

**Notice of a public meeting of
Corporate and Scrutiny Management Committee (Calling In)**

To: Councillors Wiseman (Chair), Barnes, Horton, King, McIlveen, Potter, Runciman (Vice-Chair), Steward and Warters

Date: Monday, 19 November 2012

Time: 5.00 pm

Venue: Guildhall, York

AGENDA

1. Declarations of Interest

At this point, Members are asked to declare:

- any personal interests not included on the Register of Interests
- any prejudicial interests or
- any disclosable pecuniary interests

which they may have in respect of business on this agenda.

2. Exclusion of Press and Public

To consider the exclusion of the press and public from the meeting during consideration of the following:

Annexes 2 and 3 to agenda item 6 (Community Stadium Update) on the grounds that they contain information relating to the financial or business affairs of particular persons. This information is classed as exempt under paragraph 3 of Schedule 12A to Section 100A of the Local Government Act 1972 (as revised by The Local Government (Access to Information) (Variation) Order 2006).

3. Public Participation

It is at this point in the meeting that members of the public who have registered to speak can do so. The deadline for registering is **5.00pm on Friday 16 November 2012**. Members of the public can speak on agenda items or matters within the remit of the committee.

To register to speak please contact the Democracy Officer for the meeting, on the details at the foot of the agenda.

4. Minutes (Pages 3 - 8)

To approve and sign the minutes of the last meeting of the Committee held on 15 October 2012.

5. Called-In Item: Future Credit Union Arrangements in York - Supporting the North Yorkshire and York Credit Union (Pages 9 - 22)

To consider the decisions made by Cabinet at their meeting on 6 November 2012 in relation to the above item, which has been called in by Cllrs Barton, Doughty and Healey in accordance with the Council's Constitution. A cover report is attached setting out the reasons for the call-in and the remit and powers of the Corporate Scrutiny Management Committee (Calling-In) in relation to the call-in, together with the original report and the decisions of the Cabinet.

6. Called-In Item: Community Stadium Update (Pages 23 - 54)

To consider the decisions made by Cabinet at their meeting on 6 November 2012 in relation to the above item, which has been called in by Cllrs Gillies, Warters and Taylor in accordance with the Council's Constitution. A cover report is attached setting out the reasons for the call-in and the remit and powers of the Corporate Scrutiny Management Committee (Calling-In) in relation to the call-in, together with the original report and the decisions of the Cabinet.

7. Urgent Business

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

Democracy Officer:

Name : Jill Pickering

Contact Details:

- Telephone : 01904 552061
- E-mail : jill.pickering@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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If you would, you will need to:

- register by contacting the Democracy Officer (whose name and contact details can be found on the agenda for the meeting) **no later than 5.00 pm** on the last working day before the meeting;
- ensure that what you want to say speak relates to an item of business on the agenda or an issue which the committee has power to consider (speak to the Democracy Officer for advice on this);
- find out about the rules for public speaking from the Democracy Officer.

A leaflet on public participation is available on the Council's website or from Democratic Services by telephoning York (01904) 551088

Further information about what's being discussed at this meeting

All the reports which Members will be considering are available for viewing online on the Council's website. Alternatively, copies of individual reports or the full agenda are available from Democratic Services. Contact the Democracy Officer whose name and contact details are given on the agenda for the meeting. **Please note a small charge may be made for full copies of the agenda requested to cover administration costs.**

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We will make every effort to make the meeting accessible to you. The meeting will usually be held in a wheelchair accessible venue with an induction hearing loop. We can provide the agenda or reports in large print, electronically (computer disk or by email), in Braille or on audio tape. Some formats will take longer than others so please give as much notice as possible (at least 48 hours for Braille or audio tape).

If you have any further access requirements such as parking close-by or a sign language interpreter then please let us know. Contact the Democracy Officer whose name and contact details are given on the order of business for the meeting.

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Holding the Cabinet to Account

The majority of councillors are not appointed to the Cabinet (39 out of 47). Any 3 non-Cabinet councillors can 'call-in' an item of business following a Cabinet meeting or publication of a Cabinet Member decision. A specially convened Corporate and Scrutiny Management Committee (CSMC) will then make its recommendations to the next scheduled Cabinet meeting, 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

Who Gets Agenda and Reports for our Meetings?

- Councillors get copies of all agenda and reports for the committees to which they are appointed by the Council;
- Relevant Council Officers get copies of relevant agenda and reports for the committees which they report to;
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<http://democracy.york.gov.uk/ieDocHome.aspx?bcr=1>

City of York Council

Committee Minutes

MEETING	CORPORATE AND SCRUTINY MANAGEMENT COMMITTEE (CALLING IN)
DATE	15 OCTOBER 2012
PRESENT	COUNCILLORS WISEMAN (CHAIR), BARNES, KING, MCILVEEN, POTTER, STEWART, SEMLYEN (AS A SUBSTITUTE FOR CLLR HORTON) AND CUTHBERTSON (AS A SUBSTITUTE FOR CLLR RUNCIMAN)
IN ATTENDANCE	COUNCILLORS AYRE AND REID
APOLOGIES	COUNCILLORS HORTON, RUNCIMAN AND WARTERS

5. DECLARATIONS OF INTEREST

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

Councillors Potter and Semlyen declared personal non prejudicial interests in respect of the Called In Item: Winter Maintenance Arrangements for 2012/13 as Snow Wardens.

6. PUBLIC PARTICIPATION

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

Sue Galloway made representations on behalf of Foxwood Residents Association. She raised concerns that 50% or 23 salt bins would not be filled in the Foxwood area this year, compared to all those in the Heslington Ward. It was questioned whether Housing Associations and other bodies had been consulted regarding salt bins situated on their land. Reference was made to extensive consultations undertaken for a previous scrutiny review on winter maintenance as opposed to the current decision taken without any. Concerns were also raised

in respect of double taxation and it was pointed out that the winter maintenance savings could be found elsewhere.

7. MINUTES

RESOLVED: That the minutes of the last meeting of the Corporate and Scrutiny Management Committee (Calling In) held on 13 August 2012 be approved and signed by the Chair as a correct record.

8. CALLED-IN ITEM: WINTER MAINTENANCE ARRANGEMENTS FOR 2012/13

Members received a report which asked them to consider the decision made by the Cabinet Member for Environmental Services, at his private Decision Session held on 25 September 2012, in relation to the Winter Maintenance Arrangements for 2012/13. Further information on the options and results of consultation undertaken in respect of the two options put forward for consideration were detailed in the report.

