
MEETING	CABINET
DATE	19 JULY 2011
PRESENT	COUNCILLORS ALEXANDER (CHAIR), CRISP, FRASER, GUNNELL, LOOKER, MERRETT, POTTER AND SIMPSON-LAING (VICE-CHAIR)

PART A - MATTERS DEALT WITH UNDER DELEGATED POWERS

10. 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 Alexander – a personal interest in agenda item 7 (A Review of City of York Council's Elderly Persons Homes), as a member of the GMB union.

Cllr Crisp – a personal interest in agenda item 7, as retired member of Unison.

Cllr Fraser – a personal interest in agenda item 7, as a member of the retired section of Unison and the retired section of Unite (TGWU/ACTS sections).

Cllr Simpson-Laing:

- a personal interest in agenda item 7, as a member of Unison
- a personal interest in agenda item 10 (Strengthening the Capability and Capacity of York's Voluntary Sector), as someone who works for the voluntary sector
- a personal interest in agenda item 16 (Urgent Business, Water End Flood Alleviation Scheme), as a resident of the area concerned.

Cllr Potter – a personal interest in agenda item 10, as someone who works for the voluntary sector.

Cllr Merrett:

- a personal interest in agenda item 11, as someone who works in the rail industry (but not in an area relating to high speed rail)
- a prejudicial interest in agenda item 13 (Capital Programme Out-turn 2010/11 and Revisions to the 2011/12-2015/16 Programme), as a member of Clements Hall.

11. MINUTES

RESOLVED: That the minutes of the Cabinet meeting held on 21 June 2011 be approved and signed by the Chair as a correct record.

12. PUBLIC PARTICIPATION / OTHER SPEAKERS

It was reported that there had been four registrations to speak at the meeting under the Council's Public Participation Scheme, and one request to speak by a union representative.

Trevor Fenwick spoke about the proposal to sell Union Terrace Car Park, as a matter within the remit of Cabinet. He expressed the view that closure of the car and coach park would have a drastic effect upon footfall in the Gillygate area and furthermore would be contrary to the five key priorities outlined in the draft Council Plan at item 5 on the agenda.

Mike Fisher also spoke about Union Terrace Car Park as a matter within Cabinet's remit. He endorsed the comments of the previous speaker and stressed that Members should share information with interested parties and actively listen to their views before reaching a decision.

Jill Richards spoke in relation to agenda item 5 (Taking Forward the 2011/12 Budget Priorities). She linked this item to the proposed sale of Union Terrace Car Park, stating that the sale would be contrary to the budget priorities and would have a detrimental effect on businesses both in and beyond Gillygate.

Ceri Owen spoke in relation to agenda item 6 (Petition to Council on Support for Vulnerable People). She expressed appreciation the action taken so far in relation to the petition but highlighted a number of outstanding areas of concern and urged Members to ask local MPs to raise the matter in Parliament.

Mandy Golding, Unison General Convenor, spoke in relation to agenda item 7 (A Review of City of York Council's Elderly Persons Homes). She welcomed the plans for consultation but highlighted concerns about some aspects of the options outlined in the report. She stressed the need for flexibility in the criteria for the allocation of places in EPHs and the importance of maintaining a high quality of service.

13. FORWARD PLAN

Members received and noted details of those items listed on the Forward Plan for the next two Cabinet meetings at the time the agenda was published.

14. TAKING FORWARD THE 2011/12 BUDGET PRIORITIES

Members considered a report which outlined how the Council intended to structure its work programme during 2011/12 to ensure that key priority actions were initiated. This report had been added to the Cabinet agenda under formal Urgency procedures, as it was not listed on the Forward Plan and involved a key decision. An urgent decision was required to enable

these priorities, including changes arising from the amendments made to the Council's budget on 30 June 2011, to be developed for incorporation into the Council Plan as soon as possible.

The five key priorities, detailed in paragraphs 4 to 10 of the report, were as follows:

- Create jobs and grow the economy
- Get York moving
- Build strong communities
- Protect vulnerable people
- Protect the environment.

Approval was sought to develop these priorities into a Council Plan and Delivery Plan in the format attached as Annex A to the report, for submission to the next Full Council meeting in October.

Members noted the comments made under Public Participation on this item and

RESOLVED: That approval be given to develop a Council Plan and Delivery Plan, for submission to Full Council.¹

REASON: To ensure that the Council delivers the priorities set out in the report.

