

Notice of meeting of

Decision Session - Executive Leader

To: Councillor Waller (Executive Member)

Date: Tuesday, 6 April 2010

Time: 4.15 pm

Venue: Guildhall

AGENDA

Notice to Members – Calling In

Members are reminded that, should they wish to call in any item on this agenda, notice must be given to Democracy Support Group by:

10.00am on Thursday 1 April 2010 if an item is called in before a decision is taken, or

4.00pm on Thursday 8 April 2010 if an item is called in after a decision has been taken.

Items called in will be considered by the Scrutiny Management Committee.

Written representations in respect of items on this agenda should be submitted to Democratic Services by 5.00pm on Wednesday 31 March 2010.

1. Declarations of Interest

At this point Members are asked to declare any personal or prejudicial interests they may have in the business on this agenda.

2. Minutes

(Pages 3 -
8)

To approve and sign the minutes of the meeting held on 27 January 2010.

3. Public Participation

At this point in the meeting, members of the public who have registered their wish to speak at the meeting can do so. The deadline for registering is **5:00pm on Thursday 1 April 2010.**

Members of the public may register to speak on:-

- an item on the agenda;
- an issue within the Executive Member's remit;
- an item that has been published on the Information Log since the last session. Information reports are listed at the end of the agenda.

4. Intercity East Coast Franchise Consultation - Suggested Response

(Pages 9 -
14)

This reports advises the Executive Member of the Department for Transport's consultation exercise in relation to the re-franchising of passenger services along the east coast main line.

5. Urgent Business

Any other business which the Chair considers urgent under the Local Government Act 1972

Information Reports

No information reports have been published on the Information Log for this session.

Democracy Officers

Catherine Clarke and Louise Cook (job share)

Contact details:

- Telephone – (01904) 551031
- Email catherine.clarke@york.gov.uk and louise.cook@york.gov.uk

(If contacting by email, please send to both Democracy officers named above).

For more information about any of the following please contact the Democracy Officer responsible for servicing this meeting:

- Registering to speak
- Business of the meeting
- Any special arrangements
- Copies of reports

Contact details are set out above.

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About City of York Council Meetings

Would you like to speak at this meeting?

If you would, you will need to:

- register by contacting the Democracy Officer (whose name and contact details can be found on the agenda for the meeting) **no later than 5.00 pm** on the last working day before the meeting;
- ensure that what you want to say speak relates to an item of business on the agenda or an issue which the committee has power to consider (speak to the Democracy Officer for advice on this);
- find out about the rules for public speaking from the Democracy Officer.

A leaflet on public participation is available on the Council's website or from Democratic Services by telephoning York (01904) 551088

Further information about what's being discussed at this meeting

All the reports which Members will be considering are available for viewing online on the Council's website. Alternatively, copies of individual reports or the full agenda are available from Democratic Services. Contact the Democracy Officer whose name and contact details are given on the agenda for the meeting. **Please note a small charge may be made for full copies of the agenda requested to cover administration costs.**

Access Arrangements

We will make every effort to make the meeting accessible to you. The meeting will usually be held in a wheelchair accessible venue with an induction hearing loop. We can provide the agenda or reports in large print, electronically (computer disk or by email), in Braille or on audio tape. Some formats will take longer than others so please give as much notice as possible (at least 48 hours for Braille or audio tape).

If you have any further access requirements such as parking close-by or a sign language interpreter then please let us know. Contact the Democracy Officer whose name and contact details are given on the order of business for the meeting.

Every effort will also be made to make information available in another language, either by providing translated information or an interpreter providing sufficient advance notice is given. Telephone York (01904) 551550 for this service.

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Holding the Executive to Account

The majority of councillors are not appointed to the Executive (40 out of 47). Any 3 non-Executive councillors can 'call-in' an item of business from a published Executive (or Executive Member Decision Session) agenda. The Executive will still discuss the 'called in' business on the published date and will set out its views for consideration by a specially convened Scrutiny Management Committee (SMC). That SMC meeting will then make its recommendations to the next scheduled Executive meeting in the following week, where a final decision on the 'called-in' business will be made.

Scrutiny Committees

The purpose of all scrutiny and ad-hoc scrutiny committees appointed by the Council is to:

- Monitor the performance and effectiveness of services;
- Review existing policies and assist in the development of new ones, as necessary; and
- Monitor best value continuous service improvement plans

Who Gets Agenda and Reports for our Meetings?

- Councillors get copies of all agenda and reports for the committees to which they are appointed by the Council;
- Relevant Council Officers get copies of relevant agenda and reports for the committees which they report to;
- Public libraries get copies of **all** public agenda/reports.

