



Oversight and Governance

Chief Executive's Department
Plymouth City Council
Ballard House
Plymouth PL1 3BJ

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Published 03 February 2020

CABINET

Tuesday 11 February 2020
2pm
Council House, Plymouth

Members:

Councillor Evans OBE, Chair

Councillor Pete Smith, Vice Chair

Councillors Coker, Dann, Haydon, Laing, Lowry, Penberthy, Jon Taylor and Kate Taylor.

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

This meeting will be webcast and available on-line after the meeting. By entering the Warspite Room, councillors are consenting to being filmed during the meeting and to the use of the recording for the webcast.

The Council is a data controller under the Data Protection Act. Data collected during this webcast will be retained in accordance with authority's published policy.

For further information on attending Council meetings and how to engage in the democratic process please follow this link - [Get Involved](#)

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 - 6)

To sign and confirm as a correct record the minutes of the meeting held on 14 January 2020.

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. Leader's Announcements

7. Monthly Activity Round Up

8. Reports From Scrutiny

8.1 Budget Scrutiny Recommendations (Pages 7 - 12)

9. Pledge Update (Pages 13 - 18)

10. Revenue and Capital Budget 2020/21 (to follow)

11. **Capital and Revenue Monitoring Report Q3 (to follow)**
12. **Transfer of PCC Procurement Services** (Pages 19 - 38)
13. **School Attendance Consultation and Revised Code of Conduct on Penalty Notices:** (Pages 39 - 60)

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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



Declare the interest and speak and vote



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

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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 14 January 2020****PRESENT:**

Councillor Pete Smith, Vice Chair in the Chair.

Councillors Haydon, Coker, Dann, Lowry, Penberthy, Jon Taylor, Laing and Kate Taylor.

Apologies for absence: Councillor Evans OBE

The meeting started at 2pm and finished at 3.22pm.

Note: The full discussion can be viewed on the webcast of the City Council meeting at www.plymouth.gov.uk. At a future meeting, the Council 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.

11. Declarations of Interest

There were no declarations of interest.

12. Minutes

The minutes of the meeting held on 16 December 2019 were agreed as a true and accurate record.

13. Questions from the Public

There was one question from Mr Anderson of Mutley:

Why does Plymouth City Council insist on having parking restrictions within residential areas (for example, Zone R) on all bank holidays (including Christmas and Easter)? My suggestion is that bank holidays should be treated the same way as Sundays whereby parking permits do not have to be displayed. This would be in line with other councils such as Bath and North East Somerset and others. Sundays and Bank Holidays offer families the opportunity to get together and it is important that we all try to make this as easy as possible.

Councillor Coker, Cabinet Member for Strategic Planning and Infrastructure, gave the following response;

Thank you for your proposal. Like other cities, Plymouth has various permit parking restrictions in residential areas to support our local residents. Some of these schemes are in operation over 7 days a week and some, particularly schemes that may have been implemented a number of years ago, may operate over 6 days a week. This is consistent with the example provided of Bath and North East Somerset Council who have permit schemes which operate over both 6 and 7 days a week.

Permit parking restrictions support residents by preventing non permit holders from parking within a defined scheme during the operational hours of a scheme i.e. prevent commuter parking. We understand Christmas, along with other multi-cultural events that are celebrated at other times in the year, can be periods whereby people will have more guests and visitors. The absence of permit restrictions within these areas would likely lead to increased parking difficulties as anyone would be able to park in the residential streets, impacting on the ability for residents, visitor and guest parking. Equally, Zone R, the zone highlighted in the question, is within the

Mutley Plain which is an area that experiences significant demand for residential parking. Considering this demand and the properties which are ineligible for permits (such as houses of multiple occupancy – HMO's) exempt, not having a restriction on Sundays and Bank Holidays would impact adversely on parking for local residents.

We are currently supporting a number of communities across the city with solutions to parking challenges, which includes introducing permit schemes, where communities have expressed the requirement for, and/or supported the proposal for, restrictions to apply over a 7 day week and during holiday periods.

It is for these reasons that some of our restrictions apply on Sundays and bank holidays throughout the year, unfortunately revoking these would cause parking difficulties in many of these residential areas.

But going forward, I will ask our scrutiny team to set up a task and finish group to establish views and concerns of local residents and report back to Cabinet with recommendations.

14. **Chair's Urgent Business**

There was no urgent business from the Chair.

15. **Leader's Announcements**

Councillor Pete Smith (Deputy Leader, in the Chair), made the following announcements:

- A commemorative £2 coin is to be issued recognising the importance of the Mayflower 400 anniversary;
- The New York Times has listed Plymouth as the 43rd place globally to visit in 2020, specifically mentioning Mayflower 400 and the Box;
- CNN have named Plymouth as the second top destination to visit in the world in 2020;
- The Box was the second recommendation by Will Gompertz (BBC Arts Editor) as his second "must see" arts in 2020;
- The announcement of Box's contemporary art programme including Antony Gormley and Leonor Antunes had 58 pieces of coverage, with a reach of 6million, 8.46million page impressions with a combined value of £170,000 including The Guardian, Daily Mail, BBC3 national news;
- The Box has also been identified as one of the top 20 museums opening globally in 2020 in a variety of international trade publications.

16. **Monthly Activity Round Up**

Councillor Sally Haydon, Cabinet Member for Community Safety and Customer Focus made the following announcement:

- Following the fire at Weston Mill Cemetery on 31 December 2019, staff worked swiftly and tirelessly to re-arrange the 59 services that were booked at the facility over the subsequent days. Early signs are that there is little damage to the cremators and work is underway to identify the cause of the fire. Thanks were extended to all the staff involved and to the

Funeral Directors and all those families affected who had to rearrange services due to the fire.

Councillor Kate Taylor, Cabinet Member for Health and Adult Social Care made the following announcement:

- A video was played to show the work of the Independence at Home Services following their recent rating of Good by the CQC – the service has only been bought back into the Council in the last 12 months. The service supports people after being discharged from hospital following illness or injury to regain their independence with activities of daily living such as washing, dressing, meal preparation and other domestic tasks.

Councillor Penberthy, Cabinet Member for Housing and Co-operative Development made the following announcements:

- The Make a Change campaign launched in October now has ten devices across the city where people can tap a contactless card to donate £2 to homeless charities across the city. £1268 has been donated so far with donations in December being the highest. CaterEd have received the most donations so far and are rotating devices across their various locations.
- The Streelink App and website are now available so that members of the public can report rough sleepers, of those reported not all were known to the rough sleeper team;
- In December a total of 37 people overall were sleeping rough, an average of 8 per week, a 50% reduction on the previous month. The number of people in bed and breakfast and short term accommodation is also being reduced.

17. **Pledge Update**

Councillor Mark Lowry, Cabinet Member for Finance introduced the report on completed pledges.

Following the completion of a further pledges in December, the total number of pledges completed is 62 out of 100.

After a discussion, Cabinet agreed to:

- Note the completion of pledge 80, bringing the total number of completed pledges to 62.

18. **Council Tax Base Setting**

Councillor Lowry, Cabinet Member for Finance introduced the report on the Council Tax Base Setting.

Following a discussion, Cabinet agreed that:

- Cabinet recommends Council approves the Council Tax Base for 2020/21 as set out in the report.
- To implement fully the provisions of the Rating (Property in Common Occupation) and Council Tax (Empty Dwellings) Act 2018 which amends Section 11B of Local Government Finance Act 1992 (higher amount for long-term empty dwellings: England), as follows:
 - a. 1 April 2020 charge the maximum additional premium of:
 - 100% of council tax charge for any dwelling empty between 2 and 5 years;
 - 200% of council tax charge for any dwelling empty for 5 years or more.
 - b. From 1 April 2021 charge the maximum additional premium of:
 - 100% council tax charge for any dwelling empty between 2 and 5 years;

- 200% council tax charge for any dwelling empty between 5 and 10 years;
- 300% council tax charge for any dwelling empty for 10 years or more.

19. **Council Tax Support Scheme (to follow)**

Councillor Penberthy, Cabinet Member for Housing and Co-operative Development introduced the report on Council Tax Support Scheme.

Following a presentation on the scheme and a discussion, Cabinet agreed:

- Cabinet recommends Council approves the ten proposed changes to the Council Tax Support Scheme for 2020/21 as described in this report
- To amend the council tax exceptional hardship policy to support customers in the event that they are no longer entitled to council tax support under the new scheme

20. **2020/21 Budget Update (to follow)**

Councillor Lowry, Cabinet Member for Finance introduced the 2020/21 Budget Update.

Following a discussion, Cabinet agreed:

- That Cabinet notes the 2020/21 Draft Budget.
- That Cabinet consider the impact of the 1.99% referendum limit on council tax increases and the 1.99% increase for Adult social care.
- That the finance select committee consider the savings options for 2020/21.

21. **Tamar Bridge & Torpoint Ferry 2019/20 Revenue Estimates and Capital Programme (to follow)**

Councillor Coker, Cabinet Member for Strategic Planning and Infrastructure introduced the item on Tamar Bridge and Torpoint Ferry 2020/21 Revenue Estimates and Capital Programme. David List, Bridge Manager, was also in attendance.

Following a discussion, Cabinet agreed to:

- Recommend TBTFJC's 2020/21 Revenue Estimates and Capital Programme to Council for approval.

22. **Green Minds**

Councillor Dann, Cabinet Member for Environment and Street Scene introduced the item on Green Minds.

Following a discussion, Cabinet agreed to:

- Approve the acceptance of an ERDF grant for the total of £3,403,363.97 (€3,995,496.56 at an exchange rate of £0.8518 per €1 as set by the European Commission) and initiate the delivery of the Green Minds project to deliver nature-based solutions in Plymouth.

Cabinet



Date of meeting:	11 February 2020
Title of Report:	Budget Scrutiny Select Committee – recommendations to Cabinet on the 2020/21 Draft Budget
Lead Member:	Councillor Nick Kelly (Chair of Budget Scrutiny Select Committee)
Lead Strategic Director:	Giles Perritt (Assistant Chief Executive)
Author:	Claire Daniells, Senior Governance Advisor
Contact Email:	Claire.daniells@plymouth.gov.uk
Your Reference:	
Key Decision:	No
Confidentiality:	Part I - Official

Purpose of Report

The purpose of this report is to present the recommendations from Budget Scrutiny Select Committee on the draft 2020/21 budget, for consideration by Cabinet.

Recommendations and Reasons

That Cabinet consider and respond to the fifteen recommendations made by Budget Scrutiny Select Committee.

Alternative options considered and rejected

Not applicable – Budget Scrutiny Select Committee, the ensuing recommendations, is a standard part of the budget setting process, helping the council to set as robust a budget as possible.

Relevance to the Corporate Plan and/or the Plymouth Plan

The Council budget is fundamental to the delivery of the Council's Corporate Plan.

Implications for the Medium Term Financial Plan and Resource Implications:

The budget for 2020/21 has a direct relationship to the Medium Term Financial Plan as one of the three years covered by the Plan.

Carbon Footprint (Environmental) Implications:

No direct impacts arising – though it is noted that a £250k provision has been made in the 2020/21 budget for initiatives relating to the Climate Emergency Action Plan.

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

* When considering these proposals members have a responsibility to ensure they give due regard to the Council's duty to promote equality of opportunity, eliminate unlawful discrimination and promote good relations between people who share protected characteristics under the Equalities Act and those who do not.

None directly arising.

Appendices

*Add rows as required to box below

Ref.	Title of Appendix	Exemption Paragraph Number (if applicable) If some/all of the information is confidential, you must indicate why it is not for publication by virtue of Part 1 of Schedule 12A of the Local Government Act 1972 by ticking the relevant box.						
		1	2	3	4	5	6	7
A	Budget Scrutiny Select Committee Recommendations							

Background papers:

*Add rows as required to box below

Please list all unpublished, background papers relevant to the decision in the table below. Background papers are unpublished works, relied on to a material extent in preparing the report, which disclose facts or matters on which the report or an important part of the work is based.

Title of any background paper(s)	Exemption Paragraph Number (if applicable) If some/all of the information is confidential, you must indicate why it is not for publication by virtue of Part 1 of Schedule 12A of the Local Government Act 1972 by ticking the relevant box.						
	1	2	3	4	5	6	7

Sign off:

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Originating Senior Leadership Team member: Andrew Loton, Head of Governance, Performance and Risk											
Please confirm the Strategic Director(s) has agreed the report? Yes											
Date agreed: 03/02/2020											
Cabinet Member approval: <i>Not applicable – this is a report from Budget Scrutiny Select Committee to Cabinet and it is therefore not appropriate for a Cabinet member to approve the contents of the report.</i>											
Date approved: <i>Not applicable</i>											

BUDGET SCRUTINY SELECT COMMITTEE – RECOMMENDATIONS TO CABINET ON THE DRAFT 2020/21 BUDGET



I. OVERVIEW AND APPROACH

Budget Scrutiny Select Committee met on 28 and 29 January 2020 to consider whether the Cabinet has an effective plan for setting the budget for the next financial year. This was with a view to establishing and maintaining resources that are fit for purpose, meet the council's obligations and priorities and address the needs and aspirations of the people of Plymouth.

