

**MINUTES** of a meeting of **CABINET** held on **26 January 2016** 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

Councillors B Lewis and K P Morgan also attended the meeting

**1/16      PUBLIC QUESTIONS**

**Question from Mrs E Edwards, Chief Executive, Bakewell and Eyam Community Transport to Councillor D Collins, Cabinet Member for Highways, Transport and Infrastructure on Agenda Item 7(o) – Proposed Changes to Community Transport Services.**

It has been proved in other areas of England, Wales and Scotland that demand responsive transport is considerably more expensive to set up and deliver than conventional community transport provision. In some areas the costs have been significant so the DRT has been withdrawn. Please will Derbyshire County Council explain why this option is being proposed?

Councillor D Collins, Cabinet Member – Highways, Transport and Infrastructure responded that he did not accept that the cost per passenger journey would be more than the cost of Community Transport Dial-a-Bus services based on current arrangements in Derbyshire. He had explained previously that in 2014-15 the County Council's direct subsidy for Dial-a-Bus services worked out at over £27 per passenger for a return trip.

Officers would consider any information that was provided to them, although to date there was little evidence that the existing Community Transport organisations were in a position to provide a County-wide demand responsive transport service. Indeed it was very disappointing that the Community Transport schemes had not found a way to work together more effectively, particularly at this time of austerity. There were still six Community Transport schemes operating in Derbyshire, each headed by its own Chief Executive with a combined salary cost of possibly around £200,000. Councillor Collins' principle concern was with the people who used these services rather than with maintaining support for the organisations that provide them.

Officers had also explained to the Community Transport organisations that the grant funding that had been provided constituted State Aid and he was sure that Mrs Edwards understood that continuation of the existing grant funding arrangement required approval from the EU and that this option may simply not be available in the longer-term.

In the light of the severe Government cuts the County Council might be unable to continue to fund the supported bus network. Demand responsive transport offered a means of ensuring a level of service across Derbyshire with the very limited funds expected to be available. It would not offer the frequency or simplicity of a 'turn up and go' service and, because passenger numbers were lower, the cost per passenger journey would be higher than on conventional public transport. Whilst retaining the existing supported network would be more effective in meeting people's needs, the reality was that this may not be possible in the County Council's worsening financial position.

## **2/16      MINORITY GROUP LEADERS' QUESTIONS**

Councillor B Lewis asked the following questions:

### **(a)      Agenda Item 7(f) - Five Year Financial Plan and Strategy**

This paper highlights a significant diminution of the Council's general reserves to as low as 2.7% by 2020/21 and the risk management budget being reduced to a negative position before becoming stable at zero. At what point will the Leader concede that this administration has lost control of its finances?

Councillor A Western, Leader of the Council and Cabinet Member for Strategic Policy, Economic Development and Budget responded and referred to the table on page 7 of the report. The table showed the contribution from the risk management budget to help manage the overall budget and it was not being reduced to a negative figure at all. The Council was doing its best to manage finances in very difficult circumstances in line with the Five Year Financial Plan. There had been an article in the Daily Express which referred to the level of debt in the country which was £5.3bn up on forecasts and now totalled £1.54tn. This was down to the Government but it was the County Council who were facing the cuts.

### **(b)      Agenda Item 7(j) - Payment of Living Wage in 2016-17**

It has been said by the Cabinet Member at a Cabinet Member/Chief Officer meeting that the implementation of a scale of differentials will impact on senior management levels – could he explain what he meant?

Councillor A Botham, Cabinet Member for Council Services responded that the Living Wage was paid at the bottom scale as an allowance and as a result of the increase, changes, including the removal of the bottom pay scales, might be required. The introduction of the Government's National Living Wage had reduced the costs of the Living Wage but there was still an overall cost to the County Council. It was pleasing that 296 Schools had agreed to pay the Living Wage covering some 3,100 staff and over 2,900 County Council employees also enjoyed the benefit of the Living Wage.

**(c) Agenda Item 7(I) – The Derbyshire Health and Wellbeing Strategy 2015-17**

Despite a negative preamble to this report by Councillor Allen, will he confirm that there was a budget underspend despite an in-year cut?

Councillor D Allen, Cabinet Member, Health and Communities responded that the Health and Wellbeing Strategy was a strategy for the whole health and care system across Derbyshire, not just the Public Health system. The Foreword was not a 'negative preamble' but clearly demonstrated the scale of the financial challenge across the whole system. It also reiterated the need to work collaboratively to address these challenges and to ensure the Health and Wellbeing Board was fit for purpose to address these whole system challenges.

The cuts to the Public Health budget were a very serious challenge going forward. Since Public Health transferred into the Council in 2013, a number of measures had been put in place to not only withstand future cuts but to cushion cuts to other services which would have a direct adverse impact on Public Health outcomes. These measures enabled establishment of the Public Health Resource Fund (PHRF) from the Public Health grant in 2014-15 and 2015-16 to help secure key services which had a significant positive impact on the health of local people, but which due to the financial pressures facing the Authority, would otherwise have been subject to reduction or removal. The measures also mitigated the impact of the in-year cuts to the Public Health grant in 2015-16, but going forward the cuts meant that it was not possible to maintain the Public Health Resource Fund and achieving the likely scale of cuts over the next few years would be very challenging.

The Council was still awaiting confirmation from the Treasury of the Public Health Grant allocation for 2016-17 and 2017-18, but a cut of 2.2% in 2016-17 and 2.5% in 2017-18 was expected, which equated to an overall cut in the grant for Derbyshire of approximately £2m in total over those two years. This would be achieved through a combination of further cost saving measures as doing nothing was not an option. Cabinet would be asked to approve how these additional cost savings would be made, but the Council aimed to protect front-line services as much as possible, while making some tough decisions on priorities for improving and protecting the health of the people of Derbyshire. The Council would review running costs, and identify potential opportunities to achieve efficiencies through integrating the Public Health function into Adult Care, but would also need to make cuts to Public Health service contract values informed by the Council's established and tested prioritisation process.

**(d) Agenda Item 7(n) - Proposed Changes to Local Bus Support and Agenda Item 7(o) - Proposed Changes to Community Transport Services**

Following some very significant scaremongering, we welcome the heroic efforts of this Cabinet to pull a bunny out of the hat at the last minute, as expected, to fund and continue CT services to 2017, past the next election, but would the Cabinet Member explain the changes that CT would have to undergo to access this funding and could he explain how affordable rural services will be protected beyond 2017?

Councillor D Collins, Cabinet Member – Highways, Transport and Infrastructure responded that the Council had listened to the consultation and recognised the significant benefits of continuing funding for Dial-a-Bus services until September 2017 including:

- it gave the CT organisations more time - as they had requested - to adjust to any new arrangements and to identify alternative sources of funding
- it gave the County Council time to take account of any new funding streams emerging from the Buses Bill and the proposals for a Combined Authority and the devolution of powers from central government
- it provided for the continuation of a valuable service for older and disabled people

In addition to funding the Dial-a-Bus service, the Council were also proposing to continue the aCTive travel scheme until 2020 that helped people get to medical appointments and the Wheels-to-Work scheme that helped people get started in a job.

Until 30 September 2017, the Community Transport organisations would continue to enjoy the benefits of grant funding for Dial-a-Bus services, subject of course to State Aid approval from the EU. They would also benefit from grant funding for both the aCTive travel and flat fare schemes; an increase in fares from £2 to £3 that the organisations could retain for their own use; and continued access to the vehicles that had been bought for them by the County Council.

The grant funding totals £799,232 in 2016-17 with a further £342,696 for the period April to September 2017. In order to access this grant funding, the Council simply ask that the organisations continue to provide a high level of service and work with the Council to ensure that all passengers had an opportunity to get to the nearest supermarket or town centre once a week.

In due course the Council also intended to make available development funding totalling £277,000 for community and voluntary sector organisations

that come forward with robust proposals to increase their effectiveness and level of output.

If the Council could not identify alternative funding beyond September 2017, the scale of cuts faced by the County Council meant that it may be unable to sustain the current level of support for Dial-a-Bus services and the supported bus network. In order to maintain a level of service across the County, the Council would consult on proposals to introduce a Demand Responsive Transport (DRT) service supplemented by a new service — described in the report as ‘aCTive travel plus’ - for those people who might be unable to use the DRT service.