Details of the Cabinet Members decision were attached as Annex A to the report, with the original report to the Cabinet Member attached as Annex B. The decision had been called in by Cllrs Aspden, Ayre and Reid on the following grounds:

- *The plans would see overall salt bin provision in York fall from around 369 full bins to around 199. In a bad winter this cut will have a significant and detrimental impact.*
- *The report states that a thorough review of salt bin locations will be undertaken for the winter of 2013/14. It therefore seems irrational to withdraw the bin provision before this review has taken place and without thoroughly consulting residents or local councillors. The mistakes made over the removal of 1-in-4 of York's dog and litter bins seem to be being repeated.*
- *Residents will not know which salt bins are full and which salt bins are empty until they need to use them.*

- *Leaving the bins out empty is likely to lead to a further deterioration in their condition and make it harder to bring them back into use next winter. Already, due to Labour's decision to leave out the bins over the summer, a number of bins are in a poor condition with some having been vandalised. Leaving 170 out empty and unused will not help this.*
- *No information on the locations of the salt bins was provided in the report – are the remaining (full) bins evenly distributed?*
- *We disagree that “there is no longer finance available to maintain 170 salt bins”. The finance has been withdrawn and we believe the relatively small sum of money involved could be found from elsewhere in the council budget. We are happy to provide further information on this point.*
- *The future of the Snow Wardens scheme is unclear from this report. We would seek some clarification on this before the report is approved.*

Members were asked to decide whether to confirm the decision (Option a) or to refer it back to the Cabinet Member for re-consideration (Option b) as set out in the report.

Councillor Reid addressed the meeting on behalf of the Calling-In members expressing grave concerns at the proposed loss of this basic service. She felt that the cuts were ill conceived. Concerns were raised that if the empty bins were left in situ they would suffer damage during extreme weather conditions. When bad weather occurred it would also be time consuming filling bins and probably too late to address problem areas. She also questioned the discrepancy in the number of bins, particularly with regard to who had already undertaken a review of the number of salt bins and whether consultations had been carried out with Housing Associations and other groups who provided funding. She urged the Cabinet Member to reconsider his decision and undertake consultation with members and residents.

Councillor Ayre also addressed the meeting on behalf of the Calling-In members focusing on the issue of equalities. Reference was made to the reduction in the number of salt bins and to the affect this would have on vulnerable residents. He pointed out that one third of his ward residents were over 60 years of age with 9 out of the 10 bins in his ward not being filled, the one remaining bin being outside the school. The Local Authority was, he pointed out, covered by the Public Sector Equality Duty and he questioned whether this had been considered and the mitigating factors listed. Details of the Equality Impact Assessment carried out had been requested from officers but had so far been unavailable, however consideration of this was essential prior to any decision being taken.

The Cabinet Member for Environmental Services responded to the points raised, confirming that 170 salt bins had previously been filled from ward funding however, following the reduction in ward budgets, a decision had been taken to fill only the 199 core highway bins for the current year. He confirmed that during the previous year only half the bins had required refilling. The Winter Maintenance Group (WMG) would however respond to any need requests, particularly where this involved the elderly. It was confirmed that a full review of the policy with a transparent consistent approach and consultation would be undertaken prior to any changes for the winter season 2013/14. Reference was also made to the authority being within the top quartile in the county for winter road maintenance. Confirmation was received that the decision made did allow flexibility to ensure that officers could respond to any requests relating to equality issues from contingency funding.

Members went on to comment on the points raised and questioned the Cabinet Member on a range of related issues, upon which the Cabinet Member responded. These issues related broadly to the refilling of bins, the impact of the arrangements on the elderly, risk assessments, supplies for side road clearance and consultation processes to be applied in the future.

Officers then clarified a number of points raised and confirmed that all salt bin locations were shown on the York map on the authority's website identifying whether these bins were funded by highways or through ward funds currently. Members

specifically requested that these details be circulated to all Members directly.

Last year had been the first year of operation for Snow Wardens who were issued at the beginning of the season with a maximum of 4 recycling bins of grit, with refills on request throughout the winter, dependent on supplies and resources. Officers confirmed that no changes would be made to the existing gritting arrangements and that mini tractor units would continue to treat footpaths. A dry run would also be undertaken prior to inclement weather to ensure that all paths allowed free access.

It was then:

RESOLVED: That Option (a) identified in the report be approved and that the decision of the Cabinet Member for Environmental Services be confirmed.

REASON: In accordance with the requirements of the Council's Constitution.

Cllr S Wiseman, Chair

[The meeting started at 5.00 pm and finished at 6.20 pm].

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**Corporate and Scrutiny Management
Committee (Calling – In)**

19 November 2012

Report of the Assistant Director, Governance and ICT

**Called-in Item: Future Credit Union Arrangements in York –
Supporting the North Yorkshire and York Credit Union**

Summary

1. This report sets out the reasons for the call-in of the decisions made at Cabinet on 6 November 2012 in relation to the future of a Credit Union in York. The report to the meeting informed Cabinet of the work undertaken to establish a level of support from the City of York Council to secure an on-going Credit Union presence in York and North Yorkshire. This cover report sets out the powers and role of the Corporate and Scrutiny Management Committee in relation to dealing with the call-in.

Background

2. The Decision Sheet issued after the Cabinet meeting is attached as Annex A to this report. This sets out the decisions taken by Cabinet on the called-in item. The original report to Cabinet on the called-in item is attached as Annex B to this report.
3. The Cabinet's decision has been called in by Cllrs Barton, Doughty and Healey for review by the Corporate and Scrutiny Management Committee (CSMC) (Calling-In), in accordance with the constitutional requirements for call-in. The reasons given for the call-in are on the following grounds:
 - (1) *No indication has been given of what measures are in place to ensure Credit Union applicants in York benefit from the Councils new grant of £50k, bearing in mind the loss of previous loan contributions to the former York Credit Union (YCU);*
 - (2) *No information has been given on what monitoring arrangements the Council had in place since granting the loan to YCU in 2008, nor*

has it been clarified what monitoring arrangements will be implemented now in relation to the grant allocated to developing a South Yorkshire Credit Union;

Consultation

4. In accordance with the requirements of the Constitution, the calling-in Members have been invited to attend and/or speak at the Call-In meeting, as appropriate.

Options

5. The following options are available to CSMC (Calling-In) Members in relation to dealing with this call-in, in accordance with the constitutional and legal requirements under the Local Government Act 2000:
 - a. To decide that there are no grounds to make specific recommendations to the Cabinet in respect of the report. If this option is chosen, the original decisions taken on the item by Cabinet on 6 November 2012 will be confirmed and will take effect from the date of the CSMC (Calling-In) meeting; or
 - b. To make specific recommendations to the Cabinet on the report, in light of the reasons given for the call-in. If this option is chosen, the matter will be reconsidered by the Cabinet at a meeting of Cabinet (Calling-In) to be held on 20 November 2012.

Analysis

6. Members need to consider the reasons for call-in and the report to Cabinet and form a view on whether there is a basis to make specific recommendations to Cabinet in respect of the report.

Council Plan

7. There are no direct implications for this call-in in relation to the delivery of the Council Plan and its priorities for 2011-15.

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 decisions made by the Cabinet or refer the matter back for reconsideration and make specific recommendations on the report to Cabinet.

Reason: 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
Head of Civic &
Democratic Services
01904 551030

Chief Officer Responsible for the report:

Andrew Docherty
Assistant Director, Governance and ICT

**Report
Approved**



Date

9 November 2012

Specialist Implications Officer(s) None

Wards Affected:

All



For further information please contact the author of the report

Annexes

Annex A – Extract from the Decision Sheet from the Cabinet meeting on the called-item.

