

PUBLIC

MINUTES of a meeting of **CABINET** held virtually on 19 November 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

There were no declarations of interest made.

189/20 MINORITY GROUP LEADERS' QUESTIONS

Councillor P Smith asked the following question:

Agenda item 6g - Scrutiny of the Next Steps in relation to Direct Care Homes for Older People

The Interim Scrutiny Report into Direct Care Homes for Older People confirms that - despite problems with COVID 19 - the minor works required to ensure the safety of our care homes has been completed. Will the Cabinet Member for Adult Care join me in welcoming this report which - in turn - confirms the findings of the Scrutiny Committee chaired by Councillor Judith Twigg in September 2017?

Councillor J Wharmby, Cabinet Member for Adult Care responded that she was concerned that Councillor Smith appeared to have confused the two entirely separate scrutiny reviews. Councillor Wharmby confirmed that the review undertaken by Councillor Twigg in 2017, looked at how the Authority were providing care to residents in care homes. Members of the Working Group visited establishments and met with residents, staff members and family members to see the level of care provided to the residents, how members of staff were being supported and the overall standards that were being achieved. As such the review focussed on the staffing arrangements, the level of care provided, access to outside space, access to health services and the feel of the physical environment in the context of being able to efficiently provide care and support to residents.

The report considered today is an interim report that responds only to one element, the risk mitigation measures that are in place are as a result of the terrible conditions of the fabric of the buildings in question. Councillor Smith and the Labour Group are ignoring the seriousness of this issue. This is

not just minor work that is required on these buildings and the work that was being undertaken to make them safe was substantial. It must be stressed that they were only temporary measures and the issue had not gone away. It did not address the issues around the future maintenance and rewiring of these homes. Councillor Wharmby reiterated that this was not a position the Council wanted to be in, but we were left with no choice after decades of Labour's mismanagement and non-investment. On this basis therefore, the two reports referred to by Councillor Smith were not linked and were focussed very much on different areas of work. Councillor Wharmby could not therefore join him in confirming that the findings of the interim report today aligned with those presented by Councillor Twigg's presentation in 2017.

190/20 **MINUTES RESOLVED** that the non-exempt minutes of the meeting of Cabinet held on 08 October 2020 be confirmed as a correct record.

191/20 **CABINET MEMBER MEETINGS - MINUTES RESOLVED** to receive the non-exempt minutes of Cabinet Member meetings as follows:

- a) Adult Care – 1, 15 and 29 October 2020
- b) Young People – 6 October 2020
- c) Corporate Services – 8 October and 5 November 2020
- d) Highways, Transport & Infrastructure – 8 October 2020
- e) Strategic Leadership, Culture & Tourism – 13 and 28 October 2020
- f) Health & Communities – 5 November 2020

192/20 **THE SCRUTINY REVIEW – EXECUTIVE DIRECTOR COMMISSIONING, COMMUNITIES & POLICY** The Executive Director, Commissioning, Communities & Policy presented the final Scrutiny Review report, action plan and the consultation feedback for approval and recommendation to Council on 2nd December 2020.

The report detailed the timetable of the Review which commenced in 2019 and the appointment of a Programme Director in March 2020 who progressed the review of the four Improvement and Scrutiny Committees. The Centre for Public Scrutiny (CfPS) were commissioned to undertake the review, bringing independence, experience and a ready-made scrutiny review methodology.

The CfPS undertook two member surveys: one designed for Cabinet and members of Improvement and Scrutiny Committees and the other for all remaining members and a Scrutiny Review Steering Group was established to lead the review. Its Review Report was approved on 8 October 2020 and commenced a programme of continuous review and development of scrutiny at Derbyshire County Council.

A workshop took place on 12 October 2020 where the Scrutiny Review findings, Action Plan and significant questions were considered; the resulting

report was attached at Appendix 1. Fifteen recommendations were identified by the CfPS in their report, detailed in Appendix 2 with a further three actions being identified. A draft Action Plan was prepared by the Scrutiny Steering Group (Appendix 3) in response to the recommendations. The workshop, Governance, Ethics and the Improvement and Scrutiny Committees reviewed the Action Plan.

The Review had identified systems, practices and approaches that were developed as part of the original implementation in Derbyshire and had been largely unchanged over that period. The recommendations highlighted the need for cultural and practical change, ensuring the Scrutiny function was brought up to date and fulfilled more of a central role.