The Committee membership was:

- Councillor Nick Kelly (Chair)
- Councillor Mary Aspinall (Vice-chair)
- Councillor Andrea Johnson
- Councillor Darren Winter
- Councillor Lynda Bowyer
- Councillor Pauline Murphy
- Councillor John Riley
- Councillor Sarah Allen
- Councillor Jeremy Goslin

The Committee considered over 390 pages of evidence (for full list of background documents see Annex I) and questioned over 40 witnesses over one and half days. The Committee extends its thanks to all Cabinet Members and officers who gave their time to prepare reports and/or attend the scrutiny sessions and answer questions.

The Committee took a different approach to previous years in departing from the traditional approach of seeing every single department, to focussing on those areas which present with the highest demand, highest risk and/or poorest performance. This approach was discussed and agreed by Scrutiny Management Board in December 2019 and was informed by the view of the Cabinet Member for Finance in terms of where the Committee could have most impact on the budget setting process.

The Committee concentrated on making recommendations that could be effected within the Council's sphere of influence. The Committee fully expects that Cabinet members and senior officers will continue to lobby central government on central policy issues and fighting for Plymouth's fair share of the funding pot wherever relevant.

2. RECOMMENDATIONS

Below, for Cabinet's consideration, are the recommendations from Budget Scrutiny Select Committee in relation to the draft 2020/21 budget:

No.	Recommendation
1.	<p>That Cabinet continue to make all efforts to build the working balances back up to 5% within two financial years to ensure an effective financial buffer for the organisation and therefore reduce financial risk.</p> <p>Budget Scrutiny also recommends that Audit and Governance Committee look at the methodology behind the setting of the 5% target and whether financial modelling of future risks and past performance could be used to recommend a more appropriate level in the future.</p>
2.	<p>That Cabinet reconsider the approach to legacy savings, particularly with regard the vacancy saving factor of 5%, and determine an alternate approach to addressing the challenge of meeting those savings in a more effective way.</p>
3.	<p>That the referendum threshold for setting Council Tax and the Adult Social Care precept is not breached</p>
4.	<p>That Cabinet seek ways to increase the Community Grant for each Councillor as per the December 2019 Motion on Notice and clarify the allocation within the 2020/21 budget. This should include a review of the Community Grants guidance and criteria by a small cross-party group to ensure the best value and greatest impact is achieved from the grants.</p>
5.	<p>Cabinet ensures that the Medium Term Financial Plan is made available to Finance and Performance Scrutiny as soon as available, following clarification from Government on funding allocation, including fairer funding formula.</p>
6.	<p>That Cabinet explore all avenues to promote caring careers within the city to support Adult Social Care (ASC), including mental health services, in order to support the workforce. This is with the intent of positively impacting both ASC service users and the ASC budget; acknowledging that both are interlinked</p> <p>That Cabinet consider identifying and focussing the budget on key preventative and/or early intervention activities, such as community youth, sports development and mental health services.</p>
7.	<p>That Cabinet consider identifying and focussing the budget on key preventative and/or early intervention activities, such as community youth, sports development and mental health services.</p>
8.	<p>That Cabinet identify which lessons learned from Adult Social Care, in terms of introducing new ways of working, could be transferred to Children's Social Care, recognising that key aspects of success included a long-term view, whole Council approach with cross-party support.</p>
9.	<p>That Cabinet enhance the approach to improving educational attainment by continuing to collaborate and engage with other local authorities with similar demographics to learn from and implement best practice.</p>
10.	<p>That the Cabinet Member seek clarity from Government on the funding for Troubled Families programme beyond 2021 in order to provide assurance of the sustainability of the service and update Full Council as and when required.</p>

11.	That Cabinet prioritise in house foster caring with a view to increasing in-house provision of foster homes through improved training, skills and support for foster carers in the city.
12.	That Cabinet consider how the carbon/environmental impact of the budget can be clarified and quantified in future budget reports.
13.	That Cabinet and the whole Council continue to communicate the tangible benefits of the impacts associated with carbon reduction/climate emergency actions, including clarification of the performance reporting framework, and the positive impacts for residents both environmentally and financially.
14.	That Cabinet continue to lobby central government in relation to the National Planning Policy Framework and Department for Transport guidelines to strengthen the climate/carbon emergency focus.
15.	That Cabinet commits to the setting up of a cross-party Group to review Climate/Carbon impact of proposals and progress.

Budget Scrutiny also recommended that the following be listed to the relevant Overview and Scrutiny Committees:

- The Accommodation Strategy (Performance, Finance and Customer Focus Overview and Scrutiny committee);
- Streamlining of the school transport system (Education and Children’s Social Care Overview and Scrutiny Committee);
- An update from the Cabinet Member for Education, Transformation and Skills on work to continue to reduce the funding gap for maintained nursery schools to ensure the longevity of the provision (Education and Children’s Social Care Overview and Scrutiny Committee);
- An update from the Cabinet Member for Education, Transformation and Skills highlighting the funding challenges and complexities in relation to Special Educational Needs and Disability (Education and Children’s Social Care Overview and Scrutiny Committee);
- A report from HR exploring best practice in respect of tracking apprenticeship outcomes in order to maximise understanding of skills development (Education and Children’s Social Care Overview and Scrutiny Committee);
- That the Cabinet Member for Children and Young People share the outcomes from the Ministry of Housing Community and Local Government and Department for Education round table on 28 January 2020 with Education and Children’s Overview and Scrutiny Committee;
- That the Cabinet Member for Children and Young People refers a schedule of transformation reviews underway and associated timelines in Children’s Services Overview and Scrutiny Committee;
- That Scrutiny Management Board review the level of financial detail provided to Budget Scrutiny to aid lines of questioning
- That the Cabinet Member for Strategic Planning and Infrastructure commits to review transport options and the transport network, especially in relation to the cycle network and how this can be future proofed for users (Brexit, Infrastructure and Legislative Change Overview and Scrutiny Committee).

Annex I: Background documents

- Strategic Risk Register
- Operational risks (red)
- Corporate plan
- Performance reports
- Service Business Plan progress updates/draft service budgets
- Capital Programme Summary
- Treasury Management Strategy
- Overarching Cabinet Paper
- Budget assumptions
- Technical briefing document on how the budget is constructed
- A chart showing the percentage of the total budget (by expenditure) that the areas being focussed on for budget scrutiny comprise
- A summary showing clearly by directorate and main department: o 2018/19 outturn o 2019/20 current projected outturn position o 2020/21 forecast budget
- A progress report on the 2019 Budget Scrutiny Recommendations
- General Fund Balances from 2013-2020

For copies of background documents, please refer to the Budget Scrutiny Select Committee Review Reports Pack of 28 and 29 January 2020, available at Plymouth.gov.uk

Cabinet



Date: 11 February 2020
Title of Report: **Completed Pledges Report**
Lead Member: Councillor Mark Lowry (Cabinet Member for Finance)
Lead Strategic Director: Giles Perritt (Assistant Chief Executive)
Author: Andrew Loton (Senior Performance Advisor)
Contact Email: Andrew.loton@Plymouth.gov.uk
Your Reference: P2020/feb11
Key Decision: No
Confidentiality: Part I - Official

Purpose of Report

The administration continues with its four year programme to deliver against the 100 pledges, by March 22, for a better, greener and fairer Plymouth. Following the completion of pledge 84 in January, the total number of pledges completed is 63 of the 100.

The following “pledge on a page” overview has been prepared for the pledge:

- **Pledge 84:** We will make sure Plymouth’s libraries are all first class, and we will ensure that every community has access to a library service.

To see a full list of pledges completed please visit our [on-line pledge board](#).

Recommendations and Reasons

1. Cabinet are invited to note the completion of pledge 84 in January 2020, bringing the total for completed pledges to 63.

Alternative options considered and rejected

N/A

Relevance to the Corporate Plan and/or the Plymouth Plan

The 100 Pledges and manifesto priorities continue to inform development and delivery of the Corporate Plan and therefore have been adopted by the Council as part of delivery of the Corporate Plan.

Implications for the Medium Term Financial Plan and Resource Implications:

All resource implications have been considered and incorporated within the MTFP and Service Business Plans.

Carbon Footprint (Environmental) Implications:

Pledge completions complement the Council's existing policy framework with respect to the above. However, where potential environmental implications are identified from the implementation of any new activities arising from pledge delivery, assessments will be undertaken in line with the Council's policies.

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

* When considering these proposals members have a responsibility to ensure they give due regard to the Council's duty to promote equality of opportunity, eliminate unlawful discrimination and promote good relations between people who share protected characteristics under the Equalities Act and those who do not.

Where potential implications are identified from the implementation of any new activities arising from pledge delivery, assessments will be undertaken in line with the Council's policies.

Appendices


Ref.	Title of Appendix	Exemption Paragraph Number (if applicable) <i>If some/all of the information is confidential, you must indicate why it is not for publication by virtue of Part 1 of Schedule 12A of the Local Government Act 1972 by ticking the relevant box.</i>						
		1	2	3	4	5	6	7
A	Completed Pledge: Pledge 84							

Background papers:

Please list all unpublished, background papers relevant to the decision in the table below. Background papers are unpublished works, relied on to a material extent in preparing the report, which disclose facts or matters on which the report or an important part of the work is based.

Title of background paper(s)	Exemption Paragraph Number (if applicable) <i>If some/all of the information is confidential, you must indicate why it is not for publication by virtue of Part 1 of Schedule 12A of the Local Government Act 1972 by ticking the relevant box.</i>						
	1	2	3	4	5	6	7

Sign off:

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Originating Senior Leadership Team member: Giles Perritt											
Please confirm the Strategic Director(s) has agreed the report? Yes Date agreed: 31/01/2020											
Cabinet Member signature of approval: [electronic signature (or typed name and statement of 'approved by email') on Cabinet member approval only] Councillor Mark Lowry  Date: 31/01/2020											

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FOR SPORT, CULTURE AND LEISURE

Pledge 84 – Make sure Plymouth’s libraries are all first class

What we said we would do: We will make sure Plymouth’s libraries are all first class, and we will ensure that every community has access to a library service.

What we wanted to achieve: Develop, implement and promote a single inclusive library offer that customers of Plymouth Library Service as a whole can enjoy.

What we have done: We have expressed our commitment in a Charter, promising customers that we will:

- promote a love of reading by providing printed material, eBooks and eMagazines, and through activities and workshops such as the Summer Reading Challenge and book groups;
- help to get customers online and digitally included using free computers or free Wi-Fi, and providing help and support to assist with accessing public services or leisure and learning pursuits such as coding;
- increase access to cultural activities such as Rhymetimes, craft clubs, author talks and theatre experiences;
- help customers to lead happy and healthier lives through, for example, our Lunch at the Library programme and our Book Prescription scheme, and by providing safe, social spaces and signposting to inform lifestyle choices;
- listen to customers and act on feedback.

Our many and varied services and activities include: pop-up libraries at a number of locations, such as in St Budeaux to maintain a library presence whilst the new library was built, in Whitleigh and in Tothill; a programme of library refurbishments across the estate to best utilise space at each location; digital assistance to help people unable to use computers to engage with online activities, complete online forms, learn new skills and be digitally included; and expanding our eBook and eMagazine offer to meet growing demand.

What’s next: The new St Budeaux library opened on 27 January 2020, and we have a programme of regular events and activities planned. In the two months following opening, this will include: health activities with Livewell; memory café meetings; family film shows and children’s film shows; games mornings and Lego clubs; Hello World coding and digital ‘skills for tomorrow’ sessions; craft group and ‘novels that shaped the world’ workshops; and Rhymetimes and homework clubs.

Efford Library will be refurbished and the space reconfigured to better utilise that space. We are working with The Box to make available local and family history expertise, resources and research material and tools. The layout of resources at the Central Library will also be reconfigured to extend the children’s area.

Find out more!

Here are some news stories about our work to deliver the pledge:

<http://plymouthnewsroom.co.uk/?s=library>

<https://www.plymouth.gov.uk/newpurposebuiltlibraryopensstbudeaux%E2%80%933watchvideo>



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Cabinet



Date of meeting:	11 February 2020
Title of Report:	Transfer of PCC Procurement Service to Delt Shared Services Ltd
Lead Member:	Councillor Chris Penberthy (Cabinet Member for Housing and Co-operative Development)
Lead Strategic Director:	Andrew Hardingham (Service Director for Finance)
Author:	Melanie Haymes
Contact Email:	Melanie.haymes@plymouth.gov.uk
Your Reference:	MH 11.02.20
Key Decision:	Yes
Confidentiality:	Part 1 - Official

Purpose of Report

To consider and approve the transfer of the Procurement Service within PCC to Delt Shared Services Ltd in line with previously approved cabinet paper entitled Strategic Options for Corporate Support Services, in accordance with the Teckal exemption guidelines.