Annex B – Report to the Cabinet on 6 November 2012.

Background Papers

None

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**CABINET
TUESDAY, 6 NOVEMBER 2012**

Extract from DECISION sheet

Set out below is a summary of the decisions taken at the Cabinet meeting held on **Tuesday, 6 November 2012**. 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 **4.00pm on Thursday 8 November 2012**.

If you have any queries about any matters referred to in this decision sheet please contact Jill Pickering, on 01904 552061.

**12. FUTURE CREDIT UNION ARRANGEMENTS IN YORK -
SUPPORTING THE NORTH YORKSHIRE & YORK
CREDIT UNION**

- RESOLVED: That Cabinet agree to:
- i) Approve a grant contribution of up to £50k to be allocated from the Economic Infrastructure Fund towards the development of the South Yorkshire Credit Union.
 - ii) Note that the £50k allocated from the EIF is included in the £300k being recommended within the financial inclusion policy report, also included on this agenda.
 - iii) Recommend appointment of an officer with 'observer status' to monitor the work of the new Union by attendance at Credit Union Board Meetings.

REASON: In order to promote a Credit Union offering in North Yorkshire and York in line with the Council's Plan to 'build stronger communities' and 'grow the economy'

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Cabinet

6 November 2012

Report of the Cabinet Member for Corporate Services

Future Credit Union Arrangements in York - Supporting the North Yorkshire & York Credit Union

Summary

1. The purpose of this report is to establish a level of support from City of York Council to secure an on-going Credit Union presence in York and North Yorkshire.

Background

2. In May 2009 the York Credit Union expanded to cover the whole of North Yorkshire including York and was renamed North Yorkshire Credit Union. The City of York Council and North Yorkshire County Council (The County Council) made loans to the North Yorkshire Credit Union of £100k and £200k respectively. The £100k loan from City of York Council was approved in December 2008. The County Council and District Councils also played a significant part in encouraging and financially supporting the expansion of the North Yorkshire Credit Union.
3. The North Yorkshire Credit Union has, over the last 2 years, encountered severe financial difficulties. This has principally been as a result of –
 - A high level of bad debts on loans made to customers
 - Relatively high overheads
 - Over dependence on a number of non-recurring grants.
4. Given the financial difficulties, the Board of the North Yorkshire Credit Union is in the process of petitioning to wind up the organisation. It has therefore appointed Solicitors to oversee this process and is working with the Financial Services Authority (FSA) in order to manage the process. It should be noted that all individual savings within the North Yorkshire Credit Union are

protected by the Financial Services Compensation Scheme (FSCS).

Work to secure an on-going Credit Union presence in York and North Yorkshire

5. The North Yorkshire Credit Union has 5762 Members – see **Appendix 1** for a breakdown. York and North Yorkshire Councils and the North Yorkshire Credit Union have been concerned that the absence of a Credit Union presence in York and the county would be to the detriment of its existing Membership.
6. Moreover, the introduction of the Universal Credit and other Welfare Reforms means that many low income households are likely to find themselves with even greater financial challenges. Credit Unions tend to work with such clients and can tailor products to suit their individual circumstance.
7. Members and officers from the County Council and the City of York Council have worked to try and establish the appetite for other Credit Unions to move into North Yorkshire. A number of interested parties came forward and exploratory discussions took place between the interested Credit Unions and the councils.
8. There was variable financial support offered from the District Councils of North Yorkshire but given the high number of Credit Union Members in Scarborough, Scarborough Borough Council were keen to try and assist an on-going Credit Union presence. The County Council, City of York Council and Scarborough Borough Council therefore met with representatives from 2 interested parties –
 - South Yorkshire Credit Union
 - A combined offer from the Leeds Credit Union and Hull and East Yorkshire Credit Union.
9. Following submission of outline business plans and a brief meeting, South Yorkshire Credit Union were notified of their preferred status. Councils are not able to sanction Credit Union activity but clearly are well placed to influence and shape given access to many potential customers and the wide resources available to councils (for example premises in key areas).

10. The South Yorkshire Credit Union has identified that it will need up to £100k in one-off funding to successfully launch a North Yorkshire Credit Union. This grant request is in order to fund up-front costs, particularly in Scarborough and York as they seek to consolidate North Yorkshire business in those 2 key locations. It has been made clear throughout that there will be no further recurring funding although all councils have been open to “in kind” contributions.
11. It is proposed that the grant to South Yorkshire Credit Union (if agreed) would be split as follows –
 - City of York Council £50K
 - North Yorkshire County Council £30K
 - Scarborough Borough Council £20K
12. This cash equivalent may reduce in the event of South Yorkshire Credit Union wishing to access premises or use other council assets and thereby reducing their set up costs. City of York Council are liaising with South Yorkshire Credit Union to assist them in finding a suitable premises from which South Yorkshire can operate, either from the Council’s commercial portfolio or the private sector. Also, the possibility that South Yorkshire Credit Union could work out of York Explore, Library Square and ultimately the new West Office building is being considered.

Consultation

13. City of York Council along with the County Council has had dialogue with North Yorkshire Credit Union to ensure that there would be a continued Credit Union presence in the York and North Yorkshire area. City of York Council, the County Council and Scarborough Borough Council have also met with representatives from South Yorkshire Credit Union, Leeds Credit Union and Hull and East Yorkshire Credit Union.

Options

14. There are 2 options for members, either to
 - a) approve the one-off cost of £50k to South Yorkshire Credit Union and a Credit Union presence remains in York,
 - b) not approve the £50k one-off cost and South Yorkshire Credit Union do not operate a Credit Union in York.

Analysis

15. It is beneficial to the City of York to have an operational Credit Union to benefit all in society. The absence of a Credit Union presence in York and the County would be to the detriment of its existing Membership and also does not give the people York and North Yorkshire the opportunity to invest in their local area.
16. Moreover, the introduction of the Universal Credit and other Welfare Reforms means that many low income households are likely to find themselves with even greater financial challenges. Credit Unions tend to work with such clients and can tailor products to suit their individual circumstance.

Council Plan

17. By continuing with a Credit Union in York this meets the Council's priorities to 'build strong communities' and 'create jobs and grow the economy'

Implications

18. **Financial** - The one-off contribution identified in paragraph 11, of £50k, would be funded from the Economic Infrastructure Fund. It should be noted that the £50k is also included in a separate report on Financial Inclusion on this agenda and is included within the sum of £300k being requested in that report. No further funding requests are anticipated and no further provision is therefore required.
19. It should be noted that in December 2008 City of York Council agreed to provide a loan of £100k to the Credit Union and the County Council also provided a loan of £200k in 2009. Given the nature of the loan (i.e. it was subordinated as described by the FSA) there is no prospect of the loan being returned once the North Yorkshire Credit Union has been wound down. It will be necessary for City of York Council to write off the loan of £100k within the accounts in 2012/13, which has been provided for as part of the bad debt policy.
20. **Human Resources (HR)** - There are no HR implications as a result of this report.

