

Cabinet

Meeting held 9 March 2016

PRESENT: Councillors Julie Dore (Chair), Leigh Bramall (Deputy Chair), Ben Curran, Jackie Drayton, Jayne Dunn, Terry Fox, Mazher Iqbal and Mary Lea

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1. APOLOGIES FOR ABSENCE

1.1 An apology for absence was received from Councillor Sioned-Mair Richards.

2. EXCLUSION OF PUBLIC AND PRESS

2.1 The Chair reported that Appendix B to agenda item 10 (See Minute 12 below) 'Sheffield Housing Company Phase 2', was not available to the public and press because it contained exempt information described in Paragraph 3 of Schedule 12A of the Local Government Act 1972 (as amended) and if Members wished to discuss the appendix the public and press would need to be excluded from the meeting.

3. DECLARATIONS OF INTEREST

3.1 There were no declarations of interest.

4. MINUTES OF PREVIOUS MEETING

4.1 The minutes of the previous meeting of the Cabinet, held on 17 February 2016, were approved as a correct record.

5. PUBLIC QUESTIONS AND PETITIONS

5.1 Public Questions in respect of Mental Health

5.1.1 Adam Butcher asked what was the Council doing to make sure we had a joined-up Commissioning Plan for Mental Health for all ages? Mr Butcher also asked did we know what the number of Sheffield people was who were held in a police cell when having a mental health crisis?

5.1.2 Councillor Mary Lea, Cabinet Member for Health, Care and Independent Living, responded that the Council worked closely with the Clinical Commissioning Group (CCG) on mental health issues to ensure good provision of services, which was underpinned by a Joint Needs Analysis.

5.1.3 Councillor Lea added that a Joint Commissioning Plan had been created with the CCG which involved some pooled budgets particularly in relation to Section 17 which focused on aftercare.

- 5.1.4 A Street Triage Team had been established which involved Mental Health Workers assisting the Police which hoped to reduce numbers being detained in a Police Cell with a mental health issue, with some success thus far. Mental Health workers could also visit a person's house if this was felt appropriate. There were services for inpatient provision at Northern General Hospital if someone did need to be detained in an emergency.
- 5.1.5 Councillor Jackie Drayton, Cabinet Member for Children, Young People and Families, further commented that the Council were working on ensuring plans were joined-up with the CCG and the Children's Hospital. The Health and Wellbeing Board had recently received a presentation from young people who had raised some of their concerns in relation to this issue, such as the gap in provision of services in the transition from 16-18. A pilot had been undertaken to provide support through to 18 years old, which was very welcomed but the young people aspired for the service to go up to 25 years of age.
- 5.1.6 Councillor Drayton believed it was important to focus on early intervention and prevention and offering support and advice in schools was a key part of this. Assisting with low level mental health issues in the early stages may help to prevent issues arising in the future. If support could be provided to parents as well this may make a difference to the overall health and wellbeing of a child.
- 5.1.7 There were a number of projects and pilots taking place around the City, such as the "Future in Mind" Pilot which had received money from the Government. A part of this was looking at alternatives to placing a person in a police cell.

5.2 Public Questions in respect of Devolution

- 5.2.1 Nigel Slack commented that Barnsley had voted in favour of the 'devolution' deal. Chesterfield was currently debating between full membership of the Sheffield City Region or the East Midlands region known as D2N2, with little news of forward movement on the Sheffield front.
- 5.2.2 He therefore asked was there yet a realistic timetable for the decision process in Sheffield City Council? Had negotiations on the City Council's 'red line' issues been successful? More specifically, had the Mayoral veto clause been removed from the proposal or were the Council relying on the 'constitution' of the Sheffield City Region Combined Authority (SCRCA) to temper this power? Which document would have legal precedence, the 'devolution agreement' with the Government or the SCRCA 'constitution'?
- 5.2.3 The Leader of the Council, Councillor Julie Dore, responded that the Council had made it clear to the Government about its two 'red lines'. The first of these was related to geography. Any agreement should not be a South Yorkshire devolution agreement, as the agreement was an economic agreement to enable Sheffield City Region (SCR) as an economic functioning area to grow its economy through investment in infrastructure and some control over skills in relation to young people and adults. This issue had been somewhat resolved and it required the Government to amend the Bill. Many people had said that it would be very difficult to get the Conservative Government to amend the Bill but the Council had stood

firm on this and achieved its goal.