City of York Council

Committee Minutes

MEETING	DECISION SESSION - EXECUTIVE LEADER
DATE	27 JANUARY 2010
PRESENT	COUNCILLOR WALLER (EXECUTIVE LEADER)

8. DECLARATIONS OF INTEREST

The Executive Leader was invited to declare at this point in the meeting any personal or prejudicial interests he might have in the business on the agenda. He confirmed that he had none.

9. MINUTES

RESOLVED: That the minutes of the last meeting of the Decision Session of the Executive Leader, held on 5 January 2010, be approved and signed by the Executive Leader as a correct record.

10. PUBLIC PARTICIPATION/OTHER SPEAKERS

Representations had been received from Unison with regard to agenda item 4 (Revenue Budget Estimates 2010 –11 – Chief Executives).

The Unison representative advised the Executive Leader that he had submitted a written representation which contained his full statement (attached as Annex A) but reiterated that he disagreed with the potential redundancy situation that would occur if one full-time equivalent Democracy Officer post was deleted and stated that losing a post would have an adverse effect on services. He voiced his concern that there had been a lack of consultation so far and asked that discussion take place with Unison to find a solution.

11. REVENUE BUDGET ESTIMATES 2010/11 - CHIEF EXECUTIVE'S

The Executive Leader considered a report which presented the 2010 -11 budget proposals for Chief Executive's Directorate which included:

- The base revenue budget for 2010-11 showing existing budgets;
- The cost of pay and price increases, increments and settlement of pay and grading appeals for the portfolio;
- Proposals for budget service pressure costs and savings options for the portfolio area;
- Fees and charges proposals.

The Finance Manager updated the Executive Leader in relation to the services pressures listed in Annex 2 to the report.

With regard to the savings proposal ref CEXES16 as listed in Annex 3, and taking into account the comments made by the speaker, the Executive Leader proposed that the Director of People and Improvement be requested to look at alternatives to the deletion of the one full-time equivalent Democracy Officer post.

RESOLVED:

- (i) That it be confirmed that the budget proposals are in line with the Council's priorities.
- (ii) That the report be referred to the Executive for consideration.
- (iii) That the written and verbal representations made to the Executive Leader be taken into consideration when the Executive considers the final budget proposals.
- (iv) That the Director of People and Improvement be requested to investigate alternatives to the deletion of one full time Democracy Officer post.

REASON:

As part of the consultation on the Chief Executive Directorate's budget for 2010-11.

12. REVENUE BUDGET ESTIMATES 2010/11 - ECONOMIC DEVELOPMENT

The Executive Leader considered a report which presented the 2010-11 budget proposals for Economic Development which included:

- The base revenue budget for 2010-11 showing existing budgets;
- The cost of pay and price increases, increments and settlement of pay and grading appeals for the portfolio;
- Proposals for budget service pressure costs and savings options for the portfolio area;
- Fees and charges proposals.

The Finance Manager updated the Executive Leader in relation to the services pressures listed in Annex 2 to the report, including the roll out of the Kingsway West Initiative.

RESOLVED:

- (i) That it be confirmed that the budget proposals are in line with the Council's priorities.

- (ii) That the report be referred to the Executive for consideration.
- (iii) That the roll out of the experiences from the Kingsway West Project be strongly supported for widening the impact of the Council campaign on financial and economic inclusion across the city.

REASON:

As part of the consultation on the Economic Development budget for 2010-11.

Councillor A Waller, Executive Leader
[The meeting started at 4.00 pm and finished at 4.10 pm].

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Decision Session – Executive Leader

Wednesday 27 January 2010

Annex of Additional Comments received from Members and members of the public since the agenda was published

Written representations in respect of Annex 3 to agenda item 4 (Revenue Budget Estimates 2010/11 – Chief Executive’s)

Received from:	Comments:
Peter Weck, Unison	<p>Savings proposal no. CEXES 16 proposes the deletion of one full time Democracy Officer post, reducing the number of Democracy Officers from 5 to 4.</p> <p>The Democracy Officer team provides support for the Council’s decision-making process, servicing a wide range of meetings from Executive Decision Sessions to Overview and Scrutiny Committees. All five Democracy Officer posts are currently filled and each Officer has a full portfolio of meetings to service. Predominantly, the work of Democracy Officers is a statutory service.</p> <p>The proposal, if accepted, would result in a redundancy - very likely a compulsory redundancy. As well as the adverse effect on the person made redundant, this would place a great deal of pressure on the remaining members of the team. The abolition of EMAPs and the Shadow Executive are noted, but EMAPs have been replaced with public Executive Member Decision Making Sessions and more Scrutiny Committees. In addition, 2 more Working Groups are now being serviced by the team.</p> <p>The report to the Executive Leader states that the savings proposals have been subjected to ‘a rigorous assessment process’. However, there has been no prior consultation with unions on this</p>

