

AGENDA SUPPLEMENT

Council

To: Councillors Ayre, Baxter, B Burton, J Burton, Clarke, Coles, Crawshaw, Cullwick (Lord Mayor), Cuthbertson, Douglas, Fenton, Fisher, Healey, Hollyer, Hook, Kelly, Kent, Kilbane, Knight, Lomas, Mason, Melly, Merrett, D Myers, Nelson, Nicholls, Orrell, Pavlovic, Pearson, Ravilious, Rose, Rowley, Runciman, Smalley, Steels-Walshaw, Steward, K Taylor, Vassie, Waller, Wann, Warters, Waudby, Webb, Wells, Whitcroft, Widdowson and Wilson

Date: Thursday, 22 February 2024

Time: 6.30 pm

Venue: The Citadel, Gillygate, York, YO31 7EA

The Agenda for the above meeting was published on **14 February 2024**. The attached additional documents are now available for the following agenda items:

6. CYC Scheme of Member Allowances: (Pages 1 - 8)
Report of the Independent Remuneration Panel

To consider the final report and recommendations of the Independent Remuneration Panel in relation to the City of York Council Scheme of Member Allowances.

Amended officer covering report attached that clarifies recommendations and amends the effective dates of recommendations (amendments in red).

8. Recommendations of Executive on the Council's Financial Strategy 2024/25 to 2028/29, Capital Budget 2024/25 to 2028/29, Capital Financing and Investment Strategy and the Treasury Management Strategy Statement and Prudential Indicators for 2024/25 to 2028/29 (Pages 9 - 26)

To consider the recommendations made by the Executive, at their meeting on 25 January 2024, in relation to:

- i) The Financial Strategy 2024/25 to 2028/29 (Revenue Budget)
- ii) The Capital Budget 2024/25 to 2028/29
- iii) The Capital Financing and Investment Strategy
- iv) The Treasury Management Strategy Statement and Prudential Indicators 2024/25 to 2028/29.

These recommendations are set out in the attached report and will be moved by the Executive Leader.

Please note you can view the Executive Budget Agenda 25 January 2024 here:

<https://democracy.york.gov.uk/ieListDocuments.aspx?CId=733&MIId=13934&Ver=4>

This supplement contains three amendments to the Budget proposals, two received from Liberal Democrat members and one received from Conservative members, to be considered at the meeting. All were received by midday on the third working day before the meeting, in accordance with the requirements of the constitution.

11. Combined Authority Committee Place Allocations (Pages 27 - 32)

This report seeks nominations for the Combined Authority places available to City of York Councillors, as set out in Annex A to this report.

Amended report attached that corrects some typographical errors and reflects the requirement to appoint substitutes (all amendments in red).

This agenda supplement was published on **20 February 2024**.

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Meeting:	Budget Council
Meeting date:	22 February 2024
Report of:	Bryn Roberts, Director of Governance
Portfolio of:	Cllr Claire Douglas, Leader of the Council

Decision Report: Report of Independent Remuneration Panel 2024

Subject of Report

1. This report invites Council to consider the final report of the Independent Remuneration Panel (“the Panel”) appointed to review Members’ allowances from May 2023, following the local elections held that year.
2. The Panel was appointed following a full recruitment and selection exercise and endorsement by Full Council in July 2023.
3. City of York Council appoints a Panel every four years to review member allowances, following its local election cycle.

Benefits and Challenges

4. Establishing an Independent Remuneration Panel to review its Members Allowances ensures that the Council meets its statutory requirements as set out in the legal implications in this report at paragraph 13.
5. Having independent oversight and review of any allowances and/or expenses the Council agrees to pay its Elected Members, ensure public transparency and accountability, and provides an impartial assessment of what allowances are considered reasonable and appropriate in comparison to other comparable local authorities.

6. A Panel is usually comprised of local residents with suitable experience and skills, willing to give their time at no cost to the Council to undertake the amount of work involved. It can prove challenging to attract appropriately qualified candidates given the time commitment involved and the potential local media profile associated with the role.

Policy Basis for Decision

7. The Council must make decisions regarding a Scheme of Allowances for Members that comply with its Constitution and must make those decisions further to any recommendations made by an independent review.

Financial Strategy Implications

8. If the Council agrees to implement the Panel's recommendations for a basic allowance and corresponding changes in Special Responsibility Allowances, there will be implications for the budget set for Members Allowances, as shown in paragraph 15 below.

Recommendation and Reasons

9. Council is asked to
 - (i) consider **and approve** the report and recommendations of the Independent Remuneration Panel.
 - (ii) Authorise the Chief Operating Officer to implement any changes **to basic** allowances, backdated to **8 May 2023**.
 - (iii) **Authorise the Chief Operating Officer to implement any changes to SRAs, backdated to 25 May 2023.**
 - (iv) request the Monitoring Officer to make any consequential changes to the Scheme of Allowances for Members, as set out in the Constitution **NOTING THAT paragraph 1.3 of Appendix 20 to the Constitution will not apply for the 2024-25 Municipal Year.**
 - (v) Consider whether it wishes to apply a temporary uplift of 3.88% for the previous term of office, applicable from 1 April to **7 May 2023**, in line with the staff pay award for 2023/2024.

