

DERBYSHIRE COUNTY COUNCIL

COUNCIL MEETING

6 February 2019

REPORT FROM CABINET

Purpose of the Report

To provide information to the Council on issues considered by the Cabinet at meetings held on 29 November and 20 December 2018 and 24 January 2019 and to enable Members to ask related questions.

Members may submit questions on the report to the Director of Legal Services by 12 noon on 5 February 2019.

Information and Analysis

29 November 2018

1. D2 ENTERPRISE GROWTH FUND

The Strategic Director – Economy, Transport and Environment sought approval to retain previously approved £200,000 from reserves and commit as match funding to the new extended project ‘D2N2 SME Growth and Innovation Programme Phase 2’ to deliver the Derby and Derbyshire (D2) Enterprise Growth Fund and support economic growth in Derbyshire, and to note progress with the submission of the current European Regional Development Fund.

Decision

Cabinet (1) approved the re-allocation of £200,000 of the previously approved earmarked reserve as match funding for the Derby, Derbyshire, Nottingham and Nottinghamshire small and medium enterprises Growth & Innovation Programme Phase 2 project, and (2) noted that a further report would be required to endorse the European Regional Development Fund project and revise existing partnership agreements including the Service Level Agreement subject to approval by the Ministry of Housing, Communities and Local Government.

20 December 2018

2. PUBLIC LIBRARY STRATEGY

The Strategic Director – Commissioning and Communities informed Cabinet of the results of the public consultation on the draft Derbyshire Public Library Service Strategy and the outcome of the Equality Impact Analysis. Approval was sought to implement a revised strategy, based on feedback from the public consultation; to agree one off funding of £742,000 to support the transition to Community Managed Libraries and to send notification of the proposals as amended to the Secretary of State at the Department for Digital, Culture, Media and Sport.

Decision

Cabinet (1) noted the results of the public consultation and the outcome of the Equality Impact Analysis; (2) approved the implementation of the revised Libraries for Derbyshire Strategy, as amended in light of feedback from the public consultation; (3) agreed one-off funding of £742,000 to support the transition to Community Managed Libraries; (4) approved officers sending notification of the proposals contained within the report to the Secretary of State at the Department for Digital, Culture, Media and Sport; and (5) agreed further decisions relating to the implementation of the Libraries for Derbyshire Strategy, except as stated in the report to be subject to future Cabinet decisions, be delegated to the Strategic Director - Commissioning, Communities and Policy, in consultation with the Cabinet Member - Strategic Leadership, Culture and Tourism.

3. BUDGET MONITORING 2018-19

The Director of Finance and ICT provided Cabinet with the Revenue Budget position for 2018-19 as at 31 August 2018.

Decision

Cabinet noted the 2018-19 budget monitoring position as at 31 August 2018.

4. CORPORATE CHARGING POLICY

The Director of Finance and ICT sought approval of the Council's updated Corporate Charging Policy.

Decision

Cabinet approved the updated Corporate Charging Policy.

5. MID-YEAR TREASURY MANAGEMENT REPORT 2018-19

The Director of Finance and ICT provided Cabinet with details on the latest performance of the Treasury Management function and to sought approval to adopt changes to the Council's borrowing limits.

Decision

Cabinet (1) noted the interim report on Treasury Management for 2018-19; (2) noted compliance with the prudential indicators as shown in the compliance section of this report; (3) approved an increase in the short-term (one year or less) borrowing limit from £62m to £100m, to give the Council additional capacity and flexibility to respond to unforeseen expenditure; and (4) approved that the maturity structure of borrowing is amended as follows:

(a) Loans under twelve months – Upper Limit increased from 20% to 30% as additional short-term borrowing is utilised to smooth out cash-flow peaks and troughs; and

(b) Loans over thirty years – Lower Limit reduced to Nil, as the Council continued to follow the policy of utilising internal borrowing, rather than incurring additional interest costs from borrowing externally.