The DRT service would be open to the general public and this would mean that older and disabled people would be able to use the service free of charge, much as they do on conventional local bus services. The proposals to introduce a competitive tendering process from October 2017 and effective contract management would help to ensure the best possible use of the available resources.

**(e) Agenda Item 7(q) - Derbyshire Challenge Fund Bid to Build and Operate an Indoor Family Adventure Centre**

We welcome the addition of facilities of this nature, but at this time of austerity is this appropriate?

Councillor J A Coyle, Cabinet Member for Children’s Services responded it was because of the austerity measures that the Council had been forced in to the venture. The proposed centre was an innovative attempt to create a cash surplus which would be re-invested to support other work with Derbyshire young people.

**3/16**        **MINUTES RESOLVED** that the non-exempt minutes of the meeting of Cabinet held on 15 December 2015 be confirmed as a correct record and signed by the Chair

**4/16**        **CABINET MEMBER MEETINGS – MINUTES**    **RESOLVED** to receive the non-exempt minutes of Cabinet Member meetings as follows:

- (a) Adult Social Care – 18 November 2015
- (b) Health and Communities – 24 November and 15 December 2015
- (c) Children’s Services – 8 December 2015
- (d) Council Services – 14 December 2015 and 4 January 2016
- (e) Strategic Policy, Economic Development and Budget – 15 December 2015
- (f) Highways, Transport and Infrastructure – 18 December 2015

**5/16**        **BUDGET MONITORING 2015–16 (AS AT 31 OCTOBER 2015)**

(Strategic Policy, Economic Development and Budget) The Director of Finance reported on the Revenue Budget position for 2015-16 as at 31

October 2015. The report summarised the controllable budget position by Cabinet Member portfolio and, in addition to this report, further reports would be considered at Cabinet Member meetings, the Audit Committee and Council, in accordance with the Budget Monitoring Policy and as required by Financial Regulations.

The Council's three largest portfolios, Adult Social Care, Children's Services and Highways, Transport and Infrastructure all indicated possible year end overspends. However, the latter two portfolios would use Earmarked Reserves to record a break-even position. Details of this summary projected outturn, compared to controllable budget was summarised in the report along with a summary of individual portfolio positions.

**RESOLVED** to note the 2015-16 Budget Monitoring position as at 31 October 2015.

**6/16      CAPITAL BUDGET MONITORING TO MONTH SEVEN 2015-16**

(Strategic Policy, Economic Development and Budget) The Director of Finance informed Cabinet of the latest budget monitoring position for open capital schemes. The report reflected those schemes that were currently under way and which had previous Cabinet approval. Each scheme had a nominated Budget holder who was responsible for ensuring the scheme stayed within Budget, and who verified the projected spend against their allocated scheme.

The current Budget for open schemes was approximately £606m, with the latest monitoring showing a forecast underspend over the life of the projects of £1.144m. The position statement by department was summarised and also detailed in Appendix 1 to the report.

**RESOLVED** to note the current position on the monitoring of capital schemes.

**7/16      RESERVES POSITION** (Strategic Policy, Economic Development and Budget) The Director of Finance reported on the current and forecast positions for both General and Earmarked Reserves and also sought approval to the Reserves Policy.

Section 43 of the Local Government Finance Act 1992 required precepting authorities in England and Wales to assess the level of reserves needed for meeting estimated future expenditure when calculating the Budget requirements. A range of safeguards, details of which were presented, were in place to prevent local authorities over committing themselves financially and these requirements were reinforced by Section 114 of the Local Government Finance Act 1988, which required the Chief Finance Officer to report to Council if there was, or was likely to be, unlawful expenditure or an unbalanced Budget.

The Council had in place a Reserves Policy which ensured the Council met its statutory obligations and set out the framework within which decisions were made regarding the level of reserves. In line with this framework, the balance and level of Earmarked and General Reserves were regularly monitored to ensure they reflected a level adequate to manage the risks of the Council. The Reserves Policy was last approved by Cabinet on 28 January 2014 and no further amendments were proposed. A copy of the Policy was attached at Appendix 1 to the report.

As at 31 March 2015, the Council had a General Reserve balance of £55.201m and details of the use of the balance was summarised in the report. The following significant commitments against the balance were noted:

- European Union funded projects - £1.115m
- ICT Strategy - £1.057m
- Voluntary Redundancy - £9.000m
- Revenue Budget Support - £9.389m

A review of Earmarked Reserves had recently been undertaken by the Council which identified a sum of £15.878m which was no longer required and which would be returned to the General Reserve. It was proposed to create a number of Earmarked Reserves from the outstanding balance, some of which were previously commitments against the outstanding balance, as detailed below:

	£m
<b>Balance as at 1 April 2015</b>	<b>55.201</b>
Housing Support	-0.784
Staveley Town Council	-0.300
Revenue Budget 2015-16 one-off budget support	-6.634
Revenue Outturn 2014-15 approvals	-4.852
Previous Cabinet approvals/Other	-2.105
<b>Balance as at December 2015</b>	<b><u>40.526</u></b>

Details of projected movements on the General Reserve were presented. Local authorities were required to maintain a prudent, risk assessed level of General Reserves, relative to spending for that year. Reserves were required to mitigate against financial risk and provide for future spending plans. The report detailed the General Reserve balance as a percentage of the Council's spending (net Budget requirement)

Earmarked Reserves were a means of smoothing expenditure to meet known or predicted liabilities and funds should be used for the item for which they had been set aside. Any funds no longer required should be transferred to the General Reserve. Earmarked Reserves totalling £171.260m were held at 24 November 2015, as detailed in Appendix 2 to the report and the report

also summarised Earmarked Reserves which had a balance in excess of £5m which represented around 61% of the total balance, excluding schools and capital balances. Of this total, £54.800m (32%) was available to support future spending. Details of the balances categorised in accordance with the Reserves Policy were presented in the report.

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

(2) approve the Reserves Policy; and

(3) approve the creation of the following Earmarked Reserves

- Budget management - £12.5m
- Community Priorities - £4m
- Broadband - £2.190m
- Uninsured financial loss - £13m

**8/16      BUDGET CONSULTATION RESULTS** (Strategic Policy, Economic Development and Budget) Cabinet considered a joint report of the Chief Executive and the Director of Finance to enable consideration of the outcome of the Council's budget consultation exercises in formulating its budgetary proposals to Full Council regarding the Revenue Budget for 2016-17. The report was considered alongside other reports to the meeting of Cabinet on the Budget Monitoring position for 2015-16, the Revenue report and the Five Year Financial Plan report for 2016-17 to 2020-21.

The Council had, for a number of years, undertaken a variety of consultation exercises using a range of methods, in preparation of its annual Revenue Budget. However, recently, as part of the significant budget cuts required, the Council had enhanced the value of the consultation exercises by using alternative approaches including on-line consultation and a paper questionnaire, details of which were presented in the report.

The Council's Constitution also provided that the Improvement and Scrutiny Committee should be notified of the Budget proposals and the Director of Finance had presented details of the revised Five Year Financial Plan to the Committee in September 2015. In addition, the Local Government Finance Act 1992, required local authorities to consult representatives of business ratepayers in their area about the budget proposals for each financial year. A meeting with representatives of the Derbyshire and Nottingham Chamber of Commerce and the Federation of Small Businesses had been held on 25 January 2016. A special budget meeting between the Council and the trade unions had also been held.

A draft Community Impact Assessment had been undertaken by the Council that made an initial assessment of the potential impact of the budget cuts to 2015-16. The Assessment drew on the Equality Impact Assessments,



consultation and the wider contextual information available, including business cases for each budget proposal. The assessment provided an overview of people and places where budget cut proposals might have a negative impact, including those where an accumulative effect might be greatest. The Assessment provided the foundations for the necessary programme of detailed Equality Impact Assessments, to ensure that decisions were informed by the fullest understanding of their effect on people and communities, as well as highlighting those groups which might need to be consulted on proposals as they emerged. Work would be carried out over the coming months to update this work to include the Budget cut proposals for 2016-17 and would be further expanded to include geographical mapping of both proposed and implemented budget cuts.

**RESOLVED** to take into account the views of the consultation respondents in formulating its proposals to Full Council regarding the Revenue Budget for 2016-17.

**9/16      REVENUE BUDGET 2016-17** (Strategic Policy, Economic Development and Budget) The Chief Executive and Director of Finance reported to Cabinet on proposals regarding the Revenue Budget for 2016-17.

