



CABINET DECISION NOTICE

Publication Date: 10th September 2021

At a meeting of the Cabinet held on the 8th September 2021 the following matters were discussed. The decisions of Cabinet are set out below each item along with reasons for the decision and other options considered.

Present: Councillor Jackson (in the Chair)

Councillors Cracknell, Lindley, Procter, Shepherd and S. Swinburn.

DN.47 APOLOGIES FOR ABSENCE

There was an apology for absence received from Councillor Shreeve for this meeting.

DN.48 DECLARATIONS OF INTEREST

Councillor Cracknell declared a personal interest at DN.54, due to an employee been a member of the community group involved in the potential asset transfer.

DN.49 MINUTES

The minutes of the Cabinet meeting on 11th August 2021 were agreed as a correct record.

DN.50 COUNCIL PLAN

Cabinet considered a report from Leader of the Council presenting the latest Council Plan for consideration.

RESOLVED –

- 1. That the progress being made on the refresh of the Outcomes Framework with partners, and the further consultation required prior to adoption of a final version by the Place Board, be noted.**

2. **That the draft Council Plan outlined in Appendix A of the report now submitted be agreed and referred to Scrutiny for engagement and feedback.**
3. **That following scrutiny engagement, Considers a final report on the Council Plan prior to referral to Full Council for final adoption.**

REASONS FOR DECISION - To ensure that the Council and its partners continue to focus, together, on the stronger economy and stronger communities ambition.

OTHER OPTIONS CONSIDERED – Council may choose not to adopt the Plan. However, this option would mean that there is a lack of visibility around the Council's planned activity and progress.

DN.51 ECONOMIC STRATEGY 2021

Cabinet considered a report from the Leader of the Council setting out the Economic Strategy 2021 for adoption.

RESOLVED –

1. **That the Economic Strategy 2021 be agreed, as drawn subject to the following additions:**
 - i. **At page 43, section 9.31: an additional provision to work with private sector colleagues to assess the potential for a careers advice service for students from secondary and tertiary education settings; and**
 - ii. **Noting that inward investment includes businesses across all sectors (including tourism) to incorporate specific tourism objectives into the Cleethorpes Master planning exercise.**
2. **That the referral to Scrutiny be noted and having regard to the above recommendations, referred the Economic Strategy to Full Council for final adoption.**

REASONS FOR DECISION - The decision allows the Council to publicise its vision for the local economy and ensure that its engagement with all stakeholders across all sectors of the economy is consistent and focused on the stated aims and objectives within the strategy.

OTHER OPTIONS CONSIDERED - We could choose not to produce a new Economic Strategy. However, without an Economic Strategy we do not have a strategic plan that demonstrates collaboration with our key sectors. This would undermine the Council's ability to work with business to secure funding and policy opportunities and also, we would

not have a baseline to measure performance against our agreed direction or travel.

DN.52 HIGHWAYS FRAMEWORK 2022 – 2026

Cabinet considered a report from the Portfolio Holder for Environment and Transport seeking approval to procure the renewal of the Highways Framework.

RESOLVED –

- 1. That authority be delegated to the Executive Director Environment, Economy and Resources in consultation with the Deputy Leader and Portfolio Holder for Finance, Resources and Assets and the Portfolio Holder for Environment and Transport, to release a compliant tender under the contract regulations for the Highways Frameworks (through ENGIE).**
- 2. That upon completion of the process, authority be delegated to the Executive Director Environment, Economy and Resources in consultation with the Deputy Leader and Portfolio Holder for Finance, Resources and Assets and the Portfolio Holder for Environment and Transport, the award of the contracts to the successful provider(s).**
- 3. That the Assistant Director Law, Governance and Assets (Monitoring Officer) be authorised to complete all requisite legal documentation in relation to the matters outlined above.**

REASONS FOR DECISION - The Council is required to demonstrate value for money in the procurement of capital works under the Public Contracts Regulations 2015. This legislation specially prohibits the use of local bias while undertaking procurement activities. However, as outlined below, several initiatives are being included as part of this exercise to actively deliver social value.