Reason: To ensure the Council meets its statutory requirements relating to the independent review and provision of Members allowances.

Background

10. The Council is legally obliged to consider a report from its Independent Remuneration Panel before making any changes to its Scheme of Allowances. It is good practice to have the Scheme reviewed periodically to ensure that it reflects any changes in the Council's operation. Where the scheme allows for increases by reference to an index, there is a requirement for review of this index at least once every four years by an Independent Panel. (Local Authorities [Members' Allowances] {England} Regulations 2003)
11. The Independent Remuneration Panel first met in September 2023 and has met on 7 occasions to undertake its work, culminating in its final report to Council at Annex A to this report.
12. The Council wishes to thank all the panellists for their work and commitment to their roles and for giving their time, freely, to the Council to undertake this review.
13. The Panel has made several recommendations for the Council to consider. Those include a new basic allowance and consequential changes to Special Responsibility Allowances for those Members holding additional roles, such as being an Executive Member or Chairing a committee. Its recommendations are set out in its full report at Appendix A and a summary of the financial changes to allowances is contained within Annex C to its report.
14. Whilst the IRP process concerns the current term of office, i.e. May 2023 to May 2027, Council must also consider whether it wishes to apply an uplift for the final few weeks of the previous term of office, i.e. 1 April 2023 to 25 May 2023.
15. The Council's constitution states that:

"The basic allowance will be uplifted on an annual basis in line with any general salary increases payable to Council staff taking

into account any views specifically expressed by the Independent Remuneration Panel.”

16. Council has previously taken the decision to apply an uplift for member allowances in line with the pay award for staff. The 2023/2024 staff pay award, payable from 1 April 2023, was a flat rate payment which equated to an average increase of 3.88%.
17. If Council decides to apply this uplift it would only be applicable to current members who were in office during the 2019 to 2023 term, and who remained in office at the time of the May 2023 elections.
18. Any uplift would be temporary and will not have the effect of permanently raising the base limit of the basic allowance, as that is covered by the wider IRP review.
19. The financial implication of applying a 3.88% uplift to the basic allowance of £11,282 for eight weeks for the relevant elected members is £1,779.30, and with the addition of the Special Responsibility Allowances uplift the total is £3,038.33.

Options Analysis and Evidential Basis

20. **(i) Approve the recommended basic allowance and consequential increase to Special Responsibility Allowances:**
The recommended increases will have a minimal impact on the budget for allowances for the next financial year;
21. **(ii) Approve the recommended basic allowance and consequential increase to Special Responsibility Allowances and the recommendation to apply annual staff pay rise as from April 2025 to March 2027:**
Agreeing to apply annual staff pay increases to Members Allowances during this period will have a further budgetary impact, which cannot be quantified until each year's pay rise is known. By way of example, a 3% increase every year from April 2025 would create an additional budgetary pressure of £48,320 against the new proposed basic allowance and corresponding SRA increases.
22. **(iii) Additional Individual Panel Recommendations:**
Review of roles attracting SRAs:

The Panel did not have the time or information to undertake a review of these roles, their workload or time commitment and is recommending a further review, particularly in view of the creation of the new Mayoral Combined Authority and its impact on certain SRAs. The Council will need to consider how, when and if to put such a review into effect. Resources implications will need to be identified. Paragraphs 2.11 and 4.6 of Appendix A refer.

24. **Role Profiles for Ward Members:**

The Panel had invited the Council to consider adopting these for all Members, based on representations received from Members and in the knowledge that many other local authorities had introduced them. The Council will need to consider whether to proceed with this recommendation and allocate resources to implement the proposal accordingly. Paragraph 5.1 of Appendix A refers.

25. **Travel and Subsistence Expenses within York Boundaries:**

The Panel made no suggested changes to these expenses but asked the Council to consider reviewing current practices relating to the provision of car parking passes for all those Members requesting one. The Council will need to consider whether it wishes to review the current practice in light of its ambitions within its Climate and Transport Strategies. Paragraph 5.3 of Appendix A refers.

26. **Childcare and Dependent Carers Allowances:**

The Panel made no suggested changes to these expenses but wishes the Council to remind Members, periodically, that these exist and are claimable by those meeting the eligibility criteria. Paragraph 5.2 of Appendix A refers.

27. **Pensions:**

The Panel recognised that the matter of pensions was not within its remit but in light of some representations regarding the lack of pension provision and its impact on retaining effective Members long term, it is recommending the Council to consider making representations to His Majesty's Government to campaign for re-introducing a pension option for Elected Members. Council may wish to consider this suggestion but would ultimately need to take account of any financial impact in future years should legislation on this be reversed.

