

PUBLIC

MINUTES of a meeting of **CABINET** held on **15 July 2014** at County Hall Matlock.

PRESENT

Councillor A Western (in the Chair)

Councillors D Allen, J Dixon, K Gillott, C Neill and B Ridgway.

Councillors B Lewis and K P Morgan also attended the meeting.

235/14 QUESTIONS

(a) Submitted by members of the public

(i) Question submitted by Mr G Matthews – What is the total figure for the Derbyshire County Council reserves as of today; and referring to the changes to adult care, how many people will lose their care as a result of the change in eligibility criteria and what will happen to these unfortunate people when they do lose their care.

Councillor Western responded to the first part of the question by outlining the current reserves position and explaining the purpose for which they were held.

Mr Matthews asked a supplementary question about whether the people of Derbyshire should be asked of their views about the use of reserves to reduce the level of cuts that were being made.

Councillor Western responded by saying that the use of reserves would only delay the cuts that would have to be made. This was a question that the Council could ask as part of its Budget consultation exercise.

In response to the second part of the question, Councillor Neill stated that those re-classified would be signposted to other service providers. The Improvement and Scrutiny Committee would be conducting a review of the impact of the changes to the threshold and would track the effects on the people concerned.

Mr Matthews asked a supplementary question on whether the Council could guarantee that, for example, no one with learning difficulties would die because of any problem with them self-medicating. Did we have statistics on the effects of previous service cuts?

Councillor Neill responded that there would be reliance on the voluntary sector and there would be an assessment of need against statutory criteria. There had been no tracking of the effects of the previous cuts.

(ii) Question submitted by Edwina Edwards on behalf of Community Transport in Derbyshire - Community Transport in Derbyshire is concerned about the severe cuts that are being proposed as the impact on vulnerable, isolated individuals will be significant. As the Local Authority has discretionary powers to use the Local Services Support Grant and as I understand a duty under the Equality Act 2010 not to discriminate on age or disabilities to provide services that will enable people to live independently how will DCC fulfil their responsibilities if these cuts are imposed?

Councillor Dixon responded that ideally we would not wish to bring forward cuts to the service and we would wish to preserve service levels. The Council would work with Community Transport to find a way through these difficult times. Processes were in place to ensure that we met the duty under the Equality Act 2010.

Ms Edwards asked a supplementary question as follows – could Councillor Dixon give an assurance that vulnerable individuals would not be plunged into crisis?

Councillor Dixon stated that the Council would do all it could to work with the voluntary sector and community organisations to not leave people vulnerable. Councillor Western added that we would wish to find a collective way forward with the Community Transport schemes.

(iii) Question submitted by Elizabeth Potter - I would first like to pay tribute and say how enormously grateful I am to the DCC paid officers and all the administration and clerical staff involved for the detailed reports that they have put together for our Cabinet Members and indeed for ALL of our 64 councillors to assist them in taking in the full extent of the unprecedented and horrifying challenges that the Coalition government has placed on us. As an ordinary member of the public, a Public Sector admin worker in our NHS, and a member of no political party, just a member of the human race, I just wish to take some time to applaud our brilliant Public Sector workers for their loyalty and commitment to the Council.

The question I want to ask is related to the report produced for you today on the Proposed Changes to the Housing-Related Support Programme. Of all the reports presented to you by officers over the last few months, I don't know about you, but I think this one has some particularly grave and worrying contents. It lists an enormous amount of negative feedback from frightened service users and partner organisations in great detail and the Equality Impact Assessment (EIA) is particularly detailed, warning of the adverse consequences and the harm that will occur if these proposals to cut funding are carried out.

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Do you not think that the particularly gravity of the contents of this report require you to refuse to vote it through, and if not, why not?

Councillor Western thanked Ms Potter for her comments about the Council's staff.

Councillor Neill said that she had been working hard to secure a solution to the problems faced and if she had any choice, she would not present this paper. The meeting would hear that there was to be an extension of contracts.

Ms Potter asked a supplementary question about the amount of lobbying undertaken with the LGA and that these cuts were violating people's human rights. She referred to the Council's Adults At Risk document. She asked that Members take these matters seriously and if not, why not?