This report has been considered by the Performance, Finance and Customer Focus Overview and Scrutiny Committee in accordance with Cabinet recommendations made in September 2017. The recommendations in this report were agreed by the Scrutiny Committee on majority basis.

Recommendations and Reasons

Reasons for transfer include greater efficiencies, improved resilience, growth and enhanced service delivery through a central Procurement hub.

Recommendations to Cabinet are as follows:

- The Procurement Service transfers to Delt, with staff transferring under TUPE arrangements with effect from 1 April 2020.
- All Procurement Service work is channelled through Delt allowing for greater efficiencies and growth through a central hub and the potential for greater retention and stability in the workforce through a broader range of procurement categories
- A Gain share arrangement is put in place whereby both PCC and Delt are motivated to drive down the cost of spend through a share in savings generated. The finer details of the gain share arrangement are to be worked up in partnership with Delt.
- The client function to remain within PCC Finance department with KPI's to be agreed in partnership with Delt.

Alternative options considered and rejected

Option 1: No nothing and keep the service in house – Concerns around the sustainability of this option due to prior difficulties encountered in recruiting and retaining staff, impacting the ability of the team to deliver an effective service to PCC and reducing the ability of the team to work strategically to deliver savings across the Council.

Option 2: Transfer the service to a third party organisation, resulting in PCC entering into a buy back arrangement. This goes against the pledge made to buy locally and it has the potential to remove jobs from the city. It was also agreed by Cabinet in 2017 that this was not the route the Council wished to take for future back office service delivery.

Relevance to the Corporate Plan and/or the Plymouth Plan

Our Co-operative vision will be supported through working with Delt (our partner) to serve the best interests of the city through providing quality jobs, valuable skills and economic growth that benefits both the people and the City.

Implications for the Medium Term Financial Plan and Resource Implications:

It is anticipated that savings will be generated through the procurement of goods and services which will contribute to saving pressures that are faced by the Council. The finer detail of ongoing targets are yet to be finalised but there is an expectation of a return in the first year of £0.05m.

Carbon Footprint (Environmental) Implications:

No direct carbon/environmental impacts arising from the recommendations

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

** When considering these proposals members have a responsibility to ensure they give due regard to the Council's duty to promote equality of opportunity, eliminate unlawful discrimination and promote good relations between people who share protected characteristics under the Equalities Act and those who do not.*

No other implications

Appendices

**Add rows as required to box below*

Ref.	Title of Appendix	Exemption Paragraph Number (if applicable)						
		<i>If some/all of the information is confidential, you must indicate why it is not for publication by virtue of Part 1 of Schedule 12A of the Local Government Act 1972 by ticking the relevant box.</i>						
		1	2	3	4	5	6	7
A	Business Case for the transfer of PCC Procurement Service to Delt Shared Services Ltd							

Background papers:

*Add rows as required to box below

Please list all unpublished, background papers relevant to the decision in the table below. Background papers are unpublished works, relied on to a material extent in preparing the report, which disclose facts or matters on which the report or an important part of the work is based.

Title of any background paper(s)	Exemption Paragraph Number (if applicable)						
	If some/all of the information is confidential, you must indicate why it is not for publication by virtue of Part 1 of Schedule 12A of the Local Government Act 1972 by ticking the relevant box.						
	1	2	3	4	5	6	7

Sign off:

Fin	pl. 19.20. 202	Leg	MS/3 3990	Mon Off	N/A	HR	KB10 0120	Asset s	N/A	Strat Proc	N/A
Originating Senior Leadership Team member: Andrew Hardingham, Service Director for Finance											
Please confirm the Strategic Director(s) has agreed the report? Yes											
Date agreed: 10/01/2020											
Cabinet Member approval: Councillor Penberthy, Cabinet Member for Housing and Co-operative Development											
Date approved: 10/01/2020											

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Business Case for the transfer of the PCC Procurement Service to Delt Shared Services Ltd



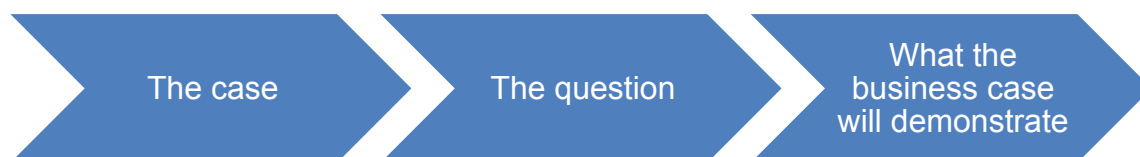
Introduction

- I.1 This report presents a Strategic Outline Business Case based on the guidance published in HM Treasury Green Book, using the 5 case model to set out the arguments, present an analysis of the options and a proposed solution.
- I.2 The scope of services considered within the report is Plymouth City Council's Procurement Service, which is a key support service within the Finance Department. This team is responsible for leading and providing professional support from low value transactional purchases up to multi million pound strategic projects across a diverse range of goods, services and works, covering 4 main category areas- Construction, Professional Services, Facilities Management and Environment and Transport. The Cooperative Commissioning team are out of scope for this proposal. The Cooperative Commissioning team operates as part of the People Directorate and undertakes all activity within Plymouth City Council (PCC) to contribute to the outcomes defined in four commissioning strategies that cover; Wellbeing, Children and Young People, Community and Enhanced and Specialised Care.
- I.3 The Procurement Service is responsible for ensuring PCC's procurement and contracting activity is conducted in accordance with its own Contract Standing Orders, Procurement Regulations and Legislation in a fair, transparent and compliant manner and delivers best value for the Council. In 2018/19, the Procurement Service and Cooperative Commissioning team oversaw the procurement of over £226.4 million of goods, services or works. The total value of awarded contracts in 2018/19 totalled £128.4 million
- I.4 Following a detailed option analysis undertaken in September 2017, the conclusion was reached that our existing back office services would provide more value to PCC and Plymouth through them being delivered via a public sector shared service provider. The outcome of this analysis was that Delt Shared Services Ltd (Delt) is recommended as the best option. The Payroll and Pensions service was transferred in early 2018, followed by Print and Document Services in the autumn of 2018. The Procurement Service is now recommended for transfer to Delt from 1 April 2020.
- I.5 The analysis in the outline business case approved by Cabinet in September 2017 involved a number of complex factors. Firstly, savings delivered from back office services are likely to be the product of:
- scale
 - automation and
 - productivity

These drivers are all made more achievable by moving the services to Delt, a private company limited by shares owned by PCC and Devon CCG where growth from public sector services is part of the business plan, innovation through technology is core to the business and where investment in people with a highly engaged and motivated workforce is part of the company's values.

1.6 The current structure of the Procurement Service Team is shown in appendix 1.

The Case for change



2.1 At a time when PCC faces unprecedented and sustained financial challenges, modernising and changing the way the Council delivers services is crucial in helping it address the projected £30m budget gap in funding over the next three years. The Government has delayed the Central Spending Review by a year thus continuing the state of uncertainty in which we are operating.

2.2 Driving value for money has never been more crucial to PCC. In these circumstances an appropriately resourced Procurement function can improve value for money; reduce internal resource consumption and provide a legitimate challenge function without unnecessarily interrupting or delaying service delivery.

2.3 A shared service strategy for back office services was recommended and approved by Cabinet in 2017 on the basis that back office services would provide more value to PCC and Plymouth if delivered through a public sector owned shared service provider, with Delt being the recommended provider.

2.4 The Business Case shows how the proposed transfer of the Procurement Service to Delt Shared Services Ltd will help to deliver the priorities of the City Council:

2.4.1 A Growing Council – supporting economic growth that benefits as many people as possible in the city by providing high quality jobs, ensuring services are procured locally where possible and practical thereby retaining and investing in valuable skills/expertise across the region.

2.4.2 A Caring Council – supporting closer integration with partners in order to indirectly enable all the themes in the corporate plan.

2.5 The Procurement Service is at the centre of the commitment to achieve best value for all externally contracted spend. It provides the Council's subject matter experts on procurement to PCC's directorates and is responsible for fulfilling PCC's Strategic Procurement compliance as part of the Council's Standing Orders. A summarised list of the functions and outcomes of the Procurement Service are set out in appendix 2

2.6 The Procurement Service has previously experienced severe difficulty in recruiting and retaining staff. There is a national shortage of procurement professionals and this is an especially challenging situation in the South West. The private sector has the flexibility to pay higher salaries and can offer more innovative and generous remuneration packages. This means that although PCC can attract lower grade staff with a view to provide training and support to move into more senior roles, the reality is that these staff have been attracted to the private sector soon after they are trained and have gained more experience.

2.7 Previously, having almost 50% of the structure unfilled and half of this being in senior roles, the team have been unable to automate the service to the degree expected based on the value and number of transactions that it deals with. This has meant that there has been limited implementation

of Category Management¹. However two new category leads have recently been recruited, joining the Council in September 2019, giving a full complement of category leads on the team.

2.8 Transferring the procurement team to Delt would enable the service to maximise benefits derived from being part of the organisation including the ability to transform through technology, further drive social value through interaction with the local business community and continue to drive forward commercial values whilst operating in the public interest. It would also present opportunities to grow the team through broadening the procurement category offering, and to build succession planning and resilience into the resource plan. Growth will enhance training and development prospects for the team which translates to an engaged, highly skilled and flexible workforce.

Strategic Case



3.1 A shared Procurement Service will create a larger, more experienced procurement hub in the city which in turn will have the potential to attract other partners across the city and potentially the South West to join a shared Procurement Service, delivering economies of scale, driving growth and providing further support to the local economy.

3.2 Delt was established with the primary purpose of providing a vehicle for strategic growth, the vision was to achieve this through transferring services that complement the IT service and develop a broad service offering for the public, private and third party sectors. As a private company owned by public sector shareholders, Delt is more able to operate at pace and scale.

3.3 One of Delt's objectives is to create a platform for sustainable economic growth. Alternative delivery options are likely to result in fewer regional jobs and have a direct impact on local families' wealth, health and wellbeing. Delt seek to maintain a highly skilled employment base in the South West and, where possible, to grow in-house talent by recruiting apprentices from local schools and further/higher education, whilst sourcing services and products locally to support the local economy where possible and practical. Delt recognises that its greatest contribution to the local economy will be delivered from sustainable growth in market sectors, services and regional geography. Growth is key to enabling cost savings through economies of scale.

3.4 The proposed growth in shared services for Delt provides greater opportunity to develop high quality jobs for people in Plymouth and its travel to work areas. The breadth of opportunity for people in developing these skills is significant and has a linear benefit for the City in areas such as increased council tax receipts, reducing housing benefit payments with the wider value to both public care and health services.

3.5 With the service transferred to Delt, the social value opportunities can be expanded, bringing greater opportunities to the local business community to bid for and deliver services locally. This will increase local employment, wellbeing, skills and bring economic value to local businesses and families.

3.6 Although not a profit motivated organisation, Delt does deliver significant financial benefits to shareholders. This has been achieved through sustainable economic growth through delivering services across Plymouth and Devon in Local Government and Health. The dividend payments due and declared through to March 2020 is £3.05M of which PCC will have received £2.1M.

¹ Category Management is a strategic approach which organises procurement resources to focus on specific areas of spend. The results can be significantly greater than traditional transactional based purchasing methods.

3.7 Resilience will be developed within the Procurement Service by having a larger hub, allowing staff to be more flexible in their roles and giving capacity to move across areas when there are peaks in workloads. This reduces the potential for single point of failure and as the procurement function stabilises and matures there will be defined and managed processes in place which will lead to consistency and efficiency.

Economic Case



4.1 The Cabinet paper approved in September 2017 detailed a thorough options analysis giving consideration to 5 models for the future of back offices services. The outcome of this analysis was clear, with the top scoring option being that of shared services. On that basis consideration was given to what shared service vehicle could be used. Delt emerged as the favoured vehicle on the basis that it already exists, it is trading sustainably and was set up as a shared services organisation focused predominantly on the public sector.

4.2 A Procurement Service that is fully resourced, supporting a larger local network, will help to shape the market, driving forward the businesses being supported and enabling growth across the city.

4.3 Both Plymouth City Council and Delt will see a return, in the case of PCC the benefits will be seen from having a more resilient, centralised support team that has expertise across a wider range of procurement categories, enabling more efficient and effective support to be offered to PCC, whilst at the same time driving down the cost of buying goods, services and works. Delt will benefit from obtaining a highly skilled procurement team which specialises in a wider range of categories enabling it grow its business and expertise, driving economic growth and increasing the potential to attract other organisations in the city and the South West region to buy into the Procurement Service.