Action Required

1. Develop draft Council Plan for submission to Council in October KE

15. PETITION TO COUNCIL ON SUPPORT FOR VULNERABLE PEOPLE

Members considered a report which asked them to decide whether any further action was required in respect of a petition to Council regarding the effects of funding cuts on services to vulnerable people.

The petition had been presented to Budget Council on 24 February 2011. In accordance with constitutional requirements for a petition with more than 1,000 signatures, it was referred for debate to the next Council meeting, on 7 April, together with the Officer briefing note attached at Annex 1 to the report. Council then referred the matter to Executive (Cabinet) to determine any appropriate action.

In the light of the amendments made to the budget at the last Council meeting, on 30 June, and the action already taken to communicate with MPs as set out in the petition, Members were asked to decide whether any further action was still required.

Members noted the comments made under Public Participation on this item and

RESOLVED: (i) That the Cabinet also write to MPs in the terms outlined in the petition.¹

(ii) That the petition and report be referred to the Fairness Commission for consideration.²

REASON: To ensure that the concerns raised in the petition with regard to support for vulnerable people are properly addressed.

Action Required

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| 1. Arrange for a letter from Cabinet to be sent to MPs | PD |
| 2. Refer report and petition to Fairness Commission | PD |

16. A REVIEW OF CITY OF YORK COUNCIL'S ELDERLY PERSONS HOMES (EPHS)

Members considered a report which suggested options for the future provision of care for older people in the City, following a review of the Council's residential care homes.

The review sought to progress the Joint Vision for the Health and Well Being of Older People in York approved in July 2010 (attached as Annex A), with more older people remaining in the community and having more independence, a greater choice of accommodation options and greater social engagement. The City's care homes would also need to cater for future needs, with larger rooms, greater flexibility and better facilities.

The following options had been considered:

- A – take no action and retain current operating model and provision
- B – extend and refurbish existing homes
- C – purchase all or an increased proportion of beds from the private sector
- D – fund the design and build of new care homes and continue to operate them with Council staff
- E – enter a partnership with a commercial developer to fund and build a new home.

Analysis indicated that, of these options, D and E would present the best opportunity to re-provide the City with fit for purpose, 'state of the art' residential care homes with a range of care solutions. In view of the potential effect of all the options (except A) on residents and staff, it was recommended that a full consultation now be carried out over a period of three months with all interested parties.

In response to matters raised by Members at the meeting, it was confirmed that a 'user friendly' consultation document was being prepared and that the issue of social isolation for those remaining in their own homes was being addressed in the work of the department.

Members noted the comments made by the Unison representative on this item and

RESOLVED: (i) That a full and meaningful consultation be carried out on the review and its options for the future re-provision of the Council's nine elderly persons' residential care homes.¹

(ii) That the consultation should last for a period of three months and involve residents, day care and respite care service users, as well as relatives, staff, trade unions, elected Members, health colleagues, older people's groups and any other interested parties (as set out in the consultation plan at Annex E).

(iii) That a further report to Members, outlining the result of the consultation and recommendations for action, be received in November 2011.²

REASON: To ensure that all interested parties are fully involved in the changes necessary to cater for the growing population of older people in the City for the foreseeable future.

Action Required

1. Begin consultation exercise in accordance with agreed plan	PD
Schedule report on Forward Plan for November Cabinet meeting	PD

17. HOMELESS REVIEW 2010/11

Members considered a report which outlined activity governed by the Housing Act 1996, the Homelessness Act 2002 and the Council's Homelessness Strategy 2008-13, during the financial year 2010/11. This included service developments and future targets in relation to prevention work, the trends of statutory homelessness and the work of the Resettlement Services and Youth Homeless Services.

Details of service activity and performance were set out in Annex 1 to the report. Key points included a reduction in the number of homeless preventions and an increase in the number of households in temporary accommodation, against a background of challenging targets and a difficult economic climate. However, a number of service improvements had been achieved, as set out in paragraph 6. Projects to be given priority during 2011/12, as identified in the Homeless Strategy Action Plan to be considered as the next item on the agenda, were listed in paragraph 7.

RESOLVED: (i) That the contents of the report be noted.

(ii) That the priorities for 2011/12, as set out in paragraph 7 of the report, together with the targets and the forthcoming plan, be agreed.¹

(iii) That an update on the effectiveness of the strategy be brought to Cabinet in due course.²

(iv) That Cabinet also receive a report detailing the cumulative effect on homelessness in York of the government's changes to the housing benefit system.³

REASON: To ensure that the Council continues to meet its statutory responsibilities and supports the most vulnerable in society.

