

PUBLIC

**MINUTES** of a meeting of **CABINET** held on **23 February 2016** at County Hall, Matlock

**PRESENT**

Councillor A Western (in the Chair)

Councillors A Botham, D Collins, J A Coyle and P J Smith

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

Apologies for absence were submitted on behalf of Councillor D Allen.

**55/16      PUBLIC QUESTIONS**

There were no public questions.

**56/16      MINORITY GROUP LEADERS' QUESTIONS**

Councillor B Lewis asked the following question:

**(1)      Agenda Item 7(b) – Approval to Award a Contract to Provide a Hydrotherapy Pool for Alfرتون Park Special School**

Given that the Henry Brothers tender was some £119,000 more than the lowest price, what precisely was it about their presentation score which guaranteed a figure 77% higher than the A&S Construction figure?

Councillor J A Coyle, Cabinet Member - Children's Services responded that tenders were scored against the set of criteria set out in the tender documentation. In addition to cost, the scoring mechanism took into account the proposals from the contractors on how they would deliver the scheme including site management and also including how to manage construction close to an operational school, and also their understanding of the project. The mechanism also assessed the proposals for local opportunity arising from the project, opportunities for local suppliers and interaction with the School. The scoring mechanism was applied by a panel including officers from Property Services, Children's Services as well as the School. As a result, the best overall proposal was selected. The lower cost bids lost marks on the non-cost criteria.

Councillor K P Morgan asked the following question:

**(2) Agenda Item 7(a) – Future Delivery of the Internal Apprenticeship Scheme**

Could the Cabinet Member please explain what a Legacy Agreement is? It would seem a natural consequence for those students who have not completed their apprenticeships but is it intended that ATA still be the supervisor for the completion of the programme in terms of capacity, funding and expertise?

Councillor A Botham, Cabinet Member – Council Services responded that provision needed to be put in place to deal with those apprentices currently in their second and third years of the programme, in order to enable them to complete their apprenticeship. The Legacy Agreement with Learning Unlimited would put such arrangements in place.

**57/16      MINUTES RESOLVED** that the non-exempt minutes of the meetings of Cabinet held on 26 January and 2 February 2016 be confirmed as correct records and signed by the Chair.

**58/16      CABINET MEMBER MEETINGS – MINUTES RESOLVED** to receive the non-exempt minutes of the Cabinet Member Meetings as follows:-

- (a) Highways, Transport and Infrastructure – 19 January 2016
- (b) Adult Social Care – 20 January 2016
- (c) Council Services – 25 January 2016
- (d) Health and Communities – 2 February 2016
- (e) Strategic Policy, Economic Development and Budget – 2 February 2016.

**59/16      FUTURE DELIVERY OF THE INTERNAL APPRENTICESHIP SCHEME** (Council Services) The Strategic Director – Corporate Resources reported to Cabinet on the future delivery of the Internal Apprenticeship Scheme.

At its meeting on 26 May 2015, Cabinet agreed to extend the contract with Learning Unlimited as a result of delays in the Government announcing the details of its changes to apprenticeship funding via the Apprenticeship Levy and the public sector apprenticeship target. Although full details of how the Levy and public sector targets would operate had yet to be clarified, the headline changes had been announced. These developments impacted directly on the Council and influenced the approach to future apprenticeship provision. Further details in respect of both the Levy and the public sector targets were presented in the report.

In 2011, the County Council committed to significantly increasing the number of apprenticeship opportunities within the Council but at the time, the Council did not have the capacity, funding or expertise to deliver a project of this size internally and consequently a partnership arrangement with an Apprenticeship Training Agency (ATA) was agreed. As a result, the ATA partner contract was awarded to Learning Unlimited, a subsidiary, but separate legal entity, from Chesterfield College. Under this model, the ATA were the employer of apprentices, with the Council acting as the placement host. Since the first cohort was recruited in June 2012, the Council had offered 324 placements and all those who had successfully completed their apprenticeship with the Council had gone on to positive destinations, with 75% gaining employment within the Council or within another organisation. Evaluation of the partnership in January 2015, indicated that the Council based apprenticeship provided positive experiences for both apprentices and line managers and details of the headline outcomes were presented in the report.