5.2.4 As a result of the agreement over geography, districts had now been given the choice of whether to join the SCR or the D2N2. Chesterfield, at its Full Council meeting, had agreed to become a full Constituent Member of the SCR. North East Derbyshire and Bolsover had agreed to become Full Constituent Members of D2N2. The decision of Bassetlaw was still awaited. Once this was confirmed the SCR could establish whether the 'red line' policy on geography had been achieved.

5.2.5 The second 'red line' was in respect of the Mayoral veto. It was clear that the constitution of the SCRCA took legal precedence over the devolution agreement. The constitution was being developed, but all 9 authorities involved were clear that the Mayoral veto would be removed. The constitution will have been agreed by the time the Order on devolution passes through parliament and the SCR could still withdraw from the agreement at that stage if it believed its 'red lines' had not been met.

5.3 Public Question in respect of Service Provider Contracts

5.3.1 Nigel Slack commented that he recalled being in attendance at a Community Assembly meeting chaired by Councillor Ben Curran, Cabinet Member for Finance and Resources. At that meeting, a presentation was given by the City Council and Amey about the then proposed contract for 'Streets Ahead'. Mr Slack had asked an awkward question about levels of profit for the contract. The response had been that it was a commercially sensitive matter. A female Council Officer from the Highways team also commented that they had been negotiating this contract for 6 years and they knew what they were doing. In Mr Slack's opinion, recent public concerns over the contract would suggest otherwise.

5.3.2 With this in mind, will the Council commit to use their good offices as the lead Authority of the SCRCA to ensure that any good 'service provider' contracts proposed and agreed by the SCRCA will be handled on the same 'presumed total disclosure approach' that was supposed to be part of the City's own contracting process?

5.3.3 Councillor Julie Dore stated that as the question mentioned Community Assemblies she would like to take the opportunity to clarify that, despite what had been said by a number of people, the Council still had meetings in the community, through Local Area Partnerships (LAPs) and Cabinet in the Community meetings. There were lots of reasons why Community Assemblies needed to change. The main reason being cost as they cost £2.5 million a year to run and this couldn't continue. Since the abolition of Community Assemblies, no opposition party had put in their budget amendments a pledge for them to be reinstated which suggested that they accepted that they were unaffordable.

5.3.4 Councillor Dore then commented that no questions on profit for contractors were awkward as people had the right to know. However, the Council was often bound by legal confidentiality. Within the Sheffield City Region there was a need to negotiate with partners and follow policies and processes. People could be

reassured that in such discussions the City Council would be making their position clear when it came to contract issues, arguing for fairness and the commitment to the Living Wage, amongst others.

6. ITEMS CALLED-IN/REFERRED FROM SCRUTINY

6.1 Prevent Task Group Report

6.1.1 The Children, Young People and Family Support Scrutiny and Policy Development Committee submitted a report outlining the findings of the Committee's Prevent Task Group and making its recommendations to Cabinet.

6.1.2 Councillor Cliff Woodcraft, Deputy Chair of the Committee, and Diane Owens, Policy and Improvement Officer, attended the meeting to present the report.

6.1.3 **RESOLVED:** That Cabinet:-

(a) notes the Prevent Task Group Report; and

(b) requests that the Acting Cabinet Member for Neighbourhoods and Cabinet Member for Children, Young People and Families provide a joint response to the Children, Young People and Family Support Scrutiny and Policy Development Committee in terms of recommendations 1-10 in the Prevent Task Group Report, at a date to be agreed, but no later than December 2016.

