



**Notice of meeting of
Scrutiny Management Committee (Calling In)**

To: Councillors Galvin (Chair), Merrett (Vice-Chair), Firth, Alexander, Orrell, Simpson-Laing, Taylor and Waudby

Date: Monday, 8 November 2010

Time: 5.00 pm

Venue: Guildhall, York

AGENDA

1. Declarations of Interest

At this point Members are asked to declare any personal or prejudicial interests they may have in the business on this agenda.

2. Public Participation

At this point in the meeting, members of the public who have registered their wish to speak regarding an item on the agenda or an issue within the Committee's remit can do so. The deadline for registering is **5:00 pm on Friday, 5 November 2010**.

3. Minutes

(Pages 3 - 4)

To approve and sign the minutes of the meeting held on 27 September 2010.

**4. Called-in Item: Community Stadium - (Pages 5 - 34)
Update Report**

To consider the decisions made by the Executive on 19 October 2010 in relation to the above item, which have been called in by Councillors Gillies, Healey and Watt in accordance with the provisions of the Council's Constitution. A cover report is attached setting out the reasons for the call-in and the remit and powers of the Scrutiny Management Committee (Calling In) in relation to the call-in procedure, together with the original report to and decisions of the Executive.

5. Urgent Business

Any other business which the Chair considers urgent under the Local Government Act 1972.

Democracy Officer:

Name : Fiona Young

Contact Details:

- Telephone : 01904 551027
- E-mail : fiona.young@york.gov.uk

For more information about any of the following please contact the Democracy Officer responsible for servicing this meeting.

- Registering to speak
- Business of the meeting
- Any special arrangements
- Copies of reports

Contact details are set out above.

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The majority of councillors are not appointed to the Executive (40 out of 47). Any 3 non-Executive councillors can 'call-in' an item of business from a published Executive (or Executive Member Decision Session) agenda. The Executive will still discuss the 'called in' business on the published date and will set out its views for consideration by a specially convened Scrutiny Management Committee (SMC). That SMC meeting will then make its recommendations to the next scheduled Executive meeting in the following week, where a final decision on the 'called-in' business will be made.

Scrutiny Committees

The purpose of all scrutiny and ad-hoc scrutiny committees appointed by the Council is to:

- Monitor the performance and effectiveness of services;
- Review existing policies and assist in the development of new ones, as necessary; and
- Monitor best value continuous service improvement plans

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City of York Council

Committee Minutes

MEETING	SCRUTINY MANAGEMENT COMMITTEE (CALLING IN)
DATE	27 SEPTEMBER 2010
PRESENT	COUNCILLORS GALVIN (CHAIR), FIRTH, ALEXANDER, SIMPSON-LAING, TAYLOR, WAUDBY, HYMAN (SUBSTITUTE) AND FRASER (SUBSTITUTE)
APOLOGIES	COUNCILLORS MERRETT AND ORRELL

7. 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. The following interests were declared:

Cllr Fraser – a personal interest in agenda item 4 (Called-In item: Exit Provisions and Pension Discretions), as a member of the retired sections of UNISON and Unite (TGWU/ACTS sections).

Cllr Alexander – a personal interest in agenda item 4, as a member of the GMB.

Cllr Simpson-Laing - a personal interest in agenda item 4, as a member of UNISON.

8. PUBLIC PARTICIPATION

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

9. MINUTES

RESOLVED: That the minutes of the Scrutiny Management Committee (Calling In) held on 14 June 2010 be approved and signed by the Chair as a correct record, subject to the inclusion in the preamble of Minute 5 (Called In Item: Water End Cycle Scheme Evaluation) of comments made at the meeting about the need to ensure the safety of cyclists turning right at Clifton Green through traffic at the Water End junction.

10. CALLED-IN ITEM: EXIT PROVISIONS AND PENSION DISCRETIONS

Members received a report which asked them to consider a decision made by the Executive on 21 September 2010 in relation to proposals to recommend that Staffing & Urgency Committee approve a number of amendments to the way in which the Council exercised its exit and pension discretions.

Details of the Executive's decision were attached as Annex 1 to the report. The original report to the Executive was attached as Annex 2. The decision had been called in by Cllrs Alexander, Gunnell and Simpson-Laing, on the grounds that:

"The Executive has failed to ensure a mechanism is in place for effective Member scrutiny of pay and pension settlements, leaving potentially substantial Officer exit settlements to fellow Officers alone."

Members were asked to decide whether to confirm the decision of the Executive (Option A) or to refer it back to the Executive for re-consideration (Option B)

Cllr Alexander addressed the Committee on behalf of the Calling-In Members, stating that the Executive, in making their recommendation to the Staffing Matters & Urgency Committee, should have taken into account the comments of the Labour Group Spokespersons advising Member scrutiny of exit payments above a certain threshold. During the ensuing discussion, it was noted that the final decision on this matter rested with the Staffing Matters & Urgency Committee, which would meet on 4 October to consider the proposed amendments.

Cllr Alexander then moved, and Cllr Simpson-Laing seconded, that Option B be approved and the decision be referred back to the Executive for reconsideration, with the recommendation that they advise the Staffing Matters & Urgency Committee, in agreeing to amend the Council's approach to exit provisions and pension discretions, to include a requirement that exit payments over a certain threshold be subject to scrutiny by the Staffing Matters & Urgency Committee. Four Members voted for this proposal and four voted against. The Chair then used his casting vote against the proposal, which was accordingly declared LOST and it was therefore

RESOLVED: That Option A be approved and the original decision of the Executive be confirmed.

REASON: In accordance with the requirements of the Constitution and in view of the fact that the decision on this matter rests with the Staffing Matters & Urgency Committee.

J Galvin, Chair

[The meeting started at 5.00 pm and finished at 5.25 pm].



**Scrutiny Management Committee
(Calling – In)****8 November 2010****Report of the Head of Civic, Democratic and Legal Services****Called-in Item: Community Stadium – Update Report****Summary**

1. This report sets out the reasons for the call-in of the decisions made by the Executive on 19 October 2010 in relation to a report which provided an update on the progress of the Community Stadium project and sought approval for a suggested approach to the provision of community and commercial components and a new governance structure to manage the project. This covering report also explains the powers and role of the Scrutiny Management Committee in relation to dealing with the call-in.