Action Required

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| 1. Take action to implement the targets | SW |
| 2. Schedule update report on the Cabinet Forward Plan | SW |
| 3. Schedule report re effect of Housing Benefit changes on the Cabinet Forward Plan | SW |

18. APPROVAL OF THE HOMELESS STRATEGY (REVIEW) 2011 TO 2013

Members considered a report which informed them of the work undertaken as part of the mid-term review of the Council's homeless strategy and sought approval for the contents of the Homeless Strategy Action Plan for the period 2011 to 2013 and for a change of name for this document.

The Council had a statutory duty to publish a homeless strategy every five years. The mid-term review provided an update to the 2008/13 strategy, published in 2008. It had been overseen by a multi-agency Homeless Strategy Steering Group, who had approved the new draft action plan on 19 January 2011, following a series of consultation events with staff, stakeholder and user groups, before it was signed off by Housing Services Management Team on 16 March.

In recognition of the strategy's aspiration to eradicate the use of emergency accommodation and move towards prevention and planned housing options, the draft plan, attached as Annex 2 to the report, had been re-named 'The Housing Options and Homelessness Strategy Action Plan 2008-2013'.

RESOLVED: (i) That the contents of the Homeless Strategy Action Plan that will cover the period 2011 to 2013 be approved.¹

(ii) That approval be given to re-name the document 'Housing Options and Homeless Strategy Action Plan'.

REASON: In accordance with the legal requirement for the Council to have a Homeless Strategy and the undertaking given in the 2008-13 strategy action plan to update and re-publish it in 2011.

Action Required

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| 1. Take action to implement the Strategy | SW |
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19. **STRENGTHENING THE CAPABILITY AND CAPACITY OF YORK'S VOLUNTARY SECTOR**

Members considered a report which asked them to approve a proposal for the use of the new £100k fund for the voluntary sector in York.

In June 2011, Council had approved the creation of a £100k 'pump priming' fund aimed at building the capacity of the voluntary sector to deliver against priorities identified in the Council Plan. It was proposed to allocate that funding against the following priorities:

- Creating a strong, successful City Volunteering Centre - £30k
- Voluntary Sector Bursary Scheme – New Business Models - £30k
- Voluntary Sector Projects – Neighbourhood Based Initiatives - £40k

The projected outputs and outcomes of the scheme, which these allocations were expected to support, were outlined in paragraphs 7 and 8 of the report. Members were invited to approve or amend the proposed allocations. The next step would be to draw up a detailed service level agreement (SLA) between the Council and York CVS, setting out the criteria for the two funds, and to establish a steering committee, of which the Cabinet Member for Leisure Culture & Social Inclusion would be a member, to oversee them.

RESOLVED: That approval be given to allocate an additional £100k funding to support the voluntary sector in the City, specifically focused around building the capacity and capability of local voluntary bodies to diversify income streams and deliver joined up services at a neighbourhood and City-wide level, and extending the opening hours and provision of the City Volunteering Centre.¹

REASON: To increase the scope and build the capacity of York CVS to strengthen the fabric of the voluntary sector in the City.

Action Required

1. Take action to implement the scheme, starting with drawing up an SLA KB

20. **HIGH SPEED RAIL CONSULTATION - THE COUNCIL'S RESPONSE TO THE GOVERNMENT'S CONSULTATION**

Members considered a report which presented a draft response to the government's consultation document on its proposed high speed rail network (HS2), for amendment or approval prior to the closing date of 29 July 2011.

The consultation questions, and the draft responses to them, were set out in Annex A to the report. Broadly, the responses indicated that the Council:

- Supported proposals for a high speed network, subject to resources directed to the project not being detrimental to improvement programmes for other routes;
- Supported the case for a direct connection to the existing high speed rail line;
- Believed the government's strategy for air travel should be considered before confirming a view on a direct connection to Heathrow;
- Considered that the Leeds element of the y-shaped network should connect to the East Coast Main line south of York, rather than north;
- Felt that the impact of the scheme on local ecology etc needed to be balanced against its economical, social and environmental benefits.

The Leeds City Region, of which York was a constituent member, had also prepared a draft response to the consultation. Similarities and differences between the two responses were summarised in paragraph 20 of the report.

Members commented that a more focused and coherent regional approach to HS2 was required and that York would need to work with other councils to achieve this.

RESOLVED: (i) That the contents of the report be noted.

