



CABINET DECISION NOTICE

Publication Date: 15th February 2024

At a meeting of Special Cabinet held on the 14th February 2024 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 Dawkins, Harness, Shepherd, Shreeve and S Swinburn.

DN.73 APOLOGIES FOR ABSENCE

Apologies for absence were received for this meeting from Councillor Cracknell

DN.74 DECLARATIONS OF INTEREST

Councillor Dawkins declared a disclosable pecuniary interest in item DN.76 as his spouse is an employee of Equans. He vacated the room for this part of the meeting.

DN.75 MINUTES

RESOLVED - The minutes of the Cabinet meeting on the 17th January 2024 and 22nd January 2024 were agreed as a correct record.

DN.76 EQUANS REVIEW

Cabinet considered a report from the from the Leader of the Council and Portfolio Holder Economy, Net Zero, Skills and Housing to endorse the delivery model approach set out in the closed appendix.

Cabinet considered the recommendations of the joint meeting of the Economy Scrutiny Panel and the Communities Scrutiny Panel.

RESOLVED -

1. That the delivery model approach, as set out in the closed appendix of the report now submitted, be endorsed.
2. That the Director for Economy, Environment and Infrastructure, in consultation with the Leader of the Council, be delegated responsibility to oversee the strategic and operational aspects in the implementation of the proposed delivery model, as set out in the closed appendix of the report now submitted.
3. That the Director for Economy, Environment and Infrastructure updates Cabinet by way of further report at least 6 months in advance of 1st July 2025.
4. That the recommendations of the joint meeting of the Economy Scrutiny Panel and the Communities Scrutiny Panel be accepted and implemented soonest, namely:
 - i) That the Executive and Scrutiny Liaison Board, in consultation with the Statutory Scrutiny Officer, consider the establishment of temporary scrutiny arrangements to enable the overview and scrutiny of the transition to the new delivery model.
 - ii) That, in line with the recommendation of the joint scrutiny panel, the financial considerations section of the report now submitted be amended so that paragraph 5.1 reads as follows:

In 2010, a ten-year partnership agreement was entered into with BBW for a number of council functions, with the aim of utilising the expertise and commercial nous of BBW to deliver improvements to these services. This partnership arrangement has been extended by the maximum period of five years and cannot be extended beyond 30th June 2025. By adopting the proposed delivery model outlined in Appendix 1 (closed report), the Council can use part of the contract fee beyond 1st July 2025 to fund any.

REASONS FOR DECISION – The proposed delivery model is set out in Appendix 1 (closed report). This sets out the findings of the review and explains the rationale behind the proposed decision for each service area. The new delivery model is required as the existing Contract cannot be extended beyond 1st July 2025.

OTHER OPTIONS CONSIDERED –

1. Extend the existing Contract. This option was disregarded as all legally permissible extensions have been executed.

2. Re-procure a multi-service contract with the same scope as the existing Contract. This option was disregarded after review of the current provider market. Very few local authorities have retained large scale, multi-disciplinary contracts and only a small number of large-scale providers are actively bidding in the market. As a result, full-scale retendering is unlikely to seek or secure best value.
3. Set up an arms-length delivery vehicle (Teckal company). This option was disregarded due to the limited opportunities for commercial trading in the affected service areas and the complexity of setting up and running an arms-length company.
4. In-source all Equans Services including existing subcontracts. This option was disregarded as it would prevent the Council from benefitting from opportunities to use specialist providers where markets exist and are able to deliver to greater efficiency or quality.
5. The proposed operating model chosen is a hybrid model as set out in Appendix 1 (closed report).

DN.77 HUMBER FREEPORT

Cabinet considered a report from the Leader of the Council and Portfolio Holder for Economy, Net Zero, Skills and Housing providing an update on the progress in the establishment of a Humber Freeport Company and seeking approval to support the submission of three NEL Seed Capital Business cases to the Accountable Body, on behalf of the Humber Freeport Company.

RESOLVED -

- 1. That the Executive Director for Place and Resources in consultation with the Leader of the Council be authorised to enter into appropriate agreements, including acceptance and defrayal of £15m of Seed Capital funding.**
- 2. That the submission of three Seed Capital Business Cases to the Accountable Body, on behalf of the Humber Freeport, to utilise the £15m NEL Seed Capital funding allocated by the Humber Freeport to bring further inward investment to the South Humber Industrial Investment Programme (SHIP) be supported.**
- 3. That subject to acceptance of seed capital funds, and support of internal governance mechanisms, the Executive Director for Place and Resources in consultation with the Leader of the Council be delegated authority to:**
 - implement such projects and arrange for all procurement activity, including award, mobilisation, and delivery,**

- **keep Cabinet updated as to progress of delivery at such times as the Executive Director shall deem fit,**
- **be responsible for all ancillary activity reasonably arising from the above.**

4. That the Assistant Director Law and Governance (Monitoring Officer) be delegated the responsibility to execute all documentation arising.

