

MINUTES of a meeting of **CABINET** held on 20 September 2018 at County Hall, Matlock.

PRESENT

Councillor B Lewis (in the Chair)

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

Also in attendance: Councillors A Western.

Declarations of Interest

There were no declarations of interest.

207/18 MINORITY GROUP LEADERS' QUESTIONS

There were no Minority Group Leader questions.

208/18 MINUTES RESOLVED that the non-exempt minutes of the meeting of Cabinet held on 26 July 2018 be confirmed as a correct record and signed by the Chairman.

209/18 CABINET MEMBER MEETINGS – MINUTES RESOLVED to receive the non-exempt minutes of Cabinet Member meetings as follows:-

- (a) Council Services – 19 July 2018
- (b) Health and Communities – 19 July 2018
- (c) Highways, Transport and Infrastructure – 25 July 2018
- (d) Adult Care – 26 July 2018
- (e) Young People – 7 August 2018
- (f) Strategic Leadership, Culture and Tourism – 9 August 2018
- (g) Economic Development and Regeneration – 17 August 2018

210/18 CORPORATE PARENTING COMMITTEE – MINUTES RESOLVED to receive the non-exempt minutes of the meeting of the Corporate Parenting Committee held on 19 June 2018.

211/18 PREPARATION OF BUDGET 2019-20 (Strategic Leadership, Culture and Tourism) The Director of Finance and ICT sought approval for the proposed timetable for the Council's 2019-20 budget preparation and procedures and the associated consultation arrangements.

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

A key element of the Council's budget setting process was consultation with stakeholders and it was proposed to undertake the following consultation activities:

- Programme of public consultation, determined by the Director of Finance & ICT and Policy and Research, in consultation with the Leader of the Council. An online survey would run in Autumn 2018 and hard copies would be distributed in libraries across Derbyshire. Details of how the consultation would be publicised were presented in the report;
- Statutory consultation with business ratepayers;
- Consultation with trade unions; and
- Consultation with Improvement and Scrutiny Committees.

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.

Alongside the consultation, an initial budget Equality Impact Assessment would be carried out and the outcomes reported to the Cabinet and to Council. It was anticipated that this assessment would help identify areas where there was a significant risk of adverse impact which would then be subject to a full equality impact assessment process prior to Cabinet decisions on individual services.

The Council's 2018-19 Five Year Financial Plan (FYFP) had been updated during 2018-19 and the results were included in a separate report to the meeting. The FYFP would be updated again as part of the budget setting process, to reflect the Government's Autumn Budget and the Provisional Local Government Finance Settlement, which were expected to be announced in November 2018 and December 2018, respectively.

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

RESOLVED to (1) approve the timetable for completion of the 2019-20 budget, including arrangements for consultation with stakeholders and the carrying out of an initial equality impact assessment;

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

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

212/18 RESERVES POSITION (Strategic Leadership, Culture and Tourism) The Director of Finance and ICT reported on the current and forecast positions for both General and Earmarked Reserves and to approve the Reserves Policy.

Section 43 of the Local Government Finance Act 1992 required precepting authorities in England and Wales to assess the level of reserves needed for meeting estimated future expenditure when calculating the budget requirement. A range of safeguards were in place to prevent local authorities over-committing themselves financially. These requirements were reinforced by Section 114 of the Local Government Finance Act 1988, which required the Chief Finance Officer to report to Council if there is, or was likely to be, unlawful expenditure or an unbalanced budget. The Council had in place a Reserves Policy which ensured the Council met its statutory obligations and which set out the framework within which decisions were made regarding the level of reserves. In line with this framework, the balance and level of Earmarked and General Reserves were regularly monitored to ensure they reflected a level adequate to manage the risks of the Council.

The Council's General Reserve position was reported to Cabinet on 26 July 2018, as part of the Revenue Outturn Report 2017-18. The level of General Reserve projections had been updated as part of the updated Five Year Financial Plan 2018-19 to 2022-23. General Reserves were forecast to be between £18m and £40m over the medium-term.

Earmarked Reserves were a means of smoothing expenditure to meet known or predicted liabilities. Funds should be used for the item for which they had been set aside. Any funds no longer required should be transferred to the General Reserve. Earmarked Reserves totalling £187.570m were held at 1 April 2018. Of this total, £79.964m (43%) was available to support future spending. Further details of the balances categorised in accordance with the Reserves Policy were presented in the report.

RESOLVED to (1) note the current position on Earmarked Reserves;

(2) note the details of the balances to be released from Earmarked Reserve balances;

(3) approve the allocation of £4.329m Earmarked Reserves released to the Budget Management Earmarked Reserve; and

(4) approve the allocation of the forecast business rates 100% retention gains as follows:

- (a) £6.000m to the Budget Management Earmarked Reserve;
- (b) £6.855m to the Business Rates Pool Earmarked Reserve;
- (c) £0.630m to a Business Rates Appeals Earmarked Reserve; and
- (d) £4.299m to a Business Rates Strategic Investment Fund Earmarked Reserve.