OTHER OPTIONS CONSIDERED –

Status Quo - A decision could be made not to implement further contracting arrangements, although the Council this would potentially reduce value for money opportunities that come by aggregating demand.

e-Auctions - E-Auctions are best suited to commodity and service-based contracts. They are also difficult to design for works requirements and therefore this option is not recommended.

Central Purchasing Bodies - The Council could access Government framework arrangements such as the YORcivils2 Highways and Civil Engineering Framework managed by ERYC for Yorkshire and Humber. However, Government frameworks do not necessarily consider local supply chain development and there is an associated cost per project to access the call off arrangements. Therefore, this option is not recommended.

DN.53**DYNAMIC PURCHASING SYSTEM FOR APPRENTICESHIPS**

Cabinet considered a report from the Deputy Leader and Portfolio Holder for Finance, Resources and Assets seeking approval to commence a procurement exercise to reprocore the Apprenticeship Dynamic Purchasing System.

RESOLVED –

- 1. That the commencement of a procurement exercise for the replacement Apprenticeship Dynamic Purchasing System be approved.**
- 2. That authority be delegated to the Executive Director of Environment, Economy and Resources in consultation with the Deputy Leader and Portfolio Holder for Finance, Resources and Assets to deal with all matters relating to the award of individual contract under the Apprenticeship Dynamic Purchasing System.**
- 3. That the Assistant Director Law, Governance and Assets (Monitoring Officer) be authorised to execute and complete all requisite legal documentation.**

REASONS FOR DECISION – The decision allows the Council to commence a procurement exercise for the Apprenticeship Dynamic Purchasing System and allows the Council to award the individual contract. This will enable the Council to procure apprenticeship providers to deliver apprenticeships to the workforce and remain compliant with the Public Contracts Regulations 2015 and the Councils Contract Procedure Rules.

OTHER OPTIONS CONSIDERED –

Procuring apprenticeship providers on a one-off basis every time. Due to the potential aggregation of spend on common types of apprenticeships, over time just doing one-offs would put the Council at risk of challenge, due to exceeding the value thresholds stated in the Public Contracts Regulation 2015 and Council's Contract Procedure Rules.

Establishing a framework of apprenticeship providers. The Council can only access apprenticeship providers who are registered with the Education and Skills Funding Agency, and new providers can be approved at any time. A framework would restrict the Council to contracting with those providers who successfully got onto it when it was established, meaning no new providers could get on to the framework for the rest of its life, therefore limiting the market available to the Council.

DN.54

**DISPOSAL OF PROPERTY AT LESS THAN BEST
CONSIDERATION – Lease disposal of BMX Trails,
Taylors Avenue, Cleethorpes**

Cabinet considered a report from the Deputy Leader and Portfolio Holder for Finance, Resources and Assets seeking authority to dispose of the subject Site, namely the BMX Trails at Taylors Avenue, Cleethorpes.

RESOLVED –

- 1. That the principle of a full, repairing, and insuring lease of the subject Site for a term of 125 years at a peppercorn rent (£1 per annum if demanded) to GY95, be approved.**
- 2. That authority be delegated to the Director of Executive Director of Environment, Economy and Resources, in consultation with the Deputy Leader and Portfolio Holder for, Finance, Resources and Assets authority to settle all terms and ensure that all necessary actions are carried out to complete the lease disposal.**
- 3. That the Assistant Director of Law, Governance and Assets (Monitoring Officer) be authorised to complete and execute all requisite legal documentation in relation to the matters outlined above.**

REASONS FOR DECISION – A proposal has been received from the Group which has been considered as part of the Council's approach to Community Asset Transfers (CAT). The proposal, by way of a full Business Case, has been agreed in principle which could result in the transfer of the Site by virtue of a 125-year full, repairing, and insuring lease. The lease would enable the asset to transfer to the Group on the basis that their proposal is sustainable and viable over the term.

OTHER OPTIONS CONSIDERED –

To do nothing could see the Group not receive future funding opportunities to improve the Site for the benefit of the BMX/ Skate community and could impact on the viability of the Site. As a result, at worst, the Site use could cease with the Site being transferred back to the Council, including all associated costs of decommissioning, and managing the land.

The freehold disposal of the Site has not been considered at this time. This is in respect of the Council's surrounding land ownership interests and mitigating risk in the event the Group are unable to continue with maintaining the Site. In such circumstances where the proposal is no longer viable, which impacts on the on-going use of the Site, the Council could take action to seek alternative use of the

Site and prevent any unauthorised uses or decommission and managing the land which a freehold disposal would remove.

