

**CABINET  
HELD ON 3 FEBRUARY 2021  
(FROM 5.30 PM – 6.43 PM)**

**PRESENT:** Councillor Richard Cooper in the Chair. Councillors Mike Chambers, Phil Ireland, Stan Lumley, Tim Myatt, Andy Paraskos and Graham Swift.

**Late Arrivals:** None

**Early Departures:** None

**113/20 – APOLOGIES FOR ABSENCE AND NOTIFICATION OF SUBSTITUTES:**

There were no apologies for absence.

(5.33 pm)

**114/20 – DECLARATIONS OF INTEREST:** There were no declarations of interest made at the meeting.

(5.34 pm)

**115/20 – MINUTES:** The Minutes of the meeting of the Cabinet held on 25 January 2021 were unanimously approved as a correct record.

(5.35 pm)

**116/20 – EXEMPT INFORMATION:** The report considered at Minute 119/20 and appendices to the reports considered at Minutes 113/20, 115/20, 117/20 were considered to be exempt under paragraphs 1 and 3 of Schedule 12a to the Local Government Act. Discussion on the items took place in open session.

(5.36 pm)

**MATTERS REFERRED TO COUNCIL**

**117/20 – 2021/22 DRAFT BUDGET AND 2022/23 INDICATIVE BUDGET:**

**(a) Overview and Scrutiny Commission Findings:** In accordance with the Council's Budget and Policy Framework Procedure Rules, the Chair and Vice Chair of the Overview and Scrutiny Commission, Councillors Chris Aldred and Sam Gibbs, submitted a report detailing the comments from the Overview and Scrutiny Commission regarding the Executive's budget proposals for the 2021/22 draft budget and the 2022/23 indicative budget. The report gave details of the process undertaken by the Commission in considering the budget, which had involved an informal meeting of the Commission on 11 January to consider the focus for the subsequent formal budget scrutiny meeting on 18 January 2021 and ensure that further information was provided where required. The report set out those issues which had been considered by the Commission, the Commission was grateful to staff for their hard work during a difficult year and to finance staff to compiling a balanced budget.

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The Commission endorsed the recommendations of Cabinet of 6 January 2021 in relation to the Draft Budget for 2021/22 and Indicative Budget for 2022/23, and including the Draft Housing Revenue Account Budget for 2021/22.

**(b) Latest position:** Further to Cabinet Minute 104/20 the Head of Finance submitted a written report on the latest position in relation to the 2021/22 draft budget and 2022/23 indicative budget. Since that meeting there had been three updates to the budget position, as detailed at paragraph 5.3 of the report:

- (i) The annual NNDR1 return to Government had now been finalised and showed a net decrease of £118k in Business Rates income for 2021/22 below the original estimate;
- (ii) Further information had been received on the Tax Income Guarantee Grant Scheme and showed a £67k increase in the Council Tax Deficit payable and a £250k increase in the Business Rates Deficit payable; and
- (iii) Following finalisation of the Capital and Investment Programme the minimum revenue provision for debt payment had been updated with a decrease in the provision in 2021/22 of £25k (delayed until 2022/23).

Overall the changes resulted in an increase in the transfer from the Budget Transition Fund in 2021/22 of £126k and an £8k decrease in the transfer from the fund in 2022/23. Appendix 2a to the report set out the total movement between the officer proposals and the changes outlined above. The table at paragraph 5.4 summarised the changes resulting in a proposed 2021/22 net budget of £21,026k and indicative 2022/23 net budget of £20,485k. The Local Government Finance Settlement for 2020/21 had not yet been finalised. The Head of Finance confirmed that the proposals put forward retained balanced budgets for 2021/22 and 2022/23.