6.1.4 Reasons for Decision

6.3.1 To enable the Scrutiny Committee to monitor the outcome of its recommendations, the Committee would welcome a joint response from the Acting Cabinet Member for Neighbourhoods and the Cabinet Member for Children, Young People and Families with regards to its recommendations (1-10) as outlined in its Prevent Task Group Report.

6.1.5 Alternatives Considered and Rejected

An alternative option in relation to the recommendations would be to do nothing with the Committee's report. However, given the time and effort spent by the Task Group, and contributions made to the work from other organisations, this is not deemed a viable option.

An alternative option in relation to the recommendations would be to respond to the Committee's report over a much longer timescale. However, this would be at the risk of losing the opportunity for the report's recommendations to influence the Council's response to the requirements of the 2015 Counter-Terrorism and Security Act.

6.2 Home Care Scrutiny Report

6.2.1 The Healthier Communities and Adult Social Care Scrutiny and Policy Development Committee submitted a report outlining the findings of the Committee's Task Group which considered Home Care and making recommendations to Cabinet.

6.2.2 Councillor Cate McDonald, Chair of the Committee, and Alice Nicholson, Policy and Improvement Officer, attending the meeting to present the report.

6.2.3 **RESOLVED:** That Cabinet:-

(a) notes the Home Care Scrutiny Report; and

(b) requests a response to the report from the Cabinet Member for Health, Care and Independent Living be submitted to the Scrutiny Committee within 3 months, including a timetable for implementing the report's recommendations within the recommissioning process.

6.2.4 **Reasons for Decision**

The recommendation to Cabinet is for the Cabinet Member for Health, Care and Independent Living to respond to the report within 3 months, as this should provide enough time to develop a detailed response.

6.2.5 **Alternatives Considered and Rejected**

6.8.1 An alternative option in relation to the recommendations would be to do nothing with the Committee's report. However, given the time and effort spent by the task group, and contributions made to the work from other organisations, this is not deemed a viable option.

An alternative option in relation to the recommendations would be to respond to the Committee's report over a much longer timescale. However, this would be at the risk of losing the opportunity for the report's recommendations to influence the recommissioning process.

6.3 Call-In of Decision by Cabinet on School Places in Sheffield

6.3.1 A report of the Children, Young People and Family Support Scrutiny and Policy Development Committee was circulated in relation to the outcome of its meeting, held on 9 March 2016, to consider a call-in of the decision of Cabinet, taken at its meeting on 17 February 2016, in relation to School Places in Sheffield.

6.3.2 The report stated that the Scrutiny and Policy Development Committee had 'agreed to take no action in relation to the called-in decision, but consider whether issues arising from the call-in needed to be added to its Work Programme 2016/17.

- 6.3.3 **RESOLVED:** That Cabinet notes the decision of the Children, Young People and Family Support Scrutiny and Policy Development Committee.

7. RETIREMENT OF STAFF

- 7.1 The Interim Executive Director, Resources submitted a report on Council staff retirements.

- 7.2 **RESOLVED:** That this Cabinet :-

(a) places on record its appreciation of the valuable services rendered to the City Council by the following staff in the Portfolios below:-

<u>Name</u>	<u>Post</u>	<u>Years' Service</u>
<u>Children, Young People and Families</u>		
Margaret Gray	Pupil Support Assistant, Athelstan Primary School	20
Maureen Jenkinson	Whole School Assistant and Cleaner	22
<u>Resources</u>		
Andrew Bullock	Solicitor	27

(b) extends to them its best wishes for the future and a long and happy retirement; and

(c) directs that an appropriate extract of this resolution under the Common Seal of the Council be forwarded to them.

8. SPECIAL EDUCATIONAL NEEDS / LOOKED AFTER CHILDREN / VULNERABLE ADULTS TRANSPORT FRAMEWORK

- 8.1 The Interim Executive Director, Resources submitted a report in relation to the Special Educational Needs/Looked After Children/Vulnerable Adults Transport Network.

