

Notice of meeting of

Cabinet

To: Councillors Alexander (Chair), Crisp, Fraser, Gunnell, Looker, Merrett, Simpson-Laing (Vice-Chair) and Williams

Date: Tuesday, 14 February 2012

Time: 5.30 pm

Venue: Main Hall, York High School, Cornlands Road, Acomb

AGENDA

PLEASE COULD YOU RETAIN THESE PAPERS FOR THE BUDGET COUNCIL MEETING ON 23 FEBRUARY 2012

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:

10:00 am on Monday 13 February 2012, if an item is called in *before* a decision is taken, *or*

4:00 pm on Thursday 16 February 2012, if an item is called in *after* a decision has been taken.

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

1. Declarations of Interest

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

- 2. Minutes** (Pages 3 - 12)
To approve and sign the minutes of the last Cabinet meeting held on 10 January 2012.
- 3. Public Participation**
At this point in the meeting, members of the public who have registered their wish to speak regarding an item on the agenda or a matter within the Cabinet's remit can do so. The deadline for registering is **5:00 pm on Monday 13 February 2012.**
- 4. Forward Plan** (Pages 13 - 24)
To receive details of those items that are listed on the Forward Plan for the next two Cabinet meetings.
- 5. Capital Programme 2011/12 - 2015/16 Monitor 3**
(Pages 25 - 48)
This report contains the likely outturn position of the Council's Capital Programme 2011/12 and proposes amendments to existing schemes.
- 6. 2011 - 2012 Finance and Performance Monitor 3**
(Pages 49 - 70)
This report provides a summary of the finance and performance progress for the third monitor period of 2011-12.
- 7. Treasury Management Monitor 3 and Prudential Indicators 2011/12** (Pages 71 - 92)
This report ensures the Council is implementing best practice in accordance with the revised 2009 (Chartered Institute of Public Finance and Accountancy) Code of Practice for Treasury Management (as revised). It updates on the Treasury Management activities for the period 1 April 2011 to 31 December 2011.
- 8. City of York Council's response to the Interim report of the Fairness Commission** (Pages 93 - 188)
This report contains the proposed response of the City of York Council to the Fairness Commission's Interim Report, published on 28 November 2011, which proposed 10 Fairness Principles and made 30 specific recommendations to the Council.

9. Capital Programme Budget 2012/13 - 2016/17 (Pages 189 - 238)

This report presents the current position of the 2011/12 – 2015/16 capital programme, highlights the existing funding position and associated pressures and then presents the new bids received as part of this years Capital Resource Allocation Model (CRAM) process covering the period 2012/13 – 2016/17.

10. Financial Strategy 2012 - 2017 (Pages 239 - 352)

This report presents the financial strategy for 2012 - 2017, including detailed revenue budget proposals for 2012/13 and 2013/14, and asks Members to recommend to Council approval of the proposals.

11. Treasury Management Strategy Statement and Prudential Indicators 2012/13 to 2016/17 (Pages 353 - 390)

The purpose of this report is to ask the Cabinet to recommend that Council approve the

- Integrated treasury management strategy statement including the annual investment strategy and the minimum revenue provision policy statement;
- Prudential indicators for 2012/13 to 2016/17
- Revised treasury management policy statement
- Specified and non-specified investments schedule and the
- Treasury management scheme of delegation and role of the section 151 officer

12. Housing Revenue Account Business Plan (Pages 391 - 400)

This report provides an overview of the new Housing Revenue Account (HRA) self financing system and the impact of this reform on the Housing Business Plan. It asks members to agree the outline summary business plan, with a view to receiving a further more detailed report later in 2012. It also asks members to make key decisions required to maintain the financial stability of the HRA, namely the 2012/13 average rent increase and the proposed level of overall capital expenditure.

13. Urgent Business

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

Democracy Officer:

Name: Jill Pickering

Contact details:

- Telephone – (01904) 552061
- E-mail – jill.pickering@york.gov.uk

For more information about any of the following please contact the Democratic Services 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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If you would, you will need to:

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- 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.

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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.**

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Holding the Cabinet to Account

The majority of councillors are not appointed to the Cabinet (39 out of 47). Any 3 non-Cabinet councillors can 'call-in' an item of business from a published Cabinet (or Cabinet Member Decision Session) agenda. The Cabinet 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 Cabinet 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

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City of York Council

Committee Minutes

MEETING	CABINET
DATE	10 JANUARY 2012
PRESENT	COUNCILLORS ALEXANDER (CHAIR), CRISP, FRASER, GUNNELL, LOOKER, MERRETT, SIMPSON-LAING (VICE-CHAIR) AND WILLIAMS
IN ATTENDANCE	COUNCILLORS BARNES, DOUGLAS, FITZPATRICK, GALVIN, STEWARD AND WARTERS

84. DECLARATIONS OF INTEREST

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

Councillor Alexander declared a personal non prejudicial interest in agenda item 10 (Review of City of York Council's Elderly Persons Homes) as a member of the GMB union.

The following Members each declared a personal non prejudicial interest in agenda item 7 (Revision to the Council's Administrative Accommodation Strategy), item 9 (Proposed Expansion of Veritau Limited) and item 10 (Review of City of York Council's Elderly Persons Homes), insofar as they related to staffing issues:

- Cllr Fraser – as a member of the retired sections of Unison and Unite (TGWU/ACTS sections)
- Cllr Simpson-Laing – as a member of Unison
- Cllr Williams – as a member of Unison and Unite

Councillor Simpson-Laing declared a personal non prejudicial interest in agenda item 6 (Minutes of Working Groups – Local Development Framework Working Group, 5 December 2011) as one of the Ward Councillors for the Acomb Ward and as she lived in the Leeman Road area.

85. MINUTES

RESOLVED: That the minutes of the last Cabinet meeting held on 6 December 2011 be approved and signed by the Chair as a correct record.

86. PUBLIC PARTICIPATION/OTHER SPEAKERS

It was reported that there had been two registrations to speak at the meeting under the Council's Public Participation Scheme. There had also been two requests to speak from councillors.

Cllr Warters spoke in relation to item 6 Minutes of Working Groups in respect of the Local Development Working Group minutes of 5 December 2011. He made reference to the role of Working Groups under the Council's Constitution. In particular to the mechanism for reporting back to Cabinet which he felt had not been followed in respect of the Core Strategy Submission Draft report which had been presented direct to the Executive meeting by the Executive Member on 7 June 2011.

Cllr Warters also spoke on item 7 Revision to the Council's Administrative Accommodation Strategy which was already the subject of a pre-decision call-in. He reiterated Cllr Scott's expressed concerns at the timing for consideration of this issue as a report on the Future Use and Options for the Guildhall had been scheduled on the work plan of the Effective Organisation Overview and Scrutiny Committee on 28 February 2012.

Cllr Warters then went on to speak on item 8 Controlling the Concentration of Houses in Multiple Occupation Supplementary Planning Document. He confirmed his support for the control of HMO's but felt that the proposed 20% threshold would have no effect and was not supported in his ward. He again referred to the under provision of student accommodation on campus and he urged the Cabinet to support Option 2 and consider an alternative approach to assessing concentrations of HMO's.

Cllr Galvin spoke of his concerns in respect of the recommendations in item 7 Revision to the Council's Administrative Accommodation Strategy. As the centre of governance for 600 years he supported the preservation of these historic links and the retention of the Guildhall for

governance services. Reference was made to the lack of maintenance of the complex and the letting of any surplus accommodation on the open market as serviced office accommodation. He requested deferral of the item pending receipt of fully costed options with the final decision being made by all members of the authority.

Janet Hopton also spoke in respect of item 7, and she confirmed her full support for the earlier speakers comments. She pointed out that her concerns related only to the Guildhall complex and requested members not to amend the current accommodation strategy. It was premature she felt to make any decision on the buildings without all the options being considered by all members.

A Unison representative spoke in respect of item 10 The Review of City of York's Elderly Persons Homes, in particular in respect of Annex A and the timeline for the Lowfield Care Village. She referred to the phase which would seek expressions of interest from organisations who had previous experience of designing and building (and running) care homes and care villages. Members were asked not to forget the strong preference of both residents and staff for the council to run and staff the new care homes. Continuing consultation was also requested with the views obtained being taken into account.

87. FORWARD PLAN

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

88. ANNUAL AUDIT LETTER 2010/11 - AUDIT COMMISSION

Consideration was given to a report which introduced the Annual Audit Letter 2010/11, prepared by the Audit Commission together with the council's response (attached as Annex A to the report).

The District Auditors report had focussed on 3 main areas: an opinion on the Council's Annual Statement of Accounts, assessment of the arrangements to achieve value for money and use of resources and consideration of any matters brought to his attention by the public. Details of the audit fee and current and future challenges facing the Council were also set out.

A representative of the Audit Commission, who was in attendance at the meeting, presented the report. Members questioned the future preparation of the report and audit fees.

The Cabinet Member reported on work being undertaken to address the authority's performance in areas of activity which had been pointed out required closer review.

RESOLVED: That the Annual Audit letter 2010/11, as set out at Annex A of the report, be received and noted.

REASON: To comply with the statutory requirements for the external audit of the council.

89. MINUTES OF WORKING GROUPS

Members received a report which presented the minutes of meetings of the Equality Advisory Group (EAG) held on 24 November 2011 and the Local Development Framework Working Group (LDFWG) held on 5 December 2011, attached as Annexes A and B to the report, respectively.

Members were invited to consider the advice offered by the working groups in their capacity as advisory bodies to the Cabinet, and in particular the recommendations of the LDFWG in respect of the City of York – Revised Local Development Scheme at Annex B (minute 15) to:

- (i) Approve the proposed Local Development Scheme, subject to the comments made by the LDF Working Group.
- (ii) Delegate to the Director of City Strategy, in consultation with the Cabinet Member for City Strategy, the making of any other necessary changes arising from the either the recommendations of the LDF Working Group or Cabinet.¹

The Cabinet Member for Leisure, Culture and Social Inclusion updated members on the work of the Equality Advisory Group and to the actions being undertaken as a result of the Group's input.

Reference was made to the recommendation regarding zero tolerance of A-Boards in the city centre (Minute 15 (v) EAG), and of the need to get the balance right with traders in peripheral streets in the city.

Officers confirmed that they would examine this issue and clarify the details with members outside the meeting. ².

RESOLVED:(i) That the minutes at Annexes A and B to the report be noted.

(ii) That the specific recommendations of the LDF Working Group made at their meeting on 5 December 2011, as set out in paragraph 5 of the report, be approved.

REASON: To fulfil the requirements of the council's Constitution in relation to the role of Working Groups.

Action Required

- | | |
|--|----|
| 1. Make any changes to the Scheme in consultation with the Cabinet Member as required. | BW |
| 2. Examine issue raised on A-Board's and report back to members. | MS |

90. REVISION TO THE COUNCIL'S ADMINISTRATIVE ACCOMMODATION STRATEGY

The Cabinet considered a report which sought their approval to revise the current administrative accommodation strategy in the light of ongoing space planning in relation to the move to West Offices.

In December 2005 it had been envisaged that the Guildhall would continue to be the centre of democratic activity with the Council Chamber and existing meeting rooms being used for formal decision making meetings. With the development of West Offices however, it had been found that a major part of the political meeting needs could now be accommodated at the new HQ. It had therefore been felt appropriate to review the future of the Guildhall complex and St Anthony's House within the strategy.

The issues that would influence any decision in respect of the future use and development of the Guildhall complex were listed at paragraphs 7 and 8 of the report.

Members referred to difficulties encountered with the continued use of the Guildhall for meetings, including accessibility and the need for investment. It was acknowledged however, that the value of the Guildhall to members and residents would not be under estimated. It was also confirmed that all options, including serviced accommodation would be examined to secure the future of the complex.

As this matter was the subject of a pre-decision call in the Cabinet were minded to make an in principle decision pending further consideration by the SMC (Calling In) Committee.

Following further lengthy discussion it was

RESOLVED: That the Cabinet make the following in principle decisions, pending consideration by the Scrutiny Management (Calling In) Committee on 30 January 2012:

- i) That the status of the Guildhall and St Anthony's House in relation to the Administrative Accommodation Strategy is revised in line with this report. ¹
- ii) That further work is progressed to develop future use and development options in relation to the Guildhall site in line with the finalised Conservation and Heritage Plan for the site, bearing in mind the requirement for continued use of the Council Chamber. ²
- iii) That work is undertaken to assess the requirements of the political groups in relation to space and accommodation needs in West Offices. ³
- iv) That the Director of City Strategy be authorised to commence initial discussions with third parties regarding possible property options to support the long term use, custodianship or ownership, viability

and maintenance of both the Guildhall and St Anthony's House. ⁴.

REASON: To manage the Council's property assets in an economic and efficient manner in line with corporate objectives.

Action Required

- | | |
|--|----|
| 1. Revise Strategy in line with report. | RR |
| 2. Undertake further work to develop use and development options. | RR |
| 3. Assess accommodation needs for political groups at West Offices. | RR |
| 4. Commence initial discussions with third parties regarding property options. | BW |

[Note: The Scrutiny Management Committee (Calling In) meeting on 30 January 2012 confirmed these provisional decisions]

91. CONTROLLING THE CONCENTRATION OF HOUSES IN MULTIPLE OCCUPATION SUPPLEMENTARY PLANNING DOCUMENT

Consideration was given to a report which sought approval for the draft Supplementary Planning Document (SPD) on controlling the concentration of Houses in Multiple Occupancy (HMO's) to be published for consultation purposes. A copy of the draft SPD had been attached at Annex A of the report.

It was confirmed that HMO's represented a significant and growing proportion of the mix of housing in York. To ensure that communities did not become imbalanced a threshold based policy approach had been proposed. The guidance was aimed at providing information on how planning applications for change of use to HMO's would be determined to help manage their spread.

Members referred to the options available and to the need for consultation with all concerned prior to adoption of the final document.

Following further discussion it was

- RESOLVED
- i) That approval be given to the draft Supplementary Planning Document (Controlling Houses in Multiple Occupation) as set out at Annex A of the report for consultation purposes in accordance with Option 1; ¹ and
 - ii) That the Director of City Strategy be delegated authority to make of any changes to the SPD that are necessary as a result of the recommendations of the LDF Working Group. ².

REASON: So that the SPD can be consulted on, and amended accordingly ahead of it being used for Development Management purposes to support the emerging LDF Core Strategy and the Article 4 Direction which comes into force on 20 April 2012.

Action Required

- 1. Proceed with consultation. MG
- 2. Amend SPD as necessary as a result of the LDFWG. BW, MG

92. PROPOSED EXPANSION OF VERITAU LIMITED

Consideration was given to a report which detailed the proposed expansion of Veritau Limited to enable the Company to provide internal audit services to a number of the North Yorkshire district councils from 1 April 2012.

Further information in respect of the final proposals for the integration of the North Yorkshire Audit Partnership with Veritau Limited were set out at paragraphs 8 to 16 of the report. The outline dates necessary to establish Veritau North Yorkshire were timetabled at paragraph 18 with the transfer of the internal audit and counter fraud services scheduled for 1 April 2012. Details of the business case for expansion of Veritau Ltd were set out at Annex 1 of the report.

RESOLVED: That approval be given to the expansion of Veritau through the creation of a subsidiary company, Veritau – North Yorkshire so as to

enable internal audit services to be provided to the North Yorkshire district councils from 1 April 2012. ¹.

REASON: As shareholders in Veritau, to consider the expansion of the company so as to enable the provision of services to other local authorities in the region.

Action Required

1. Proceed with expansion proposals. IF

93. THE REVIEW OF CITY OF YORK COUNCIL'S ELDERLY PERSONS HOMES

Consideration was given to a report which outlined details of consultation feedback from residents and relatives of Fordland and Oliver House and day care service users, following the review undertaken of York's elderly persons homes. Details of the overall implementation plan for the phased closure of the remaining City of York Council run care homes and the re-provision of new accommodation on the Fordlands, Haxby Hall and Lowfield sites was also reported.

It was confirmed that the planned management of the moves had been carried out in accordance with the Moving Homes Safety Protocol which had been developed in accordance with good practice and local older people's representatives, attached at Annex B of the report. Details of the programme of development was set out at Table 1, paragraph 16 together with details of market engagement and the timeline for the Lowfield Care Village attached at Annex A of the report.

The Cabinet Member thanked the older people's representatives for their assistance with the programme. Following further discussion it was

RESOLVED: That Cabinet agree to:

- i) The closure of Oliver House and Fordlands residential care homes and that residents' moves to their new homes are carefully planned and managed in line with the "Moving Homes Safely" protocol. ¹.

- ii) The implementation of the overall programme of development for the modernisation of the Council's residential care homes. ².
- iii) Receive a more detailed business case in April 2012 for the development of a new residential care home on the Fordlands site which shows the possible build and operating options. ³.
- iv) Officers undertaking a soft market testing exercise for the development of the Lowfield site and report back to Cabinet with the outcome along with a financial model of the operating and design options in April 2012. ⁴.

REASON: The review highlighted the need for changes to the current provision and proposed options for consultation on how it could be replaced by modern facilities. There was overwhelming support in the consultation of the need for change and the vision of the new facilities in the city. These recommendations form the next steps toward implementing that vision.

Action Required

- 1. Proceed with closure in line with agreed protocol. PD
- 2. Proceed with implementation. PD
- 3. Schedule report on Forward Plan. PD
- 4. Proceed with market testing exercise. PD

Cllr J Alexander, Chair
[The meeting started at 5.30 pm and finished at 7.30 pm].

Cabinet Meeting: 14 February 2012

FORWARD PLAN (as at 13 January 2012)

Table 1: Items scheduled on the Forward Plan for the Cabinet Meeting on 6 March 2012		
Title & Description	Author	Portfolio Holder
<p>Minutes of Working Groups Purpose of Report: This report presents the minutes of recent meetings of the Young People's Working Group, the Local Development Framework Working Group and the Equality Advisory Group and asks Members to consider the advice given by the groups in their capacity as advisory bodies to the Cabinet.</p> <p>Members are asked to: Note the minutes and decide whether they wish to approve the specific recommendations made by the Working Groups, and/or respond to any of the advice offered by the Working Groups.</p>	Jayne Carr	Cabinet Leader
<p>York Citizens Theatre Trust Funding 2012-16 Purpose of Report: To consider the provision of grant funding to the Theatre for the period 2012-2016.</p> <p>Members are asked to approve the funding for this period.</p> <p><i>This report has slipped to the March meeting to fit with the timetable for the Council's budget process.</i></p>	Charlie Croft	Cabinet Member for Leisure, Culture and Social Inclusion
<p><i>The Future of Neighbourhood Working</i> Purpose of Report: This report sets out a new model for neighbourhood working in York.</p> <p>The Cabinet will be asked to approve a new model for neighbourhood working including: the roll out of elements of the area working pilot across the city; the introduction of service contracts; a new focus for</p>	Charlie Croft	Cabinet Member for Communities and Neighbourhoods

<p>the Neighbourhood Management Unit; reorganisation of other front-line posts to support the new way of working.</p> <p><i>This report was slipped from the October meeting to the November meeting to allow further work to be undertaken on the options.</i></p> <p><i>This report was slipped to the December meeting to enable additional work to be undertaken on the report.</i></p> <p><i>This report was then slipped to the January meeting to allow time to take account of initial findings from the Fairness Commission.</i></p> <p><i>The report has now been slipped to the March meeting to await the outcome of the budget process.</i></p>		
<p>Delivering the Council Plan Core Capabilities – Five Strategies</p> <p>Purpose of Report: To sign off five strategies which are instrumental to the delivery of the Council Plan core capabilities. These are: Procurement Strategy Workforce Development Strategy Customer Strategy Innovation Strategy Asset Management Strategy</p> <p>Members are asked to: Agree the strategies. The Procurement and Workforce Development strategies will be referred to full Council for agreement.</p>	Tracey Carter	Cabinet Member for Corporate Services
<p>Review of Pre Application Advice Service</p> <p>Purpose of Report: The report assesses the first year of operation of the fee based planning advice service, and makes recommendations upon the continuation of the service and the fee levels.</p> <p>Members will be asked to note the assessment and to decide whether the service will continue and the charges involved.</p>	Jonathan Carr	Cabinet Member for City Strategy
<p>Waste Management & Minimisation Strategy 2012-2015</p> <p>Purpose of Report: To provide an update on work undertaken to meet the aims of the strategy and focus the development of the strategy 2012-</p>	Liz Levitt	Cabinet Member for Communities and Neighbourhoods

<p>2015 in response to current position, trends, legislative changes and economic pressures.</p> <p>Members are asked to: 1. Note the strategy's focus on Zero Waste York as the driver for future policies and service provision. 2. Approve the direction of travel 2012 -2015. 3. Note the update on the work undertaken by waste services.</p> <p><i>The reason this item has slipped from the January to the February meeting: Following matters arising at Communities & Neighbourhoods Departmental Management Team with respect to additional budget proposals which need to be investigated further, which will impact on aspects of the strategy and will need to be included in the strategy before it goes to Cabinet this report needs to put back to February to allow that work to be done.</i></p> <p><i>The reason this item has slipped from the February to the March meeting: As part of the budget savings, there is a need to review three major policies which will have a material effect on the future waste strategy. This request to delay the report to Cabinet is to give time to complete these policy reviews.</i></p>		
<p>Changes to Council Tax Benefit Purpose of Report: To inform members about the cuts to Council Tax Benefit proposed by the government.</p> <p>Members are asked to consider how they would like to deal with the implications to York residents.</p>	David Walker	Cabinet Member for Corporate Services

Table 2: Items scheduled on the Forward Plan for the Cabinet Meeting on 3 April 2012

Title & Description	Author	Portfolio Holder
<p>Funding the Voluntary Sector 2012 – 2015 The purpose of this report is to approve grant funding to voluntary sector organisations for the 3 years 2012-2015. (Some of the grants are over £50k and therefore require Cabinet approval).</p> <p>Members are asked to approve the grants.</p> <p><i>This report was slipped from the November meeting to allow more time for discussion with the voluntary sector. This report has now been slipped to the April meeting to await the outcome of the Fairness Commission and to allow the budget to be set by Council through the budget process.</i></p>	Adam Gray	Cabinet Leader
<p>Low Emission Strategy Update Purpose of Report: To update the Cabinet on measures within and progress towards a low emission strategy for York and to seek approval for public consultation.</p> <p>Members are asked to: Approve the report and public consultation.</p>	Mike Southcombe	Cabinet Member for City Strategy

<p>Equality Act 2010 - Implementing the public sector duties in City of York Council</p> <p>Purpose of Report: The public sector duties in the Equality Act 2010 support public bodies to improve quality of life outcomes in their areas. They came into effect in April and September 2011. The report will summarise the duties as outlined in legislation and how the government and the Equality and Human Rights Commission expect us to meet them. It will outline proposals for action to meet the duties and also minimum standards for these actions.</p> <p>Cabinet will be requested to consider and approve the actions proposed in the report.</p> <p><i>This item has been slipped to the February meeting to allow more time to develop an action plan for excellence for the Equalities Framework for Local Government.</i></p> <p><i>This item has been slipped to the April meeting to coincide with setting equality outcomes for the Council.</i></p>	<p>Charlie Croft/Evie Chandler</p>	<p>Cabinet Member for Leisure, Culture and Social Inclusion</p>
<p>Minutes of Working Groups</p> <p>Purpose of Report: This report presents the minutes of recent meetings of the Young People's Working Group, the Local Development Framework Working Group and the Equality Advisory Group and asks Members to consider the advice given by the groups in their capacity as advisory bodies to the Cabinet.</p> <p>Members are asked to: Note the minutes and decide whether they wish to approve the specific recommendations made by the Working Groups, and/or respond to any of the advice offered by Working Groups.</p>	<p>Jayne Carr</p>	<p>Cabinet Leader</p>

Table 3: Items slipped on the Forward Plan

Title & Description	Author	Portfolio Holder	Original Date	Revised Date	Reason for Slippage
<p>York Citizens Theatre Trust Funding 2012-16 Purpose of report: To consider the provision of grant funding to the Theatre for the period 2012-2016.</p> <p>Members are asked to approve the funding for this period.</p>	Charlie Croft	Cabinet Member for Leisure, Culture and Social Inclusion	10 January 2012	6 March 2012	To fit with the timetable for the Council's budget process.
<p>The Future of Neighbourhood Working Purpose of Report: This report sets out a new model for neighbourhood working in York.</p> <p>The Cabinet will be asked to approve a new model for neighbourhood working including: the roll out of elements of the area working pilot across the city; the introduction of service contracts; a new focus for the Neighbourhood Management Unit; reorganisation of other front-line posts to support the new way of working.</p>	Charlie Croft	Cabinet Member for Communities and Neighbourhoods	10 January 2012	6 March 2012	To await the outcome of the budget process.

<p>Funding the Voluntary Sector 2012 – 2015</p> <p>The purpose of this report is to approve grant funding to voluntary sector organisations for the 3 years 2012-2015. (Some of the grants are over £50k and therefore require Cabinet approval).</p> <p>Members are asked to approve the grants.</p> <p><i>This report was slipped from the November meeting to allow more time for discussion with the voluntary sector.</i></p>	Adam Gray	Cabinet Leader	6 March 2012	3 April 2012	This report has now been slipped to the April meeting to await the outcome of the Fairness Commission and to allow the budget to be set by Council through the budget process.
<p>Alternative Delivery Models for Cultural Services</p> <p>Purpose of report: This report asks the Cabinet for permission to further develop a proposal for an alternative delivery model for cultural services.</p> <p>The report will ask the Cabinet to: Note the initial feasibility work undertaken; Agree to the proposal being further developed; Agree a consultation plan on the proposal.</p> <p><i>This report had slipped to the April meeting to allow time for public consultation.</i></p>	Charlie Croft	Cabinet Member for Leisure Culture and Social Inclusion	6 Dec 2011	12 June 2012	This report has now slipped to the June meeting to allow more time for public consultation.

<p>Equality Act 2010 - Implementing the public sector duties in City of York Council</p> <p>Purpose of Report: The public sector duties in the Equality Act 2010 support public bodies to improve quality of life outcomes in their areas. They came into effect in April and September 2011. The report will summarise the duties as outlined in legislation and how the government and the Equality and Human Rights Commission expect us to meet them. It will outline proposals for action to meet the duties and also minimum standards for these actions.</p> <p>Cabinet will be requested to consider and approve the actions proposed in the report.</p> <p><i>This item was slipped to the February meeting to allow more time to develop an action plan for excellence for the Equalities Framework for Local Government.</i></p>	<p>Charlie Croft/Evie Chandler</p>	<p>Cabinet Member for Leisure, Culture and Social Inclusion</p>	<p>14 Feb 2012</p>	<p>3 April 2012</p>	<p>This item has been slipped to the April meeting to coincide with setting equality outcomes for the Council.</p>
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<p>York Museums Trust (YMT) Funding 2013-18</p> <p>Purpose of report: The Cabinet will be asked to approve funding for the period 2013-18 in response to a business plan to be submitted by the Yorkshire Museums Trust.</p> <p>Members are asked to: Consider the report and approve the funding.</p> <p><i>This report was withdrawn from consideration at the 6 December 2011 Cabinet meeting as it required additional financial work and to fit in with the timetable for the Council's budget process.</i></p>	<p>Charlie Croft</p>	<p>Cabinet Member for Leisure, Culture and Social Inclusion</p>	<p>6 Dec 2011</p>	<p>10th April Decision Session – Leisure Culture & Social Inclusion</p>	<p>This report was moved to the Decision Session - Cabinet Member for Leisure Culture & Social Inclusion on 10th April, to allow the budget to be set by Council through the budget process.</p>
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<p>Waste Management and Minimisation Strategy 2012 - 2015</p> <p>Purpose of report: To provide an update on work undertaken to meet the aims of the strategy and focus the development of the strategy 2012-2015 in response to current position, trends, legislative changes and economic pressures.</p> <p>Members are asked to: Note the strategy's focus on Zero Waste York as the driver for future policies and service provision. Approve the direction of travel 2012 -2015. Note the update on the work undertaken by waste services.</p> <p><i>The reason this item was slipped from the January to the February meeting: Following matters arising at Communities & Neighbourhoods Departmental Management Team with respect to additional budget proposals which need to be investigated further, which will impact on aspects of the strategy and will need to be included in the strategy before it goes to Cabinet this report needs to put back to February to allow that work to be done.</i></p>	Liz Levett	Cabinet Member for Communities and Neighbourhoods	10 Jan 2012	6 March 2012	The reason this item has slipped from the February to the March meeting: As part of the budget savings, there is a need to review three major policies which will have a material effect on the future waste strategy. This request to delay the report to Cabinet is to give time to complete these policy reviews.
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<p>Customer Strategy 2011-13 Purpose of report: To seek approval for the council's Customer Strategy and the action plans to deliver and support the priorities within the Council Plan. Members are asked to approve the refreshed Customer Strategy 2011-13. This item has now been slipped to the March meeting to further consult with internal and external stakeholders , and to fully consider the impact of the 2012/14 budget'.</p>	<p>Pauline Stuchfield</p>	<p>Cabinet Member for Corporate Services</p>	<p>6 March 2012</p>	<p>n/a</p>	<p>This item was withdrawn on the Forward Plan as another item titled "Delivering the Council Plan Core Capabilities - Five Strategies" encompasses the Customer Strategy.</p>
<p>Workforce Strategy 2011-15 Purpose of report: To seek approval for the council's Workforce Strategy to deliver a healthy, responsive and skilled work force to deliver the priorities within the Council Plan.</p> <p>Members are asked to approve the new Workforce Strategy 2011-15.</p> <p>This item has was slipped to the March meeting to further consult with internal and external stakeholders , and to fully consider the impact of the 2012/14 budget'.</p>	<p>Pauline Stuchfield</p>	<p>Cabinet Member for Corporate Services</p>	<p>6 March 2012</p>	<p>n/a</p>	<p>This item was withdrawn as a separate item on the Forward Plan as another item titled "Delivering the Council Plan Core Capabilities - Five Strategies" encompasses the Workforce Strategy</p>

<p>Changes to Council Tax Benefit Purpose of Report: To inform members about the cuts to Council Tax Benefit proposed by the government.</p> <p>Members are asked to consider how they would like to deal with the implications to York residents.</p> <p><i>This item was withdrawn from the February meeting to await a government technical paper due in the spring.</i></p>	<p>David Walker</p>	<p>Cabinet Member for Corporate Services</p>	<p>14 Feb 2012</p>	<p>6 March 2012</p>	<p>It will now be considered at the March meeting as enough information is available to allow Cabinet to consider the implications of the Government's proposals for Council Tax Benefit in advance of the Technical Paper due in Spring 2012.</p>
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Cabinet

14 February 2012

Report of the Cabinet Member for Corporate Services

CAPITAL PROGRAMME – MONITOR THREE

Report Summary

1. The purpose of this report is to:
 - Inform Members of the likely outturn position of 2011/12 Capital Programme based on the spend profile and information to December 2012;
 - Inform the Cabinet of any under or overspends and seek approval for any resulting changes to the programme;
 - Inform the Cabinet of any slippage and seek approval for the associated funding to be slipped to or from the financial years to reflect this.

2. The 2011/12 – 2015/16 capital programme was approved by Council on 24th February 2011. Since then a number of amendments have taken place as reported to Cabinet in the 2010/11 Capital Programme Outturn report, the amendments made as at Council on the 30th June 2011, the amendments as reported through the Capital Monitor 1 6th September 2011 and the amendments as reported through Capital Monitor 2 1st November 2011. The changes made as result of the above papers result in a current approved capital programme for 2011/12 of £72.122m, financed by £30.493m of external funding, and internal funding of £41.629m. Table 1 illustrates the movements from the start budget to the current approved position at monitor 1.

	Gross Budget £m	External Funding £m	Internal Funding £m
Original Budget Approved by Council at 24 Feb 2011	58.029	22.356	35.673
Amendments from 2010/11 Outturn report	9.726	7.344	2.382
Amendments from June Council Meeting	(1.656)	0.000	(1.656)
Amendments from Mon 1 Cabinet Report September	5.436	0.635	4.801
Amendments from Mon 2 Cabinet Report November	0.587	0.158	0.429
Current Approved Capital Programme	72.122	30.493	41.629

Table 1 Current Approved Capital Programme

Consultation

3. The capital programme was developed under the Capital Resource Allocation Model (CRAM) framework and agreed by Council on 24 February 2011. Whilst the capital programme as a whole is not consulted on, the individual scheme proposals and associated capital receipt sales do follow a consultation process with local Councillors and residents in the locality of the individual schemes.

Summary of Key Issues

4. A decrease of £15.091m is detailed in this monitor that results in a revised capital programme budget from £72.122m to £57.031m.
5. The net decrease of £15.091m is made up of:
- Adjustments to schemes decreasing budgeted expenditure by £0.959m.
 - Net re-profiling of -£14.132m of schemes from future years to the current year

Table 2 outlines the variances reported against each portfolio area.

Directorate	Department	Current Approved Budget £m	Projected Outturn £m	Variance £m
ACE	Children's Services	15.413	13.549	(1.864)
ACE	Adult Social Services	1.103	0.561	(0.542)
CANS	Communities and Culture	5.254	5.901	0.647
CANS	Environment Services	5.257	5.305	0.048
CANS	Housing & Public Protection	13.950	12.199	(1.751)
City Strategy	City Strategy (P&T)	7.071	3.243	(3.828)
City Strategy	City Strategy (Admin Accom)	14.800	13.529	(1.271)
City Strategy	Community Stadium	4.000	0.200	(3.800)
City Strategy	City Strategy (Economic Development)	0.058	0.000	(0.058)
City Strategy	Property Services	3.819	1.315	(2.504)
CBSS	IT Devpt Plan	1.067	0.899	(0.168)
CBSS	Miscellaneous (Contingency etc)	0.330	0.330	0.000
	Total	72.122	57.031	(15.091)

Table 2 Capital Programme Forecast Outturn 2011/12

6. To the end of December there was £34.515m of capital spend representing 60.5% of the revised monitor 3 budget.

Analysis

7. A summary of the key exceptions and implications on the capital programme are highlighted below.

ACE - Education and Children's Services

Adjustments

8. A number of smaller adjustments have been as a result of this report with no individual scheme exceeding £100k. The net movement of these schemes totals £55k in 11/12 and do impact the CYC internal funding position. A reduction of the externally funded DfE Maintenance scheme is shown on a recurring basis to the value of £221k per annum from 12/13 to 14/15.
9. In relation to the Primary Schools Capital Programme the City of York Council was allocated a total of £8.378m. A report to the Executive Member on 10 June 2008 outlined the priorities for investment: a new school building to replace those used by the federation of Rawcliffe Infant and Clifton Junior Schools, and a scheme that supported the Diocese with the merger of Our Lady's VA RC and English Martyr's VA RC Primary Schools. The total LA budget for the development of both schools was £13.7m. The funding includes DCSF grant, Schools Access Initiative funding, Devolved Formula Capital contributions from the schools.
10. The reduction in the Basic Need schemes is reflective of the revised funding projections in relation to the maintenance funding replaced the Modernisation funding previously allocated to local authorities and totals £1.9m. Accordingly the Knavesmire Expansion scheme has increased by £2.1m in 12/13 funded by Basic Need. The existing provision which is currently under severe pressure due to the increasing number of children within the catchment area of the school seeking a place at the school. This reflects both the popularity of the school and the rising birth rate in recent years. A detailed scheme has now been developed in consultation with the Governors of the school. The school currently has 260 pupils in a building designed for a capacity of 210. The proposed scheme will, in time, double the capacity of the school.
11. The proposed scheme will address a number of building issues at the school and seeks to provide six extra classrooms, a new hall, a new

library area and an improved reception area through a combination of internal remodelling and new build. This work will be completed over three phases. The first phase will create two additional classrooms through internal remodelling which will be available from September 2012 at an estimated scheme cost of £331k, with other elements following in future years. The total cost of the three phases is estimated at £2.2m subject to tender. An application for planning permission is now being prepared.

ACE – Adult Social Services

Adjustments

12. An adjustment of -£70k was made to the Disabled Support Grant scheme as a one off as although referrals have been similar in number to previous years, the value of the costs of the work have been much lower. The 12/13 profile for referrals are for the higher value works which suggests the full budget will be spent next year and thereafter.

Re-profiling

13. Two schemes require re-profiling into future years. The first is the Information Management Improvements scheme that requires £70k of budget to be move to 12/13. The second is Health and Safety Works at Social Services Establishments scheme that requires £431k to be re-profiled to 12/13 as the budget will now be set aside and used to help with funding the cost of Elderly Peoples Home (EPH) reprovision. A report to Cabinet regarding the EPHs is being taken in April.

CANS – Communities and Culture

Adjustments

14. As part of this report the Self Issue Library Machines schemes requires approval to extend the total value of all Self Issue Library Machines to £247k representing an increase of £57k. This is due to installation costs being higher than originally expected and therefore these costs have been capitalised. The additional cost of borrowing is to be funded form within existing revenue budgets.

15. To reflect changes made to the capital programme since Monitor 2 the Energise Gym Expansion scheme at a value of £640k is shown as part of this report. The scheme was approved at Cabinet on 6th December 2011. The scheme is funded from prudential borrowing of £540k to be repaid using the increased revenue schemes as set out in the business case and a contribution from existing revenue budget of £140k. Council approval was received on 8 December 2011.
16. The York Explore phase 2 requires re-profiling of £90k to 12/13 in line with the main element of works for the scheme with an additional £341k being added to the scheme in 12/13 and £320k in 13/14 reflecting the anticipated success of the stage 2 bidding process.

CANS – Environment

Re-profiling & Adjustments

17. The Eco Depot Security Gate and Reception Scheme require re-profiling of £169k in to 12/13 as planning permission is pending.
18. In relation to Highways Resurfacing and Reconstruction £150k of 12/13 budget is requested to be brought forward into this financial year. In addition there are under spends within the Directorate and this funding has been redirected to increase the works required in Highways Restructuring and Reconstruction.

CANS – Housing & Public Protection

Re-profiling & Adjustments

19. The Modernisation of Local Authority Homes scheme will increase by £104k to be funded from existing revenue budgets. The increase is mainly due to significant lift replacements at sheltered schemes.
20. The Major Repairs Allowance schemes will decrease by £273k as the unit costs on tenant's choice schemes are lower than initial estimates.
21. A number of schemes require adjustments all below £100k individually to the existing budget provision resulting in a net increase of £142k. Specifically it is requested that prudential borrowing be increased by £46k for Travellers Sites Electricity Units taking the total scheme value to £230k. The resultant savings will fund the additional cost of borrowing. The second scheme variation to note is the

reduction in CYC funds required of £67 for the Disabled Facilities Grant works as one off. This revised the 11/12 budget to £850k. The average value of grant claims by customers in year has been lower than budgeted. Projections suggest that the full budget will be spent in future years.

22. The Crematorium scheme requires re-profiling into 12/13 and 13/14 in line with the updated work plan and associated lead in times of the upgrade. This will result in the £1.391m in 12/13 being allocated to 13/14 (£1.355m) and 14/15 (£36k).

City Strategy (Planning and Transport)

Re-profiling

23. The York City Walls - Repairs & Renewals scheme requires £125k reprofiling to 12/13 due to the Bar Walls to restoration work at Walmgate Bar has been delayed.
24. The Access York scheme requires re-profiling to 12/13 totalling £3.703m from 11/12 due to the late decision by DfT in December to confirm funding available. Work is progressing on Access York Phases 1 & 2 and final designs are being drawn up for approval in spring 2012. Once approved building & landscaping work can commence.

City Strategy - Administrative Accommodation

Re-profiling

25. The administrative accommodation project requires £1.271m re-profiling to 12/13 from 11/12 following the latest review of contractor payments profile. This will not impact on the scheduled date of handover of the building and the overall project budget remains at the £43.8m approved at Executive June 2008.

City Strategy – Property Services

Adjustments

26. To reflect changes made to the capital programme since Monitor 2 the Works at Hungate Land Site scheme at a value of £115k is shown as part of this report. The scheme was approved at Cabinet on 6th

December 2011. The scheme is funded from prudential borrowing of £115k to be repaid using the increased property services revenue budget as set out in the report to cabinet.

27. A number of smaller schemes priorities have been reassessed in year and it is recommended that funding be moved within the service area to fund pressures. Accordingly the Blue Bridge Slipways work and the urgent river bank repairs are projected to be £128k under budget in 11/12 with the under spend subject to approval being allocated to the overall Riverbank repairs programme (+£124k) and the Slipways scheme (+£4k). The overall impact on Council funding is zero.
28. A number of schemes requiring re-profiling from 11/12 into 12/13 as a result of this monitor all individually under £100k. They are Property Key Components £5k, Fire Safety Regulations Adaptations £68k, Removal of Asbestos £92k, St Clements Hall Refurbishment £27k, Mansion House Repairs £4k, Hungate / Peasholme Relocation £21k, Riverbank Repairs – Blue Bridge Slipway £95k, Photovoltaic Energy Programme £80k, Parliament Street Toilet Demolition £88k, 29 Castlegate Repairs £35k, Decent Home Standards Works £59k, Fishergate Postern £55k, Holgate Park Land Building Clearance - York Central £50k.
29. The Riverbank Repairs - Scarborough to Clifton Bridge scheme requires £450k re-profiling from 11/12 to 12/13. Repairs to the riverbank at Clifton Reaches has been delayed until the summer of 2012 when river levels are at a level that allows the required work to be carried out.
30. The Holgate Park Land – York Central scheme requires £1.490m to be re-profiled from 11/12 to 12/13. The Home & Communities Agency (HCA) have agreed to sell land at Holgate Park, which is part of the larger York Central site, but not before 1 April 2012. The costs in 2011/12 relate to survey and valuation work carried out prior to purchase.

City Strategy – Community Stadium

31. The Community Stadium project requires re-profiling to 12/13 from 11/12. This reflects the spend profile that would be realised if planning permission were granted and the full business case approved By Council.

CBSS - IT Development Plan/Equipment**Re-profiling**

32. As a result of this monitor an element of the IT development plan budget of £251k requires re-profiling from 11/12 to 12/13 and an additional £83k is requested to be added to the programme. The budget increase is in relation to - new WIFI Pilot £30k, Voice and data Hornbill project £48k and an increase in call recording costs £5k. The re-profiling is in relation to I-trent project £103k, mobile working project £80k on hold and Web based security and compliance with industry standards £68k.

Housing Revenue Account Reform

33. The HRA self financing reform which essentially ends the impact of the housing subsidy system and will see the HRA as a stand alone business, will increase the debt portfolio by £121.550m when the settlement payment occurs on 28 March 2012. Under regulations this is classed as capital expenditure and accordingly the Capital Programme is amended as part of this monitor to reflect an increase of £121.550m. A separate report on this agenda discusses the detail of the reform and implications for City of York Council in detail

Summary

34. As a result of the changes highlighted above the revised 5 year capital programme is summarised in Table 3.

Gross Capital Programme	2011/12	2012/13	2013/14	2014/15	2015/16	Total
	£m	£m	£m	£m	£m	£m
Current Programme	72.122	53.621	29.368	21.471	11.563	188.145
Adjustments :						
ACE - Children's Services	(0.364)	1.958	(0.221)	(0.221)	0.000	1.152
ACE – Adult Social Services	(0.542)	0.472	0.000	0.000	0.000	(0.070)
CANS – Community and Culture	0.647	0.431	0.320	0.000	0.000	1.398

CANS - Environmental Services	0.048	0.019	0.000	0.000	0.000	0.067
CANS – Housing	(1.751)	1.688	0.036	0.000	0.00	(0.027)
City Strategy - P&T	(3.828)	3.828	0.000	0.000	0.000	0.000
City Strategy - Admin Accom	(1.271)	1.271	0.000	0.000	0.000	0.000
City Strategy - (Community Stadium)	(3.800)	3.800	0.000	0.000	0.000	0.000
City Strategy - (Economic Development)	(0.058)	0.058	0.000	0.000	0.000	0.000
City Strategy - Property Services	(2.504)	2.619	0.000	0.000	0.000	0.115
IT Development Plan	(0.168)	0.251	0.000	0.000	0.000	0.083
Miscellaneous (Contingency etc)	0.000	0.000	0.000	0.000	0.000	0.000
Revised Programme	57.031	70.016	29.539	21.250	11.563	189.363
HRA Reform	121.550					121.550
Revised Programme	178.581	70.016	29.539	21.250	11.563	310.913

Table 3 Revised 5 Year Capital Programme

Funding the 2011/12 – 2015/16 Capital Programme

35. The 2011/12 capital programme excluding the HRA reform of £57.031m is currently being funded from £26.347m external funding and £32.184m of internal funding. The internal funding is comprised of revenue contributions, supported capital expenditure, venture fund, right to buy receipts, capital receipts and prudential borrowing.
36. Table 4 shows the projected call on Council resources going forward.

	11/12	12/13	13/14	14/15	15/16	Total
	£m	£m	£m	£m	£m	£m
Gross Capital Programme	57.031	70.016	29.539	21.250	11.563	189.363
Funded by:						
External Funding	26.347	33.581	21.967	15.316	7.206	104.417
Council Controlled Resources	30.684	36.435	7.536	5.934	4.357	84.946
Total Funding	57.031	70.016	29.539	21.250	11.563	189.363

Table 4 – 2011/12 –2015/16 Capital Programme Financing

37. The current economic environment continues to place pressure on the funding of the programme over the 5 year cycle based on current projections. The capital programme continues to place significant reliance on the achievement of a small number of high value asset disposals which have been affected by the economic downturn.

Council Plan

38. The capital programme is decided through a formal process, using a Capital Resource Allocation Model (CRAM). CRAM is a tool used for allocating the Council's scarce capital resources to schemes that contribute toward the achievement of the council plan.

Implications

Financial Implications

39. The financial implications are considered in the main body of the report.

Human Resources Implications

40. There are no HR implications as a result of this report

Equalities Implications

41. There are no equalities implications as a result of this report

Legal Implications

42. There are no legal implications as a result of this report

Crime and Disorder

43. There are no crime and disorder implications as a result of this report

Information Technology

44. There are no information technology implications as a result of this report

Property

45. The property implications of this paper are included in the main body of the.

Risk Management

46. The capital programme is regularly monitored as part of the corporate monitoring process. In addition to this the Corporate Asset Management Group (CAMG) meets regularly to plan monitor and review major capital receipts to ensure that all capital risks to the Council are minimised.

Recommendations

47. The Cabinet is requested to:

- Recommend to Full Council 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.
- Recommend to Full Council 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.
- Recommend to Full Council 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. The individual amendments are detailed in the report and contained in Annex A.

- Note the 2011/12 revised budget of £57.031m as set out in paragraph 5 and Table 2.
- Note the restated capital programme for 2011/12 – 2015/16 as set out in paragraph 34, Table 3 and detailed in Annex A.

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

Contact Details

Authors:	Chief Officer Responsible for the report:			
Ross Brown Principal Accountant Ext 1207	Ian Floyd Director for Customer & Business Support Services			
Louise Branford-White Technical Finance Manager Ext 1187	Report Approved	√	Date	<i>8 February 2012</i>
Keith Best Asst Director of Financial Services				
Wards Affected: All				
<i>For further information please contact the authors of the report</i>				

Background Papers:

Budget Control 2011/12 Mon 3
Departmental Capital Pro-forma

Annexes

Annex A – Restated Capital Programme 2011/12 to 2015/16

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	2011/12 Mon 3 Adj £000	2011/12 Mon 3 Reprofile £000	2011/12 Revised Budget £000	2011/12 Mon 3 Adj £000	2011/12 Mon 3 Reprofile £000	2012/13 Revised Budget £000	2011/12 Mon 3 Adj £000	2011/12 Mon 3 Reprofile £000	2013/14 Revised Budget £000	2011/12 Mon 3 Adj £000	2011/12 Mon 3 Reprofile £000	2014/15 Revised Budget £000	2011/12 Mon 3 Adj £000	2011/12 Mon 3 Reprofile £000	2015/16 Revised Budget £000	Gross Capital Programme To be Funded 11/12 - 15/16 £000
ACE - Children's Services																
NDS Devolved Capital			475	1		476			475			475			0	1,901
- External Funding	0	0	475	1	0	476	0	0	475	0	0	475	0	0	0	1,901
- Internal Funding	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Harnessing Technology			0			0			0			0			0	0
- External Funding	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
- Internal Funding	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Targeted Capital Fund 14-19 Diploma	45		3,473			0			0			0			0	3,473
- External Funding	45	0	3,473	0	0	0	0	0	0	0	0	0	0	0	0	3,473
- Internal Funding	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Huntington School Improvements TCF			0			0			0			0			0	0
- External Funding	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
- Internal Funding	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
DfE Maintenance	10		2,811	-221		2,553	-221		2,553	-221		2,553			0	10,470
- External Funding	37	0	2,811	-221	0	2,553	-221	0	2,553	-221	0	2,553	0	0	0	10,470
- Internal Funding	-27	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Schools Access Initiative	-100		123			0			0			0			0	123
- External Funding	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
- Internal Funding	-100	0	123	0	0	0	0	0	0	0	0	0	0	0	0	123
Sure Start			0			0			0			0			0	0
- External Funding	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
- Internal Funding	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Extended Schools			0			0			0			0			0	0
- External Funding	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
- Internal Funding	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Integrated Children's Centres			0			0			0			0			0	0
- External Funding	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
- Internal Funding	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Primary School Strategic Programme	0		4,417			0			0			0			0	4,417
- External Funding	1,000	0	4,317	0	0	0	0	0	0	0	0	0	0	0	0	4,317
- Internal Funding	-1,000	0	100	0	0	0	0	0	0	0	0	0	0	0	0	100
Derwent MUGA			0			0			0			0			0	0
- External Funding	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
- Internal Funding	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Fulford School Science Labs and Classrooms			0			0			0			0			0	0
- External Funding	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
- Internal Funding	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Youth Capital Fund			0			0			0			0			0	0
- External Funding	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
- Internal Funding	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Children's Centres Phase 3			0			0			0			0			0	0
- External Funding	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
- Internal Funding	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
DCSF Wave 2 PlaybuilderFunding			0			0			0			0			0	0
- External Funding	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
- Internal Funding	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Westside Review - Oaklands / York High			0			0			0			0			0	0
- External Funding	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
- Internal Funding	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Westside Review - Manor			0			0			0			0			0	0
- External Funding	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
- Internal Funding	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Joseph Rowntree One School Pathfinder			595			0			0			0			0	595
- External Funding	0	0	595	0	0	0	0	0	0	0	0	0	0	0	0	595
- Internal Funding	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Specialist Schools Status			0			0			0			0			0	0
- External Funding	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
- Internal Funding	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Home access for targeted groups			0			0			0			0			0	0
- External Funding	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
- Internal Funding	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Aiming high for disabled children short breaks			120			0			0			0			0	120
- External Funding	0	0	120	0	0	0	0	0	0	0	0	0	0	0	0	120
- Internal Funding	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
City-Wide Diploma Exemplar Facility at Manor School			624			0			0			0			0	624
- External Funding	0	0	624	0	0	0	0	0	0	0	0	0	0	0	0	624
- Internal Funding	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Applefields School - Co Location			396			0			0			0			0	396
- External Funding	0	0	396	0	0	0	0	0	0	0	0	0	0	0	0	396
- Internal Funding	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Integrated Children's System			0			0			0			0			0	0
- External Funding	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0

	2011/12 Mon 3 Adj £000	2011/12 Mon 3 Reprofile £000	2011/12 Revised Budget £000	2011/12 Mon 3 Adj £000	2011/12 Mon 3 Reprofile £000	2012/13 Revised Budget £000	2011/12 Mon 3 Adj £000	2011/12 Mon 3 Reprofile £000	2013/14 Revised Budget £000	2011/12 Mon 3 Adj £000	2011/12 Mon 3 Reprofile £000	2014/15 Revised Budget £000	2011/12 Mon 3 Adj £000	2011/12 Mon 3 Reprofile £000	2015/16 Revised Budget £000	Gross Capital Programme To be Funded 11/12 - 15/16 £000
-Internal Funding	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Basic Need	-1,919	0	415	78	0	2,412	0	0	2,334	0	0	2,334	0	0	0	7,495
- External Funding	-1,919	0	415	78	0	2,412	0	0	2,334	0	0	2,334	0	0	0	7,495
-Internal Funding	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Knivesmire Expansion	100	0	100	2,100	0	2,100	0	0	0	0	0	0	0	0	0	2,200
- External Funding	100	0	100	2,100	0	2,100	0	0	0	0	0	0	0	0	0	2,200
-Internal Funding	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL GROSS EXPENDITURE	-1,864	0	13,549	1,958	0	7,541	-221	0	5,362	-221	0	5,362	0	0	0	31,814
TOTAL EXTERNAL FUNDING	-737	0	13,326	1,958	0	7,541	-221	0	5,362	-221	0	5,362	0	0	0	31,591
TOTAL INTERNAL FUNDING	-1,127	0	223	0	0	0	0	0	0	0	0	0	0	0	0	223
ACE - Social Services																
Joint Equipment Store			105			105			105			105			105	525
- External Funding	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
-Internal Funding	0	0	105	0	0	105	0	0	105	0	0	105	0	0	105	525
Information Management Improvements		-41	4		41	41			0			0			0	45
- External Funding	0	-41	4	0	41	41	0	0	0	0	0	0	0	0	0	45
-Internal Funding	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Disabled Support Grant	-70	0	60			140			150			160			170	680
- External Funding	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
-Internal Funding	-70	0	60	0	0	140	0	0	150	0	0	160	0	0	170	680
Telecare Equipment			250			250			250			250			250	1,250
- External Funding	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
-Internal Funding	0	0	250	0	0	250	0	0	250	0	0	250	0	0	250	1,250
Adults Social Care IT grant			18			0			0			0			0	18
- External Funding	0	0	18	0	0	0	0	0	0	0	0	0	0	0	0	18
-Internal Funding	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Day Service Modernisation			0			0			0			0			0	0
- External Funding	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
-Internal Funding	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Health and Safety Works at Social Services																
Establishments		-431	124		431	431			0			0			0	555
- External Funding	0	-431	124	0	431	431	0	0	0	0	0	0	0	0	0	555
-Internal Funding	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Adult Services Community Space			0			0			0			0			0	0
- External Funding	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
-Internal Funding	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
EPH Infrastructure Works			0			0			0			0			0	0
- Government Grant	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Other Contributions	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
- External Funding	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
-Internal Funding	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL GROSS EXPENDITURE	-70	-472	561	0	472	967	0	0	505	0	0	515	0	0	525	3,073
TOTAL EXTERNAL FUNDING	0	-472	146	0	472	472	0	0	0	0	0	0	0	0	0	618
TOTAL INTERNAL FUNDING	-70	0	415	0	0	495	0	0	505	0	0	515	0	0	525	2,455
TOTAL GROSS EXPENDITURE	-1,934	-472	14,110	1,958	472	8,508	-221	0	5,867	-221	0	5,877	0	0	525	34,887
TOTAL EXTERNAL FUNDING	-737	-472	13,472	1,958	472	8,013	-221	0	5,362	-221	0	5,362	0	0	0	32,164
TOTAL INTERNAL FUNDING	-1,197	0	638	0	0	495	0	0	505	0	0	515	0	0	525	2,678
CANS - Communities and Culture																
Acomb Library			0			0			0			0			0	0
- External Funding	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
-Internal Funding	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Danebury Drive Allotments			0			0			0			0			0	0
- External Funding	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
-Internal Funding	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Museum Service Heritage Lottery Bid			200			0			0			0			0	200
- External Funding	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
-Internal Funding	0	0	200	0	0	0	0	0	0	0	0	0	0	0	0	200
Oakland's Sports Centre Pitch			0			0			0			0			0	0
- External Funding	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
-Internal Funding	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
War Memorial Gardens			0			0			0			0			0	0
- External Funding	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
-Internal Funding	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
York Pools Strategy -			2,880			150			0			0			0	3,030
- External Funding	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
-Internal Funding	0	0	2,880	0	0	150	0	0	0	0	0	0	0	0	0	3,030
Free Swimming for Over 60's			0			0			0			0			0	0
- External Funding	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
-Internal Funding	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0

	2011/12	2011/12	2011/12	2011/12	2011/12	2012/13	2011/12	2011/12	2013/14	2011/12	2011/12	2014/15	2011/12	2011/12	2015/16	Gross Capital Programme To be Funded
	Mon 3	Mon 3	Revised	Mon 3	Mon 3	Revised	Mon 3	Mon 3	Revised	Mon 3	Mon 3	Revised	Mon 3	Mon 3	Revised	11/12 - 15/16
	Adj	Reprofile	Budget	Adj	Reprofile	Budget	Adj	Reprofile	Budget	Adj	Reprofile	Budget	Adj	Reprofile	Budget	£000
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
Milfield Lane Comm Sports Centre			380			0			0			0			0	380
- External Funding	0	0	10	0	0	0	0	0	0	0	0	0	0	0	0	10
- Internal Funding	0	0	370	0	0	0	0	0	0	0	0	0	0	0	0	370
York Explore Centre			12			0			0			0			0	12
- External Funding	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
- Internal Funding	0	0	12	0	0	0	0	0	0	0	0	0	0	0	0	12
Parks and Open Spaces Development			0			0			0			0			0	0
- External Funding	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
- Internal Funding	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
DCSF Wave 2 PlaybuilderFunding			0			0			0			0			0	0
- External Funding	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
- Internal Funding	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Children's Play Lottery Bid			31			0			0			0			0	31
- External Funding	0	0	31	0	0	0	0	0	0	0	0	0	0	0	0	31
- Internal Funding	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Library Self-Issue Equipment			247			0			0			0			0	247
- External Funding	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
- Internal Funding	57	0	247	0	0	0	0	0	0	0	0	0	0	0	0	247
York Explore Phase 2			35			1,306			320			0			0	1,661
- External Funding	0	-97	0	341	97	841	320	0	320	0	0	0	0	0	0	1,161
- Internal Funding	0	7	35	0	-7	465	0	0	0	0	0	0	0	0	0	500
Oaklands Sports Hall Floor Replacement			7			0			0			0			0	7
- External Funding	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
- Internal Funding	0	0	7	0	0	0	0	0	0	0	0	0	0	0	0	7
Barbican Auditorium			1,429			0			0			0			0	1,429
- External Funding	0	0	548	0	0	0	0	0	0	0	0	0	0	0	0	548
- Internal Funding	0	0	881	0	0	0	0	0	0	0	0	0	0	0	0	881
Energise Gym Expansion			680			0			0			0			0	680
- External Funding	680	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
- Internal Funding	0	680	680	0	0	0	0	0	0	0	0	0	0	0	0	680
Yearsley Pool Energy Improvements			0			376			0			0			0	376
- External Funding	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
- Internal Funding	0	0	0	0	0	376	0	0	0	0	0	0	0	0	0	376
Ward Committees - Improvement Schemes			0			0			0			0			0	0
- External Funding	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
- Internal Funding	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Closed Cycle Circuit - York Sports Village			0			0			0			0			0	0
- External Funding	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
- Internal Funding	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
City Art Gallery Refurb and Extension			0			0			0			0			0	0
- External Funding	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
- Internal Funding	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Rowntree Park DDA			0			0			0			0			0	0
- External Funding	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
- Internal Funding	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Rowntree Park Café Project			0			0			0			0			0	0
- External Funding	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
- Internal Funding	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
York Theatre Royal			0			0			0			0			0	0
- External Funding	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
- Internal Funding	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL GROSS EXPENDITURE	737	-90	5,901	341	90	1,832	320	0	320	0	0	0	0	0	0	8,053
TOTAL EXTERNAL FUNDING	0	-97	589	341	97	841	320	0	320	0	0	0	0	0	0	1,750
TOTAL INTERNAL FUNDING	737	7	5,312	0	-7	991	0	0	0	0	0	0	0	0	0	6,303
CANS - Environment			0			0			0			0			0	0
Air Quality Monitoring			0			0			0			0			0	0
- External Funding	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
- Internal Funding	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Contaminated Land Investigation			0			0			0			0			0	0
- External Funding	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
- Internal Funding	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Waste Infrastructure Capital Grant (WICG)			189			0			0			0			0	189
- External Funding	0	0	189	0	0	0	0	0	0	0	0	0	0	0	0	189
- Internal Funding	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Silver Street Toilets			0			0			0			0			0	0
- External Funding	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
- Internal Funding	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Ward Committees - Improvement Schemes			0			0			0			0			0	0
- External Funding	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
- Internal Funding	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
EcoDepot Security Gate / Reception			50			169			0			0			0	219
- External Funding	0	-169	0	0	0	0	0	0	0	0	0	0	0	0	0	0

	2011/12 Mon 3 Adj £000	2011/12 Mon 3 Reprofile £000	2011/12 Revised Budget £000	2011/12 Mon 3 Adj £000	2011/12 Mon 3 Reprofile £000	2012/13 Revised Budget £000	2011/12 Mon 3 Adj £000	2011/12 Mon 3 Reprofile £000	2013/14 Revised Budget £000	2011/12 Mon 3 Adj £000	2011/12 Mon 3 Reprofile £000	2014/15 Revised Budget £000	2011/12 Mon 3 Adj £000	2011/12 Mon 3 Reprofile £000	2015/16 Revised Budget £000	Gross Capital Programme To be Funded 11/12 - 15/16 £000
-Internal Funding	0	-169	50	0	169	169	0	0	0	0	0	0	0	0	0	219
West of York Recycling Site			0			2,500			0			0			0	2,500
- External Funding	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
-Internal Funding	0	0	0	0	0	2,500	0	0	0	0	0	0	0	0	0	2,500
Highway Resurfacing & Reconstruction (Struct Maint)	67	150	3,654		-150	3,040			3,006			2,934			3,297	15,931
- External Funding	0	0	1,865	0	0	1,790	0	0	1,756	0	0	1,684	0	0	2,047	9,142
-Internal Funding	67	150	1,789	0	-150	1,250	0	0	1,250	0	0	1,250	0	0	1,250	6,789
Special Bridge Maintenance (Struct maint)			200			200			200			200			200	1,000
- External Funding	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
-Internal Funding	0	0	200	0	0	200	0	0	200	0	0	200	0	0	200	1,000
Street Light Modernisation			0			0			0			0			0	0
- External Funding	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
-Internal Funding	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Highways Improvements			40			0			0			0			0	40
- External Funding	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
-Internal Funding	0	0	40	0	0	0	0	0	0	0	0	0	0	0	0	40
Winter Resilience Provision			0			0			0			0			0	0
- External Funding	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
-Internal Funding	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Replacement of Unsound Lighting Columns			50			50			50			50			50	250
- External Funding	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
-Internal Funding	0	0	50	0	0	50	0	0	50	0	0	50	0	0	50	250
Highways Condition Improvements			166			0			0			0			0	166
- External Funding	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
-Internal Funding	0	0	166	0	0	0	0	0	0	0	0	0	0	0	0	166
Carbon Reduction in Street Lighting			200			200			200			200			200	1,000
- External Funding	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
-Internal Funding	0	0	200	0	0	200	0	0	200	0	0	200	0	0	200	1,000
Parks and Open Spaces Development			10			0			0			0			0	10
- External Funding	0	0	10	0	0	0	0	0	0	0	0	0	0	0	0	10
-Internal Funding	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
City Centre Damaged Bins Replacement			75			0			0			0			0	75
- External Funding	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
-Internal Funding	0	0	75	0	0	0	0	0	0	0	0	0	0	0	0	75
Capitalisation of Revenue Items			222			0			0			0			0	222
- External Funding	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
-Internal Funding	0	0	222	0	0	0	0	0	0	0	0	0	0	0	0	222
Single Occupancy Recycling Containers			150			0			0			0			0	150
- External Funding	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
-Internal Funding	0	0	150	0	0	0	0	0	0	0	0	0	0	0	0	150
DCSF Wave 2 PlaybuilderFunding			239			0			0			0			0	239
- External Funding	0	0	239	0	0	0	0	0	0	0	0	0	0	0	0	239
-Internal Funding	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Road and Footpath Repairs			60			0			0			0			0	60
- External Funding	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
-Internal Funding	0	0	60	0	0	0	0	0	0	0	0	0	0	0	0	60
Highways Drainage Works			0			0			0			0			0	0
- External Funding	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Revenue Contribution Corporate (PB)			0			0			0			0			0	0
-Internal Funding	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL GROSS EXPENDITURE	67	-19	5,305	0	19	6,159	0	0	3,456	0	0	3,384	0	0	3,747	22,051
TOTAL EXTERNAL FUNDING	0	0	2,303	0	0	1,790	0	0	1,756	0	0	1,684	0	0	2,047	9,580
TOTAL INTERNAL FUNDING	67	-19	3,002	0	19	4,369	0	0	1,700	0	0	1,700	0	0	1,700	12,471
CANS - Housing & Public Protection																
Modernisation of Local Authority Homes	104		1,241			1,305			652			671			507	4,376
- External Funding	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
-Internal Funding	104	0	1,241	0	0	1,305	0	0	652	0	0	671	0	0	507	4,376
Repairs to Local Authority Properties			0			0			0			0			0	0
- External Funding	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
-Internal Funding	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Assistance to Older & Disabled People			305			300			300			300			300	1,505
- External Funding	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
-Internal Funding	0	0	305	0	0	300	0	0	300	0	0	300	0	0	300	1,505
MRA Schemes	-273		5,619			4,368			5,200			4,997			4,459	24,643
- External Funding	-233	0	5,619	0	0	4,368	0	0	5,200	0	0	4,997	0	0	4,459	24,643
-Internal Funding	-40	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Local Authority Homes			2,340			0			0			0			0	2,340
- External Funding	0	0	965	0	0	0	0	0	0	0	0	0	0	0	0	965
-Internal Funding	0	0	1,375	0	0	0	0	0	0	0	0	0	0	0	0	1,375
Water Mains Upgrade		-333	0		333	1,746			1,453			1,333			0	4,532

	2011/12	2011/12	2011/12	2011/12	2011/12	2011/12	2011/12	2011/12	2011/12	2011/12	2011/12	2011/12	2011/12	2011/12	2011/12	2011/12	Gross Capital Programme To be Funded
	Mon 3	Mon 3	Revised	Mon 3	Mon 3	Revised	Mon 3	Mon 3	Revised	Mon 3	Mon 3	Revised	Mon 3	Mon 3	Revised		
	Adj	Reprofile	Budget	Adj	Reprofile	Budget	Adj	Reprofile	Budget	Adj	Reprofile	Budget	Adj	Reprofile	Budget		
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	11/12 - 15/16
- External Funding	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
-Internal Funding	0	-333	0	0	333	1,746	0	0	1,453	0	0	1,333	0	0	0	0	4,532
Building Insulation Programme			700			0			0			0			0		700
- External Funding	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
-Internal Funding	0	0	700	0	0	0	0	0	0	0	0	0	0	0	0	0	700
Property Buy Back Scheme			0			0			0			0			0		0
- External Funding	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
-Internal Funding	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Housing Grants & Associated Investment (Gfund)	40		220			0			0			0			0		220
- External Funding	40	0	220	0	0	0	0	0	0	0	0	0	0	0	0	0	220
-Internal Funding	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Disabled Facilities Grant (Gfund)	-67		850			1,025			1,075			1,125			1,175		5,250
- External Funding	0	0	442	0	0	550	0	0	600	0	0	650	0	0	700	0	2,942
-Internal Funding	-67	0	408	0	0	475	0	0	475	0	0	475	0	0	475	0	2,308
Energy Conservation in Homes (Gfund)			0			0			0			0			0		0
- External Funding	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
-Internal Funding	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Sub Regional Lettings Scheme (Gfund)			111			0			0			0			0		111
- External Funding	0	0	111	0	0	0	0	0	0	0	0	0	0	0	0	0	111
-Internal Funding	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Travellers - James Street Wall (Gfund)			0			0			0			0			0		0
- External Funding	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
-Internal Funding	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Travellers Sites Electricity Units (Gfund)	46		230			0			0			0			0		230
- External Funding	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
-Internal Funding	46	0	230	0	0	0	0	0	0	0	0	0	0	0	0	0	230
S106 Schemes (Gfund)			0			0			0			0			0		0
- External Funding	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
-Internal Funding	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Air Quality Monitoring (Gfund)	88		173			0			0			0			0		173
- External Funding	88	0	173	0	0	0	0	0	0	0	0	0	0	0	0	0	173
-Internal Funding	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Contaminated Land Investigation (Gfund)			0			0			0			0			0		0
- External Funding	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
-Internal Funding	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Crematorium (Gfund)		-1,391	325		1,355	1,355		36	36		0		0		0		1,716
- External Funding	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
-Internal Funding	0	-1,391	325	0	1,355	1,355	0	36	36	0	0	0	0	0	0	0	1,716
Howe Hill Hostel (Gfund)	35		85			0			0			0			0		85
- External Funding	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
-Internal Funding	35	0	85	0	0	0	0	0	0	0	0	0	0	0	0	0	85
Travellers Site Improvements (Gfund)			0			0			0			0			0		0
- External Funding	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
-Internal Funding	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Empty Homes (Gfund)			0			0			0			0			0		0
- External Funding	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
-Internal Funding	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL GROSS EXPENDITURE	-27	-1,724	12,199	0	1,688	10,099	0	36	8,716	0	0	8,426	0	0	6,441		45,881
TOTAL EXTERNAL FUNDING	-105	0	7,530	0	0	4,918	0	0	5,800	0	0	5,647	0	0	5,159		29,054
TOTAL INTERNAL FUNDING	78	-1,724	4,669	0	1,688	5,181	0	36	2,916	0	0	2,779	0	0	1,282		16,827
TOTAL GROSS EXPENDITURE	777	-1,833	23,405	341	1,797	18,090	320	36	12,492	0	0	11,810	0	0	10,188		75,985
TOTAL EXTERNAL FUNDING	-105	-97	10,422	341	97	7,549	320	0	7,876	0	0	7,331	0	0	7,206		40,384
TOTAL INTERNAL FUNDING	882	-1,736	12,983	0	1,700	10,541	0	36	4,616	0	0	4,479	0	0	2,982		35,601
City Strategy (Planning & Transport)																	
Local Transport Plan (LTP)			3,234			1,952			1,952			2,623			0		9,761
- External Funding	0	0	2,453	0	0	1,952	0	0	1,952	0	0	2,623	0	0	0	0	8,980
-Internal Funding	0	0	781	0	0	0	0	0	0	0	0	0	0	0	0	0	781
York City Walls - Repairs & Renewals (City Walls)		-125	9		125	267			90			90			0		456
- External Funding	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
-Internal Funding	0	-125	9	0	125	267	0	0	90	0	0	90	0	0	0	0	456
York City Walls - Health & Safety (City Walls)			0			0			0			0			0		0
- External Funding	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
-Internal Funding	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Road Safety			0			0			0			0			0		0
- External Funding	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
-Internal Funding	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Flood Pump - Elvington			0			0			0			0			0		0
- External Funding	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0

