

---

MEETING	EXECUTIVE
DATE	21 OCTOBER 2008
PRESENT	COUNCILLORS WALLER (CHAIR), STEVE GALLOWAY, SUE GALLOWAY, MOORE, REID, RUNCIMAN AND VASSIE

---

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

### **95. DECLARATIONS OF INTEREST**

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

Councillors Steve Galloway, Sue Galloway and Runciman declared personal non-prejudicial interests in agenda item 7 (Thriving City – Report Back) as members of the York Credit Union.

Councillor Waller declared a personal non-prejudicial interest in agenda item 7 (Thriving City – Report Back) as a member of the board of the Ryedale Energy Conservation Group.

The following Members withdrew from the meeting for agenda item 9 (Edmund Wilson Pool, Thanet Road), under the provisions of the Planning Code of Good Practice, and took no part in the discussion or decision thereon:

- Councillor Sue Galloway – as a member of West & City Centre Planning Sub-Committee;
- Councillor Moore – as a member of Planning Committee and substitute for West & City Centre Planning Sub-Committee;
- Councillor Reid - as a member of Planning Committee and West & City Centre Planning Sub-Committee.

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

RESOLVED: That the press and public be excluded from the meeting during consideration of Annexes 2 and 3 to agenda item 9 (Edmund Wilson Pool, Thanet Road) (minute 103 refers), on the grounds that these documents contained information relating to the financial and business affairs of particular persons. Such information was classed as exempt under paragraph 3 of Schedule 12A to Section 100A of the Local Government Act 1974 (as revised by The Local Government (Access to Information) (Variation) Order 2006).

**97. MINUTES**

RESOLVED: That the minutes of the Executive meeting held on 7 October 2008 be approved and signed by the Chair as a correct record, with an amendment to the recommendation in minute 94 (Capital Programme – Monitor One) to indicate the amounts of funding required for the shortfall on the Disabled Facilities Grant and the additional works at Hazel Court.

**98. PUBLIC PARTICIPATION**

It was reported that there had been no registrations to speak at the meeting under the Council's Public Participation Scheme.

**99. EXECUTIVE FORWARD PLAN**

Members received and noted details of those items that were currently listed on the Forward Plan for the next two Executive meetings.

It was reported that the item on Meals Provision in Elderly Persons' Homes scheduled for 4 November 2008 had been deferred.

**100. COUNCIL HEADQUARTERS – SITE OPTION APPRAISAL**

Members considered a report which presented the results of an independent review, by consultants E C Harris, of the decision to locate the Council's new headquarters building in the city centre, together with an appraisal of potential sites for the building.

The consultants had concluded that a city centre location was highly likely to be the only appropriate solution for the Council's needs, in terms of both accessibility for customers and best practice. With regard to potential sites, the purpose of the consultants' report had been to gauge the extent of potential viable interest in providing a solution to the Council's accommodation needs and to help inform the criteria for procurement. The aim would be to seek a complete solution from a potential developer, as compared to the previous Hungate solution, where the Council was effectively acting as developer.

The report outlined the current situation in respect of Hungate, together with information relating to two other potential sites; West Offices and Layerthorpe. It was noted that a reduced scheme could be achieved at Hungate within existing budget provisions; however, this would still leave a shortfall of space, resulting in further costs of around £3-5m. It was believed that the other two potential sites had the potential to meet the overall needs of the Council within the affordability parameters of the current approved budget.

Paragraphs 29 to 31 outlined the requirements with which the Council must comply under EU procurement law. These included a competition to

achieve the most economically advantageous tender. A set of detailed criteria for evaluating the outcomes of the procurement process was being developed, based upon the principles outlined in paragraph 33. It was estimated that the procurement could be streamlined to take about six months. A proposed timescale, resulting in completion of the construction by late 2012, was set out in paragraph 35.

