



#plymcabinet

Democratic and Member Support

Chief Executive's Department
Plymouth City Council
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CABINET

Tuesday 13 October 2015
2.00 pm
Council House, Plymouth

Members:

Councillor Evans, Chair

Councillor Smith, Vice Chair

Councillors Coker, Philippa Davey, Lowry, McDonald, Penberthy, Jon Taylor, Tuffin and Vincent.

Members are invited to attend the above meeting to consider the items of business overleaf.

This agenda acts as notice that Cabinet will be considering business in private if items are included in Part II of the agenda.

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Tracey Lee

Chief Executive

CABINET

AGENDA

PART I (PUBLIC MEETING)

1. APOLOGIES

To receive apologies for absence submitted by Cabinet Members.

2. DECLARATIONS OF INTEREST (Pages 1 - 2)

Cabinet Members will be asked to make any declarations of interest in respect of items on this agenda. A flowchart providing guidance on interests is attached to assist councillors.

3. MINUTES (Pages 3 - 12)

To sign and confirm as a correct record the minutes of the meeting held on 8 September 2015.

4. QUESTIONS FROM THE PUBLIC

To receive questions from the public in accordance with the Constitution.

Questions, of no longer than 50 words, can be submitted to the Democratic Support Unit, Plymouth City Council, Ballard House, Plymouth, PL1 3BJ, or email to democraticsupport@plymouth.gov.uk. Any questions must be received at least five clear working days before the date of the meeting.

5. CHAIR'S URGENT BUSINESS

To receive reports on business which, in the opinion of the Chair, should be brought forward for urgent consideration.

6. THE PLUSS ORGANISATION (Pages 13 - 20)

Andrew Hardingham (Assistant Director for Finance) will submit a report on a proposal for Plymouth City Council, together with its three partner authorities (Devon County, Torbay and Somerset Councils) to relinquish its interest in the PLUSS Organisation which provides a range of employment and training programmes for people with disabilities and to support the conversion of the organisation to a Community Interest Company (CIC).

The proposal is considered to be in the long term interests of PLUSS and will enable the organisation to continue to provide its current services to the disadvantaged members of society and in turn affords the owners the opportunity to divest themselves of ownership of PLUSS, which removes current risks and liabilities.

The background paper (the equality impact assessment) can be accessed at the Council's website Council and Democracy/Councillors and Committees /Library / Cabinet background papers or using the following hyperlink –
<http://tinyurl.com/q3d6bmh>

7. PLYMOUTH HISTORY CENTRE (Pages 21 - 42)

Anthony Payne (Strategic Director for Place) will submit a report updating Cabinet on the progress of the History Centre project and on the outcome of the Heritage Lottery Fund mid-term review. The report seeks approval of the business case, allocation of funding, the commencement of procurement and the delegated authority for the Strategic Director for Place (in consultation with Councillor Smith) to appoint the contractor.

The background paper (the equality impact assessment) can be accessed at the Council's website Council and Democracy/Councillors and Committees/Library/Cabinet background papers or using the following hyperlink –
<http://tinyurl.com/q3d6bmh>

8. DEMENTIA FRIENDLY CITY PROGRESS UPDATE (Pages 43 - 50)

Carole Burgoyne (Strategic Director for People) will submit a report updating Cabinet on the progress of the dementia friendly city part of the Joint Dementia Action Plan and providing information on future plans.

9. AWARD OF CONTRACTS FOR COMMUNITY DOMICILIARY CARE SERVICES (Pages 51 - 58)

Carole Burgoyne (Strategic Director for People) will submit a report seeking to enhance current community domiciliary care provision by replacing one contract which is due to expire on 3 April 2016 and to award an additional contract. The report will set out the result of the tender process and recommend the award of two contracts for community domiciliary care provision to the tenderers who submitted the most economically advantageous tenders.

The background paper (the equality impact assessment) can be accessed at the Council's website Council and Democracy/Councillors and Committees/Library/Cabinet background papers or using the following hyperlink –
<http://tinyurl.com/q3d6bmh>

10. CHILDREN'S RESIDENTIAL PLACEMENT CONTRACT AWARD (Pages 59 - 74)

Carole Burgoyne (Strategic Director for People) will submit a report seeking agreement to award a contract for up to seven locally based children's homes beds for the period to 31 March 2017, with an option to extend for a further year, if required.

The decision will be based on an analysis of the current placement provider market and local need and will enable Plymouth children and young people in care to be placed in or closer to the city with care provided by a reputable children's home provider, maintaining their support networks and reducing the cost of their care.

The background paper (the equality impact assessment) can be accessed at the Council's website Council and Democracy/Councillors and Committees/Library/Cabinet background papers or using the following hyperlink – <http://tinyurl.com/q3d6bmh>

11. EXEMPT BUSINESS

To consider passing a resolution under Section 100A(4) of the Local Government Act 1972 to exclude the press and public from the meeting for the following items of business on the grounds that they involve the likely disclosure of exempt information as defined in paragraph 3 of Part I of Schedule 12A of the Act, as amended by the Freedom of Information Act 2000. At the time this agenda is published no representations have been made that this part of the meeting should be in public.

(Members of the public to note that, if agreed, you will be asked to leave the meeting).

PART II (PRIVATE MEETING)

AGENDA

MEMBERS OF THE PUBLIC TO NOTE

that under the law, members are entitled to consider certain items in private. Members of the public will be asked to leave the meeting when such items are discussed.

12. AWARD OF CONTRACTS FOR COMMUNITY DOMICILIARY CARE SERVICES (E3) (Pages 75 - 78)

Further to the report referred to in part I of the agenda, Carole Burgoyne (Strategic Director for People) will submit a report on commercially sensitive details relating to the award of contracts for community domiciliary care services.

13. CHILDREN'S RESIDENTIAL PLACEMENT CONTRACT AWARD (E1, 2 AND 3) (Pages 79 - 82)

Further to the report referred to in part I of the agenda, Carole Burgoyne (Strategic Director for People) will submit a report on commercially sensitive details relating to the children's residential placement contract award and also confidential information relating to individuals.

DECLARING INTERESTS – QUESTIONS TO ASK YOURSELF

What matters are being discussed?



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Does the business relate to or is it likely to affect a disclosable pecuniary interest (DPI)? This will include the interests of a spouse or civil partner (and co-habitees):

- any employment, office, trade, profession or vocation that they carry on for profit or gain
- any sponsorship that they receive including contributions to their expenses as a councillor or the councillor’s election expenses from a Trade Union
- any land licence or tenancy they have in Plymouth
- any current contracts leases or tenancies between the Council and them
- any current contracts leases or tenancies between the Council and any organisation with land in Plymouth in they are a partner, a paid Director, or have a relevant interest in its shares and securities
- any organisation which has land or a place of business in Plymouth and in which they have a relevant interest in its shares or its securities

No

Yes



Declare interest and leave (or obtain a dispensation)





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Does the business affect the well-being or financial position of (or relate to the approval, consent, licence or permission) for:



- a member of your family or
- any person with whom you have a close association; or
- any organisation of which you are a member or are involved in its management (whether or not appointed to that body by the council). This would include membership of a secret society and other similar organisations.

Yes No  You can speak and vote



Will it confer an advantage or disadvantage on your family, close associate or an organisation where you have a private interest more than it affects other people living or working in the ward?

Yes No

Speak to Monitoring Officer in advance of the meeting to avoid risk of allegations of corruption or bias

Declare the interest and speak and vote

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Cabinet members must declare and give brief details about any conflict of interest* relating to the matter to be decided and leave the room when the matter is being considered. Cabinet members may apply to the Monitoring Officer for a dispensation in respect of any conflict of interest.

*A conflict of interest is a situation in which a councillor’s responsibility to act and take decisions impartially, fairly and on merit without bias may conflict with his/her personal interest in the situation or where s/he may profit personally from the decisions that s/he is about to take.

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Cabinet

Tuesday 8 September 2015

PRESENT:

Councillor Evans, in the Chair.

Councillor Smith, Vice Chair.

Councillors Coker, Philippa Davey, Lowry, McDonald, Penberthy, Jon Taylor, Tuffin and Vincent.

Apologies for absence: Tracey Lee (Chief Executive) and Carole Burgoyne (Strategic Director for People) and Kelechi Nnoaham (Director of Public Health).

Also in attendance: Lesa Annear (Strategic Director for Transformation and Change), Andrew Hardingham (Assistant Director for Finance), Anthony Payne (Strategic Director for Place), Giles Perritt (Assistant Chief Executive) and Nicola Kirby (Democratic Support Officer).

For part of the meeting: Councillor Mrs Aspinall (Vice Chair of the Co-operative Scrutiny Board), Paul Barnard (Assistant Director for Strategic Planning and Infrastructure), Jonathan Bell (Head of Development Planning), David Draffan (Assistant Director for Economic Development), Richard Grant (Local Planning Manager), Peter Honeywell (Transformation Programmes Manager), Ray House (Events Officer), Ross Jago (Performance and Research Officer), Caroline Marr (Policy and Business Planning Officer), Candice Sainsbury (Senior Policy, Performance and Partnerships Adviser), Karen Walker (Events Officer) and Jamie Yabsley (Visitor and Events Manager).

The meeting started at 2.00 pm and finished at 3.45 pm.

Note: At a future meeting, the Cabinet will consider the accuracy of these draft minutes, so they may be subject to change. Please check the minutes of that meeting to confirm whether these minutes have been amended.

21. **DECLARATIONS OF INTEREST**

There were no declarations of interest made by councillors in accordance with the code of conduct in relation to items under consideration at this meeting.

22. **MINUTES**

Agreed the minutes of the meeting held on 7 July 2015.

23. **QUESTIONS FROM THE PUBLIC**

One question was submitted by a member of the public for this meeting, in accordance with Part B, paragraph 11 of the Constitution.

In the absence of the questioner, a written response would be sent to her as set out below

–

Question No	Question By	Cabinet Member	Subject
2 (15/16)	Ms A Casey	Councillor Evans, Leader	Public question criteria and process
To stand by your quote for being an open and transparent, brilliant, co-operative council, can I ask - Why don't you be more like the police and crime commissioner panel, by allowing the public to ask two 100 word questions and have a 30 minutes open debate?			
Response: Your suggestion has been noted by the Council.			

24. **CHAIR'S URGENT BUSINESS**

See minute 27 below.

25. **SCRUTINY WORK PROGRAMME**

In the absence of Councillor James (Chair of the Co-operative Scrutiny Board), the Chair welcomed Councillor Mrs Aspinall (Vice Chair of the Board) to the meeting and invited her to address Cabinet on the work of scrutiny. Ross Jago (Performance and Research Officer) also attended the meeting for this item.

Councillor Mrs Aspinall highlighted -

- (a) that the Co-operative Scrutiny Board was taking action to strengthen the scrutiny function within the Council and deliver against the Council's pledge 49, to enhance the scrutiny programme. She was aiming for scrutiny to report the outcome of the review to the December 2015 Cabinet meeting;
- (b) that the network of scrutiny extended beyond the Council and included the media, pressure groups, bloggers and residents through case work and questions to Cabinet and Council;
- (c) that a series of workshops had been arranged which would use new and innovative approaches beginning with "What's the point of scrutiny?" tomorrow to which Cabinet Members were invited to attend. Following this, training, development and support arrangements for members would be confirmed and improvements would be made to scrutiny's engagement with the public and partners;
- (d) that councillors and council officers across the country were being asked to watch the Council's webcasts and complete an online survey to provide feedback on performance;

- (e) some of the main areas of scrutiny work which included -
- a review into the processes surrounding the Living Streets programme by the Working Plymouth Panel, in response to difficulties encountered by both the public and councillors. A number of recommendations for improvements would be brought forward for Cabinet's consideration shortly;
 - a detailed review by the Ambitious Plymouth Panel into how Plymouth's key child protection agencies were responding to child sexual exploitation and to ensure that there was a programme in place to keep children and young people safe from exploitation;
 - a review into the impact of the Chancellor of the Exchequer's Summer Budget focussing on the elements considered to impact most keenly on the residents of Plymouth such as working age benefits, free childcare entitlement and social housing;
 - the monitoring of the integration of health and social care and the Devon Challenged Health Economy by the Caring Plymouth Panel. Cabinet was advised that the panel had visited the excellent facilities at the Plymouth Community Healthcare Mount Gould Site where staff were providing outstanding care but were concerned at the building which was inadequate for the function;
 - the continuing monitoring of the Council's financial position and the delivery of the Corporate Plan by the Co-operative Scrutiny Board. By using panels where appropriate to maintain ongoing scrutiny it was hoped to lessen the reliance on the annual budget scrutiny process and instead to focus on the issues raised during the year making the most efficient use of both portfolio holders' and officers' time;
- (f) that scrutiny was member led and officers would be doing more to ensure that members were properly supported when undertaking scrutiny. The planned scrutiny programme would ensure that the democratic accountability which overview and scrutiny provided would drive improvement in local public services within an environment of open decision-making.

Councillor Mrs Aspinall presented apologies from Councillor James (Chair of the Co-operative Scrutiny Board) for his absence which was due to a longstanding commitment and Councillor Evans wished Mrs James a happy birthday.

Councillor Evans (Council Leader) indicated that scrutiny had a good track record of adding value to the process and that the current system provided an opportunity for councillors to develop expertise in certain areas.

The Chair thanked Councillor Mrs Aspinall for attending the meeting and Cabinet noted her report.

26. **MTV CRASHES UPDATE**

Councillor Smith (Deputy Leader) reported on the successful MTV Crashes event which had been held over three days in July 2015 and indicated that –

- (a) the event had brought £3.5m to the economy of the city and had attracted an attendance of 60,000 people;
- (b) there had been a significant increase in the economic impact of the event;
- (c) tickets had been given to children in care, young carers, the youth service and to secondary schools to reward year 12 and year 13 pupils for achievements.

Councillor Smith thanked the Events Team for their hard work and continuing success in promoting events in the city and invited Cabinet to view a video of the event.

David Draffan (Assistant Director for Economic Development), Ray House (Events Officer), Karen Walker (Events Officer) and Jamie Yabsley (Visitor and Events Manager) attended the meeting for this item and Jamie Yabsley reported that he would circulate copies of the media and public relations report to all Cabinet Members.

The Chair asked that the Cabinet's warmest wishes were extended to everyone involved in the event which had been exceptional for the city and was also a community event.

The report was noted.

CHAIR'S URGENT BUSINESS

27. **Government Consultation on Proposed Changes to the Planning System**

The Chair reported that he had responded to a government consultation on proposed changes to the planning system in relation to local plans, development on brown field sites, obligations on developers to provide affordable homes and other planning powers which would place the Council in a position where it could not control inappropriate development or encourage appropriate development.

Cabinet were advised that -

- (a) the changes would give automatic planning permission on all brown field sites which could particularly impact on current proposals for development on those sites;
- (b) the changes could remove the ability of the Council to protect the waterfront;

- (c) the Local Government Association were also concerned at the proposals.

As a response was required within a short timescale, the Chair indicated that he had sent a letter to the Chancellor for the Exchequer on 17 August 2015 expressing the Council's concerns on the proposed changes and seeking support for the Council in the delivery of local housing. He also urged the media to highlight the implications of the government's proposals.

(In accordance with Section 100(B)(4)(b) of the Local Government Act, 1972, the Chair brought forward the above item for urgent consideration because of the need to advise Cabinet Members of the action taken).

28. **CORPORATE PERFORMANCE REPORT - CORPORATE PLAN SECOND YEAR REVIEW AND PLEDGE UPDATE**

Tracey Lee (Chief Executive) submitted a report on the rationale for the reinvigoration of the Corporate Plan.

The report –

- (a) reviewed the proposed actions to deliver the outcomes and the measures used to track the progress;
- (b) did not seek to amend the values, objectives or outcomes for the plan as set out on the plan on a page;
- (c) provided an update on the pledges;
- (d) had been considered by the Co-operative Scrutiny Board on 19 August 2015.

Councillor Evans (Council Leader) introduced the proposals.

Peter Honeywell (Transformation Programmes Manager) attended the meeting for this item and highlighted the proposed changes.

Cabinet Members –

- (e) were advised that each Cabinet Member had been consulted about the actions and measures within their areas of responsibility prior to the publication of the report;
- (f) indicated that some drafting amendments were required to clarify accountability for the actions and measures;

- (g) reported that pledge 10 had been completed and that some Cabinet Members had visited the CCTV Control Room that morning. A press release would be made shortly and arrangements were being made to provide all councillors with the opportunity to visit the completed control room.

Councillor Evans thanked everyone involved in the review of the plan.

Alternative options considered and reasons for the decision –

As set out in the report.

Agreed that –

- (1) the proposed changes to the corporate plan are endorsed with drafting amendments to be agreed by Councillor Evans prior to submission of the plan to the City Council;
- (2) the pledge update is noted subject to the completion of pledge 10 relating to the CCTV control room.

The City Council is Recommended to approve the second year update of the Corporate Plan 2013/14 – 2016/17 as amended.

29. **PLYMOUTH PLAN PART ONE**

Anthony Payne (Strategic Director for Place) submitted a report seeking approval of the Plymouth Plan Part One which comprised the city's overarching vision, strategic objectives and the thematic and spatial policies of the plan. The plan had been the subject of community engagement and consultation with scrutiny and the Plymouth Plan Member Working Group and the comments from the consultation had been included as a background paper together with the equality impact assessment.

The report also indicated that the consultation process for part two would commence in September 2015 leading to a consultation draft being published in June 2016 which would also provide an opportunity to refresh and, if needed, to revise the Plymouth Plan Part One.

Councillor Coker (Cabinet Member for Strategic Transport and Planning) introduced the proposals and –

- (a) paid tribute to Councillor Vincent (who formerly had Cabinet Member responsibility for the Plymouth Plan), the Strategic Planning and Infrastructure Team, councillors and residents for taking part in the development of the plan;
- (b) indicated that the Council had won a national award from the Royal Town Planning Institute for plan making and had also won the south west regional award;

- (c) referred to the consultation undertaken;
- (d) commended the plan to Cabinet;
- (e) thanked the Plymouth Plan Team and everyone involved in the process.

