

Meeting	Executive
Date	16 June 2022
Present	Councillors Aspden (Chair), Ayre, Craghill, D'Agorne, Mason, Runciman, Smalley, Waller and Widdowson
In Attendance	Councillor Douglas
Officers Present	Ian Floyd – Chief Operating Officer Janie Berry – Director of Governance, and Monitoring Officer Debbie Mitchell – Chief Finance Officer Neil Ferris – Corporate Director of Place Jamaila Hussain – Director of Prevention & Commissioning Tracey Carter – Director of Housing, Regeneration & Economy Andy Kerr - Head of Regeneration & Economy Gary Frost – Major Transport Projects Manager John Roberts – Strategic Planning Policy Officer Sara Dilmamode – Local Plan Project Officer

PART A - MATTERS DEALT WITH UNDER DELEGATED POWERS

1. Declarations of Interest (5:30 pm)

Members were asked to declare at this point in the meeting any disclosable pecuniary interest or other registerable interest they might have in respect of business on the agenda, if they had not already done so in advance on the Register of Interests.

Cllr Runciman declared an interest in Agenda Item 8 (Minster Precinct Neighbourhood Plan), as a member of the Minster Community.

In respect of the same item, and for the sake of transparency, Cllr Craghill stated that as a Ward Member for Guildhall she had

participated in some meetings of the Minster Neighbourhood Forum but had been advised that this was not prejudicial.

2. Minutes (5:31 pm)

Resolved: That the minutes of the Executive meeting held on 19 May 2022 be approved and then signed by the Chair as a correct record.

3. Public Participation (5:32 pm)

It was reported that there had been 7 registrations to speak at the meeting under the Council's Public Participation Scheme.

Gwen Swinburn spoke on matters within the Executive's remit, namely devolution, stressing the need for a transparent approach and a democratic process so that people could have a say.

Cllr Daubeney spoke on Item 5 (Minute 5 refers) as Ward Member for Westfield, urging Executive to explore the potential to use some of the Shared Prosperity funding to support the regeneration of Acomb Front Street.

Flick Williams spoke on Item 6 (Minute 6 refers), objecting to the shortage of car parking spaces for disabled people close to the city centre and urging that the Castle car park be retained for the use of Blue Badge holders only, as in Chester.

Diane Roworth spoke on Item 6, asking Members to support a proposal that Blue Badge parking in Castle car park be retained at its current level and a new innovative Blue Badge car park be designed into the Castle Gateway plans.

Johnny Hayes spoke on Item 6, asking why the issue of parking had not been reviewed before the Masterplan for Castle Gateway was drawn up and highlighting the risk of abortive costs as mentioned in the report.

Andrew Lawson, of York BID, spoke on Item 6, highlighting the confusion caused by mixed messaging over the car parking and suggesting the council invest in car park occupancy counters and set up a working group to look at parking requirements.

Christopher Copland spoke on Item 6, as a member of the campaign that had presented a petition to Council on the MSCP, suggesting that the 12-month hiatus be used to collect a full range of data and to align the final decision with LTP4, the council's Climate and other strategies, and the views of stakeholders.

4. Forward Plan (5:55 pm)

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 was published.

5. Levelling Up Round 2 Funding and UK Shared Prosperity Fund (5:55 pm)

The Director of Housing, Regeneration & Economy and the Head of Regeneration & Economy presented a report which summarised two funding opportunities made available by the Government to support the delivery of its Levelling Up Agenda. It sought approval to prepare and submit the investment plan required to draw down funding from the UK Shared Prosperity Fund (UKSPF), which replaced the European Structural Investment Funds (ESIF), and to prepare and submit bids for the Levelling Up Fund (LUF).

Information on the UKSPF was provided in paragraphs 14-30 of the report. Development of the York UKSPF Investment Plan would take as a starting point existing approved local strategies to ensure that the funding aligned with these, and a partnership group would be brought together to ensure widespread support for actions identified in the Plan. Details of the two proposed Round 2 LUF bids were set out in paragraphs 45-68. They comprised a resubmission, with refinements, of the Round 1 regeneration bid for £19m for projects to revitalise the city centre (including Castle Gateway) which, though unsuccessful, had received positive feedback, and a Transport orientated bid for £5m to augment the proposed Haxby Station.

In response to matters raised under Public Participation, officers confirmed that Acomb Front Street was likely to be one of the projects considered for inclusion in the UKSPF Plan, as its objectives fitted closely to those of the funding streams. In supporting the recommendations, the Executive Member for

Finance & Performance thanked officers for the work they had done within a tight timeframe, and it was

Resolved: (i) That officers be instructed to undertake the necessary work, including partner engagement and the preparation of an investment plan, to secure the drawdown of York's allocation of funding from the UKSPF.