(ii) That the draft response be amended to address the issues of:

- the interim position after the construction of phase 1
- rail links to the Midland main line and electrification of the line through to York.¹

(ii) That, subject to those amendments, the draft response be submitted as the Council's response to the Government's consultation on a high speed rail network.²

REASON: To enable a response reflecting Members' views to be submitted before the closing date of 29 July 2011.

Action Required

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| 1. Amend the draft response as agreed | RW |
| 2. Submit the amended response to government | RW |

21. FINANCIAL OUT-TURN 2010/11

Members considered a report which provided details of the headline financial performance issues for the financial year 2010-11, covering the period 1 April 2010 to 31 March 2011, including performance against budgets, requests for carry forwards and the position of the Council's revenue reserves.

The Council's provisional out-turn position was an underspend of £369k, with requests for carry-forwards of unspent budgets totalling £168k reducing this position to a potential final underspend of £201k. This represented an improvement of £2,037k since Monitor 3, due primarily to continued stringent cost control methods. However, considerable financial concerns remained looking forward into 2011-12 and beyond. An overview of the out-turn position of each directorate was provided in paragraph 6 of the report, with further details in paragraphs 9 to 27.

Approval was sought for the following requests for carry forwards into the next financial year (all within Communities & Neighbourhoods budgets):

- Ward Committee budgets (unspent street lighting budgets) – £103k
- Target Hardening (schemes under budget) - £31k
- Community Centres (underspends from increased usage) - £34k

It was noted that the Council was facing unprecedented budget challenges in this and future years. A report would be brought to a future meeting to provide Members with an update on the Resources Review, a response on Business rates consultation and a review of alternative forms of financing, (Asset Backed Vehicles, Jessica's, Tax Increment Financing etc).¹

RESOLVED: (i) That the provisional underspend of £369k and the current level of the General Fund reserve be noted.

REASON: In order to inform future financial decision making.

(ii) That the requests for the carry forward of budgets into 2010-12, as detailed in paragraph 28 of the report and totalling £168k, be approved.²

REASON: So that resources can be directed into those areas that meet corporate priorities.

Action Required

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| 1. Ensure these reports are scheduled on the Cabinet Forward Plan | KB
KB |
| 2. Make the agreed amendments to the budget record | |

22. CAPITAL PROGRAMME OUT-TURN 2010/11 AND REVISIONS TO THE 2011/12-2015/16 PROGRAMME

[See also under Part B minutes]

Members considered a report which outlined the Council's capital programme out-turn position for 2010/11 and sought approval for changes to the programme and slippage resulting from under or overspends.

The current approved programme amounted to £64.926m, financed by £35.020m external and £29.906m internal funding. Capital expenditure in 2010/11 totalled £53.932m, representing a decrease of £5.458m on the previous year's expenditure and an underspend of £10.995m against the

budget. There were requests for budgets totalling £9.721m to be carried forward (re-profiled) into future years. Details of these requests and of programme variances within individual departments were set out in paragraphs 8 to 34 of the report. These included an overspend on building works at Clements Hall, detailed in paragraphs 25 to 29, for which additional resources of £65k, in the form of prudential borrowing, were sought.

The re-stated capital programme for 2011/12-2015/16, split by portfolio, was illustrated in table 4, at paragraph 37 of the report, with individual scheme level profiles in Annex 1.

RESOLVED: (i) That the 2010/11 capital out-turn position be noted and the requests for slippage from the 2010/11 programme to the 2011/12 programme, totalling £9.721m, be approved.¹

REASON: to allow the continued effective financial management of the capital programme.

Action Required

1. Make the agreed amendments to the budget record RB

23. TREASURY MANAGEMENT ANNUAL REPORT AND REVIEW OF PRUDENTIAL INDICATORS

Members considered a report which provided a review of the Council's treasury management activities and actual prudential and treasury indicators for 2010/11, in accordance with statutory requirements to produce an annual treasury report.

The report summarised the economic background over the 2010/11 financial year and reviewed treasury management performance in respect of long term borrowing and investment activity.

Details of the prudential indicators for 2010/11, their estimated and actual out-turns, were provided in Annex A to the report.

RESOLVED: (i) That the 2010/11 performance of the Council's Treasury Management activity be noted.

(ii) That the movements of the Prudential Indicators, as set out in Annex A to the report, be noted.

REASON: In accordance with statutory requirements.

(iii) That Cabinet formally record their thanks to Officers for their success in managing the Council's debt payments.

