

Meeting	Executive
Date	13 October 2016
Present	Councillors Carr (Chair), Ayre, Gillies, Rawlings, Runciman, Steward and Waller
Other Members participating in the meeting	Councillors Craghill and Looker
In attendance	Councillor Kramm
Apologies	Councillor Aspden

Part A - Matters Dealt With Under Delegated Powers

52. Declarations of Interest

Members were asked to declare, at this point in the meeting, any personal interests, not included on the Register of Interests, or any prejudicial or disclosable pecuniary interests they may have in respect of business on the agenda.

Councillor Steward declared a personal interest in relation to agenda item 11 (Minerals and Waste Joint Plan- Publication Draft – minute 62 refers) as he had previously owned shares in Sirius Minerals and may hold shares in the future.

53. Exclusion of Press and Public

Resolved: That the press and public be excluded from the meeting during consideration of Annexes 1 to 3 to agenda item 7 (Proposals for the disposal of the freehold of Stonebow House and further options for changes to the commercial portfolio) on the grounds that they contain information relating to the financial or business affairs of any particular person (including the authority holding that information). 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.

54. Minutes

Resolved: That the minutes of the last Executive meeting held on 29 September 2016 be approved and then signed by the Chair as a correct record.

55. Public Participation

It was reported that there had been two registrations to speak at the meeting under the Council's Public Participation Scheme and that one Member of Council had also requested to speak. The registrations were in respect of the following items:

Result of Park and Ride Service Operator Procurement

Dave Merrett expressed support for the comments of the York Bus Forum in relation to the future of the Park and Ride services, copies of which had been circulated to the Executive. He highlighted the importance of the service to residents and visitors both for access to the city centre and to enable linked journeys out of the city. The Forum believed that there was now an opportunity for the Council to examine the integration of Park and Ride and local bus services, particularly Sunday and evening services and the provision of intermediate bus stops.

Minerals and Waste Joint Plan – Publication Draft

Kit Bennett spoke as Chair of Frack Free York confirming support for the improvements already made to the Joint Plan. He highlighted areas which they felt still required strengthening in particular, increasing the size of buffer zones and the need for climate change and habitat regulations to be considered as part of planning applications for oil and gas. He also expressed his concern that environmental safeguards for waste water disposal were insufficient.

Councillor Kramm spoke to raise awareness of air pollution which could arise from hydro carbon drilling and he submitted a further petition, signed by 362 residents, requesting a requirement for buffer zones around drilling sites for inclusion in

the Minerals and Waste Joint Plan. He also highlighted studies already undertaken in relation to separation distances for different types of buffer zones and requested that further consideration should be given to their inclusion.

56. Forward Plan

Members received and noted details of the items that were on the Forward Plan for the next two Executive meetings, at the time the agenda had been published.

57. Actual Cost of Care - Residential & Nursing Care Fee Rates

Consideration was given to a report which advised Members of the outcome of negotiations with the Independent Care Group to establish an agreed Actual Cost of Care for Residential and Nursing Care Homes for 2016-19. It was noted that the agreement related to fees paid by the Council for placements in private homes across the City and included an inflationary award.

Officers confirmed the lengthy negotiations undertaken which had resulted in the proposed fee offer detailed at paragraph 14 of the report, which they felt was fair and reflective of care across the city. In answer to Member comments Officers confirmed that the rate had been set for a three year period in order to provide stability for all in relation to fee levels and provision.

Members confirmed their support for the proposals which would provide certainty for the care commissioned. They also thanked Officers for the negotiations undertaken and noted the shortfall in funding and the need to allocate additional funding from the corporate contingency budget.

Resolved: That the Executive agree to:

- (i) The outcome of the Actual Cost of Care Exercise in agreeing fee rates for Residential and Nursing Care placements made by the City of York Council for 2016-19, as set out in the report.
- (ii) An in-year allocation of £444k from the corporate contingency budget in 2016/17, with additional recurring funding of £720k in

2017/18 and £165k in 2018/19 to be provided for in future year budget processes.¹

Reason: To set fee rates for Residential and Nursing Care in agreement with the Independent Care Group to support provision of care and support to older people in York.

Action Required

1. Implement fee increase and budget amendments as set out in the report.

GB

58. Proposals for the disposal of the freehold of Stonebow House and further options for changes to the commercial portfolio

[See also Part B minutes]

Members considered a report which set out proposals to dispose of the Council's freehold interest in two low income generating assets at Stonebow House and 10/11 Redeness Street. The report also considered whether to use the capital receipts from the disposals to reinvest in the purchase of the head leasehold interests in two industrial sites at Hospital Fields Road in order to increase revenue income.