21. **Equalities** - There are no equalities implications as a result of this report.
22. **Legal** - Should the Cabinet wish to support this proposal then the grant payment to South Yorkshire Credit Union would be made under S1 of the Localism Act 2011, Local Authorities have a general power of competence which allows them to do anything an individual could, including the power to provide a grant.
23. **Crime and Disorder** - There are no crime and disorder implications as a result of this report.
24. **Information Technology (IT)** - There are no IT implications as a result of this report.
25. **Property** – Property Services are identifying a suitable premise from which South Yorkshire credit Union can operate, either from the Council’s commercial portfolio or the private sector. The use of York Explore, Library Square and ultimately the West Office building is also being considered.

Risk Management

26. There is a risk that the South Yorkshire Credit Union is unable to make the North Yorkshire Credit Union business successful and therefore either seeks to secure additional support from councils or winds up the business. The latter is regarded as unlikely as there would then be impact upon the South Yorkshire business as well as that in North Yorkshire. The South Yorkshire Credit Union have also been advised that councils would not look favourably upon any further requests and the South Yorkshire Credit Union have indeed expressed a wish to avoid any dependency on council funding.
27. Given the history of the Credit Union in North Yorkshire and York proposal would cap any City of York Council exposure to the £50k contribution.
28. The South Yorkshire Credit Union have indicated a wish to work in close partnership with all councils in York and North Yorkshire and have advised that they are amenable to the councils sending observers to Credit Union Board Meetings. There is therefore an opportunity to monitor and work alongside the new Credit Union.

Recommendations

29. Cabinet are requested
- a) to approve a grant contribution of up to £50k to be allocated from the Economic Infrastructure Fund (EIF) towards the development of the South Yorkshire Credit Union
 - b) to note that the £50k allocated from the EIF is included in the £300k being recommended within the financial inclusion policy report, also included on this agenda.

Reason:

In order to promote a Credit Union offering in North Yorkshire and York in line with the Council's Plan to 'build stronger communities' and 'grow the economy'

Contact Details

Author:

Louise Branford-White
 Technical Finance Manager
 Corporate Finance
 Tel No. 551187

Chief Officer Responsible for the report:

Ian Floyd - Director of Customer
 Business & Support Services

**Report
 Approved**

Date 06/11/12

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

All

For further information please contact the author of the report
Background Papers:

Appendix 1 - North Yorkshire Credit Union current Key Figures, June 2012

Current Key Figures, June 2012



- Districts of York, Selby, Scarborough and Ryedale have 4893 members representing 85% of NYCU membership
- Strong demand for profitable loans, most recent May figures of 16.2% return on loans

	Adult Total		Members Total		Savings		Loans		Juniors		J Savings	
	Number	%	Number	%	£ Thousands	%	£ Thousands	%	Number	%	£ Thousands	%
Total	4329		5,762		1,855		1,248		1,433		110	
Craven	137	3.2	231	4.0	42	2.3	32	2.5	94	6.6	4	4.0
Hambleton	107	2.5	107	1.9	116	6.3	36	2.9				
Harrogate	257	5.9	281	4.9	116	6.3	50	4.0	24	1.7	2	2.0
Richmondshire	95	2.2	154	2.7	40	2.2	24	1.9	59	4.1	2	2.1
Ryedale	164	3.8	411	7.1	116	6.3	52	4.2	247	17.2	24	21.5
Scarb. & Whitby	1,120	25.9	1,846	32.0	214	11.6	150	12.1	726	50.7	63	56.8
Selby	353	8.2	543	9.4	148	8.0	113	9.0	190	13.3	8	7.6
North Yorkshire	2,233	51.6	3,573	62.0	793	42.8	457	36.6	1,340	93.5	104	94.0
OUTER	90	2.1	97	1.7	38	2.0	27	2.1	7	0.5	0	0.3
York	2,004	46.3	2,093	36.3	1,030	55.5	760	60.9	89	6.2	6	5.8

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**Corporate and Scrutiny Management
Committee (Calling – In)****19 November 2012**

Report of the Assistant Director, Governance and ICT

Called-in Item: Community Stadium Update**Summary**

1. This report sets out the reasons for the call-in of the decisions made at Cabinet on 6 November 2012 in relation to the Community Stadium project. The report to the meeting provided an update on this project, including the procurement timetable and risk register, the Business Plan, new Project Management/ Governance arrangements together with new interim arrangements for the current Waterworld contract.

This cover report sets out the powers and role of the Corporate and Scrutiny Management Committee in relation to dealing with the call-in.

Background

2. The Decision Sheet issued after the Cabinet meeting is attached as Annex A to this report. This sets out the decisions taken by Cabinet on the called-in item. The original report to the Cabinet on the called-in item is attached as Annex B to this report.
3. The Cabinet's decision has been called in by Cllrs Gillies, Warters and Taylor for review by the Corporate and Scrutiny Management Committee (CSMC) (Calling-In), in accordance with the constitutional requirements for call-in. The reasons given for the call-in are on the following grounds:

(1) The key amendments to the business case approved by Cabinet are not specifically itemised, including the total capital costs, so that the revisions agreed to are not particularly obvious and transparent;

(2) There needs to be a greater appreciation of when the risk identified in the report is deemed to be an unacceptable risk. For example, on the one hand the capital overspend is given a medium rating,

whereas the risk associated with the S106 contribution from the retail development is rated high;

(3) The potential impact of the new interim contractual arrangements for the Leisure Complex upon the future financial stability and sustainability of the project does not appear to have been addressed.

Consultation

4. In accordance with the requirements of the Constitution, the calling-in Members have been invited to attend and/or speak at the Call-In meeting, as appropriate.

Options

5. The following options are available to CSMC (Calling-In) Members in relation to dealing with this call-in, in accordance with the constitutional and legal requirements under the Local Government Act 2000:
 - a. To decide that there are no grounds to make specific recommendations to Cabinet in respect of the report. If this option is chosen, the original decisions taken on the item by the Cabinet on 6 November 2012 will be confirmed and will take effect from the date of the CSMC (Calling-In) meeting; or
 - b. To make specific recommendations to Cabinet on the report, in light of the reasons given for the call-in. If this option is chosen, the matter will be reconsidered by Cabinet at a meeting of Cabinet (Calling-In) to be held on 20 November 2012.

Analysis

6. Members need to consider the reasons for call-in and the report to Cabinet and form a view on whether there is a basis to make specific recommendations to Cabinet in respect of the report.

Council Plan

7. There are no direct implications for this call-in in relation to the delivery of the Council Plan and its priorities for 2011-15.

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 decisions made by Cabinet or refer the matter back for reconsideration and make specific recommendations on the report to Cabinet.

Reason: 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
Head of Civic &
Democratic Services
01904 551030

Chief Officer Responsible for the report:

Andrew Docherty
Assistant Director, Governance and ICT

**Report
Approved**



Date

9 November 2012

Specialist Implications Officer(s) None

Wards Affected:

All



For further information please contact the author of the report

Annexes

Annex A – Extract from the Decision Sheet from the Cabinet meeting on the called-item.

Annex B – Report to the Cabinet on 6 November 2012.

