

Public Document Pack



Doncaster Council

EXECUTIVE FUNCTIONS DECISION RECORD

The following decisions were taken on Tuesday, 1st September, 2020 by Cabinet.

Date notified to all Members: Thursday, 3rd September, 2020

End of the call-in period is 5.00 p.m. on Monday 14th September, 2020. These decisions will not be implemented until after this date and time.

Present:

Chair - Mayor Ros Jones (Mayor of Doncaster with responsibility for Budget and Policy Framework)

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

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 Rachael Blake	Portfolio Holder for Adult Social Care
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.

PUBLIC MEETING – SCHEDULE OF DECISIONS

Public Questions and Statements

No public questions or statements were made at the meeting.

Decision Records dated 11th August 2020, be noted.

DECISION 1.

1. AGENDA ITEM NUMBER AND TITLE

6. Finance and Performance Report - Quarter 1.

2. DECISION TAKEN

Cabinet:-

- (1) approved the virements per the Financial Procedure Rules, detailed in the Financial profile in the Evidence Pack;
- (2) approved the changes to Fees and Charges, detailed in paragraphs 52 to 55 and noted the new fees, detailed in paragraphs 56 and 57.
- (3) noted the allocations of block budgets in the Capital Programme, detailed in the Appendix A – Finance Profile, in accordance with the Financial Procedure Rules (sections A & B); and
- (4) approved the allocations from the Investment and Modernisation Fund (IMF) and Borrowing Block budget in the Capital Programme, detailed in the Appendix A – Finance Profile, in accordance with the Financial Procedure Rules (sections C&D).

3. REASON FOR DECISION

Cabinet received a report, introduced by Mayor Ros Jones, on the 2020-21 Quarter 1 Finance and Performance Improvement. Before she introduced the item, she drew Members' attention to a drafting error in the Recommendations at Paragraph 12 of the report. The first and second bullet points should read as:-

- 'Approve' the virements per the Financial Procedure Rules, detailed in the Financial profile in the Evidence Pack.
- 'Approve' the changes to Fees and Charges, detailed in paragraphs 52 to 55 and note the new fee, detailed in paragraphs 56 and 57.

The Mayor reported that the impacts of the COVID-19 Pandemic have been felt right across the Council, some council services were stood down and others innovated to be able to continue. To reflect this, the Quarter 1 Finance and Performance report provided details on business as usual, whilst at the same time recognising that the Council has continued to deliver services in what has been far from business as usual.

The Mayor stated that there have been significant financial challenges as the Council responded to the COVID-19 pandemic. The Council have incurred new and additional costs to support the continued delivery of services, lost income through reduced trading activity or cessation of services, and there has been a delay in delivering the savings required to achieve a balanced budget. In addition, council tax and business rates payments have reduced since lockdown began, businesses closed and staff were furloughed.

The Mayor reported that in the longer term, it is anticipated that the cost of delivering many council services will increase at the same point that available income (council tax and business rates) will come under pressure. In order to ensure a balanced budget, the Council are planning to undertake a fundamental review and update of its Medium Term Financial Strategy (MTFS) and 2021/22 budget plan, in order to provide a solid baseline and longer-term financial sustainability.

Despite the challenges facing the Council, some services have seen areas of improvement, for example:

- The average time taken to complete a social care assessment is now 40.1 days in the quarter, which is significantly less than the long-term average from previous quarters; and
- We have introduced new ways of working due to the social distancing measures, ensuring that customers are not waiting to be served in the One-stop-shop, and we are answering 94% of phone calls within the 150 second target.

The Mayor also pointed out that the Council has also identified areas that have challenged the Council this quarter:

- Given the nature of the pandemic, the number of residential placements have reduced significantly during this quarter; and
- Levels of fly tipping have increased, recycling levels have decreased and Household waste recycling centres were closed due to the pandemic. This has had a direct impact on the levels of cleanliness across the borough.

The Mayor remarked that the Council has worked closely with government bodies, partner organisations and local communities to provide essential support to residents affected by the restrictions, and with this in mind, the 'Delivering for Doncaster' booklet for this quarter focused on the 'Response to the Covid-19' pandemic.

Councillor Rachel Blake welcomed the news on Adult Social Care referrals and the fantastic work carried out by staff in reducing waiting times. She wished to express her thanks for the incredible amount of innovative work that staff have carried out in order to protect the residents of the borough who had been extremely pleased with the response they had received.

