
MEETING	EXECUTIVE
DATE	16 NOVEMBER 2010
PRESENT	COUNCILLORS WALLER (CHAIR), AYRE, STEVE GALLOWAY, MOORE, MORLEY, REID AND RUNCIMAN

PART B - MATTERS REFERRED TO COUNCIL

114. CAPITAL PROGRAMME - MONITOR 2

[See also under Part A Minutes]

Members considered a report which informed them of the likely out-turn position of the 2010/11 Capital Programme, based upon the spend profile and information to September 2010, and sought approval for slippage of funding arising from changes to the programme.

An out-turn of £73.306m was predicted against the current approved capital programme budget of £81.532m, representing a net decrease of £8.226m. At the mid-year point in August, there had been £15.301m of capital spend, representing 21% of the budget. Budget variances in each portfolio area were outlined in Table 2, in paragraph 6 of the report, and detailed in paragraphs 10 to 46. Details of the re-stated Capital Programme for the period 2010/11 to 2014/15 were provided in Annex A.

Members were invited to note the revised programme, approve a switch of funding within Education and Children's Services, as detailed in paragraph 13, and recommend to Council certain additions to the Programme, through Prudential Borrowing and a sum to enable the acquisition of premises on behalf of York Museums Trust, as detailed in Annex B.

Having noted the comments of the Labour Group Spokespersons on this item, it was

RECOMMENDED: That Council approve:

- (i) The net adjustments of (£8.226m) in 2010/11, (£11.975m) in 2011/12, £13.286m in 2012/13 and £6.725m in 2013/14, as set out on a scheme by scheme basis in the report and contained in Annex A.
- (ii) The use of an additional £66k of Prudential Borrowing for the funding of Self Issue Library machines, noting that this extends the scheme total to £104k in 2010/11.

- (iii) The use of Prudential Borrowing to fund the Travellers' Site Electricity Units at a cost of £250k over a two year period (£134k in 2010/11 and £116k in 2011/12), to be paid for from departmental budgets made available from the savings generated as a result of the installation of the new equipment.
- (iv) The addition to the capital programme in 2010/11 of £1.766m in relation to the required works for the Crematorium to be funded from Prudential Borrowing to be repaid over a period of 15 years, noting that this cost may rise in line with VAT to £2.119m should ring fencing be applied.
- (v) The addition to the capital programme in 2010/11 of £525k in relation to the acquisition of premises on behalf of the York Museums Trust, subject to satisfactory terms being agreed, with the agreement of such appropriate terms, conditions and repayment period being delegated to the Director of CBSS.

REASON: To enable the effective management and monitoring of the Council's capital programme.

115. 2011-12 BUDGET UPDATE I - SPENDING REVIEW IMPLICATIONS

[See also under Part A Minutes]

Members considered a report which provided an update on the 2011-12 budget process, with particular emphasis on the impact of the recent Spending Review and an overview of forthcoming plans for the More for York programme.

The key headline from the Spending Review announcement was that local government funding would be reduced on average by 7.1% per annum over a four-year period, with the largest cuts falling in 2011-12. However the cuts would be reduced for those councils willing to freeze their council tax in 2011-12. In York, it was estimated that the Council could lose around £6.3m funding in total, reducing to £4.5m if council tax were frozen. Capital funding to local authorities would also be reduced, by 45%, and interest rates on loans had been increased.

These funding reductions confirmed the need for the Council to review all services on an ongoing basis and to extend the More for York programme. Plans for the programme in 2011-12 and beyond were outlined in paragraphs 26 to 35 of the report. Implications of the spending review on the Council's

2011-12 budget and the Medium Term Financial Forecast were set out in paragraphs 36 to 44. Approval was sought to fund increased trades union involvement in the More for York workstreams, in order to achieve earlier savings.

Having noted the comments of the Labour Group Spokespersons on this item, and the comments made by union representatives under Public Participation / Other Speakers, it was

RECOMMENDED: That Council approve an additional £95k investment costs for trade union facility time, as requested by UNISON, over the period 2011-12 and 2012-13, to be met by additional savings identified through the More for York programme.

REASON: So that the pace of change of the More for York programme can be maintained and savings realised earlier.

A Waller, Chair

[The meeting started at 2.00 pm and finished at 2.40 pm].