### **RECOMMENDED (UNANIMOUSLY):**

That (1) the Draft Budget for 2021/22 of £21,026k and Indicative Budget for 2022/23 of £20,485k, as updated for further changes, were approved and recommended to Council, together with:

- i) A Council Tax increase of £5 for a Band D property in 2021/22 and an indicative increase of £5 for a Band D property in 2022/23
- ii) The resulting Council Tax requirement of £16,055,089 in 2021/22 and £16,620,638 in 2022/23
- iii) The recommended minimum Working Balance level of £2,500k
- iv) The overall budget summary, as amended, in Appendices 1b, 2a and 2b
- v) The net reductions in existing expenditure totalling £1,146k in 2021/22 and net increases totalling £606k in 2022/23 as shown in Appendix 3
- vi) The reductions in existing income, net of new areas of income, totalling £5,382k in 2021/22 and increases totalling £7,431k in 2022/23 as shown in Appendix 4 and the fees and charges schedule as shown in Appendix 4a
- vii) The new areas of expenditure totalling £1,031k in 2021/22 and £14k in 2022/23 as shown in Appendix 5

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viii) The use of the budget transition fund of £2,498k in 2021/22 and £938k in 2022/23 in lieu of an improved position in relation to covid

(2) the proposed growth of £21k in 2021/22 be recommended for approval;

(3) it be recommended for approval that the £205k identified, from the latest review of reserves, is used to support the Council's Financial Recovery Plan in 2020/21 in response to the Covid-19 pandemic; and

(4) the report submitted by the Chair and Vice-Chair of the Overview and Scrutiny Commission arising from its scrutiny of the 2021/22 draft budget and 2022/23 indicative budget be noted.

(5.37 pm – 5.48 pm)

**118/20 – HOUSING INVESTMENT PROGRAMME 2021/22:** The Head of Housing and Property (HoHP) submitted a written report which reviewed the latest forecast for the 2020/21 Housing Investment Programme and sought approval for the 2021/22 outline programme. The programme was directed at achieving a combination of Government targets and the Council's own Housing Strategy and Housing Revenue Account Business Plan targets.

The latest forecast expenditure for 2020/21 of £11,244k was £776k lower than the estimate previously reported in October of £12,020k, as shown in Appendix 1 of the report. The decrease was predominantly due to a predicted savings in planned maintenance, un-adopted roads and new builds of -£2.53m as an impact of COVID-19 which prevented some works progressing. These savings were partly offset by the purchase of properties for HRA stock, including Avondale Hostel. Section 5.3 of the report detailed the outline programme for 2021/22, allowing for expenditure of £10,542,950, and Appendix 2 provided a summary of the planned maintenance programme totalling £3.5m.

### **RECOMMENDED (UNANIMOUSLY):**

That (1) the outline Housing Investment Programme for 2021/22 be approved;

(2) the Cabinet Member (Housing and Safer Communities) be delegated authority to approve the detailed programme of planned maintenance and improvement schemes for 2021/22; and

(3) the Cabinet Member (Housing and Safer Communities) be delegated authority to approve subsequent variations to the programme referred to at recommendation (2), provided that such variations are within the scope of the Housing Investment Programme budget, and that such authority is only exercised upon receipt of a written report.

(5.48 pm – 5.53 pm)

**119/20 – CAPITAL AND INVESTMENT PROGRAMME 2021/22 TO 2025/26**

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**AND 2020/21 QUARTER 3 MONITORING:** The Head of Finance submitted a written report which sought approval for the Capital and Investment Programme for 2021/22 and Indicative Programmes from 2022/23 to 2025/26 and provided the Quarter 3 monitoring for 2020/21. The Council continued to make good progress in taking a more proactive approach to its asset management and ensuring that the return from investment was maximised. There were a number of significant reviews which would impact on the strategy in the future and these included the sport and leisure review, HCC future strategy and the Economic Growth and Commercial Property strategy.

Section 7 of the report gave details of the updated Capital and Investment Programme for Quarter 3 2020/21. Overall expenditure of £19,247k was forecast in 2021/22, a decrease of £3,783k from the previously approved programmes. In addition Section 8 outlined the Capital Programme 2021/22 to 2025/26 with expenditure totalling £37,876k forecast over the five year rolling programme, an increase of £4,324k from the approved programmes.

