

PUBLIC

**MINUTES** of a meeting of the **CABINET MEMBER FOR STRATEGIC POLICY, ECONOMIC DEVELOPMENT AND BUDGET** held on 15 December 2015 at County Hall, Matlock

**PRESENT**

Cabinet Member – Councillor Ms A Western

Also in attendance – Councillors B Lewis and R Mihaly

**52/15** **MINUTES RESOLVED** that the minutes of the meeting held on 3 November 2015 be confirmed as a correct record and signed by the Cabinet Member.

**53/15** **MINIMUM REVENUE PROVISION** Local authorities were required to set aside prudent revenue provision for debt repayment where they had used borrowing or credit arrangements to finance capital expenditure. Statutory Guidance covering Minimum Revenue Provision (MRP) set out various options and boundaries for calculating prudent provision.

The guidance required authorities to publish an annual MRP policy statement outlining how prudent provision was to be made. This was set out in the Council's annual Treasury Management Strategy. The policy was set out as follows:

- to provide 4% of debt outstanding on all debt as at 31 March 2008.
- on any new debt since this date to provide 4% of the balance on all borrowing unless any unsupported borrowing related to any significant assets with a life of less than 20 years. In this case an annual amount based on the expected useful life of the individual assets was used and where those assets were vehicles then an average life of 5 years was used

The statutory guidance issued by Government allowed for alternative methods of establishing prudent provision. A number of local authorities were currently reviewing their MRP policies as it could deliver significant medium term revenue budget savings. Initial estimates indicated that the Council could make savings by reviewing its MRP policy which would contribute towards the Council's overall budget reduction programme.

The Council would procure treasury management expertise to complete the financial modelling required to determine an appropriate MRP policy. The outcome of the review would be outlined in the Revenue Budget Report 2016-17 and Treasury Management Strategy 2016-17 reported to Council in February 2016.

**RESOLVED** to note the proposal to review the Council's Minimum Revenue Provision Policy.

**54/15      D2N2 TECHNICAL ASSISTANCE PROGRAMME – MATCH FUNDING** Approval was sought for £72,452 match funding contribution towards the D2N2 (Derby, Derbyshire, Nottingham and Nottinghamshire) Technical Assistance Programme. The funding contribution was subject to a full application for support via the D2N2 European Structural and Investment Fund (ESIF).

Following the submission of an outline D2N2 LEP wide proposal, two full applications had now been submitted for consideration for support from European Regional Development Fund (ERDF) and European Social Fund (ESF). The proposals had been developed by officers from D2N2 LEP, the four top tier local authorities and representatives from the Low Carbon sector with Derby City Council as lead applicant and accountable body. As with all ESIF projects, there was a 50% match funding requirement.

The project proposed a three tier “hub and spoke” delivery model with core TA hub services being delivered by the D2N2 LEP. Officers had been working collaboratively with Derby City Council on shaping the proposed delivery of the Tier 3 service which would ensure that project applicants had the necessary support to maximise ESIF investment into the D2 (Derby and Derbyshire) area. The proposed match funding (together with match from Derby City Council) would support 50% of the costs of two External Funding officers for a three year period (one focusing on ERDF and one focusing on ESF) working across the City and the County.

**RESOLVED** to (1) approve a total funding contribution of £72,452 (£24,151 per annum) over three years, commencing in financial year 2016-17, to be met from the existing Economy and Regeneration budget towards the D2N2 (Derby, Derbyshire, Nottingham and Nottinghamshire) Technical Assistance Programme, subject to approval; and

(2) note that further discussions with regard to proposed staffing would be undertaken and a separate report submitted for approval, if necessary.

**55/15      CAREERS AND ENTERPRISE COMPANY** Approval was sought for £20,000 match funding contribution to support the delivery of the D2N2 (Derby, Derbyshire, Nottingham and Nottinghamshire) Local Enterprise Partnership (LEP) Careers and Enterprise Company (CEC) project for the 2015-2016 academic year, and to delegate authority to the Strategic Director Economy, Transport and Environment to finalise the D2N2 LEP CEC Programme, subject to final agreement between the D2N2 LEP, local authority partners and the CEC.

The CEC programme aimed to create a brokerage service between employers and schools, enabling greater consistency and coverage of advice than currently existed. It would be backed by evidence of where employer-school interactions were most effective in delivering positive outcomes for young people.

In June 2015, the CEC invited each LEP to bid for up to a maximum of £150,000 of match funding to implement and deliver the national CEC programme. Officers from Derby City, Derbyshire County, Nottingham City and Nottinghamshire County Councils worked alongside the D2N2 LEP to submit a bid for the maximum funding available. In August 2015, the CEC informed the D2N2 LEP that its bid had been successful in obtaining a maximum grant of £150,000, subject to the D2N2 LEP matching the CEC grant offer.

To deliver the D2N2 LEP CEC programme to 30 Derbyshire schools, the CEC would fund 50% 1.5 full time equivalent (FTE) Enterprise Coordinators, with the County Council needing to find the other 50% as match funding.

The Derbyshire delivery model of the D2N2 LEP CEC project was £75,000.

Project costs were as follows:

CEC/D2N2 (50%)	£37,500
County Council – cash (27%)	£20,000
County Council – ‘in-kind’ salary match funding (23%)	£17,500
<b>Total</b>	<b>£75,000</b>

The ‘in-kind’ salary match had been identified from existing resources within Children Services and School Learning Partnerships and had been approved by the CEC as being eligible match funding that could be used to lever in the CEC 50% (£37,500) cash contribution. The rate was based upon Council Grade 10 as these had been identified as the most appropriate staff to undertake the work within their existing job descriptions.

**RESOLVED** to approve (1) a match funding contribution of £20,000 from the Economy and Regeneration budget towards the delivery of the D2N2 (Derby, Derbyshire, Nottingham and Nottinghamshire) Local Enterprise Partnership (LEP) Careers and Enterprise Company (CEC) project within Derbyshire; and

(2) delegated authority to the Strategic Director Economy, Transport and Environment to formally enter the D2N2 LEP CEC programme, subject to final agreement between the D2N2 LEP, D2N2 Local Authority partners and the CEC.

**56/15**      **EXCLUSION OF THE PUBLIC RESOLVED** to exclude the public from the meeting during consideration of the remaining items on the agenda to avoid the disclosure of exempt or confidential information.

**SUMMARY OF PROCEEDINGS CONDUCTED AFTER THE PUBLIC WERE EXCLUDED FROM THE MEETING**

1.      To receive declarations of interest (if any).
2.      To consider the exempt report of the Chief Executive on the Combined Authority and Devolution: Engagement of External Support (contains information relating to the financial or business affairs of any particular person (including the Authority holding that information)).