

EXECUTIVE

TUESDAY, 16 FEBRUARY 2010

DECISIONS

Set out below is a summary of the decisions taken at the meeting of the Executive held on Tuesday, 16 February 2010. 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 4pm on the second working day after this meeting.

If you have any queries about any matters referred to in this decision sheet please contact Fiona Young (tel extn 1027).

5. 10:10 CAMPAIGN AND SUSTAINABILITY UPDATE

RESOLVED: That consideration of the report be deferred.

REASON: To allow Officers time to further refine the proposed list of projects and incorporate any changes arising from the budget proposals.

6. COMMUNITY STADIUM - UPDATE REPORT

RESOLVED: (i) That the progress made to date on the Community Stadium Project be noted.

(ii) That approval be given to continue with the detailed feasibility work and preparation of the business case and to further explore potential partnerships to achieve wider community benefits.

(iii) That a report summarising the business case for the project be brought to the Executive by July 2010.

REASON: To ensure that Members are kept informed and updated on the progress of the project.

7. REVIEW OF DISCRETIONARY CONCESSIONS PROVISION AND THE INTRODUCTION OF A "TAXICARD" FOR DISABLED YORK RESIDENTS

RESOLVED: (i) That the contents of the report be noted.

(ii) That approval be given to progress Option 1 and to replace the provision of national transport tokens for eligible disabled people with a stored value taxi-card.

(iii) That the new level of the concession be set at £55 per annum when the taxi-card is introduced.

REASON: To deliver an alternative concession to the English National Concessionary Travel Scheme (ENTS) for those who for reasons of disability cannot use the bus, which will deliver the best value and be fit for purpose.

8. COMMENTS FROM THE HEALTH OVERVIEW & SCRUTINY COMMITTEE REGARDING THE REFERRAL FROM THE EXECUTIVE ON OVERSPENDS IN ADULT SOCIAL SERVICES

RESOLVED: That the Executive notes:

- The partisan way in which the referral has been handled by part of the Council's Scrutiny process;
- The increasing frustration amongst many councillors in not having the same opportunity to make comments in pre-decision scrutiny following the abolition of the Executive Member and Advisory Panel meetings;
- That there are no proposals for changes of Council policy to address the situation from the Scrutiny committee.

REASON: In response to the comments provided by the Health Overview & Scrutiny Committee.

9. THIRD PERFORMANCE AND FINANCIAL MONITOR FOR 2009-10

RESOLVED: (i) That the performance issues identified in the report be noted.

REASON: So that corrective action can be taken on these issues by Members and directorates.

(ii) That the finance issues identified in the report be noted; in particular:

- The significant pressures arising due to the economic recession and the social care costs that are still evident across the Council.
- The requirement for growth as part of the 2010-11 Revenue Budget to build sufficient financial capacity for such areas.
- The work already undertaken within directorates to contain financial pressures.
- That work continues to identify and implement options to contain spending within budget by the end of the financial year.

REASON: So that the Council's expenditure can be contained within budget, where possible, by the end of the financial year.

(iii) That approval be given for a virement of £124k from Learning Culture & Children's Services to Treasury Management.

REASON: In accordance with Financial Regulations and to enable appropriate financing of the Council's capital programme.

10. CAPITAL PROGRAMME MONITOR 3

[See also under Part B Minutes]

RESOLVED: (i) That the 2009/10 revised budget of £62.956m, as set out in paragraph 5 of the report and Table 2, be noted.

(ii) That the slippage of £4.528m from 2009/10 to 2010/11 be noted.

(iii) That the use of £128 from the contingency fund in respect of the Peaseholme Improvements works be approved.

(iv) That the re-stated capital programme for 2009/10 to 2013/14, as set out in paragraph 43, Table 13, and detailed in Annex A, be noted.

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

11. TREASURY MANAGEMENT MONITOR 3 AND PRUDENTIAL INDICATORS 09/10

RESOLVED: (i) That the performance of the Treasury Management activity be noted.

(ii) That the projected reduction in overspend on the Treasury Management budget, to a figure of £429k, be noted.

