

MEETING	CABINET
DATE	17 JULY 2012
PRESENT	COUNCILLORS ALEXANDER (CHAIR), CRISP, FRASER, GUNNELL, LOOKER, MERRETT, SIMPSON-LAING (VICE-CHAIR) AND WILLIAMS
IN ATTENDANCE	COUNCILLORS CUTHBERTSON AND WARTERS

PART A - MATTERS DEALT WITH UNDER DELEGATED POWERS

1. DECLARATIONS OF INTEREST

Members were invited to declare at this point in the meeting any personal or prejudicial interests they may have in the business on the agenda.

Members reiterated a number of standing declarations, included within their published register of interests, in respect of union membership relating to any staffing matters considered at the meeting.

Cllr Williams declared a personal, non prejudicial interest in respect of agenda item 5 (Decision on the Proposal to Close Burnholme Community College) as a parent of a child who would shortly be starting at Hempland Primary School.

Cllr Alexander declared a personal, non prejudicial interest in respect of agenda item 11 (Financial Strategy Refresh) as an allotment holder.

2. PUBLIC PARTICIPATION/OTHER SPEAKERS

It was reported that there had been no registrations to speak at the meeting under the Council's Public Participation Scheme; however two Members of Council had requested to speak.

Councillor Warters spoke in relation to a matter within the Cabinet's remit. He questioned details of a previously requested report on road surfacing issues on Tranby Avenue in Osbaldwick. The Cabinet Member confirmed that he would provide Cllr Warters with an update on this issue.

The following Members spoke in respect of Agenda item 5 (Decision on the Proposal to Close Burnholme Community College):

Councillor Cuthbertson spoke as a Governor of the College and as someone who had been actively involved in education for 20 years. His background meant that Burnholme Community College was the kind of school he supported as it was part of the local community and changed people's lives. Concerns were expressed at the recent Ofsted inspection and their subsequent report which did not appear to reflect the teaching and ethos of the school he had encountered. He suggested that the community deserved better and suggested the forming of a Trust similar to that suggested by the York Education Partnership.

Councillor Warters expressed concern at the presentation of the Burnholme closure proposals and disappointment for those residents who had tried to save it. Reference was made to the transition arrangements and reassurance sought that the authority would provide transport for all pupils disadvantaged by the closure. Partnership working between the College and parents should also be continued in the development of the transition plan and its implementation. Assurances were also sought as to the future retention of the buildings and playing fields for future community use.

Councillor Cuthbertson also spoke in relation to Agenda item 9 (Capital Programme Outturn 2011/12 and Revisions to the 2012/13 – 2016-17 Programme). He expressed concerns at the slippage in relation to the refurbishment of the Clifton Without buildings for use by Canon Lee School and requested closer monitoring of projects in future to prevent slippage.

3. MINUTES

RESOLVED: That the minutes of the last Cabinet meeting held on 15 May 2012 be approved and signed by the Chair as a correct record.

4. FORWARD PLAN

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

5. **DECISION ON THE PROPOSAL TO CLOSE BURNHOLME COMMUNITY COLLEGE**

Consideration was given to a report which provided the results of consultation undertaken following the publication of Public Notices proposing a phased closure of Burnholme Community College.

During the formal six week representation period submissions had been received from the Parents' Action Group as well as a number of emails and letters raising concerns and objections to the proposed closure, details of which were set out at Annexes 1 and 2 together with officer responses. Details of the outcome of a recent Ofsted inspection were also reported in paragraphs 12 to 16.

It was confirmed that the Local Authority must also have regard to guidance issued by the Secretary of State when taking a decision on closure proposals, with details of the factors to be considered set out at paragraphs 17 to 55 of the report. Members were reminded of the requirements of the public sector equality duty and relevant impacts were set out in the report. The detailed implications of maintaining or closing the College and the proposed transitional arrangements were also set out.

Members confirmed that they had seen and read all the information provided in relation to the implications of maintaining the school. However it was with regret that owing to falling rolls and a significant funding shortfall, further support was not considered sustainable and on balance the interests of all would be better served by a phased closure

Officers pointed out that they could not support an enhanced transport offer as suggested by the earlier speaker, for a number of reasons including additional costs.