The current contract with Learning Unlimited expired on 30 June 2016 and at the point the contract expired, there would be up to seventy-nine apprentices still on placement with the Council. The Council would, therefore, need to implement a Legacy Agreement with Learning Unlimited to enable those apprentices still on the programme to complete their apprenticeships. The detail and implications of this agreement would need to be subject to further discussions and agreement with Learning Unlimited. It was anticipated that the Legacy Agreement was likely to be required until 30 September 2019.

In view of the level of expertise gained in managing the ATA contract, previous experience in directly employing apprentices, the expiry of the ATA contract and the funding changes outlined in the report, it was recommended that the Council should employ apprentices directly as the most effective approach to delivering against its apprenticeship targets. Implementing a directly employed apprenticeship model would make it easier to maximise the Council's use of the Levy and would contribute to addressing the requirements of the public sector targets. This would build on the experience gained from the ATA to ensure that all apprentices and the manager received a high standard of support by guaranteeing consistency in recruitment, development and management practice and terms and conditions etc. It would also provide a single point of contact for dealing with all issues relating to management of the apprenticeship scheme and Levy and it would also allow the development of clear channels of communication and facilitate easier internal and external reporting of apprenticeship related issues. It would also, by September 2019, reduce complexity and confusion for managers, by removing the issue of managing employees and apprentices on different conditions and working patterns. Further details of the proposed internal apprenticeship model and the issues at consideration were presented in the report.

**RESOLVED** to (1) note that the current ATA contract expired on 30 June 2016 and the proposed development of a Legacy Contract;

(2) note the introduction of the Apprenticeship Levy and public sector apprentice targets;

(3) agrees the introduction of a directly employed internal apprenticeship model; and

(4) consult the trade unions on the proposals through the CJC.

**60/16      URGENT DECISION TAKEN BY THE CHIEF EXECUTIVE – APPROVAL TO AWARD A CONTRACT TO PROVIDE A HYDROTHERAPY POOL FOR ALFRETON PARK** (Children's Services) Cabinet noted an urgent decision taken by the Chief Executive relating to the award of a contract for a scheme to provide a Hydrotherapy Pool at Alfreton Park Special School which had been taken on 18 December 2015. A copy of the report to the Chief Executive was attached as an Appendix to the report.

**RESOLVED** to note the report.

**61/16      PEAK RESORT, CHESTERFIELD** (Highways, Transport and Infrastructure) The Strategic Director – Economy, Transport and Environment sought approval for the County Council taking responsibility for the design and construction of road improvements to facilitate the development of the proposed Peak Resort complex in Chesterfield.

The County Council had been actively involved in the project, particularly in relation to maximizing the strategic impact of the proposal on Derbyshire's visitor economy and cycling offer. Cycling was seen by the developers as a core activity and it would be important for cyclists to be able to leave and return to the site as easily and as safely as possible. A significant amount of work was already in place and potential improvements to strategic cycling networks in the Chesterfield area but at present specific possibilities were being investigated which would improve connections between Peak Resort, the Trans-Pennine Trail and local lightly-trafficked roads.

A new roundabout was required to form the access to the site which would supersede part of the existing Sheepbridge Junction on the A61, serving two of the slip roads which currently terminated at priority junctions. Footpath and bridleway diversions had been approved within the site and could potentially cover some of the external cycling connections. An application to the Sheffield City Region (SCR) for grant funding appeared likely to be confirmed and, in order to draw this down, it would be necessary to demonstrate the procurement of the construction contract met SCR requirements. In principle, the preference of the developments promoters would be that, rather than going through a bespoke procurement process, this

should be requested from the County Council, using existing Midlands Highway Alliance frameworks which were approved by Cabinet at its meeting on 14 April 2015.

