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MEETING	CABINET
DATE	9 OCTOBER 2012
PRESENT	COUNCILLORS ALEXANDER (CHAIR), CRISP, GUNNELL, LEVENE, MERRETT, SIMPSON-LAING (VICE-CHAIR) AND WILLIAMS
IN ATTENDANCE	COUNCILLORS HEALEY, STEWARD AND WARTERS
APOLOGIES	COUNCILLOR LOOKER

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

### **24. CHAIRS COMMENTS**

Councillor Alexander expressed his thanks to the University of York Student's Union for use of their excellent facilities for the meeting.

He also put on record his thanks to all residents and Council employees for their exceptional efforts during the recent clean up operation, following flooding in the city.

### **25. DECLARATIONS OF INTEREST**

Members were invited to declare at this point in the meeting any personal, prejudicial or disclosable pecuniary interests they may have in the business on the agenda.

Cllr Levene declared a prejudicial interest in respect of agenda item 8 (Delivery and Innovation Fund – Funding Decisions) in respect of Science City York as this body had a contract with his employer and he left the room and took no part in the discussion or voting thereon.

Cllr Merrett declared a personal non prejudicial interest in respect of transport items on the agenda as he had no involvement with Network Rail on Transport Policy matters.

## **26. EXCLUSION OF PRESS AND PUBLIC**

- RESOLVED: i) That the press and public be excluded from the meeting during consideration of Annexes 2 and 3 to Agenda Item 6 (Sale of the Hungate Site) and Agenda Item 7 (Admin Accommodation Portfolio) on the grounds that they contain information relating to the financial or business affairs of particular persons, which 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.
- ii) That the press and public also be excluded from the meeting during consideration of Annex 4 to Agenda Item 6 (Sale of Hungate Site), on the grounds that it contains information in respect of which a claim to legal professional privilege could be maintained in legal proceedings, which is classed as exempt under paragraph 5 of Schedule 12A to Section 100A of the Local Government Act 1972 (as revised by The Local Government (Access to Information) (Variation) Order 2006.

## **27. MINUTES**

- RESOLVED: That the minutes of the last Cabinet meeting held on 4 September 2012 be approved and signed by the Chair as a correct record.

## **28. PUBLIC PARTICIPATION/OTHER SPEAKERS**

It was reported that there had been one registration to speak at the meeting under Council's Public Participation Scheme, and that two Members of Council had requested to speak on various agenda items.

Representations were received from Gwen Swinburn in relation to Agenda item 8 (Delivery and Innovation Fund – Funding Decisions). In particular to the Science City York (SCY) proposal to develop the capability and capacity for city-wide innovation activities which she agreed was required in the city.

Concerns were however raised that no specific outputs had been provided or Service Level Agreements put in place for third party funding. A common framework for SLA's was required to show how proposed measures would contribute to goals.

Councillor Healey also spoke on the Delivery and Innovation Fund. He echoed the earlier speaker's comments, reiterating that the SCY report did not include details of specific goals, number of jobs created or benefits to the city of the proposal.

Councillor Healey also made representations in respect of Agenda item 6 (Sale of Hungate Site) in particular, as the authority had owned the site for a number of years and he questioned the lack of marketing and whether best value was being obtained for a unique site in the city centre. He questioned the possibility of selling only part of the site to Bidder 2, with the remaining land being offered to attract greater employment use for the site. An asset review of unused Council properties was also suggested.

Councillor Warters spoke in respect of the experimental road surfacing used on Tranby Avenue, under a matter within the remit of the Cabinet. He pointed out that he had raised this issue on a number of occasions, particularly in relation to finance received from the Derwenthorpe scheme some of which he felt should be used to improve the road surfacing. He also asked that, in any future cases of 'experimental' works, Cabinet should receive full details of any scheme, prior to final agreement. Concerns were raised in respect of Freedom of Information requests which had confirmed that no information existed in relation to the experimental scheme as staff involved had now left the authority.

Councillor Warters also made representations in respect of Agenda item 6 (Sale of Hungate Site), particularly the costs incurred by the authority in relation to the abortive proposals for the site as an HQ, the resiting and demolition of the old Peasholme Centre, together with the reduced capital receipt anticipated for the Hungate site.

Councillor Warters finally made representations in respect of Agenda item 7 (Admin Accommodation Portfolio – further property rationalisation). Particularly to the cost of the proposed adaptations at Hazel Court and he questioned details of the

works and consultation undertaken with staff, Unions and residents. He pointed out that this money should be used to provide services for York residents following proposals to cut basic services.

## **29. FORWARD PLAN**

Members received and noted the details of those items listed on the Forward Plan for the next two Cabinet meetings, at the time the agenda was published.

## **30. DELIVERY AND INNOVATION FUND - FUNDING DECISIONS**

Consideration was given to a report which set out proposals for the funding of two projects through the Delivery and Innovation Fund (DIF) for Cabinet approval which were requesting funding over £100k.