Cabinet Members –

- (f) highlighted that the Health and Wellbeing Strategy had been integrated within the plan;
- (g) paid tribute to everyone involved in the social enterprise initiative including the social enterprise network and partners;
- (h) highlighted that following the withdrawal of the national target for child poverty by the government and on the recommendation of the Child Poverty Working Group, the policy had been included in the plan and that the Council would continue to measure child poverty.

Paul Barnard (Assistant Director for Strategic Planning and Infrastructure), Jonathan Bell (Head of Development Planning), Richard Grant (Local Planning Manager) and Caroline Marr (Policy and Business Planning Officer) attended the meeting for this item and indicated that the development of the plan had been a joint effort across all services within the Council.

Jonathan Bell reported that –

- (i) interactive modules for part one of the plan would be launched during the next month;
- (j) the proposed consultation process for the next phase of the plan would be submitted to the Plymouth Plan Member Working Group shortly.

Alternative options considered and reasons for the decision –

As set out in the report.

Agreed that –

- (1) the Plymouth Plan Working Group oversee the delivery of a Plymouth Plan monitoring and implementation framework for the plan, in consultation with key city partnerships;
- (2) everyone involved in the plan is congratulated with thanks particularly to the Strategic Planning and Infrastructure Department who are a credit both to the city and the Council and to Hannah Sloggett for her innovative idea of using a sofa as part of the consultation process.

The City Council is Recommended to formally approve the Plymouth Plan Part One as part of the Council's Policy Framework.

30. **CAPITAL AND REVENUE MONITORING REPORT 2015/16 QUARTER I**

The Corporate Management Team submitted a report outlining the finance monitoring position of the Council as at the end of June 2015 and indicating that the latest approved capital programme funding envelope covering 2014/15 to 2017/18 was £237.406m (approved by Full Council on 23 February 2015). The report also detailed new schemes approved within the capital programme envelope under delegated powers.

Councillor Lowry (Cabinet Member for Finance) introduced the report and indicated that -

- (a) the estimated revenue overspend was £2.097m which was a significant improvement from the position at this time last year when it was £6m;
- (b) the report now detailed the position of the Plymouth Integrated Fund relating to health and social care;
- (c) the report should have been submitted to the Cabinet meeting on 11 August 2015 which had subsequently been cancelled but had been considered by the Co-operative Scrutiny Board on 19 August 2015;
- (d) he was concerned at the potential impact of future government announcements on next year's budget.

Cabinet was advised that the Co-operative Scrutiny Board had asked for funding sources for capital programme projects to be identified in future reports.

Alternative options considered and reasons for the decision –

As set out in the report.

Agreed that –

- (1) the current revenue monitoring position and action plans in place to reduce/mitigate shortfalls are noted;
- (2) the non-delegated revenue budget virements are approved as shown in Table 4 of the report;
- (3) the new schemes added to the Capital Programme totalling £7.042m are noted as shown in Table 5 of the report;
- (4) where possible, funding sources for capital programme projects to be included in future monitoring reports.

31. **RESPONSE TO THE PLYMOUTH FAIRNESS COMMISSION PROGRESS UPDATE**

Tracey Lee (Chief Executive) submitted a report providing an update on progress made on the Council's response to the Plymouth Fairness Commission's recommendations, as outlined in its final report (April 2014).

Councillor Penberthy (Cabinet Member for Co-operatives and Housing) introduced the proposals and -

- (a) commended everyone who had assisted in implementing the principles;
- (b) reported on some of the highlights which included -
 - that the ratio of remuneration between the Council's highest and lowest paid employees had been reduced from 1:14 to 1:10;
 - the introduction of a Private Rented Sector Housing Charter to improve the quality of housing in the private rented sector; and
 - the introduction of a food poverty programme as part of the Cities of Service project.

Cabinet Members also highlighted progress within areas of their responsibility including dementia, the launch of the summer food store which provided food bags to children and improved access to customer services.

With regard to dementia, Councillor Tuffin (Cabinet Member for Health and Adult Social Care) drew attention to the life sized figure of a dementia friend in the room and indicated that a report on the progress of the Dementia Friendly City initiative would be submitted to Cabinet shortly.

Candice Sainsbury (Senior Policy, Performance and Partnerships Adviser) attended the meeting for this item and indicated that the work had been the result of a multi-agency approach and by officers from all services across the Council.

Cabinet thanked Candice Sainsbury and all the officers involved in the report and welcomed the positive response which was being made to the challenging recommendations.

Agreed that –

- (1) the progress update for the Council's response to the Plymouth Fairness Commission's recommendations is noted as outlined in its final report (April 2014);
- (2) a further update is provided to Cabinet in December 2015, following consideration of the report by the Fairness Commission.

PLYMOUTH CITY COUNCIL

Subject:	The PLUSS organisation
Committee:	Cabinet
Date:	13 October 2015
Cabinet Member:	Councillor Tuffin
CMT Member:	Andrew Hardingham, Assistant Director for Finance
Authors:	David Northey, Head of Corporate Strategy
Contact details	Tel: 01752 305428 email: david.northey@plymouth.gov.uk
Ref:	
Key Decision:	No
Part:	I

Purpose of the report:

The PLUSS Organisation is a Local Authority owned provider of a range of employment and training programmes for people with disabilities. It was set up in 2005, and is jointly owned by Plymouth City Council, Devon County Council, Torbay Council, and Somerset Council.

PLUSS has since established itself as one of the leading organisation of its type in the country. Over the years the value of its contracts with the four local authorities has reduced such that it no longer carries out the bulk of its work for the four member Councils. It does, however, have a number of significant contracts with other public sector bodies.

This report sets out the intention of Plymouth City Council, together with its three partner Authorities to relinquish its interest in the PLUSS Organisation and in so doing support the conversion of the organisation to a Community Interest Company (CIC).

This will enable PLUSS to continue to provide its current services to the disadvantaged members of society and in turn affords the owners the opportunity to divest themselves of ownership of PLUSS, which removes current risks and liabilities.

The Brilliant Co-operative Council Corporate Plan 2013/14 – 2016/17:

By relinquishing our ownership of the PLUSS Organisation, we will enable the company under its new structure to continue to provide a service to the more vulnerable members of society.

**Implications for Medium Term Financial Plan and Resource Implications:
Including finance, human, IT and land**

Although there will be no immediate effect on our MTFP, by relinquishing its interest in the company the Council will be released from the burden of company ownership and associated contingent liabilities.

Other Implications: e.g. Child Poverty, Community Safety, Health and Safety and Risk Management:

There are no implications as the Company will retain its existing purpose and the assets will be protected for community use.

Equality and Diversity

An Equality Impact Assessment has been undertaken and is a background paper.

Recommendations and Reasons for recommended action:

- 1] Cabinet gives approval to the Council relinquishing its ownership of PLUS and PLUS converting to a Community Interest Company;
- 2] Cabinet notes that its approval is subject to the other three local authority owners approving a report in the same terms as this report; and
- 3] Cabinet authorises the Head of Legal Services to sign all documents necessary in order to facilitate the process of the Council relinquishing its ownership of PLUS and PLUS converting to a Community Interest Company.

The continuing view of both Plus and the Owners is that it is in the long term interests of PLUS to become independent of the four Councils which will allow continued growth on a national platform, with conversion to a CIC the best option.

Alternative options considered and rejected:

Remain as owners which 1) restricts PLUS's future potential, 2) retains Plymouth City Council's exposure to existing liabilities including the obligation to guarantee Plus's current overdraft facility and 3) means the Council is unable to require immediate repayment of the loan.

Published work / information:

[Cabinet Report](#) December 2014

Background papers:

Title	Part I	Part II	Exemption Paragraph Number							
			1	2	3	4	5	6	7	
Equality Impact Assessment	X									
Pluss valuation report		X								

Sign off:

Fin	djn15 16.38	Leg	I485 /SC	Mon Off	DVS/LT/23989	HR		Assets		IT		Strat Proc	
Originating SMT Member: Andrew Hardingham													
Have the Cabinet Members agreed the contents of the report? Yes													

Background

1. Introduction

- 1.1 Cabinet members will recall receiving a report at the November 2013 meeting at which it was agreed to dispose of PLUSS to Turning Point on the terms as outlined in the report. In the event, the transaction with Turning Point did not proceed as Turning Point withdrew from negotiations in February 2014. Since that time there has been further discussions with the Board of PLUSS (which contains directors appointed by the local authority owners) about its future and this report seeks to update members on the current position and asks for approval for the Council to relinquish ownership of PLUSS so that it may become a Community Interest Company.
- 1.2 The decision to relinquish ownership of PLUSS is dependent on the other three local authority owners also agreeing and reports will be taken to the respective decision making forums of Devon, Somerset and Torbay Councils during October.

2. History

- 2.1 Before explaining the current proposal it may be helpful to repeat a little of the history of PLUSS in order to set the situation in context. Prior to August 2005, Plymouth City Council, Devon County Council and Torbay Council provided a range of employment and training programmes for people with disabilities and operated an equipment store. Known as the Industrial Services Group (ISG) this service was overseen by a Joint Social Services Committee but the management of the service was unwieldy. Following a review it was concluded that there was a need for change to ensure that the service could be delivered in a more cohesive and efficient manner.
- 2.2 The upshot of the review process was that in August 2005, Plymouth, Devon and Torbay Councils formed PLUSS, a local authority controlled company, limited by guarantee. PLUSS effectively took over what had hitherto been undertaken by ISG. It delivered services to the three member Councils through a series of service contracts as well as providing services to other external organisations, including the Department for Work and Pensions (DWP).
- 2.3 In June 2006, Somerset County Council transferred like services to PLUSS and became a member alongside the three existing member authorities.
- 2.4 PLUSS has since established itself as one of the leading organisations of its type in the country. Over the years the value of its contracts with the four local authorities has reduced such that it no longer carries out the bulk of its work for the four member Councils. It does, however, have a number of significant contracts with other public sector bodies.

3. Developments post November 2013

- 3.1 When PLUSS initially mooted the idea of becoming independent, soundings from within the four member Councils elicited a favourable response, although there was a concern to ensure that any transfer of ownership should be to new owners driven by a sound social purpose thereby enabling the continuation of services of value to local communities.
- 3.2 This led PLUSS to exploring which organisations would best meet its long term needs and aspirations whilst keeping in mind the concerns expressed by the owners. Turning Point emerged as the best suited, primarily because their core values and vision aligned with those of PLUSS, although in the event Turning Point subsequently withdrew.

4. Post Turning Point developments

- 4.1 Since the withdrawal of Turning Point there has been regular contact between the Council's representatives being four senior finance officers and the PLUSS Board. The role of the finance officers is to act as a conduit between PLUSS and its owners, deal with any issues that may arise for the owners in relation to PLUSS' activities and ensure by such communication that the interests of the Councils, as owners, are protected.
- 4.2 The continuing view of both sides is that it would be better for the long term for PLUSS to become independent of the four Councils. The means to achieve this has been discussed between the representatives of both parties and at a meeting held in December 2014 (which involved the local authority appointed Directors) the following options were considered. PLUSS was asked to develop the proposal at option 5, whilst the owners would give more consideration to each option:-
- Option 1 – the Councils as owners market PLUSS;
 - Option 2 – PLUSS identifies a number of suitable interested parties for the owners to consider;
 - Option 3 – the Councils as owners identify one or more parties interested in acquiring PLUSS;
 - Option 4 – PLUSS identifies an appropriate organisation; or
 - Option 5 – PLUSS moves directly to become an independent entity.
- 4.3 After further discussion it was agreed that option 5 represented the best of the options and this option is dealt with in more detail in section 5 below.

5. Community Interest Company (CIC)

- 5.1 The proposal is for PLUSS to convert from its existing legal status as a company limited by guarantee and owned by the four member Councils to a CIC limited by guarantee, based on what is termed a “foundation” structure. The “foundation” structure involves the board of directors being the only members of the company and so membership of the company derives solely from directorship.
- 5.2 The main benefits/implications of CIC status are summarised below:-
- i. The conversion to a CIC is a relatively straightforward process that could be achieved in a much shorter timescale than the other options;
 - ii. Enhanced external credentials as a social enterprise and a clearer community interest “badge”. CICs need to be able to demonstrate that their objectives and activities are for the benefit of the community. This, of course, aligns with and would answer the concerns referred to in section 3.1;
 - iii. The assets of the CIC would be asset locked. This means that where assets are sold at full market value the funds raised must go into the CIC. Alternatively, any assets sold at below market value could only be transferred to other bodies that operate with an asset lock;
 - iv. CICs are regulated and albeit that the regulatory regime is fairly light touch the Regulator has powers to intervene if there has been a complaint about the operation of the CIC.
 - v. Funders and other stakeholders are likely to be reassured by the fact that a CIC is subject to greater regulation/scrutiny and operates within an asset lock;
 - vi. Remuneration for Directors must never be more than what is reasonable and should be transparent. The Regulator may take action if a Directors’ remuneration appears too high;
 - vii. The primary purpose of a CIC is to provide benefits to the community, rather than the individuals who own, run or work for it. Thus there is limited scope for the funds of the CIC to be used for employee benefits.
- 5.3 The owner representatives are of the view that the option to convert to a CIC is preferable because it will ensure that the community based ethos of PLUSS will be maintained and protected whilst achieving the objective favoured by both owners and PLUSS of independence for the Company.

6. Financial and Commercial Issues

- 6.1 The conversion of PLUSS into a CIC would not result in the four member Councils obtaining a financial receipt. The last exercise involving the sale of PLUSS would have involved a small cash sum shared across the four members. Given the nature of PLUSS as a local authority controlled company limited by guarantee the owner representatives are of the view that seeking to obtain value for the company is not a key requirement and would be in keeping with the current Memorandum of Association of PLUSS. Rather it is more important to enable the company to pursue independence with a clear community focus whilst at the same time relieving the owners from certain liabilities.

- 6.2 A valuation of the company has been prepared and is reported as a background paper given its commercial sensitivity. It should, however, be remembered that a company having a certain book value is one thing but actually obtaining a buyer willing to pay that price can be difficult to achieve. Further, seeking out those interested in acquiring ownership of the Company would require a high level of resourcing and be both time consuming and costly.
- 6.3 PLUSS is no longer a member of the Devon LGPS and, therefore, there are no longer any issues regarding the owners' liability to the pension fund as there were when Turning Point was considering acquiring the Company. In terms of other potential liabilities it should be noted that at the time of the original transfers the four owners provided a bank guarantee for the aggregate sum of £650,000.00 and also entered into loan agreements with PLUSS. The owner representatives have made it clear to PLUSS that it would be a pre-requisite of any conversion to a CIC that the owners would no longer act as guarantors in respect of the PLUSS overdraft facility. In addition PLUSS has agreed to repay the existing loans provided by the owners at the inception of PLUSS. Therefore, at the conversion of PLUSS to a CIC the outstanding loan will be repaid in full and the bank guarantees will be cancelled. For Plymouth this will secure a repayment of £117,500 and will relieve it of a potential liability of up to £200,000 in respect of the bank guarantee
- 6.4 PLUSS is currently subject to a Chattel Mortgage in the Council's favour which secures assets owned by the Council through ISG and transferred to Pluss in 2005 to enable continued service delivery. The Head of Finance is satisfied that the assets are now of no value and the chattel mortgage will be discharged. Existing contracts with PLUSS will continue although in due course such contracts will need to be re-procured. Staff employed by PLUSS would continue to be employed by the Company with its CIC status.

7. Legal Considerations

- 7.1 If the owners approve this proposal and PLUSS proceeds to convert to a CIC, it would mean that the four local authority members of PLUSS (i.e. the four owners) would resign their membership and the four owner appointed directors would likewise resign their directorship. PLUSS would continue as a company but would be classified as a CIC and be under the ownership of the new members, with new directors appointed under revised articles of association for the company.
- 7.2 The local authorities as current owners have been involved in reviewing and approving the CIC statement which is a pre-requisite for obtaining CIC status and also the proposed new articles which have been drafted to reflect the proposed revised membership and board structure as well as the specific CIC legal requirements such as asset lock provisions. An asset lock means that the assets of the company are locked in permanently for the community benefit purposes for which the CIC is established and the asset value cannot be turned over to private gain.

- 7.3 PLUSS was established as a not for profit company and as such when it was set up it is unlikely that the owners anticipated securing a value for the company in the event of a future disposal. Owner representatives have expressed the view that maintaining a social purpose which enhances community benefit is very important and, as indicated above, believe that it would not be appropriate in the circumstances and the way in which PLUSS is established to seek to obtain some value from the company.
- 7.4 Clearly, local authorities have a general fiduciary duty in relation to their assets but taking into account general powers of competence under the Localism Act 2011 that does not necessarily mean that the owners have to seek to obtain value.
- 7.5 State Aid is unlikely to be an issue because the proposed transaction does not inject any more support for PLUSS than currently exists. In fact the proposed transaction would lead to less support being provided by the four owners as the bank guarantees would cease and the current loans would be re-paid.

8. Conclusions

- 8.1 The creation of PLUSS as a local authority controlled company in 2005 was the right move at that time. Since then with social, political and economic change the need to re-evaluate PLUSS and its future led to the conclusion that the future for PLUSS was more likely to be secured if it moved away from being a local authority company.
- 8.2 The option proposed by the PLUSS Board represents the best and quickest way forward of allowing PLUSS to become independent of local authority control, with the added advantage to the owners of the release of their present liabilities to the Company. In summary what is being proposed now represents a good opportunity to secure the long term viability of PLUSS, without prejudicing its aims and ethos. From the Councils perspective the liability and risk is removed.
- 8.3 Accordingly, the proposal for PLUSS to convert to a CIC is being recommended. Assuming everything proceeds smoothly, in particular, that there are no problems with PLUSS' application for CIC status it is anticipated that the formal change in ownership could be effected by the end of this calendar year.