The report presented detail in respect of the 2015-16 Budget, the Comprehensive Spending Review, the Provisional Local Government Finance Settlement. Council Tax, Business Rates, Price Increases, Corporate Budgets, Budget Cuts Targets, Service Pressures, Statutory Requirements of the Local Government Act 2003, the Five Year Financial Plan and consultation.

When setting the Budget, the Council must be mindful of the potential impact on service users and therefore the consultation exercises undertaken in the preparation of the 2016-17 Budget were relevant in this respect. Section 149 of The Equality Act 2010 imposed an obligation on Members to have due regard to protecting and promoting the welfare and interests of persons who shared a relevant protected characteristic (age; disability; gender re-assignment; marriage and civil partnership; pregnancy and maternity; race; religion or belief; sex and sexual orientation).

A draft Community Impact Assessment had been undertaken by the Council that made an initial assessment of the potential impact of budget cuts to 2015-16. The Assessment drew on the Equality Impact Assessments, consultations and the wider contextual information available, including business cases for each budget proposal. It also provided an overview of people and places where the budget cuts proposals might have a negative impact, including those where the cumulative effect might be greatest. The Assessment provided the foundations for the necessary programme detailed Equality Impact Assessments to ensure that decisions were informed by the fullest understanding of their effect on people and communities, as well as highlighting those groups which might need to be consulted on proposals as

they emerged. Work would be carried out over the coming months to update this work to include the budget cuts proposals for 2016-17 and would be further expanded to include geographical mapping of both proposed and implemented budget cuts.

**RESOLVED** to recommend to Council that it (1) notes the details of the Comprehensive Spending Review and Provisional Local Government Finance Settlement as outlined in sections (b) and (c);

(2) notes the Government's expectations about Council Tax levels for 2016-17 in section (d);

(3) notes the details of the Council's consultation activity as outlined in section (l);

(4) notes the Director of Finance's comments about the robustness of the estimates and adequacy of the Reserves as outlined in section (j);

(5) approves the precepts as outlined in section (d) and Appendix Two to the report;

(6) approves that billing authorities be informed of Council Tax levels arising from the budget proposals as outlined in section (d) and Appendix Two to the report

(7) approves the contingency to cover non-standard inflation as outlined in section (g). The contingency to be allocated by the Director of Finance and the Chief Executive once non-standard inflation had been agreed;

(8) approves the level and allocation of budget cuts as outlined in section (h) and Appendix Four to the report;

(9) approves the service pressure items identified in section (i) and Appendix Three to the report;

(10) approves the Council Tax requirement of £280.200m which was calculated as follows:

				£
<b>Budget</b>	<b>Before</b>	<b>Pressures</b>	<b>and</b>	<b>Budget</b>
<b>Reductions</b>				<b>507,982,924</b>
Plus Service Pressures - on-going				13,650,000
Plus Adult Social Care Precept				5,325,256
Plus Service Pressures - one-off				10,192,324
Less Budget Reductions				-40,500,000
Contribution to Contingency Budget				957,373

Reduction to Debt Charges	-5,000,000
Reduction to Risk Management Budget	-7,697,877
Net Budget Requirement	484,910,000
Less Top-Up	-86,457,249
Less Business Rates	-16,843,675
Less Revenue Support Grant	-67,722,178
Less New Homes Bonus	-2,863,627
Less Local Services Support Grant	0
Less General Grant	-10,127,368
Less PFI Grant	-10,503,833
Less Use of General Reserve	-10,192,324
<b>Balance to be met from Council Tax</b>	<b>280,199,746</b>

(11) authorises the Director of Finance to allocate cash limits amongst Cabinet portfolios; Strategic Directors would then report to Cabinet on the revised service plans for 2016-17.

## **10/16 FIVE YEAR FINANCIAL PLAN AND FINANCIAL STRATEGY**

(Strategic Policy, Economic Development and Budget) The Director of Finance presented the Council's Five Year Financial Plan which had been revised and updated for the period 2016-17 to 2020-2021.

The Plan shaped the Council's financial strategy and annual Budget by establishing the resources that were likely to be available for allocation to meet service priorities contained within the Council Plan. The last full version of the Plan was approved in February 2015 and successive Financial Plans had identified the need to make significant budget reductions estimated to be £278m by 2021 when compared to 2010.

The proposed Plan identified a further set of budget reductions which were detailed at Appendix 3 to the report. The level of budget reductions required over the next five year period remained significant and the achievement of a balanced budget was dependent on the Council meeting its budget reduction target annually. Whilst General Reserves over the period of the Plan remained at prudent risk assessment levels, any overspend arising from demand management issues or slippage on the achievement of budget reductions, would require a call on the General Reserves. A copy of the updated Plan was shown at Appendix 1 to the report together with the assumptions used in developing the Plan.

The report provided more detail in respect of funding and uncertainty and risk which related to the Business Rates Retention Scheme, Adult Care demographics, Better Care Fund, Academisation, The Living Wage, Public Health funding and price inflation. The Plan showed that savings of £109m were required up to the year 2020-21. However, this was reliant on the additional Better Care Fund allocations being available to support Adult Care spend. If the Government were to place conditions on the additional funding

such that the Council could not use the Better Care Fund to support social care pressures, then a further £25m over the period 2017-18 to 2019-20 would need to be cut in order to set a balanced Budget. The Council would monitor the Government's proposals with regard to changes to the Business Rates Retention Scheme, but until the Government provided details of the proposals to local authorities, it was difficult to estimate both the level of business rates income and the financial impact of any additional burdens, particularly Public Health over the medium-term. Members noted that whilst the Plan showed estimated budget reductions of £109m, this figure might rise to £134m.

Appendix 3 to the report highlighted savings proposals for the period 2020-21. However, the savings identified did not meet the total savings required over that period, therefore further reports would need to be brought to Cabinet over the coming months identifying further areas as they used to be made.

The purpose of the Financial Strategy was to set out the financial framework for the Council which supported 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 and to ensure that the Financial Strategy drove the Five Year Financial Plan, Capital Programme and Revenue Budget. The Strategy had been reviewed and there were no significant changes from the previously published Strategy, a copy of which was attached at Appendix 2 to the report

**RESOLVED** to recommend to Council that (1) the Five Year Financial Plan be approved;

(2) the uncertainty and risks detailed in Section C and D of the report be noted;

(3) the possible budget reduction proposals set out in Appendix 3 to the report be noted; and

(4) the Financial Strategy be approved

#### **11/16      PRUDENTIAL CODE FOR CAPITAL FINANCE, CAPITAL PROGRAMME APPROVALS AND TREASURY MANAGEMENT**

**STRATEGY** (Council Services) Cabinet considered a joint report to the Chief Executive and the Director of Finance which sought approval for proposals to submission to Council relating to the Prudential Code for Capital Finance including:

- The Capital Starts Programme for 2016-17
- The Minimum Revenue Provision (MRP) Policy for 2016-17
- A Treasury Management Strategy for 2016-17

- Compliance with, and set limits under, CIPFA's Prudential Code and the Treasury Management in the Public Services: Code of Practice and Cross Sectoral Guidance Notes.

Further details of all proposals were contained in the report and the Appendices to the report.

**RESOLVED** to recommend to Council:

- (1) the adoption of the Prudential Code including the Prudential Indicators as described in paragraphs 2.5, 2.6, 2.8 and 2.12 – 2.16 of the report;
- (2) the 2016-17 Capital Starts Programme as detailed in Appendix 1 to the report and that further reports on the detailed schemes would be presented to Cabinet;
- (3) the MRP policy for 2016-17 as detailed in paragraph 2.10 to the report;
- (4) the Treasury Management Strategy for 2016-17 as described in Appendix 3 to the report, and to take into account the Guidance issued by the Department for Communities and Local Government and noting the changes in paragraph 2.18 to the report; and
- (5) the adoption of CIPFA's Code of Practice on Treasury Management and Cross Sectoral Guidance Notes (Revised 2011) and the Treasury Management Policy Statement as specified in the Treasury Management Code of Practice, both as detailed in Appendix 3 to the report.

