

MINUTES of a meeting of **CABINET** held on 17 May 2018 at County Hall, Matlock.

PRESENT

Councillor B Lewis (in the Chair)

Councillors A Dale, A Foster, 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.

144/18 MINORITY GROUP LEADERS' QUESTIONS

Councillor A Western asked the following question:

Agenda Item 6(f) – Social Impact Bond “Step Down” Project

Will the Cabinet Member explain how this approach will work and how it will generate better outcomes for children with disabilities?

Councillor A Dale, Cabinet Member for Young People responded that the County Council was asking for 30% of outcome payments from the Life Chances Fund. At the SIB Development Stage, a Social Investor is secured and the proposed content of a workable contract is agreed that will be operational across the Council, the social investor and the provider. The contract supports the financial savings anticipated in the Cabinet report. A quality provider is procured in partnership with the social investor to increase its baseline supply of specialist disability foster carers to Derbyshire. Both the Council and social investor have an interest in sourcing an excellent fostering provider.

The Council, Investor and provider, work in partnership to deliver the Business Case benefits of better outcomes and the achievement of placement savings of between 33% to 50% over the eighteen months, with variances being informed by a child's support service need, for example; high school transport costs. As the child ages out of the outcome payments at eighteen months and the project is locally established, it is anticipated placement savings will increase.

The feasibility study audited all children placed in agency residential aged under 16 at October 2017. The Council knows there is a cohort for the project to which all or most of the following criteria apply. Firstly, the social worker says the child would be better cared for in specialist foster care. Secondly, a foster home

was sought but not available when the child was originally placed in residential. Thirdly, the child wants to be in a foster home and finally the parents want their child placed closer to them.

Following acceptance into the project a Step Down care plan will be developed between the social worker, the child, the family, the Virtual School and health which would need to be approved by an Independent Reviewing Officer. The fostering provider will recruit and train a carer to the specific needs of each child, make the placement available and facilitate placement introductions. At this stage it is anticipated the social investor funds the weekly foster carer allowance payments pending commencement of council funded outcome payments to be paid to the social investor at 6, 12 and 18 months.

In terms of the generation of better outcomes for disabled children, the project intended outcomes are to address institutionalisation by fostering the better outcomes associated with a family placement; support increased and improved relations with each child's family through placing the child nearer to family, unless there is good reason not to; promote attendance in local education and the development of local friendships; to facilitate re-engagement with local health and ASC provision permitting continuity of service into maturity; and to introduce an opportunity for placement continuity into adulthood via a Staying Put or Shared Lives placement. Children's homes Ofsted registration is only to age 18. Many children, but especially those with disabilities, are not ready to change placement and location at age 18 leading to a range of poor outcomes amongst our most vulnerable care leavers. Councillor Dale stated that he had a strongly held belief that approving the report would improve the life chances of those children concerned.

National Research Evidence, The Fostering System in England: Evidence review executive summary July 2017, notes 'an association between the degree of specialisation required and the distance of the placement from 'home'. Disabled children are more likely to be placed at a distance. Distant placements obviously lead to discontinuities in contact with family and friends, as well as in education and access to other services'. The project intends to address these 'discontinuities' to improve Care Leaver outcomes which, on audit, were creating challenges for both the care leaver and local services. The project aligns with Government thinking as included within the Lenehan Review 'These are our children' (2017) – that identifies that too many young people are institutionalised at a distance from home and that once placed tend to remain.

145/18 **MINUTES RESOLVED** that the non-exempt minutes of the meeting of Cabinet held on 26 April 2018 be confirmed as a correct record and signed by the Chairman.