The draft Action Plan proposed that Cabinet and senior officers work more collaboratively with Scrutiny, to improve the integration of Improvement and Scrutiny into the functioning of the council. This collaborative approach had started. Findings also included the need to ensure that Improvement and Scrutiny's use of the corporate Key Decision Document was more readily facilitated to enable the Improvement and Scrutiny Committees to develop meaningful and focused work programmes to add value to the work of the Council.

It was proposed that a programme of continuous improvement for the operation of scrutiny within Derbyshire was initiated. It was recognised that the outcomes of the review were comprehensive and key in delivering change and it was anticipated that once initial actions had been completed, further areas for future development would be identified and progressed.

RESOLVED to (1) note the feedback and endorsement of the review and associated action plan from the all member workshop and the I&S Committees for People, Place, Health and Resources; (2) approve the Scrutiny Review Report, including recommendations, action plan for recommendation to Council on the 2nd December 2020; and (3) note that this review commenced a programme of continuous review and development of scrutiny at Derbyshire County Council.

193/20 **TREASURY MANAGEMENT ANNUAL REPORT 2019-20** The Director of Finance & ICT presented the report on Treasury Management activities during the last financial year 2019-20 and indicated the Council's compliance with the prudential indicators set by Council at its meeting of 6 February 2019, in accordance with the Treasury Management in the Public Services: Code of Practice and Cross-Sectorial Guidance Notes 2017 (the Code).

Treasury risk management at the Council was conducted within the framework of the Chartered Institute of Public Finance and Accountancy's

Treasury Management in the Public Services: Code of Practice (the CIPFA Code) which required the Council to approve a Treasury Management Strategy before the start of each financial year and, as a minimum, a semi-annual and annual treasury outturn report. This report fulfilled the Council's obligation under the CIPFA Code to produce a Treasury Management Annual Report.

The Council's Treasury Management Strategy for 2019-20 was approved by Council on 6 February 2019, as part of the Capital Programme Approvals, Treasury Management and Capital Strategies Report. The Council had borrowed and invested substantial sums of money and therefore potentially exposed to financial risks, including the loss of invested funds and the revenue effect of changing interest rates. The successful identification, monitoring and control of risk was therefore central to the Council's Treasury Management Strategy.

The report went into some detail on the influences of external and local contexts of the economy and financial markets: Brexit and associated future trading arrangements, the UK Consumer Price Inflation Index (CPI), the unemployment rate and the average annual growth rate for pay, the annual UK Gross Domestic Product (GDP), the impact of global trade tensions on economic activity and then the coronavirus pandemic.

Table 1 showed a balance sheet summary – it was the Council's strategy to maintain borrowing and investments below their underlying levels in order to reduce risk and keep interest costs low. Table 2 showed the Treasury Management Summary position as at 31 March 2020 and the year-on-year change and table 3 showed the External Borrowing Position.

The Council held significant invested funds – table 4 showed the year-end investment position and the year-on-year change. The CIPFA Code and Government guidance require the Council to invest its funds prudently. The Council's objective when investing money was to strike an appropriate balance between risk and return, the Council therefore diversified into higher yielding, asset classes. Table 5 showed the progression of credit risk and return metrics for the Council's investments managed in-house.

The global economic fallout of the Covid-19 pandemic was sharp and large, impacting on 2019-20 returns. Market reaction was extreme with large falls in equities, corporate bond markets and real estate, echoing lockdown-induced paralysis and the uncharted challenges for governments, businesses and individuals. Volatility was almost as high as during the global financial crisis of 2008-09, gilt yields fell but credit spreads widened markedly, which saw corporate bonds yields rise and prices fall.

At 31 March 2020, the Council's portfolio of externally managed pooled strategic bond, equity, property and multi-asset funds were relatively stable. However, falls in the capital values of the underlying assets were reflected in 31 March 2020 fund valuations, with every fund registering negative capital returns over twelve months to March 2020. These pooled funds had no defined maturity date but were available for withdrawal after a notice period.

The definition of investments in CIPFA's revised Treasury Management Code covers all the financial assets of the Council as well as other non-financial assets which the Council holds primarily for financial return. This was replicated in the Ministry of Housing, Communities and Local Government's (MHCLG) Investment Guidance, in which the definition of investments was further broadened to include all such assets held partially for financial return. This included service investments for operational and/or regeneration, as well as commercial investments which were made mainly for financial reasons. The Council measured the financial performance of its treasury management activities both in terms of its impact on the revenue budget and its relationship to benchmark interest rates; that was shown in table 6.