	2011/12 Mon 3 Adj £000	2011/12 Mon 3 Reprofile £000	2011/12 Revised Budget £000	2011/12 Mon 3 Adj £000	2011/12 Mon 3 Reprofile £000	2012/13 Revised Budget £000	2011/12 Mon 3 Adj £000	2011/12 Mon 3 Reprofile £000	2013/14 Revised Budget £000	2011/12 Mon 3 Adj £000	2011/12 Mon 3 Reprofile £000	2014/15 Revised Budget £000	2011/12 Mon 3 Adj £000	2011/12 Mon 3 Reprofile £000	2015/16 Revised Budget £000	Gross Capital Programme To be Funded 11/12 - 15/16 £000
-Internal Funding	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Cycling City			0			0			0			0			0	0
- External Funding	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
-Internal Funding	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Public Footpath, Rawcliffe No 1 - Riverbank slip			0			0			0			0			0	0
- External Funding	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
-Internal Funding	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Highway Resurfacing & Reconstruction (Struct Maint)			0			0			0			0			0	0
- External Funding	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
-Internal Funding	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Special Bridge Maintenance (Struct maint)			0			0			0			0			0	0
- External Funding	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
-Internal Funding	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Peckitt Street			0			0			0			0			0	0
- External Funding	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
-Internal Funding	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Access York		-3,703	0		3,703	18,578			6,784			0			0	25,362
- External Funding	0	-2,700	0	0	2,700	16,032	0	0	6,777	0	0	0	0	0	0	22,809
-Internal Funding	0	-1,003	0	0	1,003	2,546	0	0	7	0	0	0	0	0	0	2,553
Highways Improvements			0			0			0			0			0	0
- External Funding	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
-Internal Funding	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Minster Piazza			0			250			0			0			0	250
- External Funding	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
-Internal Funding	0	0	0	0	0	250	0	0	0	0	0	0	0	0	0	250
Leeman Road Flood Defences			0			1,356			0			0			0	1,356
- External Funding	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
-Internal Funding	0	0	0	0	0	1,356	0	0	0	0	0	0	0	0	0	1,356
Pay on Exit Car Parking Pilot			0			0			0			0			0	0
- External Funding	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
-Internal Funding	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL GROSS EXPENDITURE	0	-3,828	3,243	0	3,828	22,403	0	0	8,826	0	0	2,713	0	0	0	37,185
TOTAL EXTERNAL FUNDING	0	-2,700	2,453	0	2,700	17,984	0	0	8,729	0	0	2,623	0	0	0	31,789
TOTAL INTERNAL FUNDING	0	-1,128	790	0	1,128	4,419	0	0	97	0	0	90	0	0	0	5,396
City Strategy (Admin Accom)																
Admin Accom		-1,271	13,529		1,271	12,743			1,468			0			0	27,740
- External Funding	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
-Internal Funding	0	-1,271	13,529	0	1,271	12,743	0	0	1,468	0	0	0	0	0	0	27,740
TOTAL GROSS EXPENDITURE	0	-1,271	13,529	0	1,271	12,743	0	0	1,468	0	0	0	0	0	0	27,740
TOTAL EXTERNAL FUNDING	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL INTERNAL FUNDING	0	-1,271	13,529	0	1,271	12,743	0	0	1,468	0	0	0	0	0	0	27,740
City Strategy (Community stadium)																
Community Stadium		-3,800	200		3,800	3,800			0			0			0	4,000
- External Funding	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
-Internal Funding	0	-3,800	200	0	3,800	3,800	0	0	0	0	0	0	0	0	0	4,000
City Strategy (Economic Development)																
Small Business Workshops		-58	0		58	58			0			0			0	58
- External Funding	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
-Internal Funding	0	-58	0	0	58	58	0	0	0	0	0	0	0	0	0	58
Visitor/Tourist Information Centre			0			0			0			0			0	0
- External Funding	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
-Internal Funding	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL GROSS EXPENDITURE	0	-58	0	0	58	58	0	0	0	0	0	0	0	0	0	58
TOTAL EXTERNAL FUNDING	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL INTERNAL FUNDING	0	-58	0	0	58	58	0	0	0	0	0	0	0	0	0	58
City Strategy - Property																
Works at Hungate Land Site	115	0	115	0	0	0	0	0	0	0	0	0	0	0	0	115
- External Funding	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
-Internal Funding	115	0	115	0	0	0	0	0	0	0	0	0	0	0	0	115
Dealing with Repairs Backlog			0			0			0			0			0	0
- External Funding	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
-Internal Funding	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Property Key Components (H&S)		-5	22		5	5			0			0			0	27
- External Funding	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
-Internal Funding	0	-5	22	0	5	5	0	0	0	0	0	0	0	0	0	27
Health & Safety / DDA			8			0			0			0			0	8
- External Funding	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
-Internal Funding	0	0	8	0	0	0	0	0	0	0	0	0	0	0	0	8

	2011/12	2011/12	2011/12	2011/12	2011/12	2012/13	2011/12	2011/12	2013/14	2011/12	2011/12	2014/15	2011/12	2011/12	2015/16	Gross Capital Programme To be Funded 11/12 - 15/16 £000
	Mon 3	Mon 3	Revised	Mon 3	Mon 3	Revised	Mon 3	Mon3	Revised	Mon 3	Mon3	Revised	Mon 3	Mon3	Revised	
	Adj £000	Reprofile £000	Budget £000	Adj £000	Reprofile £000	Budget £000	Adj £000	Reprofile £000	Budget £000	Adj £000	Reprofile £000	Budget £000	Adj £000	Reprofile £000	Budget £000	
35 Hospital Fields Road			0			0			0			0			0	0
- External Funding	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
- Internal Funding	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Fire Safety Regulations - Adaptations		-68	44		68	68			0			0			0	112
- External Funding	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
- Internal Funding	0	-68	44	0	68	68	0	0	0	0	0	0	0	0	0	72
Removal of Asbestos		-92	0		92	92			0			0			0	92
- External Funding	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
- Internal Funding	0	-92	0	0	92	92	0	0	0	0	0	0	0	0	0	92
St Clements Hall Refurbishment		-27	3		27	27			0			0			0	30
- External Funding	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
- Internal Funding	0	-27	3	0	27	27	0	0	0	0	0	0	0	0	0	30
Urgent River Bank Repairs		-10	5			0			0			0			0	5
- External Funding	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
- Internal Funding	-10	0	5	0	0	0	0	0	0	0	0	0	0	0	0	5
Acomb Office			0			0			0			0			0	0
- External Funding	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
- Internal Funding	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Mansion House External Repairs		-4	0		4	4			0			0			0	4
- External Funding	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
- Internal Funding	0	-4	0	0	4	4	0	0	0	0	0	0	0	0	0	4
Hungate / Peasholme Relocation		-21	0		21	21			0			0			0	21
- External Funding	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
- Internal Funding	0	-21	0	0	21	21	0	0	0	0	0	0	0	0	0	21
Peasholme Improvements			0			0			0			0			0	0
- External Funding	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
- Internal Funding	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Slipways		4	4			0			0			0			0	4
- External Funding	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
- Internal Funding	4	0	4	0	0	0	0	0	0	0	0	0	0	0	0	4
Riverbank repairs		124	816			0			0			0			0	816
- External Funding	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
- Internal Funding	124	0	816	0	0	0	0	0	0	0	0	0	0	0	0	816
Property Compliance (Asbestos and Fire regs)			0			80			0			0			0	80
- External Funding	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
- Internal Funding	0	0	0	0	0	80	0	0	0	0	0	0	0	0	0	80
Riverbank Repairs - Scarborough to Clifton Bridge		-450	150		450	450			0			0			0	600
- External Funding	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
- Internal Funding	0	-450	150	0	450	450	0	0	0	0	0	0	0	0	0	600
Riverbank Repairs – Blue Bridge Slipway		-118	-95		95	95			0			0			0	131
- External Funding	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
- Internal Funding	-118	-95	36	0	95	95	0	0	0	0	0	0	0	0	0	131
Riverbank Repairs – Marygate			0			573			0			0			0	573
- External Funding	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
- Internal Funding	0	0	0	0	0	573	0	0	0	0	0	0	0	0	0	573
Photovoltaic Energy Programme		-80	20		80	180			100			100			100	500
- External Funding	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
- Internal Funding	0	-80	20	0	80	180	0	0	100	0	0	100	0	0	100	500
Parliament Street Toilet Demolition		-88	46		88	88			0			0			0	134
- External Funding	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
- Internal Funding	0	-88	46	0	88	88	0	0	0	0	0	0	0	0	0	134
29 Castlegate Repairs		-35	0		35	35			0			0			0	35
- External Funding	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
- Internal Funding	0	-35	0	0	35	35	0	0	0	0	0	0	0	0	0	35
Decent Home Standards Works		-59	20		59	59			0			0			0	79
- External Funding	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
- Internal Funding	0	-59	20	0	59	59	0	0	0	0	0	0	0	0	0	79
Fishergate Postern		-55	0		55	55			0			0			0	55
- External Funding	0	-35	0	0	35	35	0	0	0	0	0	0	0	0	0	35
- Internal Funding	0	-20	0	0	20	20	0	0	0	0	0	0	0	0	0	20
Castle Mills Car Park			16			0			0			0			0	16
- External Funding	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
- Internal Funding	0	0	16	0	0	0	0	0	0	0	0	0	0	0	0	16
Holgate Park Land – York Central		-1,490	10		1,490	1,490			0			0			0	1,500
- External Funding	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
- Internal Funding	0	-1,490	10	0	1,490	1,490	0	0	0	0	0	0	0	0	0	1,500
Holgate Park Land Building Clearance - York Central		-50	0		50	50			0			0			0	50
- External Funding	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
- Internal Funding	0	-50	0	0	50	50	0	0	0	0	0	0	0	0	0	50
Critical Repairs and Contingency			0			0			0			0			0	0
- External Funding	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0

	2011/12 Mon 3 Adj £000	2011/12 Mon 3 Reprofile £000	2011/12 Revised Budget £000	2011/12 Mon 3 Adj £000	2011/12 Mon 3 Reprofile £000	2012/13 Revised Budget £000	2011/12 Mon 3 Adj £000	2011/12 Mon 3 Reprofile £000	2013/14 Revised Budget £000	2011/12 Mon 3 Adj £000	2011/12 Mon 3 Reprofile £000	2014/15 Revised Budget £000	2011/12 Mon 3 Adj £000	2011/12 Mon 3 Reprofile £000	2015/16 Revised Budget £000	Gross Capital Programme To be Funded 11/12 - 15/16 £000
-Internal Funding	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL GROSS EXPENDITURE	115	-2,619	1,315	0	2,619	3,372	0	0	100	0	0	100	0	0	100	4,987
TOTAL EXTERNAL FUNDING	0	-35	0	0	35	35	0	0	0	0	0	0	0	0	0	35
TOTAL INTERNAL FUNDING	115	-2,584	1,315	0	2,584	3,337	0	0	100	0	0	100	0	0	100	4,952
TOTAL GROSS EXPENDITURE	115	-11,576	18,287	0	11,576	42,376	0	0	10,394	0	0	2,813	0	0	100	73,970
TOTAL EXTERNAL FUNDING	0	-2,735	2,453	0	2,735	18,019	0	0	8,729	0	0	2,623	0	0	0	31,824
TOTAL INTERNAL FUNDING	115	-8,841	15,834	0	8,841	24,357	0	0	1,665	0	0	190	0	0	100	42,146
CBSS - IT equipment																
IT Equipment	83	-251	899	0	251	1,042	0	0	750	0	0	750	0	0	750	4,191
- External Funding	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
-Internal Funding	83	-251	899	0	251	1,042	0	0	750	0	0	750	0	0	750	4,191
TOTAL GROSS EXPENDITURE	83	-251	899	0	251	1,042	0	0	750	0	0	750	0	0	750	4,191
TOTAL EXTERNAL FUNDING	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL INTERNAL FUNDING	83	-251	899	0	251	1,042	0	0	750	0	0	750	0	0	750	4,191
Miscellaneous																
More 4 York	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
- External Funding	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
-Internal Funding	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Easy @ York	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
- External Funding	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
-Internal Funding	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Equal Pay Capitalisation	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
- External Funding	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
-Internal Funding	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Hazel Court Depot	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
- External Funding	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
-Internal Funding	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Contingency	0	0	330	0	0	0	0	0	0	0	0	0	0	0	0	330
- External Funding	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
-Internal Funding	0	0	330	0	0	0	0	0	0	0	0	0	0	0	0	330
TOTAL GROSS EXPENDITURE	0	0	330	0	0	0	0	0	0	0	0	0	0	0	0	330
TOTAL EXTERNAL FUNDING	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL INTERNAL FUNDING	0	0	330	0	0	0	0	0	0	0	0	0	0	0	0	330
Economic Infrastructure Fund	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
- External Funding	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
-Internal Funding	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL GROSS EXPENDITURE	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL EXTERNAL FUNDING	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL INTERNAL FUNDING	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Gross Expenditure by Department																
ACE - Children's Services	-1,864	0	13,549	1,958	0	7,541	-221	0	5,362	-221	0	5,362	0	0	0	31,814
ACE - Social Services	-70	-472	561	0	472	967	0	0	505	0	0	515	0	0	525	3,073
CANS - Communities and Culture	737	-90	5,901	341	90	1,832	320	0	320	0	0	0	0	0	0	8,053
CANS - Environment	67	-19	5,305	0	19	6,159	0	0	3,456	0	0	3,384	0	0	3,747	22,051
CANS - Housing & Public Protection	-27	-1,724	12,199	0	1,688	10,099	0	36	8,716	0	0	8,426	0	0	6,441	45,881
City Strategy (Planning & Transport)	0	-3,828	3,243	0	3,828	22,403	0	0	8,826	0	0	2,713	0	0	0	37,185
City Strategy (Admin Accom)	0	-1,271	13,529	0	1,271	12,743	0	0	1,468	0	0	0	0	0	0	27,740
City Strategy (Community stadium)	0	-3,800	200	0	3,800	3,800	0	0	0	0	0	0	0	0	0	4,000
City Strategy (Economic Development)	0	-58	0	0	58	58	0	0	0	0	0	0	0	0	0	58
City Strategy - Property	115	-2,619	1,315	0	2,619	3,372	0	0	100	0	0	100	0	0	100	4,987
CBSS - IT equipment	83	-251	899	0	251	1,042	0	0	750	0	0	750	0	0	750	4,191
Miscellaneous	0	0	330	0	0	0	0	0	0	0	0	0	0	0	0	330
Economic Infrastructure Fund	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total by Department	-959	-14,132	57,031	2,299	14,096	70,016	99	36	29,503	-221	0	21,250	0	0	11,563	189,363
Total External Funds by Department																

	2011/12 Mon 3 Adj £000	2011/12 Mon 3 Reprofile £000	2011/12 Revised Budget £000	2011/12 Mon 3 Adj £000	2011/12 Mon 3 Reprofile £000	2012/13 Revised Budget £000	2011/12 Mon 3 Adj £000	2011/12 Mon3 Reprofile £000	2013/14 Revised Budget £000	2011/12 Mon 3 Adj £000	2011/12 Mon3 Reprofile £000	2014/15 Revised Budget £000	2011/12 Mon 3 Adj £000	2011/12 Mon3 Reprofile £000	2015/16 Revised Budget £000	Gross Capital Programme To be Funded 11/12 - 15/16 £000
ACE - Children's Services	-737	0	13,326	1,958	0	7,541	-221	0	5,362	-221	0	5,362	0	0	0	31,591
ACE - Social Services	0	-472	146	0	472	472	0	0	0	0	0	0	0	0	0	618
CANS - Communities and Culture	0	-97	589	341	97	841	320	0	320	0	0	0	0	0	0	1,750
CANS - Environment	0	0	2,303	0	0	1,790	0	0	1,756	0	0	1,684	0	0	2,047	9,580
CANS - Housing & Public Protection	-105	0	7,530	0	0	4,918	0	0	5,800	0	0	5,647	0	0	5,159	29,054
City Strategy (Planning & Transport)	0	-2,700	2,453	0	2,700	17,984	0	0	8,729	0	0	2,623	0	0	0	31,789
City Strategy (Admin Accom)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
City Strategy (Community stadium)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
City Strategy (Economic Development)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
City Strategy - Property	0	-35	0	0	35	35	0	0	0	0	0	0	0	0	0	35
CBSS - IT equipment	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Miscellaneous	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Economic Infrastructure Fund	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total External Funds by Department	-842	-3,304	26,347	2,299	3,304	33,581	99	0	21,967	-221	0	15,316	0	0	7,206	104,417
Total CYC Funding required by Department																
ACE - Children's Services	-1,127	0	223	0	0	0	0	0	0	0	0	0	0	0	0	223
ACE - Social Services	-70	0	415	0	0	495	0	0	505	0	0	515	0	0	525	2,455
CANS - Communities and Culture	737	7	5,312	0	-7	991	0	0	0	0	0	0	0	0	0	6,303
CANS - Environment	67	-19	3,002	0	19	4,369	0	0	1,700	0	0	1,700	0	0	1,700	12,471
CANS - Housing & Public Protection	78	-1,724	4,669	0	1,688	5,181	0	36	2,916	0	0	2,779	0	0	1,282	16,827
City Strategy (Planning & Transport)	0	-1,128	790	0	1,128	4,419	0	0	97	0	0	90	0	0	0	5,396
City Strategy (Admin Accom)	0	-1,271	13,529	0	1,271	12,743	0	0	1,468	0	0	0	0	0	0	27,740
City Strategy (Community stadium)	0	-3,800	200	0	3,800	3,800	0	0	0	0	0	0	0	0	0	4,000
City Strategy (Economic Development)	0	-58	0	0	58	58	0	0	0	0	0	0	0	0	0	58
City Strategy - Property	115	-2,584	1,315	0	2,584	3,337	0	0	100	0	0	100	0	0	100	4,952
CBSS - IT equipment	83	-251	899	0	251	1,042	0	0	750	0	0	750	0	0	750	4,191
Miscellaneous	0	0	330	0	0	0	0	0	0	0	0	0	0	0	0	330
Economic Infrastructure Fund	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total CYC Funding required	-117	-10,828	30,684	0	10,792	36,435	0	36	7,536	0	0	5,934	0	0	4,357	84,946
TOTAL GROSS EXPENDITURE	-959	-14,132	57,031	2,299	14,096	70,016	99	36	29,503	-221	0	21,250	0	0	11,563	189,363
TOTAL EXTERNAL FUNDING	-842	-3,304	26,347	2,299	3,304	33,581	99	0	21,967	-221	0	15,316	0	0	7,206	104,417
TOTAL INTERNAL FUNDING	-117	-10,828	30,684	0	10,792	36,435	0	36	7,536	0	0	5,934	0	0	4,357	84,946

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Cabinet

14 February 2012

Report of the Cabinet Member for Corporate Services

2011-12 Finance and Performance Monitor 3

Purpose of report

1. This report provides a summary of the finance and performance progress for the third monitor period of 2011-12. Performance is presented under the five priority themes:
 - Create jobs and grow the economy
 - Get York moving
 - Build strong communities
 - Protect vulnerable people
 - Protect the environment.

Supporting data and analysis are available in the five priority scorecards, listed as background papers.

Headlines for Monitor 3

2. York as a city continues to perform well against the national picture, with the Centre for Cities "*Cities Outlook report 2012*" highlighting a large number of areas where York is amongst the top performers of the 64 UK cities included:
 - Youth unemployment - third lowest
 - Inequality levels - sixth lowest
 - City growth by population - third fastest
 - Workers skilled to NVQ4+ - seventh highest
 - Number of unqualified people - joint sixth lowest
 - Increase in unemployment from 2010 to 2011 - second lowest
 - Long-term JSA claimant rate - 13th lowest.
3. Our Children's Services have been awarded the top 4-star (excellent) rating for the 4th year running – an unrivalled achievement for a council outside London. York also continues to be one of the safest cities in the country, with overall crime levels expected to have reduced by another 10% in the year to April 2012.
4. This positive position is underpinned by good progress towards the delivery of the council plan priorities, which will reinforce York's strong position. As part

of this, a number of key strategies are currently being drafted (or are out to consultation) and once approved in the coming months they will provide a framework and focus the delivery of the Council Plan over the next 3 years.

5. Where any areas of less positive or mixed performance have been identified, these are being monitored carefully with action plans in place or being developed to address any underlying problems. The actions within the Council Plan also specifically address some of the less strongly performing areas.

Performance areas being addressed include: dealing with the continued increase in demand for adult care services through an ongoing programme of improvements; tackling the shortfall in planning income; further promoting our libraries and sports centres to meet our ambitious targets for the year and to embed them as core facilities at the centre of our communities.

6. The council is identifying financial pressures totalling £921k across all directorate budgets, an improvement of £2,539k from the Monitor 2 report. This significant improvement reflects the extensive work undertaken within Directorate Management Teams to review budgets and implement strict budgetary control to mitigate known expenditure pressures. This work continues and it is expected that by the end of the financial year expenditure can be contained within budget. The forecast also reflects a proposal that consideration is given to using the £714k New Homes Bonus to support the revenue budget.

Progress on the Council Plan priorities

Priority: Create jobs and grow the economy

7. Key performance headlines:
 - Cities Outlook report 2012: the city is performing well in the current economic climate, as per paragraph 2 above.
 - Skills: the report also highlights York's highly skilled workforce, with the city ranked seventh for workers skilled to NVQ4 or above and joint sixth for the lowest number of unqualified people.
 - Business start-ups: positive increase in business start-ups in 2011, which places York in a strong position for largest increase in the region.

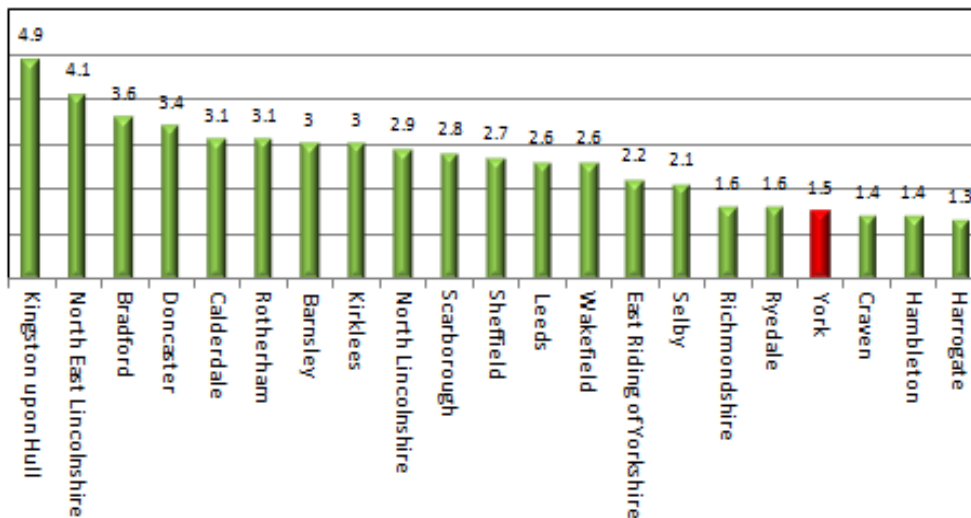
8. Key progress headlines:

- Apprenticeships: As part of the 100 in 100 campaign, CYC committed to 36 apprenticeships. The total number of pledges in December across the city from all employers was 199, which far exceeds the target of 100.
- Wi-Fi: Implementation of free Wi-Fi in the City Centre has contributed to Digital inclusion.
- Economic Development: A new Economic Development Plan has been completed and is currently out to consultation with the business community. This will help support the local economy and position York on the global stage.
- York Future Workforce Forum: YFWF is working through the existing Economic Development Partnership and local employer networks to establish YFWF.

9. *Unemployment:*

- The number of people claiming Job Seekers Allowance in York increased slightly in Q3. This is inline with an increase for the region as a whole.
- Male JSA claimants remain higher than females at 3.3% and 1.5% respectively. The rate of females claiming JSA is increasing faster than males, but still remains one of the lowest in the region.

% Female JSA Claimants

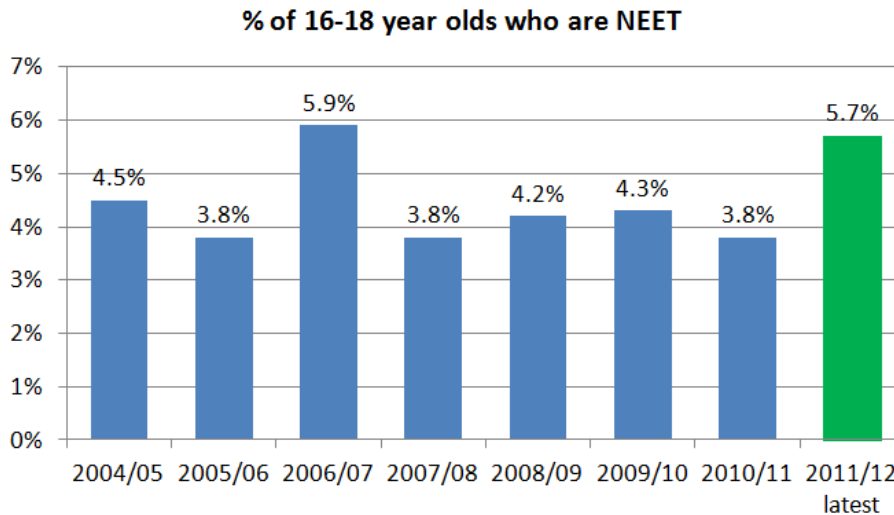


- The total number of benefits claimants has decreased in 2011 by 4%, from 12,350 in 2010 to 11,900 now.
- Lone Parents has also decreased by 11% from 1,310 in 2010 to 1,160.

10. *NEETS:*

- The provisional NEET figure for Q3 shows the expected drop to target levels of 5.7%, which is an excellent result in the current economic climate. Whilst we cannot directly compare ourselves with others as yet,

other NEET information does show York performing well above the Y&H region average, placed joint second with East Riding, just under NYCC.



- However, this figure does hide some issues with progression, retention and rising NEETs amongst young people who are Learners with Learning Difficulties or Disabilities (LLDD) particularly those who have emotional and behavioural difficulties

11. *Earnings:*

- Average weekly pay for city residents is £492.30 for 2011, which is now further above the regional average (gap is now 5.4%, compared to 4% last year). York is still below the national average but the gap has narrowed (now 2.2% below compared with 4.2% in 2010).

12. *Business start-ups:*

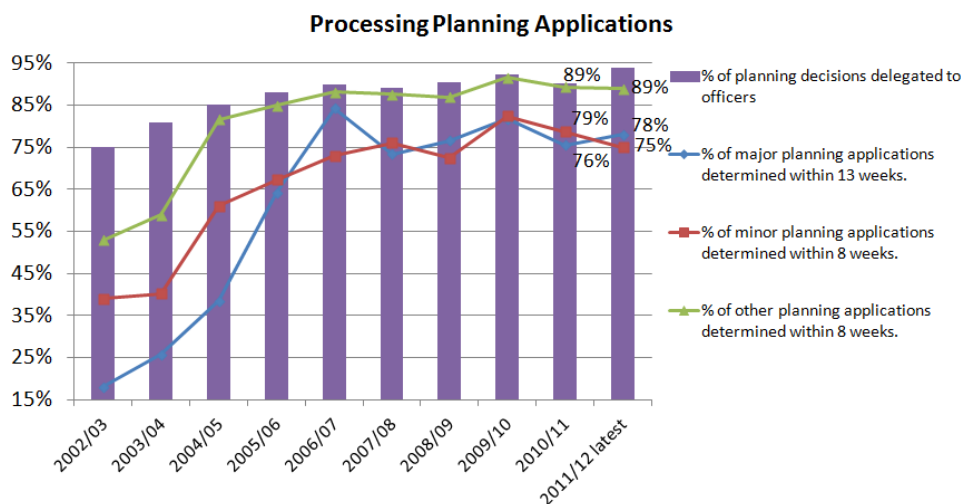
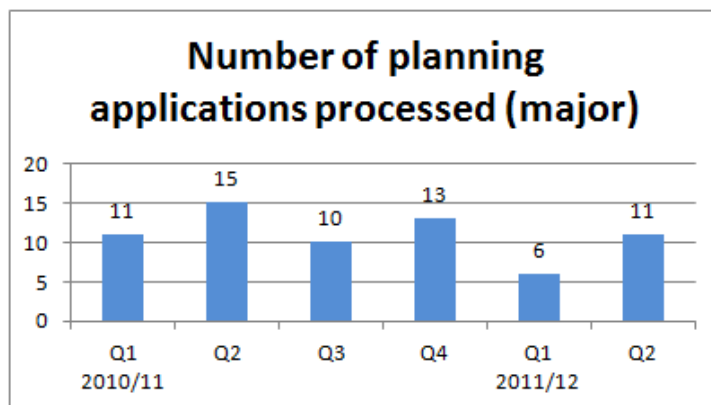
- In 2011 there has been a 9.9% increase in small business start-ups in the city. This places York third in the region for the largest increase since 2010.

Local Authorities	% change from 2010
1. Kirklees	+11.4%
2. Selby	+11.2%
3. York	+9.9%
4. Calderdale	+3.2%
5. Leeds	+2.9%
6. Craven	+2.9%
7. Ryedale	+2.4%
8. Hambleton	+1.8%
9. East Riding of Yorkshire	+1.6 %
10. Bradford	+1.4%
11. Harrogate	0.0%
12. Richmondshire	0.0%

13.	Barnsley	-2.8%
14.	Wakefield	-2.6%
15.	Scarborough	-1.2%

13. *Planning services:*

- The number of major planning applications processed within the required timescales has increased compared to last year (78% for April to December, compared to 73% in 2010/11). The number of minor applications processed within 8 weeks has reduced slightly to 75% (from 79% last year). Processing times have been improving as a result of process improvements, however recent structural changes, as well as the signing of legal agreements on long outstanding major applications such as Terry's, Nestle and Hungate (triggering the issue of the formal decisions), may result in a temporary decrease in performance stats towards the end of the financial year.
- The actual number of major planning applications processed decreased in monitor 3 but it is anticipated that there will be an increase during the last quarter of the year – however this is unlikely to affect the projected income shortfall (see para 51).



Priority: Get York moving

14. Key Performance Headlines

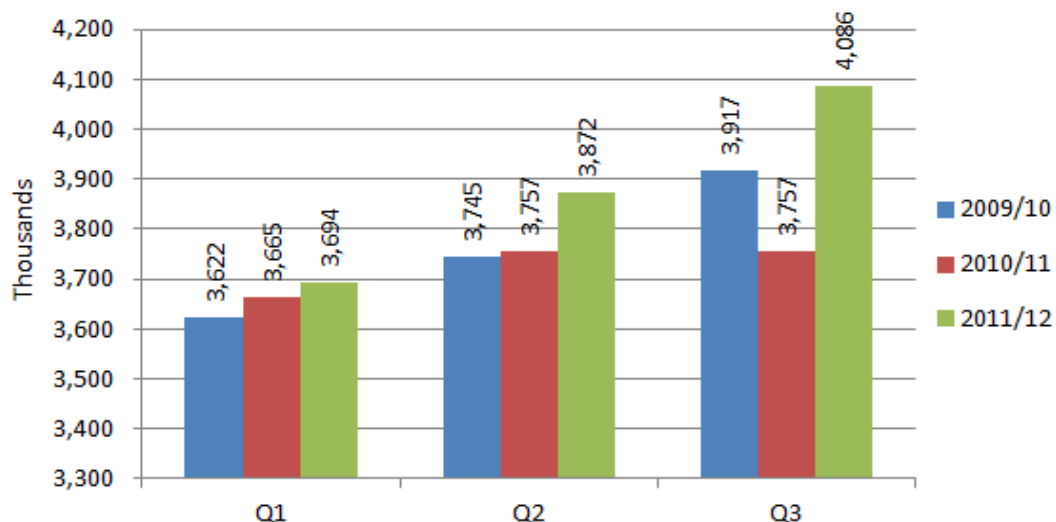
- **Transport:** The number of passengers using Park & Ride services continues to increase and those using other bus transport has also now increased.

15. Key progress headlines

- **Foot Streets:** A vision for a car free city centre and the extension of areas and hours for foot streets has been presented to Local Development Framework working group. Feasibility studies have now begun to develop the car-free centre proposals and extension of the area and hours for footstreets. Cabinet decision is due in March.
- **Pedestrians & Cycling:** The programme for the Local Sustainable Transport Fund (LSTF) is currently being planned and will start from April to develop and improve York's Cycling and Pedestrian network. The Intelligent Travel York programme was launched to the general public in January.

16. *Transport:*

- Bus passenger numbers have increased by 9% in Q3 compared to the same period last year (4,086,429 compared to 3,757,029 in 2010/11). As a result, it is now expected that passenger numbers will meet the annual target of 15million. Park & Ride passengers numbers have also increased in Q3, by 11% when compared to Q2 (1,125,152 compared to 1,012,578).

Local bus passenger numbers17. *Parking:*

- The number of people using car parks is forecast to increase by 3% this year. From April to November this year 1,098,883 people used car parks.

Priority: Build strong communities

18. Key performance headlines:

- Leisure: Energise has been identified from the APSE (Association for Public Service Excellence) data analysis as one of the best national performers this year for Sports and Leisure facility management.
- Street Services: Although this was our first part-year as APSE members, the Highways and Winter Maintenance Services team were shortlisted as a 'best performer' in the national APSE 2011 Performance Network Awards ceremony.
- Lettings: The Yorhome lettings service has expanded to meet the needs of single people, homeless or otherwise, by taking on approx 20 bedsits / 1 bed flats. This has also enabled Yorhome to meet its target of letting and managing 75 homes. Due to the increased numbers, Yorhome is exceeding its income targets and moving closer towards being self-financing.
- Housing relets: The detailed action plan in place since June has improved performance, and although the cumulative indicator is still showing the effect of poor performance early in the year, the monthly figures are now well within target.

19. Key progress headlines:

- Community Contracts: Three Community Contracts are under development, Holgate, Dringhouses/ Woodthorpe and Westfield. Others to follow after the Cabinet decision is made in March.
- York 800: York 800 was launched to the public.
- Volunteering: A draft Volunteering strategy has been produced, to be discussed with the Cabinet member. Cabinet approved an additional £100k funding to support the voluntary sector in the City. The first panel has now met and 7 bids are currently being considered.
- Young People's Accommodation: Howe Hill Young People's Accommodation Project opened on 23rd Jan. This brings together all key service provision aimed at supporting Young People at risk of homelessness, and will help to address the increasing numbers of young people approaching CYC as homeless.
- Community participation in Olympic Games activities: events are being planned between 19th June (torch relay) and 9th September (end of Paralympics).
- Health & wellbeing: The council is working closely with the NHS to review indicators, identify changes, extend the scope of the JSNA and produce recommendations to inform the Health & Wellbeing Strategy. Findings and

analysis will be available from February 2012. The Shadow Health and Wellbeing Board will receive the final report in March 2012

- Neighbourhood working: A new model for Neighbourhood Working will go to Cabinet in March 2012. This paper includes the proposed model for community based staff and the community credit scheme.

20. *Homelessness:*

- The first half of the year has been a busy period for the Homelessness service with numbers prevented or relieved from homelessness increasing significantly (475 between April and September compared to 305 for the same period last year).
- The number of York households living in Temporary Accommodation has increased to 99 as at 30 September, but this was expected following the introduction of the sub-regional Choice Based Lettings system for Housing allocations. Despite this increase, the number of households in temporary accommodation who have dependent children has reduced slightly.

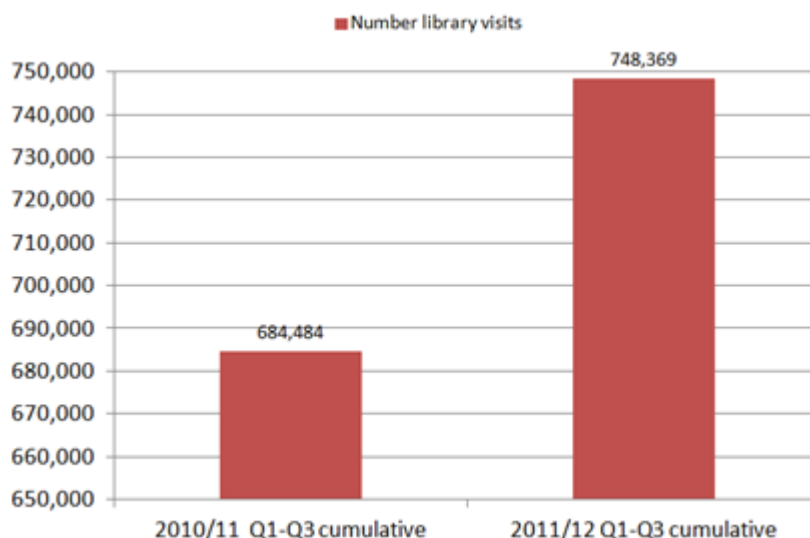
21. *Street environment:*

- The % of street lights not working as expected and the average time to repair a fault have increased slightly in Q3 (but is as expected at this time of year with the shorter daylight times) but both indicators are still well within target and still place us as one of the best performing councils in the region.

22. *Cultural and sports:*

- Visits to swimming and sport centres continue to decline slightly, in line with the national trend in swimming participation. The opening of the new competition standard swimming pool at York Sports Village in partnership with York University is expected to significantly boost participation
- Library visits for the year (April – December 2011) have increased by 9% over last year (748,369 compared to 684,484 in 2010/11). Although predicted to exceed last year's final outturn, visitor numbers are not expected to reach this year's ambitious target.

Library visits



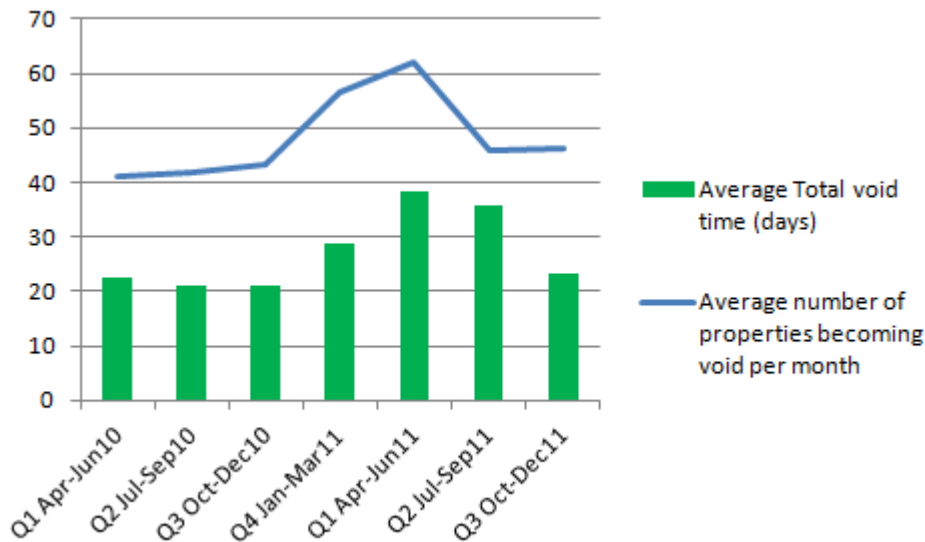
23. *Community safety:*

- Performance across most areas of community safety in York shows very good improvement, with the total recorded crime incidents forecast to decrease by around 10% on last year. If achieved, this would represent a 53% decrease in crime in the city since 2004.
- The only area which is showing an increase in incidents is recorded anti-social behaviour (ASB), which is forecast to increase by 2% based on Q3 data, an improved forecast since Q2. York historically has higher levels of ASB during the summer months and lower levels over the winter months therefore by the end of the year; levels could be comparable with last year.

24. *Housing:*

- The Empty Homes policy is also bringing back into use Private Sector empty properties.
- After a significant rise in the re-let time for council homes in the first half of the year, performance has now improved, and is on target for Q3 (December figures provisional).

Housing Re-lets



Priority: Protect vulnerable people

25. Key performance headlines:

- **Children's Services**: awarded four stars (excellent) in the annual review (York is the only council, outside London, to be consistently awarded top marks during their Children Services assessment). However, there are some areas where performance is lower than the target, due to the impact of change initiatives and increasing service volumes.
- **Adult Social Care**: Whilst there has been significant organisational change in this area, service levels are close to the targets, reflecting the considerable effort to maintain services to customers even through disruption.

26. Key progress headlines:

- **Elderly Persons' Homes**: Councillors agreed to begin a three to four year modernisation programme which will see the existing 9 EPHs close and be replaced by state of the art residential care facilities on 3 sites: Fordlands and Haxby Hall and a new site at Lowfields in Acomb. The decision followed an extensive citywide consultation, which showed widespread support for the council's vision for future care.
- **Reablement**: The Reablement Provider contract will be live in March which will increase the capacity of the service.
- **Health & wellbeing**: The approved proposals for the shadow Health and Wellbeing Board will also contribute to this priority.
- **JSNA**: The ongoing work on the JSNA will contribute to this priority, as per paragraph 19.

27. *Independent Living:*

- The number of customers receiving personal budgets continues to rise (now at 29.4%) although has fallen short of the Q3 target (currently 33%). The factors preventing the promotion of Self Directed Support were cited as issues with the RAS (Resource Allocation System) and the amount of additional work required to ensure its accuracy.

28. *Adult Social Care:*

- The % of social care assessments completed on time is now at 63.3%, which is below the target of 70% and lower than last year. The positive process of clearing waiting lists has affected the time to complete new assessments, and this performance will likely continue to be reduced until the waiting lists are cleared. The timeliness of social care packages remains positive at 89.5%, just below target levels of 90% (an improvement compared to 85.4% last year).
- Significant progress has been made in reshaping Homecare provision, with the projects on track to deliver revised services by the end of March. This will provide a range of care options, supported by the new Reablement service, which are more focussed on the aims of helping people to live independently for longer in the place of their choice.

29. *Child Social Care:*

- The number of child protection plans (CPP) lasting 2 years or more has reduced to 0.8% compared to 3.9% in 2010/11.
- Just 24 children (just under 15%) have been subject to a CPP for the second or more time (an improvement from 18.6% in Q2) against a target of 7.
- However, for both these areas, it should be noted that this small cohort is made up of some large sibling groups, and as such changes to numbers do have a significant impact upon the percentages. Services are confident that appropriate decision making at point of deregistration was undertaken, and significant and unpredictable causes / circumstances leading to re-registration could not have been foreseen.
- Total numbers of out of authority placements reducing due to enhanced local provision (see para 63).

30. *Parenting programmes:*

- There has been a better than expected take up of the parenting programmes this year (376 to date - annual target of 300). Although there has been limited capacity to deliver parenting programmes this quarter, the service continues to meet the need.

31. *The York Education Partnership* has been established to develop the overall strategic direction of 0-19 education policy in York, replacing the existing Schools Forum arrangements. £1,200k savings have been

generated through the restructure of the School Improvement Service, as part of the development of the new partnership.

Priority: Protect the environment

32. Key performance headlines:

- Waste management: Whilst recycling levels are continuing to increase and landfill waste is decreasing (see para 33).
- Sustainable development: new homes built on previously developed land continues to decrease this year, although part of the decrease can be attributed to a change in definition for 'garden infill' development which is now regarded as Greenfield.

33. Key progress headlines:

- Carbon Footprint: Consultation has taken place with the core team on refreshing the council's carbon management programme and the findings have been presented to the Sustainable Development Board. This programme will drive the achievement of carbon reduction targets for the council and city.
- Tree Strategy: Consultation on the Tree Strategy has been completed to inform Treemendous Project Plan, which will plant 50,000 trees in York.
- Recycling: Testing, consultation and marketing of alternative recycling storage boxes to help with the optimisation of our waste management has been completed.

34. *Reducing CO2:*

- Latest data for CO2 per head of York's population shows a further decrease to 5.4 tonnes (2009), compared to 6.0 tonnes in 2008.

	2006	2007	2008	2009
York's CO2 per head of population (tonnes)	6.8	6.2	6.0	5.4

35. *Waste management:*

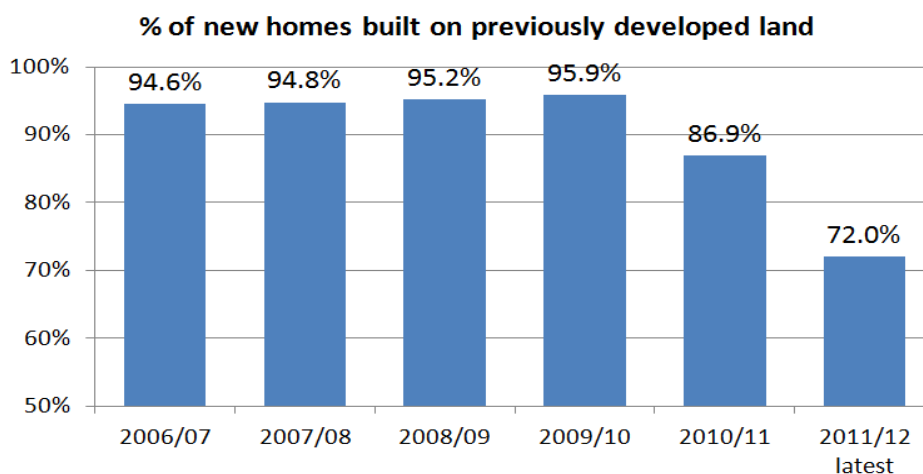
- Recycling levels continue to increase, with CANS forecasting a 2% increase by the end of the year (47.01% compared to 45.1% in 2010/11).
- The Landfill Tax rate (see table below) has more than trebled since 2004/05 and an alternative to landfill is needed to meet statutory targets and to reduce financial burden of paying Landfill Tax.

Performance data	2008-09	2009-10	2010-11	11-12 Forecast	-/+ change
Tonnes of Landfilled waste - Household	50,850	52,000	49,180	47,890	-1,290
Tonnes of Landfilled waste - Commercial	9,480	8,300	6,410	5,250	-1,160
Tonnes of Landfilled waste - Combined	60,330	60,300	55,590	53,140	-2,450
Cost of landfill tax - Household	£ 1,627,200	£ 2,080,000	£ 2,360,640	£2,681,840	+£321,200
Cost of landfill tax - Commercial	£ 303,360	£ 332,000	£ 307,680	£294,000	-£13,680
Cost of landfill tax - Combined	£ 1,930,560	£ 2,412,000	£ 2,668,320	£2,975,840	+£307,520

- Despite the improvement to waste management, York is slipping behind other unitary authorities, who have introduced alternative waste management methods and strategies. However, once the Waste PFI is in place there will be a stepped improvement in this area.

36. *Sustainable development:*

- Latest data for new build housing completions on previously developed land in 2011/12 shows a perhaps unsurprising further reduction to 72% (compared to 92% for the same period last year (April to December)). This was partly due to an amendment to Planning Policy Statement 3: Housing (PPS 3) in June 2010 regarding the definition of 'garden infill' development which is now regarded as Greenfield.



Financial Overview

Directorate	Gross Exp'ture Budget	Gross Income Budget	2011/12 Net Budget	Monitor 2 Variance	Monitor 3 variance
	£'000	£'000	£'000	£'000	£'000
Adults, Children & Education	162,629	-85,262	77,367	+2,064	+1,567
City Strategy	34,624	-25,827	8,797	+433	-146
Communities & Neighbourhoods	79,594	-42,136	37,458	+1,476	+800
Customer & Business Support Services	78,033	-73,736	4,297	-63	-136
Office of the Chief Executive	4,702	-1,249	3,453	-	-
DIRECTORATE BUDGETS	359,582	-228,210	131,372	+3,910	+2,085
Central Budgets	18,343	-25,815	-7,472	-450	-1,164
GROSS BUDGET	377,925	-254,025	123,900	+3,460	+921

Table 1 – Monitor 3 Financial Overview

37. The council's net General Fund budget for 2011-12 is £123,900k, inclusive of £1,025k usage of reserves and balances.
38. The 2011-12 budget was the most challenging in memory, requiring some £21,036k of savings in order to reach a balanced position. The forecasts outlined in this report reflect a prudent view of how that challenge is currently being met.
39. Final quarter forecasts indicate that the council faces financial pressures of £921k. An overview of this forecast, on a directorate by directorate basis, is outlined in Table 1 above. The key pressures are summarised in the following paragraphs.
40. In Adult Social Services increasing service demand for community-based support packages remains an issue, as well as new pressures in External Homecare and some delays in the Homecare and EPH business change programmes. In Children's Services, an increase above forecasts in the number of children under the care of the council further contributes to the pressure.
41. There is a continued shortfall in Building and Development control income compounded by in year pressures arising from the City Strategy Directorate

service reviews. There are delays in achieving cross directorate savings within Communities and Neighbourhoods taken as part of the 2011-12 budget, including the Fleet Review.

42. Directorate Management Teams have been working on delivering strategies that are starting to mitigate the known pressures in order to contain expenditure within budget by the end of the financial year. As these strategies have been identified, the reported forecast has been amended accordingly in line with the council's stringent financial monitoring processes. This course of action has been successful in previous years. All DMTs are continuing to work on mitigation strategies and actively looking at ways to reduce spend in year.
43. As a result, significant progress has been made in reducing the overall forecast position, due mainly to the continued determination to control costs from teams across the council. The Council Management Team continues to monitor the financial position of the council on a monthly basis. The next report before Cabinet will be the final outturn report in the summer of 2012.

Directorate Analysis

44. The following sections provide further information on the financial outturn of each directorate as outlined in Table 1 above.

Adults, Children & Education

45. The Adults, Children & Education directorate is reporting financial pressures of £1,567k, split between Adult Social Services (£959k) and Children's Services (£608k). This represents an overall improvement of £497k since monitor 2.
46. In Adult Social Services pressures that have been evident in previous years related to demand, particularly for community based care, still remain. There is a continued increase above forecast level in the number of customers taking up Direct Payments (£545k) along with a significant pressure in External Homecare, primarily related to Learning Disability customers, with additional pressures relating to children in transit between children's and adults services (£1,083k). A number of specific additional high cost residential and nursing care placements made in 2011/12 over and above that provided for in the budget have resulted in a pressure of £1,139k. The total number of customers in residential and nursing care is, however, still reducing as a percentage of the total customer base as the ambition to see more people assisted in the community is realised.
47. There have been delays on two business change workstreams. In Homecare, there have been delays in letting the reablement contract and reconsideration

of other care services options (£480k) and in EPH's, implementation delays mean that the full saving is unlikely to be achieved (net £270k).

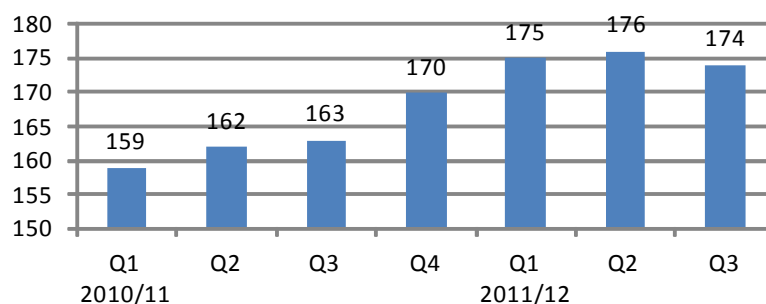
48. However, mitigating actions have already been identified to reduce these pressures. A significant number of vacant posts are being held whilst the Business Change workstreams continue (£768k), a projected underspend on Warden Call (£220k) and delays in two Supported Living schemes result in an underspend (£250k). Grant adjustments (£310k), other underspends (£396k) and additional funding from the PCT (£614k) all contribute to the overall forecast reduction.
49. In Children's Services, the number of children currently under the care of the council is considerably higher than predicted when the 2011-12 budget was set and as a result is contributing to the directorate's financial pressures. This increased caseload has resulted in additional in-year staffing costs (£317k) and increased legal costs (£133k). There are also currently 29 Special Guardianship Orders in place creating a financial pressure of £110k. The table below demonstrates the year-on-year increase in Looked After Children and associated financial costs.

Numbers and average cost looked after children in York

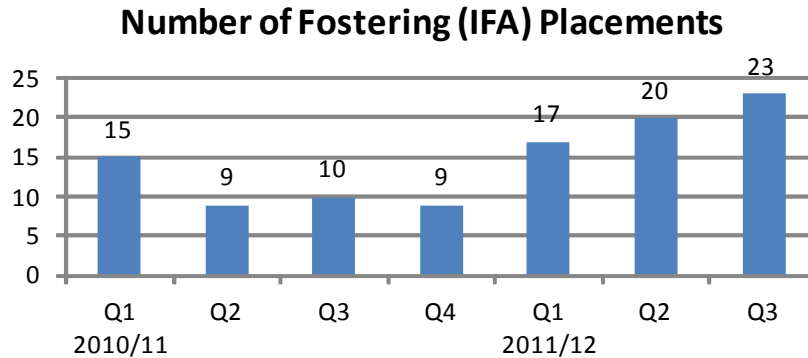
Year	No. of LAC	% change	Budget	Actual	Cost per Child	% change
2006-07	157	12%	£1,972,780	£2,998,715	£19,100	N/A
2007-08	168	7%	£3,083,130	£3,345,742	£19,915	4%
2008-09	199	16%	£3,468,020	£3,833,682	£19,265	-3%
2009-10	223	11%	£3,578,760	£4,501,280	£20,185	5%
2010-11	236	6%	£4,759,490	£4,666,303	£19,772	-2%
2011-12 (Q3)	255	7%	£4,326,600	£5,021,690	£19,693	0%

50. The number of children in local foster placements has increased from 162 when the budget for 2011/12 was set, to the present figure of 174, which is creating a pressure of £226k. A comprehensive programme of prevention to address growing LAC population was launched at a directorate event in December 11. Programme boards currently being established to deliver changes. The table below shows the increase on a quarter by quarter basis.

Number of Local Foster Placements



51. There is an ongoing need for 20 Independent Fostering Agency beds which is expected to exceed that provided for in the budget creating a pressure of £199k. A weekly review of the children in these placements by the senior management team has been initiated to expedite their return to local placements as soon as possible. Any moves are always for the child's benefit. The table below shows the increase on a quarter by quarter basis.



52. Delays in delivering the expected saving on Home to School transport (£221k) add to the overall pressures. Underspends on some previous year grant allocations can now be used to offset some of these expenditure pressures (£406k). Other mitigating savings of £192k result from restrictions on expenditure in place across the directorate along with a range of more minor variations across the service

City Strategy

53. The City Strategy directorate is projected to underspend by £146k, primarily due to savings in concessionary fares (£220k), transport planning (£135k) and parking (£135k) offset by shortfalls in income from Building Control (£110k) and Development Control (£100k) and time taken to deliver service review savings (£350k). The previously reported pressure related to cross directorate Facilities Management work stream savings has been fully mitigated by a range of directorate budget savings identified this quarter.

54. Vacancy management measures and other expenditure controls (£216k) are being enforced in order to reduce the forecast pressure by the end of the financial year.

Communities & Neighbourhoods

55. The Communities & Neighbourhoods directorate is forecasting gross financial pressures of £3,205k, including £1,319k of cross directorate savings taken as part of the 2011/12 budget process. Mitigation of some £2,405k has been identified which reduces the forecast overspend to £800k, an improvement of £676k since the last report.

56. The cross directorate savings pressures relate to the Fleet Review (£510k), which has been affected by additional resource requirements and the partial year effect of implementation, the Supplies and Services review (£400k), Agency Staff (£52k), Internal Trading (£150k), Area Based Working (£92k) and the Business Support Review (£115k).
57. Elsewhere in the directorate, Building Maintenance is forecasting pressures whilst new and efficient working practices are aligned to its business plan (£165k). Within Commercial Waste the service is forecasting a profit £590k below the budgeted level (although still making a profit). There is a further one off pressure in Arts and Culture Education (£187k) as result of redundancy costs arising from the recent restructure. An overspend is forecast within parking services mainly due to a reduction in income.
58. These pressures are reduced by general underspends (£116k) and increased income (£167k) within Housing Services. The deferral of some Highways expenditure (£565k) along with savings in Libraries & Archives (£111k), Neighbourhood Management (£101k) including the stopping of further spending on ward committee budgets and directorate wide mitigation, including vacant posts, of £588k further reduce the overall forecast.
59. In order to mitigate these pressures, the directorate is limiting expenditure to a minimum, however it is unable to do so in all circumstances, for example where contractual obligations prohibit this. Service managers will continue to identify other proposals to mitigate the overspend.

Customer & Business Support Services

60. The Customer & Business Support Services is currently reporting a projected underspend of £136k, which is due minor underspends on a range of issues. The directorate will continue to try and identify other under spends which could assist in mitigating the council wide position.

Office of the Chief Executive

61. The Office of the Chief Executive directorate is currently forecasting that it will contain expenditure within budget. As with CBSS, the directorate will continue to try and identify other under spends which could assist in mitigating the council wide position.

Corporate Budgets

62. These budgets include Treasury Management activity and other corporately held funds. At present, it is anticipated that there will be a £250k underspend due to reduced interest paid on borrowing and increased interest earned due to higher than anticipated cash balances and the volatility in financial markets which has allowed for the Council to take advantage of favourable interest rates.

63. In addition, pension strain costs to date have been lower than anticipated in the financial year and an in year underspend of £200k is forecast.
64. This section also now includes a projected underspend of £714k for the New Homes Bonus. It is proposed that this is set aside to be used to support the revenue budget; however the amount can not be fully confirmed until the final year outturn is known. The Director of Customer & Business Support Services will consider the final allocation as part of the outturn process and this will be included in the final outturn report to Cabinet in July.

Dedicated Schools Grant

65. In the DSG area there is a projected underspend of £47k against a budget of £106,642k, primarily due to lower than expected costs related to SEN Out of City Placements. Due to the nature of the DSG, any underspend must be carried forward and added to the following year's funding with overspends either being funded from the general fund or reducing the following year's funding allocation.

Housing Revenue Account (HRA) - Finance

66. The current working balance on the HRA is £9,252k and the estimated variance against this is an underspend of £216k which is primarily attributed to staffing vacancies (£128k), increased income from leaseholders (£47k) and other minor savings across the service (£86k) offset by a shortfall in rental income of £45k due to the increased number of void properties.

Reserves

67. The February 2011 Budget Report to Council stated that the minimum level for the General Fund reserve should be £6.1m (or 5% of the net budget) and following the 2010-11 outturn, where funding was applied to fund new initiatives, the reserve now stands close to this minimum level.
68. Members have to be mindful that any overspend would have to be funded from this reserve reinforcing the need to contain expenditure within budget. Should this happen the Director of Customer & Business Support Services would have no option but to recommend to Council that the reserve is reinstated to at least its minimum required level which would have implications on future budget setting cycles.

Analysis

69. The analysis of the financial position of the council is included in the body of the report.

Consultation

70. There has been extensive consultation with Trade Union groups on the ongoing implications of the council's financial situation.

Corporate Priorities

71. The information and issues included in this report demonstrate progress on achieving the priorities set out in the Council Plan (2011-15).

Implications

72. The implications are:

- Financial - the financial implications are dealt with in the body of the report.
- Human Resources - there are no specific human resource implications to this report.
- Equalities - there are no specific equality implications to this report, however equalities issues are accounted for at all stages of the financial planning and reporting process.
- Legal - there are no legal implications to this report.
- Crime and Disorder - there are no specific crime and disorder implications to this report.
- Information Technology - there are no information technology implications to this report.
- Property - there are no property implications to this report.
- Other - there are no other implications to this report.

Risk Management

73. The risk management processes embedded across the council continue to contribute to managing the risk issues associated with major projects and key areas of service delivery.

Recommendations

74. Members are asked to:

a. Note the performance issues identified in this report.

Reason: So that corrective action can be taken by members and directorates.

b. Note the current projected pressures of £921k and note that strategies are being prepared to mitigate this position.

Reason: In order to ensure expenditure is kept within budget.

c. Authorise the use of the £714k 2011/12 New Homes Bonus to support the revenue budget and delegate to the Director of CBSS authority to consider the final allocation as part of the outturn process.

Reason: In order to ensure expenditure is kept within budget.

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Wards Affected: All			
For further information please contact the authors of the report			

Additional background papers:

- Priority scorecard – Create jobs & grow the economy
- Priority scorecard – Get York moving
- Priority scorecard – Protect the environment
- Priority scorecard – Protect the vulnerable
- Priority scorecard – Build strong communities

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Cabinet

Report of the Cabinet Member for Corporate Services

Treasury Management Monitor 3 and Prudential Indicators 2011/12

Summary

1. This Council is required through regulations issued under the Local Government Act 2003 and the revised 2009 (Chartered Institute of Public Finance and Accountancy) Code of Practice for Treasury Management (as revised) to provide members with an update on treasury management activities at least twice a year.
2. This report therefore ensures this council is implementing best practice in accordance with the Code. It updates on the Treasury Management activities for the period 1 April 2011 to 31 December 2011 and reviews:
 - Economic Background
 - Annual Investment Strategy
 - Investment portfolio
 - Borrowing portfolio
 - Compliance with Prudential Indicators

Background

3. The Council's Treasury Management function is responsible for the effective management of the Council's investments, cash flows, its banking, money market and capital transactions; the effective control of the risks associated with those activities; and the pursuit of optimum performance consistent with those risks.

Economic Background and Analysis

4. The Council's treasury management activities have operated within the following economic background:

- a) Indicators suggest that the economy is at higher risk of a recession;
 - b) Weak demand on the high street has forced retailers to offer generous discounts; reflecting the pressures on households' finances;
 - c) The labour market has deteriorated, but at a slower pace than in previous months; employment surveys have continued to point to further job losses ahead;
 - d) Public borrowing has fallen in line with the fiscal plans, but forecasts for future deficits have been revised up;
 - e) Inflation begins to fall from its recent peak of 5.2% in September to 4.8% in November; the November Inflation Report forecast projected CPI inflation to be well below the 2% target in two years' time;
 - f) The Monetary Policy Committee (MPC) restarted quantitative easing (QE) and indicated its intention to sanction more;
 - g) Gilt yields reached new lows, in spite of a recovery in equity prices and growing fiscal fears;
 - h) Euro-zone policymakers failed to make progress towards a solution to the region's debt crisis.
5. There continues to be uncertainty in the current economic climate and Sector – the Council's treasury management advisers – have undertaken a review of their interest rate forecast as a result of this economic background and the following two major events:
- a) the decision by the MPC to expand quantitative easing by a further £75bn is to be completed in February 2012. This clearly underlines how concerned the MPC is about the prospects for UK growth and that recession is now a much greater concern than inflation. This decision had the immediate result of depressing gilt yields at the long end of the interest rate gilt yield curve, effecting Sector's interest rate forecasts.
 - b) The marked deterioration of growth prospects in the US, EU and UK, (especially as concerns have further increased over Greece) and the potential fall out from their debt situation. This has led in turn to a further increase in safe haven flows into UK gilts since Sector's

last interest rate forecast (16.8.11) which have depressed gilt yields and pushed PWLB rates to even lower levels.

6. From the economic uncertainty described above, the Sector central interest rate forecast is for the bank base rate to rise in 2 years time in September 2013. The current environment of exceptional levels of volatility which are highly correlated to political developments (or lack of them) in the Eurozone sovereign debt crisis, highlights how unpredictable PWLB rates and bond yields remain.
7. Figure 1 below shows the actual and projection of the bank base rate, which has remained at historically low levels since April 2009. Sector forecast bank base rate in January 2011 is compared to their revised forecast in January 2012. Other economists latest forecast are also shown for January 2012. The graph highlights the delay in the expectation of the increase in the Bank Base rate which is as a result of the decision to expand quantitative easing and deterioration of growth prospects.

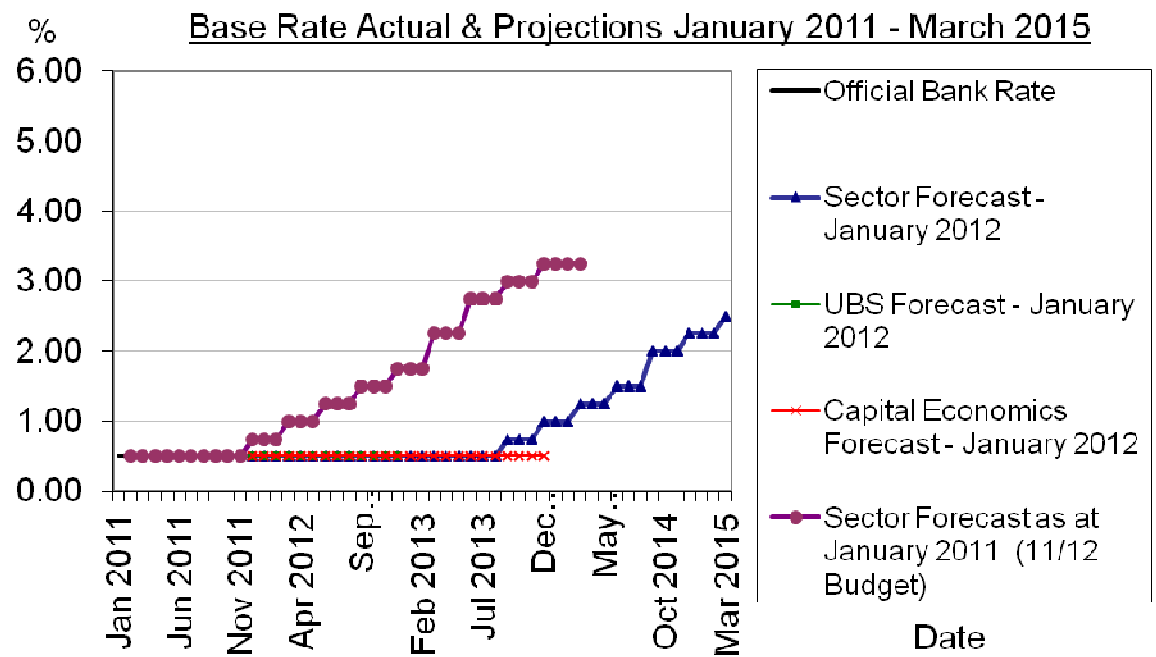


Figure 1: Base Rate 2011 to 2015 - latest forecast January 2012

Annual Investment Strategy

8. Treasury Management Strategy Statement for 2011/12 was approved by Council on 24 February 2011. The Council's

Annual Investment Strategy, which is incorporated in the Strategy, outlines the Council's investment priorities as follows:

- security of capital
- liquidity
- yield

The Council will aim to achieve the optimum return (yield) on investments commensurate with the proper levels of security and liquidity.

9. Investments are placed with highly credit rated financial institutions using the creditworthiness matrices described in the Treasury Management Strategy, which includes sovereign credit ratings from the rating agencies and the credit default swap (CDS) overlay information provided by Sector.
10. The current economic climate with the continuing Euro zone sovereign debt crisis and its potential impact on banks prompts a low risk and short term strategy. It is considered appropriate to keep investments short with a maximum duration of 3 months. This applies to all entities in which the Council is considering investing, except for the following institutions:
 - (a) UK Government and related entities such as Local Authorities – suggested limit remains at 5 years.
 - (b) UK semi-nationalised institutions e.g. Lloyds / RBS – suggested limit remains at 1 year. UK ownership provides considerable conform to investors.
 - (c) Money market Funds – suggested limit remains at 1 year.
11. Investments held during the first nine months of 2011/12, in accordance with Sector's Creditworthiness matrices and changes to Fitch and Moody's credit ratings, remained within the Council's approved credit criteria limits contained in the Annual Investment Strategy.

Investment Portfolio

12. Investment rates available in the market have continued at historical low levels. The average level of funds available for investment purposes in the nine months of 2011/12 was £58.085m. The level of funds available is largely dependent on the timing of the Council's cash flow as a result of precept payments, receipt of grants, borrowing and progress on the

Capital Programme. These funds are therefore available on a temporary basis dependant on cash flow movement.

13. There are no funds currently invested for periods of a year or more due to the limited institutions available for investment in the current market environment; in accordance with the credit criteria policy.
14. Investment activity during the first nine months of 2011/12 earned a rate of return of 1.22%. This is 0.74% better than the average 7 day London Inter-Bank Deposit rate (LIBID) of 0.48% and 0.72% higher than the average base rate for the period of 0.50%. The interest earned to date in 2011/12 is in line with the treasury management budget.
15. The higher rate of return on investment activity compared to the average LIBID rate and base rate for the period is due to the treasury team continuing to monitor the market and taking advantage of opportunities when they become available, whilst ensuring the security of the council's funds. Investments in the portfolio are diversified and include deposits in short term call accounts, fixed term investments and money market funds.
16. Figure 2 shows the interest rates available on the market between 7 days and 1 year and also the rate of return that the Council has achieved for the first nine months of 2011/12. It shows that favourable / competitive interest rates have been obtained for investments whilst ensuring the required liquidity and security of funds for the Council.