Members noted that council tax payers would be better off as a result of the project, despite the delays, as well as the benefits it would deliver for staff and customers. In particular they highlighted that the receipt from the sale of St Leonard's Place had been invested and that the interest it was generating exceeded the additional year's rent that had to be paid as a result of the delay to the project. It was also noted that other funds for the project had been borrowed at low, long term fixed, interest rates and were now generating interest at higher levels.

Having noted the comments of the Shadow Executive on this item, it was

- RESOLVED: (i) That the content of the report be noted, particularly the conclusions of consultants E C Harris in their assessment of the validity of an earlier decision to locate the Council's new headquarters within the city centre as opposed to an out of town location;
- (ii) That the commencement of a procurement process, to support the development of potential solutions that may come forward for consideration, be approved;<sup>1</sup>
- (iii) That the set of high level procurement criteria listed in paragraph 33 of the report be approved;
- (iv) That, to support the need for expedience, delegated authority be given to the Project Champion – Director of City Strategy, to approve a set of detailed criteria within the high level criteria listed in paragraph 33 on which the procurement process will be based;<sup>2</sup>
- (v) That the need for more detailed work to be undertaken to inform the preparation of a more detailed accommodation strategy, to enable the Council to examine all relevant factors before making a critical investment decision, be acknowledged.<sup>3</sup>

REASON: To progress the Council Headquarters project.

Action Required

- |  |    |
|--|----|
| 1 - To start the procurement process;  | SL |
| 2 - To approve the detailed criteria;  | SL |
| 3 - To carry out the work necessary to inform the preparation of the accommodation strategy. | SL |

## 101. THRIVING CITY - REPORT BACK

*[See also under Part B Minutes]*

Members considered a report which provided a follow up to an earlier report on York's economic position, presented to Executive on 15 July 2008. It set out the findings of consultation with stakeholders and asked Members to consider options on further action and areas of investment.

Consultation had been carried out with organisations including, among others, the Citizens Advice Bureau, York Credit Union, the Federation of Small Businesses and the Chamber of Commerce, as well as relevant Officers within the Council. Generally speaking, York's economy was continuing to perform well. However some sectors, such as the construction industry, had suffered from the effects of the 'credit crunch' and there was a need to ensure that York's citizens were properly supported in the context of changing economic circumstances. At the first meeting of the Business Forum, held on 8 October, a significant consensus had been highlighted around the priorities for York's development. Ideas discussed included promoting the city 'offer' and refreshing the York 'brand' as a great place to work, invest in and visit.

Options for further action were set out in paragraphs 99 and 100 of the report. They included investment to:

- Help establish an enterprise fund for new business start ups (£50K)
- Support enterprise training within schools (£10k)
- Sustain the activities of the City Centre Partnership (£20k)
- Produce an updated 'York on a Budget' booklet (£3.5k)
- Provide three Credit Union community saving points (£9.8k)
- Recruit an additional CAB advice worker (£26.5k)
- Recruit someone to initiate and co-ordinate a smartcard scheme (£20k)

as well as the following strategic policy action:

- Formation of a cross-directorate anti-poverty and financial inclusion working group
- Enhanced economic planning through the ward committee function
- Pilot work to ensure better links between housing estate management services and benefits / financial inclusion work

and work to:

- Engage with partnerships to discuss the issues outlined in the report
- Explore (via Senior Managers Group / CLG sessions) how the Council can better link with citizens and businesses
- Support the proposal of the Business Forum to promote the York brand and City offer.

Members asked officers to investigate how the Council could engage with lenders who were taking an overly aggressive approach to repossessions of property, often for relatively small amounts of money. They also suggested that detailed risk management information should be included with future reports, rather than just the benchmarking information provided.

Members thanked officers for their work producing the report.