The first for funding to enable an initial business case to be prepared for Phase 2 of the Access York programme, a key element to deliver the Council's priority to Get York Moving. It was reported that this would form the basis for the scheme and unlock access to additional funding required to deliver the longer term programme.

The second project was for a programme of work, building on current partnership projects between the City of York Council and Science City York to develop a comprehensive package of development and support activities for innovation in the council and the city. Further information in respect of both these projects was set out at paragraphs 7 to 16 and at Annex A of the report.

The Leader referred to the funding requests received to date and expressed disappointment that only one application had been received from the voluntary sector with non from Parish Council's.

With regard to the earlier speakers comments he agreed that greater commonality was required on SLA's however, in the meantime, he did not wish to hold up any projects.

**RESOLVED:** i) That Cabinet approve the following Delivery and Innovation Fund bids that have a value over £100k:

- Access York Phase 2 preparations – Yr 1 £105k/Yr 2 £70k, totalling £175k;
- City of York Council-Science City York Innovation Catalyst Programme – Yr 1 £165k/Yr 2 £165k, totalling £330k *and require full input, output, and outcome metrics on the proposal, and how it contributes to Council priorities.*<sup>1</sup>

(ii) *That the Chief Executive be requested to develop standard metrics and common protocols for all third party funding and SLAs.*

REASON: In order to support delivery of the council priorities and to facilitate the development of new and innovative ways of working.

*[As amended by Cabinet on 4 December 2012]*

Action Required

1. Allocate funding and confirm details with bodies. IG

**31. CITY OF YORK LOCAL DEVELOPMENT FRAMEWORK**

Members considered a report which set out proposals for a way forward for the Council with regard to the City of York Local Development Plan. This followed the recent Council decision to withdraw the LDF Core Strategy from the examination process and approval of the community stadium and retails scheme at Monks Cross.

It was reported that this matter had been discussed at the last LDF Working Group meeting on 3 September; a copy of their draft minutes was attached to the report at Annex 1.

Changes arising from the National Planning Policy Framework and the Localism Act affecting the next steps in producing a plan were set out at paragraphs 6 to 19 of the report, with information on the key stages, timescales and project work at Figure 1 and Annex 3. Estimated costs in the production a revised plan and additional evidence base were also set out at Table 2.

The Cabinet Member expressed his support for the development of a new Local Plan in line with current guidance to ensure a stronger planning framework was in place as soon as possible. Following discussion it was

RESOLVED: That Cabinet agrees to:

- i) Instruct Officers to undertake the appropriate steps to produce a Local Plan for the City of York that is fully compliant with the National Planning Policy Framework (NPPF) and other relevant statutes. <sup>1</sup>.
- ii) Note the costs identified within paragraphs 37 – 39 of the report, specifically the additional funding of £192k for years 2013/14 and £249k for 2014/15, the cost being considered as a part of the budget strategy report in February 2013.
- iii) The renaming of the working group as the Local Plan Working Group. <sup>2</sup>.

REASON: To produce a Local Plan for York that is fully compliant with the National Planning Policy Framework (NPPF) and other relevant statutes in the timescale identified in the report.

Action Required

1. Undertake work required to produce fully compliant Plan.
2. Amend title of Working Group.

MG

LB

**32. ADOPTION OF A LOW EMISSION STRATEGY FOR YORK**

Cabinet considered a report which presented the results of the recent Low Emission Strategy (LES) public consultation and requested formal adoption of the revised strategy set out at Annex 1 of the online agenda.

Consultation on the draft LES had taken place between 23 April and 25 May 2012 and the results of consultation and amendments proposed to the draft were set out at paragraphs

26 to 28 of the report and at Annexes 1 and 2 of the online agenda. Details of the current air quality situation and impacts on health in the city were also outlined.

The Cabinet Member confirmed that there had been a general endorsement of the strategy and referred to the summary of actions listed which would ensure low emission measures were delivered as soon as possible.

Following further discussion it was

RESOLVED: That Cabinet

- i) Approves option (a) and accepts the findings of the Low Emission Strategy (LES) consultation (detailed in paragraphs 19-25 of the report) and the resulting amendments to the consultation draft LES.
- ii) Formally adopts the amended LES circulated with the report as York's first Low Emission Strategy.<sup>1</sup>

REASON: This option will ensure York retains its reputation as a pioneer in the adoption of an overarching low emission strategy and stays in a good position to attract low emission vehicles, technologies and associated jobs ahead of other local authorities. It will allow work to commence on the development of a new low emission based Air Quality Action Plan (AQAP3) for the city and ensure low emission measures start to be delivered as soon as possible to improve air quality, protect public health and help meet CO<sub>2</sub> reduction targets.

Action Required

1. Implement measures set out in Strategy.

MS

**33. DEVOLUTION OF MAJOR TRANSPORT SCHEME FUNDING**

Consideration was given to a report which explained the Government's approach to the devolution of post 2014 funding

for major transport schemes, including the creation of Local Transport Bodies (LTB's).