Background Papers
None

CABINET

TUESDAY, 6 NOVEMBER 2012

Extract from DECISION sheet

Set out below is a summary of the decisions taken at the Cabinet meeting held on **Tuesday, 6 November 2012**. 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 **4.00pm on Thursday 8 November 2012**.

If you have any queries about any matters referred to in this decision sheet please contact Jill Pickering, on 01904 552061.

18. COMMUNITY STADIUM UPDATE

RESOLVED: That Cabinet agrees to:

- i) Note progress on the project to date and the timetable for the procurement and associated decisions, in particular the key issues, set out in paragraph 9 of the report, relating to the financial challenges facing the future provision of the existing leisure facilities in the City.
- ii) Agree the key amendments to the business case and note the financial implications.
- iii) Note the updated risk register, the potential financial impact of any abortive costs.
- iv) Agree the proposed Governance arrangements for the project.
- v) Note the roles, responsibilities and delegated powers of the key individuals and bodies within the governance structure (set out in detail in

Annex 1) and in particular the role of the Project Board set out in paragraph 14 of the report.

- vi) Agree Option C set out in paragraph 35 as the new interim contract arrangements for the Huntington Stadium Leisure Complex (Waterworld).
- vii) Note the financial implications of the interim arrangements for the Huntington Stadium Leisure Complex (Waterworld) contract.

REASON: To update Cabinet on this scheme, agree key amendments and new arrangements for Waterworld in order to progress the project.



Cabinet

6 November 2012

Report of Cabinet Member for Leisure, Culture & Tourism

Community Stadium Update

Summary

1. The purpose of this paper is to:
 - Outline the procurement timetable and the stages at which key decisions will need to be made.
 - Set out the need for new Project Management / Governance arrangements.
 - Provide an update on the Business Plan.
 - Consider the updated risk register and the financial impact of potential abortive costs.
 - Consider new interim arrangements for the current Waterworld contract.

2. Decisions are required from Cabinet:
 - 1) To note progress on the project to date and the timetable for the procurement and associated decisions, in particular the key issues set out in para 9 relating to the financial challenges facing the future provision of the existing leisure facilities in the City.
 - 2) Agree the key amendments to the business case and note the financial implications.
 - 3) Note the updated risk register, the potential financial impact of any abortive costs.
 - 4) Agree the proposed Governance arrangements for the project.
 - 5) Note the roles, responsibilities and delegated powers of the key individuals and bodies within the governance structure (set out in detail in Annex 1) and in particular the role of the Project Board set out in para 14.
 - 6) Agree Option C set out in para 35 as the new interim contract arrangements for the Huntington Stadium Leisure Complex (Waterworld).

- 7) Note the financial implications of the interim arrangements for the Huntington Stadium Leisure Complex (Waterworld) contract.

Background

3. The Business Case and budget for the project were noted at Cabinet on 6th March 2012 and approved at Full Council on 30th March 2012. Outline planning permission was granted on the 5th July, following confirmation from the Secretary of State that the decision should be dealt with locally. The 3 month Judicial Review period ended without challenge on the 6th October 2012.
4. At the January meeting of the Cabinet Member for Leisure, Culture & Tourism the outline procurement strategy was agreed for the project. The procurement process has started to Design, Build Operate and Maintain (DBOM) the stadium and operate and maintain the Council's leisure facilities as one single package. An OJEU notice starting the formal procurement activity for the project was posted on the 14th September 2012.
5. A bidder day was held on Friday 28th September which was very successful and attended by representatives from all sections of the construction, design and leisure operations industry.
6. The indicative timeline below outlines the key points in the procurement process:

Indicative Timetable – Events and Milestones

OJEU Notice	September 2012
PQQ return	October 2012
Invitation to submit Outline Proposals	November 2012
Construction of Retail development begins	October 2012
Evaluation of ISOP bids	January 2013
Commence Dialogue phases	January 2013
Final bids	September 2013
Contract Award	November 2013
Leisure Centre Contract operational	January 2014
Planning Submission	January 2014
Archaeological digs begin on stadium site	February 2014
Construction begins	June 2014
Completion	July 2015

7. The evaluation of the pre-qualification questionnaires commenced at the start of November. The procurement process is an iterative process and dates will move as the project advances.

8. This procurement is being conducted by Competitive Dialogue (CD). It includes the design, build and operation of the stadium as well as the long term operation of the Council's leisure facilities. This will be for a 13 year period with the option for an additional 5 years (total 18 years). Bidders will come forward as consortia made up principally of three main commercial disciplines; Operators, developers and design teams.
9. Bids will be developed by each consortia to build the stadium, invest into the leisure estate and operate them on a financial sustainable basis over the life of the contract. Affordability targets are to be set for a maximum capital value of c.£15M and to be operated at a reduced revenue cost in line with the Council's budget strategy. To achieve this goal and maximise value from this process it is likely that critical decisions may be required regarding the delivery of the project, exploiting commercial opportunity and the future provision of leisure across the City. Members should be aware of the current losses being experienced by GLL the incumbent operator of the Huntington Stadium Complex (set out in para 29 below). Without significant investment this position is likely to worsen and result in the severe pressure on the council's budget. Bidders are asked to come forward with innovative solutions to address these financial pressures within the affordability targets.
10. The CD process is governed by strict EU regulations and is a commercially sensitive and confidential process. Updates can only be provided at key stages within the process and will be bound by confidentiality restrictions. Updates will be provided at stages and direction sought at the following key stages:
 - Prior to the commencement of the dialogue stage (late Jan / early Feb 2013) and possibly during the dialogue stage (March – August 2013).
 - Prior to the final bid stage (September 2013).
 - Prior to the contract award (November 2013).

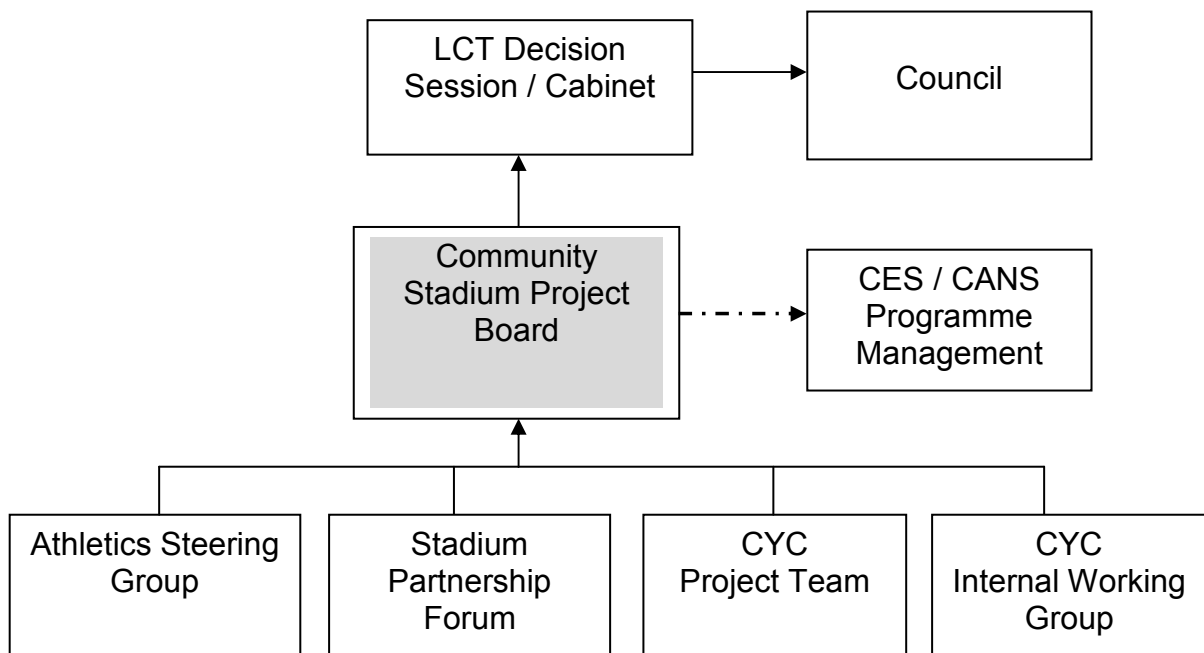
Proposal for new governance arrangements

