



# Doncaster Council

## EXECUTIVE FUNCTIONS DECISION RECORD

The following decisions were taken on Tuesday, 19th June, 2018 by Cabinet.

Date notified to all Members: Friday, 22<sup>nd</sup> June, 2018

The end of the call in period is 5.00 p.m. on Tuesday, 3<sup>rd</sup> July and therefore, the decisions can be implemented on Wednesday 4<sup>th</sup> July, 2018

Present:

Vice-Chair - Councillor Glyn Jones (Deputy Mayor, Portfolio Holder for Housing and Equalities) (In the Chair)

### Cabinet Member for:

Councillor Nigel Ball	Portfolio Holder for Public Health, Leisure and Culture
Councillor Joe Blackham	Portfolio Holder for Highways, Street Scene and Trading Services
Councillor Nuala Fennelly	Portfolio Holder for Children, Young People and Schools
Councillor Chris McGuinness	Portfolio Holder for Communities, Voluntary Sector and the Environment
Councillor Bill Mordue	Portfolio Holder for Business, Skills and Economic Development
Councillor Jane Nightingale	Portfolio Holder for Customer and Corporate Services.

Apologies:-

Apologies for absence were received from the Chair, Mayor Ros Jones and Councillor Rachael Blake

## PUBLIC MEETING – SCHEDULE OF DECISIONS

### Public Questions and Statements

Councillor Nick Allen asked the Mayor, Ros Jones the following question:-

'The Treasury Management Update, contained within the recent Finance and Performance Report, made an interesting point regarding political uncertainty and Brexit. However I am not sure the referendum result 'continues to dominate the money markets' because if it did then surely DMBC would not be able to maintain being under borrowed - which is good for

Doncaster Council at the moment. Surely our present position indicates that Doncaster has benefited from Brexit?’

In the absence of the Mayor, the Deputy Mayor, Councillor Glyn Jones provided the following response:-

The Council only borrows when it needs to, and uses cash balances to delay the need for borrowing. We are currently £39.3m under-borrowed. At today’s long term interest rates, the £39.3m would cost an additional £0.9m annum over 50 years. The Council had £528.8m overall borrowing at 31<sup>st</sup> March 2018.

There is a risk associated with being under-borrowed, as it could be that interest rates will be higher in the future, at the point that the council needs to take out the borrowing. To minimise this risk, the council monitors the economic news, interest rate and inflation forecasts and forms a view on the future path of interest rates.

Councillor Allen was afforded the opportunity to ask a supplementary question as follows:-

‘Doncaster has benefited from Brexit and I would argue that it is incorrect to say that Brexit has dominated the money markets. I believe that my question has not been answered fully’.

In response, the Deputy Mayor, Councillor Glyn Jones stated that the country was not yet at the Brexit stage, however Brexit still has an effect on the money market. The Council has to abide by CIPFA Code of Practice and also relies on external advisors. He recalled that the Treasury Management was considered by Full Council in March, and, at that meeting, he recalled a substantial amount of members didn’t take this matter forward and it wasn’t questioned at the time. The Council was working prudently and will need to wait and see what the outcome is and the impact that Brexit may have.

Debbie Hogg, Director of Corporate Services, added that the market continued to be assessed on a daily basis, which, in turn, informs investment decisions such as being more prudent by not taking out long term loans and using internal resources rather than borrowing.

Decision records dated 5th June, 2018, be noted.

## **DECISION 1.**

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| <b>1. AGENDA ITEM NUMBER AND TITLE</b>  |
| 6. 2017-18 Quarter 4 Finance and Performance Improvement Report and 'Delivering for Doncaster' Booklet. |
| <b>2. DECISION TAKEN</b>  |
| Cabinet:-   |
| (1) noted areas of performance and financial information;   |

- (2) noted the changes to the Strategic Risks as detailed in paragraphs 39-41;
- (3) noted the carry forwards approved by the Chief Financial Officer, detailed in Appendix A;
- (4) noted the virements approved by the Chief Financial Officer and Chief Executive detailed in Appendix A;
- (5) noted the new additions to the Capital Programme, detailed in the Appendix A; and
- (6) approved to provide £0.28m funding to the Doncaster Children's Services Trust for the remainder of the 2017/18 overspend.