Background

2. An extract from the decision list published after the relevant Executive Meeting is attached as Annex A to this report. This sets out the decisions taken by the Executive on the called-in item. The original report to the Executive is attached as Annex B.
3. Councillors Gillies, Healey and Watt have called in the Executive's decisions for review by the Scrutiny Management Committee (SMC) (Calling-In), in accordance with the constitutional requirements for post-decision call-in. The reason given for the call-in is that:

“The decision made by the Executive does not take the project forward, because without information on the status of the enabling development and an updated funding position there can be no meaningful choices made regarding the sporting, commercial and community provisions of this project.”

Consultation

4. In accordance with the requirements of the Constitution, the Calling-In Members will be invited to attend and/or speak at the Calling-In meeting, as appropriate.

Options

5. The following options are available to SMC (Calling-In) in relation to dealing with this call-in, in accordance with the constitutional and legal requirements under the Local Government Act 2000:
 - (a) To confirm the decisions of the Executive, on the grounds that the SMC (Calling-In) does not believe there is any basis for reconsideration. If this option is chosen, the decisions will take effect from the date of the SMC (Calling-In) meeting.
 - (b) To refer the matter back to the Executive, for them to reconsider their original decisions. If this option is chosen, the matter will be re-considered at a meeting of the Executive (Calling-In) to be held on 26 October 2010.

Analysis

6. Members need to consider the reasons for call-in and the basis of the decisions made by the Executive and form a view on whether there are grounds for reconsideration of those decisions.

Corporate Priorities

7. An indication of the Corporate Priorities to which the Executive's decisions are expected to contribute is provided in paragraph 21 of the report at Annex B to this report.

Implications

8. There are no known financial, HR, Legal, Property, Equalities, or Crime and Disorder implications in relation to the following in terms of dealing with the specific matter before Members; namely, to determine and handle the call-in:

Risk Management

9. There are no risk management implications associated with the call in of this matter.

Recommendations

10. Members are asked to consider the call-in and reasons for it and decide whether they wish to confirm the decision made by the Executive or refer the matter back for re-consideration at the scheduled Executive Calling-In meeting.

Reason:

11. To enable the called-in matter to be dealt with efficiently and in accordance with the requirements of the Council's Constitution.

Contact details:

Author:

Dawn Steel
Democratic Services Manager
01904 551030
email:
dawn.steel@york.gov.uk

Chief Officer Responsible for the report:

Andrew Docherty
Head of Civic, Democratic and Legal Services

Report Approved **Date** 20/10/10

Specialist Implications Officer(s) None

Wards Affected:

All

For further information please contact the author of the report

Annexes

Annex A – decisions of the Executive on Community Stadium – Update Report (extract from decision list published after the meeting on 19/10/10)

Annex B – report to Executive meeting held on 19/10/10

Background Papers

Agenda and minutes relating to the above meeting (published on the Council's website)

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EXECUTIVE**TUESDAY, 19 OCTOBER 2010****DECISIONS**

Set out below is a summary of the decisions taken at the meeting of the Executive held on Tuesday, 19 October 2010. The wording used does not necessarily reflect the actual wording that will appear in the minutes.

Members are reminded that, should they wish to call in a decision, notice must be given to Democracy Support Group no later than 4pm on the second working day after this meeting.

If you have any queries about any matters referred to in this decision sheet please contact Fiona Young (tel extn 1027).

5. COMMUNITY STADIUM - UPDATE REPORT

RESOLVED: (i) That the progress made on the Community Stadium to date be noted.

(ii) That approval be given to set up a Community Stadium Advisory Group with a political balance of 2:2:1 and that partner organisations be invited to attend.

(iii) That Officers be asked to ensure that any governance arrangements for the proposed City of York Sports Village recognise and address the interests of athletes.

(iv) That it be agreed that the possible community benefits contained in the report are a good starting point, but that Officers be requested to refine the list further, while taking the opportunity to separate those activities which might be expected to make a positive financial contribution towards meeting the revenue costs of running a stadium from those which would be aimed principally at filling in gaps in public and voluntary service provision in the City. In doing so, Officers are requested to apply the principles used to test the acceptability of community style activities associated with other stadia elsewhere in the country.

(v) That all Council Members be requested to provide Officers with a list of any other community facilities, not listed in the report, which they would wish to see evaluated during the next stage of the project, either at the Monks Cross stadium site or at the participatory sports village site.

REASON: To enable the project to be taken forward by all partners

and achieve the objective stated in the Corporate Strategy 2009-2012 to provide high quality sport recreation and other community focused opportunities.



Executive

Report of the Directors of City Strategy and Neighbourhoods

Community Stadium – Update Report

Summary

1. The purpose of this paper is to:
 - Provide a short update on the progress of the project
 - Consider a process for assessing the benefit potential community uses
 - Outline the draft procurement strategy
 - Consider new Project Management / Governance arrangements
2. Members are requested to note the progress with the project and agree on a new governance structure for the management of the project.

Background

3. The Executive of 6th July 2010 agreed that:
 - The preferred site for the project should be Monks Cross south.
 - The replacement athletics facilities should be developed at the Heslington East Campus as part of the York Sports Village, subject to agreement of terms with York University.
 - A procurement plan should be developed and reported back to the Executive.
4. Full Council allocated the use of the LABGI funds to provide £198K to take the project to the pre-procurement stage.

Update on progress

Vangarde and Huntington Stadium sites

5. The Vangarde site is directly adjacent to Huntington Stadium and the Monks Cross Park and Ride site (both in CYC ownership). Discussions have been initiated with the owner and prospective developer of the Vangarde site (Oakgate), regarding a potential retail scheme which would include a new stadium with associated community and commercial uses.
6. The scheme would be submitted as a single comprehensive planning application and act as an enabling development for the provision of the community stadium. This scheme is likely to be a significant departure from established planning policy. It will present a case that any planning harm caused will be mitigated by 'planning gain' (the provision of a community stadium). The planning gain would be controlled by a S106 agreement which is yet to be negotiated. Once the Heads of Terms have been agreed, the scheme will be passed to the Local Planning Authority for consideration and then formal determination.