Having noted the comments of the Shadow Executive on this item, it was

- RESOLVED: (i) That detailed project plans be presented to the Executive at their meeting on 4 November 2008 for each of the following:<sup>1</sup>
- a) Match funding of the £50,000 provided by Norwich Union to establish an enterprise fund to support new business start ups;
  - b) In principle support for enterprise training within schools to be developed with NYBEP and Young Enterprise up to £10,000;
  - c) Support to sustain the activities of the City Centre Partnership up to £20,000;
  - d) Investment of an additional £3,500 for production of an updated 'York on a Budget' booklet, with the booklet to be approved by the Economic Development Unit;
  - e) Investment of £9,800 to provide three Credit Union community saving points in those communities most in need;
- (ii) That further updates be received on York's economic climate and assessment of the effectiveness of actions initiated as a result of the report;<sup>2</sup>
- (iii) That the following be dealt with as part of the Council's annual review of grant applications:<sup>3</sup>
- a) Investment of £26,500 for the recruitment of an additional CAB advice worker to accelerate the implementation of the Gateway client handling and referral system;
  - b) Investment of £20,000 (£4,500 already identified) for the recruitment of a person to initiate and co-ordinate the York smartcard scheme and consideration of the implications for sustainability of funding after year one.

REASON: To respond to the impact of the changing economic situation.

Action Required

- |  |    |
|--|----|
| 1 - To present the project plans;  | SL |
| 2 - To provide the further updates;  | SL |
| 3 - To deal with the issues identified as part of the annual review of grant applications. | SL |

## 102. CORPORATE RISK MANAGEMENT REPORT 2008/09

Members considered a report which provided information on the Council's significant business risks, as identified by deployment of the risk management strategy, and outlined progress made in embedding risk management arrangements across the organisation.

The introduction of risk consideration into service planning and the implementation of a web based risk register (Magique) had resulted in the compilation of a comprehensive and robust corporate risk register. A consolidated view of all the Council's significant business risks was provided in Annex A to the report. A key focus area since last year's report had been the development of a corporate risk monitoring report for Corporate Management Team (CMT), based around the areas of Key Corporate Risks, or KCRs. Risks currently identified as KCRs were:

- Implementation of new pay & grading structure
- Delivery of the accommodation review project
- Delivery of the waste management strategy partnership
- Delivering the Local Area Agreement
- Significant programmes of change
- Business continuity
- Effective government and management of partnerships

Monitoring and reporting arrangements were continuing to be developed and strengthened across the Council, with the Audit and Governance Committee receiving bi-annual reports on progress. Action to support the embedding of risk management included the delivery of a comprehensive training and communication plan to staff and Members on an annual basis. This year's Risk Management Work Plan included the reviewing and updating of the current risk management strategy and the drafting of a risk management policy. These would be brought to Executive for approval as part of next year's report.

Having noted the comments of the Shadow Executive on this item, it was

- RESOLVED: (i) That the contents of the report, and progress to date, be noted;
- (ii) That the Director of Resources be requested to ensure that the work of the Risk Management system is worked into the Single Improvement Programme as a prioritisation of officer resources;<sup>1</sup>
- (iii) That the "Current National Economic Situation" and "Credit Crunch" be included in the Significant Business Risks;<sup>2</sup>
- (iv) That it be requested that future reports detail the improvements to efficiency and service delivery that have been achieved through this work.<sup>3</sup>

REASON: To be aware of progress made to date in respect of risk management arrangements at the Council, to ensure that there is clear awareness of risk when delivering key changes in the Council, and to demonstrate the benefits of risk management.

Action Required

- |   |    |
|---|----|
| 1 - To work the risk management system into the Single Improvement Programme; | SA |
| 2 - To update the list of Significant Business Risks;                         | SA |
| 3 - To provide the additional detail in future reports.                       | SA |

**103. EDMUND WILSON POOL, THANET ROAD**

Members considered a report which presented options for dealing with the site of Edmund Wilson Pool, following closure of the pool and the opening of a new pool at York High School in October 2009.

