

DERBYSHIRE COUNTY COUNCIL

COUNCIL MEETING

8 February 2017

REPORT FROM CABINET

Purpose of the Report

To provide information to the Council on issues considered by the Cabinet at meetings held on 13 December 2016 and 10 and 24 January 2017 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 7 February 2017.

Information and Analysis

13 December 2016

1. INNOVATION AND TRANSFORMATION SERVICE

The Chief Executive updated Cabinet on the work undertaken by the Innovations and Transformation Service and requested approval for the permanent establishment of the Service.

Decision

Cabinet (1) noted the work undertaken by the Innovation and Transformation Service to date; and (2) approved the permanent establishment of the Innovation and Transformation Service as detailed at Option 4.

2. ADULT SOCIAL CARE SURVEY AND ADULT SOCIAL CARE OUTCOMES FRAMEWORK 2015-16

The Strategic Director - Adult Care reported on the results of both the annual Adult Social Care Survey (ASCS) and the Adult Social Care Outcomes Framework (ASCOF) for 2015-16 and to gain approval for the wider publication of the outcomes and for a review of the current Learning Disability employment support services.

Decision

Cabinet (1) approved the wider publication of the outcomes; and (2) agreed that a six month review of the Council's current approach to supporting people with learning difficulties into employment be undertaken and that the report be presented to Cabinet in June 2017.

3. HIGHWAYS AND TRANSPORT CAPITAL PROGRAMME 2017-18

The Strategic Director – Economy, Transport and Communities sought approval to undertake early design and preparatory work for the Highways and Transport Capital Programme 2017-18 to enable the publication of notices or applications for permits to work.

Decision

Cabinet agreed 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 2017-18 Economy, Transport and Communities Department Service Plan.

4. A61 GROWTH CORRIDOR TRANSPORT INFRASTRUCTURE

The Strategic Director – Economy, Transport and Communities sought approval to a revised funding proposal for the A61 Growth Corridor project and accept grant funding from the Derby, Derbyshire, Nottingham, Nottinghamshire (D2N2) Local Enterprise Partnership (LEP) Local Growth Fund (LGF) to support implementation of Phase 1 of the Strategy and to add the A61 Corridor project to the 2016-17 Capital Programme.

Decision

Cabinet approved (1) the revised funding proposal to enable an Investment Plan to be finalised for the A61 Growth Strategy; (2) the undertaking of a review of the A61 Growth Corridor Investment Plan proposals in light of the Government's recent announcement of its preferred HS2 route in conjunction with proposed stakeholder and elected Member involvement; (3) the acceptance of £500k grant funding from the Derby, Derbyshire, Nottingham and Nottinghamshire Local Enterprise Partnership for the projects listed in the report to form Phase 1 of the A61 Growth Corridor Strategy, subject to acceptance of the 2016-17 proposals by the D2N2 Infrastructure and Investment Board; and (4) the addition of the projects to the 2016-17 Capital Programme.

5. SUPPLY OF PAY AND DISPLAY MACHINES – FRAMEWORK

The Strategic Director – Economy, Transport and Communities sought approval under Protocol 2 of the Council's Financial Regulations, to utilise the Eastern Shires Purchasing Organisation (ESPO) Framework 509 Parking Management Solutions for the provision of pay and display parking machines.

This report was called-in for consideration by Improvement and Scrutiny Committee – Resources on 7 February 2017.

Decision

Cabinet (1) approved the use of Protocol 2 to use the Eastern Shires Purchasing Organisation Framework 509 Parking Management Solutions to procure a supplier for the provision of pay and display parking machines for four years; (2) noted that a further report would be submitted to Cabinet to seek approval to award a contract following the mini-competition amongst suppliers on the framework; and (3) noted that quarterly reports would be submitted to the Cabinet Member – Highways, Transport and Infrastructure.

6. SCAPE NATIONAL PROCUREMENT FRAMEWORK

The Strategic Director – Economy, Transport and Communities sought Cabinet approval, under Protocol 2 of the Council's Financial Regulations, to use the Scape national procurement framework for the delivery of highways maintenance programmes and individual projects and to delegate authority to the Strategic Director – Economy, Transport and Communities, in consultation with the Cabinet Member – Highways, Transport and Infrastructure, to award contracts under the framework.

Decision

Cabinet (1) approved, under Protocol 2 of the Council's Financial Regulations, the Council use of the Scape Civil Engineering and Infrastructure framework; (2) noted that the Strategic Director – Economy, Transport and Communities, in consultation with the Cabinet Member – Highways, Transport and Infrastructure would approve call-off under the framework for surface dressing, spray injection patching and retaining wall works for the 2017-18 Programme; (3) noted that officers would undertake further investigation of the use of the framework for other projects where appropriate; and (4) noted that quarterly reports would be submitted to the Cabinet Member – Highways, Transport and Infrastructure.

7. REPORT ON THE OUTCOME OF THE STATUTORY CONSULTATION ON THE PROPOSAL TO CLOSE THE SIXTH FORM AT NEW MILLS SCHOOL AND SIXTH FORM

The Strategic Director – Children's Services advised Cabinet of the responses to a statutory consultation on the proposal to close the sixth form provision at New Mills School and Sixth Form and to make recommendations based on that consultation.