All treasury management activities undertaken during 2019-20 complied fully with the CIPFA Code of Practice and the Council's approved Treasury Management Strategy. Compliance was demonstrated in tables 7 and 8. The Council measured and managed its exposure to treasury management risks using the indicators detailed in the report.

RESOLVED to note the Treasury Management Annual Report 2019-20 and note the Council's compliance with the prudential indicators set by Council for 2019-20, in accordance with the terms of the Treasury Management in the Public Services: Code of Practice and Cross-Sectorial Guidance Notes 2017.

194/20 TEMPORARY PAYMENT ARRANGEMENTS TO BUS, COACH AND TAXI OPERATORS FOR CONTRACTUAL FARES REIMBURSEMENT DUE TO CORONAVIRUS ON-GOING MEASURES The Director of Economy, Transport & Environment presented the report to note the urgent Officer Decision for the payment arrangements to bus, coach and taxi operators for contracted Council transport services and concessionary fares reimbursement after the current provision ended on 31 October 2020.

Following the worsening health situation and the Government's more specific advice in relation to travel by public transport, it became clear that urgent action was required to secure the short-term future of the Council's contract transport services and public bus services. The Executive Director - Economy, Transport and Environment therefore made an emergency decision

to guarantee continuation of the normal contractual payments made to transport providers who operated the following services for the Council:

- Adult Social Care and Health (ASCH) Transport Services;
- Contracted Local Bus Services;
- Derbyshire Connect' Services
- Mainstream Home to School Transport Services;
- Special Education Needs and Disabilities (SEND) Home to School Transport; and
- Swimming services for primary schools (during initial lockdown.

The Executive Director also agreed to maintain payments to bus operators for accepting English National Concessionary Travel Scheme cards, known as Gold Card in Derbyshire. This urgent decision was the subject of an Officer Decision Record (ODR) agreed by Gold CMT on 20 March 2020 and reinforced with a Cabinet Office 'Procurement Policy Note' 02/20 (PPN) about supplier relief which advised public bodies to issue a memorandum of understanding to suppliers about terms of payment relief to allow for them to undertake other civic duties in the national emergency.

These payments ensured that service providers were able to continue to operate Council services and to undertake alternative activities. These actions also allowed the network of conventional bus services to continue to operate allowing key workers to travel as required. Making the payments gave the various operators some certainty about their short term financial stability as well as allowed them to be available to resume full services when required.

On 4 June 2020, the Executive Director made a further urgent decision to continue with these payment arrangements until 31 October 2020. This decision was confirmed by the Cabinet Member - Highway, Transport and Infrastructure on 9 July 2020 and it reflected a further Government PPN 04/20.

The coronavirus (COVID-19) had a devastating impact on the transport sector had been significantly reduced or cancelled altogether since the lockdown began in March 2020. The UK was still experiencing a significant increase in the number of reported COVID-19 cases and the national/local response was varied, based on a 'three tier system' which had resulted in unclear and unconfirmed national policy for support to the public and supported transport network since September 2020. Forward planning for 'return to service' had been exceptionally difficult as circumstances had changed almost daily.

There were still many uncertainties about the continued impact of COVID-19 on the Council's contracted transport and public bus services. A number of changes had been made since the date of the original decision on

4 June 2020 however, many of the fundamental concerns which led to the Executive Director's urgent decision continue to be valid.

There continued to be a lack of clarity on a number of issues including DfT advice around using public transport and school services under the various localised restriction regimes and the continuation of Government funding streams, such as CBSSG. Also, decisions on key elements of future demand from other departments within the Council had only recently been taken therefore, the Director considered the following proposals:

- Payments for Adult Care transport to be reduced to 75% of the contracted levels for those services which continue not to operate due to the closure of the day care centre concerned. Services which are operating normally will be paid at 100% of the contracted levels. ASCH and Economy, Transport and Environment Specialised Transport will urgently review the remaining transport contracts with a view to creating a transitional plan to assess where services may need to be re-designed or terminated from January 2021.
- Payments for Contracted Local Bus Services remain at 100% of contract levels as services are now operating and concerted efforts are being made to promote the safe use of public transport.
- Payments for Derbyshire Connect Services remain at 100% as services are now operating and similar concerted efforts are being used to promote its safe use.
- Payments for Mainstream Home to School Transport Services remain at 100% as services are now operating.
- Payments for SEND Home to School Transport remain at 100% as services are now operating.
- Payments for swimming transport services during the autumn term, from September 2020 to December 2020, will be reduced to 0% of contracted costs. The existing contractual arrangements will however remain in place in the anticipation that services can resume as normal at the start of the new school term in January. Were this to happen then 100% of contractual payment would resume. If swimming services do not resume in the spring term, a further review will take place between the Economy, Transport and Environment Department and Children's Services about the suspended contracts
- Concessionary Fares payments continue to be made based on the level of bus travel before the pandemic.