Officers outlined the background to and negotiations undertaken with the Oakgate Group relating to the disposal of Stonebow House. They also confirmed the Group's recent receipt of planning approval to improve the building. Officers also reported on the offer by Maple Grove Developments for the freehold of the Redeness Street sites for student housing and on commercially confidential negotiations for the Hospital Fields Road sites which could provide the Council with development opportunities at a later date.

In answer to Members' questions, Officers confirmed their recent contact with Edible York regarding proposals for the land in front of the former Heron Foods property and suggestions for alternative sites.

Members welcomed the proposed disposals and reinvestment of funds in order to increase revenue income and reinvigorate the Stonebow area.

Consideration was given to the following options:

Option 1 – Approve the disposal of the freehold of Stonebow House and 10 and 11 Redeness Street and use the proceeds to purchase the leasehold of sites 36 and 23 Hospital Fields Road.

Option 2 – Approve the disposal of the freehold of Stonebow House and 10 and 11 Redeness Street and use the proceeds to repay council debt.

Resolved: That Executive agree to:

- (i) Dispose of the freehold interest of Stonebow House and grant a long leasehold to Oakgate PLC on the small area of land identified in Annex 1 for a total price of £750,000;
- (ii) Dispose of the freehold interest of 10 and 11 Redeness Street to Maple Grove Developments for £256,500;
- (iii) The purchase of the leasehold of sites 36 and 23 Hospital Fields Road for sums set out in the Confidential Annex 1, with delegated authority to the Director of Place to make the final purchase decision based on the outcome of surveys.¹

- Reason:
- (i) To allow the redevelopment of Stonebow House to proceed, bringing back in to use and renovating a vacant run down building whilst achieving a significant capital receipt from a poorly performing commercial asset.
 - (ii) To dispose of a poorly performing asset.
 - (iii) To increase the revenue income of the commercial portfolio and create potential future development opportunities.

Action Required

1. Proceed with disposal and purchase of properties on the terms stated.

AK, NC

59. Council Housing – New Operating Model Options Stock Option Appraisal

The Executive considered a report which outlined a review of the operating model for the Council's housing landlord service to be undertaken in light of the wider changes to the local government sector and in order to improve service delivery, reduce costs and transfer future risk away from the Council.

Officers reported on the present high level of tenant satisfaction, delivery of the housing landlord service and expenditure and of the need to ensure the best solution for tenants in terms of quality and sustainability of the service. Officers recommended the undertaking of a full housing stock options appraisal whilst also developing tenant and staff panels and an ad-hoc cross party member scrutiny panel to consider the long term sustainability of the service and assess organisational governance models to support the final decision making process.

Members noted the recent national changes that could affect the financial viability of the Council's Housing Revenue Business Plan, including the reduction in social housing rents, the extension of the Right to Buy to Housing Associations together with the impact of further welfare reforms.

Resolved: That Executive agree:

- (i) Option One, to appoint an independent body to undertake a full housing stock options appraisal, establish a project budget, agree the project governance structure as outlined in paragraph 31 of the report to recommend back to Executive a preferred option for the future management of the Housing Revenue Account (HRA) housing stock, including building services and where appropriate recommendations for management and operational delivery of any other service that should be aligned to the housing and building service.
- (ii) To note the financial implications set out in paragraph 49 of the report and to approve an

allocation of £100,000 from the General Fund Contingency towards the stock options report.
1.

Reason: (i) To ensure that the council, as part of the review of its corporate operating model, is able to make an evidenced based decision for the future management and ownership options for the HRA housing stock.

(ii) To ensure that the review can be funded from council resources.

Action Required

1. Undertake appraisal as outlined and report back to Executive with preferred option.

TB

60. Coppergate - Representations made to the Traffic Regulation Order

Consideration was given to a report which set out details of the representations received in respect of the statutory consultation on the proposed Traffic Regulation Order (TRO) to provide bus priority in Coppergate which could be enforced using automatic number plate recognition equipment.

Members noted that eleven representations had been received, including comments from the emergency services who had requested a slight modification to the TRO.

Officers confirmed details of the proposed signing and enforcement arrangements including a period of grace, in order to achieve greater compliance.

The Executive Member confirmed his support for the TRO to include the minor modification requested by the emergency services. He also confirmed that work was in progress in relation to traffic issues in the surrounding area which would be reported in due course.

Consideration was then given to the following options:

Option 1 – Proceed with the proposal as advertised to implement without making the requested modification. This was not the recommended option as it did not take account of the requests made by the emergency services that would allow

them to provide a more comprehensive service to the community.