### **3. REASON FOR DECISION**

The Deputy Mayor, Councillor Glyn Jones, introduced the report which focussed on the quarter 4 financial and performance information, which indicated the Council's current position towards the 2017/28 budget, and included performance against key service standards and also progress towards delivery of the outcomes set out in the Mayor's 4 year plan 'Doncaster Growing Together.

He reported that overall performance in quarter 4 and throughout the year had been good, with the majority of performance measures on track and finances well managed, with an overspend amounting to just 0.5% of total spend. He commented on some headlines within the report as follows:-

The Council outturn position was £2.5m overspend, which was a £1.3m reduction from quarter 3. Along with the release of the Business Rates Earmarked Reserve of £2.8m, this had increased the estimated reserves going into 2018/19 and the actual general reserves position is £12.3m.

The main overspends coming from the Children's Trust £3.1m, Regeneration & Environment £0.8m, offset by underspends in Corporate Resources £1.3m and Council Wide budgets £1.1m. It was noted that the overspends had been taken into account when the budget proposals were put together for future years.

Capital Programme expenditure in 2017/18 was £101.7m, compared to a budget of £115.2m, with majority of this expenditure slipping to future years.

Performance headlines showed that a number of indicators were improving:

- A further 280 new homes were delivered in quarter 4, bringing the year-end total to 1,173, which was a new record year for Doncaster and also the Council's third consecutive year of over a 1000 new homes.
- More people had been helped to remain at home with a reported 1,278 residents (all ages) living in long-term care, against a target of 1,339.
- Local authority spend with local businesses had been constant throughout the year, and was on target at 71.9% at the end of quarter 4 (equating to £26.76m spent with local suppliers out of £37.22m revenue expenditure).

- Overall staff sickness for year-end stands at an average of 9 days per employee, which was a reduction of almost a day per employee on the previous year.

Challenges remain with:

- the number of residents employed in highly skilled jobs;
- Persistent absence in schools, particularly at secondary level, along with low attainment levels;
- Our transformation of Adults, Health and Wellbeing; and
- Achievement of financial savings within Adult Social Care and addressing overspends from the Children's Trust and Regeneration & Environment.

Following the introduction, members were afforded the opportunity to make comments and ask questions.

Councillor Chris McGuinness praised the Council's approach to active risk management. It was reported that risk was monitored through the quarterly performance cycle involving Overview and Scrutiny and the Councils Audit Committee.

Councillor McGuinness also made comment with regard to the Children's Trust being carefully monitored. It was reported that proactive attention was given to key risks and mitigating options in relation to the Trust on a very regular basis.

Councillor Nigel Ball was assured that work was being undertaken to reduce the Council's spend on agency staff through more effective long term planning and proactive recruitment practices.

**4. ALTERNATIVES CONSIDERED AND REJECTED**

There were no other options considered or rejected.

**5. DECLARATIONS OF INTEREST AND DISPENSATIONS**

There were no declarations.

**6. IF EXEMPT, REASON FOR EXEMPTION**

Not Exempt

**7. DIRECTOR RESPONSIBLE FOR IMPLEMENTATION**

Debbie Hogg, Director of Corporate Resources.

## DECISION 2.

### 1. AGENDA ITEM NUMBER AND TITLE

7. Get Doncaster Walking Strategy.

### 2. DECISION TAKEN

Cabinet:-

- (1) endorsed the Get Doncaster Walking Strategy; and
- (2) committed to supporting the development of the recommendations within the Strategy.

### 3. REASON FOR DECISION

Councillor Nigel Ball introduced the 'Get Doncaster Walking Strategy' to Cabinet, stating that the strategy describes how the Council wants to work together to make Doncaster a walking friendly environment.

He reported that Doncaster had some of the lowest physical activity levels and the highest levels of adult obesity. There are approximately 12,000 Doncaster residents who live within less than 20 minute walk to work but don't, and there are currently 7 Air Quality Management Areas.