Due to the dynamic nature of the virus and the need to introduce local restrictions, the Director also considered the following further proposals:

- Should local lockdown arrangements be introduced that require the withdrawal of any local bus, Derbyshire Connect, Mainstream or SEND Home to School transport services or Adult Care services in the affected area, then payments would be reduced to 75% of the contracted levels

for those services until such time as normal services could be reintroduced or until the proposed review is completed and alternative recommendations are made, whichever is soonest.

- Should a transport operator be unable to fulfil a contracted service due to instruction by an authorised body (such as NHS Test and Trace) that a driver or passenger assistant must self-isolate, then the operator should find a replacement member of staff to cover that service. However, in the extreme circumstance that an entire company has to self-isolate and therefore is unable to provide any contracted services, then payments will be reduced to 75% of the contracted level until such time as normal services are resumed.

In view of the need to take an urgent decision in respect of payments, the Director agreed that the suggested arrangements set out above should remain in place until 31 March 2021, or until the proposed review was completed and alternative recommendations made, whichever was soonest.

The Council was firmly and clearly committed to ensuring value for money in everything it did however, competing issues had to be balanced and a view taken on how best to protect the public purse and the economic and social wellbeing of local residents and businesses. The urgent decision taken by the Director made it clear what services were being paid for and why and efforts had been made to ensure there was no 'double compensation' being paid by the Council and any other party.

RESOLVED to note the urgent Officer Decision of the Director - Economy Transport and Environment and the introduction of the proposed revision in payment arrangements to bus, coach and taxi for contracted Council transport services and concessionary fares reimbursement from 1 November 2020 to 31 March 2021, in response to measures required as a result of the Coronavirus (COVID-19) pandemic.

195/20 DERBYSHIRE ECONOMIC PARTNERSHIP RECOVERY AND EMPLOYMENT AND SKILLS STRATEGY The Director of Economy, Transport & Environment presented a report that sought the endorsement of the Derbyshire Economic Recovery and Employment and Skills Strategy that had been prepared in response to the Coronavirus (COVID-19) pandemic by the Economic Recovery Cell.

The Council had provided a robust and dynamic response to the COVID-19 pandemic since March 2020 through its leadership of the Strategic Recovery Group (SRG) and associated workstreams, specifically the Economy, Business and Transport (EBT) Cell. Chaired by the Director of Economy and Regeneration, the Cell had corralled a wide range of strategic delivery partners, including representatives from further and higher education, local businesses, the Chamber of Commerce, Marketing Peak District and

Derbyshire, bus and rail transport operators, district authorities, Government departments and many others.

Its focus was on the efforts in developing a shared strategy and action plan to guide economic recovery in the County over the next five years and potentially, beyond. An evidence-based approach had been adopted through a carefully crafted programme of interventions based around: 'Rescue – Resume - Revive – Regenerate – Renew'.

Hatch Regeneris to support the work and provide external expertise. Strong governance had been put in place not only to drive development of the Strategy but deliver the necessary interventions. The governance arrangements included a 'high level' Economic Recovery Board chaired by the Leader of the County Council, with membership taken from all Derbyshire local authorities and industry leaders such as Henry Boot Ltd, Longcliffe Quarry and Toyota Manufacturing UK, as illustrated in the accompanying diagram.

The COVID-19 recovery strategy for Derbyshire sat in the wider context of the Derby, Derbyshire, Nottingham, Nottinghamshire Local Enterprise Partnership (D2N2 LEP). A broader recovery strategy document was being prepared for the sub-region. The Derbyshire Economic Recovery and Employment and Skills Strategy set out a roadmap for how the Council could capitalise on the economic changes that were emerging from COVID-19. The detailed evidence base collated by Hatch Regeneris showed a trajectory of recovery and key areas of impact.

The final draft Strategy was attached to the report and had a mix of immediate and longer-term interventions to be delivered across a wide range of partners, including the County Council. 'Protective' and 'good growth' measures had been identified to help mitigate certain negative impacts, some of which were already in train prior to the COVID-19 pandemic and were part of Derbyshire's wider partnership economic programme.

