

Cabinet

Meeting held 19 June 2019

PRESENT: Councillors Olivia Blake (Chair), Lewis Dagnall, Jackie Drayton, Mazher Iqbal, Mary Lea, George Lindars-Hammond, Abtisam Mohamed and Paul Wood

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1. APOLOGIES FOR ABSENCE

1.1 Apologies for absence were received from the Chair (Councillor Julie Dore) and from Councillor Bob Johnson.

2. EXCLUSION OF PUBLIC AND PRESS

2.1 No items were identified where it was proposed to exclude the public and press.

3. DECLARATIONS OF INTEREST

3.1 The Chair (Councillor Olivia Blake) declared a disclosable pecuniary interest in agenda item 9 (Adult Substance Misuse Services Re-tender) as a Non-Executive Director of Sheffield Health and Social Care Trust, but felt that the interest was not prejudicial in view of the nature of the report and chose to remain in the meeting during consideration of the item.

3.2 Councillor Lewis Dagnall also declared a disclosable pecuniary interest in agenda item 9 on the grounds that his spouse was a Non-Executive Director of Sheffield Health and Social Care Trust, but felt that the interest was not prejudicial in view of the nature of the report and chose to remain in the meeting during consideration of the item.

3.3 Councillor George Lindars-Hammond declared a disclosable pecuniary interest in the urgent item of business proposed to be considered at the meeting relating to Procurement of Sexual Health Services – Approval of Contract Award (see minute number 8) on the grounds that his partner was employed by Sheffield Teaching Hospitals Foundation Trust, the current holder of the contract, but felt that the interest was not prejudicial in view of the nature of the report and chose to remain in the meeting during consideration of the item.

4. MINUTES OF PREVIOUS MEETING

4.1 The minutes of the meeting of the Cabinet held on 29 May 2019 were approved as a correct record.

5. PUBLIC QUESTIONS AND PETITIONS

5.1 Public Questions Concerning NHS 'My Choice' Programme

5.1.1 Nigel Slack asked for the Council's view of the NHS 'My Choice' programme, where patients were charged for operations in NHS hospitals to avoid waiting lists. He referred to charges in one of the Warrington hospitals as having been quoted to be as much as £8,500.

5.1.2 He commented that the list of procedures now covered by that programme was expanding in a disturbing way and asked whether the Council had raised this in their discussions with local NHS services or through the CCG (Clinical Commissioning Group) joint working.

5.1.3 Councillor George Lindars-Hammond, the Cabinet Member for Health and Social Care, stated that this was an important question and the situation was an indictment of what was happening to the NHS. As part of all discussions concerning joint commissioning, the Council was clear about any expansion of the private sector. The Council was also doing what it was able to ensure that the NHS was the main provider of services. With regards the charges for operations, this was a matter that he would raise as appropriate and to make sure the Council's opposition to it was made clear.

5.2 Public Questions Concerning Conservation Areas

5.2.1 Nigel Slack thanked the Cabinet Member for the response to a question at the recent Council meeting with respect to the review of 'Conservation Areas' in the City. He commented that he was particularly pleased by the commitment to a policy stance against "growth at any cost".

5.2.2 He said that there were some points that went unanswered, and asked the following questions:

1. Which Portfolio will have the responsibility for the review?
2. What is the timescale of the review?
3. Where will the new Castlegate Conservation Area consultation fit into this?
4. Can Council outline the way the review will be carried out and who the stakeholders are that will be part of this review?

5.2.3 Councillor Mazher Iqbal, the Cabinet Member for Business and Investment, stated that, with regards to the portfolio with responsibility for the review, there was crossover on this issue between his own portfolio (Business and Investment) and the portfolio of Councillor Bob Johnson (Transport and Development). As regards timescales, nothing had been agreed at this time. However, when information was available, he would be pleased to provide a timetable to Mr Slack.

5.2.4 Councillor Iqbal stated that Castlegate and Conservation Areas were matters which were fast changing. In the previous week, there had been a Castlegate

regeneration group meeting at which some twenty organisations were represented. Additionally, a meeting of a confidential nature had also been held with Joined Up Heritage. He said that they had subsequently spoken to the press.

- 5.2.5 He said that Conservation Areas acted as a catalyst and were beneficial to the City. The review of those areas was being carried out as part of activity relating to the local plan. The Council would work to see to what extent the City centre could contribute to the delivery of new housing in the City. He said there was also a desire to avoid development on the Green Belt at all costs. The Council would be consulting with a range of stakeholders in relation to the local plan and whilst there was no precise timetable at this time, people would be kept informed.

