

## SHEFFIELD CITY COUNCIL

### CABINET

Meeting held 20<sup>th</sup> June, 2012

**PRESENT:** Councillors Julie Dore (Chair), Harry Harpham, Isobel Bowler, Leigh Bramall, Jackie Drayton, Mazher Iqbal, Mary Lea, Bryan Lodge and Jack Scott.

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#### **1. APOLOGIES FOR ABSENCE**

1.1 No apologies for absence were received.

#### **2. DECLARATIONS OF INTEREST**

2.1 Councillor Jack Scott declared a prejudicial interest in item 7.1 of the minutes relating to Voluntary Sector Grant Fund Awards 2012-13 on the grounds that he was employed by Voluntary Action Sheffield and left the meeting during the consideration of the item.

#### **3. MINUTES**

3.1 The minutes of the meeting of the Cabinet held on 23<sup>rd</sup> May 2012 were approved as a correct record.

#### **4. PUBLIC QUESTIONS AND PETITIONS**

##### 4.1 Council Contracts with Private Companies

4.1.1 Mr Nigel Slack asked the following questions concerning the contracts the Council had with private companies:-

4.1.2 How many private companies currently have contracts with the City Council for the provision of 'Council' or 'Public' services?

4.1.3 How much are these contracts worth per annum?

4.1.4 What proportion of the Council's budget does this account for?

4.1.5 Do these contracts define the level of profits the private companies are allowed to make?

4.1.6 Do these contracts define the level of profits the private companies are allowed to make?

- 4.1.7 If so, what are these defined profits? If not, why not?
- 4.1.8 With reference to the sub-contracting of the Household Waste Recycling Centres contract, were there any other contracts held by private companies which are similarly sub-contracted?
- 4.1.9 Councillor Bryan Lodge (Cabinet Member for Finance and Resources) responded that, for the year 2012/2013, according to the Council's internal contracts database, the Council had 537 contracts. Some of these contracts were framework agreements and, therefore, the number of companies that satisfied these contracts was approximately 700, the majority being private companies, a small proportion of which, were charities or voluntary organisations)
- 4.1.10 He added that the value of contracts for 2012/13 was approximately £730 million and that the Council's budget for 2012/13 was £1.5 billion. Therefore, the percentage of the contracts, as a proportion of the Council budget, was approximately 49%.
- 4.1.11 Strategic contracts possessed profit caps that varied depending on the nature of the contract. Within contracts that did not have a specific profit level cap, these were subject to competition to ensure value for money. (Satisfying public procurement regulations) The profit levels varied per contract depending on the nature of the contract. For example, the Capita contract had a profit cap of 10% and the Veolia contract had one of 11%.
- 4.1.2 Councillor Lodge added that all sub-contract information is requested during the procurement process and that due diligence was carried out during the process. However, relationships are generally managed between the primary contractor and the sub - contractor. The Council's relationships contractually sat with the primary contractor.
- 4.2 Household Waste Recycling
- 4.2.1 Mr Nigel Slack asked further questions relating to the Household Waste Recycling Service as follows:-
- 4.2.2 In regards to the controversial sub-contracting of the Veolia contract for the provision of Household Waste Sites, what is the provision for profits for the sub-contractor?
- 4.2.3 Do Both Veolia and the sub-contractor take profits from the main contract profit element or is the sub-contractor allowed to derive additional profits after Veolia have taken their profit margin?
- 4.2.4 Councillor Jack Scott (Cabinet Member for Environment, Recycling and Streetscene) responded that the contract between SOVA and Veolia was competitively tendered for in 2011 and the aim was to improve the service, achieving value for money for the Council and users of the Recycling Centres and, ultimately improve recycling rates. No profits are earned by Veolia under

the sub-contract. Any income earned by Veolia is achieved only by the sale of materials such as textiles or acid/lead batteries. The sub-contract allows SOVA to earn rewards based on performance risk in the agreement, which is primarily focussed on improving recycling rates, with the aim of minimising the Council's liability for Landfill Tax.

