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MEETING	EXECUTIVE
DATE	15 DECEMBER 2009
PRESENT	COUNCILLORS WALLER (CHAIR), AYRE, STEVE GALLOWAY, MOORE, MORLEY, REID AND RUNCIMAN
IN ATTENDANCE	MIKE NEWBURY AND STEVE NICKLIN (AUDIT COMMISSION)

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### **121. 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.

No interests were declared, but Cllrs Moore, Morley and Reid, as members of the Planning Committee, announced their intention to leave the meeting during consideration of agenda item 9 (Council Headquarters - Tender Award), so as not to prejudice their involvement in any subsequent planning application in respect of the Council headquarters building.

### **122. EXCLUSION OF PRESS AND PUBLIC**

RESOLVED: That the press and public be excluded from the meeting during consideration of the following, on the grounds that they contain information that is classed as exempt under the relevant paragraphs of Schedule 12A to Section 100A of the Local Government (Access to Information) (Variation) Order 2006), as detailed below:

- a) Annexes 2 and 3 to Agenda Item 8 (More for York – Adult Social Care Blueprint) – information relating to the financial and business affairs of particular persons, exempt under paragraph 3.
- b) Annex 2 to Agenda Item 9 (Council Headquarters – Tender Award) – information relating to the financial affairs of particular persons and information in respect of which a claim to legal professional privilege could be maintained – exempt under paragraphs 3 and 5.

### **123. MINUTES**

RESOLVED: That the minutes of the Executive meeting held on 1 December 2009 be approved and signed by the Chair as a correct record.

## **124. PUBLIC PARTICIPATION / OTHER SPEAKERS**

It was reported that no members of the public had registered to speak at the meeting under the Council's Public Participation Scheme.

With the consent of the Chair, Heather Mackenzie of UNISON addressed the meeting in relation to the More for York reports at agenda items 6-8 (Minutes 126-129 refer). She confirmed that staff were committed to working with managers to bring about service improvements and efficiencies, but expressed concern at the speed with which the More for York process was being taken forward, which had left insufficient time for consultation with affected staff on some of the proposals. She highlighted the importance of training for staff and the need for sufficient management cover at AD level for the proposed new Adult, Children and Education Services department, given its size and complexity. With regard to the Adult Social Care blueprint report, she indicated that UNISON would strongly oppose any option for the outsourcing of services.

## **125. EXECUTIVE FORWARD PLAN**

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

## **126. MORE FOR YORK - ORGANISATION REVIEW**

Members considered a report which presented proposals for the restructuring of senior management roles and responsibilities within the Council, as part of the comprehensive 'More for York' efficiency programme agreed in July 2009.

The proposals had resulted from a review of the Council's senior management structures conducted between 30 September and 4 December 2009, which had included extensive consultation with Members, staff, partners and regulatory bodies. Key findings from the consultation were set out in paragraphs 17.1 to 17.7 of the report. The review had produced two options that most clearly satisfied the objectives for reorganisation set out in paragraph 2 of the report. These were:

**Option 1** – Chief Executive plus four Directors of:

- Customer and Business Support Services
- Communities and Neighbourhoods
- Family Services
- City Strategy

**Option 2** – Chief Executive plus five Directors of:

- Customer and Business Support Services
- Communities and Neighbourhoods
- Health and Wellbeing

- Children, Culture and Leisure
- City Strategy

An analysis of each option was provided in paragraphs 20.1 to 21.11 of the report. Indicative costs and savings were set out in the table at paragraph 28. Option 1 was recommended, on the basis that it would provide increased focus on customer services, greater responsiveness to the needs of communities, a strengthened contribution to the City's economic development, greater co-ordination and consistency in work with adults and children (including partnership working) and a smaller senior leadership team with a greater management involvement in direct service delivery.

