

Date: 16th December 2016

The Arc
High Street
Clowne
Derbyshire
S43 4JY

Dear Sir or Madam,

You are hereby summoned to attend a meeting of the Executive of Bolsover District Council to be held in the **Council Chamber at The Arc, High Street, Clowne on Tuesday 3rd January 2017 at 1000 hours.**

Register of Members' Interests - Members are reminded that a Member must within 28 days of becoming aware of any changes to their Disclosable Pecuniary Interests provide written notification to the Authority's Monitoring Officer.

You will find the contents of the agenda itemised on pages 2 and 3.

Yours faithfully



Assistant Director – Governance & Solicitor to the Council & Monitoring Officer
To: Chairman & Members of the Executive

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EXECUTIVE AGENDA

Tuesday 3rd January 2017 at 1000 hours in the Council Chamber, The Arc, Clowne

Item No.	PART 1 – OPEN ITEMS	Page No.(s)
1	Apologies for absence	
2	Urgent Items of Business To note any urgent items of business which the Chairman has consented to being considered under the provisions of Section 100(B) 4(b) of the Local Government Act 1972.	
3	Declarations of Interest Members should declare the existence and nature of any Disclosable Pecuniary Interest and Non Statutory Interest as defined by the Members' Code of Conduct in respect of: a) any business on the agenda b) any urgent additional items to be considered c) any matters arising out of those items and if appropriate, withdraw from the meeting at the relevant time.	
4	Minutes To approve the minutes of the meeting of the Executive held on 28 th November 2016.	Previously Circulated
5	Items recommended by Scrutiny Committees See exempt agenda item 10(B).	
6	Policy and Budget Framework Items None.	
7	NON KEY DECISIONS	
	(A) Appointment to an Outside Body <i>Recommendation on page 5.</i>	4 to 11
	(B) Procurement of Kerbside Recycling Service <i>Recommendation on page 14.</i>	12 to 14
	(C) Apprenticeship Reforms <i>Recommendations on page 21.</i>	15 to 22
8	KEY DECISIONS	
	(A) Telephony and Contact Centre Management Software. <i>Recommendations on page 27.</i>	23 to 27

9 **PART 2 – EXEMPT ITEMS**

The Local Government (Access to Information) Act 1985, Local Government Act 1972, Part 1, Schedule 12a (relevant exemption paragraph is cited next to the agenda item).

10 **NON KEY DECISION**

(A) Paragraph 3

The Arc – Enhancement Proposals 28 to 32
Recommendation on Page 31

(B) Paragraph 3

Items recommended by Scrutiny Committees;
Customer Service and Transformation Scrutiny Committee Review of 33 to 58
Heating Costs to Tenants in Properties with a District Heating System
Recommendation on Page 36.

11 **KEY DECISION**

(A) Paragraph 3

Approval for the award of two contracts to undertake works at Castle 59 to 69
Leisure Park, Bolsover (installation of new Multi-use Games Area)
and Vale Park, Carr Vale (new children’s play area)
Recommendation on Page 63

Notes:

Items under the Key Decision headings are all Key Decisions and are notified to the public at least 28 days in advance. A Key Decision is an Executive decision likely to result in the Council incurring expenditure which is, or the making of savings which are, significant having regard to the Council’s budget for the service or function to which the decision relates or which is significant in terms of its effects on communities living or working in an area comprising two or more wards in the District. The Council has decided that income or expenditure of £50,000 or more is significant.

Bolsover District Council

Executive

3rd January 2016

Appointments to Outside Body

Report of the Senior Governance Officer

This report is public

Purpose of the Report

- To make an appointment to an outside body.

1 Report Details

- 1.1 The Council has been approached to provide a Member to sit on an outside organisation. Details are attached as an appendix to this report.
- 1.2 At its meeting on the 31st October 2016, the Executive agreed to defer consideration and discuss the appointment at a meeting of the Strategic Alliance Management Team (SAMT). Subsequently, SAMT agreed the relevant Member, as detailed below.
- 1.3 The organisation relates to an Executive function and the relevant Executive Member has been allocated as follows:
 - The Council of Governors of Chesterfield Royal Hospital NHS Foundation Trust – Portfolio Holder for Health and Wellbeing

This is a three year appointment and the current Portfolio Holder for Health and Wellbeing meets the criteria set out by the NHS Trust and has made a substantial contribution in the past.

- 1.4 The deadline for the appointment was 13th December 2016, accordingly the Chesterfield Royal Hospital NHS Foundation Trust has been advised that the Portfolio Holder for Health and Wellbeing will be appointed.

2 Conclusions and Reasons for Recommendation

- 2.1 To appoint a member to the outside body.

3 Consultation and Equality Impact

- 3.1 None.

4 **Alternative Options and Reasons for Rejection**

4.1 Not to appoint, but this would leave Bolsover without representation on a key outside body.

5 **Implications**

None.

