

Meeting	Executive
Date	21 January 2025
Present	Councillors Douglas (Chair), Kilbane (Vice-Chair), Kent, Lomas, Pavlovic, Ravilious and Steels-Walshaw
In Attendance	Councillor Ayre
Officers in Attendance	Ian Floyd – Chief Operating Officer Bryn Roberts – Director of Governance Debbie Mitchell – Director of Finance
Apologies	Councillors Webb

Part A Minute

70. Declarations of Interest (16:31)

Members were asked to declare at this point in the meeting any disclosable pecuniary interest or other registerable interest they might have in respect of business on the agenda, if they had not already done so in advance on the Register of Interests. None were declared.

71. Minutes (16:31)

Resolved: That the minutes of the Executive meeting held on 12 December 2024 be approved and then signed by the Chair as a correct record.

72. Public Participation (16:32)

It was reported that there had been 5 registrations to speak at the meeting under the Council's Public Participation Scheme.

Mr Richardson stated that he believed the Council was overcharging on the Adult Social Care Precept on Council tax.

Andrew Dickinson stated that the Council was putting up taxes on hard pressed residents and business and stated that he believed the Council was financially mismanaged and asked for a city-wide referendum on the budget.

Andrew Lowson, Executive Director of York BID, stated that the tourism industry didn't feel consulted enough on a tourism tax. He stated that improvements were needed on partnership working with businesses and the Council. He also said that businesses were concerned about parking price rises and that people could go to other towns and cities for cheaper parking.

Andy D'Agorne stated that the Council had promised to get York moving again but raised concerns that bus service improvements were moving too slowly. He stated that the rising of the bus ticket price cap was going to hurt residents.

Cllr Fenton discussed the proposed £20,000 for a study into how to deliver Dial and Ride. He raised his concern that progress on delivering a service was too slow and if any new service is in spring or summer 2026 that would be two-and half-year gap where a service wasn't provided. He noted the scrutiny task group on dial and ride whose report had not yet been considered by Executive and asked that priority was given to delivering a dial and ride service.

73. Forward Plan (16:52)

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.

74. Finance & performance Monitor 3 (16:53)

The Director of Finance introduced the report as well as the reports for the Capital Programme – Monitor 3 2024/25 and Treasury Management Quarter 3 report and Prudential Indicators 2024/25. She highlighted the progress made to date at reducing the Council's forecast overspend and noted the need for continued work to further reduce that overspend.

The Executive Member for Finance, Performance, Major Projects, Human Rights, Equality, and Inclusion emphasised the work that had been undertaken by the Executive and Council

officers to bring the Council's overspend down and control budgets. She noted that the reprofiling of the Capital Budget had allowed the Council to assess what projects were deliverable and had prevented the Council from borrowing additional money for projects when interest rates were high. She highlighted the challenge of predicting budgets with high costs in areas such as social care where individual complex cases can cost over £1 million a year. She noted that the Executive had reduced the Council's overspend from £11 million to £2.6 million and expected the overspend to continue to shrink in future years.

The Deputy Leader and Executive Member for Economy & Culture stated that the Executive had taken tough decisions to improve the city's finances. He also pointed to positive growth in tourists using York's hotels, an increase in footfall, and an increase in bus patronage.

Resolved:

- i. Noted the finance and performance information.
- ii. Noted that work will continue on identifying the savings needed to fully mitigate the forecast overspend.

Reason: to ensure expenditure is kept within the approved budget.

75. Capital Programme Update Monitor 3 (16:53)

This item was discussed as part of the discussion under Minute 74. Finance & performance Monitor 3. Please see that minute for more detail.

Resolved:

- i. Noted the 2024/25 revised budget of £102.847m as set out in paragraph 11 and Table 1;
- ii. Approved the recommended actions around the Transport Major Schemes detailed in paragraph 81;
- iii. Noted the restated capital programme for 2024/25 – 2028/29 as set out in Annex 1.

Reason: to enable the effective management and monitoring of the Council's capital programme.

76. Treasury Management Quarter 3 Prudential Indicators (16:53)

This item was discussed as part of the discussion under Minute 74. Finance & performance Monitor 3. Please see that minute for more detail.

Resolved:

- i. Noted the 2024/25 Treasury Management activity to date up to the period ending 30th November 2024.
- ii. The Prudential Indicators outlined in Annex A (updated where applicable) and note the compliance with all indicators.

Reason: To ensure the continued effective operation and performance of the Council's Treasury Management function and ensure that all Council treasury activity is prudent, affordable and sustainable and complies with policies set.

It is a statutory duty for the Council to determine and keep under review the affordable borrowing limits. During the period 1st April 2024 to 30th November 2024, the Council has operated within the Treasury and Prudential Indicators set out in the Council's Treasury Management Strategy Statement for 2024/25.

There are no policy changes to the Treasury Management Strategy Statement 2024/25 for members to agree and approve; the details in this report update the Treasury Management position and Prudential Indicators in the light of the updated economic position and budgetary changes already approved.