5.3 Public Question Concerning the General Cemetery

- 5.3.1 Jim Dimond (Save our Green Open Spaces group) asked a question concerning the General Cemetery and the plans regarding a car park. He said that whilst he had asked questions about this matter before, he believed he had received answers which were contradictory. He set out some of the reasons that had been given in relation to the development of a car park.

- 5.3.2 Mr Dimond asked why the Council wanted a car park at the General Cemetery and said that a petition on the matter had received 1000 signatures. He asked whether the Cabinet Member could confirm that the offer to review the plan was genuine. He also asked if a process and timescale for the review could also be set out without further delay.

- 5.3.3 Councillor Mary Lea, the Cabinet Member for Culture, Parks and Leisure, responded that the access report produced by Phil Chambers Consultancy had recommended that a 'Blue Badge' parking bay was provided. She said that she could send a copy of the report By Phil Chambers to Mr Dimond.

- 5.3.4 Councillor Lea said that the Council wanted to make sure that disabled people had access to parks and Historic England had also said that inclusivity was part of its considerations. She said that the Masterplan would subject to a review as the plans develop and noted that Mr Dimond was also a member of the masterplan group for the General Cemetery site. She said that the location of parking spaces for disabled people had not been decided.

5.4 Public Questions Concerning Street Trees

- 5.4.1 A question was asked on behalf of Justin Buxton by Russell Johnson, as follows:

Has the Council undertaken a risk assessment to evaluate the cost and the likely outcome of a private prosecution for breaching statutory obligations to obtain a licence for the mass felling of healthy urban trees in the City?

- 5.4.2 Russell Johnson referred to a response to a councillor question concerning

tree felling which stated that the priority was, rather than an inquiry, to focus on positive steps for the future. Mr Johnson commented that, if that was a sincere intention, one way to demonstrate that would be to declare that the Council had no intention of seeking an extension of the court injunction relating to safety zones around works to trees.

5.4.3 Councillor Lewis Dagnall, the Cabinet Member for Environment, Streetscene and Climate Change responded that he believed that the work which had been done relating to street trees was lawful.

5.4.4 Councillor Dagnall further stated that the Council wished create conditions where it was not deemed necessary to take such action as injunctions in order to facilitate works. He said that he hoped those positive steps would mean that any injunction would not be required in future. He said that it was also reasonable for the Council to seek to protect workers.

5.4.5 Councillor Olivia Blake, the Cabinet Member for Finance, Resources and Governance and Deputy Leader of the Council, stated that the Council did undertake risk assessments in relation to its decisions.

5.5 Public Question Concerning Non-Disclosure Agreement

5.5.1 Russell Johnson asked whether a Non-Disclosure Agreement was sought or offered as part of the arrangements relating to the retirement of the Director of Culture and Environment and, if so, what additional costs (if any) had been or would be incurred from the public purse.

5.5.2 Councillor Lewis Dagnall, the Cabinet Member for Environment, Streetscene and Climate Change stated that he would not comment on the circumstances of an individual Council Officer.

5.5.3 Councillor Olivia Blake, the Cabinet Member for Finance, Resources and Governance and Deputy Leader of the Council, stated that there was not a Non-Disclosure agreement relating to the former Director of Culture and Environment.

5.6 Public Questions Concerning Street Trees

5.6.1 Russell Johnson asked for comment on the recent remedy of the footway adjacent to a tree on Abbeydale Park Rise, which had been a 'last resort' felling and which he said had been the cause of a citizen being taken to court and given a suspended prison sentence.

5.6.2 Councillor Lewis Dagnall, the Cabinet Member for Environment, Streetscene and Climate Change responded that he was glad the Council had achieved compromise in relation to street trees and had been able to secure options which previously had not been feasible.

5.7 Public Question Concerning Leadership

- 5.7.1 Russell Johnson asked for the Council to reflect on its failures and successes during the tenure of the Leader of the Council and to consider whether Sheffield might have secured a vibrant economy and a more positive reputation with more inspired leadership.
- 5.7.2 Councillor Olivia Blake, the Cabinet Member for Finance, Resources and Governance and Deputy Leader of the Council, stated that she would disagree with the suggestion that Sheffield did not have a vibrant economy. She said that Sheffield had been shortlisted for Urbanism Awards European City of the Year.
- 5.7.3 Councillor Blake said that the Council had also adopted an Ethical Procurement Policy and £80M had been brought into the City through the Council's procurement chain. She also said that she believed that Sheffield had a positive national and international reputation.