During their discussion, Members acknowledged the impact that the proposed changes would have, both on the way in which the Council worked and at a personal level for those Officers affected. They thanked Officers for their work in preparing the proposals in such a short time and stressed the need to move forward with proposed economies as quickly as possible to avoid any cuts to front line services. The Executive Member for Children & Young People's Services suggested that the post of Director of Adult, Children & Family Services be amended to 'Director of Adult, Children & *Education* Services', to reflect the role of education and schools within Council services.

RESOLVED: (i) That Option 1 be approved as the preferred senior management structure of the City of York Council and that the posts of

- Director of Customer and Business Support Services
- Director of Communities and Neighbourhoods
- Director of Adult, Children and Education Services

be created and the post of Director of City Strategy, with the revised responsibilities outlined in the report, be retained.

(ii) That approval be given for the financial investment required to release the savings as outlined in Table 1, paragraph 28 of the report.<sup>1</sup>

(iii) That the report be referred to a meeting of the Staffing Matters & Urgency Committee for due consideration.<sup>2</sup>

(iv) That Officers be instructed to make all necessary arrangements for implementation of the proposed senior management structure of City of York Council, using the Council's agreed processes and frameworks for such matters.<sup>3</sup>

(v) That the Chief Executive be requested to keep under review the proposed implementation timescale, with a view to shortening the period leading up to the full implementation of the recommendations, if possible.<sup>4</sup>

- REASON: Option 1 is considered to be the option best suited to the needs of City of York Council at this time, as it provides for:
- Increased focus on customer service
  - Greater responsiveness to the needs of communities and neighbourhoods
  - A strengthened contribution from the Council to the economic development of the City
  - Greater co-ordination and consistency in work with adults and children, increased opportunities for partnership working and commissioning with the health sector on health and social care provision and work on overlapping agendas for adult and children's services, such as 14-19 education
  - A small senior leadership team with the greater part of the management resource involved in direct service delivery.

Action Required

1. Make arrangements with Finance to release the required funding SH
2. Refer the report to the next meeting of Staffing Matters & Urgency Committee SH
3. Make arrangements to implement the new structure SH
4. Make arrangements to ensure the implementation timescale is kept under review SH

**127. MORE FOR YORK UPDATE - INCOME COLLECTION AND SUSTAINABILITY REVIEW**

Members considered a report which provided an update on the eight agreed More for York efficiency programme work streams, reviewed the sustainability impacts of the programme and presented proposals for the provision of community-based cash collection and the inclusion of two additional blueprints in the programme.

**Section 1** of the report (paragraphs 5-29) identified some highlights from the early work on each of the eight blueprints agreed by the Executive on 20 October 2009. A comprehensive assessment of progress on each work stream would be provided in the next More for York Update report in the Spring. **Section 2** (paragraphs 30-41) explained the importance of sustainability as an integral part of the More for York programme and outlined an approach to realising sustainable benefits that were consistent with the Council's Carbon Management Programme and did not duplicate work. Sustainability Impact Assessments (SIAs) had been compiled for the programme and each work stream. The SIA for the overall programme was attached at Annex 1 to the report.

**Section 3** of the report (paragraphs 42-67) detailed, and sought approval for, a proposal to move from the current city centre single cash payment facility to an externally provided facility based in local shops and post offices. This would mean extending the scope of the Allpay bill payment

contract currently used to collect rental income to include *all* cash payments due to the Council, reflecting the practice already adopted by many other councils. Implementing this proposal would improve efficiency, provide more convenience for customers and contribute £125 k per year to the programme in 2010/11.

**Section 4** (paragraphs 68-77) outlined two further areas for the development of a blueprint to determine whether work should be initiated, on the basis that the blueprints already agreed formed only the first phase of the programme. The additional areas were:

- Children's Social Care – work to be undertaken by the CYC team to provide the structure, resources and drive required to meet the challenges faced by the service on cost and capacity;
- Finance, Performance and ancillary areas – work (to be overseen by CMT) to support the proposal in the Organisation Review report to create a central hub for the organisation and identify the most productive and efficient way of delivering these services.