146/18 **CABINET MEMBER MEETINGS – MINUTES RESOLVED** to receive the non-exempt minutes of Cabinet Member meetings as follows:-

- (a) Adult Care – 19 April 2018

- (b) Strategic Leadership, Culture and Tourism – 19 April 2018
- (c) Council Services – 26 April 2018
- (d) Highways, Transport and Infrastructure – 26 April 2018
- (e) Young People – 1 May 2018

147/18 DERBYSHIRE AND DERBY CITY SCHOOLS LIBRARY SERVICE

(Strategic Leadership, Culture and Tourism) The Strategic Director – Commissioning, Communities and Policy sought approval to close the Derbyshire and Derby City Schools Library Service (SLS) on 31 July 2018 and to decommission the service by 31 March 2019. Approval was also sought to use any income raised from the sale of materials to cover the costs associated with the closure of SLS and to divide any surplus funding between Derbyshire County Council and Derby City Council pro rata and for it to be used to develop children's services and activities within the Library and Museum Services.

On 7 December 2017, Cabinet approved a proposal to consult on the possible closure of the Derbyshire and Derby City Schools Library Service, owing to its declining use by schools and educational providers which, in turn, was impacting on its ability to generate sufficient income to remain financially viable. SLS provided support and resources to schools and educational providers in Derbyshire and Derby City on the basis of full cost recovery through a small dedicated team of staff. However, the use of SLS by schools and educational providers had been declining over a number of years, with a further decline over the current financial year, further details of which were presented.

For 2017-18, it was anticipated that SLS would fail to meet its income target by approximately £12k. This shortfall would be met by drawing down from an existing earmarked reserve and would leave approximately £35k in the reserve. In line with the Council's commitment to transparent decision-making, and to ensure that all those affected had the opportunity to comment on the proposed closure, the Council had undertaken a period of consultation to:

- Set out the financial context and challenges within which, decisions on the future of the SLS needed to be made.
- Explore schools and service user's feedback to the proposed closure and its potential impact.
- Receive suggestions on how the resources could be used if the service was to close.

If any alternative proposals on the future of SLS arose as part of the consultation process, they would also be considered.

An Equality Impact Analysis had been undertaken in parallel with the above engagement process and the results from this were included at Appendix 2 to the report. Details of the consultation programme were presented and a summary and a more detailed analysis of the results was included at Appendix 1 to the report.

As there were no alternative sources of funding for the SLS, the fact that the majority of respondents were unwilling to pay more for the service and take-up of the service continued to decline, it was proposed that SLS close on 31 July 2018. The service would then undertake a decommissioning process until 31 March 2019. The SLS resources would be evaluated and sorted according to their condition, educational value and suitability for schools. All educational resources suitable for schools would be offered to schools across Derbyshire and Derby City. Resources not suitable for schools, which had a cultural value might be offered to museums or appropriate organisations, with priority given to local museums. After these processes had been completed, the remaining resources would be sold through specialist auction houses. In addition to this, there might be a small number of resources that would need to be disposed of through waste management processes. Details of a decommissioning plan were presented at Appendix 3 to the report.

RESOLVED to approve (1) the closure of the Derbyshire and Derby City Schools Library Service on 31 July 2018;

(2) the decommissioning of the SLS service by 31 March 2019;

(3) that any income raised from the sale of materials be used to cover the costs associated with the closure of SLS; and

(4) that surplus funding be divided between Derbyshire County Council and Derby City Council pro rata and be used to develop children's services and activities within the Library and Museum services.

148/18 LOCAL GOVERNMENT SERVICES PAY AGREEMENT 2018-20

(Council Services) The Strategic Director – Commissioning, Communities and Policy sought approval for Cabinet to note the National Joint Council (NJC) for Local Government Services pay agreement for 2018-20 and the proposed review of the Derbyshire Pay Scales for implementation in 2019-20.

The national agreement, a copy of which was attached at Appendix 1 to the report, included the following provisions;

- A two year deal from 1 April 2018 to 31 March 2020
- 2018-19 - bottom pay point £8.50, with bottom loading and 2% above £19.5k
- 2019-20 - bottom pay point £9.00, revised pay spine to address compacting of pay points in lower grades and 2% for other grades

Following consultation with the local trade unions, the revised Derbyshire Pay Scales for 2018-19 had been agreed as detailed at Appendix 2 to the report. The national spinal column points were not directly comparable to Derbyshire pay points, therefore, a read across had been used to reflect the bottom loading.