Organisational Impact and Implications

28. **Financial:** The total current budget for member's allowances is £786k per annum. If the Panel's recommendations are accepted, the budget will need to increase to around £793k per annum. The panel have also recommended that any changes are backdated to 25 May 2023 (Annual Council). There is no further immediate impact for the current financial year of the Panel's recommendations. However, should Council choose to apply any staff pay rises to Members allowances, as per the Panel's recommendations from April 2025 to March 2027, there would be an additional financial burden to be addressed when the value of those increases are known. If Council applies the recommended uplift for the previous term of office for the period 1 April to 25 May 2023, for both the basic allowances and SRA, the implication is an additional cost of £3,038.33. See paragraphs 8 and 19 for detail.
29. **Human Resources:** The Panel has made some comments regarding welfare support for Elected Members as it did in 2019 and Council may wish to have regard to the Panel's observations. Paragraph 5.2 of Appendix A refers.
30. **Legal:** In accordance with the Local Authorities [Members' Allowances] (England) Regulations 2003, the Council must convene an Independent Remuneration Panel to review its members' allowances scheme. Any changes to the scheme or consequential changes to the constitution, must be approved by Full Council.

Risks and Mitigations

31. The Council must commission and consider an independent review of allowances for its Members. It is not required to approve or implement the recommendations made by independent review. Depending upon the reasonableness of any independent panel's recommendations, however, there is a potential risk to the Council's reputation were it to choose not to approve recommendations regarded by public opinion to be

otherwise reasonable and affordable. The Council needs to have regard to reasonableness and financial risks in considering and approving any recommendations relating to its scheme of Member allowances.

Wards Impacted

32. All wards

Contact details

For further information please contact the author of the report.

Authors

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Report approved:	Yes
Date:	12/02/2024

Background papers

City of York Council Constitution, Appendix 20
[Appendix 20 - Member Allowances and Member Allowances Scheme.pdf \(york.gov.uk\)](#)

Local Authorities [Members' Allowances] (England) Regulations 2003
[The Local Authorities \(Members' Allowances\) \(England\) Regulations 2003 \(legislation.gov.uk\)](#)

Annexes

Annex A Report of Independent Remuneration Panel

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Budget Council – 22 February 2024**List of Motions and Amendments to be Proposed****Liberal Democrat Amendment A to the Budget proposals.**

To be moved by Cllr Ayre as follows:

Revenue Budget

In relation to the Executive's recommendations on the revenue budget (paragraph 7 of page 68 of Council papers refers):

In sub paragraph (c) add at the end of the sentence 'subject to the following amendments;

- **£50k additional growth (total £250k) for Hostile Vehicle Mitigation for City Centre Access. To be spent on ways to ensure access to the city centre for all disabled people including Dial & Ride, shuttle bus etc.**
- **£50k increased growth (total £150k) for gritting footpaths, cycle ways and roads**
- **£10k investment in civic party community engagement fund**
- **£400k growth to replace the Household support fund**
- **£80k increase in revenue cost of capital for Ward Highways scheme (£1m capital spend)**
- **£80k increase in revenue cost of capital for vacant workspace alteration (£1m capital spend)**
- **£80k increase in revenue cost of capital for Acomb Library and Westfield MUGA (£1m capital spend)**
- **£500k one off investment to establish a York business and shop insulation loan scheme**

In sub paragraph (d) add at the end of the sentence 'subject to the following amendments;

- **Increase in saving CAC03 from ICT management - £36k**
- **A reduction of one Executive Member - £20k**
- **Extend corporate restructure-replacement of 'Director' posts with 'Assistant Director' posts - £60k**

- Delete Assistant Director posts - £184k
- A 5% reduction in ICT - £140k
- Entirety of Economic Development budget funded through external funding - £228k (any in year shortfall covered by venture fund)
- Relocate CYC staff in West Offices to existing vacant premises - £250k
- Delete post in Communications - £52k
- Reducing spend on Council Meetings - £8k
- Part reversal of saving CORP03 webcasting - £20k
- Reversal of saving CORP05 apprentices funding - £80k
- Reversal of saving CORP06 early intervention & prevention - £591k
- Part reversal of saving CORP07 vacancy management - £200k
- Reversal of saving CAC10 Libraries - £300k
- Reversal of saving PLA06 schools cycling training - £20k
- Reversal of saving PLA09 Dial a ride - £50k
- Reversal of saving PLA11 graffiti removal - £60k
- Reversal of saving PLA13 garden waste charge - £720k
- Reversal of saving PLA17 rough sleeper contract - £96k
- Reversal of saving PLA12 Grounds maintenance - £100k
- Reversal of saving PLA20 Make it York - £25k
- Part reversal of saving PLA21 service reviews - £370k
- Reversal of saving ASC05 community contracts - £264k
- Reversal of saving ASC10 Social work weekends - £129k

In paragraph (v) delete and replace with;

Note the increase in social care funding of £1.525m and recommend that this be used to fund additional investment. The government has indicated that all of the current sources of funding will continue into 2024/25. Any reduction in funding will have a profound impact both locally and nationally. Clearly this assumption will need to be tested regularly and if there are reductions then further savings will be required possibly in very short timescales.