(ii) That authority be delegated to the Corporate Director of Place, in consultation with the Executive Member for Economy and Strategic Planning and the Executive Member for Finance and Performance, to submit the final Investment Plan required to draw down York's allocation of funding from the UKSPF.

Reason: To allow officers, in consultation with the relevant Executive Members, to prepare and submit an Investment Plan by the end of July 2022 to secure the drawdown of funding from the UKSPF.

(iii) That authority be delegated to the Corporate Director of Place, in consultation with the Executive Member for Finance and Performance, to submit the round two funding bids identified in this report to the LUF.

Reason: To allow officers to prepare and submit the strongest possible bids to Government on 6 July.

(iv) That it be noted that a report setting out the final bid submissions will be brought to a future decision session of the Executive Member for Finance and Performance.

Reason: To confirm the final bid compositions submitted to Government.

6. Castle Gateway Update (6:08 pm)

The Director of Housing, Regeneration & Economy and the Head of Regeneration & Economy presented a report which provided a comprehensive update on the regeneration of the Castle Gateway and set out the next delivery stages, including

actions to prepare for procurement should the council's bid to the Levelling Up fund (as set out in the report on the previous item) be successful.

The Castle Mills site, which would create a new riverside park, pedestrian/cycle bridge and new apartments to help fund the wider public benefits of the project masterplan, had been subject to delays. A number of issues had led to the termination of the council's contract with Wates Construction Limited for design and construction proposals, so that proposals to proceed with construction would not now be ready until summer 2023. This delay also meant that the decision on options to replace Castle Car Park could be deferred, providing the opportunity to collect more data and engage further with city centre stakeholders.

In response to matters raised under Public Participation, officers stated that the decision on parking would ultimately be a political choice, based on the available data and current policy.

The Executive Member for Transport highlighted the wider merits of the project and supported the recommendations. The Executive Member for Finance & Performance, in supporting the recommendations, highlighted the complexity and importance of the project and re-iterated his commitment to continuing an evidence-based approach to related decisions.

Resolved: (i) That the inclusion of the new public realm at Castle and Eye of York in the council's round two Levelling Up Fund bid be noted.

Reason: To be aware that additional funding is being sought to deliver the Castle Gateway regeneration.

(ii) That, subject to planning permission being secured, officers be instructed to prepare tender documents to procure a contractor for Castle and Eye of York so that the procurement is ready to proceed should the Levelling Up Fund bid be successful.

Reason: To ensure the ability to deliver the Castle and Eye of York project within the Levelling Up Fund timeframes.

(iii) That the termination of the NEC3 PSSC with Wates to produce a RIBA Stage 4 design and construction price for Castle Mills be noted.

Reason: To be aware that the council has not been able to reach a satisfactory outcome on identified challenges, and is in the process of terminating the NEC3 PSSC.

(iv) That authority be delegated to the Corporate Director of Place, in consultation with the Director of Governance, to take such steps as are necessary to procure a construction contractor to complete the detail design/costing and subsequent construction of the proposed apartments, pedestrian/cycle bridge and riverside park at Castle Mills, and to bring a further report to Executive on the Castle Mills business case before proceeding into the construction contract based upon tendered price.

Reason: To enable the delivery of the Castle Mills project and the Castle Gateway regeneration on a 2 phase re-procurement basis to secure firm prices before commencing construction.

(v) That authority be delegated to the Corporate Director of Place to submit details to secure the necessary statutory consent under s106 of the Highways Act 1980 from the Secretary of State for the new bridge over the Foss navigation and to enter in to a build over agreement with Yorkshire Water in respect of the sewer running across the Castle Mills development.

Reason: To secure the necessary approvals to allow Castle Mills to proceed.

(vi) That the decision on whether to build a multi-storey car park (MSVP) at St George's Field be deferred until Executive has a construction price for Castle Mills.

Reason: Deferring until the inter-related point in time when a construction price is agreed for Castle Mills will allow further evidence to be collected to inform a decision

on whether the MSCP still represents the best alternative replacement parking solution for the closure of Castle Car Park.

(vii) That officers be instructed to collect more data on parking demand, further engage with city centre businesses and stakeholders, and explore alternative options to maximise surface car parking provision at St George's Field to inform the future decision on car parking replacement.

Reason: To provide further information and enable consultation with city centre businesses and scrutiny to inform consideration of replacement parking solutions to allow the closure of Castle Car Park.

7. York Outer Ring Road (YORR) - Proposed A1237 (Rawcliffe to Little Hopgrove) Dualling - Update on Progress and Proposed Utility Diversions (6:32 pm)

The Corporate Director of Place and the Major Transport Projects Manager presented a report which provided an update on the proposed YORR A1237 Dualling Scheme (the Scheme) and sought authority to proceed with the procurement and implementation of utility diversions in order to avoid delays to the future construction phase of the scheme.