Application of the bottom loading increased the bottom pay point to £8.50 and was equivalent to an increase of 8.3%. At the meeting on 25 January 2018, Cabinet agreed that payment of the Living Wage allowance would not continue after 31 March 2018. An interim allowance equivalent to £8.45 was being paid to eligible Council and school employees, until the pay agreement was implemented. Therefore, all employees would receive an increase in basic pay, however, for some employees the actual increase would be lower than 2%.

The second part of the national pay offer for 2019-20, included a revision to the national pay spine in order to address compacting of the lower pay points and loss of pay differentials. Loss of pay differentials also applied to the Derbyshire Pay Scales due to bottom loading in recent pay agreements.

In order to consider options to address the loss of pay differentials, a review of the Derbyshire Pay Scales was underway to encompass all grades. It was intended that a report on any proposals to revise the current Derbyshire Pay Scales would be presented to Cabinet in sufficient time to allow implementation by April 2019.

RESOLVED to note the (1) application of the Derbyshire Pay Scales from 1 April 2018; and

(2) review of the Derbyshire Pay Scales for implementation in 2019-20.

149/18 URGENT DECISION TAKEN BY THE STRATEGIC DIRECTOR OF COMMISSIONING, COMMUNITIES AND POLICY ON THE USE OF ESPO FRAMEWORK 271: VEHICLE HIRE – SELF DRIVE (Council Services) The Strategic Director – Commissioning, Communities and Policy reported on an urgent decision taken in accordance with the Council's Constitution to use the ESPO Framework 271: Vehicle Hire – Self Drive for a period of one year to meet the vehicle hire requirements of all departments due to the current vehicle hire provider, TOM Vehicle Rental (TOM), going in to administration and ceasing to trade. A copy of the report was attached at Appendix 1 to the Cabinet report.

RESOLVED to note the report.

150/18 HOUSING INFRASTRUCTURE FOR BUXTON (Highways, Transport and Infrastructure) The Strategic Director – Economy, Transport and Environment sought approval to add a highway scheme to facilitate delivery of housing within Buxton, to the capital programme, funded by external grant.

At its meeting of 14 September 2017, Cabinet considered a report on the Government's new Housing Infrastructure Fund (HIF) which was announced in July 2017, as an ambitious £2.3bn investment programme to unlock sites and bring forward much-needed housing. The overall target was to facilitate delivery of up to 100,000 homes across England and funding was to be spent predominantly in the period up to 2021. Proposals from local authorities were invited by 28 September

2017 against two funding streams namely Forward Funding and Marginal Viability Funding.

High Peak Borough Council submitted a Marginal Viability Fund proposal for the delivery of highway infrastructure within Buxton which would bring forward housing sites capable of providing 650 additional homes. These were within existing allocations and did have commercial housebuilders in place. Provision of highway infrastructure would accelerate delivery of these housing sites. It would also address the risk that individual proposals, brought forward on an ad hoc basis, might not be adequate to address the collective impact of the amount of housing land to be developed or the potential land to be developed.

The offer of HIF funding would be made to High Peak Borough Council by Homes England and was expected to be conditional on the rapid delivery of infrastructure to meet the Government's expectation of housing construction following "at pace". At this stage, it was understood this was likely to mean completion of the enabling infrastructure itself would be required during the financial year 2019-20. This would be challenging and the Borough Council had requested access to the County Council's own expertise and to its design and construction frameworks which would assist High Peak Borough Council in expediting delivery.

From the County Council's own perspective, there was good reason to offer this Facility, as the proposed infrastructure comprised a new roundabout on the A6 north of the town, with spurred to each side serving housing land in the Hogshaw area to the west and the Fairfield area to the east. The latter would provide some additional benefit through improved access to the Tongue Lane Industrial Estate and the former could potentially provide improved access to the Hogshaw rail sidings. Another important consideration was that the proposed roundabout sits at the terminus of an existing bridleway which was likely to represent the preferred option to connect the White Peak Loop multi-user trail to Buxton. The Hogshaw land to the west may present opportunities to provide a high-standard route further towards the town centre. Direct control of design and construction contracts would enable the Council to ensure these opportunities be maximised.

