

**MINUTES** of a meeting of **CABINET** held on 27 November 2012 at County Hall, Matlock

**PRESENT**

Councillor A I Lower (in the Chair)

Councillors J A Allsop, J P Harrison, Mrs C A Hart, C W Jones, B Lewis, M V Longden, K L Parkinson and S A Spencer.

Councillor S Flitter also attended the meeting.

**Declarations of Interest**

Councillor J A Allsop declared a personal interest in agenda item 6(b) – Revenue out-turn as Chairman of the Derbyshire Environmental Trust.

Councillor Mrs C A Hart declared a personal interest in agenda item 10(a) – CWDW Accommodation Project, Heanor, Ilkeston and Long Eaton as Deputy Leader of Erewash Borough Council.

**342/12      ITEMS RAISED BY THE MINORITY GROUPS      Councillor      S**  
Flitter raised the following:-

Agenda item 6 (h) – Digital Derbyshire – Was there a danger of the State Aid clearance not being forthcoming and how far along the procurement process could we go without incurring costs should approval not be received?

Agenda item 6 (i) – Derbyshire Apprenticeship Programme – Many jobs in the ‘visitor economy’ were seasonal, short term and low paid. What help and encouragement could the Council offer, apart from the £1,500, to create real jobs that allow a chance of securing a better future for young people where manufacturing and industry are not an option in rural areas?

Agenda item 6 (j) – Social Fund in Derbyshire – How much of the set up funding will be allocated to staff training? There is a reduction in administrative funding in 2014/15 – who will make up the shortfall? Will the new staffing structure be a transfer of staff and, if so, what will be the savings, if any, within the present structure?

Agenda item 6 (k) – New Youth Offer – We are informed that more young people are taking part, whether in youth clubs or other venues. What is the present number of Council-run youth clubs and what and where are the increases? As more sessions have taken place, do we count someone two or three times as they attend more than one event or are the numbers an actual increase in young people? The report also refers to an increase in

participation in sports/arts and creative sessions and I would welcome more information on this.

Agenda item 6 (I) – Contact Pilot – Commissioning an external provider will release a number of staff – will these redeployed?

**343/12**     **MINUTES**     **RESOLVED** that the non-exempt minutes of the meeting of Cabinet held on 6 November 2012 be confirmed as a correct record and signed by the Chairman.

**344/12**     **CABINET MEMBER MEETINGS**     **RESOLVED** to receive the non-exempt minutes of Cabinet Member meetings as follows:-

- (a)     Technology and Recycling – 25 October 2012.
- (b)     Highways and Transport – 30 October 2012.
- (c)     Finance and Management – 2 November 2012.
- (d)     Education – 5 November 2012.
- (e)     Regeneration – 6 November 2012.

**345/12**     **BUDGET MONITORING 2012/13**     An update was presented on the latest Budget Monitoring positions at 31 August 2012. Officers had provided additional updates to take the position up to the period to the end of November. There was an overall departmental overspend of £5.616m which, after consideration of centrally held budgets and expenditure, would lead to an expectation of an overall underspend for the Council of around £4.7m. Monitoring would continue and the position was expected to improve as the year progressed.

**RESOLVED** that the 2012/13 budget monitoring position be noted.

**346/12**     **REVENUE OUTTURN 2011/12**     The final outturn position for 2011/12 was reported to Cabinet on 4 September 2012, the report identifying significant variations from the revised estimate and identifying any commitments already agreed against the underspend.

The outturn position and commitments for each department were now summarised. Decisions regarding the balance of £13.955m were still to be approved and departments had been asked to provide details of their proposals which were now reported. After approval of the departmental proposals for the use of underspends, a balance of £0.691m would be returned to the general reserve.

**RESOLVED** to approve the proposals for the use of underspends as detailed in the report.

**347/12      TREASURY MANAGEMENT**      A report was presented on Treasury Management activities for the first half of 2012/13 and for the last financial year 2011/12, indicating the Council's compliance with the prudential indicators set by Council in accordance with the terms of the Prudential Code in Capital Finance in Local Authorities.