In relation to increased instances of Fly-tipping, Councillor Chris McGuinness stated that although the current closure of the Courts was delaying prosecutions, this would be dealt with as soon as the Court Service resume normal activities and the perpetrators would be prosecuted.

In conclusion, the Mayor stated that the Council would do its utmost to assist residents as the Pandemic continues, and the Medium Term Financial Plan will assist with this going forward.

4. ALTERNATIVES CONSIDERED AND REJECTED

Not applicable.

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. St Leger Homes of Doncaster Ltd (SLHD) Performance and Delivery Update: 2020/21 Quarter One (Q1).

2. DECISION TAKEN

Cabinet noted the progress of SLHD performance outcomes and the contribution SLHD makes to supporting Doncaster Council strategic priorities.

3. REASON FOR DECISION

Cabinet received a report, introduced by the Deputy Mayor, Councillor Glyn Jones, which stated that Covid-19 and the lockdown has had a significant impact on the performance of St Leger Homes of Doncaster. He reported that the lockdown and the requirement to only deliver essential services, whilst working from home wherever possible from 23rd March, means only 5 indicators were on target, 1 was amber and 9 were below target. However, although unable to deliver normal services, SLHD did support the Community Hubs by making thousands of calls to vulnerable residents and leading on the prescription delivery service.

Councillor Jones highlighted some of the key indicators:-,

KPI 1 Rent Arrears.

- At the end of Q1, the % of rent arrears stood at 3.11% against a target of 2.8%, although St Leger did begin to see a reduction in arrears during June as a result of the support and recovery actions they had put in place.

KPI 2 & 3 are the void indicators

- Both were severely affected by the suspension of the lettings and advertising cycle, in accordance with government guidelines. The revised social distancing working arrangements and difficulty in obtaining some supplies and materials will continue to have an impact on void re-let times.

KPIs 4,5 & 6 cover the homelessness indicators.

- The “everyone in” announcement by the government in March has seen a significant increase in homeless applications. The temporary extension of rehousing duty to none statutory homeless means that there is a significant increase in the number of homeless people being temporarily rehoused who would normally only receive advice and assistance.
- The shortage of suitable 1 bedroom move on accommodation has also meant that rehousing rates have been lower than usual, and the team have been working under intense pressure.

The percentage of local expenditure remains below target as does the employment and training schemes which St Leger are now trying to get back up and running.

He stated that on the plus side, both staff sickness and tackling Anti-Social Behaviour (ASB) remained better than target, although with ASB there were a couple of very difficult cases where action has been frustrated by the government’s “no eviction policy” and the closure of the courts, resulting in court backlogs.

The Mayor and Cabinet welcomed the report and said it was good to see that tenants had taken advantage of the rent payment holiday, and whilst they will need to pay the monies back, it had given them the much needed breathing space during this difficult time. The Mayor also stated that the Council will do all they can to assist tenants who are suffering to sustain their tenancies.

4. ALTERNATIVES CONSIDERED AND REJECTED

Not applicable.

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 of Doncaster

DECISION 3.

1. AGENDA ITEM NUMBER AND TITLE

8. Performance Challenge of Doncaster Children's Services Trust: Quarter 1, 2020/21.

2. DECISION TAKEN

Cabinet noted the progress of DCST performance outcomes and the contribution that the Trust makes to support the Council's strategic priorities.

3. REASON FOR DECISION

Cabinet received a report introduced by Councillor Nuala Fennelly, Cabinet Member for Children, Young People and Schools, on the performance challenges for Doncaster Children's Services Trust for Quarter 1, 2020/2. She reported that through lockdown, Doncaster Children's Services Trust continued to deliver its services to children, young people and families across Doncaster by working closely with Riana and relevant council teams.

As anticipated, the impacts of Covid-19 were felt in Quarter 1 and will continue to be felt into Quarter 2, especially around demand and the front door (up 67% in July 2020 compared to last year).

Councillor Fennelly stated that the Trust were working with the Council on developing innovative and locality based approaches to either prevent children entering care, or stepping down into Early Help for "additional" Covid-19 cases.

Despite Covid-19 and demand pressures, the performance of the Trust remains strong across Key Performance Indicators and strategic indicators.

She commented that at Quarter 4 year end, the Trust reported a £1.24M underspend but signalled that Finances would be tight this year. The Trust is working on managing an operating deficit and are sharing plans on placements, Out of Area and agency staffing with the council.