The full grant offer by Homes England to the Borough Council was expected to be £2m, from which it was intended to implement the A6 roundabout and adjoining sections of spur road, with the remainder of these being delivered through housebuilders rather than the public sector. In order to provide sufficient flexibility in negotiations with the Borough Council, it was proposed the County Council adds a scheme comprising the A6 roundabout, plus up to 150m in length of the proposed spurs to each side, to the Capital Programme. With regard to the design and construction work, it was intended that the County Council offered to procure this from existing suppliers, with costs reimbursed by the Borough Council under the terms of a proposed Memorandum of Understanding (MoU). It was recommended that Cabinet authorise the Strategic Director – Economy, Transport and Environment, advised by the Director of Legal Services, to agree the terms of an appropriate MOU.

RESOLVED to (1) subject to entering into an appropriate funding agreement with High Peak Borough Council, approve the addition of a project to provide a new roundabout on the A6 north of Buxton, together with adjoining spurs as described in this report to the capital programme;

(2) approve the continued support of Derbyshire County Council officers to facilitate the accelerated delivery of required infrastructure through provision of expertise and access to construction frameworks;

(3) authorise the Strategic Director – Economy, Transport and Environment, advised by the Director of Legal Services, to enter into a MOU with High Peak Borough Council over the recovery of costs incurred on design and construction of this scheme.

151/18 CLOWNE BRANCH LINE ERDF FUNDING AWARD (Highways, Transport and Infrastructure) The Strategic Director – Economy, Transport and Environment sought approval to accept a European Regional Development Fund (ERDF) grant funding award, on receipt of a formal Funding Agreement contract and to add this to the Capital Programme. In addition, approval was also sought to undertake a procurement exercise for the delivery of the project.

The Cabinet Member for Council Services, on 18 June 2013, gave permission for the Council to acquire 7.4km of the former Clowne Branch Line between Seymour Junction and Creswell and to seek funding to develop the route as a multi-user Greenway. The land transfer from Network Rail to Derbyshire County Council was completed on 29 May 2014.

Creswell Craggs candidate World Heritage Site, Welbeck Estate and Clumber Park was integral to the aims and ambitions outlined in the emerging Destination Plan for North East Derbyshire and North Nottinghamshire - Visit, Sleep, Cycle Repeat, which also gained recent external funding from European Agricultural Fund for Rural Development (EAFRD) and Local Transport Plan (LTP) support. The project, together with the Archaeological Way, would also provide a major part of the emerging Bolsover Loop, a 51km cycle route around the district of Bolsover, intended to be marketed to attract greater visitor numbers, overnight stays and tourism based revenue for the regeneration of the immediate area. A plan of the route was set out in Appendix A to the report.

The Strategic Director – Economy, Transport and Environment would accept the grant on the behalf of the Council. The proposal was aligned with the strategic developments and key principles identified within the Council's Plan, the Derbyshire LTP, the Derbyshire Rights of Way Improvement Plan, the East Derbyshire Greenway Strategy and the Derbyshire Cycling Plan 2016-2030. The route would form a significant addition to the emerging Derbyshire Key Cycle Network.

Approval was subject to undertake a procurement exercise for the delivery of the Clowne Greenway Project by 31 March 2020, in line with the European funding award.

The Ministry for Housing, Communities and Local Government had approved, in principle, an award of £584,730 (in principle/subject to contract) from a Priority Axis 6 ERDF Bid through the European Single Investment Fund Programme. Approved by the D2N2 Infrastructure & Investment Board and the ERDF Managing Authority Investment Decision Group, the Council was notified by letter, dated 1 February 2018. The award was subject to the Council signing a funding Agreement Contract. This ERDF grant required match funding on a 1:1 basis.

An allocation for the Clowne Branch Line of £250k per year for three years was approved by Cabinet on 14 March 2017 in the 2017-18 Service Plan, from which match funding for the ERDF grant could be met. The Council, on 4 April 2017, wrote to the Ministry for Housing, Communities and Local Government confirming that the Council had approved the match funding required against this award.