24. 2012/14 BUDGET PROCESS

Members considered a report which provided an overview of the proposed 2012/14 budget strategy, highlighting the key issues in relation to the Council's Medium Term Financial Forecast (MTFF).

The proposed approach reflected a proven methodology for ensuring the development and approval of a robust budget within the statutory timeline. It also introduced a two-year budget period to allow for longer term decision making. The outline plan, set out in Annex 1 to the report, showed how officer proposals to manage the Council's overall financial position would feed into meetings with Cabinet Members in the lead up to Budget Council in February 2012, alongside budget consultation commencing in September 2011.

A detailed review had indicated that the strategy needed to consider proposals to achieve approximately £20m savings over the two year budget period - £13m in 2012/13 and £8m in 2013/14. A major consultation exercise on the budget process would be undertaken this year through the Fairness Commission (replacing the Citizen Survey), which would report to Cabinet in November. Other forms of consultation would continue as in previous years. It was noted that the process would need to take account of the Government's recent announcement of its proposals to localise business rates.

RESOLVED: (i) That the financial position outlined in the report be noted.

(ii) That the proposed budget timetable set out in Annex 1, and the plans to commence budget consultation in September, be agreed.¹

REASON: To ensure the development and approval of a robust budget within the statutory timeline.

Action Required

1. Make arrangements to implement the agreed budget consultation IF

25. URGENT BUSINESS - WATER END FLOOD ALLEVIATION SCHEME

Members considered a report which sought authorisation for the Council to enter into a financial contribution agreement with the Environment Agency (EA), to give effect to the undertaking made at Budget Council to make a contribution of £1m in its capital programme towards the Water End Flood Alleviation Scheme. The Chair had agreed to deal with this matter as urgent business in order to avoid any further delay on the scheme.

The proposed scheme would raise existing and construct new flood defence structures to provide a 1 in 200 year standard of protection to an estimated 393 residential and commercial properties in the area. In order

to progress the scheme, the EA required the Council to enter into a financial contribution agreement. Approval was therefore sought for this agreement to be signed.

It was noted that the Council had also undertaken to contribute £356k in 2012/13 to enable the EA to commence a feasibility study into a flood protection scheme at Clementhorpe. This would be subject to a separate agreement in due course.

RESOLVED: (i) That approval be given to sign the financial contribution agreement with the Environment Agency (EA) confirming the Council's contribution of £1m in 2012/13 towards the Water End Flood Alleviation Scheme.¹

REASON: To enable the EA to progress the scheme, as detailed in paragraph 3 of the report.

(ii) That the contribution towards the Clementhorpe scheme be noted and an agreement signed with the EA in due course.

REASON: To enable the EA to commence a feasibility study into a flood protection scheme at Clementhorpe in 2012/13.

Action Required

1. Make arrangements to sign the financial contribution agreement MT

PART B - MATTERS REFERRED TO COUNCIL

26. CAPITAL PROGRAMME OUT-TURN 2010/11 AND REVISIONS TO THE 2011/12-2015/16 PROGRAMME

[See also under Part A minutes]

Members considered a report which outlined the Council's capital programme out-turn position for 2010/11 and sought approval for changes to the programme and slippage resulting from under or overspends.

The current approved programme amounted to £64.926m, financed by £35.020m external and £29.906m internal funding. Capital expenditure in 2010/11 totalled £53.932m, representing a decrease of £5.458m on the previous year's expenditure and an underspend of £10.995m against the budget. There were requests for budgets totalling £9.721m to be carried forward (re-profiled) into future years. Details of these requests and of programme variances within individual departments were set out in paragraphs 8 to 34 of the report. They included an overspend on building works at Clements Hall, detailed in paragraphs 25 to 29, for which additional resources of £65k, in the form of prudential borrowing, were sought.

The re-stated capital programme for 2011/12-2015/16, split by portfolio, was illustrated in table 4, at paragraph 37 of the report, with individual scheme level profiles in Annex 1.

RECOMMENDED: (i) That Council approve the re-stated 2011/12 to 2015/16 capital programme, as summarised in Table 4 at paragraph 37 of the report and detailed in Annex 1.

(ii) That Council approve the use of additional resources in the form of prudential borrowing at a value of £65k, to fund the overspend on Clements Hall.

REASON: To allow the continued effective financial management of the capital programme from 2011/12 to 2015/16.

J Alexander, Chair

[The meeting started at 5.30 pm and finished at 7.45 pm].