6 **Recommendations**

6.1 To ratify the appointment of the Portfolio Member for Health and Wellbeing to the Council of Governors of Chesterfield Royal Hospital NHS Foundation Trust

7 **Decision Information**

Is the decision a Key Decision? (A Key Decision is one which results in income or expenditure to the Council of £50,000 or more or which has a significant impact on two or more District wards)	No
District Wards Affected	
Links to Corporate Plan priorities or Policy Framework	

8 **Document Information**

Appendix No	Title
A	Letter from Chesterfield Royal Hospital NHS Foundation Trust
Background Papers (These are unpublished works which have been relied on to a material extent when preparing the report. They must be listed in the section below. If the report is going to Cabinet (NEDDC) or Executive (BDC) you must provide copies of the background papers)	
Report Author	Contact Number
A. Brownsword, Senior Governance Officer	2529

APPOINTMENT OF PARTNER GOVERNORS
to the Council of Governors of Chesterfield Royal Hospital NHS Foundation Trust
Guide for partner organisations and nominated appointees

1 Summary of governance arrangements

- 1.1 Chesterfield Royal Hospital NHS Foundation Trust is a public benefit corporation, hereafter referred to as the Trust. As such, it has a Board of Directors and a Council of Governors. The chairman of the Trust chairs both the Board of Directors and Council of Governors.
- 1.2 The Board of Directors has a very similar status to the board of a trading company. It exercises all the powers vested in the Trust on its behalf, determining the strategic direction of the Trust and overseeing its management on a day-to-day basis.
- 1.3 The Council of Governors is a stakeholder group for the local community in the stewardship of the Trust. It is responsible for the appointment of the Trust's chairman and non-executive directors, and is consulted by the Board of Directors on the strategic direction and other matters of significance to the future plans of the Trust. It does not however have any role in the day-to-day management of the Trust.
- 1.4 The role and functioning of the Trust is determined by the Terms of Authorisation set by Monitor, the Independent Regulator of NHS Foundation Trusts. The role and functioning of the Board of Directors and Council of Governors is governed by the Trust's constitution and the standing orders derived from this as they apply to each.

2 Membership of the Council of Governors

- 2.1 Members of the public living in the area served by the Trust and employees of the Trust are eligible to register as members of the Trust. This enables them to take part in elections to the Council of Governors.
- 2.2 The constitution for the Trust specifies the following membership for the Council of Governors:
- 19 governors elected from the Trust's public constituency;
 - 4 governors elected from the Trust's staff constituency;
 - 9 governors appointed by partner organisations.

- 2.3 The eight partner governors are as follows:
- 2 clinical commissioning group (CCG) governors;
 - 3 local authority governors;
 - 2 education sector governors;
 - 2 voluntary sector governors.
- 2.4 The arrangements for partner governors to be appointed are set out at in section 4 below.

3 Roles and responsibilities of governors

- 3.1 The Council of Governors, in accordance with the Trust's constitution, has the designated responsibilities set out in 3.2 to 3.7 below.
- 3.2 Appointing or dismissing the chairman and the other non-executive directors, and approving their remuneration, allowances and other terms and conditions of office.
- 3.3 Approving the appointment of the chief executive (but not of the initial appointment to that role).
- 3.4 Appointing or replacing the Trust's external auditors, and receiving the annual accounts, the auditors' report on the accounts, and the annual report.
- 3.5 Giving the views of the Council of Governors to the Board of Directors on the annual forward plan to be given to Monitor, which is prepared by the Board of Directors in respect of each financial year
- 3.6 Responding appropriately when consulted by the Board of Directors in accordance with the constitution.
- 3.7 Receiving and considering the views of the members on matters of significance to the future plans of the Trust.

4 Appointment of partner governors

- 4.1 The organisations which appoint partner governors to the Council of Governors are identified in 4.2 to 4.5 below. For ease of reference, 'he' refers to both male and female governors.
- 4.2 North Derbyshire CCG and Hardwick CCG are the appointing bodies for the CCG governors.
- 4.3 Derbyshire Local Government Association is the appointing body for the local authority governors, and co-ordinates the appointment of one governor from Derbyshire County Council and two governors drawn from:
- Amber Valley Borough Council,
 - Bolsover District Council,

- Chesterfield Borough Council,
 - Derbyshire Dales District Council,
 - High Peak Borough Council and
 - North East Derbyshire District Council
- 4.4 The University of Sheffield and the University of Derby are the appointing bodies for the two education sector governors, with each appointing one governor.
- 4.5 The North Derbyshire Council for Voluntary Services are the appointing body for the two voluntary sector governors.
- 4.6 A governor appointed by partner organisation will be appointed for an initial period of three years. He will be eligible for re-appointment at the end of that period, and can be re-appointed on two occasions, subject to serving a maximum of nine years.
- 4.7 All governors, in discharging their responsibilities, are required to act at all times in the best interests of the Trust.
- 5 Disqualification from being a governor**
- 5.1 Under the Trust's constitution, a person may not become or continue as a partner governor of the Trust if any of the criteria set out in sections 5.2 to 5.7 below apply.
- 5.2 He is a director or employee of the Trust, or a director or governor of another foundation trust.
- 5.3 He has been adjudged bankrupt or his estate has been sequestrated and in either case he has not been discharged.
- 5.4 He has made a composition or arrangement with, or been granted a trust deed for, his creditors and has not been discharged in respect of it.
- 5.5 He has been convicted in the British Isles of any offence, and a sentence of imprisonment (whether suspended or not) for a period of three months or more (without the option of a fine) was imposed on him.
- 5.6 He has in the preceding ten years been dismissed by the Trust or its predecessor on any grounds, or in the case of another organisation, on any grounds other than redundancy.
- 5.7 He has ever been convicted of an offence against children or is currently on the Register of Sexual Offenders.