- 4.2.5 Councillor Scott added that any additional income from the sale of recycled goods was shared on a 50:50 basis between the City Council and Veolia and this sharing ratio would be used under the Council's contract with Veolia wherever the Council's assets were used. Notwithstanding any of the above, the Council's overriding objective was to improve the recycling of waste.
- 4.2.6 Councillor Julie Dore (Leader) stated that from the Authority's perspective, there was no implicit policy to contract out services and consideration of putting out services to contract would be made on a case by case basis. She added that the Council was also prepared to bring services back in-house where they thought this would improve services and evidence of this was the decision to return the management of the Council's housing stock from Sheffield Homes to the Council.
- 4.3 Hanover/Lansdowne Estate – Community Energy Saving Programme (CESP)
- 4.3.1 Ms. Karen Greenhalgh asked whether she could be supplied with a list and map showing those leaseholder properties on the Hanover/Lansdowne estate which were in the Community Energy Saving Programme (CESP) area and those outside of the area.
- 4.3.2 She also asked what action the Authority was going to take to provide financial assistance to leaseholders on the Hanover/Lansdowne estate, some of whom were acknowledged as being within the most deprived 5% of the local population according to the Index of Multiple Deprivation. In asking her question, Ms Greenhalgh asked who, in the Council, was responsible for ensuring energy targets were met on the estate as well as the conduct of negotiations with energy companies on such matters.
- 4.3.3 In response, Councillor Harry Harpham (Cabinet Member for Homes and Neighbourhoods) stated that it would have been helpful if Ms Greenhalgh had submitted her questions to him prior to the meeting. However, as previously indicated to Ms. Greenhalgh, he believed it was important to ensure that she received proper and accurate answers to her questions and, therefore, he would ask officers to provide Ms Greenhalgh with the information she required on the CESP boundaries, at the same time clarifying whether this information had been made available previously. However, if his discussions with officers revealed that this information had already been supplied to her, it would not be re-circulated.
- 4.3.4 Councillor Harpham added that Ms Greenhalgh's previous questions had been answered in detail by officers, and that it was important that the Authority ensured it achieved best value from officer time which would not be achieved if officers were engaged in constantly answering the same questions and the

Council would not continue to supply information to Ms Greehalgh if it had already been supplied.

- 4.3.5 In terms of poverty and deprivation, Councillor Harpham stated that one of the main aims of the Council was to tackle poverty and, on the Hanover/Lansdowne estates, the Council was trying to tackle fuel poverty, which the Council took very seriously, for which there was a large amount of evidence to suggest the Council was taking action on this.
- 4.4 Hanover/Lansdowne estate – Provision of Information on Digital Aerial Contract etc
- 4.4.1 Stuart Lapp asked why he had not received satisfactory answers to previous questions he had asked at both Council and Cabinet meetings regarding that the charges for work relating to the advert for the digital aerial upgrade contract on the Hanover/Lansdowne estates and the costs of ladder hire for the project. He alleged that the Council had not been open, honest and transparent and had exaggerated the truth on these matters.
- 4.4.2 Councillor Harry Harpham (Cabinet Member for Homes and Neighbourhoods ) indicated that he knew that Mr Lapp had already received responses to the questions he had asked on these issues as Councillor Harpham had seen the replies. He suggested that he and Mr Lapp disagreed as to what constituted a satisfactory answer was but re-iterated that, in his view, as indicated at other Cabinet meetings, the matters had been dealt with satisfactorily.
- 4.5 Mr Martin Brighton asked the following questions to which answers were given by Cabinet Members as shown:-
- 4.5.1 Correspondence from the South Community Assembly and elsewhere has confirmed that this Council DOES impose its chosen group(s) over community groups, and does so as part of council policy. When will the current administration reverse this policy, consistent with what it has consistently been publicly claiming for years ?
- 4.5.2 Councillor Julie Dore (Leader) responded that she would require further information before she could answer Mr Brighton's question and indicated that she had not seen the information referred to by Mr Brighton.
- 4.5.3 Consideration of the minutes, attendances and agendas of meetings in the years prior to the creation of the ALMO, and continually from then and ongoing now, shows that there is a trend of ever-increasing disempowerment of tenants. When will the current administration resolve as a matter of policy to return to the TARAs the same functions as they previously had ?
- 4.5.4 Councillor Julie Dore (Leader) indicated that she had stated, on many occasions, that the Administration would strive to increase tenant involvement in Council services and that the fact that the Council was hosting a meeting on Local Democracy this coming Friday, which would include the role of tenants and residents, was further evidence of the Council's commitment to empowering local

organisations to be involved in the design of Council services.