Members confirmed that the Parents' Action Group would be kept fully involved in the transitional planning arrangements to ensure effective delivery.

Following further discussion it was

RESOLVED: That Cabinet, having considered the representations made in response to the statutory closure notice (as set out in Annex 1 and 2) together with the statutory guidance in paragraphs 17-55 of the report:

- i) Approves the closure of Burnholme Community College (BCC) on 31 August 2014, as proposed in the previous report to Cabinet (15 May) and in the public notices which provide details of the transition arrangements.^{1.}
- ii) Notes that closure is conditional and will take effect if, by the date of closure, the Secretary of State has approved the increase in the number of students to be admitted to Archbishop Holgate's School.
- iii) Notes that the LA will work closely with the governing body of BCC and other schools to develop a comprehensive package of support for the school, and a detailed transition plan for students and staff, that seeks to ensure the best possible education throughout the phased closure.
- iv) Notes that the LA will work with Applefields School, other secondary schools, and parents, in order to relocate the satellite class that has been successfully established at BCC.
- v) Notes that the LA, with the York Education Partnership, will continue to develop further proposals to meet demand for school places as it rises over the next decade.
- vi) Confirms that a further specific consultation focussing upon the potential future use of the Burnholme site should commence. The LA will wish to explore options that make best use of the site whilst maintaining community facilities (as set out in paragraph 44 of the report).^{2.}

REASON: It has been concluded that the educational interests of the children and young people in the city would be best served by a phased closure of Burnholme Community College.

Action Required

- 1. Implement phased closure of the College and proceed with transition arrangements. KH
- 2. Undertake additional consultation on future use of site. KH

6. **PARK AND RIDE EXPANSION: APPROPRIATION OF LAND AT POPPLETON FOR PLANNING PURPOSES**

Members considered a report which sought authority for the appropriation of land at Poppleton to facilitate the redevelopment of the land to deliver an improved arrangement for the junction of Northfield Lane and the A59 in connection with the proposed Poppleton Bar Park and Ride site.

Consultation via public notice had been undertaken on the proposals with one objection being received from Upper Poppleton Parish Council. Their objection related to receipt of insufficient information or justification to support the appropriation of the land and meetings had been held in an effort to resolve their concerns.

The land had been acquired to allow the development of a Park and Ride site, with part of the land being registered as a village green in 1967. It was confirmed that an equivalent area of land could be designated as village green to ensure that the overall land available for public access was maintained at the same level.

Consideration was then given to the following options:

Option 1: Progress the appropriation of the land for the enhanced junction.

Option 2: Redesign the junction to avoid the village green area.

Option 3: Deregister the village green.

RESOLVED: That, having considered the Parish Council objection, Cabinet agrees to support Option 1 to authorise, with immediate effect, the appropriation of land at Poppleton currently owned by the Council for planning purposes in accordance with the provisions of Section 122 of the Local Government Act 1972. ¹.

REASON: In order to comply with the requirements of Section 122 of the Local Government Act 1972 and to enable the delivery of the highest capacity North Field Lane/ A59 junction to improve the social, environmental and economic well-being of the area.

Action Required

1. Proceed with appropriation of land for planning purposes.

TC

7. ECONOMIC INFRASTRUCTURE FUND

Consideration was given to a report which set out proposals for the funding of four projects through the Economic Infrastructure Fund (EIF).

The following projects and funding were considered at the meeting, and an overview of each project was detailed at paragraphs 12 to 50 with a summary at Appendix 1 of the report:

Reinvigorate – Initial Package of Projects	£200,000 (grant)
Digital Media Cultural Centre (DMCC)	£1,400,000 (loan/grant)
Tour de France Campaign	£50,000 (grant)
Targeting Growth in key sectors	£80,000 (grant)

The principal options open to Cabinet members were to:

- Approve the three projects – Reinvigorate York, Targeting growth in key high value sectors and Tour de France campaign; and approve in principle the DMCC project subject to business case sign off.
- Approve a mix of projects
- Reject all projects

Officers expanded on the individual projects and funding reported on the gross value added impact of each.

Member questions various aspects of the projects welcoming the prospect of investment to create economic growth and jobs.