In paragraph (vi) delete and replace with;

Note the increase in services grant of £76k and recommend that this be used to fund one-off investment

Addition of following paragraph;

(vii) use of £500k venture fund monies for the York business and shop insulation loan scheme

Addition of following paragraph;

(viii) use of £696k public health reserve and £500k acquisition reserve to fund one off items

Addition of following paragraph;

(ix) repurposing £170k revenue contribution for Housing Environment Improvement Programme (HEIP) towards Estate Improvements in 2024/25

For information, the effect on the original motion of this amendment would be as follows:

Revenue Budget

1. Executive recommends that Council:

- i. Approves the budget proposals outlined in the Financial Strategy report and in particular;
 - a) The net revenue expenditure requirement of £149.268m
 - b) A council tax requirement of £113.927m
 - c) The revenue growth proposals as outlined in the body of the report, **subject to the following amendments;**
 - **£50k additional growth (total £250k) for Hostile Vehicle Mitigation for City Centre Access. To be spent on ways to ensure access to the city centre for all disabled people including Dial & Ride, shuttle bus etc.**
 - **£50k increased growth (total £150k) for gritting footpaths, cycle ways and roads**
 - **£10k investment in civic party community engagement fund**
 - **£400k growth to replace the Household support fund**
 - **£80k increase in revenue cost of capital for Ward Highways scheme (£1m capital spend)**
 - **£80k increase in revenue cost of capital for vacant workspace alteration (£1m capital spend)**

- **£80k increase in revenue cost of capital for Acomb Library Westfield MUGA (£1m capital spend)**
 - **£500k one off investment to establish a York business and shop insulation loan scheme**
- d) The 2024/25 revenue savings proposals as outlined in annex 2, **subject to the following amendments;**
- **Increase in saving CAC03 from ICT management - £36k**
 - **A reduction of one Executive Member - £20k**
 - **Extend corporate restructure-replacement of 'Director' posts with 'Assistant Director' posts - £60k**
 - **Delete Assistant Director posts - £184k**
 - **A 5% reduction in ICT - £140k**
 - **Entirety of Economic Development budget funded through external funding - £228k (any in year shortfall covered by venture fund)**
 - **Relocate CYC staff in West Offices to existing vacant premises - £250k**
 - **Delete post in Communications - £52k**
 - **Reducing spend on Council Meetings - £8k**
 - **Part reversal of saving CORP03 webcasting - £20k**
 - **Reversal of saving CORP05 apprentices funding - £80k**
 - **Reversal of saving CORP06 early intervention & prevention - £591k**
 - **Part reversal of saving CORP07 vacancy management - £200k**
 - **Reversal of saving CAC10 Libraries - £300k**
 - **Reversal of saving PLA06 schools cycling training - £20k**
 - **Reversal of saving PLA09 Dial a ride - £50k**
 - **Reversal of saving PLA11 graffiti removal - £60k**
 - **Reversal of saving PLA13 garden waste charge - £720k**
 - **Reversal of saving PLA17 rough sleeper contract - £96k**

- **Reversal of saving PLA12 Grounds maintenance - £100k**
- **Reversal of saving PLA20 Make it York - £25k**
- **Part reversal of saving PLA21 service reviews - £370k**
- **Reversal of saving ASC05 community contracts - £264k**
- **Reversal of saving ASC10 Social work weekends - £129k**

- e) The fees and charges proposals as outlined in annex 3
- f) The Housing Revenue Account (HRA) 24/25 budget set out in annex 5
- g) The Dedicated Schools Grant (DSG) proposals outlined from paragraph 139

- ii. Notes that the effect of approving the income and expenditure proposals included in the recommendations would result in a 4.99% increase in the City of York Council element of the council tax, 2% of which would relate to the social care precept.
- iii. Approves the 100% increase in council tax on second homes with effect from 1st April 2025 subject to the Levelling Up bill receive Royal Assent by 31st March 2024, as set out in paragraphs 75 to 77.
- iv. Approves the change to charge a 100% premium on homes that have been empty for 1 year with effect from 1st April 2024, as described in paragraph 78.

In addition, following a recent announcement, Council is recommended to:

- v. Note the increase in social care funding of £1.525m and recommend that this be used to fund additional investment. The government has indicated that all of the current sources of funding will continue into 2024/25. Any reduction in funding will have a profound impact both locally and nationally. Clearly this assumption will need to be tested regularly and if there are reductions then further savings will be required possibly in very short timescales.

