

SOUTH HOLLAND DISTRICT COUNCIL

Report of: Cabinet

To: Council – 7 December 2016

(Author: Christine Morgan - Democratic Services Officer)

Subject: Report from Cabinet meeting held on 8 November 2016

Purpose: To consider recommendations of the Cabinet in respect of:

- a) **UK Municipal Bond Agency**
(Cabinet minute 18/16) (Cabinet Agenda Item 9)
- b) **ICT Service and Infrastructure**
(Cabinet minute 21/16) (Cabinet Agenda Item 13))

Recommendations:

UK Municipal Bond Agency

- a) To approve the Council's entry into the Framework Agreement and its accompanying schedules including the joint and several guarantee;
- b) That delegated authority is given to the Executive Director, Commercialisation as Section 151 Officer in consultation with the Portfolio Holder for Finance to agree amendments to the Framework Agreement as appropriate; and
- c) That subject to due diligence and assessment of the legal and financial implications of the proposal, delegated authority be given to the Executive Director, Commercialisation as Section 151 Officer and the Executive Director, Strategy and Governance as Monitoring Officer to sign agreed final documents, as appropriate, on behalf of the Council.

ICT Service and Infrastructure

- c) That the Council approves a capital budget of £523,000 to fund infrastructure improvements, a device refresh programme, and enhanced network connection to Breckland Council as part of an improved disaster recovery plan, and to enable Council-wide transformation benefits.

1.0 INTRODUCTION

- 1.1 Article 4 of the Council's Constitution provides that only the full Council may exercise the functions of approving, adopting or amending the policy framework and budget, and adopting or changing the Constitution. Staffing matters are also a Council function. The Cabinet however has a responsibility for advising the Council on such matters. At its meeting on 8 November 2016, the Cabinet made recommendations to Council in respect of the above items which may affect the budget and policy framework, Constitution or comprise staffing issues.
- 1.2 The remainder of this report details the recommendations of the Cabinet which must be read in conjunction with the individual reports to Cabinet, copies of which are attached as appendices.

2.0 **UK Municipal Bond Agency** **(Report submitted to Cabinet – Item 9 and exempt item 12 attached)**

Consideration was given to the joint report of the Portfolio Holder for Finance and the Interim S151 Chief Finance Officer which sought approval for the Council to enter into the borrowing documents prepared by the UK Municipal Bonds Agency (the Agency).

The Agency required that local authorities borrowing from it entered into its Framework Agreement. The Agreement included an accession document confirming that the Council had the necessary approvals to sign the Agreement and a joint and several guarantee to those lending money to the Agency in respect of the borrowing of all other local authorities from the Agency. Entering into the Framework Agreement enabled the Council to access funding from the Agency as and when required.

The report set out the background to the Agency, key facets of the Framework Agreement and the advantages and disadvantages of entering into the Agreement, including an assessment of the risk that the Council would be called upon under the guarantee.

Members considered the information provided. It was agreed that the principles of the report would be discussed and there was therefore no need for the meeting to go into private session to consider Appendix 1 to the report specifically (exempt item – UK Municipal Bonds Agency PLC, Documents Package for Local Authorities).

(Other option considered:

- *To note the report and not approve the recommendations.*

Reasons for decision:

- *To increase flexibility and availability of capital financing for future projects.)*

3.0 **ICT Service and Infrastructure** **(Report submitted to Cabinet – Exempt item 13 attached)**

Consideration was given to the joint report of the Portfolio Holder Governance and Customer and the Executive Director Strategy and Governance which sought a decision on the future approach regarding the ICT service and the development of the associated technical infrastructure in order to support Council services, (relevant to all Corporate Priorities).

Councillors discussed issues around these proposals, and considered the various options that had been proposed. It was agreed that investment in ICT was essential now and in the future.

DECISION:

- a. That the recommendations of the Actica report be noted, for consideration around future ICT provision; and
- b. That subject to the agreement by full Council on the capital budget, the building of a new technical infrastructure in order to deliver improvements to IT services, security and disaster recovery, agile working, improved network access and to facilitate greater freedom to change the ICT delivery model in the future be agreed.

(Other options considered:

- Do nothing.
- Implement a new shared ICT infrastructure and move to an insourced, shared ICT service.
- Implement a new shared ICT infrastructure and move to an insourced service with separate place based teams.

Reasons for decision:

- To provide a phased approach which would create a shared infrastructure allowing South Holland's current IT supply contract to continue, Breckland Council to realise some of the operational benefits of an internal service and allowing South Holland the space to consider future strategic direction.)

Background papers:- None

Lead Contact Officer

Name and Post: Christine Morgan, Democratic Services Officer
Telephone Number: 01775 764454
Email: cmorgan@sholland.gov.uk

Key Decision: No

Exempt Decision: No

Appendices attached to this report:

Appendix A Cabinet Agenda Item 9 – UK Municipal Bond Agency (covering report)

Confidential appendices attached to this report:

Appendix B Cabinet Agenda Item 12 - Document package (confidential appendix to Cabinet Agenda Item 9)

(Please note that this appendix, associated with the UK Municipal Bond Agency report is not for publication by virtue of Paragraph 5 (Information in respect of which a claim to legal professional privilege could be maintained in legal proceedings) in Part 1 of Schedule 12A of the Local Government Act 1972, and is therefore attached to this agenda as Item 16).

Appendix C Cabinet Agenda Item 13 – ICT Service and Infrastructure

(Please note that this appendix is not for publication by virtue of Paragraph 3 (Information relating to the financial or business affairs of any particular person (including the authority holding that information)) in Part 1 of Schedule 12A of the Local Government Act 1972, and is therefore attached to this agenda as Item 17).