6 Eligibility, termination of office and removal of governors

- 6.1 Under the Trust's constitution, a person holding office as a partner governor shall cease to do so if any of the criteria set out in sections 6.2 to 6.11 below apply.
- 6.2 He resigns by giving notice in writing to the Governor and Membership Officer.
- 6.3 The appointing body withdraws their appointment of him or, if that appointment arises from his employment by the appointing body, he ceases to be employed by the appointing body.
- 6.4 He is a person whose tenure of office as a chairman or member or director of a health service body has been terminated on the grounds that his appointment is not in the interests of the health service, for non-attendance at meetings, or for non-disclosure of a pecuniary interest.
- 6.5 He has had his name removed by a direction under section 46 of the 1977 Act from any list prepared under Part II of that Act and has not subsequently had his name included in such a list.
- 6.6 He is incapable by reason of mental disorder, illness or injury of managing and administering his property and affairs.
- 6.7 He has failed to abide by the terms of any declaration made on nomination or appointment, or of any code of values and principles which the Trust may publish from time to time.
- 6.8 He is a vexatious complainant, in that, in the opinion of the Board of Directors, he has persistently and without reasonable grounds, made any unjustified complaint the effect of which is to subject the Trust (or any of its staff, agents, patients or carers) to inconvenience, harassment or expense.
- 6.9 He has failed to declare an interest in accordance with standing orders or, contrary to the standing orders, has voted at a meeting on a matter on which he has an interest, or has failed to declare any interest as required by the constitution or the standing orders; in this context 'interest' includes a pecuniary or a non-pecuniary interest whether direct or indirect.
- 6.10 He has been excluded from the Trust's premises because of abusive or violent behaviour; or he has failed to comply with or otherwise contravened the Trust's policy, 'Withholding treatment and exclusion from premises of violent and abusive patients' (as amended from time to time) and has been so notified to that effect by the Trust.
- 6.11 He is a member of a Local Authority Overview and Scrutiny Committee for Health (Social Affairs and Health Scrutiny Commission).

7 Declaration

7.1 An appointee of a partner organisation will be required to make a declaration (on the pro forma provided) covering the points set out 7.2 below.

7.2 The declaration will confirm that the appointee:

- is resident at their given address;
- is eligible to be appointed to the Council of Governors and not debarred from standing for election;
- endorses the principles of the National Health Service and in particular that healthcare is available to everyone regardless of age, income or ethnicity and is based on need, not the ability to pay, as well as being free at the point of delivery;

7.3 Under section 36 of the Health and Social Care (Community Health and Standards) Act 2003, it is an offence to knowingly or recklessly make a declaration which is false in a material particular.

8 Other terms of appointment

8.1 Register of interests

8.1.1 A governor must declare any pecuniary interest, direct or indirect, in any contract, proposed contract or other matter concerning the Trust; and any interests which are relevant and material to the business of the Trust.

8.1.2 The Trust will maintain a register of interests of members of the Council of Governors which will be available for public inspection.

8.2 Expenses

8.2.1 Appointment as a governor is unpaid.

8.2.2 The Trust will pay travelling and other expenses to governors at rates determined by the Board of Directors.

8.3 Termination of office

8.3.1 A governor may resign at any time during their term of office by giving written notice.

8.3.2 Where a governor becomes disqualified or otherwise ceases to be eligible, per 5 and 6 above, he must notify the Trust without delay.

8.3.3 The Council of Governors may remove a governor from office if he breaches attendance or other requirements set by the Council

8.4 Vacancy

- 8.4.1 Where a vacancy for a partner governor arises, the appointing body will be asked to appoint a replacement. The initial tenure of the governor appointed to the vacancy will be for the balance of the departing governor's term of appointment.

8.5 Disclosure and Barring Service (DBS)

- 8.5.1 All governors are subject to disclosure and barring service (DBS) checks which are undertaken by the Trust as soon as governors accept their seat on the council.
- 8.5.2 The Trust's Governor and Membership Officer must be advised of any changes in circumstances that affect the information which would be provided on a governors DBS check.

8.6 Governors code of conduct

- 8.6.1 All governors will be required to sign a code of conduct as soon as governors accept their seat on the council.

9 Time commitment

- 9.1 There are normally nine meetings of the Council of Governors each year, including at least one joint meeting with the Board of Directors. Each meeting (which includes a governors' pre-meeting) usually lasts three hours.
- 9.2 In addition, governors may serve on one of the two standing committees of the Council or the small number of other ad hoc committees or have other ad hoc commitments outside the formal meetings. Partner governors tend to have fewer such commitments than elected governors.
- 9.3 Over the course of a year, with reading time, the indicative time commitment is approximately one day a month.

BOLSOVER DERBYSHIRE DISTRICT COUNCIL**EXECUTIVE****11TH JANUARY 2017****PROCUREMENT OF KERBSIDE RECYCLING SERVICE****REPORT NO: TC/**/17/SB OF COUNCILLOR T.CONNERTON WITH PORTFOLIO
RESPONSIBILITY FOR THE ENVIRONMENT****Purpose of the Report**

- To update Members of joint procurement arrangements of the Council's kerbside recyclable waste collection service in anticipation of it reaching the end of its extended contract duration.

1 Report Details

- 1.1 Executive, at its meeting on 31st October 2016, considered a report setting out the procurement timetable for the joint market testing of Bolsover (BDC) and North East Derbyshire (NEDDC) kerbside recycling service in anticipation of it reaching the end of its extended (7 year) contract period at 31st October 2017.
- 1.2 The Council's Shared Procurement Partnership has since advised of changes to public procurement regulations and pre-qualification process; further to which, this reports sets out a revised timetable; as follows:

Event	Date
ITT issued	16 th December 2016
Deadline for the receipt of clarification questions	17:00 pm 15 th February 2017
Deadline for receipt of Tenders	12:00 noon 24 th February 2017
Evaluation of Tenders	27 th February to 27 th March 2017
Tender Clarification Workshop (4 highest ranking)	6 th April 2017
Notification of contract award decision	1 st June 2017
Standstill period	1 st to 12 th (midnight) June 2017
Contract award	19 th June 2017
Contract commencement - work starts	1 st November 2017

- 1.3 The earlier timetable allowed a Pre-Qualification Questionnaire (PQQ) stage in procurement process to appoint tenderers to a select list. However, arising from recent changes to public procurement regulations, the PQQ process is now replaced by a Selection Questionnaire (SQ) which limits the Council's opportunity to request technical and financial information by moving to a 'self certification' process. Where financial and technical information is requested, this must now be requested at the later SQ stage, thus adding time to the process. Therefore, to ensure the main tendering element of the timetable is maintained, open tenders will be sought from the market place.

