

Public

MINUTES of a meeting of **CABINET** held on 25 April 2017 at County Hall, Matlock.

PRESENT

Councillor A Western (in the Chair)

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

Declaration of Interest

Councillor A Western declared a personal interest in Agenda Item 7(c) – Use of Underspend for Local Growth Fund as a member of the Infrastructure and Investment Board.

144/17 PUBLIC QUESTIONS

There were no Public Questions.

145/17 MINORITY GROUP LEADERS' QUESTIONS

There were no Minority Group Leaders' Questions.

146/17 MINUTES RESOLVED that the non-exempt minutes of the meeting of the meeting of Cabinet held on 4 April 2017 be confirmed as a correct record and signed by the Chair.

147/17 CABINET MEMBER MEETINGS – MINUTES RESOLVED to receive the non-exempt minutes of Cabinet Member Meetings as follows:-

- (a) Highways, Transport and Infrastructure – 23 March 2017
- (b) Strategic Policy, Economic Development and Budget – 4 April 2017
- (c) Council Services – 10 April 2017
- (d) Children's Services – 11 April 2017

148/17 LOCAL AUTHORITY ENERGY SUPPLY PARTNERSHIP
(Strategic Policy, Economic Development and Budget) The Chief Executive sought approval for the business case for the establishment for the Local Authority Energy Supply Partnership and sought approval to undertake a procurement exercise for a partnership with a licenced energy supply company.

The UK energy market was in a time of flux with changes in Government legislation opening up opportunities for local authorities and others to enter the energy market, influencing energy tariffs and contributing to energy production. Local authorities now had the opportunity to supply energy to residents and businesses using a variety of different options and were in a unique position because of the ease of access to potential customers, to become a local authority energy provider.

There were a number of benefits to this approach. Local authority energy providers, as not for profit organisations, were able to provide fair and stable pricing for their customers by offering fixed tariffs at rates which were usually cheaper when compared to the “Big Six” energy companies. Based on Government estimates, this approach could achieve annual savings of up to £300 per household with those households not on the best tariffs for their needs. A further benefit of this approach was the opportunity to help those households who currently used pre-payment meters to pay for their gas and electricity, as they paid some of the highest tariffs. Cheaper tariffs could be achievable to those households as those who had not accessed emergency credit for three months could be moved on to smart meters, with the option of credit and direct debit tariffs, should they wish to do so.

There were a number of different approaches to supplying energy that were open to local authorities namely:-

- Becoming a fully licensed energy supply company, as in the case of Robin Hood Energy, recently set up by Nottingham City Council.
- Entering the electricity supply market through Licence Lite; this would mean becoming a licence supplier of electricity by partnering with an existing supplier who would be responsible for some of the more costly and technically challenging parts of the supply licence.
- Entering into a partnership agreement with a fully licenced energy supplier.
- Operating a collective switching service.

These options all had the potential to offer benefits to the Council and local communities, although they differed in their level of ambition, cost and risk.

The Council had been exploring all four options to better understand the benefits that adopting such an approach could bring. An options appraisal had been carried out to identify which options would be most appropriate for the Council moving forward and the advantages and disadvantage of each option, taking into account key benefits, costs and risks, details of which were summarised at Appendix A to the report. The appraisal concluded that entering into a partnership agreement with a fully licensed energy supplier would be the best option for the Council to satisfy its ambitions of reducing

fuel poverty. The development of the business case had been informed by soft market testing which was undertaken to improve understanding of how an energy partnership might work and the different models available. Other local authorities that had set up partnership arrangements with an energy supplier company had been contacted for information and advice. A copy of the business case was attached at Appendix B to the report. The report provided details of local authority energy supply partnership models, costs and income and the risks attached to taking this approach forward.

It was recommended that the Council undertake a procurement exercise for a partnership with a fully licensed energy supply company and once the tender had been awarded and contracts agreeing tariffs, terms and conditions signed, staff would be recruited as required. Thereafter, the process would differ according to whether a “white label” partnership or simple partnership had been agreed. With the simple partnership model, agreeing a market strategy and incorporating and driving a link between the Council’s website and the energy company’s website would be the next steps and which could be set up within a month. The process for setting up a “white label” brand was more complex and would involve developing a brand and logo, developing a website, developing and trialling IT systems and checking functionality of different applications, agreeing a market strategy, producing a branded suit of correspondence and trialling the switching process. Other local authorities had taken a year or more from contract signature to “white label” launch.

RESOLVED to (1) note the work that had taken place to explore local authority energy provision and to approve the business case for the establishment of a local authority energy supply partnership;

(2) approve the undertaking of a procurement exercise for a partnership agreement with a fully licensed energy supply company;

(3) approve funding of £313k from the Derbyshire Challenge Fund to support the costs associated with the development of the scheme; and

(4) to receive further reports on progress once the tender process had concluded.

