

CABINET

TUESDAY, 14 FEBRUARY 2012

DECISIONS

Set out below is a summary of the decisions taken at the Cabinet meeting held on Tuesday, 14 February 2012. The wording used does not necessarily reflect the actual wording that will appear in the minutes.

Members are reminded that, should they wish to call in a decision, notice must be given to Democracy Support Group no later than 4.00pm on Thursday 16 February 2012.

If you have any queries about any matters referred to in this decision sheet please contact Jill Pickering on (01904) 552061.

5. CAPITAL PROGRAMME 2011/12 - 2015/16 MONITOR 3

[See also under Part B Minutes]

- RESOLVED:
- i) That the 2011/12 revised budget of £57.031m as set out in paragraph 5 and Table 2, be noted.
 - ii) That the restated capital programme for 2011/12 – 2015/16 as set out in paragraph 34, Table 3 and detailed in Annex A, be noted.

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

6. 2011 - 2012 FINANCE AND PERFORMANCE MONITOR 3

- RESOLVED:
- i) That the performance issues identified in the report be noted.
 - ii) That the current projected pressures of £921k and the strategies being prepared to mitigate this position be noted.
 - iii) That authority be given for the use of the £714k 2011/12 New Homes Bonus to support the revenue budget and authority delegated to the Director of CBSS to consider the final allocation as part of the outturn process.

- REASON:
- i) So that corrective action can be taken by members and directorates.
 - ii) and iii) In order to ensure expenditure is kept within budget.

7. TREASURY MANAGEMENT MONITOR 3 AND PRUDENTIAL INDICATORS 2011/12

- RESOLVED:
- i) That the Treasury Management activities in 2011/12 be noted.
 - ii) That the movements in the Prudential Indicators at Annex A be received and noted.

REASON: To ensure the continued performance of the Council's Treasury Management function.

8. CITY OF YORK COUNCIL'S RESPONSE TO THE INTERIM REPORT OF THE FAIRNESS COMMISSION

- RESOLVED: That Cabinet approves the under mentioned responses to the recommendations of the interim report of the Fairness Commission :
- i) That CYC embeds the approach and values expressed in the Fairness Principles in the way we make decisions and deliver our services and reflect them in a refreshed approach to Equalities and Diversity.
 - ii) That CYC works to deliver the recommendations as described in the responses in Annex A within existing resources or the additional resources proposed in the Financial and Capital Strategies.
 - iii) That work is undertaken to assess the full implications and possible alternative approaches to a York 'Tourist Tax' in consultation with VisitYork and other key partners in the business community to develop proposals for the 2013/14 budget review.
 - iv) That work is undertaken to assess the financial implications of implementing extensions to the travel concessions currently offered to young and disabled people and to bring forward proposals for consideration in the 2013/14 budget review.
 - v) That work is undertaken to assess the financial and HR implications of implementing a Living Wage and to bring forward proposals for consideration in the 2013/14 budget review.
 - vi) That work is undertaken to review the options and alternatives with the Youth Council and assess whether there are significant benefits to taking this

recommendation forward.

- vii) A further report is brought to Cabinet responding to the Fairness Commission's full report after it is published in June 2012.

REASON: To respond to the Fairness Commission's Interim Report recommendations and in an effort to begin to tackle poverty and inequality in York.

9. HOUSING REVENUE ACCOUNT BUSINESS PLAN

- RESOLVED:
- i) That approval be given to the average rent increase for 2012/13 as set out in paragraphs 6 to 10 of the report.
 - ii) That the HRA revenue plan recommended to Council within the Financial Strategy report on this agenda as set out in Annex 1 be noted.
 - iii) That the HRA capital investment plan as set out in Annex 1, that will be recommended to Council within the Capital Budget report elsewhere on this agenda be noted.

- REASON:
- i) and iii) To ensure the ongoing financial stability of the HRA and allow work on improving the quality of the council's affordable housing to continue.
 - ii) To ensure the ongoing financial stability of the HRA

PART B - MATTERS REFERRED TO COUNCIL

10. CAPITAL PROGRAMME 2011/12 - 2015/16 MONITOR 3

[See also under Part A Minutes]

RECOMMENDED: That Council approve

- the increase in prudential borrowing relating to the Self issue library machines to the value of £57k taking the total amount to £247k in 2011/12 to be funded from departmental revenue budgets.
- the increase in prudential borrowing relating to the Travellers Sites Electricity Units to the value of £46k taking the total amount to £230k in 2011/12 to be funded from departmental

revenue budgets.

- the net adjustments of a decrease of £15.091m in 2011/12. The increase as a result of re-profiling and adjustments of £16.395m in 2012/13. The increase as result of re-profiling and adjustments of £135k in 2013/14 and the decrease of £221k in 2014/15, as set out in the report and contained in Annex A.