77. Financial Strategy 2025/26 (17:13)

The Director of Finance introduced the report and highlighted the key areas which included a rise in Council tax, £22 million of investment, and £6.4 million of savings. She noted that it was a

one-year settlement in light of the governments upcoming spending review. As the Section 151 officer she confirmed that while there were challenges and risks, she could confirm that the budget was prudent and made provision for known pressures.

The Executive Member for Finance, Performance, Major Projects, Human Rights, Equality, and Inclusion thanked officers for their work on the financial strategy and residents for participating in the largest budget consultation undertaken by the Council. She thanked partners across the city whose input had been important in the Council reaching its current financial position. She highlighted that from the consultation residents had been clear in wanting to see services protected and welcomed that the strategy wouldn't require service cuts in the budget.

The Executive Member noted that the Executive had made decisions much as raising parking charges rather than cutting road maintenance. She confirmed that residents had responded in favour of a tourism levy, so the Council was exploring this. She stated that the Executive had inherited a Council that was too big for its current budget and the Executive would seek to find efficiency savings without cutting service provision.

The Executive Member for Health, Wellbeing, and Adult Social Care highlighted the challenges the Council faced in social care with an aging population and cases of complex needs. She welcomed the investment in the budget to support elderly, disabled, and residents with complex needs and help meet what was the Council's statutory duty.

The Executive Member for Transport welcomed the £20,000 of funding of a study for how a dial and ride service could be delivered. She noted that the increase in parking charges and use of dynamic pricing at peak times would help improve highways and transport in the city. She also confirmed that the levelling out of prices across all York's car parks would ensure no one needed to search for the cheapest car park and after consultation with business the Council had agreed to a 30% discount for minster badge holders.

The Executive Leader stated that the Council had made a great array of improvements. She highlighted with a better settlement

from government the Council had been able to double its hardship fund to support residents with the cost of living.

Resolved:

- i. Approved the average rent increase of 2.7% to be applied to all rents for 2025/26.

Reason: To ensure the ongoing financial stability of the HRA and allow work on improving the quality of the council's affordable housing to continue.

- ii. Approved the Discretionary Rate Relief Policy set out in annex 9 and the Hardship Policy set out in annex 10.

Reason: To ensure policies reflect the latest statutory guidance.

78. Capital Budget 2025/26 to 2029/30 (17:41)

The Director of Finance introduced the reports on the Capital Budget 2025/26 to 2029/30 and the Capital & Investment Strategy. She confirmed that £61 million would be added to the capital budget to fund an additional year of capital investment. She also outlined that the Council has included a policy on the flexible use of capital receipts to fund transformation.

The Executive Member for Finance, Performance, Major Projects, Human Rights, Equality, and Inclusion outlined the importance of the capital budget which allowed the Council to invest in new projects and maintain the Council's assets both historic and modern. She stated that the Executive had to review the Council's capital projects of the previous administration to ensure projects that they use grant funding and borrowing would be deliverable.

The Executive Member for Housing, Planning, and Safer Communities spoke on the Housing Revenue Account and highlighted the additional funding for repairs which had brought down the time a Council property was a void. He noted that these improvements brought in additional funding to the Council and helped address housing needs.

The Deputy Leader and Executive Member for Economy & Culture stated that the Executive maintained the ambition for duelling the outer ring road. However, he noted that with the high cost of construction the Council's first priority would be to deliver the connections needed for strategic development sites in the local plan while the Council would seek funding for the additional work on the outer ring road.

79. Capital & Investment Strategy (17:41)

This item was discussed as part of the discussion under Minute 78. Capital Budget 2025/26 to 2029/30. Please see that minute for more detail.

80. Treasury Management Strategy Statement 2025/26 - 2029/30 (17:57)

The Director of Finance introduced the report and confirmed that there was nothing that needed to be specifically highlighted and that the report would be considered by the Council's Audit and Governance committee prior to going to Budget Council.

Part B Minute – Matters Recommended to Council

75. Capital Programme Update Monitor 3 (16:53)

This item was discussed as part of the discussion under Minute 74. Finance & performance Monitor 3. Please see that minute for more detail.

Recommended:

- i. Recommend to Full Council the adjustments resulting in a decrease in the 2024/25 budget of £20.923m as detailed in the report;

Reason: to enable the effective management and monitoring of the Council's capital programme.

77. Financial Strategy 2025/26 (17:13)

The Director of Finance introduced the report and highlighted the key areas which included a rise in Council tax, £22 million of investment, and £6.4 million of savings. She noted that it was a one-year settlement in light of the governments upcoming spending review. As the Section 151 officer she confirmed that while there were challenges and risks, she could confirm that the budget was prudent and made provision for known pressures.

The Executive Member for Finance, Performance, Major Projects, Human Rights, Equality, and Inclusion thanked officers for their work on the financial strategy and residents for participating in the largest budget consultation undertaken by the Council. She thanked partners across the city whose input had been important in the Council reaching its current financial position. She highlighted that from the consultation residents had been clear in wanting to see services protected and welcomed that the strategy wouldn't require service cuts in the budget.