Athletics facilities

7. Discussions have been initiated with the University regarding the provision of the replacement athletics facility. Their initial formal response is due in mid October.

Community Facilities

8. The business case presented to the Executive in June 2009 and July 2010 set out a range of community and commercial uses that could support the community stadium.
9. A schedule of potential community benefits that are suitable and deliverable for the preferred site is being developed. Detailed discussions have been initiated with relevant stakeholders regarding the scheme. The final range of components that make up the 'community package' will be dependent on many factors; particularly the amount of S106 funding, the specifics of the planning case, and the needs / demands of the relevant community stakeholders.
10. It is essential that a commercially sustainable business plan supports the scheme as the council has no budget available for the ongoing revenue support of the facility. Consequently, sufficient commercial activity needs to be included within the proposal to ensure that the can effectively operate with an appropriate sinking fund and contingency. Thus, the level and nature of the community facilities is directly linked to the overall commercial sustainability of the project and forms part of the complex S106 negotiations. The options currently being considered include:

- Community access to stadium in terms of;
 - Use of pitch
 - Use of hospitality facilities and meeting rooms
 - Use of stadium for events / concerts
 - A base for community outreach work of the sports clubs
 - Explore Library 700sq m. (shell only - building to be funded by this project, fit-out and ongoing running costs funded from existing budget)
 - Investment into leisure centre (new H&F suite and other commercial leisure opportunities, modernised swimming facilities and possibly a new 25m tank).
 - Community health facilities up to 1,500 sq m – to be operated by Hospital Trust / PCT or other public health body.
 - Independent Living Demonstration & Assessment Centre: 240 sq m.
 - Institute of Sport (classroom(s) and access to facilities)– Hub for York St John's to focus on delivery of sport / health related courses.
 - Athletics Facility – to be provided off site at University (terms to be agreed).
 - Off site Provision of 3G sports pitches
 - Heritage experience: using the adjacent ancient monument as a learning and interpretative link to the stadium (history of sport, stadia etc).
11. In order to assess the community benefit the stadium project can generate, a matrix has been developed which is based on work that was undertaken as part of the Business Case. The matrix in **Figure 1** below provides a high level indication of potential community and other wider benefits all potential components (community and commercial) offer from the scheme. The strategic themes of Inclusive City, Learning City and Healthy City have been used to assess the potential community benefits. Contributions to the other strategic objectives, commercial sustainability and complexity are also considered.
12. A draft document with a menu of community facilities with costs / outline designs will be prepared before the S106 negotiations have been initiated.

Figure 1: Community / Commercial Output Matrix

	Inclusive City	Learning City	Healthy City	Community Contribution	Sustainable City	Thriving City	City of Culture	Safer City	Complexity	Revenue stream	Other benefits	Total
Health Service Provision	5	2	5	12	1	2	1	1	3	3	11	23
Library	5	5	2	12	1	2	4	2	4	2	15	27
Independent Living Centre	5	3	5	13	1	2	2	1	4	2	12	25
H&F Leisure facilities	3	2	5	10	1	3	4	2	4	4	18	28
3G pitches	4	2	5	11	1	2	4	3	4	4	18	29
Sports Institute	3	5	3	11	1	2	4	1	4	3	15	26
Park and Ride Extension	3	-	1	4	4	3	4	2	3	-	16	20
Community Outreach Services	4	4	4	12	1	1	3	3	4	1	13	25
Hotel	1	-	-	1	1	5	2	1	3	3	15	16
Office Space	1	2	-	-	1	5	1	1	3	3	17	17
Commercial cafes / restaurants	-	-	-	-	1	5	2	1	4	5	18	18
Heritage Experience	4	4	1	9	1	1	4	1	5	-	12	21