In response to the comments made by the UNISON representative (Minute 124 refers), Officers confirmed that staff and unions had already been extensively involved in developing the proposals and that this would continue. However, formal consultation with unions would be premature at this stage.

RESOLVED: (i) That the progress made on the More for York Programme be noted.

(ii) That the work undertaken to date on identifying the Sustainability benefits from the programme be noted.

(iii) That the Income Collection proposals set out in paragraphs 42-67 of the report be approved, in particular.

- the proposal to introduce the Allpay facility
- the closure of the cashiering function in the banking hall and
- the provision of a residual cashiering facility at 9 St Leonard's.<sup>1</sup>

(iv) That the production of an additional Blueprint for work on Children's Social Care, as set out in paragraphs 69-73, be approved.<sup>2</sup>

(v) That the production of an additional Blueprint for work on Finance Performance and associated support, as set out in paragraphs 74-77, be approved.<sup>3</sup>

REASON: To help enable the Council to deliver service improvements and create efficiency savings of £15m over the next three years and to redesign services enabling a more customer focused, locally based service delivery model.

### Action Required

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|---|----|
| 1. Make arrangements to implement the income collection proposals     | SA |
| 2. Start work on the production of a Children's Social Care blueprint | CB |
| 3. Start work on the production of a Finance Performance blueprint    | SA |

## 128. MORE FOR YORK - ADULT SOCIAL CARE BLUEPRINT

Members considered a report which informed them of progress on the reviews of Home Care and Elderly Persons' Residential Homes (EPHs), as part of the Adult Social Care blueprint reported to the Executive on 20 October, and sought approval for the next stage of this work.

Members were reminded of the overall vision for Adult Social Care as contained in the blueprint, which was to provide universal, customer-focused services which would maximise independence and optimise health and well-being. The key issues for consideration in respect of Home Care and EPHs were set out in exempt Annexes 2 and 3 to the report. The wider context of the review, explaining the need for change, was outlined in Annex 1.

The following options were presented in respect of each service area:-

### Home Care Review:

**Option 1** – no change. This would leave many issues unresolved and could make an overspend more likely.

**Option 2** – limited changes to in-house services (potential savings £150k). This would involve maximising efficiency within existing terms and conditions.

**Option 3** – significant changes to in-house services (potential savings £800 - to be verified). This would involve negotiations with staff and trades unions and implementing electronic rostering to maximise customer contact hours.

**Option 4** – market testing of all or part of in-house services (potential savings £1.7m if *all* current in-house services subjected to market testing). Members were invited to decide which option to progress.

### EPH Review:

**Option 1** – no change. Not a viable option, in view of increasing annual costs and the need to improve facilities in EPHs.

**Option 2** – improvements in costs pending a full asset review (potential savings £140k).

**Option 3** – full asset appraisal and long-term re-commissioning plan (potential savings not quantifiable at this stage).

Members were recommended to approve the implementation of Options 2 and 3, as they were sequential, logical and demonstrated both financial and service improvement for the Council and best value for customers.

RESOLVED: (i) That Option 3, as outlined in paragraphs 14 and 15 of the report, be approved for further development at this stage.<sup>1</sup>

(ii) That the proposed way forward for the Elderly Persons' Homes review, as set out in paragraphs 18 to 24 of the report (Options 2 and 3), be approved.<sup>2</sup>

(iii) That Officers be requested to produce further reports in 2010 confirming the work required to deliver the savings for the approved options.<sup>3</sup>

REASON: To address the need for change in service provision in the light of demographic changes and growth in demand and to achieve the vision for services set out in the Adult Social Care blueprint.