Three options were available:

**Option A** – sell the site to T.E Beteiligungs GmbH (trading as Lidl UK GmbH) for use as a food store. This was the recommended option, as it would provide additional food retail space in a socially deprived residential area. Details of T.E Beteiligungs' offer under the tendering process were attached at (exempt) Annex 2.

**Option B** – sell the site for an alternative development use, e.g. residential. Such development was unlikely to attract substantial interest in the current market and in this location.

**Option C** – put the land into the Hob Moor Nature Reserve. This would mean the loss of a capital receipt and the opportunity to provide food retail space.

Members thanked officers for their work on this matter.

Having noted the comments of the Shadow Executive on this item, it was

- RESOLVED: (i) That Option A be approved and the tender submitted by T.E Beteiligungs GmbH be accepted, on the terms and conditions included in exempt Annex 2;<sup>1</sup>
- (ii) That authority be delegated to the Chief Officer responsible for Property Services to sell the freehold of the Edmund Wilson Pool site, Thanet Road, on the best terms available.<sup>2</sup>

REASON: In accordance with the outcome of the market testing exercise carried out in respect of the site.

Action Required

- |                           |    |
|---------------------------|----|
| 1 - To accept the tender; | GR |
| 2 - To sell the freehold. | GR |

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

### **104. THRIVING CITY - REPORT BACK**

*[See also under Part A Minutes]*

Members considered a report which provided a follow up to an earlier report on York's economic position, presented to Executive on 15 July 2008. It set out the findings of consultation with stakeholders and asked Members to consider options on further action and areas of investment.

Consultation had been carried out with organisations including, among others, the Citizens Advice Bureau, York Credit Union, the Federation of Small Businesses and the Chamber of Commerce, as well as relevant Officers within the Council. Generally speaking, York's economy was continuing to perform well. However some sectors, such as the construction industry, had suffered from the effects of the 'credit crunch' and there was a need to ensure that York's citizens were properly supported in the context of changing economic circumstances. At the first meeting of the Business Forum, held on 8 October, a significant consensus had been highlighted around the priorities for York's development. Ideas discussed included promoting the city 'offer' and refreshing the York 'brand' as a great place to work, invest in and visit.

Options for further action were set out in paragraphs 99 and 100 of the report. They included investment to:

- Help establish an enterprise fund for new business start ups (£50K)
- Support enterprise training within schools (£10k)
- Sustain the activities of the City Centre Partnership (£20k)
- Produce an updated 'York on a Budget' booklet (£3.5k)
- Provide three Credit Union community saving points (£9.8k)
- Recruit an additional CAB advice worker (£26.5k)
- Recruit someone to initiate and co-ordinate a smartcard scheme (£20k)

as well as the following strategic policy action:

- Formation of a cross-directorate anti-poverty and financial inclusion working group
- Enhanced economic planning through the ward committee function
- Pilot work to ensure better links between housing estate management services and benefits / financial inclusion work

and work to:

- Engage with partnerships to discuss the issues outlined in the report
- Explore (via Senior Managers Group / CLG sessions) how the Council can better link with citizens and businesses
- Support the proposal of the Business Forum to promote the York brand and City offer.

Having noted the comments of the Shadow Executive on this item, it was



- RECOMMENDED: (i) That the following be funded from the Council's reserves:<sup>1</sup>
- a) Match funding of the £50,000 provided by Norwich Union to establish an enterprise fund to support new business start ups;
  - c) In principle support for enterprise training within schools to be developed with NYBEP and Young Enterprise up to £10,000;
  - c) Support to sustain the activities of the City Centre Partnership up to £20,000;
  - f) Investment of an additional £3,500 for production of an updated 'York on a Budget' booklet, with the booklet to be approved by the Economic Development Unit;
  - e) Investment of £9,800 to provide three Credit Union community saving points in those communities most in need.

REASON: To respond to the impact of the changing economic situation.

Action Required

1 - To refer the recommendations to Full Council.

SL

A Waller, Chair

[The meeting started at 2.00 pm and finished at 2.50 pm].