- 1.4 The tender has also been revised to provide an 'opt in' for Chesterfield Borough Council (CBC) in anticipation of their current contract arrangement reaching its anniversary at 31st October 2018.

2 Conclusions and Reasons for Recommendation

- 2.1 Members note the revised timetable for undertaking joint procurement arrangements of BDC and NEDDC kerbside collection recycling services; also, the potential 'opt in' of CBC.
- 2.2 A further report will be submitted to Executive at the decision stage in awarding contracts.

3 Consultation and Equality Impact

- 3.1 The Council, in partnership with Bolsover, Chesterfield, Erewash and Derbyshire County Council, undertook a 'bidder's open day' in May 2016, to consult the market place. The outcomes of this have been incorporated within the tender documents.

4 Alternative Options and Reasons for Rejection

- 4.1 The procurement timetable is revised further to advice received from the Council's Shared Procurement Team (Chesterfield Royal Hospital).
- 4.2 The Council's contract will include disposal and conveying of collected recyclables to appropriate material pre-processors; in particular, as private sector recycling waste service providers have established processing facilities and end markets securing sustainable and economic outlets which the Council(s) are not best placed to secure; hence, the service being procured by way of external providers.

5 Implications

5.1 Finance and Risk Implications

- 5.1.1 Financial implications will be subject to a further report following evaluation of tenders received. However, the Council must have re-procured a new service provider by the end of the current contract's extended period (31st November 2017).
- 5.1.2 Whilst market testing will be undertaken jointly between BDC, NEDDC and CBC, it is anticipated that each Council will form its own individual contract with the service provider.

5.2 Legal Implications including Data Protection

- 5.2.1 The procurement process and timetable follows the 'open tender' approach of the Public Procurement Contract requirements. All tenders received will be evaluated in line with the Council's 60\40 (price\quality) evaluation criteria.
- 5.2.2 Procurement will be managed jointly with the Council's Strategic Partner (NEDDC) Shared Procurement Partnership (Chesterfield Royal Hospital) to meet minimum timelines set down by European and Public Procurement Regulations.

5.3 **Human Resources Implications**

5.3.1 None arising directly from this report.

6 **Recommendations**

6.1 Members note the revised timetable for undertaking joint procurement arrangements of BDC and NEDDC kerbside collection recycling services, with 'opt in' provision for CBC.

6.2 A further report will be submitted to Executive at the decision stage in awarding contracts.

7 **Decision Information**

Is the decision a Key Decision? (A Key Decision is an executive decision which results in income or expenditure to the Council of £50,000 or more or which has a significant impact on two or more District wards)	No
Is the decision subject to Call-In? (Only Key Decisions are subject to Call-In)	No
District Wards Affected	None at this time
Links to Corporate Plan priorities or Policy Framework	<ul style="list-style-type: none"> • Supporting Our Communities to be Healthier, Safer, Cleaner and Greener • Providing our Customers with Excellent Services

8 **Document Information**

Appendix No	Title
N/a	N/a
Background Papers (These are unpublished works which have been relied on to a material extent when preparing the report. They must be listed in the section below. If the report is going to Cabinet (NEDDC) or Executive (BDC) you must provide copies of the background papers)	
Report Author	Contact Number
Steve Brunt	01246 593044\217264

Bolsover District Council

Executive

3rd January 2017

Apprenticeship Reforms

Report of Assistant Director HR and Payroll

This report is public

Purpose of the Report

- To provide information on the new apprenticeship levy and apprenticeship start targets due to be introduced in April 2017, and how they impact on the Council and establish if the Council wishes to collaborate with its strategic alliance partner on its response to the government's Apprenticeship Reforms.
- To consider the various options for optimising apprenticeship funding, achieving the Public Sector Target and contributing towards the Council's corporate aims.

1 Report Details

Apprenticeship Levy

- 1.1 The government announced a new apprenticeship levy in the Summer Budget 2015. The purpose of the levy is to fund an increase in the number and quality of apprenticeships and to meet the government's target for 3 million apprenticeship starts by 2020.
- 1.2 The apprenticeship levy will be introduced in April 2017 and will apply to all employers with an annual payroll of more than £3 million. The levy will be charged at a rate of 0.5% and payments will be collected monthly by HM Revenue and Customs (HMRC) through Pay as You Earn (PAYE). There will be a £15,000 fixed annual allowance for employers to offset against their levy payment, and the government will apply a 10% top-up to monthly funds entering levy paying employers digital accounts.
- 1.3 The total annual funding will then be made available back to the Council via a new Digital Apprenticeship Service (DAS) account, which will be used to pay for apprentices training, assessment and certification costs. The levy cannot be used to cover apprentices' wages and other associated costs e.g. overheads and supervision costs. Funding caps will be in place to limit the amount of levy funds that can be spent on training for an individual apprentice, and this will vary according to the level and type of apprenticeship.
- 1.4 Levy funds must be used to train apprentices against an approved standard or framework, delivered by an approved provider. This includes either existing staff or

new recruits as long as the training meets an approved standard or framework and the individual meets the apprentice eligibility criteria.