Councillor Western said that the fight had been taken to a national level and the LGA (including Conservative Leaders) was making representations to The Government saying that the cuts were too deep and going too far. The Government did not want to know. The Council would be working hard to influence the next Government.

(b) Submitted by Minority group leaders

(i) Questions submitted by Councillor K P Morgan - Agenda Item 8j PSPB Programme 2. Given the criteria outlined at paragraph 2.3 (DfE General Guidance) could the executive member outline: (a) If a different approach, albeit only marginally, has to be taken with Special Schools? and (b) The building redevelopment that has been identified at Ashgate Croft School?

Councillor Gillott stated that there was no difference in approach. There were no specific plans in respect of Ashgate Croft at the moment.

(ii) Questions submitted by Councillor B Lewis - Agenda Item 8d - Five Year Financial Plan - Does the Leader not agree that the savings area identified in this report and plan disproportionately hits rural areas? Also does the Leader not agree that young people are hit by these savings, the sort of savings that Labour campaigned vehemently against when in opposition.

Councillor Western responded that the cuts hit all areas and all people. Councillor Western invited Councillor Lewis to take the message to his government that the cuts are too deep in the same way that other Conservative councillors were doing.

Agenda Item 8g - Proposed Changes to Housing Related Support Programme – Phase One - Do you still plan on cutting approximately £2m out of four recovery programmes that keeps people out of residential care and in the long

term saves the Authority money and improves the quality of those people in life who have been unfortunate enough to have a fall?

Agenda Item 8i - Invest to Save Funding Proposal for Street Lighting. We wondered why there is an apparent lack of joined up thinking; why didn't this sensible invest to save programme on replacing street lights with LED lights merge with the consultation on street light maintenance to offer credible solutions.

Written responses to Councillor Lewis' 2nd and 3rd questions would be sent as he was not present at the meeting when these items were considered.

236/14 **MINUTES** **RESOLVED** that the non-exempt minutes of the meeting of Cabinet held on 17 June 2014 be confirmed as a correct record and signed by the Chair.

237/14 **CABINET MEMBER MEETINGS - MINUTES** **RESOLVED** to receive the non-exempt minutes of Cabinet Member meetings as follows;

- a) Council Services – 30 May and 16 June 2014
- b) Adult Social Care – 11 June 2014
- c) Health and Communities – 17 June 2014
- d) Jobs, Economy & Transport – 17 June 2014

238/14 **CORPORATE PARENTING COMMITTEE** **RESOLVED** to receive the minutes of the meeting of the Corporate Parenting Committee held on 1 April 2014.

239/14 **FINANCIAL STRATEGY** (Strategic Policy and Budget) The Financial Strategy set out the Financial Framework for the Council supporting its strategic and policy objectives as outlined in the Council Plan. The Council's Financial Regulations stated that the strategy should be reviewed annually to remain consistent with the Council Plan, to ensure that the Strategy drove the 5 Year Financial Plan, Capital Programme and Revenue Budget. The strategy had been reviewed and there were no significant changes from the previously published strategy.

RESOLVED to approve the Financial Strategy.

240/14 **REVENUE OUTTURN 2013/14** (Strategic Policy and Budget) A report was presented on the final outturn position for 2013/14, identifying significant variations from the revised estimates and identifying commitments already agreed against the underspends, together with proposals for the

further use of underspends. The allocations for the further use of underspends would be held in departmental earmarked reserves and would only be released to departments subject to final approval by the appropriate Cabinet Member.

RESOLVED to note (1) the departmental outturn positions for 2013/14 and the position on General Reserves; (2) the use of underspends to meet previously agreed commitments as set out in the report; and (3) the details of requests for further use of underspends as final approval would be the subject of further Cabinet Member reports.

241/14 RESERVES POLICY (Strategic Policy and Budget) The Council's Reserves Policy ensured that the Council was meeting both its statutory requirements and that it took a risk assessed approach to maintaining an adequate level of reserves.

To ensure that Earmarked Reserves were fit for purpose, the Reserves Policy required balances should be reviewed quarterly and formally reported to Cabinet at least annually. At the end of 2013/14 total Earmarked Reserves were £205.144m. The analysis had identified £1.665m of Earmarked Reserve balances which were no longer required and it was proposed that these be transferred to the General Reserve.