- RESOLVED:
- i) That Cabinet approves the following allocations from the Economic Infrastructure Fund:
 - £200K for Reinvigorate York scheme
 - £80K for Targeting Growth in Key High Value Sectors
 - £50K for Tour de France campaign ¹.
 - ii) That Cabinet approves in principle the following scheme, subject to sign off of the business case, governance, terms on the preferred site, and full due diligence being completed, to include a further detailed report back to Cabinet for final approval:

- £1.4m for Digital, Media and Cultural Centre ².

REASON: To support the Council Plan priorities of creating jobs and growing the economy and investing in the city's economic future.

Action Required

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|---|--------|
| 1. Proceed with funding of these projects. | KS, IF |
| 2. Subject to sign off, proceed with allocation of funding and schedule a report on the Cabinet Forward Plan. | KS, IF |

8. 2011-12 FINANCE AND PERFORMANCE MONITOR

Members considered a report which provided a summary of the finance and performance progress for 2011-12.

It was reported that the net General Fund budget for 2011-12 of £123,900k had a provisional outturn under spend of £349k, an improvement of £1.3m since Monitor 3. Headline information on a directorate by directorate basis was set out at Table 1 with the key variances and details of pressures on services under the various budgets summarised at paragraphs 7 to 43 of the report. Information on the years achievements were set out at paragraph 20.

As the General Contingency had been reinstated and the General Fund was now above its minimum recommended level it was proposed that the 2011-12 under spend would be transferred to the General Contingency.

Information regarding performance against the Council Plan priorities were reported at paragraphs 48 to 81 of the report. In the coming year it was confirmed that there would be a number of areas focussed on including housing availability in the city, the cumulative impact of the recession on residents and the trialling/implementing of new models for delivering services.

Following further discussion it was

RESOLVED: That Cabinet notes the year end under spend of £349k and the transfer of this to the General Contingency.

REASON: To ensure significant financial issues can be appropriately dealt with.

9. CAPITAL PROGRAMME OUTTURN 2011/12 AND REVISIONS TO THE 2012/13 - 2016/17 PROGRAMME

Consideration was given to a report which set out the Council's capital outturn position for 2011/12 together with the final outturn position.

The current approved capital programme for 2011/12 of £57.031m, had been financed by £25.347m of external funding, and internal funding of £31,684m. Variations against the Monitor 3 budget of - £7.184m had resulted in a capital outturn of £49.847m arising from revisions to existing budgets, reprofiling and genuine under/overspends. Information on budget requests to be carried forward were set out in Table 2 in the report with supporting information at paragraphs 9 to 38.

An update on the 2012/13 to 2016/17 Capital Programme following the re-profiling of current schemes and requests for new funding was set out in paragraphs 39 to 44 and at Annex 1, of the report.

The Cabinet Member reported on the headline variations, confirming that all schemes were on track for completion this financial year.

RESOLVED: That Cabinet agrees to:

- i) Note the 2011/12 capital outturn position of £49.847m and approve the requests for slippage totalling £8.786m from the 2011/12 programme to future years capital programme.
- ii) Note the changes to future years capital programme and realignment of the Access York Phase 1 programme.

REASON: To allow the continued effective financial management of the capital programme from 2012/13 to 2016/17.

10. TREASURY MANAGEMENT ANNUAL REPORT AND REVIEW OF PRUDENTIAL INDICATORS 2011-12

Consideration was given to the annual treasury management report which reviewed treasury management activities and the actual prudential and treasury indicators for 2011-12.

It was reported that recent changes placed a much greater onus on members for the review and scrutiny of treasury management policy and activities. Details of the Council's treasury position for 2011/12 compared to 2010/11 were set out in Table 1, a forecast of base rates for 2011-15 at Figure 1 and the Public Works Loan Board rates and CYC borrowing levels at Figure 2 in the report.

Movement in borrowing during 2011/12 and the split between the General Fund and the Housing Revenue Account were set out in Tables 2 and 3, with borrowing and investment rates at Figures 3 and 4. The outturn of the Prudential Indicators for 2011/12 were detailed at Annex A of the report.

It was confirmed that the Annual Treasury Management Report was scheduled for consideration at the Audit and Governance Committee on 25 July 2012.