- 1.5 All existing and new apprenticeship frameworks and standards will be placed within one of 15 funding bands, starting at £1,500 for band 1 and up to £27,000 limit for band 15. The appropriate band will depend on the level and type of apprenticeship. The Council will be able to negotiate the best price for the training they require but the cost cannot be any less than the limit indicated for the particular band.
- 1.6 A new independent body, led by employers, called the Institute for Apprenticeships will be established to regulate the quality of apprenticeships. The institute's role will be to advise on setting funding caps, and approving apprenticeship standards and assessment plans. It will be established in 2016 and will be fully operational by April 2017.

Apprenticeship Targets

- 1.7 In January this year, the government consulted on its intention to introduce a target for public sector employers in order to meet its target for 3 million apprenticeship starts by 2020. The target will be a minimum of 2.3% 'starts' each year based on the headcount of employees for all public sector employers employing more than 250 employees (This could include existing employees commencing apprenticeship training as well new apprentices). The outcome of the consultation may see this target being revised to apply to the number of full time equivalents (FTEs) instead of employee headcount.

What this means for each Council

- 1.8 Based on the Council's current pay bill, the following apprenticeship levy has been forecast by the Council's finance department:

Bolsover District Council

Year	Levy	10% top-up (govt funded)	Total
2017-18	£32,466	£3,246	£35,712
2018-19	£33,415	£3,341	£36,756

- 1.9 A 2.3% apprenticeship 'starts' target, based on employee headcount and FTEs (the government are still to confirm which it will be based on):

Bolsover District Council		Annual Target
Headcount	502	12 (£3k per apprentice)
FTEs	385	9 (£4k per apprentice)

1.10 Benefits of employing apprentices include:

- **Building the talent pipeline:** apprenticeships can be used either for new recruitment or to develop internal talent to fill skills gaps
- **Developing existing staff:** relevant for anyone wanting to develop new skills and advance within the organisation
- **Social mobility:** provides opportunities for people from diverse and disadvantaged backgrounds to gain skills and progress

1.11 Research demonstrates a high level of return on investment delivered by apprenticeships, indicating that adult apprenticeships at levels 2 and 3 deliver £26 and £28 of economic benefits respectively for each pound of government investment¹. The lifetime benefits for those who complete apprenticeships are also significant, at between £48,000 and £74,000 for level 2, and between £77,000 and £117,000 for level 3². Higher apprentices could earn £150,000 more on average over their lifetime compared to those with level 3 vocational qualifications³.

1.12 Assuming the Council will want to maximise the funds available for apprenticeship training, the apprenticeship levy and target for apprenticeship starts will come into play in April 2017. The Council will therefore need to start preparing to ensure:

- Plans are in place to meet or exceed the apprenticeship start targets
- The apprenticeship levy can be fully utilised
- The financial impact on the Council is minimised
- New skills are developed in line with the Council's corporate aims, either within existing staff or by recruiting new apprentices.

1.13 To achieve the above, consideration should be given to developing and implementing an apprenticeship strategy that involves recruiting new apprentices combined with apprenticeship opportunities for existing members of staff.

New Apprentices

1.14 For new apprentices, there are a number of options and a combination of some/or all may be preferable:

- a) All entry level positions could be first considered for their suitability as an apprenticeship; like an 'apprenticeship presumption' default position when recruiting new members of staff.
- b) When the above applies to an existing post that has become vacant, savings can be demonstrated by converting the position into an apprenticeship (it may be necessary to ensure the original post remains on the establishment so to provide a progression route for the apprentice if appropriate or alternatively the Apprentice could be placed on a fixed term contract and once they have completed or during

¹ www.gov.uk/government/publications/further-education-measuring-the-net-present-value-in-england

² London Economics (2011) – BIS Research Paper Number 53, Returns to Intermediate and Low Level Vocational Qualifications, September 2011

³ AAT and CEBR – Is a university degree the best route into employment?

their apprenticeship they will be able to apply for vacancies to progress)* **see note under 1.4 f.** This will ensure a bigger turnover of apprentices.

- c) The 'request to fill a vacancy' form is amended to require the relevant member of SAMT to justify the post not being an apprenticeship opportunity.
- d) Use higher level apprenticeships as an alternative to graduate recruitment.
- e) An apprenticeship career progression route may be appropriate for some positions, for example, starting at a level 2 and progressing to a level 3 and then level 4. The apprenticeship target relates to apprenticeships undertaken, not people, so someone following this route would potentially count as 3 apprenticeships.
- f) BDC currently has in place a combined Traineeship/Apprenticeship scheme and this is currently funded through residual Working Neighbourhood Funds. Plans are in place to recruit 8 -10 trainees in October 2016 and 5/6 apprenticeship opportunities will be made available in April/May 2017. Therefore the final cohort of WNF funded apprentices should commence after 1st April 2017 and therefore count towards BDC's apprenticeship starts target for 2017/18. Career progression for these apprentices is not guaranteed within the Council; if there are no job opportunities after completing their apprenticeship they are supported to find employment with another organisation. Their time at BDC equips them with skills and experience, a work reference and a platform from which to gain employment with another employer.
- g) It is anticipated that even with the above options realised it may prove challenging to achieve the target set, particularly as the target is based on apprenticeship starts and not the number of apprentices and consequently once an apprentice starts a 3 year programme for instance, this will only be counted once and not for subsequent years on the programme. Therefore the Council may wish with its strategic alliance partner set up a separate annual Apprenticeship programme for young people with the main aim to provide them with a foundation of experience and qualification to enable them to gain permanent employment either with the Council or with another employer. **NB. This option may not be practicable as the Skills Funding Agency has recently issued new draft funding rules which include the following requirement: "There must be a genuine job available after the apprenticeship is completed"** Clarification is being sought on this as there has been the suggestion that this only applies to Apprenticeship Training Agencies (ATAs).