**12/16      DERBYSHIRE ECONOMIC REVIEW – DECEMBER 2015**  
(Strategic Policy, Economic Development and Budget) the Chief Executive presented the latest quarterly Economic Review to December 2015 which provided an overview of the current economic conditions in Derbyshire, summarised key economic trends to support broader discussions and policy developments across the Authority. The review also supported and facilitated the delivery of partnership activity, most notably through the Derbyshire Economic Partnership, the Local Transport Board and the D2N2 Local Enterprise Partnership

**RESOLVED** to note the information presented within the Derbyshire Economic Review – December 2015 and that the findings would be used to support future service planning and development.

**13/16      COUNTRYSIDE SERVICE RESTRUCTURE** (Highways, Transport and Infrastructure) The Strategic Director – Economy, Transport and Environment informed Cabinet of further proposed changes to the Countryside Service and sought approval to explore alternative delivery

mechanisms, maximise commercial opportunities and consult the public where necessary.

Members were reminded that the Countryside Service was working to an overall cut in its budget of £1m by 2018 to support the Council to achieve its overall budget reductions. The Service had already undertaken reviews of its management structure and the Public Rights of Way Team and the next stage was to complete the implementation of the new structure introduced in the management review which resulted in the Countryside Service now being split into three teams, namely a central function including the Public Rights of Way and Access Team, the Destination Sites Team and the Wider Sites Team.

The Countryside Service provided a customer facing service and, in order to achieve the targeted level of savings, staffing reductions were proposed. There would, as a result, have a potential impact on the service to Derbyshire residents and visitors, the effects of which were outlined in the report. The details of potential staffing reductions were considered in a separate exempt report.

It was proposed that alternative delivery mechanisms and development opportunities would be explored at two visitor information centres and associated public toilets at Hayfield and Tapton Lock, working with the Council's emerging Development Company. Future income would be reinvested in wider Countryside site management and Challenge Funding would be explored where appropriate, to pump prime income generation projects. In comparison to the Destination Sites, there was currently limited scope or capacity to develop the income streams at Hayfield and Tapton Lock in support of staffing or wider service costs; however there might be potential for alternative organisations or third party groups to operate out of these centres. This would need further investigation and it was proposed that the County Council would retain the freehold of these buildings for the future to protect its long-term interest and public access to the Countryside sites associated with these locations would not be affected.

Should an alternative operator or development opportunity not be secured, potential closure of these visitor information centres might be a possibility and in such circumstances, it would mean that tramper mobility scooters would no longer be available in those areas. If continued provision could not be maintained through negotiation with third parties, they would be redeployed to other locations in Derbyshire such as the Destination Sites.

Across the Destination Sites, it was proposed to carry out a review of the opening hours of Visitor Centres and Cycle Hire to realign daily and seasonal opening hours to meet customer demands. Further closures might be required if income could not be significantly increased. However, every effort would be made to ensure that commercial opportunities were explored to mitigate this possibility.

Where staff were successful in generating new and additional income in line with principles established at Elvaston Castle, it should be retained to support existing staff and improve services. The potential for a trading company was being investigated and such a body, set up with social objectives to ensure wider access and affordable prices, could have the potential to deliver significant income. The proposals required further work and would be the subject to future report to Cabinet and would be informed by discussions with partners.

The Wider Sites Team would manage the remaining portfolio of sites through a prioritisation approach and staff and resources would be deployed according to a prioritisation hierarchy of sites with, for example, conservation designations or stewardship, public access or significant visitor numbers a priority. Details of the prioritised sites were attached at Appendix 1 to the report.

It was proposed that localised public consultation would take place either around potential changes to the operations of Hayfield and Tapton Lock Visitor Information Centres, or possible closure should negotiations with alternative providers or development companies via the Council's emerging Development Company prove unsuccessful. The consultation would give service users the opportunity to comment on the proposals before any decisions were made. Consultations would take place over an eight week period, further details of which were presented in the report.

**RESOLVED** to approve (1) consultations on the proposed reconfiguration of the Countryside Service;

(2) Officers undertaking dialogue with external parties around alternative delivery models and commercial opportunities at Hayfield and Tapton Lock Visitor Centres in liaison with the Council's emerging Development Company;

(3) a further report be made to Cabinet prior to any final decision being made as to the future of these Centres;

(4) a review of opening hours, income generation potential and viability of visitor centres and cycle hire and to report the conclusions of the review to a future meeting of the Cabinet Member – Highways, Transport and Infrastructure; and

(5) an exploration, with the Director of Legal Services and through the emerging Development Company, of the establishment of a trading company for catering, shops and other potential commercial activities at Countryside Destination Sites with a further report being presented to a future Cabinet meeting.

**14/16      PAYMENT OF THE LIVING WAGE IN 2016-17** (Council Services) The Strategic Director - Corporate Resources sought approval to the payment of the Living Wage as an allowance in 2016-17. Cabinet had previously agreed to pay the Living Wage as an allowance in 2014-15 and 2015-16. On November 2015, the Living Wage Foundation announced a 40p per hour increase in the Living Wage to take it from £7.85 to £8.25 per hour. The Living Wage Advisory Group considered a report at its meeting on 24 November 2015, noting matters of significance arising from the increase, details of which were presented. Appendix 1 to the report detailed the Living Wage in 2016-17 and the potential effect of a “bottom loaded” pay agreement on the Derbyshire Pay and Grading Structure. Appendix 2 to the report showed the potential Living Wage costs based on a “bottom loaded” agreement. Currently around 2,900 Council appointments were paid the Living Wage allowance, although the number of employees paid the Living Wage in 2016-17 would not be finalised until the national pay agreement was concluded.

**RESOLVED** to (1) approve that the Living Wage continued be paid as an allowance to eligible employees in 2016-17;

(2) receive further reports on 2016-17 National Pay Agreement and National Living Wage; and

(3) approve that individual school governing bodies be encouraged to adopt the Living Wage.

**15/16      CONTRACTS FOR ADVISORY SERVICES IN GP PRACTICES** (Health and Communities) The Director of Public Health sought approval to extend the existing contracts for advisory services in GP practices for a further period of twelve months.

Cabinet, at its meeting on 21 January 2014, approved the award of a contract for the delivery of advisory services in GP practices to the four Derbyshire Citizen Advice Bureaux (CAB) and the contract was tendered for two years from 1 April 2014–31 March 2016 with the option of two further extensions of one year duration (up to 31 March 2018 at the latest) subject to evaluation and funding.

The four Derbyshire CAB continued to perform well and were exceeding expectations detailed within the key performance indicators, examples of which were presented in the report.

**RESOLVED** to approve the extension of the existing contracts for advisory services in GP practices for a further period of twelve months duration up to 31 March 2017.

**16/16      THE DERBYSHIRE HEALTH AND WELLBEING STRATEGY 2015-17** (Health and Communities) The Strategic Director – Health and



Communities presented a report seeking the endorsement of the Derbyshire Health and Wellbeing Strategy for 2015-17.

Derbyshire's first Health and Wellbeing Strategy was in place from 2012 until 2015. The Health and Wellbeing Board had been engaged for the development of a new Strategy which would be delivered over the next two years until the end of 2017, a copy of which was attached at Appendix 1 to the report.

**RESOLVED** to (1) endorse the Derbyshire Health and Wellbeing Strategy 2015-17; and

(2) note that the Strategy would be presented to full Council.

**17/16      HIGHWAYS AND TRANSPORT CAPITAL PROGRAMME 2016-17** (Highways Transport and Infrastructure) The Strategic Director – Economy, Transport and Environment sought Cabinet approval to undertake early design and preparatory work for the Highways and Transport Capital Programme 2016-17, to enable the publication of notices for applications for permits to work. Details of the projects involved were provided in Appendix 1 to the report. Each project had been assessed against the objectives and asset management principles of the Local Transport Plan in order to ensure that it complied with agreed priorities.

**RESOLVED** to approve preparatory work, including design and the publication of notices and applications for permits to work, be undertaken on a number of potential schemes as detailed in Appendix 1 to the report in advance of the Economy, Transport and Environment Department's Service Plan Refresh 2016-17.

**18/16      PROPOSED CHANGES TO LOCAL BUS SUPPORT** (Highways Transport and Infrastructure) The Strategic Director – Economy, Transport and Environment sought approval to consult on proposals to cease all County Council funding for subsidised local bus services (supported bus services) and to approve in principle, subject to public consultation, an initial two and a half year funding programme to provide demand responsive transport.