DN.55 PROCUREMENT OF THE MICROSOFT ENTERPRISE AGREEMENT

Cabinet considered a report from the Deputy Leader and Portfolio Holder for Finance, Resources and Assets seeking approval to commence a procurement exercise for the Microsoft Enterprise Agreement.

RESOLVED –

- 1. That the commencement of a procurement exercise for the Microsoft Enterprise Agreement, be approved.**
- 2. That the purchase of Microsoft E5 licensing be approved.**
- 3. That authority be delegated to the Executive Director, Environment, Economy and Resources in consultation with the Portfolio Holder for Finance, Resources and Assets to deal with all matters leading to and including the award of the contract for the Microsoft Enterprise Agreement and E5 licencing.**
- 4. That the Assistant Director Law, Governance and Assets (Monitoring Officer) be authorised to complete and execute all legal documentation in connection with the award.**

REASONS FOR DECISION – The decision allows the Council to commence the procurement exercise for the replacement Microsoft Enterprise Agreement and allows the Council to award the contract.

OTHER OPTIONS CONSIDERED –

Do nothing - this option is considered not a viable option as it is necessary to remain in-license with our Microsoft Enterprise Agreement. Our Enterprise Agreement enables the Council to update and maintain the ICT software and server infrastructure. The Council would lose the use of ICT and cease to operate as a modern functioning Council if it did not take action in response to the ceasing of the current support.

Replace the estate with an alternative products and infrastructure sets, E.g. Google Cloud Platform and G Suite, Amazon Web Services (AWS) etc. There are alternative solutions to Microsoft technology, such as Google and Apple for Business, although the cost of change is likely to be prohibitive. Also, the time required to make the change to another solution is likely to take several years.

Remain on current E3 licensing model. This will ensure we remain as is. The council would not lose the use of ICT, continuing to operate as it does now. Limited secure collaboration will still remain possible.

Purchase E5 ramp up. This would give enhanced security features and opportunities for collaboration. This option supports the Council to move to more modern and collaborative ways of working, enabling the 'work anywhere and with anyone' culture to further develop, whilst enhancing security of infrastructure, systems and data.

DN.56 HOUSING DELIVERY MODEL

Cabinet considered a report from the Portfolio Holder for Economic Development, Housing and Tourism seeking approval to commence a procurement exercise to procure and award to a developer(s), the delivery of housing on the Western and Matthew Humberstone sites.

RESOLVED –

- 1. That the Cabinet decision of 10th July 2019, to select an Investment Partner and enter into a Limited Liability Partnership, be revoked.**
- 2. That authority be delegated to the Executive Director Environment, Economy and Resources in consultation with the Portfolio Holder for Economic Development, Housing and Tourism to commence a procurement exercise to procure and award to a developer(s), to deliver housing on the Western and Matthew Humberstone sites by mutually beneficial means having regard to prevailing direction of funders.**
- 3. That authority be delegated to the Executive Director Environment, Economy and Resources in consultation with the Portfolio Holder for Economic Development, Housing and Tourism to implement full delivery of the sites and to deal with all ancillary matters. Such delivery to include extra care provision as anticipated by the masterplan on both Western and Matthew Humberstone sites.**
- 4. That the Assistant Director Law, Governance and Assets (Monitoring Officer) be authorised to execute and complete all requisite legal documentation.**

REASONS FOR DECISION – The Council has taken the opportunity to respond to impacts from Covid-19 and has subsequently reviewed the existing housing delivery model.

In Spring 2021, NELC Housing Team, led a multiple disciplined team, through several workshops supported by independent legal and procurement expertise. The purpose was to review and re-validate the process of identifying the most appropriate delivery model due to changes in economic climate, based on the Council's priorities.

Independent advice supports procuring a developer direct which will open the market to both national and small, medium enterprises, developers and provide more flexibility for the Council to support the local supply chain and employment market. The proposal gives clarity to potential developers who may be interested in the site, to deliver a development to meet the needs and requirements of the Council. This Cabinet report supports the recommendations identified.