149/17 100% BUSINESS RATES RETENTION CONSULTATION
(Strategic Policy, Economic Development and Budget) The Director of Finance and ICT reported details of the Government’s Consultation 100% Business Rates Retention: Further Consultation on the Design of the Reformed System and to approve the Council’s response. A copy of the proposed response was attached at Appendix 1 to the report.

RESOLVED to (1) note the details of the consultation; and

(2) approve the Council's response as detailed in Appendix 1 to the report.

Councillor P J Smith (in the Chair)

150/17 USE OF UNDERSPEND FOR LOCAL GROWTH FUND (LGF)

(Strategic Policy, Economic Development and Budget) The Director of Finance and ICT advised Cabinet of the proposed use of underspend for the LGF. The LGF provided funding to local Enterprise Partnerships (LEPs) for projects which benefitted the local area and economy. The D2N2 LEP brought together the core city of Nottingham and key city of Derby with the counties of Nottinghamshire and Derbyshire. The LGF programme ran for six years from 2015-16 to 2020-21 with an allocation from the Department of Communities and Local Government (DCLG) of £187.720m over that period. The County Council acted as the accountable body for the LGF.

The DCLG required each years' funding allocation to be fully spent on capital expenditure within the year and had issued the grant as a Section 31 grant which allowed the funding to be used by the local authority on other capital expenditure (i.e. non-LGF projects). The Council had been advised by the Department of Business, Energy and Industrial Strategy to adopt this approach.

Throughout the financial year, the LEP and accountable body, through the Infrastructure and Investment Board, had been closely monitoring planned spending against allocation. During the year, the Board had tried to avoid the underspend by accelerating grant payments for projects which could demonstrate capital spend and also by accelerating seven projects forward. Despite this, however, due to delays in projects and two projects being removed from the programme, there was an underspend of £10.754m.

The option available to D2N2 was to use the funding to finance other Council capital expenditure and return funding of the equivalent amount back to the LGF in future years when it was required. The Council had identified two schemes within its Capital Programme, the Street Lighting LED Strategic Network Scheme and the Accelerated Highways Maintenance Scheme. The Council had consulted with external auditors, KPMG, regarding the proposed use of the underspend to ensure that proper accounting arrangements were being followed. KPMG were satisfied that the Council was adhering to the grant conditions and following the correct accounting practices.

RESOLVED to note the details of the proposals for use of the LGF underspend.

Councillor A Western (in the Chair)

151/17 REVISED AND NEW EMPLOYMENT PROCEDURES (Council Services) The Strategic Director – Corporate Resources sought approval to the revised and new employment procedures namely the Disciplinary Procedure, Attendance Management and the Ill-Health Capability Procedure, Harassment and Bullying Procedure, Performance Capability Procedure and Performance Management Policy, copies of which were attached at Appendices A – F to the report.

RESOLVED to approve the revised and new employment procedures as detailed in Appendices A – F to the report.

152/17 PROVISION OF CONTRACTS FOR THE SUPPLY, REPAIR AND MAINTENANCE OF COMMERCIAL REFRIGERATION AND FREEZERS (Council Services) The Strategic Director – Corporate Resources sought approval to undertake two procurement exercises to establish contracts covering the supply, repair and maintenance of commercial refrigeration and freezers.

RESOLVED to approve the commencement of two procurement exercises to establish contracts for the supply, repair and maintenance of refrigeration and freezers across the Council with each contract being for a period of two years, with an option to extend for two further periods of twelve months.

153/17 NHS HEALTH CHECK PROGRAMME PROCUREMENT 2018-21 (Health and Communities) The Director of Public Health sought approval for the procurement of the NHS Health Check Programme which identified those adults between aged 40 and 75 who were at risk of cardiovascular disease and which used GP practice systems to identify those people who required invitation to attend and excluded anyone with pre-existing cardiovascular conditions. Further details of the Programme were presented in the report. The service would be managed by a lead provider who would ensure that the population covered by the GP Practices registered within Derbyshire County, and those in Glossop, were provided with a comprehensive service. In addition, contracts would need to be in place to support the programme and include;

- Quality assurance for the point of care test which were required as part of a one-stop appointment for individuals.
- IT arrangements to ensure that the appropriate individuals were invited to attend for a health check.
- Training for staff delivering health checks which was a comprehensive three day programme.

All the current arrangements would end on 31 March 2018, so it was therefore necessary to commence a procurement exercise in order to secure future provision of this mandated service.

RESOLVED to approve the procurement of the NHS Health Check Programme for a period of three years from 1 April 2018, with the option to extend for a further two twelve month periods, subject to satisfactory performance.