The Capital and Investment Strategy was funded by the Council Investment Reserve (CIR) and as at 1 April 2020 funds totalling £15,292k were available to fund the Strategy however there would be a shortfall of £56k in 2026/27. In response to COVID-19 a Financial Recovery Plan had been prepared which included a review of the Capital and Investment Programmes in order to reduce the call on the CIR and it was proposed that the 2020/21 budgeted contribution to the CIR of £3,241k in 2020/21 is reduced by £711k to £2,530k.

### **RECOMMENDED (UNANIMOUSLY):**

That (1) the latest forecast for 2020/21 be noted and the variations to Quarter 2 be approved;

(2) the Draft Programme for 2021/22 and Indicative Programmes from 2022/23 to 2025/26 are approved, noting that future developments around the Sport and Leisure review, Harrogate Convention Centre (HCC) and Economic Growth will have an impact on the figures in this report; and

(3) the budgeted contribution to the Council Investment Reserve (CIR) in 2020/21 of £3,241k is reduced by £711k to £2,530k in order to support the Financial Recovery Plan that has been developed in response to the COVID-19 pandemic. This results from savings in the programmes funded by the CIR of £711k.

(5.53 pm – 5.56 pm)

120/20 – **CAPITAL STRATEGY 2021/22:** The Financial Services Manager submitted a written report which presented the Capital Strategy for 2021/22, which was attached at Appendix 1. The document had been produced in order to comply with the CIPFA Prudential Code for Capital Finance in Local Authorities which had been updated following a sharp upturn in local authorities making commercial investments. Statutory Guidance on Local Government Investments published by the Ministry of Housing, Communities and Local Government required councils to agree

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an Investment Strategy with regard to both financial and non-financial assets and provide a framework for asset management.

The Strategy provided a high level overview of how capital expenditure, capital financing and treasury management activity contributed to the provision of services; provided an overview of how the associated risk was managed and gave details of the implications for future financial sustainability. The Strategy demonstrated that the Council was taking capital expenditure and investment decisions in line with service objectives and properly took account of stewardship, value for money, prudence, sustainability and affordability.

### **RECOMMENDED (UNANIMOUSLY):**

That the Capital Strategy for 2021/22 at Appendix 1 be approved.

(6.03 pm – 6.07 pm)

### **121/20 – TREASURY MANAGEMENT ANNUAL STRATEGY, ANNUAL INVESTMENT STRATEGY, PRUDENTIAL AND TREASURY INDICATORS, ANNUAL MINIMUM REVENUE POSITION STATEMENT:**

The Financial Services Manager submitted a written report which gave details of four topics related to Treasury Management which the Cabinet was required to consider to comply with the Council's financial regulations and the Chartered Institute of Public Finance and Accountability (CIPFA) Code of Practice. The report had also been considered by the Audit and Governance Committee at its meeting held on 2 February 2021.

### **RECOMMENDED (UNANIMOUSLY):**

That (1) the Treasury Management Annual Strategy was recommended to Council for approval;

(2) the Annual Investment Strategy was recommended to Council for approval;

(3) the Prudential and Treasury Indicators were recommended to Council for approval; and

(4) the Annual Minimum Revenue Provision Statement were recommended to Council for approval.

(6.07 pm – 6.11 pm)

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### CABINET HELD ON 3 FEBRUARY 2021 (FROM 5.30 PM – 6.43 PM)

**PRESENT:** Councillor Richard Cooper in the Chair. Councillors Mike Chambers, Phil Ireland, Stan Lumley, Tim Myatt, Andy Paraskos and Graham Swift.

**Late Arrivals:** None

**Early Departures:** None

#### **MATTERS DETERMINED BY CABINET**

122/20 – **KNARESBOROUGH BUSINESS IMPROVEMENT DISTRICT:** The Head of Operations (Harrogate Convention Centre) submitted a written report which provided information on the emerging Knaresborough Business Improvement District (BID) and outlined the next steps including further potential support for the initiative. A BID was a privately-led arrangement where businesses and public sector partners within a strictly defined area agreed to pay an increased levy on their business rates. These funds were then available for the BID organisation to manage and deliver projects within the BID area to improve the trading environment for the benefit of businesses within the area. BIDs were created when a majority of businesses who were liable to pay the levy vote in a ballot where a majority of businesses and of rateable value agree to the BID. The BID then lasts for a maximum of five years.