Commercial case



5.1 Delt was setup with exactly this type of shared service expansion in mind. It is a legally constituted vehicle created to enable its shareholders to migrate and share services over time. The Teckal arrangement provides the ability for an ease of transition for new services as partners do not need to enter extensive procurement processes. Delt was created to ensure ease of transition for future services.

5.2 Delt has delivered a breadth of significant benefits for all stakeholders in its relatively short existence and continues to drive benefits as it matures aligned to its vision of helping customers do amazing things.

5.3 There are 3 clear options available that are detailed below:

5.3.1 Option 1 is to do nothing and keep the service in house. There are concerns around the sustainability of this option due to the prior difficulties encountered in recruiting and retaining staff.

These difficulties had a negative impact on the ability of the team to deliver an effective service to PCC and reduced the ability of the team to work strategically to deliver savings required across the Council. Whilst the Procurement Service currently have a full complement of category leads, there are still vacant posts within the team and the current team are too new in post to be able to disregard the historical staff turnover rate.

5.3.2 Option 2 is to transfer the service to a third party organisation which would result in PCC entering into a buy back type arrangement. This option goes against the pledge made by the Council to buy locally and to ensure every possible pound that is spent by the Council brings maximum benefit to Plymouth. If this option was taken forward it has the potential to remove jobs from the city and will reduce the power the Council has to ensure that the City Council buys as much as it can locally. It was also acknowledged in 2017, after extensive analysis that this option was not the route that the City Council wished to take for future back office service delivery.

5.3.3 Option 3 is the option that is put forward in this Business Case and is supported by the previously agreed Cabinet paper. It involves transferring the staff into Delt Shared Services Ltd under TUPE legislation, protecting pre-existing Local Authority terms and conditions. Delt would then, in time, operate a fully fit for purpose procurement function, further focussed on value adding activities with transaction processing largely automated using digital solutions.

5.4 Option 3 also takes advantage of the Teckal exemption that Delt operate under meaning that the contracting authority (PCC) contracts with a legally distinct entity (Delt) which is owned and directed by public sector shareholders to provide a range of services. There are 3 distinct conditions that must be met for the exemption and these are:

- 1) The company carries out more than 80% of its activities in the performance of tasks entrusted to it by the controlling contracting authority or authorities.
- 2) The authority exercises the same kind of control over the company as it does over its own departments (this control can be exercised jointly with another contracting authority).
- 3) There is no private sector ownership of the company nor any intention that there should be any.

With these conditions being met, it will be deemed to be an in-house administrative arrangement meaning the usual contract procurement regime does not apply.

The company's articles require a separate share class be created for each service to preserve Teckal status and to ensure that the partners don't breach the requirements for mutual trading. The new share class will be for any financial distribution of the dividend this share will generate. As with the Payroll/Pension and Print and Mail services, PCC would be the 100% beneficiary of the share class for Procurement. If the company were to declare a dividend then that would flow through to PCC only.

5.5 In addition to the services and their transformation, option 3 increases the Company's ability to sell services to non-public sector organisations. All Teckal companies are restricted to a maximum 20% of turnover being achieved through commercial contracts. Delt are well within the threshold and there is opportunity to develop the service across the City and region.

5.6 Option 3 is commercially the most suitable option.

Financial Case



6.1 The transfer of the Procurement Service into Delt, as a minimum needs to have a cost neutral impact on PCC. A review of the budget has been undertaken and consideration given to all factors with regards to the suitability of the proposal. The full year budget recommended for transfer to Delt is £576,703 as shown in appendix 3. This would be pro-rata depending on the timing of the transfer.

6.2 If the service were to remain within PCC there would be efficiency targets allocated to the value of £31,554 that the service would be expected to achieve annually. This efficiency target will therefore need to be met by other means and is expected to be captured in the cost saving arrangements that are put in place as referenced in 6.7 below.

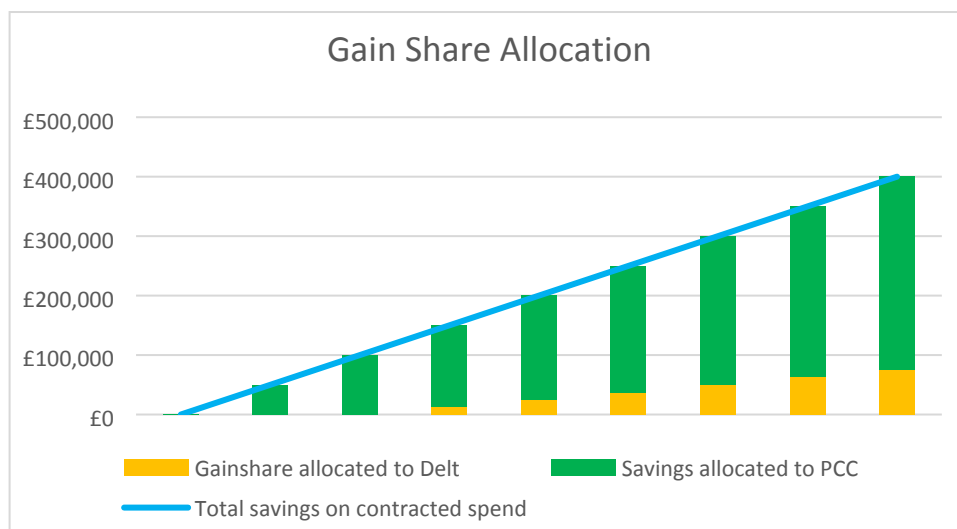
6.3 The transfer of services into another organisation always creates two financial issues that need to be considered, Pension and back office support services costs. Careful consideration has been given to the presentation of these issues within the business case given the complexity and also the fact that a longer term view is needed to address them.

6.4 Pensions. The Council is ultimately responsible for any LGPS pension deficit that arises from the cohort of former ICT Council employees who transferred to Delt under the ICT TUPE arrangements. In 2017/18 the Council supported a proposal to enable Delt to move to a Pensions “pass-through” arrangement. This meant that Delt increased the employer rate from 12% to 22% for the remaining fixed term of the ICT contract. This rate change was calculated to reduce the risk of a LGPS pension deficit at the end of the Delt ICT contract. The impact will mean an increase in the annual cost of any future services transferring because the pension cost is 22% not 14.7%. However, using a rate of 14.7% would require the Council to either pay the lump sum deficit payment at the end of the contract term or increase the arrears recovery rates for employees remaining in the LGPS. Either way, the Council pays and the presentation is a timing and risk management issue.

6.5 Discussion with the Devon LGPS Pension Fund Administrator has previously taken place to ensure proposals to add new services to Delt are understood and the pension requirements are managed correctly. Further conversations have taken place with the LGPS fund Actuary advisors to discuss the strategy for ensuring the correct assessments take place at the right time to ensure Pensions are accounted for properly. The advice received from the lawyers advising the pension administrator was that moving forward, each cohort of staff must have an actuary review and their own pass-through rate determined. This is currently being discussed and worked through with Peninsula Pensions.

6.6 Support Services. The Council “notionally” recharges its back office support services costs to all Council activities so that the Government can compare the costs of frontline services of Local Authorities. As the primary purpose of the exercise is to enable this comparison the method is a simplified apportionment of all support services costs using headcount and it does not correlate to the actual usage of each service. It would be an administrative burden to implement a more complex recharging model, reflecting consumption/usage more accurately. Therefore, in reviewing the support service costs the model is based on an assessment of what support activities would be needed to operate a Procurement Service assuming it transfers to Delt, with the support service charges not required to operate the service needing to be addressed by the Council over time. Those support service costs included are shown in appendix 3 and give rise to ‘stranded costs’ to PCC of £16,524 per annum.

6.7 It is anticipated that following the transfer of the Procurement Service to Delt there will be the potential to drive out further savings from the annual contracted spend for the council. Following discussions with Delt, it is felt that a Gain Share arrangement should be worked up and developed whereby both PCC and Delt are able to benefit financially from any savings that are driven out from the purchase of goods, services and contracted spend. An example of the possible gain share arrangement is shown below. This is worked up on the basis that first £100k of savings generated due to a reduction in procurement spend is passed on entirely to PCC. Any savings over and above this £100k is then shared between PCC and Delt on a 75/25 basis. It is expected that the finer details of the gain share arrangement will be developed in partnership with Delt and should be reviewed during the first 24 months of the arrangement. Proposals to develop savings targets that will therefore influence the gain share calculation are being developed as part of the Councils 'The Way We Work' programme.



6.8 To ensure the stranded costs and the efficiency target mentioned above is not a burden borne by PCC as part of this arrangement, there is an expectation that this cost saving will be delivered as part of the gain share arrangement, with a minimum target of a £50,000 saving to PCC on the procurement of goods, services and works and contracted spend in the first year, commencing 1 April 2020.

6.9 There is an expectation that that the Procurement Service will remain based in Ballard House. This will mean that PCC will charge Delt for the accommodation space taken up by the team which will have a net nil impact on PCC. If the procurement team are relocated to office space outside of Ballard House, this will give rise to potential future cost pressures for PCC, depending on how this is managed moving forward.

6.10 Taking all of the above factors and assumptions into account, the transfer of the Procurement Service will be cost neutral to PCC from year 1 onwards, allowing for future growth of the service to further benefit both Delt and PCC moving forward.

Management case



7.1 Due to the problems previously encountered with recruitment and retention, a severe strain was placed on existing team members. It has been proven over the past 5 years that recruitment is extremely challenging not only given the financial constraints that being part of Local Government brings but also due to other local public services (Land Registry, City College, University Hospital Plymouth and Plymouth University) competing for the same skill set and expertise. The challenge of recruiting and retaining staff creates not only a risk to the service with regards to continuity of service but also adds significant pressure on staff who are in post trying to maintain an excellent service to customers whilst under resourced with continual staff turnover.

7.2 The IT and Print & Document services have already transferred to Delt, giving evidence that the model of joint shared services is successful and achievable and works to the benefit of both organisations. Both organisations have the required teams and skills that can deliver the transfer of services with systems in place that enable the smooth transfer of staff and service provision.

Outcomes

8.1 Any change toward a different model for delivery of back office services is required to demonstrate service improvement and savings/budget reductions where possible. Understanding and defining these outcomes is critical to our ability to evaluate the suitability of options.

8.2 The following outcomes were agreed to be mandatory for any shared service model:

- Customer experience
- Delivery of savings through 'lowest' net cost per transaction/service
- Delivery of savings through 'lowest' annual cost to serve
- Resilience
- Provide service in line with agreed parameters
- Positive business case – cash flow profile (NPV) & payback

8.2.1 Customer Experience

By having one central procurement hub, the customer (PCC) will benefit from consistency and standardisation in the form of; single point of engagement, processes, systems and documentation across all categories.

8.2.2 Delivery of savings through 'lowest' net cost per transaction/service

Whilst delivery of savings is not the only driver for a solution it is expected that any recommendation for change should be demonstrably as cost effective as any other alternative service delivery mechanism. It has already been demonstrated that the most cost effective delivery mechanism for back office services is through Delt Shared Services, being the recommended outcome of this Business Case

8.2.3 Delivery of savings through 'lowest' annual cost to serve

This outcome recognises that partners in the shared service should also be able to see how their combined scale and combined services can be leveraged to reduce the cost to serve each customer. It

will therefore require Delt to manage the Procurement Service it provides with a view to maximising the value of each interaction which will therefore either reduce the overall number of interactions required or create savings within the interactions thereby reducing the cost to serve. For example, streamlining the category management approach that is undertaken by the Procurement Service, or reviewing the options for Self Service procurement for transactions under a set value.

It is important that communications are clear within PCC to ensure that savings secured through procurement are identified as such and therefore are not captured by individual departments and offset against pre-determined savings targets.

8.2.4 Resilience

Different services may be vulnerable for a variety of reasons. Vulnerability could be due to service cuts linked to budget pressures or alternatively and in the case of the Procurement Service it could be linked to difficulties experienced in recruiting and retaining experienced staff. By transferring the Procurement Service into Delt it can benefit from the additional expertise already held in Delt by its own established procurement team. This will enable team members to broaden their category knowledge and experience which will help to ensure the team's retention and resilience will improve and strengthen. In addition, through the possibility of raising the scale of operation from supporting just one client to supporting multiple clients it will become possible to afford to employ more than one specialist in each field, such that if required there is cover for resources who may have become a single point of failure.