213/18 BUSINESS RATES POOLING (Strategic Leadership, Culture and Tourism) The Director of Finance and ICT provided an update in respect of the Council's participation in the 100% Business Rates Retention pilot in 2018-19 along with details of the Government's invitation to local authorities to pilot 75% Business Rates Retention in 2019-20.

Under the Business Rates Retention Scheme, local authorities were able to come together, on a voluntary basis, to pool their business rates, giving them scope to generate additional business rates growth through collaborative effort and to smooth the impact of volatility in rates income across a wider economic area. In September 2017, the Government invited local authorities to submit proposals to become a 100% Business Rates Retention pilot in 2018-19. The Council, together with the eight district/borough councils in the County, Derby City Council and Derbyshire Fire and Rescue Authority, submitted a successful bid to become a pilot which was generating additional one-off income in 2018-19 to the County of Derbyshire, over and above the business rates income ordinarily expected through the local government finance settlement. The County Council's share of the gain was currently forecast to be approximately £17.8m (including the Minimum Funding Level of £5.7m), excluding the estimated £2.2m S31 Business Rates

In accordance with the Pooling Agreement, 70% of the County Council's total gain in excess of the Minimum Funding Level would support Council services and the remaining 30%, along with a similar proportion from each of the other pilot members, would be used to support economic regeneration across the county and in Derby City. The Derby and Derbyshire Authorities Joint Committee for Economic Prosperity would be the decision-making board for allocation of funding to individual projects.

The 100% Business Rates Retention pilot was for 2018-19 only. Thereafter, the funding allocations would revert back to those previously announced in the multi-year settlement for 2019-20, unless a successful application was made to become a 75% Business Rates Retention pilot for 2019-20, before a national 75% regime comes into force in 2020-21. The aim of the pilots was to learn lessons to ensure that the transition to the new scheme in 2020-21 was as smooth as possible. It was noted that indications were that the pilot scheme would be smaller for 2019-20 than it was for 2018-19.

The invitation to become a pilot states that applications from current pilot authorities would not be influenced by the success of those authorities in last year's

application process. Authorities may reference their previous experiences of piloting when writing their applications, but all applications would be assessed on their merits and on an equal footing. Further details of the application process were presented in the report.

RESOLVED to (1) note the updated forecast gain in respect of the Council's participation in the 100% Business Rates Retention pilot in 2018-19;

(2) note the contents and requirements of the invitation to pilot 75% Business Rates Retention in 2020-21; and

(3) grant approval for the Director of Finance & ICT, in his capacity as the Council's S.151 Officer and in consultation with the Cabinet Member for Strategic Leadership, Culture and Tourism, to submit an expression of interest to proceed with a 75% Business Rates Pool pilot application for 2019-20.

214/18 FINANCIAL STRATEGY (Strategic Leadership, Culture and Tourism) The Director of Finance and ICT requested approval of the Council's Financial Strategy. The purpose of the Financial Strategy was to set out the Council's financial priorities, and provide a financial framework for the Council to ensure the Council's financial operations contribute to the Council's strategic and policy objectives as outlined in the Council Plan 2017-2021.

The key components of the Strategy were to:

- Set out the framework for the financial operation of the Council which supports the strategic and policy objectives in the Council Plan;
- Ensure resources are allocated to achieve Council Plan objectives;
- Ensure cost effective affordable service delivery that delivers value for money;
- Support delivery of the Council's Enterprising Council Programme;
- Maximise resources available to the Council;
- Ensure Council Tax levels are kept within reasonable levels;
- Integrate Service Plans into the budget process.

The Council's Financial Regulations state that the Strategy should be reviewed annually to remain consistent with the Council Plan, to ensure that the Financial Strategy drives the Five Year Financial Plan, Capital Programme and Revenue Budget. It had been reviewed and it was proposed that there were no changes to the Strategy, copy of which was attached at Appendix 1 to the report.

RESOLVED to approve the Financial Strategy.

215/18 FIVE YEAR FINANCIAL PLAN (Strategic Policy, Economic Development and Budget) The Director of Finance and ICT sought approval to the updated Five Year Financial Plan (FYFP) for the period 2018-19 to 2022-23 and asked Cabinet to note the uncertainty and risks set out in the report and the budget reductions forecast to be required to help balance the budget over the medium-term.