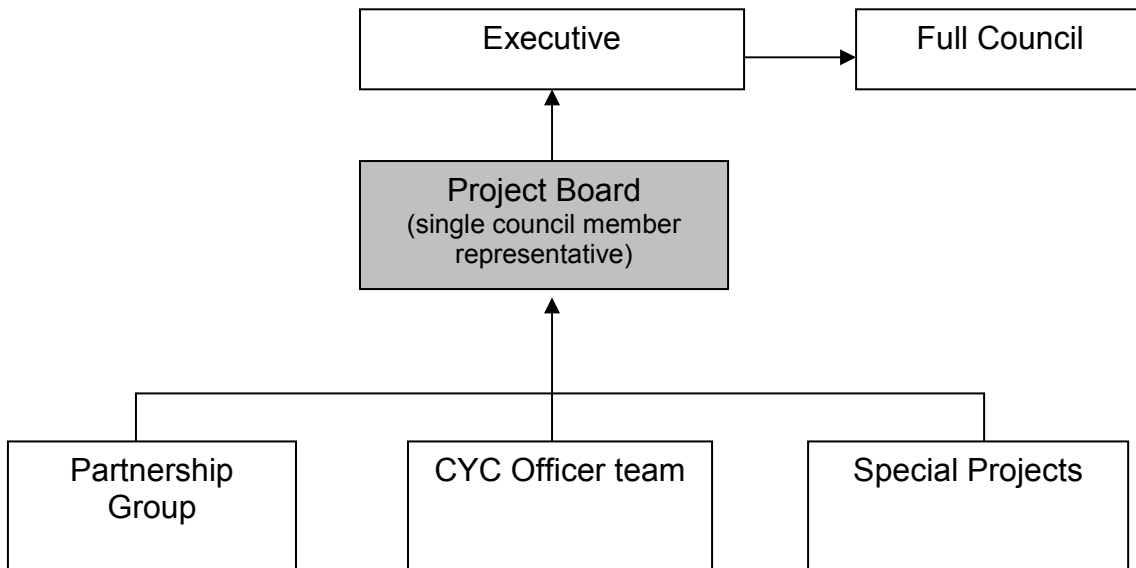
Procurement strategy

13. As the Council will derive a benefit from the delivery of the stadium the construction will fall under EU procurement regulations. It will not, for example, be possible for the developer to build the stadium and associated facilities as part of the S106 agreement. There are a number of procurement paths or options open to the council. One of the key challenges will be to ensure that sufficient commercial components are included and procured in a way that will create a positive revenue stream to cover the operation of the stadium and leisure facilities.
14. As part of the procurement design process, agreement must be reached offering some certainty of the following matters:
 - The mechanism and amount of funds to be transferred through the S106 agreement. Officers are currently developing a process to begin these negotiations.
 - Consideration of underwriting of the abortive costs of final bidders if Competitive Dialogue is the preferred route.
 - Option for using a pre-qualified / tender framework to reduce timescales. This might enable a development partner to work on the project at an earlier stage and be more involved in the design / business planning (as has worked successfully with a number of recently built stadia.
 - Details of the operating agreements between the clubs and the council. Once the plans have been prepared by the developers architects, discussions can be initiated to work towards Heads of Terms.
 - Resolution of outstanding legal matters relating to Huntington stadium and Waterworld.
15. There is considerable work to be undertaken before the procurement can begin. However, if the necessary resources are dedicated to the project a procurement strategy and plan could be in place by early / mid 2011.

Project management / governance arrangements

16. To date the project management and governance arrangements have been based on the decision made by Executive in Jan 2009. This agreed the use of the structure shown in **Figure 2**. It established a Project Board that was chaired by the Director of City Strategy with a single representative from each partner organisation. The council's nominated representative was the Member responsible for City Strategy.
17. The operation of the current structure in place sees all Community Stadium project business go through the Executive. This does not enable wider political input. It also limits the flexibility of the project board in its ability to respond effectively to any issues due to the formalised lead-in times and other administrative constraints.

Figure 2: Existing governance arrangements



Partners have stated that greater transparency would be beneficial, particularly as this project has significant wider public interest. Additionally Members of the opposition parties have expressed that there should be wider political representation on the Project Board and that there is a need for a more publicly open forum. To this end two alternative options are proposed, these are set out in **Figures 3 & 4** below.

Figure 3: Multi-Party Advisory Board with co-opted partner representation

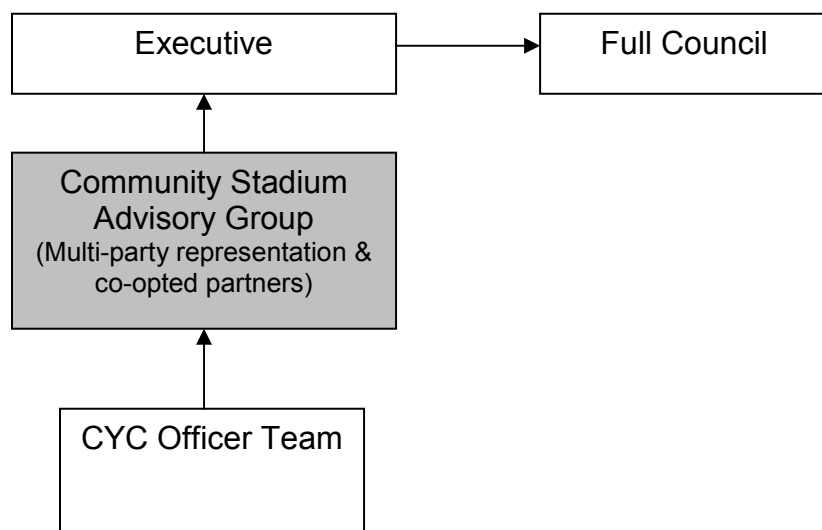
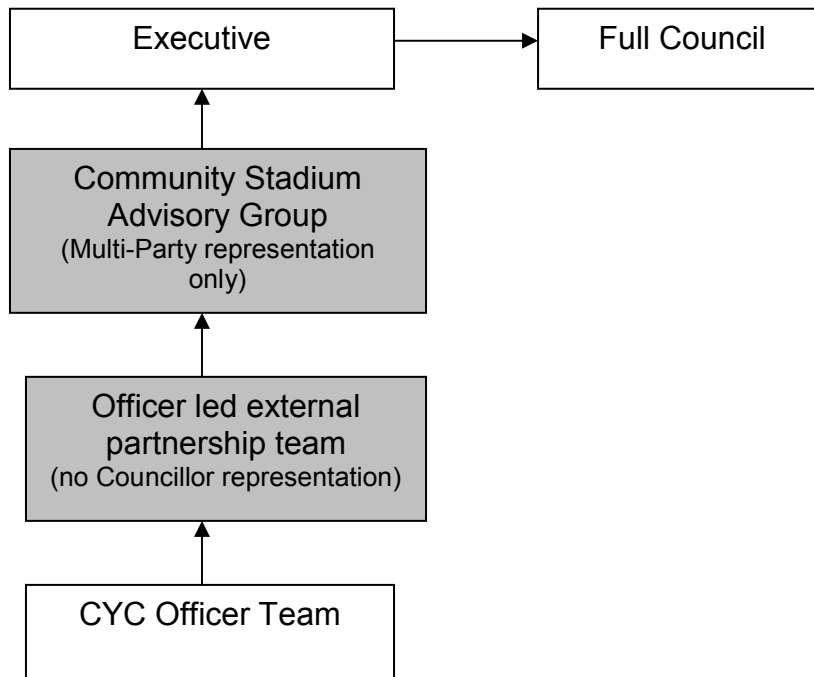


Figure 4: Multi-Party Advisory Group with council representation only. No partner representation



18. Both options include the creation of a Multi-Party Community Stadium Advisory Group. The principle of the Group is to enable the business of the project to be considered more regularly and in greater detail. It would report key findings to the Executive. The Executive would continue to be responsible for decision making.
19. Both options allow for more regular meetings, allowing to react to the demands of a commercially driven project, as the strict forward planning timetable for Executive papers would not be required. It would also offer the opportunity for independent / specialist advisors. Additionally it offers the opportunity for wider political representation. The Group's meetings would not be in public, however, the option to publish the agendas, minutes and potentially, findings, is available. The key matter for consideration is whether the Multi-Party Community Stadium Advisory Group should:
 - a) formally co-opt the project partners (and possibly other key stakeholders).
 - b) be an advisory group with council representation only. Business with the project partners would take place at a simplified officer led partnership group with no councillor representation.
20. A more detailed report covering the working arrangements of the proposed Multi-Party Community Stadium Advisory Group is included in Annex 1 which is attached.