8.2.5 Provide service in line with agreed parameters

The expectation of the Procurement Service are as follows:

- Custodians of PCC's Contract Standing Orders
- Custodians of PCC's Standard Contract Terms and Conditions
- Custodians of PCC's Social Value Policy
- Ensuring compliance with Procurement regulations (UK and EU)
- Ensuring compliance with Contract Standing Orders
- Ensuring compliance with Grant Funding Procurement requirement
- Fully maintaining the Councils Contract Register in line with the Transparency Code
- Ensuring Best Value is obtained for goods, works and services
- Ensuring Category Management continues
- Provide Strategic and Operational advice regarding procurements
- Undertake all relevant Procurement above the Self Service threshold from market analysis to contract completion
- Systems and Procedures are in place for self-serve procurements
- Maintain the corporate procurement templates including those used by the Cooperative Commissioning Team
- Maintain a Procurement forward plan
- Undertake contract management responsibilities
- Provide advice and guidance for contract management
- Supplier relationship management- ensuring good relationships are maintained with the supply chain
- Maintaining relationships with regional partners (E.g. SW procurement Board, Devon and Cornwall Procurement Partnership)
- Maintaining relationships with framework providers (Crown Commercial Services etc)
- Manage allocation of Purchase Cards
- Approve all exemptions to Contract Standing Orders
- Provision of training to internal and external stakeholders
- Embed the PCC Social Value policy across the procurement process
- Work to drive forward the Community Wealth Agenda
- Control the setup of suppliers
- Raise and amend all non-commissioning purchase orders above the self-service threshold

Continue to undertake procurement activities for other entities where contracted to do so

Key Performance Indicators will be worked up with Delt over the first 12 months but the expected outcomes will include:

- Contracts Register reporting requirements are met
- Ensuring all procurements are undertaken compliantly
- Policies, systems, procedures relating to self-serve procurement are fit for purpose and comply with Contract Standing Orders
- Procurement Awareness Training is delivered to PCC staff as necessary
- Specific percentage of spend to be with Small and Medium Enterprises
- Specific percentage of spend within PL postcode
- Monitoring Social Value
- Reduction in the number of Exemptions to Contract Standing Orders

Whilst it is expected that the service will be, in part, self clienting, PCC will remain as the client, with this function sitting within the Finance department. This will help to maintain the link to PCC Financial Regulations and Contract Standing Orders.

8.2.6 Positive Business Case

It has been recognised that the financial elements of the business case in relation to the transfer of any back office service should have a zero negative financial impact on PCC at the very least. As demonstrated in the financial section the expectation that a gain share arrangement be developed in partnership with Delt means that the effect of the stranded costs and efficiency savings target will be achieved through a reduction in contracted and procured spend, that both parties will benefit financially from and therefore be motivated to achieve.

The transfer of the Procurement Service into Delt will also create a larger, more robust procurement function within Delt Shared Services Ltd, which will help Delt to enable this service to be offered to other partners in the City, driving growth and supporting the local economy.

Risk table

9.1 The table below sets out the risk associated with the proposed transfer of the PCC Procurement Service to Delt Shared Services Ltd and mitigations put in place.

Risk	Effect	Mitigation	Likelihood	Impact	Score
Failure to recruit to the vacant positions in the structure	This will reduce the opportunity to enhance the service, drive out savings and ensure consistency across the procurement function.	Delt will recruit to vacant packages using a wider variety of incentives and a more attractive remuneration package	2	3	6
Staff may not want to transfer to Delt	Negative effect on the delivery of the Procurement Service and unrest within the workforce,	Unions will be consulted with, staff will be engaged with and Delt will work	3	4	12

	leading to potential resignation	with the staff to ensure individuals understand the impact on them at the earliest opportunity			
Expectations of the organisation are not adequately described in the service specification.	Delt will either deliver services that are not valued or required by PCC and/or the service provided by Delt would be insufficient to meet PCC's needs.	Active and ongoing contribution to the specification of clear service outcomes by responsible representatives from across the business.	4	4	16
National reduction on the public purse	This will add pressure to already stretched services and may result in less investment in high value procurement	Flex and change as necessary and concurrently review commercialisation opportunities	1	2	2
Delt is unable to secure further Procurement Service contracts	Limited opportunity to reduce operating costs and drive up income	Proactive work undertaken by Delt in partnership with PCC to offer Procurement Services to other local organisations	4	1	4
Procurement is only the fourth service to be transitioned to Delt over the past 5 years – are required processes for transfer mapped out and understood?	Uncertainty of transfer processes due to time delay from other transfers and staff movement in support service teams to enable the smooth transition	Learning from the transfer of the three previous services (IT, Payroll and Print & Document services) will be applied to this transition. Full engagement with support services to ensure issues are resolved before the point of crisis.	2	3	6
A complex team like procurement has not yet been transferred- are the service specific complexities understood?	Transfer may take longer than initially estimated Complex processes are not adequately addressed and subsequently transferred causing significant inefficiency and ineffectiveness	Full engagement with the Procurement Service to ensure all processes are fully understood and can be adequately transferred Full engagement with other support services such as legal to understand implications of transferring complex services Issues/concerns are resolved before the point of crisis.	3	3	9
Significantly	Shortage of resources available	Effective engagement and	1	2	2

increased demand on the Procurement Service due to PCC requiring service levels over and above that which has been transferred.	to deliver requirements of PCC, impacting on the level and speed of services received	communication to enable growth requirements to be recognised and managed in a timely manner.			
The uncertainty around Brexit arrangements with regards to future procurement legislation and any impact on Local Authorities	Unknown at this stage	Flex and change as necessary	2	2	4

Recommendations

10.1 The Procurement Service transfers to Delt, with staff transferring under TUPE arrangements with effect from 1 April 2020.

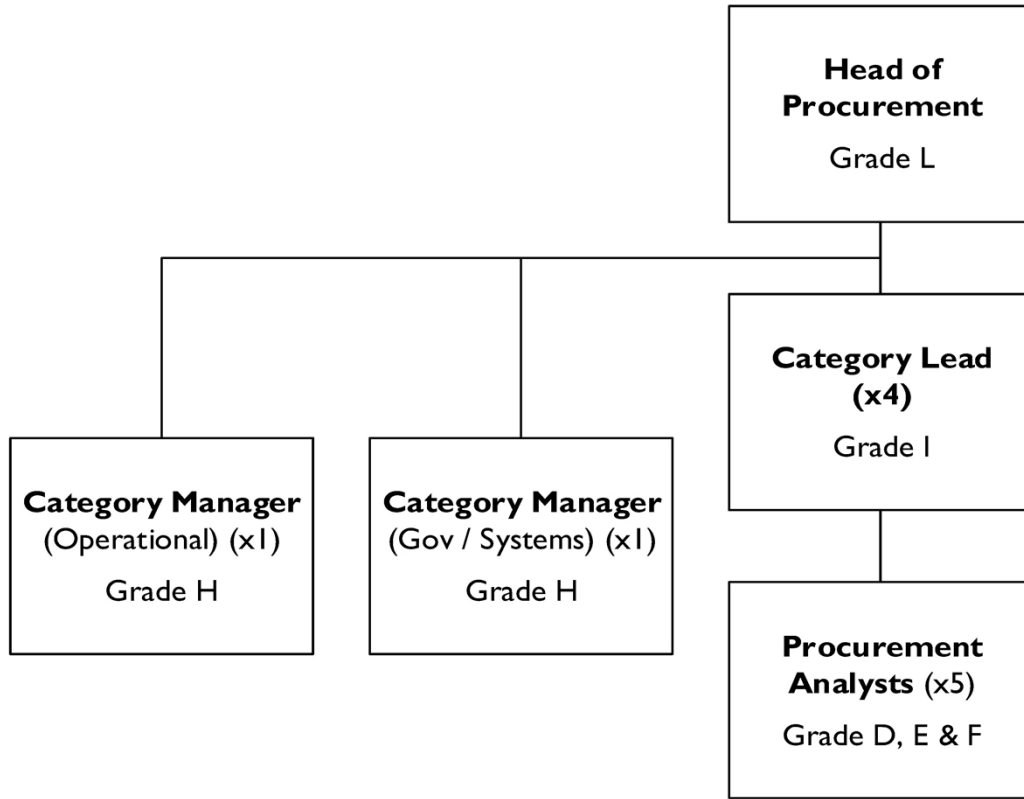
10.2 All Procurement Service work is channelled through Delt allowing for greater efficiencies and growth through a central hub and the potential for greater retention and stability in the workforce through a broader range of procurement categories.

10.3 A Gain share arrangement is put in place whereby both PCC and Delt are motivated to drive down the cost of spend through a share in savings generated. The finer details of the gain share arrangement are to be worked up in partnership with Delt.

10.4 The client function to remain within PCC Finance department with KPI's to be agreed in partnership with Delt.

Appendix I:

Current Staffing Structure of the Procurement Service



Appendix 2:**Functions and Outcomes of the Procurement Service**

Functions	Outcomes
<ul style="list-style-type: none"> • Custodians of PCC's Contract Standing Orders • Custodians of PCC's Standard Contract Terms and Conditions • Custodians of PCC's Social Value Policy • Ensuring compliance with Procurement regulations (UK and EU) • Ensuring compliance with Contract Standing Orders • Ensuring compliance with Grant Funding Procurement requirement • Fully maintaining the Councils Contract Register in line with the Transparency Code • Ensuring Best Value is obtained for goods, works and services • Ensuring Category Management continues • Provide Strategic and Operational advice regarding procurements • Undertake all relevant Procurement above the Self Service threshold from market analysis to contract completion • Systems and Procedures are in place for self-serve procurements • Maintain the corporate procurement templates including those used by the Cooperative Commissioning Team • Maintain a Procurement forward plan • Undertake contract management responsibilities • Provide advice and guidance for contract management • Supplier relationship management- ensuring good relationships are maintained with the supply chain • Maintaining relationships with regional partners (E.g. SW procurement Board, Devon and Cornwall Procurement Partnership) • Maintaining relationships with framework providers (Crown Commercial Services etc) • Manage allocation of Purchase Cards • Approve all exemptions to Contract Standing Orders • Provision of training to internal and external stakeholders • Embed the PCC Social Value policy across the procurement process • Work to drive forward the Community Wealth Agenda • Control the setup of suppliers • Raise and amend all non-commissioning purchase orders above the self-service threshold • Continue to undertake procurement activities for other entities where contracted to do so 	<ul style="list-style-type: none"> • Production of a Procurement Improvement Plan with specific aims of supporting and advancing overall Category Approach, commercial Governance (including processes and systems) plus stakeholder engagement • Contracts Register reporting requirements are met • Compliant value add procurements • Policies, systems, procedures relating to self-serve procurement are fit for purpose and comply with Contract Standing Orders • Procurement Awareness Training is delivered

Appendix 3:**Procurement Service Budget 2018/19 and 2019/20**

Description	Budget 2018/19	Actual 2018/19	Budget 2019/20
Employee costs	£394,982	£345,807	£501,581
Other employee costs	£4,000	£5,398	£4,000
Transport costs	£1,400	£1,101	£1,400
Supplies and Services	£16,041	£16,910	£16,510
Relevant support service costs*	£70,862	£70,862	£70,862
Efficiency Savings	£0	£0	£0
Income	(£17,650)	(£15,559)	(£17,650)
Total net budget	£469,635	£424,519	£576,703

* Includes Accommodation, IT, HR and Finance. Of this, HR and Finance are a stranded cost to PCC totalling £16,524 per annum

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Cabinet



Date of meeting:	11 February 2020
Title of Report:	Attendance Consultation and Penalty Notices Code of Conduct
Lead Member:	Councillor Jon Taylor (Cabinet Member for Education, Skills and Transformation)
Lead Strategic Director:	Alison Botham (Director for Childrens Services)
Author:	Isabelle Morgan
Contact Email:	Isabelle.morgan@plymouth.gov.uk
Your Reference:	AB.IM.21.01.2020/CAB1
Key Decision:	Yes
Confidentiality:	Part 1 - Official

Purpose of Report

This report sets out the proposed revision to the Penalty Notice Code of Conduct and the rationale for the proposed changes. This work has taken account of the responses received during the Attendance Consultation held during the period 2nd to 30th September 2019.

Recommendations and Reasons

It is recommended that Cabinet approve the key decision to amend the Penalty Notice Code of Conduct which incorporates the following change to the threshold for holiday absence:

- The threshold of unauthorised holiday absence within the Code of Conduct will rise from 8 sessions to 11 sessions for unauthorised holiday absence only;
- The threshold will remain at 8 sessions for all other types of unauthorised absence.
- This will apply for a 12 month period.

This amendment to the Penalty Notice Code of Conduct will provide an opportunity for families to take a week of unauthorised holiday during term time every 12 months, whilst enabling schools to continue to tackle other types of unauthorised absence of children and young people from their school at an early stage.

The change will honour Pledge 42 by providing a framework to deliver this, whilst supporting schools to take action in relation to unauthorised absence and that includes unauthorised holiday absence. Schools have told us that the rise in unauthorised holiday absence is having a detrimental impact on children's outcomes and this needs to be considered in the context of Plymouth's challenging school landscape.

