

Meeting	Cabinet
Date	9 September 2014
Present	Councillors Alexander (Chair), Crisp, Cunningham-Cross, Levene, Looker, Merrett and Simpson-Laing (Vice-Chair)
In attendance	Councillors D'Agorne, Healey, Warters, Watson
Apologies	Councillor Williams

PART B - MATTERS REFERRED TO COUNCIL

34. Capital Programme Monitor One 2014/15

[See also Part A minute]

Members considered a report which set out details of the Council's projected capital programme outturn position for 2014/15, including any under/over spends and adjustments, together with requests to re-profile budgets to/from current and future years.

It was noted that the current 2014/15 capital programme, as approved by Council and updated in July was £83m, with current monitor showing a decrease of £6.912m resulting in a revised capital programme of £76.319m, the majority of which was attributable to the re-profiling to future years budgets and the remainder to a reduction in government grants.

The variances in each portfolio were shown at Table 1 of the report and a summary of the key exceptions and implications on the capital programme reported in paragraphs 8 to 26. Revisions to the 5 year programme were also reported together with details of funding for future years to 2018/19.

The Leader highlighted work proposed on the city's War Memorials and to the extensive capital works set out in Annex A to the report. Members also referred to the demographic pressures on local schools and the need for good sustainable planning for the future needs of children in the city.

Recommended: That Council agree to:

- (i) The adjustments in the Capital programme of a decrease of £6.912m in 2014/15 as detailed in the report and contained in Annex A.
- (ii) The use of £75k Contingency for works in relation to the War Memorial sites as set out at paragraph 16 of the report. ¹.

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

Action Required

1. Refer to Council.

JP

35. Community Stadium and Leisure Facilities Update

[See also Part A minute]

Consideration was given to a report which updated Cabinet on the progress of the procurement for the Community Stadium and City Leisure Facilities contract. Since approval of the business case, in March 2012 it was reported that the scope of the project had expanded with the inclusion of the city's leisure facilities.

With the final stage bid now complete, Greenwich Leisure Ltd had been selected as the preferred bidder and were proposing to create a new Stadium Leisure Complex, comprising an 8000 all-seat community stadium, leisure and sports centre, NHS Training and Development Centre, community hub and commercial retail/ digital cinema and restaurants/bars.

It was noted that, whilst the scheme would increase the city's sport and leisure offer, the total direct cost of the project would be c.£37m, which would require c.£8m of CYC funding, requiring Council approval. Further information on the financial implications and associated risks of proceeding with the project up to contract award were reported.

Officers referred to points raised by earlier speakers confirming that the original scheme for a smaller stadium had not included

any commercial income streams which were required to make the scheme commercially viable. Work had been undertaken to bring forward a sustainable solution which included a number of commercial properties. Officers acknowledged the risks, although they confirmed operators would take on many of the risks once any commercial deals were agreed. With regard to Yearsley Pool it was confirmed that a number of options had been explored and, if the Pool was to have a long term future, further work was required.

Members expressed their support for the Stadium scheme which would provide facilities of both regional and national significance. They confirmed that a wide range of options had been explored but pointed out that it was the authority's duty to obtain the optimum from the site.

Officers were thanked for the comprehensive report and it was confirmed that the Cabinet Members for Transport and Leisure, Culture and Tourism were keeping a watching brief on the proposals as they progressed.

Following further lengthy discussion it was

Recommended: That Council approve £4m Prudential Borrowing for the capital investment in the replacement leisure facilities (as shown in the tables at paragraph 22 of the report). The associated revenue costs of the borrowing will be c£360k per annum and will be shown as growth in the treasury management budget from 2016/17. ¹.

Reason: To update Members on the procurement of the New Stadium Leisure Complex and in order to progress the scheme to provide a landmark leisure destination for the City.

Action Required

1. Refer to Council.

JP

36. Financial Close for the Long Term Waste Management Service Contract

Consideration was given to a report which updated Cabinet on progress of the Long Term Waste Service Contract with

AmeyCespa for the provision of a waste treatment service at Allerton Quarry, Knaresborough.

The City Council had agreed in December 2010 to enter into a Joint Waste Management Agreement with North Yorkshire County Council for the provision of a Long Term Waste Management Service, as a long term sustainable alternative to landfill for the treatment of residual municipal waste.

Details of the significant key changes affecting the proposals which had taken place since December 2010, including receipt of planning permission, changes in technology and waste tonnage together with funding information for the project, following the Government's withdrawal of PFI credit support, were also reported in detail and in Annexes 1 to 4 in the report. Following consideration of all aspects of the proposals Cabinet were asked to decide whether the long term waste treatment project should progress to Financial Close within the approved affordability envelope.

The Leader confirmed that North Yorkshire County Council had, earlier in the day, approved the recommendations put to their Council as detailed in the report at paragraphs 206 to 215.

Members acknowledged that whilst this was not a perfect solution, the project was preferable to the landfill option available. Officers confirmed that Financial Close took place following the October Council meeting and highlighted changes that could occur in e.g. the Euro which could affect financial aspects of the project and to the costs which could be incurred if either authority withdrew from the contract.

Following further discussion it was

Recommended: That Council be asked to confirm:

- (i) The City Council is supportive of the County Councils recommendation to proceed to Financial Close for the Long Term Waste Treatment Service contract given the revised environmental and financial assessments carried out and detailed in this report given the positive long term benefits; subject to the final terms within the Value for Money Envelope set out at paragraph 146 of the report.

- (ii) That delegated authority be given to the Director of Customer and Business Support Services (acting in consultation with the Director of City and Environmental Services and the Assistant Director (Governance & ICT) to amend the Joint Waste Management Agreement and to agree any other documents necessary to give effect to this project.
- (iii) That the Director of Customer and Business Support Services, is authorised to issue the certificates under the Local Government (Contracts) Act 1997 to confirm the City Council's powers to enter into the contracts referred to above;
- (iv) That an indemnity be given by the City Council to the Director of Customer and Business Support Services, against any claim that may arise out of or in connection with the issue of the certificates under the Local Government (Contracts) Act 1997.
- (v) That all the Executive Decisions recommended above will not be implemented unless and until Full City Council agrees to the recommendation to proceed to Financial Close and Financial Close can be delivered within the Value for Money Envelope set out at paragraph 146 of the report.¹

Reason: In order for Full Council to determine whether to enter into a long term waste management contract.

Action Required

1. Refer to Council.

JP