5.8 Public Questions Concerning the Peoples Petition

- 5.8.1 Ruth Hubbard commented that the peoples petition for a change in Council governance had reached 18,000 signatures and that the Council would potentially incur significant expenditure in relation to the costs of a referendum regarding a change in governance. She said that she had written to the Council and had also raised issues relating to a change in governance arrangements at Council meetings. A meeting had also taken place with the Leader and Deputy Leader of the Council.
- 5.8.2 She asked why this situation had occurred and said that there were potentially six weeks remaining for the Council to announce a change in governance arrangements prior to the submission of a statutory petition. Information in some documents in the public domain had been noted, such as that written in responses to opposition motions and in amendments. She asked about the quality of information available and as to how informed the Cabinet was in relation to this issue and commented that she was concerned at the quality of information in some documentation, including the assertion, using information from the Centre for Public Scrutiny, that a greater number of councils had changed to adopt a strong leader model of governance, rather than the other way around.
- 5.8.3 Ruth Hubbard also commented that it was not necessary valid to make comparisons with other Core Cities on this matter. She remarked that some places may be comparable to a greater extent, for example Leeds City Council, although it had a Cabinet that included the Leader of the main opposition group. She asked whether the Council already had people working in the background on this issue. She said that a petition with 7,000 signatures had been submitted in order to trigger a debate at full Council and an update was requested on the issue.
- 5.8.4 Councillor Olivia Blake, the Cabinet Member for Finance, Resources and Governance and Deputy Leader of the Council responded to the questions. She said that she would check in relation to the information used in the

Council amendment and to which Ruth Hubbard had referred concerning information from the Centre for Public Scrutiny. Comparison with other core cities was due to Sheffield being a metropolitan council and also a Core City and having different structures to other local authorities such as district or county councils.

- 5.8.5 Councillor Blake said that she would clarify the position with regards to the submission of a petition with 7,000 signatures to trigger a debate at Council. She also confirmed that she would be meeting with Ruth Hubbard this day and would be pleased to talk further about the matters raised and to also have discussions at political group meetings.
- 5.8.6 She stated that the Leader of the Council was elected annually by Council. She also said that she supported the idea of a governance review and said that there were things that were in train but on different timescales.
- 5.8.7 Councillor Jackie Drayton, the Cabinet Member for Children and Families, stated that Members did feel well informed on this issue, with some having worked in the context of both the Strong Leader and Committee model and Members were very interested in such matters relating to democracy.

6. ITEMS CALLED-IN FOR SCRUTINY

- 6.1 It was noted that there had been no items called-in for Scrutiny since the last meeting of the Cabinet.

7. RETIREMENT OF STAFF

- 7.1 The 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 service rendered to the City Council by the following member of staff in the People Services Portfolio:-

<u>Name</u>	<u>Post</u>	<u>Years' Service</u>
Gillian Robinson	Teaching Assistant, Abbey Lane Primary School	29

(b) extends to her 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 her.

8. PROCUREMENT OF SEXUAL HEALTH SERVICES - APPROVAL OF CONTRACT AWARD

8.1 The Director of Public Health and the Deputy Executive Director, People Services, submitted a report seeking approval to proceed to award of contracts for provision of sexual health services to commence on 1st August 2019.

8.2 **RESOLVED:** That Cabinet:-

- (a) notes the additional financial impact on the Council in awarding this contract and that contract award will require additional savings from other budgets in the 2020/21 budget process, and that, in accordance with the Council's Constitution, any immediate financial implications will be addressed by the Head of Strategic Finance, in consultation with the Cabinet Member for Finance and the Director of Finance and Commercial Services; and
- (b) approves the Director of Public Health and the Deputy Executive Director, People Services, proceeding to contract award in accordance with previous delegations.

8.3 Reasons for Decision

8.3.1 The bids received have been modelled and priced based on outturn service activity data provided by SCC and are therefore considered to be realistic and accurate and any alternative model would require reduced activity with the likely consequence of a significant additional financial pressure on SCC further down the line due to the open access nature of the service and SCC's related statutory responsibilities.

8.3.2 Approval of the additional expenditure on these services will enable contract award and service mobilisation to commence as per the intended procurement timescales.

8.4 Alternatives Considered and Rejected

8.4.1 Consideration was given to aborting the current procurement process to allow for further re-design of the service model with a view to generating further savings following a new procurement process. However, the bids received have been modelled and priced based on outturn service activity data provided by SCC and are therefore considered to be realistic and accurate. Further re-design in response to reducing spend on these services would therefore require specifying a reduced amount of activity. It is likely that this would create a significant additional financial pressure on SCC due to the open access nature of the service and SCC's related statutory responsibilities.