- 8.2 **RESOLVED:** That Cabinet:-

- (a) approves the establishment of a Dynamic Purchasing System (DPS) for taxi and minibus provision (with or without escorts) as outlined in the report, and that the DPS runs for a 24 month period with an option to extend for a further two 12 month periods, subject to satisfactory performance; and
- (b) delegates authority to the Director of Commercial Services, or her nominated representative, to accept tenders and award Contracts

for this project.

8.3 **Reasons for Decision**

- 8.3.1 The current contracts were advertised and let as 12 month contracts with an optional 12 month extension. There is no provision within the contracts for a further extension.
- 8.3.2 The Council has a statutory responsibility to provide travel assistance to children who have an entitlement because of their special educational needs and for adult care clients to meet their respite and other needs. Part of this assistance is met by the Council's in-house fleet. However, it is not possible for all provision to be met in-house. In order to complement the Council's in-house fleet and maintain an appropriate level of service support for end users, further capacity is generated by utilising additional contractors. Contracts for these services are let through a competitive tendering process to ensure best value is achieved and in order to comply with legislative requirements.

8.4 **Alternatives Considered and Rejected**

- 8.4.1 There are a limited number of alternative options open. 'Do nothing' would leave the Council short on capacity to deliver the required services to vulnerable clients and risk a breach of statutory duty.
- 8.4.2 Entering into a collaborative framework with other public bodies has also been considered. However, the Council's requirements are large and complex and therefore its own bespoke framework is considered the most suitable option with the framework procured in such a way that other public bodies may also use it should it offer a suitable compliant route to market for them.

9. **SHEFFIELD DIGITAL BUSINESS INCUBATOR**

- 9.1 The Executive Director, Place submitted a report in relation to the Sheffield Digital Business Incubator Project.
- 9.2 **RESOLVED:** That Cabinet agrees:-
- (a) to accept the grant offer of £3.5 million;
 - (b) to accept Sheffield City Council becoming the Accountable Body for the grant on behalf of a third party who will deliver the project and payment of grant aid to the third party delivering the project; and
 - (c) to delegate authority to the Executive Director, Place, in consultation with the Cabinet Member for Business, Skills and Development and the Director of Finance, to instruct the Director of Legal and Governance to finalise terms and complete all the necessary

documentation to give effect to the proposals set out in this report.

9.3 Reasons for Decision

9.3.1 The underlying benefit of this proposal is to enable up to £3.5m of funding from Central Government to be invested in the City Centre to bring forward business incubation space for companies in the digital industries sector. Successful delivery of this space will support jobs growth and wealth creation in Sheffield and the wider City Region and as well as the 'Tech Nation' concept being promoted by Government. This is one of three Digital Business Incubators being supported by Government in the North, the others being in Manchester and Leeds.

9.3.2 It is expected that this funding will be used to secure and refurbish a property in the City Centre with the current option having been identified as Sheffield 'Maker Hub' – the renovation of Castle House (former Co-op) in Castlegate. This investment will add to the vibrancy and reinvigoration of the Castlegate area and wider City Centre and has economic benefits in terms of making the city an exciting place to locate and attract talented staff for businesses in the creative and digital industries which is a key growth area for the City Region.

9.3.3 The funding Government Department (DCMS) has assessed proposals from the promoters of this project in Sheffield and allocated £3.5m but is not in a position to invest directly into the project. SCC has been requested to act as an intermediary in the form of the Accountable Body for the funding and will not only receive the capital funding but will undertake appropriate detailed assessment to ensure the project delivers the most positive outcomes for the city and the technology sector. With Accountable Body status the Council will ensure the delivery body is fit for purpose and delivers the project and associated outputs in a legally compliant manner via a Funding Agreement.

9.4 Alternatives Considered and Rejected

9.4.1 Without SCC being in a position to act as Accountable Body for the capital funding it is understood that DCMS would not make the £3.5m grant funding available for investment in Sheffield. This would lead to the project not proceeding resulting in a missed opportunity to create the facility and stimulate the Sheffield economy.