Action Required

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|---|----|
| 1. Make arrangements to implement Option 3 for Home Care      | SB |
| 2. Make arrangements to implement Options 2 & 3 for EPHs      | SB |
| 3. Schedule update reports on Executive Forward Plan for 2010 | SB |

**129. COUNCIL HEADQUARTERS - TENDER AWARD**

Members considered a report which set out the process and outcomes of the evaluation of final tenders for the delivery of the Council's new headquarters building and sought approval to award the contract to the preferred bidder.

Submissions received from the two selected developers - Aviva (for development of Yorkshire House, Rougier Street) and Tarras Park Properties York Investors LLP (for development of West Offices, Station Rise) had been evaluated in accordance with the agreed criteria. The evaluation had identified Tarras as the preferred bidder, their tender having scored more highly than Aviva's. Details of the evaluation scores were contained in exempt Annex 2. The West Offices scheme would provide the Council with a building that met their requirements and offer future flexibility within an attractive city centre setting. It was supported by English Heritage and the City's Planners and had also received very positive feedback from public and staff consultation.

Subject to Members approving the award of the contract, there would be a period of clarification in terms of key areas of the bid prior to entering into a formal contract with Tarras. Further consultation would be carried out during February / March 2010 before submission of a planning application in May.

Members expressed their thanks to Officers and to both sets of Developers for bringing forward two high quality schemes for consideration. There was

now a need to continue negotiations with the chosen developer to ensure best value for money and to maintain communications with the public to raise awareness of the significant financial savings that this project would bring.

RESOLVED: (i) That the content of the report be noted, and in particular the outcome scores of the evaluation of the tenders for the delivery of a new Council headquarters building.

(ii) That Tarras Park Properties York Investors LLP, with their scheme for development of West Offices, Station Rise, be approved as the Preferred Bidder.

(iii) That authority be delegated to the Project Champion (Director of City Strategy), in consultation with the Director of Resources, to enter into a contract with Tarras following agreement of the final terms of the Conditional Sale and Development Agreement and satisfactory resolution of any outstanding items of clarification.<sup>1</sup>

REASON: In accordance with the outcome of the bid evaluation and to enter into a Conditional Sale and Development Agreement to provide a new Council headquarters.

*Note: Cllrs Moore, Morley and Reid left the room during consideration of the above item and took no part in the discussion or decisions thereon, in accordance with their previous indications as recorded under Minute 121.*

Action Required

1. Make arrangements to enter into contract with Tarras following agreement of terms etc. SS

**130. COMPREHENSIVE AREA ASSESSMENT 2009**

Members considered a report which presented the Audit Commission's final reports on the 2009 Comprehensive Area Assessment (CAA) of the City of York. The District Auditor, as the CAA lead, was in attendance to present the report and respond to any questions.

The CAA had been introduced in April 2009 as the new framework for the independent assessment of local public services in England. It included two main elements; an area assessment of the delivery of agreed priorities across the whole area and an organisational assessment of the council. On the area assessment, green flags indicated exceptional performance, while red flags represented significant concerns about outcomes or future prospects.

York had been awarded a Green Flag (one of only seven awarded in the Yorkshire and Humber region), for its achievements and innovative working with disabled children, and no red flags. On the organisational



assessment, the Council had received a score of 3 for 'Managing Performance' within its services and a score of 2 for its 'Use of Resources'.

Members questioned the District Auditor on a number of inaccuracies within the CAA data for York published on the Audit Commission's 'oneplace' website, as highlighted in the Council's response to the CAA in the following item. This was of particular concern given that this information had been picked up in press reports and could cause damage to the City's reputation as a tourist destination. The District Auditor confirmed that he would investigate the inaccuracies and provide a formal response. He also confirmed that the results overall indicated that York was a good place to live and work and was showing strong progress in public health, maintaining its economy, becoming a greener city and reducing crime.

RESOLVED: That the Comprehensive Area Assessment Report be noted.

REASON: To confirm that Members are aware of the CAA outcomes and recognise the achievements and areas for improvement identified in the report.