The Five Year Financial Plan was a medium-term financial plan which sets out the overall shape of the Council's budget by establishing what resources were available for allocation to reflect Council and community priorities. The Council Plan sets out service and organisational priorities. This was reflected in the development of the Plan. The Plan had been updated to reflect the outcomes from the Local Government Finance Settlement 2018-19, recent Budgets and Autumn Statements. The Plan had also been updated to reflect forecast income as a result of the Council's participation in one of ten successful 100% business rates retention pilots for 2018-19.

The Plan showed that a total of £70m of budget savings were required over the period 2018-19 to 2022-23 and it also reflected the fact that the Council was part of the Government's multi-year funding offer, which provided some funding certainty until 2019-20. A balanced budget was projected for 2022-23 with no savings required in that year. However, this was prevalent on additional Better Care Funding being available beyond 2019-20. The Plan was attached at Appendix 1 to the report.

RESOLVED that Cabinet recommend to Council that it:

- (1) approve the Five Year Financial Plan;
- (2) note the uncertainty and risks set out in the report; and
- (3) note the budget reduction proposals set out in the report.

216/18 TREASURY MANAGEMENT ANNUAL REPORT 2017-18 (Strategic Leadership, Culture and Tourism) The Director of Finance and ICT reported on the Treasury Management activities during the last financial year 2017-2018 and to indicated the Council's compliance with the prudential indicators set by Council at its meeting of 8 February 2017, in accordance with the terms of the Prudential Code for Capital Finance in Local Authorities, further details of which were presented in the report.

RESOLVED to note the Treasury Management Annual Report 2017-18 and notes the Council's compliance with the prudential indicators set by Council for 2017-18, in accordance with the terms of the Prudential Code for Capital Finance in Local Authorities.

217/18 LOANS TO SUPPORT CAPITAL EXPENDITURE AT THE ROYAL DERBY HOSPITAL (Strategic Policy, Economic Development and Budget) The Director of Finance and ICT sought approval to agree in principle, three medium-term loans to D-Hive Ltd, a fully owned subsidiary of the University Hospitals of Derby and Burton NHS Foundation Trust, to support capital expenditure at the Royal Derby Hospital.

The Council and the Trust are critical partners in providing health and social care in Southern Derbyshire. The financial health and well-being of both parties was becoming increasingly vital to fulfill the common shared outcomes developed in this relationship.

The proposed three loans were as follows:

Loan 1 - for £1.8m over 10 years, for a staff car park at Manor Road, Derby.

Loan 2 - for £9.8m over 10 years, for a visitor multi-storey car park in Derby.

Loan 3 - for £2.4m over 10 years, for an additional operating theatre in Derby.

All three loans produce positive cash-flows, with a payback period well within the duration of the loan facility. Detailed financial Business Cases, which had the approval of the Trust's board, would be sought prior to commencing the loans. All the loans would be charged at a variable interest rate of Bank of England Base Rate ("Base") + 2.25% (currently 3%).

RESOLVED to (1) agree in principle three medium-term loans over ten years to D-Hive Ltd, a fully owned subsidiary of the University Hospitals of Derby and Burton NHS Foundation Trust, as follows:

- (a) £1.8m loan for a staff car park on Manor Road;
- (b) £9.8m loan for a multi-storey visitor car park; and
- (c) £2.4m loan for an additional operating theatre.

and; (2) receive further reports once details of the three loans had been finalised.

218/18 ONE PUBLIC ESTATE: SHIREBROOK JOINT SERVICES HUB, FEASIBILITY STUDY TO EXPLORE COLOCATION OPPORTUNITIES ACROSS THE PUBLIC SECTOR IN SHIREBROOK (Council Services) The Strategic Director – Commissioning, Communities and Policy sought approval to undertake a feasibility study which would consider the viability of developing a joint multi-agency service hub in Shirebrook and for the Council to enter into a Memorandum of Understanding (MoU) with the partnership.

Due to the diverse range of services delivered from a number of fragmented sites of varying quality and purpose, a number of public service providers were showing an increased commitment to reshaping the delivery model for Shirebrook which would enable wider benefits for the community and service providers and address additional financial and social pressures on the system. The vision was to create a holistic customer focused health, social care and community hub which would improve services, enhance community cohesion and enable services to co-locate with a view to potentially providing co-delivered services in the future. Derbyshire County Council, Bolsover District Council, Shirebrook Town Council and Derbyshire Community Health Services had come together to explore opportunities to deliver public services more collaboratively.

The Derbyshire OPE Programme had endorsement from the Derbyshire Chief Executive's Group to support and submit an application for grant funding to facilitate the proposal. Bolsover District Council on behalf of the partnership, submitted a funding bid, as part of the North Midlands OPE submission, and was successful in securing a grant for £50k, from the Phase 6 funding round (December 2017) to undertake a feasibility study, on behalf of the Derbyshire OPE Steering Group (which represented all public service partners within the County), to develop an options appraisal around possible future service transformation, system efficiencies and financial benefits supported by property changes. The grant provided the financial support and capacity to undertake a feasibility study to consider the viability of developing the service hub with a key service providers in Shirebrook.