PLYMOUTH CITY COUNCIL

Subject: Plymouth History Centre
Committee: Cabinet
Date: 13 October 2015
Cabinet Member: Councillor Smith
CMT Member: Anthony Payne Strategic Director for Place
Author: Gareth Simmons, Strategic Projects Director
Contact details: Tel: 01752 307161
Email: gareth.simmons@plymouth.gov.uk
Ref:
Key Decision: Yes
Part: I

Purpose of the report:

The development of the History Centre is a city and regional priority. It is a major feature of the Local Economic Strategy, the Vital Spark Cultural Strategy, the Plymouth Plan and the flag ship of the developing proposals for the celebrations of Mayflower 2020. It is therefore a critical component to Britain's Ocean City.

The History centre brings together a unique combination of cultural and heritage collections including the City Museum and Art Gallery, the Plymouth and West Devon Record Office, the Local History Collections of Central Library, the South West Film & Television Archive, the South West Image Bank, University of Plymouth (including Peninsula Arts), the Naval Heritage Centre, the British Broadcasting Company and Plymouth College of Art.

We are seeking to translate this into a major cultural statement and complete a step change for the Plymouth cultural sector. The History Centre programme was initiated in September 2012 with proposals to submit a major application to the Heritage Lottery Fund (HLF). The proposal, described by HLF as "inspiring and compelling", resulted in a £12.8m "in principle" funding approval. Officers have been developing the detail of the proposals and have recently been reviewed by the HLF in a mid-term review of the developing proposals. This report is to update Cabinet on the development of the History Centre Programme and to confirm the assembled capital funding necessary to match the HLF funding, and to approve the next procurement steps.

This report therefore seeks to:

- Update Members on the progress of the project and to report the outcome of the HLF mid-term review.
- Formally allocate funding for the History Centre project.
- Approve commencement of the procurement of the works contractor in relation to the build of the History Centre.
- Delegate the decision for appointment of the Contractor to the Director of Place in consultation with Cllr Smith, Deputy Leader.

The Brilliant Co-operative Council Corporate Plan 2013/14 -2016/17:

PIONEERING PLYMOUTH

The project will transform the management and provision of an already outstanding arts and heritage offer for residents and visitors alike. The proposals for the building, the public realm and the attraction's interior will achieve a high quality experience, recognising that the cultural offer is of local, regional, national and international interest.

GROWING PLYMOUTH

The proposals are aimed at stimulating and meeting the demand for a growing visitor economy in Plymouth. The proposals are targeting a growth in the visitor numbers to the museum from 80,000-100,000 per year to 300,000 per year. The proposals will deliver a vastly improved learning programme for schools and young people, targeting an improved education offer for all schools and pioneering work with communities in the city and will contribute to the city's reputation as a city worth investing in.

CARING PLYMOUTH

This project will create a safe place for children, young people and adults. The proposals will address existing shortcomings that are a barrier for some groups from entering a number of buildings that currently house the collections. For the first time there will be non-discriminatory access to Plymouth's heritage. We will ensure that the galleries represent a range of voices and are truly inclusive. The programme aims to focus on the work to develop Plymouth as a dementia friendly city and we have an ambition that this will be the first truly dementia-friendly museum/heritage centre in the country,

CONFIDENT PLYMOUTH

We will create a new service that will be a regional showcase for the delivery of cultural services and, in doing so, give confidence to external agencies such as Arts Council England and The National Archives. It will act as a positive showcase of the Plymouth brand in the public realm. The proposals are being carefully crafted to appeal to a global market as well as a personal experience for local visitors.

**Implications for Medium Term Financial Plan and Resource Implications:
Including finance, human, IT and land:**

In the 3 September 2013 cabinet paper £3.5m was earmarked for the programme to match fund the HLF bid, should it be successful.

This report sets out the inflationary pressures on the capital build and indicates the Council needs to contribute with other funders towards these pressures. There is therefore a further need to contribute £2.5m, for which funding has been identified, bringing the Councils total commitment to £8m

The full capital and one off revenue costs amount to £32.11m including the relocation of Central library which has been subject to separate reports.. Of this cost, £12.8m is already provisionally allocated in the HLF programme subject to the formal approval of Stage II in spring / summer 2016.

This report therefore seeks accept that the conditions of the 3rd September 2015 cabinet decision have been met and add a further £2.5m into the capital programme.

Other Implications: e.g. Child Poverty, Community Safety, Health and Safety and Risk Management:

The current buildings used to store the collections are not fit for purpose and there are a number of health and safety matters that will be improved with this programme of investment.

Until the development of the History Centre and HLF funding was announced the programme was flagged as a red risk to the Council on the strategic risk register. This was because of the statutory powers of the National Archives, who were threatening to remove the records from the Council because the current premises for the Plymouth and West Devon Record Office are not fit for purpose. This threat is in abeyance because of the strong commitment and progress shown by the Council in pushing ahead with the History Centre programme.

Equality and Diversity:

Has an Equality Impact Assessment been undertaken? Yes

Recommendations and Reasons for recommended action:

It is recommended that Cabinet:

- Formally accept that the conditions of the 3 September Cabinet decision have been met and allocate a further sum of £2.5m in the capital programme for the History Centre project.
- Approve the business case.
- Authorise officers to commence the procurement of the works contractor in relation to the building and exhibition fit out of the History Centre.
- Delegate the decision for award of the contract (appointment of the works contractor) to the Strategic Director for Place in consultation with Councillor Smith, Deputy Leader.

The reason for these recommendations is to ensure that the History Centre programme is adequately resourced with capital finance to demonstrate firm commitment to funders and contractors and to ensure that the building project is procured in good time for the celebrations of Mayflower 2020.

Alternative options considered and rejected:

The History Centre programme has been formally considering options since 2010. An options feasibility study was considered in summer 2013 before an HLF bid was made and a further 14 architectural options have been considered as the development stage has taken place since HLF have announced the success of the bid.

Published work / information:

- [3 September 2013 cabinet paper](#)
- [Published decision of decanting dated 31 July 2015](#)
- [Published decision to appoint Atkins dated 10 October 2014](#)

Background papers:

Title	Part I	Part II	Exemption Paragraph Number							
			1	2	3	4	5	6	7	
Equalities Impact Assessment	Yes									

Sign off:

Fin	PlaceF EDC1516 003 SA 2- 10-2015	Leg	MS/ 22965	Mon Off	DVS 2400 6	HR	n/a	Assets	CJT/157 /300915	IT	n/a	Strat Proc	n/a
Originating SMT Member - David Draffan													
Has the Cabinet Member(s) agreed the content of the report? Yes													

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EXECUTIVE SUMMARY

The creation of the History Centre is intended to make a step change in Plymouth's cultural standing in the UK. It will improve the city's sense of identity, building up the pride, self-esteem and confidence that people of Plymouth and the region have in the city. The History Centre will provide a new visitor attraction that supports the targeted increase in tourism in the city and the region. It is estimated that it will support just over 500 additional jobs in the tourism industries and will increase the number of visitor to the Museum from 100,000 to 300,000 per annum.

The site of the City Museum and Art Gallery, Central Library and St. Luke's Church will be transformed into a state-of-the-art cultural centre to open as part of the Mayflower 400 celebrations.

The Partners to the proposals include the City Museum and Art Gallery (RCMAG), the Plymouth and West Devon Record Office (PWDRO), Local History Collections of Central Library, the South West Film & Television Archive (SWFTA), the South West Image Bank (SWIB), University of Plymouth (including Peninsula Arts), the Naval Heritage Centre, the British Broadcasting Company (BBC) and Plymouth College of Art (PCA).

The period between the announcement of the Heritage Lottery Fund (HLF) bid and the submission of the detailed proposals is known as Stage I, or the Development Stage. HLF undertake a formal process known as the Mid-Stage Review (MSR) which is a gateway that assesses if the project is on track. The Council has submitted the developing proposals and received supportive comments from HLF.

The programme is broken down into five stages and we are currently in stage 2. This stage will continue until the completion of the HLF submission in Spring /Summer 2016. The programme will continue through Procurement, into Construction, and then Fit-out for a completion date in early 2020.

When all the elements of the programme are considered, including the move of Central Library the total capital and one off revenue cost is estimated to be £32.11m. The estimate has been derived from a comprehensive elemental cost analysis of the proposals. This cost is broken down into £28.07m capital and £4.04m one off revenue costs.

In the 3 September 2013 cabinet paper £3.5m was earmarked for the programme to match fund the HLF bid, should it be successful. This report sets out the inflationary pressures on the capital build and indicates the Council needs to contribute with other funders towards these pressures. There is therefore a further need to contribute £2.5m, for which funding has been identified, bringing the Councils total commitment to £8m

At this stage a contingency of 10% has been maintained in the project cost. However the match funding risks need to be a consideration and there will be a major gateway to commitment in the spring and summer 2016, when formal decisions can be made based on an updated business case.

It is intended to use an EU compliant procurement and, to meet the programme, members are asked to approve officers to begin this process.

I. INTRODUCTION

The Council's project partners are the South West Film & Television Archive (SWFTA), South West Image Bank (SWIB) and University of Plymouth (including Peninsula Arts). The programme is also supported by the National Archives, Plymouth College of Art, the Naval Heritage Centre, the BBC and the Heritage Lottery Fund amongst many others, all of whom support the opportunity for Plymouth to make a step change in the way we look after and make available our cultural heritage. We are aware that the current buildings in which we store and look after our collections are poor quality and unsuitable in many ways. The cultural offer to the city and region is of a high standard given the constraints, but hides the very low visitor numbers and small scale of the exhibitions and events.

The History Centre is a programme of change that seeks to incorporate a substantial capital investment project to replace several buildings including the museum annexes, the Plymouth and West Devon Record Office (PWDRO) at Clare Place, the buildings of SWIB and SWFTA and Plymouth Central Library.

2. BENEFITS AND OUTCOMES

- The creation of the History Centre is intended to make a step change in Plymouth's cultural standing in the UK. It will improve the city's sense of identity, building up the pride, self-esteem and confidence that people of Plymouth and the region have in the city.
- The History Centre will be a significant visitor destination for Plymouth and the region. It will therefore contribute in attracting more tourists to Plymouth from overseas, nationally and the region, thereby increasing spends in the region to the benefit of the SW economy.
- The objectives of the History Centre are to raise the visitor numbers at the museum from 100,000 to 300,000. The target audiences include communities representing the cross-section of Plymouth's population as well as the visitor demographic. This means that the History Centre will benefit a local as well as a regional, national and due to its importance, international visitors.
- At completion the History Centre will be a much larger scale than the current museum and art gallery. There will be more GIS (Government Indemnity Scheme) exhibition space, and this means that many families will be able to see nationally important collections in the region rather than long and expensive trips.-to other places in the country or abroad.
- It is fully intended that the History Centre will be a centre for all of the people of Plymouth including disadvantaged and minority groups. This should have a positive impact on their life experience and on the culture of Plymouth as a whole.
- The History Centre will provide a new visitor attraction that supports the targeted increase in tourism in the city and the region. It is estimated that 148 direct jobs and a further 81 indirect jobs will be created in businesses supported by tourism. The 100,000 current visitors to Plymouth City Museum and Art gallery (PCMAG) and PWDRO support 93 jobs gross made up of 73 direct jobs and 20 indirect jobs. An increase to 300,000 visitors would lead to an increase of 216 direct jobs and 60 indirect jobs. On top of this, the History Centre will create a handful of new jobs within the centre itself - 4 or 5 FTEs will be needed to handle the volume of visitors. These direct jobs would in turn create a few indirect jobs (approx. 3) and the Centre would be giving support to a number of SMEs such as catering and facilities management when running. The project also supports construction works and design services. The analysis of impact on the economy as presented to cabinet September 2013 remains the same, which demonstrated that, in total, a project of this scale will generate a total of 505 jobs.
- The History Centre will address the appropriate and compliant storage space for a number of important collections that are at risk. This includes PWDRO where the National Archives have been tracking the quality of the current storage environment and may remove records for safe keeping. It also includes SWFTA, SWIB organisations that protect important film and photograph collections and hold important materials in conditions that are less than ideal.
- The partnership with Plymouth University will ensure that the History Centre attains its goal of being an international learning destination, centre of excellence, research incubation space and innovation hub. The History Centre will also achieve this through continuing to work with schools and other education providers and in building on the links with Plymouth Massachusetts and other Plymouths in the U.S., as we move towards Mayflower 400.

- The History Centre as an organisation will also have the capacity to recruit, train and retain more volunteers, the developed activity plan aims at doubling the volunteers from 250 to 500, which will be mutually beneficial, and to build on the internship programme in order to provide more opportunities to young people in their journey towards employability.

3. DESCRIPTION OF THE PROPOSALS

The site of the City Museum and Art Gallery, Central Library and St. Luke's Church will be transformed into a state-of-the-art cultural centre, creating a new visitor attraction, due to open as part of the Mayflower 400 celebrations. Situated between the University and the College of Art, the Centre will form the heart of the city's developing Cultural Quarter.

The new centre will house the Plymouth Arts and Heritage Service (including PCMAG and PWDRO) with SWFTA, SWIB and selected Naval Heritage collections.

The works include the refurbishment of Taylor Maxwell House for the moving of the lending sections of the Central Library then the demolition of a section of the current 1956 Central Library building and the garages adjacent to St Luke's Church. This creates a site for the erecting of a new extension to the Museum which connect the existing library and museum.

The new extension will consist of a café and shop and orientation exhibition space on the ground floor, and study zone including the local collections sections, which is currently housed in the Central Library, on the first floor. Above this, on a second floor, will be a "floating" archive that will be the repository of the collections housed in environment controlled storage space. The works will also include the refurbishment of the existing library and museum spaces, the conversion of St Luke's Church into an exhibition hall and the formation of new public realm to Tavistock Place down to the Drake Circus crossing.

4. RATIONALE OF THE PROGRAMME

Plymouth is recognised by national investment funders such as the Arts Council and Heritage Lottery Fund as a cold spot for engagement in culture but with great potential for growth and an increase in visitor numbers.

The rationale for the History Centre is to create a world class visitor attraction which can increase day visitors and overnight stays, through promoting it as a key project linked to other attractions in the city.

Due to open to the public in 2020 as the major capital flagship project of the Mayflower 400 commemorations, it can be launched as part of a major marketing campaign that brings international attention to the city.

By putting heritage and culture at the heart of our city, the Plymouth History Centre is a transformational project, instilling a sense of pride and civic identity, creating a place and experience to share our rich and diverse collections and their stories with the world. It will bring together at-risk archives, film and artefacts into a sustainable new home. Restored listed buildings will be brought back to life creating an international cultural and learning destination in Britain's Ocean City.

Located as it is between the University and the College of Art it will create a new Cultural Quarter that will be a catalyst for connectivity and excellence, providing leadership for Plymouth's arts and education sectors and an accessible, enjoyable learning space for local families and international visitors.

5. PARTNERSHIPS

Partnerships are fundamental to the History Centre as the concept of the programme is to bring together the collections and artistic services that are currently in the care of a number of different organisations. The

combination of collections is unique across the country and will be very powerful as a single place to visit for such a range of heritage and art.

Currently the studying of local history involves two or three places to visit as they chase information and records between services all run by the Council. This is increased to five places if their search involves images or film and six if they seek to consider naval history. The integration of these partnerships will make a unique experience for academic study, and this is reflected in the partnership with the University who is proposing to deliver high level academic courses at masters level from the History Centre.

It is also these partnerships that make the History Centre programme an attractive visitor experience. Each partner has a considerable offer to make to the region’s culture and it is this offer that will be reflected in the programmes and activity that the History Centre will put on as ongoing services to visitors. In this way much has been said that the History Centre is not just a building, indeed far from it, whilst this paper addresses the building, its cost and delivery, the benefits that are derived and set out above, largely come from what the building can offer as a location for these partnerships to integrate and flourish.

The proposed Partners and relationships are set out in the table below (Fig.1):

Organisation
Arts an Heritage service, Plymouth City Council
Plymouth and West Devon Record Office, Plymouth City Council (PWDRO)
Local History Collections Central Library, Plymouth City Council
South West Film & Television Archive (SWFTA)
South West Image Bank (SWIB)
Peninsula Arts, University of Plymouth
Faculty of Arts and Humanities, Plymouth University
Naval Heritage Centre
British Broadcasting Company (BBC)
Plymouth College of Art (PCA)

(Fig.1 Partnership Chart)

6. MID-STAGE DEVELOPMENT

The period between the announcement of the Heritage Lottery Fund (HLF) bid and the submission of the detailed proposals is known as Stage I, or the Development Stage. HLF, as funders, are keen to track progress and support the organisations in this Development Stage. As part of this, the HLF undertake a formal process known as the Mid-Stage Review which is a gateway that assesses if the project is on track. The History Centre proposals were formally considered by the HLF on the 6th August 2015. Included in this review are the elements of the programme that HLF require to be in place for the Stage II submission:

- Activity plan
- Conservation Plan
- Building proposals and Planning approval
- Building cost plan
- Procurement strategy
- Programme management Plan
- Content Plan
- Governance (of the proposed organisation to run the facility)
- Decant Plan
- Financial model

The following sections of this paper offer to Cabinet an update of what has been reviewed at this mid-stage and HLF’s response to the submission.