The Knaresborough BID Company was formed in July 2019 and currently had two Knaresborough based directors, William Taylor and Robert Hodgkiss. It was supported by a wider task group comprising representatives from relevant business sectors. A number of engagement meetings and events would be undertaken to scope its future direction and purpose. Attached at Appendix 2 was a map indicating a potential area for the BID. The BID had raised £16,000 from businesses, organisations and individuals to date and its future development would be funded through a mixture of private and public funding.

It was proposed that initial Council funding of £27k for a Knaresborough BID would be in the form of a loan, repayable on request by invoice following the successful creation of the BID, after a positive ballot result. As such the loan would be 'at risk' and would not be repaid if the ballot were to fail to deliver a positive result. The source of the initial loan funding would be the 2024 Reserve. Paragraph 5.6 of the report set out details of the officer project team and governance arrangements to support the proposed BID.

#### **RESOLVED (UNANIMOUSLY):**

- That (1) the progress to date on the Knaresborough BID be noted;
- (2) the Council support the BID in principle;

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(3) support, in the form of a repayable loan up to a maximum of £27k, is available, from the 2024 Reserve, to be provided to match funding generated by the Knaresborough BID;

(4) the Officer Project team and Governance for the Council's support of the Knaresborough BID be approved;

(5) Cabinet responsibility for Knaresborough BID is delegated to the Cabinet Member for Resources, Enterprise and Economic Development.

### **Reasons for decision:**

Support for the Knaresborough BID could help the Council achieve organisational aims associated with the Economic Growth Strategy and public realm improvements to Knaresborough town centre and surrounding area. The BID could also enable enhancements to community safety initiatives, and events in the area.

### **Alternative option considered and recommended for rejection:**

Not supporting the Knaresborough BID could mean the Council misses wider opportunities in improving Knaresborough town centre and surrounding area, as well as not achieving aims set out in the Economic Growth Strategy.

(6.11 pm to 6.15 pm)

(D)

## 123/20 – 2020/21 JANUARY FINANCIAL AND SERVICE PLAN PERFORMANCE

**UPDATE:** The Head of Finance submitted a written report presenting the Council's latest financial position and a summary of service plan performance. This quarter's performance sections compared to the previous year's Q3 performance as all targets were set prior to the pandemic. The position at the time of writing the report was to outturn on budget on General Fund activity. The COVID-19 pandemic was having a huge impact on the Council's finances, with the latest forecast being a revenue cost of £10,648k before Government support. The Council had to date received £3,697k in Government support this financial year and forecasts of estimated income losses indicated that the Council could expect further grant support of £4,174k. The Council's Financial Recovery Plan set out the planned measures to offset the impact of the pandemic.

The key variances that made up the forecast were shown in Table 1 at paragraph 5.7 of the report. Table 2 at paragraph 5.8 summarised the service by service variances, including variance attributed to COVID-19. Table 3 at paragraph 5.9 showed how the Council was performing against the forecasted savings from the various elements of the Financial Recovery Plan. Paragraph 5.10 provided further detail for each service. Detailed profit and loss accounts for Green Waste, Trade Waste and the Turkish Baths were attached at exempt Appendices B to D. Exempt Appendices A and E detailed an overspend relating to the impact of COVID-19 on Harrogate Convention Centre and its use by the NHS as a hospital. Appendix F showed how the variances related to budgeted savings and increased income.

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The report had also been considered by the Overview and Scrutiny Commission at its meeting held on 1 February 2021 and the comments of the Commission had been circulated to Cabinet Members prior to the meeting. The Leader invited the Chair of the Commission, Councillor Chris Aldred, to speak on the item. Councillor Aldred referred to the level of salary savings as a result of the recruitment freeze and received reassurance that the budget was in place to enable vacancies to be filled once services returned to normal.