Alternative options considered and rejected

The option of changing the threshold for all categories of unauthorised absence within the Penalty Notice Code of Conduct from 8 sessions to 11 sessions was considered and rejected on the basis that it did not meet the outcome of supporting schools in addressing the impact of unauthorised absence for their pupils and tackle this effectively.

Relevance to the Corporate Plan and/or the Plymouth Plan

The work in relation to school attendance supports 'A Growing City'. It helps to make sure children and young people benefit from regular education in order to achieve; develop the necessary skills to be productive citizens who can make a sustained contribution to both the society and economy of the city. It will also help to reduce inequalities within the city.

The work in relation to school attendance supports 'A Caring Plymouth – Focus on prevention and early intervention' we work to ensure that the support offered to young people where school attendance is a concern is timely and takes steps to make sure the appropriate support is in place.

The work reflects our values of co-operation between partners and the recognition that as a society, we are responsible for each other. The proposed changes to the Penalty Notice Code of Conduct has taken account of the Attendance Consultation responses from both statutory agencies and families which was undertaken in September 2019.

Implications for the Medium Term Financial Plan and Resource Implications:

The intention is that any potential additional finance and resource implications would be met within the service. The income generated from penalty notices can only be used to fund the administration costs associated with the penalty notice scheme. Therefore any cost relating to delivering the Penalty Notice Code of Conduct will be recouped.

Carbon Footprint (Environmental) Implications:

The Attendance Consultation was made available online to the public and stakeholders in order to minimise the use of resources. If the Key Decision is made to change the Penalty Notice Code of Conduct, it will not have additional environmental implications.

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

With regard to other implications linked to school attendance:

Child Poverty: Regular attendance at school provides a routine for parent/carers which allows them to take paid employment and reduce the impact of child poverty. It improves children's potential for future employment, education and training.

Community Safety: (due regard to preventing crime and disorder): Poor school attendance and bullying increases the risk of child exploitation and anti-social behavior. It is important to safeguard children who are vulnerable by ensuring children are seen and supported by professionals and families to reduce this risk.

Health and Safety (any health and safety implications): Regular attendance at school provides oversight and monitoring that identifies when a child is at risk, or vulnerable and in need of support. This identification enables support to be arranged in a timely way.

Risk Management (to identify any risk management issues): The management of children missing education and concerns arising regarding successful inclusion in school enable both action to be taken to safeguarding the individual child, and take steps to reduce the impact of this for other children. Close working with school and other partners is important to achieve this outcome effectively.

Appendices


Ref.	Title of Appendix	Exemption Paragraph Number (if applicable) <i>If some/all of the information is confidential, you must indicate why it is not for publication by virtue of Part 1 of Schedule 12A of the Local Government Act 1972 by ticking the relevant box.</i>						
		1	2	3	4	5	6	7
A	Attendance Consultation Summary Report							
B	Penalty Notice Code of Conduct							
C	Equality Impact Assessment							

Background papers:

Please list all unpublished, background papers relevant to the decision in the table below. Background papers are unpublished works, relied on to a material extent in preparing the report, which disclose facts or matters on which the report or an important part of the work is based.

Title of any background paper(s)	Exemption Paragraph Number (if applicable) <i>If some/all of the information is confidential, you must indicate why it is not for publication by virtue of Part 1 of Schedule 12A of the Local Government Act 1972 by ticking the relevant box.</i>						
	1	2	3	4	5	6	7

Sign off:

Fin	djn.19. 20.215	Leg	lt/3413 5/3001	Mon Off		HR		Assets		Strat Proc	
Originating Senior Leadership Team member: Judith Harwood, Service Director for Education, Participation and Skills											
Please confirm the Strategic Director(s) has agreed the report? Yes											
Date agreed: 03/02/2020											
Cabinet Member approval: 											
Councillor Jon Taylor, Cabinet Member for Education, Skills and Transformation											
Date approved: 29/01/2020											

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ATTENDANCE CONSULTATION

Education Participation and Skills



1. Introduction

Penalty notices can be used by schools to address unauthorised pupil absence. In order to issue a penalty notice the Local Authority must have a Code of Conduct that has been developed in consultation with Headteachers/Principals, Governing Bodies and the Chief of Police. Plymouth City Council held a statutory consultation in relation to changes to the Code of Conduct. The proposal is to increase the threshold set within the Code of Conduct, from 8 unauthorised sessions (4 days) to 11 unauthorised sessions (5.5 days) and also use the school's attendance policy as a threshold, before a penalty notice can be issued.

In addition to a consultation for changes to the Code of Conduct, Plymouth City Council sought views from the public and other stakeholders regarding the following:

- Aligning INSET days to straddle a weekend outside of term dates to provide the potential for a week's holiday for families when holidays are less expensive.
- Shortening the six-week summer holiday as a way of creating an additional week of holiday at another point in the year, potentially the October and May break. This would then provide the potential for two weeks of holiday for families when holidays are less expensive.

The consultation was held between 2nd and 30th September 2019. In total 344 responses were received:

- 121 by email
- 26 by post
- 84 Facebook posts (133 shares, 144 comments)

2. Consultation Survey Part I

Consultation survey part I asked the following:

Do you agree that the policy should revert to 11 sessions (5.5 days) from 8 sessions (4 days) unauthorised absences and use the schools attendance policy as a threshold?

In carrying out the survey:

- 14 Headteachers responded.
- 17 Governors responded.
- No response was received from the Chief of Police.
- 5 respondents did not identify themselves

Of the responses:

- 15 were in favour of the changes (41.67%)*
- 21 were not in favour of the changes (58.33%)**

* 6 of whom were Headteachers

** 8 of whom were Headteachers

In addition, Horizon Multi Academy Trust representing 9 Headteachers commented:

'We welcome the opportunity to contribute to this debate. All heads have noticed a gradual increase in absence rates since Plymouth adopted their current position on penalty notices. There are examples of head's being challenged in OfSTED inspections over their absent rates and inspectors being told that their hands are tied by the LA.'

2.1 Main Themes

Overall the themes raised by Plymouth Schools in relation to the proposal to increase the threshold of unauthorised absence were as follows:

- Concerns regarding the impact of school non-attendance on a child's learning and attainment.
- Concerns that raising the threshold of unauthorised absence will negatively impact on schools overall performance data.
- Perceived lack of support from the LA and elected members in relation to unauthorised absence from school.
- A desire to reinstate penalty notices for unauthorised holiday absence.
- The detrimental impact that removing penalty notices for unauthorised holiday absence has had on schools.
- Concerns regarding the detrimental impact of 2 weeks holiday absence can have on a child's learning and attainment in school.
- Dissatisfaction with the 6 month element of the Code of Conduct i.e. a penalty notice will only be issued to the parent(s) if the pupil has had at least eight unauthorised absences recorded against their name within a six month period.

Consultation Survey Part 1. The feedback strongly indicates that schools feel that they should have the support of the LA in order to use penalty notices to address and deter families from unauthorised absences during term time. A number of the responses link increasing levels of pupil absence across schools in the city to increasing levels of unauthorised holiday absence. There are repeated references to the negative impact pupil absence has not only on children themselves, but also teaching and learning within schools. There is a sense that the current position held by Plymouth City Council undermines the statutory requirement for all children to attend school, unless there are exceptional circumstances, and encourages pupil non-attendance. The responses suggest that the proposed changes would offer further endorsement of pupil non-attendance and make the task that schools face in relation to raising standards even more challenging.

3. Consultation Survey Part 2

The consultation survey part 2 asked the following:

Do you agree that we should look at aligning INSET Days to straddle a weekend outside of term dates to provide a potential weeks holiday for families when holidays are less expensive?

3.1 Response from schools and governing bodies

In carrying out the survey with schools and governing bodies:

- 27 schools responded
- 13 governors responded
- 5 who identified parent and school
- 1 member of staff
- 1 Teacher

- 1 who identified as parent and Devon LA

Of the responses

- 15 were in favour of the proposal (31.25%)
- 26 were not in favour of the proposal (54.17%)
- 1 had no preference (2.08%)
- 6 provided no response (12.5%)

3.2 Themes

The main themes raised by school and governing bodies in relation to aligning INSET days were as follows:

- INSET days are used to reflect the needs of the curriculum and the professional development of staff; not to facilitate holidays. Dates are set based on the requirements of individual schools, not the LA.
- All schools would need to align their INSET days however, academy schools set their own term dates and academies represent the majority of schools within the city.

3.3 Response from parents/carers

In carrying out the survey with parents and carers:

- 40 parents/carers responded

Of the responses:

- 32 were in favour of the proposal (80%)
- 8 were not in favour (20%)

3.4 Themes

The main themes raised by parents and carers in relation to aligning INSET days were as follows:

- Support from parents regarding the potential for families to access a cheaper holiday during term time is favourable
- All schools need to adopt the same approach and set the same dates for the proposal to work.

4. Consultation Survey Part 3

The consultation survey part 3 asked the following:

Do you agree that we should develop a proposal for shortening the six week summer holiday as a way of creating an additional 2 weeks of holiday at other points in the year, potentially the October and May break? This would then provide a potential of 2 weeks of holidays for families when holidays are less expensive.

4.1 Response from schools and governing bodies

In carrying out the survey with schools and governing bodies:

- 27 schools responded
- 13 governors responded

- 5 who identified parent and school
- 1 member of staff
- 1 Teacher
- 1 who identified as parent and Devon LA

Of the responses:

- 25 were in favour of the proposal (52.08%)
- 16 were not in favour of the proposal (33.33%)
- 7 did not respond (14.58%)

4.2 Themes

The main themes raised by Headteachers, governors and teachers in relation to shortening the 6 week summer holiday to allow for 2 weeks during other time in the year were as follows:

- The potential for a negative impact on teaching staff.
- The ability of the LA to align school holidays across the city and with neighbouring authorities.
- Travel companies increasing holiday prices when they 'cotton on' to the arrangement.
- Concerns regarding a possible detrimental impact on curriculum and learning at key points during the academic year.
- Concerns regarding the time at which the 2 weeks were taken during the year.

4.3 Response from parents/carers

In carrying out the survey with parents and carers:

- 40 parents/carers responded by email/post
- 1 Councillor response.

Of the responses:

- 31 were in favour of the proposal (75.61%)
- 9 were not in favour (21.95%)
- 1 undecided (2.44%)

4.4 Themes

The main themes raised by parents and carers in relation to shortening the 6 week summer holiday to allow for 2 weeks during other time in the year were as follows:

- Favourable view of the potential for families to access cheaper holidays.
- Concerns that holiday companies will 'cotton on' and increase their prices.
- Concerns about the ability of parents to access affordable childcare if they are required to work.
- A view that the summer holidays are currently too long for parents and children, particularly working parents.
- Concerns regarding the time at which the 2 weeks would be taken during the year.
- The importance of schools aligning their term dates for the proposal to work.
- Concerns from secondary schools relating to GCSE's and the impact of an additional week's holiday during the summer term.
- 1 week as opposed to 2 may be preferable.

5. Facebook

Of the 144 comments on Facebook, 36 were responses to the consultation survey. The responses have not been categorised under survey Part 2 or 3, however based on the written responses all appear to relate to consultation survey Part 3. Of the responses:

- 21 were in favour (58.33%)
- 11 were not in favour (30.56%)
- 4 were undecided (11.11%)

5.1 Emerging themes

The main themes raised by parents and carers in relation to the proposals were as follows:

- Favourable view of the potential for families to access cheaper holidays.
- Concerns that holiday companies will 'cotton on' and increase their prices.
- Concerns about the ability of parents to access childcare.
- A view that the summer holidays are currently too long for parents and children, particularly working parents.
- Some parents enjoy the 6 week holiday period with their children.
- Concerns regarding the time at which the 2 weeks would be taken during the year.
- The importance of schools aligning their term dates for the proposals to work.

*All survey responses are available as an appendix on request.

Summary

1. Survey 1 (consultation with statutory partners). The majority of respondents did not support the proposal.
2. Survey 2. The majority of schools did not support this proposal, however the majority of parents and carers did.
3. Survey 3. The majority of respondents (both parents and schools) support the proposal.

Consideration of the findings and next steps

We recognise the impact the pupil absence has both on the children themselves but also the schools that they attend. We are keen to support schools to take action in relation to unauthorised absence and that includes unauthorised holiday absence.