**131. RESPONSE TO COMPREHENSIVE AREA ASSESSMENT 2009  
(INCLUDING IMPROVEMENT PLAN 2009/10 UPDATE)**

Members considered a report which provided an initial response to the findings in the Audit Commission's Comprehensive Area Assessment (CAA) reports.

The Council was delighted with the CAA reports, which had highlighted a number of areas of high and excellent performance and placed the City in a strong position nationally. However, statements made on pages 4 and 11 of the CAA report regarding the following matters had been raised with the Area Assessment Lead, as they presented an inaccurate picture of performance within the City:

- Lack of physical activity of adults, contributing to increased obesity
- Increasing binge drinking and alcohol-related hospital admissions
- Negative statements regarding the City's mental health services.

RESOLVED: That the Officer response to the published Comprehensive Area Assessment (CAA) score be noted and that the Executive record its concern at the inaccuracies contained in the Audit Commission's document.

REASON: To provide an appropriate response to the published CAA score and to confirm that Members are aware of the action taken or planned regarding areas of improvement identified in the report.

**132. 2010/11 BUDGET STRATEGY AND MEDIUM TERM FINANCIAL PLANNING 2011/12 TO 2013/14**

Members considered a report which provided an update on the strategy adopted for the development of the 2010/11 Revenue Budget and outlined longer term issues linked to public information, explaining the implications these might have on the Council's medium term financial planning.

The key assumptions underpinning the development of the 2010/11 Revenue Budget were:

- A Council Tax increase of 2.9%
- A Formula Grant increase of 2.5%, which was 0.5% below the average increase for unitary authorities
- The cash limiting of departmental budgets, which would need to self fund all non-exceptional budget pressures
- An assumed level of savings gained through the More for York programme
- The reinvestment of such savings into priority areas. These would include the priorities in the corporate strategy and the areas identified by the budget monitoring process as in need of additional investment within Children's Social Care, Adult Social Care and Waste Management.

The 2010/11 budget would be the last to be prepared under the current three-year Comprehensive Spending Review (CSR) financial settlement. A revised three year Medium Term Financial Forecast would be included in the 2010/11 Budget Report. This would have to display prudent assumptions on any future government funding, in view of the current national economic situation.

Officers at the meeting highlighted the following additional issues in the Chancellor's pre-Budget report, which would be taken into consideration when preparing the medium term financial plan:

- The cap on pay settlements
- The increase in National Insurance contributions.

RESOLVED: (i) That the principles being adopted for the preparation of the 2010/11 budget be noted, in particular the fact that any additional resources will be used to invest in key priority areas across the Council.

(ii) That it be noted that work is continuing to review the impact of future public spending reductions as part of the ongoing development of the Council's Medium Term Financial Strategy.

REASON: To confirm that Executive Members have been properly informed on these matters.

### 133. 14-19 REFORMS - THE YORK RESPONSE TO NATIONAL CHANGES

Members considered a report which summarised the authority's 14-19 Plan (a statutory appendix of the Children and Young People's Plan), setting out priorities for developments to 2015 and recommending that the Council should play a leading role in the development of an enlarged Apprenticeship programme for 16-19 year olds in the City.

The 14-19 Curriculum Reforms set out an ambitious agenda of curriculum change aimed at preparing young people to succeed in the 21<sup>st</sup> century. Local authorities were required to ensure access to new Diplomas, apprenticeships or Foundation Learning programmes. Along with these changes, there was a requirement for young people to remain in education or training to age 17 (from 2013) and ultimately to age 18 (from 2015) – known as Raising the Participation Age (RPA). York had made good progress on this agenda. The work of the Learning City York 14-19 Partnership was held up as an example of good practice and York was one of only six areas in the country given permission to deliver all 14 of the new Diplomas from September 2010. Development work was focused on the authority's 14-19 Plan, entitled *Achieving Excellence: York's 14-19 Plan 2009-15*. The four themes of the Plan were summarised in paragraphs 11-15 of the report.