Corporate Priorities

21. The provision of a new community stadium for the city is a priority action in the Corporate Strategy 2009-2012 which states: "We will develop proposals to complete the building of a Community Stadium for the City that will provide high quality sport recreation and other community focused opportunities." It is also identified in Active York's 'Sport and Active Leisure Strategy' which was signed up to at the Leisure and Heritage EMAP in June 2005. The facilities section of this strategy was updated in May 2007.

Implications

Financial

22. This project currently has both a revenue and capital budget allocated. With regard to the revenue budget the project has £198K of Local Authority Business Growth Incentive (LABGI) funds that were approved at Full Council in July 2010 for the development of the project to the pre-procurement stage.
23. Officers will bring a more detailed report to the Executive with full financial details for the delivery of the project when the proposals are finalised.

Risk Management

24. A detailed report regarding the project's risks will be presented to the audit and governance Committee on 6th December 2010.

Equalities – There are no equalities implications at this stage.

Legal – There are no legal implications at this stage.

Human Resources – There are no implications.

Crime and Disorder – There are no implications

Information Technology – There are no implications

Property – There are no implications at this stage

Recommendations

1. That the Executive note the progress made on the Community Stadium project to date.
2. That the Executive choose a preferred model for the ongoing governance arrangements for the project.

- 3 That the Executive agree the approach set out for the provision of community and commercial components as set out in figure 1 in this report.

Contact Details

Authors:

Tim Atkins
Community Stadium Project
Manager
01904 551421

Chief Officer Responsible for the report:

Bill Woolley
Director of City Strategy
01904 551330

Charlie Croft
Assistant Director leisure
Culture & Neighbourhoods
01904 553371

Sarah Milton
Assistant Project Manager
01904 551460

**Chief Officer's name
Title**

Report Approved Date 8/10/10

Specialist Implications Officer(s) :

None

Wards Affected: *List wards or tick box to indicate all*

All *tick*

For further information please contact the author of the report

Background Papers:

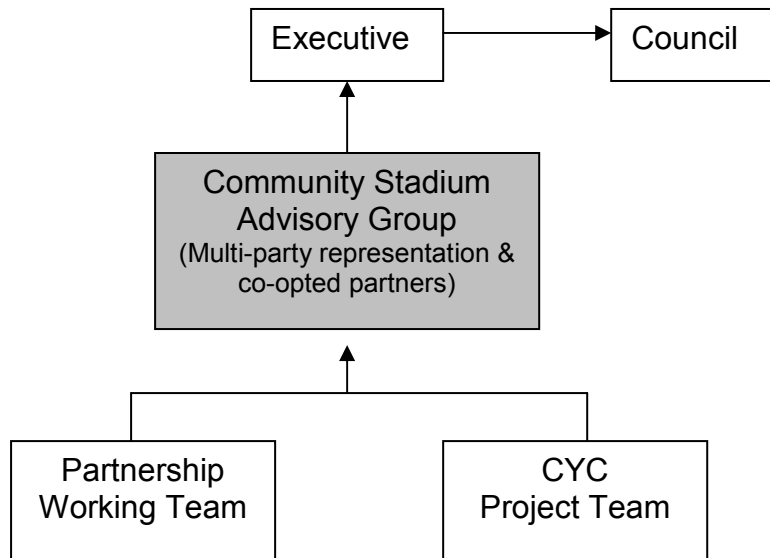
- Community Stadium Report to Staffing and Urgency Committee 21st May 2008
- Staffing and Urgency Committee Minutes 21st May 2008
- Deloitte report on community stadium for CYC 20th June 2008
- Active York's Sport and Leisure Strategy
- Executive Report 15th July 2008
- Executive Report 9th September 2008
- Executive Report 20th January 2009
- Executive Report 23rd June 2009
- Executive Report July 6th 2010

**Community Stadium
Options for Project Management Governance**

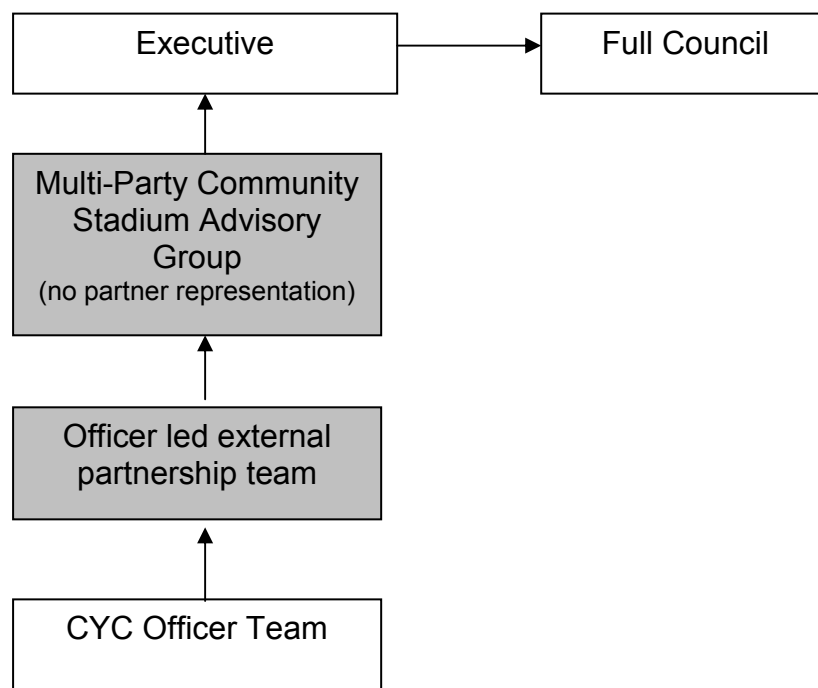
Purpose

The purpose of this document is to outline the proposed governance arrangements for the Community Stadium Project. Two options have been proposed (in addition to the option to remain with the current arrangements):

Option 1: Multi-Party Community Stadium Advisory Group with co-opted partners



Option 2: Multi-Party Community Stadium Advisory Group (with only council representation)



**Community Stadium
Options for Project Management Governance**

The key difference between these structures is that the membership of the Multi-Party Community Stadium Advisory Group, under **Option 1**, would include the project partners. They would be co-opted on to the group along with other advisors as required.