The Strategy had a strong place-based focus but also explored potential new sectors, technologies and physical infrastructure. Opportunities for advancing market-leading projects, specifically around transport infrastructure, had been identified and a number of pilot/demonstrator projects are proposed.

Partners had been active in supporting COVID-19 recovery efforts since early April 2020 and had made tremendous progress through the 'rescue and resume' phase. Many other partners had been critical in their support/action for implementing recovery measures and significant achievements had been made in 'rescuing' the local economy. Additional work had also been undertaken by partners in helping local businesses to 'resume' and as from 1 September, partners were moving in the 'revive' phase however, increases in

Covid-19 cases, the introduction of the lockdown tier systems and the announcement of a new month-long lockdown meant that some aspects of the work had refocused on the 'rescue' phase. These were listed in detail within the report, together with longer term planned interventions.

Whilst the draft Economic Recovery and Employment and Skills Strategy set out the proposed themes and key interventions, the action plan identified the proposed lead partners, delivery responsibilities, timescales and funding opportunities to help ensure progress. A lead partner/sponsor had been identified for each intervention and other resources had been identified. Existing sources are proposed to be utilised or redirected where possible around funding to ensure the additional impact of COVID-19 on resources was minimised.

There had been wide and robust partner engagement in development of the Strategy with much input being taken from the recovery workstreams, the Recovery Cell and the high-level Board. Feedback from Hatch Regeneris was that the Derbyshire recovery strategy was amongst the most comprehensive and well-developed documents seen, a direct result of the partnership approach that has been adopted.

The draft Strategy had been well received by all partners and comments were invited to be submitted by 13 November 2020; these were yet to be included in the final version. The next steps were to publicise the approved Strategy more widely.

RESOLVED to (1) endorse the draft Derbyshire Economic Recovery and Employment and Skills Strategy; and (2) note the process for finalising the content based on the feedback of partners and delegate authority to the Director – Economy, Transport and Environment and Cabinet Portfolio holder Green Growth and Regeneration, in consultation with the Leader of the Council (as Vice Chair of Derbyshire Economic Partnership) to agree final amendments to the Strategy prior to publication.

196/20 ADDITIONAL INVESTMENT FOR PUBLIC HEALTH NURSING

The Director of Public Health sought cabinet approval to provide additional investment to support the public health nursing service.

On 26 July 2018 Cabinet approved an enterprising approach to providing key public health services for the 0-19 age group and their families which included the transfer of responsibility for NCMP to the Council's Live Life Better Derbyshire Service, the development of a Section 75 Agreement between the Council and DCHS NHSFT for the delivery of Public Health Nursing at a budget not to exceed £12 million per annum, and the transfer of £1 million to support Children's Centres to continue to deliver services to vulnerable families across Derbyshire.

The additional investment of £0.5m per annum was required to increase service capacity which had reduced since the introduction of the section 75. This investment would enhance the general public health offer and allow the service to develop its role as part of an integrated approach to help achieve positive outcomes. This would include, but not be limited to, positive outcomes around mental health, reducing levels of obesity and supporting healthy lifestyles. This would complement the whole system approach to commissioning and provision of services and contribute to an improvement in national indicators where Derbyshire had an identified need.

Public Health Nurses were ideally placed within the local community to identify and address local need and can signpost services that empower parents, as well as provide a range of support depending on individual circumstance. The additional investment would also enhance the opportunities available for children within Derbyshire.

DCC would continue to work closely with DCHSFT to enhance the service delivery model and agreed how this additional investment would be utilised. The £0.500m per annum could be met by the public health grant.

RESOLVED to grant approval to increase the investment into the public health nursing service as outlined in the report.

197/20 CHILDREN'S SERVICES CAPITAL PROGRAMME 2020-21 EXPANSION PROJECT AT JOHN PORT SPENCER ACADEMY The Executive Director, Children's Services sought the approval for funding a project to expand John Port Spencer Academy.

There had been significant housing growth in the normal area of John Port Spencer Academy; a result of which the Authority had secured £12M in Section 106 agreements. The Academy Trust had employed a specialist firm to assess the current accommodation, identify the need to expand the school by 300 places for 11–16 pupils and increase the post-16 provision. The masterplan consisted of 5 projects.