- vi. Note the increase in services grant of £76k and recommend that this be used to fund one-off investment
- vii. use of £500k venture fund monies for the York business and shop insulation loan scheme
- viii. use of £696k public health reserve and £500k acquisition reserve to fund one off items
- ix. repurposing £170k revenue contribution for Housing Environment Improvement Programme (HEIP) towards Estate Improvements in 2024/25

Reason: To ensure a legally balanced budget is set

Capital Budget 2024/25 to 2028/29

In relation to the Executive's recommendations on the capital budget (paragraph 8 of page 69 of Council papers refers):

In paragraph 8 (i), first line delete '£395.186m' and replace with '£398.016m'

In paragraph 8 (i), second line delete '£56.409m' and replace with '£59.239m'

Under paragraph 8 (i), insert new sub paragraphs:

(e) Include new schemes: £1m for ward highways; £1m for workspace alteration; £1m for Acomb Library Westfield MUGA

(f) Reduce Housing Environment Improvement Programme (HEIP) scheme by £170k in 2024/25

In paragraph 8 (ii), second line delete '£28.378m' and replace with '£31.378m'

In paragraph 8 (iii), second line delete '£395.186m' and replace with '£398.016m'

For information, the effect on the original recommendation of this amendment would be as follows:

- 1) The Executive is requested to recommend that Council:
 - a) Agree to the revised capital programme of **£398.016m** that reflects a net overall increase of **£59.239m** (as set out in table 2 and in Annex 1). Key elements of this include:
 - i) New schemes funded by prudential borrowing totalling £3.353m as set out in table 3;
 - ii) Extension of prudential borrowing funded Rolling Programme schemes totalling £25.025m as set out in table 4;
 - iii) Extension of externally funded Rolling Programme schemes totalling £6.030m as set out in table 5;
 - iv) New schemes funded by external grants totalling £3.844m as set out in table 5;
 - v) An increase in HRA funded schemes totalling £18.157m funded from a combination HRA balances/capital receipts as set out in table 6;
 - b) Note the total increase in Council borrowing as a result of new schemes being recommended for approval is £31.378m the details of which are considered within this report and the financial strategy report.
 - c) Approve the full restated programme as summarised in Annex 2 totalling **£398.016m** covering financial years 2024/25 to 2028/29 as set out in table 12 and Annex 2

Reason: In accordance with the statutory requirement to set a capital budget for the forthcoming financial year.

Capital and Investment Strategy

43. Executive recommends that Council:

- i. Approve the Capital and Investment Strategy at Annex A

Reason: To meet the statutory obligation to comply with the Prudential Code 2017

Treasury Management Strategy Statement and Prudential Indicators

44. Executive recommends that Council approve;

- i. The proposed treasury management strategy for 2024/25 including the annual investment strategy and the minimum revenue provision policy statement;
- ii. The prudential indicators for 2024/25 to 2028/29 in the main body of the report;
- iii. The specified and non-specified investments schedule (annex B)
- iv. The scheme of delegation and the role of the section 151 officer (annex D)

Reason: To enable the continued effective operation of the treasury management function and ensure that all council borrowing is prudent, affordable and sustainable.

Budget Council – 22 February 2024

List of Motions and Amendments to be Proposed

Liberal Democrat Amendment option B to the Budget proposals.

To be moved by Cllr Vassie as follows:

Revenue Budget

In relation to the Executive’s recommendations on the revenue budget (paragraph 7 of page 68 of Council papers refers):

In sub paragraph (d) add at the end of the sentence ‘subject to the following amendments;

- **Reversal of saving CAC10 Libraries - £300k**
- **Reversal of saving PLA13 garden waste charge - £720k**
- **Reversal of saving PLA17 rough sleeper contract - £96k**

In paragraph (v) delete and replace with;

Note the increase in social care funding of £1.525m and services grant of £76k, and recommend that this be used to fund additional investment of £1.116m. Transfer the balance to contingency (£485k). The government has indicated that all of the current sources of funding will continue into 2024/25. Any reduction in funding will have a profound impact both locally and nationally. Clearly this assumption will need to be tested regularly and if there are reductions then further savings will be required possibly in very short timescales.

Delete paragraph (vi)

For information, the effect on the original motion of this amendment would be as follows:

Revenue Budget

1. Executive recommends that Council:

- i. Approves the budget proposals outlined in the Financial Strategy report and in particular;
 - a) The net revenue expenditure requirement of £149.268m
 - b) A council tax requirement of £113.927m
 - c) The revenue growth proposals as outlined in the body of the report
 - d) The 2024/25 revenue savings proposals as outlined in annex 2, **subject to the following amendments;**
 - **Reversal of saving CAC10 Libraries - £300k**
 - **Reversal of saving PLA13 garden waste charge - £720k**
 - **Reversal of saving PLA17 rough sleeper contract - £96k**
 - e) The fees and charges proposals as outlined in annex 3
 - f) The Housing Revenue Account (HRA) 24/25 budget set out in annex 5
 - g) The Dedicated Schools Grant (DSG) proposals outlined from paragraph 139
- ii. Notes that the effect of approving the income and expenditure proposals included in the recommendations would result in a 4.99% increase in the City of York Council element of the council tax, 2% of which would relate to the social care precept.
- iii. Approves the 100% increase in council tax on second homes with effect from 1st April 2025 subject to the Levelling Up bill receive Royal Assent by 31st March 2024, as set out in paragraphs 75 to 77.
- iv. Approves the change to charge a 100% premium on homes that have been empty for 1 year with effect from 1st April 2024, as described in paragraph 78.