See the table below for the estimated annual costs for such a programme (based on each programme running with 6 apprentices each year). The programme could be set up for a 3 year period to establish over this period how effective the Council has been in utilising its levy and achieving its target.

1.15 For existing members of staff:

- h) Departments to identify potential skills gaps within departments, for example, those with an ageing workforce, and developing skills within existing employees to fill those gaps
- i) For organisational reviews, the relevant member of SAMT to demonstrate that apprenticeship options have been fully explored and considered. The policy to be amended to reflect this requirement.
- j) Develop existing staff through apprenticeships; this could be relevant for anyone wanting to develop new skills
- k) Future training requirements are considered on the basis as to whether an apprenticeship is available and also look at converting future planned training into

apprenticeships where appropriate. For example, in 2013, 8 employees were supported at level 3 and 6 employees were supported at level 5.

Estimated Total Annual Costs (with on-costs) of an Apprenticeship Programme (These figures would be halved if the programme is jointly funded across the strategic alliance)

Under 18s (£4 per hour)	Aged 18 – 20 (£5.55 per hour)	21 and Over (£6.95 per hour)	National Living Wage rate (£7.20 per hour)
£60,029 (£10,004 per apprentice) (see 1.17 below)	£84,570 (£14,095 per apprentice)	£104,298 (£17,383 per apprentice)	£108,051 (£18,008 per apprentice)
<i>Plus the cost of a part time Co-ordinator post (£15500 – including on costs) (see 1.18 below) This could potentially be jointly funded by the Strategic Alliance.</i>			

Other considerations

- 1.16 The government has recently consulted about the funding rules and have indicated that if a levy paying employer wants to invest more in apprenticeship training than they hold in their digital account, the government will meet 90% of this additional cost with the employer contributing 10%. This provides a significant incentive to employers who wish to receive additional funding.
- 1.17 The government will pay £1000 to each employer to help meet the additional costs associated with employing young (16 to 18 year old) apprentices. This will initially be paid to employers via the training provider.
- 1.18 Subject to whether an annual programme(s) is established, it is envisaged that an Apprenticeship Co-ordinator post would need to be established to ensure Apprentices/line management received support to ensure performance and that training/assessment was managed and monitored effectively. They would also work closely with the Training Provider(s) to ensure the quality of training and learner support was delivered as required.
- 1.19 New standards and assessment plans are being designed by groups of employers. Initially the government had intended all new apprenticeship starts to be on the new standards by 2017/18 but this aim has been delayed, in part due to the complexity created by the introduction of the levy. Attached at Appendix 1 is the current list of Apprenticeship Standards for members' information.
- 1.20 Members will note that there are, however, some key vocational areas within the council that are not yet associated with apprenticeships that could benefit from being so, for example, Planning and Revenues and Benefits.

2 Conclusions and Reasons for Recommendation

- 2.1 The government's apprenticeship reforms will start to impact on the Council from April 2017 through the requirement to pay an apprenticeship levy of 0.5% and meet

a minimum of 2.3% apprenticeship starts annually. A number of options have been outlined in the body of this report which aim to ensure that the Council makes optimum use of the levy. It is hoped that with a combined collaborative approach, resources can be shared and efficiencies can be found and the Council will ensure better purchasing powers.

3 Consultation and Equality Impact

3.1 The government has undertaken consultation across employers on the arrangements for the apprenticeship levy, the move to new Apprenticeship standards and public sector apprenticeship starts. Feedback from the apprenticeship starts target consultation may result in the target being based on FTEs instead of employee headcount; an outcome was expected in June 2016, but as yet there is still no finalised decision.

Subject to Executive's agreement an Equality Impact Assessment will be undertaken to ensure there is no differential impact. Furthermore the policy will run alongside the existing recruitment and selection and learning and development policies, which will assist in preventing discrimination to disadvantaged and vulnerable groups.

4 Alternative Options and Reasons for Rejection

4.1 A number of options have been discussed within the body of the report (1.14 – 1.20). An alternative would be to either do nothing or agree to implement some of the options open to the Council but not all. The option to do nothing has been rejected on the basis that:

- The levy will be collected by HMRC regardless so it is in the Council's best interest to maximise use of the funding
- It is considered that this is an opportunity to embed apprenticeships across the strategic alliance as a way of developing new talent and up skilling existing staff
- Although there is no penalty for not achieving apprenticeship start targets, public sector employers will be expected to publicise data under the transparency agenda.

4.2 To agree to do some of the options included at 1.14 and 1.15 but not all, could potentially jeopardise the Council's ability to achieve the 2.3% target and possibly not maximise its levy investment and benefit from the additional incentives provided by the government once the levy account is exhausted.

5 Implications

5.1 Finance and Risk Implications

The Apprenticeship levy for the Council has been forecast by the Finance department and is detailed in Section 1.8. In addition to the levy, there are potentially other costs that need to be considered, including the wage and overhead costs of employing new and additional apprentices aimed at increasing social mobility as well as the inclusion of a Co-ordinator post to manage the programme.

Potentially there could be savings made through the conversion of vacant positions into apprenticeships as detailed in 1.14.