Specifically for the Council, this project was focussed on the future service and resulting property requirements of the Council's Shirebrook based services and identifying opportunities of how services could be enhanced through co-location and co-delivery with other public sector partners in a joint hub and could bring further opportunities for services to develop a better understanding of other pathways and lead to further integration opportunities. The main potential opportunities for the Council are Carter Lane Complex, Shirevale Resource Centre and Shirebrook Library, Patchwork Row, Shirebrook.

RESOLVED (1) that a feasibility study be undertaken to consider the viability of developing a joint multi-agency service hub in Shirebrook and for the Council to enter into a MoU with the partnership organisations involved; and

(2) to note that a further report be submitted to Cabinet when the results of the feasibility study were available.

219/18 REVIEW OF HIGHWAYS CAPITAL BUDGETS (Highways, Transport and Infrastructure) The Strategic Director – Economy, Transport and Transport informed Cabinet of the final allocation of capital grants from the Department for Transport (DfT) towards highways and local transport in Derbyshire and sought approval to make a contribution from earmarked reserves to fund capital expenditure relating to fees on highways projects and to seek approval to amend the capital programme accordingly.

At its meeting on 5 April 2018, Cabinet considered and approved the Economy, Transport and Environment (ETE) Department's Highways and Transport Capital Programme. At the time of writing that report, the DfT had not confirmed the levels of funding that would be available for the 2018-19 financial year, so for purposes of planning, preparation and timely implementation of the programme's schemes, assumptions were made based on previous years' allocations. Following correspondence from the DfT, confirmed funding allocations had now been received. The key variations from the April estimates were a reduced Pothole Action Fund allocation of £961,138, offset by an additional Flood Resilience Fund allocation of £1,513,943. The Highways Maintenance Incentive element was £25k more than the estimated allocation. A summary of the estimated and confirmed amounts was

attached at Appendix A to the report. The Flood Resilience Fund was given to repair potholes and to protect the local road network from adverse weather. Therefore, being of a like nature, it was proposed to pool this funding with the Pothole Action Fund. A programme of schemes to utilise this additional funding was presented at Appendix B.

Within the Highways capital programme, budgetary provision was made for the cost of design and supervision undertaken by both staff employed by the County Council and external consultants. Changes were implemented in 2016-17 and 2017-18 to better reflect the cost of staff time spent on highways capital projects, including changes implemented as part of the Highways Review. Whilst this had reduced the pressure on the Revenue budget, it had consequently impacted on the highways capital budget. At the time that the changes were implemented, the full impact of them had not been allowed for in those years' capital fees budgets. Forecasts, recently produced, suggested that there was likely to be a shortfall in funding of around £300k over all the core Highways Infrastructure projects. These forecasts were presented at Appendix C to the report. Although there were contingency budgets across these projects, it would be prudent to maintain these to meet potential cost over-runs on capital works. Therefore, approval was sought to contribute up to £500k, as required, from Economy, Transport and Environment Department's earmarked reserves to the Capital Programme for fees on Highways Infrastructure projects. This funding was available from underspends brought forward from 2016-17 and 2017-18.

Highways Capital Programmes from 2018-19 onwards had set aside an increased budget for design and supervision fees. Therefore, this funding shortfall was not expected to continue into future years. Also, the current allocation of fees budget across the Highways Infrastructure projects did not match the distribution of expenditure anticipated. Therefore, approval was sought to vire budget between these projects as required to ensure that the fee budget within each of these projects was sufficient to meet the anticipated fees expenditure.

RESOLVED to (1) note the final allocation of capital grants from the DfT towards highways and local transport in Derbyshire;

(2) approve the addition to the capital programme of £1,513,943 for the Flood Resilience grant funding;

(3) approve the addition of up to £500k to the capital programme for fees on Highways Infrastructure projects, funded from Economy, Transport and Environment Department's earmarked reserve; and

(4) approve the virement of budget between the Highways Infrastructure projects, detailed in Appendix C to the report, as required to ensure that the fee budget within each of these projects was sufficient to meet the anticipated fees expenditure.

220/18 REIMBURSEMENT OF STOP SMOKING PHARMCOTHERAPY
PRODUCT COSTS (Health and Communities) The Director of Public Health

requested Cabinet approval to reimburse the four Derbyshire Clinical Commissioning Groups (CCGs), for the costs of stop smoking pharmacotherapy products available on prescription only throughout 2018-19.