RESOLVED: That in accordance with the Local Government Act 2003 Cabinet agrees to:

- i) Note the 2011/12 performance of the Treasury Management activity.
- ii) Note the change in the funding of the Housing Revenue Account from the subsidy system to the HRA Self Financing system.
- iii) Note the movements in the Prudential Indicators as set out in Annex A of the report.

REASON: To ensure the continued performance of the Council's Treasury Management function and the affects of the HRA reform on treasury management activities can be monitored.

11. FINANCIAL STRATEGY REFRESH

Members considered a report which provided an update to the Financial Strategy given the rapid changes to Local Government Funding.

Key Priorities to support the financial strategy had been taken from the Council Plan however, at a time of difficult financial challenge,

long term approaches were required to ensure a sustainable local funding base and changes to how services were delivered.

Funding issues and information on investment and cost pressures were detailed in the report. Efficiencies of £21m had already been delivered in 2011/12 however there still remained many areas where developments and improvements in the framework could be made.

The medium term strategy which included the financial plan and the latest growth requirements for 2013/14 and 2014/15 were reported with the total amount of savings agreed in principle for 2013/14 of £8.78m with a breakdown by directorate at Table 3 of the report.

As the overall budget process for 2012-13 had worked well this had enabled the authority to be more strategic. It was intended to continue this with final proposals for a new 2 year budget being presented to Council in February 2013.

Members confirmed that, although substantial savings had already been made, it would be more difficult in future years. Officer reports would be required early in the year on how well proposed savings were being achieved to enable other measures to be taken, if required.

Following further lengthy discussions it was

RESOLVED: That Cabinet agrees to:

- i) The refreshed Financial Strategy and the outline budget planning process for 2013-14 and 2014-15;¹
- ii) Approve the undertaking of formal consultation including public consultation in line with Best Value Statutory Guidance with regard to implementing a new scheme to reflect the changes to council tax support (as set out in Paragraph 8 vi and Annex A of the report) and that the final scheme details for consultation are agreed with the Cabinet Member for Corporate Services.²

REASON: i) To ensure that Council meets future financial challenges and produces a sound, prudent budget for 2013-14 and 2014-15.

- ii) To ensure that the council complies with the Government guidance as set out in the DCLG document Localising Support for Council Tax – A statement of intent and to ensure that all stakeholders including customers of the scheme are provided with the opportunity to provide feedback.

Action Required

- 1. Proceed with agreed arrangements for future budget planning. DM, AC
- 2. Make the necessary arrangements to implement the agreed budget consultation. DM, AC

PART B - MATTERS REFERRED TO COUNCIL

12. CAPITAL PROGRAMME OUTTURN 2011/12 AND REVISIONS TO THE 2012/13 - 2016/17 PROGRAMME

Consideration was given to a report which set out the Council's capital outturn position for 2011/12 together with the final outturn position.

The current approved capital programme for 2011/12 of £57.031m, had been financed by £25.347m of external funding, and internal funding of £31,684m. Variations against the Monitor 3 budget of - £7.184m had resulted in a capital outturn of £49.847m arising from revisions to existing budgets, reprofiling and genuine under/overspends. Information on budget requests to be carried forward were set out in Table 2 in the report with supporting information at paragraphs 9 to 38.

An update on the 2012/13 to 2016/17 Capital Programme following the re-profiling of current schemes and requests for new funding was set out in paragraphs 39 to 44 and at Annex 1, of the report.

The Cabinet Member reported on the headline variations, confirming that all schemes were on track for completion this financial year.

RECOMMENDED: i) That Council use £1.5m of Prudential Borrowing for the Primary School Strategic Programme in 2011/12 with the associated revenue implications to be met from the Children's Services budgets and repaid over a

period of 25 years from savings made as a result of the amalgamation of the schools.

- ii) That Council approve the restated 2012/13 to 2016/17 programme as summarised in Table 3 and detailed in Annex 1 of the report, taking account of the re-profiling of schemes. ¹.

REASON: To allow the continued effective financial management of the capital programme from 2012/13 to 2016/17.

Action Required

1. Refer recommendations to Council

JP

Cllr J Alexander, Chair

[The meeting started at 5.30 pm and finished at 7.30 pm].