11. The project now moves into a new delivery phase and should be treated like any other major capital project. The Stadium Advisory Group was originally established to provide cross party representation in overseeing the development of the business case and proposals. Now the business case has been approved by Council and Outline Planning Permission granted and the Judicial Review period passed, the need for an extensive Advisory Group to oversee the management of the project is no longer necessary.

12. The flowchart and table below set out the proposed reporting lines and responsibilities for the project's management.
13. It is proposed to create a new Project Board that will deal with all the business of the project. This board will meet monthly and deal with exception reports, updates on the project plan, business case and risk register. Where necessary it will escalate issues to either the Cabinet Member for Leisure, Culture, Tourism's (LCT's) decision making session or Cabinet for decisions.
14. It is essential that this Board has the necessary powers vested in it and its Chair (Project Director) to effectively deliver the project. It is recommended that decisions can be made by that Board (through the authority of the Project Director) providing it is acting within the overall budget headings set by Council, and the parameters set out in the business case. Where key risks are escalated and cannot be mitigated they will be reported back to the appropriate decision making body. Resources can be managed in line with the Director's normal authorities and delegations where needed to support the project.
15. The proposed roles, responsibilities and delegations are set out in the table in Annex 1 with the detailed terms of reference. In particular members attention are drawn the key roles of:
 - Project Sponsor (Cabinet Member for LCT): to be the champion / figurehead for the project, providing leadership on ethics, values, and equalities, clarifies priorities and strategy and engages with stakeholders.
 - Project Director (Corporate Director): Owns the business case and governs risk, makes timely decisions and manages the programme of work with the Project Manager, manages relationships.
16. A Community Stadium Partnership Forum has been established. This will deal with all issues relating to the development of the community aspect of the stadium and also be the formal point of contact between the Project Director, Project Sponsor and the project stakeholders. The minutes and action points from the meeting will be presented to the Project Board and once agreed the minutes will be publicly available.

17. A separate governance structure will be agreed and put in place for the delivery of the athletics facilities. Representatives from the Council and University of York will make up the steering group, supported by key consultative stakeholder groups including City of York Athletic Club. Reports from this group will feed into the Project Board as there is still a critical dependency between the delivery of the athletics facilities and the delivery of the Community Stadium.

18. Proposed Governance/Management Structure:



Update on the Business Case

19. The financial structure of the business case was last updated in March 2012. As the project has now progressed and the procurement route is a single DBOM the indicative budget headings have now been developed.

20. Table 1 below sets out the capital expenditure headings as approved in the Business Case proposed changes to the expenditure and project costs. The total cost of the project remains unchanged.

Table 1: Total Capital Costs as approved in Business Case March 2012 and Proposed November 2012.

Component	Approved March 2012 (£000s)	Proposed Nov 2012 (£000s)
On site facilities (sub-total)	15,700	15,250
Stadium	11,000	10,650
External works	1,500	1,450
Community floor space	3,000	2,950
3G Floodlit Games Court	200	200
Off site facilities (sub-total)	2750	2750
Athletics Facilities	2,000	2,000
Community sport & interim costs	750	750
Project Costs	750	1,200
Total	19,200	19,200

21. The funding streams to deliver the project were agreed as part of the Business Case these are set out in Table 2 below. The position has not changed.

Table 2: Project Costs

Component	Capital Cost (£000s)	Comment
S106 Contribution	14,850	S106 agreement dated 5 th July 2012
CYC Capital	4,000	Council approved capital programme
YCFC Capital	350	Minimum contribution from Bootham Crescent disposal
External Funding		Zero assumed
Total	19,200	
Expenditure Profile		
2011/12	136	
2012/13	2,514	
2013/14	2,550	
2014/15	7,000	
2015/16	7,000	
Total	19,200	

22. Due to the procurement strategy of using a DBOM there will be a number of bidders developing the design of the scheme through the dialogue process. To ensure CYC maintain a reasonable level of control and that bidders have the comfort that they are not being asked to commit to an unreasonable level of fee exposure, it is proposed that the Council put in place a programme of support works. This will include surveys, feasibility and where appropriate enabling works. Bidders will not need to separately procure or fund this information that will be common to all parties. For example ARUPs have already been commissioned to bring forward a package of enabling works for the site, that could be jointly commissioned with the retail scheme John Lewis, Marks & Spenser etc). Decisions regarding sewerage, water mains and other services could provide considerable savings if investment decisions are taken in advance and infrastructure put in place ahead of the stadium development.
23. An example of this would be the provision of a foul water sewer upgrade. If the work is undertaken with the retail park development, it would offer in the region of 60% savings. However, there would be an upfront cost of c.£300K to provide the improvements. Although these are part of the capital works allowance, they will need to be funded ahead of the main building contract. Such investment decisions can be only made when there is reasonable certainty that the S106 funding is in place and the Council does not bear unreasonable financial risk. Under the proposed governance arrangements such matters will be dealt with by the Project Board and only referred on, if the risks are not clearly manageable.
24. Consideration also needs to be given to the actual project costs in running the procurement exercise. When the budget was agreed, there was no provision for the inclusion of the leisure service in the exercise. It is now being managed as one procurement under the stadium budget, resulting in a higher fee allowance for a number of headings (legal, commercial and property). More project management resources will be needed during the first 18 months of the project, to manage the complex dialogue phase and ensure that all the survey, legal and enabling works are delivered to programme. The growing number of partners involved in the project requires considerable co-ordinated as part of the process.

25. Overall, the fees and costs in delivering this project need to be structured in a different way to that initially set out. A higher degree of costs will be directly incurred in the first stages of the procurement. However, these will be balanced out over the life of the project. The percentage of total fees may be slightly greater, but this will be balanced against the opportunity to achieve greater risk transfer to the bidders and the future operator. This should result in a more cost effective package for the future management of the stadium and the City's leisure facilities. It will also reduce the risk to the Council of managing and co-ordinating three separate procurement processes. The estimated increase in directly incurred project costs are set out in Table 3, these will be offset by savings achieved in the schemes delivery.
26. An option does exist to pass these costs on to the bidders in the initial design phase, but this may deter consortia from bidding and would create a much higher degree of risk that would likely undermine confidence in the process and take away control from the council as the client. The existing and proposed cost headings are set out below in confidential annex 3.

