



RECORD OF EXECUTIVE DECISIONS

The following is a record of the decisions taken at the meeting of **CABINET** held on **Wednesday 19 January 2022**. The decisions will come into force and may be implemented from **Monday 31 January 2022** unless the Corporate Overview and Scrutiny Management Committee or its Committees object to any such decision and call it in.

Transport Asset Management Plan - Annual Update

Summary

The Cabinet considered a report of the Corporate Director of Neighbourhoods and Climate Change which provided an annual update on the 2020-2021 Transport Asset Management Plan (TAMP).

The adopted highway is the Council's largest and highest value asset. The TAMP sets out the long-term plan for managing the highway asset so that the condition is maximised for the available budget. The report highlighted the substantial investment by the Council and Central Government, through the Local Transport Plan, which has contributed to the reduction in the maintenance backlog over the past year. The report detailed the Council's performance in respect of highway asset management, benchmarked against other local authorities and provided a framework for potential new investment in highways to address asset condition and make improvements to the existing network.

Decision

The Cabinet:

- (a) approved the annual update report;
- (b) noted the substantial investment in programmed capital maintenance and the ongoing work to maximise funding going forward; and
- (c) noted the priorities and investment strategy highlighted by the TAMP.

School Loans Scheme

Summary

The Cabinet considered a report of the Corporate Director of Resources which recommended changes to the council's loan scheme for schools, to take account of energy efficiency, carbon emission and sustainability issues.

The school loan scheme allows schools to borrow to fund one-off capital projects that will benefit them for more than one year. This is the only form of borrowing that schools can access. The Council's loan scheme has operated since 2015 and there are currently five outstanding loans, with a total value of £379,000. The loan scheme is only available to maintained schools, but loans transfer to academy trusts when schools convert. A school with a loan that closed would have to be written-off by the council. Loans cannot be used to fund revenue deficits, with loans being charged interest and a premium to cover administration and the risk of changes in interest rates. Loans are assessed taking into account the ability of schools to repay and the appropriateness in the context of schools' plans for future education provision.

There is presently a need to update the scheme, to take account of increasing demand for loans to fund energy efficiency projects and to ensure that loans are for projects that take account of concerns about energy efficiency, carbon emissions and sustainability. Schools were able previously to access SALIX funding to support energy saving initiatives but this funding has been discontinued.

The ability for schools to invest energy reduction initiatives in this manner is in harmony with the council's aim to achieve 80% carbon reductions by 2030. Energy efficiency projects can be self-financing with borrowing costs being financed from savings on energy consumption. One of the proposed scheme revisions is to enable schools that previously would not have been able to access loans, to apply for loans that would allow them to reduce their energy costs and be self-financing. The report also proposed to require schools to explain how building works projects will affect their energy efficiency, carbon emissions and sustainability and to impose a minimum size of advance of £5,000.

Decision

The Cabinet agreed:

- a) to remove the restrictions on loans for projects designed to increase energy efficiency where savings are expected to at least equal to the cost of loan repayments and interest from the first year in which a loan repayment is due thus supporting the council's aim to reduce carbon emissions by 80% by 2030;

- b) to require that for building works not directly linked to carbon reduction or energy efficiency, schools should describe the effect of the proposed works on energy efficiency, carbon emissions and sustainability;
- c) to require that for building works not directly linked to carbon reduction or energy efficiency, proposals should incorporate energy efficiency measures where appropriate and within the scope of the proposed works;
- d) to allow loans to be extended to 15 years in exceptional circumstances for loans linked to carbon reduction or energy efficiency interventions and linked to payback periods on reductions in energy costs;
- e) that the council has the discretion of offer a lower interest rate to loans linked to carbon reduction or energy efficiency; and
- f) to add a provision that the minimum advance through the loans scheme shall be £5,000.

UK City of Culture Bid

[Key Decision: REG/01/22]

The Cabinet resolved to exclude the press and public by virtue of paragraph 3 Part 1 of Schedule 12A of the Local Government Act 1972 during discussions on agenda item 10.

Summary

The Cabinet considered a report of the Corporate Director of Regeneration, Economy and Growth which provided Cabinet with an overview of County Durham's bid for UK City of Culture 2025.

Decision

The Cabinet approved the recommendations in the report.

Helen Lynch
Head of Legal & Democratic Services
21 January 2022