Option 2 – Make the requested modification to remove the words “in an emergency” and proceed to make the modified TRO. This was the recommended option as it achieved the bus priority aims and allowed effective ongoing enforcement to take place.

Option 3 – Decide not to make the TRO and instead approve a re-investigation of the proposal with a view to re advertising a more severe restriction (either time or class of vehicle or both). This was not the recommended option as the current proposal was considered sufficient to achieve the aims of improving bus priority during the peak hours and maintain deliveries during the rest of the day.

Resolved: That Executive agree to:

- (i) Approve Option 2 , set out at paragraph 12 of the report and the making of the new Traffic Regulation Order as planned (with the minor modification to take account of the Emergency Services representations);
- (ii) The enhanced street name signing shown in Annex D of the report;
- (iii) The pre-implementation temporary advance information signing shown in Annex E;
- (iv) The post-implementation temporary advance information signing shown in Annex E;
- (v) The permanent advance information signs shown in Annex F;
- (vi) The regulatory signs at the start of the restriction shown in Annex G and road markings show in Annex H;
- (vii) The grace periods of; 2 weeks for the initial period where all drivers are sent warning letters, followed by a six month period where drivers receive a first offence letter;
- (viii) The monitoring and reporting on enforcement action taken in Coppergate set out in paragraph 29 of the report. With the precise details of what and how the

information should be presented to be delegated to officers.¹

- Reason: (i) Because it achieves the bus priority aims and allows effective ongoing enforcement of the regulations to take place;
- (ii) To provide better awareness of where Coppergate is;
- (iii)&(iv) To raise greater awareness of the commencement date for the new bus priority restriction;
- (v) To ensure there is ongoing information available to drivers before they reach the point of the restriction so that they are better prepared to make a driving decision;
- (vi) The signs are designed in accordance with the signing regulations and are required to accurately convey the meaning of the TRO. The road markings are aimed at giving additional emphasis to the start of the restriction;
- (vii) In order to achieve greater compliance without creating a feeling of being unfairly penalised;
- (viii) To keep residents and others who are interested in this issue better informed with accurate information.

Action Required

1. Make the TRO, with the minor modification, and implement the signage and grace periods as AB, TC agreed.

61. Result of Park & Ride Service Operator Procurement

Consideration was given to a report which provided details of the competitive tendering process recently undertaken for the Park and Ride Service, currently let as a single contract operated by 'First York', which was due to expire on 31 January 2017.

Members noted that whilst there had been strong interest in the contract, no responses, which met the Council's financial expectations had been received and in light of this Officers had

negotiated an extension with First York to operate from 1 February 2017.

Officers referred to an earlier speaker's comments confirming that whilst an integrated transport service could provide an attractive option, consideration needed to be given to the local bus market.

The Executive Member expressed his appreciation to Officers for their negotiated extension with First.

Consideration was then given to the following options:

Option 1 - Terminate the current procurement process and enter in to a short period of dialogue with potential Park & Ride bidders to inform a number of different specification options. Proposals for an amended specification would then be presented to members at the meeting of the December Executive prior to issuance of a revised Invitation to Tender. Award a contract extension to First York to continue to operate the Park & Ride for twelve months thereafter the new contract would commence.

Option 2 - Terminate the current procurement process, officers enter in to dialogue with potential Park & Ride bidders and officers to issue a revised, reduced, specification that balances cost and service quality to increase the likelihood of receipt of compliant bids with a view to awarding and commencing the new contract upon expiry of the contract extension with First York.

Resolved: That Executive agree to:

- (i) A 12 month extension of the current Park & Ride contract with First York. The price for this extension option is only open to the Council until 14th October 2016; and
- (ii) Authorise Council officers to close the current procurement and to enter dialogue with potential bidders to shape a new Invitation to Tender which would be brought before the December meeting of the Executive for approval.
- (iii) A release from contingency of £100k to fund the shortfall in income in 2016/17.

- (iv) Note the additional future years costs (£600k) will be incorporated as growth within the budget that council will consider in February 2017. ¹.

Reason: To ensure continued operation of the York Park & Ride service and to ensure delivery of the most economically advantageous Park & Ride contract moving forwards.

Action Required

1. Extend the P&R contract for 12 months and enter into further discussion to devise a new Invitation to Tender to report back in December.