Decision

Cabinet approved a phased reduction in delivery of provision with closure of the sixth form at New Mill School in July 2018 with the result that the age range in the School from September 2018 would be 11-16.

8. APPROVAL TO SIGN A MEMORANDUM OF UNDERSTANDING (MOU) WITH THE EDUCATION FUNDING AGENCY WITH RESPECT TO TWO PROJECTS TO BE FUNDED AND DELIVERED UNDER THE PRIORITY SCHOOL BUILDING PROGRAMME

The Strategic Director – Children's Services requested Cabinet to authorise the signing of a MOU with respect to a project to be funded and delivered under the Priority School Building Programme (PSBP) at Granville Sports College and Heath Primary School and to note an urgent decision taken by the Chief Executive with respect to similar project at Wilsthorpe Community School.

Decision

Cabinet (1) authorised the signing of the MOU with the EFA for the PSBPs at Granville Sports College and Heath Primary School, and; (2) noted the decision taken by the Chief Executive to authorise the signing of an MOU for a similar project at Wilsthorpe Community School.

10 January 2017

9. DERBY AND DERBYSHIRE COMPACT

The Chief Executive requested approval to consult on the draft refreshed Derby and Derbyshire Compact.

Decision

Cabinet (1) noted the development of the draft refreshed Compact for consultation; and (2) agreed to receive a further report regarding the Compact following consultation with relevant stakeholders.

10. DERBYSHIRE ECONOMIC REVIEW – DECEMBER 2016

The Chief Executive presented the latest Quarterly Economic Review to December 2016.

Decision

Cabinet noted the information presented within the Derbyshire Economic Review to December 2016 and that the findings be used to support future service planning and policy development.

11. HOUSEHOLD WASTE RECYCLING CENTRE SERVICES – PROPOSED CHANGES

Strategic Director – Economy, Transport and Communities advised Cabinet of the outcome of public consultation undertaken between August and October 2016 on proposals to achieve future cost savings and income generation from the operation of the Household Waste Recycling Centres (HWRCs) to contribute towards the County Council's overall budget reductions by 2021.

Decision

Cabinet (1) noted the results of the public consultation on proposed service changes to HWRCs; (2) approved the implementation of charges for the deposit of construction and demolition waste (non-household waste) at HWRCs with effect from 3 April 2017, or as soon as practicable thereafter, as detailed in the report; and (3) delegated authority to the Strategic Director – Economy, Transport and Communities, in consultation with the Cabinet Member for Highways, Transport and Infrastructure, to make any further necessary decisions in order to implement the measures set out in the report to achieve the required savings, including the making of any consequential amendments to the HWRC operators contracts.

12. PROVISION OF HIGHWAYS AND TRANSPORT PROFESSIONAL CONSULTANCY SERVICES

The Strategic Director – Economy, Transport and Communities sought approval, under Protocol 2 of the Council's Financial Regulations, to extend the use of the Midlands Highways Alliance (MHA) framework contract for the supply of Highway and Transport Consultancy Services to April 2018, with an option to extend for a further year to April 2019.

Decision

Cabinet approved, under Protocol 2 of the Council's Financial Regulations: (1) the continued use of the MHA Professional Services Partnership 2 (PSP2) to engage AECOM for the supply of Highways and Transport consultancy services until April 2018, with the option to extend to April 2019 should the MHA's contract be similarly extended; and (2) the submission of a regular report and update to the Cabinet Member - Highways, Transport and Infrastructure on the use of consultancy services from the PSP2 frameworks.

13. D2N2 SUSTAINABLE TRAVEL PROGRAMME PROJECTS

The Strategic Director – Economy, Transport and Communities requested approval to approval for the County Council, as scheme promoter, to accept grant funding from the Derby, Derbyshire, Nottingham, Nottinghamshire (D2N2) Local Enterprise Partnership (LEP) Local Growth Fund (LGF) for a package of cycling and walking infrastructure improvements in Ilkeston, Dronfield and Unstone, to agree revised financial arrangements, and to agree an allocation to the Canal and Rivers Trust for the upgrade of Erewash Canal towpath.

Decision

Cabinet agreed: (1) to accept, as scheme promoter, £2.1m D2N2 LGF (LGF) grant towards the implementation of a package of pedestrian and cycling infrastructure measures in Chesterfield, Dronfield and Ilkeston, as set out in this report; (2) to accept revised financial arrangements, as set out in Table 3, to recover from 2016-17 LGF grant £1.040m against elements already delivered through 2016-17 County Council Local Transport Plan capital expenditure, and to reallocate the LTP funding to the delivery of the D2N2 Sustainable Travel projects in Dronfield and Ilkeston; (3) as scheme promoter, to a total allocation of £432k from the 2016-17 and 2017-18 D2N2 Sustainable Travel Programme to the Canal and Rivers Trust for a second phase of upgrades of the Erewash Canal towpath; and (4) to approve the addition to the Capital Programme of the Dronfield and Unstone Cycle Route and the second phase of the Ilkeston Gateway.