Live Life Better Derbyshire (LLBD) provided evidence-based stop smoking services to support smokers who want to quit smoking. It was the most effective method of quitting smoking, with smokers four times more likely to quit smoking with a stop smoking service than if they tried to quit on their own. The support provided by the LLBD stop smoking service consisted of behavioural support (advice on quitting, setting a date to quit and dealing with withdrawal symptoms/cravings) and advice and access to smoking cessation pharmacotherapy products.

The monies for smoking cessation pharmacotherapy products issued on a prescription, did not originally transfer to local authorities when Public Health responsibilities transferred on 1 April 2013 under the Health and Social Care Act 2012, but instead were included within CCG budgets. Following discussions with the CCG's in Derbyshire, it was agreed the County Council would hold the budgets associated with the cost of smoking cessation pharmacotherapy products issued on a prescription. Therefore the budgets were transferred from the Derbyshire CCG's by the Department of Health to Derbyshire's ring-fenced Public Health Grant with effect from 1 April 2016. However, prescriptions issued in general practice were initially charged to CCG prescribing budgets and therefore it was expected that CCG's would invoice Derbyshire Public Health for these costs as they no longer held the budget for prescriptions related to stop smoking.

A maximum annual charge for 2018-19 had been agreed with each CCG based on historic prescribing costs, details of which were presented. The cost would be met by the ring-fenced Public Health Grant budget.

RESOLVED to approve the reimbursement of prescription only smoking cessation pharmacotherapy product costs to the four Derbyshire CCGs to a maximum cost of £0.335m.

221/18 AWARD OF FUNDING TO EXTEND DELIVERY OF THE RAISING ASPIRATIONS PROGRAMME (Health and Communities) The Director of Public Health sought approval to grant-fund £0.231m to Bolsover District Council to extend the delivery of the Raising Aspirations project in selected schools across Derbyshire.

On 15 March 2018, Cabinet approved investment in the Public Health Localities and Place-based Programme for 2018-19, including retaining £0.231m in-house to implement public health priorities at a local level. It was proposed to utilise this budget to extend the provision of the Raising Aspirations project across Derbyshire for a further two academic years.

The project was initially developed by Bolsover Partnership in 2009, with a programme of co-ordination and interventions commissioned that addressed barriers relating to aspiration and engagement amongst vulnerable groups of young people.

Due to their previous experience in commissioning the Raising Aspirations project, in 2017 Bolsover Partnership re-tendered the contract on behalf of the locality Health and Wellbeing Partnerships across Derbyshire. The contract was funded through the allocations provided to Health and Wellbeing partnerships from the Public Health Grant, and allowed the project to be extended into selected schools across Derbyshire.

Following a full OJEU tender process, the contract to deliver the project was awarded to Derbyshire Education Business Partnership (DEBP). Bolsover District Council, as the accountable body for Bolsover Partnership, contracted with DEBP on behalf of the Health and Wellbeing Partnerships. The tender process allowed for the contract to be extended subject to additional funding, and £0.231m would allow for a two year extension which would be managed through a contract variation between Bolsover District Council and DEBP.

RESOLVED to approve that £0.231m be grant-funded to Bolsover District Council to enable Bolsover Partnership to extend the delivery of the Raising Aspirations Project within selected schools across Derbyshire for two academic years from September 2018.

222/18 URGENT DECISION TAKEN BY THE STRATEGIC DIRECTOR FOR CHILDREN'S SERVICES TO APPROVE THE PROCUREMENT OF THIRD-PARTY APPRENTICESHIP PROVIDERS FOR THE DIRECT DELIVERY OF LEVY-FUNDED APPRENTICES FOR THE COUNCIL (Children's Services) Cabinet considered a report on an urgent decision taken by the Strategic Director - Children's Services relating to the procurement of third-party apprenticeship providers for the direct delivery of levy funded apprentices for the Council.

RESOLVED to note the report.

223/18 CONVERSION OF MAINTAINED SCHOOLS TO ACADEMY STATUS (Young People) The Strategic Director – Children's Services updated Cabinet on the steps taken to facilitate maintained schools in adopting Academy status and confirm approval to undertake the necessary administrative measures for future conversions and sought approval to revise the charges currently levied in respect of work undertaken by the Authority to facilitate conversions.

In order for a maintained school to become an Academy, a number of legal documents need to be agreed. The principal documents were a Commercial Transfer Agreement (CTA); Site lease; assignment of lease or underlease; and leases of Children's Centres.

Cabinet considered a paper on 26 July which outlined the costs of carrying out the work associated with a conversion and agreed to levy a flat rate charge of £6,000 on schools adopting academy status. It was now timely to review this charge, both to reflect the impact of inflation and also to more accurately reflect the differences in the work associated with different types of schools converting. The work involved in

facilitating the conversion of a foundation or voluntary aided school was usually less than that for a community or voluntary controlled school, as the Council did not own the buildings nor employ the staff. Consequently, it was proposed that the conversion charges be £6,200 for Community and voluntary controlled schools (ex-PFI) and £5,000 for Foundation and voluntary aided schools (ex-PFI).