9.4.2 The Council could look to use the £3.5m grant funding to deliver the facility itself through the Capital Programme rather than act as Accountable Body and enter into a Funding Agreement with a third party. Whilst this remains an option it is not preferred, given it would make SCC wholly responsible for the financial delivery of the project and outcomes based on a business case that was developed by another party.

10. BETTER HEALTH AND WELLBEING - WORKING BETTER TOGETHER IN

COMMUNITIES

10.1 The Executive Director, Communities submitted a report describing a proposed new approach to investing in community health and wellbeing services; an approach that encourages people and organisations to work together to support people to maintain and improve their health and wellbeing.

10.2 **RESOLVED:** That Cabinet:-

- (a) approves the strategic approach set out in this report – recognising the potential for this approach to shape how the Council commissions preventative health and wellbeing services in the future;
- (b) supports the development of Collaborative Partnerships; and
- (c) delegates authority to the Director of Commissioning and the Director of Commercial Services, in consultation with the Cabinet Member for Health, Care and Independent Living, the Cabinet Member for Public Health and Equality, and the Director of Legal and Governance, to appoint Collaborative Partnerships to the Pseudo-Framework (hereinafter referred to as the framework) and to issue contract awards following the procurement process.

10.3 **Reasons for Decision**

10.3.1 As resources become more stretched, it is critical that organisations – big and small – work better together to support the people of Sheffield to improve their health and wellbeing.

10.3.2 As health and care budgets continue to integrate and consolidate, we want to make sure that small local organisations are not squeezed out because they want to stay small and focus on what they do best.

10.3.3 We also recognise that if we are to succeed in reducing health inequalities in Sheffield we need to focus our resources smartly – making sure that organisations collectively prioritise people that are most at risk.

10.3.4 We also recognise that the drivers of health inequalities extend beyond the scope of any single service or contractual arrangement. By better coordinating investment and activity at a neighbourhood level, we believe that the city will be better able to tackle the root causes of health inequalities.

10.4 **Alternatives Considered and Rejected**

10.4.1 **No Change**

We discounted this option because (a) there is convincing evidence that

improved health and wellbeing outcomes rely heavily on stronger partnership working at the neighbourhood level; and (b) we know that our current investment approach does not sufficiently incentivise partnership working.

Some links to relevant reports are included at Appendix A to the report.

10.4.2 **Set up Council-managed Neighbourhood Partnerships to coordinate preventative health and wellbeing services**

We have engaged extensively with organisations in Sheffield over the last year, particularly the voluntary sector, and there has been a strong view that Collaborative Partnerships (CP) need to be self-determined and tailored in terms of membership and focus to the needs of the specific neighbourhood(s) they cover. This will include engagement with local democratically elected members and local people in relation to planning and decision making for each area.

We are therefore recommending that we invite partnerships to come together and make proposals to us about their membership, scope, and operating model, with our evaluation of their readiness being based on their capability to achieve better outcomes for the population.

It should be noted that the option of Council-run partnerships will continue to be explored as we need to be prepared for (a) some areas not being covered by an approved CP; and (b) a CP dissolving in the future.

11. **REVENUE BUDGET AND CAPITAL PROGRAMME MONITORING 2015/16 MONTH 10 (AS AT 31/1/16)**

11.1 The Interim Executive Director, Resources submitted a report providing the month 10 monitoring statement on the City Council's Revenue and Capital Budget for 2015/16.