	<p>particular proposal and no information is provided in the report to explain the assessment process. The potential impact of the cut on service delivery is mentioned but not explained. Neither does the report evidence that there is less work to be covered by the team. There is also the effect on the wider team to consider. The Democracy team works closely with Scrutiny and Member Services. A proposal to delete the vacant Scrutiny Assistant post has also been put forward, when plans were in place to fill the post following the increase in scrutiny committees arising from the Council restructure in May 2009. Losing a vacant post in this very tightly resourced team is bad enough but to potentially make an existing member of staff redundant as well, when there are clearly pressing work needs across all the areas which make up Democratic Services, does not make for effective work planning.</p> <p>In summary:</p> <ul style="list-style-type: none"> • this proposal has been poorly thought through in the context of the current and future workload of Democratic Services (incorporating Democracy, Scrutiny & Members Services) as a whole • there has been inadequate consultation on the proposal with unions and staff; and • not enough thought has been given to alternative proposals which could achieve the required saving without creating a redundancy.
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Decision Session - Executive Leader**6 April 2010**

Report of the Director of City Strategy

Intercity East Coast Franchise Consultation – Suggested Response**Summary**

1. To advise the Executive Member of the Department for Transport's consultation exercise in relation to the re-franchising of passenger services along the east coast main line. The background, recent history, analysis of future requirements/possibilities for the next franchise as a whole as well as specifically in relation to York are included here with recommendations made in paragraph 20.

Background

2. The InterCity East Coast rail passenger franchise is due to go through a retendering exercise in 2010/11. National Express East Coast operated this franchise until December 2009 although their agreement was not due to run out until 2015. Early termination resulted as trading conditions deteriorated and National Express concluded that premiums to the Treasury could not be honoured. The Department for Transport then took over service delivery through the creation of a subsidiary company and this arrangement, under the East Coast branding, will continue until the re-tendering is completed in the Autumn of 2011.
3. Bidders will be expected to build into their plans Network Rail's substantial programme of infrastructure investment, the introduction of the Super Express trains from 2013 (bringing improved performance and greater capacity and the revamped 'Eureka' timetable to be operational from May 2011). Bidders are also being asked to have regard to station facilities and investment, access to the network, environmental impact and on-board services.
4. Expressions of interest will be sought from potential bidders later in the year with those short-listed being issued Invitation to Tender documents in the autumn.

Recent History

5. InterCity East Coast's franchise history has latterly been an unhappy one. The last two private sector incumbents, Great North Eastern Railway (GNER) and National Express East Coast (NEEC) have both failed. The

reasons for this differed but the essence was that each company over-bid. Arguably, the East Coast franchise is nationally the most prestigious running from London Kings Cross to Leeds, York, Newcastle and Edinburgh. For York, it is a main economic artery underpinning the business and leisure travel markets. The services delivered can influence business investment decisions and colour York's reputation as a place to visit and do business

6. Travellers therefore need to have complete confidence in East Coast services both now and in the future. The line's reputation has been tarnished of late and the new franchise arrangements from Autumn 2011 provide the springboard to restore the confidence and stability needed to encourage long-term economic investment along its route.

The System of the Future

7. There seems to be a growing agreement that the former franchising arrangement for the line needs to be revisited in the light of past experience. However, it should also be noted that the system nationally has delivered 22% more service provision and 60% passenger growth since British Rail days.
8. ATOC (Association of Train Operating Companies) is recommending that franchise reform takes place under 6 headings: -
 - Greater flexibility for operators
 - Longer franchises to give managerial focus and investment confidence
 - Greater emphasis on quality and not just price
 - Greater emphasis on financial stability
 - Options that can give greater responsibility for stations, rolling stock, etc
 - A mix of franchise size.
9. Passenger Focus (a national independent passengers watchdog) undertook last September a survey of 6,000 National Express East Coast passengers asking for their service priorities. Their findings are included here in the table below:-

	Priorities for improvement (1=highest priority and 12=lowest)
Punctuality and reliability of the train	1
Value for money for the price of the ticket	2
Being able to get a seat on the train	3
Length of time the journey was scheduled to take (speed)	4
Facilities and services on board the train	5
Frequency of trains for this journey	6
Provision of information about train times/platforms	7
Personal security while on board the train	8
Personal security at the station	9
Ticket-buying facilities	10
Ease of getting to and from the station	11
Facilities and services at the station	12

Passenger Focus ICEC research, September 2009

10. Even though satisfaction with performance reliability at the time was high, it was the top priority for the passenger, just ahead of value for money for the price of a ticket. Capacity (finding a seat), speed and frequency also feature in passengers' top six.