### **RESOLVED (UNANIMOUSLY):**

That the Council's current financial position, to outturn on budget, and service plan exception reporting, was noted.

### **Reasons for decision:**

It was good financial discipline that regular reporting was presented to Management and Members so as to ensure expenditure remained within budget, that potential underspends were highlighted and areas that were off target were highlighted and mitigating actions could be identified.

### **Alternative option considered and recommended for rejection:**

Not to receive financial reporting which would weaken financial control, increase the risk of overspends against budget or missed opportunities to utilise underspends or identify mitigating actions.

(6.15 pm to 6.25 pm)

(D)

124/20 – **CORPORATE PERFORMANCE REPORT, Q3 2020/21:** The Improvement and Development Manager submitted a written report which provided an update on the measures within the Corporate Delivery Plan at Quarter Three. Appendix 1 to the report provided the Quarter 3 outturn of the measures within the Corporate Delivery Plan and Appendix 2 contained the Corporate Health report which detailed progress against the various performance indicators. The report had previously been received by Management Board, whose comments were incorporated into the report at section 8.

It was noted that the COVID-19 pandemic continued to impact performance in a number of areas and it had been necessary to prioritise certain work during this time. The Director of Corporate Affairs reported that ten different business grant schemes had been implemented since the start of the pandemic: 8,500 payments totalling £67m had been made to 5,000 local businesses.

The Overview and Scrutiny Commission had also considered the report at its meeting held on 1 February 2021 and the comments of the Commission had been circulated to Cabinet Members prior to the meeting. The Leader invited the Chair of the Commission, Councillor Chris Aldred, to speak on the item. Councillor Aldred



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welcomed progress on actions in relation to sustainability and climate change. The Leader thanked the Commission for its comments.

### **RESOLVED (UNANIMOUSLY):**

That the report be received, and the comments from the Overview and Scrutiny Commission and Management Board were considered and noted.

### **Reasons for decision:**

Our Corporate Plan set out the long-term vision for the Harrogate district, our aim as an organisation, our corporate priorities and the long term outcomes that we wanted to achieve. The Delivery Plan was updated on an annual basis and detailed what we will do, what our targets were and how we will measure these. This report tracked our progress against the Delivery Plan.

### **Alternative option considered and recommended for rejection:**

No alternative options were considered as reporting progress on the Council's Corporate Delivery Plan performance is a key part of the Council's performance management arrangements.

(6.28 pm to 6.33 pm)

(D)

### **125/20 – PROCUREMENT OF SECURITY SERVICES: FORWARD PLAN REF –**

**07CA20:** The Commercial and Transformation Officer submitted a written report which sought approval for the appointment of bidders to provide security services to Harrogate Borough Council and Harrogate Convention Centre. The Council's security arrangements were currently split into three contracts: Lot 1 - HCC security, Lot 2 - hostel security and Lot 3 - mobile security patrols in parks and depots and the contracts with the existing suppliers would end in April 2021. An OJEU compliant procurement exercise had been undertaken and bids had been assessed on quality and price. The successful bidders were those with the highest overall scores and the results of the process were set out in exempt Appendix 1. The successful bidders had been selected due to their exceptional assessment within their quality submission and in addition offered the most competitive rate against the set price percentage criteria and provided the most value for money for the Council. Exempt Appendix 2 provided budget and cost information and showed that the expected cost across the five years was lower than originally assumed.

### **RESOLVED (UNANIMOUSLY):**

That (1) the appointment of the successful Bidder for each lot for the provision of Security Services to HCC (Lot 1) and HBC (Lots 2 and 3) for a three year term with an option to extend for a further period of 24 months dependent upon the satisfactory outcome of reviews of the appointed contractor's service performance be approved; and

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(2) authority be delegated to the Director of HCC (Lot 1), Director of Economy and Culture (Lot 2) and Director of Corporate Affairs (Lot 3) in collaboration with the Acting Chief Solicitor (Corporate Services) to finalise and enter in to the proposed contracts with the successful Bidder for each lot.