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

12. CAPITAL PROGRAMME BUDGET 2010/11 TO 2014/15

RECOMMENDED: (i) That Council approve the revised capital programme of £235.191m (amended from £234.916m), including specifically the inclusion in the programme of new schemes totalling £89.065m, as set out in the 'growth' column in Annex B to the report, plus a further Street Lighting Improvement scheme of £0.250m and £0.025m for further investment in the targeted home insulation programme to continue the £0.100, scheme

commenced during 2009/10; the whole programme comprising:

- a) the bids recommended in paragraph 70 (table 5), totalling £7.618m and including the allocation of receipts to Access York Phase 1;
- b) the additional externally funded schemes in paragraph 77 (table 8), totalling £72.860m;
- c) the use of prudential borrowing for the IT development plan in paragraph 79 (table 9), totalling £5.141 and containing specific schemes of £1.141, with the remaining £4m subject to further approval and for the capital element of the More for York programme as in paragraph 80, totalling £210k;
- d) the use of HRA balances to fund HRA capital schemes, as set out in paragraph 81 (table 10), totalling £3.236m;
- e) an additional scheme of Street Lighting Improvements of £250k, on an Invest to Save basis, with a view to achieving energy / carbon savings, the repayment period to be determined by the Director of Resources;
- f) an additional scheme of £25k to continue the existing area based programme for home insulation grants in designated areas with the lowest SAP ratings and the highest incidence of fuel poverty.

(ii) That Council note the overall funding position identified in the report, which highlights a current shortfall in resources over the next five years, which the Council will need to address through increased revenue contributions in the medium term.

(iii) That Council endorse the principle of postponing asset sales until such time as the market picks up sufficiently to allow optimum values to be realised.

(iv) That Council approve the full re-stated programme as summarised in Annex B to the report and as amended by recommendation (i) above, totalling £235.191m up to 2014/15.

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

**13. TREASURY MANAGEMENT STRATEGY
STATEMENT AND PRUDENTIAL INDICATORS
FOR 2010/11 TO 2014/15**

RECOMMENDED: (i) That Council approve:

- a) the proposed Treasury Management Strategy for 2009/10;
- b) the Prudential Indicators for 2009/10 to 2013/14 (Annex C);
- c) the revised CIPFA Treasury Management Code of Practice 2009 (*‘the Code’*) and revised Treasury Management Policy Statement (Annexes A and B);
- d) the Specified and Non-specified Investments Schedule (Annex F);
- e) The Scheme of Delegation and the Role of the Section 151 Officer (Annex G).

(ii) That the Financial Regulations be amended to give delegated authority to the Director of Resources to have full discretion to choose the length of the repayment period for all prudential borrowing, as set out in paragraph 35 of the report.

(iii) That the Treasury Management reporting arrangements set out in paragraph 16, table 1, as described by the Code, and the terms of reference in the Constitution, be amended to include the requirement that the Audit & Governance Committee scrutinise the Treasury Management Strategy and Monitoring reports.

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

14. CAPITAL PROGRAMME MONITOR 3

[See also under Part A Minutes]

RECOMMENDED: (i) That the net adjustments of (£4.423m) in 2009/10, £5.324m in 2010/11 and (£0.011m) in 2012/13, as set out on a scheme by scheme basis in the report and contained in Annex A, be approved.

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

(ii) That approval be given for additional funding of £25k from the Council’s reserves for the Silver Street toilets.

REASON: To cover the additional costs of the scheme, incurred due to unforeseen structural problems.

15. FINANCIAL STRATEGY 2010 - 2016

RESOLVED: (i) That the following be noted:

- a) the expenditure pressures facing the Council in 2010/11, as detailed in Annex 1 to the report;
- b) the impacts in 2010/11 of the growth requirements and savings proposals outlined in Annexes 2 and 3;
- c) the medium term financial factors facing the Council, as outlined in the report;
- d) the levels of reserves projected to be held as at 31 March in 2010, 2011, 2012, 2013, 2014, 2015 and 2016 (Annex 6);
- e) the significant future pressures identified;
- f) the statutory advice from the Director of Resources (paragraphs 128-140);
- g) the need to ensure that any adjustments to the proposals in the report are self-balancing, within the requirements laid down by the Director of Resources as the Council's responsible Financial Officer;

(ii) That the following amendments be made to the proposals in the report, the combined effect of which will reduce the net expenditure by £98k and the call on Council Tax by £140k:

- Reverse saving LS04 Community Arts with new designation of 'Inclusive Arts' (£67k)
- Reverse saving CSTRS12 Park and Ride Additional Income (£50k)
- Reduce cost of Respark Visitor Passes to £0.90 from £1.10 (£30k)
- Reduce running costs for Yearsley Baths (£45k saving)
- Reverse saving CEXES 16 Democracy Officer (£27k)
- Reverse saving CEXES17/18 Review of Responsibility Allowances (£10k)
- Reduction in Chief Executive's department of printing costs and subscriptions (£9k saving)
- Provide from Council reserves £42k funding to maintain the Arts Consultant posts CS11, with the projection that schools will be invited to maintain funding for these posts from September 2010
- Reduce the contingency by £270k (from £855k to £585k)