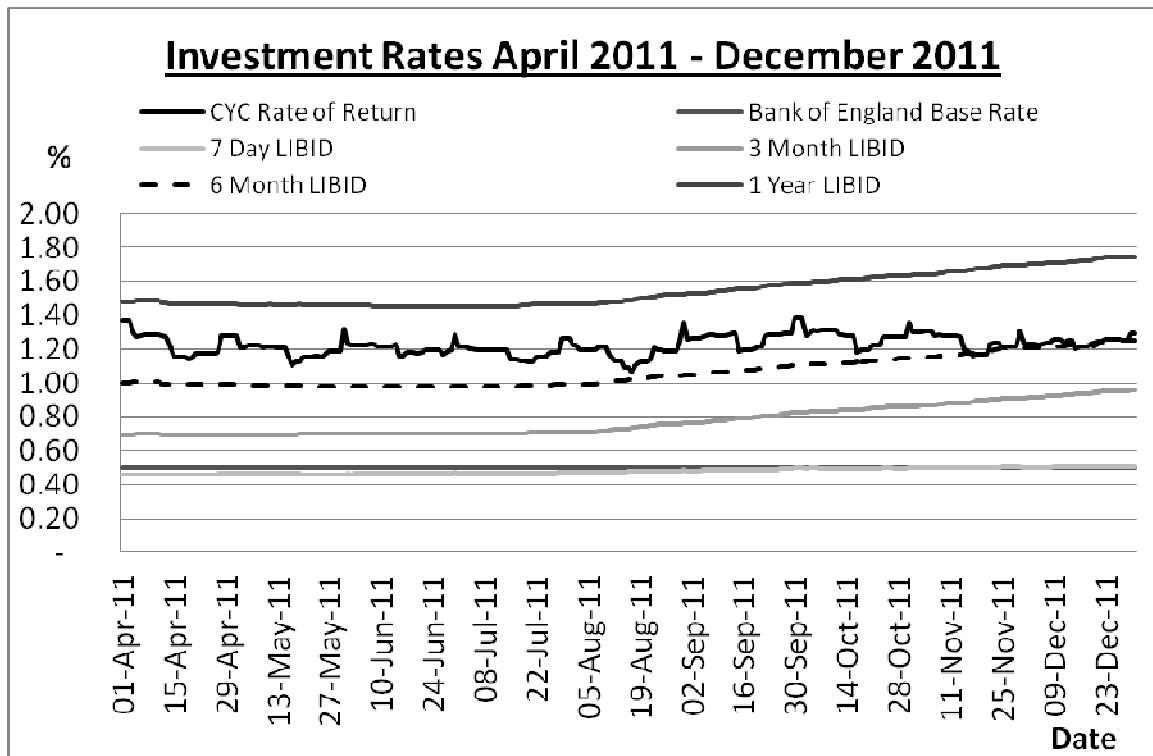


Figure 2 CYC Investments vs Money Market Rates

Borrowing Portfolio

17. The Council undertakes long term borrowing in accordance with the investment requirements of the capital programme and all borrowing is therefore secured against its asset base.
18. The level of borrowing taken by the Council is determined by the Capital Finance Requirement (the Councils underlying need to borrow for capital expenditure purposes). Borrowing needs to be affordable, sustainable and prudent and the treasury management budget supports the borrowing finance costs in the longer term.
19. Under regulation, the Council can borrow in advance of need in line with its future borrowing requirements in accordance with the Capital Financing Requirement. The Administrative Accommodation project increases the Council's need to borrow in 2011/12 and 201/13 and therefore the markets will continue to be closely monitored to ensure that advantage is taken of favourable rates in 2011/12 and the increased borrowing requirement is not as dependant on interest rates in any one year.

20. On the reverse side, the Council's level of borrowing can also be below the Capital Financing Requirement. This would mean that instead of increasing the Council's level of borrowing, surplus funds held for investment purposes would be utilised instead, decreasing the level of surplus funds being available for investment. In the current interest rate environment where investment rates are below borrowing rates consideration is given to the value of taking borrowing or whether it is better for the council to keep investment balances lower.
21. Sector – the Council's treasury management advisers - forecast that overall future PWLB rates will rise, although there is still expected to be volatility in the market over the coming months. At this Treasury Management Monitor 3 report the target level for loans for the remainder of 2011/12 is 4.3% - which is at the lower end of Sector's target range. Sector's 25 year PWLB target rate for new long term borrowing for the quarter started at 5.00% and ended at 4.20%.
22. As shown in Table 1 below, all Government Public Works Loan Board (PWLB) borrowing interest rates have generally been on a downward trend during the third quarter of 2011/12. The low points during the quarter were seen towards the end of December. The high points were seen in October.

	1 Year	5 Year	10 Year	25 Year	50 Year
Low	1.19%	1.96%	3.01%	3.96%	3.98%
Date	29/12/11	30/12/11	30/12/11	30/11/11	30/11/11
High	1.54%	2.56%	3.71%	4.52%	4.64%
Date	07/10/11	17/10/11	28/10/11	28/10/11	12/10/11
Average	1.39%	2.25%	3.33%	4.22%	4.28%

Table 1 – PWLB Borrowing Rates - quarter ended 31.12.2011

23. The Councils long-term borrowing started the year at a level of £133.1m. A £5m loan was repaid in May 2011 in line with its maturity date. New borrowing of £7m was taken in August 2011 and £5m in November 2011. Table 2 details the borrowing taken during 2011/12:

<u>Loan Type</u>	<u>Date Raised</u>	<u>Date Matured</u>	<u>Amount</u>	<u>Interest Rate</u>	<u>Duration</u>
Matured	28/05/2010	27/05/2011	5,000,000	0.700%	1.00
			5,000,000		
Raised	11/08/2011	10/08/2021	2,000,000	3.810%	10.00
Raised	11/08/2011	10/08/2016	5,000,000	2.500%	5.00
Raised	07/11/2011	07/11/2020	5,000,000	3.140%	9.00
			12,000,000		
Matured/Raised loans net position 2011/12			7,000,000		
Opening loan balance 2011/12			133,064,956		
Closing loan balance (current)			140,064,956		

Table 2 – Borrowing during 2011/12

24. The loans taken in 2011/12 are below the original target of 5% set in the Council approved 2011/12 strategy and also below the revised target rate of 4.3%. The £5m 10 year loan was at 3.81%, the £2m 5 year loan at 2.54% and the £5m 9 year loan at 3.14%.
25. It is anticipated that further borrowing will be undertaken during this financial year and rates continue to be monitored in this volatile opportunistic environment.
26. Figure 3 shows the fluctuation in PWLB rates since October 2010 when the Government's Comprehensive Spending Review increased rates to 1% above gilt yields. It indicates that all interest rates have generally been on a downward trend during the 2011/12, specifically low points were seen towards the end of December. The red triangles highlight when new borrowing in 2011/12 has taken place.

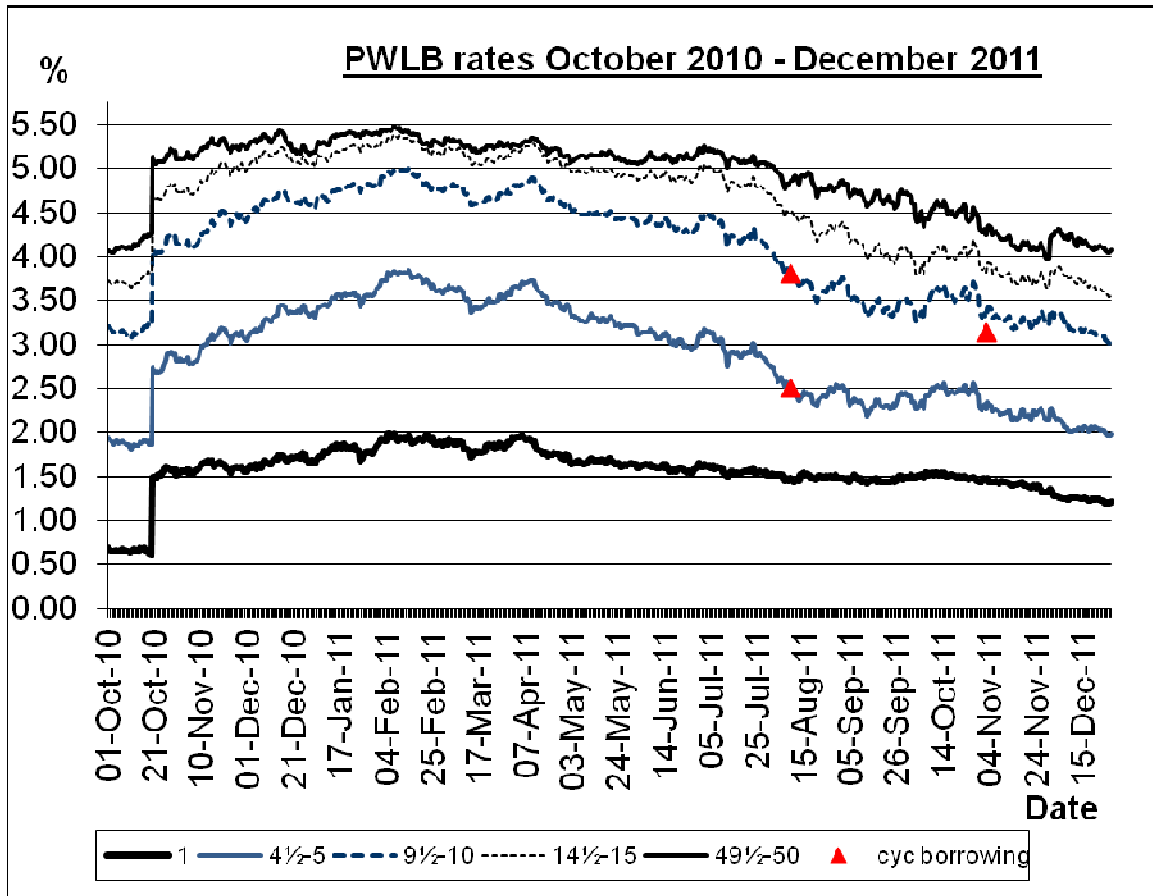


Figure 3 – PWLB rates vs CYC Borrowing Levels

27. Figure 4 illustrates the 2011/12 maturity profile of the Council’s debt portfolio updated to reflect the borrowing this year to 31 December 2011. The maturity profile shows that there is no large concentration of loan maturity in any one year, thereby spreading the interest rate risk dependency.

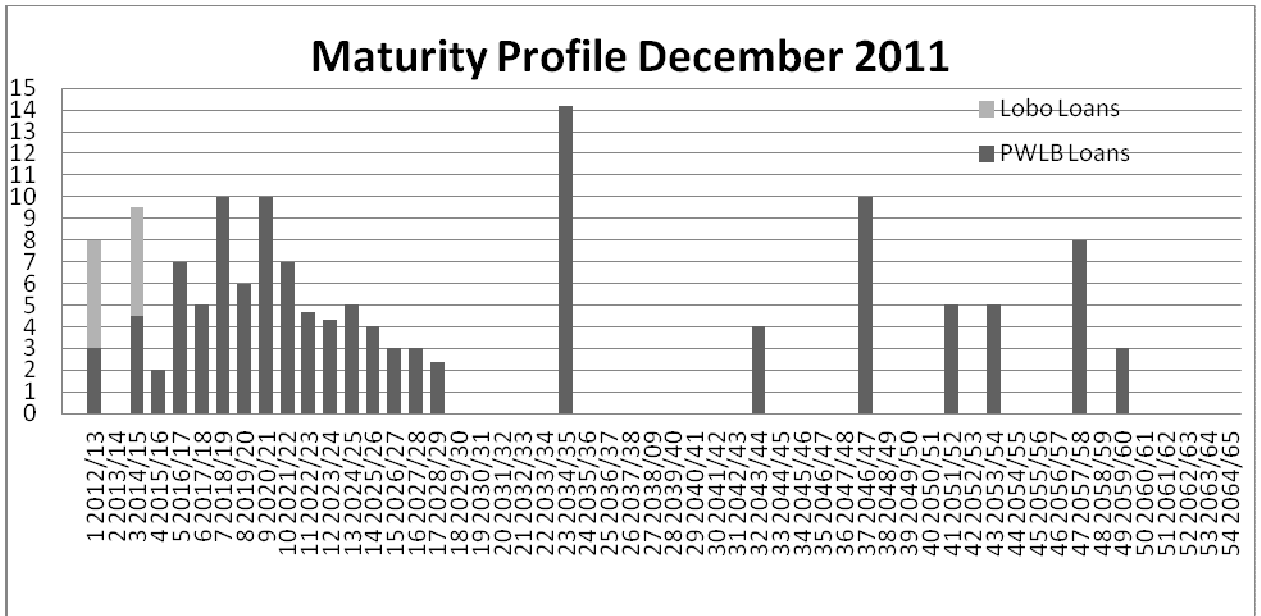


Figure 4 – Debt Maturity Profile 11/12

Compliance with Prudential Indicators

- 28. The Prudential Indicators for 2011/12, included in the Treasury Management Strategy Statement are based on the requirements of the Council’s capital programme and approved at Council on 24 February 2011.
- 29. Revised Prudential Indicators for 2011/12 were approved by Council in December 2011 as recommended by Cabinet from the Treasury Management Monitor 2 Mid Year Review and Prudential Indicators 2011/12 Report. This revision occurred as a result of the HRA Self financing reform; further information is available in the Monitor 2 report.
- 30. It is a statutory duty for the Council to determine and keep under review the “Affordable Borrowing Limits” included in the Prudential Indicators. The monitoring of the Prudential Indicators is attached at Annex A, along with the revised limits for the HRA reform.
- 31. During the financial year 2011/12 to date the Council has operated within the treasury limits and Prudential Indicators set out.

Consultation

32. The report shows the nine month position of the treasury management portfolio in 2011/12. The treasury management budget was set in light of the council's expenditure plans and the wider economic market conditions, based on advice from Sector - the Council's Treasury Management advisors.

Council Plan

33. The Council Plan has five priorities which all require a budget to achieve. The treasury management function aims to achieve the optimum return on investments commensurate with the proper levels of security, and endeavours to minimise the interest payable by the Council on its debt structure. It thereby contributes to all Council Plan priorities.

Human Resources Implications

34. There are no HR implications as a result of this report.

Equalities

35. There are no equalities implications as a result of this report.

Legal Implications

36. Treasury Management activities have to conform to the Local Government Act 2003, the Local Authorities (Capital; Finance and Accounting) (England) Regulations 2003 (SI 2003/3146), which specifies that the Council is required to have regard to the CIPFA Prudential Code and the CIPFA Treasury Management Code of Practice and also the *Local Authorities (Capital Finance and Accounting) (England) (Amendment) Regulations 2008* (SI 2008/414), which clarifies the requirements of the Minimum Revenue Provision guidance.

Crime and Disorder Implications

37. There are no crime and disorder implications as a result of this report.

Information Technology Implications

38. There are no IT implications as a result of this report.

Property Implications

39. There are no property implications as a result of this report.

Risk Management

40. The Treasury Management function is a high-risk area because of the level of large money transactions that take place. As a result of this there are procedures set out for day to day treasury management operations that aim to reduce the risk associated with high volume high value transactions. These are detailed in the Treasury Management Strategy Statement at the start of each financial year.

Recommendations

41. Members are required, in accordance with the Local Government Act 2003, to:

- Note the Treasury Management activities in 2011/12
- Note the movements in the Prudential Indicators at Annex A

Reason – to ensure the continued performance of the Council's Treasury Management function.

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Report
Approved

√ Date 14/02/12

Wards Affected:

All

Specialist Implication Officers:

None

For further information please contact the author of the report

Background Papers

Cash-flow Model 11/12, Investment Register 11/12, PWLB Debt Register, Capital Financing Requirement 11/12, Venture Fund 11/12, Treasury Management budget 11/12, Statistics 11/12.

Annexes

Annex A – Prudential Indicators 2011/12

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Annex A

PRUDENTIAL INDICATORS		2011/12	2011/12
Monitor 3 2011/12 AND REVISED BUDGET HRA REFORM		REVISED	Monitor
		Budget	3
1	Capital Expenditure	£M	£M
	To allow the authority to plan for capital financing as a result of the capital programme. To enable the monitoring of capital budgets to ensure they remain within budget	Non - HRA 61,4	48.2
		HRA 122,7	131.8
		TOTAL 184,1	180.0
2	Ratio of financing costs to net revenue stream		
	This indicator estimates the cost of borrowing in relation to the net cost of Council services to be met from government grant and council taxpayers. In the case of the HRA the net revenue stream is the income from Rents and Subsidy	Non - HRA 10.1%	7.7%
		HRA 2.1%	2.4%
3	Incremental impact of capital investment decisions - Council Tax	£ p	£ p
	Shows the actual impact of capital investment decisions on council tax. The impact on council tax is a fundamental indicator of affordability for the Council to consider when setting forward plans. The figure relates to how much of the increase in council tax is used in financing the capital programme and any related revenue implications that flow from it.	Increase in Council Tax (band D) per annum 24.09	19.81

4	<p>Incremental impact of capital investment decisions - Hsg Rents</p> <p>Shows the actual impact of capital investment decisions on HRA rent. For CYC, the HRA planned capital spend is based on the government's approved borrowing limit so there is no impact on HRA rents.</p>	Increase in average housing rent per week	£ p	£ p
			0.00	0.00
5	<p>Capital Financing Requirement as at 31 March</p> <p>Indicates the Council's underlying need to borrow money for capital purposes. The majority of the capital programme is funded through government support, government grant or the use of capital receipts. The use of borrowing increases the CFR.</p>	Non - HRA HRA TOTAL	162.0 130.8 292.8	150.8 140.4 291.1
6a	<p>Authorised Limit for external debt -</p> <p>The authorised limit is a level set above the operational boundary in acceptance that the operational boundary may well be breached because of cash flows. It represents an absolute maximum level of debt that could be sustained for only a short period of time. The council sets an operational boundary for its total external debt, gross of investments, separately identifying borrowing from other long term liabilities for 3 financial years.</p>	borrowing other long term liabilities TOTAL	337.0 10 347	337.0 10 347

6b Operational Boundary for external debt -

The operational boundary is a measure of the most likely, prudent, level of debt. It takes account of risk management and analysis to arrive at the maximum level of debt projected as part of this prudent assessment. It is a means by which the authority manages its external debt to ensure that it remains within the self imposed authority limit. It is a direct link between the Council's plans for capital expenditure; our estimates of the capital financing requirement; and estimated operational cash flow for the year.

borrowing	317	317
other long term liabilities	10	10
TOTAL	327	327

7 Adoption of the CIPFA Code of Practice for Treasury Management in Public Services

Ensuring Treasury Management Practices remain in line with the SORP.

TM Policy Statement
12 TM Practices Policy Placed Before Council Annual Review Undertaken

8a Upper limit for fixed interest rate exposure

The Council sets limits to its exposures to the effects of changes in interest rates for 3 years. The Council should not be overly exposed to fluctuations in interest rates which can have an adverse impact on the revenue budget if it is overly exposed to variable rate investments or debts

Net interest re fixed rate borrowing / investments	110%	104%
Actual Net interest re fixed rate borrowing / investments		

8b	<p>Upper limit for variable rate exposure</p> <p>The Council sets limits to its exposures to the effects of changes in interest rates for 3 years. The Council should not be overly exposed to fluctuations in interest rates which can have an adverse impact on the revenue budget if it is overly exposed to variable rate investments or debts</p>	<p>Net interest re variable rate borrowing / investments</p> <p>Actual Net interest re variable rate borrowing / investments</p>	-10%	-4%
9	<p>Upper limit for total principal sums invested for over 364 days</p> <p>To minimise the impact of debt maturity on the cash flow of the Council. Over exposure to debt maturity in any one year could mean that the Council has insufficient liquidity to meet its repayment liabilities, and as a result could be exposed to risk of interest rate fluctuations in the future where loans are maturing. The Council therefore sets limits whereby long term loans mature in different periods thus spreading the risk.</p>		£10 M	£10 M

10 Maturity structure of new fixed rate borrowing during 2010/11 The Council sets an upper limit for each forward financial year period for the level of investments that mature in over 364 days. These limits reduce the liquidity and interest rate risk associated with investing for more than one year. The limits are set as a percentage of the average balances of the investment portfolio.		Upper Limit	Mon 3
	under 12 months	10%	0%
	12 months and within 24 months	10%	2%
	24 months and within 5 years	25%	5%
	5 years and within 10 years	40%	27%
	10 years and above	90%	66%

1. In accordance with the Prudential Code, the Prudential Indicators set by full Council on 24th February 2011 for the financial year 2011/12 must be monitored and reported through the financial year. The HRA reform and the requirement to borrow an additional £121.6m has changed key indicator. The Prudential Indicators are detailed above and some of the key points are explained below:
2. Size of the **Capital Programme (Indicator 1)** - The capital programme expenditure at monitor 3 is estimated at £180.0m the revised budget which includes and estimate for the HRA settlement payment budget was £184.1m. The Capital Programme Monitor 3 report provides further information with regards to the movements. The HRA Reform increase the HRA Capital Expenditure by £121.6m, therefore the total capital expenditure now stands at £180.0m
3. **Net revenue Stream (indicator 2)** - This indicator represents how much borrowing for the capital programme will cost as a percentage of the net revenue stream. The General Fund indicator at Monitor 3 is 7.7% compared to a budgeted level of 10.1%. The indicator has decreased as the capital expenditure of the Council has decreased and less borrowing is required. The Housing Revenue Account (HRA) indicator at monitor 3 is 2.4% compared to the budgeted

level of 2.1%. There is little change even though there is to be a £121.6m settlement payment to the Government on 28 March 2012. For the year 2011/12 the HRA subsidy system remains in place and therefore there is no change to the Net Revenue Stream.

4. **Incremental Impact on the Level of Council Tax (Indicator 3)** – This indicator shows the impact of capital investment decision on the bottom line level of Council Tax. The Council funds its discretionary capital programme from two main sources, from borrowing or using capital receipts from the sale of surplus assets. The Council's policy is to use capital receipts to fund the Capital programme, however in the current economic environment with reduced capital receipts there is the requirement to use borrowing, which has an impact on Council Tax. The borrowing is not taken unless it is affordable, sustainable and prudent and can be supported by an existing budget. At monitor 3 the impact on council tax is estimated at £19.81 per Band D charge. This has decreased from the estimate of £24.09 due to a lower level of borrowing being required to support the capital programme, which is in line with indicator 2.
5. **Incremental Impact on the Level of Housing Rents (Indicator 4)** – The estimate in the original 2011/12 strategy monitor 2 and the revised HRA reform indicator are all zero. This is because even though the level of this indicator changes, the level of housing rent is not affected as housing rent is set in accordance with government formula.
6. **Capital Financing Requirement (CFR) (Indicator 5)** - The CFR at Monitor 3 is estimated at £291.1m, which is the Council's underlying need to borrow for all capital expenditure over time. The CFR will fluctuate as new schemes are introduced into the capital programme and the funding position changes (as a result of external contributions, reductions in grants, changes to capital receipts etc) to support the Capital investment of the Council.
7. The CFR under the HRA Reform has increased in line with the increased capital expenditure requirement of £121.6m. Therefore the revised CFR to incorporate the HRA reforms is £291.1m. It should be noted that the level of the HRA settlement has risen from that reported at monitor 2 from £112m to £121.6m. This decision is a change in the Department of Communities and Local Government calculation to take account of inflation. The CFR overall remains at the same level at £291.1m which confirms the CFR for the non-HRA element has fallen.

8. **Authorised Limit / Operational Boundary (Indicator 6)** – The Council debt position at 31 December 2011 stands at £140.1m. The Council's Operational Boundary (maximum prudent level of debt) was revised at Monitor 2 and approved at £327m, along with the Authorised Limit (maximum allowed debt) at £347m. This is as a result of the change in the borrowing required under the HRA reform. These limits remain as approved for 2011/12.
9. **Adoption of the CIPFA Code of Practice in Treasury Management (Indicator 7)** – In accordance with the Prudential Code the Council has adopted the revised Treasury Management Code of Practice on 24 February 2011 and as detailed in the table has adhered to the requirements.
10. **Upper Limit for Fixed and Variable Interest rate Exposure (Indicator 8)** – Interest rate exposure on debt is positive due to it being in relation to interest paid on borrowing and on investments is negative as it is interest being received. When the variable and fixed interest rates are totalled, it will always be 100%. If the majority of the interest received by the Council is fixed and the interest paid on debt is fixed then the closer the actual fixed interest rate exposure will be to 100% and the variable rate exposure to zero. The limits set in the budget were not breached at Monitor 3 fixed rate exposure was at 14% and variable rate exposure –4%. The HRA reform does not affect this indicator
11. **Upper Limit for total principal sums invested for over 364 days (Indicator 9)** – This has been set at £10m, 20% of the total average investment portfolio. To date in 2011/12, no funds have been invested for longer than 364 days due to the uncertainty in the current economic environment and no value to be obtained from the longer rates available to the council within its credit criteria limits.
12. **Maturity structure of fixed rate borrowing in 2010/11 (Indicator 10)** – The borrowing portfolio is spread across different time periods to ensure that the Council is not exposed to the requirement to take new borrowing in any one year and be exposed to interest rates in any one year. Currently in 2011/12 the borrowing portfolio maturity profile is within the limits set. Under the HRA reform, further work is to be carried out with Housing Services to review the HRA business model and assess the optimal profile for when borrowing is to be taken. At this stage it is estimated that the current limits will allow for the requirements of the HRA reform borrowing maturity profile.

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Cabinet

14th February 2012

Report of the Cabinet Leader

CYC response to the Interim report of the Fairness Commission

Summary

1. This report contains the proposed response of CYC to the Fairness Commission's Interim Report published on 28th November 2011 which proposed 10 Fairness Principles and made 30 specific recommendations to the Council.
2. Cabinet is asked to approve the proposed response to each recommendation noting how they will contribute to the delivery of the Council Plan priorities, consequent actions and any potential resource impacts. The proposed responses which relate to the budget or have other potentially significant impacts are highlighted in the main body of the report. The other responses are detailed in Annex A.
3. The financial implications of all recommendations which are proposed for implementation in 2012/2013 can be met within existing resources or are specifically provided for in the Capital and Revenue Budget Reports also on this agenda.

Background

4. The independent York Fairness Commission was set up in July 2011 as part of a Cabinet commitment to begin to tackle poverty and injustice in York.
5. The Commission's purpose is to promote and advise on the achievement of greater fairness and equality in York. The focus of the Commission's first report is to provide specific advice on the difficult decisions the Council is tackling in setting its budget for 2012/13 and 2013/14 in the context of sizeable funding cuts. A wider ranging report will follow in June 2012 looking more fully at options, ideas and

practical steps that can be taken to make York a fairer place – including but going beyond the role and priorities of the City Council.

6. The Commission's report also presents a compelling summary of the deprivation and inequality that is experienced by some of York's residents and in which context the recommendations are framed. The report is attached at Annex B.

Consultation

7. The Commission carried out a wide-ranging consultation exercise during September and October 2011. Many of the recommendations arise directly from suggestions made during the consultation.
8. Lead officers within the council have been consulted on the Commission's report and their recommendations are incorporated in the proposed responses.
9. This report cross-refers to the Financial Strategy report also on the Cabinet agenda which takes into account the Fairness Commission recommendations as part of the Budget consultation process.

Response to the Report

10. It is proposed that Cabinet welcomes the findings of the Fairness Commission Interim Report, and the independent external challenge that the report has provided. This has strengthened the Cabinet and officers' focus on developing a fair budget that will seek to balance a range of competing needs; protecting services for children, older and disabled people and still making provision for essential investment.
11. Each recommendation has been given careful consideration. In many areas the Commission's recommendations reinforce a commitment to the existing priorities and initiatives that the Council has already started work on and that form part of the Council Plan 2011-2015. In other areas we have been challenged to do more and to take a different approach. Throughout, the work of the Commission has been thought-provoking and has provided direct insight, through the voice of the people of York, into the real deprivation that exists in some parts of the city.

The 10 Fairness Principles

12. A cornerstone of the Fairness Commission approach was to establish the set of guiding 'Fairness Principles' below that can be used to

fairness proof decision-making and guide long-term progress towards a fairer York.

- Make reducing inequalities a prime focus in policy and decision making
- Support and empower the most vulnerable and disadvantaged groups
- Adopt a long term view considering long term impacts as well as short term savings
- Listen and Engage so as to make budget decisions in a way that is open, transparent and informed by York's people
- Generate new income to reduce the scale and depth of the cuts needed to balance the budget
- Make budget decisions based on evidence, values and needs, not by applying flat rate percentage cuts or favouring services that have always been provided
- Take into account wider factors that affect inequalities in York
- Target investments and services geographically where necessary to reduce inequalities and improve life chances in the most disadvantaged areas
- Promote/ prioritise economic growth that maximises benefits to people
- Ensure a 'best in class' Council that delivers services efficiently and effectively and acts as an influential role model in tackling inequalities

13. The above Fairness Principles are compelling and have been influential in the formulation by officers of budget proposals which reflect these values and address specific recommendations. Specifically:

14. For the first time, the 2012-14 budget covers a 2 year period to allow for longer term decision making than the previous annual cycle.

15. Additional detailed consultation has been carried out as part of the budget process to listen and engage with York residents including;

- Discussions with the voluntary sector and business community and Youth Council

- Use of the YouChoose survey that allows residents to determine their priorities for council spending
 - An open event that allowed residents to meet the Cabinet and discuss on an individual basis issues which are important to them.
16. There are proposals to increase a range of fees to maximize income and mitigate the need to make budget cuts. All of these proposals have been through a full equalities impact assessment process. The development of CYT Ltd, a separate trading company wholly owned by the council, will explore new ways of generating income from providing services to other public sector organisations in the city.
17. The budget process has involved Cabinet members considering the various savings options that officers have developed and taking into account the assessed impacts on customers, residents and staff with particular attention to the impact on communities of interest and geographic communities where there is socio-economic deprivation.
18. In making decisions we have taken long term approaches to the development of services that will ensure we can still respond to the needs of the most vulnerable in our communities now and in the future. The focus is on prevention and early intervention to prevent escalation of needs and costs.
19. To ensure that the approach and values enshrined in the Fairness Principles underpin the Council Plan core capabilities, we propose to embed them in the way we make decisions and deliver our services and reflect them in a refreshed approach to Equalities and Diversity.

The Fairness Commission recommendations

20. Each of the recommendations has been carefully considered and reviewed against existing progress, plans, resources and constraints. A detailed response to each recommendation describing how the council proposes to act on the recommendation, factors constraining the extent of our response and explaining the reasons for not taking up some recommendations is either included in the main body of the report or in Annex A.
21. The Council Management Team has met with the Fairness Commission to review the detailed responses and has begun a very constructive dialogue about how they will be progressed.

22. The Council is able to address many of the recommendations within existing resources through the way in which we will deliver our Council Plan priorities going forward.

Highlighted in the analysis below are:

- The key recommendations that have influenced the prioritisation of resources in the budget proposals
- recommendations which will require additional resources after a full assessment
- two recommendations (the Tourist Tax and the York Youth Card) which require a full appraisal of the options, alternative approaches and possible benefits

The remainder of the responses are in Annex A.

Budget savings and income Proposals

23. **Recommendations 1, 2 and 3** were to explore elements of Highways spend as a potential area for major savings, remove budget allocations to Ward Committees and to protect named services (principally Children's Social Care and Adult Provision).

These proposals are in line with the Council Plan priority to protect services for vulnerable people. The Financial Strategy report on this Cabinet agenda includes savings proposals that reduce both revenue and capital budgets for highways expenditure; presents a proposal which significantly reduces the existing overall ward committee budget and restructures the remaining budget so that the spending can be better targeted to meet the needs of the most disadvantaged; and in the context of the most difficult budget in a generation, seeks wherever possible to protect services for vulnerable people from front-line cuts and provides growth of some £2m to these areas. In framing these recommendations careful account has been taken to secure sufficient investment in highways against evidenced need and national benchmarks.

24. **Recommendation 4:** Raise Council Tax by 3.5 - 6% to protect services and avert steeper rises in the future.

Cabinet is today considering a recommendation to increase Council Tax by 2.9% in 2012/13 in order to raise additional income to protect services. An increase above 3.5% would be subject to a referendum under the new Localism Act entailing significant additional expenditure (£200k or 0.3% of council expenditure) and delay in setting the Council's budget. The reasons for proposing this level of increase are fully explained in the Financial Strategy also on this agenda.

25. Recommendation 6: Explore options for introducing a York Visitor Heritage Contribution (Tourist Tax)

The Council's top priority is to create jobs and grow the economy. Tourism accounts for 10.3% of jobs in York and will remain essential to the resilience of York's economy into the future. Given this context, the recommendation raises conflicting issues for the Council and the city. The Council would not want to implement a charge or tax that could deter visitors, impose an administrative burden on local businesses and potentially undermine the profitability of this sector of the local economy.

26. However the Council is prepared to explore all ideas that could help increase income – to the city and the Council from this sector. We will assess the full implications and possible alternative approaches to such a charge in consultation with VisitYork and other key partners in the business community.

27. Recommendation 7: Explore and adopt creative approaches to income generation

In addition to the income-generating potential of CYT Ltd described above, the Council will continue to look for other innovative ways to raise income. For example, in City Strategy three propositions have been developed which can raise income for the Council through the sale of expert technical knowledge and information:

- To provide quality strategic development products and advice to regional, national and international markets and ultimately create a centre of excellence in the City for this type of work, through which the business will operate in the future.
- To provide heritage and sustainability advice and services to regional Local authorities and organisations.

- To hold a digital 3D model of the City and sell access rights to the relevant parts when developers are looking at development options and impact assessments. Ultimately to extend the usage to facilitate innovation in tourism and other customer service areas across the City.

28. The Council is determined to take advantage of good ideas from all sectors of the community. We are seeking transformational ideas to solve some of the city's biggest challenges. With seed-funding from the NESTA Creative Councils Programme we are opening up the challenge to the public and voluntary and private sectors via the YorkGenius website and to staff through Open Innovation Workshops in February and March. By harnessing external expertise as a catalyst we will be generating new ideas including different ways of generating income from York's tourist footfall.

Recommendations requiring further investment

29. *On Transport*

Recommendations 19 and 20 propose the extension of YoZone bus discounts for young people to age 18 and removing time restrictions on the travel concessions for disabled people.

One of the priority outcomes of the Council Plan's transport theme is for York's communities to have better accessibility to economic and educational opportunities. This recommendation highlights that not all of York's communities are currently able to benefit equally from this accessibility.

30. We are working with the Youth Council and the Quality Bus Partnership to secure extension and improvement to the existing concessions for young people through partnership working. We are also working with schools and 6th form colleges.

31. Disabled people in York already benefit from a local agreement that has been negotiated to allow free travel to start at 9am rather than the national requirement of 9.30am. In addition, there is currently a study underway to establish the costs of extending this concession to respond to the concerns raised by equalities groups that blind pass holders get free travel 24 hours a day.

32. The implementation of either or both of the above recommendations would incur significant financial cost to the Council which has not yet been assessed. The Council is committed to continue its work in partnership with bus operators to improve accessibility and will bring forward proposals for consideration in the 2013/14 budget review when the financial implications have been fully assessed.

33. *On the Council as an equitable role model - Living Wage*

Recommendation 10: continue to explore the implications of paying a Living Wage within the Council and set a realistic time frame for its introduction.

34. The first phase of the Council's Living Wage review has been completed and shows that a significant number of staff could benefit from new proposals. The cost of uplifting these staff to the Living Wage would need to be considered as part of budget growth proposals in 2013/14. A more detailed analysis is being prepared in order to brief Members fully in March and, subject to member approval, negotiations with the Trade Unions could then begin with a view to implementation in 2013/14 as part of a package of pay and conditions proposals. Consideration could also be given to the scope of the Living Wage in terms of the Council's requirements of suppliers, contractors and partners, and also city-wide.

Recommendation requiring full appraisal

35. *Young People – York Youth Card*

Recommendation 21: encourage retailers, leisure providers and others to offer discounts to young people.

The Council has not been aware of any particular demand along these lines. Certainly it would be fairer for all young people to have similar access to discounts. But some further analysis is required of the benefit actually achieved by the take-up of student's discounts; of the set-up, administration, promotion, and fraud protection costs; of the options for targeting such a scheme; and of alternative approaches that could deliver similar benefits to young people.

36. We will review the options and alternatives and work with the Youth Council to assess whether there are significant benefits to taking this recommendation forward.

Implications

37. **Financial** – all financial implications of adopting the Fairness Commission recommendations as described in this report are reflected in the Financial Strategy elsewhere on this agenda. Some recommendations which would require additional funding (e.g. the Living Wage) or generate additional income (e.g. the Tourist Tax) will be brought forward when fully assessed as future proposals for 2013/14 budget review.
38. **Human Resources (HR)** – the potential HR implications of implementing a Living Wage will be brought to members after full consultation with trade unions as and when detailed proposals are formulated.
39. **Equalities** – a full Equalities Impact Assessment has been carried out on all aspects of the budget proposals.
40. **Legal** – a legal assessment of the Council's powers in respect of the 'Tourist Tax' will be carried out as part of the recommended option appraisal.
41. **Crime and Disorder** – there are no implications for Crime and Disorder
42. **Information Technology (IT)** – there are no IT implications
43. **Property** – there are no property implications
44. **Other** – there are no other implications

Risk Management

45. There are no known risks in adopting the Fairness Commission's recommendations to the extent indicated in Annex A.

Recommendations

It is proposed to Cabinet that:

46. 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.
47. 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.
48. 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.
49. 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.
50. 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.
51. 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.
52. 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.

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Wards Affected: All

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Background Papers: *none*

Annexes

Annex A Summary of recommendations and responses
Annex B The York Fairness Commission Interim Report 28.11.2011
<http://www.yorkfairnesscommission.org.uk/>

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Summary of recommendations and CYC responses

<i>Covered in Main report</i>		<i>Para</i>
1	Highways spend as a potential area for savings	23
2	Remove budget allocations to Ward Committees	23
3	Protect named services (Children's and Adult's social care)	23
4	Raise Council Tax by 3.5% - 6% to protect services	24
6	Explore options for introducing a York 'Tourist Tax'	25
7	Adopt creative approaches to income generation	27
11	Explore the implications of paying a Living Wage	33
19	Extend YoZone card for young people up to age 18	29-32
20	Apply travel concessions for disabled people all day	29-32
21	Introduce a new 'York Youth Discount Card'	35
<i>Covered in Annex A</i>		<i>Page</i>
5	Facilitate economic growth to boost long term income	2
8	Act as a role model for best practice procurement	3
9	Collaborate more and better across sectors	3
10	Work towards more even distribution of pay	4
12	Council as best in class for efficiency and positive culture	4
13	Benefits advisors where they are most easily accessible	4
14	Work to reduce the living costs of those in greatest need	5
15	Focus on quality and accessibility of jobs	2
16	Deliver a programme of action to tackle barriers to work	6
17	Encourage the creation of 'green jobs'	7
18	Prioritise training and employment for young people	8
22	Enrichment activities for children from low income families	9
23	Combat the gap in educational attainment	10
24	Harness the skills of older and young people as volunteers	11
25	Routinely involve disabled people in design of services	11
26	Recognise and support the valuable role played by carers	12
27	Well-targeted and easy to understand information	12
28	Efficiently manage facilities to assist disabled people	13
29	Act upon research into the reasons for health inequalities	14
30	Support the voluntary sector more closely and extensively	3

No	Summary of recommendations and CYC responses
5 & 15	<p><i>Facilitate sustainable economic growth to boost long term income, focus on quality and accessibility as well as quantity of jobs and on inclusion as well as growth.</i></p>
	<p>The first priority in the Council Plan is to create jobs and grow the economy. Only by working towards this aim with partners in the business community and by attracting inward investment can the Council help to establish a strong platform for future growth and protect the city against the worst effects of the recession.</p> <p>Cabinet is considering proposals to establish an Economic Infrastructure Fund of £28.5m over 5 years for projects to grow the economy, pump prime developments and encourage investment in the city.</p> <p>York Economic Strategy 2011-15, published for consultation in November 2011 adopts the twin track approach recommended by the Fairness Commission – not just growth but inclusion.</p> <p>Activity already in hand to deliver the strategy includes a wide range of work from: putting in place the right messages and value propositions to attract inward investment and support indigenous growth through to measures to enable individuals to explore business start up; working through Higher York with Science City York, the universities and colleges to ensure that the further and higher education offer is available to businesses; preparation of an enterprise framework to ensure a culture of enterprise from early years, allowing equal opportunity to starting and growing a business; expansion of workplace training in schools and colleges to encourage a wide range of residents to access work opportunities. The continuing work programme of Future Prospects helps people understand and access the job and training opportunities that are available.</p> <p>The York Future Workforce Forum has recently been launched to ensure a better skills match between the training available to young people and the job opportunities that are available. This employer-led group is developing a new Skills and Employability Framework that can be used with young people to ensure that they are developing the skills, behaviours and attitudes that employers are seeking.</p>

8	<i>Act as a role model for best practice procurement processes</i>
	<p>This recommendation reflects exactly the Council's own ambitions to exploit the full potential of procurement to promote equality and diversity at the same time improving our procurement activity to create savings and ensure we focus our spend on delivering our priorities. In March Cabinet will agree a new Procurement and Commissioning Strategy that sets out a commitment to use council spend on goods and services to deliver a triple bottom line of social, economic and environmental benefits. It contains a commitment to move towards a Living Wage throughout the supply chain and to build in criteria to all contracts for sustainability and ethical employment practices. The strategy and its delivery plan will also set out a commitment to encourage local economic development, collaboration with other public sector partners, to ensure specifications are customer focussed, and finally to make it easier for all sectors to do business with us.</p>
9 & 30	<i>Collaborate more and better across sectors especially with the voluntary sector to deliver better services and get more from the available resource. Work together with and support the voluntary sector more closely and extensively.</i>
	<p>The Council and voluntary sector partners are currently collaborating on the production of the first formal Voluntary Sector Strategy. Despite council budget cuts and overall funding reductions the Strategy will ensure that in a number of key areas the council and voluntary sector can collaborate and support each other's aims: more effective use of volunteering, developing new forms of income generation for voluntary organisations, ensuring the voluntary sector is able to have voice and influence in the commissioning and procurement of services are central themes.</p> <p>The Council is committed along with its strategic partners to a Without Walls action plan for 2012-2015 shaped around three priority themes for the city: enabling growth, creating the environment for growth and sharing growth.</p> <p>We have established a shadow Health & Wellbeing Board to drive greater cross-sector collaboration in the definition and prioritisation of health services to meet local needs and address health inequalities. Initiatives such as HealthWatch should help to integrate and co-ordinate private, voluntary and public sector practice – leading to sustained health improvements for the City as a whole.</p>

10	<i>Work towards more even distribution of pay, fairness in terms and conditions, performance-related pay</i>
	<p>The Council's Pay and Grading Scheme ensures that people are fairly paid in accordance with the level of responsibility of their job role as determined through a consistent job evaluation scheme. Incremental progression linked to performance is due to be introduced for chief officers and there are proposals for a full senior manager reward review. There is a commitment in the Workforce Strategy to develop a competency framework for all staff to be embedded by 2014. This will enable effective performance management. However, to move to widespread performance-related pay would require a complete review of the Council's pay structure which is not currently a Council Plan priority.</p> <p>In March Cabinet will consider the Council's first statutory Pay Policy which includes a commitment to transparency about the pay of senior officers and the overall pay range of the council. This information will be published on the council website.</p>
12	<i>Ensure the Council is best in class for efficient delivery systems, co-ordination across services, and a culture where staff are engaged, valued and respected</i>
	<p>The Council Plan sets out a series of core capabilities that are being developed to enable the delivery of the Council's priorities. The Council is committed to becoming a confident, collaborative organisation; completely in touch with our communities and with a relentless focus on our priorities. This will be delivered through a wide range of initiatives, from the implementation of a new Workforce Strategy, a programme of management development that will accompany our Organisation review through to a large amount of behavioural and culture change work to support our move into new office accommodation in the coming year. This will result in a shift in the organisational working style and delivery systems that will be open, inclusive, innovative and collaborative. Particular care is already being taken to ensure we offer as much support as possible to staff at risk of redundancy and ensure that all change initiatives pay attention to the impact upon the diversity of the workforce.</p>
13	<i>Put benefits advisors where they are most easily accessible to users</i>
	<p>The Council recognises the importance of accessible benefits advice services to tackle poverty and promote financial inclusion. Our Child Poverty Strategy and a programme of actions to promote financial inclusion are key to the delivery of this priority</p>

	<p>as part of the Council Plan commitment to protecting vulnerable people. There is a range of benefits and money advice services either delivered directly by the Council or by our partners. The Benefits Service, Future Prospects, the CAB and other voluntary sector agencies all have a role to play in delivering accessible advice in the city-centre, targeted benefits take-up using Experian data in key communities, through a co-located service within GP surgeries, from other outreach venues such as Community Centres, Schools, Children’s Centres, pubs and local businesses. In addition there are door to door campaigns which link people in to benefits advice services and adopt a holistic approach that tackles financial exclusion. This approach allows people to be introduced to financial management in a way that is meaningful for them, accessible and confidential.</p> <p>Evidence points to genuine demand for more neighbourhood-based benefits advice and targeted advice that is accessible to particular interest groups such as carers and families with disabled members. The CAB is looking to develop more highly trained volunteer outreach advisors across the City in the longer-term but their ability to do this relies heavily on the success of an external grant-funding application.</p>
14	<p><i>Continue and expand work to reduce the living costs/bills of those in greatest need (e.g. through energy efficiency measures and tackling fuel poverty)</i></p>
	<p>The Child Poverty Strategy published in December 2011 shares the national ambition to eradicate child poverty by 2010 and demonstrates the council’s commitment to tackling family poverty. Many of its priorities coincide with the Fairness Commission’s own recommendations and a programme of work is in place to address the priorities and monitor our progress.</p> <p>The Cabinet member for Corporate Services has also recently convened a joint member and officer Financial Inclusion Working Group bringing together a range of interests across the Council to further this agenda. The Group has committed to develop a corporate Financial Inclusion Strategy for the council and will be working with voluntary sector partners to extend the reach of the strategy across the city.</p> <p>In terms of tackling fuel poverty, work to date has centred on maximising household incomes and minimising outgoings through a wide range of interventions; improvement of all council homes</p>

	<p>to the Decent Homes standard by the end of 2011; exploring the installation of solar panels to reduce the energy costs for social housing tenants; commitment to sustainable zero carbon homes in the LDF; completion of 19 new energy efficient council homes in June 2012 and ongoing work with the Yorkshire Energy Partnership to increase the energy efficiency of private sector homes.</p> <p>New work planned for 2012 includes the government's Green Deal and Energy Company Obligations which will help households minimise fuel costs and help the city meet its ambitious carbon reduction targets.</p>
15	See 5 above
16	<i>Deliver a programme of action that tackles barriers to work (e.g. child care).</i>
	<p>The Council Plan includes the commitment to continue to help residents into employment and training. York is well resourced in terms of programmes tackling work barriers with Future Prospects the Council's arms-length partner taking a lead role. The Council also has a role in assessing, promoting and supporting the provision of quality childcare in the city.</p> <p>Future Prospects delivers an extensive integrated programme of activities in city centre and community settings to tackle barriers to work including specialist provision for offenders, parents, families, carers, those with disabilities and health problems, redundancy services, benefits, finance, and homelessness support, young people, older workers, career changes, BME individuals and ESOL speakers, and those with skills barriers to gaining entry in to the labour market.</p> <p>Recent initiatives include a Bike 2 Work scheme to combat transport barriers and an enterprise club which offers a low risk option for unemployed residents to try alternative models of employment by offering the chance to try self employment through our Market Stall test trading opportunity.</p> <p>Future plans include: work with employers to make recruitment and selection procedures more inclusive; additional advice and support to businesses (SMEs) with staff retention issues - particularly focused on staff support in order to prevent employees losing work through absence caused by health problems; and support to implement a 'job carving' tool to</p>

	<p>increase both business efficiency and promote small paid opportunities to people with learning difficulties.</p> <p>York Family Information Service (FIS) provides free and impartial information and support to help families access suitable childcare provision, including a bespoke brokerage service to find a solution when 'standard' childcare is not enough (eg unsocial hours, urgent childcare need, English not a first language). FIS also carries out York's childcare Sufficiency Assessment which looks at how well childcare matches families needs in order for them to return to work or train. Where there are gaps in provision these are shared with partners so that potential solutions can be developed. Particular childcare challenges which we are working on include access to childcare for disabled children and working with CVS to support childcare settings which are struggling to remain financially viable in the current financial climate.</p> <p>From 2013 funding for two year old childcare places becomes a statutory entitlement meaning that families who are economically disadvantaged will be able to access 15 hours of childcare a week further supporting families to access work and training opportunities. We are working to ensure that there will be sufficient high quality places to meet demand in particular areas of the city.</p>
17	<i>Encourage the Creation of 'green jobs' in sustainable industries</i>
Green	<p>The Council Plan's first priority to create jobs and grow the economy includes a commitment to 'sustainable jobs'.</p> <p>The Council is working with Science City York to support the development of biosciences and particularly the development of the city's internationally competitive research strengths in bio-renewables. This work builds on the recent successful ERDF bid to develop a pilot facility for bio-renewables activity in York. Future work will include developing and promoting the city's offer in life and biosciences through intermediaries like UKTI and the Centre for Life Sciences in Newcastle where relationships are being developed to attract future inward investment and R&D links with the city.</p> <p>This builds on work which has been ongoing since October 2009 when the York Green Jobs Taskforce first set out its action plan to develop more 'green jobs' in the York economy. Additional work has also been undertaken by Yorkshire Cities to examine</p>

	<p>the potential for Green Jobs in York. The Council is working in partnership with Higher York and others and partnership support is strong. However, there is no direct post within the Council to drive forward a programme of activity and there are also new considerations to look at such as the Government's recent announcements on the Green Deal. These are likely to require additional resource if York is to fully benefit and achieve its ambitions for a low carbon economy.</p>
18	<p><i>Make training and employment opportunities for young people a priority and expand the number of apprenticeships on offer</i></p>
	<p>This recommendation is reflected in the Council Plan's commitment to help residents into employment and training, provide skills to those most marginalised from employment, provide additional apprenticeship opportunities and work with schools to promote an enterprise culture.</p> <p>The Local Area Statement of Need priorities developed with partners include: further developing young people's enterprise and employability skills and their educational attainment, to ensure that they are well placed to succeed in an increasingly challenging and competitive labour market: a focus on developing the market for Apprenticeship provision; programmes to support young people who are not participating; and supporting and challenging schools in their new responsibility for delivering independent information, advice and guidance.</p> <p>Key developments and initiatives in 2011 have included: a new Skills and Employability Framework developed by the York Future Workforce; the York 100 Apprenticeships in 100 Days Challenge which created 199 apprenticeship starts; the Council's corporate apprenticeship programme which offered 36 apprenticeship vacancies across the Council; York Apprenticeship Graduation at The Minster – a new high profile ceremony as part of York Business Week; DfE funded Raising the Participation Age project looking at young people (aged 16-17) in jobs without training and working with employers to convert them to apprenticeships; expanding the range of targeted programmes available to those young people (16-18) not participating in education, employment or training; expanding enterprise education where possible; support for young unemployed 18-24 year olds (circa 1000).</p> <p>Future plans contain a commitment to work with York Economic Partnership and Apprenticeship Providers to:</p>

	<ul style="list-style-type: none"> • run a second high profile ‘Apprenticeship Challenge’ campaign • maximise opportunities through the new national Youth Contract Programme for young people and employers in York • Continue development of the CYC Apprenticeship Programme
22	<p><i>Put in place mechanisms to enable children and young people from low income backgrounds to participate in enriching school based activities (e.g. music, sport, drama and trips) that they otherwise may not be able to afford</i></p>
	<p>Until August 2010 ‘MeToo’ funding allowed schools to fund a broad range of cultural and sporting opportunities for children and young people from low income backgrounds. The pupil premium which replaced it is not ring-fenced so can be used in whatever way the school chooses but must focus on raising the attainment levels of pupils eligible for free school meals. Research has shown that enrichment activities can support this and schools do work hard to give children such opportunities but, as the pupil premium can be used to support other strategies, there is still a reliance on voluntary contributions for enrichment activities particularly trips.</p> <p>The Council is discussing the use and the accountability arrangements for the pupil premium with schools and looking at strategies being used in order to share models of good practice and promote a greater understanding of the flexibility available. Schools currently buy into the Arts Service and also the Sports Partnership led by the Head at York High. There is a strong focus on sports and the community during Olympic year and this is generating increased opportunities and participation. The York Education Partnership recently allocated £23k for the West of York Olympic Festival. This project includes a significant number of children and young people from low income families.</p> <p>To do more to deliver this recommendation we would need to:</p> <ul style="list-style-type: none"> • Ensure a greater focus on Looked After Children through the newly published Looked After Children Strategy. • Continue work with umbrella organisations who support vulnerable children and young people eg Young Carers, Autism Society • Signpost Catalyst workers and Parent Support Advisers (PSAs) to enrichment activities for their vulnerable families. • Encouraging clusters of schools to seek Quality in Study Support Accreditation

23	<i>Explore the reasons behind and take action to combat the gap in educational attainment between pupils from lower income households and others</i>
	<p>The council is committed to enabling all children and young people to benefit equally from their education. It has a range of Closing the Gap strategies in place to help children from lower income households thrive and achieve in school. By 2010 these had begun to reverse the widening of the gap which was occurring between 2008 and 2009.</p> <p>We are raising aspirations in the community and tackling some of the wider barriers (language, literacy, family expectations, community expectations) through partnership projects in Haxby, Clifton and Huntington; there are specific strategies for vulnerable groups and much stronger links have been forged between schools and Children Centres. There are specific strategies and a strong focus already on the primary schools where the gap needs to be closed and the pupil premium will support work here.</p> <p>Additionally, analysis of the impact of programmes in 2011 to support children and young people in school readiness, attendance, attainment and exclusions is complete and will inform our understanding of what works and shape future strategies.</p> <p>Other work already planned includes an expansion of the vulnerable two year olds programme; stronger cross-directorate working around Strengthening Communities and Supporting Vulnerable Families; stronger links embedded between schools and Children Centres, early years and childcare settings; a focussed pilot to identify and break down barriers to supporting vulnerability.</p> <p>Further work that is needed includes the development of a 0-11 Literacy Strategy across the City; specific strategies for looked after children, outcomes and early prevention of children entering care; review of current strategies for closing the gap for vulnerable groups with regard to practice in schools; stronger cross-directorate and CYC working to cover the wider barriers e.g. worklessness, homelessness, impact of the economic situation on families and their vulnerability and the impact this has on pupils in schools; locality developments around “troubled families” incorporating existing practice such as Parent Support Advisers and Catalyst; improved training for Early Years practitioners, more rigorous monitoring of provision and improved Quality Assurance programme that is accessible to all settings and childminders across the City.</p>

24	<i>The City of York Council and the voluntary sector to further collaborate to make the best possible use of the skills of older people and young people as volunteers</i>
	This recommendation will be picked up as part of the workplan of the Citywide Volunteering York Partnership (a sub group of the Inclusive York Forum). Developing young people's volunteering opportunities will be a priority of this partnership during 2012 – developing opportunities for young people and older people to volunteer in tandem will be a central part of this agenda.
25	<i>Routinely involve disabled people in the design of services and facilities.</i>
	<p>The Council's existing approach to service design does include the recognition that the needs and requirements of disabled people and other communities of interest are best expressed by those who will use the services. Disabled people and other service users are involved in user groups routinely in many of the key service areas.</p> <p>Corporately this commitment to involve and consult is mainly but not exclusively delivered via the Equalities Advisory Group (EAG) that includes councillors and representatives of residents, service users and communities of interest) and the Staff Equalities Reference Group (SERG) made up of staff from all equality communities of interest.</p> <p>EAG seeks to involve and engage with all equality communities of interest mainly through a range of workshop style events, formal meetings, topic-specific (eg hate-crime) visits and presentations and inclusive consultation events such as that organised for the Fairness Commission.</p> <p>SERG is drawn from all directorates across the Council; the group has its own dedicated site on the Council's intranet (COLIN); it holds four engagement events annually after which it reports on its recommendations to influence service design and employment practice inclusion. The Chair of the group also leads on disability issues.</p> <p>Currently, in pursuit of our Council Plan commitment to achieve Excellent equalities status we have invited an independent expert to review our approach to equality and diversity. This work is due to be completed in March 2012. We will be acting on these recommendations and those of the Fairness Commission and anticipate that we will be deploying a comprehensive 'Fairness Framework' across the Council.</p>

26	<i>Recognise and support the valuable role played by carers</i>
	<p>The Council's ongoing commitment to recognise and support the role of carers including support for young carers is expressed in the York Strategy for Carers and action plan for 2011-2015 http://www.york.gov.uk/health/carers/strategy/2-strategy/ .The budget proposals currently being considered by Cabinet protect carer's grants which are paid to 800 carers each year for a variety of support and respite needs. The strategy recognises that further awareness-raising of the needs of carers is required across the whole council and in particular proposes to develop an approach that recognises and includes the need to provide support for carers in all work at a strategic level.</p> <p>A history of difficulties in ensuring consistent engagement with health partners has meant that work to raise carer awareness in health settings and to ensure carers receive support in health settings as well as support around their own health issues is not as robust as it could be.</p> <p>Central government funding for carers breaks has been allocated to PCTs as part of their base line budgets. To date, In York no additional funding for carers breaks has been available.</p> <p>To fulfil this recommendation and to make a significant difference to the approach and support provided for carers largely depends on closer working with the PCT under the new NHS reforms and the securing of appropriate priority funding.</p>
27	<i>Ensure information gets to those who need it and is easy to understand (e.g. in plain English and in forms accessible to people who have difficulty reading).</i>
	<p>The Council Plan includes as a priority the need to be completely in touch with our communities and a commitment to develop a new Customer Strategy to deliver this. The revised Customer Strategy will be considered by members in March 2012 and includes the aim that the development of our website and all other sources of information will be guided by the principle that they must be accessible to all. There is also focus on ensuring that we are socially inclusive, that our services are clearly signposted and accessible to hard to reach and vulnerable groups and that staff are appropriately trained and aware of their responsibilities and the needs of our customers.</p> <p>There is a comprehensive workplan in place to maintain and improve the consistency, clarity, relevance, accessibility and reach of our information – for both external and internal audiences. This includes: use of 14pt as standard in external</p>

	<p>communications, availability in different formats, languages and easy-read; more use of our website and social media channels to publish information and reduce reliance on print media; improved accessibility of our website through BrowseAloud facility, tools to resize and facility to translate text using online translation tools.</p> <p>Plain English is actively encouraged: training and guidance is available on the Council's intranet and from the Communications Team including special guidelines on writing plain English for the web.</p> <p>Communications plans for major projects have been introduced to ensure that methods are tailored to meet the needs of each project and the audience it needs to reach by assessing and using a range of different options.</p> <p>In a move to make local democracy more accessible Cabinet meetings now take place in different venues across the city making it easier for residents to attend.</p> <p>Future plans include the introduction of a Communications and Media Toolkit; more extensive use of social media options which can target a younger audience; development of more information-sharing with partners; redesign of the Council website based on customer feedback and allowing more freedom for services to tailor their pages to specific audiences. We are also looking at: an evaluation of our work to date to understand any barriers that still remain for people and assess what further work is needed; improving the use of customer profiling to direct information to the people who need it eg to target benefits information; enabling people to register to receive information on issues relevant to them and the potential for webcasting key council meetings.</p>
28	<p><i>Efficiently manage facilities installed into homes to assist disabled people (eg stairlifts)</i></p>
	<p>The importance of adaptations to property to promote independence for older and disabled people is a key priority within our Council Plan commitment to protecting vulnerable people. Equally we must ensure that these resources are managed efficiently to respond to need and prevent wasted expense. An example of how the council is seeking to achieve this is through a new stairlift contract with one supplier for both council and private householders (owners, social tenants and</p>

	<p>private tenants). The supplier ensures that stair lifts are fitted speedily when required and where a stairlift cannot be used by the occupant it is removed free of charge so that it can be stored and reused if suitable for another person. Further action is planned to raise awareness with professionals to ensure that everyone in the chain is aware of the benefits of the contract and that it is fully implemented by March 31st 2012.</p>
29	<p><i>Act upon research into the reasons for health inequalities in York</i></p> <p>The Council will work on a partnership basis with a view to addressing and embedding health inequalities in the core business of the council as part of the transfer of the Public Health responsibilities to the Local Authority.</p> <p>The council and PCT Public Health Team are currently collating and analysing a variety of data to help identify what the health and wellbeing needs and priorities are in York. A first draft of this analysis, the Joint Strategic Needs Assessment (JSNA) will be presented to the shadow Health and Wellbeing Board on 1st February. A joint response to these needs will then be debated and discussed, resulting in a joint Health and Wellbeing Strategy for the city.</p> <p>The shadow Health and Wellbeing Board as a collective recognise the wider social determinants of health and the importance of prevention. The transfer of Public Health responsibilities to the council and an established Health and Wellbeing Board are unique opportunities for a joint response to further embed health and wellbeing within a range of strategies across the city, acting upon a sound evidence base to improve health and wellbeing outcomes with a specific focus on reducing inequality.</p>
30	See 9 above

THE YORK
FAIRNESS
COMMISSION

A Fairer York, a Better York:

**An Independent Report by the York Fairness
Commission to the City of York Council**

Interim Report

28 November 2011

Report Owner: Ruth Redfern, Chair of the York Fairness Commission

Report authors: Nicky Denison and Les Newby

FOREWORD

Following the local elections in May this year, City of York Council made a decision to establish an independent non-political advisory body which would examine matters of social justice in York. This was the birth of the Fairness Commission.

In a difficult economic climate with cuts to local budgets an inevitable reality due to constraints being passed down from central Government, our challenge was to prepare a report which would help inform the City of York Council about local priorities and needs, ahead of the Council's Budget setting process for the 2012-2014 period.

We launched the Fairness Commission in July, with the wide-reaching aim of tackling poverty and injustice in all their forms. The Commissioners were put in place as experts in the field of social justice and fairness issues, with a good working knowledge of our great city. We are indebted to them for their contribution and for devoting their time on a voluntary basis.

We came to the Fairness Commission with open minds, looking forward to listening not only to our expert Commissioners, but also to hearing the views of the people of York.

What a discussion we have had: passionate, eloquent and creative with so many different voices joining in along the way. We would like to thank each and every one of the people who have contributed to this report; those who spoke at the public meetings, those who wrote to us or emailed, and those who gave us a call. The insight you have given has been invaluable.

Our three pronged vision is to ensure the well-being of each person in the community; to provide access to services and support; and to make the provision of work a priority.

As our country goes through tough economic times we need to remember that not all in our society are greatly privileged. This is a once in a generation opportunity to tackle some of the social evils that devastate and debilitate our communities.

We do not pretend to be politicians. We are simply interested and concerned individuals offering our advice to those who are elected to take

decisions for the community in the interests of the common good. It is for the people of York, and their representatives, to take the final decision on how the findings of the Fairness Commission are implemented – or indeed if they are to be implemented at all.

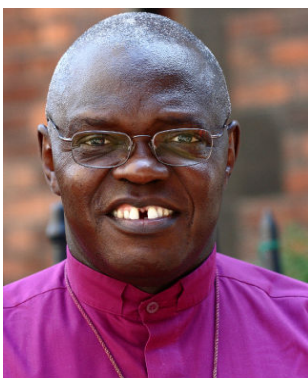
We hope that this interim report provides some insight for City of York Council as they struggle with the impossible task of reducing their budgets and yet maintaining excellent services for the people of York.

This report makes 30 recommendations on how fairness can be improved – some are specific actions and others are broader policy themes. We have also outlined where we believe savings could be made to enable the investment that needs to be made in certain key policy areas. Unenviable choices need to be made and we do not claim to have all the answers. However, we hope that the 10 Fairness Principles we have set out will help inform this difficult process.

You can judge how healthy a society is by how it treats the most vulnerable people. For the Commission ‘fairness’ is about increasing equality of opportunity and income and making sure that available resources are focussed on reducing inequality.

York, in all its beauty and strength, should reflect the very best standard of fairness. We hope that this report will be a significant step on the road to a fairer, more equal, city.

+Sentamu Ebor



The Archbishop of York
Dr John Sentamu
Sponsor of the York Fairness Commission

A handwritten signature in black ink, appearing to read 'Ruth Redfern'.



Ruth Redfern
Chair
York Fairness Commission

The York Fairness Commission is a non-political, completely independent and entirely voluntary advisory body. The members of the Commission were appointed based on their areas of professional expertise; personal commitment to equalities, fairness and social justice; and knowledge of and/or stake in the York community.

The Commission comprises:

- Sponsor: The Archbishop of York, Dr John Sentamu
- Chair: Ruth Redfern, Assistant Chief Executive of Yorkshire Forward
- Vice chair: John Lister, Finance Director, Aviva Life UK
- Richard Wilkinson and Kate Pickett (both University of York based specialists in epidemiology, co-authors of *The Spirit Level* and co-founders of the Equality Trust)
- John Kennedy: Director of Care Services, Joseph Rowntree Foundation

Acknowledgements

The Commission would like to thank:

- The Joseph Rowntree Foundation for supporting the assembly of the research evidence
- Professor Roy Sainsbury and Dr Jacqueline Davidson, Social Policy Research Unit, University of York
- Dr Anna Barford and Emily Alexander, The Equality Trust
- City of York Council staff for supplying information and supporting the work of the Commission

Contents

Foreword

Executive Summary

1. Introduction
2. York in Context
3. Fairness Principles
4. Budget Guidance
5. Consultation: results and recommendations
6. Next Steps

Annexes

- a) Consultation results
- b) Main data sources
- c) Additional information on York's policy context
- d) York Fairness Commission budget
- e) York Fairness Commission methodology

Executive Summary

The York Fairness Commission has been established to promote and advise on the achievement of greater fairness and equality in York.

There is a compelling case for why reduced inequalities and stronger societies go hand in hand and why greater equality benefits everyone. York is, for many, a great city to live in, and one which suffers less deprivation than many others. However concentrations of hardship and inequality exist, and tackling these ills can make York a fairer, better city for all residents. These inequalities are being compounded by the current economic climate and financial challenges we face. We can do one of two things. We can let events take their course, budget cuts will happen anyway, in the full knowledge that the people paying the highest price will be those who can least afford it. Or we can work to ensure that the burden is fair for the benefit of us all.

The focus of this interim report is to advise the City of York Council on the difficult decisions it faces in setting its budget for 2012/13 and 2013/14 in the face of very sizeable funding cuts. Conclusions are based on an examination of life in York, the policy context that applies, and wide consultation with individuals and groups. Our core approach is to identify a set of principles which can inform, steer and ‘fairness proof’ decision making. In summary, **these ten Fairness Principles are to:**

- i. Make reducing inequalities a prime focus in policy and decision making.**
- ii. Support and empower the most vulnerable and disadvantaged groups.**
- iii. Adopt a long term view** that considers the long term impacts of choices as well as short term savings and recognises that prevention is better than cure.
- iv. Listen and Engage** so as to make budget decisions in a way that is open, transparent and informed by York’s people.

- v. **Generate new income** to reduce the scale and depth of the cuts needed to balance the budget.
- vi. **Make budget decisions based on evidence, values and needs**, not by applying flat rate percentage cuts or favouring services that have always been provided.
- vii. **Take into account wider factors that affect inequalities in York.**
- viii. **Target investments and services geographically** where necessary to reduce inequalities and improve life chances in the most disadvantaged areas.
- ix. **Promote and prioritise economic growth that maximises benefits to people.**
- x. **Ensure a ‘best in class’ Council** that delivers services efficiently and effectively and acts as an influential role model in tackling inequalities.

The Commission offers budget guidance based on these principles, including a targeted approach to directorate savings and services, exploring income earning opportunities, and becoming a best in class employer, procurer and service provider. We make 30 detailed recommendations that have stemmed from and span analysis of the budget and consultation input. These are grouped under relevant headings below and detailed further in the main body of the report.

The Commission’s recommendations to the City of York Council are to:

On Potential for Savings and Protection of Essential Services

1. Explore elements of Highways spend as a potential area for major savings.
2. Remove budget allocations to Ward Committees.
3. Protect named services (principally Children’s Social Care and Adult Provision).

On Generating New and Additional Income to Help Protect Services

4. Raise Council Tax by 3.5 - 6% to protect services and avert steeper rises in the future.
5. Facilitate sustainable economic growth to boost long term income.
6. Explore options for introducing a York Visitor Heritage Contribution (a 'tourist tax').
7. Explore and adopt creative approaches to income generation.

On the Council as an Efficient, Effective and Equitable Role Model

8. Act as a role model for best practice procurement processes.
9. Collaborate more and better across sectors to deliver better and get more from the available resource.
10. Work towards more even distribution of pay, and fairness in terms and conditions.
11. Continue to explore the implications of paying a Living Wage within the Council and set a realistic time frame for its introduction.
12. Ensure the Council is best in class for efficient delivery systems, co-ordination across services, and a culture where staff are engaged, valued and respected.

On Incomes, Employment and the Economy

13. Put benefit advisors where they are most easily accessible to users.
14. Continue and expand work to reduce the living costs/bills of those in greatest need (e.g. through energy efficiency measures and tackling fuel poverty).
15. Ensure economic development strategy and activity focuses on the quality and accessibility as well as the quantity of jobs, and on inclusion as well as growth.
16. Deliver a programme of action that tackles barriers to work (e.g. child care).

17. Encourage the creation of 'green jobs' in sustainable industries.

18. Make training and employment opportunities for young people a priority and radically expand the number of apprenticeships on offer.

On Transport

19. Extend the 'YoZone' card for discounted bus fares up to the age of 18 and explore other ways to reduce transport costs for young people.

20. Make public transport concessionary fares for disabled people apply all day.

On Specific Groups: Young People, Older People and Disabled People

21. Introduce a new 'York Youth Card' that encourages and enables retailers, leisure providers and others to offer discounts to young people (age 16-21).