Should the delivery of highway infrastructure be through the preferred process, the SCR funding would be subject of a formal offer to Chesterfield Borough Council, which would need to make appropriate arrangements for the procurement of a contractor. Doing so through the County Council would simplify the procedures to be followed over the adoption of the completed works into the public highway and approval was recommended.

**RESOLVED** to agree (1) to the County Council procuring design and/or construction resources for those elements of the Peak Resort complex which would subsequently be adopted into the highway, subject or design and/or construction costs being met by the developer; and

(2) the addition of the project to the Council's Capital Programme, at an estimated cost of £1.85m, to be funded by developers and Chesterfield Borough Council

**62/16      DEVELOPMENT OF A KEY CYCLE NETWORK AND CYCLE INFRASTRUCTURE DELIVERY PLAN** (Highways, Transport and Infrastructure) The Strategic Director – Economy, Transport and Environment sought approval to the principles of developing a Key Cycle Network (KCN) and associated Cycle Infrastructure Delivery Plan (CIDP) and the approach to be adopted in their development.

The approved Derbyshire Cycle Plan, set out an ambition that by 2030, Derbyshire would be the most connected and integrated county for cycling in England, recognised as a world class cycling destination for all. This ambition sat within the context of national aspirations for increasing walking and cycling with the launch of a Government strategy anticipated during the summer of 2016. It was likely that associated resources would be offered to those areas willing to act as “partners” in the delivery of the national strategy.

In association with this, it was also expected that Government might announce a delivery plan for a national cycle network following the same strategic corridors as the High Speed Rail (HS2), but including connections across the gap between its eastern and western legs. Derbyshire's ability to take advantage of these resources would be dependent on being able to clearly demonstrate both strategic support and a clear plan of action. Details of the current Derbyshire Cycle Plan and its four strategic aims were represented in the report. These strategic aims would be delivered through the actions of a number of partners, but clearly the County Council would play a central role.

At its meeting on 15 December 2015, Cabinet noted that the Cycle Plan launch would be delivered through the actions of a number of partners, but

clearly the County Council would play a central role. The Cycle Plan launch would be followed by bespoke partner action plans and that Cabinet would be asked to consider a report dealing with the County Council's planned actions. The report recommended two such actions relating to the first strategic aim:

- The development of a KCN across the County
- The adoption of a CIDP

Whilst there would be a strong connection between these two areas of work, each could involve elements which fell outside the other. The KCN would inevitably include a number of existing routes and probably some (existing or proposed) alongside canals or trunk roads managed by the Canal and Rivers Trust and Highways England respectively. These would not need to feature in the CIDP. Conversely, the CIDP could include infrastructure which was neither on, or connected to, the KCN; examples would be small scale interventions such as connections between individual communities and existing, local trails. Both the KCN and the CIDP would need to be geared to the targets set out in the DCP, details of which were presented.

In setting guidance for the creation of the KCN and the CIDP, Cabinet considered the criteria to reflect the Council's own objectives as expressed in the Council Plan update 2015-16 and the most directly relevant objectives to the Cycle Plan were:

- A strong economy (linked to DCP 4) healthier communities with reduced health inequalities (DCP 1-3)
  - Thriving children young people and families (DCP3)
- A number of other stated priorities could also be relevant to some infrastructure schemes and could be used as secondary criteria;
- Well connected communities
  - Resilient and safe communities
  - Sustainable and green communities
  - Independent and supported older people
  - Adults with physical and learning disabilities leading to independent and fulfilled lives.

Together, it was proposed these be used as a basis of an assessment framework for the CIDP and as guiding principles for the definition of the KCN. In addition, account would have to be taken of the likely criteria to be applied by the potential providers of external funding. The identification of a KCN and the adoption of a CIDP were not intended to preclude the investigation or implementation of an infrastructure suitable for cycling. There would remain valid reasons for other interventions within the highway, not least for safety reasons, and the County Council's Greenways strategy would continue to be supported to put in place a network of routes suitable for all users.