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

11. CAPITAL PROGRAMME BUDGET 2012/13 - 2016/17

RECOMMENDED: That Council:

- i) Agree to the revised capital programme of £187.364m, that reflects a net overall increase of £53.641m (as set out in paragraph 32 table 9 and in Annex A 'growth' column). Key elements of this include:
 - a) Extension of prudential borrowing funded Rolling Programme schemes totalling £2.105m as set out in paragraph 10 table 2 and summarised in paragraph 32 table 9;
 - b) New schemes totalling £10.405m including increase in prudential borrowing of £2.595m as set out in paragraph 13 table 3 and summarised in paragraph 30 table 10;
 - c) Reduction of existing prudential borrowing funded schemes totalling £4.500m as set out in paragraph 15 table 4 and summarised in paragraph 32 table 9;
 - d) New externally funded and HRA funded schemes totalling £16.381m including HRA balances of £4.447m and including £500k of New Homes

Bonus funding for Replacement of Street Lighting as set out in paragraph 18 table 5 and summarised in paragraph 32 table 9.

- e) Extension of the existing IT development programme totalling £750k in 16/17 funded by prudential borrowing paid for from within existing revenue budgets as set out in paragraph 31 table 8 and summarised in paragraph 32 table 9.
- ii) Approve the re-profiling of £150k from future years to 12/13 in relation to replacement of unsound lighting columns scheme as shown in Annex A.
- iii) Approve the full restated programme as summarised in Annex A totalling £187.364m cover financial years 2012/13 to 2015/16 as set out in paragraph 34 table 10.
- iv) Approve the establishment of the EIF and the proposed priority themes of expenditure as follows:
 - Get York Moving including
 - Access York Park and Ride - £2.5m
 - Better Bus Fund - £2.0m see Annex C
 - Digital York
 - Reinvigorate York
 - Economic Inclusion York
 - Sustainable Economy York
- v) Approve Council funding to the EIF as follows – £20m of prudential borrowing over next 5 years, all of the New Homes Bonus funds (currently estimated at £8.5m) from 2012/13 onwards, except for £0.5m in 2012/13 which is allocated for Street Lighting replacement.
- vi) Agree that the Director of CBSS be authorised to take decisions

on the financing of any expenditure, and profiling of any borrowing, in accordance with the overall financial framework agreed by Council

- vii) Agree that decisions on the actual schemes, and monitoring of such schemes will be considered through regular financial monitoring reports to Cabinet.

REASON: To set a balanced capital programme as required by the Local Government Act 2003.

12. FINANCIAL STRATEGY 2012 - 2017

- RESOLVED: i) That, having considered:
- a. Expenditure pressures facing the council as set out in the report.
 - b. Impacts of savings proposals set out in Annex 2.
 - c. Medium term financial factors facing the council as outlined in the report.
 - d. Projected levels of reserves as set out in the report.
 - e. Statutory advice from the Director of CBSS.

It be

- RECOMMENDED: i) That Council approve the budget proposals outlined in the report of the Director of Customer and Business Support Services and set out in detail within the financial strategy, in particular:
- a. The net revenue expenditure requirement of £122.235m.
 - b. The revenue growth proposals as outlined in the body of the report.
 - c. The revenue savings proposals as outlined in Annex 2.
 - d. The Housing Revenue Account budget set out in Annex 4.
 - e. The dedicated schools grant

proposals outlined in Annex 5.

- ii) Council agree that the governance/financial administration of the Delivery and Innovation Fund be in accordance with the Council's Venture Fund, specifically that the Director of CBSS (in consultation with the Leader) has the authority to make approvals of up to £100,000 and that any sums greater than this require the approval of Cabinet, and that further approval is given to reflect this decision in the Council's Financial regulations.
- iii) Note that the effect of approving the income and expenditure proposals included in the recommendations would result in an increase in the City of York element of the council tax of 2.9%.

REASONS: i) and iii) To ensure a legally balanced budget is set.

- ii) To ensure appropriate governance arrangements are in place for the Delivery and Innovation Fund.

13. TREASURY MANAGEMENT STRATEGY STATEMENT AND PRUDENTIAL INDICATORS 2012/13 TO 2016/17

RECOMMENDED: That Council approve:

- i) The proposed Treasury Management Strategy for 2012/13 including the annual investment strategy and the minimum revenue provision policy statement;
- ii) The Prudential Indicators for 2012/13 to 2016/17 in the main body of the report (Annex A);
- iii) The Specified and Non-specified investments schedule (Annex C)
- iv) The Scheme of Delegation and the Role of the Section 151 Officer (Annex E)

REASON: To enable the continued effective operation of the Treasury Management function and ensure that all Council borrowing is prudent, affordable and sustainable.