22. Puts in place mechanisms to enable children and young people from low income backgrounds to participate in enriching school based activities (e.g. music, sport, drama, trips) that they otherwise may not be able to afford.

23. Explore the reasons behind and take action to combat the gap in educational attainment between pupils from lower income households and others.

24. Collaborate with the voluntary sector to make the best possible use of the skills of older people and young people as volunteers.

25. Routinely involve disabled people in the design of services and facilities.

26. Recognise and support the valuable role played by carers.

27. Ensure information gets to those who need it and is easy to understand (e.g. in plain English and in forms accessible to people who have difficulty reading).

28. Efficiently manage facilities installed into homes to assist disabled people.

On Health and the Voluntary Sector

29. Act upon research into the reasons for health inequalities in York.

30. Work together with and support the voluntary sector more closely and extensively.

The Fairness Commission will continue to meet after this report has been considered and consult further to inform a final report in spring 2012. This will explore and recommend how the city as a whole – not just the Council – can contribute to making York a fairer place and a better one for all of its citizens.

1. Introduction

A Fairer York, a Better York

York is a wonderful city, and for most of us, a great place to live. Visitor perceptions revolve around York's rich heritage, beguiling shops and streets and its cosmopolitan cultural offer. Most people's impressions are of an attractive and prosperous city.

As residents we know there is much more to York than the postcard images. Much of the 'real York' we experience every day is good too. For most people, levels of health, education and income are better than average, crime is low, and there are opportunities to access and enjoy York's attractive cityscape and its green spaces. The city's economy is growing, buoyed by assets such as our leading edge universities and strengths in science, technology and innovation.

But this is not everybody's experience of living in York. Whilst two fifths of the population live in areas that are in the best of 20% in England, eight areas of the city are in the most deprived 20%. They are home to around 13,000 people, just under 7%, of York's population. In these areas, and for those with low incomes but living in other parts of the city, there are the tell-tale signs of deprivation: shorter life expectancy, higher crime, less material wealth and often a poverty of opportunity and aspiration.

What is striking about York is not so much the scale of deprivation, but the gap between 'affluent York' and 'excluded York'. Perhaps the greatest challenge – and opportunity – facing the city is to tackle these inequalities, and to do so in ways that take people out of deprivation and maintain the well-being that others already enjoy.

Reduced inequalities go hand in hand with stronger societies. A number of sources, including the Marmot Review¹, the book 'The Spirit Level'² and independent review of it by the Joseph Rowntree Foundation³, make a compelling case for why greater equality is better for everyone. In

¹ The Marmot Review: Fair Society, Healthy Lives, the Marmot Review Team, 2010

² The Spirit Level, Richard Wilkinson and Kate Pickett, Penguin Books, 2009

³ Does Income Inequality Cause Health and Social Problems?, Karen Rowlington, JRF, 2011

developed countries such as the UK, greater levels of inequality correspond to reduced well-being on a whole spectrum of indicators including physical and mental health, crime, child well-being and drug abuse.

Bigger income differences create bigger social distances, increasing the sense of superiority at the top and inferiority at the bottom. That diminishes social cohesion and damages the social fabric. Whilst the benefits of greater equality are most sharply felt by those at the 'lower end' on any given indicator, they extend across whole societies. Working towards greater equality should no longer be framed in terms of charity and sacrifice; it is also about enlightened self-interest.

York, like most cities, finds itself at a point where factors outside its control mean that hardship and inequalities are likely to grow. Employment is down in the wake of the 2008/09 recession and a national economy that has now been stagnant for a year. With living costs rising faster than incomes and public sector spending cuts biting hard, there are challenging times ahead. Making the most of all York's assets – including those people who are underprivileged and whose abilities are often untapped – will be key to overcoming the challenges ahead.

Clearly many factors that affect York and the life of its citizens are driven by global trends and national policies. That includes the macroeconomic context and the patterns of increasing inequalities witnessed in different degrees over decades. The budget savings and cuts the Council will have to make have in effect been forced onto it by central government as part of its deficit reduction strategy. Nevertheless the decisions York takes now and the ways it responds to the pressures it faces will play a crucial role in shaping its future. The opportunity remains to create a more equal, a fairer and a better city; one where the perception of quality of life is more than matched by reality across the whole city.

The York Fairness Commission

As part of its local election manifesto, the Labour Party in York pledged to create a Fairness Commission for the city. After success in the May local elections and winning leadership of the Council, that commitment has

been followed through. Under the patronage of the Archbishop of York, an independent York Fairness Commission has been established. The Commission is one of the first such bodies in the UK, and it puts York in the vanguard of a movement that is growing in influence and momentum.

The Commission's overall purpose is to promote and advise on the achievement of greater fairness and equality in York. As emerged in the consultation, we know fairness can mean different things to different people. Rather than conduct an extensive debate about definitions here, our take is simple – that increasing equality, particularly of incomes, and standing up for and empowering those who are most vulnerable in society will increase fairness too.

Our work involves a two stage process.

The first of those stages, and the focus of this report, is to advise the City of York Council on the difficult decisions it faces in setting its budget for 2012/13 and 2013/14 in the face of very sizeable funding cuts. Our advice on service provision and priorities is intended to square commitment to equity and social justice with the challenging fiscal and policy framework local government faces.

Different ways of making the budget balance – be they to do with cuts, generating income or doing things differently – will have different impacts on people across the city and on fairness. In making recommendations about how to do so in the fairest way possible, we have first sought to listen to the views and ideas of local people. A wide and open consultation process included meetings open to groups and individuals, as well as the chance to take part through emails, a web site or sending in a short questionnaire postcard. The exercise has been of great value and its findings are summarised in section 6 of this report.

The second stage of our work will be to complete a wider ranging report over a longer time frame looking more fully at options, ideas and practical steps that can be taken to make York a fairer place – including but going beyond the role and priorities of the City Council. We expect to complete this work in spring 2012.

This Interim Report

This interim report is timed so as to be able to influence the Council's budget setting process. It begins by putting the work of the Commission in the context of York. We look at how the city and its people fare on a range of social and economic indicators, at the policies in place in the city and what all of this means in terms of equalities.

The report covers wide ranging themes including **work, access and wellbeing**. Section 2 sets out York's context in terms of statistics and indicators under each of these three headings. The Commission's recommendations are presented across two sections (section 4 on Budget Guidance and section 5 on Consultation). They include clear pointers on budget priorities and practical proposals to make a difference, and are informed by (although not directly structured around) these three themes. A set of high level 'Fairness Principles' is also presented (in section 3) to guide decision making in achieving fairer outcomes.

We hope this report assists the City of York Council in making difficult budgetary and policy choices. We thank the countless groups and individuals who have invested their time and energy in contributing to the process, especially through the consultation. And above all, we hope this report marks the start of a journey towards a better, brighter, fairer future for York and all of its citizens and communities.

2. York in Context

Evidence and the challenges for fairness

Evidence points to some clear fairness challenges for York and the Council. These need to be addressed if the city is to become a more equal place, where great gaps no longer exist between those who do and do not enjoy a good quality of life and access to opportunity. Key issues include:

- Addressing ***multiple challenges in the city's eight deprived wards*** for example around long term unemployment, low skills and health inequalities.
- Reducing ***child poverty***, noting trends in increases in workless households with children and take up of free school meals, in turn linked to lower attainment and school attendance and long term impacts on life chances.
- Providing for the ***increase in adult social care*** brought about by the city's ageing population.
- Tackling ***housing affordability***.

2.1 The current position in York: what does the data say?

York is a city which, on the face of it, is thriving. Its economy is strong and mixed; its population is well educated, relatively affluent and healthy; and it takes full advantage of its rich built and natural environment. In fact, 40% of people live in the best 20% of lower super output areas (LSOA)⁴ in the Country.

⁴ Super Output Areas (SOAs) are geographically designed areas used for the collection and publication of small area statistics. Lower Layer Super Output Areas are even smaller catchments. They average 1,500 residents. Use of these output areas allows statistical data to be collected in a way that gives an improved basis for comparison and monitoring of policy across the country over time because the units are more similar in size of population than, for example, electoral wards. There are 118 LSOAs in York.

On closer inspection however we can see that high averages mask some significant issues that question how fair and equal the city is. Some of these issues spread across the city such as rapid population growth, a changing age and diversity profile and house prices that are high compared to average incomes and unaffordable for many. Others are concentrated in very specific areas, to such a degree that the city is home to eight LSOAs (from a total 118 LSOAs in York) in the 20% most deprived nationally and one in the 10% most deprived. This represents just under 7% of the city's population, roughly 13,000 people. That said, not all people experiencing economic and social inequality live in the deprived parts of the city. There are poor people living in more affluent areas, and in these instances the gaps are perhaps more starkly apparent. It is important that these people are not overlooked in the design of interventions to tackle disadvantage because they do not live in a known deprived area. This mixed picture of strong performance on the one hand and poor on the other – and the gaps that it creates between people - presents significant 'fairness' challenges to the Council in its policy and budgetary decisions.

Evidence here is presented under the three themes of work, well-being and access. Details of the main sources used in compiling this evidence base are included in Annex B.

Demographics

Between 2000 and 2010 the population of York grew by 13% to 202,400 persons, double the national rate of increase. The latest population projections suggest that there will be a 30% increase by 2031, bringing the number of residents to 249,000. The UK's trend for an ageing population is mirrored here; although large population increases amongst young adults are also being observed. York's minority ethnic population also appears to be growing rapidly. Whilst the proportion of the non-white British population varies across wards, 2008 data shows that the biggest populations are in Heslington (bearing in mind the large overseas student population in this area), Fishergate and Guildhall. The lowest non-white British population is in Acomb.

The economy and working in York

York's economy is in a strong position. It has had success in diversifying away from its industrial past towards an economy increasingly based on knowledge, services and higher value added businesses. The city makes a vital contribution to the economic performance of both the Leeds and the York and North Yorkshire City Regions and is nationally competitive in particular science and research and development fields.

Despite the recession and a number of high profile business restructures and closures leaving large numbers of people unemployed, the city has more people in employment (71.7%) when compared to regional (68.4%) and national (70.4%) rates. York has less unemployment too at 2.6% below the regional and 1.6% below the national averages. It also has a lower percentage of its working age population claiming Job Seekers Allowance (JSA) – 2.5% compared to 4.4% regionally and 3.7% nationally.

The city is renowned for good levels of skills and qualifications, with York ranked 5th in a table of 64 UK cities for high level qualifications. The figure for York is 39.9% of the working age population with NVQ level 4 or above, against a UK average of 29.9%.

Whilst this is positive news, when we look across a range of indicators we can see that these figures are disproportionately made up of specific groups and in specific places, demonstrating negative impacts on fairness and equality in the city.

- The number of those claiming out of work benefits in York at 10,270 (7.4%) is lower than that for the region (13%) and nationally (12.3%). However **some areas of the city have higher numbers of claimants**, which include Westfield (16%), Guildhall (14%), Heworth (12%) and Clifton (11%). It is in these areas that employment deprivation and involuntary exclusion from the labour market (IMD 2010) is concentrated; and where the impact of the economic downturn since June 2009 has had the most negative impact. Westfield has seen a particularly high rise, doubling from June 2008 to January 2010. This is shown on the graph below, where the vertical axis shows actual

numbers of people claiming. These five wards make up 52% of the long term unemployment across York.

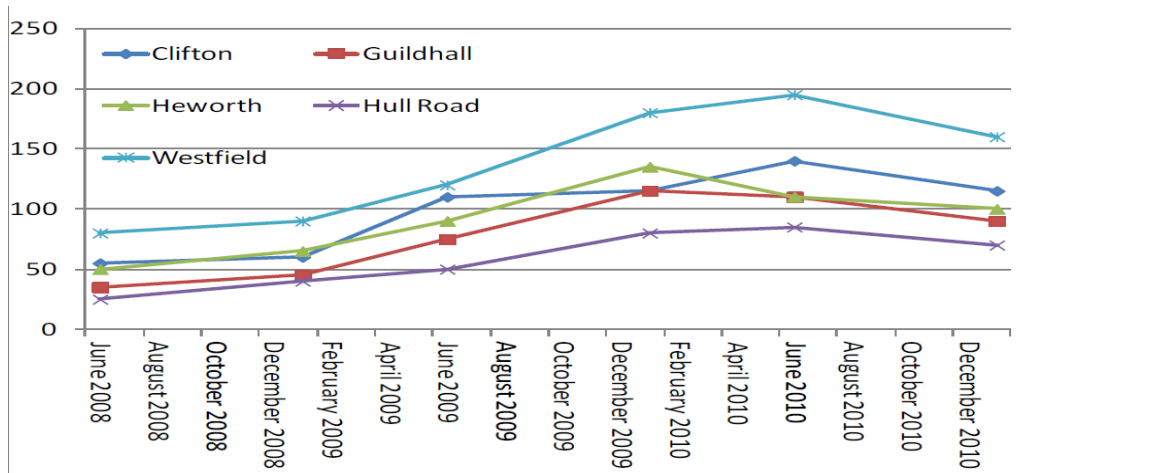


Figure 1: Mid to Long Term Job Seekers Allowance claimants (>6 months) in the five most deprived wards in York

- Some groups have been impacted more than others. **Female claimants** in York is for example at the highest level for 13 years. **Young people** too have been hard hit, particularly those that live in the city's most deprived wards as shown below.

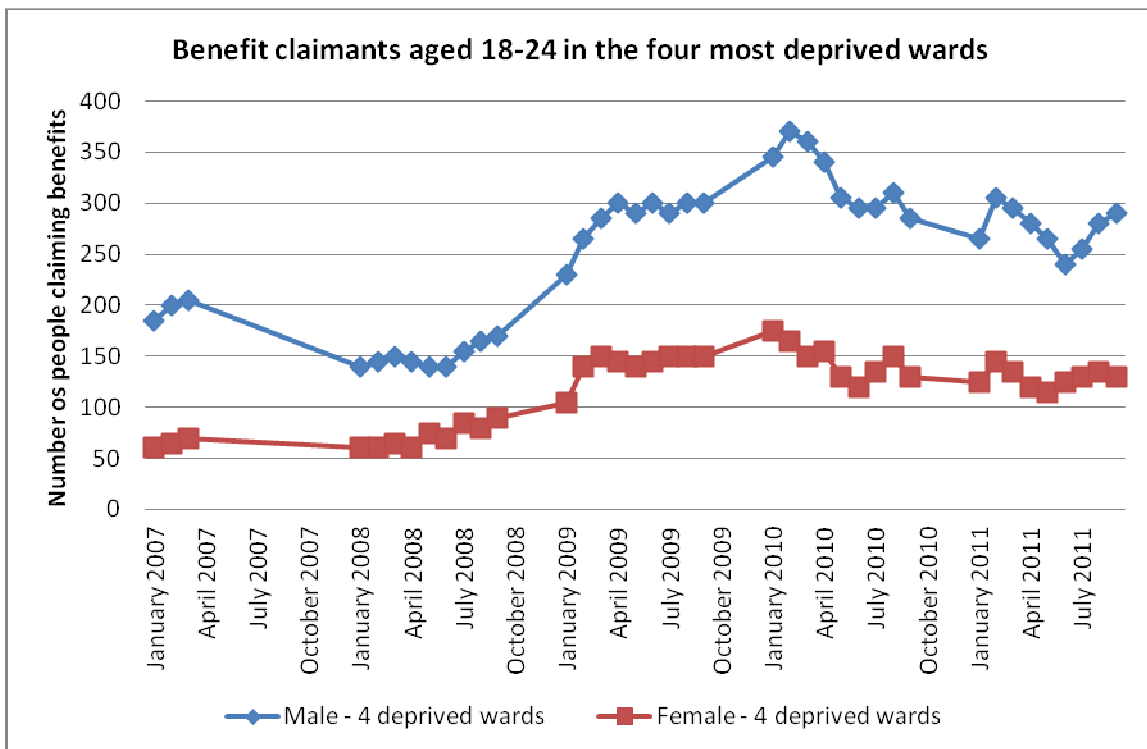


Figure 2: Male and female benefit claimants aged 18-24 in York's four most deprived wards, 2007-2011

- The number of ***workless households in York is increasing*** and stood at 12,000 in 2009 (17.3% of households compared to 15% in 2008).
- The number of ***workless households with children has increased*** by 50% from 2,000 in 2008 to 3,000 in 2009. As of 2010/11, this accounted for 10% of all households with children, compared to 6.8% in 2008.
- The ***average wage is improving but is still lower*** than the Great Britain average and the gap is widening. IMD 2010 places areas within Hull Road and Clifton wards as the lowest ranking locally for income deprivation. For Hull Road this means it is also in the lowest 10% nationally.
- Large ***differences in skills levels*** exist by areas with nine areas of York ranked within the poorest 10% in the Country for education, skills and training deprivation (IMD 2010). These areas are within Acomb, Clifton (x2), Heworth, Hull Road and Westfield (x4) wards.

Well-being and quality of life in York

It is fair to say that York residents generally experience better health and well-being across a range of indicators than is typical of England as a whole. However, in keeping with the trend that we have seen in relation to the economy, the averages are again masking deeper rooted issues largely confined – although not exclusively, as discussed earlier - to specific groups and/or locations.

York ranks 244 out of 354 local authorities across England on the 2010 IMD (where 1 is most deprived). This is an improvement from 219 in 2004 and 242 in 2007. It equates to 6.6% of the city's population living in deprivation compared to an England average of 19.9%. This improvement is encouraging, however, the city still has eight areas in the poorest 20% in England, and one (Kingsway West) in the 10% most deprived areas nationally. The high general levels of well-being and

quality of life enjoyed by the majority of York residents are not being experienced by people in these areas. In particular we see:

- Where **life expectancy** in York for both men and women is higher than the national average, at 79.6 years for men (England: 78.3) and 83.2 years for women (England: 82.3); it is 9.9 years lower for men and 3.6 years lower for women in the most deprived areas of York than in the least deprived areas.
- **Health deprivation** scores on IMD 2010 show the lowest five ranked areas to be within Guildhall, Micklegate and Westfield (x3), with one area within Westfield ward placed in the 10% lowest ranking nationally.
- The overall percentage of people in York with **limiting long-term illness** at 16.6% (30,064) is lower than regionally (19.5%) and nationally (17.9%), with four wards having between 19% and 20%, including Huntington and New Earswick, Westfield, Fulford, and Guildhall.
- **Disability Living Allowance Claimants** has risen by 24% between 2002 and 2010 which is above the regional rate (23%) albeit less than the national rate (31%). More encouragingly though, Incapacity Benefit/Severe Disablement Allowance Claimants have decreased by 31% over the same period.
- Although **child poverty** in York has decreased and is below the regional and national average, it is still above the target levels set in the Child Poverty Act. There are 4,450 children living in poverty in the city and the 10 lowest ranking areas of deprivation locally account for 32% of those children. There are five wards where it is above the regional and national average. These include Clifton, Hull Road, Westfield, Guildhall, and Heworth; with some hotspots where the figure is more than double the ward average. These five wards account for nearly 60% of all child poverty in York.

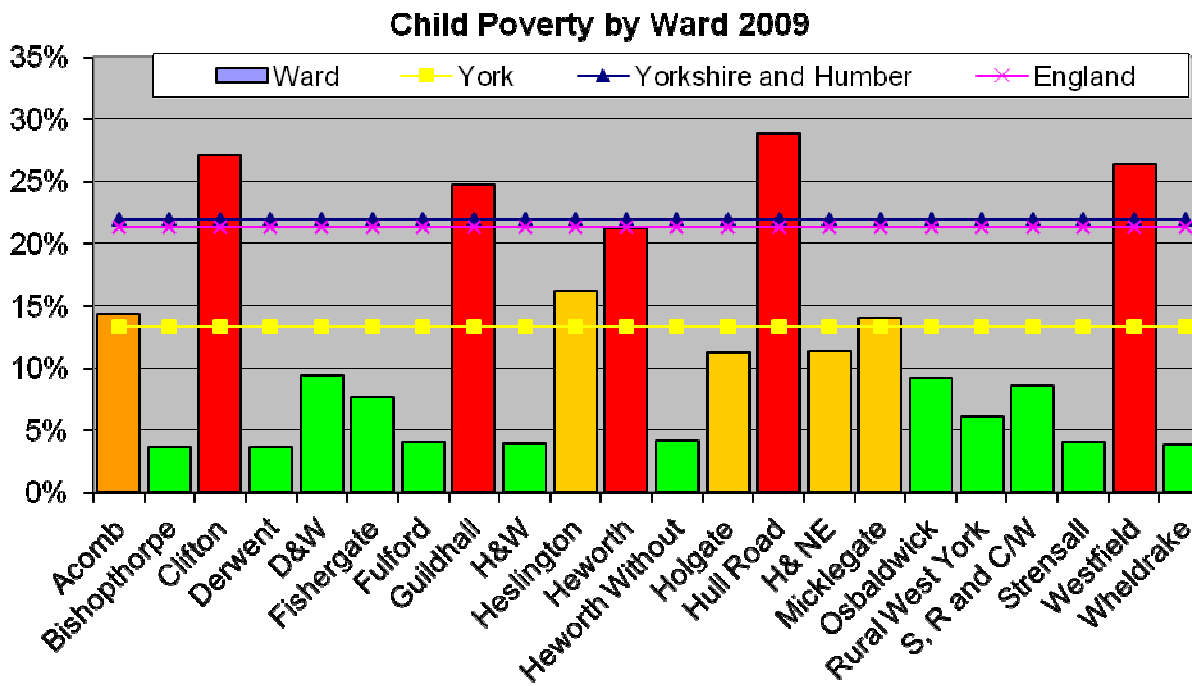


Figure 3: Child poverty by ward 2009

There has been an increase of 15% in children who are eligible for **free school meals** from 1,984 children in 2007/08 to 2,294 children in 2010/11. Those areas with higher numbers of eligible children include Clifton, Hull Road and Westfield wards, with one in five children eligible. Alongside this, although there has been an improvement, the attainment gap between children in York who do and do not receive **free school meals** or who live in deprived areas is still significant as shown in the Figure 4. Evidence is clear that educational achievement is crucial in determining an individual's life prospects. Attaining qualifications reduces a child's long term likelihood of being unemployed or earning a poor wage. It is key to a good start in life and a route out of intergenerational cycles of disadvantage and inequality.

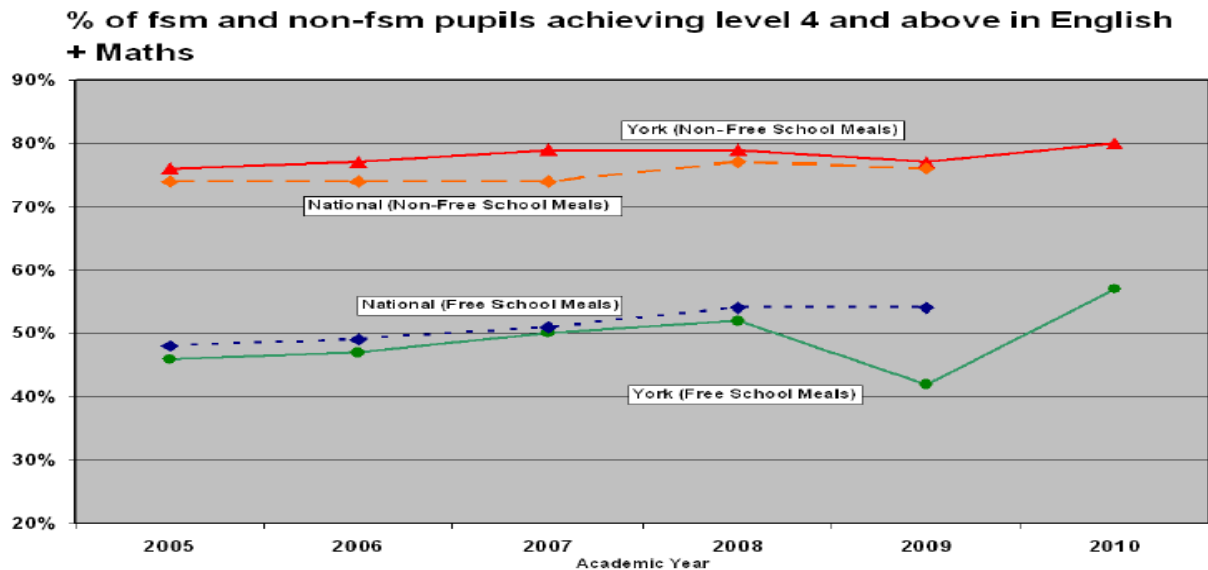


Figure 4: Attainment differences in English and Maths between those eligible with Free School Meals and those without, 2005-2010

- York has experienced excellent reductions in the number of **NEETs** (young people not in education, employment or training). However, 32% of NEETs in York are young disabled people, compared to 22% nationally; and currently disabled young people or those with learning difficulties in York are twice as likely to be NEET. In particular, this affects young people in the Westfield, Clifton, Hull Road, Heworth and Holgate wards.
- **Teenage pregnancies**, although holding at a fairly stable level, are concentrated in Westfield, Hull Road, Heworth and Clifton wards.
- The number of **Adult Social Services** customers (community, residential and care home) has increased by 11% since 2007/08 demonstrating the city's ageing profile. More people are living independently now, however, in terms of **vulnerable older people**, 3.7% of York's population are classed as "elderly people reliant on state support". 39% of this group live in Heworth, Huntington and Westfield.
- The latest available data from 2008 suggests that **fuel poverty** affects 15.1% of households in the city (12,680 households) compared to 18.2% in the region and 15.6% nationally and is concentrated in Acomb, Westfield, Fishergate and Guidhall. High increases in energy bills over recent years are likely to have increased that figure.

- Three areas within Fishergate, Holgate and Micklegate wards are ranked within the lowest 10% of the Country for **living environment deprivation** (IMD 2010), which takes into account the individual's immediate surroundings in and outside the home. Those areas ranked as the six lowest locally for the **rate of recorded crime** are also within the lowest 10% nationally. These areas are within Guildhall (x2), Heworth, Holgate, Hull Road and Westfield wards.

Access in York

In the current economic and fiscal environment, local authorities across England are finding meeting affordable housing targets challenging. York is no exception. The very nature of the city presents a number of physical constraints that exacerbate the situation. As a result, whilst there has been an improvement, just 8% of actual 'local housing need' is being met. In fact the total number of new homes built in York is currently less per annum than the number of affordable homes needed.

There is intense competition for housing in York. House prices are high and often well beyond the reach of households on average incomes, whilst private sector rents are amongst the highest in the North of England. Current market conditions suggest new housing supply is likely to remain constrained. In this context those households less able to compete are more likely to live in inappropriate and overcrowded housing that can have a detrimental impact on their health and wellbeing.

In addition:

- Most homes in York are in good condition across the private and the social rented sectors. Where **non-decent homes** exist, they are concentrated in the Guildhall, Micklegate and Hull Road wards
- **Elderly households** comprise 33% of all households living in non decent housing; and **economically vulnerable households** represent 26%, signalling ongoing linkages between vulnerable households and non-decent homes

- York's **ageing population** has significant implications for housing provision in the city and the way in which people are supported to live independently for as long as possible, with important knock-on savings made in terms of residential care costs
- Over 650 households were prevented from being homeless during 2010/11 through a focus on homelessness prevention. Recently however, there has been a reversal in this sustained downward trend with the number of **households placed in temporary accommodation** rising from 79 in 2009/10 to 94 in 2010/11 as shown in figure 5 below.
- The needs of those who live on **Gypsy and Traveller sites** must be considered, where there is also a shortfall in supply that can compound other disadvantages such as access to healthcare, education and employment.

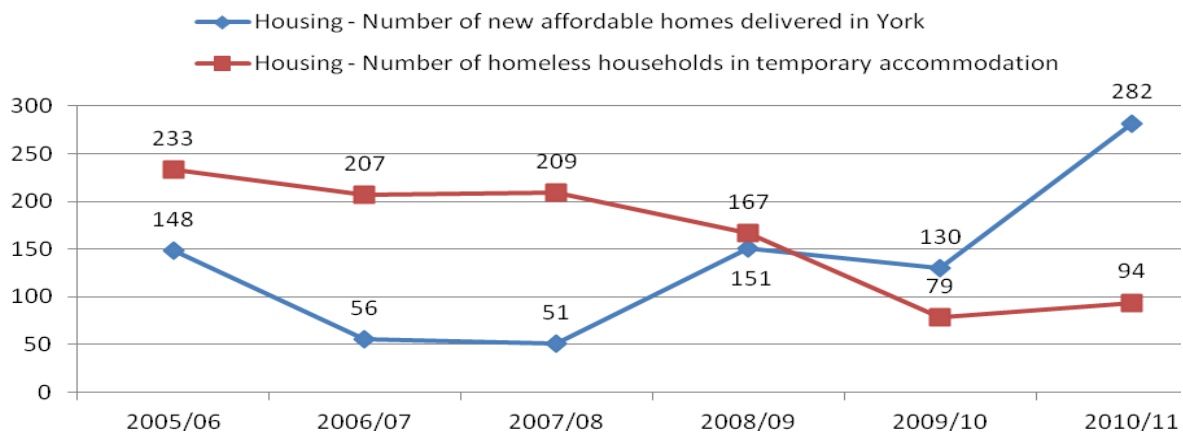


Figure 5: Housing need and provision over time

Physical access to services and employment via effective transportation networks is also a big issue for the city. More people are now cycling in York, and levels of traffic congestion are stable, but:

- Bus passenger journeys are down; and **bus punctuality and waiting times** remain an issue, with the city ranked in the bottom quartile for both amongst local authorities in England.

- An ***Equality Impact Assessment of the Local Transport Plan 2011-2031*** highlighted a number of concerns. These included a lack of visual / audible / tactile public transport information for blind or partially sighted people and for those who have difficulty reading English; isolation and lack of access to opportunities, services and facilities for young, older or disabled people and BME groups due to lack of sufficient and suitable public transport, particularly in rural areas; and young people being prevented from getting to employment opportunities due to inadequate or expensive public transport.

Finally on access, there is evidence (York Childcare Sufficiency Assessment 2011-14) to suggest that access to ***good, affordable childcare*** that is available at the times that parents need it, particularly in deprived wards and amongst certain income groups, is acting as a barrier to work.

2.2 York's strategy, policy and plans

York, like other cities, is working to ensure that inequality is not compounded against a backdrop of economic recession. The political environment also has an influence. Alongside deep reductions in government spending, the Coalition's localism agenda and drive to build 'the big society' is key. It expects citizens and communities to create better economic and social outcomes by becoming socially productive⁵ - to have much greater involvement in determining what services they value and need, how they are delivered and to move away from a reliance on state funded universal provision. The Council has an important role to play in facilitating this, and making sure communities are cohesive enough to come together in this way.

The Council has made clear its intentions to develop a fairer city and make sure that opportunities are available to all parts of the community. It has a range of strategies, policies and plans in place that set out priorities and will guide decisions on budget allocations. Each of these should keep in mind the Fairness Principles set out in this report. This will

⁵ See for instance: From social security to social productivity: a vision for 2020 public services, report of the Commission on 2020 Public Services, 2010.

ensure that all policy delivery impacts positively on fairer outcomes for people in York and contributes to achievement of the Council's fairness ambitions.

Given that this report is focused on providing a framework against which the Council can 'fairness test' its decisions on budget cuts, the key document to consider is the Council's own business plan **Delivering for the People of York: The Council Plan 2011-15**. Its five priority areas each provide an opportunity to think about how *all* citizens will be impacted. Examples are set out in Annex C along with details of further Council plans to address the negative outcomes of economic inequalities.

The Council employs nearly 7,000 staff. It also has an extensive pool of casual workers used to cover sickness absence and other short-term staffing needs due to sudden or temporary increases in workload in areas such as schools, libraries, leisure centres, and residential care homes. A staff pool manages this process. The Council sets out its own intentions to be a model employer through its **Corporate Fairness and Inclusion Strategy and Single Equality Scheme**. It has been through deliberations regarding pay and reward grading structures, including the potential for paying a living wage. Chief Executive pay levels have not changed since October 2007. Likewise Director pay increments have been held since April 2008. In 2010 the pay ratios in the Council for Chief Executive pay (where 1 equals the Council's lowest pay rate) was 10.8:1. For Directors, the ratio was 7.3 to 8.5:1; and Assistant Directors 5.5 to 6.1:1. Assistant Director pay has been reviewed, which if implemented would go some way to reducing pay inequality, but this has not been extended to the highest earning officers. As a major employer and procurer in the city, the Council can lead by example in setting a maximum pay ratio itself and then within companies to which it contracts services, with preference made to those companies with lower ratios or those that pay a living wage.

3. Fairness Principles

The Commission is working at a time when the rapid pace of change is matched by the difficulty of the decisions that have to be taken. Our brief is to offer guidance to the City of York Council on its budgeting approach and priorities within a very tight timeframe, and from a standpoint that is high level compared to the detail of the budget choices ahead.

Given that context, a cornerstone of our approach is to establish a set of overall “Fairness Principles” that are used to ‘fairness proof’ courses of action. This section presents a set of ten such principles that can guide long term progress towards a fairer York. We recommend they be used as a constant reference point for decision making, both on the overall budget setting approach and priorities and detailed choices about specific areas of spending.

The ten principles are:

- i. **Make reducing inequalities a prime focus in policy and decision making.** By this we mean an ongoing, consistently applied process to tackle socio-economic inequalities such as in incomes, health and well-being. Success should be based on changes in outcomes, and these should be routinely monitored over time.
- ii. **Support and empower the most vulnerable and disadvantaged groups.** This is often entwined with reducing socio-economic disparities. Not all people within a ‘disadvantaged group’ are or would wish to be seen as ‘disadvantaged’ themselves. So it is important not to define people purely by one aspect, such as their age, ethnicity or being disabled. Nevertheless decision making should advance the interests of groups of people who face disproportionate disadvantage or hardship, especially where they are less able to do so themselves.
- iii. **Adopt a long term view.** Despite the pressures to focus on balancing the budget over the next two years, it is vital to consider the long term impacts of choices as well as short term savings. Prevention is better than cure, and cuts or a failure to invest in some key areas will lead to

much bigger costs in the future, economic as well as social. Good examples include early years provision and education, and activity to prevent people from offending or reoffending.

- iv. **Listen and Engage.** Priorities, policy and practical decisions about budget choices should be made in a way that is open, transparent and informed by York's people. This needs to be an ongoing process, and a proactive one that takes steps to reach parts of the community that are not as well represented or vocal as others.
- v. Find ways to **generate new income** to reduce the scale and depth of cuts needed to balance the budget. Whilst some revenue raising opportunities have been explored, there remains scope for more. Wherever possible, new and imaginative ways should be found to earn income, especially revenues that are drawn from discretionary spending and those most able to contribute.
- vi. **Make budget decisions based on evidence, values and needs**, not by applying flat rate percentage cuts or favouring services that have always been provided over new ones. For instance, there should be a 'level playing field' between established services and new functions the Council could or has to take on because responsibility has moved to it from another organisation.
- vii. **Take into account wider factors that affect inequalities in York**, such as those driven by national policy. Some of the cuts and changes that are being driven nationally will hit those on low incomes hardest, for instance changes in benefits and removal of grants. These impacts should be considered alongside those of any budget cuts so that potential for a 'double whammy' on the disadvantaged can be considered and avoided as far as possible.
- viii. **Target investments and services geographically to reduce inequalities and improve life chances in the most disadvantaged areas** where necessary. With a constrained budget, universal provision will not always be possible. If cuts have to be made in some areas and not others, services in the city centre that are accessible to

all and those in the areas with the greatest concentrations of poverty and disadvantage should be prioritised.

- ix. Promote and prioritise economic growth that maximises benefits to people.** A lack of economic growth can hit jobs, services and incomes. However, growth does not automatically create employment nor ‘trickle down’ to the poorest communities. Economic policy should be focused on securing high quality, sustainable growth that delivers maximum benefit for people, including jobs, well-being and a good environment.
- x. A ‘best in class’ Council** that delivers services efficiently and effectively and acts as an influential role model in tackling inequalities. This will involve:
- Providing vision, leadership and setting an example in all that it does;
 - A culture where staff are engaged, valued and respected;
 - Using better systems, co-ordination, training and management to enhance efficiency and deliver savings without impairing service delivery;
 - More joining up and collaboration with other bodies that work with and impact on communities, including the voluntary sector; and
 - Using its pay structures, terms and conditions and procurement policies to reduce income differentials and make progress towards a ‘living wage’.

4. Budget Guidance

It is without doubt that the City of York Council finds itself in an extremely challenging financial position. Central to this is the impact of the Coalition Government's extensive deficit reduction programme, which has led to one of the tightest settlements for local authorities in the post war period. For York this means a total reduction in government funding over the next four years of 28%. This cut has been heavily frontloaded, with the Council asked to make a cut of 13.3% in 2011/12. This equates to a saving of £21m in 2011/12, with a further £12m in 2012/13.

This situation is compounded by a number of other factors. Continued uncertainty in the macro-economic environment is placing downward pressure on the Council's income generating services as people and businesses have less money to spend. This includes a Council Tax freeze in 2011/12 through a zero percent increase on 2010/11 rates. There are also unavoidable financial pressures arising for example from the city's ageing population, increased number of children and adults requiring intensive social support, and increases in the cost of waste disposal.

The above combined has forced individual directorates in the Council to make difficult decisions around spending priorities that has already had very real consequences for service delivery and support within the city. It is with this that the York Fairness Commission is primarily concerned. It poses the question, how can the Council set its 2012/14 budget within the given financial context to best deliver for the people of York, ensuring that the gap between those who already face social and economic inequality and those who are better off does not get wider?

Budget recommendations

The Commission makes recommendations to the Council in three areas to assist in achieving this goal. These are guided by the Fairness Principles (as set out in section 3). They have been made using an analysis of investment and savings decisions taken in developing the 2011/12 budget; and take account of messages arising from the public consultation. In their application, we expect the Council to use evidence and best practice in all cut versus saving decisions. Further Commission

recommendations that go beyond the budget process are included in section 5.

A. Potential for savings and protection of essential services

Rather than apply a universal flat rate cut across all directorates, the Commission recommends that some directorates absorb a greater proportion of cuts than others so as to reduce negative impacts on inequalities. In particular, we urge protection of the Adults, Children and Education directorate and its specific responsibilities for Children's Social Care and Adult Provision. Decisions around how cuts are allocated should be made such that:

- targeting by theme and by place allows money to follow need;
- a short term saving or investment is made against an assessment of long term impact on outcomes and requirement for further funding;
- directorates look for efficient operation even in protected areas such that best in class services are still provided to the end user; and
- the extent of cuts to services in previous years are taken into account in making decisions about future budgets.

With this in mind, the Commission recommends:

1. Highways spend is explored as a potential area of major saving:

Certain areas of transport are key to fairness and equalities and should not be compromised. These include areas such as road safety, securing a modern fit for purpose public transport network (especially good and affordable bus services), and achieving the positive impacts on health and well-being that York achieves as a cycle friendly city. However, the Commission believes other areas of highways spend offer considerable potential for savings and reallocation of money to other priorities with greater benefits for fairness and equality. Areas for consideration include reduced spend on road maintenance and exploring new delivery models such as procurement of shared services with North Yorkshire County Council for highways functions.

2. Removing budget allocation to Ward Committees: In 2011/12 this amounted to spend of £731,990 (not including the additional financial cost of administering the fund) for local councillors and residents to use for example to fund local projects. The Commission does not dismiss the role that these Committees can play in bringing people together to discuss and find solutions to what matters most to them and to hold their elected representative to account. However, in a tough financial climate where cuts must be made with Fairness Principles in mind, the Commission feels this money could be better targeted at support in specific areas of need or amongst specific groups to help the Council deliver a strategic approach to achieving reduced social and economic inequalities in the city. This may enable specific improvements or regeneration projects to be targeted to the most deprived areas, with the participation of local people. Removing this budget is also in tune with national policy thinking around a more socially productive society (discussed above in section 2.2), where citizens are actively engaged in creating better social and economic outcomes and move beyond a grant giving state driven model.

3. Protecting named services: From analysis of 2011/12 budget proposals the Commission recommends that spend in Children's Social Care and Adult Provision is protected. We recognise that this service has been protected from cuts and seen investment in previous years and welcome genuine efficiencies where these would not adversely affect service users or the staff delivering them. However, overall, this is an area of spend with great impact on fairness and it needs to be safeguarded. It chimes strongly with the principle of taking a long term view and prevention being better than a cure. An example given during the consultation was of cuts to youth offending services saving moderately small amounts in the short term when compared to the significant investment required in future years to rectify long term consequences of underinvestment and support.

There are no other service areas that the Commission feel should be protected in their entirety. There are however individual elements of other specific service areas that the Commission deems to impact significantly on fairness and that should as such be protected despite the wider service area being open to cuts. Generally we have avoided making recommendations about individual budget lines, and instead advise that

the Council uses the Fairness Principles to guide the detailed budgeting process. However, we felt it important to flag a small number of services that should be protected and which also serve as examples of the type of spending that the Fairness Principles support.

Table 2: Examples of areas to protect in specific service areas

Service area	Protect where it impacts on...
School improvement	Provision to vulnerable children or minority groups as well as early years provision and 16-19 year olds
Adult assessment	Provision to vulnerable adults and of mental health services, e.g. respite care, occupational therapy
Integrated commissioning	Ability of Council to be best in class and in turn lead to more efficient operation and delivery through reduced duplication and enhanced partnership arrangements
Communities and culture	Voluntary sector funding, opportunities for children and young people in deprived areas to access play and recreation, and library provision
Environment	Work to reduce fuel and energy costs, access to public conveniences for less abled people, street lighting in areas of higher crime, pest control for people already living in poor conditions
Housing and public protection	Homeless people and other vulnerable groups and the quality of the housing stock available to them, Citizens Advice Bureau debt advice
Economy and asset management	Balancing sustainable economic growth with a need to connect all residents to economic opportunity; and ensuring local people have the skills to match local business needs, to widen labour market participation and more evenly distribute wealth to reduce income inequality
Strategic planning and transport	Subsidised bus services for particular services shown to connect people to jobs or services that would otherwise not be provided, cycle training, transport services that allow disadvantaged people to move with ease around the city (e.g. Dial & Ride) at a price they can afford

Additionally, the Council makes financial contributions to a number of outside bodies, for example York's Theatre Royal and Visit York. In light of a constrained budget, the Commission recommends that in all cases where contributions are sought from outside bodies, the Council applies a rigorous test of economic and social impact and outcomes to ensure that maximum value for money is achieved alongside a viable long term plan for organisations achieving financial sustainability. Embedding a framework of this type will enable the Council to prioritise scarce resource amongst competing priorities on a fair basis and drive organisations seeking funding to be as effective as possible.

B. Generating new and additional income to help protect essential services

The Commission recommends that the Council proactively and imaginatively seeks out ways of generating additional income that will reduce the need to make cuts elsewhere and put service provision on a more sustainable footing. The Council should consider income earning potential in the following areas:

4. Raising Council Tax by 3.5 - 6%: York's Council Tax rate was frozen at 2010/11 rates for the 2011/12 period with a grant from central Government to cover the shortfall. The Government has offered to provide some additional funding to councils who freeze council tax for a further year to compensate for lost revenue. However, we understand this will be limited to the equivalent of up to a 2.5 - 3% rise in rates whilst inflation is running at around double that rate. Furthermore the 'baseline' for future settlements would not take inflation during 2012/13 into account either. This would mean a significant real terms cut and lead to a significant shortfall in Council finances that would have to be managed through an even greater hike in Council Tax in future years.

Given the current rate of inflation, and the uncertainty of Government funding in future years, the Commission advises the Council to implement a gradual year on year rise now as opposed to a further year freeze. We recommend this is around the level of inflation – sufficient to make the rejection of the Government's one year freeze proposal worthwhile, but

not so high that it is unaffordable for council tax payers. We further recommend that some of this additional revenue is used to fund Council Tax rebates for those on low incomes, which are set to become the responsibility of the local authority. To be clear, we are recommending this increase in the interest of long term fairness. This is on the basis that income generation is as important as budget cuts. It is unfair that the poorest suffer from budget cuts whilst the relatively well off are protected from Council Tax increases. Of course, there is a balance to be struck, but this recommendation is also made on the foundation of York currently having the second lowest Council Tax of all 55 Unitary Authorities in England.

5. Facilitating sustainable economic growth to boost long term income: Some Council services, functions and operations are essentially investments that should lead to income or other economic rewards in the long term. Some of these may result in revenues that come directly to the Council (e.g. land and property deals where the Council may in future gain revenue as a landlord). In other cases the benefit may arise in the shape of business growth and new jobs in the city.

Investment in tourism is a good example. Ensuring that the city has an attractive offer, including upkeep of the city's heritage and environment, cultural events and attractions will bring in additional tourists and visitor spend. This helps to keep more businesses running and growing and creates or protects jobs within them. Investment in areas such as inward investment and the Science City initiative may also bring employment returns long term.

Hence, we recommend that where investments lead to economic returns that include future revenues or jobs accessible to all these are viewed favourably within the budget setting process. Equally, we recommend that ways are found to lever in greater contributions from the businesses or sectors that accrue most benefit from Council investments (see recommendation 6 below for one example). Finally, we suggest that resource is put in place in the Council to connect economic development activity to inclusion, that is to say, a role with the remit of helping local businesses to connect to the local labour market and vice versa.

6. A York Visitor Heritage Contribution (a 'tourist tax'): Subject to legal limitations, the Council should explore the options around charging a visitor contribution up to the value of £1 per head per night. This could raise a significant amount of money each year to help alleviate the pressures of being a world class tourist destination, to invest in maintaining the sustainable growth of the sector, and to relieve pressure on other areas of the Council's budget where funds are used to support tourism activity. The costs would ensure that residents further benefit from tourism, and caps could be put in place to ensure charges are at a level which does not deter visitors.

7. Explore and adopt creative approaches to income generation:

Whilst some new income generating measures have been introduced, we believe there is scope to go further, particularly as there is a sizeable proportion of York's population who are relatively affluent and have higher than average disposable income. The Commission recommends exploring opportunities for 'nudging' - encouraging additional discretionary spend by individuals that do not force those on lower incomes to pay higher costs or receive inferior levels of service.

Examples of different types of 'nudging' policies the costs/benefits and practicalities of which the Council should explore are:

a) asking people if they would wish to make a donation on top of the advertised price of a service (e.g. leisure bookings) to support Council activity to support those in greatest need - either generally or a named service or good cause campaign.

b) setting a higher advertised price for services that automatically includes a donation to a good cause (as above), but with the option for people to say they would prefer not to pay the additional contribution.

c) setting up a scheme similar to a) or b) above but on a York wide basis so that it can include donations from customers paying for private sector services (e.g. leisure and tourist attractions, hotel/restaurant bills). This would allow businesses to support the scheme if they would like to.

d) asking people if they would make an extra voluntary contribution on top of their Council Tax bills to support services/good causes, especially if Council Tax is frozen

Some or all of these options may work best if an independent 'York Welfare Fund' or similar is established that would raise money for named good causes including activities the Council would like to support but cannot afford to run (e.g. a Sure Start centre or additional 'enrichment' activities for children from low income backgrounds).

Leisure and other pay at point of use services are probably the main area for such 'nudging' initiatives, although other examples exist. One is allotments, where a person on low income who is using the allotment to provide for his or her family would probably not choose (or have) to pay any additional money, whereas somebody on a high income who enjoys the allotment chiefly as a hobby may choose to do so.

With the right type of communication and transparency, this type of policy has potential to generate significant local goodwill and create city wide engagement in the fairness agenda. The Council's Talkabout citizen panel would be a useful means of discussing this concept with local residents.

There may also be opportunities around:

- Setting up **leisure facilities as Trusts** may then enable these operations to claim gift aid from the Government on top of what users pay in entry fees (the way visitor attractions often do). The feasibility of this would need to be explored, but if it is possible it has the potential to generate significant additional revenue without any additional cost to service users; and
- **Generating further use of and income from historic, council owned buildings** that would be attractive to tourists or for commercial bookings and which are presently not fully utilised.

C. The Council as an efficient, effective and equitable role model

The Council can make a significant contribution to creating a more equal city in the way that it goes about its own business. It also has a responsibility for fairness and equality to its own staff as a major employer in the city. This is fundamentally about being best in class by using strong leadership, good management and investment (often at little or no cost) in staff training and development to drive up productivity and deliver a better service to the end user. The Commission recommend that the Council seeks to:

8. Act as a role model for best practice procurement processes: This can include exploring innovative delivery models, measuring best value not just on cheapest price but on an assessment of how best to deliver citizen-focused services, and stipulating that suppliers have sound management practices for example fair terms and conditions for staff, small pay ratios, good employee relations and environmental policies of their own.

9. Collaborate more and better across sectors and use joined up working – especially with the voluntary sector – as a way of getting more for the available resource and delivering an enhanced service to the end user (see also recommendation 30 in section 5).

10. More even distribution of pay and fairness in terms and conditions: Ensuring that pay is distributed more fairly is a powerful tool in ensuring equality and fairness and acting as a best in class employer. The Commission recognises that the Council's pay ratio between the highest and lowest paid staff is already lower than many organisations at around 10.8 to 1, and far lower than ratios of 300:1 or so in many large FTSE 100 businesses such as banks. We recommend moving toward a maximum pay ratio of 10:1 is considered alongside a transparent mechanism for linking performance to pay.

11. A Living Wage: The Council is currently working with the University of York to understand the implications of it paying a living wage. This work will report by 31st December 2011. Taking the findings of this into account, the Commission recommends setting a realistic time frame for introducing a living wage policy.

12. Ensure the Council is best in class for efficient delivery systems, co-ordination across services, and a culture where staff are engaged, valued and respected: Creating this type of culture, particularly in current circumstances is vital and will underpin the Council's ability to successfully deliver its ambitions for a fairer York. The Commission asks the Council to make the necessary investment in managing change and in doing so act as a role model to organisations undergoing structural change. We also urge the Council to do all it can to support people who are at risk of redundancy, paying particular attention to age and gender profile and specific needs or issues that this may create.

5. Consultation: Results and Recommendations

This section briefly summarises the consultation process and the headline themes it raises. It sets out the issues raised and our response to them. The recommendations in this section build on and form an integrated set with those we make in the Budget Guidance section.

5.1 The Consultation Process and Emerging Headline Themes

The Commission felt it vital that this report is informed and influenced by individuals and groups across York. A public consultation process was carried out to enable this, running from a launch event on 21 September to 18 October 2011. We wanted the process to offer both the opportunity for anybody in York to easily take part and for it to allow more in-depth inputs and the chance for discussion. To that end the process comprised the following elements:

- Simple opportunities to submit responses via 'postcard' questionnaires
- Opportunities for formal written submissions
- Opportunities to input via the web site or email
- A series of six participation events held between 21 September and 5 October, including events open to groups, the public, and City of York Council staff

The response to the consultation was valuable and wide ranging. Details of the process and responses are included in Annex A and Annex E. A full report of findings, completed by the Social Policy Research Unit at the University of York, is also available.

Across the consultation process the main themes that emerged were:

- Employment
- Income
- Transport
- Young people

- Older people
- Disabled people (and wider discrimination and diversity issues)
- Health
- The Voluntary Sector and Volunteering
- Access

These issues emerged across all the channels through which people made inputs. Courses of action under each are now discussed. Additionally, discussions with Council staff, many of them on the 'front line' and well placed to spot issues and better ways of doing things, identified particular concerns relating to ex offenders, homeless people, the travelling community in York and youth offenders. These are also covered in the full report of findings and raised here as appropriate.

5.2 Results and Recommendations

'Access' was a recurring theme and arose in relation to many of the other concerns – access to work and training, access to services, and access to information for example. Because of its overarching nature, access is dealt with as a cross cutting theme that is relevant to all of the headings that follow.

The concept of fairness was discussed in some submissions. Interpretations varied. For a few it was primarily about making sure that their own needs and preferences were met. Others saw it as about making sure that people 'get what they deserve' – so that hard work or self-improvement reaps rewards for example. Some made points about specific issues, such as costs of and eligibility for social care and services. For most however it was about gaps between the worst and best off in society, and the needs of those who are disadvantaged, vulnerable or discriminated against.

Most of the consultation was focused on specific issues and the realities of living in York. This input has directly informed the recommendations that we make. These are set out, issue by issue and alongside brief commentary in the sections below. Our other recommendations in the

budget section are also usually informed by the thrust of the consultation results. They are cross referenced here rather than repeated.

A. Income

There was considerable discussion around incomes. That spanned wages, levels of debt, (cuts in) benefits and the rising cost of living. There were calls for more equality of income and a higher minimum wage or 'living wage' (see section 4, recommendation 11). It is hard to get good information about people's real disposable income after housing and bills have been covered. But it was clear that for many people reduced incomes set against rising food, energy and transport prices translated into reduced well-being and a struggle to get by.

The Commission's recommendations in response are that the City of York Council:

13. Puts benefit advisors where they are most easily accessible to users. This will ensure they are accessible and can more effectively help people to make full use of the benefits they are entitled to.

14. Continues and expands work to reduce the living costs/bills of those in greatest need. One example is to tackle fuel poverty by improving insulation or installing micro-generation capacity (e.g. solar panels) into people's homes, including through partnership with the private and voluntary sector as well as management of its own housing stock. It also includes striving to ensure that child care, public transport and leisure costs are affordable to those on low incomes. Allotments are a further example of where council provision can help. Whilst for some gardening may be a hobby, for those on low incomes the ability to grow cheap, healthy food can help with budgeting and contribute to well-being.

B. Employment

People felt that there are too few jobs and that many of those on offer involve long hours and low wages. As statistics show incomes and employment in York to be close to national average, this suggests

employment issues may be pronounced for certain groups or in certain types of job (e.g. tourism related). Low incomes are further exacerbated by York's relatively high housing costs.

For many though, the issue was simply getting a job. Some felt that employers discriminate against young people, older people, ethnic minorities (e.g. travellers) and disabled people; others had problems getting public transport to work for jobs that started early or finished late in the day. Jobs for young people, and routes into them such as training and apprenticeships, were a particular area of concern.

The Commission's recommendations to the City of York Council are that:

15. Economic development strategy and activity focuses on quality and accessibility as well as the quantity of jobs, and on inclusion as well as growth. This should include resource and activity within the Council's economic development function to help businesses (e.g. inward investors) to recruit local people, and to connect people in deprived communities to employment and training opportunities.

16. A programme of action tackles barriers to work, including childcare, transport, skills/learning, access for disabled people, and attitudes and awareness (of employers and potential employees).

17. It encourages the creation of 'green jobs' in sustainable industries, e.g. related to energy, waste and other low carbon industries.

18. It makes training and employment opportunities for young people a priority and radically expands the number of apprenticeships. This should include working with employers, colleges and other relevant agencies creating significant numbers of apprenticeships within the Council.

C. Transport

Transport was a big issue for many people and one of the most prominent in the consultation. Good, affordable transport is essential to allow people to get to work (as already discussed) as well as to access education, services and to simply get on with life.

Public transport, especially bus services, was the biggest areas of concern. People felt these were unreliable, expensive and inadequate, with too few services away from the main bus corridors and outside of the main daytime hours.

Some stressed the benefits of continued improvement of cycling and pedestrian facilities (which provide low/no cost and healthy travel options) whilst others were more concerned about car parking costs.

The Commission's recommendations to the City of York Council are:

19. To extend the 'YoZone' card for discounted bus fares up the age of 18 (it is currently 16) and explore other ways to reduce transport costs for young people.

20. For public transport concessionary fares for disabled people to apply all day (currently they begin at 9am which hampers access to work).

An additional relevant recommendation is made in the Budget Guidance section of this report (section 4, recommendation 1) which seek to protect areas of the transport budget that subsidise bus services and discounts for those on low incomes, as well as safeguarding the budget covering cycle and pedestrian facilities and road safety measures. These areas of Highways spend are a high priority in terms of socio-economic benefits and reducing inequalities.

D. Children and Young People

A combination of the tough economic climate and national policy decisions (such as removal of the Educational Maintenance Allowance and increases in tuition fees) are hitting young people hard. Rises in transport and leisure costs are compounding these difficulties for many young people, reducing their opportunities and making it harder to get about, to do things, and to kickstart their careers. Some said potential closure of youth clubs due to cuts would make matters worse still. Others pointed to the higher costs that would emerge in the long term (for society) if services that sought to prevent youth offending or to respond to special educational needs were cut back.

In our budget recommendations we have prioritised areas of educational spend (including early years and 16-19, see recommendation 3) and under Transport we have called for the extension of the YoZone card to benefit more young people (see recommendation 19).

We further support measures to ensure that children from low income families are not prevented from doing 'enriching' school based activities because they cannot afford it (e.g. music, sport, drama, school trips). The Council should strive to minimise income based divisions between classmates, and ensure that all children and young people can pursue activities they enjoy and excel at. This can boost self-esteem and confidence and have lasting benefits in terms of employability, inclusion and life opportunities.

The Commission recommends that the City of York Council:

21. Introduces a new 'York Youth Card' and encourages retailers, leisure providers and others to offer discounts to young people (age 16-21) holding such a card. Given high youth unemployment, this would put other young people on a level with students who are often able to access discounts on production of a student card. The key thing would simply be to have an accredited card that businesses are aware of and which enables them to target offers at young people in the city and to gain and publicise commitment from a number of key businesses to accept the card to get the ball rolling.

22. Puts in place mechanisms to enable children and young people from low income backgrounds to participate in enriching school based activities (e.g. music, sport, drama, trips) that they otherwise may not be able to afford.

23. Explores the reasons behind and takes action to combat the gap in educational attainment between pupils from lower income households (entitled to free school meals) and others. Responses could include looking at resourcing and teaching in relevant schools, refining selection and catchments policy, targeting of early years provision, or influencing outside and cultural factors such as role models and aspirations.

E. Older People

A wide range of issues affecting older people were raised. Many of these were general issues affecting older people (and others) regardless of income such as winter pavement maintenance and provision of seating and toilets in the city centre.

Whilst some issues affect older people regardless of income, inequalities between older people can themselves be very pronounced: some are in comparatively comfortable positions; others struggle to make ends meet. Rising food and energy prices are having an acute impact, with too many facing the stark choice of 'heating or eating'. Stepping up and targeting work to tackle fuel poverty is all the more important in this context (see also the previous 'Incomes' subsection). For instance there may be scope to develop initiatives to work with the private sector to install microrenewables (e.g. photovoltaic panels on roofs) and to use the proceeds from feed in tariffs to offset energy bills.

Trends towards an ageing population bring with them added pressures for Social Care. Finding fair ways to meet increasing care needs within a tight budget is a major challenge, and one that was picked up in the consultation. We have no direct recommendation to make on the complex issue of what and when contributions are levied from whom. However, we advise that this issue is kept under review, and in the budget

guidance section we propose making social care budgets a top priority for protection from cuts (see section 4, recommendation 3).

One area where specific action should be possible is in better utilising the talents of older people as volunteers. This can add to cohesion and well-being in numerous ways, helping to counter the isolation that some older people can experience at the same time as making good use of their skills, wisdom and time to benefit society. There are also good reasons to encourage and enable volunteering by young people, and the connection between young and older people can further benefit society.

The Commission recommends that:

24. The City of York Council and the voluntary sector further collaborate to make the best possible use of the skills of older people (alongside young people) as volunteers (see also recommendation 30 on voluntary sector collaboration).

F. Diversity and Disabled People

Issues facing disabled people – and those who care for them – came through loud and clear. Certain specific measures have already been covered elsewhere (see recommendation 20 under Transport). However a number of other, often quite specific points also emerged.

The Commission recommends that the City of York Council:

25. Routinely involve disabled people in the design of services and facilities – to get things right from the start, rather than to advise on how to correct them ‘after the event’, often at greater expense.

26. Recognises and supports the valuable role played by carers and takes measures to assist them wherever possible, including those designed to ‘give carers a break’.

27. Ensure information gets to those who need it and is easy to understand (e.g. in plain English and in forms accessible to people with

who have difficulty reading). This includes ensuring that the ‘choice based lettings’ housing scheme can be fully and easily used by people with reading or learning difficulties.

28. Efficiently manages facilities installed into homes to assist disabled people (specifically, stair lifts) to ensure they are re-used rather than discarded once a house is let to a different tenant who does not need them.

G. Health

People saw health as central to well-being. However, they raised it most often when specific health or care issues affected themselves or those close to them. Mental health was one such example. A compelling case was made stressing the importance of good mental health to quality of life and the need to cast off the stigma that can still surround mental health. In the budget guidance section we have recommended that those budgets that support work on mental health are protected (see section 4, recommendation 3).

There is a relationship between income inequalities and health inequalities, especially for men, where York has a gap of ten years in life expectancy between those who are most and least affluent. Currently, only around 4% of health expenditure is on public health – in essence on prevention rather than cure. The City of York Council is soon to take over public health responsibilities from the Primary Care Trust. In doing so it has an opportunity to look at public health and health inequalities afresh, to fairness proof potential activities, and prioritise those that will reduce inequalities.

The Commission recommends that the City of York Council:

29. Act upon research into the reasons for health inequalities in York, especially in men, with activities targeted in accordance with the findings.

H. Volunteering and the Voluntary Sector

The role and value of the voluntary sector was a core theme emerging in the consultation. The reach and capacity of the sector was apparent, as was the dedication of the many who work in the sector, whether paid staff or volunteers. We recommend that voluntary sector support is protected where possible (see section 4, recommendation 3).

It is apparent that there are a great range of voluntary groups, each often running their own initiatives. Sometimes these overlap with functions delivered by the City of York Council or other public bodies.

Whilst there is already some joining up between groups and organisations and with the local authority, this appears not to be as systematic and extensive as it might be. There may well be potential to deliver both more, and more efficiently, by imaginatively and more extensively utilising the great capacity in the voluntary sector and connecting it more strongly to public sector provision. Accreditation, such as through a 'YORVOL' scheme may have a role in enabling such joining up by building confidence and certainty about the services that are offered.

Furthermore, there are a number of areas where voluntary sector groups share similar needs that they are unable to properly resource, or where shared provision may reduce costs for all (e.g. premises, fundraising, marketing).

The Commission recommends that:

30. The City of York Council and the voluntary sector in York work together more closely and extensively to empower and meet the needs of disadvantaged and vulnerable groups, and to further other causes where they have a shared interest. This should include exploring potential for shared support functions and premises.

6. Next Steps

This interim report is to be presented to the City of York Council Private Cabinet by the York Fairness Commission on 21st November 2011 and to the wider Council on 28th November. Following debate and discussion in that forum, it will then be used within the Council throughout the process of setting the budget for 2012-14. Individual directorates will consider their saving and investment proposals in light of the principles and recommendations set out here. The Council's final budget will be agreed by full Council by the 23rd February 2012.

The Fairness Commission will continue to meet after this initial interim report has been presented. The objective will be to hold a second round of consultation and engagement with partners, stakeholders and residents in York in February and March of 2012. The goal will be to produce a more detailed analysis of how the city on the whole – not just the Council – can contribute to making York a fairer place. A final report will be published in the spring, including details of how progress against agreed fairness goals will be monitored, measured and reported on.

ANNEXES

Annex A: Consultation Results

The public consultation process was completed between early September and 18 October 2011. This was a tighter timetable than we would have liked, but one that was necessary to allow the results to be collated in time to properly inform this report and the subsequent Council budget setting process.

The process comprised the following elements:

- Simple opportunities to submit responses via ‘postcard’ questionnaires that were widely distributed at venues around the city from early September
- Opportunities for formal written submissions from 15 September
- Opportunities to input via the web site or email from 15 September
- Opportunities to give views individually on the phone or in person
- A series of six consultation meetings held between 21 September and 5 October, and including events open to community groups, members of the public, minority or potentially disadvantaged groups and City of York Council and other public sector staff.

Because of the anticipated difficulty in engaging with significant numbers of individual residents in the tight timescales the Commission’s focus at the first two consultation events was to engage with groups who could represent and speak for those whose voices are often hard to hear in the community.

Groups who attended meetings, spoke at meetings or submitted written views were:

York CVS

York Mind and Our Celebration

York CAB

York Mental Health Forum

York Older People's Assembly	Age UK
York Environment Forum	York Independent Living Network
RADAR	York People First
York Housing Association	York Green Party
York High School	Young Inspectors
Inspired Youth	Choose2
York Youth Council	York Racial Equality Network
York Blind & Partially Sighted society	Churches Together
York Carers Forum	Wilf Ward Trust
York University Student Union	York St John University
NHS York and North Yorkshire	Askham Bryan College
York LINK	York Open Planning Forum
North Yorkshire Fire & Rescue	York Cares
North Yorkshire Police	

In total, the response to the consultation elicited around 100 written responses from individuals and the above groups, which were a mixture of returned postcards and post it comments, website replies and formal written submissions. In addition, in depth submissions were presented at the launch event which attracted 55 people from 31 organisations whilst subsequent public events had a total of 13 discussion groups, each involving 3-9 people.

In total, including members of groups represented at the events, it is estimated that the process reached over 2,000 people. Whilst we would have preferred more people to be directly involved in it, the process was of great value in opening up the work of the Commission and bringing wide ranging and often carefully thought through views to the fore. A full report of the findings has been completed by the Social Policy Research Unit at the University of York and was used as source material for this report.

Across the consultation process the main themes that emerged concerned:

- Employment
- Income
- Transport

- Young people
- Older people
- Disabled people (and wider discrimination and diversity issues)
- Health
- The Voluntary Sector and Volunteering
- Access

These issues presented themselves strongly across all the channels through which people made inputs.

Specific Issues from Discussions at meetings and Written Comments

These inputs brought out many detailed points, often put across with much thought and feeling.

Employment & Training

Employment in York was a common theme. There is a widely held view that York needs more jobs, better quality jobs, less employer discrimination and jobs with fair terms and conditions. The need for more employment opportunities for young people (and training/apprenticeships) was a specific and commonly raised point. Pay levels and a higher minimum wage (or living wage) was an issue for young people but went wider too, whilst others pointed out an unhelpful and in their eyes unjust distribution of work:

“It is just not fair that some people are being over worked while other people cannot get work”.

Income and the Cost of Living

Income was connected to work (see above) but also raised as an issue in terms of benefits and the money people had to live off. The need for good, accessible benefits and money advice for older people was raised specifically. The perceived high cost of living in York put incomes under further strain. Facilities that were singled out as expensive for residents included swimming pools, child care, museums and family activities.

Transport

Transport issues were very common and the transport system was seen as inadequate, unreliable and expensive – especially for young people, the unemployed and those on low incomes. Specific comments included extending the YoZone card to age 18, more electric (real time information) signs at bus stops which give up to date information on running times and prevent the need to read complicated timetables, and ensuring bus services in the early morning and evening are sufficient to allow people to get to and from work or other activities. Others pointed to the benefits of more walking or cycling as a healthy, low cost, low pollution option, or suggested reducing travel levels and pollution further.

Health

Health came through chiefly in relation to specific groups and needs. People were aware of the Primary Care Trust deficit and worried about the impact this may have on services. The issue of mental health and the need to remove the stigma around it was put forward passionately. Other issues raised were access to NHS dentists and social isolation of older people.

Young People

Several submissions and points made in discussion pinpointed the difficulties facing young people and the need to improve conditions for them. Aside from routes into housing, work and training, the limited range of things to do – and the cost of doing them – was a real issue. Extending the ‘YoZone’ card to age 18, and looking to create or extend other discount schemes for young people would prove popular.

Disabled People

Points covered social, financial and physical issues and included support for people with learning difficulties, the need for more carers, and support for carers themselves. Access to social opportunities – including learning and sport – and to training and work were also issues. The point was also made that the capabilities of disabled people are often underestimated by employers and the educational system. It is important to focus on the whole person and what they can do and not to define people by a disability.

There were calls for equivalent concessions on public transport for disabled people and to extend the times at which concessions on public transport could be used (to before 9am). The difficulties of accessing buildings (in a historic city) were also highlighted:

“Make York better for disabled people – it’s a nightmare.”

Social Division, Discrimination and Diversity

Some saw York as a socially divided city. It was pointed out that although many people don’t see York as an ethnically diverse city, there is an increasing BME population, and the cosmopolitan nature of the city is buoyed by significant numbers of overseas students from around the world.

Groups felt to be facing “*severe social and economic disadvantage*” included the travelling community, and more general points were made about the need to challenge racism, ensure BME communities are represented, and to improve access to services for refugees and asylum seekers.

The Voluntary Sector and Volunteering

The value of the voluntary sector, whether paid or volunteers, came through loud and clear. The sector was seen as able to reach some of the poorest and most vulnerable residents and to have expert knowledge and credibility that was a real asset. Continued funding for the sector was seen as important alongside opportunities for greater collaboration and co-ordination between the Council and the voluntary sector. Some suggested that there should be more incentives to get people in York to volunteer.

Access

The theme of access came through in a number of ways. Some have already been covered under the themes of transport, work, and issues facing older people, younger people, disabled people and minority ethnic communities. Other aspects included access to participation in decision making, enabling local people to better access services, and making sure they were available and accessible to all. This included points about

presenting information in a variety of different ways, including face to face options for those who cannot access information through the internet.

Access to information was seen as crucial. Some favoured a 'one stop shop' staffed by competent and sympathetic personnel. Others liked services to be locally accessible. Whatever model, getting good information to the people who need it was seen as key:

"One of the worst forms of unfairness is ignorance and being deprived of information which helps people to find ways in which they might improve their circumstances".