AB, TC

62. Minerals and Waste Joint Plan - Publication Draft

Consideration was given to a report which provided progress on the preparation of a Minerals and Waste Joint Plan, jointly prepared with the North Yorkshire County Council and the North Yorkshire Moors National Park Authority. Consultation had been undertaken during 2014 and a Preferred Options consultation in 2015/16, details of which had been reported to the Local Plan Working Group (LPWG) meeting held on 10 October 2016.

Members were informed that approval was now sought to publish the Joint Plan, at Annex A of the report, to provide a further opportunity for representations to be made, with any comments being brought back to the LPWG and Executive in March 2017.

Copies of the draft minutes from the LPWG meeting held on 10 October, together with an addendum report from the Director of City and Environmental Services, republished with the Executive agenda, were circulated at the meeting. The addendum set out a list of revised recommendations and proposed additions and amendments at Table 1 to forward to the Executive Members at North Yorkshire County Council for consideration at their meeting on 18 October and North Yorkshire Moors National Park Authority on 20 October to seek their agreement for inclusion.

The LPWG Chair, thanked Officers for their work on the update report, following the LPWG meeting, and he highlighted the proposed amendments and confirmed that Officers would examine the strengthening of the wording in a number of areas.

The Executive Member for the Environment also expressed his appreciation for the work of Officers but disappointment that carbon capture was not part of the plan and he requested involvement in the final drafting of the Joint Plan.

In answer to Members and earlier speakers' comments and concerns Officers confirmed the need to strike a balance between government guidance and amenity and environmental concerns. They confirmed that they had tried to incorporate the issues raised, as far as possible, and had listed each in the table providing comments where necessary.

Following further discussion

Resolved: That Executive agree:

- (i) That the draft Minerals and Waste Joint Plan for York, North Yorkshire and North York Moors National Park (at Annex A) be approved for the purposes of publication in accordance with the requirements of Regulation 19 of the Town and Country Planning (Local Planning) (England) Regulations 2012;
- (ii) That the Executive Member (Transport and Planning) be authorised to make non-substantive editorial changes to the main document (Annex A) and other supporting documents (Annexes B to I) proposed to be published alongside the Plan prior to publication;
- (iii) That the Director of City and Environmental Services (CES) in consultation with the Executive Member for Transport and Planning be authorised to make changes to the main document (Annex A) and other supporting documents (Annexes B to I) arising from the equivalent Executive meetings at North Yorkshire County Council and North York Moors National Park Authority provided that they are non-substantive in terms of their impact on the City of York area;
- (iv) That the Director of City and Environmental Services (CES) in consultation with the

Executive Member for Transport and Planning be authorised to approve any such changes to the Minerals and Waste Joint Plan document as necessary to implement the principles agreed by Members. ¹.

- (v) That Officers and the Executive Member for Transport and Planning agree arrangements for consultation with the Executive Member for the Environment in respect of changes to the Plan. ².

Reason: (i) & (ii) So that an NPPF compliant Joint Waste and Minerals Plan can be progressed;

- (iii) So that the three authorities can make changes specific to their authority areas where they will not impact on the other Joint areas;

- (iv) So that detailed wording of the policies can be agreed between officers at the Joint authorities once approval in principle has been received by all Joint authorities' Members.

Action Required

- 1. Agree details of Plan publication with NYCC/National Park Authority/Executive Member. RM
- 2. Arrange consultation with the Executive Member for the Environment. RM

Part B - Matters Dealt With By Council

63. Proposals for the disposal of the freehold of Stonebow House and further options for changes to the Commercial Portfolio

[See also Part A minutes]

Members considered a report which set out proposals to dispose of the Council's freehold interest in two low income generating assets at Stonebow House and 10/11 Redeness Street. The report also considered whether to use the capital receipts from the disposals to reinvest in the purchase of the head leasehold interests in two industrial sites at Hospital Fields Road in order to increase revenue income.

Officers highlighted the financial implications of the options of disposing of the properties and reinvesting the sale receipts or disposing of the properties and repaying the debt from the receipts, as set out at paragraph 24 of the report. Members noted the implications and risk of each and expressed their support for the proposals.

Recommended: That Council create a capital budget of £1.145m to secure these new assets and for this to be funded from the capital receipts from Stonebow House and Redeness Street (£1.006m) with the remaining £138,500 being funded from borrowing, with the associated interest and repayment of the debt being met from the additional revenue income generated by the new acquisitions. ¹.

Reason: To reinvest capital from the commercial portfolio in order to increase the revenue income from that portfolio, and to unlock the development potential of the sites in the future.

Action Required

1. Refer to Council.

JP

Cllr D Carr, Chair

[The meeting started at 5.30 pm and finished at 7.10 pm].