RESOLVED to approve (1) the transfer of £1.665m from Earmarked Reserves to the General Reserve; and (2) the Reserves Policy.

242/14 PROVISIONAL 5 YEAR FINANCIAL PLAN (Strategic Policy and Budget) Cabinet was asked to note the details of the Provisional 5 Year Financial Plan for the period 2014/15 – 2018/19.

The Council had set its budget for 2014/15 in February 2014, agreeing a number of cuts to balance the budget, some of which had full year impacts resulting in further savings in 2015/16. The 5 Year Financial Plan had now been provisionally updated and rolled forward a year and, as a result, a further set of potential budget reductions had been identified totalling nearly £70 m. If these cuts were agreed, the Council would be left with a relatively small shortfall (£4.6m) on the 2015/16 budget reduction target of £48m. However, further reductions would still be required to balance the budget in those later years. In total, the shortfall remaining over the previous planning period of 2013/14 to 2017/18 was around £15m of the total £157m target.

The General Reserves projections were outlined and it was hoped that the Council would be able to mitigate some of the cuts through the careful use of reserves.

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Cabinet had considered a report regarding the revised budget in October 2013 which identified a number of budget reduction proposals. Following that report a series of further budget reductions proposals had been identified and these were listed in the Appendix to the report. Significant consultation and planning timeframes were required to achieve many of these reductions.

RESOLVED (1) to note the details of the Provisional 5 Year Financial Plan as set out in Appendix 1 to the report; (2) to note the forward projection for the level of the General Reserve subject to successful achievement of budget reductions in each year of the plan; (3) to note the possible budget reduction measures identified in Appendix 2; and (4) to agree the allocation of an additional £4m from General Reserve to cover the increase in Adult Care demographic costs in 2014/15.

243/14 PUBLIC HEALTH RESOURCE FUND (Health and Communities)
In December 2013 Cabinet had agreed to develop a fund to support the wider preventative work across the Council with £1m being available in 2013/14 and £2m recurrently from April 2014.

A review of all Public Health resources including an underspend from the Resource Fund in 2013/14 of £1m, anomalies from the transfer of resources from the NHS, a remodelling of contingencies, reductions in prescribing costs and the increased grant funding for 2014/15 had been factored into identifying an additional resource. The Public Health Resource Fund was a maximum of £5m in both 2014/15 and 2015/16. For 2014/15, 20 projects totalling £700,058 for voluntary sector grants and £512,000 for housing-related support had already been agreed by Cabinet to protect preventative services in Adult Care.

Public Health had been working with colleagues from CAYA, Health and Communities, Environment, Transport and Economy and Adult Care departments to identify programmes and services that were under threat of reduction or removal that would have a significant impact on the health and well-being of local people. Information had been provided about these areas that fit with the criteria of the Public Health ring-fenced grant. The aim of the prioritisation process was to identify priorities for funding that needed further consideration and those which were of lower priority or that did not fit the criteria of the ring-fenced grant. There were 50 new submissions over 2014/15 and 2015/16 seeking funding from the Public Health Resource Fund. These submissions had been reviewed using a prioritisation tool and a moderation process was completed.

The prioritisation process was conducted on the submissions set out in Appendix 1 to the report and it was recommended that submissions with a prioritisation score of 50 or less should not be funded. The table below shows

the number and cost of submissions by department with a prioritisation score of over 50. Based on the applications it was proposed that each department should work to a planning allocation based on 2014/15 submissions and anticipated pressures to 2015/16 recognising that funds must deliver Public Health outcomes.

Department		Cost of Applications 2014/15		Planning Allocations 2015/16
Adult Care		£1,891,282		£3,000,000
CAYA		£1,114,979		£1,200,000
ETE		£136,000		£200,000
H&C		£563,457		£600,000
Total		£3,705,718		£5,000,000

RESOLVED (1) to approve the financial support for Council-wide preventative programmes for 2014/15 outlined in Appendix 1 to the report from the Public Health Resource Fund; (2) that the process for deployment of the funds be supported and a report be made in 6 months on progress; and (3) to approve the 2015/16 departmental planning allocations set out in the report with the detailed proposals to be agreed by Cabinet.