In addition, following a recent announcement, Council is recommended to:

- v. Note the increase in social care funding of £1.525m and services grant of £76k, and recommend that this be used to fund additional investment of £1.116m. Transfer the balance to contingency (£485k). The government has indicated that all of

the current sources of funding will continue into 2024/25. Any reduction in funding will have a profound impact both locally and nationally. Clearly this assumption will need to be tested regularly and if there are reductions then further savings will be required possibly in very short timescales.

Reason: To ensure a legally balanced budget is set

Capital Budget 2024/25 to 2028/29

- 1) The Executive is requested to recommend that Council:
 - a) Agree to the revised capital programme of **£395.186m** that reflects a net overall increase of **£56.409m** (as set out in table 2 and in Annex 1). Key elements of this include:
 - i) New schemes funded by prudential borrowing totalling £3.353m as set out in table 3;
 - ii) Extension of prudential borrowing funded Rolling Programme schemes totalling £25.025m as set out in table 4;
 - iii) Extension of externally funded Rolling Programme schemes totalling £6.030m as set out in table 5;
 - iv) New schemes funded by external grants totalling £3.844m as set out in table 5;
 - v) An increase in HRA funded schemes totalling £18.157m funded from a combination HRA balances/capital receipts as set out in table 6;
 - b) Note the total increase in Council borrowing as a result of new schemes being recommended for approval is £28.378m the details of which are considered within this report and the financial strategy report.
 - c) Approve the full restated programme as summarised in Annex 2 totalling **£395.186m** covering financial years 2024/25 to 2028/29 as set out in table 12 and Annex 2

Reason: In accordance with the statutory requirement to set a capital budget for the forthcoming financial year.

Capital and Investment Strategy

43. Executive recommends that Council:

- i. Approve the Capital and Investment Strategy at Annex A

Reason: To meet the statutory obligation to comply with the Prudential Code 2017

Treasury Management Strategy Statement and Prudential Indicators

44. Executive recommends that Council approve;

- i. The proposed treasury management strategy for 2024/25 including the annual investment strategy and the minimum revenue provision policy statement;
- ii. The prudential indicators for 2024/25 to 2028/29 in the main body of the report;
- iii. The specified and non-specified investments schedule (annex B)
- iv. The scheme of delegation and the role of the section 151 officer (annex D)

Reason: To enable the continued effective operation of the treasury management function and ensure that all council borrowing is prudent, affordable and sustainable.

Budget Council – 22 February 2024

List of Motions and Amendments to be Proposed

Conservative Amendment to the Budget proposals.

To be moved by Cllr Steward as follows:

Revenue Budget

In relation to the Executive’s recommendations on the revenue budget (paragraph 7 of page 68 of Council papers refers):

In sub paragraph (c) add at the end of the sentence ‘subject to the following amendments;

- **£25k investment in community tool library**
- **£200k increase in highways maintenance budget**
- **£18k increase in growth for revenue cost of capital**
- **Remove £50k growth for Equalities**

In sub paragraph (d) add at the end of the sentence ‘subject to the following amendments;

- **Reversal of saving PLA13 garden waste charge - £720k**
- **Reversal of saving CHS02 home to school transport - £0k in 24/25**
- **Reversal of saving CAC08 reduction in civic support - £10k**
- **Reversal of saving CAC10 Explore Contract - £300k**
- **Delete Assistant Director posts - £144k**
- **Delete post in Democratic Governance - £55k**
- **Delete post in Economic Growth - £50k**
- **Delete budget for Our City - £60k**
- **Reduce Committee Chair allowances by 50% - £34k**
- **Reduce Executive Special Responsibility Allowances by 25% - £57k**
- **Remove the corporate policy team - £105k**
- **Remove the communications team - £198k**
- **Reduce overtime budget - £100k**
- **Delete Political Assistant posts - £90k**

- **Further centralise Housing, Childrens. Adults calls - save in management costs - £30k**

In paragraph 7 (ii) third line, delete '4.99%' and replace with '4.49%'.