It was proposed that both the KCN and the CIDP be produced in consultation draft form, accompanied by Equalities and Heath Impact Assessments, and be subject to public consultation before being adopted.

**RESOLVED** to agree (1) in principle, to the creation of a Derbyshire KCN and CIPD;

(2) to note the use of proposed criteria set out in the report; and

(3) to receive consultation drafts of the KCN and the CIDP at a future date.

**63/16      ILKESTON RAIL STATION** (Highways, Transport and Infrastructure) The Strategic Director - Economy, Transport and Environment sought approval to increase its maximum offer towards the funding package for Ilkeston Railway Station, in order to permit the awarding of a construction contract and to underwrite any initial revenue deficit.

The County Council had, for some years, taken the lead in developing plans for a new railway station at Ilkeston and had been progressing the station design and approvals and putting together a funding package. Management proposals were approved by Cabinet on 1 October and Cabinet also received a report on 28 July 2015, approving an increase in the County Council's maximum funding to £2.64m.

Confirmed financial contributions, details of which were presented, confirmed a current budget of £9.938m, sufficient to cover its Anticipated Final Cost (AFC), as calculated at July 2015. Network Rail's original estimate of the time needed to finalise designs, obtain rail industry approvals and start on site, had not proved achievable and a significant programme overrun had pushed back the start date by six months and had added to the preparation costs. In addition to this, the County Council's consultants had been responsible for producing the station design, but the process of technical approval and sign-off from Network Rail had been protracted. This had meant that costs had gone up considerably, comprising a mix of adjusted contractor's estimate, increased consultancy fees, Network Rail management fees and rail industry costs.

Based upon incurred costs to date and prices received from the main contractor, together with the cost of fees and contingencies, the current AFC for the station was £10.501m. The risk funding represented a detailed allowance for all likely changes to the project, calculated on the possibility of this occurring and estimated costs. It was a well-tried method of calculating any project contingency. At this stage, the funding gap between the confirmed contributions and the AFC stood at £0.563m. However, during its construction phase, the project would still carry the risk of unforeseen events, and it was therefore regarded as prudent that the County Council, in addition to confirming increased contribution of £2.87m to underwrite the AFC, identified

its own contingency allowance of a further £0.25m, making a total contribution of £3.077m. Having this in place would ensure that progress on site, in the event of the current AFC being exceeded, would not be interrupted by the need to seek further approval.

The next stage in the building at the station was to agree the new budget and for Network Rail to enter into contract with its contractor. However, the option remained for the County Council to withdraw from the project and the station would not be built. In considering this option, Cabinet noted that the County Council's current expenditure of £2.65m was not recoverable. However, work had been continuing and the total would inevitably be higher, estimated to be at least £3m and as this would no longer be resulting in a Capital asset, it would have to be met from the income and expenditure account.

It was a condition of the New Station's Fund support for any project, that its promotor (the County Council) was responsible for any revenue deficit during the first three years of operation. Whilst efforts had been made to keep these to a minimum, two areas required underwriting in order to ensure that the station was served by a suitable timetable of services and was maintained as a safe environment. Firstly, with regard to stopping services, the business case at Ilkeston Station had always been built around it being served by hourly trains in each direction between Nottingham and Leeds, currently operated by Northern Rail. Before the station opened, these would have been superseded by a service running beyond Leeds to Bradford and operated by Arriva, but with no operational changes at Ilkeston. Passenger forecasts for the station showed that it should generate substantially more revenue than the costs incurred in stopping trains, and the forecast deficit was zero, but the risk of this did need to be underwritten. There was no cap on this potential risk.

Secondly there was potentially a greater risk of a new deficit relating to the maintenance of the station. This would be carried out by East Midlands Trains (EMT) on behalf of Network Rail and would certainly incur a cost in the absence of any revenue from the station's car park. However, calculations of likely parking revenue indicated that there should, in practice, be no losses. Despite this, in order to secure the maintenance agreement (without which the station could not open to passengers), it must be underwritten. EMT had voluntarily suggested the underwriting could be capped at £50k in total over the three years, for which the County Council was required to cover costs. Allowance must therefore be made for this sum as a worst case scenario.