The additional costs of establishing an annual apprenticeship programme would be in region of £75,000 to £125,000 subject to rates of pay offered to apprentices. Given that the Apprentices will be provided with a high quality training and work experience programme it is anticipated that they will make a significant contribution to service provision and as such they should enable savings to be secured that offset the projected increase in costs. As the operation of the scheme is clarified by central government and local implementation plans are developed Officers will be able to provide a more detailed assessment of both the local scheme and projected costs for consideration by Members.

The government also released a further draft of funding rules in October which included the following brand new provision in relation to any apprenticeship whose training is funded via the levy: “***There must be a genuine job available after the apprenticeship is completed.***” Clarification is being sought from the Skills Funding Agency as to whether this just applies to Apprenticeship Training Agencies (ATAs). Any such provision is likely to result in an impact of low turnover of apprenticeship opportunities.

The government has not introduced a penalty for the failure to achieve the Council’s apprenticeship target but the consequences of not performing well against the target may result in adverse publicity locally, as the Council’s performance against the target set has to be published.

5.2 Legal Implications including Data Protection

None identified

5.3 Human Resources Implications

There will be HR implications during the scoping stages for the HR & Payroll service. There will also be implications for managers in their roles as supervisors for apprentices.

6 Recommendations

6.1 That Executive agree to endorse the Strategic Alliance Management Team to implement an Apprenticeship Strategy to include the options included in 1.14 and 1.15 with a view to maximising the new Apprenticeship Levy and provide the opportunity for the Council to achieve its Apprenticeship target.

6.2 The Council agree to pay the national pay rates for Apprentices.

7 Decision Information

Is the decision a Key Decision? (A Key Decision is an executive decision which results in income or	No
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expenditure to the Council of £50,000 or more or which has a significant impact on two or more District wards)	
District Wards Affected	All
Links to Corporate Plan priorities or Policy Framework	<p>Transforming our Organisation – by developing the skills of existing and potential new employees</p> <p>Unlocking our Growth Potential – by taking a lead as the public sector and supporting people to improve their employability skills and raise aspirations.</p>

8 Document Information

Appendix No	Title
Background Papers (These are unpublished works which have been relied on to a material extent when preparing the report. They must be listed in the section below. If the report is going to Cabinet (NEDDC) or Executive (BDC) you must provide copies of the background papers)	
Report Authors	Contact Number
Peter Wilmot and Laura Khella	01246 242565

Report Reference –

Bolsover

Executive

January 2017

Telephony and Contact Centre Management Software

Report of the ICT Manager

This report is public

Purpose of the Report

- To advise Executive of the position concerning the current telephony and contact centre telephony management solutions
- To review options and seek approval to proceed with the recommended option

1 Report Details

- 1.1 The current telephony and Contact Centre telephony Management (CCM) solution was procured and implemented as part of Project Horizon in 2012. The 5 year term of the agreement ends in September 2017. The telephony solution is used by BDC staff and joint workers. The CCM is used by the Contact Centres and Revenues and Benefits for call queue management and reporting.
- 1.2 In 2015 the current supplier announced that the current solution would no longer be supported and maintained after September 2017 and all customers would need to migrate to a different solution in advance of the end of support date. In addition to this, clients are unable to expand the system after September 2016 as new licenses are no longer on sale.
- 1.3 Having discussed with the current provider the option to migrate to a new product the view was taken that it would be more appropriate to consider the full range of options that are available to the Council. The three main options that have been considered were :
 - Remaining with the current supplier and being moved to a new solution.
 - Adopting the MITEL solution currently utilised by our Strategic Alliance partner, with both parties moving to the MITEL CCM solution for managing the Contact Centres.
 - Moving to a cloud based solution.

- 1.4 Having considered the Strategic Options that are open to the Council including visits to customer reference sites and consultation with internal stakeholders the option evaluation concluded that the MITEL solution was that which best meets the needs of the Council while providing the most cost effective option. In order to procure the software and equipment proposed within this report Officers are recommending that the Council approve the direct award via Crown Commercial Services, Framework RM1045, Lot 10 for 'Unified Communications' to NG Bailey Limited.

2 Conclusions and Reasons for Recommendation

- 2.1 Any decision on future telephony and CCM telephony solution need to consider future opportunities for agile working, possible future joint service arrangements and reducing costs through rationalisation of systems. The evaluation that has been undertaken has concluded that the MITEL solution best met the current and future service requirements of Bolsover District Council. While there will be additional one off acquisition and installation costs, once these costs have been met the revenue costs are in line with those of the current system.
- 2.2 The full 'Unified Communications' functionality which the recommended system will provide includes the following features:
- 'presence' information
 - Common number for joint workers across the Strategic Alliance, reducing overall license commitment and improving accessibility
 - Hot desking, only partially implemented at BDC with current solution
 - 'soft phone', providing telephony access for laptop users at any internet connected site or at home
 - Multiple device – single click for calls to direct to mobile or handset
 - Council mobile devices can act as handsets within Council WiFi areas
- 2.3 There will be a variable element to the cost in relation to the number of standard handsets deployed as some staff will make use of Council smartphones or headsets. It is recommended that we proceed on the basis that:
- Laptop users have the option to be provided with headsets and utilise software based telephony via their laptop
 - Staff with a fixed desktop PC will be provided the option of headsets and utilise software based telephony via their PC or a standard handset.
 - Staff with a Council provided smartphone that do not fall into the above categories will use the features of the 'unified communications software' and have calls redirected to their mobile phone. This option will also be available to laptop and fixed desktop users who have council smartphones as an alternative to headsets.
 - Staff who 'hot desk' or use VDI are provided with a standard handset
 - Refurbished handsets are procured delivering a saving of over £4,000 over 'new' products.