REASONS FOR DECISION – The Accountable Body (acting separately from the Council) is the Accountable Body for the Humber Freeport and is responsible for the administration and defrayment of public funds to further the Humber Freeport initiative. The submission of Seed Capital Business Cases will allow the delivery of projects approved by Government in the Freeport Business Case deliverable in North East Lincolnshire. In furtherance of these projects, an allocation of £15M has been made.

OTHER OPTIONS CONSIDERED –

1. The Council could choose not to support the submission of the Seed Capital Business Cases but to do so could result in the £15m allocation being withdrawn from NEL.
2. The Council could choose not to support the three projects identified. However, these are schemes identified and approved by both Government and the Humber Freeport as part of a rigorous assessment process in the development of the Freeport Business Case.

DN.78 DEPOT RATIONALISATION CAPITAL FUNDING

Cabinet considered a report from the Portfolio Holder for Environment and Transport seeking approval of the allocation of additional funding.

RESOLVED -

1. **That the allocation of £1.3m of additional capital funding plus a minimum 10% contingency of £0.328m as set out in paragraph 1.13, of the report now submitted to allow for completion of the project be approved.**
2. **That the estimated nature of remaining costs be accepted and authority be delegated to the Director for Economy, Environment and Infrastructure in consultation with the Executive Director, Place and Resources (as Section 151 Officer) and the Portfolio Holder for Environment and Transport to make any required adjustments in funding to the maximum contingency of 20% and implement all actions necessary to bring the works to completion and to take all ancillary actions reasonably arising.**

3. That the Chief Legal and Monitoring Officer be authorised to execute and complete all requisite legal documentation in relation to the matters outlined above.

REASONS FOR DECISION – The Council’s operational services currently work from two depots at Doughty Road and Gilbey Road. Co-locating services at Doughty Road will improve service efficiency, offer a capital receipt from disposal of the Gilbey Road site, reduce property maintenance costs and ensure that good quality facilities are available for all Council and Equans employees. A centrally located depot will also offer improved transport options for operational staff and increase footfall to Grimsby Town Centre, with over 90 staff moving to the site from Gilbey Road.

OTHER OPTIONS CONSIDERED – The option to end the project, finishing only the construction work in progress, was fully evaluated. This is not considered to be a viable option given the capital already committed and that the aforementioned benefits and opportunities would not be realised.

DN.79 COUNCIL PLAN RESOURCES & FINANCE REPORT - QUARTER 3 2023/24

Cabinet considered a report from the Portfolio Holder for Finance, Resources and Assets presenting the Council Plan Performance Report for quarter three of 2023/24

RESOLVED -

- 1. That the content of the report now submitted be noted.**
- 2. That the report is referred to all Scrutiny Panels for further consideration and oversight.**

REASONS FOR DECISION – The report is important in informing Cabinet of the performance and financial position of the Council and highlighting risks and opportunities.

OTHER OPTIONS CONSIDERED – Not applicable to monitoring report.

DN.80 TREASURY MANAGEMENT POLICY AND STRATEGY STATEMENT 2024/25

Cabinet considered a report from the Portfolio Holder for Finance, Resources and Assets to consider this report and refer its contents to Full Council.

RESOLVED -

1. That this report and appendices now submitted be referred to Full Council:

- **the Treasury Management Policy Statement – Appendix 1**
- **the Treasury Management Strategy Statement and Prudential Indicators for 2024/25 - Appendix 2**
- **the MRP Policy Statement – Annex 2 of Appendix 2**

REASONS FOR DECISION –

The Chartered Institute of Public Finance and Accountancy's (CIPFA) Code of Practice for Treasury Management in Public Services (the CIPFA TM Code) and the Prudential Code require local authorities to approve their Treasury Management Strategy Statement and Prudential Indicators on an annual basis. This Authority requires the Strategy to be approved by full Council.

Full Council holds responsibility for the implementation and regular monitoring of the organisation's treasury management policies and practices and delegates the execution and administration of treasury management decisions to The Director of Finance, who will act in accordance with the organisation's policy statement and TMPs and, if he/she is a CIPFA member, CIPFA's Standard of Professional Practice on Treasury Management.

The Council's treasury management activity is guided by CIPFA's Code of Practice on Treasury Management ("the Code"), The Code recommends that members are informed of treasury management activities at least twice a year with interim updates on performance against Prudential Indicators reported quarterly. We therefore report in full after Quarter 2 and year end with Prudential Indicators being reported additionally to Cabinet after Quarters 1 and 3 in the Commissioning and Resource Report.