The Scheme was making steady progress, and a planning application was about to be submitted. While that was under consideration, work would continue on land acquisition, preparing for a possible Compulsory Purchase Order, detailed design, developing a final business case and initial procurement enquiries. A key task for 2022 was to engage with the utility companies (Statutory Undertakers) to ensure the diversion of apparatus affected by the proposals. Failure to do this in a timely manner would result in a high risk of delays and associated costs. Initial discussions had shown that some diversions could be undertaken in advance of the main construction works, and approval was sought to procure and proceed with these from late summer 2022.

The Executive Member for Transport indicated that he and his fellow member of the Green Group would abstain on this item due to their views on the probable effects of the project. The Chair welcomed the report, expressing support for the project as

an opportunity to reduce congestion and journey times and enhance pedestrian and cycle routes.

Resolved: (i) That it be noted that a planning application for the proposed scheme is about to be submitted.

(ii) That the general progress and ongoing work on the scheme be noted.

Reason: To be informed on the progress of the scheme and take this into consideration for future decision-making.

(iii) That Option 1 be approved; that is, for the project team to identify, procure and undertake utility diversionary works within the existing highway in connection with the scheme, and where possible, in advance of the main works programme.

Reason: To comply with the provisions of the NRSWA 1991, and to maximise the opportunity to eliminate or reduce delay risks and resultant prolongation claims on the main construction programme.

(iv) That authority be delegated to the Director of Transport, Environment and Planning, in consultation with the Director of Governance or her delegated officers, to procure and take all necessary steps to implement the diversions of the Statutory Undertakers' apparatus, as required on the Scheme.

Reason: So that the Director of Transport, Environment and Planning is authorised to take such steps as are necessary to engage and negotiate with Statutory Undertakers for the efficient and timely delivery of utility diversions on the proposed scheme.

8. Minster Precinct Neighbourhood Plan (6:47 pm)

The Corporate Director of Place and the Strategic Planning Policy Officer presented a report which informed Members of the results of the Minster Precinct Neighbourhood Plan referendum and asked them to formally 'make' the Plan and bring it into full legal force as part of the Development Plan for York.

The referendum had been held on 10 May 2022, following approval by Executive on 17 March. Of the 166 votes cast (a 21.47% turnout), 137 (83%) were in favour of accepting the Plan. It was therefore recommended that the Plan now be 'made', in accordance with the Neighbourhood Planning Regulations.

The Local Plan Working Group had considered the report at their meeting on 15 June, and endorsed the recommendations.

Resolved: (i) That the results of the referendum be noted and that the Minster Precinct Neighbourhood Plan be formally 'made'.

(ii) That the Decision Statement at Annex B to the report be published in accordance with Regulation 19 of the Neighbourhood Planning (General) Regulations 2012 (as amended).

Reason: To enable the Neighbourhood Plan to progress in line with the Neighbourhood Planning Regulations.

9. Introduction of Community Infrastructure Levy (6:51 pm)

The Corporate Director of Place and the Local Plan Project Officer presented a report which sought approval to introduce a Community Infrastructure Levy in York to support the implementation of the Local Plan.

A CIL was a fixed, non-negotiable charge per square metre on most developments of 100 square metres or more, or on a new dwelling. CIL rates must be set out in a Charging Schedule and must strike a balance between collecting money to fund the infrastructure needed and the ability of developments to afford it (the viability). 25% of the CIL must be allocated to neighbourhoods where a Neighbourhood Plan was in place and 15% where it was not, as explained in paragraphs 10-11 of the report.

The alternative to introducing a CIL, as outlined in paragraphs 17 and 18, was to continue using 'Section 106 Agreements', until the proposed Government replacement of an 'Infrastructure Levy' came into effect. However, a CIL would provide more

flexibility than the current arrangements and the timescale for introducing the new Levy was unclear.

In considering the report at their meeting on 15 June, the Local Plan Working Group had recommended approval of the proposals, adding a recommendation regarding the involvement of scrutiny.

Resolved: (i) That approval be given to move forward with the preparation of a Community Infrastructure Levy (CIL) for York.

Reason: To enable the collection of funding from landowners/developers to help support delivery and mitigate infrastructure impacts of the development envisaged in the emerging Local Plan.

(ii) That it be noted that a Draft CIL Charging Schedule setting out proposed rates will be presented to Executive for agreement prior to formal consultation later in 2022, because before CIL can be published and charged, a Draft Charging Schedule must be formally consulted on in line with the CIL Regulations 2010 (as amended 2019).