Details of work carried out by the sub-regional grouping of the four authorities of York, North Yorkshire, East Riding and Hull, regarding the transfer of funding for post-16 education to local authorities by April 2010, were set out in paragraphs 16-21 of the report. The grouping had agreed some key principles for sub-regional working and conducting the funding allocations process currently undertaken by the Learning & Skills Council (LSC). Arrangements were underway for the transfer of some LSC staff to local authorities. Current priorities for the development of 14-19 provision required a shift in focus towards lower attaining learners who were less well served under existing arrangements. The national priority attached to Apprenticeships, and the recent decline in their numbers in York, meant that there was also a need to re-invigorate the Apprenticeship route.

RESOLVED: (i) That the good progress made on delivering the 14-19 Curriculum Reforms and the high regard in which the work of the York Partnership is held be noted, and that the strategic approach to continuing developments set out in the 14-19 Plan be endorsed.

(ii) That the good progress made within the local authority and with Sub-Regional Partners, on the 16-19 Funding Transfer, and the opportunities and challenges it presents be noted, and that the authority's approach to the changes at sub-regional and regional levels be endorsed.

(iii) That approval be given for the Council, as the largest employer in the area, to build on existing development work and play a leading role in developing an enlarged apprenticeship programme for young people in the City; this to include (at a time when employment opportunities are

restricted by the economic recession) encouraging partner organisations to offer places themselves as well as the creation of new apprenticeship places across the Council.

(iv) That the Director of Children's Services be requested to work with the Head of HR in developing a strategic action plan to increase apprenticeships across the Council in every area and department, taking into account the need to include LACs (Looked After Children) as a priority group, reduce NEETs (young people Not in Education, Employment or Training) and ensure sustainability; progress on the resulting work to be reported to the Executive Member for Children & Young People's Services at six monthly intervals and the programme of work to be widely publicised and accessible to young people via the Internet.<sup>1</sup>

REASON: To ensure that progress towards the 2013 learner entitlements and the development of provision necessary to deliver RPA in York can be maintained, that the local authority is in a position to assume new statutory responsibilities associated with the post-16 funding transfer, and that the key apprenticeship pathway is made more widely available for young people in the City.

#### Action Required

1. Liaise with the Head of HR to make arrangements to develop a strategic action plan re apprenticeships, to report CB to the Executive Member every 6 months and to publicise via the internet

### **134. FORMER LOWFIELDS SCHOOL, DIJON AVENUE, ACOMB**

Members considered a report which sought approval to demolish the former school buildings on the Lowfields School site at Dijon Avenue, Acomb, and to fund this work from the capital receipt from the sale of the site.

The buildings had been vacated on 31 December 2008, following completion of the new York High School at Cornlands Road. Due to the current economic downturn, sale of the site had been delayed and the buildings had become a target for vandalism, including arson. Demolition of the buildings, which were not suitable for re-use, was proposed in order to address these problems and to speed up the sale process by providing a cleared site.

If the proposal was approved, work would begin on site in January 2010 and was expected to take 12 weeks.

RESOLVED: (i) That the demolition of the buildings at the former Lowfields site, and the funding of this work from the capital receipt resulting from the sale of the site, be approved.<sup>1</sup>

(ii) That approval be given to use the property services revenue budget, as required, to:

a) fund the finance costs incurred as a result of the timing differences between the demolition costs being incurred and the capital receipt being realised

*or*

b) fund the demolition costs from the surplus property fund budget if the site is not sold.<sup>2</sup>

REASON: To eliminate a target for vandalism, arson and anti-social behaviour, resulting in savings on security and maintenance costs, a reduction in nuisance to local neighbours and a reduction in the drain on police and fire service resources.

Action Required

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| 1. Begin demolition work on the site   | MM |
| 2. Make arrangements to fund the finance / demolition costs, as required, from the property revenue budget | MM |

A Waller, Chair

[The meeting started at 2.00 pm and finished at 3.40 pm].