Under **Option 2** the Community Stadium Advisory Group would have only council representation with the option for external / specialist advisors. The work with the partners would be undertaken as part of an officer led partnership team. This team would report to the Multi-Party Community Stadium Advisory Group.

These structures would replace the current Partnership Board. It enables Council Members and Partners to discuss relevant business and make recommendations to the Council's Executive in a structured, clear, transparent and auditable manner. It also promotes the understanding of the mechanics of the project, its complexities, limitations and potential community offering.

The Multi-Party Community Stadium Advisory Group will not be a public meeting and therefore the public will not have access to the meetings or reports. However meeting agendas and minutes will be published online and therefore the Community Stadium's business will be in the public domain, securing clear and transparent audit trails.

Purpose, roles, responsibilities and remit of the Partnership Body

The purpose of the Group is to ensure:

- The Executive are appraised of the Community Stadium Project
- The vision for the Community Stadium is fully developed and engages all sections of the community in York.
- Guide the development of the business case
- Progress of the Community Stadium Project is reviewed
- The needs of the stakeholders are taken full account of
- Advise is given on future policies, programmes, deliverables, outcomes, project priorities.
- An assessment of future resource needs is undertaken.
- Cross-party involvement in discussions and recommendations.
- There is a clear audit trail behind recommendations made to the Executive
- The project receives politically proportionate input and advise.
- Positive promotion of internal and external communications, including public awareness of the community stadium project, is given.
- Members of the Body agree to provide this advisory role on the basis that their parties wish to positively influence the community stadium project.
- Scope for an independent advisor if appropriate.

**Community Stadium
Options for Project Management Governance**

Membership

Councillors

Membership will be politically proportionate. It is recommended that in order to keep meetings effective and focused there should be no more than 5 Councillor members in total though this will be decided by Group Leaders (more details are included in 'Next Steps').

Members who serve on the Partnership Body undertake to act as champions for the interests of the Community Stadium Project in other Council forums where they may have a role, for example Full Council, the Council's Executive and relevant Scrutiny Committees.

The Body does not have the power to make decisions. However Councillors have the ability to forward reports and raise issues and successes to the Executive.

Officers

Officers advise, report findings, progress and recommendations to the Partnership Body. The officers who will continuously attend the Body are the Core Project Team:

- Assistant Director Lifelong Learning, Resource Management, Communities and Neighborhoods
- Project Manager
- Assistant Project Manager

Due to the varied nature of the project there are a number of officers who may attend on an ad-hoc basis in regards to their expertise and the relevance of items on the agenda. These include, but are not limited to:

- Assistant Director of Transport and City Development
- Assistant Director of Planning
- Head of City Development
- Deputy Monitoring Officer Senior Solicitor
- Monitoring Officer
- Divisional Head of Traffic Management
- Head of Development Control
- Head of Procurement
- Strategic Finance Accountant
- Head of Asset and Property Management
- Corporate Procurement Manager

Partners (dependent on which option chosen)

Any external partner of the project can attend meetings and offer advice, opinions and concerns. Partners also act as champions for the interests of the Community Stadium Project and in other public forums whilst respecting the confidential nature of the project. The list of external partners currently includes (but is not limited to):

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- Chairman of York City Football Club
- Chairman of York City Knights Rugby Football Club
- Chairman of City of York Athletics Club

Independent Advisor

It is recommended that the Advisory Group has an independent advisor who has relevant stadium and/or development experience to compliment the knowledge and expertise of the other members of the Group.

This is a 'critical friend' role which is to provide independent challenge, advice and recommendations to the Group in order to move the project forward positively.

Chairperson

A Senior Officer (Corporate Director) will undertake the role of Chairperson.

Option B – Officer Led Partnership Group

Under option B, the Multi-Party Community Stadium Advisory Group would have only council representation (Councillors), but otherwise work as above. However, a simplified officer led partnership group would be established to deal with the business of the project and partners. This would be a formal constituted group with terms of reference and minuted meetings. However, it would have no council member (councillor) representation.

This group would report to the Multi-Party Community Stadium Advisory Group, which would be the voice of the council, in turn report its findings to Executive as appropriate.

Meetings and Reporting

At the first meeting a chairperson (CYC Director) will be officially appointed.

Meetings of the Body will take place (approximately) quarterly. Additional ad-hoc meetings can be held if necessary.

Officers will be responsible for preparing documentation for the meeting and ensuring that it is dispatched in a timely manner; a week before the meeting will take place. A report will be taken to the Body quarterly. This will outline the current progress of the project including successes, issues and project forecasts.

Next Steps

- Agree on which model is preferred.
- Agree the Director who is to chair the group(s).
- To ask for independent advisor/critical friend nominations throughout the sector and locate potential resource to fund them.
- The total number of Councillor board members and party proportionality will need to be decided and agreed by Group Leaders prior to the Executive report (due to Executive 19th October 2010). It is recommended

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that in order to keep meetings focused and effective there should be no more than 5 Members in total.

- Nominations for Partnership Body membership from each party will need to be received by the relevant party secretary by 15th October. The Leader of each party will need to select the name/s of those who will sit on the Body on the basis of their expertise and ability to make a contribution to the Body by 18th October 2010.
- Executive Members will be asked to approve the proposal, approve the Member configuration, approve the nominations put forward by Group Leaders and approve a chairperson on 19th October 2010.
- To arrange the first Group meeting.