The Executive Member noted that the Executive had made decisions much as raising parking charges rather than cutting road maintenance. She confirmed that residents had responded in favour of a tourism levy, so the Council was exploring this. She stated that the Executive had inherited a Council that was too big for its current budget and the Executive would seek to find efficiency savings without cutting service provision.

The Executive Member for Health, Wellbeing, and Adult Social Care highlighted the challenges the Council faced in social care with an aging population and cases of complex needs. She welcomed the investment in the budget to support elderly, disabled, and residents with complex needs and help meet what was the Council's statutory duty.

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consultation with business the Council had agreed to a 30% discount for minster badge holders.

The Executive Leader stated that the Council had made a great array of improvements. She highlighted with a better settlement from government the Council had been able to double its hardship fund to support residents with the cost of living.

Recommended:

- i. Recommend to Council approval of the budget proposals as outlined in the report. In particular:
 - a. The net revenue expenditure requirement of £156.921m;
 - b. A council tax requirement of £120.180m;
 - c. The revenue growth proposals as outlined in paragraphs 51 to 53;
 - d. The 2025/26 revenue savings proposals as outlined in annex 2;
 - e. The fees and charges proposals as outlined in annex 3;
 - f. The Housing Revenue Account (HRA) 25/26 budget set out in annex 5;
 - g. The Dedicated Schools Grant (DSG) proposals outlined from paragraph 141;
 - h. The Flexible Use of Capital Receipts Policy set out in annex 7, including delegation to the Director of Finance to determine the costs that can be charged to the transformation programme.

Reason: To ensure a legally balanced budget is set.

78. Capital Budget 2025/26 to 2029/30 (17:41)

The Director of Finance introduced the reports on the Capital Budget 2025/26 to 2029/30 and the Capital & Investment Strategy. She confirmed that £61 million would be added to the capital budget to fund an additional year of capital investment. She also outlined that the Council has included a policy on the flexible use of capital receipts to fund transformation.

The Executive Member for Finance, Performance, Major Projects, Human Rights, Equality, and Inclusion outlined the

importance of the capital budget which allowed the Council to invest in new projects and maintain the Council's assets both historic and modern. She stated that the Executive had to review the Council's capital projects of the previous administration to ensure projects that they use grant funding and borrowing would be deliverable.

The Executive Member for Housing, Planning, and Safer Communities spoke on the Housing Revenue Account and highlighted the additional funding for repairs which had brought down the time a Council property was a void. He noted that these improvements brought in additional funding to the Council and helped address housing needs.

The Deputy Leader and Executive Member for Economy & Culture stated that the Executive maintained the ambition for duelling the outer ring road. However, he noted that with the high cost of construction the Council's first priority would be to deliver the connections needed for strategic development sites in the local plan while the Council would seek funding for the additional work on the outer ring road.

Recommended:

- i. To recommend the Council agree to the revised capital programme of £385.383m that reflects a net overall increase of £60.947m (as set out in table 2 and in Annex 1). Key elements of this include:
 - a. New schemes funded by prudential borrowing totalling £8.150m as set out in table 3;
 - b. Extension of prudential borrowing funded Rolling Programme schemes totalling £24.712m as set out in table 4;
 - c. Extension of externally funded Rolling Programme schemes totalling £11.935m as set out in table 5;
 - d. An increase in HRA funded schemes totalling £16.150m funded from a combination HRA balances/capital receipts as set out in table 6;
- ii. To recommend that Council noted the total increase in Council borrowing as a result of new schemes being recommended for approval is £32.862m the details of which are considered within this report and the financial strategy report.

- iii. To recommend that Council approve the full restated programme as summarised in Annex 2 totalling £385.383m covering financial years 2025/26 to 2029/30 as set out in table 10 and Annex 2.

Reason: To ensure the Council maintains the funding for the capital programme.

79. Capital & Investment Strategy (17:41)

This item was discussed as part of the discussion under Minute 78. Capital Budget 2025/26 to 2029/30. Please see that minute for more detail.

Recommended:

- i. Recommended to Full Council approval of the capital and investment strategy at annex A.

Reason: To meet our statutory obligation to comply with the Prudential Code 2017.

80. Treasury Management Strategy Statement 2025/26 - 2029/30 (17:57)

The Director of Finance introduced the report and confirmed that there was nothing that needed to be specifically highlighted and that the report would be considered by the Council's Audit and Governance committee prior to going to Budget Council.

Recommended:

- i. Recommended to that Council approve, in accordance with the Local Government Act 2003 (revised):
 - a. The proposed Treasury Management Strategy for 2025/26 including the Annual Investment Strategy and the Minimum Revenue Provision policy statement;
 - b. The prudential indicators for 2025/26 to 2029/30 in the main body of the report;
 - c. The specified and non-specified investments schedule (Annex B);

d. The scheme of delegation and the role of the Section 151 officer (Annex D).

Reason: To ensure the continued effective operation and performance of the Council's Treasury Management function and ensure that all Council treasury activity is prudent, affordable and sustainable and complies with policies set.

Cllr Douglas, Chair

[The meeting started at 4.30 pm and finished at 5.59 pm].