6.1. Activity Plan

The Activity Plan is a mandatory document for the Heritage Lottery Fund that sets out the activities we plan to undertake during the project's delivery phase that will engage with the public and our key audiences. So far the activity planning process has looked at and assessed the strategic environment and market for the History Centre. The Activity Plan reported to HLF at MSR the following analysis:

- The History Centre is clearly at the centre of the city's regeneration plans that sees culture and heritage as the drivers for change, and Plymouth's tourism strategies and ambitions around Mayflower400 are all geared towards putting heritage at the heart of the city's offer.
- At the same time, the Plymouth Plan focuses on Plymouth people, and the History Centre's activity programme will help deliver and support policies around community cohesion, pride in the city, health, learning and job opportunities.
- The potential from the visitor market is high and to succeed the History Centre and its programme of events will need to include a few 'blockbuster' events that could appeal to a regional catchment.
- To be effective in audience development terms, the History Centre will need to create a 'step change' in museum visiting habits in Plymouth and its catchment area.
- There is a healthy potential for developing the schools and the Higher Education markets.

Work has also included targeted consultation and an evaluation of a number of pilot projects, and includes the following findings:

- Artefacts and archival material are powerful means for learning, and that learning about Plymouth's history is an effective mechanism for increasing city pride.
- The involvement of an 'expert' is a valuable additional to formal and informal learning activities.
- There is real public appetite for volunteering in a museum/heritage environment.
- There is a genuine untapped interest in Plymouth's heritage.
- Approaches to exhibition interpretation can create significant opportunities for HE and FE student portfolio development.
- There is a public perception amongst Plymouth residents that museums 'are not for us'.
- Cultural tourism is not a main driver for visitors to Plymouth and awareness of the museum is low amongst this market.
- A lack of information and opportunity for well-structured volunteering is a potential barrier to engagement.

Based on the research completed so far, there is consensus that the core audiences for the History Centre are tourists (day visitors and those staying overnight), high income families and adult couples, whilst this core will be targeted, the Activity Plan will specifically include:

- Local low income families with primary school age children
- Local low income adults
- Young people: 14-18 years
- Minority groups
- Schools (primary and secondary)
- Students (HE and FE)

Looking ahead, thirteen schools and community forums have been set up to enable the project team to engage directly with key representatives of the priority audiences that will inform the activity planning, interpretation design, and concept development. In the first instance the forums are programmed to run until the submission of the round 1 application to the Heritage Lottery fund in Spring /summer 2016. However, the intention is to continue the forums throughout the delivery phase and beyond to enable them to become contributors and participants to the History Centre.

HLF response to the Activity Plans was that they were developed to the right stage for MSR.

6.2. Conservation Plan

The Conservation plan considered all the collections from all of the Partners, including the historic value of the buildings and how these should be conserved and repaired. The report was prepared with the help of specialist conservations experts in both artefacts and records and buildings.

The Conservation Plan set out the conditions for preserving the collections which is the majority of cases can be achieved in a single compliant store, however, it also revealed one major issue which had not been apparent at the time of the original HLF bid, and which HLF agreed could not have been foreseen. The SWFTA (and to a lesser extent SWIB and the Museum) collections contain photographic material which is seriously degrading and which will cease to exist in a usable form unless it is frozen or in some cases chilled. There is now a challenge to assess the quantity of material which falls into this category. The worst case scenario is that we will need to create a walk in freezer capable of maintaining a temperature as low as -20 degrees. This highlights the requirement for a digitisation programme which would create usable copies, which is a programme of activity currently underway in SWFTA funded through the British File Institute (BFI). However the scale of this task means it is a long term revenue cost matter as the volume of the film and photographic collections requires considerable staff time in the digitisation process.

Discussions with HLF at MSR included the abnormal conditions set out above and it was acknowledged that a proportion of this abnormal cost could form part of a case for additional funding at stage II.

6.3. Building proposals and planning approval

6.3.1. The building proposals

The building plans have been developed to RIBA stage II (not to be confused with HLF stage II) which is the correct position for the Mid Stage review. This has been achieved through the appointment of a technical team of designers, engineers, cost advisors, and project managers. These services are supplied through Atkins who were appointed in December 2014 after a mini-competition procured through a national framework. The lead Architect on the team is an experienced Arts and Heritage Architect who recently was the lead architect for the very successful Liverpool Library's £55m building refurbishment. The HLF response to the quality of the architect and of the team's resource is supportive.

The architectural proposals submitted to the HLF mid-term review were overly ambitious, acknowledged so by the project team and client alike. A considerable amount of work has been done with Atkins to refine this ambition and shape the proposals that deliver a building that focuses on quality, is simple, efficient and has clarity of purpose that is articulated in a single clear concept. Time spent on this allowed a significant amount of the building (and therefore the cost) to be reduced to what is presented in the proposals ready for consultation in October 2015.

It should be noted that in refining the building proposals very hard choices were debated and concluded but choices related to quality, public exhibition and study (both education space and public study) were never compromised.

The building proposal also embraces the culture of the existing architecture, which is rich indeed. The existing museum and art gallery, including the facade of the library, have a formal baroque architectural design. St Luke's Church is an example of early Victorian people's architecture. There are also some fine examples of 1950s architecture from the city regeneration post war. Finally Tavistock Place itself as a public space on the fringe of the city has its own ecliptic historic character. All these styles are evident of development over history and all are respected in the designs that creatively weave together with a contemporary new extension and public realm into a single offer.

6.3.2. Building Brief

The RIBA stage II proposals include 6733 m² of buildings of which 2952 m² is exhibition space, consisting of a mixture of orientation galleries and interactive museum rooms. The current Museum has registered Government Indemnity Scheme (GIS) space, meaning that it is able to accept small touring exhibitions of National importance.. With-in the brief the conversion of St Luke's church (originally capable of seating 2000 people in a congregation) is proposed to be turned into a single open Gallery. This, with addition in the brief of new programmable galleries with in the main building, will expand the GIS space three times. Significant to the impression of the new space will be the entrance and themed exhibition that will be a single space on ground floor incorporating the café, shop, orientation and themed gallery that in one space is the size of two sports halls.

The building design contains a single floor storage that is compliant to National Archives and British Standards, this is fitted out efficiently with rolling shelves and art racking. The buildings will have 1388 m² of storage enough for all the collections of the Museum, PWDRO, SWIB and SWFTA with space for PWDRO to expand by 20%.

The programming of the History Centre activities will also benefit from a significant public realm that is designed between the galleries and St Luke's. The brief for this space is to allow a lively and active square where community artists, local people and groups will be able to use in a social and artistic way. The public realm will open up new links to North Hill and Chapel Street connecting the University and student halls with an east-west route for the first time.

6.3.3. Planning

A pre-application process has been formally initiated and a Planning Framework agreed. The first design review panel has considered the proposals in the points they made included the following:

Commendation included:

- Clarity of concept.
- Site place making.

Challenges expressed were as follows:

- Articulation of design simplicity.
- Extent of public realm to place set the buildings.

Amongst the statutory consultees in the planning process, both Historic England and Transport are key stakeholders. Both these stakeholders have been consulted in a number of ways before the formal pre-application process. Whilst these elements are challenging because the proposals will affect both the transport and historic buildings in a major way, the dialogue has been constructive and many of the points raised have been taken into account in the design process. This dialogue will continue up to the point of application which is expected to be early 2016, with a formal announcement in Spring 2016 in time to report a positive position to HLF in the Stage II assessment.

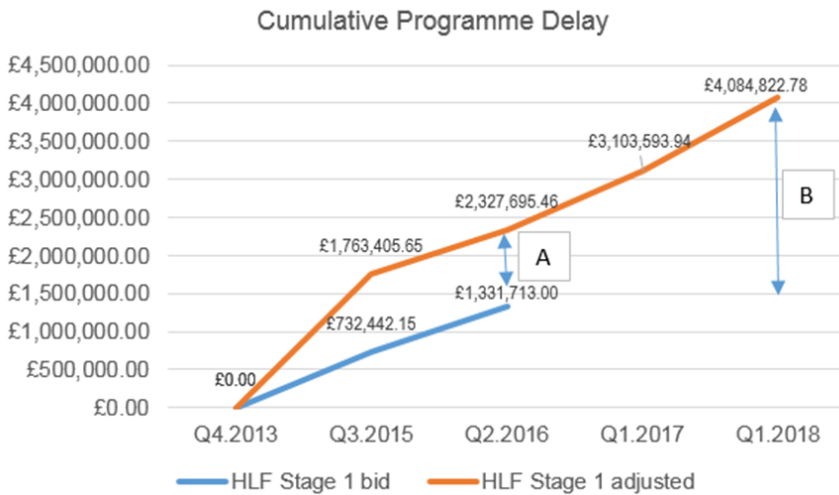
6.4. Building cost plan

6.4.1. Production of Plan

The building cost plan has been developed by Faithful and Gould, Quantity Surveyors, appointed under the Atkins contract. Initially at RIBA stage I the plan was based on cost/ metre basis of the differing building and refurbishment types. At RIBA stage II this has been adapted to a full elemental cost plan considering a measure of all the building elements. The bench mark cost/m² at stage I was £2,233. This equated with BCIS indices for a local museum standard. However, as the building has developed the nature of the heavy structure and the engineering required to support an archive at third floor means that cost /m² has risen to £2,994 which benchmarks to a regional facility.

6.4.2. Inflation

Since submitting the HLF application in September 2013, when costs for the application were fixed, there has been a very significant turnaround in the buoyancy of construction market and this has resulted in a lifting of tender prices, this is reported as construction inflation. Whilst this is moderated by general inflation being low it should not be underestimated as construction inflation has been very high over the past few years and is expected to remain this way as the History Centre is in procurement.



There are two parts to inflation that affect the cost plan, firstly there is the rate of inflation considered above, but secondly the length of time the project takes in development and indeed in delivery. The rate of inflation is applied to this time period in order to make the assessment of likely cost at the point of tendering.

(Fig.2 Inflation chart)

When HLF considered the initial bid it was recommended by them that more time was given to the project’s development stage to hone the vision and content stories. This recommendation was taken into account and the development stage was extended by a total of 12 months. Clearly this period affects the calculations for inflation because over this 12 month period both the time to market increased but also the rate of construction inflation increased.

This double effect is best illustrated in the graph above (Fig.2) that shows the original planned inflation in the bid (blue line), which equated to £1.3m and the assessment of this on the current proposed time line, which has lifted to £4.1m.

The full inflation position prepared set out by the technical team (Atkins) was reviewed by HLF at mid-stage. This report was supported as accurate and HLF agreed that inflation was a valid reason to apply through stage II for more funding, however HLF were clear that it would need to be proportionate to the original (control scheme) proposals and in line with the HLF intervention rate.

6.5. Procurement strategy

6.5.1. Route to market

The technical team along with Council legal advice considered the appropriateness of using the major construction frameworks. The nature of the works is not standard and the levels of prelims, overheads and profit associated with frame works are geared to more standard project types such as education, commercial and health. After consideration it is agreed to recommend that the contractor is procured through a two stage European Union (EU) process. This does have the disadvantage of being slower route to market than using frameworks and can often involve greater resource in undertaking the procurement, but these factors are considerably outweighed by the need to attract a number of strong bidders to the project that will maintain a competitive price for the works. An EU procurement will also allow the contracting market the opportunity to assess in a bespoke way the appropriate level of resources needed to manage and control the works. This will avoid poor management and risks of delay and over run.

6.5.2. Type of contract

Initially the presumed type of contract would be a design and build type. Indeed the technical team were procured on this basis, with the view that the design team would be novated to the contractor at a late RIBA stage III.

A detailed soft market exercise was undertaken in June and July 2015, where local and regional contractors were invited to consider the developing proposals and comment on the procurement proposals. Of a total of 5 contractors contacted only 3 were interested, which is unusual for a soft market response. Of these contractors it was a consistent message that, with the availability of work being more buoyant, directors are more and more risk adverse. The proposed construction works will have a high proportion of repair and refurbishment where details will be unknown. It was clear that the level of risk the project was expecting to pass to the contractor would jeopardise the market interest and reduce competitiveness.

A full procurement report was prepared by the technical advisers at Atkins, and this advised that the procurement route should be revised to a traditional type of contract with contractor design packages in the new build. This report was reviewed by HLF at the mid stage and the recommendation supported by the technical advisor to HLF. The programme team also feel very strongly that this alteration to the procurement strategy should be made. However it is acknowledged that this poses additional risks on the Council and so measures will be made to reduce this risk, including a rigorous extent of intrusive surveys in the period of closure before the contract works start on site. This should allow the design team to access the repair work required in detail, and reduce the unknown works as much as possible.

6.6. Programme Management Plan

6.6.1. Content Plan

The new public spaces and galleries within the History Centre will significantly increase the current offer of the Plymouth City Museum & Art Gallery, with the current exhibition and display space of 1,788 m² increasing to 2,731 m² for the new History Centre.

Event Communications have been selected as the exhibition design partner for the History Centre in May 2015 to take the exhibition design plans forward, and for their first three months they have immersed themselves in the project exploring the regional and city context, the strategic context and operational requirements for the History Centre, the proposals for the public realm and architectural plans, and the collections, content and stories. They have brought their findings together in a high level master plan for the HLF's mid-term review in August, and include:

- **Building & public realm:** internal and the entrance spaces have been opened up to create greater flexibility, increased visitor comfort and greater commercial opportunities; the learning and office spaces have been massed together on the South side of the building; key hub points have been identified with opportunities for large scale dramatic installations; and the circulation and visitor routes have been developed.
- **Audiences:** working with the client project team and the appointed activity planners (Julia Holberry Associates) Event has held a number of workshops on audience development aims and ambitions to ensure that the developing interpretative ideas reflect the emerging themes within the developing Activity Plan.
- **Interpretation, content, collections & visitor proposition:** Event has also held a series of content workshops with the client project team to develop options for narrative structures, the stories and collections; Event has been exploring with the client project team how they might these might play out in the building, and the potential propositions for the individual galleries

Content development teams have now been set up and Event Communications will continue to work with them and the activity planning process to develop concept design proposals by December and detailed design proposals for the HLF stage 2 submission in Spring/ Summer 2016.

6.7. Governance (of the proposed organisation to run the facility)

As the History Centre Programme, at its heart, is the coming together of a number of organisations and their collections, the question of how this should be governed at completion is of critical importance to all the partners. A formal work stream has been set up to explore the options for governance models. It was reported to HLF that the outputs of this work stream would report in the closing stages of 2015 and that a formal decision of the partners and the council would be necessary to set the formal direction of travel. This element would therefore be subject to a separate cabinet and full council decision in the new year before the stage II submission to HLF.

HLF were very satisfied with this course of action and commended the project team in its approach to considering the governance questions carefully.

6.8. Decant Plan

As the preferred solution for the Plymouth History Centre involves the development of the existing Library and Museum building and St Luke's Church, the collections currently stored within these buildings need to be removed off-site for their safety and security. The majority of the library stock is being rehoused either in the new Central Library in Taylor Maxwell House or within other branch libraries. The remaining material will be stored with the Museum collections in a new environmentally-controlled temporary store with 24hour security. It is intended that the Library collections will be rehoused by the end of March 2016, enabling vacant possession of both the Central Library building and St Luke's Church by April 2016.

The HLF advised us that the removal of the collections from their current locations would represent 'starting our project', which is not permitted under HLF regulations until after the announcement of success at round II. In the History Centre project programme the round II announcement is Summer/Autumn 2016. As we are programmed to hand over the Library and Museum building, St Luke's Church and the two nearby properties (stores 43 and 44 Tavistock Place) to the contractors in January 2017, this would only leave 4 months to empty all these buildings. This would be possible if we were emptying office furniture etc. but historic collections need to be removed carefully. Some of the collections will need work before they can be moved; conservation, specialist packaging and/or improved documentation. It is critical that no damage or loss is incurred in this process. The project team sought advice from other organisations which have undergone collections' moves and had specialist advice from the National Conservation Service. It was recommended that at least a year was taken to move other collections. Therefore, the decision has been taken to open the temporary store from 1 October 2015 to enable this process to commence as early as possible. We are therefore doing this on the assumption that we will be successful at Stage II which is a risk to the Council. The costs incurred in decanting the collections and storing them prior to August 2016 cannot be reclaimed even if we are unsuccessful, however once successful the HLF funding does cover these costs. We have also recruited a specialist Decant Officer who commenced employment on 5 October 2015 to lead the decant of the collections through to the end of December 2016. He is very experienced and undertook the similar decant of the collections at the Museum's Major Partner Museum, the Royal Albert Memorial Museum (RAMM) in Exeter a few years ago.

Between January 2017 and January 2019 most of the Arts and Heritage collections team will be based at the offsite store such that they can work on the collections, preparing them to be brought back to be displayed or available for research in the newly-built study zone. During this period the programme for the recant of these collections plus those stored the other Museum annex buildings, PWDRO, SWFTA and SWIB will be developed. During 2019 all these collections will be brought together under one roof ready for the main opening in 2020.

HLF's response to this position was that they noted the reasons for the council beginning the decant before the formal "start of the project" and the Council's acceptance of the risk involved and commended the Programme approach to protecting the collections through this difficult period.

6.9. Programme management arrangements

The programme is governed by City Council and is delivered through the political authority of the Council as the accountable body for the programme. The Council has set up a Stakeholder Board that oversees the programme. This board has wide ranging representation and skills from the Cultural Sector who offer support and challenge to drive the programme of change through. The current membership of this board is as follows (Fig.3):

Attendees (Role)	Initials	Representing
Anthony Payne (Director of Place) Chair	AP	PCC
David Draffan (Assistant Director for Economic Development) Senior Responsible Officer (SRO)	DD	PCC
Cllr Pete Smith (Labour cabinet member and Deputy Leader of the council)	PS	PCC
Cllr Glenn Jordan (Conservative opposition member for culture)	GJ	PCC
David Beadel (Chair SWFTA)	DB	SWFTA
Bob Sharpe (Trustee SWFTA and Board Member SWIB)	BS	SWIB/SWFTA
Richard Bayly (Trustee SWFTA and Board Member SWIB)	RB	SWIB/SWFTA
Dafydd Moore (Dean of Arts & Humanities, Plymouth University)	DM	Plymouth University
Dominic Jinks (Executive Director, Plymouth Culture Board)	DJ	Culture Board
Amanda Lumley (Chief Executive, Destination Plymouth)	AL	Destination Plymouth
Nigel Godefroy (Trustee Plymouth Barbican Trust)	NG	SWIB
Paul Haycock (Naval Commander, MoD)	PH	Naval Heritage Centre
Hilary Lade	HL	Independent
Andrew Brewerton (College Principal)	AB	College of Art
Leo Devine (Director BBC South West)	LD	BBC
Paul Brookes (Programme Director, History Centre)	PB	PCC
Nicola Moyle (Client Lead)	NM	PCC
Gareth Simmons (Programme Manager)	GS	PCC
Pippa Warin (Senior Manager Regional Planning, Arts Council)	PW	Observer: Arts Council
Letitia Price (Joint Programme Coordinator, History Centre)	LP	Observer: Admin

(Fig.3 Stakeholder Board members)

Below the Stakeholder board the Council runs a Programme board where work stream leads report to the Senior Responsible Officer.