Whilst costs had risen considerably, the benefits to Ilkeston of a new railway station were significant and the recommendation was to approve the additional £0.81m Capital contribution and to approve the underwriting of



operating costs, while recognising every effort would be made to keep these costs to a minimum.

The Implementation Agreement needed to be signed as soon as possible before Network Rail entered in an agreement with Galiford Try for the construction of the station to avoid any possible claim against Network Rail for the delay in the works starting. With this mind, Councillor K Gillott, Chair of the Improvement and Scrutiny Committee – Places had agreed the waiving of call-in was reasonable in this respect.

**RESOLVED** to (1) approve the raising of the County Council's maximum Capital contribution to the delivery of Ilkeston Station by £0.813m in order to permit the procurement of a construction contractor;

(2) approve in principle, a revenue contribution to the early operation of the station, should this be required;

(3) authorise the Director of Legal Services to agree and sign an Implementation Agreement with Network Rail under which the station would be constructed and funded and separate agreements with Northern Rail and EMT over associated revenue costs; and

(4) note that call-in had been waived in respect of this decision.

**64/16      CARE LEAVERS' EMPLOYMENT OPPORTUNITIES** (Children's Services) The Strategic Director – Children's Services sought approval to develop and implement an entry route into employment by the Council in order to improve the outcome for care leavers.

The Council had an on-going responsibility to support looked after children as they made the transition into adulthood. This responsibility also applied to all care leavers until they reached the age of 21 or, if they were being helped with education or training, to the end of the agreed programme which could take them beyond their 25<sup>th</sup> birthday. The current proportion of care leavers not in education training or employment (NEET) was unacceptable. Currently, 45% of all Derbyshire care leavers were NEET, compared to less than 4% of all young people in the County. The Council was committed to ensuring that 100% of care leavers were positively engaged in employment, education and training by 2018, and a number of initiatives had been undertaken to deliver this ambition, details of which were presented in the report.

It was proposed that the Council would develop and implement an entry route into employment with the Council through ten FTE paid temporary Internships which would offer training, work experience and payment at age related National Minimum Wage rates in an employment context. These Internships would have the aim of leading to either further employment or

apprenticeships within the Council through guaranteed interviews for appropriate vacancies.

Internships would be for one year and building upon the Council's successful traineeships and study programmes offered by the Derbyshire Adult Education Service, each Internship would be tailored to the young person's needs and aspirations. Within the last three months of the Internship, young people would be able to apply for apprenticeships and internal job vacancies within the Council.

Building upon the Social Value Framework that was being developed which would include key performance indicators for care leavers into work experience and work, the Care Leavers Employment Team (CLET) would work with commissioning officers in the Council to identify future employment vacancies within the organisation that the Council procured from and would advocate on behalf of care leavers to ensure they were given priority. CLET currently approached private sector employees to take care leavers on work experience placements for a six-week period with a view to leading to an apprenticeship. This model had proved successful and it was proposed to examine how this might be replicated and expanded to ensure that more care leavers were offered this opportunity.

To deliver improved outcomes for care leavers, it was vital that the Council worked as a whole to support raising their aspirations and to embrace the role of the corporate parent. To facilitate this, all senior managers would be allocated a small number of care leavers in order to act as champions with the responsibility of monitoring progress, advocating on their behalf and challenging officers supporting the young person in order to help them achieve their aspirations. Training and support would be provided to senior managers in order to fulfil these new responsibilities and work had commenced to brief senior staff on this work by the end of February. This would include outlining their role and giving them the necessary tools to undertake the role effectively.

In order to ensure that this work was effectively monitored there would be a clear governance structure. The Corporate Parenting Committee would take overall responsibility for implementation of the programme, with regular reports to the Employment and Skills Board. Individual senior managers who had responsibility for a group of care leavers, would be responsible for ensuring that appropriate and timely interventions took place, by holding services areas to account. This would ensure accountability at all levels and regular progress reports were provided. All interventions would be recorded via Profile and Framework.