- 4.5.5 Councillor Harry Harpham (Cabinet Member for Homes and Neighbourhoods) did not agree that there was a trend of ever-increasing disempowerment of tenants, although he agreed that there was insufficient tenant involvement in the Housing Service. However, the City-wide Tenants Forum provided an opportunity to encourage representatives of Tenants' and Residents and Associations to ask questions on Council policy and services. The Tenants' Advisory Group to which tenants representatives were elected, provided a further avenue for consultations between tenants and the Council on important matters such as the Future of Council Housing project and, no doubt, the Group would continue to inform the Council of their views on the Council's performance on consultation with tenants on an on-going basis. For example, he referred to the last meeting of the City-wide Forum, where a presentation was made by the Tenants for Change group, following which, Councillor Harpham had asked the Group to continue to examine the provision of Council services on estates, such as grass cutting.
- 4.5.6 Councillor Harpham added that Councillor Tony Damms, Cabinet Advisor on Housing, had been given the task of strengthening Tenants' and Residents' Associations and tenant participation in the re-design of Housing Services following the Future of Council Housing project and that further meetings were proposed to capture tenant involvement in the Future of Council Housing. It was hoped that tenants would become more involved in decision-making on the services that affected their daily lives and the Council was very focussed on this issue.
- 4.5.7 Now that the functions of the ALMO are coming under council control, is it fair to assume that the same standards of accuracy of minutes of meetings will be continued with the Council as with the ALMO ?
- 4.5.8 Councillor Harry Harpham (Cabinet Member for Homes and Neighbourhoods) responded that the minutes of meetings he had attended had been accurate and that he would ensure that, at any meeting he attended in the future, he would challenge the minutes if he felt they were inaccurate. He believed that the minutes of Sheffield Homes meetings and Council meetings were recorded accurately and properly
- 4.5.9 Relatively recently, an area survey was carried out in the South West of the city. Over 200 items for action were recorded. Whilst some local work has been done, for which the citizens must be grateful, no one in the council has taken ownership and responsibility for seeing that all issues are addressed. What can the current administration do to rectify this?
- 4.5.10 Councillor Julie Dore (Leader) believed that the Survey referred to had been commissioned by EDSL for members of the public in the South Community Assembly area, but that there was a lack of ownership of the Survey. However, she suggested that the Community Assembly model was the main vehicle for public involvement and Council accountability to members of the public in terms of local decision making. This Survey should, therefore, be presented to the next

meeting if South Community in order that that Community Assembly could take ownership of the Survey and, if they felt it necessary, refer the Survey for consideration by a Cabinet Member, Cabinet or Council.

- 4.5.11 Will this current Administration please note, and respond to, the fact that many of this citizen's questions remain unanswered ?
- 4.5.12 Councillor Julie Dore (Leader) responded that whether Mr Brighton had not received answers to his questions relied on the interpretation of what constituted a response. The Cabinet felt that it had answered Mr Brighton's questions but Mr Brighton felt that they had not according to his understanding. She suggested that Mr Brighton should refer to her any questions, he felt, had been unanswered whereupon she would check whether they had been responded to.
- 4.5.13 Now that publication of the Newton Report has been forced upon the Council, what policies must change to demonstrate the Council's claimed policy of openness, transparency and accountability, rather than the very expensive and ultimately futile policy of secrecy ?
- 4.5.14 Councillor Julie Dore (Leader) indicated that it had always been the intention to publish the Newton Report but this had been delayed because of legal proceedings. However, the report was now in the public domain. She added that it was always the Council's intention to be open, transparent and honest and it would continue to be so in the future.

## **5. ITEMS CALLED-IN FOR SCRUTINY/REFERRED TO CABINET/COUNCIL**

- 5.1 The Deputy Chief Executive reported that there had been no items of business called in for scrutiny arising from the meeting of the Cabinet held on 23<sup>rd</sup> May, 2012.
- 5.2 The Cabinet noted the information reported.

## **6. RETIREMENT OF STAFF**

- 6.1 The Deputy Chief Executive submitted a report on Council staff retirements.
- 6.2 **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>
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### **Children, Young People and Families**

Jadzia Camillin	Teacher of Visually Impaired Children	24
Julia Higgins	Teacher, Grenoside Primary	39

	School	
Rauf Kiyani	Social Worker	26
Patricia Leslie	Independent Reviewing Officer	27
Jean Anne Mould	Teacher, High Storrs School	28
Karen Reed	Teacher, Reignhead Primary School	35
Laraine Richardson	Teacher - Curriculum Leader of Art, Newfield School	31
Charmain Roddis	Senior Teaching Assistant Level 3, Bents Green Secondary School	29
Carol Scott	Senior Teaching Assistant Level 3, Bents Green Secondary School	26
Susan Carol Siddall	Teacher, Malin Bridge Primary School	25
Pamela Varney	Senior Teaching Assistant Level 3, Birley Community College	25
Penelope Wardle	Teacher, Bradfield School	30
Gillian Wileman	Teacher, Hartley Brook Primary School	39
<b><u>Communities</u></b>		
June Leek	Business Development Manager	20
<b><u>Place</u></b>		
Robert Davison	Assistant Head of Design and Build, Street Force	36
<b><u>Resources</u></b>		
James Lang	School Funding Strategy Manager	26

(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.