6. RESPONSE TO HIGH SPEED 2 LTD WORKING DRAFT ENVIRONMENT STATEMENT AND WORKING DRAFT EQUALITIES IMPACT ASSESSMENT CONSULTATIONS

The Strategic Director – Economy, Transport and Environment set out the County Council's response to the recently published Working Draft Environmental Statement (WDES) and Working Draft Equalities Impact Assessment (WDEIA) for High Speed Rail 2 (HS2) and sought approval to submit the response to Government before the closing date on 21 December 2018.

Decision

Cabinet agreed the Council's draft response to the Working Draft Environment Statement and Working Draft Equalities Impact Assessment for Phase 2b and delegated authority to the Strategic Director – Economy, Transport and Environment, in consultation with the Cabinet Member - Highways, Transport and Infrastructure, to approve the final response for submission by 21 December 2018.

7. LOCAL GROWTH FUND PROGRAMME – UPDATE AND PROPOSALS FOR WHITTINGTON MOOR ROUNDABOUT

The Strategic Director – Economy, Transport and Environment advised Cabinet of the progress and issues regarding planned improvements to Whittington Moor roundabout and implications for external funding and the Council's Capital Programme.

Decision

Cabinet (1) noted that the A61 Whittington Moor roundabout scheme was proposed to be withdrawn from the Local Growth Fund programme of the Derby, Derbyshire, Nottingham and Nottinghamshire Local Enterprise Partnership (D2N2 LEP); (2) noted that programmed schemes for improvements at Sheepbridge Lane in Chesterfield would proceed as planned; (3) agreed the inclusion of potential longer-term major improvements at Whittington Moor, Lockoford Lane and Hollis Lane in the County Council's initial submission of potential Major Road Network projects to Midlands Connect; (4) agreed to the re-allocation of the existing £1.62m local contribution to a revised Whittington Moor scheme within the existing Capital Programme to support "design and delivery of an improvement scheme at the A61 Whittington Moor roundabout"; and (5) noted the undertaking of work to explore potential alternative schemes suitable for Local Growth Fund grant to be put to the Infrastructure Investment Board for approval.

8. REVISED ELVASTON CASTLE MASTER PLAN

The Strategic Director – Economy, Transport and Environment requested Cabinet to consider responses to the public consultation on the Elvaston Castle Master Plan and to sought approval to amendments to the draft Master Plan.

Decision

Cabinet considered the responses received during the public consultation on the draft Elvaston Castle Master Plan and (1) approved the amendments to the Elvaston Castle Master Plan set out in the report; (2) noted that the Master Plan document would be redrafted to include these amendments further to the procurement and appointment of a suitable external graphic design resource for a formal re-draft of the Master Plan, as referred to in the Principal Revisions to the Master Plan Section of the report, and that this service would be funded from the Elvaston Reserve Fund; and (3) noted that this Master Plan, combined with a current Economic Impact Assessment and an initial Funding Strategy, would facilitate the preparation of a Phase 1 funding bid to the Heritage Lottery Fund, and that the detail of this bid would be the subject of a separate report.

9. D2N2 GROWTH HUB 2.0

The Strategic Director – Economy, Transport and Environment requested approval for £121,620 match funding over three years towards the proposed “D2N2 Growth Hub 2.0” project to provide enhanced business support to promote economic growth and to give delegated authority to the Strategic Director – Economy, Transport and Environment in consultation with the Cabinet member – Economic Development and Regeneration to agree and sign any necessary partnership agreements.

Decision

Cabinet (1) approved £121,620 match funding over three years towards the proposed “D2N2 Growth Hub 2.0” Project from the Economy and Regeneration budget; (2) gave delegated authority to the Strategic Director – Economy, Transport and Environment, in consultation with the Cabinet Member for Economic Development and Regeneration, to agree and sign any necessary partnership agreements, subject to project approval; and (3) approved the recruitment of one full-time equivalent Business Advisor and one full-time equivalent Monitoring Officer on a fixed-term contract basis until 31 March 2022, subject to appropriate job evaluation and in line with recruitment and selection policy.