On 20 January 2020, the Executive Director, Children's Services approved £50,000 to commence the design on project 1E for changes to site access and car park expansion. On 29 July 2020, the Executive Director approved a further £50,000 for project 1C for the expansion of the Art and Design block. It had become clear that the access and car park project was a requirement to secure planning permission for any of the projects to start on site: project 1E had been combined with project 1C. This combined project would provide additional art and design teaching accommodation for all pupils through re-modelling three of the existing buildings. It would create additional classrooms, a graphics room and a larger ICT classroom together with

associated storage. The car park extension would create an additional 54 places.

The total cost of the project was £1,280,664.49. There was a total of £4,178,272.76 in funds held by Derbyshire County Council. A table within the report outlined the Section 106 funding relating to developments tied to the combined project. In addition to this, the academy had access to £44,640 in leisure S106 funding from South Derbyshire District Council. The project would therefore be funded as follows:

S106 funding (education)	£1,236,024.49
S106 funding (leisure)	£ 44,640.00
Total	£1,280,664.49
Less S106 already paid	£ 100,000.00
Less leisure funding	£ 44,640.00
Total to be allocated	£1,136,024.49

As the projects had developed and the costings had been finalised, it had been necessary to move S106 allocations around in order to meet the cost of the project from available funds. The allocations above therefore vary from those detailed in the delegated paper of 10 January 2020: this did not change the previous financial approvals.

RESOLVED to approve allocations of £1,136,024.49 in Section 106 funding to the art block and car parking project at John Port Spencer Academy.

198/20 **SCRUTINY OF THE NEXT STEPS IN RELATION TO DIRECT CARE HOMES FOR OLDER PEOPLE – AN INTERIM REPORT** The Chairman of the Improvement & Scrutiny Committee – People presented a progress report by the Committee in overseeing the next steps in relation to direct care homes for older people.

On 4th June 2020 Cabinet received a report on the outcome of the consultation on the proposed closure of seven, and the refurbishment of three, Direct Care homes for older people. Cabinet approved the following:

- Further to the consultation none of the homes proposed for closure will close unless a local care home or alternative provision is available to replace it, and further consultation is undertaken as appropriate.
- That a further report setting out a programme of repair and refurbishment for these seven homes, to include any works required immediately to ensure their soundness and safety, will be presented to Cabinet in due course.
- That the plans to undertake a programme of work to refurbish New Bassett House, Briar Close and Rowthorne will continue with a further

report presented to Cabinet seeking a business case and procurement approval in due course.

- That People Scrutiny Committee be invited to consider including within its work programme, oversight of the next steps (with particular reference to the need for and type of local provision required) to ensure transparency of decision making and to make any recommendations to Cabinet or elsewhere that may arise as a result of such scrutiny.
- That a revised strategy and investment plan taking into account reviews of the Market Position Statement and of the strategic needs analysis will be presented to Cabinet by the end of 2020.

On 2 September 2020, the People Improvement and Scrutiny Committee agreed their approach to their role of overseeing the next steps in relation to Direct Care Homes for Older People, and identified the following key lines of enquiry:

1. How will the robustness and durability of ongoing mitigation measures be assessed?
2. How will demand for current and future provision for older people be assessed?
3. How will the market be assessed?
4. What factors will be considered when determining what is local provision?
5. How will factors that determine what is suitable alternative provision be identified and assessed?
6. How will stakeholders be engaged?

A scrutiny working group had been established and Members had held three meetings to gather evidence regarding the key lines of enquiry. A progress report had been received from the working group:

Property condition surveys conducted in 2019 reported that some of the Council's Homes for Older People were in poor condition and highlighted that 12 homes required rewiring. This included the 7 homes previously proposed for closure, the 3 homes proposed for refurbishment plus 2 homes where decisions had already been made to close once local alternatives had been established. Members considered it a priority to ascertain the effectiveness and durability of the mitigation measures in place to address any increased risk associated with the need for properties to be rewired.

Members met with the Direct Care Group Manager on 25 August 2020 and was advised that a comprehensive risk evaluation had been undertaken to establish whether the homes were safe and what mitigating actions were required. The key elements of the risk evaluation were listed and Members were advised that in addition to these, the Fire Service had been kept

informed of the situation with advice being sought and provided by them as appropriate.

The Direct Care Group Manager summarised the mitigating actions identified following the risk evaluation process from the TFRA's and from the OFRA's. The Direct Care Group Manager went on to summarise the actions that had been taken and provided an update regarding future actions: these were detailed in the report.

Members welcomed the briefing about the mitigation measures however, they wished to explore further issues relating to the emergency lighting systems in some of the homes, following the statement that "improvements to emergency lighting cannot be undertaken as this requires the homes to be rewired". The working group meet on 9 September with the Electrical Operations Manager and the Head of Projects (Design and Build) from Property Services, to consider the implications of buildings needing to be rewired.