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Annex 2

Development of community components and business case

1.0 Community potential of project

- 1.1 Community benefits and accessibility are an essential component of this project and principal justification for the council's involvement from the outset. In April 2009, the Executive agreed that the stadium would:
- Be accessible for the people of York and its visitors
 - Maximise community use including sport, education and health / well-being
 - Be a commercially sustainable
- 1.2 In June 2009 the Executive re-affirmed its commitment to deliver a vision for the stadium that provide a **hub of sport, health and learning**, which would be accessible to all.
- 1.3 Since January 2009, officers have been developing a city-wide community needs analysis. It has looked at uses that may compliment the community stadium project, assisting in the delivery of that vision. Case studies of other community stadia have been examined to identify good practice across the UK. Officers have engaged in detailed dialogue with numerous groups / stakeholders across the city as part of the process in identifying potential partners, discussing in details how this might be deliverable.
- 1.4 Table 1 provides a list of the groups that have been involved in discussions to date. Initially discussion took place with the knowledge that a site had not be identified. In July 2010, Monks Cross South was identified as the preferred site by the Council Executive. Since that date more focused discussions are underway with a number of stakeholders, with the objective of taking drafting heads of terms for inclusion in the project. This is a complex process, particularly as many organisations are currently facing a period of uncertainty.
- 1.5 If the stadium is to be delivered as part of an integrated retail / stadium development it offers significant potential as an exciting community venue. In addition to being part of the existing Waterworld leisure facility, the stadium would be integrated into a retail complex adjacent to a Park & Ride site. For many community services this provides two important selling points: accessibility and footfall. More focused discussions are underway with the following groups:

- York Teaching Hospital NHS Foundation Trust for the provision of a new health facility (potentially providing services such as physiotherapy, sexual health, blood service and others)
 - York St John University: provision of a Sports Institute and learning hub
 - Independent living and demonstration centre
 - CYC Library Services (potential for a new explore library)
- 1.6 Officers are actively progressing negotiations with the above stakeholders. Last week, York Teaching Hospital NHS Foundation Trust confirmed their interest to actively pursue the opportunity with the council's project team. This is considered a very positive step forward, as inclusion of an anchor health use provide a good synergy with the University's objectives and the wider vision for the project - to develop the links between sport, health and learning.
- 1.7 Not only do these services offer a strong match with the agreed vision for a **hub of sport, health and learning**, they would potentially bring a funding stream to the overall project, through either capital or on-going revenue contributions. Thus, contributing to another key principle of the project – commercial sustainability. This has been a successful model with other stadia examined such as the Halliwell Jones Stadium in Warrington, Deepdale in Preston North End and the B2net stadium at Chesterfield.
- 1.8 Each of these facilities have successfully integrated community uses within the stadium complex securing significant community benefits and an income stream contributing to its commercial sustainability. Table 3 sets out indicative costs and potential revenue streams.
- 1.9 As part of the development of the B2net stadium at Chesterfield, the club went through a similar process, approaching local community stakeholders and other public bodies to gauge their interest in forming a community hub in the stadium's east stand. This has progressed effectively and terms have been agreed for a range of community uses, all bringing a commercial revenue stream. Table 4 provides a summary of the criteria they used for this exercise.
- 1.10 In assessing the suitability of different stakeholders and uses consideration was given to the extent to which they 'fit' with the following areas:
- Equality & accessibility
 - Health
 - Sport's participation
 - Lifelong learning
 - Culture
- 1.11 These areas are enshrined as key themes in the Council's Corporate Strategy. A means of assessing the benefits or outputs potential uses

could offer was presented to the Executive in June 2009 as part of the Outline Business Case. A weighting was used to assess how potential uses / components fit with the key themes. This approach has been adopted as the project developed. In February 2010 the Executive received a report setting out potential community outputs against the key themes of the Corporate Strategy (Table 2).

- 1.12 This model has been further developed as part of the matrix set out in the main body of the Executive paper (19th October 2010). A scoring system between 0-5 is used. 5 showing an excellent fit and 0 showing no fit. In addition potential income stream and complexity have been added to provide a commercial balance to the scoring.

2.0 Development of Business Case

- 2.1 As set out in the main body of the report, discussions are progressing regarding potential designs for the site and the inclusion of different community uses. At the same time options for cost of the construction and operation of the stadium are developing. The following strands of work are progressing:

Comparator analysis

- 2.2 The contacts made and work undertaken looking at the operational models and costs of the operation of a number of relevant stadia is ongoing. This assists in developing potential operational and cost models.

Financial modelling

- 2.3 Using market intelligence and the comparator analysis the financial model for the construction and operation of the stadium is being continually updated. This will enable the development of a number of operating models for discussion with the project partners.

Market testing

- 2.4 (1) Assessing the potential mix of ancillary commercial uses such as restaurants / cafes / bars / retail / leisure uses / hotel etc. to provide an essential revenue stream to ensure the stadium and its community facilities will be sustainable. It will also assess compatibility with the wider retail / stadium scheme. (2) Assessing the market interest for the operation of the stadium and associated community and commercial uses and how this may impact on the management of the adjacent leisure centre.

Master planning / Design

- 2.5 Discussions are underway with the developer regarding a potential single comprehensive retail and community stadium scheme. Officers have a specialist client team providing guidance and advice on design, costing, operational and construction matters.

S106 negotiations

- 2.6 The council is waiting for the developer to prepare a development appraisal, so the value of the proposal be assessed. Only at this point will officers be able to provide a more accurate indication of what components may or may not be included within the scheme. It is not possible to progress the business case and provide a final proposal until these discussions have been completed.

Legal and property issues:

- 2.7 Detailed work is being progressed by the Council's legal service to secure the council's interests are protected.

Procurement:

- 2.8 Details of the procurement strand are covered in the main body of the report.

3.0 Project Timetable

- 3.1 The progress of the scheme is dependent on the pre-application discussions with the prospective developer. It is envisaged that an outline application may be ready for submission between December 2010 and February 2011 (depending on the nature / progress of the pre-application discussion). Until the details of the scheme are finalised it is not possible to provide an accurate timetable. The timescales and means of procurement will be dependent on the nature of the development (what components will be included).
- 3.2 An indicative timeline has been prepared on the basis of a large number of assumptions (Table 5). This does not represent a proposal, it simply provides a guide if the scheme were procured by means of Competitive Dialogue. All of these elements have a dependency on the progress of the pre-applications work being led by the developer, for which the council have limited control.