10. ADDITIONAL HIGHWAYS MAINTENANCE FUNDING AND CONSTRUCTION RESOURCES

The Strategic Director – Economy, Transport and Environment sought agreement to the receipt of a £8.414m grant for highways maintenance from the Department for Transport and approval to the use of the existing Scape Civil Engineering and Infrastructure Framework to support in the delivery of works associated with the grant and under Protocol 2 of the Council’s Financial Regulations.

Decision

Cabinet (1) approved the receipt of £8.414m grant from the Department of Transport and to add this to the 2018-19 Capital Programme; (2) approved, under Protocol 2 of the Council’s Financial Regulations, the use of Balfour Beatty through the Scape Civil Engineering and Infrastructure Framework; (3) agreed that the Strategic Director – Economy, Transport and Environment, in consultation with the Cabinet Member – Highways, Transport and Infrastructure, will approve the programme of works and any necessary changes; and (4) agreed that the Strategic Director – Economy, Transport and Environment will determine the call-off under the Scape Framework to deliver the agreed programme.

11. RESHAPING THE LEARNING DISABILITY DAY CARE OFFER AND COMMENCING CONSULTATION ON THE FUTURE SERVICE MODEL FOR ALL OTHER SERVICES FOR PEOPLE WITH A LEARNING DISABILITY

The Strategic Director – Adult Care and Health sought Cabinet approval to commence formal consultation with people with a learning disability and/or Autism and their carers and with stakeholders on the proposed options for the future delivery of day time support and engagement and co-production with people with a learning disability and/or Autism and their carers to develop proposals for future service models in relation to other LD services.

Decision

Cabinet approved (1) the commencement of formal consultation with people with a learning disability and/or Autism and their carers on the proposed options for the future delivery of day time support; (2) the commencement of engagement and co-production with people with a learning disability and/or Autism and their carers to develop proposals for future service models in relation to other LD; and (3) that a further report be made to Cabinet reporting the outcome of the consultation and the conclusions of the Equality Impact Analysis before any decisions were made.

12. CHILDREN'S SERVICES CAPITAL PROGRAMME 2018-19 – SECTION 106 ALLOCATIONS

The Strategic Director – Children's Services informed Cabinet of the receipt and availability of recent Section 106 developer contributions and to seek approval for the allocation of those contributions to projects in line with the individual Section 106 agreements and sought approval that, where appropriate, procurement exercises be undertaken to commission services and undertake works associated with the schemes.

Decision

Cabinet (1) noted the receipt/availability of S106 funding and approved allocations to the projects outlined in Appendix A to the report:

- (a) Stanton Primary School: £41,448
- (b) Overseal Primary School: £64,787
- (c) Transfer of funds to Staffordshire County Council: £365,209

and; (2) approved that where appropriate, procurement exercises be undertaken to commission services and undertake works associated with the schemes.

13. CHILDREN'S SERVICES CAPITAL PROGRAMME 2018-19 – A FURTHER ALLOCATION

The Strategic Director – Children's Services sought approval to an allocation for a capital project at Willington Primary School from the Children's Services Capital Programme 2018-19.

Decision

Cabinet approved (1) the allocation of £111,815 to a project at Willington Primary School from the Children's Services 2018-19 Capital Programme; and (2) the scheme budget of £191,000.

24 January 2019

14. BUDGET MONITORING 2018-19 (as at 31 October 2018)

The Director of Finance and ICT provided Cabinet with the Revenue Budget position for 2018-19 as at 31 October 2018.

Decision

Cabinet noted the 2018-19 budget monitoring position as at 31 October 2018.

15. BUDGET CONSULTATION RESULTS

The Director of Finance and ICT reported on the outcome of the Council's budget consultation exercises in formulating its budgetary proposals to Full Council regarding the Revenue Budget for 2019-20.