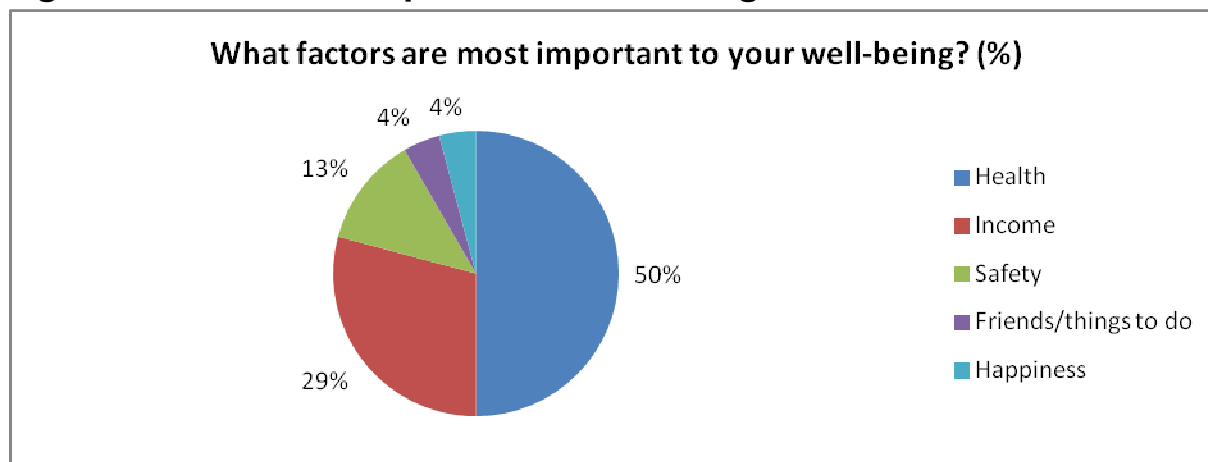
Other Issues

- **Education:** disparate points were raised including tuition fees, the end of EMA, fitness facilities in schools, and access to learning for adults and older people.
- **Environment:** concerns included more green space, action on litter, and avoiding building more out of town facilities, especially shopping centres, that are hard to get to without a car. Others pointed to opportunities for 'green jobs'; and to reduce (fuel) poverty through better insulation.
- **Older People:** suggestions for things that would improve life for older people included addressing fuel poverty for those on low incomes, the reform of social care, accessible buildings, safe streets and footpaths, more seats and public toilets, and better bus scheduling.

The format of the consultation and its analysis means that it is hard to quantitatively compare the importance of these issues to people. The Commission was seeking through its open approach to public engagement to get qualitative insight and understanding into what really mattered to people. These insights have influenced the Commissioner's overall thinking and approach to the formulation of the report's recommendations.

The website survey is the exception where a more detailed analysis has been possible as the responses were to set questions.

Figure 6: Website Responses: Well-Being



The web survey asked people to choose the most important of a number of predefined factors, meaning that its results are not directly comparable with other means of consultation where responses were left open. Of the options it offered, responses around health and income were by far the most prominent. Income and work also came through very strongly in the written responses and meetings as we saw earlier.

The web survey also asked people whether anything was preventing an improvement in their well-being. Around a half said nothing was, a quarter made no response. The views about what would improve well-being were wide ranging:

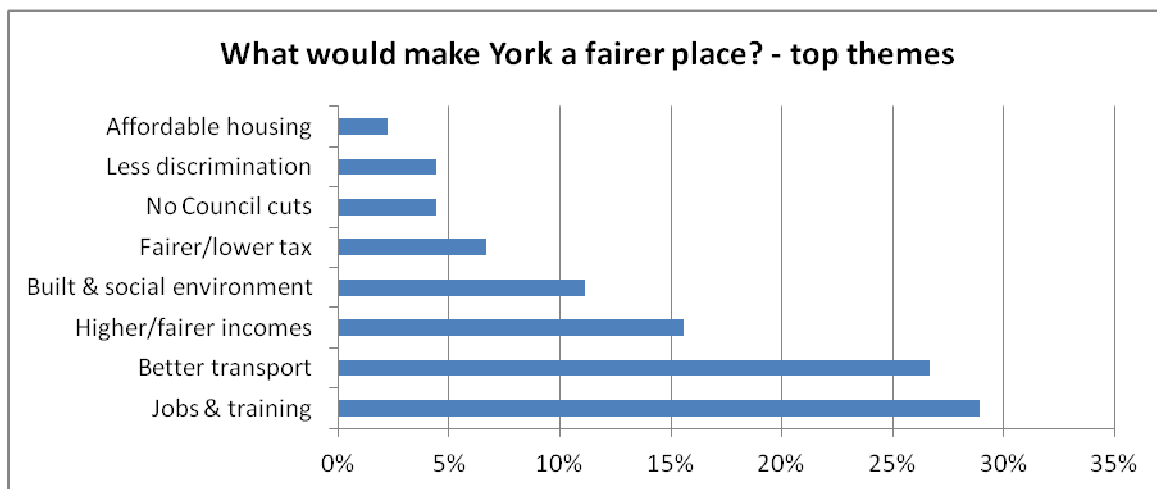
- somewhere safe to go and make friends
- getting a job and the chance to own a house
- not living in a 'capitalist culture' where 'ordinary people suffer'
- less tax and 'subsidising of others'
- free entry for locals into tourist attractions
- improved street lighting
- less ageism – especially towards those who are 'overqualified'

Other questions on the website concerned whether people had access to the information, learning opportunities, work and services that they needed. Again the majority view was one of general satisfaction, or at

least a lack of pressing specific issues they felt they should raise – around 80% felt they did have access to what they needed. However, others did point to issues, particularly about getting a job, training and childcare.

Finally, the website asked what would make York a fairer place. The chart shows the main themes that emerged.

Figure 7: Website responses - What would make York a Fairer Place?



The chart shows how the total responses were split between the broad themes. The gist of the points around each theme are summarised below:

Jobs & Training: more jobs and apprenticeships, especially for young people.

Transport: the two biggest issues were a desire for better bus services that ran more reliably and extensively, and more/cheaper car parking, especially for residents.

Incomes: the thrust of comments was towards more equal incomes, a living wage and affordable childcare.

Built & Social Environment: comments ranging from more pubs and public toilets to outdoor eating areas, open spaces and places for young people to 'chill'.

Fairer/Lower Tax: included calls for lower council tax and a flat rate council tax.

No Council Cuts: a number of strident calls to resist the demands to make cuts.

Diversity/Discrimination: specific points about less discrimination against older people and students.

Affordable Housing: a desire to see more affordable homes.

Annex B: Main data sources

The data used in pulling together this report are wide reaching and varied. For this interim report broad data sources are provided here. For the final report to be published in spring 2012, a fully referenced supporting evidence base document will be provided.

- Preliminary Context Report, Business Intelligence Unit, City of York Council, July 2011
- York Context Report, Dr Anna Barford and Emily Alexander, The Equality Trust, September 2011
- York Joint Strategic Needs Assessment 2011
- Adult, Children's and Education Service, City of York Council, 2011, Pupil Level Annual School Census: City Of York Council Primary Schools
- Child Poverty Needs Assessment, City of York Council, September 2011
- City of York Childcare Sufficiency Assessment 2011-2014
- City of York Council, Fuel Poverty Review: A call for evidence. March 2011
- City of York Council Private Sector Fuel Poverty 2008
- Indices of Deprivation 2010, Department for Communities and Local Government, March 2011

Annex C: Additional information on York's policy context

Section 2.2 of this report looks at the policy context in which the City Council operates. Key to this is its own Business Plan for 2011-15 – Delivering for the People of York. Its five priority areas each provide an opportunity to think about how all citizens in the city will be impacted, examples of which are set out in the table below.

Table 1: Fairness considerations for the Council's 2011-15 Business Plan

Priority area	Considerations to ensure equality of outcomes
<p>Create jobs and grow the economy</p>	<ul style="list-style-type: none"> • Balancing sustainable economic growth with a need to connect all residents to economic opportunity • Fully understanding the barriers that prevent people taking up employment opportunities • Ensuring local people have skills to match local business needs, particularly in new knowledge based industries, to widen labour market participation and more evenly distribute wealth • Encouraging sound business practice amongst local employers such that more businesses consider flexible working, part time/job shares, paying a living wage, apprenticeships, adapting premises etc. • Taking care that a higher than average number of people employed in the city in the public sector are not adversely affected by cuts • Increasing the role that the voluntary sector plays in service provision
<p>Get York moving</p>	<ul style="list-style-type: none"> • Using evidence to distinguish which modes of transport have the biggest impact on equality and then working to ensure these are fit for purpose through strong partnerships with business and public transport providers for example: <ul style="list-style-type: none"> • Ensuring people can access employment sites • Services affordable to all • Considered timetabling, routes and integrated transport planning • Continuing York as a cycling city, recognising the important health and well-being impacts that this

	makes
Build strong communities	<ul style="list-style-type: none"> • How to build cohesive sustainable communities and a culture that values the diversity of all • Encouraging volunteers to come forward and ensuring they have the skills and support they need to be successful • Encouraging private sector Corporate Social Responsibility
Protect vulnerable people	<ul style="list-style-type: none"> • How to provide the community care people need to remain living independently • How to best utilise talents and capacities of all people and maximise the contribution they make • Understanding the strong link between health and employment and ensuring the effect of growing unemployment in the city's deprived communities does not lead to widening of health inequalities
Protect the environment	<ul style="list-style-type: none"> • Ensuring all communities have access to green space and to the city's heritage • Engaging all households in environmental good practice through adequate local recycling and composting facilities, and household energy efficiency to help reduce energy bills and fuel poverty • Exploiting the potential of the green economy for local employment opportunities and volunteering • Community engagement in local renewable energy generation schemes

There are a number of other key strategies and plans in place in the city that will be important to delivering the Council's fairness ambitions. Their successful implementation will make a significant impact on breaking deep rooted and long term cycles of inequality, but clearly will require innovative, integrated approaches to delivery in an environment of significantly less available funding.

1. The city's **Children and Young People's Plan 2009-2012** states that "every child and young person in York deserves the chance to reach their full potential and live their dreams". Furthermore that the city will "stretch the most able, support those who start at a disadvantage, and protect and nurture the most vulnerable." It has at its heart principles that every child is unique, must be given the chance to reach their full potential; that families are vital; and that early intervention to

vulnerable families or those struggling against disadvantage or discrimination is key. It also stresses the role of education in narrowing the gap in achievements of children from different communities.

2. The city's **Child Poverty Strategy** complements the above and aims to "take at least 1,000 children out of poverty by 2020" so poverty in childhood does not translate into lifelong poor experiences and outcomes, for example ability to secure a good income, participate in society, be of sound mental and physical health etc. It focuses on areas such as skills, childcare, health and adult learning as means of helping families to support their children, improving living conditions, and supporting families to improve their finances to move out of poverty including through the living wage concept.
3. On **adult social care**, over 7,000 vulnerable adults receive social care services in York. The Council's overarching objective is to safeguard such adults, to promote their independence, enable them to make real life choices and give them control over their daily lives.
4. The **Strategy for Carers 2009-2011** is in place to make sure people providing care have access to the support and services they need.
5. A **Strategy for Older People 2006-2021** and **Vision for Older People's Health and Well-being in York 2010-2015** is guiding the Council to take a long term view of the services that older people will need in York – vital given the city's ageing population profile. Longer independent living, dementia care provision, avoiding isolation, and sheltered housing provision are all considered.
6. On **education**, work through YorOK recognises and sets out to tackle disparities in performance amongst certain groups in the city, particularly those children who are in care, receiving free school meals and those from minority ethnic groups. It also endeavours to provide an integrated range of youth support services and activities, with quicker and easier ways to respond early to the needs of vulnerable young people; and to work to improve outcomes for children and young disabled people or who have a Special Educational Need.

7. A review of **health** services in York and North Yorkshire recognises the critical importance of mental health and a need to ensure the style of service is suitable. It has a particular focus on a shift towards preventative treatments and care by primary and community services, and away from inpatient care. This applies particularly for those with mild to moderate mental ill health.

8. The **York Housing Strategy 2011-15** will be central in meeting the housing needs of York. A key element will be to maximise the supply of decent environmentally sustainable homes that people can afford; and ensuring that housing stock meets the needs of specific groups such as the elderly, disabled people and people from the travelling community. It aims also to reduce and tackle the causes of homelessness and in this regard read across to other policies around inclusion and employability in the Council will be important.

9. **Local Transport Plan 3 2011-2031** has as part of its vision an intention to make York easier to get around and to provide equal access to opportunities for employment, education, training, good health and leisure for all.

Annex D: York Fairness Commission budget

The Council allocated a budget to support the costs of the Commission's activities.

The table below summarises all the Commission's costs from July 2011 when the Commissioners were first appointed up to and including the publication and presentation of the Interim Report on 28th November 2011.

Summary of Fairness Commission Costs

Meetings	<i>Venue hire, refreshments, AV and BSL interpreters for 5 meetings</i>	2,942
Website	<i>Design, development & hosting</i>	6,500
Interim Report	<i>Production and presentation</i>	5,325
Design, print & distribution	<i>Postcards, posters and meeting leaflets</i>	2,385
Publicity	<i>Photography & advertising</i>	425
Travel		350
Misc	<i>Postage, stationery & books</i>	230
Total cost		18,157

The Commissioners received no payment for their work for the Commission.

The Joseph Rowntree Foundation has funded an independent research team to:

- research background data about the York context

- synthesise City of York Council's existing plans and strategies for the report authors
- analyse the consultation feedback

Annex E: York Fairness Commission methodology

The Commission methodology consisted of two main strands of activity.

- *Public consultation* about fairness in York to hear the concerns, priorities and ideas of York residents and community stakeholders using a number of channels
- *Background research* to inform the Commission of key facts about inequality in York set in a national context and to give the Commission an understanding of City of York Council's existing plans, priorities and financial status.

An independent research team drawn from the Social Policy Research Unit (SPRU) and the Equality Trust and funded by the Joseph Rowntree Foundation was set up to support both strands of work. The design and delivery of the public consultation activities was shaped by the Commission and staffed by CYC staff working for the Commission in this part of its remit.

Public consultation methodology

The feedback from all channels was handed to a SPRU researcher. The following channels were used:

- ***Freepost postcard and poster campaign***

During early September 5,000 Fairness Commission postcards and 500 posters advertising the public meetings and other access channels were distributed to Council receptions, libraries, community centres and other public places.

The postcards asked 'What three things would make York a Fairer Place?' and 'Is York a fair place for you and your family?'

A cut-out insert with the postcard questions was also reproduced in a feature article in The Press.

- ***A survey on the website***

<http://www.yorkfairnesscommission.org.uk>

The website was launched on 15th September and carried full information about the commission and its purpose, all contact channels, meeting dates and details. The site also directs people to a web survey form where people were asked to give their views on-line. The first set of questions was the same as those on the postcards. There were additional questions about wellbeing, access and work.

- ***Invitation to make submissions by email***

People were invited to write in their personal views or make submissions on behalf of groups or organisations to a Fairness Commission email address yourviews@yorkfairnesscommission.org.uk

- ***5 public meetings*** were held at different times of day at various city locations.

Date	Time	Venue
21 September 2011	7pm to 9pm	Ron Cooke Hub
28 th September 2011	1.15pm to 3.15pm	Priory Street
30 th September 2011	2pm to 4pm	New Earswick Folk Hall
1 st October 2011	10am to 1pm	Priory Street
5 th October 2011	7pm to 9pm	York High School

The meetings were designed to give people attending the opportunity to discuss in small groups their views on fairness, barriers to wellbeing, access and work in York and their ideas for how the Council should prioritise its spending.

The whole of the first meeting was recorded and the individual submissions of speakers have been transcribed. At all other meetings facilitators at each table supported the discussion and scribes took notes of the table discussions to reflect all the views that were stated. Individuals were also invited to record their views on post-it notes. The researcher responsible for the analysis of all the consultation feedback

attended all the meetings and debriefed the scribes immediately after each meeting.

- ***One event for Council and other public sector staff***

An event was held on 3rd October to which Council and other public sector staff were invited to several sessions throughout the day. The format of the sessions was similar to the public meetings. Staff were additionally asked to comment from their perspective as providers of services to vulnerable people on how services could be made fairer and how to reduce any wasteful spending. All discussions were noted and details passed to the researcher.

- ***Phone and face to face***

A Fairness Commission phone-line was set up to take calls to book places at the public meetings or to give views to the Commission on the phone. Appointments were also made available to see people face to face in the Council's main Customer Centre when a BSL interpreter was available.

Publicity

- York Fairness Commission website - Facebook page and twitter account
- Postcards and posters - distribution of meeting flyers for the last 3 public meetings
- 2 interviews on Radio York
- Quarter page adverts in the Press and Advertiser
- 5 press releases and a Press Feature article

Research methodology

City of York Council provided an extensive set of documents and data to the Commission and responded throughout the research period to any requests for further information or clarification. The documents included:

- Key facts about York and its residents with a focus on areas of identified inequality or deprivation and how these compare with the rest of the UK

- City of York Council's existing plans, priorities and strategies
- City of York Council's financial strategy, budget and savings requirements

The Commission asked the research team to:

- Develop a York Context report including a full analysis of data relevant to fairness, deprivation and inequality setting York in a national context.
- Provide a synthesis of the Council's existing plans, priorities and initiatives highlighting those aspects particularly relevant to the Commission's interests

The purpose of these documents was to provide the Commission with sound background information when considering the consultation feedback and developing their recommendations.

These documents have also provided source material for the independent report authors who have written the report for the Commission.



Cabinet

14 February 2012

Report of the Cabinet Member for Corporate Services

Capital Programme Budget – 2012/13 to 2016/17

Summary

1. This report presents the current position of the 2011/12 – 2015/16 capital programme, highlights the existing funding position and associated pressures and then presents the new bids received as part of this years Capital Resource Allocation Model (CRAM) process covering the period 2012/13 – 2016/17.
2. Members are asked to:
 - Note the current funding position of the capital programme
 - Note the new bids for capital schemes and the increased investment this brings, their requirement for funding covering the period 2012/13 – 2016/17 period and how best the available resources can be used to achieve the Councils objectives.
 - Recommend to Council the recommendations contained within this report.

Background

3. The current 2011/12 –2015/16 capital programme was approved by Council on 25th February 2011. Since then a number of amendments have taken place as reported to the Cabinet up to and including the 2011/12 Capital Monitor 3 report. The changes made as a result of the above reports have resulted in a current approved capital programme for 2011/12 – 2015/16 of £192.254m (£314.637m including HRA self financing), financed by £104.417m of external funding, and Council controlled resources of £87.837m (£210.220). Table 1 illustrates the

current approved capital programme profile from 2011/12 – 2015/16 as at monitor 3.

	2011/12	2012/13	2013/14	2014/15	2015/16	Total
	£m	£m	£m	£m	£m	£m
Gross Capital Programme	180.914	71.371	29.539	21.250	11.563	314.637
Funded by:						
External Funding	26.347	33.581	21.967	15.316	7.206	104.417
Council Controlled Resources	32.184	37.790	7.572	5.934	4.357	87.837
Council Controlled Resources HRA – self financing	122.383	0	0	0	0	122.383
Total Funding	180.914	71.371	29.539	21.250	11.563	314.637

Table 1 – Capital Programme Funding and Receipts Position

Funding Position of approved 2011/12 – 2015/16 programme

- The current economic environment continues to place pressure on the funding of the programme over the 5 year cycle based on current projections. The capital programme continues to place significant reliance on the achievement of a small number of high value asset disposals which have been affected by the economic downturn.

Developing the Capital Programme - The 2012/13 CRAM Process and Priority Investment

- The CRAM process invited bids from the departments asking them to put forward their main capital priorities. Of the bids received, 6 are fully funded from external sources, 6 are rolling programme bids, with the remaining 12 bids seeking additional discretionary resources over and above those already approved in the Capital Programme. In total, requests that would increase the Capital Programme by £24.391m have been made. The £24.391m is comprised of £11.225m of general fund schemes and £13.166m of Housing Revenue Account (HRA)

schemes. The £11.225m of general fund schemes are financed by £11.025m of external funding sources and internal funding sources of £200k. The HRA schemes are financed by £8.719m of external funding sources and £4.447m of internal funding sources (HRA balances). This results in no increase in Council funding that impact on Council Tax and has been achieved through a considered review of existing programmes and maximising match funding over the 5 year period. Tables 2,3,4 and 5 show the proposals that result in a net increase of £24.391m. Key schemes being recommended within this report include (see Annex B for full scheme details and impacts):-

- **Closed Cycle Circuit - £810k** (CYC funding £200k) creating the regions only closed cycle circuit provision and supported fully by the British Cycling Federation
- **City Centre Art Gallery Extension and Refurbishment - £6.000m** (CYC funding £500k) to create a new world class visitor attraction for York through the creation of new internal spaces in the Gallery, work to extend the Galley and deal with the approach into Museum Gardens from the rear of the Gallery and landscaping improvements to the open space at the rear of the gallery to provide an outdoor events space
- **Extension of the Major Repairs Programme on Local Authority Properties - £8.719m** (Gvt Grant funding £8.719m) to maintain the Councils Housing stock in its current condition
- **Extension of the Modernisation of Local Authority Homes - £747k** (CYC Housing Revenue Account funding £747k) to sound proof, insulate and upgrade the Councils Housing stock
- **Empty Homes to Dwellings Programme £500k** (CYC funding £500k) - To enable loans to be provided to owners of empty properties and vacant space above commercial operations to bring back in to residential use.
- **York Theatre Royal Improvements £1.950m** (CYC funding £250k) - will make significant improvements to the Theatre which will elevate the experience that it offers its visitors and the ability of the Theatre to raise new earned income from its activity.
- **A Building Insulation / Window Replacement £3.400m** (CYC Housing Revenue Account funding £3.400m) that will see a significant replacement programme for the Councils housing stock ensuring homes are fully insulated and windows upgraded.

6. In addition, priority investment is being targeted toward Street Lighting, through the allocation of £500,000 of New Homes Bonus Funding, plus the re-profiling of existing capital funding into 2012/13, in order to deliver **£1m of investment in Street Lighting** (CYC funding £500k) replacement in 2012/13.
7. In addition to the capital schemes above a major new proposal is the creation of the new Economic Investment Fund that will make available £28.5m of investment (plus additional external funding that may be secured) focussed upon schemes that will deliver major economic benefit for the city. This Fund will require additional borrowing, but is viewed as investment to ensure the overall economic prosperity of the city which in turn brings financial benefits for the Council. Table 7 shows the proposals that result in a net increase of £28.500m
8. As part of this report it is requested that the IT development plan is extended by a further year into 2016/17 in line with the existing rolling programme approval. Table 8 shows the proposals that result in a net increase of £0.750m
9. Overall this report increases the value of capital schemes by £53.641m. Details of all schemes can be seen in the accompanying annex that sets out the purpose of each scheme and is summarised on table 9.

Summary of New Schemes

Rolling Programme Schemes – Prudential Borrowing

10. The 2011/12 – 2015/16 contained a number of rolling programme schemes that require funding on an ongoing basis. As this report extends the capital programme to 2016/17 requests have been received to increase the level of currently approved rolling programme schemes by adding an additional year in 16/17, these schemes are set out in the table below (see annex B for details):

Scheme Type / Description	Total Value	Financial Year
	£000	
Highways R&R	750	16/17
Bridge Maintenance	200	16/17
Disabled Facilities Grants	475	16/17
City Walls Rolling Repair Programme	180	15/16 16/17
Carbon Reduction in Street Lighting	200*	16/17
Replacement of Unsound Lighting Columns	300	12/13
Total Rolling Programme Schemes	2,105	

Table 2 – Summary of Rolling Programme Bids Requesting Prudential Borrowing Funding

11. The £2.105m increase for rolling schemes includes the addition of the 16/17 Carbon Reduction in Street Lighting scheme at £200k* that is a self funding scheme. Therefore the value of the schemes that impacts on Council Tax £1.905m
12. The Replacement of Unsound Lighting Columns programme is being targeted for significant investment. In addition the new CYC prudential borrowing funding of £300k per table 2 the scheme will increase by a further £500k of external funding in the form of the New Homes Bonus making the increase in 2012/13 to £800k of new funding and the re-profiling of £150k of existing approved funding into the 12/13 financial year from future years. This proposal will result in £1m of investment being available for the Replacement of Unsound Lighting Columns in 2012/13.

New Schemes – Prudential Borrowing

13. As part of this years capital budget process a number of bids have been received that require discretionary prudential borrowing to be added. Some of this funding is used to help attract external sources of finances as is shown in table 3 (see annex B for details):

Scheme Type / Description	Total Scheme Value	CYC Funded Value	Financial Year
	£000	£000	
Closed Cycle Circuit at York Sports Village	810	200	12/13
City Art Gallery Refurbishment and Extension	6,000	500	12/13,13/14 14/15
Critical Repairs on Council Properties & Contingency	450	450	12/13
Highway Drainage Works	165	165	12/13,
Rowntree Park DDA improvements	60	60	12/13
Rowntree Park Cafe Project	150*	150*	12/13
Travellers Site Project	220	220	12/13
Empty Homes	500	500	12/13,13/14, 14/15, 15/16,16/17
Pay on Exit Car Parking	100	100	12/13
York Theatre Royal	1,950	250	13/14

Total New Schemes Approved	10,405	2,595	
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Table 3 – Summary of New Bids Requesting Prudential Borrowing Funding

14. The £2.595m CYC increase for new schemes includes the addition of the 12/13 Rowntree Park Café Project scheme at £150k* that is a self funding scheme. Therefore the value of the schemes that impacts on Council Tax £2.445m.

Review of Existing Schemes

15. A review of all existing capital schemes has been undertaken as part of this budget cycle to ensure funding is being appropriately directed to the service areas. As part of the review 2 schemes were identified and it is proposed these schemes are removed from the capital programme. Table 4 sets out those schemes that are being proposed to be removed. Both schemes are in the current (11/12 – 15/16) programme both funded from prudential borrowing.

	12/13	13/14	14/15	15/16	Total	Total Reduction
	£000	£000	£000	£000	£000	£000
<u>West of York Recycling Site</u>						
Existing Budget	2,500				2,500	
Reduction	(2,500)				(2,500)	(2,500)
Revised Budget	0				0	
<u>Highways R&R</u>						
Current Budget	3,190	3,006	2,934	3,297	12,427	
Reduction £500k p/a	(500)	(500)	(500)	(500)	(2,000)	(2,000)
Revised Budget	2,690	2,506	2,434	2,797	10,427	

Total Reduction	(3,000)	(500)	(500)	(500)	(4,500)	(4,500)
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Table 4 – Summary of Reductions

16. Since its introduction in the capital programme at the 2009/10 budget process the West of York Recycling Site scheme is proposed to be removed as no case for its requirement has been identified and no business plan has been brought forward.
17. The removal of the West of York Recycling Scheme and a decrease in the annual CYC contribution to Highways would free up £4.5m of prudential borrowing capacity over the 5 year period.

Additional Schemes - Externally Funded + HRA Funded

18. In addition to those schemes set out in tables 2 and 3, 5 schemes that are fully externally funded are proposed as part of this budget process. 2 of the 5 are new schemes and the remaining 3 are increases to existing programmes. Table 5 shows both the new schemes and the existing scheme increases:

Scheme Type / Description	Total Scheme Value	External Funding Value	Financial Year
	£000	£000	
<u>New Schemes</u>			
Adult Services Community Space	100	100	12/13
EPH infrastructure Works	281	281	12/13
Total New Schemes	381	381	
<u>Existing Schemes (increase only)</u>			

Assistance to Older and Disabled People (HRA)	300	300	16/17
Major Repairs Allowance (HRA)	8,719	8,719	15/16, 16/17
Modernisation of Local Authority Housing (HRA)	747	747	12/13 – 16/17
Building Insulation Programme (HRA)	3,400	3,400	12/13 – 16/17
Replacement of Unsound Lighting Columns (New Homes Bonus)	500	500	12/13
Highways R&R (Gvt grant)	1,584	1,584	16/17
Disabled Facilities Grant	750	750	16/17
Total Existing Schemes	16,000	16,000	
Total New Schemes Approved	16,381	16,381	

Table 5 – Summary of New Bids Externally/HRA Funded

19. The Modernisation of Local Authority Housing scheme (£747k), Assistance to Older and Disabled People scheme (£300k) and the Building Insulation Programme (£3,400k) are requesting the use of HRA funds as part of this report.
20. None of the schemes in table 5 have an impact on prudential borrowing.

Funding Position – CYC Prudential Borrowing

21. The budget proposals in terms of CYC prudential borrowing adds rolling programme schemes totalling £2.105m (of which £1.905m impacts Council Tax), adds new schemes totalling £2.695m (of which £2.545m impacts on Council Tax) and removes existing prudentially borrowed schemes totalling £4.500m. Table 6 shows the financial impact on a year by year basis and over the 5 year period.

	12/13 £m	13/14 £m	14/15 £m	15/16 £m	16/17 £m	Total £m
Rolling Programme	0.300	0.000	0.000	0.090	1.715	2.105
New Schemes	1.445	0.850	0.100	0.100	0.100	2.595
Existing Scheme Review	(3.000)	(0.500)	(0.500)	(0.500)	0.000	(4.500)
Gross Total	(1.255)	0.350	(0.400)	(0.310)	1.815	0.200
Less: Self Funding schemes	(0.150)	0.000	0.000	0.000	(0.200)	(0.350)
Net Total Increase / (Decrease)	(1.405)	0.350	(0.400)	(0.310)	1.615	(0.150)

Table 6 – Net Funding Position of Prudential Borrowing Schemes

22. The impact of the general capital budget proposals is a net reduction in the level of debt of £150k over the 5 year programme that impacts on Council Tax whilst at the same time adding new investment of £4.700m.
23. In addition 2 new self financing schemes are proposed to be included in the programme totalling £350k.
24. The first an extension by £200k of the existing and successful Carbon Reduction in Street Lighting programme that significantly reduces energy consumption by using more energy efficient lamp technology

whilst delivering environmental benefits through CO2 reduction. The energy savings will be used to repay the associated cost of borrowing.

25. The second self financing scheme is the £150k Rowntree Park Café project that will turn the existing privately run café into an income generating scheme for the Council including a reading style café, self service library and gateway for park users that will create sufficient income to repay the associated cost of borrowing.

Economic Infrastructure Fund (EIF)

26. As part of this budget process it is proposed to create an Economic Infrastructure Funds totalling £28.5m over a 5 year period. The EIF will deliver major economic benefits for the City of York covering the following strategic themes/priorities:-
 - **Get York Moving** – including Access York Park and Ride, Better Bus Fund (see Annex C), Highways Infrastructure
 - **Digital York** – City Centre Wifi and creating the digital infrastructure to enable a modern economy
 - **Reinvigorate York** – city centre regeneration and public realm improvements
 - **Economic Inclusion York** – intervention projects, reducing inter-generational poverty, targeted approaches to creating employment opportunities whilst stimulating economic growth
 - **Sustainable Economy York** – supporting existing businesses, attracting inward investment and supporting new/emerging green businesses
27. The EIF will seek to ensure we maintain our successful economy and grow. With the partial re-localisation of business rates, improvement in our overall business rate levy will bring potential direct financial reward – for example total borrowing costs on £20m of debt are £1.8m – this is only some 2.2% of our business rates collected annually – if we can grow the economy, create jobs and investment, benefits may be realised that will exceed the debt costs in time. It is proposed that any gains from the localisation of business growth are used in the first instance to cover borrowing costs associated with the EIF – with a view to potentially the whole borrowing costs being covered from this additional income in time.

28. The Councils general finances rely on a successful local economy including car parking income, collecting council tax, the success of our leisure facilities and our planning fee income. All these are directly related to the success of our economy and a poor economy would also see increased costs – in tackling the implications of poverty across a range of services. Investing now, will reap long term benefits for residents.
29. The policy is very much in line with central governments recent announcements to create a programme of Infrastructure investment. It is important that the focus on investments is in terms of schemes that will deliver a significant improvement in the overall Economic Infrastructure, with a view to creating the conditions for a successful economy and business growth.
30. The EIF is proposed to be funded from two sources of finance, the New Homes Bonus (NHB) and Prudential Borrowing. As set out above the benefits in terms of financial gain potentially far outweigh the associated cost of the prudential borrowing funding required for setting up the fund. Table 7 sets out the funding composition:

	12/13 £m	13/14 £m	14/15 £m	15/16 £m	16/17 £m	Total £m
NHB Grant (indicative only)	1,300	1,800	1,800	1,800	1,800	8,500
Prudential Borrowing	2,000	4,000	5,000	5,000	4,000	20,000
Total EIF Funding	3,300	5,800	6,800	6,800	5,800	28,500

Table 7 – Economic Infrastructure Fund Financing

IT Development Plan

31. With regard the IT Development Plan these proposals recommend we adding another year to this ongoing fund, and that the capital costs are funded from the ICT revenue budgets. These schemes generally are repaid over a 5 year period, and new investment is able to be covered

from savings made from old schemes being paid off. Table 8 sets out the one year rolling scheme addition:

	12/13 £000	13/14 £000	14/15 £000	15/16 £000	16/17 £000	Total £000
	Existing	Existing	Existing	Existing	New	
IT Development Plan	1,042	750	750	750	750	4,042
TOTAL	1,042	750	750	750	750	4,042

Table 8 – IT Development Plan 12/13 – 16/17

Summary of Analysis

32. Table 9 summarises the additions and amendments made as part of this report (outside of re-profiling) split by rolling programme schemes, new schemes (by funding type) and the EIF an shows an overall increase in the capital programme of £50.341m.

	12/13 £m	13/14 £m	14/15 £m	15/16 £m	16/17 £m	Total £m
1) Rolling Programme (table 2)	0.300	0.000	0.000	0.090	1.715	2.105
Funded by:						
CYC Pru Brw	0.300	0.000	0.000	0.090	1.715	2.105
2) New Schemes Mixed (table 3)	2.255	4.850	3.100	0.100	0.100	10.405
Funded by:						
CYC Pru Brw	1.445	0.850	0.100	0.100	0.100	2.595
External Funding	0.810	4.000	3.000	0.000	0.000	7.810
3) New Schemes External (table 5)	1.736	0.885	0.875	1.789	11.096	16.381
Funded by:						
External Funding	0.881	0.000	0.000	1.164	9.919	11.934
HRA Contribution	0.855	0.885	0.875	0.655	1.177	4.447

4) Existing Scheme Reductions (table 4)	(3.000)	(500)	(500)	(500)	0	(4.500)
Funded by:						
CYC Pru Brw	(3.000)	(500)	(500)	(500)	0	(4.500)
5) Economic Infrastructure Fund (table 7)	3.300	5.800	6.800	6.800	5.800	28.500
Funded by:						
CYC Pru Brw	2.000	4.000	5.000	5.000	4.000	20.000
External Funding (NHB)	1.300	1.800	1.800	1.800	1.800	8.500
6) IT Devpt Fund (table 7)					0.750	0.750
Funded by:						
CYC Pru Brw (funded from ICT rev budgets)					0.750	0.750
Total	4.591	11.035	10.275	8.729	18.711	53.641

Table 9 – Summary of Expenditure and Funding Movements 12/13 – 15/16

33. The overall position will need to be reviewed on an annual basis and the capital receipts will need to continue to be tightly monitored to update the latest position to ensure the programme remains affordable. The proposal to use prudential borrowing to fund the new schemes is made on the assumption that over the medium term the current level of required receipts is achieved. Clearly if the projected level of receipts is not achieved action will be required to overcome the resulting funding shortfall. This action could take the form of either increasing revenue contributions or increasing the level of prudential borrowing whilst ensuring affordability to meet any capital receipts shortfall or reducing the capital programme schemes funded by capital receipts. The ability to contribute revenue funds to support prudential borrowing over and above the level currently being proposed as part of this report would have a significant impact on revenue budgets and would potentially place pressure on other Council service areas.

34. Any short term shortfall in funding will be met from prudential borrowing. The revenue implications of any in year shortfall due to timing differences will be borne by the treasury management budget.
35. The outcome of the proposals outlined above if accepted are illustrated in Table 10 which sets out the proposed capital budget for each directorate over the next 5 years and in detail in Annex A.

	2012/13 £000	2013/14 £000	2014/15 £000	2015/16 £000	2016/17 £000	Total £000
ACE- Children's Services	7,541	5,362	5,362	0	0	18,265
ACE – Adult Social Services	1,348	505	515	525	0	2,893
CANS – Communities and Culture	3,052	5,070	3,000	0	0	11,122
CANS –Environmental Services	5,629	2,942	2,834	3,197	2,734	17,336
CANS – Housing & Public Protection	11,274	9,701	9,401	8,330	10,087	48,793
City Strategy – Planning & Transport	22,503	8,826	2,713	90	90	34,222
City Strategy – Admin Accom	12,743	1,468	0	0	0	14,211
City Strategy – Community Stadium	3,800	0	0	0	0	3,800
City Strategy – Economic Dvpt	58	0	0	0	0	58
City Strategy – Property	3,822	100	100	100	0	4,122
CBSS – IT Equipment	1,042	750	750	750	750	4,042
Miscellaneous	0	0	0	0	0	0
Economic Infrastructure Fund	3,300	5,800	6,800	6,800	5,800	28,500
Total by Department	76,112	40,524	31,475	19,792	19,461	187,364

Table 10– Proposed Capital Programme 2011 – 2016

Corporate Priorities

36. The CRAM process ensures that all bids received for capital funding address the aspirations of the Corporate Strategy with each proposal addressing at least one corporate priority. The capital schemes put forward for consideration are derived from the service and area asset management plans which look at the capital needs and requirements of the service. All schemes that have progressed through for further consideration in this report have demonstrated through the CRAM process that they directly contribute toward the achievement of the Corporate Strategy.

Implications

Financial Implications

37. The financial implications are considered in the main body of the report.

Human Resources Implications

38. There are no HR implications as a result of this report.

Equalities Implications

39. A number of schemes have specific implications for Equalities. Each capital scheme submitted comes with an EIA attached. Further to this the detailed equalities implications of the individual schemes will be further assessed by individual directorates once the capital programme has been approved and the schemes are further developed. Any implications will be identified in the individual schemes project plans. The six themed areas of the EIF will address a number of equalities issues as can be seen by the area they intend to direct funding toward.

Legal Implications

40. The Council is legally required to set a balanced 3 year capital programme but to assist with Medium Term Financial Planning sets a 5 year programme.

Crime and Disorder

41. There are no crime and disorder implications as a result of this report.

Information Technology

42. There are no information technology implications as a result of this report.

Property

43. The property implications of this paper are included in the main body of the report which covers the funding of the capital programme from the disposal of Council assets.

Risk Management

44. The risks associated with both the existing and proposed capital programme has been discussed extensively throughout this report.
45. This report highlights the challenge presented by the proposed capital programme, which includes a significant level of Council driven schemes. Despite the proposed schemes being funded from revenue contributions the existing approved capital programme still places significant reliance on a small number of high value capital receipts. In addition the recent increase in the size of the programme has meant the Council has to ensure that the key skills are in place to allow the programme to be successfully delivered.
46. To mitigate the risks the capital programme is regularly monitored as part of the corporate monitoring process. In addition to this the Capital Asset Management Group (CAMG – capital programme managers along with the Capital Finance team) meets regularly to plan, monitor and review major capital schemes to ensure that all capital risks to the Council are monitored and where possible minimised. The development of the revised CRAM process and capital strategy has put in place gate keeping controls to ensure that only projects that can be delivered are put forward for approval by the Council.

Recommendations

47. The Cabinet is requested to recommend that Council:
- 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:

- 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;
 - 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;
 - 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;
 - 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.
 - 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.
- 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.
 - 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.
 - 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
 - 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.

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

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

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Report Approved **Date** 26/01/12

Keith Best
Assistant Director – CBSS

Report Approved **Date** 26/01/12

Specialist Implications Officer(s)

Wards Affected: All

For further information please contact the author of the report

Background Papers:

Capital Budget Control 2011
Capital Budget Control 2012
Departmental CRAM bids 2012

Annexes

Annex A – Capital Programme 2012/13 to 2016/17
Annex B – Scheme Description and Implications
Annex C – Better Bus Fund Report

	2012/13 Budget Process	2012/13 Revised Budget £000	2012/13 Budget Process	2013/14 Revised Budget £000	2012/13 Budget	2014/15 Revised Budget £000	2012/13 Budget £000	2015/16 Revised Budget £000	2012/13 Budget £000	2016/17 Revised Budget £000	Gross Capital Programme To be Funded 12/13 - 16/17 £000	Gross Capital Programme Movements 12/13 - 16/17
ACE - Children's Services												
NDS Devolved Capital		476		475		475		0		0	1,426	0
- External Funding	0	476	0	475	0	475	0	0	0	0	1,426	0
- Internal Funding	0	0	0	0	0	0	0	0	0	0	0	0
Harnessing Technology		0		0		0		0		0	0	0
- External Funding	0	0	0	0	0	0	0	0	0	0	0	0
- Internal Funding	0	0	0	0	0	0	0	0	0	0	0	0
Targeted Capital Fund 14-19 Diploma		0		0		0		0		0	0	0
- External Funding	0	0	0	0	0	0	0	0	0	0	0	0
- Internal Funding	0	0	0	0	0	0	0	0	0	0	0	0
Huntington School Improvements TCF		0		0		0		0		0	0	0
- External Funding	0	0	0	0	0	0	0	0	0	0	0	0
- Internal Funding	0	0	0	0	0	0	0	0	0	0	0	0
DfE Maintenance		2,553		2,553		2,553		0		0	7,659	0
- External Funding	0	2,553	0	2,553	0	2,553	0	0	0	0	7,659	0
- Internal Funding	0	0	0	0	0	0	0	0	0	0	0	0
Schools Access Initiative		0		0		0		0		0	0	0
- External Funding	0	0	0	0	0	0	0	0	0	0	0	0
- Internal Funding	0	0	0	0	0	0	0	0	0	0	0	0
Sure Start		0		0		0		0		0	0	0
- External Funding	0	0	0	0	0	0	0	0	0	0	0	0
- Internal Funding	0	0	0	0	0	0	0	0	0	0	0	0
Extended Schools		0		0		0		0		0	0	0
- External Funding	0	0	0	0	0	0	0	0	0	0	0	0
- Internal Funding	0	0	0	0	0	0	0	0	0	0	0	0
Integrated Children's Centres		0		0		0		0		0	0	0
- External Funding	0	0	0	0	0	0	0	0	0	0	0	0
- Internal Funding	0	0	0	0	0	0	0	0	0	0	0	0
Primary School Strategic Programme		0		0		0		0		0	0	0
- External Funding	0	0	0	0	0	0	0	0	0	0	0	0
- Internal Funding	0	0	0	0	0	0	0	0	0	0	0	0
Derwent MUGA		0		0		0		0		0	0	0
- External Funding	0	0	0	0	0	0	0	0	0	0	0	0
- Internal Funding	0	0	0	0	0	0	0	0	0	0	0	0
Fulford School Science Labs and Classrooms		0		0		0		0		0	0	0
- External Funding	0	0	0	0	0	0	0	0	0	0	0	0
- Internal Funding	0	0	0	0	0	0	0	0	0	0	0	0
Youth Capital Fund		0		0		0		0		0	0	0
- External Funding	0	0	0	0	0	0	0	0	0	0	0	0
- Internal Funding	0	0	0	0	0	0	0	0	0	0	0	0
Children's Centres Phase 3		0		0		0		0		0	0	0
- External Funding	0	0	0	0	0	0	0	0	0	0	0	0
- Internal Funding	0	0	0	0	0	0	0	0	0	0	0	0
DCSF Wave 2 Playbuilder Funding		0		0		0		0		0	0	0
- External Funding	0	0	0	0	0	0	0	0	0	0	0	0
- Internal Funding	0	0	0	0	0	0	0	0	0	0	0	0
Westside Review - Oaklands / York High		0		0		0		0		0	0	0
- External Funding	0	0	0	0	0	0	0	0	0	0	0	0
- Internal Funding	0	0	0	0	0	0	0	0	0	0	0	0
Westside Review - Manor		0		0		0		0		0	0	0
- External Funding	0	0	0	0	0	0	0	0	0	0	0	0
- Internal Funding	0	0	0	0	0	0	0	0	0	0	0	0
Joseph Rowntree One School Pathfinder		0		0		0		0		0	0	0
- External Funding	0	0	0	0	0	0	0	0	0	0	0	0
- Internal Funding	0	0	0	0	0	0	0	0	0	0	0	0
Specialist Schools Status		0		0		0		0		0	0	0
- External Funding	0	0	0	0	0	0	0	0	0	0	0	0
- Internal Funding	0	0	0	0	0	0	0	0	0	0	0	0
Home access for targeted groups		0		0		0		0		0	0	0
- External Funding	0	0	0	0	0	0	0	0	0	0	0	0
- Internal Funding	0	0	0	0	0	0	0	0	0	0	0	0
Aiming high for disabled children short breaks		0		0		0		0		0	0	0
- External Funding	0	0	0	0	0	0	0	0	0	0	0	0
- Internal Funding	0	0	0	0	0	0	0	0	0	0	0	0
City-Wide Diploma Exemplar Facility at Manor School		0		0		0		0		0	0	0

	2012/13 Budget Process	2012/13 Revised Budget £000	2012/13 Budget Process	2013/14 Revised Budget £000	2012/13 Budget	2014/15 Revised Budget £000	2012/13 Budget £000	2015/16 Revised Budget £000	2012/13 Budget £000	2016/17 Revised Budget £000	Gross Capital Programme To be Funded 12/13 - 16/17 £000	Gross Capital Programme Movements 12/13 - 16/17
- External Funding	0	0	0	0	0	0	0	0	0	0	0	0
- Internal Funding	0	0	0	0	0	0	0	0	0	0	0	0
Applefields School - Co Location		0		0		0		0		0	0	0
- External Funding	0	0	0	0	0	0	0	0	0	0	0	0
- Internal Funding	0	0	0	0	0	0	0	0	0	0	0	0
Integrated Children's System		0		0		0		0		0	0	0
- External Funding	0	0	0	0	0	0	0	0	0	0	0	0
- Internal Funding	0	0	0	0	0	0	0	0	0	0	0	0
Basic Need		2,412		2,334		2,334		2,334		0	7,080	0
- External Funding	0	2,412	0	2,334	0	2,334	0	0	0	0	7,080	0
- Internal Funding	0	0	0	0	0	0	0	0	0	0	0	0
Kavemire Expansion		2,100		0		0		0		0	2,100	0
- External Funding	0	2,100	0	0	0	0	0	0	0	0	2,100	0
- Internal Funding	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL GROSS EXPENDITURE	0	7,541	0	5,362	0	5,362	0	0	0	0	18,265	0
TOTAL EXTERNAL FUNDING	0	7,541	0	5,362	0	5,362	0	0	0	0	18,265	0
TOTAL INTERNAL FUNDING	0	0	0	0	0	0	0	0	0	0	0	0
ACE - Social Services												
Joint Equipment Store		105		105		105		105		0	420	0
- External Funding	0	0	0	0	0	0	0	0	0	0	0	0
- Internal Funding	0	105	0	105	0	105	0	105	0	0	420	0
Information Management Improvements		41		0		0		0		0	41	0
- External Funding	0	41	0	0	0	0	0	0	0	0	41	0
- Internal Funding	0	0	0	0	0	0	0	0	0	0	0	0
Disabled Support Grant		140		150		160		170		0	620	0
- External Funding	0	0	0	0	0	0	0	0	0	0	0	0
- Internal Funding	0	140	0	150	0	160	0	170	0	0	620	0
Telecare Equipment		250		250		250		250		0	1,000	0
- External Funding	0	0	0	0	0	0	0	0	0	0	0	0
- Internal Funding	0	250	0	250	0	250	0	250	0	0	1,000	0
Adults Social Care IT grant		0		0		0		0		0	0	0
- External Funding	0	0	0	0	0	0	0	0	0	0	0	0
- Internal Funding	0	0	0	0	0	0	0	0	0	0	0	0
Day Service Modernisation		0		0		0		0		0	0	0
- External Funding	0	0	0	0	0	0	0	0	0	0	0	0
- Internal Funding	0	0	0	0	0	0	0	0	0	0	0	0
Health and Safety Works at Social Services Establishments		431		0		0		0		0	431	0
- External Funding	0	431	0	0	0	0	0	0	0	0	431	0
- Internal Funding	0	0	0	0	0	0	0	0	0	0	0	0
Adult Services Community Space	100	100		0		0		0		0	100	100
- External Funding	100	100	0	0	0	0	0	0	0	0	100	100
- Internal Funding	0	0	0	0	0	0	0	0	0	0	0	0
EPH Infrastructure Works	281	281		0		0		0		0	281	281
- Government Grant	281	281	0	0	0	0	0	0	0	0	281	281
Other Contributions	0	0	0	0	0	0	0	0	0	0	0	0
- External Funding	281	281	0	0	0	0	0	0	0	0	281	281
- Internal Funding	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL GROSS EXPENDITURE	381	1,348	0	505	0	515	0	525	0	0	2,893	381
TOTAL EXTERNAL FUNDING	381	853	0	0	0	0	0	0	0	0	853	381
TOTAL INTERNAL FUNDING	0	495	0	505	0	515	0	525	0	0	2,040	0
TOTAL GROSS EXPENDITURE	0	8,508	0	5,867	0	5,877	0	525	0	0	20,777	0
TOTAL EXTERNAL FUNDING	0	8,013	0	5,362	0	5,362	0	0	0	0	18,737	0
TOTAL INTERNAL FUNDING	0	495	0	505	0	515	0	525	0	0	2,040	0
CANS - Communities and Culture												
Acomb Library		0		0		0		0		0	0	0
- External Funding	0	0	0	0	0	0	0	0	0	0	0	0
- Internal Funding	0	0	0	0	0	0	0	0	0	0	0	0
Danebury Drive Allotments		0		0		0		0		0	0	0
- External Funding	0	0	0	0	0	0	0	0	0	0	0	0
- Internal Funding	0	0	0	0	0	0	0	0	0	0	0	0
Museum Service Heritage Lottery Bid		0		0		0		0		0	0	0

	2012/13 Budget Process	2012/13 Revised Budget £000	2012/13 Budget Process	2013/14 Revised Budget £000	2012/13 Budget	2014/15 Revised Budget £000	2012/13 Budget £000	2015/16 Revised Budget £000	2012/13 Budget £000	2016/17 Revised Budget £000	Gross Capital Programme To be Funded 12/13 - 16/17 £000	Gross Capital Programme Movements 12/13 - 16/17
- External Funding	0	0	0	0	0	0	0	0	0	0	0	0
-Internal Funding	0	0	0	0	0	0	0	0	0	0	0	0
Oakland's Sports Centre Pitch		0		0		0		0		0		0
- External Funding	0	0	0	0	0	0	0	0	0	0	0	0
-Internal Funding	0	0	0	0	0	0	0	0	0	0	0	0
War Memorial Gardens		0		0		0		0		0		0
- External Funding	0	0	0	0	0	0	0	0	0	0	0	0
-Internal Funding	0	0	0	0	0	0	0	0	0	0	0	0
York Pools Strategy -		150		0		0		0		150		0
- External Funding	0	0	0	0	0	0	0	0	0	0	0	0
-Internal Funding	0	150	0	0	0	0	0	0	0	150	0	0
Free Swimming for Over 60's		0		0		0		0		0		0
- External Funding	0	0	0	0	0	0	0	0	0	0	0	0
-Internal Funding	0	0	0	0	0	0	0	0	0	0	0	0
Milfield Lane Comm Sports Centre		0		0		0		0		0		0
- External Funding	0	0	0	0	0	0	0	0	0	0	0	0
-Internal Funding	0	0	0	0	0	0	0	0	0	0	0	0
York Explore Centre		0		0		0		0		0		0
- External Funding	0	0	0	0	0	0	0	0	0	0	0	0
-Internal Funding	0	0	0	0	0	0	0	0	0	0	0	0
Parks and Open Spaces Development		0		0		0		0		0		0
- External Funding	0	0	0	0	0	0	0	0	0	0	0	0
-Internal Funding	0	0	0	0	0	0	0	0	0	0	0	0
DCSF Wave 2 PlaybuilderFunding		0		0		0		0		0		0
- External Funding	0	0	0	0	0	0	0	0	0	0	0	0
-Internal Funding	0	0	0	0	0	0	0	0	0	0	0	0
Children's Play Lottery Bid		0		0		0		0		0		0
- External Funding	0	0	0	0	0	0	0	0	0	0	0	0
-Internal Funding	0	0	0	0	0	0	0	0	0	0	0	0
Library Self-Issue Equipment		0		0		0		0		0		0
- External Funding	0	0	0	0	0	0	0	0	0	0	0	0
-Internal Funding	0	0	0	0	0	0	0	0	0	0	0	0
York Explore Phase 2		1,306		320		0		0		1,626		0
- External Funding	0	841	0	320	0	0	0	0	0	1,161	0	0
-Internal Funding	0	465	0	0	0	0	0	0	0	465	0	0
Oaklands Sports Hall Floor Replacement		0		0		0		0		0		0
- External Funding	0	0	0	0	0	0	0	0	0	0	0	0
-Internal Funding	0	0	0	0	0	0	0	0	0	0	0	0
Barbican Auditorium		0		0		0		0		0		0
- External Funding	0	0	0	0	0	0	0	0	0	0	0	0
-Internal Funding	0	0	0	0	0	0	0	0	0	0	0	0
Energise Gym Expansion		0		0		0		0		0		0
- External Funding	0	0	0	0	0	0	0	0	0	0	0	0
-Internal Funding	0	0	0	0	0	0	0	0	0	0	0	0
Yearsley Pool Energy Improvements		376		0		0		0		376		0
- External Funding	0	0	0	0	0	0	0	0	0	0	0	0
-Internal Funding	0	376	0	0	0	0	0	0	0	376	0	0
Ward Committees - Improvement Schemes		0		0		0		0		0		0
- External Funding	0	0	0	0	0	0	0	0	0	0	0	0
-Internal Funding	0	0	0	0	0	0	0	0	0	0	0	0
Closed Cycle Circuit - York Sports Village	810	810		0		0		0		810		810
- External Funding	610	610	0	0	0	0	0	0	0	610	0	610
-Internal Funding	200	200	0	0	0	0	0	0	0	200	0	200
City Art Gallery Refurb and Extension	200	200	2,800	2,800	3,000	3,000		0		6,000		6,000
- External Funding	200	200	2,300	2,300	3,000	3,000	0	0	0	5,500	0	5,500
-Internal Funding	0	0	500	500	0	0	0	0	0	500	0	500
Rowtree Park DDA	60	60		0		0		0		60		60
- External Funding	0	0	0	0	0	0	0	0	0	0	0	0
-Internal Funding	60	60	0	0	0	0	0	0	0	60	0	60
Rowtree Park Café Project	150	150		0		0		0		150		150
- External Funding	0	0	0	0	0	0	0	0	0	0	0	0
-Internal Funding	150	150	0	0	0	0	0	0	0	150	0	150
York Theatre Royal		0	1,950	1,950		0		0		1,950		1,950
- External Funding	0	0	1,700	1,700	0	0	0	0	0	1,700	0	1,700
-Internal Funding	0	0	250	250	0	0	0	0	0	250	0	250
TOTAL GROSS EXPENDITURE	1,220	3,052	4,750	5,070	3,000	3,000	0	0	0	11,122	0	8,970

	2012/13 Budget Process	2012/13 Revised Budget £000	2012/13 Budget Process	2013/14 Revised Budget £000	2012/13 Budget	2014/15 Revised Budget £000	2012/13 Budget £000	2015/16 Revised Budget £000	2012/13 Budget £000	2016/17 Revised Budget £000	Gross Capital Programme To be Funded 12/13 - 16/17 £000	Gross Capital Programme Movements 12/13 - 16/17
TOTAL EXTERNAL FUNDING	810	1,651	4,000	4,320	3,000	3,000	0	0	0	0	8,971	7,810
TOTAL INTERNAL FUNDING	410	1,401	750	750	0	0	0	0	0	0	2,151	1,160
CANS - Environment												
Air Quality Monitoring		0		0		0		0		0	0	0
- External Funding	0	0	0	0	0	0	0	0	0	0	0	0
-Internal Funding	0	0	0	0	0	0	0	0	0	0	0	0
Contaminated Land Investigation		0		0		0		0		0	0	0
- External Funding	0	0	0	0	0	0	0	0	0	0	0	0
-Internal Funding	0	0	0	0	0	0	0	0	0	0	0	0
Waste Infrastructure Capital Grant (WICG)		0		0		0		0		0	0	0
- External Funding	0	0	0	0	0	0	0	0	0	0	0	0
-Internal Funding	0	0	0	0	0	0	0	0	0	0	0	0
Silver Street Toilets		0		0		0		0		0	0	0
- External Funding	0	0	0	0	0	0	0	0	0	0	0	0
-Internal Funding	0	0	0	0	0	0	0	0	0	0	0	0
Ward Committees - Improvement Schemes		0		0		0		0		0	0	0
- External Funding	0	0	0	0	0	0	0	0	0	0	0	0
-Internal Funding	0	0	0	0	0	0	0	0	0	0	0	0
EcoDepot Security Gate / Reception		169		0		0		0		0	169	0
- External Funding	0	0	0	0	0	0	0	0	0	0	0	0
-Internal Funding	0	169	0	0	0	0	0	0	0	0	169	0
West of York Recycling Site	-2,500	0		0		0		0		0	0	-2,500
- External Funding	0	0	0	0	0	0	0	0	0	0	0	0
-Internal Funding	-2,500	0	0	0	0	0	0	0	0	0	0	-2,500
Highway Resurfacing & Reconstruction (Struct Maint)	-500	2,540	-500	2,506	-500	2,434	-500	2,797	2,334	2,334	12,611	334
- External Funding	0	1,790	0	1,756	0	1,684	0	2,047	0	0	7,277	0
-Internal Funding	-500	750	-500	750	-500	750	-500	750	0	0	3,000	-2,000
Special Bridge Maintenance (Struct maint)		200		200		200		200	200	200	1,000	200
- External Funding	0	0	0	0	0	0	0	0	0	0	0	0
-Internal Funding	0	200	0	200	0	200	0	200	0	0	800	0
Street Light Modernisation		0		0		0		0		0	0	0
- External Funding	0	0	0	0	0	0	0	0	0	0	0	0
-Internal Funding	0	0	0	0	0	0	0	0	0	0	0	0
Highways Improvements		0		0		0		0		0	0	0
- External Funding	0	0	0	0	0	0	0	0	0	0	0	0
-Internal Funding	0	0	0	0	0	0	0	0	0	0	0	0
Crematorium		1,355		36		0		0		0	1,391	0
- External Funding	0	0	0	0	0	0	0	0	0	0	0	0
-Internal Funding	0	1,355	0	36	0	0	0	0	0	0	1,391	0
Winter Resilience Provision		0		0		0		0		0	0	0
- External Funding	0	0	0	0	0	0	0	0	0	0	0	0
-Internal Funding	0	0	0	0	0	0	0	0	0	0	0	0
Replacement of Unsound Lighting Columns	950	1,000	-50	0	-50	0	-50	0		0	1,000	800
- External Funding	500	500	0	0	0	0	0	0	0	0	500	500
-Internal Funding	450	500	-50	0	-50	0	-50	0	0	0	500	300
Highways Condition Improvements		0		0		0		0		0	0	0
- External Funding	0	0	0	0	0	0	0	0	0	0	0	0
-Internal Funding	0	0	0	0	0	0	0	0	0	0	0	0
Carbon Reduction in Street Lighting		200		200		200		200	200	200	1,000	200
- External Funding	0	0	0	0	0	0	0	0	0	0	0	0
-Internal Funding	0	200	0	200	0	200	0	200	0	0	800	0
Parks and Open Spaces Development		0		0		0		0		0	0	0
- External Funding	0	0	0	0	0	0	0	0	0	0	0	0
-Internal Funding	0	0	0	0	0	0	0	0	0	0	0	0
City Centre Damaged Bins Replacement		0		0		0		0		0	0	0
- External Funding	0	0	0	0	0	0	0	0	0	0	0	0
-Internal Funding	0	0	0	0	0	0	0	0	0	0	0	0
Capitalisation of Revenue Items		0		0		0		0		0	0	0
- External Funding	0	0	0	0	0	0	0	0	0	0	0	0
-Internal Funding	0	0	0	0	0	0	0	0	0	0	0	0
Single Occupancy Recycling Containers		0		0		0		0		0	0	0
- External Funding	0	0	0	0	0	0	0	0	0	0	0	0
-Internal Funding	0	0	0	0	0	0	0	0	0	0	0	0

	2012/13 Budget Process	2012/13 Revised Budget £000	2012/13 Budget Process	2013/14 Revised Budget £000	2012/13 Budget	2014/15 Revised Budget £000	2012/13 Budget £000	2015/16 Revised Budget £000	2012/13 Budget £000	2016/17 Revised Budget £000	Gross Capital Programme To be Funded 12/13 - 16/17 £000	Gross Capital Programme Movements 12/13 - 16/17
DCSF Wave 2 PlaybuilderFunding		0		0		0		0		0	0	0
- External Funding	0	0	0	0	0	0	0	0	0	0	0	0
-Internal Funding	0	0	0	0	0	0	0	0	0	0	0	0
Road and Footpath Repairs		0		0		0		0		0	0	0
- External Funding	0	0	0	0	0	0	0	0	0	0	0	0
-Internal Funding	0	0	0	0	0	0	0	0	0	0	0	0
Highways Drainage Works	165	165		0		0		0		0	165	165
- External Funding	0	0	0	0	0	0	0	0	0	0	0	0
Revenue Contribution Corporate (PB)												
-Internal Funding	165	165	0	0	0	0	0	0	0	0	165	165
TOTAL GROSS EXPENDITURE	-1,885	5,629	-550	2,942	-550	2,834	-550	3,197	2,734	2,734	17,336	-801
TOTAL EXTERNAL FUNDING	500	2,290	0	1,756	0	1,684	0	2,047	1,584	1,584	9,361	2,084
TOTAL INTERNAL FUNDING	-2,385	3,339	-550	1,186	-550	1,150	-550	1,150	1,150	1,150	7,975	-2,885
CANS - Housing & Public Protection												
Modernisation of Local Authority Homes	105	1,410	30	682	30	701	30	537	552	552	3,882	747
- External Funding	0	0	0	0	0	0	0	0	0	0	0	0
-Internal Funding	105	1,410	30	682	30	701	30	537	552	552	3,882	747
Repairs to Local Authority Properties		0		0		0		0		0	0	0
- External Funding	0	0	0	0	0	0	0	0	0	0	0	0
-Internal Funding	0	0	0	0	0	0	0	0	0	0	0	0
Assistance to Older & Disabled People		300		300		300		300	300	300	1,500	300
- External Funding	0	0	0	0	0	0	0	0	0	0	0	0
-Internal Funding	0	300	0	300	0	300	0	300	300	300	1,500	300
MRA Schemes		4,368		5,200		4,997	1,134	5,593	7,585	7,585	27,743	8,719
- External Funding	0	4,368	0	5,200	0	4,997	1,134	5,593	7,585	7,585	27,743	8,719
-Internal Funding	0	0	0	0	0	0	0	0	0	0	0	0
Local Authority Homes		0		0		0		0		0	0	0
- External Funding	0	0	0	0	0	0	0	0	0	0	0	0
-Internal Funding	0	0	0	0	0	0	0	0	0	0	0	0
Water Mains Upgrade		1,746		1,453		1,333		0		0	4,532	0
- External Funding	0	0	0	0	0	0	0	0	0	0	0	0
-Internal Funding	0	1,746	0	1,453	0	1,333	0	0	0	0	4,532	0
Building Insulation Programme	750	750	855	855	845	845	625	625	325	325	3,400	3,400
- External Funding	0	0	0	0	0	0	0	0	0	0	0	0
-Internal Funding	750	750	855	855	845	845	625	625	325	325	3,400	3,400
Property Buy Back Scheme		0		0		0		0		0	0	0
- External Funding	0	0	0	0	0	0	0	0	0	0	0	0
-Internal Funding	0	0	0	0	0	0	0	0	0	0	0	0
Housing Grants & Associated Investment (Gfund)		0		0		0		0		0	0	0
- External Funding	0	0	0	0	0	0	0	0	0	0	0	0
-Internal Funding	0	0	0	0	0	0	0	0	0	0	0	0
Disabled Facilities Grant (Gfund)		1,025		1,075		1,125		1,175	1,225	1,225	5,625	1,225
- External Funding	0	550	0	600	0	650	0	700	0	0	2,500	0
-Internal Funding	0	475	0	475	0	475	0	475	0	0	1,900	0
Energy Conservation in Homes (Gfund)		0		0		0		0		0	0	0
- External Funding	0	0	0	0	0	0	0	0	0	0	0	0
-Internal Funding	0	0	0	0	0	0	0	0	0	0	0	0
Sub Regional Lettings Scheme (Gfund)		0		0		0		0		0	0	0
- External Funding	0	0	0	0	0	0	0	0	0	0	0	0
-Internal Funding	0	0	0	0	0	0	0	0	0	0	0	0
Travellers - James Street Wall (Gfund)		0		0		0		0		0	0	0
- External Funding	0	0	0	0	0	0	0	0	0	0	0	0
-Internal Funding	0	0	0	0	0	0	0	0	0	0	0	0
Travellers Sites Electricity Units (Gfund)		0		0		0		0		0	0	0
- External Funding	0	0	0	0	0	0	0	0	0	0	0	0
-Internal Funding	0	0	0	0	0	0	0	0	0	0	0	0
S106 Schemes (Gfund)		0		0		0		0		0	0	0
- External Funding	0	0	0	0	0	0	0	0	0	0	0	0
-Internal Funding	0	0	0	0	0	0	0	0	0	0	0	0
Air Quality Monitoring (Gfund)		0		0		0		0		0	0	0
- External Funding	0	0	0	0	0	0	0	0	0	0	0	0
-Internal Funding	0	0	0	0	0	0	0	0	0	0	0	0
Contaminated Land Investigation (Gfund)		0		0		0		0		0	0	0

	2012/13 Budget Process	2012/13 Revised Budget £000	2012/13 Budget Process	2013/14 Revised Budget £000	2012/13 Budget	2014/15 Revised Budget £000	2012/13 Budget £000	2015/16 Revised Budget £000	2012/13 Budget £000	2016/17 Revised Budget £000	Gross Capital Programme To be Funded 12/13 - 16/17 £000	Gross Capital Programme Movements 12/13 - 16/17
- External Funding	0	0	0	0	0	0	0	0	0	0	0	0
- Internal Funding	0	0	0	0	0	0	0	0	0	0	0	0
Howe Hill Hostel (Gfund)	0	0	0	0	0	0	0	0	0	0	0	0
- External Funding	0	0	0	0	0	0	0	0	0	0	0	0
- Internal Funding	0	0	0	0	0	0	0	0	0	0	0	0
Travellers Site Improvements (Gfund)	220	220	0	0	0	0	0	0	0	220	220	220
- External Funding	0	0	0	0	0	0	0	0	0	0	0	0
- Internal Funding	220	220	0	0	0	0	0	0	0	220	220	220
Empty Homes (Gfund)	100	100	100	100	100	100	100	100	100	500	500	500
- External Funding	0	0	0	0	0	0	0	0	0	0	0	0
- Internal Funding	100	100	100	100	100	100	100	100	100	400	400	400
TOTAL GROSS EXPENDITURE	1,175	11,274	985	9,701	975	9,401	1,889	8,330	10,087	10,087	48,793	15,111
TOTAL EXTERNAL FUNDING	0	4,918	0	5,800	0	5,647	1,134	6,293	8,335	8,335	30,993	9,469
TOTAL INTERNAL FUNDING	1,175	6,356	985	3,901	975	3,754	755	2,037	1,752	1,752	17,800	5,642
TOTAL GROSS EXPENDITURE	510	19,635	5,185	17,613	3,425	15,135	1,339	11,527	12,821	12,821	77,251	23,280
TOTAL EXTERNAL FUNDING	1,310	8,859	4,000	11,876	3,000	10,331	1,134	8,340	9,919	9,919	49,325	19,363
TOTAL INTERNAL FUNDING	-800	10,776	1,185	5,737	425	4,804	205	3,187	2,902	2,902	27,926	3,917
City Strategy (Planning & Transport)												
Local Transport Plan (LTP)		1,952		1,952		2,623		0		0	6,527	0
- External Funding	0	1,952	0	1,952	0	2,623	0	0	0	0	6,527	0
- Internal Funding	0	0	0	0	0	0	0	0	0	0	0	0
York City Walls - Repairs & Renewals (City Walls)		267		90		90	90	90	90	90	627	180
- External Funding	0	0	0	0	0	0	0	0	0	0	0	0
- Internal Funding	0	267	0	90	0	90	90	90	90	90	627	180
York City Walls - Health & Safety (City Walls)		0		0		0	0	0	0	0	0	0
- External Funding	0	0	0	0	0	0	0	0	0	0	0	0
- Internal Funding	0	0	0	0	0	0	0	0	0	0	0	0
Road Safety		0		0		0	0	0	0	0	0	0
- External Funding	0	0	0	0	0	0	0	0	0	0	0	0
- Internal Funding	0	0	0	0	0	0	0	0	0	0	0	0
Flood Pump - Elvington		0		0		0	0	0	0	0	0	0
- External Funding	0	0	0	0	0	0	0	0	0	0	0	0
- Internal Funding	0	0	0	0	0	0	0	0	0	0	0	0
Cycling City		0		0		0	0	0	0	0	0	0
- External Funding	0	0	0	0	0	0	0	0	0	0	0	0
- Internal Funding	0	0	0	0	0	0	0	0	0	0	0	0
Public Footpath, Rawcliffe No 1 - Riverbank slip		0		0		0	0	0	0	0	0	0
- External Funding	0	0	0	0	0	0	0	0	0	0	0	0
- Internal Funding	0	0	0	0	0	0	0	0	0	0	0	0
Highway Resurfacing & Reconstruction (Struct Maint)		0		0		0	0	0	0	0	0	0
- External Funding	0	0	0	0	0	0	0	0	0	0	0	0
- Internal Funding	0	0	0	0	0	0	0	0	0	0	0	0
Special Bridge Maintenance (Struct maint)		0		0		0	0	0	0	0	0	0
- External Funding	0	0	0	0	0	0	0	0	0	0	0	0
- Internal Funding	0	0	0	0	0	0	0	0	0	0	0	0
Peckitt Street		0		0		0	0	0	0	0	0	0
- External Funding	0	0	0	0	0	0	0	0	0	0	0	0
- Internal Funding	0	0	0	0	0	0	0	0	0	0	0	0
Access York		18,578		6,784		0	0	0	0	25,362	0	0
- External Funding	0	16,032	0	6,777	0	0	0	0	0	22,809	0	0
- Internal Funding	0	2,546	0	7	0	0	0	0	0	2,553	0	0
Highways Improvements		0		0		0	0	0	0	0	0	0
- External Funding	0	0	0	0	0	0	0	0	0	0	0	0
- Internal Funding	0	0	0	0	0	0	0	0	0	0	0	0
Minster Piazza		250		0		0	0	0	0	250	0	0
- External Funding	0	0	0	0	0	0	0	0	0	0	0	0
- Internal Funding	0	250	0	0	0	0	0	0	0	250	0	0
Leeman Road Flood Defences		1,356		0		0	0	0	0	1,356	0	0
- External Funding	0	0	0	0	0	0	0	0	0	0	0	0
- Internal Funding	0	1,356	0	0	0	0	0	0	0	1,356	0	0
Pay on Exit Car Parking Pilot	100	100		0		0	0	0	0	100	100	100
- External Funding	0	0	0	0	0	0	0	0	0	0	0	0
- Internal Funding	100	100	0	0	0	0	0	0	0	100	100	100