A fundamental question Members sought an answer to was were the homes equipped with emergency lighting systems that would facilitate the safe evacuation of residents in the event of an emergency? The officers present provided an update on the mitigating actions that had been undertaken and confirmed the following:

- The emergency lighting was operational and safe in all of the homes, although due to recent legislative changes it was not compliant to current standards.
- All homes had a compliant fire alarm system to current standards.
- Technical fire risk issues, such as damage to fire doors that occur over time due to wear and tear had been addressed. As new issues arise, they were prioritised and added to the program of works.
- Property Services was working towards reissuing technical fire risk assessments for each home so that they were fully compliant from a fabric point of view, with no outstanding items listed on the program of works.
- To improve operational procedures in the event of an emergency evacuation, the Adult Care Department requested additional compartmentation in some of the homes. So, although the buildings were compliant with the building regulations, an enhanced compartmentation was required to aid operational issues.
- If work was undertaken to bring the emergency lighting systems up to date it would be necessary to disrupt the fabric of the building and therefore it makes good property management sense to see what other work could be carried out during the disruption. As previously stated, in all of the homes the fixed wiring was safe. However, in many, the wiring was reaching the end of its life and a full rewire might be required within

the next two years. Comprehensive plans for rewiring, including details of the anticipated costs, had been prepared.

After having the opportunity to vigorously question officers from Adult Care and Property Services, Members of the working group agreed that they felt assured that the mitigation measures in place were sufficiently robust and durable to address the increased risk associated with the properties that had been identified as needing rewiring, in the near future. It was also agreed that the working group would continue to pursue the other key lines of enquiry regarding its role in overseeing the next steps in relation to direct care homes for older people.

A briefing from the Direct Care Group Manager about the proposed approach for identifying suitable and local provision and a briefing from the Service Director about the methodology to assess current and future demand for residential care and the preparation of a Market Position Statement had been received. The working group was awaiting an update on the timeframe for this work and how it was progressing.

RESOLVED to (1) note that the Improvement and Scrutiny Committee – People, was assured that the mitigation measures in place were sufficiently robust and durable to address the increased risk associated with the properties that had been identified as needing rewiring, in the near future; and (2) note that the scrutiny working group would continue to pursue the other key lines of enquiry regarding the Committee’s role in overseeing the next steps in relation to direct care homes for older people.

199/20 ICT SERVICE DATA CENTRE HARDWARE REPLACEMENT AND SAP PLATFORM The Executive Director Commissioning, Communities & Policy sought approval for replacement storage and computer hardware within the two county council data centres (County Hall and Shand House) to enable the retirement of current hardware, and to facilitate the current SAP HANA upgrade. These procurements were identified in the CCP Service Plan 2017-2021 Update (July 2020). The upcoming Data Centre storage and compute Infrastructure at £1,500,000 and SAP Project hardware allocated £2,000,000.

On 23 April 2020 Cabinet approved the upgrade of the SAP software to the latest version SAP HANA and work had since been undertaken to establish the ICT hardware requirements to support this significant implementation and manage the rest of the Council’s needs.

The current solution, hosted in the Council’s data centre, had proven to be highly resilient, providing high, robust availability of services and had enabled the Council to flexibly grow the solution and components. This had

proven particularly important during the significant changes to the way employees have worked during the current pandemic.

The last major storage and compute technology refresh in the data centre was in 2014; additional hardware and solutions had been added in the interim. The ICT Service had continued to review its service offerings and had utilised cloud technologies to enhance the services where appropriate. It was envisaged that the move to the cloud would continue over the next 5 years, with each application or workload being assessed for its ability to efficiently function within the public cloud, based on technical and procurement assessment. However, the current legacy applications needed to be hosted in a secure, reliable and cost-effective environment.

a soft market testing exercise was undertaken to assess the requirements for the new SAP HANA infrastructure. The following options and conclusions were arrived at:

Option 1 – Do Nothing - would put the council at risk of hardware failure and result in most ICT services being inaccessible whilst alternative hardware was procured.

Option 2 - Extend the current solutions support - would extend the life by up to 24 months and cost an estimated £370,000. Further extended use of these components increases the risk of failure and the most significant ICT services being inaccessible. The SAP HANA Project infrastructure would need to be located in the Microsoft Azure public cloud environment, which would generate an estimated annual cost of over £300,000, and be subject to any increase in future base charges by Microsoft. Alternative hardware may need to be procured which would also represent a potential significant cost.

