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| Meeting       | Executive   |
| Date          | 28 November 2019  |
| Present       | Councillors D'Agorne (Vice Chair, in the Chair), Ayre, Craghill, Cuthbertson, Runciman, Smalley, Waller and Widdowson |
| Apologies     | Councillor Aspden   |
| In Attendance | Councillor Myers  |

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## **PART A - MATTERS DEALT WITH UNDER DELEGATED POWERS**

### **62. Declarations of Interest**

Members were asked to declare at this point in the meeting any personal interests not included on the Register of Interests, or any prejudicial or disclosable pecuniary interests, that they might have in the business on the agenda.

Cllr Ayre declared a prejudicial interest in Agenda Item 11 (Yorkshire Purchasing Organisation), as a member of YPO Procurement Holdings Ltd. He left the room during consideration of that item and took no part in the discussion or decision thereon.

### **63. Exclusion of Press and Public**

Resolved: That the press and public be excluded from the meeting during any discussion of:

- Appendices 1-4 to Agenda Item 11 (Yorkshire Purchasing Association and
- Annexes 1-4 to Agenda Item 12 (Establishing an Investment Budget for a Strategic Commercial Property Acquisition)

on the grounds that they contain information relating to the financial or business affairs of any particular person (including the authority holding that information). This information is classed as exempt under Paragraph 3 of Schedule 12A to Section 100A

of the Local Government Act 1972 (as revised by the Local Government (Access to Information) (Variation) Order 2006).

**64. Minutes**

Resolved: That the minutes of the Executive meeting held on 24 October 2019 be approved and then signed by the Chair as a correct record.

**65. Public Participation**

It was reported that there had been five registrations to speak at the meeting under the Council's Public Participation Scheme.

Cllr Crawshaw spoke on Agenda Item 5 (Forward Plan). As Chair of Customer & Corporate Services Scrutiny Committee, he expressed concern that the decision to defer the Q2 Finance and Performance Monitor report to the January Executive would allow insufficient time for consideration by Scrutiny before the budget was set. He asked that the report be released to Scrutiny Members as soon as possible.

Adam Hewitt spoke on Agenda Item 7 as Head of Public Affairs at York St John University and a resident of York. He expressed support for the York Narrative as a means of increasing investment and fostering pride in the city, to the benefit of both residents and visitors.

Hon. Alderman Brian Watson spoke on Item 7 and on matters within the Executive's remit. He raised concerns about the Narrative in terms of its funding and its relevance to local residents. On other matters, he criticised the approach to York Central and the design of city centre security barriers and asked what the council planned to do with the old Post Office building.

Written representations were received on Item 7 from Sean Bullick, MD of Make it York, supporting the recommendation to adopt the York Narrative.

Michael Hammill spoke on Agenda Item 12 (Establishing an Investment Budget for a Strategic Commercial Property Acquisition). He queried the benefit of withholding the report annexes and of the council purchasing another property instead of concentrating on managing its existing buildings.

Gwen Swinburn also spoke on Item 12. She expressed concern about a lack of oversight of the property portfolio and the fact that the annexes had been withheld instead of redacted.

#### **66. Forward Plan**

Members received and noted details of the items that were on the Forward Plan for the next two Executive meetings at the time the agenda was published.

In response to the comments made under Public Participation on this item, the Executive Member for Finance & Performance confirmed that he would be happy to make the Finance & Performance Monitor 2 report available to all group leaders, on a confidential basis during the pre-election 'purdah' period.

#### **67. Refreshing The Council's Approach to Equalities**

The Assistant Director, Communities & Culture presented a report which provided an update on the council's progress towards its equality objectives and set out proposals to strengthen the approach to equalities in key areas.

Under the Equality Act, the council was required to publish equality objectives every 4 years and information to demonstrate compliance with its Equality Duty every year. Recent progress against the five current objectives, set in October 2017, was summarised in Annex A to the report along with a revised action plan. No changes to the objectives were proposed. Key development areas in the action plan were highlighted in report paragraphs 10-30.

With reference to the council's commitment to its leadership role in events promoting inclusion, Members were advised of a request by the Secretary of State for Housing, Communities & Local Government for local authorities to adopt the International Holocaust Remembrance Alliance working definition of antisemitism. This was attached as Annex B to the report.

Resolved: (i) That the progress made against the council's equality objectives be noted and agreement given for the current objectives to remain in place.

(ii) That the action plan set out in Annex A to the report be approved.

(iii) That the key elements of York's equalities system, as set out in paragraph 31 of the report, be endorsed.

(iv) That the International Holocaust Remembrance Alliance working definition of antisemitism set out in Annex B be adopted.

Reason: To strengthen the council's approach to equalities.

## **68. The York Narrative**

The Corporate Director of Economy & Place and the Head of Communications presented a report which sought approval for a proposed York Narrative, developed using funding from the Leeds City Region (LCR) Business Rates Pool after consultation with Executive Members, city partners, young people and residents.