6.10. Technical and design support

The programme now has a suite of consultant support in place as the procurement of technical designers for both the building and the exhibition has been completed. These procurements have included the project management needed to ensure these work streams develop efficiently and in a coordinated manner. In addition to this the specialist support for the Conservation Plan, Activity Plan, Business Plan and individual

bespoke specialist advisors are also now in place. The table below (Fig.4) confirms the key consultant advisors that support the programme team, and also sets out a further procurement that is under way for the Branding specialists.

Consultant in place	Company	Name
Architectural Concept designer	Atkins	Ben Aston
Architectural Technical Design (and principal designer CDM)	Atkins	Kevin Presland
Quantity Surveyor	Faithful and Gould	Mac Muzvimwe
Design Project Management	WWA	Jeremy Dunn
Structural Engineer	Atkins	
Mechanical Engineer	Atkins	
Electrical Engineer	Atkins	
Content and Exhibition designer	Event	Esther Dugdale
Content and Exhibition coordinator	Event	Abby Coombs
Conservation Plan Historic buildings	Atkins	Ewan Harrison
Conservation Plan Content	National Conservation Service	Chris Woods
Legal Advisors	Foot Anstey	Various
Media specialists	South View Media	Gareth Allen
Activity Planning	Julia Holberry associates	Julie Holberry
Business planning specialist	Fourth Street	Dan Anderson
Procurements in progress		
Branding specialist		

(Fig.4 Technical & Design & Specialist support)

6.1.1. Work stream leads

The work of the programme has divided out in to specific work streams which are monitored at the programme board. These work streams report on a monthly basis and are coordinated through the work of a programme manager.

The work streams are as follows:

- **Funding Generation;** including the development of the funding strategy, the investigation and research of funding sources, the networking in funding arenas, the preparation and resourcing of bids and the management of funding risk.
- **Building Development:** Including the building and public realm design, land and building leases, procurement and contract administration.
- **Organisation Change:** including governance, change management, business planning and staff structures.
- **Exhibition Design:** Including exhibitions development, and content development.
- **Activity Planning;** including the development of consultations, auditing and planning audience development, programming activities and interoperating responses.

- **Collections & Decant;** including audit of collections cataloguing, management of removals, conservation and responsibility of the temporary stores.
- **Library Relocation;** including the design procurement and logistics of the library moves.
- **Transport and Public Realm;** including the development of strategic city centre proposals that support the history centre programme.
- **Communications;** including the monitoring press and social media activity, planning and owning the communication strategy, prepping and managing press releases and filming. Planning the audience map and developing the engagement strategy.

6.12. HLF and National Archives Response at Mid-stage Review

The HLF response to the resources and expertise in place for the MSR was very positive.

The papers submitted to the review included a draft Stage 2 Building Design, an Exhibition masterplan, a draft Activity Plan, a Conservation Plan and Decant Strategy and a Communications Plan. The meeting went very well and we received the following statement from Tom Brewer, the HLF officer, following the meeting:

“As Kevin and I made clear at the meeting the documents were of a high quality and demonstrated what a strong team you have in place. We fully appreciate the work that went into getting everything together for the meeting. The project is progressing well and you certainly seem to be on track for submitting your second round application in April next year. As we explained the mid-point review does not involve a formal sign-off as such but I can confirm I am happy for you to continue with the development phase”.

The meeting had been preceded the previous week by a visit from Karen Knight, the HLF mentor, who wrote after her visit to say: *“Just very good to see you all – thank you for a very useful day of conversations. I will feed back before the midterm meeting and give all the support I can in absentia! You are doing really sound and thoughtful work and making excellent progress. Be encouraged!!”*

Matt Greenhall of The National Archives who visited on 4 August and wrote subsequently:

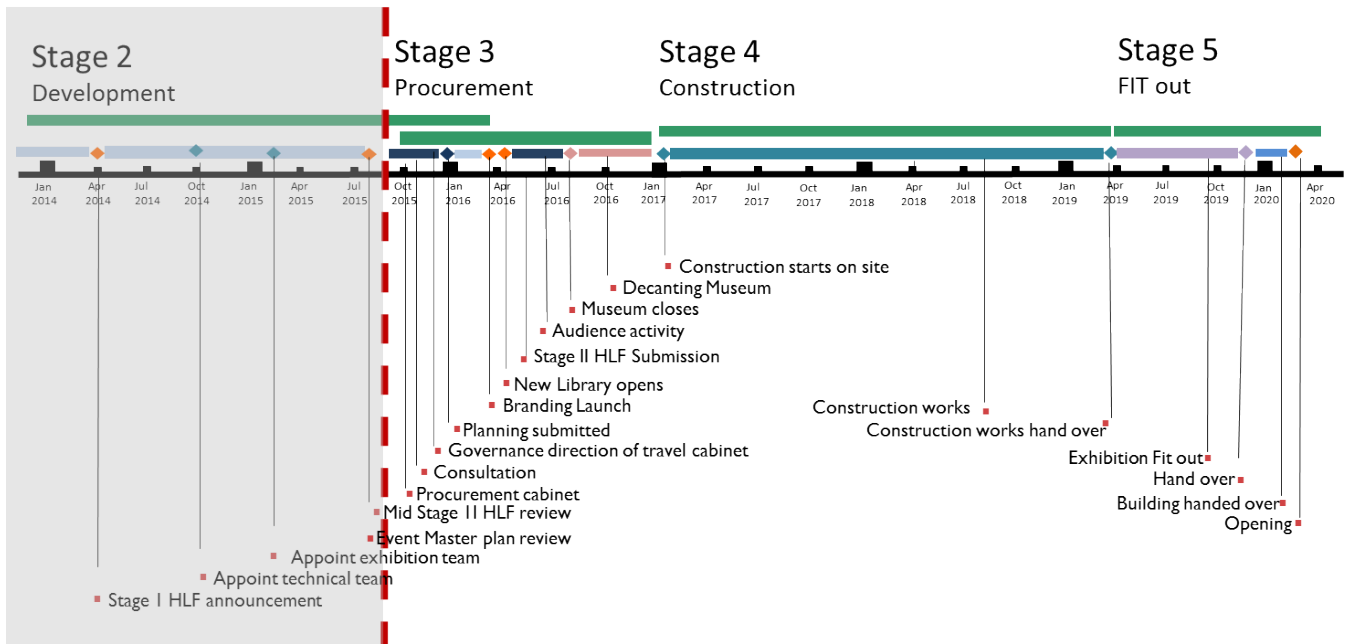
“Firstly, we would like to commend the project partners on the very considerable progress that has been made in developing the current plans for the History Centre. The strength of the project’s vision is notable, as is the ambition of combining the various collections of the project partners into a single site, and its intention to provide a unified narrative telling the history of Plymouth and its place in the world. The scale and ambition of the project is also noteworthy in combining the construction of a major new building with the merger of multiple collections and services within a single governance structure. Such a transition will require a great deal of planning and preparation and The National Archives is happy to help inform this process through our published advice and tailored support.”

At the conclusion of the mid-stage of the development stage therefore the only major area of concern is the costs of the proposals. Measures have been taken since the meeting to mitigate the situation and this paper presents represents proposals that have maintained the vision and aspiration whilst kerving the architectural designs in a way that make them affordable. It is intended that these revised proposals will be resubmitted to HLF for revised review.

7. TIMESCALES AND PROGRESS

The driver for the programme is to have the visitor experience open for the spring season in the year of 2020, in time for the Mayflower celebrations. This is a fixed deadline that imposes constraints to the programme and risk to the procurement and funding assembly.

The programme is broken down into five stages and we are currently in stage 2. This stage, described as the Development Stage, will continue until the completion of the HLF submission in Spring /Summer 2016. The high level time table (Fig.5) below shows how the programme will continue through Procurement, into Construction, and then Fit-out for a completion date in early 2020.



(Fig.5 Programme)

Key to the timelines are the substantial periods for the construction and fit out, and professional advice has been sought for the correct periods for these elements along with an understanding of risk in overlapping these activities. On the Building period, soft market testing has indicated that the assessments are broadly correct although one contractor did indicate that the build might be achievable in 20 months making a time saving of 4 months on the current programme.

Advice on overlapping the construction and fit out programmes suggests that these are best kept separate to reduce risk of contractual liability, however it is understood that an element of overlap is generally achieved, suggesting that the programme could be condensed. The RIBA stage II proposals have taken longer than programmed as extensive costs reductions and value engineering was required. This places a challenge to the submission of the planning and may delay the submission of the stage II HLF, although this is still under review. To make sure that any risk to the programme is minimised, decisions have been taken to open the procurement through the Official Journal of European Union (OJEU) by issuing notices as early as possible and to overlap the early procurement work with the development work as designs are developed into Planning. It is for this reason that this paper seeks approval of cabinet to begin the procurement by issuing the OJEU notices and authorise officers to begin the procurement arrangements.

8. FINANCIAL ARRANGEMENTS

The development of the History Centre has been a long development process and a small proportion of the necessary capital resources have been in the Capital programme since 2010. In 3 September 2013 cabinet paper a further £3.5m was earmarked for the programme to make match funding that supported the HLF bid, at this stage dependant on the success of the bid. In May 2015 a report of the stage I costs was presented to the City Council Investment Board (CCIB) which highlighted the inflationary effects of the slower programme recommended by HLF at bid stage. Inflation has been subject a detailed study throughout the RIBA stage II as out lined above in the HLF MSR.

When all the elements of the programme are considered, including the move of Central Library, the total capital and one off revenue cost is estimated to be £32.11m, subject to market testing through the procurement. However, this estimate has been derived from a comprehensive elemental cost analysis of the proposals. This cost is broken down into £28.07m capital and £4.04m in one off revenue costs; the revenue is largely funded through the HLF funding. Excluded from these costs is “in kind” support.

The income to support these costs includes a series of external grants, many of which are bid for from national resources. A considerable amount of work has been done to coordinate the opportunities from national investment programmes. In total a sum of £5.43m has been bid for. The most significant of these grants is an Arts Councils application for £4.18m, for which the result will be known in the spring.

The major grant of £12.77m announced in Autumn 2013 is a mixture of revenue and capital, and supported the original budget at an intervention rate of 53%.

As the project is matched funded there is a proportion of the increased costs that need to be borne by the council's commitment to the project. This has in part been mitigated through the seeking of additional external grant but there remains a further commitment of £2.5m

In addition to the commitment of the council the risk of obtaining external funding has been considered and each funding proposal has been risk assessed against the possibility that it may not be realised. A calculation can be done of the total funding risk, however this is a meaningless calculation in isolation and much work has been done to engage with funders and responses remain positive. For example an Arts Council bid has been made for a total of £4.1m which is higher than originally considered, the council raised contribution demonstrates to these external funders the strong match and determination that is in place to realise the collective benefits that external funders seek as well as the council and partners. However the risk profile needs to be a consideration and so it is expected that there will be a major gate way to commitment in the spring and summer 2016 when formal decisions can be made based on an updated business case.

9. CASH FLOWS

The expenditure programme is long term and is spread over 5/6 years. As the programme is made up of a number of external funding programmes the methods of claiming grants will be complex and subject to a number of funding governance terms and conditions, although generally grants are paid in arrears via an expenditure claim process. This means that Council resources are extremely important to ensure there is a suitable cash flow. The cash flow profile that has been derived has been done on the basis of pushing the borrowing to the extreme ends of the expenditure profile to reduce revenue pressures on the council.

10. CONTINGENCY AND FINANCIAL MANAGEMENT

Whilst there has been a considerable of detailed cost analysis done on the proposal the designs remain RIBA stage 2 and there is a considerable amount of design development and survey information to be assembled, as a consequence the level of contingency needs to remain in a healthy position. At this stage a contingency of 10% is a realistic sum to maintain, at Stage 1 certain elements had a reduced contingency, this has been reversed at Stage 2 and value engineering undertaken to ensure that a full 10% contingency has been allowed for on construction and fee costs.

In addition to a straight contingency, allowances have been made to reflect design development, inflation and some lump sums to deal with anticipated risk. The contingency is therefore a reasonable position for the stage of design development.

11. IMPACT ON SERVICES

The major works that this programme will achieve will clearly disrupt services, it is planned to close the museum and art gallery from summer 2016 to the opening in spring 2020 which is a significant disruptive effect, so measures are being put in place to create temporary museums known as "Pop up museums" where events and exhibitions will be used to promote our heritage in advanced of the major step change in services that will be offered. Discussion with other heritage locations are taking place to loan collections to National Trust properties at Buckland Abbey, Anthony House and Saltram House. Council properties such as Mount Edgcombe and the other historic museums will be used if appropriate. School programmes too will continue but be achieved with visiting exhibitions rather than school visits. It is hoped that the change of approach

through this period of making the museum and art gallery more mobile will not be lost when the new facilities open as outward facing access is as important as the visitor experience.

The local collection section of Central Library will be temporarily located in Taylor Maxwell House while the building works are completed and will only move to the History Centre shortly before its opening so there will only be a very short disturbance to these collections.

The collections of SWIB, SWFTA and PWDRO will remain unchanged throughout the building phase of the works and volunteer work will still continue from these locations as well as the museum annex. All these locations will close at the completion of the project.

12. RISKS AND OPPORTUNITIES

With the scale or ambition of a programme of this size the risks and opportunities are complex and need careful management. The Programme Board considers a detailed risk register on a monthly basis, and the Stakeholder Board review these risk further every 2 months. These risks feed into the Council's strategic risk register, which has considered the strategic impact if the programme should not be delivered and the collection become at risk of removal again.

The top level risks to programme include the following:

- The assembly of the funding, members need to consider the financial implication of the funding not coming together as expected and the effects of the gateway to delivery.
- Loss or damage to the collections in decant and recant, the items are not replaceable so considerable care needs to be applied.
- Market interest and inflation in the construction industry, the project needs to remain attractive to contractors for the Council to receive competitive prices.
- Scale of ambition, and funding not enough to make the facilities a suitable attraction to achieve 300k visitors/annum.

13. PROCUREMENT AND DELIVERY

The primary objective of the procurement strategy for the Plymouth History Centre is to achieve the appropriate balance of factors to best match the ambition. Therefore the key objectives, against which the procurement strategy has to been derived is as follows:

- time certainty – particularly in regards to the handover date / date for use;
- firm price – at agreement of contract;
- cost certainty – particularly completion within budget;
- quality - a scheme that most effectively meets the brief in terms of the appropriate quality of
- materials, workmanship and detailing;
- flexibility - a contract that will accommodate change during the construction period;
- design detail control – a contract that gives the Client influence over the design process;
- supplier innovation – cost effective and innovative solutions;
- division of responsibility – single point of responsibility;
- risk - the allocation of cost and design risks between Plymouth City Council (PCC) and the Contractor;
- supply chain – local labour requirements and contracting to promote training and apprentices;
- complexity and buildability – ability of the supply chain to deliver;
- contractor interest – competitive tender returns.

As set out in section 7.5 above the project had initially been set up on the basis that a design and build contract would be used and that the technical design teams, originally appointed under the employer, would be novated to the contractor in the final design stage. However changes in the buoyancy of the construction market place mean that this method of contracting is less attractive to the contractors and there was a danger that no contractor would be willing to offer a competitive tender the project on this basis. It is proposed therefore that the method of procurement is altered to a traditional contracting method with the design team remaining client side throughout the contract.

To achieve the procurement in the time scale it is proposed that OJEU notices are formally served and this paper seeks cabinet's approval for officers to commence the procurement in this way.

PLYMOUTH CITY COUNCIL

Subject: Dementia Friendly City Progress Update
Committee: Cabinet
Date: 13 October 2015
Cabinet Member: Councillor Tuffin
CMT Member: Carol Burgoyne (Strategic Director for People)
Author: Katy Shorten, Strategic Commissioning Manager
Contact details: Tel: 01752 307078
Email: katy.shorten@plymouth.gov.uk
Ref: DFC
Key Decision: No
Part: I

Purpose of the report:

To provide an update on the progress of the dementia friendly city part of the Joint Dementia Action Plan and information on future plans.

The Brilliant Co-operative Council Corporate Plan 2013/14 -2016/17:

The Dementia Friendly City part of the Joint Dementia Action Plan helps to meet the City's vision to be

a place where an outstanding quality of life can be enjoyed by everyone as it focuses on some key outcomes for people living with dementia which will help to enhance their quality of life and support them to remain independent for as long as possible

The Dementia Friendly City supports the Council's values:

- Democratic: The Plymouth Dementia Action Alliance has a diverse membership base that works in close partnership with PCC and also regularly consults with people living with dementia and carers.
- Responsible: there will be an increasing number of people living with dementia and the Council takes seriously its responsibility for supporting their independence and for them to have choice and control over their lives and the services they use
- Fair: through supporting the Dementia Friendly City, the Council aims to treat people with dementia as equal citizens and remove barriers to them being able to engage and participate
- Partners: The Dementia Friendly City is a programme of work carried out by PCC and a diverse range of organisations from a variety of sectors
- The Dementia Friendly City fits with the Caring Plymouth agenda, promoting health and wellbeing and striving towards people with dementia being treated equally. This will support the achievement of the Caring Plymouth outcomes in terms of prevention, enabling people with dementia to take control of their lives and treating them with dignity and respect.