The tendering process would seek a preferred developer to enter into an agreement with the Council adopting the Homes England Grant Funding Agreement Conditions, to ensure the sites successful and timely delivery. Disposal of land to provide Extra Care accommodation, will assist the Council to meet unmet housing need, identified in the 2018 Housing Older Peoples study. The Council will not enter into any enforceable conditions with the CCG but understands that the CCG is keen to see an Extra Care facility on both sites.

OTHER OPTIONS CONSIDERED –

A Limited Liability Partnership (Joint Venture) is deemed restrictive, as Investment Partners are likely to have a preferred development partner and / or their own building company, or a preferred developer framework, which could limit options including, control over supporting the local supply chain, increasing local apprenticeships and employment opportunities.

Direct delivery could give the Council the greatest level of control and financial return, however it also has the greatest level of risk. This option was discounted due to an acknowledgement, the Council does not have the resource or experience to do this. Direct delivery could give the Council the greatest level of control and financial return, however it also has the greatest level of risk. Therefore, this option is not recommended.

The Council could market these sites on the open market. This option would incur minimal cost but would give the lowest level of return and provide no control over quality and pace of delivery, putting the Council at risk of breaching its grant conditions agreed with Homes England, which could lead to the Council repaying the grants with a combined total of £2.6m. Therefore, this option is not recommended.

Do nothing and just allow the sites to appreciate but risk claw back from Homes England for the Accelerated Construction Funding, putting the Council at risk of significant reputational damage with professional partners and the public. Housing need would not be met. Therefore, this option is not recommended.

DN.57 DECISION TO PROCEED TO BE A REGISTERED PROVIDER AND INVESTMENT PARTNER

Cabinet considered a report from the Portfolio Holder for Economic Development, Housing and Tourism seeking approval to become a Registered Provider and Investment Partner, which enable the Council to access future Homes England funding.

RESOLVED –

- 1. That the position for North East Lincolnshire Council to enter the social housing market through the provision of temporary Council housing be supported, and that North East Lincolnshire Council be regulated by the Social Housing Regulator be agreed.**
- 2. That authority be delegated to the Executive Director for Environment, Economy and Resources to apply to become a Registered Provider and obtain Investment Partner status.**
- 3. That the Temporary Housing Allocations Policy at Appendix B of the report now submitted, be approved.**
- 4. That authority be delegated to the Executive Director for Environment, Economy and Resources, in consultation with the Portfolio Holder for Economic Development, Housing and Tourism, to implement the Temporary Housing Allocation Policy and to make any amendments as may be required from time to time.**
- 5. That authority be delegated to the Executive Director for Environment, Economy and Resources in consultation with the Portfolio Holder for Economic Development, Housing and Tourism, to bid for future funding initiatives and enter into grant funding agreements that support the increase of Affordable Housing.**
- 6. That the Assistant Director of Law, Governance and Assets (Monitoring Officer), be authorised to execute all documentation arising from the above.**

REASONS FOR DECISION – Approval of the above recommendations will enable the Council to become a Registered Provider, apply for Homes England Investment Partner status and allocate acquired assets through the Temporary Housing Allocation Policy. This will allow the Council to provide a more diverse accommodation offer for homeless clients giving them a

better opportunity to remain in permanent housing and seek/accept funding from Homes England to support the purchase/refurbishment of future properties, to provide temporary housing solutions to those residents in need.

OTHER OPTIONS CONSIDERED –

Do Nothing – The Council currently has a shortage of emergency and temporary accommodation, for households who find themselves at risk of homelessness. This means the Council currently relies on Bed and Breakfast accommodation.

Enter into a Management Agreement with a Registered Provider – Applying for this status will enable the Council to apply for funding through Homes England, to acquire empty properties. This project supports clients who have been refused accommodation by a registered provider. The Council may consider entering a management agreement in the future.

DN.58 SPECIAL EDUCATIONAL NEEDS AND DISABILITIES INFORMATION ADVICE AND SUPPORT SERVICE CONTRACT

Cabinet considered a report from the Portfolio Holder for Children, Education and Skills seeking approval to commence a procurement for the Independent Information, Advice and Guidance Service for Special Educational Needs and Disabilities.