Financial Regulations required an annual report to Members which was in accordance with the recommendations of the CIPFA Code of Practice on Treasury Management. Also under the terms of the Prudential Code, the Council was required to set a series of prudential indicators each year to ensure that any capital expenditure and related borrowing undertaken was prudent, affordable and sustainable.

**RESOLVED** (1) that the report on Treasury Management for the year 2011/12 and the first half of 2013 be noted; and

(2) that compliance with prudential indicators be noted.

**348/12      LOCAL AUTHORITY MORTGAGE SCHEME**      The Local Authority Mortgage Scheme (LAMS) had developed as a result of a number of local authorities wanting to take a proactive approach to support their local area, increase the supply of affordable housing and assist first-time buyers who can afford mortgage repayments to purchase a property. It was a national scheme operated by Sector Treasury Services Limited, available to all local authorities and mortgage lenders.

If a Derbyshire County Council LAMS was approved it was intended to move ahead as quickly as possible and discussions with District/Borough Councils had suggested that many of them were looking to take part in LAMS. The Council would liaise with all district councils to ensure that the Council scheme did not lead to unnecessary duplication of LAMS.

There were a number of financial institutions that had signed up to LAMS and providing coverage within Derbyshire. The LAMS was administered nationally by Sector who provided the procurement framework for financial institutions to be selected from and support the Council throughout the lifecycle. In order to procure this service, a fee of £3,000 was payable to Sector. Once the Council had access to the Sector scheme, a selection process would commence to choose the most appropriate provider. A further report would follow in due course to recommend the select provider and launch date.

Whilst the County Council was not a housing authority, it clearly had a very significant role in terms of promoting economic prosperity within the County. Participation in LAMS, by way of lending to Banks in a manner which allowed them to make more affordable mortgages available to people who did not currently have the resources to put a significant deposit into a

house, would assist in stimulating the property market within the County. This could only be positive for economic growth.

**RESOLVED** (1) that the County Council participate in the Local Authority Mortgage Scheme (LAMS);

(2) that Standing Orders Relating to Contracts be waived to allow the County Council to join the Sector procurement framework at a cost of £3,000; and

(3) that a further report be brought back to Cabinet to approve the financial institution selected and specify full terms and conditions of a LAMS.

**349/12      COUNTY HALL (SOUTH COMPLEX) STRUCTURAL REPAIRS TO FORMER PLATE GLASS STORE**

Approval was sought to spend £130,000 from the Capital Contingency Budget for urgent structural repairs to an area that was previously used as a glass store located between the main tarmac terrace at the eastern end of the County Hall Terrace. The roof to the store and adjacent veranda columns were supported by steel framework which had extensive corrosion and was beyond repair.

**RESOLVED** that approval be given to £130,000 being allocated from the Capital Contingency Budget for urgent structural repairs to the former glass store at County Hall.

**350/12      AUTO-ENROLMENT INTO THE PENSION SCHEME**

The Pensions Act 2008 required employers to comply with new pension duties which were being introduced in stages from 1 October 2012. All employers had been allocated a “staging date” from which the duties would first apply to the employer and, for the County Council’ this was 1 February 2013. From this date the Council would be required to automatically enrol employees who met a set of defined criteria into a relevant pension scheme. The new duties meant that certain employees (known as eligible job holders) would be automatically enrolled into the appropriate pension scheme with the right to opt out. This process was repeated every 3 years whereby eligible employees who were not contributing to the scheme were auto-enrolled.

Whilst the Council’s staging date was 1 February 2013, there was provision to postpone auto-enrolment for a period of up to 3 months. For the Council, it was considered appropriate to postpone the introduction until 1 April 2013. In addition, the Council could choose to apply a “transitional delay” period in order to delay automatic enrolment for existing eligible job holders who were not currently pension scheme members until 1 October 2017. The benefits of applying the transitional delay period were that any increase in employer’s contributions as a result of auto-enrolment would be deferred and administratively there would be a time and resource saving in not

auto-enrolling in the region of 1,700 existing employees. It had been estimated that, as a worst case scenario, an additional £3m would be required in the event of all eligible employees being auto-enrolled and not then withdrawing. For these reasons, it was recommended that the Council apply the transitional delay period for existing eligible job holders until 1 October 2017.