The Code of Conduct for Penalty Notices needs to be reviewed to reflect the position in Plymouth and all schools supported to enforce regular school attendance. At present penalty notices can be issued for all types of unauthorised school absence, but not unauthorised holiday absence. Schools have told us that the rise in unauthorised holiday absence is having a detrimental impact on children's outcomes and this needs to be considered in the context of Plymouth's challenging school landscape. There appears to be 2 options that should now be considered:

1. Changing the threshold of unauthorised absence within the Code of Conduct from 8 sessions to 11 sessions. This will provide an opportunity for all families to take one week of unauthorised holiday absence every 12 months during term time.
2. Changing the threshold for unauthorised holiday absence within the Code of Conduct from 8 sessions to 11 sessions for unauthorised holiday absence only; keeping the threshold at 8 sessions for all other types of unauthorised absence. This will provide an opportunity for families to take a week of unauthorised holiday during term time every 12 months, whilst enabling schools to continue to tackle other types of unauthorised absence at an early stage.

In other authorities both regionally and across the country the following thresholds of unauthorised absence apply:

Devon 10 sessions

Portsmouth 10 sessions

Hampshire 10 sessions

Torbay 10 sessions

Bristol 8 sessions

Poole 10 sessions

Somerset 10 sessions

Manchester 5 sessions

East Sussex 10 sessions

Royal Borough Kensington and Chelsea 8 sessions

Gloucestershire 10 sessions

Lancashire 10 sessions

Bournemouth 10 sessions

Cornwall 20 sessions

Darlington 10 sessions

Kent 10 sessions

Telford 20 for general unauthorised absence and 10 sessions for unauthorised holiday absence.

In raising the threshold within the Code of Conduct any unintended consequences relating to Safeguarding must be considered. At present the Inclusion, Attendance and Welfare Service receives referrals for children who are persistently absent from school and those with high levels of unauthorised absence. Enforcement action can be taken once the threshold within the Code of Conduct is met however referrals can be made to the service prior to the threshold of 8 unauthorised sessions being met. Changing the threshold from 8 sessions to 11 sessions will not impact on the ability of the school and / or the Inclusion, Attendance and Welfare Service to intervene if there are safeguarding concerns. Changing the threshold will however, impact on the LA's ability to take enforcement action at an earlier stage.

In relation to consultation survey 2 and 3, the majority of respondents support the proposal under survey 3. As a result of the emerging themes under survey 2, the proposal will not be progressed. We will instead, focus on progressing the proposal under consultation survey 3.

To progress the proposal to shorten the 6 week summer holiday to allow for holiday at other points during the year, we will work with maintained schools and academies in Plymouth, Devon County Council and Cornwall Council to seek their views regarding alignment the term dates. The term dates are now set until the end of academic year 2021/22.

Isabelle Morgan

Inclusion and Attendance Manager

PENALTY NOTICE CODE OF CONDUCT**September 2020****Introduction**

Regular and punctual school attendance is both a legal requirement and essential in ensuring that all children maximise their educational opportunities and future life chances. In addition, there is evidence to suggest that truancy can lead to anti-social behaviour and youth crime. Section 23(1) of the Anti-Social Behaviour Act 2003 and Section 103 of the Education and Inspections Act 2006 introduced powers to Sections 444 of the Education Act 1996 that empowers authorised officers of the Local Authority Headteachers (and Deputy and Assistant Headteachers if authorised by them) and the Police, (including community support officers and accredited persons) to issue Penalty Notices in cases of unauthorised absence from school. Persons authorised to issue Penalty Notices are referred to in this Code of Conduct as 'Authorised Person'.

The Education (Penalty Notices) (England) Regulations 2004 (as amended) require the Local Authority, to consult with governing bodies, headteachers and the Chief Officer of Police to develop a Code of Conduct for use when issuing Penalty Notices. Any person issuing a Penalty Notice must do so within the terms of this Code of Conduct. Penalty Notices can be used as an alternative to prosecution under Section 444 and enable parents to discharge potential liability for conviction for that offence by paying a penalty. A Penalty Notice can only be issued in respect of the unauthorised absences of a statutory school aged child.

These provisions apply to all parents who fall within the definition of a 'parent' as set out in section 576 of the Education Act 1996. By virtue of this section 'parent' includes: all natural parents, whether they are married or not; any person or body who has parental responsibility for a child (as defined by the Children Act 1989) and any person who, although not a natural parent, has care of a child. Having care of a child means that a person with whom a child lives and who looks after a child, irrespective of what their relationship is with that child.

The Inclusion, Attendance and Welfare Service will act as the School's agent in carrying out the duties of the Authorised Person as detailed within this Code of Conduct for all Plymouth Schools who subscribe to the Enhanced Inclusion, Attendance and Welfare Service.

The Penalty

The Penalty Notice is £60 if paid within 21 days of receipt of the Notice, rising to £120 if paid after 21 days but within 28 days of receipt of the Notice, (Notice served by post is deemed to have been received on the second day after posting if it was delivered by first class post).

If the penalty is not paid in full by the end of the 28-day period, the LA must either prosecute for the offence to which the Notice applies or withdraw the Notice.

NOTE: Unlike other Penalty Notice schemes, the prosecution would not be for non-payment of the Notice. If there is a prosecution, it would follow the usual Inclusion Attendance and Welfare Service legal procedures for prosecution under section 444 of the Education Act 1996 and section 103 of the Education and Inspections Act 2006.

The parent cannot be prosecuted for the particular offence for which the Notice was issued until after the deadline for payment has passed (28 days) and cannot be convicted of the that offence if they pay the penalty in accordance with the Notice.

If a penalty is not paid, the LA may use the fact that a Notice was issued and unpaid as evidence in a subsequent prosecution. The Penalty Notice Request Form submitted by either the Headteacher/Principal or Inclusion, Attendance and Welfare Service, if submitted with a certified record of attendance, will serve as an accurate record of the unauthorised absence and will be submitted as evidence to support the prosecution.

When is it appropriate to issue a Penalty Notice?

‘The Key consideration in deciding whether to issue a Penalty Notice will be whether it can be effective in helping the pupil who is truanting back into school’ (DFE).

A Penalty Notice is a suitable intervention in circumstances such as:

1. In the early stages of casework where the Authorised Person might form an opinion that issuing a Penalty Notice is appropriate e.g. where a parent has continually failed to engage with or respond to the school’s or Inclusion, Attendance and Welfare Service’s attempts to contact them or the parent continually fails to provide an explanation for a pupil’s absence in accordance with the school’s procedures.
2. Persistent late arrival at school (i.e. after the registration period has closed).
3. Following a Truancy Sweep when the facts have been established i.e. the school register has recorded the absence as unauthorised and there is a history of poor attendance. Due to the possible health and safety risk, Penalty Notices will not be issued during Truancy Sweeps. In addition, not all the relevant evidence will be available to prove the offence at that time.
4. Following a referral from Devon and Cornwall Constabulary in line with point 3 above.
5. A parent/carer of an excluded child may be committing an offence and could receive a Penalty Notice if the child is found in a public place during normal school hours within the first five days of fixed-term or permanent exclusion. Parents and carers must be notified of this in the school’s exclusion letter.
6. In cases of absence when the pupil has been taken on holiday during term time and the absence has not been authorised by the school or excessive delayed return from extended holidays without prior school agreement.

In cases 1 -5 listed above, a Penalty Notice will only be issued to the parent(s) if the pupil has had at least **eight unauthorised sessions** recorded against their name within a **twelve month period**.

In case 6 listed above, a Penalty Notice will only be issued to the parent(s) if the pupil has had at least 1 unauthorised session in addition to 11 unauthorised sessions relating to an unauthorised holiday within a 12 month period.

N.B. There are two sessions in each school day.

A parent shall not be issued with more than three Penalty Notices resulting from the unauthorised absence of an individual child within a twelve-month period.

Unauthorised Holidays in Term Time

Amendments to The Education (Pupil Registration) (England) Regulations 2006 remove references to family holiday and extended leave as well as the statutory threshold of ten school days. The amendments make clear that Headteachers may not grant any leave of absence during term time unless there are exceptional circumstances. Headteachers will determine the number of school days a child can be away from school if leave is granted.

The Authorised Person can request a Notice to be issued for unauthorised absence of a minimum of eleven sessions (5.5 school days) if they can provide evidence that the parent took their child on holiday knowing that it would be unauthorised and that they were advised, in writing, they could receive a Notice. In cases of absence where no application for leave in exceptional circumstance has been received, but it can be proved that the absence was due to holiday, the Authorised Person has the discretion to request the Inclusion, Attendance and Welfare Service issue a Penalty Notice without first formally warning the parent. However, it would be for the Authorised Person to provide the evidence that the absence was due to a holiday.

Schools should make parents aware of the following:

1. That holidays in term time are not an entitlement.
2. That requests for absence during term time will only be granted in exceptional circumstances
3. Parents will be expected to provide supporting evidence of the exceptional circumstances.
4. That they could receive a Penalty Notice if they take their child out of school for a holiday without authorisation.

A parent issued with a Penalty Notice for an unauthorised holiday during term time, who then takes their child on further unauthorised holiday(s) within a 12 month period will be considered by the Inclusion, Attendance and Welfare Service for prosecution under Section 444 of the Education Act 1996.

Procedure for issuing Penalty Notices not relating to an unauthorised holiday

The Inclusion, Attendance and Welfare Service will issue Penalty Notices in Plymouth. This will ensure consistent and equitable delivery and will retain home-school relationships. It will also ensure that other strategies or legal processes are not jeopardised and that duplicate Notices are not issued. The Service will ensure that the issuing of the Notices is closely monitored.

These procedures apply to the parent/carers of children of compulsory school age who are registered at a school.

As with prosecutions under section 444, a Penalty Notice may be issued to **each** parent liable for the offence.

The Inclusion Attendance and Welfare Service will respond to requests for Penalty Notices within 10 school days of receipt of a Penalty Notice Request form. However, before issuing a Penalty Notice, it is essential that the following criteria are met:

1. All the relevant information is supplied in the specified manner.
2. The circumstances of the pupil's absence meet all the requirements of the Code of Conduct.
3. The issuing of a Penalty Notice must not conflict with other intervention strategies in place or legal procedures that are already being processed.

The above criteria will be investigated by the Inclusion, Attendance and Welfare Service.

Whenever there is a possibility that a case could result in a Penalty Notice or prosecution, it is good practice to make sure that the parent is aware of and understands the consequences of failing to ensure their child's regular attendance. Therefore, when all the elements of the Code of Conduct have been met, the Authorised Person will send the parent a warning letter. This will enable the parent to make representations if they wish.

The warning letter will inform the parent of the unauthorised absences for which the Penalty Notice could be issued and advise them that a period of 15 school days will be given to allow them the opportunity to improve the situation. The letter will also include an information leaflet explaining Penalty Notices.

If there is no improvement in the situation after the 15 days have elapsed, a request for a Penalty Notice should be made by the Authorised Person to the Inclusion, Attendance and Welfare Service and the parent(s) should be issued with the Penalty Notice without further delay or notification. Any unauthorised absence within the 15-day period should be evidenced by a certified record of attendance and submitted to the Inclusion, Attendance and Welfare Service without delay.

A Penalty Notice warning letter must contain reference to the fact that any subsequent unauthorised absences following the review period could also result in a Penalty Notice without further warning. It will be for the Authorised Person to make the decision to request a Notice for subsequent unauthorised absences, this will involve consideration of how soon after the review period the absences occurred.

Serving Notice

A Notice may be served by:

1. giving it to the recipient;
2. leaving at the recipient's usual or last known address;
3. sending it to the recipient at that address by first class post.

Serving a Notice by post shall be deemed to have been effected, unless the contrary is proved, on the second working day after posting the Notice by first class post.

Penalty Notices issued to parents of excluded children

Section 103 of the Education and Inspections Act 2006 places a duty on parents in relation to an excluded pupil. A parent has to ensure that his or her child is not present in a public place during

school hours without reasonable justification during the first five days of each and every fixed period or permanent exclusion

School hours mean a school session or a break between sessions on the same school day. A public place means any highway or any place to which the public have access. A school is not a public place for this purpose.

The days of exclusion when this duty applies are known as 'specified days of exclusion' and will be detailed in a Notice given to the parent under section 104 of the 2006 Act. The parent is responsible for the child during the specified days upon receipt of the Notice.

Sections 100 and 101 of the Education and Inspections Act 2006 place a duty on the school or local Authority to make provision for the excluded child's full-time education from the sixth day of a fixed period exclusion in a school year and from the sixth day of a permanent exclusion. Once provision is made, the parent's duty to ensure that their child is not in a public place becomes a duty to ensure the child attends the provision i.e. the duty under sections 444(1) and 444(1a) of the Education Act 1996.

Section 105 of the Education and Inspections Act 2006 allows for a Penalty Notice to be issued to a parent committing an offence under section 103 (failing to ensure that their child is not in a public place on the days specified on the Notice given to them). The Notice allows the parent to pay a penalty as a way of discharging any liability for the offence. The parent must be notified by the school at the time of the exclusion of their duty and the days to which it relates.