Interim Arrangements for Waterworld contract

27. The Cabinet paper (6 March 2012) outlined the proposed business plan for the new community stadium. In particular, it highlighted a risk to the Council in relation to the existing lease arrangements for Huntington Stadium (Waterworld, Courtney's and the Stadium) being surrendered by the current operator Greenwich Leisure Ltd (GLL).
28. The current lease with GLL is for the term 1 April 2011 to 31 March 2016, but allows both parties an option to terminate giving 6 months notice from 1 October 2012. The lease is based on a rental fee paid from GLL to the Council of £268,079 per annum.
29. Officers have worked with GLL directors to understand the current operation as part of the business planning stages for the new community stadium and understand that GLL are making a loss on the contract. The sum can be seen in confidential annex 3. GLL are a social enterprise who cannot support these levels of losses in the current market place.
30. On the 1 October 2012, GLL have written to the Council to advise that they will be terminating the lease, giving six months notice. This

means from 1 April 2013 the Council will no longer have an operator.

31. The current procurement timetable to select a new operator for the stadium and existing leisure facilities (Energise and Yearsley) is due to be completed by December 2013 and including a period of slippage it could be up to 30 June 2014.
32. There are a number of options open to the council now that GLL have served notice:

Option A – Close the facility

33. This has significant issues for the current procurement exercise both in terms of message to the market and a new operator having to build the business from scratch. The cost to decommission the building and put in security arrangements (as experienced with the Barbican £120k pa), on top of losing the rental income would be a significant cost implication. Therefore this option is rejected.

Option B – Accept keys back from GLL and the Council operate

34. The cost and risk to the Council would be significantly more than option A and C. The Council would incur considerable set up costs, TUPE issues and other operational risks making it commercially unviable.

Option C – Agree new terms with GLL to secure them as operators until the end of the procurement exercise.

35. Negotiations with GLL have resulted in a proposal to (i) reduce their financial exposure by offering a rental discount period from 1 April 2013 to 31 March 2014 (ii) Agreement to continue to operate for a further 3 months, up to 30 June 2014 if required, but the Council would have to underwrite any losses during the last 3 months. GLL would provide open book accounting. A deed of variation would be required to the existing lease to secure GLL as operators until 30 June 2014 and terms will state only the Council will be able to terminate the contract during this new lease period. See confidential annex C for the discounted sum.

If the council wishes to secure the continuity of the service at the Huntingdon Stadium complex (including the provision of athletics,

rugby league games and swimming at Waterworld) Option C is the recommended option. All other options would either place the Council under considerable operational and financial risk, or require the cessation of the service.

36. A number of service reductions have been discussed with GLL but no significant savings could be projected to offset option C.
37. It would not be viable to run even a mini procurement to source a new operator for such a restricted contract of under 12 months.

Implications

Financial

38. Stadium Budget – The overall budget is not changed. The project fees have risen due to the procurement route now taken and the inclusion of a leisure operator in the stadium procurement. However, it will provide bidders more security through the process and enable a more consistent and transparent bidding process with the potential to transfer some risk to the bidders in this high value capital project.
39. GLL lease extension – The council is paying to secure continuity of the service to ensure there is no cessation in provision. At present the incumbent operator could serve 6 months notice and stop operation. This may have a greater financial impact on the council and would threaten the interim operation until the new contract was in place.
40. The potential loss of income (rent) from the lease discussed in paragraphs 29 – 37 will require additional revenue funding. This will be included as part of the budget proposals currently being considered for 2013/14 and 2014/15.
41. Human Resources (HR) – none
42. Equalities: A Community Impact Assessment was undertaken in 2011 as part of the development of the business case. This work will be further developed as procurement process progresses.

43. Legal – none
44. Crime and Disorder – none
45. Information Technology (IT) – none
46. Property – awaiting comments
47. Other – none

Risk Management

48. The updated Project Risk Register is provided in confidential annex 2. It is redacted in full as it contains commercially sensitive information relating to the procurement process that cannot be disclosed. Below the key & high scoring risks have been summarised. It must be emphasised that these are taken from risk register and presented as potential risks i.e. issues that may arise or are yet to be resolved and may require mitigating action. They are not predictions or statements of actions that will occur.
49. **Risk 4 Capital Overspend:** This is a medium risk as the procurement process has set affordability targets. A limit for the capital expenditure is set and all bidders are aware of this. If it becomes apparent that the full specification is unlikely to be met, the option exists to engineer down the specification or seek alternative funding sources. A decision can be sought from Cabinet on this issue prior to the contract being awarded.
50. **Risks 7 & 10 Delay or failure to make the S106 contribution from the retail development.** This is a high risk. The council has no direct control on the delivery of the retail scheme. Detailed planning permission has been granted and agreements signed with 3 key tenants by Oakgate Monks Cross. The S106 agreement sets out the funding arrangements with the provision of an on-demand bond. However, this bond cannot be called upon until development has started. Until this point is reached, the costs of the project remain at the Council's risk. The ongoing fees, and project management costs will continue to be absorbed by the Council's capital allocation. If the retail scheme fails to progress, these will be non recoverable abortive costs to the Council.
51. These risks can be mitigated by the phasing of any feasibility or enabling works. Ensuring that only necessary work is undertaken

until certainty regarding the S106 funding is in place. All bidders in the procurement process are responsible for their own costs. Prior to the ITCD stage (Feb / March 2013) the Council will need to provide a detailed position statement on funding. This process can be delayed or stopped if necessary.

52. **Risk 22 Insufficient funds to adequately resource the delivery of the project:** Failure to properly resource the project through the procurement process may result in the lack of bidder interest and / or bidders withdrawing from the process. It is also essential that a fair balance of risk is maintained through the process to ensure that bidders' costs do not become too great. The process must be professionally controlled and specialist input sourced as required. This can be mitigated by the introduction of the new proposed governance arrangements and project resource costs. It also requires a flexible resource plan actively managed by the Project Board.
53. **Risk 24 & 25 Failure to agree terms with the UoY and the potential for costs escalation:** Conditions of the outline planning consent require arrangements for the replacement athletics facilities to be in place and agreed prior to the demolition of the stadium. Until those proposals are finalised this remains a high risk. These risks can be mitigated by a range of measures including the identification of alternative sites, seeking of additional funding from project partners and external funding agencies and the options of specification reduction.
54. **Risk 35 Failure to establish an effective project governance structure for the delivery of the project:** This is a high value and complex development project. It is essential that effective and reactive arrangements are in place to manage the project. This paper sets out a new structure with clear roles and responsibilities for the key individuals and Project Board. Failure to implement new arrangements will threaten the successful delivery of the project.
55. **Risk 36 Failure to agree Terms with GLL for interim operation of Huntington stadium Complex:** These proposals provide assurance of the continuity of the service. Although there is an additional financial cost to the council, the alternative may result in the cessation of the service or considerable additional expense.