The Regulations presented a challenge for employers in respect of employees who had variable pay. The Council could postpone auto-enrolment for a period up to 3 months following appointment of any employee who, due to their earnings in any pay reference period, appeared to meet the eligible job holder criteria. This would reduce the number of times that the Council would be required to write to individuals who had a variable pay and who may activate the eligible job holder “trigger”. It was proposed that the Council auto-enrol employees where the preceding 3 months’ salary indicated that they would be likely to exceed the £8,105 threshold commencing April 2013.

**RESOLVED** (1) to approve the postponement of auto-enrolment until 1 April 2013;

(2) to approve the application of a transitional delay period for existing eligible job holders until 1 October 2017; and

(3) that auto-enrolment for casual and relief employees be based on their level of earnings on a rolling 3 month average commencing April 2013.

### **351/12      CHANGING THE WAY DERBYSHIRE WORKS PROGRAMME**

An update was presented on recent progress relating to the Changing the Way Derbyshire Works Programme which had been initiated in August 2009 with the intention of helping the Council to respond to increasingly demanding financial savings targets whilst seeking to minimise the impact on frontline services.

Projected savings as a result of the programme were of the order of revenue savings of £19.7m by 2016/17 and Capital Receipts of £4.6m to date and a further £18m in coming years.

**RESOLVED** that the progress report be noted.

**352/12      DIGITAL DERBYSHIRE** In August 2011, the Government committed funds into the UK’s broadband network and BDUK was the Government agency responsible for managing the overall programme. BDUK awarded the Council a grant of £7.39m subject to a matching amount being found locally and approval of our Local Broadband Plan. The Council had approved a one-off contribution of £1.056m and agreed to underwrite the

outstanding balance of £6.334m to secure the grant. The intention was to seek external funds to reduce the amount underwritten by the Council. BDUK approved the Derbyshire Local Broadband Plan.

Since that time, a significant amount of work had been undertaken to raise awareness in the local business and domestic market and to access match funding. Unfortunately, delays at a national level in gaining approval to key elements of the programme meant that the timetable for implementation was slipping across the whole of the country. A major holdup in the timetable related to State Aid although the cabinet member was able to report that this had been received on 20 November. BDUK were working on the basis that the implementation of the overall programme would be accelerated and Derbyshire had been allocated a slot using the National Framework. The revised indicative timetable was for invitation to tender in March 2013 and contract award in July 2013. Cabinet agreement was sought to approve the commencement of the procurement phased of the programme using the National Framework.

In addition, the Council was working in partnership with Henry Boot Development Limited to explore opportunities for bringing superfast broadband to Markham Vale Enterprise Zone.

**RESOLVED** (1) to note the delay to the national timetable for implementation although State Aid approval had now been received;

(2) to note the Council's progress, national recognition and continued importance of driving demand management and market stimulation across the County to recover any national timetable slippage;

(3) to approve the commencement of procurement of the Digital Derbyshire Broadband Programme at the earliest opportunity;

(4) to note that the next stage in the process for Cabinet approval would be the launch of the draft Invitation To Tender, programmed for March 2013; and

(5) to note the work being undertaken to accelerate the availability of superfast broadband access to the Markham Vale Enterprise Zone.

**353/12     DERBYSHIRE APPRENTICESHIPS PROGRAMME** A report was presented on the progress of the Derbyshire Apprenticeship Programme introduced in 2011 to create additional apprenticeship places in the County and to seek approval to develop a second phase of the County Council's Apprentice Grant for Employers scheme.

The County Council's private sector grants scheme to encourage employers to recruit more apprentices had proved to be extremely successful with 200

new apprenticeships supported. The scheme had been administered on the Council's behalf by Learning Unlimited, part of the Chesterfield College Group and this provided grants of £2,500 to local businesses employing less than 50 employees to recruit 16/17 year olds who were not in education, employment or training.