Councillor Ball explained that as part of the strategy, the Council was wanting to encourage people to consider walking as part of everyday life, whether this was for enjoyment, by exploring the great places the people are lucky to have in Doncaster, or for travel as a positive alternative to using a car, or maybe as part of using Doncaster's improving public transport system. He advised that the Council would like Doncaster residents to recognise the personal benefits of walking to their own health and wellbeing, as people who walk regularly live longer and have healthier and happier lives.

He stated that the Council wants people to work together to make walking in Doncaster easier, safer and a more enjoyable activity. It was recognised that where people live, and the quality of that place, was important when people make decisions on how they travel to places, and, by working together to make Doncaster a safer, cleaner and easier place to walk, would help to encourage people to walk more often.

Councillor Ball reported that the Council had listened to over 300 residents, community organisations and stakeholders, and he took the opportunity to thank them for their views on how the Council can achieve the vision of the strategy, and what the Council's ambitions should be for the future. In conclusion, he stated that an action plan would be developed to deliver the ambitions of the strategy and performance, which would be monitored by Doncaster Active Travel Alliance and the Get Doncaster Moving Programme.

Cabinet Members welcomed the report, highlighting that the health and social benefits were not the only advantage, as there would also be economic benefits for the town by the increase in footfall into the town, which, in turn, would give retailers confidence that more people will shop within the town centre. Measures were being put in place to deal with the perception that walking was unsafe. Councillor Ball also commented on improvement in Air Quality and reduction in pollution by choosing to walk, rather than using cars.

Councillor Nuala Fennelly reported to Cabinet that there were 60 schools within the borough that had taken up the 'daily mile' initiative, which encourages children to walk round the playground each day. She hoped that more schools would take up the initiative.

#### **4. ALTERNATIVES CONSIDERED AND REJECTED**

Two options were considered as follows:-

- (1) Do something – To develop and implement the Doncaster Walking Strategy; and
- (2) Do nothing – The absence of an adopted Walking Strategy restricts the ability of the stakeholders to working a coordinated and cohesive way ensuring best value for the resources that we have.

#### **5. DECLARATIONS OF INTEREST AND DISPENSATIONS**

There were no declarations.

#### **6. IF EXEMPT, REASON FOR EXEMPTION**

Not Exempt.

#### **7. DIRECTOR RESPONSIBLE FOR IMPLEMENTATION**

Rupert Suckling, Director of Public Health.

### **DECISION 3.**

#### **1. AGENDA ITEM NUMBER AND TITLE**

8. St. Leger Homes of Doncaster (SLHD) Performance and Delivery Update: 2017/18 Quarter 4.

#### **2. DECISION TAKEN**

Cabinet noted the progress of SLHD performance outcomes and the contribution SLHD makes to supporting DMBC Strategic priorities.

#### **3. REASON FOR DECISION**

The Deputy Mayor, Councillor Glyn Jones, introduced the report to Cabinet which

set out the performance for St Leger Homes for quarter 4, 2017/18. He advised that overall performance remained strong across all areas of the business, with 6 key performance indicators achieving or exceeding year-end target, performance was within tolerance of 3 indicators. Councillor Jones highlighted the indicators that did not meet target, which were as follows:-

Current rent arrears had increased, however significant work had been undertaken in response to the introduction of Universal Credit by St Leger to support tenants to sustain their tenancies and pay their rent. This had seen the establishment of a front line Tenancy Sustainment Team with a realignment of resources away from senior management and into front line delivery.

It was noted that information on year-end benchmark figures from HouseMark showed that whilst arrears had gone up, St Leger Homes had outperformed their peer group, with, on average, current arrears increasing by 0.52%, whereas in Doncaster arrears only increased by 0.2%.

In relation to scheduled repairs, this indicator had a target of 100%. Unfortunately performance against the indicator was 99%. To place it in context, it was noted that out of 10,823 scheduled repairs, 108 were not completed within target.