In paragraph 7 (v) delete and replace with;

Note the increase in social care funding of £1.525m and recommend that £800k of this be used to fund one-off investment with the balance of £725k being allocated to existing pressures

For information, the effect on the original motion of this amendment would be as follows:

Revenue Budget

1. Executive recommends that Council:

- i. Approves the budget proposals outlined in the Financial Strategy report and in particular;
 - a) The net revenue expenditure requirement of £149.268m
 - b) A council tax requirement of £113.927m
 - c) The revenue growth proposals as outlined in the body of the report, **subject to the following amendments;**

- **£25k investment in community tool library**
- **£200k increase in highways maintenance budget**
- **£18k increase in growth for revenue cost of capital**
- **Remove £50k growth for Equalities**

- d) The 2024/25 revenue savings proposals as outlined in annex 2, **subject to the following amendments;**

- **Reversal of saving PLA13 garden waste charge - £720k**
- **Reversal of saving CHS02 home to school transport - £0k in 24/25**
- **Reversal of saving CAC08 reduction in civic support - £10k**
- **Reversal of saving CAC10 Explore Contract - £300k**
- **Delete Assistant Director posts - £144k**
- **Delete post in Democratic Governance - £55k**
- **Delete post in Economic Growth - £50k**

- **Delete budget for Our City - £60k**
- **Reduce Committee Chair allowances by 50% - £34k**
- **Reduce Executive Special Responsibility Allowances by 25% - £57k**
- **Remove the corporate policy team - £105k**
- **Remove the communications team - £198k**
- **Reduce overtime budget - £100k**
- **Delete Political Assistant posts - £90k**
- **Further centralise Housing, Childrens. Adults calls - save in management costs - £30k**

- e) The fees and charges proposals as outlined in annex 3
- f) The Housing Revenue Account (HRA) 24/25 budget set out in annex 5
- g) The Dedicated Schools Grant (DSG) proposals outlined from paragraph 139

- ii. Notes that the effect of approving the income and expenditure proposals included in the recommendations would result in a 4.49% increase in the City of York Council element of the council tax, 2% of which would relate to the social care precept.
- iii. Approves the 100% increase in council tax on second homes with effect from 1st April 2025 subject to the Levelling Up bill receive Royal Assent by 31st March 2024, as set out in paragraphs 75 to 77.
- iv. Approves the change to charge a 100% premium on homes that have been empty for 1 year with effect from 1st April 2024, as described in paragraph 78.

In addition, following a recent announcement, Council is recommended to:

- v. Note the increase in social care funding of £1.525m and recommend that £800k of this be used to fund one-off investment with the balance of £725k being allocated to existing pressures.
- vi. Note the increase in services grant of £76k and that this be allocated to the contingency.

Reason: To ensure a legally balanced budget is set

Capital Budget 2024/25 to 2028/29

In relation to the Executive's recommendations on the capital budget (paragraph 8 of page 69 of Council papers refers):

In paragraph 8 (i), first line delete '£395.186m' and replace with '£395.386m'

In paragraph 8 (i), second line delete '£56.409m' and replace with '£56.609m'

Under paragraph 8 (i), insert new sub paragraphs:

(e) Include a new scheme to invest £200k in the purchase of one pothole lorry.

In paragraph 8 (ii), second line delete '£28.378m' and replace with '£28.578m'

In paragraph 8 (iii), second line delete '£395.186m' and replace with '£395.386m'

For information, the effect on the original recommendation of this amendment would be as follows:

1) The Executive is requested to recommend that Council:

- i. Agree to the revised capital programme of **£395.386m** that reflects a net overall increase of **£56.609m** (as set out in table 2 and in Annex 1). Key elements of this include:
 - a) New schemes funded by prudential borrowing totalling £3.353m as set out in table 3;
 - b) Extension of prudential borrowing funded Rolling Programme schemes totalling £25.025m as set out in table 4;

- c) Extension of externally funded Rolling Programme schemes totalling £6.030m as set out in table 5 and new schemes funded by external grants totalling £3.844m as set out in table 5;
 - d) An increase in HRA funded schemes totalling £18.157m funded from a combination HRA balances/capital receipts as set out in table 6;
 - e) Include a new scheme to invest £200k in the purchase of one pothole lorry
- ii. Note the total increase in Council borrowing as a result of new schemes being recommended for approval is £28.578m the details of which are considered within this report and the financial strategy report.
 - iii. Approve the full restated programme as summarised in Annex 2 totalling **£395.386m** covering financial years 2024/25 to 2028/29 as set out in table 12 and Annex 2

Reason: In accordance with the statutory requirement to set a capital budget for the forthcoming financial year.

Capital and Investment Strategy

43. Executive recommends that Council:

- i. Approve the Capital and Investment Strategy at Annex A

Reason: To meet the statutory obligation to comply with the Prudential Code 2017

Treasury Management Strategy Statement and Prudential Indicators

44. Executive recommends that Council approve;

- i. The proposed treasury management strategy for 2024/25 including the annual investment strategy and the minimum revenue provision policy statement;
- ii. The prudential indicators for 2024/25 to 2028/29 in the main body of the report;
- iii. The specified and non-specified investments schedule (annex B)

- iv. The scheme of delegation and the role of the section 151 officer (annex D)

Reason: To enable the continued effective operation of the treasury management function and ensure that all council borrowing is prudent, affordable and sustainable.