Most local bus services in Derbyshire were provided on a commercial basis without any subsidy from the County Council. The Authority however, had an important role in supplementing this commercial network by subsidising public transport services for less populated areas of the County and at times and days where services were not commercially viable. The County Council had made significant funds available for public transport over many years, and of the 27.4m bus journeys made in Derbyshire in 2014-15, 4m (14.6%) were made on Derbyshire County Council's supported services. It had only been possible however, to sustain this level of support since April 2015, by the use of £3.5m over two years from the General Reserve.

A list of all local bus services currently supported, either partly or fully, by the County Council was attached at Appendix 1 to the report and maps detailing the coverage of the network of commercial bus services in Derbyshire and those areas where the only bus services currently available were those supported by the Council were shown at Appendix 2 to the report. This showed the services and journeys at risk from the proposal to withdraw funding for supported bus services.

Some local bus contracts were due to expire on 31 March 2017 and a procurement process of bus contracts took up to nine months. It was therefore proposed that consideration should be given as to whether it was possible to extend those contracts to October 2017 to enable consultation to be carried out and a decision to be made as to the future of supported local bus services.

The significance of the proposed withdrawal of funding for supported bus services could not be overstated. This transport enabled it users to access essential services and opportunities which might otherwise not be open to them and cessation of funding would leave large areas of Derbyshire without any access to local bus services and, given the parallel proposal to withdraw grant funding for Community Transport from October 2017, potentially without any transport alternative. The loss of the supported bus network would impact on the ability of people to lead independent lives which included access to key services such as healthcare, shopping, education and training and employment opportunities.

Consideration had been given as to how some of the adverse effects could be mitigated for example, by encouraging bus operators to extend the network of commercial services and by introducing a new type of flexibly routed service. If the proposals were to be adopted, it was envisaged that the Council would take every opportunity to encourage transport operators to expand the coverage of commercial bus services, with a view to enabling as many replacements as possible to be available for journeys currently made through the supported bus network.

The Council would help facilitate and co-ordinate commercial opportunities developed by individual operators and would work with operators to create the right circumstances to encourage sufficient passenger use for commercial services to be viable. The Council could not however oblige any operator to provide commercial services, and it was therefore not possible at this stage, to anticipate the extent that commercial alternatives might be developed if the proposals to withdraw financial support were implemented. It was also recognised that commercial alternatives were unlikely to be viable in many areas particularly those for deeply rural areas where the population was sparse. A development of funded Demand Responsive Transport (DRT) solutions, as an alternative to conventional fixed route scheduled services was possible, but such services did not provide the frequency or the simplicity of a conventional “turn up and go” service, but they did enable a level of service to be maintained in areas that might otherwise be without a service. It was an

approach that had been adopted in other areas of the country where there had been a desire to maintain some level of public transport service. Further details of the DRT proposal was presented in the report.

The consultation process would provide the Council with an insight and better understanding of the impact of the proposed cuts and mitigation measures. It would be aimed in particular, at passengers who used supported bus and Dial-a-Bus services, both of which could be affected by the proposed withdrawal of funding. As well as seeking views on the possible withdrawal of the services, the consultation would also need to seek responses to the proposed DRT and “aCTive travel bus” services. Consultation would take place in line with the Council’s commitment to transparent decision-making and ensure that all interested parties had an opportunity to comment on the possible changes. An Equality Impact Analysis would be undertaken in parallel with the public consultation to provide Members with an understanding of the effects of the cuts on particular groups and communities. Details of the proposed consultation process were presented in the report.

The reduction measures considered in the report accounted for the ending of funding from reserves from October 2017, together with a further budget reduction of £0.8m from 2017-18. Cabinet was asked to agree that an additional £1.25m from the General Reserve be allocated to maintaining the current supported bus network until October 2017. The resulting reduction in funding for supported bus service contracts totalled £4.39m by 2018-19. The changes would leave a total budget of £1.34m a year, including £0.90m devolved from Government since January 2014 for Bus Subsidy Review Grant.

**RESOLVED** to approve (1) to undertake public consultation on proposals to withdraw all funding for existing supported local bus services and Dial-a-Bus service from 1 October 2017;

(2) to receive a further report on the future of all County Council subsidised local bus services and Dial-a-Bus services following the conclusion of the consultation process;

(3) to allocate £1.25m from the General Reserve to maintain existing supported local bus services between 1 April 2017 and 30 September 2017; and

(4) in principle, to allocate funding of £1.34m per year 2017-18 for an initial three years, including £0.90m previously ring-fenced as bus subsidy revenue grant, to provide DRT, should the outcome of the consultation lead to a decision to withdraw funding for local bus services and community Dial-a-Bus services.

**19/16      PROPOSED CHANGES TO COMMUNITY TRANSPORT SERVICES** (Highways, Transport and Infrastructure) The Strategic Director – Economy, Transport and Environment reported to Cabinet on the results of

public consultation on proposed changes to Community Transport services, to consider the way forward and to seek approval to carry out a new public consultation. The report also made recommendations about the continuity of funding for the Wheels-to-Work scheme.

At its meeting on 7 July 2015, Cabinet approved proposals to consult on changes to Community Transport services, details of which were presented in the report. It was anticipated that, if implemented, these changes would have resulted in substantial savings. Public consultation had taken place, the outcomes of which were summarised in the report. Following the end of the formal consultation, the County Council received a petition containing over 20,000 signatures which led to a debate at the Council meeting on 2 December 2015. All Cabinet Members were present at the Council meeting and the Director of Legal Services had provided each Cabinet Member with a verbatim record of the petition debate. The issue had also been debated in the House of Commons on 16 December 2015.

The impact of the proposed changes to the Dial-a-Bus and the aCTive travel services were considered in two separate equality analyses, details of which were presented at Appendices 2 and 3 to the report. These, together with the public consultation, showed that the proposed changes would affect some groups more than others: more women than men use the services; most of the passengers were older; and more than half of those who responded considered themselves to be disabled and the latter group included a wide range of disabilities, including people with impaired mobility, dementia and problems with hearing and eyesight. The report provided further detail on the impact of the proposals on the Dial-a-Bus and aCTive travel services.

The report took account of the response to the consultation, including the views expressed by passengers, Community Transport organisations and other interested parties and the Equality Impact Analyses outcome. It set out proposals that addressed the concerns about potential loss of the aCTive travel service and the need for more time to adjust to any new arrangements. However, in light of the County Council's financial position, it was considered that the cost of the existing service was unsustainable, and therefore it was considered that the proposals to reduce the Dial-a-Bus service to a once-a-week service should be approved. All communities in Derbyshire would be provided with a once a week service and whilst journeys might start a little earlier or finish a little later than at present, and there would be a reduction in both the frequency and service and choice of destinations offer, the service should help people to retain their independence and avoid the need to make alternative provision for access to food shopping.

When Cabinet considered the matter on 7 July 2015, it was thought that Public Health and other funding would be sufficient to support a reduced service for at least a year and possibly longer. The Government's Emergency Budget on 8 July 2015, however, had meant that the financial outlook had worsened considerably. Of particular significance had been the in-year

budget cut to Public Health funding which was intended to support the proposed reduced service, which were the subject of the 2015 consultation.

These financial pressures were such that it was now considered that the proposals for a once-a-week Dial-a-Bus service, that formed the basis of the public consultation, could not be sustained in the longer-term. The difficulty that officers had sought to address was reconciling these financial pressures with the views expressed in the public consultation and the concerns highlighted by the Equality Impact Analyses.

In addition, any changes to Community Transport services needed to be considered alongside proposals affecting supported local bus services which were the subject of a separate report to this meeting.

In the circumstances, it was considered that it was no longer appropriate to proceed with tendering for a once-a-week Dial-a-Bus service and that consultation should be undertaken on proposals to withdraw funding for Dial-a-Bus services, (including the flat fare scheme) with effect from 1 October 2017, and a further report to be submitted to Cabinet on the outcome of that consultation to enable a decision to be made as to whether the Council should proceed with the proposals.

In the light of the views and comments expressed in the 2015 consultation, consideration had been given to ways of reducing the impact of the proposed changes and it was suggested that the impact could be mitigated by the use of the Council's Reserves. Further details were presented, but in general terms, the proposals sought to preserve some elements of the existing service such as aCTive Travel, whilst allowing the Community Transport sector more time to adjust to a substantially reduced level of funding. These arrangements could be funded from Reserves on a one-off basis, but would not be to support services on an on-going longer-term basis. A package of measures had been identified to mitigate the impact of budget reductions, details of which were set out in the report.