### Reasons for decision:

HBC's current security arrangements were split into three contracts. They were:

- (1) HCC security
- (2) temporary accommodation (Hostel) security
- (3) mobile security (patrols in Parks and Depots)

The existing contracts with the existing suppliers would terminate in April 2021. All three contracts had been tendered as a single package of services under a corporate security umbrella, with the opportunity to bid for up to three lots.

The results of the evaluation process set out in the **exempt Appendix 1** demonstrated that for Lot 1, Bidder 1 was the successful bidder and had been awarded overall the highest scores. Bidder 1 was the successful bidder for Lot 2 and had been awarded the overall highest scores. Bidder 1 was the successful bidder for Lot 3 and had been awarded the overall highest scores.

### Alternative options considered and recommended for rejection:

Move to an in house security solution. This was not considered cost effective or operationally achievable at this time. To bring the service in house, would require a significant amount of time, expertise and investment to ensure the service was at the level required to meet expectations. Officers had determined that the HCC security provision was better achieved through the appointment of external providers who already had the resources and experience to deliver the security services required by HBC.

(6.33 pm to 6.36 pm)

(D)

### 126/20 – **ELECTRIC VEHICLES - SALARY SACRIFICE SCHEME: FORWARD PLAN REF – 13PSEG20:**

The Improvement and Development Officer submitted a written report which provided details of work to assess the possibility of implementing a salary sacrifice scheme to enable employees to lease an ultra-low emission vehicle and set out proposals to secure and implement such a scheme.

On 10 April 2019 Council approved a Notice of Motion supporting measures to address the climate emergency as outlined by the UN Intergovernmental Panel on Climate Change which included a commitment to investigate implementing a salary sacrifice scheme for staff to purchase electric vehicles and bikes. As electric bikes were already available as part of the existing cycle to work scheme the report focussed on vehicles. A salary sacrifice scheme would enable employees to lease electric vehicles by making monthly payments direct from salary before tax, national

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insurance and pension deductions, thus making it financially advantageous for employees to obtain an electric vehicle this way. Such a scheme would also deliver results for the Council in meeting its objectives of carbon reduction and improving air quality.

An officer project team had been formed to establish the feasibility of a scheme, and manage the procurement process and promote the scheme to staff should it be approved. The Cabinet Member for Sustainable Transport had also been consulted during development of the scheme. The Council would make cost savings on national insurance contributions and pension payments when individuals joined the scheme and paragraphs 6.11 to 6.13 detailed potential benefits to the Council and employees. Following appointment of a scheme provider, no penalties would be incurred by the Council should no employees take up the scheme.

### **RESOLVED (UNANIMOUSLY):**

That (1) subject to the satisfactory completion of an appropriate procurement exercise the proposal to introduce a Salary Sacrifice Car Lease Scheme into the Council as an additional benefit in kind for staff be approved;

(2) it be noted that the scheme will promote and encourage the use of the zero CO2 emission vehicles to staff to encourage the support the Council's Notice of Motion. Therefore supporting measures to address the climate emergency as outlined by the UN Intergovernmental Panel on Climate Change;

(3) delegated authority be given to the Director of Corporate Affairs in consultation with the Head of Legal and Governance to undertake the detailed implementation of the Car Lease Salary Sacrifice Scheme.

### **Reasons for decision:**

To discharge the action in the Council's Notice of Motion as detailed in paragraph 5.1.

An increase in the use of electric vehicles supported our Carbon Reduction Strategy, Ultra-Low Emission Vehicle Strategy, Air Quality Action Plan and Strategic Transport Priorities work.

A salary sacrifice scheme would provide tangible employee benefits and contribute to efforts to improve staff recruitment and retention.

Provides potentially significant cost savings for HBC in terms of National insurance savings and pension contributions. See paragraph 6.10.