RESOLVED to (1) authorise the Strategic Director – Economy, Transport and Environment to accept the European Regional Development Fund (ERDF) grant of £584,730 on receipt of a formal funding contract;

(2) approved the addition of £584,730 European Regional Development Fund grant funding to the Capital Programme 2017-18;

(3) approved the virement of up to a total of £584,730 of match funding from the relevant Local Transport Plans to a dedicated project for the administration of ERDF eligible expenditure; and

(4) approved that a procurement exercise be undertaken for the delivery of the Clowne Greenway Project which was identified as a named project within the approved 2017-18 Service Plan.

152/18 SOCIAL IMPACT BOND “STEP DOWN” PROJECT (Young People) The Strategic Director – Children’s Services sought approval to proceed from the feasibility study to the Development Stage of a Step Down Social Impact Bond (SIB) subject to Life Chances Fund (LCF) approval of the feasibility study and a commitment by LCF to contribute outcome payments and to undertake a procurement exercise to seek a specialist foster provider for children with disabilities.

At its meeting on 22 February 2018, Cabinet approved the submission of a joint Expression of Interest (EoI) from the Council and Credo Care to the LCF to partner in delivering a feasibility study into the step down of disabled Derbyshire children from residential to foster care.

The Council was not in a position to deliver the service for the provision of specialist foster care for disabled children internally. A prolonged recruitment

campaign had not increased fostering capacity for children with disabilities and this had led to some young people entering, unnecessarily, into high cost residential care. 70% of children living in residential care at October 2017 had previously been fostered, but the fostering placement had not been sustained and it was to be expected that, unless new long-term foster bed capacity was created, the Council would continue to have insufficient foster beds to support children with disabilities. In addition, unless more effective specialist foster placements and improved support was available, a high percentage of step down placements might ultimately break down.

The feasibility study strongly indicated that a SIB model had the potential to improve outcomes and decrease costs. A SIB model was a form of outcome based contract where social investment was used to finance delivery and take the risks of outcome success. A SIB model in this context, which was predicated on sourcing new specialist foster homes to care for specific disabled children, had the potential to improve outcomes and decrease costs. This finding was underpinned by the feasibility study, further details of which were presented.

Outcome payments against longevity incentivised the success of end-to-end placement processes. The social investor would be repaid the start-up and revenue funding from anticipated savings against residential costs at six, twelve and eighteen months. Further work to mitigate against any contract perverse incentives would be fully explored in the commissioning and procurement process.

The procurement for the provider of specialist foster placements for children with disabilities would be subject to the successful allocation of outcome payments from the LCF, and would be undertaken in accordance with the Public Contract Regulations 2015 and the Council's Financial Regulations.

RESOLVED to approve (1) proceeding from the feasibility study to the Development Stage of a Step Down SIB, subject to LCF approval of the feasibility study and a commitment to contribute outcome payments; and

(2) undertaking a procurement exercise to seek a specialist foster provider for children with disabilities.

153/18 EAST MIDLANDS REGIONAL ADOPTION AGENCY (Young People)
The Strategic Director – Children's Services informed Cabinet of a Government initiative to regionalise adoption services and in light of those requirements, sought approval for Derbyshire to share an adoption service with Derby City Council, Nottingham City Council and Nottinghamshire County Council.

The Government legislated to regionalise adoption services in the 2016 Education and Adoption Act, and Derbyshire had been part of an East Midlands Regional Adoption Agency Project Governance Board (PGB) to oversee this process. This Board was chaired by Derbyshire's Strategic Director for Children's Services.

The report sets out the plans for the development of a formal Regional Adoption Agency (RAA) for Derbyshire County Council, Derby City Council, Nottingham City Council and Nottinghamshire County Council by September 2018, and provided a progress report on the development of the Regional Adoption Agency. The proposed development of the D2N2 Regional Adoption Agency met the Department for Education (DfE) requirements of such an agency, further details of which were presented at Appendix A to the report.