**Implications for Medium Term Financial Plan and Resource Implications:
Including finance, human, IT and land:**

All activity, including future events planned for this year are covered by existing budgets and therefore there is no financial impact.

Other Implications: e.g. Child Poverty, Community Safety, Health and Safety and Risk Management:

None

Equality and Diversity:

Has an Equality Impact Assessment been undertaken? No

Recommendations and Reasons for recommended action:

Cabinet are asked to note the progress in making Plymouth a Dementia Friendly City and asked to continue supporting this initiative

Alternative options considered and rejected:

None

Published work / information:

None

Background papers:

None

Sign off:

Fin	akh1516. 40	Leg	23947 /ALT	Mon Off	23979/ DVS	HR		Assets		IT		Strat Proc	
Originating SMT Member Craig McArdle													
Has the Cabinet Member(s) agreed the content of the report? Yes													



Northern, Eastern and Western Devon
Clinical Commissioning Group

One System, One Budget - 'the right care, at the right time, in the right place'

DEMENTIA FRIENDLY CITY PROGRESS UPDATE

Background

The number of people with dementia in Plymouth is set to increase from 3185 in 2015 to 3264 in 2020. Currently we have achieved a diagnosis rate of 53% with a target to achieve 67% by November 2015. In terms of improving on this, there are lots of initiatives to raise awareness and identify people who may have dementia, of which the Dementia Friendly City is a key part.

Dementia Friendly Communities aim to:

- Raise awareness and understanding of dementia.
- Encourage people with dementia and their carers to seek help and support.
- Ensure that people with dementia feel included in their community, are more independent and have more choice and control over their lives.

The 'Dementia Friendly Community' idea was first formed in Plymouth by the Plymouth Dementia Action Alliance which was founded in 2011 by a partnership between Plymouth City Council and the University. The concept was then adopted nationally and in the summer of 2013, Plymouth was invited by the Alzheimer's Society to join the 'early adopter' group for the recognition process of dementia friendly communities and at an event hosted by the Council Leader, Councillor Tudor Evans, on 2nd August 2013, Plymouth City Council and its partners launched the 'Dementia Friendly City' initiative. This committed Plymouth to work to become one of the first dementia friendly cities in the UK.

In Plymouth we have a Dementia Strategy and Action Plan and one of our strategic priorities is to support the development of the Dementia Friendly City. This Strategy and Action Plan were approved by the City Council's Cabinet in September 2014 and the Western Locality of the CCG at the same time.

In 2015/16 the Action plan focuses on:

1. Dementia Friendly City Centre
2. Dementia Friendly Energy Company
3. Dementia Friendly Communities
4. Dementia Friendly Plymouth City Council
5. Dementia Friendly Primary Care

On September 16 2015, Plymouth was presented with a national award by the Alzheimer's Society at a ceremony in London for being a finalist in the category of "Best Dementia Friendly Community Initiative".

We are working with Plymouth University (via their Megareach programme) on a 3 year evaluation of the whole PCC Dementia Friendly City Programme and central to this will be the active involvement of people living with dementia

Joint Dementia Action Plan: progress and future plans

1. Dementia Friendly City Centre

City Centre Dementia Summit Event was held on 27th March in Plymouth Council House, aiming to engage the commercial sector. Following this, the PDAA has welcomed 10 new member organisations including:

1. The first bank (Barclays)
2. The first building society (Chelsea)
3. The first hotel (New Continental, who have started an online blog about their journey towards becoming dementia friendly: <http://www.newcontinental.co.uk>)
4. The first supermarket (Sainsbury's, Armada Centre)
5. The first GP practice
6. Plymouth & Devon Chamber of Commerce
7. Colebrook (SW) Ltd
8. Sentinel Healthcare CIC
9. Select Appliances
10. PCC Car Parking Team.

<http://www.plymouthherald.co.uk/Dementia-Summit-success-local-businesses/story-26242784-detail/story.html>

The DFC Co-ordinator will build upon momentum gathered from the Summit by continuing to work to increase the number of city centre businesses and hotels that are PDAA members and the following illustrates how this will happen:

Plymstock Broadway Shopping Centre (comprised of 40 retail, financial and care outlets) have expressed an interest in becoming a Dementia Friendly Zone and the first part of this process included an initial presentation by the DFC Co-ordinator to the tenants at their quarterly meeting (August 2015). Subsequently, the centre manager has put information in the Broadway newsletter re: booking onto an initial awareness session in a venue provided by one of the tenants on the Broadway and support will also be given to carry out premises audits (to happen over the next 6 months).

Drake Circus Shopping Centre: The DFC Co-ordinator will support the centre towards becoming dementia friendly and this will include the centre team of 76 (security, cleaning, front of house and back office, day and night staff) attending dementia awareness sessions (September 2015) and assistance with conducting an environmental audit of the centre premises. The centre director will also try to encourage managers from the retail outlets to attend awareness sessions during a series of future breakfast events.

City Centre Plan For The Forthcoming Year: The DFC Co-ordinator will work in partnership with Healthy High Street Retailers to encourage more retailers in the Business Improvement District (BID) to become dementia friendly. To take this forward, Drake Circus Centre are planning a wellbeing month for January 2016 and the Healthy High Street Group are planning to have a health-related event one day per month through 2016 and the engagement of other retailers to the dementia friendly approach will tie in with that. There are currently way over 500 businesses in the BID district and an initial target of aiming to engage at least 50% of them over the next twelve months has been discussed by the DFC Co-ordinator and Healthy High Street group. Dementia Champions from Marks and Spencer, Boots and Plymouth Citybus will work in partnership with the

DFC Co-ordinator to roll out dementia awareness to the other businesses. The DFC Co-ordinator will form a working party to thoroughly plan this work and the party will initially consist of the Co-ordinator, the Santander Director, the Premier Relationship Manager, Barclays and anyone else who wishes to get involved as it progresses

Plymouth & Devon Chamber Dementia Breakfast Event: Bond Dickinson are sponsoring this event (September 2015) and its' aim is to engage as many of the chamber member organisations as possible to the dementia friendly approach, with planned presentations from the PDAA chairman, DFC Co-ordinator and PDAA member organisation, Plymouth Citybus.

2. Dementia Friendly Energy Company

The DFC Co-ordinator will support Plymouth Energy Company to become dementia friendly by March 2016, starting with an initial awareness session to create dementia friends in the staff team (planned for October 2015).

3. Dementia Friendly Communities

During Dementia Awareness Week in May 2015, a wide range of organisations across the city worked together to deliver a full programme of events. One of these was a pilot reminiscence and awareness event in Plymstock library (a partnership between the central library team and the Alzheimer's Society). Resulting from the success of this, there is now a series of monthly "Memory Roadshows" being held in different libraries across Plymouth.

The DFC Co-ordinator will work on increasing the number of Dementia Friends in community organisations/groups via the Plymouth Octopus Project. An initial meeting has been set up to plan Dementia Friends session in September 2015.

4. Dementia Friendly Schools

The DFC Co-ordinator (in partnership with the Healthy Child Leadership Associate, PCC and the lead teacher for dementia awareness at Stoke Damerel Community College) has produced a dementia resource pack for schools, which was presented to Governors at their conference on 9th May 2015 and will be offered out directly to schools across the city from the autumn term.

Further collaborative work with Stoke Damerel Community College (SDCC) is being planned to involve health and social care students from the school offering to deliver dementia awareness sessions to year 5/6 pupils in the 12 primary schools that feed into SDCC, alongside support from the DFC Co-ordinator over the next 12 to 18 months.

As part of HCQM Bronze auditing and support process, 46 schools in Plymouth have discussed opportunities for Dementia Awareness. We are working to develop this further during 2015/16

5. Dementia Friendly Plymouth City Council

In May 2015, the DFC Co-ordinator delivered awareness sessions to the civil enforcement team and in August 2015, the team were supported with conducting an audit of the Western Approach and Theatre Royal Car Parks and the recommendations for changes to signage are planned to also be extended to further PCC -owned car parks across the city. Also in August 2015, The DFC Co-ordinator discussed some suggestions on what would make city centre car parks even more dementia friendly (made by a group of carers to partners with dementia from Carer's Hub) with the Senior Community Protection Officer. Resulting from this, there is a plan in place to pilot the allocation of 2 designated dementia friendly bays on entry level and near to the ticket machines in the

Mayflower East, Western Approach and Theatre Royal Car Parks. This will mean that **Plymouth will be the first city in the UK to have Dementia Friendly Car Parks.**

PCC currently has 8 Dementia Champions and the following departments are members of the Plymouth Dementia Action Alliance:

1. Plymouth Arts & Heritage Service
2. The Public Protection Service (In May 2015, 17 staff in the Bereavement Services part of Public Protection attended an awareness session and became dementia friends)
3. The Parking Unit
4. The Library Service-most of the library staff across the city have now attended awareness sessions and the central library team have committed to rolling out awareness sessions to all customer services teams by the end of May 2016. The DFC Co-ordinator will liaise with this team and relevant managers to ensure that other customer-facing staff also have the opportunity to attend sessions
5. The Contact Centre and First Stop
6. The Housing Options service
7. Human Resources and Organisational Development

New Plymouth History Centre: the majority of the museum and art gallery staff are dementia friends (The DFC Co-ordinator will do a 'mop-up' awareness session to any outstanding ones and the same team will staff the new History Centre. An initial meeting between the DFC Co-ordinator and Museums and Heritage Co-ordinator took place in October to discuss dementia friendly building design considerations, staff awareness

6. Dementia Friendly Primary Care

Dementia Friendly Pharmacies: The DFC Co-ordinator delivered an awareness session to pharmacy staff from across the city on the 19th May 2015, creating 45 dementia friends.

Dementia Friendly GP Practices: The DFC Co-ordinator attended the GP Forum on 10th March 2015 and this summer, Plymouth gained its' first GP practice working towards being dementia friendly. Subsequent to this, Chard Road surgery and the 4 Plymouth Community Healthcare practices (Ernesettle, Trelawney and Cumberland surgeries and Mount Gould PCC) will be supported to also become dementia friendly.

34 Occupational Therapy Students from across all 3 years of the BSc O.T. programme and the MSc (pre-reg) programme at Plymouth University attended dementia awareness sessions as part of a CPD event in June and the department has requested this is repeated for the intake of new students in the academic year.

7. Other Achievements

The 4th annual dementia conference was held on 6th February 2015 at Plymouth Guildhall to raise the profile of Plymouth's dementia work and share best practice, which was both very well attended and received. PCC will again, work in partnership with the PDAA and Plymouth University to host a 5th conference in March 2016.

Derriford Elderly Care Wards Review against Plymouth Hospitals NHS Trust Dementia Standards was carried out on the 9th February 2015 and 'working to become dementia friendly' awards were given. The trust has a Dementia Improvement Plan and they aim to have more clinical teams becoming dementia friendly and also to specifically focus on improving the hospital environment for people with dementia.

Plymouth City Art Gallery ran an extremely well received weekly art group for people with dementia and their carers (Arts and Minds project) with the evaluation showing improved cognitive functioning amongst participants.

'Dementia in the Workplace' Guidance document was produced by Will Blagdon (PDAA member) for the British Marine Federation.

Torpoint Ferry Plymouth Citybus and the DFC Co-ordinator will support the Torpoint Ferry with their wish to become dementia friendly (initial meeting to start this process scheduled for October 2015).

Devonport Naval Base The DFC Co-ordinator will support with raising awareness amongst naval personnel by delivering awareness sessions (2 initial ones planned for October 2015)

There are also a large number of other organisations who are at the start of their dementia friendly journey and/or have expressed interest in joining the PDAA and these include:

1. Devon and Cornwall Police
2. Plymouth Dance (who are planning to work in partnership with Plymouth university to hold monthly dance and dementia events in the Guildhall)
3. Select Homecare
4. The Life Centre
5. The Original Pasty House
6. Express Diagnostics

Dementia Friendly City Celebration Evenings

This year in October Plymouth City Council and the Plymouth Dementia Action Alliance are holding the third annual Dementia Friendly City Celebration event. Organisations that have committed themselves to become dementia friendly and care homes that have achieved the Dementia Quality Mark over the last 12 months are awarded their certificates.

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PLYMOUTH CITY COUNCIL

Subject:	Award of contracts for Community Domiciliary Care Services
Committee:	Cabinet
Date:	13 October 2015
Cabinet Member:	Councillor Tuffin
CMT Member:	Carole Burgoyne (Strategic Director for People)
Author:	Lucy Pare, Commissioning Officer
Contact details	Tel: 01752 307437 email: lucy.pare@plymouth.gov.uk
Ref:	Community Domiciliary Care Service
Key Decision:	Yes
Part:	I

Purpose of the report:

Plymouth City Council in partnership with NHS NEW Devon Clinical Commissioning Group, are seeking to enhance the current domiciliary care provision which will support:

- A decrease in delays experienced through hospital discharge;
- An increase in domiciliary care capacity across the city;
- The movement to seven day working initiative in order to place packages of care seven days a week;
- The increase in provider choice in market place;
- The decrease in use of residential care.

Commissioners will continue to commission high quality personal care and support services for people, within the city of Plymouth, who are assessed as being in need of a service whether they live in their own home or in supported accommodation.

These additional domiciliary care services will continue to be person centred and focussed on delivering positive outcomes including maximising people's independence, choice and control and be flexible and innovative in response to people's wide ranging assessed needs and enhancing the current community based support offer.

The vision for the future of personal care is one of holistic, integrated and joined up provision whereby providers are able to offer a wide range of approaches including community domiciliary care, dementia support and increasing levels of health care type services.

All personal care services will be person centred and focus on delivering positive outcomes including maximising people's independence, choice and control and be flexible in response to people's wide ranging assessed needs.

The shared aim is to support our citizens to:

- Live independently;
- Stay healthy and recover quickly from illness;
- Exercise maximum control over their own life and where appropriate the lives of their family members;

- Sustain a family unit which avoids children being required to take on inappropriate caring roles;
- Participate as active and equal citizens, both economically and socially;
- Have the best quality of life, irrespective of illness or disability;
- Retain maximum dignity and respect.

These additional contracts will implement the following requirements, which have begun in existing contracts in April 2014, through an efficient service specification and therefore providers will:

- Not conduct visits of less than 30 minutes unless requested specifically to meet the needs of Service Users;
- Pay staff at least the Living Wage (Set by Living Wage Commission);
- Pay staff for travel time;
- Provide guaranteed hour contracts for staff or will have evidence to support staff who wish to receive zero hour contracts;
- Provide good induction, supervision and appraisal for staff with ongoing support mechanisms.

The recommended competitive procurement of services is to replace one contract which is due to expire on 3 April 2016 and enhance the current community domiciliary care provision with an additional contract. A two stage tender process commenced in March 2015 with the aim to award two contracts in total.

The attached report sets out the result of the tender process and seeks approval from Cabinet for contract award.

For reasons of commercial confidentiality the full details of the tender process are included within a separate part 2 report.

Co-operative Council Corporate Plan 2013/14 – 2016/17

The Community Domiciliary Care Service will support Plymouth being a Brilliant Co-operative Council through addressing three of the four key corporate objectives:

- **Growing Plymouth**

The service will support a strong economy creating job opportunities by recruiting a local workforce

- **Caring Plymouth**

The service will:

- Help people take control of their lives and communities through supporting them to live independently at home;
- Support adults to be safe and confident in their communities;
- Ensure people are treated with dignity and respect.

- Pioneering Plymouth

The service will:

- Strive to exceed customer expectations;
- Support in reducing the city's carbon footprint and support in environmental and social responsibility.

The Community Domiciliary Care Service is underpinned by the four key values described in the Co-operative Council Corporate Plan:

- service design was influenced by stakeholders and so is democratic;
- reflects the City's commitment to provide high quality support to some of the most vulnerable people and so reflects responsibility;
- address inequality through supporting all adults, where an assessed need is identified and so is fair;
- requires all stakeholders to work together and work in partnership.

Implications for Medium Term Financial Plan and Resource Implications: Including finance, human, IT and land

The forecasted annual spend of 2015/16, for PCC only, on the one contract being replaced by this tender is £1,404,428 (102,367 hours). This tender will effectively award a block contract at a lower hourly rate than is currently being purchased in 15/16. This means that assuming this provider supplies the same number of hours in year one of contract as they are forecast to do in 15/16, there will be a PCC saving of £32,717, giving an expected annual spend for 2016/17 for PCC only of £1,371,711.

The two contracts to be awarded will allow for additional growth of up to 2,500 hours per week over the five years of the contracts, if required. Initially clients and hours will transfer from existing providers where they are delivering over their current contract and therefore be cost neutral. This additional growth allowed for by these contracts has been built into the medium term financial plan.

The tenderers have submitted a minimum hourly wage for staff which is over and above the national living wage currently suggested for 2016/17 Year one of contract of £7.20 per hour. The rates were also over the local living wage of £7.85.

It is important to note that in the interests of protecting public funding the block contract terms and conditions allow for the reconciliation to take place and only pay for actual hours delivered for up to the additional growth of 2,500 hours per week.

This spend will be a proportion of the current Domiciliary Care Spend. The total forecasted spend for Domiciliary Care 2015/16, for PCC only, is £9,671,198, with the 2015/16 budget being £9,687,197.

Other Implications: e.g. Child Poverty, Community Safety, Health and Safety and Risk Management:

These services will contribute towards the delivery of the Health and Well-Being Strategy.