With regard to days lost to sickness, St Leger had set themselves a very challenging target of 7.9 days, outturn for the year was 8.04 days. It was noted that whilst performance was over target, it was a reduction on the previous year. It was also the best performance on days lost to sickness since St Leger Homes was established.

Homeless decisions made within 33 days was a new indicator introduced in October last year. It was reported that whilst year-end performance did not meet target, this was expected given a number of long standing issues that led to the Key Performance Indicator's introduction. However, for each of the 3 months in quarter 4, the target was achieved, and, overall for the last quarter, performance exceeded target at 92%.

In relation to percentage of local spend, performance for the year was 58% of spend locally, which equates to £5.3m spent in Doncaster. St Leger's policies and procedures had been developed to optimise local spend and social value. It was noted that St Leger continued to work to maximise local spend, including hosting events such as a 'meet the buyer' event. Where spend could not be achieved with Doncaster businesses, it was advised that as much spend as possible was kept within the South Yorkshire Sub-region.

In conclusion, Councillor Jones reported that there was one indicator that had no target, which was the number of households placed in Bed & Breakfast (B&B). He advised that quarter 4 saw the Severe Weather Emergency Protocol in place in significant periods, and also saw St Leger Homes provide 40 temporary accommodation units from general stock to provide accommodation for the homeless. However, he stated that despite this, there was still the need to place individuals in B&B. The use of B&B continued to be a last resort only. Cabinet welcomed the report stating that in terms of performance, St Leger Homes had performed incredibly well.

**4. ALTERNATIVES CONSIDERED AND REJECTED**

There were no other options considered.

**5. DECLARATIONS OF INTEREST AND DISPENSATIONS**

There were no declarations.

**6. IF EXEMPT, REASON FOR EXEMPTION**

Not Exempt

**7. DIRECTOR RESPONSIBLE FOR IMPLEMENTATION**

Paul Tanney, Chief Executive, St Leger Homes

**DECISION 4.**

**1. AGENDA ITEM NUMBER AND TITLE**

9. Markets Options Appraisal Report.

**2. DECISION TAKEN**

Cabinet:-

- (1) noted the results of the options appraisal and the recommended option, ahead of the procurement process for the operation of the markets, via a contract with a long-term lease element for the market estate;
- (2) noted that the Director of Regeneration and Environment and Director of Corporate Services completed the contractual documentation via a procurement process, in consultation with the Portfolio Holder for Highways, Street Scene and Trading Services; and
- (3) receive a further report prior to any decision to award, following the completion of the procurement process, in order to agree what the final proposed model should be pursued for the markets.

**3. REASON FOR DECISION**

Councillor Joe Blackham, Cabinet member for Highways, Street Scene and Trading Services, introduced the report which presented a long term retail future of two historic and valued markets in Doncaster and Mexborough.

The report described how the Council were preparing for the future of the markets to make them the best in the North of England. The two rejuvenated listed buildings, the wool market and the corn exchange, would be unveiled as the jewels in the town's property portfolio.



Councillor Blackham stated that the markets across Doncaster were ready to flourish, and a fundamentally new approach was required to ensure their future. There were embedded major strategies to do this with the masterplan vision for the markets and Doncaster Growing Together confirming and contributing to ensure the markets were a vibrant area.

He reported that the Council were already on site delivering this with investment of £7.3m, and the new wool market development that opens in March 2019. He stressed that the running of the markets was an important part of this and sought Cabinet's approval to the recommendations set out with paragraphs 11-13 of the report.

In conclusion, Councillor Blackham wished to assure members that whilst there had been some speculation surrounding the markets, no decision had been taken with regard to its future. He stressed that following the conclusion of the appraisal process, a report would be submitted to Cabinet for final approval.

Following the introduction of the report, Members were afforded the opportunity to make comments and ask questions.

Councillor Nuala Fennelly asked what was the motivation for the potential sale of the market. In response, it was reported that the Council had been looking at the markets and was working with a consultant on the day to day market operations for the past 2 years, which had brought fresh ideas and an understanding of the lack of in-house retail experience to the attention of senior managers.