	2012/13 Budget Process	2012/13 Revised Budget £000	2012/13 Budget Process	2013/14 Revised Budget £000	2012/13 Budget	2014/15 Revised Budget £000	2012/13 Budget £000	2015/16 Revised Budget £000	2012/13 Budget £000	2016/17 Revised Budget £000	Gross Capital Programme To be Funded 12/13 - 16/17 £000	Gross Capital Programme Movements 12/13 - 16/17
TOTAL GROSS EXPENDITURE	100	22,503	0	8,826	0	2,713	90	90	90	90	34,222	280
TOTAL EXTERNAL FUNDING	0	17,984	0	8,729	0	2,623	0	0	0	0	29,336	0
TOTAL INTERNAL FUNDING	100	4,519	0	97	0	90	90	90	90	90	4,886	280
City Strategy (Admin Accom)												
Admin Accom		12,743		1,468		0		0		0	14,211	0
- External Funding	0	0	0	0	0	0	0	0	0	0	0	0
- Internal Funding	0	12,743	0	1,468	0	0	0	0	0	0	14,211	0
TOTAL GROSS EXPENDITURE	0	12,743	0	1,468	0	0	0	0	0	0	14,211	0
TOTAL EXTERNAL FUNDING	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL INTERNAL FUNDING	0	12,743	0	1,468	0	0	0	0	0	0	14,211	0
City Strategy (Community stadium)												
Community Stadium		0		0		0		0		0	0	0
- External Funding	0	3,800	0	0	0	0	0	0	0	0	3,800	0
- Internal Funding	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL GROSS EXPENDITURE	0	3,800	0	0	0	0	0	0	0	0	3,800	0
TOTAL EXTERNAL FUNDING	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL INTERNAL FUNDING	0	3,800	0	0	0	0	0	0	0	0	3,800	0
City Strategy (Economic Development)												
Small Business Workshops		58		0		0		0		0	58	0
- External Funding	0	0	0	0	0	0	0	0	0	0	0	0
- Internal Funding	0	58	0	0	0	0	0	0	0	0	58	0
Visitor/Tourist Information Centre		0		0		0		0		0	0	0
- External Funding	0	0	0	0	0	0	0	0	0	0	0	0
- Internal Funding	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL GROSS EXPENDITURE	0	58	0	0	0	0	0	0	0	0	58	0
TOTAL EXTERNAL FUNDING	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL INTERNAL FUNDING	0	58	0	0	0	0	0	0	0	0	58	0
City Strategy - Property												
Works at Hungate Land Site		0		0		0		0		0	0	0
- External Funding	0	0	0	0	0	0	0	0	0	0	0	0
- Internal Funding	0	0	0	0	0	0	0	0	0	0	0	0
Dealing with Repairs Backlog		0		0		0		0		0	0	0
- External Funding	0	0	0	0	0	0	0	0	0	0	0	0
- Internal Funding	0	0	0	0	0	0	0	0	0	0	0	0
Property Key Components (H&S)		5		0		0		0		0	5	0
- External Funding	0	0	0	0	0	0	0	0	0	0	0	0
- Internal Funding	0	5	0	0	0	0	0	0	0	0	5	0
Health & Safety / DDA		0		0		0		0		0	0	0
- External Funding	0	0	0	0	0	0	0	0	0	0	0	0
- Internal Funding	0	0	0	0	0	0	0	0	0	0	0	0
35 Hospital Fields Road		0		0		0		0		0	0	0
- External Funding	0	0	0	0	0	0	0	0	0	0	0	0
- Internal Funding	0	0	0	0	0	0	0	0	0	0	0	0
Fire Safety Regulations - Adaptations		68		0		0		0		0	68	0
- External Funding	0	0	0	0	0	0	0	0	0	0	0	0
- Internal Funding	0	68	0	0	0	0	0	0	0	0	68	0
Removal of Asbestos		92		0		0		0		0	92	0
- External Funding	0	0	0	0	0	0	0	0	0	0	0	0
- Internal Funding	0	92	0	0	0	0	0	0	0	0	92	0
St Clements Hall Refurbishment		27		0		0		0		0	27	0
- External Funding	0	0	0	0	0	0	0	0	0	0	0	0
- Internal Funding	0	27	0	0	0	0	0	0	0	0	27	0
Urgent River Bank Repairs		0		0		0		0		0	0	0
- External Funding	0	0	0	0	0	0	0	0	0	0	0	0
- Internal Funding	0	0	0	0	0	0	0	0	0	0	0	0
Acomb Office		0		0		0		0		0	0	0
- External Funding	0	0	0	0	0	0	0	0	0	0	0	0
- Internal Funding	0	0	0	0	0	0	0	0	0	0	0	0
Mansion House External Repairs		4		0		0		0		0	4	0
- External Funding	0	0	0	0	0	0	0	0	0	0	0	0
- Internal Funding	0	4	0	0	0	0	0	0	0	0	4	0
Hungate / Peasholme Relocation		21		0		0		0		0	21	0
- External Funding	0	0	0	0	0	0	0	0	0	0	0	0
- Internal Funding	0	21	0	0	0	0	0	0	0	0	21	0

	2012/13 Budget Process	2012/13 Revised Budget £000	2012/13 Budget Process	2013/14 Revised Budget £000	2012/13 Budget	2014/15 Revised Budget £000	2012/13 Budget £000	2015/16 Revised Budget £000	2012/13 Budget £000	2016/17 Revised Budget £000	Gross Capital Programme To be Funded 12/13 - 16/17 £000	Gross Capital Programme Movements 12/13 - 16/17
Peasholme Improvements		0		0		0		0		0	0	0
- External Funding	0	0	0	0	0	0	0	0	0	0	0	0
-Internal Funding	0	0	0	0	0	0	0	0	0	0	0	0
Slipways		0		0		0		0		0	0	0
- External Funding	0	0	0	0	0	0	0	0	0	0	0	0
-Internal Funding	0	0	0	0	0	0	0	0	0	0	0	0
Riverbank repairs		0		0		0		0		0	0	0
- External Funding	0	0	0	0	0	0	0	0	0	0	0	0
-Internal Funding	0	0	0	0	0	0	0	0	0	0	0	0
Property Compliance (Asbestos and Fire regs)		80		0		0		0		0	80	0
- External Funding	0	0	0	0	0	0	0	0	0	0	0	0
-Internal Funding	0	80	0	0	0	0	0	0	0	0	80	0
Riverbank Repairs - Scarborough to Clifton Bridge		450		0		0		0		0	450	0
- External Funding	0	0	0	0	0	0	0	0	0	0	0	0
-Internal Funding	0	450	0	0	0	0	0	0	0	0	450	0
Riverbank Repairs – Blue Bridge Slipway		95		0		0		0		0	95	0
- External Funding	0	0	0	0	0	0	0	0	0	0	0	0
-Internal Funding	0	95	0	0	0	0	0	0	0	0	95	0
Riverbank Repairs – Marygate		573		0		0		0		0	573	0
- External Funding	0	0	0	0	0	0	0	0	0	0	0	0
-Internal Funding	0	573	0	0	0	0	0	0	0	0	573	0
Photovoltaic Energy Programme		180		100		100		100		0	480	0
- External Funding	0	0	0	0	0	0	0	0	0	0	0	0
-Internal Funding	0	180	0	100	0	100	0	100	0	0	480	0
Parliament Street Toilet Demolition		88		0		0		0		0	88	0
- External Funding	0	0	0	0	0	0	0	0	0	0	0	0
-Internal Funding	0	88	0	0	0	0	0	0	0	0	88	0
29 Castlegate Repairs		35		0		0		0		0	35	0
- External Funding	0	0	0	0	0	0	0	0	0	0	0	0
-Internal Funding	0	35	0	0	0	0	0	0	0	0	35	0
Decent Home Standards Works		59		0		0		0		0	59	0
- External Funding	0	0	0	0	0	0	0	0	0	0	0	0
-Internal Funding	0	59	0	0	0	0	0	0	0	0	59	0
Fishergate Postern		55		0		0		0		0	55	0
- External Funding	0	35	0	0	0	0	0	0	0	0	35	0
-Internal Funding	0	20	0	0	0	0	0	0	0	0	20	0
Castle Mills Car Park		0		0		0		0		0	0	0
- External Funding	0	0	0	0	0	0	0	0	0	0	0	0
-Internal Funding	0	0	0	0	0	0	0	0	0	0	0	0
Holgate Park Land – York Central		1,490		0		0		0		0	1,490	0
- External Funding	0	0	0	0	0	0	0	0	0	0	0	0
-Internal Funding	0	1,490	0	0	0	0	0	0	0	0	1,490	0
Holgate Park Land Building Clearance - York Central		50		0		0		0		0	50	0
- External Funding	0	0	0	0	0	0	0	0	0	0	0	0
-Internal Funding	0	50	0	0	0	0	0	0	0	0	50	0
Critical Repairs and Contingency	450	450		0		0		0		0	450	450
- External Funding	0	0	0	0	0	0	0	0	0	0	0	0
-Internal Funding	450	450	0	0	0	0	0	0	0	0	450	450
TOTAL GROSS EXPENDITURE	450	3,822	0	100	0	100	0	100	0	0	4,122	450
TOTAL EXTERNAL FUNDING	0	35	0	0	0	0	0	0	0	0	35	0
TOTAL INTERNAL FUNDING	450	3,787	0	100	0	100	0	100	0	0	4,087	450
TOTAL GROSS EXPENDITURE	100	42,476	0	10,394	0	2,813	90	190	0	0	56,413	190
TOTAL EXTERNAL FUNDING	0	18,019	0	8,729	0	2,623	0	0	0	0	29,371	0
TOTAL INTERNAL FUNDING	100	24,457	0	1,665	0	190	90	190	0	0	27,042	190
CBSS - IT equipment												
IT Equipment		1,042		750		750		750	750	750	4,042	750
- External Funding	0	0	0	0	0	0	0	0	0	0	0	0
-Internal Funding	0	1,042	0	750	0	750	0	750	750	750	4,042	750
TOTAL GROSS EXPENDITURE	0	1,042	0	750	0	750	0	750	750	750	4,042	750
TOTAL EXTERNAL FUNDING	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL INTERNAL FUNDING	0	1,042	0	750	0	750	0	750	750	750	4,042	750

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Miscellaneous												
More 4 York		0		0		0		0		0	0	0
- External Funding	0	0	0	0	0	0	0	0	0	0	0	0
- Internal Funding	0	0	0	0	0	0	0	0	0	0	0	0
Easy @ York		0		0		0		0		0	0	0
- External Funding	0	0	0	0	0	0	0	0	0	0	0	0
- Internal Funding	0	0	0	0	0	0	0	0	0	0	0	0
Equal Pay Capitalisation		0		0		0		0		0	0	0
- External Funding	0	0	0	0	0	0	0	0	0	0	0	0
- Internal Funding	0	0	0	0	0	0	0	0	0	0	0	0
Hazel Court Depot		0		0		0		0		0	0	0
- External Funding	0	0	0	0	0	0	0	0	0	0	0	0
- Internal Funding	0	0	0	0	0	0	0	0	0	0	0	0
Contingency		0		0		0		0		0	0	0
- External Funding	0	0	0	0	0	0	0	0	0	0	0	0
- Internal Funding	0	0	0	0	0	0	0	0	0	0	0	0
- External Funding	0	0	0	0	0	0	0	0	0	0	0	0
- Internal Funding	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL GROSS EXPENDITURE		0		0		0		0		0	0	0
TOTAL EXTERNAL FUNDING		0		0		0		0		0	0	0
TOTAL INTERNAL FUNDING		0		0		0		0		0	0	0
Economic Infrastructure Fund	3,300	3,300	5,800	5,800	6,800	6,800	6,800	6,800	5,800	5,800	28,500	28,500
- External Funding	1,300	1,300	1,800	1,800	1,800	1,800	1,800	1,800	0	0	6,700	6,700
- Internal Funding	2,000	2,000	4,000	4,000	5,000	5,000	5,000	5,000	0	0	16,000	16,000
TOTAL GROSS EXPENDITURE	3,300	3,300	5,800	5,800	6,800	6,800	6,800	6,800	5,800	5,800	28,500	28,500
TOTAL EXTERNAL FUNDING	1,300	1,300	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	8,500	8,500
TOTAL INTERNAL FUNDING	2,000	2,000	4,000	4,000	5,000	5,000	5,000	5,000	4,000	4,000	20,000	20,000
Gross Expenditure by Department												
ACE - Children's Services	0	7,541	0	5,362	0	5,362	0	0	0	0	18,265	0
ACE - Social Services	381	1,348	0	505	0	515	0	525	0	0	2,893	381
CANS - Communities and Culture	1,220	3,052	4,750	5,070	3,000	3,000	0	0	0	0	11,122	8,970
CANS - Environment	-1,885	5,629	-550	2,942	-550	2,834	-550	3,197	2,734	2,734	17,336	-801
CANS - Housing & Public Protection	1,175	11,274	985	9,701	975	9,401	1,889	8,330	10,087	10,087	48,793	15,111
City Strategy (Planning & Transport)	100	22,503	0	8,826	0	2,713	90	90	90	90	34,222	280
City Strategy (Admin Accom)	0	12,743	0	1,468	0	0	0	0	0	0	14,211	0
City Strategy (Community stadium)	0	3,800	0	0	0	0	0	0	0	0	3,800	0
City Strategy (Economic Development)	0	58	0	0	0	0	0	0	0	0	58	0
City Strategy - Property	450	3,822	0	100	0	100	0	100	0	0	4,122	450
CBSS - IT equipment	0	1,042	0	750	0	750	0	750	750	750	4,042	750
Miscellaneous	0	0	0	0	0	0	0	0	0	0	0	0
Economic Infrastructure Fund	3,300	3,300	5,800	5,800	6,800	6,800	6,800	6,800	5,800	5,800	28,500	28,500
Total by Department	4,741	76,112	10,985	40,524	10,225	31,475	8,229	19,792	19,461	19,461	187,364	53,641
Total External Funds by Department												
ACE - Children's Services	0	7,541	0	5,362	0	5,362	0	0	0	0	18,265	0
ACE - Social Services	381	853	0	0	0	0	0	0	0	0	853	381
CANS - Communities and Culture	810	1,651	4,000	4,320	3,000	3,000	0	0	0	0	8,971	7,810
CANS - Environment	500	2,290	0	1,756	0	1,684	0	2,047	1,584	1,584	9,361	2,084
CANS - Housing & Public Protection	0	4,918	0	5,800	0	5,647	1,134	6,293	8,335	8,335	30,993	9,469
City Strategy (Planning & Transport)	0	17,984	0	8,729	0	2,623	0	0	0	0	29,336	0
City Strategy (Admin Accom)	0	0	0	0	0	0	0	0	0	0	0	0
City Strategy (Community stadium)	0	0	0	0	0	0	0	0	0	0	0	0
City Strategy (Economic Development)	0	0	0	0	0	0	0	0	0	0	0	0

	2012/13 Budget Process	2012/13 Revised Budget £000	2012/13 Budget Process	2013/14 Revised Budget £000	2012/13 Budget	2014/15 Revised Budget £000	2012/13 Budget £000	2015/16 Revised Budget £000	2012/13 Budget £000	2016/17 Revised Budget £000	Gross Capital Programme To be Funded 12/13 - 16/17 £000	Gross Capital Programme Movements 12/13 - 16/17
City Strategy - Property	0	35	0	0	0	0	0	0	0	0	35	0
CBSS - IT equipment	0	0	0	0	0	0	0	0	0	0	0	0
Miscellaneous	0	0	0	0	0	0	0	0	0	0	0	0
Economic Infrastructure Fund	1,300	1,300	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	8,500	8,500
Total External Funds by Department	2,991	36,572	5,800	27,767	4,800	20,116	2,934	10,140	11,719	11,719	106,314	28,244
Total CYC Funding required by Department												
ACE - Children's Services	0	0	0	0	0	0	0	0	0	0	0	0
ACE - Social Services	0	495	0	505	0	515	0	525	0	0	2,040	0
CANS - Communities and Culture	410	1,401	750	750	0	0	0	0	0	0	2,151	1,160
CANS - Environment	-2,385	3,339	-550	1,186	-550	1,150	-550	1,150	1,150	1,150	7,975	-2,885
CANS - Housing & Public Protection	1,175	6,356	985	3,901	975	3,754	755	2,037	1,752	1,752	17,800	5,642
City Strategy (Planning & Transport)	100	4,519	0	97	0	90	90	90	90	90	4,886	280
City Strategy (Admin Accom)	0	12,743	0	1,468	0	0	0	0	0	0	14,211	0
City Strategy (Community stadium)	0	3,800	0	0	0	0	0	0	0	0	3,800	0
City Strategy (Economic Development)	0	58	0	0	0	0	0	0	0	0	58	0
City Strategy - Property	450	3,787	0	100	0	100	0	100	0	0	4,087	450
CBSS - IT equipment	0	1,042	0	750	0	750	0	750	750	750	4,042	750
Miscellaneous	0	0	0	0	0	0	0	0	0	0	0	0
Economic Infrastructure Fund	2,000	2,000	4,000	4,000	5,000	5,000	5,000	5,000	4,000	4,000	20,000	20,000
Total CYC Funding required	1,750	39,540	5,185	12,757	5,425	11,359	5,295	9,652	7,742	7,742	81,050	25,397
TOTAL GROSS EXPENDITURE	4,741	76,112	10,985	40,524	10,225	31,475	8,229	19,792	19,461	19,461	187,364	53,641
TOTAL EXTERNAL FUNDING	2,991	36,572	5,800	27,767	4,800	20,116	2,934	10,140	11,719	11,719	106,314	28,244
TOTAL INTERNAL FUNDING	1,750	39,540	5,185	12,757	5,425	11,359	5,295	9,652	7,742	7,742	81,050	25,397

Annex B

Rolling programme Schemes – Prudential Borrowing

Highways R & R (£750k 16/17 – table 2)

Scheme Description

A programme for the resurfacing and reconstruction of the City's roads and footways has been established to halt deterioration of the assets and maintain them in the best condition possible with the anticipated level of capital available. The Transport Asset Management Plan (TAMP) has identified the total annual rolling budget requirement for an optimum structural maintenance regime is circa £4.00m per year. The LTP final allocation for 2012/13 shows a reduction of £75k from this year figure. The indicative allocations for 2013/14 and 2014/15 also has a further reduction of 6% in funding and therefore this bid shows the CYC contribution increasing to maintain the existing funding level. The proposed allocations in this bid considered to be the minimum required based on what is affordable.

Customer and Staffing Impact

Failure to carry out capital refurbishment of the assets will lead to deterioration of the highway network and more expensive future repairs. The deterioration will cause delays to the progress of the highway user and affect the economy of the city. A reduction in capital funding will impact on staff within the highways section of the directorate.

Bridge Maintenance (£200k 16/17 – table 2)

Scheme Description

Inspections are carried out on highway structures which result in a programme of bridge maintenance work. The regular cycle of general inspections provides a continuing programme of maintenance and there is a backlog of work identified from previous reports. Revenue funding

has been made available over the past three years to carry out detailed principal inspections on the City's major bridges and this is beginning to identify further maintenance items and potential reprioritisation of schemes. Funding is required to carry out the work to maintain the structures in a serviceable and safe condition.

Customer and Staffing Impact

Failure to refurbish the bridge assets could lead to their closure and disruption of the highway network. There is no staffing impact.

Disabled Facilities Grants (£475k 16/17 – table 2)

Scheme Description

To allow payment of mandatory disabled facilities grants (DFGs) in line with statutory requirements (The Housing Grants, Regeneration and Construction Act 1996) and council policies last reviewed by the cabinet member in June 2011. The DFG rolling programme enables older and disabled persons to remain safely in their home and maximises their independence.

Customer and Staffing Impact

Each year more than 2,500 referrals are made to the occupational therapist service. Nearly half result in adaptations, of which 150 are major adaptations requiring DFG funding. The Council continues to receive an increasing number of very major extensions for disabled children with complex needs. This year CYC anticipate completing about 15 very large adaptations. Staff within existing resources will be used to deliver this programme of works.

City Walls Rolling Repair Programme (£180k 15/16, 16/17 – table 2)

Scheme Description

The York City Walls Rolling Repair Programme ensures that continuing essential repairs and restoration are undertaken on York City Walls. York City Walls contribute to significant service objectives: they are a

key visitor attraction; they make a critical contribution to the special qualities of the city; they are a key resource for learning and training in the city; they are a critical part of the cultural resource of the City; they form a sustainable green corridor around the city centre; they are a popular traffic-free pedestrian route for residents, visitors and City Centre workers. The continuation of this critical Rolling Repair Programme demonstrates the high standard of policy and care which operates in relation to the historic environment and in particular the city walls. This exemplar of best practice ensures the continued contribution of the City Walls to the economic and cultural life of the City, making the City a great place to live and work.

Customer and Staffing Impact

The City Walls are a key part of the image of the City, are highly valued by residents, are a valuable educational resource, and are a key visitor attraction. They are used by local people and schools for education and leisure purposes. The Rolling Repair Programme contributes to the retention and development of a highly skilled workforce of trained masons within CANS.

Carbon Reduction in Street Lighting (£200k 16/17 – table 2)

Scheme Description

As part of the Council wide carbon reduction commitment of 25% in five years, street lighting has been taking a leading role in this commitment. To enable a reduction in energy and carbon emissions investment is needed in replacing older less efficient equipment with newer technologies and innovations. It is anticipated following on from this years works a further 10% reduction is needed to meet targets over the next two years.

Customer and Staffing Impact

There are no impacts to the customer and staff.

Replacement of Unsound Lighting Columns (£300k 12/13 – table 2)

Scheme Description

As part of the new street lighting contract a structural testing regime for street lighting columns has been put in place. All outstanding steel columns will have been tested in 2011/12 and this is showing at present a failure rate of over 10%. Similarly the majority of concrete columns are rapidly coming to the end of their lives with about 150 reaching a critical condition each year. The Council will have little option other than to carry out these replacements on safety grounds and revenue budgets cannot support this replacement programme. There are approximately 6000 concrete and 10,000 steel columns within the Council area. A fund of approximately £80k is allocated from the LTP settlement but this is insufficient to stem the deterioration and tackle the backlog of columns needing replacing.

Customer and Staffing Impact

When existing revenue and LTP funding budgets have been spent any further columns identified will be removed and not replaced. This will result in a perceived threat of danger from the public during the night time period. There is no impact on staffing.

New Schemes – Prudential Borrowing

Closed Circuit Cycle at York Sports Village (£810k 12/13 – table 3)

Scheme Description

An opportunity exists for the council to work in partnership with British Cycling and the University of York to deliver a 1km or 1.5km closed cycle circuit at York Sports Village adjacent to the proposed county standard athletics facilities.

The track will provide a safe traffic free training and competition venue for new cyclists, those with a disability trying out adapted bikes and those cyclists looking to improve speed and technique. The track will

increase opportunities to cycle safely and will increase participation in sports cycling and competition.

The proposal put forward is for a 1.5km track. Currently a commitment exists from the University for an indicative contribution but further discussions are required.

The potential within Yorkshire for a dedicated closed cycle circuit is significant. Currently there is no dedicated closed cycle circuit provision in the region. British Cycling's target is to have at least 3.

High level discussions with British Cycling indicate that the £1.5km scheme would cost c£810k but further work will need to be undertaken to confirm this.

British Cycling currently has identified funding up to 31 March 2013 which fits with the aspiration to deliver the circuit alongside the athletics track (summer 2012). During discussions with British Cycling, they have said that they would be able to fund the project up to 50%.

The University are keen to incorporate this facility into their sports village and will provide the land for the facility and have indicated that they are interested in making a contribution to the capital of the scheme (potentially up to £205k).

There would be no revenue impact on the council, as the circuit would be managed and maintained by the University.

Customer and Staffing Impact

Identified and targeted users of the closed cycle circuit include; Club Cyclists and Racers, Under 16's, Disabled People, Road Safety Groups, Women, Triathlon, Biathlon and other sports.

City Art Gallery Refurbishment and Extension (£6000k 12/13, 13/14, 14/15 – table 3)

Scheme Description

This project aims to create a new world class visitor attraction for York through the creation of new internal spaces in the Gallery, work to

extend the Galley and deal with the approach into Museum Gardens from the rear of the Gallery and landscaping improvements to the open space at the rear of the gallery to provide an outdoor events space. The Project will be undertaken by York Museums Trust and they are seeking matched funding to help them unlock substantial funding from the Arts Council Capital Fund as well as other Grant Making Trusts. An independent economic assessment of the impact of the project predicts that on completion it will mean the Gallery can contribute £3.2M to the local economy (double current figures) and this translates into 40.5 Full time equivalent jobs.

Customer and Staffing Impact

As YMT will be project managing the work there will be little direct impact on CYC staff. The project will substantially improve the visual arts offer from the city for both residents and visitors.

Critical Repairs on Council Properties & Contingency (£450k 12/13 – table 3)

Scheme Description

The previous three year capital programme of £0.6m for urgent and essential repairs ended in 2009/10. The level of urgent and essential work required is shown by the 2010/11 performance indicator which is in excess of £15m (£2m excluding schools). These repairs are needed to carry out health and safety work only to Council buildings to safeguard delivery of services. The bid is for work on land and buildings which have been identified for retention through service and area asset management planning, and specific work to historic buildings. This bid is for one year only as there is the need for capital for the proposed works which cannot be funded from elsewhere. It will continue to be the intention to submit an annual capital bid from now on to cover new urgent repairs identified during each year. The carrying out of the essential repairs identified for 2012/13 will save money for the Council in the long run by preventing more expensive repairs in the future through further deterioration of the buildings identified, and maintaining uninterrupted service provision.

Customer and Staffing Impact

Carrying out this work will assist a number of Council services to continue to operate from Council land and buildings, and will reduce the chance of buildings having to close due to poor repair. The access works will improve public and staff access to buildings, and the services they require.

Highway Drainage Works (£165k 12/13 – table 3)

Scheme Description

In 2008 a growth bid was approved to provide £200k to deal with some of the most persistent and troublesome highway drainage problems, with a further £200k provided in 2009/10. Locations were identified which had produced repeated customer complaints, or were known to officers and Ward Members as areas where significant ponding had not been eased by normal reactive maintenance, and these were prioritised according to degree and location of flooding. Given the hidden nature of drainage systems extensive investigation was often required to identify the cause of a problem, followed by repair and reconstruction of pipe work, manholes, pumps and headwalls. £1m of additional capital funding was allocated to highway maintenance for 2010/11, of which £200k was used for drainage work. In 2011/12 £35k was allocated to drainage work from the highways R&R capital funding with a further £20k from the additional £657k revenue fund. The funding has enabled significant works beyond the scope of normal highway drainage budgets to be carried out in a number of locations and continued funding will enable further problem locations to be addressed.

Customer and Staffing Impact

The reduction in the number of persistent drainage problems should lead to an increase in customer satisfaction with drainage from roads and footpaths, as measured by the Talkabout survey and a reduction in the number of highway drainage related public enquiries. The bid has no impact on staffing levels.

Rowntree Park DDA Improvements (£60k 12/13 – table 3)

Scheme Description

The management of Rowntree Park Café is being taken in house as a joint parks and library initiative which will see the site transformed into a York explore building. As part of the preparation for this a DDA audit was undertaken by Atkins in June 2011 which highlighted a number of necessary improvements. These include internal lighting, counter and kitchen improvements, toilet provision and external access improvements. It is 10 years since the last refresh of the building.

This work is required whoever the future tenants are.

Customer and Staffing Impact

The improvements will mean that the building meets with the Building Regulations 2000, Approved Document M: Access to and use of buildings (2004 edition). As such the Council will have undertaken what are "reasonable adjustments" to allow access to and around the property (for customers and staff) and thereby assisting in the delivery of services and complying with legislation.

Rowntree Park Cafe Project (£150k 12/13 – table 3)

Scheme Description

Following the CRAM bid titled "Rowntree Park DDA improvements" this CRAM bid is for bringing into operation the use of the cafe. The project will be led by the Library Service with the intension to provide a "Reading Cafe" which compliments the Explore Vision.

At this point we do not have a detailed business case, however have estimated the prudential borrowing required to make the required building and cosmetic alterations, furniture and equipment fit outs. The project team are working to produce a detailed business plan itemising all project costs and then a 3 year projection of income and expenditure to demonstrate the affordability of the borrowing.

Customer and Staffing Impact

The cafe will remain closed until all the refurbishment work can be completed (estimate Summer 12), however the impact of the finished cafe will provide new employment opportunities. The explore vision is already impacting on the design and the "Reading Cafe" will offer many complimentary services.

Travellers Site Project (£220k 12/13 – table 3)

Scheme Description

The renovation of amenity blocks on 55 travellers plots across the Council's 3 travellers' sites, upgrading kitchens and bathrooms. The completion of this upgrade should save money for the Council in the longer term by reducing the need for responsive repairs.

Customer and Staffing Impact

The very provision of travellers' sites and being a landlord of those sites requires us to provide basic accommodation which must be fit for purpose, in good repair, heated and with hot and cold running water. The standard of maintenance should mirror that of the Councils' other social housing. This renovation will enable this and make sure we meet our duty as landlord. It will also improve the quality of life for those living on the sites.

Empty Homes (£500k 12/13, 13/14, 14/15, 15/16, 16/17– table 3)

Scheme Description

To enable loans to be provided to owners of empty properties and vacant space above commercial operations to bring back in to residential use. This will not only bring back in to use much needed housing and reduce anti social behaviour associated with abandoned properties but will generate additional new homes bonus money for the council.

Customer and Staffing Impact

Each year we receive complaints regarding empty properties and the impact on residents and the environment they live in - through vandalism and anti social behaviour. By bringing such empty homes back in to use by offering loans we will be providing much needed housing. The scheme will be linked to the council's social letting agency YorHome to ensure that those in need are helped through the scheme. More than 2800 people are currently on the council's waiting list.

Pay On Exit Car Parking (£100k 12/13 – table 3)

Scheme Description

This CRAM bid is to enable a pilot Pay on Exit parking scheme to be introduced in one of the city centre car parks. Pay on Exit will enable visitors to be more flexible in the duration of their stay in the city centre. It is currently only possible to have a flexible return time by using the mobile phone charging option. Initial investigation indicates that the capital cost for the barriers and ticketing equipment would be approx. £100k for a single car park. The proposal needs to be trialled so that the full revenue and capital implications can be taken into account before any wider application is given further consideration. Whilst the removal of parking time constraints may increase the duration of individual stays overall income may be reduced as travellers will only pay for the actual time spent in the car park. Staff will no longer be needed to check tickets or issue Penalty Charge Notices but previous experience has indicated that a full time on-site presence is needed to assist in the event of breakdowns of the barrier and to prevent vandalism and revenue loss. Depending on which car park is progressed additional funding may also be required for welfare facilities and shelter for the site supervisor. There are a number of practical issues to resolve before implementation such as ensuring access for disabled badge holders is available and process are established to accommodate the current charge differential for resident/non-resident users. A detailed report will be prepared for consideration by Members before introduction.

Customer and Staffing Impact

Whilst there will be a small staff time saving for Civil Enforcement Officers due to there being no requirement to undertake enforcement, this will be outweighed by the need to provide for a constant on site presence to permit immediate response to any operational issues.

York Theatre Royal (£1950k 13/14 – table 3)

Scheme Description

This project will make significant improvements to the Theatre which will elevate the experience that it offers its visitors and the ability of the Theatre to raise new earned income from its activity. The project will enclose the colonnade area on St Leonard's Place, extending the public areas in the building and open up the first floor rooms to animate the full frontage of the Theatre. This will reinvigorate the streetscape in St Leonard's giving our theatre excellent front of house facilities and improving the attendee experience. Additionally the project will give new flexibility to the main theatre auditorium by allowing the theatre to present live performance in a range of different configurations. This will allow the theatre to increase the family visitor audience to York and offer new conference options to improve its earning potential. The project would lever in substantial new capital funds from Arts Council England and other trusts and foundations. York Theatre Royal already contributes at least £3.4m to the local economy in high levels of visitor spend. This project will increase this and add new direct and indirect jobs to the current 100 FTE.

Customer and Staffing Impact

YTR will appoint a project director to manage the project. Theatre activity may have to be relocated. This project will in the long term improve the reputation of the city's world class cultural offer.

Additional Schemes - Externally Funded + HRA Funded

Adult Services Community Space (£100k 12/13 – table 5)

Scheme Description

To support the development of a 'community hub / safe place' for people with learning difficulties and disabilities, the long term plan is for this 'hub' to be run as a social enterprise but initially we will support it until it is financially established. This 'hub' will be a local resource for the community providing information, support, education and training, promoting inclusiveness and encouraging social responsibility by encouraging people to get involved in social action. It will also include a 'safe place' for those with complex Autism. The space will incorporate a sensory room, changing place, storage area etc in order to facilitate more bespoke activities as well as individuals integrating with other education and leisure activities more widely as part of their daily lives.

This 'safe space' would assist in stabilising more complex individual's behaviour and would provide a facility in York which would reduce the need for more expensive out of area placements aligning with other Departmental drivers to keep people in area. A case study is included which highlights the benefit of how more appropriate care has resulted in an improvement in that particular individual's situation and a revenue saving. It is felt that the creation of this facility would enable more customers with complex autism to remain in area and improve the support they need. There is a "bubble" of students with high level autism coming through Transitions over the next few years which this facility would be of great benefit to.

Customer and Staffing Impact

Customers would have more appropriate support available nearer their homes. Customer's families would benefit from the respite a safe place would provide. Customers with stabilised behaviour are likely to need less intensive support (e.g. less 2:1 support, more 1:1 support or even no support at all).

EPH Infrastructure Works (£281k 12/13 – table 5)

Scheme Description

The EPH Accommodation Review is currently underway with a full Business Case being presented to Members in April 2012.

Upgrade of EPH infrastructure (e.g. lighting and heating systems) for those homes likely to remain in use during the period of the accommodation review. This scheme would assist in reducing the revenue pressure of repairing and maintaining these systems currently, possible demolition of any surplus EPH. Refit of an EPH in order to make it fit for another purpose to enhance resale value.

Customer and Staffing Impact

Customer and staffing impact is being considered as part of the wider review of EPH accommodation.

Assistance to Older and Disabled People (HRA) (£300k 16/17 – table 5)

Scheme Description

To provide a range of adaptations to meet the needs of disabled tenants living in council owned homes.

Customer and Staffing Impact

This scheme will enable tenants to remain in their home and be able to live as independently and safely as possible.

Major Repairs Allowance (£8719k 15/16, 16/17 – table 5)

Scheme Description

A comprehensive programme of improvements covering the Councils housing stock including roof replacements, heating systems, kitchens and bathrooms

Customer and Staffing Impact

This scheme will enable the council to meet its duties as landlord in maintaining its housing stock ensuring that tenants have a safe and decent home to live in.

Modernisation of Local Authority Homes (HRA) (£747k 12/13-16/17 – table 5)

Scheme Description

A programme of works including improvements to communal areas and health and safety works relating to fire prevention, asbestos and electrical upgrading.

Customer and Staffing Impact

This scheme will enable the council to meet its duties as landlord in maintaining its housing stock ensuring that tenants have a safe and decent home to live in.

Building Insulation Programme (HRA) (£3,400k 12/13-16/17 – table 5)

Scheme Description

A scheme to replace single glazed timber framed windows with UPVC double glazed units.

Customer and Staffing Impact

To improve insulation and warmth in council owned homes to help ensure that tenants have a safe and decent home to live in.

Replacement of Unsound Lighting Columns (New Homes Bonus)
(£500k 12/13 – table 5)

Scheme Description

As part of the new street lighting contract a structural testing regime for street lighting columns has been put in place. All outstanding steel columns will have been tested in 2011/12 and this is showing at present a failure rate of over 10%. Similarly the majority of concrete columns are rapidly coming to the end of their lives with about 150 reaching a critical condition each year. The Council will have little option other than to carry out these replacements on safety grounds and revenue budgets cannot support this replacement programme. There are approximately 6000 concrete and 10,000 steel columns within the Council area. A fund of approximately £80k is allocated from the LTP settlement but this is

insufficient to stem the deterioration and tackle the backlog of columns needing replacing.

Customer and Staffing Impact

When existing revenue and LTP funding budgets have been spent any further columns identified will be removed and not replaced. This will result in a perceived threat of danger from the public during the night time period. There is no impact on staffing.

Highways R&R (Govt grant) (£1584k 16/17 – table 5)

Scheme Description

A programme for the resurfacing and reconstruction of the City's roads and footways has been established to halt deterioration of the assets and maintain them in the best condition possible with the anticipated level of capital available. The Transport Asset Management Plan (TAMP) has identified the total annual rolling budget requirement for an optimum structural maintenance regime is circa £4.00m per year. In 2011/12 an initial budget of £3.22m was allocated for R&R, made up from £0.229m CYC Revenue, £1.215m CYC Capital and £1.776m from the DfT Local Transport Plan settlement. Following the revised budget after the council elections £0.22m of revenue funding was capitalised. The revenue budgets amended were £67k slurry sealing, £87k surface dressing, £57k large patching and £11k concrete repairs. The £0.22m capitalised revenue has been added to this CRAM bid for the 5 year duration. The LTP final allocation for 2012/13 shows a reduction of £75k from this year figure. The indicative allocations for 2013/14 and 2014/15 also has a further reduction of 6% in funding and therefore this bid shows the CYC contribution increasing to maintain the existing funding level. The proposed allocations in this bid considered to be the minimum required based on what is affordable.

Customer and Staffing Impact

Failure to carry out capital refurbishment of the assets will lead to deterioration of the highway network and more expensive future repairs. The deterioration will cause delays to the progress of the highway user and affect the economy of the city. A reduction in capital funding will impact on staff within the highways section of the directorate.

Disabled Facilities Grant (£750k 16/17 – table 5)

Scheme Description

To allow payment of mandatory disabled facilities grants (DFGs) in line with statutory requirements (The Housing Grants, Regeneration and Construction Act 1996) and council policies last reviewed by the cabinet member in June 2011. The DFG rolling programme enables older and disabled persons to remain safely in their home and maximises their independence.

Customer and Staffing Impact

Each year more than 2,500 referrals are made to the occupational therapist service. Nearly half result in adaptations, of which 150 are major adaptations requiring DFG funding. The Council continues to receive increasing number of very major extensions for disabled children with complex needs. This year CYC anticipate completing about 15 very large adaptations. Staff within existing resources will be used to deliver this programme of works.

Annex C

Better Bus Area Fund

Summary

1. The Council proposes to submit a bid to the Department for Transport's (DfT) 'Better Bus Area Fund' for a sum of £2m. The City of York bid, to be submitted in partnership with the City's bus operators, serves to deliver a step change in bus patronage; aiding the economy and reducing carbon emissions.
2. Whilst not essential, DfT advises that it will give preference to bids which 'demonstrate financial commitment or match-funding from either the local authority or bus operators'. The Cabinet is therefore requested to consider match funding to a maximum total of £2m. The eventual sum required is dependent on the levels of third party contributions which can be secured (from bus operators and through developer funding).

Background

3. The objective of the 'Better Bus Area Fund' (BBAF) is to assist 'those local authorities who take a partnership approach to bus services in congested urban areas where increasing bus occupancy and achieving modal shift can free up valuable road space and reduce carbon emissions'.
4. The Department for Transport (DfT) is providing a total fund of £50m for which any urban local authority, working in partnership with its main bus operators, can bid to a total of £5m. A bid can be made for capital (infrastructure) or revenue (promotion, marketing, information, etc) measures or a combination of the two. Bids may not be submitted without the support of key local bus operators.
5. The DfT's guidance states that the bids will be judged on the strength of their evidence and analysis base. Further, the bid must be able to demonstrate that a sound implementation strategy is in place for each component of the proposed package of measures.
6. The BBAF is strongly aligned to the Local Sustainable Transport Fund in terms of its policy outcomes, but the BBAF is designed specifically to support the bus market and to deliver a growth in bus ridership over the short term, with the expenditure to be spent in 2012/13 and 2013/14.

The proposal

7. The York bid will combine a range of capital and revenue measures with the aim of delivering a step change increase in the patronage on York's bus network. The proposal is divided into three distinct elements:
 - a. A bus priority spine to enhance bus reliability through the City
 - b. A city centre network of bus interchange hubs
 - c. A comprehensive ticketing and marketing strategy for the wholesale enhancement of the bus network.

Bus priority spine

8. The handful of streets and two bridges linking Clarence Street to Peasholme Green carry all of the bus services in York at one point or another. This proposal will include a range of measures to improve the ease with which buses can pass through the central area of the City. While delays to the bus network are unavoidable, one of the main obstacles to improving the attractiveness of the buses is the unpredictability of the delays. As a result, additional time has to be allowed in the bus schedule, necessitating additional bus operator resource; lengthening the travelling time for nearly all bus passengers in the city and making the bus less attractive compared to travelling by car.
9. Measures proposed to tackle unpredictable delay include CCTV-based enforcement of the central Coppergate area; a length of bus lane along Clarence Street to ease bus flow and the introduction of a bus controller for all of York's bus services to monitor punctual operation of services and, where necessary, take action (e.g. making loading vehicles which obstruct buses move on)..

Bus interchange hubs

10. One of the main complaints received by both bus operators and the Council concerns the absence of a bus station in York. There are many varying views held as to whether a bus station is desirable (or indeed achievable). In the absence of any obvious site to locate such a facility, however, it is clear that much could be done to improve the pleasantness, visibility and image of York's principal bus stopping points, and their development to allow passengers to interchange between services more easily and comfortably than at present.

11. A successful bid will result in the implementation of an on-street bus information strategy to deliver five city centre bus hubs at The Stonebow, Piccadilly/ Merchantgate, York Station, Theatre Royal/ Exhibition Square and a central interchange at Rougier Street/Station Rise. Each of the hubs will be equipped with improved waiting infrastructure and will be accompanied with clear on-street and on-line information to ensure that intending passengers know where to get their bus and when it will depart.
12. Many of York's bus stops are located in areas of historic importance (eg Exhibition Square and Museum Street). To improve the street scene in these and other areas (eg The Stonebow and Rougier Street which are considered unattractive by many) the Council will undertake a comprehensive refreshing of passenger waiting facilities and at-stop information provision. In line with the 'Reinvigorate York' strategy, these measures will serve to enhance rather than detract from the York street scene.

Ticketing and marketing

13. 2012 will see the introduction of a paper based ticket for use on any of York's buses, irrespective of the company operating the service. Building on the proposed bus operator investment in 'smart' enabled bus ticket machines, this bid will enable the Quality Bus Partnership to launch a multi-operator smart ticket.
14. The introduction of smart ticketing across the York bus network will increase the range of travel options, making the bus more attractive. Potential passengers who are dissuaded from using the service due to not knowing how much the bus costs or not having the appropriate change to pay for their fare will, with the assistance of bus operators, be a thing of the past.
15. The Council will work in partnership with the bus operators to undertake a programme of targeted marketing to encourage and incentivise bus usage. Further, the Council will work with the Quality Bus Partnership to deliver a step change transformation of at-street, on-line and mobile bus information output, attracting users of all generations and ensuring that it is as easy as possible for anybody wanting to use a bus to do so.

Conclusion

16. The Council assess that implementing the measures described above will bring a step change improvement to the overwhelming majority of the 15 million bus passenger trips which take place in York each year. This will be an important contribution to the Council's ongoing work to maximise the contribution bus use can make to reducing congestion and emission levels in York.



Cabinet

14 February 2012

Report of the Cabinet Member for Corporate Services

FINANCIAL STRATEGY 2012 - 2017

Summary and Background

1. This report presents the financial strategy 2012-2017, including detailed revenue budget proposals for 2012/13 and 2013/14, and asks Members to recommend to Council approval of the proposals. The financial strategy delivers a balanced budget over a 2 year period with savings proposals totalling £19.7m (equivalent to 16% of the net budget over 2 years) and a proposed council tax increase of 2.9% in 2012/13. There are separate reports on the agenda covering the capital budget and the treasury management strategy.
2. Key issues included in the proposals are as follows;
 - Revenue savings of £19.7m over the two years, which includes
 - i. £10.9m due to service reviews, efficiency and procurement
 - ii. £1.5m from the full year effect of prior year savings
 - iii. £3m relating to service/budgetary reduction
 - iv. £0.9m of grant related savings
 - v. £3.4m from increases in income
 - Growth of £1.5m in adult social care for 2012/13
 - Growth of £0.5m in Looked After Children for 2012/13
 - Creation of a Delivery and Innovation Fund of £1m in 2012/13 and planned further increased contribution for 2013/14 of £1.5m
 - Creation of an Economic Infrastructure Fund (£28.5m) – covered in detail within the capital strategy report

- Ensuring a financially prudent budget through the creation of a contingency budget and a contribution to increase general reserves
- Ensuring a financially prudent budget by addressing known budget pressures
- Ensuring all libraries and children's centres remain open
- Further reductions in senior management costs
- A range of proposals in relation to alternative models of service delivery, working with other local authorities and developing new income streams
- Reduced formula grant funding of £5.04m
- A net revenue budget of £122.235m, which will be funded by:
 - i. Council tax income of £75.678m
 - ii. Government grant of £46.557m

National Context

3. York has the second lowest band D council tax, the third lowest spend per head of population of any unitary council in England and the twelfth lowest government grant per head in the country.
4. All aspects of the public sector are continuing to face challenging times in the light of the Government's commitment to reduce the national deficit as outlined in the Comprehensive Spending Review (CSR) published in November 2010. The CSR provided certainty for the first 2 years of the spending period, however beyond 2012/13 the position is less certain and could easily change depending on the national financial climate and the outcome of the Local Government Resource Review. Therefore, whilst this budget presents a 2 year budget, that is fully balanced, there will be a need to revisit 2013/14 budget later this year, and clearly the formal budget setting for 2013/14 will still take place in February 2013. Previous reports to Cabinet in July and December have set out the financial challenges facing the council, along with an estimate that some £22m of savings would be required over the next 2 years in order to meet these challenges. Following refinement of some of the budget assumptions (e.g. pay award, future pressures) and receipt of additional funding (PCT, adjustment to Academies funding) the revised savings requirement set out in this report totals almost £20m.

5. In relation to council tax, the Chancellor of the Exchequer has announced that central government will be offering local councils the opportunity to extend the council tax freeze for a further year. The Government have said this is a one off grant.
6. Whilst the offer pledges a grant which is equivalent to a 2.5% increase in 2012/13 (c. £1.8m in York's case), it differs from the 2011/12 offer (which guaranteed the funding for four years) in that the funding is only available for one year, creating a corresponding cost pressure for the 2013/14 budget. If the freeze grant was to be accepted, this would increase the need to make further savings in 2013/14 by a total of £1.8m. As this report presents a two year budget, clearly there would be a need to consider the implications of this if the freeze grant were to be accepted. It should be noted that current RPI is 4.8% in December 2011.
7. A motion was submitted to Full Council in December requesting the council undertakes to freeze council tax at the current level for the next two financial years. The financial impact of this would be a reduction in income of £290k in 2012/13, the additional savings outlined above of £1.8m, and (assuming no further freeze grant in 2013/14) a further £1.4m savings in 2013/14 (as the current financial plan assumed, for planning purposes, a council tax increase of 2%). This would potentially therefore result in additional savings being required of around £3.5m over the 2 year budget. Cabinet is asked to consider this motion as part of their budget deliberations.
8. During December 2011, the Secretary of State for Department of Communities & Local Government also announced that, as outlined in the Localism Bill, councils who propose council tax increases in excess of a provisional limit (this year 3.5%) will have to call a referendum to gain agreement to this increase, thus giving local taxpayers the opportunity to veto "excessive" council tax increases. The final principles on how this will operate will form part of a report to the House of Commons during February 2012. It should be noted that parish councils are exempt from the cap on council tax increases, though the limit does apply to police and fire authorities, their limit being 4%.

Local issues and challenges

9. Locally demand for council services continues to increase, with an ageing population and an increasing number of looked after children resulting in growth in social care spending. Rising fuel costs, landfill tax and inflation are driving costs up and the economic downturn is putting pressure on many of the council's income budgets. In shaping the

budget these issues have been carefully considered to ensure we set a budget that is both prudent and protects vulnerable people. Ensuring that there is the capacity to invest has been a critical part of the budget deliberations.

10. The council established an independent Fairness Commission in 2011 to look into how to make the city a fairer and more equal place to live. The Commission have written an independent report to the council and their findings have been used to shape the proposals within the financial strategy. In addition, an extensive consultation process has been conducted this year and is set out in this report. The consultation has significantly informed the shape of the overall budget, thereby creating a budget that represents the views of residents. A full response to the interim recommendations of the Fairness Commission is included as a separate item on this agenda.

Financial Overview and Financial Forecast (MTFF)

11. Reports to Cabinet in July and December 2011 outlined the potential need for the financial strategy to identify savings of around £20m across 2012/13 and 2013/14 on the assumption that the current programme of savings is delivered in 2011/12. The 3rd finance and performance monitoring report elsewhere on this agenda identifies that whilst there is currently a forecast overspend, it is expected that the council will outturn within the approved budget by the end of the financial year.
12. Against this background work has been ongoing for many months to develop the budget, and to identify savings. During this process targets have been set for each directorate and various assumptions have continued to be refined. Proper assessment has taken place in terms of the need to invest additional funds in some areas, to be clear about unavoidable costs and to create a budget that very much recognises the need to be both prudent and create capacity to deliver. These issues are covered further in this report.

Principles that have shaped the budget

13. At a time of significant reductions in grants it is absolutely essential to set a prudent, stable and achievable budget. For the first time the council has set out a two year budget which will enable longer term investments and savings to be developed and implemented, providing a stable, sustainable financial basis for the delivery of services to customers. Whilst year 2 (2013/14) will need to be revisited in light of any potential change in assumptions, the 2 year budget set out is fully balanced based

upon known factors and a prudent approach to assumptions regarding potential additional costs.

14. Considerable consultation has been undertaken to explore the opinions and preferences of residents, partners and businesses and all this information has been used to shape the budget proposals.
15. This budget round has been extremely challenging, following on from savings of £21m in 2011/12. To meet these challenges the council will ensure that the services we provide are cost effective and efficient, good quality and that they address the needs of the residents of York at a time when every pound spent must deliver real value. Of the £19.7m savings proposed, almost £11m are coming from detailed service reviews, efficiency, and better procurement.
16. Included in the proposals are a number of examples of new and innovative ways of delivering services, including the establishment of a local authority company, savings accruing from the shared internal audit company (Veritau), new models of working in highways, potential shared services in a number of areas, a social enterprise in relation to libraries which delivers savings but ensures existing libraries stay open. Further reductions in senior management costs are included, including a further reduction to assistant director posts which will save £160k in year 2.
17. However with funding cuts of this magnitude it is not possible to meet all of this through efficiency and there still remain difficult decisions to be made. Many of the service reviews, whilst seeking to achieve efficiency, will potentially mean difficult choices in how services are delivered. This budget has been driven by the priorities set out in the Council Plan and in particular it sets out how we have sought to focus on the twin priorities of growing the economy and protecting vulnerable people.
18. York's economy is fairing well in difficult times. The York economy is the engine room of the city, creating vitality, jobs and prosperity. The council's own finances are significantly reliant upon a thriving economy, and this is increased even more with the partial re-localisation of business rates from 2013/14. As set out in more detail in the capital strategy there are many financial implications for the council if the economy were not to be successful. It is important that the benefits of a successful economy are shared by all and that nobody is left behind. It is therefore essential to invest in our economy at this time. A solid and growing economy in the city is essential to all of our aspirations. The capital budget report also on this agenda outlines proposals to establish an Economic Investment Fund of £28.5m over 5 years will be set up to

grow the economy, to pump prime developments and encourage investment in the city. Further details on this are included in the capital report elsewhere on this agenda.

19. The council spends a significant amount of its budget on protecting vulnerable people through our social care services. This budget proposes specific additional growth in adult social care of £1.5m and £0.5m on looked after children. We have placed vulnerable people at the heart of our thinking in considering what savings can be made. This does not mean that there will be no impact – such significant budget cuts will inevitably affect all services and all residents to some extent. However, we have taken long term approaches to the development of future services that will ensure we can still respond to the needs of the most vulnerable members of our communities now and in future. We are already focussing on prevention and early intervention to prevent escalation of needs and costs for adults and children. There are no closures of children’s centres contained within the proposals.
20. In order to build our communities it is essential to work effectively with the voluntary and community sector (VCS) and though all council services and grants must deliver efficiencies and contribute to the savings targets, care has been taken to ensure that the budget reductions to the VCS are lower than the overall reduction in council budgets. Looking across all council spend with the VCS, overall budgets are being reduced by 8% over two years compared to total council savings equivalent to 16% of the councils budget. Work is underway to ensure that this funding actively contributes to the delivery of the council’s priorities.
21. In these challenging times, protecting the needs of the most vulnerable people in York requires us to make difficult decisions and balance a range of competing needs. To protect services for children, for older people, and for disabled people, we need to generate income wherever it is appropriate to do so.

Budget analysis

22. The budget setting process has taken into account the following issues, (which are considered in more detail in following paragraphs);
 - i. Consideration of the 2011/12 position, the likely outturn and identified pressures.
 - ii. Consideration of reductions in grant.

- iii. Consideration of unavoidable cost increases, priority areas, how to create the capacity in priority areas and creating the capacity to allow for service improvement and innovation.
- iv. Ensuring that the budget is robust and prudent and is based upon the strategic financial advice of the Director CBSS as s151 officer.
- v. Ensuring there is a strong link between the capital and revenue budgets and that the delivery of priorities fully considers the two budgets hand in hand.

2011/12 position

- 23. As outlined earlier in the report and in a separate report elsewhere on this agenda, the latest finance and performance report identifies a forecast overspend with an expectation that this will be contained within the approved budget by the end of the financial year.
- 24. The most significant pressures in 2011/12 have occurred due to increasing service demand for independent residential & nursing care and direct payments along with an increase above forecasts in the number of children under the care of the council. Across some areas there are shortfalls in income. A detailed analysis of these pressures has been conducted and additional resources have been allocated (as set out below) for areas where it was considered essential to invest.

Reductions in grant

- 25. The provisional funding settlement for 2012/13 was announced in December and confirmed the expected reduction in funding via the formula grant of £5m. In previous years York has been subject to a top slicing of this grant to ensure all authorities received a minimum increase. However, because of changes to a number of the formulae used to calculate the grant, the distribution changed significantly in 2011/12 and York now finds itself in a position of being in receipt of protection in the form of damping funding. The 2012/13 allocation includes £0.779m in floor damping funding. York receives £227.01 of formula grant per head of population compared with the unitary average of £355.77 (Blackpool UA receives the highest at £558.52 per head).
- 26. In the tables that follow, the reduction in grant of £5m is shown in arriving at the overall financial position. Set against this, we have provided for additional funding of £500k which will come from two sources (i) there is to be an adjustment in terms of funding changes that have been made

for academies which will see an increase in grant funding for the council in 2012/13 and (ii) additional income from the PCT.

Full year effects of previous council decisions

27. **Removal of one off expenditure items** – £1,039k of items that were agreed for a one year period only and therefore are not required in 2012/13.
28. **Waste PFI project** - £750k to create necessary budget capacity, as approved by Council in December 2010. This is a contractual commitment that has already been approved by members.
29. **Full year effect of various growth items** – £375k covering a range of smaller proposals where the full year effect was higher than the amount agreed for 2011/12, including the effects of the 2011 June Council amendment (£288k) and creating base funding for local elections (£70k).

Unavoidable cost increases, priority areas and creating capacity

30. The following paragraphs set out the areas where additional investment is being made;
31. **Pay and increments** - £772k is included for contractual pay increments as the council's staffing budgets align to the recent pay and grading exercise. No provision is included for any pay award in 2012, as indications are there will be a pay freeze.
32. **Pension costs** - £826k for increase in pension fund costs. This includes both the unavoidable increases in contributions to the North Yorkshire Pension Fund and also provides provision for redundancy / pension strain costs as a result of the potential job losses arising from the budget proposals.
33. **Treasury management and capital costs** - £1,072k which includes the revenue costs of the current approved capital programme, plus any implications from the separate capital budget report elsewhere on the agenda.
34. **The Delivery and Innovation Fund** of £1,000k in 2012/13, and £1,500k in 2013/14, will be used to support the delivery of council priorities, support areas requiring one off investment, support major project delivery and also to facilitate the development of new and innovative ways of working. The money being put into the budget will be used to make contributions to the fund and the fund will operate in accordance

with the same financial approval mechanisms as the venture fund (this allows for investment up to £100k to be agreed by the Director of CBSS and the leader of the council) and amounts above this to be subject to Cabinet approval. Regular monitoring of the fund will be provided to Cabinet in the financial monitor reports. No specific allocations are proposed in the budget report at this stage.

35. As highlighted earlier in this report, **existing areas of service delivery** have also been assessed and areas identified where there is a need for additional investment to deliver council priorities, to ensure budgets are prudent and to protect vulnerable people. The specific allocations are as follows;

- Adult social care **£1,500k** – demand for services continues to grow as the elderly population increases.
- Children’s social care **£500k** – the number of looked after children continues to increase.
- Quality bus contract **£100k** – investment in feasibility work to deliver a quality bus contract across the city.
- Review of subsidised services **£50k** - investment to progress partnership working with bus operators and to deliver a quality contract scheme.
- Contractual price increases (City Strategy) **£100k** – unavoidable contractual price increases on traffic systems, subsidised bus services and service contracts.
- Levies increases (City Strategy) **£17k** - increase in levies from Internal Drainage Boards.
- Building Control (unachievable income) **£150k** - the current level of building control income is approximately £150k below budget. It is not possible to raise fees as the service cannot make a profit. It is necessary therefore to reduce the income target.
- Increase in funding to Welcome to Yorkshire of **£16k**
- Fuel prices (CANS) **£150k** – growth to meet the recent price increases on fuel.
- Commercial waste Income **£250k** – although the commercial waste service makes a significant surplus to the council, it does not meet

its budgeted level. This is partly due to the very competitive market place. It is necessary therefore to reduce the level of budgeted income.

- Scrutiny Management Committee **£5k** – increase in funding available to support scrutiny reviews.

Ensuring a prudent budget

36. **Contingency fund (£250k)** – given the financial risks facing the council, in particular in relation to the wider economic situation, it is recommended that provision is made for a contingency and that this is increased in the medium term to ensure the councils financial stability.
37. **Increase in general reserves (£250k)** – linked to increasing the contingency, it is recommended that provision is made to increase overall reserves in the medium term. This will provide a sound financial platform for the authority, and ensure it continues to maintain its overall financial health and is able to deal with any unforeseen events effectively. The Director of CBSS has recommended a minimum level of reserves at £6.1m, which is £54k higher than the current minimum. As such £54k of the recommended provision to increase reserves will be needed to ensure reserves are at the recommended minimum, with the remaining £196k of headroom above the minimum level. In the medium term these are increased further so there is a degree of flexibility.
38. A further sum of £3.739m has been set aside for additional service expenditure pressures in 2013/14 but without allocation to specific directorates, which is based on prudent estimates of further increases in demand for priority council services (such as adult social care), as well as creating capacity to cover the potential costs related to changes in the council tax benefit system.

Expenditure Pressures Summary

39. The expenditure pressures described above are set out in the following table;

Expenditure Changes	2012/13 £'000	2013/14 £'000
Full year effects of previous council decisions		
- Removal of one off expenditure items	(1,039)	0
- Waste PFI	750	750
- Other previous Council decisions	375	70

Unavoidable cost increases, priority areas and creating capacity		
- Increments and pay costs	772	922
- Increase in pension fund costs	826	908
- Treasury management & capital costs	1,072	1,380
- Delivery and Innovation Fund	1,000	1,500
- Adult Social Care	1,500	-
- Children's Social Care	500	-
- Quality Bus Contract	100	-
- Review of Subsidised Services	50	-
- Contractual Price Increases	100	-
- Levies Increase	17	-
- Building Control - Unachievable Income	150	-
- Welcome to Yorkshire Funding	16	-
- Fuel Prices	150	-
- Commercial Waste Income	250	-
- Scrutiny Changes	5	-
Ensuring a prudent budget		
- Contingency fund	250	500
- General reserve contribution	250	500
- Growth to be allocated	-	3,739
Total Expenditure Changes	7,094	10,269

Table 1 – Summary of expenditure pressures

Funding Changes

40. Although the CSR set out a 4 year recovery plan the government has only set out 2 years of funding for local government. Therefore, whilst the 2012/13 figures in table 2 below can be assumed to be final figures, there could be changes to the forecast figures for 2013/14.
41. Table 2 shows the various components that make up the council's net funding changes, that is council tax and money provided by central government in the form of formula grant. It is important to note that the council tax income in year 2 is notional and has been determined by the Director of CBSS for planning purposes. The precise assumptions will need to be revisited during the forthcoming financial year.
42. A number of changes have to be made to reach the available funding for 2012/13. £1.657m of one-off funding that is no longer available in 2012/13 has to be removed (£0.657m from the general reserve used to fund highways projects, £1.0m Collection Fund surplus).

43. The next section of Table 2 shows the £5.040m formula grant reduction the council will receive from central government as part of the programme of Local Government funding cuts, initially announced in December 2010 and confirmed in December 2011. It should be noted that as part of the confirmation of the funding reduction, central government also announced that it will be delivering the £1.829m Council Tax Assistance Grant, which the council will receive until 2014/15 for setting a 0% council tax in 2011/12.
44. Additional income totalling £500k has been identified. £300k of this is associated to funding changes related to schools that have become academies and the remaining £200k is related to upcoming funding and responsibility transfers from the PCT.

Council Tax

45. The final section of table 2 shows the additional funding available via increases in council tax in 2012/13. Applying a 2.9% increase in the Band D council tax at the 2011/12 tax base yields additional income of £2.120m. For comparison, the RPI in December 2011 was 4.8%. On 14 December 2011, under powers delegated to him by Members in 2003, the Director of CBSS approved an increase in the tax base, that is the weighted number of Band D properties in the area which forms the basis of the calculation for total council tax income, from 67,041.43 to 67,420.75. This calculation yields an additional £0.426m and a total increase in income from council tax of £2.546m. It is for members to determine the overall council tax level, having due regard to all of the issues in relation to the council tax freeze grant and overall levels of council tax.
46. In summary, for 2012/13 the council has net reduced funding available of £3.651m compared to 2011/12. As highlighted earlier in the report, funding figures for 2013/14 should at this stage be considered to be provisional for a number of key reasons. The level of council tax will most likely change given that variations in the tax base occur every year as new properties are added and properties that receive discounts no longer do so. Furthermore, central government's proposed changes to the council tax benefit system will in their current form have a significant impact on the tax base as the delivery of the grant from central government will no longer be part of the Collection Fund, and as a result no longer form part of the council tax calculations. Finally, the implementation of localised business rates from 1 April 2013 may further impact the presentation of net funding available as the methodology for calculating the baseline is finalised. This report prudently assumes

neither an increase nor decrease in this baseline from the 2012/13 formula grant allocation.

Funding Changes	2012/13 £'000	2013/14 £'000
Removal of one-off funding	1,657	0
Funding Changes in year		
- Reduction in Formula Grant	5,040	0
Total Funding Changes in year	5,040	0
Additional Corporate Income		
- Academies funding	(300)	0
- PCT funding	(200)	0
Total Additional Corporate Income	(500)	0
Additional Council Tax		
- Council Tax rate	(2,120)	(1,514)
- Council Tax base increase/improved performance	(426)	0
Total Additional Council Tax	(2,546)	(1,514)
Net Funding Changes	3,651	(1,514)

Table 2 – Funding changes

47. Taking into account these funding changes and their impact on the council's net budget, table 3 summarises the funding available from council tax and formula grant for 2012/13 and 2013/14 (provisional).

	2012/13 £m	2013/14 (Provisional) £m
Council Tax	75.678	77.192
Formula Grant	46.557	46.557
Net Budget	122.235	123.749

Table 3 – Net budget composition for 2012/13 and 2013/14

48. The following table shows the budget position after taking account of the expenditure pressures and changed funding set out in tables 1 and 2.

Summary	2012/13 £'000	2013/14 £'000
Total expenditure changes	7,094	10,269
Total net funding changes	3,651	(1,514)
Budget gap	10,745	8,755

Table 4 – Budget position summary

Savings and Income Generation

49. To meet the challenge of identifying around £20m of savings, work has been ongoing for many months. There have been fundamental reviews of all areas of activity, and all options for achieving increased income, better procurement, service reconfiguration, and alternative service delivery have been considered. Whilst the proposals include savings which seek to balance the budget for 2013/14 these are based upon a number of assumptions, some of which may need to be revisited.
50. Within the proposals there are some £1.5m of savings from prior year decisions. These savings are available due to the considerable progress made over the past few months, in particular in relation to the work that has been reported to Cabinet in relation to Elderly Persons Homes Reconfiguration, and the procurement of a new provider for reablement service.
51. Service reviews, better procurement and improved efficiency are contributing £10.9m. In some areas these will be relatively painless savings, which accrue through pure improved efficiency and savings on procurement. There are also a range of proposals for alternative service delivery models. In other areas there are major service reviews, either ongoing or which need to take place in 2012/13. It is recognised that in some cases these may require difficult choices to deliver savings.
52. Additional income is contributing some £3.4m. These include opportunities for new charging/trading, improved performance in income collection following the consolidation of all income collection across the council, and a range of fees and charges increases.

53. Some £2.9m has been categorised as a direct service reduction. Given the difficult financial position, whilst all attempts have been made to seek to avoid such reductions, it has been necessary to prioritise some areas of service.
54. A further £900k is attributed to changes in relation to grant funding.
55. The following table shows the overview of savings for each directorate. Detailed proposals are contained in Annex 2.

Savings	2012/13 £'000	2013/14 £'000
Customer & Business Support Services	928	935
Communities & Neighbourhoods	3,194	2,725
Adults, Children & Education	4,925	3,789
Office of the Chief Executive	138	115
City Strategy	1,560	1,031
Corporate savings	0	160
Net total of savings	10,745	8,755
Savings Attributable to Council Tax Income	200	0
Total savings	10,945	8,755

Table 5a – savings proposals by directorate

Savings	2012/13 £'000	2013/14 £'000
Service Reviews, Efficiency and Procurement	-5,477	-5,478
Full Year Effect of Prior Year Savings	-953	-612
Service/Budgetary Reduction	-1,873	-1,015
Grant Related Savings	-667	-261
Increases in Income	-1,975	-1,389
Total savings	10,945	8,755

Table 5b – savings proposals by category

56. The proposed savings have been categorised into one of the above headings, reflecting the primary nature of the individual saving. It is recognised however that some savings may cut across more than one category and could be a mix of service reduction/efficiency. The analysis seeks to provide a broad overview of the nature of the total savings proposals.

Fees and charges

57. Detailed proposals for fees and charges are attached at annex 3. The proposals have taken account of such factors as current retail price

indices, possible impact on customer numbers, knowledge of business and current market conditions and benchmarking exercises. Any increased income from this review of charges is included within the overall list of savings attached at annex 2.

Council Tax and the Collection Fund

58. The existing components of the current (2011/12) band D council tax for a CYC resident are shown in the Table 6. It should be noted that these figures exclude parish precepts which are an additional charge in some areas.

	£
City of York Council	1,090.85
North Yorkshire Police Authority	204.55
North Yorkshire Fire Authority	62.10
TOTAL	1,357.50

Table 6 - Make Up of 2011/12 Council Tax

59. As referred to earlier in this report, the recommendation made in these papers is that from April 2012 the CYC element of the council tax will increase by 2.9%, resulting in a band D council tax of £1,122.48. Table 7 below shows the impact on each property band of the proposed 2.9% increase on the basic CYC element of the council tax.

	2011/12 Basic Tax by Band	2012/13 2.9% Increase	Annual Increase	Weekly Increase
Band	£'s	£'s	£'s	£'s
A	727.23	748.32	21.09	0.41
B	848.44	873.04	24.60	0.47
C	969.64	997.76	28.12	0.54
D	1,090.85	1,122.48	31.63	0.61
E	1,333.26	1,371.92	38.66	0.74
F	1,575.67	1,621.36	45.69	0.88
G	1,818.08	1,870.80	52.72	1.01
H	2,181.70	2,244.96	63.26	1.22

Table 7 – Impacts of proposed 2.9% increase on CYC basic council tax

60. The collection fund is the ring-fenced account where all council tax is credited. This account can either be in surplus or deficit at the year-end, depending on whether the authority has managed to collect more or less

than it originally anticipated and the growth in property numbers. This year, a prudent assumption has been made to not declare a surplus and therefore no income from this is included in the budget assumptions.