Equality and Diversity

Has an Equality Impact Assessment been undertaken? Yes

Recommendations and Reasons for recommended action:

To award a two year contract, commencing on 4 April 2016 containing an option to extend the contract for a further three years in annual increments, to the two successful tenderers for the delivery of a Community Domiciliary Care Services in Plymouth identified in the Part 2 report. The tender evaluation process has determined that they have the critical knowledge and experience to provide these services and that considering all evaluation criteria they have offered the ‘most economically advantageous tender’.

Alternative options considered and rejected:

1. Do nothing; the current affected contract for Community Domiciliary Care could lapse

This is not the preferred option because potentially the existing provider could stop providing care to all their current clients which would have detrimental impact on adult social care assessment and brokerage teams to review the clients support plans and re broker approximately 2,500 hours per week through spot contracting arrangements.

This would be impossible for our current block contract providers to take on as the current situation already indicates most of block providers are up to their current available capacity in the current market.

This would leave approximately 167 vulnerable people without home care support in the community, which has been identified as a required need as part of their support plan

2. Extend Existing Contracts

The procurement of these services is subject to Plymouth Council’s Contract Standing Orders which state that any procurement over the threshold value of £100,000 is to be competitively tendered.

Published work / information: None

Background papers:

Title	Part I	Part II	Exemption Paragraph Number							
			1	2	3	4	5	6	7	
Procurement of Community Domiciliary Care Equality Impact Assessment	x									

Sign off:

Fin	akh1516.41	Leg	MS/23916	Mon Off	DV S/lt/23916	HR		Assets		IT		Strat Proc	HG/C S/405/CP/0915
Originating SMT Member: Carole Burgoyne													
Has the Cabinet Member(s) agreed the contents of the report? Yes													

I. Background

Phase One

On 11 November 2014 Plymouth City Council Cabinet approved phase one of the commissioning process for Community Domiciliary Care Services with the award of eight new contracts which commenced on 1 April 2015. These contracts would replace existing block contracts and reduce the number of spot contract arrangements.

Phase Two

In order to meet the increasing growth and demand for Community Based Services and to replace these hours and the market failure of a previous supplier, the local authority and NHS NEW Devon CCG, embarked on phase two of commissioning process for Community Domiciliary Care Services.

Phase two of the commissioning process is to ensure:

- Sufficient capacity and quality domiciliary care within the city for the next five years supporting hospital discharges;
- Increase provider market sustainability and flexibility across the provider market;
- A consistent pricing service offer across Community Domiciliary Care for both PCC and NHS NEW Devon CCG.

2. PRE QUALIFICATION SELECTION CRITERIA

A competitive procurement was run as a 'Restricted' (two stage) process with a Pre-Qualification Stage (Pre-Qualification Questionnaire) followed by an Invitation to Tender (ITT).

The objective of the selection process was to assess the responses to the PQQ and select potential Economic Operators to proceed to the next stage of the procurement.

The following sections of the PQQ contained mandatory questions, the responses to which were reviewed and treated as pass or fail criteria:

- Professional and Business Standing
- Financial [the Supplier must be in a sound financial position to participate in a procurement of this size. This may have entailed independent financial checks]
- Insurance
- Timescales
- CQC Registration

In addition the following sections of the Pre-Qualification Questionnaire were evaluated and awarded a score.

Section	Weighting (%)
Data Protection Management	2.5%
Data Protection Policy	5%
Prime Contractor/Sub-Contracting	2.5%
Quality Management	5%
Health & Safety Policy	5%
Health & Safety	5%
Equality & Diversity Policy	2.5%
Equality & Diversity	2.5%
Safeguarding Policies	10%
Safeguarding	10%
Disputes	5%
Business Capability	25%
Social Value	10%
Recent Contracts/References	10%

These weightings and the scoring methodology for each section were published in the Pre-qualification questionnaire documentation.

A total of 16 PQQs were received for these services. The names of the tenders who submitted PQQs are contained in the Part 2 report.

12 PQQs met the minimum threshold score of 74.15 and the top 6 scoring tenderers were invited to tender for the Community Domiciliary Care Services.

References

Reference information covering the following areas was requested for all participating suppliers:

- Management;
- Staff competency and experience;
- Partnership working;
- Service user consultation and involvement;
- How well organized they are;
- Customer care;
- Level of complaints
- Innovation flexibility in adapting to change;
- Overall satisfaction with organisation.

A minimum of two relevant references were required. 6 of the 6 tenders invited to ITT stage received good and relevant references.

3. TENDER EVALUATION METHODOLOGY

The project evaluation weightings were agreed prior to despatch of the tender documentation and were published in the PQQ and ITT:

Award Criteria	Weighting (%)	Sub Criteria (%)	Weighting (%)
Financial	40	Price	40
Technical	60	Purpose	10
		Service Details	15
		Performance Requirements	10
		Quality Requirements	20
		Management & Operation	5

The invitation to tender document was published electronically via the Devon Procurement Portal (www.devontenders.gov.uk) on the 9th June 2014 in accordance with the following timeline:

Activity	Date/Target Date
Dispatch of ITT	29 ^h May 2015
Return of ITT	30 th June 2015 midday
Evaluation of tenders completed and selection of successful Tenderer	20 th August 2015
Notification of successful Tenderer and Contract Award	26 th October 2015
Estimated Service Commencement	4 th April 2016

The completed tenders were evaluated by a team of individuals / stakeholders with various skill sets from across the business, in order to ensure both transparency and robustness.

1; Pre-Qualification Questionnaire/Technical Response

The pre-qualification questionnaires were evaluated to identify the extent to which each tenderer had the ability, experience, and capacity to deliver the service. The technical responses were evaluated to identify how well each tenderer would meet the service specification requirements. The names of the evaluators are contained in the Part 2 report.

2; Financial Response:

The financial response was evaluated to identify the average hourly rate over a period of five years and the overall price that the tenderer could offer for the contract of 2500 hours per week. The names of the evaluators are contained in the Part 2 report.

4. SUMMARY OF EVALUATION

Tenders were submitted on the 30th June 2015 by 6 suppliers.

The resulting scores from the evaluation process are contained in a Part 2 report.

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PLYMOUTH CITY COUNCIL

Subject:	Children's Residential Placement contract award
Committee:	Cabinet
Date:	13 October 2015
Cabinet Member:	Councillor McDonald
CMT Member:	Carole Burgoyne (Strategic Director for People)
Author:	Emma Crowther, Strategic Co-operative Commissioning Team
Contact details	Tel: 01752 304009 email: emma.crowther@plymouth.gov.uk ;
Ref:	R/B/C
Key Decision:	No
Part:	I

Purpose of the report:

The purpose of this paper is to seek agreement to the proposal for contract award for five residential children's homes beds for up to two years, with the option to increase the contract to include an additional two bedded home. The provision will be in and close to the city for Plymouth children and young people in care and provided by a reputable children's home provider.

Over the last eight years we have seen an increase in the use of residential and secure welfare provision for Plymouth children and young people in care, with a peak use in spring 2014. As a result, a number of Plymouth children and young people have been placed some distance from the city, in provision which has at times been variable for quality. The provision of social work oversight and support is harder when children are placed out of area, and accessing services is often more difficult due to a lack of centralised provision and issues across boundaries of services.

There is a continuing and urgent need for children's homes based locally which are able to work with and manage our most vulnerable young people. The cohort of young people that need this accommodation typically struggle to live with their peers and require a period of stabilisation in their own provision before they can manage group living. They often present with risky behaviours and mental health issues.

The NEW Devon Clinical Commissioning Group (CCG) is supportive of the plan to enable more children to be cared for within or near to the city as this is in line with commissioning intentions to ensure that there is easier and earlier access to services that promote wellbeing or provide help in a crisis. The proposal has been discussed with clinical leads at the Joint Strategy Implementation Group and an original options paper has had the oversight of the CCG. The CCG are also becoming members of the Peninsula Commissioning and Procurement Partnership to support the next Peninsula placements tender.

The Brilliant Co-operative Council Corporate Plan 2013/14 -2016/17:

This proposal will align with the Corporate Plan as follows:

Corporate Objectives	How the Cost and Volume tender aligned with the Corporate Plan
Pioneering Plymouth – we will be pioneering by designing and delivering better services that are more accountable, flexible and efficient in spite of reducing resources.	The specification and contract will ensure a high level of service provision with a focus on continuing improvements in performance. The provider will work closely with Plymouth in partnership to ensure the service is flexible to changing need.
Caring Plymouth – we will promote a fairer, more equal city by investing in communities, putting citizens at the heart of decision-making, promoting independence and reducing health and social inequality.	Children and young people will be at the centre of the new contract and specification, with emphasis on continually gathering their views and feeding this back into demonstrable service improvements. Children and young people placed will be supported to improve their health and social outcomes in line with the Children’s Homes Regulations and the Ofsted inspection framework.

Corporate Outcomes	How the Cost and Volume tender will align with the Corporate Plan
The Council provides and enables brilliant services that strive to exceed customer expectations.	The provider has maintained Ofsted performance throughout the recent changes to the inspection framework and has maintained provision in the South West as Good or Outstanding. We endeavour to work with providers who are graded Good or above by Ofsted, and work closely with those graded adequate to support them to improve the quality of their provision.
A Council that uses resources wisely.	The proposal will improve value for money through enabling some children placed out of area in high cost placements to return to the south west, and in preventing others from escalating out of area in the first place.
Children, young people and adults are safe and confident in their communities.	The specification for the contract will focus on ensuring good outcomes for children in the care of the Local Authority through placing them with a provider with a good track record, where their interests, education, emotional stability and futures are prioritised.
People are treated with dignity and respect.	As above – in addition, contract monitoring processes including site visits will ensure that this is a priority.

**Implications for Medium Term Financial Plan and Resource Implications:
Including finance, human, IT and land**

The proposal is to block purchase two current solo placements in Plymouth, plus three additional solo homes which would be set up, with the option to extend the contract to include a further two-bedded home if required and if the model is successful.

The estimated value of contract would be £900,000 per annum once five bed spaces were on line with a further £360,000 if a two-bedded home was added. This could be used as a step down option from the solo placements.

A total annual contract for seven bed-spaces (five initially, with two added later on if required) for approximately £1,260,000 per year (total potential contract value £2,520,000 in 2018) would enable a robust Plymouth based model of care.

This is not new spending as this would be set against the against a proposed residential placement budget for 2016/17 of £3,510,466 and would have the following additional benefits:

- Reduce the spend on the Peninsula contracts by an equivalent amount,
- Potentially reduce the spend on costly out of area packages of care
- Reduce the spend on out of area education and healthcare

The average cost of five of the current out of area children's homes placements is £5021 per week. Cambian currently charge £3,450 per week for solo placements under the Peninsula Frameworks. The provider has indicated that their fees for the solo provision under a block contract would be maintained at current values, which represents a difference of £1,571 per bed per week if we are able to bring children back to the city from high cost out of area placements.

This has a potential to reduce the overspend experienced in 2015/16 by £245,000 next financial year based on reductions achieved from the three additional beds not already currently being occupied by Plymouth children.

Other Implications: e.g. Child Poverty, Community Safety, Health and Safety and Risk Management:

The contract will have implications for child poverty and community safety by aiming to provide a stable, equitable family style environment for Plymouth children and young people to grow up in. Each child and young person will be supported to enjoy and achieve in their social lives, promote emotional health and wellbeing and education and be given opportunities which will enable them to transition to adulthood successfully.

Equality and Diversity

Has an Equality Impact Assessment been undertaken?

Yes

Recommendations and Reasons for recommended action:

It is recommended that approval is given to award a contract for up to seven locally based children's homes beds to The Cambian Group, consisting of two existing solo homes, three new solo provisions which are to be created, plus the option to block purchase placements at an existing two-bedded provision for the period to 31 March 2017, with an option to extend for a further year, if required at an estimated cost of approximately £1,260,000 per year.

This decision is based on an analysis of the current placement provider market and local need and would enable children to be placed closer to the city, maintaining their support networks and reducing the cost of their care.

Published work / information:

Department for Education – Financial stability, cost charge and value for money in the children’s residential care market – research report June 2015. A hyperlink to the document is:

http://socialwelfare.bl.uk/subject-areas/services-client-groups/children-young-people/departmentforeducation/174522RR451_-_Children_s_residential_care_report.pdf

Background papers:

Title	Part I	Part II	Exemption Paragraph Number							
			1	2	3	4	5	6	7	
Equality Impact Assessment	X									

Sign off:

Fin	PeopleF CCA 1516 001	Leg	SC/23945	Mon Off	DVS2397 3	Strat Proc	HG/CS/406/CP/ 0915
Originating SMT Member Craig McArdle, Assistant Director for Cooperative Commissioning							
Has the Cabinet Member(s) agreed the contents of the report? Yes							

1. INTRODUCTION

Residential children's homes care for children or young people in a single setting with the support of professional staff and typically range from caring for one child to up to four children at any one time. There is no such thing as a 'typical' children's home. Some homes provide general support for a range of different needs. Other homes offer a specialised service for children or young people with particularly complex needs. Secure homes provide for young people who have committed offences or who need to be held securely for their own safety (Criminal Justice or Welfare Secure Placements). The modern model of children's homes in the community is designed to look as much like a family home as possible, with staff working to create a safe and warm atmosphere for the child.

It is possible to define two distinct markets for the residential children's home market. These are:

- Children with profound and multiple disabilities
- Children with mental health or behavioural conditions or problems resulting from traumatic family and environmental experiences.

Over the last 8 years Plymouth has seen an increase in the use of residential and secure welfare provision, with a peak level of use in spring 2014. This mirrors the national trends for the use of these types of provisions. Within this Plymouth have experienced demand periods that have significantly tested the ability of the current market to supply an appropriate accommodation and care solution.

Despite effort to reduce demand on this provision through new models of care planning that create a "wrap around" package of care, some young people are still being placed significant distances from Plymouth in provision that has not been quality assured through our existing Peninsula Framework contracts. We cannot easily assure consistent quality for provision which is a significant distance from the south west in the same way as more local provision. There is also the cost in respect to senior management, commissioning and partner resources in trying to secure and monitor these alternatives.

Whilst there are pressures in respect to quality and cost for both of these markets, this paper focuses on creating alternative commissioning arrangements for the latter market as this is where there has been most difficulty in sufficiency during peak demand periods.

2. WHERE ARE WE NOW?

2.1 National Drivers and Current Commissioning Arrangements

Local Authorities are judged by Ofsted against a number of indicators that demonstrate the quality of care for looked after children. This includes:

- Placement stability
- The number of children placed 20 miles or more from their home address.
- Education performance

The children and young people whose needs have escalated to the point of needing residential provision often have poor outcomes in these areas.

Plymouth City Council is currently part of a Peninsula Commissioning and Procurement Partnership with Cornwall, Somerset, Devon and Torbay Local Authorities. Since 2006 we have collaborated to develop the residential provider market, tender the framework contracts for fostering, residential

homes and 16 plus accommodation and shared quality assurance and contract improvement responsibility.

When a placement is required, a placement request form is completed by Children’s Social Care, following authorisation to purchase, and the Commissioning Team spot purchase placements from the market to secure the “best match” for the child. Once secured, Individual Placement Agreements (Placement Contract) are put in place with outcome expectations agreed in placement planning meetings.

Ofsted regulations and standards for the operation of Children’s Homes were revised in April 2015, with a focus on quality standards, evidence of progressing outcomes, continuous improvement and clear leadership and management arrangements, including challenges back to local authorities where care planning is not robust. This has rightly meant that more rigor has been applied to the market and has resulted in significant work across the Peninsula authorities to develop improvement plans with providers, managed by the Peninsula Board and Team.

The current placement framework contract finishes in March 2017 and the Peninsula Partnership are beginning to review requirements for a future contract.

2. CURRENT PROFILE OF NEED

The table below shows the numbers placed in residential children’s homes over the last 8 years.

	08/09	09/10	10/11	11/12	12/13	13/14	14/15	Current
Annual Average Number of YP in Residential Placement	12	16	20	19	20	23	27	20
Peak Number	13	19	23	23	23	28	32	n/a
Lowest Number in Residential	9	10	15	15	18	20	23	n/a

The accompanying part 2 Cabinet paper highlights the demand for Welfare Secure placements, which has also increased in the last few years in line with the national demand for these types of placement. This is not included in this paper due to the low numbers of children placed, which could lead to them being identified if released publicly.

In 2015 we launched a project to test a new approach to care planning for children and young people in residential and welfare secure provision with an aim to moving them to more appropriate community living with additional “wrap around” support made available to them.

This approach to “step down” has meant that the overall number in residential is now lower than this time last year – 20 instead of 27. Most of these placements were stepped down to independent foster care, 16+ supported lodgings or supported living or a return to family members. Due to the success of this project this approach is now being mainstreamed through with named leads for social care, health and education to ensure robust care planning.

The main presenting needs which create difficulties in sourcing placements are:

- High levels of violence and aggression
- Absconding

- Child Sexual Exploitation
- Significant Self Harm
- Autism and Autism plus mental health issues
- Mental Health Difficulties not requiring or considered unsuitable for Tier 4 in patient CAMHS

These are the same as the nationally reported in the recent report published by the DfE “Financial stability, cost charge and value for money in the Children’s Residential Market - Research Report” (IPC, Oxford Brookes).

It is worth noting that alongside these high end cases is a significant increase of presentations for self-harm to hospital, which is mirrored by the national trend; according to Young Minds there has been a 77% increase in the last ten years in inpatient admissions due to self-harm.

Plymouth has also experienced a steady increase in numbers of children with Autistic Spectrum Conditions (ASC), Behaviour, Emotional and Social Difficulties (BESD), and Speech Language and Communication Difficulties (SLCD). When combined with risk factors in relation to family risk factors, abuse or neglect and/or environment risk factors, this can create significant and rapid escalation of need.

This cohort of young people in care typically struggle to live with their peers and can require a period of stabilisation in their own provision before they can manage group living. They need the total focus to manage behaviours such as absconding and self-harm. Placing them alongside another young person while they are in such crisis can lead to deterioration in the behaviour of both young people placed.