An assessment of the officer time associated with a conversion indicated a cost of up to £8,400 per school which could be charged to a community or controlled school, and up to £6,800 to Foundation and Aided Schools. However, some of the functions undertaken were designed to protect the long-term interests of the Authority and the proposed below-cost figures reflected this. Also, the charges needed to remain affordable for the schools concerned, each of which received a £25,000 conversion grant from the DfE when the Academy Order was approved. The grant was intended to be a contribution towards the costs associated with converting to an academy.

It was recognised that some community and voluntary controlled schools were already part-way through the conversion process, and it could be regarded as unreasonable for the Authority to levy a higher charge on these schools at short notice. It was therefore proposed that the higher charges be applied to community and voluntary controlled schools which were not yet subject to an academy order. The reduced charges to voluntary aided and foundation schools would take immediate effect.

The time, and thus cost, associated with the conversion of the schools subject to a Private Finance Initiative (PFI) contract could be substantially higher due to the contractual complexities involved. There were also external legal costs for these conversions that the Authority would seek to recover. An additional charge over and above the amounts shown above would be levied on the basis of an assessment of the extra work involved. These would be determined on a case-by-case basis.

For schools not covered by PFI contracts, the workload associated with a conversion could and did, vary according to the complexity of the process in each individual conversion. Accordingly, it was proposed that, in exceptional circumstances, the Strategic Directors for both Children's Services and Commissioning, Communities and Policy be authorised to vary the charge to a school where they deem this to be reasonable in the light of the individual circumstances.

RESOLVED to (1) note the progress of academy status within Derbyshire;

(2) approve the Council entering into any Commercial Transfer Agreement, lease, sublease, licence or other document that is required and any surrender of an existing lease that may be required in respect of all academy conversions within Derbyshire;

(3) approve the revised charges as set out in the report; and

(4) authorise both the Strategic Directors for Children's Services and Commissioning, Communities and Policy to revise the charges in individual cases, where they deemed this reasonable.

224/18 CHILDREN'S SERVICES CAPITAL PROGRAMME 2018-19 – S106

PROJECT ALLOCATIONS (Young People) The Strategic Director – Children's Services informed Cabinet of the receipt and availability of recent Section 106 developer contributions and to sought approval for the allocation of those contributions to projects in line with the individual Section 106 agreements and that where appropriate, procurement exercises be undertaken to commission services and undertake works associated with the schemes.

Appendix A detailed the S106 contributions that had been received by the Authority or were available to claim from the District/Borough Councils along with the schools that were to benefit from the investment, together with the planned projects. The total was £1,114,831.

Where appropriate, it might be necessary to undertake a procurement exercise to commission services in order to undertake works associated with these schemes/budgets, and this report also sought approval to commence this process. It should be noted that these procurement exercises would normally take the form of a competitive tender process, but should it be decided that using a Framework was the best option, a separate report would be submitted seeking approval.

RESOLVED to (1) note the receipt/availability of S106 funding and approve allocations to the following projects outlined in Appendix A to the report:

- Chellaston Academy: £508,673
- Queen Elizabeth's Grammar School: £174,565
- Wirksworth Junior School: £35,958
- Riddings Junior School: £45,607
- Stenson Fields Primary School: £225,834
- Chapel-en-le-Frith High School: £124,194

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

225/18 CHILDREN'S SERVICES CAPITAL PROGRAMME 2018-19 –

FURTHER ALLOCATIONS AND REFUNDS (Young People) The Strategic Director – Children's Services reported on allocations approved under delegated powers by the Strategic Director for Children's Services and by the Children's Services Head of Development and sought approval to further allocations from the Children's Services Capital Programme 2018-19.

On 26 July 2018, Cabinet approved the Children's Services Capital Programme 2018-19 which left an unallocated balance of £4,913,588. Approval by the Head of Development, under delegated powers, was granted to two top-up allocations at

Woodthorpe CE VC Primary for £25,000 on 20 June 2018, and £4,000 for Bramley Vale Primary on 3 July 2018. An urgent decision by the Strategic Director on 4 July 2018, allocated a further £84,000 for a project on the Melbourne Junior & Infant School site and this was the subject of a separate report to Cabinet on 20 September 2018. This left an unallocated balance of £4,800,588

Approval was also sought to the following capital allocations from the Capital Programme 2018-19:

Woodbridge Junior School - A budget cost of £350,000 had been received for an additional classroom, and there was a Section 106 Developer Contribution payment received for £298,455. A further allocation of £51,545 was therefore required. This new classroom would help to address the shortage of pupil places in Alfreton. The cost per place was £11,666.