**RESOLVED** to (1) approve the development of pathways and employment within the Council as detailed in the report, to ensure positive action for care leavers;

(2) approve the creation of ten FTE paid internships within the Council ringfenced to NEET care leavers

(3) note the proposed to continue to identify job opportunities with organisations from whom the Council procured goods and services; and

(4) develop a monitoring and challenge role for senior managers tasked with improving education, training and employment outcomes for individual care leavers.

**65/16**      **YOUTHINC ANNUAL REPORT** (Children's Services) The Strategic Director – Children's Services presented the Youthinc Annual Report. The report detailed the highlights of the achievements from the first year of Youthinc, which included activities under five headings; something to do; somewhere to go; something to say; something to learn; and someone to talk to. The report also detailed Youthinc activity in respect of the Youthinc website and social media.

**RESOLVED** to (1) approve a new publicity/marketing programme to increase visibility of the Youthinc website and ensure ease and greater access to information, advice and guidance;

(2) identify effective marketing, branding opportunities and support resources for young people, teachers and service practitioners and to redesign the Youthinc website in alignment with the Youth Offer to increase traffic to integrate brands across all County Council services: and

(3) decommission and redirect the existing Routes Ahead website, which provided comprehensive information about colleges, courses, qualifications and other learning opportunities in and around Derbyshire for post-16s, to the Youthinc prospectus feature ensuring usage, monitoring and support of the systems available for Derbyshire schools and young people, post-16.

**66/16**      **EXCLUSION OF THE PUBLIC** **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 meetings of Cabinet held on 25 January and 2 February 2016.

(2) To receive the exempt minutes of Cabinet Member meetings as follows:

- (a) Highways, Transport and Infrastructure – 19 January 2016
- (b) Council Services – 25 January 2016

- (3) Report of the Director of Finance on Debt Write-Offs (Council Services) (contains information relating to the financial or business affairs of any particular person, including the Authority holding that information).
- (4) Report of the Strategic Director – Corporate Resources on the Framework Contract – Design, Installation and Commissioning of Kitchen Ventilation Systems (Council Services) (contains information relating to the financial or business affairs of any particular person, including the Authority holding that information)
- (5) Report of the Strategic Director – Corporate Resources on the Award of a Contract for the Supply of Electrical Materials (Council Services) (contains information relating to the financial or business affairs of any particular person, including the Authority holding that information)
- (6) Report of the Strategic Director – Adult Care on the Framework for Specialist Supported Living Services (Adult Social Care) (contains information relating to the financial or business affairs of any particular person, including the Authority holding that information)
- (7) Report of the Strategic Director – Adult Care on the Direct Care Mental Health Enabling Service – Restructure of Management and Staffing Arrangements (Adult Social Care) (contains information relating to the financial or business affairs of any particular person, including the Authority holding that information)
- (8) Report of the Strategic Director – Adult Care on Contracts for the Provision of an Alarm Monitoring Service (Adult Social Care) (contains information relating to the financial or business affairs of any particular person, including the Authority holding that information)
- (9) Report of the Chief Executive on an Urgent Decision taken by the Chief Executive (Adult Social Care) (contains information relating to the financial or business affairs of any particular person, including the Authority holding that information)
- (10) Report of the Strategic Director – Children's Services on the Update on the Variation to Contract for Mileage Claims for Local Authority Centrally Employed Teachers' Terms and Conditions (Children's Services) (contains information relating to the financial or business affairs of any particular person, including the Authority holding that information)
- (11) Report of the Strategic Director – Children's Services on the Supply of Live On-Line Lessons and Asynchronous Learning Services (Children's Services) (contains information relating to the financial or business affairs of any particular person, including the Authority holding that information)
- (12) Report of the Strategic Director – Corporate Resources on an Application for the Continuation of a Market Supplement to the Investment Officer and Investment Fund Managers (Council Services) (contains information relating to the financial or business affairs of any particular person, including the Authority holding that information)