Option 3 - Microsoft Azure (Infrastructure as a Service) – move all services to the public cloud, often referred to as a lift and shift approach to cloud migration, would represent a high-risk project with a very short timeline, and potentially put at risk ICT Service stability. Engagement with Microsoft on a cloud readiness assessment had highlighted the significance of such a project, and would likely take several years to do in a risk-free manner. The estimated cost of a running the current ICT footprint and the new SAP HANA in the cloud would be around £800,000, equating to £4,000,000 over a 5-year period. This was subject to any increase in base charges by Microsoft.

Option 4 – Hardware replacement of the current solution based in the Council’s Data Centres - replacement hardware would be procured and implemented. The hardware was expected to last for around 5 years. The expected cost for the two projects combined was in the region of £2,000,000 for an initial five-year period. A further increase in the capacity of the backup solution would be required at an estimated cost of £100,000.

Option 4 would be the preferred option as it would enable a controlled move to the cloud, over a five year period, and each workload assessed based on procurement lifecycles, cost and other success criteria to migrate to

the cloud in a controlled and successful manner. This option allowed the Council to manage the significant move from a capital cost model to a revenue cost model over the medium term instead of taking a sudden increase in revenue costs at a time when budgets were already under severe pressure.

Due to the challenging procurement timeline and other external factors such as Covid19 and Brexit, it was reasonable to expect some delays to the implementation. An additional contingency had been included within the budget to fund the costs associated with any delays.

There was also a business requirement to undertake the build of full Pre-Prod proof of concept for the SAP HANA upgrade. The indicative cost for the SAP Project proof of concept to be created by Microsoft was estimated at £27,000 per month on a one-year reservation, until a Pre-Production solution could be created from new infrastructure implemented within the Council Data Centres. This funding would be drawn from the Change Management Reserve.

In order to meet the SAP HANA project timeline and the successful retirement of the current data centre hardware by 30 September 2021 it was imperative the formal procurement started in November 2021, leading to an expected implementation date of early July 2021. These timeframes were assuming no project delays caused by external factors.

Costs would be incurred for delays for several services. Based on a delay of 2-3 months, these would be:

Additional Microsoft Azure build and licensing	£90,000
Solution implementor costs (3 weeks)	£50,000
Maintenance and support extensions	£60,000
Total	£200,000

RESOLVED to approve (1) option 4 as set out in the report, and purchase replacement hardware with a 5-year plan to move in a controlled and planned way to the cloud; and (2) procurement to be undertaken via Crown Commercial Services framework Technology Products & Associated Services RM6068 Lot 1 Hardware & Software & Associated Services.

200/20 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 08 October 2020.
3. To receive exempt minutes of Cabinet Member meetings as follows:
 - a) Strategic Leadership, Culture & Tourism – 28 October 2020
 - b) Corporate Services – 5 November 2020
 - c) Health & Communities – 5 November 2020
4.
 - (a) Waste Management Contract – Second Inter Authority Agreement between Derbyshire County Council and Derby City Council – Director Economy, Transport & Environment (contains information relating to the financial or business affairs of any particular person (including the Authority holding that information))
 - (b) A61 Growth Corridor Strategy – Funding for Chesterfield Station Masterplan (Hollis Lane Link Road Phase 1) – Director Economy, Transport & Environment (contains information relating to the financial or business affairs of any particular person (including the Authority holding that information))
 - (c) Supply and Delivery of Liquid Fuels – Executive Director Commissioning, Communities & Policy (contains information relating to the financial or business affairs of any particular person (including the Authority holding that information))
 - (d) Contract for the Supply of Postal Services – Executive Director Commissioning, Communities & Policy (contains information relating to the financial or business affairs of any particular person (including the Authority holding that information))
 - (e) Extension of Contracts beyond current award period for the 'Intensive Home Visiting', 'Advisory Services in General Practices' and 'Advisory Services for Community Wellness Approach' – Director of Public Health (contains information relating to the financial or business affairs of any particular person (including the Authority holding that information))
 - (f) Extension of block payments for the Derbyshire Integrated Sexual Health Service for the remainder of the 2020-21 financial year - Director of Public Health (contains information relating to the financial or business affairs of any particular person (including the Authority holding that information))

(g) Extension of contract for the supply and delivery of frozen food—Executive Director Children’s Services (contains information relating to the financial or business affairs of any particular person (including the Authority holding that information))