Highfield Hall Primary School - There was a basic need case for additional pupil places at this school from September 2019. This was part of the Chesterfield strategy for creating additional places in the town. A budget estimate had been received for £575,000 for a new two-classroom block with toilets which would be Phase 1. Further remodelling work (Phase 2) would be required at a later date to provide the school with the accommodation required for a two form entry school. The cost per place was £9,583.

The S106 Developer Contributions of £148,823 had been received and were available to refund the Capital Programme. Also, a sum of £50,000 that was originally approved by Cabinet to top up a scheme at Melbourne Junior School but was not allocated to the scheme and was now available to refund the Capital Programme. This left an unallocated balance of £4,315,212.

RESOLVED to (1) retrospectively note the allocations by the Strategic Director for Children's Services and the Children's Services Head of Development;

(2) note the Section 106 payments received as refunds to the Capital Programme and the Capital Programme approved but not allocated sum refunded to the Capital Programme; and

(3) approve further allocations to projects from the 2018-19 Capital Programme.

226/18 POOLED BUDGET FOR CHILDREN WITH COMPLEX NEEDS (Young People) The Strategic Director – Children's Services sought approval for the continuation of an agreement with a pooled budget arrangement between the Council and the four Derbyshire Clinical Commissioning Groups – North Derbyshire, South Derbyshire, Hardwick and Erewash (CCGs), to provide and fund support packages for children and young people with complex needs, for the period October 2018 to 30 September 2019.

Children and young people under the age of 19 with complex needs require input from a number of different agencies to meet those needs, including all or a combination of social care, health care and support for educational special needs. In support of these complex needs, an agreement with a pooled budget arrangement between the Council and the CCGs, pursuant to Section 75 of the National Health Service (NHS) Act 2006 had been in operation since April 2013. Historically, a pooled budget arrangement with Health Partners - Derbyshire County Primary Care Trust - had existed since July 2010 and the current Section 75 agreement was due to end on 30 September 2018. The Section 75 agreement with a pooled budget arrangement had to date enabled funding allocations for complex cases to be managed in an efficient way in accordance with decisions made by a multi-agency monthly Complex Needs Panel (Children's Services, Adult Care, Virtual School and Health representatives).

The annual budget established in 2010 was £6,340,000 with a target to reduce care costs by 5% and reduce the considerable administration associated with this type of placement for both CCG and DCC officers. The agreement had been successful in containing costs, minimising bureaucracy and most importantly delivering timely specialist placements. The annual budget since 2013 had been £5,200,000, however, at the end of the financial year 2017-18, over-spend of £554,504 was reported.

The average cost of placements was increasing. In 2016-17 it was approximately £195,000 and in 2017-18, it was approximately £215,000. This cost increase had been driven by demand exceeding supply and the increasing complexity of the needs of the children. This cohort of children and young people were some of the most vulnerable in Derbyshire. The majority were children in care and experience a range of health and special educational needs that could not collectively be addressed by local or ordinary services.

Partners to the arrangement share concerns regarding the quality of available information on support needs and provision particularly health information and placements were frequently made without input from CCG commissioners, although relevant health professionals should have been part of the individual case planning. There was not currently sufficient capacity within the CCG Children's Commissioners or Designated Nurse for Children in Care to review each of the placements on a regular basis.

Approval of the Section 75 arrangement to continue for a further period of twelve months would maintain continuity whilst a review of the current processes takes place and enable due consideration of any future proposals. Agreement had been obtained from the CCGs Clinical and Lay Committee (CLCC) for this Section 75 agreement to continue in its current form for a further period of twelve months, subject to a review of the processes. Formal approval by the CCGs would be sought from their Governing Body.

The CLCC was confident that the resources required to carry out the review and agree future options could be made available, however, if the review and

subsequent proposals could not be implemented within the twelve month period, it was requested that Cabinet authorise that the Strategic Director - Children's Services could agree that the arrangement continue for additional periods, up to a maximum of two further years. Any review and subsequent proposals would have to be in the best interest of, and in consultation with, children, families and stakeholders and allow time for evaluation and development of papers for consideration by Cabinet and CCG governing bodies.

RESOLVED to approve the Authority entering into a Section 75 agreement with pooled budget arrangement with the four Derbyshire CCGs for a further period of twelve months, in order to provide and fund support packages for children and young people with complex needs, whilst carrying out a review of current processes and placements.

227/18 CHILD CARE SUFFICIENCY ASSESSMENT (Young People) The Strategic Director – Children's Services reported in line with statutory requirements on how the local authority was meeting its duty to secure sufficient childcare.