## **7. EXECUTIVE FUNCTIONS DECISION RECORD**

The following decisions were taken by the Cabinet:-

### **7.1. AGENDA ITEM 9: VOLUNTARY SECTOR GRANT FUND AWARDS 2012-13**

7.1.1 The Deputy Chief Executive submitted a report seeking recommending awards from the Voluntary Sector Grants Fund for the period 1<sup>st</sup> July 2012 to 31<sup>st</sup> March 2013 and for a proposal to set up a new Small Grants Fund

7.1.2 **RESOLVED:** That Cabinet:-

- (a) having had due regard to the provisions of Sections 149 and 158 of the Equality Act 2010 and Section 17 of the Crime and Disorder Act 1998, and to the issues raised by those provisions, approves the grant award recommendations listed in Appendix 1;
- (b) approves the creation of a new Small Grants Fund of £50,000 to be managed as part of the Council grant aid budget in line with the Council's agreed Revenue Budget for 2012-13; and
- (c) approves the actions, arrangements and recommendations at Sections 5, 6 and 12 above, and the following specific delegations:-
- (d) authorises the Director of Policy and Research to:-
  - (i) to agree the terms of and authorise the completion of all funding agreements relating to grants made from the Voluntary Sector Grants Fund, the Small Grants Fund and the Lunch Clubs Fund ('the Grant Funds'), together with any other associated agreements or arrangements that he may consider appropriate, provided that if the terms of a proposed funding agreement involve the variation of any standard terms previously agreed by Internal Audit and / or Legal Services the agreement shall not be completed without the consent of the Chief Internal Auditor and the Director of Legal Services; and
  - (ii) where (a) a change of circumstance affects the ability of an organisation to deliver the purpose of the grant awarded, (b) the Director considers the performance of the organisation to be below an acceptable standard or (c) an organisation has breached any of the award conditions contained in their funding agreement, to review, adjust or suspend grant awards; and

- (e) authorises the Director, Policy, Partnership and Research, in consultation with Cabinet Member for Communities and Inclusion:-
- (i) to determine the eligibility criteria, and the award and monitoring processes for the new Small Grants Fund;
  - (ii) to agree the amounts, purposes and recipients of any individual grants awarded in year from the Grant Funds including any additional sums received or returned or unpaid funds;
  - (iii) to withdraw grant awards, where (a) a change of circumstance affects the ability of an organisation to deliver the purpose of the grant awarded or (b) the Director considers the performance of the organisation to be below an acceptable standard or (c) an organisation has breached any of the award conditions contained in their funding agreement.

#### **7.1.3 Reasons for Recommendations**

The reason for the recommendations is to support the local voluntary sector by making awards of funding from the Council grant aid budget. The purpose of grant aid investment is :-

- to mobilise volunteering and promote active citizenship
- to provide experience and training opportunities for local people and create jobs
- to provide important services for local citizens and innovative responses to emerging social needs
- to enable voluntary organisations to draw in external funding and boost the local economy.

#### **7.1.4 Alternatives Considered and Rejected**

No alternatives were considered because the purpose of the report is to implement decisions made by Cabinet to establish a Voluntary Sector Grants Fund, which were set out in the report Revenue Grant funding for the Voluntary and Community Sector 2012 onwards that was approved by Cabinet on 28th September 2011.

(**NOTE:** Councillor Jack Scott declared a prejudicial interest in the above item on the grounds of his employment with Voluntary Action Sheffield and left the room during the consideration of the item.)

#### **7.2 AGENDA ITEM 10: BUDGET OUT-TURN REPORT 2011-12**

- 7.2.1 The Director of Finance submitted a report which provided the final outturn position on the City Council's Revenue and Capital Budget for 2011-12.

**7.2.2 RESOLVED:** That Cabinet :-

- (a) notes the outturn position and management actions provided by this report on the 2011/12 budget position;
- (b) approves the additional carry forwards of £6.2m; and
- (c) in relation to the Capital Programme:-
  - (i) approves the delegations of procurement authority and contract awards in the Stage Approvals Report (Appendix 4);
  - (ii) notes the Director Variation in Appendix 4;
  - (iii) notes the Emergency Approvals in Appendix 4; and
  - (iv) notes the latest position on the Capital Programme.

**7.2.3 Reasons for Decision**

To formally record 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

**7.2.4 Alternatives Considered and Rejected**

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.