A degree of flexibility concerning the above will be required dependent on individual needs.

3 Consultation and Equality Impact

- 3.1 Consultation has been undertaken with the Contact Centre Managers and Revenues & Benefits Managers.
- 3.2 An Equality Impact Assessment is being undertaken and procurement will be dependent on a satisfactory outcome.
- 3.3 A Privacy Impact Assessment will be undertaken for the MITEL CCM solution and procurement will be dependent on a satisfactory outcome.

4 Alternative Options and Reasons for Rejection

- 4.1 The current recommendations are based upon an evaluation concerning three different strategic approaches to meeting our requirements for Telephony and Contact Centre management software. The first option was to take up the offer from the current provider and migrate to their recommended solution. Although this was the cheapest option it is rejected due to the product suite not being considered to be appropriate to meeting the current and future needs of the Council.
- 4.2 Move to a Cloud based telephony and CCM solution. A number of market leading solutions were looked at however none delivered the level of functionality currently in use at BDC and a move to one of these solutions would be seen to be a retrograde step that would adversely impact efficiency and performance. Revenue costs for cloud based telephony and CCM solutions were also found to be significantly higher than the current or proposed solutions.
- 4.3 Migrate to the MITEL telephony solution and the MacFarlane CCM. This has been discounted for a number of reasons:
 - Minimal development of the MacFarlane solution has taken place and concerns over the future of the product
 - The MacFarlane solution is not SIP (Internet based telephony) compliant which would lead to increased call costs.
- 4.4 Migrate to the MITEL telephony solution and adopt a CCM cloud based solution. This has been rejected as the market leading cloud based solutions do not offer the levels of functionality that the MITEL solution does and would adversely impact on efficiency and performance. In addition cloud based solutions significantly increase our annual revenue costs.
- 4.5 The MITEL telephony and MITEL CCM solution is procured for BDC but the full unified communication suite is not procured. If we only procure the option that provides hot desking and access to the softphone for existing joint workers, home workers and staff who currently hotdesk then this would lead to a reduction in 'one of' costs of £4,752 at BDC. At BDC 121 staff currently are assigned as 'hot desk' workers with around 30 consistently using this feature however 100 staff have been identified as candidates for softphone (smartphone users). There are 76 joint workers in the Strategic Alliance (excluding ICT) who would require this for either phone hot desking or to use Council smartphones.

This option is not recommended as it does not position us to progress the aim to provide more agile working as set out in the recently approved client ICT strategy. The current prices are heavily discounted (30%) and it is unlikely these discount levels would be available for future ad hoc purchases.

5 Implications

5.1 Finance and Risk Implications

5.1.1 While the Council has no option other than to upgrade its telephony and CCM solution a significant investment of up to £47,292 is required to implement the preferred MITEL solution. Additional funds are required to procure handsets and head sets and will be between £15,400 and £22,400. The costs of the proposed solution have been minimised by the utilisation of soft phones and headsets or Council smartphones rather than move to full handset replacement. Refurbished handsets will be procured where required. The evaluation has concluded that the proposed solution is the most cost effective available to meet the Council's Telephony and Contact Centre management requirements. By enabling the adoption of more productive working methods it will facilitate the delivery of the Council's Transformation Programme thus delivering on going cost savings with which to offset the initial costs of implementation. The one off costs associated with the introduction of the replacement system will be met from the Transformation Reserve.

5.1.2 Given that the Council's telephony and CCM software are an integral part of our operational arrangements it is crucial that the management of the transition to a new system is handled effectively. In line with established arrangements officers will develop a project risk register in order to identify and agree mitigation in respect of key risks.

5.2 Legal Implications including Data Protection

5.2.1 Currently contact centre and Revenues & Benefits call recording for agents is switched off due to Data Protection concerns as the system cannot differentiate between agents and calls transferred to staff. This results in a valuable training option being withheld and to assist with complaints. With the MITEL solution call recording functionality is limited to calls taken by the Contact Centre Agents and ceases if a call is transferred.

5.2.2 Whilst satisfying one of the controls, the move to the MITEL solution does not satisfy requirements for the payment cards industry PCI-DSS 3.1 compliance. Officers will continue to explore options to enable full compliance at the earliest opportunity.

5.3 Human Resources Implications

Significant resource will be required from ICT and from the key users of the system to implement the new solution. It is anticipated that this will be achieved from within

existing resources. Vendor support in migration and configuration is included in the costs.

6 **Recommendations**

- 6.1 That Executive approves the deployment of the MITEL Unified Communications telephony solution and MITEL CCM.
- 6.2 That Executive approves the expenditure on replacement telephony and CCM software at a cost of up to £70,000, with funding from the Transformation Reserve.
- 6.3 That Executive supports the recommended deployment criteria laid out in section 2.3 to minimise costs of handsets procurement.
- 6.4 That Executive approve the direct award via Crown Commercial Services, Framework RM1045, Lot 10 for 'Unified Communications' to NGBailey Limited.

7 **Decision Information**

Is the decision a Key Decision? (A Key Decision is one which results in income or expenditure to the Council of £50,000 or more or which has a significant impact on two or more District wards)	Yes
District Wards Affected	None
Links to Corporate Plan priorities or Policy Framework	Yes

8 **Document Information**

Appendix No	Title
Background Papers (These are unpublished works which have been relied on to a material extent when preparing the report. They must be listed in the section below. If the report is going to Cabinet (NEDDC) or Executive (BDC) you must provide copies of the background papers)	
An evaluation has been undertaken of all options considered within this report. This evaluation is supported by detailed working papers.	
Report Author	Contact Number
Nick Blaney	01246 217097