The Narrative was a way of describing York and its surrounding communities. Its aim was to find a better way to present the city to local, regional and national partners and prepare for future funding opportunities, and at the same time identify the values that York cherished, in order to inform future policy making. Its three core values: 'making history everyday'; 'prioritising human experience'; and 'pioneering with purpose' were intended to provide a framework for describing York activities and events. The proposed narrative framework was attached as Annex A to the report. The perception baseline, validation process and consultation feedback were set out in Annex B, with a Community Impact Assessment in Annex C. Members were invited either to adopt the Narrative, as recommended, or make amendments or additions.

During their presentation, and in response to questions from Members and comments made under Public Participation on this item, officers confirmed that:

- 74% of the consultation responses were from York residents.
- Half of the LCR funding (£300k) had been re-allocated to inclusive growth projects, to complement the outcomes of the Narrative.

Resolved: That the York Narrative be adopted on behalf of the city.

Reason: To endorse the implementation of the York Narrative.

*At 6:12 pm, the Chair adjourned the meeting in order to take advice from the Monitoring Officer, as he had been the original proposer of the Scrutiny review referred to in the next item. The meeting resumed at 6:18 pm. The Monitoring Officer advised that the council's Constitution did not prohibit a former member of a Scrutiny Committee from considering the recommendations of a Scrutiny review in their later capacity as an Executive Member.*

## **69. Parking Update**

The Assistant Director of Transport, Highways & Environment presented a report which reflected on the recommendations made by the Residents' Priority Parking Scheme (Respark) Scrutiny Review Task Group in March 2019 (*agreed by Executive on 18 March; Minute 133 of that meeting refers*) and explored opportunities to implement further service improvements through online services and virtualisation.

The report was a response to the recommendations for officers to review and investigate a number of matters relating to Respark zones and permits, as set out in the original report of the Task Group attached at Annex A. Progress to date on each of the 7 recommendations was set out in paragraphs 50-66 of the report; proposals for further development were detailed in paragraphs 67-75. Officers confirmed that, while moving towards more online delivery, they would ensure that customers who did not use the internet still had access to services.

A document indicating the current progress of Respark schemes on the waiting list was circulated to Members at the meeting.

Resolved: (i) That the progress made in streamlining the process of extending the existing residents' parking zones be noted.

Reason: To confirm that the implementation of residents' parking schemes is being expedited, in line with the recommendations in the scrutiny report.

(ii) That officers be asked to implement options that allow residents to purchase shorter term permits, or develop pay-monthly options.

Reason: To help customers to spread the cost of permits, in line with the scrutiny recommendations.

(iii) That the progress made in recruiting additional staff to process applications for new residents' parking zones be noted.

Reason: To confirm that the implementation of residents' parking schemes is being expedited, in line with the recommendations in the scrutiny report.

(iv) That the procurement of a new parking system that will introduce online self-service for customers, to become the principal channel for online application and payment for parking permits and visitor vouchers, for same-day online payment for parking tickets, and to automate the requirement for evidence, be noted.

Reason: To confirm that the customer experience is being improved, in line with the scrutiny recommendations.

(v) That approval be given to implement paperless virtual parking permits, starting with residents' parking permits, season tickets and visitor permits and rolling out across all permits over time, supported by a compliant checking system to allow residents to see whether a vehicle is authorised to park in a residents' parking zone, and with each implementation to be subject to a separate decision by the Executive Member for Transport.

Reason: To improve the efficiency of the parking service, in line with the scrutiny recommendations.

(vi) That approval be given to move towards cashless parking by:

- a) rolling out the Pay By App/Phone Service to on-street parking machines to allow customers to pay for their parking by phone;
- b) in line with corporate policy, no longer accepting cash in council offices for parking permits and requiring all penalty charge notice (PCN) cash payments to be made through an external service (the same as for Council Tax, where the resident does not pay more for this service);
- c) piloting the provision of a cashless system in Marygate car park, subject to the integration of permits (e.g. Minster Badge and season tickets) into the Pay on Exit technology;
- d) reporting back to the Executive Member for Transport in one year's time, with a view to rolling out cashless parking across the parking estate.

Reason: To respond positively to the March 2019 scrutiny report and its recommendations around efficiency.

## **70. Millthorpe School - Enhanced Resource Provision**

The Corporate Director of Children, Education & Communities presented a report which sought approval to allocate funding of £410k to create a specialist satellite Enhanced Resource Provision (ERP) at Millthorpe School for pupils on roll at Applefields School.

The new 20-place ERP would provide an education for those pupils in Key Stages 3 and 4 who met the criteria for a special school but had needs better suited to a mainstream school environment. It would also enhance and add to the specialist secondary provision currently available in the city, in line with the recommendations of the Inclusion Review.

The development would have no impact on land use, wildlife or on the school playing fields and the new units were expected to be zero carbon, achieving an A+ Energy Performance Certificate.

Resolved: That approval be given to allocate £410,000 from the SEND Facilities Expansion Scheme to create a specialist secondary ERP, comprising two permanent classrooms at Millthorpe School for use by pupils of Applefields School.

Reason: To meet the increasing demand across the city for additional specialist secondary education provision for pupils with special educational needs.