Members were advised that soft market testing had proven that companies were eager to bid for the market operation, and this was where officers felt the most successful commercial and sustainable future for the markets of Doncaster and Mexborough should be focussed. Cabinet were assured that the decision was not about selling off the family silver, or making a quick buck, it was about developing and improving the current offer and safeguarding the future of Doncaster markets for the people of Doncaster.

It was further reported that in a rapidly changing environment, it was vital that Doncaster markets appeal to the wider demographic and had something unique to offer. Unfortunately, it's not believed the Council have the required retail experience to ensure the market reaches its full potential, hence the involvement and potential partnership with a third party. With the near completion of the multi million pound renovation of the wool market and further investments planned, this was a perfect opportunity for Doncaster markets to thrive.

Councillor Nigel Ball asked for clarity on suggestions that a third party had been involved with the potential procurement exercise. Cabinet were advised that the third party consultant had not been involved. There had been a small group of Council officers and an external independent legal advisor, APSE (Association of Public Service Excellence), had also been involved to advise on the procurement options.

It was reported that APSE had been involved in the procurement options, of which the selected options were contained within the report. It was further noted that the

Council had taken appropriate measures to effectively prevent, identify and remedy conflicts of interest arising in the conduct of the procurement, so as to avoid any distortion of competition, and to ensure equal treatment of all potential tenderers.

Scott Fawcus, Assistant Director of Legal and Democratic Services and Monitoring Officer, wished to point out to Cabinet that the Council and the project team were experienced in dealing with these matters, and often dealt with procurements which have an incumbent contractor. The Council must comply with its legal duties to ensure that the local authority follows a process which was equal, fair and transparent. It was also pointed out that an information pack and specification would be produced and shared with other bidders, which would ensure 'a level playing field'.

Councillor Bill Mordue welcomed the report and agreed that there was a need to change the demographics of the markets, and stated that the Council and partners had a duty to residents and traders to explore every opportunity available to ensure the markets remain the jewel in the town.

#### **4. ALTERNATIVES CONSIDERED AND REJECTED**

In 2017, a soft market test was undertaken with help from the Association for Public Services Excellence (APSE) Solutions. The results were positive, and there was a clear appetite for working with the Council on the solution. There was a firm view that Doncaster had a good offer with a large fishmonger, eat and fresh produce offer that could be built upon with investment and sector specific expertise.

Three companies attended the market engagement day where they presented their aspirations for the markets and how they would improve them, and we are confident that there is appetite from providers to invest in the opportunity offered.

APSE identified a total of 11 different options, all of which had a number of advantages and disadvantages. APSE's assessment of the 11 options was attached at Appendix A to the report. After consultation with the relevant Cabinet Members, the options had been reduced to the following for further consideration:-

- Option 2 – The grant of a long lease of market estate
- Option 4 – Freehold disposal i.e. sale
- Option 7 – Retention of in-house operations
- Option 9 – Letting a concession contract

A combination of the results of the Soft Market Testing and feedback from the Mayor, relevant Portfolio Holders and Directors was given on the list of options, and it was proposed that a long term arrangement of up to 25 years will stand as a recommended option to pursue, i.e. Option 2/9 in Appendix A – the intention is a combination of a contract with transfer of staff, and a full and repairing lease on the asset. However, the final route to achieve this was still to be confirmed.

The freehold disposal method was not an option for the town as it was final and would not enable the outcomes required in the Masterplan.

#### **5. DECLARATIONS OF INTEREST AND DISPENSATIONS**

There were no declarations.

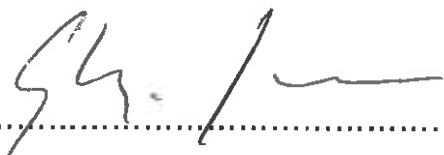
**6. IF EXEMPT, REASON FOR EXEMPTION**

Not Exempt.

**7. DIRECTOR RESPONSIBLE FOR IMPLEMENTATION**

Steve Mawson, Assistant Director of Finance and Chief Financial Officer.

Signed.....

A handwritten signature in black ink, appearing to be 'S.M.' followed by a horizontal line.

.....Chair/Decision Maker

