' of local government reform. Whilst this was an emergent process, the Council understood that those authorities who were able to submit their case for local government reform by the Government's agreed date would be considered for inclusion in the first or early tranche of areas pursuing devolution deals.

Under current legislation, it was open to the Secretary of State, subject to consultation and Parliamentary approval, to implement if he thinks fit, any unitary proposal submitted by a council in response to an invitation which any council may request. The process for being considered in the first tranche and receiving an invitation from Government, would first involve writing to the

Secretary of State for Housing, Communities and Local Government, outlining the Council's intentions.

Significant consideration therefore now needed to be given to the routes that were available for Derbyshire, to enable the Council to move at pace and to secure a devolution deal for the East Midlands in collaboration with regional partners. It was vital that Derbyshire and the wider East Midlands region did not miss the opportunity to address historic funding inequalities and was at the front of the queue for much need investment in the region. It was therefore proposed that Cabinet recommends to Full Council approval of the pursuit of a devolution deal and the establishment of a mayoral combined authority for the East Midlands. This would be of vital importance in supporting future recovery, resilience and prosperity in the region.

The Government had approved a number of devolution deals across the country since 2014. However, no county, two-tier area had successfully facilitated or achieved a devolution deal for their area, despite the development of numerous proposals across the country and significant liaison and negotiation.

In the absence of a viable route to devolution in Derbyshire, the Council had embarked on the development of alternative arrangements at a both a local and regional level. This had seen significant exploration and progression of new models of working across local government to increase collaboration and to ensure all councils were more aligned on a local and regional scale, with a focus on achieving the greatest public value for local people and communities across the East Midlands as follows:

- **Strategic Alliance** - Unitary and upper tier local authorities in the East Midlands had created a Strategic Alliance. This formal partnership had enabled strategic co-ordination and alignment of local government resources to support connectivity, trade, investment and growth which had resulted in a fundamental change to the way upper-tier authorities in the region work together in a more focused and co-ordinated way to overcome the significant lack of investment in infrastructure and services across the East Midlands, ensuring the region had a clear and powerful voice.
- **Vision Derbyshire** – Over the last eighteen months, councils across Derbyshire had been working on the development of a new model of local government and shared leadership. Phase 1, saw all ten Councils in Derbyshire – the County Council, City Council and eight District and Borough Councils – working together to identify shared priorities and outcomes and agree to strategically collaborate on the improvement of outcomes for people and places, to speak with one voice as a county and to coordinate resources better and more sustainably.

The programme had been driven forward and involved a significant investment of time, hard work and goodwill from participating councils and their leaders and executive officers. Derby City Council who participated in Phase 1 of the approach declined to participate in Phase 2, although the opportunity to work collaboratively on the further development of the approach had remained open.

Phase 2 had subsequently resulted in the development of an approach to non-structural reform – Vision Derbyshire - and the development of a case for change and proposition to central government focused around four key ambitions as follows: Seize innovation, Establish relentless ambition, Build proactive communities and live and work sustainably.

The approach had identified a number of enablers to support and embed collaboration, such as leadership, culture, technology, workforce, customers, assets and estimated possible organisational and wider system benefits that could be achieved if the new approach were to be taken forward. A new formal governance model to support effective decision-making had also been identified as being crucial in taking the approach forward as were a number of asks and offers to Government to support the realisation of ambitions. Further detail on Vision Derbyshire and the proposed approach were detailed in Appendix A to the report.

A letter to Government, signed by all Derbyshire Councils, requesting a meeting to discuss the approach was sent to the Secretary of State on 4 September 2020, with a meeting yet to be arranged.

A key principle which had emerged through the work across the Strategic Alliance and Vision Derbyshire, was the recognition that the current two-tier structure of local government could not be maintained as it was. It was the Council's belief that the status quo was no longer an option if local government was to continue to meet the needs of residents, communities and businesses in the future. There was a pressing need to develop a new model of local government for Derbyshire, whether this was achieved through structural or non-structural reform.

Due to the time, effort and considerable engagement that Derbyshire Councils had taken over the last 18 months to develop Vision Derbyshire, the Council remained committed to this approach as the preferred route to progressing a deal. However as stated, whilst this could be set out as the preferred option, the Council was very aware that Vision Derbyshire had to be finalised, agreed, moved forward at pace and offer a credible new model of local government in Derbyshire. The Council could not proceed along this route without the full backing of all two-tier Councils in Derbyshire and the Government, given what was currently at stake.