11.2 A supplementary report was circulated outlining amendments to the recommendations detailed in the original report.

11.3 **RESOLVED:** That Cabinet:-

(a) notes the updated information and management actions provided by the report on the 2015/16 Revenue Budget position;

(b) approves the carry forward of £523k; and

(i) delegates authority to the Director of Creative Sheffield to design the new Living Wage and Retail Relief schemes in consultation with the Director of Finance, the Director of Legal and Governance and the Cabinet Member for Finance and Resources; and

- (ii) delegates authority to the Head of Libraries and Community Services to approve the final allocation of community investments in consultation with the Director of Finance, the Director of Legal and Governance and the Cabinet Member for Finance and Resources; and
- (c) in relation to the Capital Programme:-
 - (i) approves the proposed additions to the Capital Programme listed in Appendix 5.1 of the report, including the procurement strategies and delegations of authority to the Director of Commercial Services or nominated Officer, as appropriate, to award the necessary contracts following stage approval by Capital Programme Group;
 - (ii) approves the proposed variations, deletions and slippage in Appendix 5.1 of the report;
 - (iii) approves the acceptance of the grant detailed in Appendix 5.2 of the report;
 - (iv) notes the variations in Appendix 5.1 of the report within the delegated authority of the Council's Executive Management Team;
 - (v) notes the two variations authorised by Council Directors under the delegated authority provisions; and
 - (vi) notes the latest position on the Capital Programme.

11.3 Reasons for Decision

- 11.3.1 To record formally changes to the Revenue Budget and the Capital Programme and gain Member approval for changes in line with Financial Regulations and to reset the Capital Programme in line with latest information.

11.4 Alternatives Considered and Rejected

- 11.4.1 A number of alternative courses of action are considered as part of the process undertaken by Officers before decisions are recommended to Members. The recommendations made to Members represent what Officers believe to be the best options available to the Council, in line with Council priorities, given the constraints on funding and the use to which funding is put within the Revenue Budget and the Capital Programme.

12. SHEFFIELD HOUSING COMPANY PHASE 2

12.1 The Executive Director, Place submitted a report in relation to the Sheffield Housing Company Phase 2.

12.2 An amendment was reported to a figure contained in the confidential Appendix B section of the report and this was noted by Cabinet.

12.3 **RESOLVED:** That Cabinet:-

(a) notes the progress on housing delivery and neighbourhood regeneration through the Sheffield Housing Company (SHC);

(b) approves the Council granting an Option to Purchase for £1 on up to 2 identified sites within the future Sheffield Housing Company Land Package; the ability to exercise the Option being granted only if the lender has unrecoverable debt on its development finance loan to SHC for Phase 2; and

(c) delegates authority on the negotiation on the terms of the Option to Purchase to the Director of Capital and Major Projects in consultation with the Director of Finance.

12.3 **Reasons for Decision**

12.3.1 The Council providing security for the loan by way of an Option to the Homes and Communities Agency to purchase future SHC land for £1 is assessed as low risk and will enable the development of 478 quality new homes.

12.4 **Alternatives Considered and Rejected**

12.4.1 **Option 1** – the Council does not provide any form of security for the SHC loan. **Impact:** This would result in the interest rate on the loan increasing to over 10%. The increased finance costs will render Phase 2 unviable as the Phase surplus would be reduced to an unacceptably low level in which to manage any development risk. This is therefore not the preferred option.

12.4.2 **Option 2** – the Council and Keepmoat provide the development finance loan to SHC removing the need for HCA finance. **Impact:** funding will need to be identified from the corporate programme to finance this and the loan drawdown and repayment will need to be administered, drawing on officer resources. This is not the preferred option.

12.4.3 **Option 3** – the Council provides a Parent Company Guarantee by way of a commitment to pay half of any outstanding debt to HCA, if SHC defaults on its loan. **Impact:** this would enable SHC to enter into a funding agreement with HCA and deliver Phase 2. However, it will require the Council to place a contingent liability on its accounts and potentially create a precedent for offering security to developers in this way, therefore this is not the preferred option.

- 12.4.4 **Option 4** - Council provides security in the form of an Option for HCA to purchase identified Council sites for £1 to recover any debt. This land falls within the SHC future land package. **Impact:** this would enable SHC to enter into a funding agreement and deliver Phase 2. An Option to purchase land within the Land Package will allow the Council and SHC to manage the SHC site development programme to ensure that the sites in question are timetabled for delivery after the Option is removed. It would not require the Council to account for any contingent liability in its accounts. This is the preferred option.

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