(iii) That the recommendation of the Local Plan Working Group to seek input from the Economy and Place Policy & Scrutiny Committee on the approach to be taken to neighbourhood funding, prior to making a decision regarding the policy on this, be accepted.

Reason: In accordance with the scrutiny work programme, and to ensure that this aspect of the CIL is properly considered and consulted upon.

10. Finance and Performance Outturn 2021-22 (7:02 pm)

The Chief Operating Officer presented a report which provided a year end analysis of the council's overall finance and performance position on 2021-22, including progress in delivering the savings programme.

The report highlighted the continuing impact of the Covid-19 pandemic, as well as the financial challenges of underlying

pressures in social care, rising inflation and the cost of living crisis, plus the need to deliver £6.4m ongoing savings. The provisional out-turn position was a net overspend of £2.6m on the net General Fund budget for 2022/22 of £131m. An overview of the outturn was provided in Table 1 at paragraph 11 of the report and key variances within each directorate were summarised in Annex 1. As the Covid grant had funded the overspend, it was proposed to carry the unused contingency of £500k into 2022/23 to help deal with increased energy costs. With regard to loans, York Museums Trust had requested that their letter of guarantee be further extended to 31 March 2024.

Performance in general had remained high despite the challenges of the past year, and compared well against similar local authority areas. It was likely that, due to the impacts of Covid and the lag between the availability of data and the reporting period, indicators would continue to change in future reporting periods. Strategic indicators with an improving direction of travel were summarised in paragraph 27 of the report; those with a worsening direction were summarised in paragraph 28. Detailed information was provided in Annex 2.

Members thanked officers for their work in balancing the budget and highlighted increases in income from car parking and recycling, and successes in areas including the delivery of affordable homes, footfall in Parliament Street and reduced vacancies in city centre shops.

- Resolved:
- (i) That the year-end position be noted.
 - (ii) That the finance and performance information be noted.
 - (iii) That the extension to March 2024 for the letter of credit to York Museums Trust, as outlined in paragraphs 15 to 21, be approved.

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

11. Capital Programme Outturn 2021/22 and Revisions to the 2022/23 - 2026/27 Programme (7:10 pm)

[See also under Part B]

The Chief Finance Officer presented a report which set out the outturn position of the council's 2021-22 capital programme, including any under or over spends, and provided an update on the impact on future years of the programme.

An outturn of £78.220m was reported on the approved 2021/22 budget of £127.584m; an overall variation of £49.364m. This comprised requests to re-profile a net -£49.153m of schemes to future years and adjustments to schemes increasing expenditure by a net £211k. The overall programme continued to operate within budget, due to careful management of expenditure.

Key areas of investment and outcomes were highlighted in paragraphs 2 and 3 of the report. Variances and re-profiling requests within each portfolio area were set out in Table 1 at paragraph 12 and detailed in the body of the report. These included additional costs of £4m related to completion of the Guildhall project. The report also highlighted the potential impact on major schemes and rolling programmes of increasing levels of inflation. The re-stated capital programme for 2022/23 to 2026/27 was shown in Table 3 at paragraph 97 and detailed in Annex A.

Resolved: (i) That the 2021/22 capital outturn position of £78.220m be noted and that the requests for re-profiling from the 2021/22 programme to future years, totalling £49.153m, be approved.

(ii) That the adjustments to schemes reducing expenditure in 2021/22 by a net £211k be noted.

(iii) That the use of £4m contingency to fund the additional costs of the Guildhall refurbishment be approved.

Reason: To enable the effective management and monitoring of the council's capital programme.

12. Treasury Management Annual Report and Review of Prudential Indicators 2021/22 (7:17 pm)

The Chief Finance Officer presented a report which provided details of the outturn position for treasury activities and highlighted compliance with the council's policies previously approved by Members.

The report included information on the effects on interest rates of rising inflation, as well as the economic damage caused by the coronavirus pandemic over the past 2 years.

Officers confirmed that the report would be considered by the Audit & Governance Committee at its meeting on 29 June 2022.

Resolved: That the 2021/22 performance of treasury management activity and prudential indicators outlined in Annex A be noted.

Reason: To ensure that the continued performance of the treasury management function is monitored, and to comply with statutory requirements.

PART B - MATTERS REFERRED TO COUNCIL

13. Capital Programme Outturn 2021/22 and Revisions to the 2022/23 - 2026/27 Programme

[See also under Part A]

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Recommended: That Council approve the re-stated 2022/23 to 2026/27 programme of £525.049m, as summarised in Table 3 at paragraph 97 of the report and detailed in Annex A.

Reason: to enable the effective management and monitoring of the Council's capital programme.

Cllr K Aspden, Chair
[The meeting started at 5.30 pm and finished at 7.22 pm].