Once a Penalty Notice has been issued, the parent cannot be prosecuted for the offence to which it relates until the final deadline for payment has passed (28 days after receipt of the Notice) and cannot be convicted of that offence if the penalty is paid in full.

If the penalty is not paid in full by the end of the 28-day period, the Local Authority must prosecute for the section 103 offence and not the non-payment of the penalty.

Although Authorised Persons are empowered to issue Penalty Notices, the offence under section 103 of the Act allows the excluded pupil's presence in a public place where there is reasonable justification for him being there. As such, there needs to be an investigation of evidence before a Notice is issued. It is not intended that Penalty Notices are issued as an 'on the spot' remedy, apart from in exceptional circumstances, schools should, in the first instance, report suspected breaches of section 103 to the Inclusion Attendance and Welfare Service so that appropriate steps can be taken.

The question of reasonableness is ultimately one for the courts to decide and will be decided on an individual case to case basis. However, there may be time when it is necessary for an excluded pupil to be in a public place e.g. on his or her way to a medical or dental appointment.

Consideration must be given to possible justification for the presence. Attempts should be made to speak to the child or the parents for an explanation. Where the child is unaccompanied by an adult or other responsible adult or is with his or her peers and is perceived to be 'hanging around,' it is more likely that an offence is being committed. It should also not be assumed that an excluded child accompanied by the parent is not in breach of section 103. Each case must be looked at on its own merits. To be justified there must be an element of unavoidable presence. It is for the parent to prove reasonable justification. A justification which is capable of being reasonable will depend on the facts supported by credible evidence. It is unlikely that any justification would be held to be reasonable unless it stood up on facts. Where there is doubt, the Inclusion Attendance and Welfare Service will seek legal advice.

It is common for excluded pupils to come to the school to meet friends. School premises are not themselves public places. An excluded pupil seen loitering in the vicinity of a school will almost certainly not have justification for being there.

Consideration should be given to the number of times an excluded child can be apprehended, the parents' action or inaction, the justification put forward and the parents' overall attitude towards their responsibilities.

Withdrawing Penalty Notices

There is no statutory right of appeal against the issuing of a Penalty Notice. Penalty Notices may only be withdrawn for the following reasons:

1. Where it ought not to have been issued i.e. where it has been issued outside the LA's Code of Conduct or where no offence has been committed.
2. Where it has been issued to the wrong person.
3. Where the Notice was materially defective.

Where a Penalty Notice has been withdrawn, a Notice of the withdrawal shall be given to the recipient and any amount paid will be refunded. No proceedings shall be continued or instigated against the recipient for the offence for which the withdrawn Notice was issued.

Payment of Penalty Notices:

Each penalty notice will included details of the dates by which the penalty must be paid and the payment methods available.

Payment must be made if full. Part payments will not be accepted in any circumstance. Services and agencies are respectfully requested not to contact the local authority on behalf of clients to request deferred payments or payment plans.

Further information can be obtained from the Inclusion and Attendance Manager or Senior Practitioner – Inclusion, Attendance and Welfare Service on 01752 307405.

EQUALITY IMPACT ASSESSMENT

Education Participation and Skills



STAGE 1: WHAT IS BEING ASSESSED AND BY WHOM?

What is being assessed - including a brief description of aims and objectives?	Penalty Notice Code of Conduct (January 2020 final draft)
Author	Isabelle Morgan – Inclusion and Attendance Manager
Department and service	Education, Participation and Skills - Inclusion, Attendance & Welfare Service.
Date of assessment	Assessment undertaken 13.06.2019 (reviewed 17.01.2020)

STAGE 2: EVIDENCE AND IMPACT

Protected characteristics (Equality Act)	Evidence and information (eg data and feedback)	Any adverse impact See guidance on how to make judgement	Actions	Timescale and who is responsible
Age	<p>Date taken from the statistical first release:</p> <p>Total absence at primary school:</p> <p>2016/17: 4.21%</p> <p>2017/18: 6.97%</p> <p>Total absence at secondary school:</p> <p>2016/17: 5.36%</p> <p>2017/18: 8.4%</p>	None	NA	

Disability	Data taken from the Statistical First Release Total absence at Special School: 2016/17: 9.19% 2017/18: 12.33%	Some children with disabilities are unable to take holidays during the school holiday periods.	Not all children with disabilities attend special school, we need to clarify absence data for children with recorded disabilities in all schools. We need to clarify whether there are particular groups of disabled children which are unable to take holiday during term time and ensure that we make reasonable adjustments to our approach for these children.	31 st March 2020
Faith/religion or belief	Data taken from CAPITA For academic year: 2016/17 – see appendix 1 2017/18 – appendix 2 2017/18 – appendix 3	Any adverse impact is mitigated as religious observance is a statutory defence for absence from schools. Genuine religious observance would be authorised absence by the school.	NA	
Gender - including marriage, pregnancy and maternity	Data relating to the gender of parents of received penalty notices relating to their child's persistent and unauthorised absence from school: 2016/17:	The adverse impact is mitigated by the legal tests that must be met before making a decision to issue a penalty notice i.e. the Code of Conduct, Legal Framework and the public interest		

	<p>Female 68.60%</p> <p>Male 31.40%</p> <p>2017/18</p> <p>Female 70.75%</p> <p>Male 29.25%</p>	<p>test set by the crown prosecution service.</p> <p>The law and Code of Conduct applies to all parents; the definition of a 'parent' as set out in section 576 of the Education Act 1996. By virtue of this section 'parent' includes: all natural parents, whether they are married or not; any person or body who has parental responsibility for a child (as defined by the Children Act 1989) and any person who, although not a natural parent, has care of a child. Having care of a child means that a person with whom a child lives and who looks after a child, irrespective of what their relationship is with that child. Schools do not always know the name/address of an absent parent and often the parent with whom the child lives will not share information about the absent parent with PCC.</p>		
Gender reassignment	<p>We do not hold this data, in addition schools do not record gender reassignment for children or their parents.</p>	<p>None identified</p>		
Race	<p>For academic year:</p> <p>2016/17 – see appendix 1</p> <p>2017/18 – appendix 2</p>	<p>None identified</p>		

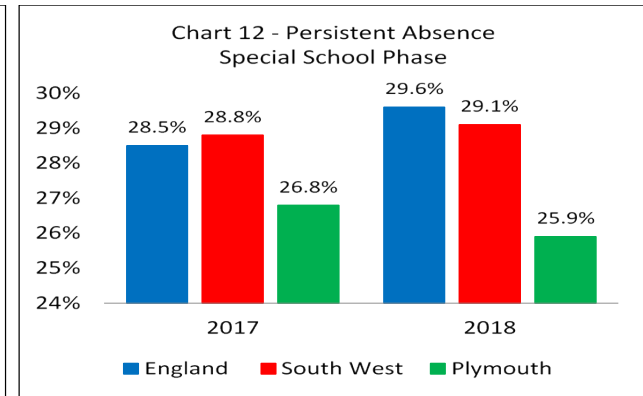
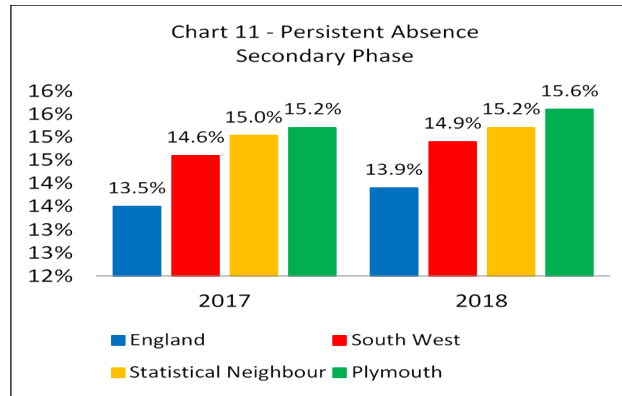
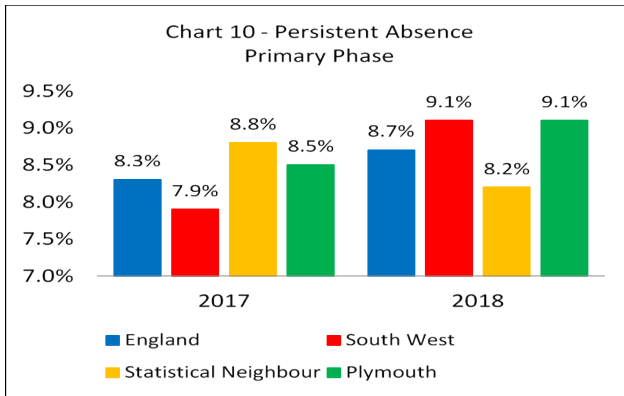
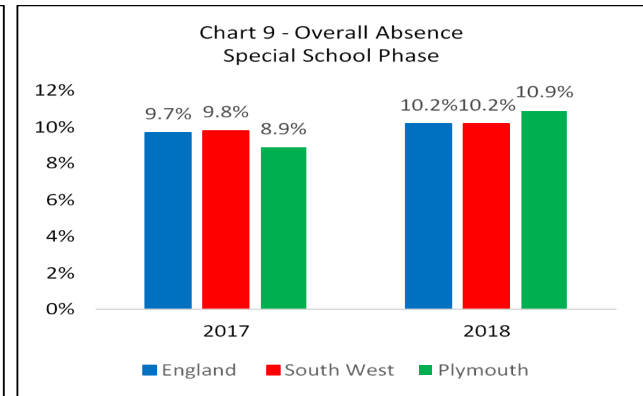
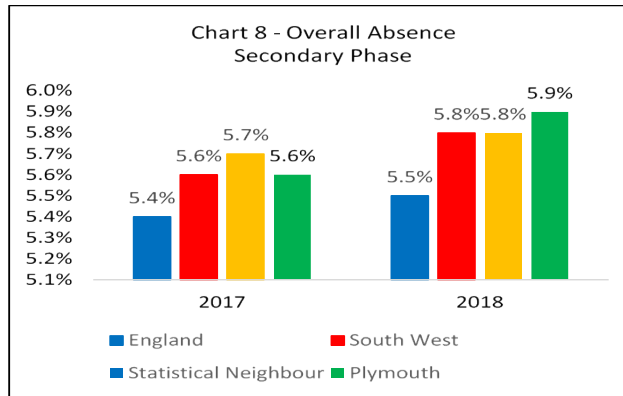
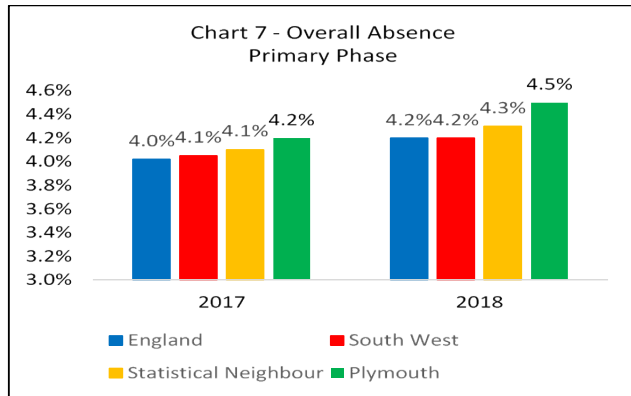
	2017/18 – appendix 3			
Sexual orientation - including civil partnership	We do not hold this data in addition schools do not record the sexual orientation of children or their parents.	None identified		

STAGE 3:

General absence data

For 2018, overall absence rates in Plymouth sit above the national, regional and statistical neighbour benchmarks. There has been a 0.3 percentage point increase in overall absence rates in both primary and secondary schools, and these are larger increases than have been seen across the benchmarks. Previously in 2017, special schools in Plymouth sat below the benchmarks, however there has been a one percentage point increase in overall absence within special schools and Plymouth now sits higher than the benchmarks.

Persistent absence rates have increased nationally, regionally and in Plymouth at primary and secondary phase. At primary phase a 0.6 percentage point increase has occurred. This is larger than the national and regional increase. At secondary phase, a 0.4 percentage point increase has occurred. This is on par with the national increase and larger than the regional increase. At special school phase, persistent absence rates have reduced by 0.9 percentage points. Nationally a 1.1 percentage point increase has occurred.



ARE THERE ANY IMPLICATIONS FOR THE FOLLOWING? IF SO, PLEASE RECORD ACTIONS TO BE TAKEN

Local priorities	Implications	Timescale and who is responsible
Reduce the gap in average hourly pay between men and women by 2020.		
Increase the number of hate crime incidents reported and maintain good satisfaction rates in dealing with racist, disablist, homophobic, transphobic and faith, religion and belief incidents by 2020.		

Good relations between different communities (community cohesion)		
Human rights Please refer to guidance		

STAGE 4: PUBLICATION

Responsible Officer: Jo Siney

Date 17/01/2020

Head of Service