4. CURRENT PROVISION

The current Peninsula framework contract for Residential Children’s Homes began in April 2013 and we have had 6th entry points (tender opening) under a dynamic purchasing process. From this the market has developed as follows:

- In April 2013 we had 11 organisations with 36 homes
- In July 2015 we have 24 organisations with 103 homes (224 placements)

The children’s homes vary in size, usually from 4-5 beds to solo units. Between April 2013 and July 2015 there has been an increase of 67 homes across the Peninsula. These are contracted via Devon County Council procurement on the expectations of the National Framework Contract for Residential Children’s Homes, with no additional requirements or service specification based on local needs.

Solo (single bed) residential children’s homes are the preferred option for the type of need Plymouth struggles to place. This allows young people for a period of time while they stabilise, with the longer term aim where possible of moving across to a group living home, or stepping out of residential care into fostering or 16+ provision.

Plymouth has developed the market to increase the number of locally available placements on the Peninsula Framework Contract within Plymouth from a position of 2 in 2012 to 7 in 2015 – (three of these are solo placements). However these are a part of the Peninsula Framework contract and will take young people from other local authorities.

Alongside this the children’s home market has struggled in respect to quality - the Peninsula has had to suspend 13 homes and special residential schools, managed by 9 of our providers, due to them either being rated as inadequate by Ofsted or safeguarding concerns and investigations. Ofsted

reports that the South West is seeing a decline in quality provision in the market which outstrips the national trend. Plymouth has had more success in carefully selecting provision where the Ofsted performance has sustained or improved, with 2 children placed in Outstanding provision currently, 10 in Good and 8 in Adequate.

Due to the inability to source solo placements and placements that are able to meet the need of the most vulnerable, over the course of the two years there have been times when Plymouth has contracted the use of 2 bedded homes for one person at extra cost as a temporary measure to ensure stability before another young person is introduced. Alongside this, the costs associated with CSC senior management time, commissioning resource (both CCG and PCC) and partner resource (for example PCH) to managing these cases when a placement cannot be easily sourced is significant.

Recent cases now have packages of care costing £7 - £10k per week in the initial period due to the current level of care needed. Whilst it is expected these packages will reduce over time as the young people settle and their needs are better understood, alternatives closer to Plymouth linked to existing services commissioned by the CCG and Council may have prevented this spend.

Keeping children and young people in care as near to Plymouth as possible would enable our local services, such as Children in Care Child and Adolescent Services to continue to meet the needs of these children and young people. This is also the geographical area where they are most likely to want to return to as they get older, so local provision enables us to build their resilience while remaining in their networks.

The difficulties Plymouth has been facing in sourcing appropriate residential placements are not unique; in June 2015 the DfE published “Financial stability, cost charge and value for money in the Children’s Residential Market” - Research Report (IPC, Oxford Brookes). This highlighted some critical issues for the national residential market. Although there is relatively stable demand, this does not appear to translate into stable earnings or profit or in providers being willing to take a risk by creating new provision without a measure of security. The market self-reports not being in a position to attract new investment, with risks in relation to capital investment, inability to innovate, reputational risk, and concerns in relation to future public sector funding.

Providing the market with more security to develop through a “block contract” would provide more incentive to develop provision more locally to Plymouth. This also creates a closer and consistent relationship with the provider in the management of care plans.

Providers are reporting that five local authorities have tendered block residential contracts since the start of 2015, with more following on. These include Nottingham, Northamptonshire and Birmingham. There appears to be a national trend towards block contracts of residential beds in order to secure quality and supply.

4. FUTURE COMMISSIONING

4.1 Recommended Option:

Undertaking a Negotiated Procedure (without prior publication) for a block contract for up to 5 solo children’s home placements (2 existing and up to 3 to be developed) with the option to extend the contract to include a further two bedded home if required and if the model is successful. The contract will be awarded until March 2017, with the option to extend for a further year. The selected provider is the best performing with existing homes in Plymouth.

Rationale:

This would incentivise the development of more solo placements that are able to deliver a model of care we need for high risk young people within 20 miles of the city. This would enable financial stability for the provider to develop provision and staffing to meet the needs of Plymouth children.

Throughout the tendering rounds over the last three years only 3 organisations have responded to the market development requests to develop provision within 20 miles of Plymouth, of these one in particular has developed models of care that has demonstrated the ability to stabilise our young people.

As there will be a Peninsula Tender in 2016 for contracts to begin March 2017, there is potential opportunity to tender this requirement through this process. However an option to extend means that if the Peninsula approach does not meet the local need, there is a further period to undertake a competitive tender for this provision.

We have sought advice from Legal Advice on using a Negotiated Procedure and awarding a contract without prior publication. This is permissible under the exemption in Regulation 32 of the Public Contracts Regulation 2015 due to the need to provide provision for local children as quickly as possible – in line with the Regulation “insofar as is strictly necessary where, for reasons of extreme urgency brought about by events unforeseeable by the contracting authority, the time limits for the open or restricted procedures or competitive procedures with negotiation cannot be complied with”.

There are a number of factors which have led to the decision to use a Negotiated Procedure without prior publication. These are as follows:

- A fast-emerging level of complex need in children and young people in care, which was not foreseeable and has led to children being placed a significant distance from the city.

Further detail on this aspect is included in the Part 2 paper – this includes information which is sensitive to the needs of small cohorts of children and is therefore confidential.

- The level of failure in the children’s home market in the southwest is restricting our choice of placements.

The Children’s social care data in England 2015 - key findings (LGA Aug 2015) has published a snapshot of the market from Ofsted inspections. Whilst this is not a full statistical analysis of the market, it paints a worrying picture – highlighting a decline in quality of residential homes in the South West of England. Inspection findings show the South West with the lowest percentage of children’s homes judged good or better, with the worst decline of homes judged good in previous inspection regimes to being judged adequate or lower (38%) and the worst overall decline in the judgement for effectiveness of 20%. The selected provider has not seen the same dip in Ofsted performance locally.

- There is a level of challenge from regulatory bodies over a lack of locally available provision with joined-up services to meet need.

The Council is challenged through the local authority Ofsted inspections process over the quality of our residential provision, including the location of placements and how we maintain the standard of all provision and work around the challenges placements at a distance pose. We are also challenged

over how joined up our processes are around accessing education and Camhs support for our out of area children.

In addition, children's homes providers have to have regular visits from an external visitor under Regulation 44 of the Children's Homes Regulations. As part of this visit the visitor looks at the care plan for the child, speaks to the child and looks at any issues relating to the home or other services which could impact on the child. Any gaps in service, which are more likely with out of area placements, are noted by the visitor and all reports are sent to Ofsted, who will then challenge the placing local authority for any perceived failure on their part.

We have been working for several years to encourage providers to open provision in the city, through our relationships with them. This has been successful to an extent but we are mirroring the national local authority trend in that we now need to take this to the next stage and formally contract provision which is specifically designed for the needs of our complex children, rather than the more general provision we currently have.

The lack of high quality provision for vulnerable children locally needs to be addressed urgently to avoid a continuation of children being sent out of area. A contract would be awarded for the minimum period, until the Peninsula frameworks tender can be completed. The option to extend the contract for a further year would only be invoked if the needs of the Peninsula local authorities cause delay in procuring a further contract – in this instance we would use the period of the contract extension to run a tender for Plymouth alone. In either case a full procurement exercise in line with regulations would be carried out.

Failure to provide local provision has resulted in three young people being referred to service provision a considerable distance from the Plymouth area following their hospitalisation and treatment resulting from abuse or self harm. As well as the traumatic effect on these already traumatised young people which had occurred, this also incurred considerable expense to the authority. Such occurrences are a rising trend which was not foreseeable by the authority and the reluctance of providers to set up new provision in the city was also unforeseen. The current provider is providing a good quality of existing service provision in the city and is willing to provide additional homes to address this urgent requirement.

4.2 Cost and Benefits:

The estimated value of contract would be £900,000 per annum once 5 solo bed spaces were on line.

Depending on the success of the model, this could be extended to add to the block contract one of the 2-bedded homes run locally by this provider. This could be used as a step down option from the singleton placements at a further cost of approximately £360,000 per year.

A total annual contract for 7 bed-spaces (5 initially, with 2 added later on if required) for approximately £1,260,000 per year (total potential contract value £2,520,000 in 2018) would enable a robust Plymouth based model of care.

This is not new spending as this would be set against the against a proposed residential placement budget for 2016/17 of £3,510,466 and would have the following additional benefits:

- Reduce the spend on the Peninsula contracts by an equivalent amount,
- Potentially reduce the spend on costly out of area packages of care
- Reduce the spend on out of area education and healthcare

The average cost of 5 of the current out of area children’s homes placements is £5021 per week. Cambian currently charge £3,450 per week for solo placements under the Peninsula Frameworks. The provider has indicated that their fees for the solo provision under a block contract would be maintained at current values, which represents a saving of £1,571 per bed per week if we are able to bring children back to the city from high cost out of area placements. This has a potential to reduce the overspend experienced in 2015/16 by £245,000 next financial year based on reductions achieved from the three additional beds not already currently being occupied by Plymouth children.

It also creates further benefits in:

- Reducing the number of young people being placed out of area
- Given the immediacy of the need within the current cohort of young people for alternative placements, this would allow us to create the quickest solution by:
 - Securing existing solo placements for exclusive use by Plymouth under a model of care specified locally.
 - Providing security for the provider to develop more bed-spaces in the shortest time possible – usual set up times approximately 6 months.
- Providers who have committed time and resources to working with Plymouth City Council to meet the needs of our young people are selected to benefit from this opportunity to expand their business and focus on Plymouth as a significant customer in the Peninsula.
- This enables children’s social care, Plymouth Community Healthcare and the education sector to build a stronger relationship with this provider to develop strong care plans for the most at risk young people.
- This enables senior social care managers to develop collaborative relationships with a provider to support the development of joint models of care

4.3 Risks Management

RISK – Description	Impact	Likelihood of occurring	Contingency Plan
Given the peaks and troughs in demand there is a very small risk of vacancies.	Low	Medium	Robust forward planning between social care and the provider will be developed. Bed spaces can be offered to other LA’s if necessary.
Challenge from the market	Medium	Low	This should be mitigated by <ul style="list-style-type: none"> • The fact the market has had the opportunity to bid 6 times in the last year for work on the Framework contract to provide to the needs of Plymouth, with limited response. • The selection of the preferred provider will be made transparently on the basis of performance and the historic ability to deliver to the needs described. • The temporary nature of the contract and the opportunity to bid in the Peninsula or local tender for this contract

RISK – Description	Impact	Likelihood of occurring	Contingency Plan
There may still be situations where bed spaces are full and emergency care is still required, causing on-going spend on expensive packages of care elsewhere.	Medium	Low	This could be mitigated by retaining a bed space for short term emergency placements and linking the model of care for the rest to a planned step down approach. This would mean that even if a placement was out of area there would potentially be somewhere to bring them in the medium term.

4.4 Other options considered and rejected:

4.4.1 Option 2: Tender for a block contract for an additional 3 solo placements within 20 miles of Plymouth.

These beds would be over and above those on the Framework, for a three year contract, with an option to extend for 2 years.

Rationale

This has a similar rationale to Option 1 but allows us to explore the market further and test whether there are providers not currently delivering locally who would give the opportunity of a block contract.

Benefits

- This could diversify the market in Plymouth
- Would reduce risk of challenge from the market
- Contract could be in place for longer due to less potential challenge from the market

Risks and mitigation

- This option will not meet the need of the existing cohort, even those with longer term step down plans, as time to tender and set up would mean the model of care would not be in place until early 2017.
- This potentially negates the benefits of undertaking a separate process to the Peninsula as a model for Plymouth (or Plymouth and partner authorities such as Cornwall or Devon) could be one of the lots in a Peninsula tender.
- Given the peaks and troughs in demand there is a small risk of vacancies. This could be mitigated through
 - Forward planning between social care and the provider
 - Selling bed spaces to other LA's if necessary.
- There may still be situations where bed spaces are full and emergency care is still required, causing on-going spend on expensive packages of care elsewhere. As above this could be mitigated by retaining a bed space for short term emergency placements and linking the model of care for the rest to a planned step down approach. This would mean that even if a placement was out of area there would potentially be somewhere to bring them in the medium term.

4.4.2 Option 3: Do nothing over and above the current Peninsula-wide plan to re-commission the Peninsula placement contracts by 31st March 2017.

Rationale

Whilst Plymouth is still struggling with finding appropriate placements for those with high risk and struggles with the model of care of some of the providers, use of residential placements is steadily reducing due to considerable effort to find appropriate step down placements for young people.

As the Framework contract ends in 2017, the Peninsula local authorities have already begun discussions about the need for new models of care, including the potential for some blocked provision across the five local authorities that are able to take our most vulnerable young people.

Benefits

- Under this option the resource of the Strategic Commissioning Manager and Commissioning Officer with a lead for social care could be utilised to maximum capacity to influence the future Peninsula model for the benefit of Plymouth.
- Reduction of risk of voids and challenge from the market

Risks

- This does not create an immediate solution to meeting the needs of the most vulnerable cohort of CYP and for the next 2 years (including implementation time) Plymouth would continue to struggle to place young people
- Continued interim use of out of area placements
- Continued interim inability to manage placement costs
- The needs of the other local authorities result in less of a focus on the specific needs of Plymouth children and young people
- The Peninsula LA's are not able to agree a model of care or timescales for development of provision that mutually benefits them. At this stage Plymouth could then make a decision to develop its own tender.

5. IMPLEMENTATION

5.1 Provider selection

Part 2 paper provides an analysis of the current market and rationale for selecting The Cambian Group for this contract. They have demonstrated an ability to provide residential care for Plymouth children and young people, offer considerable amounts of expertise and are well placed amongst the current residential providers to set up new provision in and near to the city.

5.2 Proposed Model of Delivery

The aim of the service would be to provide high quality children's homes, able to offer a resilient model of care. The aim of the provision would be to ensure young people aged between 10-13 years old placed due to escalation of need will be provided with an appropriate length of stay whilst integrated health, education and social care plans were developed to enable the young person to move to appropriate group home or foster care placements, or where possible to the family home.

For those placed as a result of moving from out of area placements or escalation of need that are in the age group 14-16 the plan would be to enable a move to the family home, if possible, or transition to 16 plus transition accommodation to support transition to adulthood.

A possible configuration of the proposed five solo beds would be:

1 x crisis bed (on the outskirts of Plymouth). This provision would offer 3 - 6 month initial placements for those in crisis whilst the provider alongside local social care, health and education provision fully assess the needs of the young to inform the move-on plan.

2 x singleton (on the outskirts of Plymouth) – able to accept children and young people as a planned move-on from the crisis bed, or as a more planned residential placement needed near to Plymouth. This would offer a placement to those young people where a central Plymouth address presents risks of CSE or other concerns where the young person is less resilient.

2 x singleton (existing provision in Plymouth) – able to accept young people with a high level of need who are able to live in central Plymouth

The home would have a clear programme of work based around the care plan for the child or young person– developing independence skills for those moving to 16+ provision, or working with identified foster carers with those moving to a foster placement.

5.3 Contract negotiation and implementation

Contract negotiation meetings will be set up with The Cambian Group to agree final model of care, specification and identify appropriate accommodation.

There is a minimum six month lead-in time to setting up a children’s home, to allow for recruitment of appropriate staff and a manager, and to complete the Ofsted registration process. There would also need to be some additional time at the beginning of the process, to negotiate on a specification for the service. If permission is granted to proceed with this option, we could realistically expect homes to be open by Spring 2016, dependant on timing of authorisation to proceed.

5.4 Implementation Time Line (approximate)

Action	Dates
Cabinet Sign off of Contract Award	October 2015
Initial contract to secure existing provision for exclusive use for Plymouth	October 2015
Identification and securing of suitable properties and property modifications (potential graduated approach)	October 2015
Ofsted Registration (at minimum 20 weeks)	Feb – May 2016
Contract for full offer	April 2016

Appendix A: Corporate Commissioning Principles

This project will also align to the values and principles of Co-operative Commissioning:

Values	Principles	How Cost and Volume will align with Cooperative Commissioning
Democratic	<p>Citizens and communities will be at the heart of all commissioning activity</p> <p>Commissioning decisions will be open and transparent</p> <p>Commissioning will seek to promote civic responsibility</p>	<p>We are following a Negotiated Procedure and taking the Contract Award through Cabinet to ensure that the decision made is transparent and responsible.</p> <p>The specification for the service will draw upon the Positive Relationships Standard of the Children’s Home’s Regulations for the provider to support children and young people to gain and maintain a sense of civic responsibility.</p>
Responsible	<p>We will commission for sustainability by prioritising early intervention and prevention</p> <p>We will commission for quality and outcomes</p> <p>Commissioning decisions will focus on delivering VFM and promoting social value</p>	<p>We are planning to work with a provider who is graded Good or above by Ofsted in the South West.</p> <p>The specification for the service will have a strong focus on quality and demonstrable outcomes for children and young people placed, including how they contribute to improved social value.</p>
Fair	<p>Commissioning will focus on reducing inequalities and making Plymouth a fair City</p> <p>Commissioning activity will be needs and evidence based</p> <p>We will develop local, fair and sustainable markets</p>	<p>We will use up to date and relevant needs information to ensure the new contract meets the needs of vulnerable children and young people.</p> <p>The contract will encourage a provider to expand their provision, including recruiting additional staff from the local employment market. We have selected a provider who is committed to paying the Living Wage for their staff.</p>
Partners	<p>We will commission with a range of partners</p> <p>We will work collaboratively and coproduce public services</p> <p>We will promote citizen commissioning</p>	<p>We will ensure we commission a service that meets the needs of our most vulnerable children.</p>

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By virtue of paragraph(s) 1, 2, 3 of Part 1 of Schedule 12A
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