RESOLVED –

- 1. That the commencement of a procurement exercise for the Independent Information, Advice and Guidance Service for SEND, be approved.**
- 2. That authority be delegated to the Director of Children's Services, in consultation with the Portfolio Holder for Children, Education and Skills, to deal with all matters leading to and including the award of the contract for the Independent Information, Advice and Guidance Service for SEND.**
- 3. That the Assistant Director Law, Governance and Assets (Monitoring Officer) be authorised to complete and execute all legal documentation in connection with the award.**

REASONS FOR DECISION – The decision allows the Council to commence a procurement exercise for the Independent Information, Advice and Guidance Service for SEND, following consultation with parents, carers, young people, schools, and Academy Trusts. It also allows the Council to award the contract.

OTHER OPTIONS CONSIDERED –

Do nothing – This would result in the Local Authority not meeting its statutory responsibilities as the current provider has already outlined the challenge in delivering the service without additional funding within the parameters of the contract extension.

Keep the same specification and re-procure with an alternative provider. – this wouldn't ensure that the specification is fit for purpose for the current needs and demand around SEND and inclusion.

Increase the contract value and keep the same specification – this wouldn't ensure that the Local Authority are receiving value for money or that the specification is reflective of current local need. Dependent on the value of any increase, this could also breach NELC Contract Procedure Rules.

DN.59 URGENT BUSINESS - ADDITIONAL RESTRICTIONS GRANT (ARG) – PHASE 3

Cabinet considered an item of urgent business from the Portfolio Holder for Economic Development, Housing and Tourism noting the award from Government of a further £891k to utilise for wider business support activities and by 31st March 2022.

This item was considered under the Special Urgency requirements as set out in the Council's Constitution, and with the agreement of the Chair of the Communities Scrutiny Panel. It is therefore not subject to the call-in procedure. This matter was considered urgent in order to achieve defrayal by the set deadline the grant scheme will need to launch as soon as possible.

RESOLVED –

- 1. That the award of the additional funding be noted.**
- 2. That authority be delegated to the Executive Director for Environment, Economy and Resources to defray Phase 3 Additional Restrictions Grant (ARG) funding through an extension of the Digital Boost Grant, and Capital business grants for equipment or technology, or otherwise at the Executive Director's discretion, which will boost trade for those most affected or create business growth and job creation.**

REASONS FOR DECISION – To ensure that the Phase 3 ARG funding can be defrayed to businesses in a timely manner, and before the deadline of 31st March 2022.

OTHER OPTIONS CONSIDERED - We could have chosen not to draw down the additional funding which would result in government funding not reaching businesses in the North East Lincolnshire region.

DN. 60 EXCLUSION OF PRESS AND PUBLIC

RESOLVED – That the press and public be requested to leave on the grounds that discussion of the following business was likely to disclose exempt information within paragraph 3 of Schedule 12A of the Local Government Act 1972 (as amended).

DN.61 STRATEGIC LAND ACQUISITION

Cabinet considered a report from the Leader of the Council seeking approval to proceed with the acquisition of a site.

RESOLVED –

- 1. That the acquisition of the site as set out in the Executive Summary of the report now submitted be approved.**
- 2. That authority be delegated to the Executive Director, Environment, Economy and Resources in consultation with the Leader of the Council to settle all terms and conditions relating to the acquisition.**
- 3. That the Assistant Director Law, Governance and Assets (Monitoring Officer) be authorised to execute all documentation arising.**

REASONS FOR DECISION – The decision allows the Council to proceed with the acquisition of a strategic site in Grimsby town centre.

OTHER OPTIONS CONSIDERED – The Council does not have to pursue strategic land assembly options and it could decide that it is not currently able to support the longer-term strategic development opportunity. However, the opportunity to acquire the site by agreement is time limited and it will support the wider ambition to regenerate Grimsby town centre.

DN.62 PROCUREMENT OF THE MICROSOFT ENTERPRISE AGREEMENT

Cabinet considered an appendix to the report from the Deputy Leader and Portfolio Holder for Finance, Resources and Assets referred to at DN.55 above.

RESOLVED – That appendix to the report, pursuant to the decision at DN.55 above, be noted.

REASONS FOR DECISION – As per DN.55

OTHER OPTIONS CONSIDERED – As per DN.55