(iii) That, in relation to the More for York Programme:

- a) The revised More for York savings set out in Annex 5a be noted.
- b) Approval be given to undertake to incorporate into More for York a programme of efficiency in City Strategy to:
 - rationalise the administration teams in the light of changes HR, ICT, Customer Services EDRMS and Finance and
 - improve processes in Planning and Building control through better use of technology and improved customer contract arrangements.
- c) Approval be given to undertake to incorporate into More for York a programme of efficiency in the Chief Executive's directorate to:

- a) rationalise use of administrative buildings over the Christmas period, saving on heating, lighting etc.
- d) A review of out of area placements for Looked After Children be incorporated into the Children's Social Care blueprint.
- e) A revised More for York investment total of £1.241m be approved, as set out in Annex 5b, and that authority be delegated to the Chief Executive and the Director of Resources to decide on the early resourcing needs of the programme in advance of a detailed report to the Executive.
- f) The proposal to expand the programme, focusing initially on the areas identified in the report be noted, and a further report on this be received early in the new financial year.

RECOMMENDED: That Council approve the budget proposals outlined in the report and set out in detail within the financial strategy, in particular:

- i) The net revenue expenditure for 2010/11 of £117.880m as set out in Annex 1, **amended by £0.098m.**
- ii) The housing revenue account proposals outlined in Annex 8.
- iii) The dedicated schools grant proposals outlined in the report.
- iv) The revenue growth proposals of £13.786m on-going for 2010/11, plus one-off growth of £1.008m, as outlined in Annex 3, **subject to the following amendments:**
 - a) Reject growth proposals totalling £0.300m, as follows:
 - £0.045m (from £0.123m to £0.078m) for price increases in LCCS
 - CORPG41 in the sum of £0.255m for increased corporate contingency
 - b) Include new growth proposals totalling £0.030m, as follows:
 - reduction in the cost of Respark visitor badges from £1.10 to £0.90 at a cost of £0.030m; resulting in revised figures of £13.516m for on-going growth in 2010/11, plus one-off growth of £1.008m.
- v) The revenue savings proposals of £10.352m for 2010/11 outlined in Annex 4, **subject to the following amendments:**
 - a) reject savings proposals totalling £0.154m, as follows:
 - CEXES 16 – delete 1 fte Democracy

- Officer in the sum of - £0.027m
 - CEXES 17/18 – review of responsibility allowances in the sum of - £0.010m
 - CSTRS 12 Park & Ride additional income in the sum of - £0.050m
 - LS04 Arts and Culture – cease funding the community arts service in the sum of £0.067m.
- b) amend savings proposal totalling £0.042m, as follows:
- CS11 Arts Consultants – reduce the saving from £0.100m to £0.058m in 2010/11 to defer implementation until September 2010, with the remaining £0.042m of the 2010/11 saving to be funded by the use of reserves.
- c) include new savings proposals totalling - £0.024m, as follows:
- reduction in printing costs and subscriptions in the Chief Executive's department in the sum of - £0.009m
 - reduction in the corporate contingency provision in the sum of - £0.015m from £0.600m to £0.585m

resulting in a revised figure of £10.180m.

- vi) In terms of the Council's reserves, the use in 2010/11 of £0.500m from the Venture Fund and £42k from general reserves for the Arts consultants.
- vii) Use of prior year collection fund surplus of £0.288m.
- viii) That release of growth of £500k for 16/17 year olds be subject to a further report to the Executive setting out the full implications (paragraph 28).
- ix) That the £2m transfer from general balances to the capital reserve fund not be made (paragraph 52).
- x) The increase in council dwelling rents by an average of 1.83%, in line with government guidance on rent restructuring, as set out in Annex 9.
- xi) Note the medium term financial strategy projections that indicate the need for savings / efficiencies in future years of £10m per annum.
- xii) Note that the effect of approving the income and expenditure proposals included in the above recommendations will result in an increase in the City

of York element of the Council Tax of 2.7%.

REASON: In order to set a balanced budget that assists the most vulnerable and supports the local economy, whilst responding to concerns raised by residents and interested parties.