154/17 FUNDING FROM THE DEPARTMENT FOR COMMUNITIES AND LOCAL GOVERNMENT (DCLG): 2016-18 FUND FOR REFUGEES, SPECIALIST ACCOMMODATION BASED SUPPORT AND SERVICE REFORM TO HELP LOCAL AREAS MEET THE PRIORITIES FOR DOMESTIC ABUSE SERVICES (Health and Communities) Cabinet were asked to note the Chief Executive's use of his use of his urgent powers to accept a grant of £529,799 from the DCLG to enhance the provision of domestic abuse accommodation and support in Derbyshire.

RESOLVED to note the Chief Executive's decision to use his urgent powers to accept a grant of £529,799 from the DCLG to enhance the provision of domestic abuse accommodation and support in Derbyshire.

155/17 DERBYSHIRE COUNTY COUNCIL – ADOPTION OF ROAD SAFETY AUDIT POLICY AND GUIDANCE (Highways, Transport and Infrastructure) The Strategic Director – Economy, Transport and Communities sought approval to adopt a Road Safety Audit Policy and Guidance for Highway Improvement Schemes on the Derbyshire highway network.

A Road Safety Audit (RSA) was a process of evaluating the safety issues associated with highway improvement schemes that would affect the Derbyshire highway network. It provided an opportunity to identify safety issues that adherence to design standards might unwittingly create and recommend potential solutions to ensure the safe operation of the network and safety of all road users. Although RSAs were a mandatory requirement for schemes affecting trunk roads and motorways managed by Highways England, there was no legal requirement for local highway authorities to undertake RSAs on improvements to its network. It was, however, considered best practice to adopt "in principle", the requirements of the current Department for Transport Design Manual for Roads and Bridges HD19/15 Road Safety Audit. As a consequence, the RSA policy developed for the Derbyshire highway network that was recommended for both County Council schemes and developer led schemes, subject to a risk assessment determining the actual need with specific reference to the location, road hierarchy, speed, accident history and consequences of associated

development. A copy of the proposed Policy was attached at Appendix 1 to the report.

RESOLVED to (1) approve the adoption of the Road Safety Audit Policy and Guidance; and

(2) authorise the strategic Director – Economy, Transport and Communities, in consultation with the Cabinet member – Highways Transport and Infrastructure, to approve any future technical changes that might be required from time to time to the Audit Policy and Guidance.

156/17 TARGETED INCOME MAXIMISATION FOR PENSIONERS

(Adult Social Care) The Strategic Director – Adult Care sought approval for a programme of activity targeted at pensioners in Derbyshire to identify those eligible to claim Pension Credit and support them to do so.

The Welfare Rights Service proposed to undertake a twelve month programme of work, further details of which were presented in the report. The activity would be phased on a district by district basis to manage demand and would be followed up with “door knocking activity” building on the experience of other projects using this method and support with claiming, including form filling where needed.

Staff costs to assess and undertake follow-up work of £0.221m had been identified as detailed at Appendix 3 to the report. Printing and mailing costs were estimated at £0.039m giving a total cost of £0.259m.

RESOLVED to approve a programme of activity targeted at Derbyshire pensioners to identify those eligible to claim Pension Credit and support them to do so.

157/17 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 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 4 April 2017.

3. To receive the Exempt Minutes of the Cabinet Member Meetings as follows;
 - (a) Highways, Transport and Infrastructure – 23 March 2017
 - (b) Council Services – 10 April 2017
4. Report of the Strategic Director – Corporate Resources on the Derbyshire Registration Office, Chesterfield (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 and Support of a Replacement Recruitment System (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 – Corporate Resources on the Provision of Portable Appliance Testing – Award of Framework Contract (Council Services) (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 – Economy, Transport and Communities on Gully Cleansing Contracts – Amber Valley Borough Council, Bolsover District, Chesterfield Borough, Erewash Borough and Derbyshire Dales District (Highways, Transport and Infrastructure) (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 – Economy, Transport and Communities on the Consolidation of Elvaston Castle Budget Within Economy, Transport and Communities (Highways Transport and Infrastructure) (Contains information relating to the financial or business affairs of any particular person, including the Authority holding that Information).
9. Report of the Strategic Director – Economy, Transport and Communities on the Highways Division Restructure (Highways, Transport and Infrastructure) (Contains information relating to any consultations or negotiations, or contemplated consultations or negotiations, in connection with any labour relations matters

arising between the Authority or a Minister of the Crown and employees of, or office holders under, the Authority).

10. Report of the Strategic Director – Children’s Services on the utilisation of additional funding to deliver Social Work capacity and future proof the Children’s Services Social Care Structure) (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 – Corporate Resources on the Re-tendering of the Pensions Data Administration System in collaboration with Leicestershire County Council (Council 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 – Economy, Transport and Communities on the Supply of Pay and Display Machines – Award a Framework Contract (Highways, Transport and Infrastructure) (Contains information relating to the financial or business affairs of any particular person, including the Authority holding that Information).