OTHER OPTIONS CONSIDERED – These are set out on Page 29 of the Treasury Management Strategy Statement.

DN.81

NORTH EAST LINCOLNSHIRE COUNCIL CONCESSIONARY FARES SCHEME

Cabinet considered a report from the Portfolio Holder for Environment and Transport seeking approval to continue with the current, statutory minimum North East Lincolnshire Concessionary Fares Scheme (with existing non-statutory local enhancements) from 1 April 2024 to 31 March 2025.

RESOLVED -

- 1. That the continuation of the current, statutory minimum North East Lincolnshire Concessionary Fares Scheme (with existing non-statutory local enhancements) from 1 April 2024 to 31 March 2025 be approved.**
- 2. That the Director of Economy, Environment and Infrastructure in consultation with the Portfolio Holder for Environment and Transport be authorised to approve 2024/2025 Concessionary Fares Scheme reimbursement arrangements with transport operators.**
- 3. That the Director of Economy, Environment and Infrastructure in consultation with the Portfolio Holder for Environment and Transport be authorised to ensure that all actions necessary and ancillary to the above recommendations be completed.**
- 4. That the Director of Economy, Environment and Infrastructure in consultation with the Portfolio Holder for Environment and Transport (subject to the agreement of the Section 151 Officer) be authorised to manage and take decisions relating to expenditure in the 2024/25 financial year to secure any bus services which are deemed socially necessary.**
- 5. That the Assistant Director Law and Governance be authorised to complete and execute all requisite legal documentation arising.**

REASONS FOR DECISION – Adoption of the North East Lincolnshire Council (NELC) Concessionary Fares scheme will ensure the Council meets the relevant statutory requirements in relation to the operation of the national scheme and the reimbursement of eligible transport operators.

OTHER OPTIONS CONSIDERED –

- 1. In addition to the recommended option identified above the following options have been considered and are not recommended:**
- 2. Do nothing –Local authorities have a legal duty to provide free bus travel for eligible pass holders to a statutory minimum level and failing to do this would mean the Council would not be discharging its legal duty.**
- 3. Reimburse operators based upon alternative calculation – The DfT recommend the use of their calculator tool to inform Concessionary Fare arrangements with operators. In the event that an alternative calculation is used which returns a payment lower than the DfT guided payment, operators are likely to appeal to the Secretary of State for Transport under section 150 (1) of the Transport Act 2000.**

4. Payments based upon usage – A ‘pay as you go’ reimbursement method is not recommended for the large volume operators. As concessionary travel is demand led, the risk of overspend is greater than with a fixed price agreement. This option may also create instability in the bus network.
5. Reduce non-statutory enhancements of concessionary fares scheme – This option is not recommended. Options for non-statutory savings have been explored previously (Cabinet 21 January 2015), when pre 09:30am concessions were withdrawn. Following Cabinet on 21 January 2015 other elements of the scheme were reviewed and due to their comparably low value and high impact, were not pursued.

DN.82 SCHOOL ADMISSION ARRANGEMENTS FOR THE 2025-2026 ACADEMIC YEAR FOR NELC COMMUNITY SCHOOLS

Cabinet considered a report from the Portfolio Holder for Children and Education to approve the general admission arrangements, including published admissions numbers (PANs), for the local authority’s community and voluntary controlled schools for 2025-2026.

RESOLVED –

- 1. That the general admission arrangements, including published admissions numbers (PANs), for the local authority’s community and voluntary controlled schools for 2025-2026 be unchanged be supported.**
- 2. That the position that, no material changes be made to the local authority’s co-ordinated school admission arrangements published schemes other than the updating of dates and deadlines, and that locally agreed protocols that support admission arrangements continue to be reviewed on a regular basis be supported.**
- 3. That the Director of Children’s Services in consultation with the governing bodies of community and voluntary controlled schools and the Portfolio Holder for Children and Education be delegated authority to increase the published admission number of an individual year group in a school in exceptional circumstances.**
- 4. That those schools / academies that are their own admission authorities have the ability to consult and determine their own admission arrangements. Details of known proposed changes are provided at Appendix 1 for the report now submitted be noted.**

- 5. That with the increasing number of academies within the local authority the number of schools for which the local authority is responsible for in respect of determining admission arrangements is reduced be noted.**

REASONS FOR DECISION – The School Admissions (Admission Arrangements and Co-ordination of Admission Arrangements) (England) Regulations 2012 requires school admission arrangements for 2024-2025 to be determined and published, after any required consultation by 15th March 2023. The recommendations above result from the statutory consultation required under legislation which took place for a minimum period of 6 weeks between 1st November 2023 and 10th December 2023.