Overall it is believed the Trust can meet the expectations of the Medium Term Financial Strategy excluding Covid-19, albeit with changed phasings over the three years. Covid-19 is both a demand and cost pressure that will be felt at least throughout the current year, and schools reopening in September is likely to increase demand further.

The Trust continues to work hard to keep children and families safe, working with strategic safeguarding partners, including Doncaster Council and schools.

The Mayor and Cabinet welcomed the report and the Mayor commented that whilst the demand for the service had fallen at the start of the Covid Pandemic, the Trust were now seeing an increase in demand and also an increase in referrals from the police in relation to domestic abuse. In conclusion, she wished to highlight that the Council working alongside the Trust will do all they can to support vulnerable families in the ongoing Pandemic.

4. ALTERNATIVES CONSIDERED AND REJECTED

Not applicable.

5. DECLARATIONS OF INTEREST AND DISPENSATIONS

There were no declarations.

6. IF EXEMPT, REASON FOR EXEMPTION

Not Exempt

7. DIRECTOR RESPONSIBLE FOR IMPLEMENTATION

James Thomas, Chief Executive Officer, Doncaster Children's Services Trust.

DECISION 4.

1. AGENDA ITEM NUMBER AND TITLE

9. Environmental Crime and Fixed Penalty Notices for North Lincolnshire Council

2. DECISION TAKEN

Cabinet:-

- (1) approved entering into a shared service agreement with North Lincolnshire Council to deliver on their behalf an enhanced environmental crime and parking enforcement with North Lincolnshire, and put in place the operational arrangements necessary to efficiently deliver this services;
- (2) accepted the delegation of relevant and appropriate powers contained with the Environmental Protection Act 1990, Traffic Management Act 2004, Road Traffic Regulation Act 1984, Road Traffic Act 1991, Anti-Social Behaviour, Crime and Policing Act 2014, Clean Neighbourhoods and Environment Act 2005, and Health Act 2006, made by North Lincolnshire Council on the 27th July 2020 in order to deliver the required shared service within North Lincolnshire;
- (3) approved the decision to continue with the contract following the pilot, further decisions relating to the procurement/contracting is delegated to Director in consultation with the Portfolio Holder lead for Communities, Voluntary Sector and the Environment; and
- (4) approved that the pilot would be an 18 month contract, with the potential of two x 1 year extensions to ensure it delivers best value.

3. REASON FOR DECISION

Cabinet considered a report introduced by Councillor Chris McGuinness, Cabinet Member for Communities, Voluntary Sector and the Environment, stating that in 2016, Doncaster Council introduced a contract with Kingdom (now known as LA Support Ltd) who provide enforcement actions for environmental crime offences, tackling litter and other relevant legislative offences in and around the Borough. With the successful introduction at Doncaster, the Enforcement team were in a position to expand further to assist other Local Authorities, and, in 2018, contracts with colleagues at Rotherham and North East Lincolnshire commenced.

The contract operates with LA Support officers deployed in the town centres and neighbourhoods to deal with witnessed offences by members of the public. Since 2016, 29,960 fixed penalty notices have been issued for littering offences.

It was reported that the Enforcement Team undertake all administration duties involved with the issuing of the fixed penalty notices. The appeals of a fixed penalty notice is managed by dedicated Doncaster Council Officers based in Doncaster to ensure that a fair, transparent and consistent approach is delivered across all the contract areas. All evidence provided to support an appeal is reviewed and carefully considered by council officers to establish if the appeal can be upheld.

Councillor McGuinness commented that monthly contract meetings are managed by the Enforcement Team with LA Support and colleagues in neighbouring authorities, and this ensures that the delivery of the service is managed and controlled by Doncaster Council.

The cabinet proposal is to enter into a shared service agreement with North Lincolnshire Council to deliver on their behalf an enhanced environmental crime and parking enforcement within North Lincolnshire, and put in place the operational arrangements necessary to efficiently deliver this service.

The Mayor and Cabinet welcomed the report and assurances that the provision of this contract would not affect service levels in Doncaster.

4. ALTERNATIVES CONSIDERED AND REJECTED

Do Nothing – If the Council does nothing, it will continue with its current contract arrangements with LA Support for duration of the contract including any contract extension at which point full procurement would be required if we wanted to continue using a private contractor.