The proposals would result in a considerable change in the shorter-term but would, subject to the outcome of the proposed consultation, provide stability of funding from October 2017 onwards, albeit at a level considerably below previous levels of spending. The stability of funding was essential in providing confidence for passengers, enabling transport operators to plan ahead and to offer competitive prices, and enabling officers to concentrate on maintaining and improving a service provision.

It was not known to what extent Community Transport organisations, either individually or collectively, would be able to provide services in pursuit of their charitable objectives. It was reasonable to assume, however, that by making use of any surplus generated from their contract work, using their own reserves where available, and drawing on the income from other fund raising activity, the Community Transport organisations should be able to provide a

service to meet some of the needs and concerns identified in the 2015 consultation. In addition, by extending and continuing the grant funding, the Community Transport organisations would have a much longer time period to plan ahead and where possible, identify alternative sources of funding.

The County Council currently had access to Department of Transport development funding of £277,386 and this could be made available to organisations that came forward with practical and robust proposals to increase the effectiveness and level of output from the Community and Voluntary Transport sector.

In 2016-17, the total cost of the proposed grant funding for the eight organisations would be £569,232 for the Dial-a-Bus grant, £120,000 for the operation of the flat fare scheme and £110,000 for the aCTive travel scheme, making a total of £799,232. In 2017-18, the total cost of the proposed grant funding for the eight organisations would be £227,696 for the core Dial-a-Bus grant, £60,000 for the operation of the flat fare scheme and £55,000 for the aCTive travel scheme, making a total of £342,696.

If, following public consultation, it was decided to continue funding these services, they would be procured for through a process of competitive tendering.

The cost of the spending programme could be met from £1,259,999 use of reserves and up to £171,398 per annum from remaining Economy, Transport and Environment Revenue Budgets. In 2015-16, spending on grants to Community Transport and Wheels-to-Work totalled £1,185,776 and the proposals outlined represented a substantial reduction of spending with total spend reducing to £844,232 in 2016-17, £505,197 in 2017-18 and £280,000 a year thereafter. Use of Reserves funding ensured that this spending profile could be achieved whilst still delivering agreed budget reduction targets.

**RESOLVED** to (1) note the outcome of the 2015 public consultation, and the Equality Impact Analysis undertaken on proposed changes to Community Transport services;

(2) agree that a once-a-week Dial-a-Bus service be provided to users' nearest supermarket or town centre;

(3) in the light of the response to the 2015 public consultation to agree:

(i) to continue to provide grant funding for Community Transport organisations for Dial-a-Bus services at a reduced level until 30 September 2017. The grant would include the operation of the flat fare scheme, and aCTive travel at existing rates and totals £799,232 in 2016-17 and £342,696 in 2017-18, subject to approval by the European

Union (EU) of a notification of the giving of State Aid by the County Council.

(ii) funding for the continuation of the aCTive travel scheme for the period 1 October 2017 to 31 March 2020 at an estimated cost of £110,000 per year to be procured through a competitive tendering process.

(iii) that fares for Dial-a-Bus services in 2016-17 should be increased from £2 to £3 for a round trip with effect from 1 April 2016.

(iv) that vehicles supplied to the Community Transport schemes by the County Council could continue to be used for Dial-a-Bus until 30 September 2017, subject to agreement by the EU and that a review of the future use of these vehicles should be undertaken.

(4) confirms that the grant funding arrangements to the Community Transport organisations for Dial-a-Bus and aCTive travel services would end on 30 September 2017 and that any services supported after that date would be procured through a process of competitive tendering;

(5) approves, subject to public consultation, funding for the 'aCTive travel Plus' scheme for the period 1 October 2017 to 31 March 2020 at an estimated cost of £125,000 per year to be procured through a competitive tendering process;

(6) approves the carrying out of public consultation on the withdrawal of funding for Dial-a-Bus services from 1 October 2017, and the proposed introduction of new Demand Responsive Transport and aCTive travel Plus services and notes that a further report would be submitted to Cabinet following completion of the consultation; and

(7) approves funding for the Wheels-to-Work scheme for the period 2016-17 to 2019-20 at a cost of £45,000 per year.

**20/16      REPORT ON THE OUTCOME OF CONSULTATION**  
**REGARDING THE PROPOSED REVIEW OF THE RIGHTS OF WAY**  
**CHARTER** (Highways, Transport and Infrastructure)

The Strategic Director – Economy, Transport and Environment advised Cabinet of the responses of the public consultation and initial consultation with relevant staff and trade unions regarding the proposed review of the Rights of Way Charter.

In July 2015, Cabinet gave approval for a formal consultation to be undertaken and the proposals to revise the Rights of Way Charter and to a review of the staffing structure to meet financial targets. Details of the consultation on the proposed review were detailed in the report. Details of the current Charter targets were presented at Appendix 1 to the report and the revised targets set out at Appendix 2.

**RESOLVED** to approve (1) the revised Rights of Way Charter; and

(2) that the level of detail to be incorporated within the Rights of Way Charter be delegated to the Strategic Director – Economy, Transport and Environment, in consultation with a Cabinet Member – Highways Transport and Infrastructure.

**21/16      DERBYSHIRE CHALLENGE FUND BID TO BUILD AND OPERATE AN INDOOR FAMILY ADVENTURE CENTRE** (Children's

Services) The Strategic Director – Children's Services sought approval for a bid to The Derbyshire Challenge Fund to finance development costs for the proposed building of an indoor family adventure centre.

Children's Services were seeking to build and operate an indoor family adventure centre which would offer visitors an attractive and innovative active and social leisure facility operated on a semi-commercial basis and providing a number of health and social benefits for families, as well as creating a cash surplus for re-investment by the Authority and used to support work with Derbyshire young people.

The key aims of this venture were:

- To create financial support for core funding of the Sports, Outdoor Education Service;
- To give families the opportunity to engage in healthy activity and positive play;
- To provide Children's Services and other strategic partners with an exciting facility for family engagement;
- To create new jobs and apprenticeships for young people in Derbyshire, at no cost to the taxpayer;
- To showcase the Council as an innovative and creative Authority.

The Derbyshire Challenge Fund was established by Cabinet on 22 October 2013 to act as a resource to help develop transformational change initiatives that would contribute to the Council's budget reduction. In accordance with the Derbyshire Challenge Fund bidding and monitoring arrangements, a bid to the Derbyshire Challenge Fund to secure revenue funding to finance these development works was detailed in Appendix A to the report; this bid was given the support of Corporate Management Team.

A key aim of the project was to reduce public sector spend. However, there would be costs associated with the initial development of the project which would require additional funding in the short-term. Funding from the Derbyshire Challenge Fund totalling £115,000 was being sought for project management and building lease identification and transformation.



A Project Manager post would be offered on a secondment or temporary fixed-term basis and the appointment would be made in accordance with the Council's Recruitment and Selection Policy.

**RESOLVED** to approve the Derbyshire Challenge Fund bid for £115,000 to finance development costs for the proposed Indoor Family Adventure Centre.

**22/16      DEDICATED SCHOOLS GRANT (DSG) 2016-17** (Children's Services) The Strategic Director – Children's Services informed Cabinet of various matters relating to the DSG settlement, further details of which were presented in the report. The report also sought approval to a range of measures to enable mainstream schools' budgets to be calculated.

**RESOLVED** to (1) note the 2016-17 DSG settlement;

(2) note that a new national funding formula for schools was due to be implemented by the Government in 2017;

(3) agree that, following consultation with schools, the proposed reduction in the primary lump sum of £12,000 would not be applied;

(4) agree to retain the primary sector's deprivation funding within the formula at 2015-16 cash levels;

(5) agree to the other changes to schools' formula multipliers as set out in 2.2.1;

(6) agree to the allocation of the £5m DSG funding in respect of the Early Help Offer as set out in section 2.2.2;

(7) agree that the re-pooled Early Help funding in 6 above be held at district level to support local provision;

(8) agree to allocate an additional £3.5m from DSG cash reserves to secondary schools for 2016-17 on the basis of pupil numbers as set out in 2.2.3;

(9) agree to the Schools Forum's request to de-delegate funding for the services in accordance with section 2.3 and as set out in Appendix 2;

(10) agree to retain the central Schools Block budgets as set out in Appendix 3;

(11) allow any matters of detail relating to schools' delegated budgets to be resolved by the Strategic Director - Children's Services in consultation with the relevant Cabinet Members; and

(12) note that a further report would be brought on the funding issues relating to the Early Years and High Needs Blocks.