Full Council**22 February 2024**

Director of Governance and Monitoring Officer
(Portfolio of the Executive Leader)

Combined Authority Committee Place Allocations**Introduction**

1. This report seeks nominations for the Combined Authority places available to City of York Councillors, as set out in Annex A to this report.

General context and Background

2. Members will recall that, on 19 December 2023 the Order creating the York and North Yorkshire Combined Authority (“the Combined Authority”) was made by Parliament, and on 20 December 2023 the Combined Authority came into being. The inaugural meeting of the Combined Authority was scheduled for 22 January 2024.
3. In accordance with the relevant legislation, political balance for these committees is calculated across the total electorate of the Combined Authority’s area, with places being allocated as 50% to the City of York Council and 50% to North Yorkshire Council. Discussions relating to the final allocation of places have been ongoing and will be the subject of a decision by the Combined Authority on 23 February 2023. In the meantime, Members are asked to submit their preferred nominations, as indicated below.
4. The following appointments are required.

York and North Yorkshire Combined Authority

5. On 12 January 2024, the Leader and Deputy Leader were appointed to the York and North Yorkshire Combined Authority as the nominated representatives of City of York Council by the Chief

Operating Officer using his emergency powers. Council is now asked to ratify these appointments.

6. In addition to the appointment of the Leader and Deputy Leader, there is also a need to appoint 2 substitutes for each position.

York and North Yorkshire Combined Authority Overview and Scrutiny Committee

7. There are a total of six places on the committee that need to be appointed to by City of York Council, subject to political proportionality. **Additionally, six substitutes are required for this committee.**

York and North Yorkshire Combined Authority Audit and Governance Committee

8. There are a total of four places on the committee that need to be appointed to by City of York Council, subject to political proportionality. **Additionally, four substitutes are required for this committee.**

York and North Yorkshire Combined Authority Skills and Employability Working Group

9. The relevant portfolio holders for Skills and Business are to be appointed to this working group. For City of York Council, this would mean the appointment of Councillors Pete Kilbane and Robert Webb.

Financial Implications

10. There are no financial implications in relation to this report.

Legal Implications

11. The allocation of places on the committees has been made in accordance with the requirements of the Combined Authorities (Overview and Scrutiny Committees, Access to Information and Audit Committees) Order 2017, and with the Constitution of the York and North Yorkshire Combined Authority.

Other Implications

12. There are no other implications in relation to this report.

Recommendations

13. That Council nominates members to fill the Combined Authority committee places noted in Annex A to this paper.

Reason: To ensure allocations to the Combined Authority committees are made.

Annexes: Annex A – York and North Yorkshire Combined Authority Committee Places

Contact Details

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Chief Officer Responsible for the report:
Bryn Roberts
Director of Governance and
Monitoring Officer

Report Approved **Date** 13 February 2024

Specialist Implications Officer(s):

Financial:
Name: Debbie Mitchell
Title: Chief Finance Officer

Legal:
Name: Bryn Roberts
Title: Director of Governance

Wards Affected: All

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

- [The Combined Authorities \(Overview and Scrutiny Committees, Access to Information and Audit Committees\) Order 2017](#)
- [YNYCA Constitution January 2024](#)

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York and North Yorkshire Combined Authority Committee Places

The appointments to the York and North Yorkshire Combined Authority Committees are:

York and North Yorkshire Combined Authority

Lead Member	<i>Substitute Member</i>	<i>Substitute Member</i>
Councillor Claire Douglas		

Member	<i>Substitute Member</i>	<i>Substitute Member</i>
Councillor Pete Kilbane		

York and North Yorkshire Combined Authority Overview & Scrutiny Committee

First Member	<i>First Substitute Member</i>	Second Member	<i>Second Substitute Member</i>	Third Member	<i>Third Substitute Member</i>

Fourth Member	<i>Fourth Substitute Member</i>	Fifth Member	<i>Fifth Substitute Member</i>	Sixth Member	<i>Sixth Substitute Member</i>

(Restrictions: nominated members may not be Members or Substitute Members of the York and North Yorkshire Combined Authority or Assistant Portfolio Holders.)

York and North Yorkshire Combined Authority Audit and Governance Committee

First Member	<i>First Substitute Member</i>	Second Member	<i>Second Substitute Member</i>

Third Member	<i>Third Substitute Member</i>	Fourth Member	<i>Fourth Substitute Member</i>

(Restrictions: nominated members may not be Members or Substitute Members of the York and North Yorkshire Combined Authority or Assistant Portfolio Holders.)

York and North Yorkshire Combined Authority Skills and Employability Working Group

Executive Member for Economy & Transport	Executive Member for Children, Young People, and Education
Councillor Pete Kilbane	Councillor Robert Webb