Another option considered was to procure a new service for both Doncaster and North Lincolnshire Council, allowing the contractor to also process FPNs and prepare case files. This would reduce income for Doncaster Council, as it is likely to have to pay the contractor more per FPN issued. This would also remove a safeguard of Doncaster Council having full discretion when to issue FPNs or not. If FPNs were to be issued by a contractor in cases where evidence is not sufficient, it would damage the reputation and public perception of the Council. It is important that litter enforcement is conducted in a fair and transparent manner, with the overall aim of improving the local environment and not just be seen as a method of income generation. North Lincolnshire Council also favours working with Doncaster Council due to the extra safeguards of fair enforcement created by the Council in retaining the processing side of the FPN service.

5. DECLARATIONS OF INTEREST AND DISPENSATIONS

There were no declarations.

6. IF EXEMPT, REASON FOR EXEMPTION

Appendix 1 to the report is not for publication because it contains exempt information by virtue of paragraph 3 of Part 1 of Schedule 12A of the Local Government Act 1972, as amended.

7. DIRECTOR RESPONSIBLE FOR IMPLEMENTATION

Peter Dale, Director of Economy and Environment.

DECISION 5.

1. AGENDA ITEM NUMBER AND TITLE

10. Market Operator - Temporary Financial Assistance Report

2. DECISION TAKEN

Cabinet:-

(1) agreed to temporarily subsidise the operation of the markets at a cost of £0.91m by entering into a temporary variation of the contract until 31st March 2022. The variation will suspend amounts due from MAM to the Council under the existing contract and provide a capped amount of financial support to aid the delivery of the market management service until 1st April 2022, at which point the provisions of the existing contract will resume; and

(2) agreed to delegate authority to the Director of Corporate Resources (or in their absence the Assistant Director of Finance) in consultation with the Assistant Director of Legal and Democratic Services and the portfolio holder for Highways, Street Scene and Trading Services to agree the terms of the contract variation; and

(3) agreed that Cabinet receive quarterly reports on the current position, and monthly updates be provided to Executive Board.

3. REASON FOR DECISION

Cabinet received a report in relation to the Market Operator and a Temporary Financial Assistance proposal. It was reported that the markets in Doncaster and Mexborough were improving and the Wool Market had proven to be a popular place for visitors far and wide.

The Council ran the markets with an annual loss of £580,000 prior to the contract award to MAM (Markets Assets Management Doncaster Ltd).

MAM are retail experts specialising in Markets who have managed the traders and shared a vision with them to drive performance and encourage a busy market environment.

It was noted that as we have all seen, trading conditions for retail across the country have been challenging during the last year, and Covid-19 has significantly added to this pressure. Retail and leisure industries are struggling to survive and need support. In March 2020, the complete closure of all non-essential retail business compounded MAMs ability to operate their business successfully, and has created a trading environment that no one could have envisaged at the beginning of this year.

Any other third party operator and indeed the Council would have faced the same struggles which MAM are currently facing.

Cabinet were advised that discussions have taken place with MAM, and they have outlined that the current operation is unsustainable and have asked for support from the Council by contributing to their costs, support to make operational efficiencies and to contribute to the investment for the market estate. MAM have shared their vision document with us on where they want to take our market, and this is welcomed.

Cabinet were asked to support Option 1 within the report to continue a contract with associated lease with the MAM over the course of the 25-year term, financially assisting MAM temporarily for the next two years, before going back to the original contract and any surplus above £150K being shared with the Council.

It was reported that several questions had been received after the deadline. In the interest of public scrutiny, the Mayor responded to them as follows:-

Question 1

'My question relates to the proposed contract variation with MAM. Why is Doncaster Council even, given these difficult times, contemplating this sort of bail out? It seems an unsteady approach to our local finances. Where is the money coming from? Why was the risk of this issue not previously identified as part of the council's due diligence process?'

In response, the Markets are an important part of the infrastructure of both Doncaster and Mexborough, if they are allowed to fail, then there will be high consequences in terms of jobs, visitors and other allied retail anchors. The money paid to MAM will allow the markets to continue to operate, or the contract could terminate resulting in the asset returning to the Council. The Council ran the markets at a loss in excess of £500,000 per annum.

The money will have to come from the contingency budget.