24 January 2017

14. BUDGET MONITORING 2016-17

The Director of Finance provided Cabinet with the Revenue Budget monitoring position for 2016-17 as at 31 October 2016.

Decision

Cabinet noted the 2016-17 budget monitoring position as at 31 October 2016.

15. CAPITAL BUDGET MONITORING TO MONTH 7 2016-17

The Director of Finance provided Cabinet with the Capital Budget monitoring position 2016-17 as at month 7.

Decision

Cabinet noted the current position on the monitoring of Capital schemes.

16. RESERVES POSITION

The Director of Finance reported on the current and forecast positions for both General and Earmarked Reserves and to approve the Reserves Policy.

Decision

Cabinet (1) noted the current position on General and Earmarked Reserves; and (2) approved the Reserves Policy.

17. BUDGET CONSULTATION RESULTS

The Chief Executive and the Director of Finance reported on the outcome of the Council's budget consultation exercises in formulating its budgetary proposals to Full Council regarding the Revenue Budget for 2017-18.

Decision

Cabinet agreed that the views of the consultation respondents be taken into account by Cabinet in formulating its proposals to Full Council regarding the Revenue Budget for 2017-18

18. REVENUE BUDGET 2016-17

The Chief Executive and the Director of Finance reported on proposals to Full Council regarding the Revenue Budget for 2017-18. This report should be read alongside the following reports to this Cabinet meeting: the Budget Consultation Results Report for 2017-18, the budget monitoring

position for 2016-17, the Capital Budget Report for 2017- 18; the Five Year Financial Plan Report and the Reserves Position Report.

Decision

Cabinet recommended to Council that it: (1) notes the details of the Autumn Statement 2016 and Provisional Local Government Finance Settlement as outlined in the report; (2) notes the Government's expectations about Council Tax levels for 2017-18 in the report; (3) notes the details of the Council's consultation activity as outlined in the report; (4) notes the Director of Finance's comments about the robustness of the estimates and adequacy of the reserves as outlined in the report; (5) approves the precepts as outlined in the report and Appendix 2 to the report; (6) approves that billing authorities are informed of Council Tax levels arising from the budget proposals as outlined in the report and Appendix 2 to the report; (7) approves the contingency to cover non-standard inflation as outlined in the report with 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 the report and Appendix 4 to the report; (9) approves the service pressure items identified in the report and Appendix 3; (10) approves the Council Tax requirement of £295.049m which was calculated as follows:

£

Budget Before Pressures and Budget Reductions

481,198,868

Plus Service Pressures – on-going 11,570,958

Plus Adult Social Care Precept 5,613,042

Plus Service Pressures - one-off 6,988,747

Less Budget Reductions -34,075,000

Plus Shortfall on Cuts Target 10,814,000

Contribution to Contingency Budget 7,155,835

Reduction to Debt Charges -1,250,000

Reduction to Risk Management Budget -1,890,450

Net Budget Requirement 486,126,000

Less Top-Up -88,603,853

Less Business Rates -16,806,064

Less Revenue Support Grant -44,056,289

Less New Homes Bonus -2,494,519

Less General Grant -11,628,420

Less PFI Grant -10,503,833

Less Use of General Reserve -6,170,000

Less Use of Earmarked Reserves -10,814,000

Balance to be met from Council Tax 295,049,022

and (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 2017-18.

19. FIVE YEAR FINANCIAL PLAN

The Director of Finance reported on the Five Year Financial Plan (FYFP) for the period 2017-18 to 2021-22 and provided details of budget reductions that may needed to be considered to help balance the budget over the medium-term.

Decision

Resolved that Cabinet recommends to Council that it (1) approves the revised FYFP; (2) notes the uncertainty and risks set out in the report; and (3) notes the possible budget reduction proposals set out in Appendix 2.

20. PRUDENTIAL CODE FOR CAPITAL FINANCE, CAPITAL PROGRAMME APPROVALS AND TREASURY MANAGEMENT

The Chief Executive and the Director of Finance sought approval for proposals for submission to Council relating to The Prudential Code for Capital Finance, including:

- The capital starts programme for 2017-18.
- The Minimum Revenue Provision (MRP) Policy for 2017-18.
- A Treasury Management Strategy for 2017-18.
- 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

Decision

Cabinet recommended to Council (1) the adoption of the Prudential Code including the Prudential Indicators as described in 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 be brought to Cabinet; (3) the MRP policy for 2017-18 as detailed in the report; (4) the Treasury Management Strategy for 2017-18 as described in Appendix 3, and taking into account the guidance issued by the DCLG and noting the changes in detailed in the report; and (5) the adoption of CIPFA's Code of Practice on Treasury Management and Cross Sectoral Guidance Notes (revised 2011), as shown in Appendix 3, and the Treasury Management Policy Statement as specified in the Treasury Management Code of Practice and set out in Appendix 3.

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

Cabinet papers – 13 December 2016, 10 and 24 January 2017.

RECOMMENDATION

That the report be noted.

**Councillor A Western
Leader of the Council**