InterCity East Coast's Next Franchise

11. A number of points would seem to interlock the delivery of the two perspectives for the forthcoming bidding round:-
- Longer franchises would encourage better longer-term management and increase investment.
 - Greater stability would come with an increased emphasis on quality of services and not just the amount being offered for the franchise. Coupled with this move away from economic opportunism, there needs to be a more robust and realistic assessment of franchise deliverability at all times during the national economic cycles than will come during the lifetime of an extended franchise time scale. A profit-sharing system should be considered as a variant model, which could provide longer-term stability. The premium to the Treasury could be agreed at a more modest level with the profits generated above that being shared between the franchisee and the government.
 - Investment needs to take place in complementary aspects of service provision so that the winning franchisee can confidently expect Network Rail

to deliver on its agreed capital investment improvement programme and build these into its business plan.

- Likewise for the East Coast to become a modern railway, the franchisee needs to be sure that the Super Express trains will actually be delivered from 2013 and build this too into its business plan.
- The fares structure is currently the subject of a comprehensive review. The current system is both complicated and expensive. The latter is especially true of walk-on fares. The results of the review need to be carefully considered when published and, if appropriate, built into the franchise specification.

InterCity East Coast's next Franchise specifically as it relates to York

12. The new franchisee will have the responsibility in York's case for the development of services at the station. A 'conservation' plan is needed which looks at the needs of the historic structure, its future use potential in the context of open public access and the image presented by this principal gateway to the city and beyond. Discussions on the development of such a plan have commenced and these will need to be taken forward by the new franchisee. The city would also be pleased to talk to the new franchisee about visitor information provision in their station Travel Centre.
13. There is an opportunity to develop the station as a sustainable centre for the city's transport network. Seamless transition should be a feature for interlocking rail and bus services as well as cyclists. The opportunity to implement smart ticketing solutions should be investigated. Better pedestrian access should also be explored to the north of the bay platforms and into Leeman Road.
14. Most importantly, the current East Coast operational headquarters in Skeldergate (covering the range of its constituent services) needs to remain in York throughout the currency of the next franchise. Crucially, the expertise and experience for effective operation has been developed here since privatisation and is now centred on modern office premises with easy access to the station.
 - More specifically, York is equi-distant between its capital stations in London and Edinburgh and has easy access to Leeds. This gives the city a distinct advantage from an operational point of view.
 - The railway industry's extensive presence in the city makes recruitment easier as do York's exceptional qualities as a place to live.
 - The headquarters and the central services it embraces (human resources, finance, etc) need to be made 'stand-alone' within the franchise specification. Past experience has demonstrated that, if consolidated within the existing operations of a large parent company, these functions

are exceedingly difficult to unravel when a franchise expires or is terminated.

Consultation

15. At present, only internal officer consultation has taken place regarding the Council's response to the franchise consultation. The Council has a regular dialogue with East Coast involving the Chief Executive and Leader.

Options

16. The options for the Executive Leader to consider are to agree to the proposed response to the franchise consultation or not to do so. It is recommended that the former option is adopted.

Corporate Priorities

17. The east coast main line is an important economic artery for the city and its future franchising arrangements will play a key role in delivering the Thriving City theme.

Implications

18. This report has the following implications:
 - **Financial:** There are no financial implications for the Council.
 - **Human Resources (HR):** There are no HR implications for the Council.
 - **Equalities:** There are no equalities implications for the Council.
 - **Legal:** There are no legal implications for the Council.
 - **Crime and Disorder:** There are no Crime and Disorder implications for the Council.
 - **Information Technology (IT):** There are no IT implications for the Council.
 - **Property:** There are no property implications for the Council.
 - **Other:** Nil

Risk Management

19. In compliance with the Council's risk management strategy, there are no risks associated with this report.

Recommendation

20. That the Executive Member recommends that:-
- i. the views expressed in paragraphs 7 to 14 above be passed to the Department for Transport for its consideration for incorporation within the new franchise bidding process and as the Council's response to the franchise consultation.
 - ii. the Council requests as part of that process, the shortlisted companies should be required to present and discuss their proposals to interested key stakeholders served by the InterCity East Coast network.
 - iii. the views of the passengers expressed in the survey undertaken by Passenger Focus and encapsulated in the table be also built into tender documents to be prepared by the Department for Transport.

Reason: To support the economic objectives set out in the Sustainable Community Strategy and Corporate Strategy.

Contact Details

Author:

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Assistant Director
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Chief Officer Responsible for the report:

Bill Woolley
Director of City Strategy and Deputy Chief
Executive

Report Approved



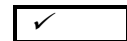
Date 22 March 2010

Specialist Implications Officer(s)

There are no specialist officer implications.

Wards Affected:

All



For further information please contact the author of the report.