The D2N2 RAA was being developed within the wider partnership of the East Midlands Regional Adoption Agency (EMRAA) project (which included Lincolnshire, Leicestershire, Leicester and Rutland Councils). Options for regional adoption arrangements were considered by the EMRAA Project Governance Board in December 2017. This was in the context of the preferred approach of each local authority following consultation with lead members and directors of children's services. The strategic leads of each local authority agreed that the preferred option was to develop a formal regional adoption agency for D2N2 and a regional adoption 'arrangement' for Lincolnshire, Leicester, Leicestershire and Rutland councils.

Following consultation with lead members and Directors of Children's Services and a full options appraisal of the possible legal forms, a local authority shared service, a local authority trading company or a joint venture with voluntary adoption agencies, the EMRAA Project Governance Board recommends that the D2N2 RAA should be delivered as a shared service between the participating local authorities. Further details of the governance arrangements for the operation of shared service would be included in a future report to Cabinet.

Two local authorities expressed an interest in hosting the D2N2 RAA on behalf of the other local authorities, namely Derbyshire and Nottinghamshire. An appraisal of the offer from each local authority with respect to ten criteria including support to member authorities in relation to their role as a corporate parent, capacity to support management and back-office functions, service performance and quality, and capacity to effectively support an agile workforce, was undertaken in December 2017. It was the unanimous view of the Project Governance Board that Nottinghamshire County Council was best placed to host the RAA on behalf of the partnership.

The Project Governance Board recognised that, subject to Cabinet agreement to these plans in principle, a detailed business case would be required, setting out how the model would work both at strategic and operational level. The Board, in consultation with lead members and directors of children's services, considered the two available options for the transfer of staff to the RAA, namely secondment or TUPE transfer of staff to the host local authority. A full appraisal of the benefits and potential risks of the options was due for consideration by the Project Governance Board in late Spring 2018, with a view to the establishment of the new RAA by end 2018.

RESOLVED to note the information regarding Regionalisation, considers the work and analysis undertaken and agree that:

(1) Derbyshire joins a shared regional adoption agency, D2N2 RAA, with Derby City Council, Nottingham City Council and Nottinghamshire County Councils;

(2) Nottinghamshire County Council host the RAA on behalf of the other local authority partners;

(3) subsequent decision-making for the ensuing model and business case, including approval for TUPE transfer if necessary, be delegated to the Strategic Director for Children's Services in consultation with the Cabinet Member for Young People, following consideration of a further report prepared by the strategic leads from each local authority; and

(4) staff from each of the four local authorities who were in scope for the RAA be seconded or transferred by TUPE to the host local authority or D2N2 RAA.

154/18 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 April 2018.
3. To receive the Exempt Minutes of Cabinet Member meetings as follows:-
 - (a) Strategic Leadership, Culture and Tourism – 19 April 2018
 - (b) Council Services – 26 April 2018
 - (c) Young People – 1 May 2018
4. To consider exempt reports as follows:-
 - (a) Urgent Decision taken by the Head of Paid Service to Award a Contract for the Groundworks and External Works, as part of the DCC Operations Scheme for the Dining Room and 2NR Classrooms Extension at Stanton Primary School (contains information relating to the financial or business affairs of any particular person (including the Authority holding that information))
 - (b) Purchase of Fleet Vehicles – 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) Urgent Decision taken by the Head of Paid Service to commence emergency retaining wall reconstruction/soil nailing works on

- Waterloo Road, Matlock Bath (contains information relating to the financial or business affairs of any particular person (including the Authority holding that information))
- (d) Tier 4 Residential Substance Misuse Treatment Services - Director of Public Health (contains information relating to the financial or business affairs of any particular person (including the Authority holding that information))
 - (e) Provision of Derbyshire Integrated Sexual Health Service (DISHS) – Director of Public Health (contains information relating to the financial or business affairs of any particular person (including the Authority holding that information))
 - (f) Review of Trading Standards Service – Strategic Director Commissioning, Communities and Policy (contains information relating to labour relations matters)
 - (g) Urgent Decision taken by the Head of Paid Service – Use of a Non DCC Framework to deliver a Project at St Oswald’s Primary School, Ashbourne (contains information relating to the financial or business affairs of any particular person (including the Authority holding that information))