**23/16 CONSULTATION ON CHANGES TO THE POLICY FOR HOME TO SCHOOL TRANSPORT FOR PRE-SCHOOL AND POST 16 STUDENTS WITH SPECIAL EDUCATIONAL NEEDS OR DISABILITY AND 8-11 YEAR OLDS (OVER TWO MILES AND UNDER THREE MILES FROM SCHOOL)**

(Children's Services) The Strategic Director – Children's Services sought approval to undertake consultation on the proposed changes to Derbyshire County Council's Transport Policy for Children and Young People in relation to post-16 students and children of pre-school age with Special Educational Needs or Disability (SEND). The report also sought approval to consult on not providing pre-school travel to children between 8-11 years who lived over two miles and under three miles from school.

Eligibility for post-16 transport and travel assistance arrangements for learners of sixth form age was not prescribed by statute and the County Council must decide what transport and travel arrangements it considered necessary as response to local needs. The post-16 Transport Policy statement which was approved by Cabinet in May 2015, specified the discretionary transport and travel support arrangements that the County Council currently considered necessary to facilitate attendance of post-16 learners (age 16 – 25) who were subject to a statement of Special Educational Needs, a learning difficulty assessment or an Education, Health and Care Plan (EHCP).

The County Council provided the b\_line scheme providing a 25% discounted travel on local buses and trains for all young people accessing learning. It was anticipated that most young people with learning difficulties and/or disabilities should be able to use this to get to their places of learning. Where a student was not able to travel independently, the County Council would, in the first instance, explore if the parent was able to provide transport and received a mileage reimbursement. If this was not possible, the County Council would investigate alternative transport arrangements.

The County Council provided a range of support for learners with learning difficulties and/or disabilities in educational years 12, 13, 14 up to age 25, details of which were presented in the report. The total cost in 2014-15 was £1,562,000 to transport 286 students from home to schools and colleges which was an average cost of £5, 540 per student. The potential maximum savings by ceasing to pay for the travel costs from sixth form aged students would be £1,562,000. The report detailed current provision in respect of young adults (aged 19-25) with SEND, pre-school aged pupils, and children between 8-11 years.

The consultation would seek views on the proposal that from September 2016, the County Council would cease to provide mini-bus, taxi

(solo or shared occupancy), specialist vehicle and mileage reimbursement for the following bands of students and pupils:

- sixth form students and young adults aged 19-25 with learning difficulties or disabilities;
- pre-school age pupils with an assessed need; and
- children aged between 8-11 years who lived over two miles but under three miles from school.

Whilst the County Council continued to encourage the participation of education by persons who were over the compulsory school age, young learners would be expected to meet the full cost of travel between home and the establishment at which they were receiving education or training. The County Council would continue to offer travel concessions; local transport providers and other sources of additional support. The proposal to withdraw the pre-school, post-16 home to school transport and 8-11 year old transport who lived over two miles and under three miles from school would require a six week consultation period which would be arranged to coincide with term-time. Details of the proposed consultation process were contained in the report.

**RESOLVED** to approve (1) to consult on the proposals to cease the provision of transport assistance for;

- (i) learners with learning difficulties and/or disabilities in educational years 12, 13,14 and up to the age 25 that would come into effect from September 2017 for students that received free transport from September 2015;
- (ii) pre-school aged children that would come into effect from September 2016;
- (iii) home to school transport for pupils aged 8-11 who lived more than two miles from school in order to align the County Council's Transport Policy with the statutory guidelines that would come into effect in September 2016; and
- (iv) to carry out a full Equality Impact Analysis (EIA) in relation to these proposals.

(2) to include the proposed cuts to the provision of home to school transport for post-16 students and pre-school aged children within the 2016-17 revenue budget report; and

(3) to receive a further report once the consultation and the EIA had been completed.

**24/16 THE AIMING HIGH DERBYSHIRE OFFER** (Children's Services)  
The Strategic Director – Children's Services informed Cabinet of the outcomes of the consultation and proposals to change the current Aiming High Derbyshire Offer and sought approval to proceed with the implementation of

proposals for future delivery of the offer. Approval was also sought to consult on further proposals to provide short break services to eligible families only following a formal assessment that identified that additional services were necessary.

Consultation on revised proposals to The Aiming High Offer took place between 17 August and 6 November 2015. Consultation was comprehensive and aimed to encourage as many people as possible who might be affected by the proposals to give their views. In total, 103 individual responses were received, a summary of which were presented in the report. The Derbyshire Parent Carer Voice produced a report and response to the proposals, a copy of which were attached at Appendix 1 to the report.

An Equality Impact Analysis (EIA) had been completed to consider the potential impact of the proposed changes and the extent to which any adverse impact could be mitigated. A copy of the outcome of the EIA was attached at Appendix 2 to the report and Cabinet Members confirmed that they had read this analysis.

It was recommended that the following proposals be introduced from 1 April 2016:

- Reduce the annual budget for Aiming High Group Activities from £300,000 to £150,000 with one provider per district commissioned to provide group activities for disabled children. As further consultation was being proposed, it was recommended that contracts be extended for a six month period with the Aiming High Group Activities budget for April 2016 to September 2016 being £75,000;
- Retain the current criteria for families to access Aiming High flexible one-to-one support, without the need for an assessment by MATs or Social Care with a reduction however, in the maximum hours available to families from eighty to forty per financial year;
- Continue to give families the option of choosing a short break grant as an alternative to one-to-one support, with the reduction the maximum grant from £800 to £400 per financial year. In addition, there would no longer be the option for families to use the grant to fund family holidays.
- Implement changes for families, including current users, from 1 April 2016. As further consultation was being recommended on proposals that, if implemented, would affect Aiming High Provision from September 2016 onwards, the flexible one-to-one support and the grant option would be pro-rata to take account of this;
- No longer offer one-off funding to voluntary organisations to provide summer play schemes as providers already offered a range of activities during the summer holidays, therefore the removal of this small grant was unlikely to have an impact on access to summer activities.

- Strictly apply the expectation that (1) families would not be able to access flexible one-to-one support or grant if their child was able to attend a group provision without one-to-one support; and (2) families would not be able to receive both the Aiming High and Social Care provision at the same time.
- Triage requests for Aiming High through Starting Point in order to apply a more consistent approach;
- Extend the current contracts with Aiming High providers for a further period of six months until 30 September 2016, to enable further consultation to take place, noting that variations to contracts would be necessary to reflect decisions taken by Cabinet in respect of reduced Aiming High offer from 1 April 2016.

It was considered that the proposed changes were consistent with the Council's statutory obligations, in particular, those imposed by the Short Break Regulations 2011 and associated statutory guidance. In addition, if these proposals were agreed, the Derbyshire Short Break Services statement would be reviewed with the involvement of parents/carers and republished in order to reflect the changes to the offer.

The financial scenario detailed in the report identified that the need to make savings would continue until at least 2020-21. The Council's need to make further budget cuts meant that the Children's Services budget could ultimately reduce to circa £70m, around half the 2010-11 budget. Consequently, the service had no alternative but to consider implementing savings in key areas and it was with reluctance, that further consideration would need to be given to the provision of services to disabled children and young people and their families, for whom there had been a formal identification of the level of needs.

It was proposed, therefore, that a period of consultation be undertaken on proposals that, if implemented, would;

- cease the Aiming High Derbyshire Offer, associated branding and criteria. Aiming High group activities, flexible one-to-one support and/or grant would no longer be available;
- no longer provide a budget for the delivery of Aiming High Group Activities making a saving of £150,000;
- no longer commission Aiming High Activity weekends;
- offer a formal assessment to those families with disabled children and young people who were unable to access universal services without Short break services/support.
- Short break services would only be provided after the completion of a formal assessment carried out by Derbyshire Children's Services;
- provide and arrange for short break services that were responsive to individual family circumstances and assess needs; and

- give eligible families the choice to access short break services using a direct payment.

Details of the proposed consultation arrangements were presented in the report.