244/14 TIMESCALE FOR THE CHANGE IN CLIENT CONTRIBUTIONS AND THE INTRODUCTION OF TRANSPORT CHARGES IN ADULT CARE

(Adult Care) In order to contribute towards the Adult Care savings target, at its meeting on 17 June 2014, Cabinet approved changes to charging for services. During the consultation period, many respondents had commented on the impact the proposed changes to the increase in co-funding charges and the proposed charge for transport would have on their household budget. As a result of the concerns expressed, further consideration had now been given to the best means of ameliorating the impact of the proposed increases in contributions, while still recognising the size and scale of cuts to the Council's budget which had to be addressed.

Cabinet had approved the following changes to the co-funding policy:

- Co-Funding contributions to be increased with a further report being presented at the next Cabinet meeting;
- The income protection buffer being set at 25% above basic benefit rates;
- Clients with over £50,000 capital (not including their main home) to pay 100% of the costs of their care

As a results of further work carried out, there were the following revised recommendations:

- To phase the impact on clients, it was recommended that the co-funding contribution should be increased to 75% of lower rate Attendance Allowance (AA), middle rate Disability Living Allowance (Care) (DLA) or standard rate Personal Independence Payment (PIP) over a 30 month period, with an increase to 65% on Monday 29th September 2014, 70% in April 2016 and 75% in April 2017 (the dates in April 2016 and 2017 to be linked to the annual uplift of benefits). In April 2015 the co-funding contribution would increase in line with the increase in benefits, but the percentage contribution would remain at 65%.
- Changes to the income protection buffer were considered, but on grounds of cost it was recommended that the buffer be set at 25% for all clients. The loss of income by removing the differentials between below pension age clients and above pension age clients would have been as follows:

% of AA/DLA/PIP	Loss of Potential Income
65%	£2.715m
70%	£2.425m
75%	£2.328m

- To charge clients with capital in excess of £50,000 as proposed in the 17 June Cabinet report, with an implementation date of 29 September 2014.

Cabinet also approved the introduction of a flat rate charge of £5 per day for transport provided, which was a change from the original proposal of £5 per journey. It was recommended that this charge be delayed until 1 April 2015 to lessen the impact of this change and the increase in co-funding being introduced at the same time and to allow for a review of clients who currently access transport provided by Adult Care.

RESOLVED (1) to approve the phased introduction of the increase to co-funding contributions over a 30 month period; and (2) to approve the start date for transport charges to be 1 April 2015.

245/14 PROPOSED CHANGES TO HOUSING RELATED SUPPORT PROGRAMME – PHASE ONE (Adult Care) A report was presented on the outcome of the recent consultation on the proposal to end funding for phase one services in the Housing Related Support Services Programme and to agree the mitigating actions to reduce the impact on local vulnerable people. Proposals relating to phase two would be presented to a future Cabinet meeting.

On 21 January 2014 Cabinet considered a report on proposed changes to the Housing Related Support Programme and proposals were agreed for consultation. A summary of the responses to the consultation were now reported together with the results of the Equality Impact Analysis.

RESOLVED, having regard to the response to the consultation and the Equality Impact Analysis and having given due regard to the responses to the proposals balances these against the need to save £157m from the Council's budget,

- (1) to agree to the allocation of one off funding of £477,050 to Action Housing and Support Ltd and £410,448 to Derbyshire Directions Consortium to deliver the Adults Accommodation and Floating Support services;
- (2) to extend the Derbyshire Directions Consortium Contract from 30 September 2014 until 30 September 2015 and the Action Housing and Support Ltd from 30th September 2014 until 31 March 2016; after this time, the contracts not to be re-procured;
- (3) not to re-procure the contract for the Housing Options Service for People with Learning Disabilities;
- (4) to maintain the Leaseholders Scheme from 1 January 2015; and
- (5) to extend the accommodation based support service for High Risk Serious Offenders after the contract end date of 31 March 2015.