Precepts

61. In addition to the council tax to be charged by the City of York, the overall charge must include the precepts from the Police Authority, Fire Authority and parish councils. Due to the timing of this report these precepts are not yet available but will be included in the report which is considered by full Council on 23 February.
- The Police Authority will be meeting on 13 February 2012 to determine its precept and council tax charge
 - The Fire Authority will be meeting on 8 February 2012 to determine its precept and council tax charge.
62. Table 8 demonstrates both the cash and percentage increase in 2011/12 for these which resulted in a total band D council tax for a York property of £1,357.50.

	2010/11	Increase	2011/12	
	Charge		Increase	Council Tax
	£	(£)	(%)	
CYC	1,090.85	0.00	0.00	1,090.85
Police	204.55	0.00	0.00	204.55
Fire	62.10	0.00	0.00	62.10
Total	1,357.50	0.00	0.00	1,357.50

Table 8 - Headline Council Tax Figures for City of York Area

63. There are 31 parish councils within the City of York Council area. All of these have notified the council of their precepts for 2012/13. There are wide variations in the parish precept increases from a reduction of 5% to an increase of 25% in the individual precepts.

National Non Domestic Rates (NNDR)

64. In April 2011 the two NNDR multipliers were 43.3p in the pound for normal properties and 42.6p in the pound for smaller properties (based upon the total rateable values of all properties held by a single owner). It has been provisionally announced that in April 2012 the multipliers will increase to 45.8p (by 5.8%) and 45.0p (by 5.6%) respectively.

Reserves

65. Table 9 shows the position on the general fund reserve which, it is anticipated, will be £6.046m by the end of 2011/12. Reserves stood at £11.4m in 2008 and have reduced in recent years. The projected reserves at the end of 2011/12 are based on the assumption that Members agree no usage of reserves as part of the final recommendations to Council. It should be noted that the figures below also assume that there will be no requirement to fund an overspend against the 2011/12 budget and that the recommended £250k reserve contribution is agreed.

	2011/12 Projected Out-turn	2012/13 Budget
	£'000	£'000
General Fund Total at end of year	6,046	6,296
Prudent Minimum Reserves	6,100	6,100
Headroom (+)/Shortfall (-) in Reserves	-54	+196

Table 9 - Projected General Reserves

66. In line with best practice, the council has undertaken a review of risks and known commitments in order to determine its minimum general reserve level. In considering this, it has been determined by the Director of CBSS that a level of 5% of the net budget, or £6.1m is an appropriate figure meaning that the current level of the reserve is £54k below the minimum threshold. This report contains a recommended £250k reserve contribution which, should it be accepted, will create £196k of headroom above the minimum level.

Medium term planning

67. As part of the overall budget strategy, consideration is given to major financial risks and projections over the medium term (up to 5 years) in order to influence the shorter term decision making outlined in this report. In line with this, the following Table 10 outlines the council's medium term financial plan, including this report's recommendations, summarised into broad categories.

	2012/13 In this report	2013/14	2014/15	2015/16 Projected	2016/17
	£m	£m	£m	£m	£m
<u>Expenditure</u>					
Pay & Pensions	1.60	1.83	2.02	1.83	1.84

T. Management & Capital	1.07	1.38	1.18	0.97	1.00
Waste	0.75	0.75	0.75	0.75	0.00
Contingency & Reserves	0.50	1.00	1.25	0.00	0.00
Delivery & Innovation	1.00	1.50	1.50	0.00	0.00
2011/12 C Tax Grant					
Fallout	0.00	0.00	0.00	1.83	0.00
Other Pressures	3.83	3.81	3.00	3.00	3.00
Total Expenditure	8.75	10.27	9.70	7.63	5.84
Income					
Council Tax	2.55	1.51	1.54	1.58	1.62
General Grant	-5.04	0.00	0.00	0.00	0.00
Other Income	0.50	0.00	0.00	0.00	0.00
Total Income	-1.99	1.51	1.54	1.58	1.62
Savings Identified	-10.74	-8.76	0.00	0.00	0.00
Budget Gap	0.00	0.00	8.16	6.80	4.22

Table 10 – Outline Medium Term Financial Plan

68. In projecting expenditure pressures beyond 2013/14, the same principles applied in creating the two year budget recommended in this report have been employed, that is:

- investment continues to be made in council priority areas,
- ensuring adequate financial capacity is created for unavoidable costs,
- continued prudent allocation of resources to secure the longer term financial health of the council.

69. Over the medium term, the funding streams of the council's net budget will undergo significant change related to the outcomes of the 2010 Localism Bill. Firstly, the associated Local Government Resource Review has recommended the localisation of business rates to local councils (see background papers) which is expected to come on line in April 2013/14 (year 2). This plan assumes that the baseline for the council will be the 2012/13 formula grant, in line with government guidance, however this may be subject to change. Beyond year 2, the plan prudently assumes no growth in the business rate yield, however there will be scope for the council to drive local growth and as a result increase its income base. From April 2013, the council will also be responsible for delivering its own local council tax benefit system,

including reducing current expenditure by 10%, and provision is made for covering the costs of this as part of the Other Pressures line in the table. From year 2 onwards, a provisional council tax rate of 2% is assumed for planning purposes, however as with all pressures outlined in the table this will be revisited as part of the 2013/14 budget process.

Housing Revenue Account (HRA)

70. Local Authorities are required, by legislation, to keep a HRA. The Local Government and Housing Act 1989 stated that items of income and expenditure only relating to Council housing must be contained within the account. Thus the terms “ring fenced” or “landlord account” are now referred to, as transfers between the HRA and General Fund are normally prevented. Authorities have a duty to ensure that the HRA balances, to keep the budget under review and to take all reasonable steps to avoid a deficit.
71. The HRA budget at annex 4 results in an in-year deficit of £690k. Together with the budgeted brought forward working balance of £9,500k this leaves a working balance of £8,810k on the account. This balance is broadly in line with that forecast in the HRA business plan and a further report to Cabinet over the summer months will set out further detail of the proposed investment strategy for the HRA. At this point the overall working balance will be reviewed to ensure a prudent reserve is maintained on the account.
72. Elsewhere on this agenda a separate report outlines the significant changes being introduced in HRA financing when the Localism Bill dismantles the current system of HRA subsidy and replaces it with a new system of self financing. A key component of this new system is that the council is required to take on borrowing of £122m. This is covered in detail within the separate report. The budget attached at annex 4 takes full account of the new system, along with a proposed average rent increase of 7.4%.

Dedicated Schools Grant (DSG) and the schools budget

73. The DSG is ring-fenced for funding the provision of education for pupils in schools (maintained, pupil referral units (PRUs), private, voluntary and independent (PVI) nurseries or externally purchased places). As such it covers funding delegated to individual LA maintained schools and PVI providers through the LMS & Early Years Funding Formula, plus funding for other pupil provision which is retained centrally by the LA (e.g. SEN, PRUs, behaviour support, home & hospital tuition, school contingencies

etc.). It is distributed according to a formula that guarantees a minimum per pupil increase for each authority (0% in 2012/13).

74. The council itself cannot use the DSG for any purpose other than schools block funding, although with the permission of the York Education Partnership Board limited contributions can be made to the following areas:

- Combined budgets supporting every child matters objectives where there is a clear educational benefit.
- Prudential borrowing, where overall net savings to the schools budget can be demonstrated.
- Some SEN transport costs, again only when there is a net schools budget saving.

75. There are also strict limits (central expenditure limits [CEL]) on the amount of the DSG that the council can retain centrally to either fund pupil costs outside mainstream schools, or to provide targeted allocations during the financial year to maintained schools.

76. Annex 5 sets out the budget proposals for the DSG and schools budgets, which will give £4,657 per pupil.

Funding Available within the DSG

77. The funding available includes the estimated 2012/13 DSG allocation of £107,350k, an early estimate of funding for post 16 pupils from the YPLA of £6,543k, the estimated level of the pupil premium for York schools of £2,376k and an estimated zero balance carry forward from 2011/12. The figures are prior to the outcome of the January 2012 pupil census, and will be further updated when this data is available.

Balancing the Schools Budget

78. Annex 5 shows that there is headroom available within the schools budget of £442k. This figure is still prior to a precise assessment of pupil numbers being made following the January pupil census. If final pupil numbers vary from those currently estimated the impact will be felt both in the level of DSG to be received from the DfE and in the level of funding that will need to be allocated to schools through the LMS Funding Formula. Cabinet will be provided with an update of the decisions and comments made by the York Education Partnership Board.

Impact assessment of the 2012/14 budget proposals

79. The budget aims to tackle a variety of issues. Clearly it aims to be prudent and to set medium term plans which are set out in the report. However, a financial plan is also about how resources are allocated and what impact that allocation has upon a range of issues. The following sections explore the consultation feedback, sustainability and the equalities impact.

Feedback from Consultation

80. An integral part of the development of the 2 year financial strategy has been to undertake extensive and focused engagement with a diverse range of stakeholders, and to include new forms of engagement such as meeting the voluntary sector and Cabinet members holding a public engagement session. This approach of discrete consultation streams delivering specific and relevant feedback on budget priorities has ensured that decisions on the strategy have been informed by the views of key groups across the community.

81. Attached at annex 6 is a briefing note provided to members which outlines the how each consultation stream was organised and highlights the key points raised at the feedback sessions. Key elected members were present at most of the consultation sessions to hear the views directly from the participants.

82. The specific consultation streams undertaken as part of the development of this budget strategy were:-

- Meetings with representatives from the Voluntary Sector
- Use of an on-line budget consultation tool – YouChoose
- Meeting with Business Leaders from across the city
- A meeting with the Youth Council

- An open public engagement session in the Mansion House
- Meeting with Equalities Advisory Group

83. As part of ongoing consultation the council established an independent Fairness Commission and a more detailed report of its finding is covered in a separate report elsewhere on this agenda. The specific recommendations of the commission that relate to the budget include;

- Raising council tax by 3.5% to 6%
- Explore highways expenditure as an area for achieving savings
- Reviewing expenditure by ward committees
- Protecting services to the most vulnerable and disadvantaged groups where possible

84. In accordance with constitutional practice Scrutiny Management Committee (SMC) considered at its meeting on 28 November 2011 what level of budget it considered appropriate in the coming year to support scrutiny reviews. The Committee took into account existing levels of spend in 2011/12, some areas of likely spend in 2012/13 and the councils overall financial position. In the light of those considerations the Committee agreed to recommend that for 2012/13 an increase of £5k is requested in the current level of funding for supporting scrutiny reviews, making a total budget of £20k available. This increase is funded specifically from savings being made to the councils democratic process in relation to the merger of Effective Organisation and SMC.

Sustainability

85. The council is continuing to support the joint waste PFI project with North Yorkshire County Council. The relocation to a new building will allow the council to rationalise numerous smaller buildings that are less energy efficient in a variety of ways compared to a single purpose building. The new office accommodation will be central to the council's strategy in meeting its carbon reduction.

Equalities

86. An equality impact assessment (EIA) has been completed on the overall impact of the budget proposals and this is available as a background paper. This has been developed as a result of equality impact assessments for services which are undergoing changes, and following

consultation with equality communities of interest. The impact assessment examines the benefits of recommended growth and considers risks associated with any savings proposals to ensure any negative impact for a particular group, sector or community is eliminated or counterbalanced. It does this by considering the information gathered at consultation and engagement events with equality communities of interest, including information and views gathered in events organised by the Fairness Commission, the councils Equality Advisory Group and the council Staff Equality Reference Group. Where negative impacts have been identified, possible remedial actions have been shared with the relevant Cabinet member prior to the budget recommendations being finalised.

87. The risks will be dealt with through increasing expenditure in areas beneficial to all communities of interest, with growth of £1.5m being invested in adults and children's services.
88. Specific remedial actions to lessen the impact are outlined in the EIA. As overall remedial action the strategy will;
 - Focus growth where it is expected to have a positive effect on older or disabled people and their carers, children and young people from disadvantaged backgrounds and black and minority ethnic groups.
 - Protect those who have limited financial means.
 - Stipulate that where service provision is passed on to independent providers under contractual agreements, people from the most affected communities of interest receive the same level of service as before or better in many cases.

Specialist Implications

89. This report has the following implications;

Financial

90. The financial implications are contained within the body of the report.

Human Resources (HR)

91. Implications are identified against each of the individual savings proposals listed in annex 2 where appropriate. In summary the budget proposals could result in the reduction of around 100 FTE posts. Although this is in line with previous indications of potential reductions,

there could be further implications as the service reviews develop. The HR implications will be managed in accordance with established council procedures. As part of this process consultation with trade unions and affected staff will continue to be undertaken and every opportunity will be explored to mitigate redundancies, such as flexible working, early retirement and finding suitable alternative employment for at risk staff. Where consideration is being given to the transfer of services to another provider TUPE will apply, which will protect the terms and conditions of employment of transferring staff.

Legal

92. The Council is required to set a council tax for 2012/13 before 11th March 2012. It may not be set before all major precepts (ie precepts from the Police and Fire Authorities) have been issued or before 1st March 2012, whichever is the earlier. This decision is reserved to Council and cannot be taken by Cabinet or delegated to officers, although Cabinet has to recommend a budget to the Council. These comments are intended to apply to both the Cabinet meeting and the subsequent Council meeting.
93. Before determining the level of the tax, the Council must estimate its proposed revenue expenditure, taking into account amounts required by way of contingency, any need to raise reserves and any other amounts which the Council is legally required to transfer between funds. It must also estimate its anticipated income, any relevant transfer between funds and any proposed use of reserves. It must then calculate the difference between the two which is the council tax requirement.
94. The Council's Chief Financial Officer (under s151 Local Government Act 1972) is required to report to the Council on the robustness of the estimates made for the purposes of the calculations, and the adequacy of the proposed financial reserves. The Council must have regard to the report when making decisions about the calculations in connection with which it is made. The Chief Financial Officer has a statutory duty under section 114 of the Local Government Finance Act 1988 to issue a written report if he considers that a decision taken by the Council would be unlawful and likely to cause a financial deficiency.
95. In reaching decisions on these matters, Members are bound by the general principles of administrative law. Lawful discretions must not be abused or fettered and all relevant considerations must be taken into account. No irrelevant considerations may be taken into account, and any decision made must be one which only a reasonable authority,

properly directing itself, could have reached. Members must also balance the interests of service users against those who contribute to the Council's finances. The resources available to the Council must be deployed to their best advantage. Members must also act prudently. Members must also bear in mind their other statutory duties to have regard to certain matters when making decisions. In particular the "equalities duty" to have 'due regard' to the need to eliminate discrimination and to promote equality when making decisions and the need to consider any crime and disorder implications of the decision. A failure to follow these principles could open the Council to judicial review.

96. Members have a fiduciary duty to the council tax payers and others in the local authority's area. This means that members must behave responsibly in agreeing the budget. Members have no authority to make anything other than a balanced budget.
97. Among the relevant considerations which Members must take into account in reaching their decisions are the views of business ratepayers and the advice of officers. The duty to consult representatives of non-domestic ratepayers on the Council's expenditure plans is contained in Section 65 of the Local Government Finance Act 1992.
98. In considering the advice of officers, and the weight to be attached to that advice, Members should have regard to the personal duties placed upon the Director of Customer and Business Support Services as Chief Financial Officer. Members are obliged under the Code of Conduct to have regard to the advice of the Chief Finance Officer and Monitoring Officer. The Council may take decisions which are at variance with his advice, providing there are reasonable grounds to do so. However, Members may expose themselves to risk if they disregard clearly expressed advice, for example as to the level of provision required for contingencies, bad debts and future liabilities. In addition, if Members wish to re-instate savings recommended by the Director of Customer and Business Support Services in order to balance the budget, they must find equivalent savings elsewhere.
99. The Director of Customer and Business Support Services is required by Section 151 of the Local Government Act 1972 and by the Accounts and Audit Regulations 2003 (as amended) to ensure that the council's budgeting, financial management, and accounting practices meet relevant statutory and professional requirements. He is in addition subject to the requirements set out in paragraph 94 above.

100. Members must also have regard to, and be aware of, the wider duties placed upon the council by various statutes governing the conduct of its financial affairs. These include the distinction between revenue and capital expenditure and the requirement to set prudential indicators in line with capital investment plans that are prudent, affordable and sustainable.
101. The Government has removed the power to cap local authority budgets and replaced it with a system of local referendums where the Council has set an excessive Council tax increase. For 2012 an increase above 3.5% will be considered excessive.
102. Section 106 of the Local Government Finance Act 1992 makes it a criminal offence for any Member with arrears of council tax which have been outstanding for two months or more to attend any meeting at which a decision affecting the budget is to be made, unless the Member concerned declares at the outset of the meeting that he or she is in arrears and will not be voting on the decision for that reason. The Member concerned must not vote but may speak. If a Cabinet member has arrears outstanding for two months or more, they are prevented from taking any part in such a decision. The application of Section 106 of the 1992 Act is very wide and Members should be aware that the responsibility for ensuring that they act within the law at all times rests solely with the individual Member concerned.

Crime and Disorder

103. There are no crime and disorder implications to this report.

Information Technology (IT)

104. There are no information technology implications to this report.

Property

105. There are no property implications to this report.

Other

106. There are no other implications to this report.

Statutory Advice from the Director of Customer and Business Support Services/Comments

Introduction

107. The Local Government Act 2003 places responsibilities upon the council's Chief Finance Officer to advise the council on the adequacy of its **reserves** and **the robustness of the budget proposals** including the estimates contained in this document. This section also addresses the **key risks** facing the council in relation to current and future budget provision. The following paragraphs give my views on the budget (both 2011/12 and beyond), reserves and general robustness of the process.

Overall Assessment

108. The proposals in this budget give a balanced budget for 2012/13 and give consideration to the financial years 2013/14 to 2016/17. The council has taken many steps to try to put itself on a firmer long-term financial position, with longer term planning and improved budget monitoring. The inclusion of two year budget proposals significantly adds to this long term planning and ensures the Council is taking a very prudent, long term approach to meeting the challenges it faces.

109. Full scrutiny of the budget proposals for 2012/13 has taken place, in terms of their deliverability, and a proper risk assessment of a range of issues has been conducted.

110. There are significant savings contained within the budget proposals, reflecting the scale of the challenge facing the council. There should be no understatement of the scale of this challenge, both in terms of next year and beyond. Clearly, there are risks in the achievement of some of the proposed savings and, in assessing the risk of savings proposed, I cannot guarantee that every single proposal will be achieved. I do however consider the overall package to be prudent, and I am assured of the robustness of the projected savings, and the extent of rigour in their calculation. They do however represent a major challenge to deliver, one that will only be achieved through full commitment across the organisation. Very careful monitoring of the progress of the savings programme will be essential. A risk assessment related to the individual savings proposals has been conducted, and discussed with senior management.

111. I consider that the overall estimates in the budget are sound and that the proposals to achieve a balanced budget are achievable, albeit demanding. The council has made provision for a number of corporate financial pressures, such as impact of capital programme, landfill tax,

pay and pensions implications. In addition the sums included in respect of contingency, and contributions to create some capacity in terms of reserves represent a very sound prudent approach. In addition, the inclusion of funding for “Delivery and Innovation” provides the capacity to assist in transformation and delivery of services, which will be crucial in responding to the financial challenges.

112. This overall package is a realistic approach in dealing with the financial pressures facing the council next year. In addition the major financial pressures being experienced during 2011/12 have been addressed through significant additional investment. In particular investment is provided for Adult Care, and Looked after Children. There is an area of risk in that no provision is included in the budget for any pay award in 2012/13, and clearly if there was to be a pay award the council would need to address this issue.

Looking Ahead

113. Looking ahead there remains a range of very significant pressures for the future. The Spending Review set out planned further reductions in government funding, and the major challenge facing the council in coming years will be to secure further savings and for cost pressures to be managed effectively. In doing so, the council will also need to provide capacity for additional investment in unavoidable costs and priorities.

114. Key to tackling these medium term challenges will be the need for the council to continue to review all areas of expenditure, and have clear medium term plans. In addition to continuing to find efficiencies, the council will need to consider the level and type of service it provides, as the scale of financial savings required in future years can not be met from true efficiency alone. Meeting the financial challenges facing the council in coming years will require the council to think very carefully about its core priorities, how it works with its partners and key stakeholders, and its overall provision of public services.

Reserves

115. In terms of reserves, the proposals seek to make contributions to restore reserves to above their minimum levels. This recognises that in difficult financial times, and alongside general uncertainty regarding the economy, it is advisable to ensure sufficient reserves are in place.

116. I believe that the council will come in on budget for 2011/12 and this is reflected in the budget monitoring report presented to Cabinet at this same Cabinet meeting.
117. The recommended minimum reserves are £6.1m and assuming the current budget is achieved on budget, the estimated level of reserves at end of March is £6.046m. I strongly advise Council not to reduce levels of reserves below the minimum level, and alongside this to ensure some "headroom" between the minimum reserves and actual reserves. The budget proposals seek to do this.
118. The decision on the adequacy of the level of reserves is linked to the general robustness of the budget process and the council's systems of budgetary control and risk management. These need to ensure that the council will not be exposed to any unforeseen major financial problem requiring the use of reserves to resolve. In considering the overall budget position, I have taken assurance over the recent track record of the council to manage expenditure within budget, and the fact that in very recent times financial pressures have been identified early in the financial year and through concerted action across the council the position has been brought in line with budget. The council's strong financial management, and financial control, has been commented upon by external auditors recently.

Other Issues

119. The government have announced that they will require any local authority who proposes to raise its council tax by 3.5% or more to conduct a referendum.
120. The government have also stated that they will continue with the system of Council Tax Freeze Grant in 2012/13, as they did in 2011/12. However, they have stated that this will be a one off for 2012/13 (whereas last year funding was committed for 4 years). As with last year, any authority that gets their proposed council tax increase down to 2.5% will then become eligible for the freeze grant which will then allow them to set a council tax of 2.5%.
121. It is for members to determine the level of council tax increase, and to decide whether to set a council tax increase that will trigger the council tax freeze grant, or to set a tax at a higher level. Members naturally need to consider the implications of the different options very carefully.

122. I also would highlight the separate capital programme report, and the issues that are set out within that. In particular, the capital plan has some significant implications in terms of the revenue budget in coming years, and both programmes will need to be carefully managed in terms of ensuring proper provision is made in the medium term. I would stress however that the overall balance in terms of capital investment, levels of borrowing, and revenue implications (and the impact on revenue expenditure) is something that is for Members to determine.

123. I am aware that as with all budgets there is the potential for amendments to be proposed/agreed which could change the overall package of proposals. In that respect, I would highlight that I would amend/add to my statement if a decision was proposed that lead to the council's reserves falling below the minimum level (assuming the current budget comes in line with budget). In addition, any other amendments I would consider against the scale of the overall budget and depending upon the extent of the amendment I may revise my statement. It goes without saying that amendments that may reduce contingencies, or which set further savings targets, will inevitably add to the overall risk. That is not to say that such amendments would cause me to amend my statement as I would only do this if I considered the change in risk was significant.

Risk Management

124. A summary of risks attached to the budget is contained in Annex 7. They will be monitored regularly throughout the year.

Recommendations

125. Members are asked to consider the appropriate levels of council tax that they wish to see levied by the City of York Council for 2012/13. In doing so they should pay due regard to factors such as;

- Expenditure pressures facing the council as set out in the report
- Impacts of savings proposals set out in Annex 2
- Medium term financial factors facing the council as outlined in the report
- Projected levels of reserves as set out in the report
- Statutory advice from the Director of CBSS

126. In light of the considerations outlined in the paragraph above, members are asked to recommend to Council approval of the budget proposals as outlined in this report. In particular;

- The net revenue expenditure requirement of £122.235m
- The revenue growth proposals as outlined in the body of the report
- The revenue savings proposals as outlined in Annex 2
- The Housing Revenue Account budget set out in Annex 4
- The dedicated schools grant proposals outlined in Annex 5

Reason: To ensure a legally balanced budget is set

127. Members are asked to consider the motion submitted to Full Council in December 2011 to freeze council tax for 2 years as outlined in paragraph 7.

Reason: To ensure a legally balanced budget is set

128. Approve 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.

Reason: To ensure appropriate governance arrangements are in place for the Delivery and Innovation Fund.

129. 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%. It is intended that the total council tax increase including the parish, Police and Fire Authority precepts, will be agreed at the full council meeting on 23 February 2012.

Contact Details

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Report
Approved

Date 3/2/12

Keith Best
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Andrew Crookham
Principal Accountant

Tracey Carter
Assistant Director, Office of the Chief
Executive

Specialist Implications Officer(s)

Legal – Andy Docherty
HR – Mark Bennett

Wards Affected: *List wards or tick box to indicate all*

All

For further information please contact the authors of the report

Background Papers:

2012/14 Budget Process, Cabinet, 19 July 2011
2012/14 Budget Update, Cabinet, 6 December 2011
Equality Impact Assessments

Annexes:

- 1 - Summary of budget**
- 2 - Savings**
- 3 - Fees & charges**
- 4 - HRA**
- 5 - DSG and schools budget**
- 6 - Consultation**
- 7 - Risk analysis**
- 8 – Unitary authority funding tables**

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Annex 1 - Summary of Budget

	<u>2012/13</u> £000's	<u>2013/14</u> £000's
<u>Expenditure</u>		
Net Expenditure Brought Forward	124,557	122,235
- Removal of One-Off Items Funded by Reserves/Balances	-657	0
- Removal of One-Off Items Funded by Collection Fund Surplus	-382	0
- Transfer of Council Tax Assistance Grant into Formula Grant	1,829	0
Starting Expenditure Requirement	125,347	122,235
Expenditure Pressures		
Full Year Effects of Previous Council Decisions		
- Waste	750	750
- Other Previous Council Decisions	375	70
	1,125	820
Unavoidable Cost Increases, Priority Areas and Creating Capacity		
- Increments and Pay Costs	772	922
- Increases in Pension Fund Costs	826	908
- Treasury Management and Capital Costs	1,072	1,380
- Delivery and Innovation Fund	1,000	1,500
- Adult Social Care	1,500	0
- Children's Social Care	500	0
- Quality Bus Contract	100	0
- Review of Subsidised Services	50	0
- Contractual Price Increases	100	0
- Levies Increase	17	0
- Building Control - Unachievable Income	150	0
- Welcome to Yorkshire Funding	16	0
- Fuel Prices	150	0
- Commercial Waste Income	250	0
- Scrutiny Changes	5	0
	6,508	4,710
Ensuring a Prudent Budget		
- Contingency Fund	250	500
- General Reserve Contribution	250	500
- Growth to be Allocated	0	3,739
	500	4,739
Total Expenditure Pressures	8,133	10,269
Expenditure Reductions		
Additional Corporate Income		
- Academies	-300	0
- PCT Funding	-200	0
	-500	0

	<u>2012/13</u> £000's	<u>2013/14</u> £000's
Directorate Savings		
- Customer and Business Support Services*	-928	-935
- Communities and Neighbourhoods	-3,194	-2,725
- Adult's, Children and Education	-4,925	-3,789
- Office of the Chief Executive	-138	-115
- City Strategy	-1,560	-1,031
- Corporate Savings	0	-160
	<u>-10,745</u>	<u>-8,755</u>
Total Expenditure Reductions	-11,245	-8,755
Revised Projected Budget Requirement	122,235	123,749
<u>Funding</u>		
Existing Funding Brought Forward	-124,557	-122,235
- Removal of One-Off Funding from Reserves/Balances	657	0
- Removal of One-Off Funding from Collection Fund Surplus	1,000	0
- Transfer of Council Tax Assistance Grant into Formula Grant	-1,829	0
Starting Funding	-124,729	-122,235
Funding Changes		
- Variation in Formula Grant	5,040	0
Total Funding Changes	5,040	0
Additional Council Tax from:		
- Council Tax Rate	-2,120	-1,514
- Council Tax Base	-426	0
Total Additional Council Tax	-2,546	-1,514
Revised Funding	-122,235	-123,749
Overall Funding Gap	0	0

*NB A further £200k of CBSS Savings is related to increased income from Council Tax taking the total 2012/13 savings to £10,945k.

Summary of Savings Proposals

	Customer and Business Support	Communities and Neighbourhoods	Adult's, Children and Education	Office of the Chief Executive	City Strategy	Corporate
2012/13	£k's	£k's	£k's	£k's	£k's	£k's
Service Reviews, Efficiency and Procurement	-5,477	-653	-1,613	-2,593	0	0
Full Year Effect of Prior Year Savings	-953	0	-104	-849	0	0
Service/Budgetary Reduction	-1,873	-5	-1,097	-545	-138	0
Grant Related Savings	-667	0	-30	-637	0	0
Increases in Income	-1,975	-470	-350	-301	0	0
	-10,945	-1,128	-3,194	-4,925	-138	0
2013/14	£k's	£k's	£k's	£k's	£k's	£k's
Service Reviews, Efficiency and Procurement	-5,478	-575	-1,746	-2,666	0	-160
Full Year Effect of Prior Year Savings	-612	0	0	-612	0	0
Service/Budgetary Reduction	-1,015	-40	-660	-160	-110	-45
Grant Related Savings	-261	0	30	-291	0	0
Increases in Income	-1,389	-320	-349	-60	-5	-655
	-8,755	-935	-2,725	-3,789	-115	-
Totals						
Service Reviews, Efficiency and Procurement		-10,955				
Full Year Effect of Prior Year Savings		-1,565				
Service/Budgetary Reduction		-2,888				
Grant Related Savings		-928				
Increases in Income		-3,364				
		-19,700				

Annex 2 - Savings Proposals

Ref	Proposal Description	Implications				Savings	
		Staffing Implications	No. FTE's	Customer Implications	Equalities Implications	2012/13 Impact	2013/14 Impact
Customer and Business Support Services - Service Reviews, Efficiency and Procurement							
CBSS01	Reduced Audit Fees Efficiencies delivered by Veritau extending Client base.	None		None	None	-15	-23
CBSS02	Restructure CBSS Business Support Review delivery of Business Support activities, seeking to reduce administration resources.	Staff savings are through deleting vacant posts and voluntary redundancy (VR) requests	2.0	Internal services may be delivered in different ways	None	-20	-50
CBSS05	Customer Services Channel Shift This saving would be delivered through the Channel Shift Strategy, which involves customers contacting the Council in different ways, such as web and phone apps. This saving can only be delivered if directorate budgets are centralised.	Staffing reductions could be achieved through VR/vacant posts	2.0	Greater customer choice as to how and when they contact the council	An impact assessment has been completed as part of the Channel shift strategy	0	-40
CBSS07	Shared Service - HR Review potential for a shared HR service. An estimate of savings is difficult to quantify, but a modest saving of £20k is assumed for 13/14.	None		None	None	0	-20
CBSS12	Procurement Savings Target Procurement savings from across CBSS including maintenance contracts.	None		None	None	-30	-70
CBSS13	Reduced Software Maintenance Costs Through agreeing to enter multi-year deals.	None		None	None	-20	-60
CBSS14	Further Organisational Review Savings Targets from 2011/12 have been over achieved.	None - two posts already removed	0.0	None	None	-100	0
CBSS15	Finance Savings Further efficiencies in Finance through process improvement and enhanced use of the new finance system.	Staff savings are through deleting vacant posts and voluntary redundancy requests	7.5	There is a potential impact of reduced services delivered to internal customers	None	-143	-102
CBSS16	HR Savings With the introduction of the new HR/Payroll system during 2011/12 it is anticipated that efficiencies will be delivered through the phase 2 of the program.	Staff savings are through deleting vacant posts.	5.0	There is a potential impact of reduced services delivered to internal customers	None	-84	-75
CBSS18	Reduction in PA Staff Following a request for Voluntary Redundancy a PA post will be available for savings. It is anticipated that duties will be completed through other teams within CBSS.	Staff saving would be through VR	1.0	minimal impact, due to review of key duties	None	-30	0
CBSS20	Reduced Mobile Phone Costs Efficiencies initially anticipated through the review of the mobile phone contract will exceed the 2011/12 target of £15k. This review also seeks to ensure robust controls in terms of the type and allocation of mobile devices.	None		None	None	-50	0

Ref	Proposal Description	Implications				Savings	
		Staffing Implications	No. FTE's	Customer Implications	Equalities Implications	2012/13 Impact	2013/14 Impact
CBSS21	Reduced Printing and Photocopying Costs A review of Printing and Photocopying facilities across the Council has lead to the introduction of Multi-Function Devises (MFD's) during 2011/12. This will deliver full year savings on lease costs, toner cartridges and paper in 2012/13 onwards.	None		None	None	-35	0
CBSS22	Call Costs Reductions Reduction in the call costs of landline to mobile phones.	None		None	None	-20	-15
CBSS23	Supplies and Services Budgets General budget review of base budgets has identified opportunities to make reductions in a number of areas including supplies, office equipment, and fees paid to other bodies.	None		None	None	-60	-40
CBSS24	Staff Advertising Contract The staff advertising contract is no longer in place and no alternative is currently required. If specialist advice was required in the future service areas would need to fund it.	None		None	None	-41	0
CBSS25	Further Staffing Reductions To be managed as issues emerge.	To be managed	3.0	None	None	0	-80
CBSS26	Scrutiny Committee Savings Combine Effective Organisation Committee and the Scrutiny Management Committee - Reduction in special responsibility allowances for committee chair and associated costs - will fund additional scrutiny budget.	None	0.0	None	None	-5	0

-653 -575

Customer and Business Support Services - Service/Budgetary Reduction

CBSS17	Removal of Senior IT Software Developer Post This is a cut in service. In the first year a lower graded developer post will be required.	Staff saving is through deleting a vacant post	1.0	There is a potential impact of reduced services delivered to internal customers	N/A	-5	-40
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-5 -40

Customer and Business Support Services - Increases in Income

CBSS06	Trading Company Trade CBSS services to partner organisation in particular the recruitment pool.	None		None	None	0	-20
CBSS09	Improved Income Collection/Debt Restructuring Ongoing work will continue improving income collection via central income team, reducing bad debts, reviewing levels of discounts and exemptions, advertising, sharing transaction costs with other authorities, reducing transaction costs, review of financing opportunities, general efficiencies in income collection.	None		None	None	-460	-300
CBSS10	Increased Income from Schools Through the provision of additional services.	None		None	None	-10	0

-470 -320

Communities and Neighbourhoods - Service Reviews, Efficiency and Procurement

Ref	Proposal Description	Staffing Implications	No. FTE's	Implications		Savings	
				Customer Implications	Equalities Implications	2012/13 Impact	2013/14 Impact
CANS45	Smarter York Review service delivery model for public toilets with a view to improving facilities and exploring income generation opportunities.			Will be dependent on result of review/ procurement	Dependent upon result of review but facilities may be of higher standard for disabled users	0	-34
CANS03/13	Neighbourhood Management Unit Review of staffing structures to provide a more effective structure to deliver the new Neighbourhood Working model including implementation of Community Contracts and to promote equalities.	Anticipated reduction of 7 posts across the service areas	7.0	The proposal will change how the service engages with communities and residents	Would increase the focus on equalities	-181	-95
CANS04	Smarter York Further rollout of new ways of working and rationalisation of rounds.	Reduction of 2 FTE's	2.0	No significant impact	No significant impact	-35	0
CANS05	Smarter York Review of Litter bins - remove underused litter bins ensuring priority for heavily used bins, enabling the reduction of one crew member and vehicle.	1 FTE reduction	1.0	Reduction in number of litter bins	No significant impact	-40	0
CANS08/57	Neighbourhood Management Unit Remove the Voluntary Sector Fund which was for one-off expenditure in 2011/12 and focus on core funding for the Voluntary Community Sector (VCS) to ensure that it creates capacity - also utilise Invest to save money to support new ways of delivering services with the VCS.	None		No significant impact	No significant impact	-100	0
CANS09/118	Smarter York Review of street level services to create efficiencies including those services that currently involve double taxation payments.	Potential redundancies in 2013/14		The review may lead to a reduced frequency of services such as grass cutting	No significant impact	0	-186
CANS42	Cultural and Learning Services Examine the potential to establish social enterprises to operate in areas including libraries and community education.	Could entail a TUPE transfer		The new model will aim to improve service standards	None	0	-200
CANS43	Neighbourhood Management Unit Seek efficiencies of providing support to Council Community Centres.	May result in changes to employment status		No significant impact	None	-5	-5
CANS54/60	Neighbourhood Management Unit Review of grant funding to voluntary sector organisations to improve the efficiency of administration, ensure funding achieves maximum impact, and increase support to the sector. Overall reduction in funding of 8% over 2 years as compared with a 16% reduction to the Council's net revenue budget.	None		New arrangements will improve support to the sector, help bring in other funding sources, reduce duplicate funding	Will ensure funding directed to areas of greatest need	-51	-31
CANS16	Civil Engineering Implementation of innovative working practices, service delivery and functionality to improve efficiency and productivity of the service prior to assessing suitability for Local Authority Trading Company or shared service approach.	None		No impact	None	-50	-50
CANS17	Street Lighting Energy Savings Street lighting - savings arising from more efficient new street lights. Will also reduce CO2 emissions.	None		No impact	None	-100	0

Ref	Proposal Description	Implications				Savings	
		Staffing Implications	No. FTE's	Customer Implications	Equalities Implications	2012/13 Impact	2013/14 Impact
CANS17a	Highway Infrastructure Street lighting - reduced in year maintenance on lighting columns that are being replaced from increased capital investment (1 year only).	None		None	None	-150	150
CANS24	Highway Infrastructure Shared services with North Yorkshire County Council/East Riding of Yorkshire Council and partnering with Yorkshire Highways Alliance (capitalising programmed maintenance).	None		None	No significant impact	-200	0
CANS26	Winter Maintenance Savings on efficient Procurement of Salt.	None		No impact	None	-30	0
CANS102	Waste Services Policy Review - Increased targeted education and linked enforcement in areas where high rate of waste production. Increase in 1% recycling.	None		No impact	No significant impact	-60	-60
CANS103	Waste Services Policy Review - Consider options (incl. Composting) for reducing the cost of garden waste to the council tax payer.	None		Would be subject to the results of the review	No significant impact	-50	-200
CANS109	Waste Services Rationalise contract for Bulky Goods/Clinical Items.	None		No impact	None	-25	0
CANS31	Waste Services Rationalise waste rounds so that the same level of service with fewer vehicles and crews. Will mean some shifts in collection days.	It is anticipated that the review will lead to a reduction of c 8 FTE's (2013/14)	8.0	The rationalisation possibly will mean residents have different collections on different days of the week.	No significant impact	-150	-150
CANS34/12	Market Testing Seek to introduce further efficiencies across Waste, Civils, and Fleet in advance of market testing the services for delivery in 2014/15.	Likely impact on terms and conditions and staff numbers in 2013/14.		No significant impact	No significant impact	-20	-270
CANS39	Arts & Culture Create efficiencies in the delivery of Events across the city through joint working with City Strategy and Visit York.	Deletion of 0.5FTE vacant post	0.5	No significant impact	None	-15	0
CANS41	Environmental Health Trading Standards - Restructure Animal Health (AH) Team transferring Dog Warden Service to Street Environment Service (SES) and consolidating Animal Health (AH) function within Trading Standards and reducing AH enforcement to statutory minimum.	1 - 1.5 FTE	1.5	More co-ordinated 'street level services' with increased enforcement capacity	No significant impact	-34	0
CANS64	General Management Target for staffing review for 2013/14.	Reduction in c. 6 FTE's	6.0	Should be no significant impact for customers	No significant impact	0	-240
CANS64a	General Management Target for further staffing reductions across the directorate.	Reduction in c. 8 FTE's	8.0	Should be no significant impact for customers	No significant impact	-100	-150
CANS65	Admin Further potential admin savings from move to West Offices.	Reduction in c. 6 FTE's	6.0	Should be no significant impact for customers	No significant impact	-25	-125

Ref	Proposal Description	Staffing Implications	No. FTE's	Implications		Savings	
				Customer Implications	Equalities Implications	2012/13 Impact	2013/14 Impact
CANS66	Parking Services Review of enforcement. New working practices will lead to enhanced levels of patrol during the day.	Changes to working practices		Improved service	None	-34	0
CANS67	Safer York Partnership Review role of data analysis and intelligence team.	None		No impact	None	-15	0
CANS48/68	Supplies & Services Smart procurement and contract negotiations.	None		No impact	None	0	-100
CANS69	Sport and Active Leisure Identifying long term energy efficiency measures.	None		No impact	None	-5	0
CANS71	Waste Services Full year effect of increased recycling rate implemented in 11/12 budget amendment.	None		No impact	None	-56	0
CANS97	General Removal of Barbican budget no longer required after transfer of the auditorium to SMG.	None		None	None	-82	0
						-1,613	-1,746

Communities and Neighbourhoods - Full Year Effects of Prior Year Savings

CANS40	Arts & Culture Full Year Effect of Arts Consultant Service and Music service review.	Full year impact of 2011/12 budget proposal		None	None	-104	0
						-104	0

Communities and Neighbourhoods - Service/Budgetary Reduction

CANS02	Neighbourhood Management Unit Restructure Ward Committee Budgets to create 3 new funds : Ward credits, Ward Grant Budgets and Voluntary Sector Grant budget.	None		Would involve some expenditure being absorbed within mainstream budgets	Would involve redirecting resources on the basis of need. Would therefore promote equalities	-220	0
CANS06	Street Environment and Enforcement officers Reduction in Smarter York budgets.	None		Reduce budgets available	No significant impact	-54	0
CANS99	Neighbourhood Management Unit Remove Smarter York Challenge Fund.	None		No impact	None	-2	0
CANS12	Neighbourhood Management Unit Reduce target hardening budget from £40k to £15k. Continue to seek to introduce proceeds of crime funding to support initiatives.	None		No significant impact	No significant impact	-25	0
CANS19/20	Highway Infrastructure Bring repair standards in line with national average by reducing gangs from 4 to 3 + one fte inspector. Reduction by a further gang in 2013/14.			Reduction in gritting routes. Pothole policy increase from 3-5 days	No significant impact	-185	-185
CANS21	Highway Infrastructure Review policy for Gully cleaning on unclassified roads.	The proposals incorporating Highway Savings will result in the reduction of approximately 16 FTE's over the two years.		Gullies in 30mph zones won't be routinely serviced	No significant impact	-100	0
CANS22	Highway Infrastructure Adopt a targeted approach to highway maintenance.	The majority of job reductions will be in 2012/13.	16.0	Responsive approach	No significant impact	-200	0
CANS25	Winter Maintenance Keep 139 salt bins on the streets all year round reducing the need to collect them in. Fill them 3 times during the winter (average figure).			No significant impact	No significant impact	-17	0

Ref	Proposal Description	Implications				Savings	
		Staffing Implications	No. FTE's	Customer Implications	Equalities Implications	2012/13 Impact	2013/14 Impact
CANS27	Winter Maintenance Small reduction in Number of Streets Gritted. Contingency is where as required.			There will be streets that are currently gritted that will not be routinely gritted in the future	Communication of changes will need to be comprehensive across all communities	-10	0
CANS32	Waste Services Close Beckfield Lane Household Waste Recycling Centre (HWRC) and make changes to contractual arrangements at Towthorpe. Seek housing use for Beckfield Lane site.	None		Impact on recycling performance will be reviewed	No significant impact	-100	-30
CANS116	Waste Services Cessation of provision of free black sacks to properties - not all households receive this service currently.	None		Residents will be required to purchase their own sacks	No significant impact	-29	0
CANS47	Parks & Open Spaces Review of Gardener and Park Attendant roles, reduction in garden maintenance.	Loss of up to 3FTE	3.0	Reduction in level of maintenance in parks and open spaces	No significant impact	-42	-25
CANS50	Arts & Culture 20% reduction in Council grant to Yorkshire Museums Trust (YMT). YMT funding has not been reduced for a number of years.	None		There will be an impact on funding levels to Museums Trust who will recognise in their future business plans	No significant impact	0	-300
CANS51	Arts & Heritage 10% reduction of grant to Theatre Royal.	None		There will be an impact on funding levels to Theatre Royal who will recognise in their future business plans	May lead to reductions in outreach programme and impact will need to be incorporated into future service level agreement	0	-31
CANS58/59	Neighbourhood Management Unit Temporary cessation of Discretionary Rate Relief payments to community halls, sports, arts museums and other cultural organisations. Pending the localisation of Business rates when the relief is intended to be reintroduced.	None		No significant impact	None	0	-54
CANS86	Trading Standards Scale down non-statutory services.	Delete 0.5 post (currently vacant)	0.5	Potential reduced response times to tackle rogue trading /exploitation of vulnerable residents. Impact on age - restricted sale enforcement work.	None	-15	0
CANS87	Waste Services Revise marketing approach for Waste Minimisation - target on households/areas with low recycling rates.	None		Potential impact of increased waste levels	None	-40	0

Ref	Proposal Description	Implications				Savings	
		Staffing Implications	No. FTE's	Customer Implications	Equalities Implications	2012/13 Impact	2013/14 Impact
CANS92	Housing Services Reduction of Salvation Army resettlement contract.	No direct impact on CYC staff		This will result in a reduction in engagement services and resettlement. It would also reduce the number of drop in sessions and their ability to support individuals sleeping rough	Reduction in service to vulnerable customers	-28	0
CANS93	Housing Services Review and consolidation of debt advice.	None		During the next financial year the council will review how support is provided		0	-35
CANS96	Parks & Open Spaces Review of Park ranger service.	Delete one FTE post (Vacant)	1.0	Requires greater coordination and joint working with voluntary organisations to deliver programme	No significant impact	-30	0
						-1,097	-660

Communities and Neighbourhoods - Grant Related Savings

CANS90	Housing Services Fund housing options worker from Department for Communities and Local Government grant for one year.	None		No impact	None	-30	30
						-30	30

Communities and Neighbourhoods - Increases in Income

CANS75	Parks & Open Spaces Generate external income from tree maintenance service.	None		No impact	None	0	-10
CANS101	Waste Services Policy Review - Charging for replacement bins unless it is the council's responsibility, in line with other councils.	None		Introduction of charge for replaced bins	No significant impact	-50	0
CANS33	Waste Services Review of policies at Household Waste Recycling Centres by considering options for reducing costs.	None		The impacts will be dependent on the results of the review	The impacts will be dependent on the results of the review	-50	-75
CANS117	Waste Services Increase price paid to Council by contractor for delivery of material that can be recycled.	None		No impact	None	-50	0
CANS49	Sport and Active Leisure Energise: Deliver efficiency savings and increased income generation followed by procurement of leisure management operator.	Would entail a TUPE transfer		No impact	Service Level Agreement with Council will ensure no change to current outcomes	-30	-100
CANS114	Trading Standards Management charge to SCAMBUSTERS.	None		No impact	None	-20	0
CANS72	Housing Standards and Adaptations Provision of services for other landlords (e.g. Regulatory Services, accreditation for small non-licensed Houses in Multiple Occupation (HMO's) and gas warrant service).	None		No impact	None	-10	-10

Ref	Proposal Description	Implications				Savings	
		Staffing Implications	No. FTE's	Customer Implications	Equalities Implications	2012/13 Impact	2013/14 Impact
CANS76	Safer York Partnership Provide strategic lead for Selby and potentially other Local Authorities.	Within existing staffing		No impact	None	-17	0
CANS77	Sport and Active Leisure Income to be generated by Sports & Active Leisure team.	None		No impact	None	-20	-20
CANS78	Bereavement Services Increase Fees (5% in line with inflation) - Saving in Year 1 to partly reinvest in service (£25k).	None		Increased charges, should be minimal impact	None	-45	-100
CANS79	Licensing Increase discretionary fees and charges in line with inflation, i.e. Street Trading Consents and Car Boot Sale Consents.	None		Impact of price rise	None	-5	-5
CANS80	Registrars Increased fees by 5% in line with inflation.	None		Impact of price rise	None	-14	-14
CANS81	Housing Increase charges for hostels in line with increase for council housing tenants.	None		Increased charges	None	-24	-15
CANS94	Housing Services Fund an element of the service from Housing Commuted Sums.	None		No impact	None	-15	0
						-350	-349

Adult's, Children & Education - Service Reviews, Efficiency and Procurement

ACES04	Personal Budgets Review Review of the Resource Allocation System (RAS) processes and assessments, including increasing the transparency around the calculation of customer contributions.	None		Customers should still receive a level of support in line with their assessed needs. Some customers will be required to pay more towards the costs of their care, but this should not be beyond what is deemed affordable and would be more transparent	An EIA will need to be completed for this proposal	-105	-400
ACES05	Elderly People's Homes (EPH) Service Reconfiguration Full Year Effect of the 2011/12 savings proposal. Following extensive consultation in January 2012 Cabinet agreed to the reshaping of residential care and the provision of new state of the art facilities and the closure of two existing homes which will result in a £1.108m saving in 2012/13. The net additional budget saving is £0.838m as £0.27m was already assumed for 2011/12.	Total EPH staffing = 250		No additional impact	No additional impact EIA completed as part of the review and reported to Cabinet	-838	-48

Ref	Proposal Description	Staffing Implications	No. FTE's	Implications		Savings	
				Customer Implications	Equalities Implications	2012/13 Impact	2013/14 Impact
ACES34	Personalisation Project Support Officer Post Deletion Use support of Business Support in the directorate.	Deletion of 1.0 FTE vacant post	1.0	Minimal Impact to customers direct Loss of project support to the ongoing Transformation agenda will be supported through Business Support Officer	None	-15	0
ACES35	Community Equipment Loans Service (CELS) Framework Purchasing Move to purchasing through a Yorkshire Purchasing Organisation (YPO) framework. Savings in region of 15% are estimated.	None		There are no changes to the service or its delivery	None	-26	0
ACES08a	Yorkcraft / Greenworks Efficiency Savings A review of the service has identified some modest general efficiency savings.	None		None	None	-20	0
ACES37	Warden Call Running Costs Several small running cost budgets not being spent to their full value.	None		None	None	-10	0
ACES10	Educational Welfare Service A review of this service and how it is delivered undertaken in 2011/12 will deliver full year effect savings in 2012/13.	Posts removed in 2011/12		No additional impact	No additional impact	-50	0
ACES11	Children's Home Provision Review of the arrangements in York, whilst retaining local provision.	TUPE implications		None	None	-100	-100
ACES13	Looked After Children Supported Parental Contact Provide supported contact between Looked After Children and their parents in a more focussed and cost effective manner by setting up a dedicated contact service.	Possible VR/Redundancy	3.0	None	None	-102	-102
ACES21	Sycamore House Three posts have been vacant since 2010. Review of the role of the Approved Mental Health Practitioners (in conjunction with Primary Care Trust colleagues) to increase the scope of their social care interventions. This would then allow the vacant posts to be deleted.	Removal of 3 vacant posts.	3.0	None	None	-108	0
ACES45	Supported Living Services for Customers with Disabilities A strategic review of Council-commissioned supported living services has been under way since July 2011. This is identifying a range of efficiencies including extended use of Telecare and, in some cases, the possibility of increased funding from health budgets.	None		Minimal impact	Desktop EIA completed - no impact in 2012/13 and will be reviewed if impact apparent for 2013/14	-164	-146

Ref	Proposal Description	Implications				Savings	
		Staffing Implications	No. FTE's	Customer Implications	Equalities Implications	2012/13 Impact	2013/14 Impact
ACES46	Commissioned Service Contracts Efficiencies Three service contracts are due to end in March 2012. Providers of two of these have indicated they do not wish to extend further, and in the third instance, it has been agreed that the services are now duplicated elsewhere. Alternative, more personalised arrangements will be set up for the customers concerned. In addition, an across-the-board management efficiency saving of 2% will be applied across a range of commissioned services in 2013-14.	None		Alternative solutions have been identified for current customers and they will be accessing a range of more personalised services	Desktop EIA completed - no impact in 2012/13 and will be reviewed if impact apparent for 2013/14	-41	-36
ACES49	Parenting & Family Intervention Make efficiencies on venues/food/childcare/translation/phone/ICT/admin/travel/accommodation for parenting programme.	None		No impact on delivery of the service to families	Reductions in childcare and translation costs will be monitored closely to ensure this does not become a barrier to parents accessing parenting support and Black and Minority Ethnic groups	-10	-12
ACES51	Workforce Development Unit - Business Support Costs Savings on Business Support Costs (e.g. photocopying, printing, training).	None		None	None	-3	0
ACES52	Haxby Hall Training Facility Maintenance Haxby Hall Training Facility became fully operational September in 2011. It currently provides a training venue for ACE Adults staff. The proposed savings will reduce the maintenance budget.	None		None	None	-3	0
ACES54	Family Information Service Marketing Budget Reduction Revise the marketing approach for the service to reduce costs.	None		None	None	-3	0
ACES55	Family Information Service Database Sharing Share Family Information Services database with North Yorkshire County Council to reduce maintenance costs and	None		Improved service	None	0	-4
ACES56	Transforming Youth Support Services Further savings from the restructure of Youth offending Team/Young People's Services from better deployment of staff, review of office overheads and a review of accommodation.	Deletion of 1.5 FTE posts.	1.5	Moving the service to a better-evidenced and better-focussed range of services will allow us to maintain and even increase service to individuals and communities of interest with vulnerable/equalities characteristics	None	-50	-40

Ref	Proposal Description	Implications				Savings	
		Staffing Implications	No. FTE's	Customer Implications	Equalities Implications	2012/13 Impact	2013/14 Impact
ACES26a	School Transport Policy Review This would involve reviewing the areas of Home to School Transport expenditure that are discretionary, particularly in relation to faith school transport. The figures quoted assume ceasing faith school transport for new pupils from September 2013.	None		Removal of free transport for some pupils	An EIA will need to be completed for this proposal In addition a full statutory consultation exercise will need to be undertaken	0	-27
ACES27	Criminal Records Bureau (CRB) Checks Savings representing the current level of spend in this area and reflecting the level of charges now being passed on to schools.	None		None	None	-40	0
ACES57	Finance Budgets Efficiencies. Savings from increased interest income on school deficit balances; removing subsidies on school insurance charges.	None		None	None	-40	0
ACES60	PFI Contract Monitoring Post Include the costs of the post within the PFI (Public Finance Initiative) recharge model to enable them to be funded from within the Dedicated Schools Grant (DSG) rather than the General Fund.	None		None	None	-22	0
ACES63	School Improvement Income Additional on-going grant income has been identified that can be used to support the service thereby freeing up General Fund budget as a saving.	None		None	None	-50	0
ACES72	Learning Disability Services - Local Authority Trading Company Explore the delivery of learning disability services through the Local Authority Traded Company.	Yes		Possibly	An EIA will need to be completed as part of the review work prior to final budget decision for 2013/14	0	-50
ACES73	Older People - Local Authority Trading Company Explore the delivery of Older People's services through the Local Authority Traded Company.	Yes		Possibly	An EIA will need to be completed as part of the review work prior to final budget decision for 2013/14	0	-50
ACES30	ACE Management Review The original organisational review proposals assumed a further reduction in the number of Assistant Directors to 5 from September 2012. In addition, by 1 September 2012 we are confident of being able to move to a new adult provider structure below Assistant Director level of a single group manager. This would enable savings of one group manager to be made.	Removal of 1 AD post and 1 Grade 12 post	2.0	None	None	-91	-67

Ref	Proposal Description	Implications				Savings	
		Staffing Implications	No. FTE's	Customer Implications	Equalities Implications	2012/13 Impact	2013/14 Impact
ACES64	Base Budget Review An exercise has been conducted across the directorate to identify all discretionary budgets that underspent in 2010/11 and continue to underspend in 2011/12. Where appropriate budgets have been removed and are helping to mitigate the overall directorate overspend in 2011/12. In 2012/13 this can now be taken as an on-going budget saving.	None		None	None	-397	0
ACES70	Direct Payments Review mixed packages of direct payment and commissioned service to ensure no duplication of support.	None		Yes	An EIA will need to be completed for this proposal	0	-100
ACES08b	Review of Supported Employment Provision A longer term review of all supported employment provision will be undertaken with the aim of enabling more disabled people to access real jobs.	50 Clients are CYC employees		Implications for existing customers will be considered as part of the review prior to final budget decision for 2013/14	An EIA will need to be completed as part of the review work prior to final budget decision for 2013/14	0	-200
ACES71a	Small Day & Respite Care Services Review Modernisation of the small day care and respite facilities to deliver the services now being requested by clients with disabilities.	Yes		Customers will receive the services they want	An EIA will need to be completed as part of the review work prior to final budget decision for 2013/14	0	-350
ACES74	Looked After Children Population Reduction Implement programme of early intervention and support to reduce the number of looked after children. Assumes any reductions in 2012/13 would be used as mitigation against children's social care growth pressures.	None		None	An EIA will need to be completed as part of the review work prior to final budget decision for 2013/14	0	-700
ACES75	Overall Education Service Continue to review opportunities for savings and staffing structures within the overall Education Service including not filling vacancies.	Possible VR/ Redundancy	3.0	None	An EIA will need to be completed as part of the review work prior to final budget decision for 2013/14	0	-105
ACES78	Adult Contracted Services Review An analysis of services to establish which elements are not statutorily required and review the impact non-statutory services are making.	None		Yes	An EIA will need to be completed as part of the review work prior to final budget decision for 2013/14	0	-50
ACES65	Schools Causing Concern - DSG Transfer The York Education Partnership Board will be asked to agree to this being managed as a Combined Budget and funded from within the DSG.	None		None	None	-200	0

Ref	Proposal Description	Implications				Savings	
		Staffing Implications	No. FTE's	Customer Implications	Equalities Implications	2012/13 Impact	2013/14 Impact
ACES20b	Supporting People #2 The Supporting People team have identified a further £79.5k of savings that can be made in 2012-13, in addition to the £289k already planned and agreed, from within the commissioned programme. This will be achieved by pulling forward certain contract reviews and recommissioning that had originally been scheduled for subsequent years.	None		This will put pressure on the team and will require approval by the Commissioning Board However we believe it is achievable	An EIA has been completed and no additional implications are expected as a result of bringing the savings target forward	-80	0
ACES68	Adult Commissioning & Supporting People Team Restructuring A comprehensive restructuring of the Supporting People and Adult Commissioning teams will be undertaken in order to eliminate any duplication and to share best practice, leading to a combined Adult Social Care and Early Intervention Commissioning Team.	Deletion of 2 posts	1.5	None	None	-25	-25
ACES81	Adults Transport Review Review of the arrangements and charges for transporting customers to services.	None		Yes	An EIA will need to be completed as part of the review work prior to final budget decision for 2013/14	0	-50

-2,593 -2,662

Adult's, Children & Education - Full Year Effects of Prior Year Savings

ACES01	Mental Health Grant Full Year Effect of 2011/12 saving to remove Approved Mental Health Professional grade 11 post from June 2011.	Posts removed in 2011/12		No additional impact	No additional impact	-13	0
ACES06	Expansion of Reablement Services. Full Year Effect of 2011/12 saving.	TUPE implications		No additional impact	No additional impact	-268	-612
ACES07	Homecare Services Full Year Effect of the 2011/12 savings for Home Support, Sheltered Housing Extra Care, Care Services (Day) and Care Services (Night).			No additional impact	No additional impact	-123	0
ACES15	School Improvement Service Restructure Full Year Effect of 2011/12 saving.	Posts removed in 2011/12		No additional impact	No additional impact	-90	0
ACES41	Early Years & Children's Centres Restructure Additional savings above that originally assumed in the full year effect.	No additional impact		No additional impact	No additional impact	-69	0
ACES16	Young People's Services Review Full Year Effect of 2011/12 savings on Young People's Service and Information, Advice & Guidance Service.	Posts removed in 2011/12		No additional impact	No additional impact	-187	0
ACES18	Adult Commissioning & Contracts Admin Support Full Year Effect of 2011/12 saving.	Posts removed in 2011/12		No additional impact	No additional impact	-3	0
ACES23	Planning & Resources / Access Team Merger Full Year Effect of 2011/12 saving.	Posts removed in 2011/12		No additional impact	No additional impact	-83	0
ACES24	Integrated ACE Management Information Systems Service Full Year Effect of 2011/12 saving.	Posts removed in 2011/12		No additional impact	No additional impact	-13	0

-849 -612

Ref	Proposal Description	Staffing Implications	No. FTE's	Implications		Savings	
				Customer Implications	Equalities Implications	2012/13 Impact	2013/14 Impact
Adult's, Children & Education - Service/Budgetary Reduction							
ACES02a	Fair Access to Care Services (FACS) - Substantial Annual requirement to consider need for change to Eligibility Criteria. Currently at Moderate. Could raise to substantial if other options for meeting moderate and low level needs are available. Some savings will be invested in lower level preventive services. Regionally, 10 other authorities currently have their criteria set at Substantial.	None		Reduction in the number of customers being eligible to care from the council	An EIA has been completed. Impact on older people, disabled people, carers and women. Mitigation possible through new reablement service and further investment in low level and preventative support	-80	-160
ACES44	Alcohol Treatment Services CYC contribute £79K annually to alcohol treatment services. This would represent a small reduction in that budget.	None		A reduction of £2k would not significantly impact	There would be no specific EIA requirement	-2	0
ACES47	Children's Trust Unit (CTU) Reduced Admin Reduction in CTU admin capacity following reduction in hours worked by current post holder.	Deletion of 0.5 FTE vacant post	0.5	None	None	-8	0
ACES28	Reduction In Redundancy / Early Retirement Provision The scale of savings being made in 2011/12 required a significant budgetary provision. This can now be reduced for 2012/13.	None		No additional impact	No additional impact	-280	0
ACES62	Social Worker Training Reduce the training budget for Children's Social Care workforce. Core safeguarding training will be maintained but opportunities for other related training will be reduced.	None		None	None	-40	0
ACES66	Independent Fostering Agency (IFA) Placements for 16/17 year olds Cease making IFA placements for 16/17 year olds.	None		None	None	-135	0
						-545	-160

Adult's, Children & Education - Grant Related Savings

ACES20a	Supporting People Reflects proposals already proposed to manage the reduction in the former Supporting People grant.	None		No additional impact	No additional impact	-289	-251
ACES48a	Early Intervention Fund Early Intervention Fund supports the children's voluntary sector both in facilitating sector development and representation in children's LSP strategy and direct support for organisations working with most vulnerable groups. The saving will cut the commissioning fund while enabling greater sector stability. It will be an even spread over the 2 year settlement period. Providing stability and greater co-ordination with other funding streams. The focus of support will take into account developments in Health and Well-Being and Community Budgeting.	None		None	An EIA will need to be completed for this proposal	-5	-5

Ref	Proposal Description	Implications				Savings	
		Staffing Implications	No. FTE's	Customer Implications	Equalities Implications	2012/13 Impact	2013/14 Impact
ACES25	School Travel Grants Additional grant allocations that can be used to support existing work in this area.	None		No additional impact	No additional impact	-66	0
ACES29	Early Intervention Grant Increased allocation for 2012/13.	None		Limits the capacity to increase the number of disadvantaged 2 year old nursery places from the current 50. The statutory requirement from September 2013 is likely to be c300 places for York	No additional impact	-212	0
ACES61	Care Matters A previous grant was mainstreamed in 2011/12 and a small saving delivered. Scope to make an increased saving on this budget has been identified.	None		None	None	-65	-35
						-637	-291

Adult's, Children & Education - Increases in Income

ACES36	Flaxman Avenue Income Increase income budgets to reflect actual level of income being achieved.	None		None	None	-40	0
ACES53	Workforce Development Unit (WDU) - Charging External Customer Explore the that may be available from providing elements of WDU capability on a charged basis to other external organisations.	None		None	None	0	-3
ACES58	Governance Service Increased Income Increased income from schools.	None		None	None	-1	-1
ACES59	Learning Platform Subsidy Removal Increase the charges to schools for the service and remove the remaining small council subsidy.	None		None	None	-15	0
ACES31	Services to Schools Charges Review all existing charges to schools (including academies) for traded services and consider the removal of any subsidies.	None		Increased charges to schools	No additional impact	-50	-10
ACES79	Greenworks/Brunswick Organic Nursery Charging Review charging arrangements for day care services.	None		Yes	An initial review has been completed and a detailed EIA will need to be completed as part of the review work prior to final budget decision for 2013/14	0	-50
ACES80	Schools Broadband Contract Ask the York Education Partnership Board to consider the transfer of the cost of providing schools broadband out of the General Fund and into the Dedicated Schools Grant.	None		None	None	-195	0

Ref	Proposal Description	Implications				Savings	
		Staffing Implications	No. FTE's	Customer Implications	Equalities Implications	2012/13 Impact	2013/14 Impact
					-301	-64	
Office of the Chief Executive - Service/Budgetary Reduction							
OCES01	Office of the Chief Executive Reorganisation Review of the team to reflect organisation review and support of innovation across the Council.	5 FTE's over 2 years. One post already left via VR agreement	5.0	Reduced capacity within OCE	Management of Change processes will ensure fair process of identifying candidates	-138	-110
					-138	-110	
Office of the Chief Executive - Increases in Income							
OCES04	Income from Council Website Maximise the income potential of the Council website by offering increased external advertising space.	N/A	0.0	Website would feature more prominent advertising	Care would need to be taken not to feature inappropriate advertising	0	-5
					0	-5	
City Strategy - Service Reviews, Efficiency and Procurement							
CSTS07	Concessionary Fares Reduction in budget to reflect current cost of concessionary fare scheme.	None		None	None	-250	0
CSTS18	Taxicard Reduced cost of providing current level of benefit.	None		None	None	-5	0
CSTS09/10	Dial & Ride Operations Operational Saving from new service delivery arrangements.	None		None	Minimal impact	-15	-15
CSTS12	Road Safety Maintain level of road safety initiatives by using funding from other sources (e.g. Local Sustainable Transport Fund).	None		None	None	-25	0
CSTS13	Procurement Saving Savings arising from re- procurement of maintenance and support of Traffic Systems.	None		None	None	-10	-20
CSTS14	CCTV Seek other funding sources whilst maintaining current provision for CCTV maintenance.	None		None	None	0	-25
CSTS20	Cycle Training Review business model to reduce subsidy and to seek other funding sources.	Potential reductions of trainers		Potential increased cost of provision	None	-26	-26
CSTS15	School Crossing Patrol Revision of vacancy factor across school crossing patrol budget to reflect current staffing levels and reflect lack of applicants for ongoing vacancies.	None		None	None	-40	0
CSTS22	Flood & Drainage Delete one fte vacant post.	1 x Vacancy	1.0	None	None	-30	0
CSTS27	Major Projects Fund elements of the team from capital programme.	None		None	None	-40	0
CSTS31	Future Prospects The co-location of the service within West Offices will save running costs of Swinegate and provide integrated service for customers in a better environment.	None		The new offices will have better access for customers	Improved access at new HQ. Minimal impact	0	-75

Ref	Proposal Description	Staffing Implications	No. FTE's	Implications		Savings	
				Customer Implications	Equalities Implications	2012/13 Impact	2013/14 Impact
CSTS32	Future Prospects Review provision of Future Prospects with a view to exploring alternative means of delivering the service.	Currently 14.6 staff provide the service which may reduce subject to result of review		The review shall endeavour to ensure the service meets current outcomes	No significant implications as the service will continue to focus on most vulnerable in the labour market	-25	-75
CSTS36	City Centre Partnership The City Centre Partnership was dissolved in 2010/11. The residual budget is no longer required.	None		None	None	-19	0
CSTS41	Facilities Management The council is currently reviewing the facilities management provision across all services. It is targeted that one post can be removed from the function following the review.	1 x FTE Redundancy	1.0	None	None	0	-30
CSTS42	Asset and Property Management The council is undertaking a review of its assets. It is anticipated that following the review there will be an opportunity to review the staffing structure that supports the asset and property management function with a target of reducing one post from the team.	1 x FTE Redundancy	1.0	None	None	0	-30
CSTS35/37/44	Departmental Minor Departmental Saving Reviews.	None		None	None	-95	0
CSTS45	Management Support Reduction in support.	1 x FTE	1.0	None	None	-11	-12
CSTS53	City Centre Enforcement Combine city centre teams with city wide teams to use resources more effectively.	1 x FTE Redundancy	1.0	The combination of posts within parking services will need to be carefully managed to ensure no reduction in service	None	0	-23
CSTS54	Directorate Apprenticeships City Strategy operated a separate Apprenticeship scheme. It now offers apprenticeships through the corporate scheme so this budget is unused.	2 x vacant posts	2.0	None	None	-27	0

-618 -331

City Strategy - Service/Budgetary Reduction

CSTS21	Highways Budgets Merge signs and lines budget with Highway Maintenance and fund from scheme costs.	None		Legal guidelines will be followed but reduce unnecessary signage	None	-23	0
CSTS23	Integrated Strategy Reduction in capacity in research and development team.	1 x FTE Redundancy	1.0	None	None	0	-30
CSTS24	Rights of Way Reduction in capacity within Public Rights of Way team.	1 x FTE Redundancy	1.0	Reduced capacity within rights of way team	None	-15	-15
CSTS30	Future Jobs Fund/Promoting York Transfer the activity to the Economic Infrastructure Fund (EIF) and deliver greater impact through an increased amount of funding.	None		None	None	-50	0

-88 -45

Ref	Proposal Description	Implications				Savings	
		Staffing Implications	No. FTE's	Customer Implications	Equalities Implications	2012/13 Impact	2013/14 Impact
City Strategy - Increases in Income							
CSTS01	Network Management Fees Targeted increase in Network Management Fees.	None		Increases in street cafe licences, skips and scaffold licences	None	-50	-10
CSTS03	Parking Income Increase charges by 10p per hour for non-residents and 20p per hour for residents. Increase over both financial years. Short stay charges for residents has not been increased since 2005/06.	None		Will lead to increased cost of using council car parks	Free parking still available to blue badge holders	-169	-175
CSTS05	Respark Review of Respark charges to provide additional income whilst freezing basic charge.	None		Increased cost of purchasing permits in Respark areas	Free parking still available to groups	-20	-20
CSTS06	Park & Ride Charges - Concessions Increase Park & Ride Charge to £0.60 (2012/13) then £0.70 (2013/14) for Concessions.	None		Increased cost of using Park & Ride buses for Concessionary Pass holders	The bus pass will allow free travel for all non Park & Ride services Minimal impact	-50	-50
CSTS08	Park & Ride Licence Fee Forecast increase in licence fee in line with inflation.	None		None	None	-50	-50
CSTS25	Planning Fees Introduction of Local Setting of Planning Fees.	None		Changes to cost of planning fees in line with cost of dealing with applications	None	-250	-150
CSTS26	Planning Advice Widen scope and increase charges for Planning Advice Services.	None		Charges may lead to reduced take up of service	None	-50	0
CSTS29	Design & Conservation Trade services with external partners. Business case to be delivered over two years.	May result in reduced staffing numbers		None	None	-10	-90
CSTS33	Markets and City Centre Maximise income from current levels of operation.	None		None	None	-20	0
CSTS34	Markets Additional income from price rise for Markets from 1st April 2012.	None		Impact of price rise	None	-25	-25
CSTS40	Commercial Portfolio Increase the yield from the councils commercial property portfolio.	None		None	None	-60	-60
CSTS02	Parking Income This council is currently collecting more income than is budgeted - increase income budget to reflect current income levels.	None		None	None	-100	0
CSTS43	External Income Opportunities to achieve income from selling specialist services such as traffic modelling and systems work and flood/water management.	None		None	None	0	-25
						-854	-655
Corporate Savings - Service Reviews, Efficiency and Procurement							
CORS01	Organisation Review Reduce the number of Assistant Directors.	2 FTEs	2.0	Remaining portfolios will be expanded	Management of Change processes will ensure fair process of identifying candidates	0	-160
						0	-160

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STANDARD CHARGES FOR RESIDENTIAL CARE HOMES

Type of Service		Current Weekly Charge 2011/12 £	Proposed Weekly Charge 2012/13 £
I.	Residential Homes		
	Residential Homes for Children with Learning Disabilities (The Glen)	2,500.00	2,500.00
	Residential Home for Children (19 Wenlock Terrace)	2,400.00	2,400.00

FOSTER CARE ALLOWANCES
PAYABLE FROM 1 APRIL 2012

Age	Current Weekly Allowance £	Proposed Weekly Allowance £
0-4	£114.03	£115.99
5-10	£126.00	£129.01
11-15	£145.04	£148.05
16-17	£171.71	£175.70

Skills Premium

Skill Level	Current Weekly Allowance 2011/12 £	Proposed Weekly Allowance 2012/13 £
2	29.82	29.82
3	59.64	59.64
4	119.28	119.28
Teenagers with emotional or behavioural difficulties/severely disabled children (Specific scheme)	343.98	343.98

ADDITIONAL FOSTER CARERS ALLOWANCES
PAYABLE FROM 1 APRIL 2012

	Current Allowance 2011/12 £	Proposed Allowance 2012/13 £
Children attending Boarding School	50% of scale allowance during term time	
Children in hospital or otherwise unexpectedly absent	First four weeks - full scale allowance	
Children unemployed on DSS allowance	Approved weekly allowance less prevailing DSS allowance	
Children who are working	The foster parents of working children will have their allowance reduced by the amount the child contributes towards his/her keep. The amount being subject to negotiation between the foster parents, the child and the social worker	
School Clothing Grants:		
Primary School	Up to 92.58	Up to 92.58
Secondary School	Up to 194.35	Up to 194.35
On Starting Employment Grant	Up to 390.96	Up to 390.96
Christmas and Birthday Allowance	1 x weekly rate	
Holiday Allowance	Up to 3 x weekly rate	
Initial Clothing/Placement Allowance	Up to 5 x weekly rate	
Miscellaneous Allowance	Freeze as other allowances	
Foster Carer Mileage Rate	37.8p per mile	37.8p per mile

ADOPTION ALLOWANCES
RESIDENCE ORDER ALLOWANCES
PAYABLE FROM 1 APRIL 2012

Age	Current Weekly Allowance 2011/12 £	Proposed Weekly Allowance 2012/13 £
0-4	60.38	60.38
5-10	73.67	73.67
11-12	83.92	83.92
13-15	90.28	90.28
16+	120.61	120.61

PAYABLE FROM 1 APRIL 2012

Time Band	Standard Sharing Care Current Weekly Allowance 2011/12 £	Standard Sharing Care Proposed Weekly Allowance 2012/13 £	Allowance paid to carer of child with additional health needs (i.e. std allow. + 70% enhancement) Proposed Weekly Allowance 2011/12 £	Allowance paid to carer of child with more complex care needs (i.e. std allow. + 60% enhancement) Proposed Weekly Allowance 2012/13 £
0-4 hours	16.60	16.60	28.22 (i.e. 16.60 + 11.62)	26.56 (i.e. 16.6 + 9.96)
4-8 hours	24.84	24.84	42.23 (i.e. 24.84 + 17.39)	39.74 (i.e. 24.84 + 14.90)
8-12 hours	33.14	33.14	56.34 (i.e. 33.14 + 23.20)	53.02 (i.e. 33.14 + 19.88)
12-24 hours	49.67	49.67	84.44 (i.e. 49.67 + 34.77)	79.47 (i.e. 49.67 + 29.80)

Contract Care Scheme

	Current Weekly Allowance 2011/12 £	Proposed Weekly Allowance 2012/13 £
Contract Carers	343.98	343.98

SPECIAL GUARDIANSHIP ALLOWANCES
PAYABLE FROM 1 APRIL 2012

Age	Current Weekly Allowance 2011/12 £	Proposed Weekly Allowance 2012/13 £
0-4	£114.03	£115.99
5-10	£126.00	£129.01
11-15	£145.04	£148.05
16-17	£171.71	£175.70

Note: An amount equivalent to the Child Benefit entitlement will be deducted from this allowance.