Decision

Cabinet noted the views of the consultation respondents and agreed to take them into account in formulating its proposals to Full Council regarding the Revenue Budget for 2019-20.

16. REVENUE BUDGET 2019-20

The Director of Finance and ICT reported on proposals to Full Council regarding the Revenue Budget for 2019-20

Decision

Cabinet recommended to Council that it:

(1) notes the details of the Autumn Budget 2018 and Provisional Local Government Finance Settlement as outlined in sections (b) and (c); (2) notes the Government's expectations about Council Tax levels for 2019-20 in section (d); (3) approves the precepts as outlined in section (d) and Appendix Three to the report; (4) approves that billing authorities are informed of Council Tax levels arising from the budget proposals as outlined in section (d) and Appendix Three to the report; (5) approves the contingency to cover non-standard inflation as outlined in section (f). The contingency to be allocated by the Director of Finance & ICT once non-standard inflation has been agreed; (6) approves the service pressure items identified in section (g) and Appendix Four to the report; (7) approves the level and allocation of budget savings as outlined in section (h) and Appendix Five to the report; (8) notes the Director of Finance & ICT's comments about the robustness of the estimates and adequacy of the reserves as outlined in section (i); (9) notes the details of the Council's consultation activity as outlined in section (k); (10) approves the Council Tax requirement of £329.289m which was calculated as follows:

	£
Budget Before Pressures and Budget Reductions	495,895,423
Plus Service Pressures – on-going	17,168,561
Plus Adult Social Care Precept	6,290,323
Plus Service Pressures - one-off	12,327,000
Less Budget Reductions	-13,393,000
Use of Contingency Budget	1,000,000
Increase in Debt Charges	2,000,000
Reduction to Risk Management Budget	-756,529
Increase in Interest Receipts	-1,000,000
Net Budget Requirement	519,531,778
Less Top-Up	-93,370,422
Less Business Rates	-19,194,534
Less Revenue Support Grant	-13,517,274
Less New Homes Bonus	-2,097,996
Less General Grant	-41,955,307
Less PFI Grant	-10,503,833
Less Use of Earmarked Reserves	-9,603,642
Balance to be met from Council Tax	329,288,770

and; (11) authorises the Director of Finance & ICT to allocate cash limits amongst Cabinet portfolios; Strategic Directors would then report to Cabinet on the revised Service Plans for 2019-20.

17. CAPITAL PROGRAMME APPROVALS, TREASURY MANAGEMENT AND CAPITAL STRATEGY

The Director of Finance and ICT sought approval for proposals for submission to Council relating to the capital starts programme for 2019-20 and the Treasury Management, Investment and Capital Strategies.

Decision

Cabinet recommended to Council that it (1) approves the 2019-20 Capital Starts Programme set out in Appendix 1 to the report; (2) adopts the Treasury Management Policy set out in Appendix 2 to the report; (3) adopts the Investment Strategy set out in Appendix 3 to the report; and (4) adopts the Capital Strategy set out in Appendix 4 to the report.

18. REVISED FINANCIAL REGULATIONS AND STANDING ORDERS RELATING TO CONTRACTS

The Director of Finance and ICT sought approval for the adoption of revised Financial Regulations and Standing Orders relating to Contracts and commend approval of these amendments to Council.

Decision

Cabinet endorsed the revised Financial Regulations and Standing Orders relating to Contracts and commended their approval to Council.

Other Considerations

In preparing this report the relevance of the following factors has been considered: - equality of opportunity; environmental, health; financial, human resources; legal and human rights; prevention of crime and disorder, property, social value and transport considerations.

Background Papers

Non-exempt Cabinet papers – 29 November and 20 December 2018 and 24 January 2019

RECOMMENDATION

That the report be noted.

**Councillor B Lewis
Leader of the Council**