It was reported that for the next spending review period the Government wished to create a devolved funding system based on voluntary partnerships with decisions taken by local partners at a local level. As the City of York Council was a Local Transport Authority which sat in two overlapping Local Enterprise Partnership boundaries the following different LTB options were considered:

Option 1: York LTB

Option 2: Leeds City Region LTB

Option 3: West Yorkshire and York LTB

Option 4: North Yorkshire and York LTB

An analysis of these options was set out at paragraphs 8 to 30 of the report with information on the preferred option at paragraphs 31 to 33.

The Cabinet Member referred to the reduced funding level for capital schemes and to the need to secure other funding for any major schemes. He confirmed that negotiations would be undertaken with the agreed partners to ensure that any terms and conditions provided minimum guarantees and benefits for the city.

**RESOLVED:** That Cabinet agree to the DfT being notified that York wishes to be included in the arrangements for a Local Transport Body for West Yorkshire and York, subject to agreement of the detailed Governance arrangements.<sup>1</sup>

**REASON:** This approach offers the greatest potential to maximise the level of transport funding for York, particularly by realising the benefits of the Leeds City Region City Deal, and to align with economic investment to support growth.

Action Required

1. Notify Department for Transport of decision.

RW



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

### **34. SALE OF THE HUNGATE SITE**

Consideration was given to a report which set out proposals to sell Council land on the Hungate site to bring new jobs into the city and generate a capital receipt.

The site which comprised the former Peasholme Hostel, the Haymarket Car Park and the former Dundas Street Ambulance Station was shown at Annex 1 of the report.

Interest in the site had been forthcoming from Hiscox Ltd and following detailed investigations and discussions a formal offer for the site received. Although the site had not been marketed other interested parties had also been asked to submit offers and a number for expressions of interest and subsequent offers had now been received.

Information on and an analysis of the three bids was set out at paragraphs 6 to 18 and at Confidential Annex 2. Additional options together with an evaluation of the individual bids and the report of the independent valuer were also provided at paragraphs 19 to 26 and Annex 3. It was also note that the Council had an obligation not to sell land for less than the best consideration reasonably obtainable, without the consent of the Secretary of State. The Council would need to be satisfied that these obligations were complied and this was further explained in Confidential Annex 4.

The Leader pointed out that whilst the offer by Bidder 2 was not the highest, that it provided the largest economic benefit to the city and higher business rates than would have resulted from a hotel development.

Following further lengthy discussion it was

- RECOMMENDED:
- i) That Council agree to commence negotiations for the sale of the Hungate site to the Hiscox development partner, Bidder 2.
  - ii) That Council delegate authority to the Director of Customer and Business Support Services the

power to finalise an agreement for the sale of the land to Bidder 2 at a commercial market value being not less than the figure set out in Annex 2 of the report.

- iii) Cabinet recommends to Council amendment of the capital programme financing, reducing capital receipts by £1.627m, with a corresponding increase in prudential borrowing.<sup>1</sup>

- REASON:
- i) To promote the economic well being of the City by ensuring the creation of between 400-600 new jobs and realising a capital receipt to fund the capital programme.
  - ii) & iii) To ensure the effective delivery of the capital programme.

Action Required

1. Refer recommendations to Council.

JP

**35. ADMIN ACCOMMODATION PORTFOLIO - FURTHER PROPERTY RATIONALISATION**

Members considered a progress update on the extension of the scope of the Administrative Accommodation rationalisation to further reduce the number of office buildings used by the Council and increase the accommodation provided to partners.

Following inclusion in the programme, in January 2012, the exiting of the Guildhall, St Anthony's House and 50 Acomb Road, accommodation had been required for an additional 200 staff and 47 members within the two remaining buildings.

In order to achieve further savings additional changes were required at West Offices and it was proposed that the Hazel Court site was used as the second Admin Accommodation site, as detailed in paragraphs 7 to 13 of the report. This would provide flexible workspace for all Council staff and partners. A

further break down of the cost of modifications required at Hazel Court were set out in the Confidential Annex 2 to the report.

Members referred to repairs required to existing buildings and accessibility concerns and to the need for smarter working which the enhanced proposals would provide.

It was then

- RECOMMENDED:
- i) That Council agree the proposals for amending the design of Hazel Court to accommodate additional staff and an increased range of facilities.
  - ii) That Council be requested to create a capital budget of £618k to be funded from revenue savings achieved by exiting the 3 additional buildings.<sup>1</sup>

- REASON:
- i) To reduce the Council's Admin Accommodation portfolio and ensure the provision of suitable flexible workspaces for staff and partners in Hazel Court.
  - ii) To ensure the effective delivery of the capital programme.

Action Required

1. Refer recommendations to Council.

JP

Cllr J Alexander, Chair

[The meeting started at 5.30 pm and finished at 6.40 pm].