246/14 FIRE PRECAUTION WORK (Council Services) Approval was sought to spend £539,000 from the 2014/15 Fire Precaution capital allocation to address fire precaution improvement works identified by recent assessments.

RESOLVED that approval be given to £539,000 being approved from the 2014/15 fire precaution capital allocation for the schemes listed in the report.

247/14 INVEST TO SAVE FUNDING PROPOSAL FOR STREET LIGHTING (Jobs, Economy and Transport) A report was presented on the benefits and affordability of an invest to save proposal for street lighting to assist, mitigate and sustain required revenue budget savings and deliver further revenue savings through significantly reduced energy usage.

Advances in light emitting diode (LED) technology and a reduction in price of these lamps for street lighting applications presented an opportunity to significantly reduce the whole life costing of the Council's lighting within residential areas. The following was proposed for street lights within the 5 – 6 metre height range.

- Replacement of existing lamps on 46,680 lighting columns with LEDs.
- Replacement of 18,382 out of design life 5 metre high columns including a LED lamp.

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- Replacement of 4,018 out of design life 6 metre high columns including an LED lamp.
- Utilisation of dimming technology in association with the installation of LEDs so as to reduce light levels and energy consumption during the period of low highway usage.

There were lighting columns within the height range of specific historical interest and located within conservation areas which would require special consideration. The investment period for the proposal would be over 3 years and the benefits of the proposal were anticipated at a 60% energy saving level and on current prices this would be £1.57m annual saving after full installation. The proposal would mitigate the base revenue budget cut of £775,000 to street lighting applied from April 2014 and provide the ability to sustain this reduced level of revenue funding without any significant adverse impacts on service provision.

To progress the proposal there would be a need to consult on the utilisation of dimming in conjunction with LED lamps and responses to the public consultation would be used to prepare an equality impact analysis which would be presented to a future meeting of Cabinet.

RESOLVED to (1) note the benefits and availability of an invest to save proposal for street lighting to assist, mitigate and sustain required revenue budget savings and deliver further revenue savings through significantly reduced energy usage; and

(2) receive a further report after completion of the public consultation on the policy change for street lighting to include more detailed financial modelling identifying how an invest to save proposal could be developed and progressed to deliver a value for money medium to long term street lighting strategy.

248/14 PRIORITY SCHOOL BUILDING PROGRAMME 2 – PROPOSED EXPRESSION OF INTEREST (Children and Young People) The DfE had announced that the Government would fund a second phase of the Priority School Building Programme with a value of around £2 billion. This new phase was proposed to be a 5 year programme to undertake major rebuilding and refurbishment projects in those schools and sixth form colleges in the very worst condition. The closing date for expressions of interest was 18 July 2014.

A number of schemes were proposed for inclusion in the expression of interest and these had been assessed as presenting the best fit with the selection principles set out by the DfE.

As the closing date for expressions of interest was 18 July it was proposed that call-in be waived for this item and the Chair of the Improvement and Scrutiny Committee – People had agreed to this.

RESOLVED (1) to submit to the DfE the projects listed in the Appendix to the report as an expression of interest in Priority School Building Programme 2; and
(2) to waive call-in to enable the details to be submitted by 18 July 2014.

249/14 SUPPORT AND ASPIRATION – CONSULTATION ANALYSIS AND UPDATE (Children and Young People) Information was presented on the outcome of the consultation on how children and young people with special educational needs and disabilities will be assessed and supported in the future. Further consultation would be required to inform the continued work of the Support and Aspirational Project.

As the Derbyshire Local Offer would contain information from a number of partners, it was proposed that a new domain name for the site be purchased. This would ensure that the branding and identity of the site was reinforced by an appropriate domain name.

RESOLVED (1) to note the outcome of the consultation and how the information would be used; and
(2) to approve the registration of a new domain name for the Local Offer site.

250/14 ADOPTION OF A PAY POLICY AND AN APPRAISAL POLICY TO BE APPLIED TO TEACHERS EMPLOYED BY DERBYSHIRE COUNTY COUNCIL BUT NOT ATTACHED TO SCHOOLS (Children and Young People) Approval was sought for the adoption of a Teachers' Pay Policy and an Appraisal Policy that reflected the changes made in the School Teachers' Pay and Conditions Document 2013 and incorporate the Education (School Teachers' Appraisal) (England) Regulations 2012. The Regulations had been changed and needed to be reflected in the Authority's policies for the management of teachers employed in the education support services.