**RESOLVED** to (1) approve the implementation of proposals consulted on and identified in Section 3 of the report.

(2) agree that the revised Aiming High offer should be the same for all eligible families and that a stage reduction for current users would not be introduced;

(3) agree to an extension of contracts with current Aiming High providers;

(4) agree to a further period of consultation and a further EIA of proposals that would, if implemented, provide access to short break services following a formal assessment and identification of needs; and

(5) agree to a report being made to Cabinet following the further consultation exercise.

**25/16 CHILDREN'S CENTRE SERVICES** (Children's Services) The Strategic Director – Children's Services sought approval to consider the implementation of a new model of the service delivery which, following consultation, could potentially result in the closure of some Children's Centres. The report also sought approval to consult on a proposal for an integrated model and 0-5 support pathway with partners such as health, schools and the voluntary sector and to consult on a review of the current staffing of Children's Centres. Agreement was also sought to the methodology and timetable for the review.

It was proposed that the review would inform further work to develop a long-term model for delivery of Children's Centre services in Derbyshire in order to maximise their impact on positive outcomes for young people. The report provided for further detail in respect of Children's Centre buildings and Children's Centres service delivery.

Following phase one of the consultation, the criteria to be applied to identify Children's Centres for more in depth impact assessment work was agreed as;

- (i) needs of the Centre's local population;
- (ii) number of people using the Centre;
- (iii) financial costs of the Centre.

These criteria were applied to generate the recommendations to consult on the closure of two Centres (Ashbourne and Duffield) and reductions in

opening hours of other centres. It was proposed that priority (i) approved by Cabinet be initially applied so as to identify Centres where there was a high level of deprivation and need. The rationale for this approach was taken from the Sure Start Children's Centre Statutory Guidance 2013.

It was proposed that priority (ii) should not be applied as to adhere to the Guidance, the Council was focusing on the need of the local population rather than the number of people using the Centre. If there were a lot of families using the Centre but they were not presenting with high level of need then this was not the best use of the Council's resources.

It was also proposed that although priority (iii) had been taken into consideration to meet the overall budget reductions, it was not an overriding factor for the choice of Centres proposed for closure and had only been considered after level of need and the following factors were taken into account;

- (i) geographical spread of provision across the County and related transport links and travel routes between Centres;
- (ii) suitability for building in terms of condition and location;
- (iii) locations where Thriving Community Projects were in existence;
- (iv) other services in the locality which were accessible to families, health services, other children's services including schools and community services.

It was proposed to retain Centres in the areas of highest need across the County using data from the 2015 Index of Multiple Deprivation. The data located areas with each Children's Centres reach area that were in the top 10% level of deprivation across England, followed by the top 20% and 30%. The proposal was to retain Centres where there was a 10% level of deprivation and then consider others with 20% and 30% alongside factors i-iv above. It was also proposed to use detailed customer segmentation information which was drawn from the 2011 census and was an in-house model used to identify family structures and trends in specifics and all geographical areas. Based on this information and within the budget limitations, it was proposed to keep open the Staveley, Cotmanhay, Birdholme, Bolsover, Shirebrook, Holme Hall, North Wingfield, Matlock, Ironville and Langley Mill Children's Centres as these fell within the top 10% most deprived reach areas.

From an analysis of this additional information, it was also proposed that the following Children's Centres, which would not have qualified on the application of the top 10% most deprived be also retained, namely, Long Eaton (Urban), Woodville, Fairfield, Alfreton, Heanor, Glossop, Hadfield, Creswell and Old Whittington.

Whilst the Council were proposing to close a number of Centres which did not fit within the criteria of high level need, there was a possibility of utilising them to offer support in an alternative way. Section 7 of the Child Care Act 2006 placed a duty on English local authorities to secure early years provision free of charge and the extended free entitlement offer outlined in the Government's manifesto increased the number of free nursery school education hours from fifteen to thirty for three and four year old children of working parents. This meant that the duty of the local authority to secure sufficient provision had significantly increased and one of the challenges was identifying appropriate accommodation, preferably on school site. A number of the proposed closure sites were ideally situated to provide this extended offer which could be provided either by the school, or a private, voluntary or independent sector partner.

The report detailed the Children's Centres the Council would be consulting for potential closure. Appendix 1 to the report detailed how families who lived in the areas of Children's Centres it was proposed to close, would be able to continue to access services. This aspect would be considered in further detail alongside an analysis of travel availability, distance and cost, during the period of public consultation and Equality Impact Analysis. Consultation would also include seeking comments in the proposed criteria as detailed in the report as well as the provisional identification of Centres proposed for closure.

It was proposed that, subject to decisions following consultation, the Centres would be staffed by a total forty full-time equivalent frontline workers across the County. The combination and level of work allocated to a Centre would be determined by a resource allocation based on local need and priorities. It was also proposed that the Centres be managed across the County by a total of 9fte Children' Centre Co-Ordinators with a responsibility of two or three Centres each depending on the distance between each Centre in each locality.

The proposed process and timescales for the review were set out in Appendix 2 to the report.

**RESOLVED** to agree (1) that a review of Children's Centre Services be undertaken, which could potentially result in the closure of some Centres and reductions to staffing;

(2) the proposed methodology and timetable for the review, including a period of public consultation on a new model for Children's Centre service delivery;

(3) that consultation takes place and the proposals contained in the report and that a full Equality Impact Analysis would also be undertaken; and

(4) that a further report be submitted to Cabinet once these processes be completed.



**26/16      REFURBISHMENT OF ROWTHORNE HOME FOR OLDER**

**PEOPLE** (Adult Social Care) The Strategic Director – Adult Care sought approval for refurbishment works up to the value of £291,500 to be undertaken at Rowthorne Home for Older People with the work being undertaken by the Council's Property Services Division.

On 16 June 2015, Cabinet approved capital funding for a programme of refurbishment work to be undertaken to the Council's own homes for older people. The work was part of a revised strategy for accommodation, care and support for older people with the intention to improve the physical environment within the Council stock of residential care homes for older people. Property Services had undertaken assessment of property performance surveys on each of the Council's homes and from this a comprehensive schedule of required improvements had been drawn up and Rowthorne had been identified as the highest priority.

The total estimated costs of the project was £291,500, further details of which were presented in the report.

**RESOLVED** to approve the programme of refurbishment works to be undertaken at the Rowthorne Home for Older People up to the value of £291,500, with the work to be undertaken by the Council's Property Division.

**27/16      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 the meeting of Cabinet held on 15 December 2015.
- (2) To receive the exempt minutes of Cabinet Member meetings as follows:
  - (a) Adult Social Care - 18 November 2015
  - (b) Health and Communities – 24 November and 15 December 2015
  - (c) Children's Services – 8 December 2015
  - (d) Council Services – 14 December 2015 and 4 January 2016
  - (e) Strategic Policy, Economic Development and Budget – 15 December 2015
  - (f) Highways, Transport and Infrastructure – 18 December 2015
- (3) Report of the Strategic Director - Corporate Resources on the Craft Travel Settlement (Council Services) (contains information relating to the financial and business affairs of any particular person, including the Authority holding that information).

- (4) Report of the Strategic Director – Corporate Resources on the Supply of Vehicle Hire (Council Services) (contains information relating to the financial business affairs of any particular person, including the Authority holding that information).
- (5) Report of the Strategic Director – Economy, Transport and Environment on the Outcome of Consultation Regarding the Proposed Review of the Rights of Way service (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).
- (6) Report of the Strategic Director – Economy, Transport and Environment on the Supply of Traffic Sign Plates (Highways, Transport and Infrastructure) (contains information relating to the financial business affairs of any particular person, including the Authority holding that information).
- (7) Report of the Strategic Director – Children's Services on the Appointment of Contractor to Replace Glossopdale Community School (Children's Services) (contains information relating to contracts).
- (8) Report of the Strategic Director – Children's Services on Consultation with Staff on the Reform of the Special Educational Needs and Disability Services (Children's Services) (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).
- (9) Report of the Strategic Director – Adult Care on Home Care Provision at Waltham House Extra Care Scheme Award of Contract (Adult Social Care) (contains information relating to the financial business affairs of any particular person, including the Authority holding that information).
- (10) Report of the Strategic Director – Adult Care on the Award of Contracts for Handy Van Services (Adult Social Care) (contains information relating to the financial business affairs of any particular person, including the Authority holding that information).
- (11) Report of the Strategic Director – Economy, Transport and Environment on the Countryside Service 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).