The tender submission was seen as being achievable, whilst optimistic, and was submitted as the country was on a rise in terms of investments and growth. The wool market was oversubscribed for food and beverage stalls, and there was lots of interest in investment of the wider estate.

Question 2

'When did Doncaster Council become aware of the need for a potential contract variation? What impact will this have on Doncaster Council's ability to comply with its commitment to spending local money on local firms only?'

In response, MAM came to the Council at the end of the financial year 2019/20 and discussions have been ongoing since then.

The money that operates the market is spent locally on jobs and services; there has not been a surplus to return to the company head office.

Question 3

When DMBC carried out due diligence into MAM Doncaster, did they look into the wider MAM group, or seek out discussions with officials in other authorities as to their experiences working with this provider? How was MAM investigated?

In response, the due diligence carried out on MAM before the contract was awarded has been considered at the call in decision by the overview and scrutiny committee. There were Legal and Financial checks performed on the company, Directors and the parent company guarantor. In addition, there have been discussions undertaken with other Local Authorities that have MAM services.

Question 4

I have a question about the proposed contract variation with MAM. I've read with interest item 14 of the report. Why is it unlikely that this investment will happen? MAM promised to improve the markets by running them more efficiently and generating revenue. Why hasn't this happened? What oversight does the council have over this matter and why aren't we ensuring we hold MAM to account?

In response, capital investment from the parent company is unlikely to happen in the current climate as the retail, food and beverage markets in the United Kingdom have contracted. The country is in the worst recession since the Second World War, which has significantly impacted on the private sectors appetite to make investment decisions.

Most of the market has been closed, and income from the concessions and agreed percentage of turnover in the most lucrative areas of the market have not been forthcoming. In addition, vacant markets stalls have not been taken up in the past eight months and MAM are only just starting to see interest from new traders across both market estates. Without this financial support, the company may become insolvent and the service and assets returned to the Council.

Were the service and assets to return to the Council, outstanding costs will still need to be met by the Council, and there is a lack of expertise in running markets inside the Council.

With this new oversight and a closer working relationship with MAM, the monthly trading and financial position of MAMs will be monitored. Business cases for investments to improve the Market will be approved by the Council.

Councillor Joe Blackham emphasised that the reason for the proposal was due to the Covid 19 Pandemic. He stated that the Markets have been unable to trade fully resulting in loss of revenue for managing the markets, and MAM have been unable to fulfil its obligations. These difficult trading conditions have been seen across the UK High Street with many household name retailers struggling. This proposal represents money well spent, and once the Pandemic is behind the Borough, it is expected, that a different yet vibrant and thriving Doncaster and Mexborough market will emerge.

Debbie Hogg, Director of Corporate Resources reported that the contract would be set around an open book accounting arrangement and the operator will provide the Council with management accounts. She stated that the Council already receive lettings and other information, which will be provided on a monthly basis. The future vision for the markets is predicated on investment and each application for capital investment will require a business case to ensure a return on investment. Officers are confident that these steps will shore up the long term arrangements and the markets financial position.

Councillor Joe Blackham recommended that quarterly reports be brought to Cabinet on the markets financial position, as well as monthly updates to Executive Board, and Cabinet agreed that this be included as a further recommendation within the report.

4. ALTERNATIVES CONSIDERED AND REJECTED

Option 2 – To not subsidise operations and ultimately risk contract failure, which will see the Markets return to be managed and operated in-house by the Council. This has been discounted due to the specialised retail expertise and knowledge that is required to manage a successful markets estate. This option carries the most cost risk as the operation previously made a significant loss under Council control, and the costs would be uncapped and ongoing, whereas costs in Option 1 are capped and for a temporary period.

Option 3 - There is an option of cessation of the Markets in Doncaster and Mexborough that has been discounted due to the nature of Doncaster and Mexborough being market towns, bringing visitors to the town centres and the detrimental impact reduced footfall and vacant assets would have on the vibrancy of the town centre. Cabinet are requested to note this.

5. DECLARATIONS OF INTEREST AND DISPENSATIONS

There were no declarations.

6. IF EXEMPT, REASON FOR EXEMPTION

Appendix 1 to the report is not for publication because it contains exempt information by virtue of paragraph 3 of Part 1 of Schedule 12A of the Local Government Act 1972, as amended.

7. DIRECTOR RESPONSIBLE FOR IMPLEMENTATION

Debbie Hogg, Director of Corporate Resources.

Signed.....Chair/Decision Maker