Given the success of the scheme, it was appropriate to develop a second phase and discussions had taken place with the National Apprenticeship Service to ensure that any further development was complementary to the national scheme of Apprentice Grants for Employers. It was proposed that, for the second phase of the scheme, the County Council would "top up" the national grant of £1,500 by contributing an additional £1,000. Approval of a contribution of £330,000 for the second phase would be required which would fund an additional 300 new private sector apprenticeship grants and, in order to support the Council's priorities, it was suggested that the County Council's contribution should be subject to set criteria with targeting towards specific sectors important to Derbyshire's economy.

Discussions were also under way with Arts Council England to identify how the Council could support the delivery of their programme which would create an additional 6,500 apprenticeships in the creative industries sector nationwide. The aim would be to ensure that Derbyshire residents were in a strong position to benefit from this programme.

**RESOLVED** (1) to note the success of the Council's Apprenticeship Grants Scheme to support young people into employment and to help the local economy, which had resulted in an additional 200 new apprenticeships being created in Derbyshire's local small companies;

(2) to approve a contribution of £330,000 to enter into partnership with the National Apprenticeship Service to create an additional 300 new private sector apprenticeship places in the local economy as detailed in the report;

(3) to note that the number of additional new private sector apprenticeship places supported by the County Council would rise to 500 in total by 31 March 2013;

(4) to note the progress in creating 500 apprenticeship places within the County Council in the period 2012/2015; and

(5) to note that discussions were under way with Arts Council England to identify how the Council can support the delivery of their programme which would create an additional 6,500 apprenticeships in the creative industries sector nationwide.

**354/12      PROPOSAL FOR THE LOCAL ADMINISTRATION OF THE SOCIAL FUND IN DERBYSHIRE – TO BE KNOWN AS THE DERBYSHIRE DISCRETIONARY FUND**

As part of the Government's welfare system reforms, the County Council was required to make provision to replace the Community Care Grant and Crisis Loan schemes with a scheme for local welfare provision. Community Care Grants were non-repayable grants awarded for a range of items including household equipment to support vulnerable people to return to or remain in the community or to ease exceptional pressures on families. Crisis Loans were interest free loans available to anyone who could not meet their immediate short term needs in an emergency or as a consequence of a disaster.

The common view was that a scheme based on loans would be difficult to implement and would not be cost effective in the local government context. The cost of debt recovery would very likely outweigh the gains where we were seeking to recover loans from a client group that was obviously struggling to meet everyday living expenses. It was, therefore, proposed to make grants only, with the majority of awards being made through payments in kind and limited provision of cash payments in emergencies.

The Government expected the localised funding to be concentrated on those citizens facing greatest difficulty in managing their income and to enable a more flexible response to unavoidable need perhaps through a mix of cash or goods and aligning with the wider range of local support by the County Council and other agencies already offered. Given the tight timescale for the set up and delivery of local welfare provision and the uncertainties over future demand, the current approach of the Department for Work and Pensions would be applied wherever practicable and appropriate. This would allow the Council to gauge the adequacy of the funding relative to presenting needs. The intention was that the Derbyshire Scheme would be reviewed over the next two years as better local data was collected and analysed.

Derbyshire's financial settlement was for setup funding of £15,310 in this financial year with programme funding of £1.531m and administration funding of £323,520 in 2013/14 and programme funding of £1.531m and administrative funding of £296,541 in 2014/15. It was proposed to establish a stand-alone team within the existing Welfare Benefits Information and Advice Section and a staffing structure to be funded from the DWP allocated funding.

**RESOLVED** (1) to approve the proposals set out in the report to deliver local welfare provision for Derbyshire citizens through a Derbyshire Discretionary Fund from 1 April 2013;

(2) to approve the waiving of Standing Orders to enable the purchase of the Family Fund Trust's pre-paid goods procurement/fulfilment service which was a unique web-based procurement system; and



(3) to approve the establishment of an inter-departmental advisory group to provide strategic oversight, monitoring and review of the Fund.