It was not yet known whether any alternatives to local government reorganisation and structural reform, including collaborative models for non-structural reform such as Vision Derbyshire, would be palatable to Government or if there would be any scope for these to be accommodated in the White Paper once published. The Council also had to reasonably assume that, despite the success of working collaboratively across the County through Vision Derbyshire, a number of Derbyshire councils were also actively considering their own position on local government reorganisation.

It was vital that the Council be in a strong position to counter any proposals which it believed were not in the best interest of Derbyshire residents. A County Councils Network (CCN) Report, '*Evaluating the importance of scale in proposals for local government reorganisation*', published on the 28 August 2020, had warned of the significant financial consequences and impact of fragmenting and disaggregating countywide services. It was therefore recommended that the Council oppose any proposals for a new model of local government which disaggregated the county footprint due to service fragmentation and the breaking up of historical boundaries and that Cabinet recommends this approach for approval by Full Council.

It was critical that any new model of local government for Derbyshire was considered within the context of both the Council's ambition to level up the Derbyshire economy and protect the historic county which was an integral part of local identity and belonging. It was therefore recommended that the Council did not, given the current circumstances, take a single, predetermined route to a devolution deal.

It was therefore recommended that Cabinet approve and recommend the available routes to the Council in taking forward proposals as set out in the report, to Full Council at its meeting on 16 September 2020, and that these be pursued concurrently in order for the Council to retain the ability to be considered in an early tranche of local government reform, unlocking the potential to progress a devolution deal across the region.

It was recommended that Cabinet approves Vision Derbyshire as the preferred option, to be agreed by Full Council, conditional on the following criteria being met:

1. The collaborative model proposed by Vision Derbyshire satisfies the Government's will for local government reform and allows for the progression of a devolution deal for the region; and
2. All Derbyshire councils (excluding Derby City) agree to implement Vision Derbyshire in its entirety through a similar formal decision in a timescale which satisfies the Government's timetable for progression of a devolution deal for the region.

Whilst the approach to Vision Derbyshire was finalised and the Council seeks assurances that the above criteria could be met, it was necessary for the Council to have in place a viable alternative option for local government reform in the event that Vision Derbyshire was not able to satisfy the Government's requirements for reform and a subsequent devolution deal. It was therefore recommended that Officers be mandated to prepare an alternative route for devolution, in the form of developing a case for a single unitary model of local government in Derbyshire, on a county footprint. Cabinet was asked to recommend that Full Council approve the submission of a letter from the Leader to the Secretary of State for Housing, Communities and Local Government to request an invitation to submit a proposal for a single tier of local government for the county, in line with this approach and following the current legislative provisions.

This approach would ensure the Council remained agile and was prepared and able to move quickly if necessary, to keep pace with other areas and retain the opportunity be considered in the first tranche of devolution deals, following the publication of the criteria set out in the Local Recovery and Devolution White Paper.

Once the process for securing a devolution deal was established through the White Paper, it was recommended that the most viable option and preferred route be brought back for consideration to a subsequent meeting of Cabinet. These would be preliminary steps only and the most viable proposal, which maximises the opportunities of securing a devolution deal and preserving the county footprint, would be subject to ratification by Full Council, as well as appropriate prior consultation with the public and partners.

Should Council not support the approach outlined above, then Derbyshire would likely miss the opportunity for a devolution deal and remain subject to the imposition of local government reform measures, whatever their shape, in the future.

**RESOLVED** to approve the report and recommend that Full Council on 16 September 2020:

- (a) notes the Government's intention to publish a Devolution and Recovery White Paper in Autumn 2020;
- (b) approves the consideration of the White Paper (once published) to assess the most appropriate response, in light of the details contained therein;
- (c) approves in principle, the Council's involvement in the development of a devolution deal for the East Midlands to support recovery, resilience and prosperity across the region;

(d) approves Vision Derbyshire as the preferred route for local government reform, provided the conditions for this route, as set out in the report, were fully met;

(e) approves proposals for the Leader of the Council to write to the Secretary of State to request an invitation to submit a proposal for a single tier of local government for the county, in the event that Vision Derbyshire was not able to satisfy the Government's requirements for reform and a subsequent devolution deal;

(f) mandates officers within the Council to prepare an alternative route for devolution and the development of a case for a single unitary for Derbyshire, should the conditions for the preferred route for local government reform outlined in recommendation d) not be fully met; and

(g) opposes any proposals for a new model of local government which disaggregates the county footprint due to service fragmentation and the breaking up of historical boundaries.