RESOLVED to approve the adoption of the proposed Pay and Appraisal Policies for Teachers employed by the Local Authority and not attached to schools.

251/14 ALLOCATION OF GRANT FUNDING TO REPAIR LOCAL ROADS DAMAGED BY SEVERE WEATHER (Jobs, Economy and Transport) In recognising the damage by severe weather, the Government had made a number of financial allocation for local authorities additional to the maintenance block capital grant.

A sum of £2,946,577 had been announced recognising the effects of the wet winter of 2013/14. The report recommended the acceptance of this grant and its allocation to specific schemes.

RESOLVED (1) to approve the acceptance of the grant of £2,946,577 to deal with the effects of severe weather on the local highway network; and
(2) to approve the addition of the schemes set out in Appendix 1 to the report to the 2014/15 capital programme.

252/14 ADDITIONAL HIGHWAYS WORKS RESULTING FROM SEVERE WEATHER CONDITIONS (Jobs, Economy and Transport) The Government had made a further announcement that a sum of £2,480,658 was available for the repair of pot-holes. This announcement would be the subject of a future report to Cabinet.

A December 2012 announcement allocated £4.03m to Derbyshire to address damage caused to the highway as a result of both flooding and winter conditions. The finance was split between two financial years with £2.625m allocated to 2013/14 and £1.405m allocated to 2014/15.

At a Cabinet meeting on 30 July 2013 approval had been given for the allocation of £2.625m to 2013/14 and £1.053m to 2014/15. This left £352,000 to be allocated from the 2014/15 allocation. In order to address the issues of greatest concern, County Councillors had been consulted and had given numerous locations where works were desirable. Each request had been inspected and assessed.

RESOLVED (1) to approve the list of works set out in the Appendix as those to be undertaken and funded from the Government grant for remedial works resulting from severe weather conditions; and
(2) to approve the publication of the programme of works on the County Council's website with the conditions of the grant.

253/14 PUBLIC HEALTH FINANCE (Health and Communities) The transition of responsibilities from the NHS to the Council last year was a highly complex process and, as part of on-going reviews, a number of areas had been identified where the responsibilities for contracts and prescribing needed to be changed. The report set out the amounts which would need to be transferred with a net flow of monies to the Council in the sum of £597,648.

RESOLVED (1) to approve the transfer of funding outlined in the report between the NHS and the Council;
(2) that a mechanism for the transfer of funds to be developed; and
(3) that approval be given to explore the potential to include the funding changes within the ring-fenced grant for 2015/16 with Public Health England.

254/14 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 confirm the exempt minutes of the meeting of Cabinet held on 17 June 2014.
2. To receive the exempt minutes of Cabinet Member meetings as follows:-

(a) Council Services	30 May & 16 June 2014
(b) Adult Social Care	11 June 2014
(c) Jobs, Economy and Transport	17 June 2014
3. To consider exempt reports as follows:-
 - (a) Corporate Telephony Supply, Support and Maintenance and Associated Services – Contract Award (containing information relating to the financial or business affairs of any particular person (including the Authority holding that information))
 - (b) Award of Contracts for Leachate Collection and Disposal from Swadlincote Closed Landfill Site (containing information relating to the financial or business affairs of any particular person (including the Authority holding that information))
 - (c) Residential Care – Children in Care Provision (containing information relating to the financial or business affairs of any particular person (including the Authority holding that information))
 - (d) School Staff Redundancies 2014 (containing information which is likely to reveal the identity of an individual)
 - (e) Use of Electronic Safeguarding Case Management System in Schools (containing information relating to the financial or business affairs of any particular person (including the Authority holding that information))
 - (f) Schools Management Information System (MIS) Software – (containing information relating to the financial or business affairs of any particular person (including the Authority holding that information))
 - (g) Data Centre – Converged Infrastructure – Award of Contract (containing information relating to the financial or business affairs of any particular person (including the Authority holding that information))

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