**355/12      NEW YOUTH OFFER – SUMMER ACTIVITIES 2012** A report was presented on the Summer Activities Programme 2012 which had been undertaken as part of the new Youth Offer. A target to increase summer activities in 2012 by 50% had been set. County Council Youth Workers had provided 856 sessions of youth activity, a 73.6% increase from over the same period in 2011.

**RESOLVED** that the report be noted.

**356/12      CONTACT PILOT** The Children in Care population had grown significantly in the last 3 years resulting in an increase in Court-ordered supervision contacts between children and their birth families. This had a direct impact on the capacity of the Family Support Centres and had reduced their ability to undertake preventative work aimed at enabling children to remain with their families or to be safely returned to their families from care.

It was proposed to commission a provider on a pilot basis to provide up to 3,600 low level contacts and the pilot area proposed was Bolsover and North East Derbyshire Districts. Commissioning an external provider would release 5.8fte Family Support Workers and 2.4fte Social Workers which equated to over £300,000 of skilled staff resources.

The impact of the pilot provision would be evaluated throughout, with a focus on cost effectiveness and quality, consistency and flexibility. During the period of the pilot, the time released to the Family Support Centres would be focused on intervention to enable children on the edge of care proceedings to remain in their birth families. The target was to enable 10 children to remain within their birth families, avoiding costs of between £156,000 and £416,000 from the placement budget for Children in Care. If the target was achieved, and subject to positive evaluation, the pilot would be considered for roll out across the County with a proposal that the anticipated cost avoidance be reinvested in a Countywide commissioned service for provision of supervised contact.

**RESOLVED** to pilot a Contact Service for 1 year in the Bolsover and North East Districts of Derbyshire to reduce the Children in Care population, at an annual cost of not more than £200,000.

**357/12      EXCLUSION OF THE PUBLIC FROM THE MEETING**

**RESOLVED** to exclude the public from the meeting during the consideration of the remaining items on the agenda to avoid disclosure of the

kind of exempt information contained in the following summary of proceedings.

**SUMMARY OF PROCEEDINGS CONDUCTED AFTER THE PUBLIC HAD BEEN EXCLUDED FROM THE MEETING**

(1) Confirmation of the exempt minutes of the meeting of Cabinet held on 6 November 2012

(2) Receipt of the exempt minutes of Cabinet Member meetings as follows:-

(a)	Finance and Management	2 November 2012
(b)	Education	5 November 2012
(c)	Regeneration	6 November 2012

(3) Consideration of exempt reports as follows:-

- (a) Changing The Way Derbyshire Works Accommodation Project – Heanor, Ilkeston and Long Eaton Cluster (containing information relating to the financial or business affairs of any particular person (including the Authority holding that information)) and (contains information relating to labour relations matters)
- (b) Residential Short Breaks for Disabled Young People and Young Adults (containing information relating to the financial or business affairs of any particular person (including the Authority holding that information))
- (c) Markham Vale (containing information relating to the financial or business affairs of any particular person (including the Authority holding that information))
- (d) Replacement of ICT Systems (Software) used exclusively within the Environmental Services Department (containing information relating to the financial or business affairs of any particular person (including the Authority holding that information))
- (e) North Derbyshire Composting Project – Arkwright In-Vessel Composting Facility – Update on Construction (containing information relating to the financial or business affairs of any particular person (including the Authority holding that information))
- (f) Care Manager Review (containing information relating to labour relations matters)

- (g) Extra Care Procurement SSD 10 10 Foolow Court Overage Proposal (containing information relating to the financial or business affairs of any particular person (including the Authority holding that information))
- (h) Day Services for Older People in Chesterfield (containing information relating to the financial or business affairs of any particular person (including the Authority holding that information))
- (i) Catering Service – Income Collection Services (CTP633) (containing information relating to the financial or business affairs of any particular person (including the Authority holding that information))
- (j) Replacement of the DSAS System for Schools with the SAP System (containing information relating to the financial or business affairs of any particular person (including the Authority holding that information))
- (k) Commissioning of Domestic Abuse Services for Children and Younger Adults (containing information relating to the financial or business affairs of any particular person (including the Authority holding that information))