Recommendations

56. Members are asked to:

1. Note progress on the project to date and the timetable for the procurement and associated decisions, in particular the key issues set out in para 9 relating to the financial challenges facing the future provision of the existing leisure facilities in the City.
2. Agree the key amendments to the business case and note the financial implications.
3. Note the updated risk register, the potential financial impact of any abortive costs.
4. Agree the proposed Governance arrangements for the project.
5. Note the roles, responsibilities and delegated powers of the key individuals and bodies within the governance structure (set out in detail in Annex 1) and in particular the role of the Project Board set out in para 14.
6. Agree Option C set out in para 35 as the new interim contract arrangements for the Huntington Stadium Leisure Complex (Waterworld).
7. Note the financial implications of the interim arrangements for the Huntington Stadium Leisure Complex (Waterworld) contract.

Reason: To update Cabinet on this scheme, agree key amendments and new arrangements for Waterworld in order to progress the project.

Contact details

Authors:	Cabinet Member and Chief Officer Responsible for the report:
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Andrew Laslett Service Manager Communities&	Neil Taylor Director City & Environmental Services

	Report Approved	√	Date	25 October 2012
	Sally Burns Director Communities & Neighbourhoods			
	Report Approved	√	Date	25 October 2012
Specialist Implications Officer(s)				
Wards Affected: <i>List wards or tick box to indicate all</i>				All <input type="checkbox"/> <i>tick</i> <input type="checkbox"/>
For further information please contact the author of the report				

Supporting Annexes

- **Annex 1:** Roles responsibilities and delegations of the new governance arrangements
- **Annex 2:** Confidential Redacted Risk Register for Community Stadium Project.
- **Annex 3:** Confidential Redacted items from the report

Background papers

- Paper 6th March 2012: Community Stadium Business Case
- Decision Session of the Cabinet Member for Leisure, Culture & Tourism.
- 10th January 2012: The Community Stadium and Council Leisure Facilities: Procurement of Operator Arrangements

Annex 1:Community Stadium Governance Structure - Roles & Responsibilities

	Purpose	Membership	Authority/ Delegation	Escalation Routes/ Reporting	Reporting Frequency
Council	Sets budget for Capital Programme. Approves CYC Contribution to scheme.	All council members	£4M capital expenditure agreed March 2012.	Would approve any changes to CYC capital contribution.	Ad hoc
Cabinet	Approved Business case March 2012. Sets project framework and key decisions within the terms of the CYC constitution.	Cabinet members	Authorises changes to scope and business case. Ad hoc decisions as required	Receives update reports from Project Board. Approves significant adjustments to the project scope within financial constraints. Approves mitigation measures to address catastrophic risks.	Ad hoc
Councillor Decision Session	Make decisions that do not require Cabinet approval.	Cabinet Member Leisure Culture & Tourism (LCT)	Ad hoc decisions as required	Decision making as required. Escalates to Cabinet	Ad hoc
Project Board (PB)	To receive reports on progress of project, make decisions through delegated authority of PD, escalate key issues, risks and budget matters.	Chair Project Director Reports from Project Manager and other corporate officers to the Project Sponsor. Attended by the Cabinet Member	Refers decisions to appropriate delegated body (PD & Director's Delegations), or Cabinet member decisions / Cabinet etc.	Receives update reports from the Project Manager. Escalates risk items which have been raised to catastrophic level pre-mitigation. Agrees variations to budget within delegated authority.	Bi-Monthly

Annex 1:Community Stadium Governance Structure - Roles & Responsibilities

	Purpose	Membership	Authority/ Delegation	Escalation Routes/ Reporting	Reporting Frequency
		for Transport, Planning and Sustainability			
Project Sponsor (PS)	Project Champion /figurehead for the Council.	Cabinet Member for LCT	None. Decision making through the LCT decision making sessions where appropriate.	Project Board / PD	NA
Project Director (PD)	Owns business case & risks, manages resources and directs project	Corporate Director	Authority in line with Director's delegations and decisions made in relation to the project's delivery.	Cabinet Member for LCT, Cabinet and Council.	NA
Project Manager	Delivers work packages, manages project resources reports to project board	Senior Council Officer	In line with officers delegations set by PD business of PB and other relevant decision making bodies.	PD & Project Board.	Supervision with PD
Community Stadium Partnership Forum	Provides forum for the development of the community aspect of the project and stakeholder involvement.	Representatives of key partner organisations Chaired by the Project Sponsor and attended by Project Manager and the Director of CAN's	No delegated powers	Forms part of the project brief for the tender process.	Monthly Ad Hoc

Annex 1:Community Stadium Governance Structure - Roles & Responsibilities

	Purpose	Membership	Authority/ Delegation	Escalation Routes/ Reporting	Reporting Frequency
Officer Working Group	Project Management, Design and delivery of work packages Identification and management of risk and project reporting.	Project Executive Project Team Corporate Officers	No delegated powers	Identifies & escalates items which vary the layout from the approved outline design, the scope of the project, the programme duration or sequence or anticipated cost. Escalates risk items which have been varied to moderate level post mitigation.	Fortnightly
Project Team	To deliver the project within the delegations set by Cabinet & work packages set by the Project Board	Project Executive Project Managers / Officers	Within delegations set cabinet, director and Project Board	Identifies issues, risk and progress reports for the Project Board.	Bi Weekly

Detailed role of Project Sponsor & project director

Project Sponsor

The responsibilities for which the sponsor is accountable to the board are:

- Provides leadership on culture and values
- Provides leadership on ethics and equalities

Annex 1:Community Stadium Governance Structure - Roles & Responsibilities

- Provides acts as the figurehead for the project
- Keeps project aligned with organisation's strategy and portfolio direction
- Leads on all project communications
- Works with other sponsors
- Focuses on realisation of benefits
- Recommends opportunities to optimise benefits
- Ensures continuity of sponsorship
- Provides assurance
- Provides feedback and lessons learnt

The governance activities that take place between the sponsor and the project manager are:

- Clarifies business priorities and strategy
- Communicates key issues
- Engenders trust
- Manages relationships
- Promotes ethical working

In addition to these activities the following activities take place between the sponsor and other stakeholders:

- Engages stakeholders
- Governs stakeholder communications
- Directs stakeholder relationships
- Ensures governance and ethics of suppliers
- Arbitrates between stakeholders

Annex 1:Community Stadium Governance Structure - Roles & Responsibilities

Project Director

The role of **Project Director**, usually the senior member of the project board and often the chair. The project director will be a senior officer in the authority who is responsible to CMT for the success of the project.

The responsibilities for which the project director is accountable to the board are:

- Owns the business case
- Governs project risk
- Works with the sponsor
- Is responsible for the realisation of benefits
- Recommends opportunities to optimise cost/benefits
- Provides feedback and lessons learnt

The governance activities that take place between the director and the project manager are:

- Provides timely decisions
- Clarifies decision making framework
- Clarifies business priorities and strategy
- Provides resources
- Manages relationships
- Supports the project managers role

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By virtue of paragraph(s) 3 of Part 1 of Schedule 12A
of the Local Government Act 1972.

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