The Childcare Act 2006, was introduced to give every child the best start in life and parents/carers a greater opportunity to balance work and family life. The Act placed a duty on the local authorities to improve outcomes for young children, reducing inequalities between them and gave local authorities a key role in shaping the childcare market for their area. In April 2008, Section 6 of the Childcare Act placed a duty on local authorities to secure sufficient childcare, so far as was reasonably practicable to meet the requirements of parents in their area who required childcare to enable them to take up or remain in work or undertake training or education which could reasonably be expected to assist them to obtain work.

In order to fulfil this duty, an assessment of the supply of, and demand for, childcare must be undertaken resulting in a strategy that ensured that the views of parents/carers, providers and children were taken into consideration in the planning and funding of future developments. Although the focus was on the number of places, the local authority also took into account affordability of provision and the Ofsted inspection outcome, in order to ensure there were sufficient 'outstanding' or 'good' places available for as many children as possible.

The County Council published its last Childcare Sufficiency Assessment in 2016-2017. Since this date, the Government introduced the thirty Hours Extended Entitlement in September 2017 pursuant to the Childcare Act 2016. This had meant that around 71% of all families in Derbyshire with children aged three and four years-old would see their existing entitlement to fifteen hours of free nursery education double to thirty hours, although it was anticipated that only 80% of these eligible families will take up their additional hours. This had inevitably put pressure on the number of existing childcare places and had required the creation of new places to meet the increased demand. Work had taken place to establish an on-going picture of the supply and demand of childcare within Derbyshire, focusing mainly on the free early years entitlement as a priority.

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

228/18 REVIEW OF THE SCHOOL CROSSING PATROL SERVICE (Highways, Transport and Infrastructure) The Strategic Director – Economy, Transport and Environment sought approval not to undertake a review of the School Crossing Patrol (SCP) service and to maintain the current arrangements which were agreed by Cabinet in July 2015.

In February 2018, Council approved proposals to make £12.4m of savings in the current financial year 2018-19. These included saving £300,000 from a review of the School Crossing Patrol Service in 2018-19, subject to public consultation and equality analysis processes.

As part of this review process, and to help the Council explore a number of options, on 7 March 2018, the Council wrote to all schools and parish/town councils, where a SCP currently operated, to ask if they would be willing to fund their SCP or help to find alternative sources of funding such as local businesses, sponsorship or fundraising. A follow up letter, to remind those schools, parish and town councils who had not responded to the original letter, was sent on 15 May 2018.

The total number of responses received was disappointing, with a total of five schools and four parish/town councils expressing an interest in providing funding for their SCP. A total of 132 schools and 51 parish/town councils either confirmed they were not in a position to provide funding for their specific site or did not respond to the letters.

The Council would like to express its appreciation to those schools and parish/town councils who expressed an interest in funding their sites, however, in light of the overall poor response to the Council's request, it was recommended that the Council did not undertake a review of the Service at this time.

The £300,000 savings identified for the 2018-19 financial year only had been found from the Economy, Transport and Environment Department's reserves. Officers had been requested to identify alternative revenue saving options for the £300,000 for 2019-20 onwards as part of the overall Departmental savings programme.

RESOLVED to (1) agree not to undertake a review of the School Crossing Patrol service and to maintain current levels of the School Crossing Patrol service in line with the decision taken by Cabinet in July 2015; and

(2) request the Strategic Director – Economy, Transport and Environment to identify alternative ways of delivering the £300,000 saving originally allocated to the School Crossing Patrol service for 2019-20 onwards, as part of the overall departmental savings programme.

229/18 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 26 July 2018.
3. To receive the Exempt Minutes of Cabinet Member meetings as follows:-
 - (a) Council Services – 19 July 2018
 - (b) Young People – 7 August 2018
4. To consider exempt reports as follows:-
 - (a) Clowne Branch Line Greenway – Contract Award – Strategic Director Economy, Transport and Environment (contains information relating to the financial or business affairs of any particular person (including the Authority holding that information))
 - (b) Woodville – Swadlincote Regeneration Route – Land Acquisition and Legal Orders – Strategic Director Economy, Transport and Environment (contains information relating to the financial or business affairs of any particular person (including the Authority holding that information))
 - (c) Long Term Waste Management Contract – Strategic Director Economy, Transport and Environment (contains information relating to the financial or business affairs of any particular person (including the Authority holding that information))
 - (d) Contract Extensions for Housing Related Support Services - Strategic Director Adult Care (contains information relating to the financial or business affairs of any particular person (including the Authority holding that information))
 - (e) The Provision of the Community Alarm Service – Strategic Director Adult Care (contains information relating to the financial or business affairs of any particular person (including the Authority holding that information))
 - (f) Developing the Recovery Communities in Derbyshire – Director of Public Health (contains information relating to the financial or business affairs of any particular person (including the Authority holding that information))
 - (g) Acceptance of Offer: Hurst House, Chesterfield – Strategic Director Commissioning, Communities and Policy (contains information

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