### **Alternative options considered and recommended for rejection:**

Do nothing. This approach would minimise the opportunity for HBC staff to positively contribute towards carbon reduction and air quality improvements across the district and beyond.

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The second alternative option was to implement a salary sacrifice scheme comprising both hybrid and fully electric vehicles. This option has been rejected after consultation with the Cabinet Member for Sustainable Transport. Further detail is included within the report.

The third option was to implement a salary sacrifice scheme for staff to lease any type of vehicle (electric, hybrids and petrol/diesel). This is possible but not considered to be in the spirit of the Notice of Motion and has been discounted due to the likely lack of impact on carbon reduction and improving air quality.

(6.36 pm to 6.41 pm)

(D)

**127/20 – WIRELESS NETWORKS IN HARROGATE DISTRICT:** The Director of Corporate Affairs submitted a written report which provided an update on the Harrogate Connectivity Programme and in particular the installation of town centre Wi-Fi and a Low Powered Wide Area Network (LPWAN) within Harrogate District. In August 2018 the Council was successful in securing £350k funding from the Leeds City Region Business Rates Pool to fund the delivery of wireless networks. A joint procurement exercise with NYCC for free public Wi-Fi in town centres in the district did not result in the award of a contract. A new generation of technology had since emerged, which would deliver greater speeds and better connectivity, but was more expensive. Initial work suggested that the grant money would not now be sufficient to install the latest generation technology over the mandatory coverage areas. NYnet, a wholly owned company of NYCC, would be installing public Wi-Fi and LPWAN across the county in 2021 following a successful funding bid to the NY&Y LEP. This presented an opportunity for the Authorities to reduce the cost of delivering wireless networks in Harrogate District through the economy of scale in terms of purchasing equipment/software but, primarily, by use of existing fibre backhaul within town centres that had been installed by NYnet as part of the Local Full Fibre Network project. The proposal was therefore to passport the Leeds City Region Business Rates Pool grant monies to NYCC in order to support the delivery of wireless networks. Granting the business rates pool funding to NYCC was subject to consent from all participating pool authorities.

### **RESOLVED (UNANIMOUSLY):**

That (1) the update provided in the report be noted; and

(2) the grant award of £350k from the Leeds City Business Rates Pool be passported to North Yorkshire County Council (NYCC) to be used for the provision of a Low Powered Wide Area Network (LPWAN) across the district and town centre public Wi-Fi within Harrogate, Knaresborough and Ripon (wireless networks).

### **Reasons for decision:**

The recommended course of action represents best value for the Council for the following reasons:

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- Recent market engagement had suggested that (with one variant exception) procurement of new generation Wi-Fi technology and the required fibre backhaul across the district's three core towns would be unaffordable.
- NYCC/NYnet Limited were recently successful in a bid to the North Yorkshire and York Local Enterprise Partnership (NY&Y LEP) for £3 million towards the installation of the same wireless networks across the county. Integrating Harrogate Borough Council (HBC) funding/requirements within the county-wide solution presents economies of scale, provides geographic/technical consistency, simplifies and expedites installation and maximises coverage.
- NYCC had already installed a fibre backbone across the three core towns as part of the Local Full Fibre Networks (LFFN) project. Utilising this network significantly reduced the cost of the required backhaul and, therefore, maximised coverage.

### **Alternative options considered and recommended for rejection:**

To commence a full procurement process for these services (led by NYCC). This was recommended for rejection in lieu of the recent feedback from suppliers and the key and substantial benefits to the Council of a direct award by NYCC to NYnet Limited (outlined at 3.1).

To continue with the approaches set out in the Harrogate Connectivity Report dated 18 October 2017 namely (1) considerations of shared revenue opportunities and (2) providing an app that delivered strategic commercial objectives in relation to free town centre Wi-Fi. These were recommended for rejection as the primary purpose was to install wireless networks for the benefit of residents, businesses and visitors. Furthermore, market engagement indicated that the requirement of an app should be omitted from the scope of this project at this stage.

(6.41 pm to 6.43 pm)

(D)