- 8.4.2 The intended model has been carefully designed based on service user feedback and detailed health needs assessment. Applying significant changes to the service model could impact on service quality and patient safety.

(NOTE: In accordance with Council Procedure Rule 26 of the Council's Constitution and the provisions of Section 100B(4)(b) of the Local Government (Access to Information) Act 1985, the Chair (Councillor Olivia Blake) decided that the above item be considered as a matter of urgency on the grounds that Cabinet approval was required urgently in order to ensure that the original procurement timescales are achieved, which is critical for service continuity and patient safety, although it had not been possible to give five clear working days' notice that the item was to be considered at this meeting.)

9. ADULT SUBSTANCE MISUSE SERVICES RETENDER

- 9.1 The Deputy Executive Director, People Services, submitted a report setting out the proposed approach to recommissioning drug and alcohol treatment and support services for adults aged 18 and above in Sheffield.

9.2 **RESOLVED:** That Cabinet:-

- (a) approves the proposed procurement process and service model, as set out in the report, to secure services for the support and treatment of the adult residents of Sheffield with substance use disorders; and
- (b) delegates authority to the Director of Commissioning, Learning and Inclusion, in liaison with the Director of Legal and Governance, the Director of Finance and Commercial Services, and the Cabinet Member for Health and Social Care, to:-
 - (i) approve the procurement strategy for the tender for the Adult Substance Misuse Services; and
 - (ii) agree appropriate contract terms and approve a contract award following the tender process.

9.3 Reasons for Decision

- 9.3.1 Good quality drug and alcohol support services are essential to help individuals turn their lives around and build stronger families and communities in Sheffield.

- 9.3.2 The Council has a duty to organise and arrange drug and alcohol treatment and support services for the people of Sheffield. The Council cannot

directly run these services, so a recommissioning process is required.

9.3.3 The current legal contractual arrangements in place for these services expire on 31 March 2020, so carrying out this process at this time will allow us to ensure there is continuity of service, with new contracts commencing on 1st April 2020, and to offer the necessary savings to the Public Health Grant with minimum impact on frontline service. This was the over-arching action set out in the Drug Strategy 2018-2022.

9.3.4 The service will be based on local need and trend analysis, and performance data for current service provision will inform where change and improvement is needed for the forthcoming contract period.

9.4 **Alternatives Considered and Rejected**

9.4.1 There is not a 'do nothing' option available: all SCC commissioned substance misuse support contracts now end on 31st March 2020 and in order to ensure there is legally contracted provision from 1st April 2020 a new commissioning process must be carried out in a timely manner. The ending of all the contracts on the same date allows us the opportunity to ensure our vision, as set out in the drug and alcohol strategies, are realised via the commissioned treatment provision, and achieve savings and efficiencies by streamlining and integrating the service and remove barriers for service users such as duplication and issues with information sharing.

9.4.2 The commissioning process also allows us to review our outcomes, and focus attention and prioritise areas where improvement is required.

9.4.3 The alternative option in terms of the model would be to commission two or more separate contracts to mirror the current provision. However, the outcome of the consultation was overwhelmingly that a one contract model was preferred by staff, stakeholders and service users. It also offers the opportunity for reduced overheads in a time when savings are required, and so is the sensible approach to providing these savings while minimising the impact on frontline service.

9.4.4 Another option considered is the Council taking on the delivery of these services and running them as a Council service. This has been rejected for a number of reasons. Firstly, the services involve a significant element of clinical expertise and delivery of high volume clinic based activity. Secondly, the Council has no experience or delivery knowledge of these services and has no past precedent for running them, whereas there is a well-developed market of qualified and experienced providers who would be willing and able to deliver these services if successful in the competitive tender process. This is evidenced through our current service delivery arrangements. Finally, the Council has no systems in place for clinical supervision of a workforce, licences to hold medication, is unable to manage safe prescribing: and the costs of setting this up would be disproportionately high and poor value for money when existing fit for purpose options exist in this market.

10. REVENUE BUDGET AND CAPITAL PROGRAMME MONITORING 2018/19 - AS AT 31/3/2019

10.1 The Executive Director, Resources, submitted a report providing the outturn monitoring statement on the City Council's Revenue and Capital Budget for 2018/19.