OTHER OPTIONS CONSIDERED – Other options are regularly considered in the wide-ranging consultations.

DN.83

SCHOOL TERM DATES FOR NORTH EAST LINCOLNSHIRE'S COMMUNITY AND VOLUNTARY CONTROLLED SCHOOLS FOR THE ACADEMIC YEAR 2025-2026

Cabinet considered a report from the Portfolio Holder Children and Education to approve the proposed dates in Appendix A for voluntary controlled and community schools for the 2025–2026 academic year.

RESOLVED -

- 1. That the proposed dates in Appendix A of the report now submitted for voluntary controlled and community schools for the 2025–2026 academic year be approved.**
- 2. That the Director for Children's Services be authorised to so implement and take all reasonable steps arising in consultation with the Portfolio Holder for Children and Education.**

REASONS FOR DECISION – The 1996 Education Act requires local authorities to determine school term dates annually. The proposal in Appendix A is recommended as this would ensure as much uniformity as possible with our internal own admission authority schools and academies and neighbouring local authorities. Therefore, minimising where possible internal differences and any cross-boundary disruption.

OTHER OPTIONS CONSIDERED – None

DN.84 INFORMATION MANAGEMENT AND RESILIENCE (IMR) PROJECT PROCUREMENT

Cabinet considered a report from the Portfolio Holder for Finance, Resources and Assets to note the commencement of a procurement exercise via a recognised framework to support the delivery of the Information Management Resilience project.

RESOLVED -

- 1. That the commencement of a procurement exercise via a recognised framework to support the delivery of the Information Management Resilience project be noted.**
- 2. That the Executive Director Place and Resources in consultation with the Portfolio Holder for Finance, Resources and Assets be delegated authority to award in accordance with the closed appendix and thereafter progress all activity required to implement and mobilise the arrangement and deal with all ancillary matters reasonably arising.**
- 3. That the Assistant Director Law and Governance be authorised to execute and complete all requisite legal documentation in relation to the matters outlined above.**

REASONS FOR DECISION – The recommendations made support the delivery of a project to transform and improve cyber security and resilience in the way the Council manages its data and information, with a focus on reducing the amount of information stored and lay the foundations for future technology innovation.

OTHER OPTIONS CONSIDERED –

- 1. Do nothing:** This option puts the authority at higher risk of data breaches and non-compliance with information and data retention. It will not deliver the savings and benefits detailed in paragraph 2.1.
- 2. Deliver the project without third party support:** The council has some of the expertise to migrate the data and deliver change projects, and council staff will manage delivery, however there is insufficient capacity internally to fully deliver a project of this scale due to the volume of data, number of users involved, and the extent of collaboration required with every service. To deliver this project effectively and realise all the outlined opportunities support from a suitably experienced third party is considered essential.

DN.85 NEW CONTRACT FOR SUPPLY OF VEHICLE PARTS AND ASSOCIATED SERVICES

Cabinet considered a report from the Portfolio Holder for Environment and Transport seeking approval to accept the most economically advantageous tender to specification for the supply of Vehicle Parts and associated services to North East Lincolnshire Council from 01 April 2024 to 31 March.

RESOLVED -

- 1. That the Director of Economy, Environment and Infrastructure, in consultation with the Portfolio Holder for Environment and Transport be delegated authority to award the contract for the supply of vehicle parts to the successful tenderer as set out in the closed appendix 1.**
- 2. That the Director of Economy, Environment, and Infrastructure be authorised to oversee the implementation and performance of the arrangement.**
- 3. That the Assistant Director Law and Governance (Monitoring Officer) be authorised to execute documentation arising.**

REASONS FOR DECISION – To award will ensure there is a continuation of parts supply and will have no impact on current vehicle repairs and essential and statutory services. Not to award will impact vehicle maintenance and repairs and may impact on essential and statutory services.

OTHER OPTIONS CONSIDERED – Do nothing. We would be out of contract and would therefore have to source our own parts. This would be too time consuming, and we would not have the same buying power of being in a joint partnership. This is not a viable option.

DN.86 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 and 4 of Schedule 12A of the Local Government Act 1972 (as amended).

DN.87 EQUANS REVIEW

Cabinet considered the closed appendix referred to at item DN.76.

RESOLVED – That the closed appendix be noted.

**DN.88 INFORMATION MANAGEMENT AND RESILIENCE (IMR)
PROJECT PROCUREMENT**

Cabinet considered the closed appendix referred to at item DN.84.

RESOLVED - That the closed appendix be noted.

**DN.89 NEW CONTRACT FOR SUPPLY OF VEHICLE PARTS AND
ASSOCIATED SERVICES**

Cabinet considered the closed appendix referred to at item DN.85.

RESOLVED - That the closed appendix be noted.