Table 1: Engagement with community stakeholders

Sports Bodies	
Discussions with stakeholders	Discussed project with a range of governing bodies, sports clubs, funding agencies including: York City Knights, York City FC, Sport England, British Cycling, Football Foundation & The Football Stadia Improvement Fund, Active York, UK Athletics, England Athletics, Amateur Swimming Association, York Hockey Club, York Cycling clubs / representatives, York Football Leagues representatives, , York Football Facilities Development Steering Group, York Athletic Clubs, North Yorkshire Athletics Network, Hopgrove Sports Club, Nuffield Health, private sports operators.
Community Health	
Discussions with stakeholders	Ongoing discussions with the following potential stakeholders regarding project: York Hospital Trust, North Yorkshire PCT, York Health Group, Healthy City partnership. Examination of Polyclinic / health uses as part of stadium project. NY PCT and York District Hospital Trust, Department of Health, Strategic Health Authority. Also visited and discussed with exemplars from across the country – Hull PCT, Warrington PCT, North Lancashire PCT, Leeds Met University / Headingley stadium.
Education, Skills and Training	
Discussion with stakeholders	The objective is to incorporate a community learning zone as part of the stadium and act as a base for outreach work across the city. The possibility of developing a Institute for sport with York St John is also being developed. Discussions are underway with the following bodies: York St John University, University of York, Askham Byran College, York College, York High, York secondary School Head teachers, Higher York, Learning City, 14-19 Curriculum Implementation Group, NYBEP, Constructions Schools Academy.
Business Champion Model	Working with Learning City and schools to use project as a learning tool for diploma courses. Pilot scheme with York High School. This initiative has began and the project team are supporting the delivery of diploma courses across the city.
Targeted Recruitment and Training	Working with CYC Planning Service, City Development, Higher York and Economic Development to implement a model which will satisfy training and recruitment needs through a the procurement of services and through the approval of planning applications.

Table 2: Potential outputs aligned with Corporate Strategy Themes

Strategic Theme	Potential Stadium Outputs	
Thrive	<ul style="list-style-type: none"> Job creation Hotel provision Office space provision Targeted recruitment and training 	<ul style="list-style-type: none"> Learning, training & skills development Conference/Exhibition facilities Support & promotion of resident & visitor economy
Sustainability	<ul style="list-style-type: none"> Low carbon building Leading by example Waste reduction Increase recycling 	<ul style="list-style-type: none"> New green technologies Re-useable energies Accessible by green forms of transport Built with sustainable materials
Safety	<ul style="list-style-type: none"> A base for blue light services Community hub & centre 	<ul style="list-style-type: none"> Closed road cycling Promotion of community engagement
Learning	<ul style="list-style-type: none"> Learning, training & skills Reduction in number of NEETs 	<ul style="list-style-type: none"> Non-traditional educational setting Student learning /syllabus contribution
Inclusive	<ul style="list-style-type: none"> Potential location in area of deprivation Community hub/centre Accessibility to all 	<ul style="list-style-type: none"> Volunteering opportunities Community sport Tackle health inequalities
Culture	<ul style="list-style-type: none"> Community sport Sports village Improved sports & active leisure facilities Professional sport 	<ul style="list-style-type: none"> Promote a sporting culture Events & hospitality facilities Encourage & increase volunteering Conference/exhibition facilities
Health	<ul style="list-style-type: none"> Health service provision Hub of well being New pathways into sport & active leisure 	<ul style="list-style-type: none"> Easy access to health services Encourage sport participation Address health inequalities

Table 3: Capital and revenue summary table

	Capital cost (including fees /contingency / inflation)	Potential External Funding	Revenue Income (per annum)	Revenue Costs (per annum)	Operator Net revenue (per annum)	Return on capital
	(£000s)	(£000s)	(£000s)	(£000s)	(£000s)	
Stadium & site works	9,000	2,000	372	593	-220	-2.4%
Athletics (off site)	1,469	330	18	144	-126	-10%
Flexible office / community space	2,599	0	180	162	18	1%
3G pitches (exc pavilion) off site	1,508	670	235	149	86	10%
Hotel (Budget)*	4,489	0	313	0	313	7%
Private health & fitness*	3,000	0	200	0	200	7%
Library	1,490	0	0	0	0	0
Total	23,555	3,000	1,318	1,048	271	

Notes to support table 3:

- These are potential components. This is not a proposal. It is likely that any future design would include some but not all of these components, dependent on the discussion that are currently ongoing with the developer.
- All capital costs include fees, contingency, inflation but not VAT
- Library assumes only capital costs
- Health & Fitness and Hotel revenue streams based on a long-term operating contract (thus no revenue costs).
- Flexible office / community space provides a 1,500 sq m building for a range of potential community / health uses as set out in the report above.

Table 4: Chesterfield B2net stadium's community use principles set out in their document sent to the potential community stakeholders

1	The partnership must include at least one of the following: <ul style="list-style-type: none"> ▪ Social Inclusion ▪ Health ▪ Sports participation
2	The prospective partner must be compatible to the effective operation of the stadium and its surroundings
3	Partners must supply details regarding the deliverability of their project
4	Partners would be expected to pay a rental of between £12-£15 per sq foot.
5	Partners would be expected to commit to a minimum of 3 years providing a clear indication of a start point.

Table 5: Indicative project timetable

Competitive Dialogue	2011		2012		2013		2014		2015	
	Q1&2	Q3&4	Q1&2	Q3&4	Q1&2	Q3&4	Q1&2	Q3&4	Q1&2	Q3&4
Outline planning										
Procurement										
Detailed planning										
Finalise contracts										
Build stadium										
Stadium completed										

Table notes:

- Timescales are indicative and only provided to give high level illustration of potential timescales if a planning scheme is submitted in February 2011
- This table does not allow for SoS Call-in or other legal mechanisms. These would add slippage / delay to the programme.
- Other means of procurement exist, but these are dependent on the nature of the scheme to be procured. Until discussions with the developer are complete it is difficult to judge which will be the most appropriate route.