10.2 **RESOLVED:** That Cabinet:-

- (a) notes the updated information and management actions provided by the report and attached appendices on the 2018/19 Revenue Budget Outturn;
- (b) notes the recommendation of the Executive Director, Resources and Statutory Finance Officer, at paragraph 14 of the report, that the General Fund reserve is returned to the minimum recommended level of £12.6m (approximately 3% of net revenue expenditure) during 2019/20;
- (c) in relation to the Capital Programme, notes the Outturn position described in Appendix 6 of the report; and
- (d) in relation to the Treasury Management Review in Appendix 7 of the report, notes the 2018/19 Treasury Management Outturn Report.

10.3 Reasons for Decision

10.3.1 To record formally changes to the Revenue Budget and the Capital Programme.

10.4 Alternatives Considered and Rejected

10.4.1 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.

11. MONTH 1 CAPITAL APPROVALS

11.1 The Executive Director, Resources, submitted a report providing details of proposed changes to the Capital Programme, as brought forward in Month 01 2019/20.

11.2 **RESOLVED:** That Cabinet approves the proposed additions and variations to the Capital Programme, listed in Appendix 1 of the report, including the procurement strategies and delegates authority to the Director of Finance and Commercial Services or nominated Officer, as appropriate, to award the necessary contract.

11.3 **Reasons for Decision**

11.3.1 The proposed changes to the Capital Programme will improve the services to the people of Sheffield.

11.3.2 To formally record changes to 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.

11.3.3 Obtain the relevant delegations to allow projects to proceed.

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. RETENDERING OF HEAT METERING CONTRACT

12.1 The Executive Director, Place, submitted a report seeking approval for Sheffield City Council to tender for, and award a new contract for the provision of Heat Metering Services for its District Heating network. Existing contractual arrangements are due to end in September 2019 and it is intended to award a new contract from this date.

12.2 **RESOLVED:** That Cabinet:-

(a) approves the procurement of District Heating Metering Services via a Public Sector Framework Agreement, as detailed and outlined within the report; and

(b) delegates authority to the Director of Finance and Commercial Services, in consultation with the Director of Housing and Neighbourhoods, following such procurement exercise to award such contract and take such other necessary steps not covered by existing delegations to achieve the outcomes outlined in the report.

12.3 **Reasons for Decision**

12.3.1 After considering the nature of this contract and taking on board the essential regulatory compliance/value for money requirements, the best option for the Council is to award via mini competition under a Public Sector Framework Agreement.

12.3.2 Out of the two available frameworks, the Yorkshire Procurement Organisation (YPO) is the favoured option. Sheffield City Council has a long standing relationship with YPO and they have a proven and established track record in delivering frameworks for use by the public sector.

12.4 **Alternatives Considered and Rejected**

12.4.1 As part of an extensive appraisal of the potential procurement options available to the Council, the following options were considered:-

- Option 1 > Above OJEU Invitation to Tender for services (Open procedure).
- Option 2 > Call off via mini competition under a Public Sector Framework Agreement – options included YPO 642 Framework for Utilities Metering and Data Collection Services and Fife Council 10366 Framework for Heat Metering and Billing Services.
- Option 3 > Renegotiate and extend the current contract through a waiver of Contracts Standing Orders.

12.4.2 It was concluded that Option 3, which would seek a further waiver of Contracts Standing Orders, would contravene PCR Regulations and present a serious risk of challenge from alternative suppliers in the market. This would also not provide the Council the opportunity to test the market through a competitive exercise and therefore may not achieve value for money.

12.4.3 Option 1 would require a significant length of time in completing a full above OJEU threshold procurement exercise and would likely exceed the expiry of the current contract ending September 2019. Furthermore, this option would require further resources in terms of time and people.

12.4.4 Having considered all options through the regular project group meetings (including advice from Commercial Services), Option 2 is recommended for the following reasons:-

- The framework agreements are compliant with EU/UK procurement.
- Pre-agreed terms and conditions - all providers have signed and accepted this agreement and terms and conditions of call off.

- Assured supplier standards - suppliers are pre-qualified as to their general suitability, giving customers confidence in the quality of service/products they can provide.
- Use of framework agreements is recognised best practice for the procurement of goods and services in public sector.
- Reduced timescales - with no need to publish requirements by OJEU or pre-qualify suppliers.
- Immediate access/use of frameworks.
- Ability to use our own detailed and tailored specification.
- Can allow for direct call offs and also mini competitions.

12.4.5 Both frameworks offer a compliant, cost effective and straight forward/quicker route to market consisting of multiple suppliers who have been pre-qualified and deemed suitable to provide the requested services. Furthermore, the incumbent suppliers Switch 2 are a named supplier on both frameworks.

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