#### **71. Treasury Management and Prudential Indicators Mid Year Review**

The Head of Corporate Finance & Commercial Procurement (Interim s.151 Officer) presented a report which provided an update on Treasury Management activities for the period 1 April to 30 September 2019.

The report, prepared in compliance with CIPFA's Code of Practice on Treasury Management, provided: an economic update for the first part of the 2019/20 financial year; a review of the Treasury Management Strategy Statement and Annual Investment Strategy; the prudential indicators; reviews of the council's investment portfolio and borrowing strategy; and a review of compliance with the Treasury and Prudential Limits.

It was confirmed that during the financial year 2019/20 to date, the council had operated within the treasury limits and Prudential Indicators, as set out in the report and Annex A.

Resolved: (i) That the Treasury Management activities to date during 2019/20 be noted.

(ii) That the Prudential Indicators set out in Annex A, and the compliance with all indicators, be noted.

Reason: To ensure the continued performance of the council's Treasury Management function.

#### **72. Yorkshire Purchasing Organisation**

The Head of Corporate Finance & Commercial Procurement (Interim s.151 Officer) presented a report which invited Members to consider a proposed transaction by the Yorkshire



Purchasing Organisation (YPO) and amendments to the governance arrangements of the YPO.

Created in 1974, YPO was a joint local government service for the procurement of goods and services. It currently comprised 13 'founder member' authorities, including York, with Wakefield Council acting as 'lead authority'. The transaction, detailed in the exempt appendices to the report, was intended to safeguard and promote its strategic objectives in an increasingly competitive market environment. Wakefield would provide the funding and make the transaction on behalf of all the founder members, who would in turn be asked to stand behind the lead authority's position through an addendum to the Management Agreement.

The proposal was still going through due diligence; this was expected to conclude in early December, in time for review by the relevant statutory officers.

Resolved: (i) That the proposed transaction be supported.

(ii) That financial backing for the transaction be confirmed and approval be given to underwrite a loan through entering into a supplemental agreement, with authority being delegated to the Chief Executive to approve the supplemental agreement set out in Appendix 4 to the report, subject to:

- a) At least 10 of the 13 founder members remaining as founder members and agreeing to enter into the supplemental agreement;
- b) The satisfactory completion of legal and financial due diligence on the proposal giving confidence to process; and
- c) A resolution of the YPO Management Committee to enter into the transaction.

Reason: To enable YPO to continue to provide benefits to its members in the long term.

### 73. **Establishing an Investment Budget for a Strategic Commercial Property Acquisition**

*[See also under Part B]*

The Assistant Director for Regeneration, Growth & Asset Management presented a report which sought to establish a capital budget to fund the acquisition of the freehold interest in a York city centre asset.

A non-binding, subject to contract offer had been made on the property, which was currently let to a commercial tenant. The council was now the preferred bidder. The purchase would be a strategic lever in future consideration of how the city centre would adapt to the changing retail environment, as well as adding to the rental income stream generated by the council's existing commercial portfolio, and was in line with the budget strategy. The property also had development potential for increased public access, and possible residential conversion of the upper floors.

In response to Members' questions, and comments made under Public Participation on this item, officers advised that:

- Keeping the details confidential was a condition of the vendor accepting the council's offer.
- The property strategy to date had been driven by opportunities arising; the My City Centre project would explore the potential for a more interventionist approach.
- The former Post Office building was not public sector owned and had no viable business case or strategic function.
- A report on Bootham Park would be brought in the new year.

**Resolved:** That authority be delegated to the Director of Economy & Place to complete the purchase once all due diligence has been satisfactorily conducted on the property.

**Reason:** To ensure the ongoing economic vibrancy of the city centre, whilst increasing the income from the council's commercial portfolio in line with budget targets.

## **PART B - MATTERS REFERRED TO COUNCIL**

### **74. Establishing an Investment Budget for a Strategic Commercial Property Acquisition**

*[See also under Part A]*

The Assistant Director for Regeneration, Growth & Asset Management presented a report which sought to establish a capital budget to fund the acquisition of the freehold interest in a York city centre asset.

A non-binding, subject to contract offer had been made on the property, which was currently let to a commercial tenant. The council was now the preferred bidder. The purchase would be a strategic lever in future consideration of how the city centre would adapt to the changing retail environment, as well as adding to the rental income stream generated by the council's existing commercial portfolio, and was in line with the budget strategy. The property also had development potential for increased public access, and possible residential conversion of the upper floors.

In response to Members' questions, and comments made under Public Participation on this item, officers advised that:

- Keeping the details confidential was a condition of the vendor accepting the council's offer.
- The property strategy to date had been driven by opportunities arising; the My City Centre project would explore the potential for a more interventionist approach.
- The former Post Office building was not public sector owned and had no viable business case or strategic function.
- A report on Bootham Park would be brought in the new year.

**Recommended:** That a capital budget of £2.85 million be established to fund the acquisition of the freehold interest in a York city centre asset, as set out in the exempt annex to the report.

**Reason:** To ensure the ongoing economic vibrancy of the city centre, whilst increasing the income from the council's commercial portfolio in line with budget targets.

Cllr A D'Agorne, Chair

[The meeting started at 5:30 pm and finished at 6:46 pm.].