REVISED FEES & CHARGES	2011/12 charge £	2012/13 charge £	Increase %
<u>Registrar of Births, Deaths and Marriages</u>			
Business Card Advertising	100.00	125.00	25.00
<u>Environmental Health</u>			
<u>Skin Piercers</u>			
a) Tattooists	276.51	290.34	5.00
b) Skin Piercers	276.51	290.34	5.00
c) Premises	276.51	290.34	5.00
<u>Noise Monitoring Equipment - Contract Services</u>			
<u>Hire / Consultancy and Court Cases</u>			
Senior Officers (Grade 9 and above)	41.84	43.96	5.07
Other Officers	31.38	32.92	4.91
<u>Food & Safety Unit</u>			
<u>Unsound / Unsaleable Food</u>			
Issue of Certificates	41.99	44.09	5.00
Collection by van	54.30	57.02	5.01
Export Certificates	59.30	51.89	-12.50
Letter confirming food premises	34.29	36.00	4.99
<u>Animal Health</u>			
Pet Shop	192.85	202.49	5.00
Animal Boarding	192.85	202.49	5.00
Home Boarding Licence	88.35	92.76	4.99
Dog Breeding Establishment	192.85	202.49	5.00
Dangerous Wild Animals	531.15	557.70	5.00
Riding Establishments	221.94	233.03	5.00
Performing Animals Registration	66.33	69.82	5.26
Reclaim Fee (Statutory fee)	40.00	50.00	25.00
Kennels Fees - Statute only allows the local authority to recover the costs of kennelling the stray		9 TBC (new contract)	

REVISED FEES & CHARGES	2011/12 charge £	2012/13 charge £	Increase %
<u>Trading Standards</u>			
<u>Fees for the testing & verification of weighing and measuring instruments</u>			
Senior Officers (Grade 9 and above)	41.84	43.96	5.07
Other officers	31.38	32.92	4.91
Plus hire of specialist equipment if necessary			
Weighbridge test unit (per day)	505.00	530.25	5.00
Weights over 100kg (per day)	235.00	246.75	5.00
Liquid petroleum gas dispenser testing equipment	260.00	273.00	5.00
<u>Court Cases</u>			
Court Costs awarded as the result of a successful case - all teams			
(based on a hourly charge per officer hour)			
Senior Officers (Grade 9 and above)	41.84	43.96	5.07
Other officers	31.38	32.92	4.91
<u>Regulatory Services</u>			
<u>Gambling Act Annual Charge</u>			
Bingo	820.00	840.00	2.44
Adult Gaming Centre	820.00	840.00	2.44
Betting (track)	820.00	840.00	2.44
Family Entertainment Centre	620.00	635.00	2.42
Betting (Other)	500.00	515.00	3.00
<u>Street Trading Consents</u>			
<u>Inside city walls</u>			
Artists	1900.00	1990.00	4.74
Buskers etc	2260.00	2370.00	4.87
<u>Outside city walls</u>			
Ice Cream	1520.00	1595.00	4.93
Food	1425.00	1495.00	4.91
Non Food	690.00	725.00	5.07

REVISED FEES & CHARGES	2011/12 charge £	2012/13 charge £	Increase %
<u>Occasional</u>			
Food	52.00	55.00	5.77
Non Food	38.00	40.00	5.26
Charities	14.50	14.50	0.00
Individually assessed sites	136,770	137,915	0.84
<u>Car Boot Sales (Commercial)</u>			
Less than 15 traders	71.00	75.00	5.63
15 - 50 traders	141.00	145.00	2.84
50 - 100 traders	285.00	300.00	5.26
More than 100 traders	400.00	410.00	2.50
<u>Pest Control</u>			
Rats at domestic properties	15.00	57.50	283.33
Pest Control visit with no treatment given	40.00	57.50	43.75
<u>Commercial Waste</u>			
Prescribed Household Waste - %age increase on previous prices			1.34
Commercial Waste - %age increase on previous prices			5.60
<u>Sports</u>			
<u>Swimming</u>			
Open, Lane, Adult, - Adult	4.40	4.55	3.41
Deep End, Women - Adult YorkCARD	3.55	3.65	2.82
Waterfun & 50+ - Concession	3.05	3.20	4.92
Swim sessions - Conc YorkCARD	2.30	2.45	6.52
Under 5 policy - kids go free	free	free	
Family Saver - Yorkcard 2 adults 2 kids	9.20	9.75	5.98
Family Sav. Plus - Yorkcard 1 adult 2 kids	6.40	6.10	-4.69
non york 2 adults 2 kids		12.30	new charge
non york 1 adult 2 kids		7.75	new charge
<u>Swim lessons</u>			
Kids 30 mins	4.60	4.75	3.26

REVISED FEES & CHARGES	2011/12 charge £	2012/13 charge £	Increase %
Kids 45 mins	5.95	6.10	2.52
Adults 30 mins	4.60	4.75	3.26
Adults 40 mins	5.95	6.10	2.52
60 mins	6.15	6.35	3.25
1:1 course of 5	86.10	89.00	3.37
1:1 individual	19.45	20.05	3.08
<u>Aquafit & Aquanatal</u>			
Adult	5.30	5.45	2.83
Adult YorkCARD	4.20	4.35	3.57
Concession	4.20	4.20	0.00
Conc YorkCARD	3.35	3.45	2.99
<u>Loyalty Swim Card</u>			
Adult	35.20	36.40	3.41
Adult YorkCARD	28.40	29.20	2.82
Concession	24.40	25.60	4.92
Conc YorkCARD	18.40	19.60	6.52
CYC/NHS 10 Swim Card	22.10	23.40	5.88
<u>Pool Hire Rates (includes 2 Lifeguards)</u>			
Whole Pool Hire - ex VAT 1 Hour	85.00	105.00	23.53
School Pool Hire - 1/2 hour per term	635.00	665.00	4.72
Swim Teacher Hire - excl VAT, 1 hour	16.80	21.20	26.19
Lifeguard - excl VAT, 1 hour	9.80	12.35	26.02
<u>Dry Side</u>			
<u>BeActive</u>			
12 mth contract DD	38.00	38.00	0.00
3 mth contract DD	33.00	33.00	0.00
Corp/student mth	28.00	28.00	0.00
<u>Casual prices</u>			
Adult	5.85	6.00	2.56
Adult YorkCARD	4.60	4.80	4.35

REVISED FEES & CHARGES	2011/12 charge £	2012/13 charge £	Increase %
Concession	4.30	4.45	3.49
Conc YorkCARD	3.40	3.55	4.41
Group Introduction	19.50	32.00	64.10
Creche	1.10	1.20	9.09
<u>Housing</u>			
<u>Letter of Advice</u>			
Letter confirming housing condition to persons other than the occupant	n/a	50.00	new charge
<u>Garages excl VAT</u>			
<u>Normal</u>			
Council tenant	5.97	6.30	5.53
Private	5.97	6.30	5.53
<u>High Demand</u>			
Council tenant	7.17	7.57	5.58
Private (local connection)	13.62	14.38	5.58
Private (no local connection)	17.57	18.55	5.58
<u>Low Demand</u>			
All tenures	3.02	3.19	5.63
<u>Aerials & Alarms</u>			
Basic Aerial	0.16	0.16	0.00
Upgraded Aerial	0.48	0.5	4.17
Burglar Alarms	1.22	1.29	5.74
Victimisation Alarms	1.13	1.19	5.31
Cookers	2012/13 budget assumes a 5.6% increase on existing charges for gas & electric cookers plus VAT. No new cookers are rented.		

Parking Tariffs from 10th January 2011**a) Off-Street Car Parks**

Note				Daytime Charges (0800 - 18:00)							Evening	24 hour	
				< 30 Mins	Upto 1 hr	1-2 Hours	2-3 Hours	3-4 Hours	4-5 Hours	Over 5 hours	6.00pm to 08.00am	Charge using mobile phone	
Short Stay	1	Resident		N/A	£1.70	£3.40	£5.10	£6.80	£8.50	£1.70 per additional hour	free		
		Non-Res		N/A	£2.10	£4.20	£6.30	£8.40	£10.50	£2.10 per additional hour	£2.00		
		Non-Res	Mob Phone	N/A	£2.00	£4.00	£6.00	£8.00	£10.00	£2 per additional hour	£2.00		
Standard Stay	2	Resident		N/A	£1.10	£2.20	£3.30	£4.70	£6.00	£10.00	free	£10.00	
		Non-Res		N/A	£1.80	£3.60	£5.40	£7.20	£9.00	£10.00	£2.00	£10.00	
		Non-Res	Mob Phone	N/A	£1.70	£3.40	£5.10	£7.10	£9.00	£10.00	£2.00	£10.00	
Foss Bank	3				80p per hour								
			Mob Phone		70p per hour								
Bishopthorpe Rd	3			N/A	£0.20	£0.40	£0.60	Maximum stay of 3 hours			free		
East Parade	3			£0.20	£0.40	£3.40	£5.10	Parking for over 2 hours is only			free		

Note 1 - Bootham Row, Esplanade, Castle and Piccadilly (Piccadilly closes at 6:30pm and so there is no evening charge), St Leonard's Place (Weekend)

Note 2 - Castle Mills, Haymarket, Marygate, Monk Bar, Nunnery Lane, Peel Street, St. Georges, Union Terrace. The £10 (over 5 hours fee) allows parking at Castle Mills closes at 8:30pm and charges only apply till 8:00pm. Peel Street - charges only apply on Mon - Sat from 8:30 - 18:00, Sunday is free.

Note 3 - There are no resident discount or evening charges at Foss Bank, Bishopthorpe Road or East Parade. The charges only apply until 18:00

b) Coach Parking

	Summer (1/4/11 - 31/10/11)			Winter (1/11/10 -	
	<1 Hour	<3 Hours	Over 3 hrs	<1 Hour	Over 1 Hr
Union Terrace and St George's Field Coach Parks	£5.00	£8.00	£11.00	£5.00	£8.00

c) On Street Parking

			Daytime Charges				Evening	Streets Included
			< 30mins	<1 Hour	1-2 Hours	2-3 Hours	6.00pm to 08.00am	
Standard Rate	4	Resident	N/A	£1.70	£3.40	£5.10	free	Carmelite St, Dundas Street, Lawrence Street, Lord Mayor's Walk, North Street, Palmer Lane, Piccadilly, Skeldergate, Tanner's Moat, Toft Green, Walmgate.
		Non-Res	N/A	£1.70	£3.40	£5.10	£2.00	
Micklegate	4 & 5 4 & 5	Resident	£0.20	£0.40	£3.40	£5.10	free	
		Non-Res	£0.20	£0.40	£3.40	£5.10	£2.00	
Priory Street	4 & 5 4 & 5	Resident	N/A	£1.70	£3.40	£5.10	free	
		Non-Res	N/A	£1.70	£3.40	£5.10	£2.00	
City Centre Footstreets		Resident					free	Blake St, Duncombe Place, Fossgate, Goodramgate, Lendal, Piccadilly, St Deny's Road, The Stonebow,
		Non-Res					£2.00	
Respark Shared Use Areas		Non-Permit Holders	N/A	£0.60			Charge s Apply 8am - 8pm	Bishophill Senior, Clifton, Cromwell Rd, Cumberland St, Garden St, George St, Huntington Rd, Lawrence St, Lead Mill Lane, Lower Friargate, Lower Priory St, Lowther St, Margaret St, Marygate, Park Grove, Penleys Grove St, Queen Anne's Rd, The Crescent, The Mount, Townend St,

Note 4 - There is no resident discount available on-street except that parking after 6pm is free for residents. Parking for over 2 Hours is only allowed

Note 5 - No charges on Sundays between 8am and 1pm in Micklegate and Priory Street

d) On-Street Parking for large vehicles

	< 2 Hours	2- 5 Hours	5-12 Hrs	Market Traders with Permit
Foss Islands Road	£3.30	£5.00	£8.00	£1.60

Parking Tariffs from April 2012**a) Off-Street Car Parks**

Note			Daytime Charges (0800 - 18:00)							Evening	24 hour	
			< 30 Mins	Upto 1 hr	1-2 Hours	2-3 Hours	3-4 Hours	4-5 Hours	Over 5 hours	6.00pm to 08.00am	Charge using mobile phone	
Short Stay	1	Resident	Mob Phone	N/A	£1.90	£3.80	£5.70	£7.60	£9.50	£1.90 per additional hour	free	
		Non-Res		N/A	£2.20	£4.40	£6.60	£8.80	£11.00	£2.20 per additional hour	£2.00	
		Non-Res		N/A	£2.10	£4.20	£6.30	£8.40	£10.50	£2 per additional hour	£2.00	
Standard Stay	2	Resident	Mob Phone	N/A	£1.30	£2.60	£3.90	£5.20	£6.50	£11.00	free	£11.00
		Non-Res		N/A	£1.90	£3.80	£5.70	£7.60	£9.50	£11.00	£2.00	£11.00
		Non-Res		N/A	£1.80	£3.60	£5.40	£7.20	£9.00	£11.00	£2.00	£11.00
Foss Bank	3			90p per hour								
			Mob Phone	80p per hour								
Bishopthorpe Rd	3			N/A	£0.20	£0.40	£0.60	Maximum stay of 3 hours			free	
East Parade	3			£0.20	£0.40	£3.80	£5.70	Parking for over 2 hours is only			free	

Note 1 - Bootham Row, Esplanade, Castle and Piccadilly (Piccadilly closes at 6:30pm and so there is no evening charge), St Leonard's Place (Weekend and Bank Holidays)

Note 2 - Castle Mills, Haymarket, Marygate, Monk Bar, Nunnery Lane, Peel Street, St. Georges, Union Terrace. The £11 (over 5 hours fee) allows parking until 8am the next day.

Castle Mills closes at 8:30pm and charges only apply till 8:00pm. Peel Street - charges only apply on Mon - Sat from 8:30 - 18:00, Sunday is free.

Note 3 - There are no resident discount or evening charges at Foss Bank, Bishopthorpe Road or East Parade. The charges only apply until 18:00 except at Foss Bank where they apply until 20:00.

b) Coach Parking

	Summer (1/4/12 - 31/10/12)			Winter (1/11/12 -	
	<1 Hour	<3 Hours	Over 3 hrs	<1 Hour	Over 1 Hr
Union Terrace and St George's Field Coach Parks	£5.50	£8.50	£12.00	£5.50	£8.50

c) On Street Parking

			Daytime Charges				Evening	Streets Included
			< 30mins	<1 Hour	1-2 Hours	2-3 Hours	6.00pm to 08.00a	
Standard Rate	4	Resident	N/A	£1.90	£3.80	£5.70	Free	Carmelite St, Dundas Street, Lawrence Street, Lord Mayor's Walk, North Street, Palmer Lane, Piccadilly, Skeldergate, Tanner's Moat, Toft Green, Walmgate.
		Non-Res	N/A	£1.90	£3.80	£5.70	£2.00	
Micklegate	4 & 5 4 & 5	Resident	£0.20	£0.40	£3.80	£5.70	Free	
		Non-Res	£0.20	£0.40	£3.80	£5.70	£2.00	
Priory Street	4 & 5 4 & 5	Resident	N/A	£1.90	£3.80	£5.70	Free	
		Non-Res	N/A	£1.90	£3.80	£5.70	£2.00	
City Centre Footstreets		Resident					Free	Blake St, Duncombe Place, Fossgate, Goodramgate, Lendal, Piccadilly, St Deny's Road, The Stonebow,
		Non-Res					£2.00	
Respark Shared Use Areas		Non-Permit Holders	N/A	£0.70			Charge s Apply 8am - 8pm	Bishophill Senior, Clifton, Cromwell Rd, Cumberland St, Garden St, George St, Huntington Rd, Lawrence St, Lead Mill Lane, Lower Friargate, Lower Priory St, Lowther St, Margaret St, Marygate, Park Grove, Penleys Grove St, Queen Anne's Rd, The Crescent, The Mount, Townend St,

Note 4 - There is no resident discount available on-street except that parking after 6pm is free for residents. Parking for over 2 Hours is only allowed after 3pm

Note 5 - No charges on Sundays between 8am and 1pm in Micklegate and Priory Street

d) On-Street Parking for large vehicles

	< 2 Hours	2- 5 Hours	5-12 Hrs	Market Traders with Permit
Foss Islands Road	£3.50	£5.50	£8.50	£1.80

PARKING SERVICES - SCHEDULE**TICKET CHARGES**

		2011/12 Current Charge £	1st Apr 2012	
			Proposed Charge £	Increase %
Annual Season Ticket	Standard rate	995.00	995.00	0.00%
	Discount vehicle rate	497.50	497.50	0.00%
Monthly Season Tickets				
Standard Stay car parks	Standard rate	120.00	125.00	4.17%
	Discount vehicle rate	50.00	52.50	5.00%
Weekly Season Tickets				
Preferential phone rate only				
Standard Stay car parks	Standard rate	48.00	50.00	4.17%
	Discount vehicle rate	20.00	21.00	5.00%
Contract Parking (Bulk) *				
Foss Bank - Annual		325.00	340.00	4.62%
Contract Parking (City Centre Resident 24 hour)				
Foss Bank - Monthly	Standard rate	65.00	70.00	7.69%
	Discount vehicle rate	30.00	32.50	8.33%
Foss Bank - Annual	Standard rate	700.00	735.00	5.00%
	Discount vehicle rate	325.00	340.00	4.62%
Surface - Monthly	Standard rate	60.00	65.00	8.33%
	Discount vehicle rate	25.00	27.50	10.00%
Surface - Annual	Standard rate	685.00	720.00	5.11%
	Discount vehicle rate	288.00	300.00	4.17%
Frequent User Pass				
Non-Resident - Annual	Standard rate	120.00	126.00	5.00%
	Discount Rate	60.00	63.00	5.00%
Non Resident - Quarter	Standard rate	40.00	42.00	5.00%
	Discount Rate	15.00	16.00	6.67%
Resident - Quarter	Standard rate	21.00	22.00	4.76%
	Discount Rate	10.50	11.00	4.76%

Note

Discount vehicle rate means a vehicle 2.7m or less in length OR a low emission vehicle within the DVLA defined BAND A, B or C

* ie 10 or more purchased at the same time

FEES AND CHARGES SCHEDULE 2012/13

Note : Vat is chargeable at the appropriate rate

	2011/12	2011/12	2011/12	2012/13		2012/13		2012/13	
	Standard Charge	Discounted Rate*	Premium Rate**	Standard Charge	Increase	Discounted Rate*	Increase	Premium Rate**	Increase
SERVICE	Proposed Charge £	Proposed Charge £	Proposed Charge £	Proposed Charge £	%	Proposed Charge £	%	Proposed Charge £	%
Parking Services									
Household Permit	93.00	44.00	110.00	93.00	0.0%	46.50	5.7%	115.00	4.5%
-Standard * Quarterly charge *	29.00	13.63	34.30	29.00	0.0%	14.50	6.4%	36.00	5.0%
-Second Quarterly charge	142.00			150.00	5.6%				
45.75				47.50	3.8%				
-Third Quarterly charge	296.00			300.00	1.4%				
80.50				82.50	2.5%				
-Fourth Quarterly charge	592.00			600.00	1.4%				
155.50				157.50	1.3%				
Visitor	0.90			0.95	5.6%				
-Standard									
-Concessionary	0.20			0.25	25.0%				
Special Control Permit	93.00	44.00	110.00	93.00	0.0%	46.50	5.7%	115.00	4.5%
-Standard * Quarterly charge *	29.00	13.63	34.30	29.00	0.0%	14.50	6.4%	36.00	5.0%
Special Additional	93.00	44.00	110.00	93.00	0.0%	46.50	5.7%	115.00	4.5%
-Standard * Quarterly charge	29.00	13.63	34.30	29.00	0.0%	14.50	6.4%	36.00	5.0%
Business Permit *	335.00	157.50		360.00	7.5%	180.00	14.3%		
Guest House Authorisation Card	335.00			360.00	7.5%				
Multiple Occupancy Permit *	134.00	63.00		140.00	4.5%	70.00	11.1%		

FEES AND CHARGES SCHEDULE 2012/13

Note : Vat is chargeable at the appropriate rate

	2011/12	2011/12	2011/12	2012/13		2012/13		2012/13	
	Standard Charge	Discounted Rate*	Premium Rate**	Standard Charge	Increase	Discounted Rate*	Increase	Premium Rate**	Increase
SERVICE	Proposed Charge £	Proposed Charge £	Proposed Charge £	Proposed Charge £	%	Proposed Charge £	%	Proposed Charge £	%
Landlord's Permit *	134.00	63.00		140.00	4.5%	70.00	11.1%		
Community Permit *	44.50	21.00		46.50	4.5%	23.25	10.7%		
Day use Community									
- Standard	1.10			1.15	4.5%				
- Charities	0.20			0.25	25.0%				
Authorisation Card without Permit	2.50			2.60	4.0%				
Property Renovation									
- Quarterly *	93.00	44.00		100.00	7.5%	50.00	13.6%		
- Daily *	2.30	1.05		2.50	8.7%	1.25	19.0%		
Commercial Permit *	465.00	219.00		500.00	7.5%	250.00	14.2%		
Commercial Permit (Specific Zone) *	120.00	56.50		130.00	8.3%	65.00	15.0%		
Replacement Permit									
Respark									
First Replacement	Amount remaining on Permit			Amount remaining on Permit					
Second Replacement	124.00			150.00	21.0%				
- Concessionary	40.00			50.00	25.0%				
Minster Badge	5.00			5.25	5.0%				

* discount available for vehicles 2.7m or less in length or a low emission vehicle within DVLA defined Band A, B or C.

** additional charge for high emission vehicles within DVLA band J,K,L or M.

FEES AND CHARGES SCHEDULE

Note : Vat is chargeable at the appropriate rate

SERVICE	2011/12	2012/13 (from 1st April 2012)	
	Current Charge £	Proposed Charge £	Increase %
<u>Transport and Highway Fees and Charges</u>			
Highways Adoption Fees	7% of Scheme Costs	8% of Scheme Costs	n/a
Checking Developers Plans	£500 + 1% of estimated works	£500 + 2% of estimated works	n/a
Scaffold & Hoarding licences			
Initial consent and 1 month permission	55.50	75.00	35.1%
Each additional month or part thereof	32.00	50.00	56.3%
Late notification fee (less than 5 working days)	n/a	15.00	n/a
Failure to comply with terms of licence	n/a	15.00	n/a
Skip/ Container/ Building Materials licence for 14 days	26.25	30.00	14.3%
Late notification fee (less than 3 working days)	n/a	15.00	n/a
Failure to comply with terms of licence	n/a	15.00	n/a
Additional fee for dealing with unlicensed skips/ scaffold	38.00	50.00	31.6%
Cherry picker licence - up to 1 day	55.50	60.00	8.1%
Cherry picker licence - more than 1 day	n/a	88.00	n/a
Vehicle Crossing Fees (Assessment & Inspection Fee)	46.00	60.00	30.4%
Road Closures (exc VAT and advertising costs) (Non-Commercial/ Charitable Events may be exempt or reduced, advertising costs will still be chargeable)	380.00	400.00	5.3%
Temporary Waiting Restrictions (exc cost of work, coning & advertising)	135.50	150.00	10.7%

FEES AND CHARGES SCHEDULE

Note : Vat is chargeable at the appropriate rate

SERVICE	2011/12	2012/13 (from 1st April 2012)	
	Current Charge £	Proposed Charge £	Increase %
Authority to contravene Moving Traffic Order	10.00	20.00	100.0%
Waiver to contravene a Parking Order			
1 day	20.00	20.00	Nil
2 - 7 days	50.00	50.00	Nil
8 - 14 days	100.00	100.00	Nil
Brown Sign Applications	276.50		
4 signs or less		300.00	
5 to 8 signs		350.00	
9 signs or more		400.00	
Approval consent for House Builder signs	260.00		
4 signs or less		300.00	
5 to 8 signs		350.00	
9 signs or more		400.00	
NRSWA (Set Nationally)			
Section 50 Licence Administration	250.00	250.00	Nil
Special Permission Inspections	250.00	250.00	Nil
Utility sample fee	50.00	50.00	Nil
Investigatory/ Third Party	68.00	68.00	Nil
Defect Inspections fee	47.50	47.50	Nil
Special Permission	£750 or 6%	£750 or 6%	
Dial and Ride			
- Single	1.90	2.00	5.3%
(pass holder)	1.00	1.00	0.0%
- Return	3.70	4.00	8.1%
(pass holder)	1.90	2.00	5.3%

FEES AND CHARGES SCHEDULE

Note : Vat is chargeable at the appropriate rate

SERVICE	2011/12	1st April 2012		
	Current Charge £	Proposed Charge £	Increase £	Increase %
<u>Planning fees and charges</u>				
Land Charges				
Basic search - over the counter	85.00	85.00	-	0.0%
Basic search - electronic	85.00	85.00	-	0.0%
Business search	157.00	157.00	-	0.0%
Optional enquiries	40.00	40.00	-	0.0%
Additional enquiries	20.00	20.00	-	0.0%
Personal search (set by government)				
Planning Register	free	free		
Highway Register	free	free		
Building Control				
Letter of confirmation } Completion Certificates } Approvals }	36.00	38.00	2.00	5.6%
Other				
Tree Preservation Orders	36.00	38.00	2.00	5.6%
Historic Environment Record consultation <50ha	75.00	75.00	-	0.0%
Historic Environment Record consultation >50ha	150.00	150.00	-	0.0%
Sites & Monuments Record search	36.00	38.00	2.00	5.6%

NEWGATE MARKET TOLLS

DAY	ZONE	AVERAGE OCCUPANCY	Current Fee 2011/12	Proposed Fee 2012/13	Increase over 2011/12 (+ or -)
MONDAY	A	95.0%	17.50	17.75	1.4%
	B	95.0%	15.25	15.75	3.3%
	C	78.0%	10.00	10.25	2.5%
	D	25.0%	6.00	6.00	0.0%
	E - o/s	78.0%	18.00	18.50	2.8%
	F - o/s	100.0%	42.00	43.00	2.4%

DAY	ZONE	AVERAGE OCCUPANCY	Current Fee 2011/12	Proposed Fee 2012/13	Increase over 2011/12 (+ or -)
FRIDAY	A	95.0%	26.00	26.50	1.9%
	B	95.0%	25.00	25.50	2.0%
	C	75.0%	22.00	22.50	2.3%
	D	50.0%	13.00	13.00	0.0%
	E - o/s	78.0%	20.00	21.00	5.0%
	F - o/s	100.0%	43.00	45.00	4.7%

TUESDAY	A	95.0%	21.50	22.00	2.3%
	B	95.0%	20.00	20.50	2.5%
	C	70.0%	17.00	17.50	2.9%
	D	30.0%	12.00	12.00	0.0%
	E - o/s	78.0%	20.00	20.50	2.5%
	F - o/s	100.0%	42.00	43.00	2.4%

SATURDAY	A	100.0%	34.00	35.00	2.9%
	B	100.0%	31.00	32.00	3.2%
	C	78.0%	24.50	25.00	2.0%
	D	50.0%	21.00	22.00	4.8%
	E - o/s	78.0%	20.00	21.00	5.0%
	F - o/s	100.0%	48.00	50.00	4.2%

WEDNESDAY	A	95.0%	20.50	21.00	2.4%
	B	95.0%	18.50	19.00	2.7%
	C	70.0%	16.00	16.50	3.1%
	D	30.0%	11.00	11.00	0.0%
	E - o/s	78.0%	20.00	20.50	2.5%
	F - o/s	100.0%	42.00	43.00	2.4%

SUNDAY	A	100.0%	23.50	24.00	2.1%
	B	100.0%	22.50	23.00	2.2%
	C	78.0%	19.00	20.00	5.3%
	D	30.0%	7.00	7.50	7.1%
	E - o/s	75.0%	20.00	21.00	5.0%
	F - o/s	100.0%	42.00	44.00	4.8%

THURSDAY	A	100.0%	22.50	23.00	2.2%
	B	95.0%	22.00	22.50	2.3%
	C	75.0%	19.00	19.50	2.6%
	D	50.0%	11.00	11.00	0.0%
	E - o/s	78.0%	20.00	21.00	5.0%
	F - o/s	100.0%	42.00	43.00	2.4%

KEY :-

A	Jubbergate
B	Prime Stalls
C	Standard Stalls
D	Rear Stalls
E - o/s	Open spaces pitches
F - o/s	Brunch Wagon

Event Markets	Current Fee 2011/12	Proposed Fee 2012/13	Increase over 2011/12
	£	£	%
Easter Fayre Market	100	110	10%
St Nicholas Fayre - Parliament Street	160	170	6.3%
St Nicholas Fayre - Kings Square/Coppergate	100	110	10.0%
St Nicholas Fayre - Guildhall	30	35	16.6%
Miscellaneous Special Markets Events	various	various	

Note

Under the Market rules and regulations the Senior Market Officer has discretion to offer reduced rates to attract new stall-holders and to encourage existing stall-holders to occupy adjacent vacant stalls

Annex 3

Standard charges for the use of Residential Homes and Foster Carers, Sharing Care, Adoption and Residence Order Weekly Allowances

- 1 The following schedules set out the proposed level of charges to other local authorities for the use of services within the Children and Families portfolio for residential care homes. The annex also lists proposed foster care, sharing care, adoption, residence order and special guardianship weekly allowances for 2012/13. It is proposed to freeze the majority of these rates at the 2011/12 level, the exception being the Foster Carer Weekly Allowances / Special Guardianship Allowances as outlined in the paragraphs below.

Standard Weekly Charges For Residential Care Homes (Annex 3a)

- 2 A source of income for Children & Families is derived from charges to other local authorities for purchasing services e.g. North Yorkshire Social Services Department who purchase residential and day care places for individuals who continue to be their responsibility. Many of this group of people are either resident in, or regular users of, residential and non-residential services.
- 3 There is a requirement for the directorate to set these standard charges both to charge other authorities and to set the maximum charge payable by residents. The proposed charges for 2012/13 have been frozen for both Wenlock Terrace and The Glen to reflect the amounts that can realistically be charged.

Minimum Payment For Foster Carers (Annex 3b)

- 4 A basic allowance is paid for each child/young person in a placement. Payments are calculated on a weekly basis according to the age of the child. The Government sets statutory minimum weekly allowances for foster carers. The weekly allowances set out at Annex 4b for Age Bands 0-4, 5-10 and 11-15 have been increased at a rate necessary to match the national minimum fostering rates levels. In practice this has led to increases of between 1.7% and 2.4%. The weekly rate paid for children aged between 16-17 is currently above the 2011/12 national rate (£168): following negotiations with foster carers it is proposed to apply an increase of 2.3% for 2011/12.

- 5 Foster carers are also paid a weekly carer's skill premium. These premiums are calculated with reference to an appraisal of the carer's skill level.
- 6 The Placement Strategy for Looked After Children established a specialist scheme that enhances the recruitment and retention of foster carers, who look after young people with exceptional needs in relation to their emotional and behavioural difficulties or severe disability. Foster carers are specifically selected for the new scheme to be matched with specific young people.
- 7 This is incorporated into the shaded area at the foot of the lower table in Annex 3b.

Additional Foster Carers Weekly Allowances (Annex 3c)

- 8 In addition to the allowances detailed above further allowances are paid to foster carers. A further weeks allowance is payable for birthdays and Christmas, and a further three weeks allowance will be payable for holidays taken during the year. Additional allowances are shown in Annex 3c.

Weekly Adoption Allowances and Residence Order Allowances (Annex 3d)

- 9 A weekly allowance is not paid in all cases of adoption, only in certain financial circumstances, or when a disabled child is adopted or possibly to encourage the adopter to take a sibling of a child already adopted. To determine whether an allowance should be paid to an adopter a financial assessment is carried out, using the DfE suggested assessment model.
- 10 A small number of children in our care are subject to residence orders that replaced custodianship in 1991. A residency order means that the birth parents retain parental responsibility but the carer gains parental rights. As with adoption, a financial assessment of the carer is undertaken to determine whether an allowance should be given.

Sharing Care & Sitting Service Allowances (Annex 3e)

- 11 Sharing care is provided for disabled children who attend a temporary carer on either a day care or overnight basis, in order to give the parent or regular carer a break. The sitting service provides for temporary carers to look after children in their own homes.

- 12 The Sharing Care Contract Carer Scheme recruits carers to provide regular, usually overnight, respite care for severely disabled children. The Contract Carers are paid a weekly allowance which is equal to the allowance paid to Specialist Foster Carers. This is shown in the bottom table of Annex 3e

Special Guardianship Allowances (Annex 3f)

- 13 A Special Guardianship Order allows carers to gain parental responsibility and enables them to override the parental responsibility of others (such as the child's birth parent) in day-to-day matters. Under legislation, Special Guardians must be offered support services, including financial support, if requested, subject to the same financial assessment as adopters. The allowances for Special Guardians are set at the same rate as the Foster Care weekly allowances; however, an amount equivalent to the Child Benefit entitlement will be deducted from the allowance before it is paid. Annex 3f shows the revised allowances for 2012/13.

Care Leavers Weekly Accommodation Allowance

- 14 In addition to the allowances shown, a weekly accommodation allowance is paid to Care Leavers. The 2011/12 allowance was £52 per week; it is currently proposed to keep the allowance at this level. However, this may change as the amount paid must be higher than the Job Seeker's allowance, which has not yet been confirmed for 2012/13.

Rounding

- 15 The figures shown for all weekly allowances have been rounded to the nearest figure in whole pence that can be divided exactly by 7. This is done so that the weekly allowances can easily be converted into daily amounts when processing payments.

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BUDGET
2011/12
£'000**Expenditure:**

Repairs & Maintenance

5,046	Jobs General	5,067
1,039	Projects	878
257	Estate Improvements	257
101	Decoration Allowance	100
30	Rechargeable Repairs	30
<u>6,473</u>		<u>6,332</u>

General Management

37	Neighbourhood Management Unit Recharge	37
70	Tenant Support and Information	70
45	City Strategy Recharge	0
127	Property Services Recharge	127
52	Grounds Maintenance Recharge	45
1,490	CANS Recharge	1,510
89	AD Housing and Public Protection	89
2,842	Housing Operations	2,868
635	Asset Management	635
31	HRA Training	31
<u>5,418</u>		<u>5,412</u>

Special Services

839	Sheltered Housing	839
93	Energy Costs	93
673	Temporary Accommodation	673
115	Discus Bungalows	57
379	Grounds Maintenance	379
255	Caretaking Costs	256
19	Cleaning Costs	21
41	Lifts	41
5	Communal Aerials	5
6	Contribution to Energy Efficiency	6
<u>2,425</u>		<u>2,370</u>

Rents etc.

5	Rent & Rates	5
208	Insurance	208
1	RTB Legal Fees	1
<u>214</u>		<u>214</u>

Provision for Bad and Doubtful Debts

108	Council Housing	115
<u>108</u>		<u>115</u>

Housing Subsidy

7,746	HRA Subsidy (negative)	0
<u>7,746</u>		<u>0</u>

BUDGET
2011/12
7,746

Capital Charges

7,732

Depreciation

7,732

8

Debt Management

50

7,740

7,782

30,124

TOTAL EXPENDITURE

22,225

BUDGET
2011/12**Income:**

Rents

-27,407	Council Housing	-29,391
-262	Temporary Accommodation	-290
<u>-27,669</u>		<u>-29,681</u>

Non Dwellings Rents

-307	Council Garages	-318
-251	Council Shops	-251
-38	General Rents	-38
<u>-596</u>		<u>-607</u>

Charges for Services and Facilities

-8	Fees & Charges - Council Housing	-7
-85	- Legal Fees	-85
-85	- RSL management fee	-85
-592	- Sheltered Housing	-591
-2	- Temporary Accommodation	-2
-50	Cookers	-40
-90	Leaseholder Admin Charge	-90
<u>-912</u>		<u>-900</u>

Contribution Towards Expenditure

-12	- Sheltered Housing	-12
-25	- Rechargeable Repairs	-25
-37		-37

Supporting People Income

-407	- Temporary Accommodation	-339
<u>-407</u>		<u>-339</u>

Transfer from General Fund

-3	Amenities Shared by the Whole Community	-3
<u>-3</u>		<u>-3</u>

-29,624

TOTAL INCOME

-31,567500**NET COST OF SERVICE**-9,342

799	Loan Interest Paid	6,685
-1	Mortgage Interest	-1
-150	Revenue Cash Interest Received	-160
2,086	Capital Expenditure financed from Revenue	1,051
-2,547	Contribution to/(from) MRR	-543

BUDGET
2011/12
459

BUDGET
2012/13
3,000

Contribution to/(from) Earmarked Reserves

1,146

(SURPLUS) / DEFICIT IN YEAR

690

-10,398 (SURPLUS) / DEFICIT BROUGHT FORWARD

-9,500

1,146 (SURPLUS) / DEFICIT IN YEAR

690

-9,252 (SURPLUS) / DEFICIT CARRIED FORWARD

-8,810

Dedicated Schools Grant (DSG) and the Schools Budget

- 1 The DSG is ring-fenced for funding the provision of education for pupils in schools (maintained, pupil referral units (PRUs), private, voluntary and independent (PVI) nurseries or externally purchased places). As such it covers funding delegated to individual LA maintained schools and PVI providers through the LMS & Early Years Funding Formula, plus funding for other pupil provision which is retained centrally by the LA (e.g. SEN, PRUs, behaviour support, home & hospital tuition, school contingencies etc.). It is distributed according to a formula that guarantees a minimum per pupil increase for each authority (0% in 2012/13).
- 2 The council itself cannot use the DSG for any purpose other than schools block funding, although with the permission of the Schools Forum limited contributions can be made to the following areas:
 - Combined budgets supporting every child matters objectives where there is a clear educational benefit.
 - Prudential borrowing, where overall net savings to the schools budget can be demonstrated.
 - Some SEN transport costs, again only when there is a net schools budget saving.
- 3 There are also strict limits (central expenditure limits) on the amount of the DSG that the council can retain centrally to either fund pupil costs outside mainstream schools, or to provide targeted allocations during the financial year to maintained schools.
- 4 To some degree the government has attempted to protect schools from the full effect of their spending reductions when compared to other parts of the public sector, and the remainder of local government services in particular. The key features of the Schools Settlement for 2012/13 are:
 - Another one-year only settlement for 2012/13, with the DfE's response to the results of their consultation on further changes to the system of allocating funding to local authorities and schools expected this spring.
 - A continued flat cash per pupil allocation for all of the LA's core funding.

Annex 5

- Increased funding through the pupil premium for disadvantage.
- Freezing of Devolved Capital allocations for schools, following significant reductions in 2011/12.
- Continued pressure on the LA budgets for Education and Children's Services outside of the DSG.

Schools Budget Projection for 2012/13

- 5 A summary of the schools budget position is shown in Table 1 below. A full report on the schools budget and funding for schools has been prepared for the York Education Partnership Board (YEPB) on 7 February (the YEPB has now taken on the statutory responsibilities of the Schools Forum in York in relation to school finances). The YEPB report can be provided to any Member on request and provides further detailed explanations of the figures set out in Table 1

Table 1: Schools Budget Projection for 2012/13

	ISB & PVI £000	Centrally Retained £000	Schools Budget Total £000
2011/12 Approved Budget	101,094	12,767	113,861
Impact of Previous Years Decisions:			
Burnholme Community College Support Package	- 253	+ 253	-
2012/13 Base Budget	100,841	13,020	113,861
Provision for Pay Increases		+ 75	+ 75
Academy LACSEG Provision		+ 233	+ 233
Termination of Employment Costs		+ 188	+ 188
Carbon Reduction Commitment Allowances		+ 150	+ 150
LA Proposed Reprioritisation of Budgets:	+ 22	- 68	- 46
Estimated Post 16 Funding	- 357	- 62	- 419

Annex 5

Reduction			
LMS & Early Years Funding Formula Requirements	+ 522		+ 522
Pupil Premium for Disadvantage*	+ 1,263		+ 1,263
2012/13 Initial Budget Projection	102,291	13,536	115,827
Funding Available:			
Dedicated Schools Grant			107,350
YPLA Post 16 Grants			6,543
Pupil Premium*			2,376
DSG Surplus b/f from 2011/12			-
Total Estimated Available			116,269
Schools Budget Headroom			442

* The Pupil Premium is not technically part of the ISB, but is included here to give a more complete picture of the funding changes.

Funding Available within the DSG

- 6 The funding available includes the estimated 2012/13 DSG allocation of £107,350k, an early estimate of funding for post 16 pupils from the YPLA of £6,543k, the estimated level of the pupil premium for York schools of £2,376k and an estimated zero balance carry forward of DSG from 2011/12.
- 7 Table 2 sets out the latest estimate of the DSG for 2012/13. The figures are prior to the outcome of the January 2012 pupil census, and will be further updated when this data is available.

Table 2 - DSG Funding 2011-2013

	2011/12	2012/13
Pupil Numbers	22,824	23,050
DSG Per Pupil	£4,657.28	£4,657.28
DSG Allocation	£106.298m	£107.350m

Balancing the Schools Budget

- 8 Table 1 at paragraph 5 shows that there is headroom available within the Schools Budget of £442k. This figure is still prior to a

Annex 5

precise assessment of pupil numbers being made following the January pupil census. If final pupil numbers vary from those currently estimated the impact will be felt both in the level of DSG to be received from the DfE and in the level of funding that will need to be allocated to schools through the LMS Funding Formula.

- 9 For every pupil above or below the current estimate, the DSG received will increase or decrease by £4,657. The average pupil led funding to be allocated within the 2012/13 LMS Funding Formula equates to £3,201. Therefore, on average, every pupil recorded on the census above current estimates will increase the headroom by £1,456, and every pupil recorded below the current estimates will reduce the headroom by £1,456. In previous years the final figures have been up to 50 pupils different either way.
- 10 The current allocation of funding to the ISB shown at Table 1 is the minimum required to ensure that all schools and PVI providers receive funding of at least the level of the DfE -1.5% per pupil minimum funding guarantee (MFG) (or equivalent). With the average funding change across all schools estimated at -1.1% per pupil (+0.6% for PVI providers). If the remaining headroom of £442k were to be allocated to the ISB it is estimated that this would allow the average per pupil reduction across all schools to move to -0.3% per pupil.
- 11 The actual level of funding change per pupil within the formula will be controlled by adjusting the maximum ceiling increase under the existing local ceilings and floors methodology (the floor funding level being the MFG for 2012/13). If the YEPB agrees to the use of the headroom in this way then it is estimated that the ceiling could be set at or just above 0% per pupil.
- 12 The Cabinet will be provided with an update of the decisions and comments made by the YEPB.

Budget Consultation

Briefing Note for Cabinet Members

17th January 2012

There has been extensive and increased consultation as part of this year's budget process, and this note provides Cabinet members with an overview of some of the key issues raised through the different consultation streams.

The decision to undertake consultation with a wide range of stakeholders has resulted in issues and priorities being identified that are specific and relevant to key groups across the community. The narrative within the Budget Report to Cabinet in February will explain the process undertaken, and clearly identify where the outcome of the consultation has influenced any budget recommendation. A summary of the Council's response to the Fairness Commission Report will also form part of the Budget Report to Cabinet, and a report containing the Council's full response to the Commission will be on the same Cabinet agenda.

Feedback from Consultation Streams

There various streams of consultation undertaken as part of this budget process have been specifically targeted to ensure that views are collected from as many different stakeholder groups as possible. This section considers how each consultation stream was organised and highlights the key points identified at these sessions where appropriate;

Voluntary Sector – 2 meetings at Priory Street , December and January

Both these sessions were extremely well attended and encouraged active debate and discussion around issues specific to key players across the Voluntary Sector. The sessions were introduced by Cllr Gunnell and were structured around a presentation on the Council's financial context, followed by detailed presentations by AD's analysing the financial issues facing each directorate. A Q & A session was then introduced where delegates could question or comment to Members and Officers on issues relating to the Councils budget. The following list highlights some of the key themes that came out of the two sessions;

Community

- Ward committees –Delegates wanted to highlight concerns about the impact of reductions in Ward Committee Budgets, , particularly where voluntary support groups are supported through ward committee budgets.

Health

- Issue raised around health reducing funding to voluntary bodies and the critical impact that additional local authority funding reductions would have.
- Delegates asked for Clarification on personalised budgets and the EPH restructure
- Concerns were expressed to officers about the content of letters that have been sent out about the personalisation agenda

- Delegates sought clarification on the impact of the transfer of public health responsibilities, specifically related to alcohol support funding

Benefits & benefits advice

- Issues and concerns raised about the impact of proposed benefit reform on vulnerable people
- Concerns were raised about the impact of savings on benefits advice provided through the voluntary sector support?

Fees & Charges

- Concern was expressed about the impact of raising fees , particularly on the youth sector (double impact of cutting grants and raising premises hire fees)

General

- Adult education – delegates advised that opportunities should be considered for the voluntary sector to provide some form of support?
- The group welcomed the Consultation process and were encouraged that impact assessments were taking place on budget proposals.
- The groups wanted the Council to introduce a quick and straightforward process for discussions about the transfer of additional responsibilities to the Voluntary sector.
- The groups wanted clarification on the criteria that would be used by the Council to determine the levels of reductions to be made to the Voluntary sector
- Delegates wanted Officers and members to be clearly aware of the scale of preventative work undertaken across

the Voluntary sector, and the longer term costs that may result from short term decisions to reduce funding in these areas.

- Improving efficiency – questions were asked about the Council's process for ensuring value for money?
- Delegates wanted to make clear that the Voluntary Sector have to be considered as part of any service delivery solution
- Questions were asked about the ultimate responsibility for allocation of financial resources from the Council to the Public Sector.
- Concerns were expressed about the timing of announcements around funding reductions and the impact this would have on groups setting their own budgets for the next financial year.
- Questions were asked about the use of council buildings to maximise efficiency
- Discussion took place about the impact of the Council Tax Freeze grant. Delegates could see the difficulties that taking the one year grant could have on the Councils financial resources over the medium term.
- Delegates wanted the Council to be more explicit about what Fees and Charges do/don't cover.
- Clarification was sought on council tax charges on second homes
- Delegates asked if there were any reserves available to be used as funding.
- Delegates sought reassurance that current service level Agreements with the Council would be honoured.

Business Leaders – York St Johns, January

This session was also extremely well attended, and commenced with an introduction by the Leader followed by a financial presentation on budget issues, with an emphasis on the impending changes to the Business Rates regime. Following the presentations, a Q & A session took place at which the following issues were raised :-

- What proportion of rates will we retain when the new business rates system is in place?
- What is the value of the Council's asset base?
- Does the Council use interest on capital receipts?
- Delegates asked about the Asset Management Board looking at assets across public sector organisations in the city and how we ensure that these are used more effectively/efficiently, and how we engage the private sector more in this process.
- What will happen with receipts from Monks Cross if this development goes ahead?
- Questions were asked about how the Council is planning financially to deal with resource instabilities resulting from ongoing changes to the Local Government finance regime
- A discussion took place about the role of the Council in supporting/marshalling resources for start ups/enterprise and kick-starting the use of empty commercial premises.
- Potential for investment in energy programme? What kind of investment can we encourage/support into energy infrastructure in a strategic way?

Youth Council – January

The Youth Council were asked to review eight main service areas and decide if the budget for each could be decreased, should stay the same or be increased. The services were based on those detailed in the YouChoose online survey including:

- Children's Services and Education
- Adult Social Care
- Housing and Homelessness
- Culture and Leisure
- Environment and Waste
- Community Safety
- Roads, Planning and Economy
- Council Support and Public Engagement

The main services were broken down into the different specific services they contain to assist the decision making on the budget for the service as a whole. This enabled Youth Councillors to decide if there were more specific services in which the budget should be saved or protected.

All members of the Youth Council were placed into one of four groups and each group focused on two main services, with their decisions fed back to the whole group. Therefore budget decisions are more concentrated on individual services and not necessarily made alongside consideration of other council services.

Overall findings

Of the eight services, the groups decided to reduce the budget for five services, for one to remain the same and two to be increased:

- Children's Services and Education, +10%
- Adult Social Care, -17%
- Housing and Homelessness, 0%
- Culture and Leisure, -3%
- Environment and Waste, +3%
- Community Safety, -1%
- Roads, Planning and Economy, -25%
- Council Support and Public Engagement, -4%

Under each of the main services, the groups looked at the budgets for more specific services, with the following results:

Children's Services and Education:

Increase – Services for Young People

Support for Children in Schools

Decrease – Support for Children with Special Educational Needs

No change – Children's Social Care Services

Adult Social Care:

Decrease – Services for Adults with a Learning Disability

Services for Older People (aged 65 or over)

Services for Adults with Physical or Sensory Disabilities

No change – Services for Adults with Mental Health Needs

Culture and Leisure:

Decrease – Libraries, Cultural Services and Community Learning

Parks and Open Spaces

Tourism

Sports and Leisure Facilities

Environment and Waste:

Decrease – Refuse and recycling
Protecting the Environment
Street Cleaning and Enforcement

Community Safety:

Decrease – Public Health and Safety
No change – Community Safety

Roads, Planning and Economy:

Decrease – Planning and Building Control

Roads, Pavements and Other Transport Services

Increase – Economic and Community Development

Council Support and Public Engagement:

Decrease – Customer Services, Communication and Public
Engagement
Finance, HR, ICT and Strategic Services
Legal and Constitutional Services
Land and Buildings

NB: Housing and Homelessness did not include specific services.

Generating income:

Whilst considering the budget for their given services, the groups were also asked to think of ways of generating income for that particular service. Ideas included:

Culture and Leisure: Introduce a tourism tax on hotels in the city that would be a considered amount which is beneficial, whilst not deterring tourists.

Environment and Waste: Consider charging residents who do not sort their waste correctly, ie recyclables from landfill, to improve collection times and reduce landfill waste.

Charge for the use secure city centre parking for bicycles – a new provision.

Community Safety: Introduce charging for Health and Safety inspections.

Roads, Planning and Economy: Charge companies (such as gas, cable TV, etc) for digging up roads to undertake their work.

Other comments / ideas:

Work with local businesses to reduce their waste and therefore the amount going to landfill.

Need to provide careers advice and bereavement services for children and young people. Mentoring scheme needs to be co-ordinated.

Schools photocopy too much and photocopying could maybe be done on both sides. Council could work with schools to reduce waste.

Increasing charges for sport and leisure facilities was discussed by the relevant group, however the group struggled to come to a decision as it was seen to contradict commitments to improving the health of residents.

You Choose

The YouChoose online budget simulator was available to residents during November and December 2011, as part of a wider public consultation for the 2012/13 budget setting. A total of 157 surveys were completed.

The YouChoose survey is an online budget simulator which allows respondents to set hypothetical budgets for services, whilst showing them the direct impact of their choices. YouChoose was designed by the Local Government Group and YouGov and was made freely available in 2010 to all Local Government Association member councils in England and Wales.

All results are reported as percentages, however due to the overall sample size of 157 figures should be treated with caution, and as more indicative than robust findings. Data-processing and report writing were carried out by the Business Intelligence Team in the Office of the Chief Executive.

The full analysis of the YouChoose survey is included at Appendix A.

Fairness Commission Report

The Council's response to the Fairness Commission report will be presented to Cabinet on the Agenda as the actual budget report and will identify how the Council's budget strategy is proposing to deal with recommendations contained in the fairness commission report.

The budget report itself will also contain a section which will specifically outline how Fairness Commission recommendations have been dealt with.

CMT/EAG – December

A meeting was held at Priory Street, where Cllr Crisp introduced a joint session between Directors and members of EAG to discuss potential issues that may arise as a result of budget decisions. Following a presentation from each Directorate, EAG Members were invited to sit down with Directorate Management Teams and discuss specific areas of concern. Directors went away from this session with a clear view of issues that needed to be considered from an EG perspective.

Equalities Advisory Group have a meeting planned for 21st February to consider the findings of the Budget EIA. Officers are considering how any feedback from that meeting (if any) can be brought to the attention of Members before they consider the Budget at Council on the 23rd.

Public ‘Conversation’ – Mansion House, December

For the first time, an open session was held at the mansion House where members of the public were invited to discuss with individual Cabinet Members any specific areas of concern they had relating to budget issues.

Individual members will be aware of any issues raised in respect of their own portfolio.

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RISK ASSESSMENT

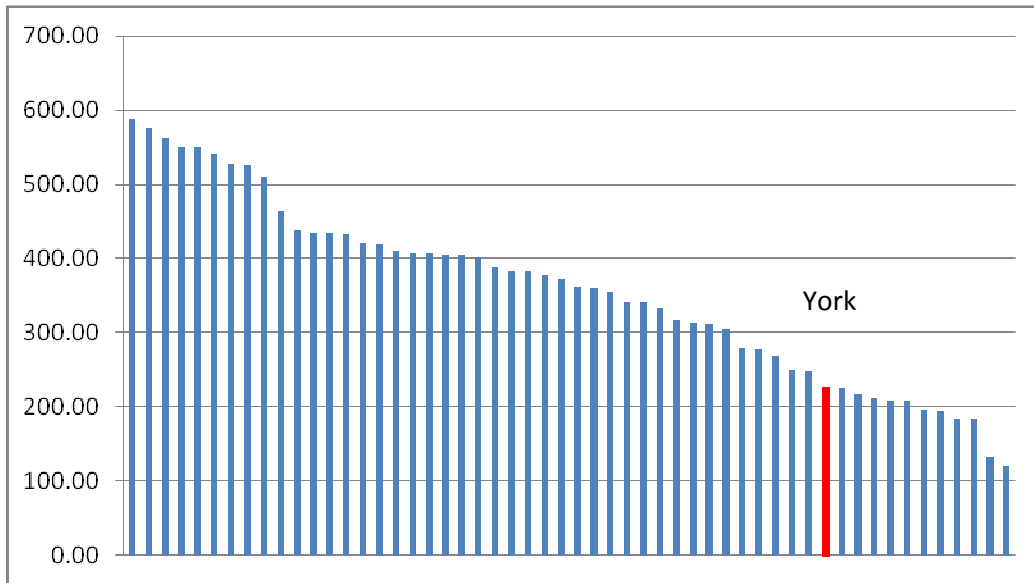
Risk	Likelihood	Seriousness	How we will manage the risk
Budgets are overspent due to external pressures	Medium	High	<ul style="list-style-type: none"> • regular monitoring with corrective action
Savings are not achieved due to reduced management and support services capacity to deliver	High	High	<ul style="list-style-type: none"> • regular budget monitoring focused on high risk areas to identify issues at an early stage • where savings are not achieved ensure alternative savings identified • regular monitoring with corrective action at DMTs • effective project management
Service reviews do not deliver required savings	High	Medium	<ul style="list-style-type: none"> • regular monitoring with corrective action at DMTs • robust tracking of all savings across the council • effective project management
Continued Pressure on Income Budgets	Medium	Medium	<ul style="list-style-type: none"> • Regular budget monitoring to identify trends
Savings that are subject to further reviews may not be fully delivered in 2013/14	Medium	Medium	<ul style="list-style-type: none"> • regular progress monitoring at DMTs • effective project management • consideration of alternative short / medium term savings options if required
Potential for reserves to go below minimum levels due to budgets being exceeded	Medium	High	<ul style="list-style-type: none"> • Ensure minimum levels are maintained • Robust financial management/prudent budget setting
Costs of redundancy/retirement as a result of service changes exceed budget	Low	Medium	<ul style="list-style-type: none"> • Provision made for costs of retirement/redundancy in budgets

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Annex 8 – Unitary Authority Funding Tables

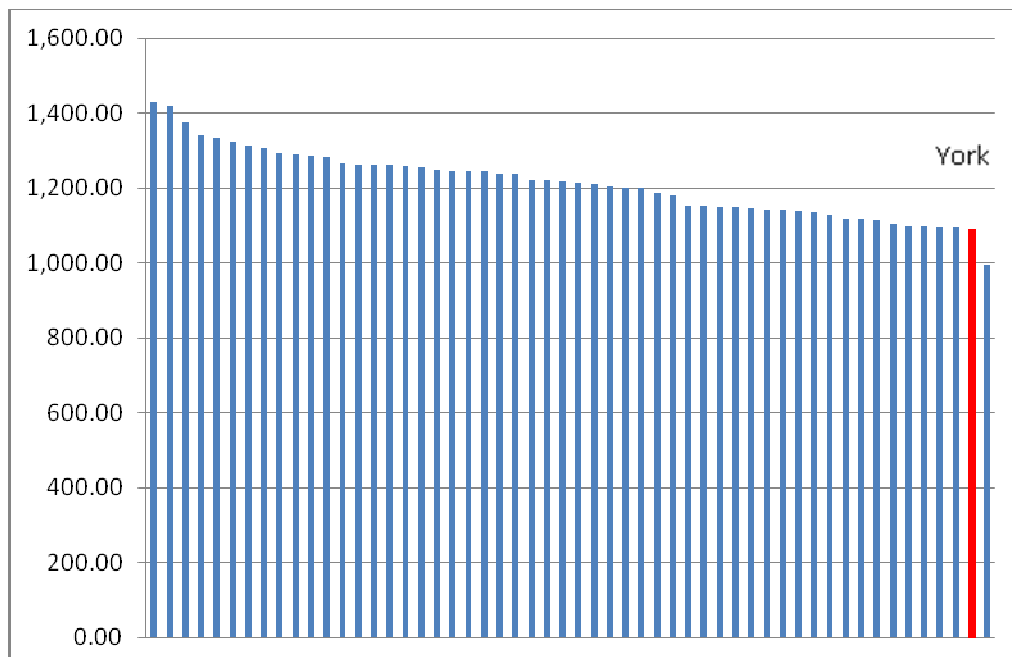
2012/13 Formula Grant Per Head

The following graph shows York as the 12th lowest spend of Formula Grant per head of population in comparison to other unitary authorities. This uses the allocations and population data as per the 2012/13 announcement.



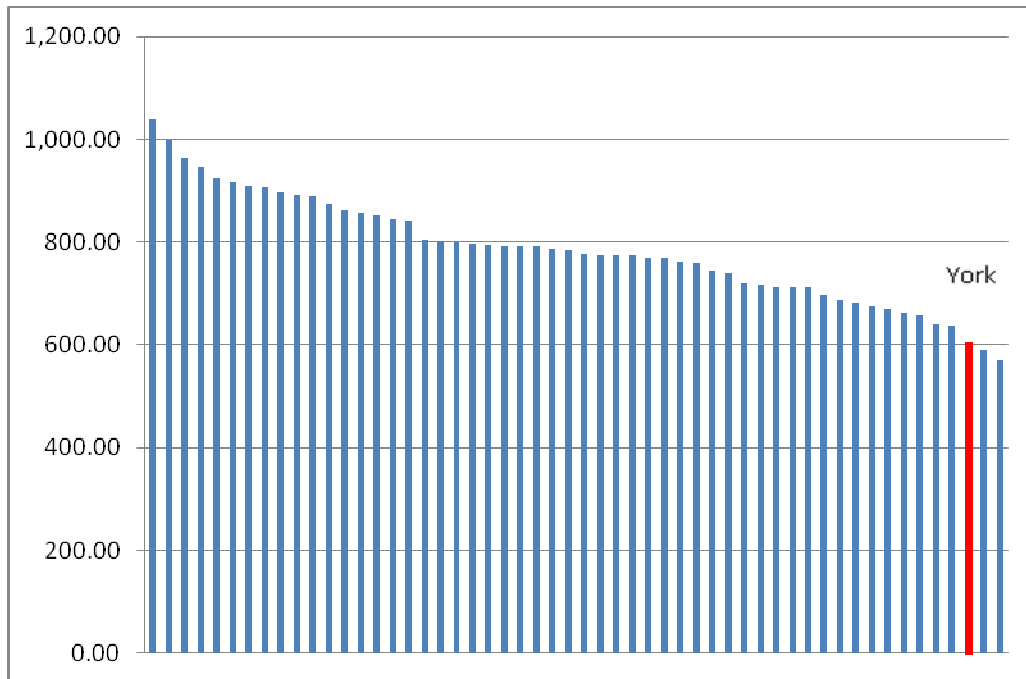
2011/12 Basic Band D Council Tax

The following graph shows York has the 2nd lowest basic Band D Council Tax in comparison to other unitary authorities. This uses the approved 2011/12 levels.



2011/12 Net Budget Spend Per Head

The following graph shows York has the 3rd lowest net budget spend per head in comparison to other unitary authorities. This uses the approved 2011/12 levels.



Data Tables

The following pages provide the supporting detail for the graphs and provides the most up to date information where possible, i.e. population data.

Unitary Authority 2012/13 Formula Grant Per Head

<u>UA</u>	<u>2012/13 Formula Grant (FG) £</u>	<u>Population</u>	<u>FG Per Head £</u>	<u>Rank</u>
Blackpool	82,493,386	140,172	588.52	1
Middlesbrough	81,662,720	141,579	576.80	2
Leicester	179,712,613	319,224	562.97	3
Nottingham	173,062,313	314,231	550.75	4
Blackburn with Darwen	77,318,148	140,494	550.33	5
Kingston upon Hull	146,945,657	271,325	541.59	6
Hartlepool	48,478,189	91,978	527.06	7
Halton	62,837,177	119,489	525.88	8
Stoke-on-Trent	123,712,051	242,194	510.80	9
Redcar and Cleveland	63,888,361	137,580	464.37	10
North East Lincolnshire	69,217,102	157,908	438.34	11
Torbay	59,459,055	136,795	434.66	12
Luton	86,176,320	198,283	434.61	13
Durham	223,252,199	515,380	433.18	14
Derby	105,614,078	251,447	420.03	15
Peterborough	74,082,997	176,684	419.30	16
Portsmouth	86,148,221	210,022	410.19	17
Slough	53,319,605	131,097	406.72	18
Telford and the Wrekin	66,645,132	164,108	406.11	19
Plymouth	107,588,940	265,334	405.48	20
Southampton	99,483,193	245,703	404.89	21
Brighton & Hove	104,371,735	260,185	401.14	22
Northumberland	121,890,380	313,969	388.22	23
Bristol	175,781,542	458,368	383.49	24
Darlington	39,069,656	102,146	382.49	25
Cornwall	206,476,580	546,129	378.07	26
Stockton-on-Tees	72,031,544	193,762	371.75	27
Southend-on-Sea	60,454,220	167,108	361.77	28
North Lincolnshire	59,592,698	165,343	360.42	29
Thurrock	58,557,722	164,534	355.90	30
Bournemouth	56,844,038	166,432	341.55	31
Milton Keynes	83,918,084	246,153	340.92	32
Reading	51,986,793	156,176	332.87	33
Bedford	51,156,632	161,047	317.65	34

Medway	80,743,179	257,565	313.49	35
Herefordshire	56,615,129	181,888	311.26	36
Shropshire	90,357,587	295,399	305.88	37
East Riding of Yorkshire	97,337,013	347,973	279.73	38
Cheshire West & Chester	91,103,486	328,117	277.66	39
Warrington	53,913,220	200,199	269.30	40
Swindon	51,554,454	207,015	249.04	41
North Somerset	54,603,623	219,977	248.22	42
York	46,556,767	205,091	227.01	43
Bath & North East Somerset	41,481,012	183,361	226.23	44
South Gloucestershire	58,934,675	271,674	216.93	45
Wiltshire	98,212,006	465,032	211.19	46
Poole	29,953,897	143,144	209.26	47
Bracknell Forest	24,335,639	117,143	207.74	48
Rutland	7,682,443	38,980	197.09	49
West Berkshire	30,589,082	156,634	195.29	50
Central Bedfordshire	47,980,925	261,431	183.53	51
Cheshire East	67,676,974	368,841	183.49	52
Windsor and Maidenhead	19,490,315	147,004	132.58	53
Wokingham	20,202,349	168,433	119.94	54
	4,282,552,856	12,037,280	355.77	

Source: communities.gov.uk

**Unitary Authority 2011/12 Basic Band D
Council Tax**

<u>Unitary Authority</u>	<u>Basic Band D Council Tax £</u>	<u>Rank</u>
Rutland	1,430.51	1
Hartlepool	1,418.70	2
Northumberland	1,373.63	3
Bristol	1,338.95	4
Nottingham	1,332.28	5
Central Bedfordshire	1,324.96	6
Bedford	1,313.75	7
Blackpool	1,306.09	8
Redcar and Cleveland	1,291.68	9
Reading	1,288.80	10
North Lincolnshire	1,284.88	11
Durham	1,282.86	12
Blackburn with Darwen	1,266.85	13
Brighton & Hove	1,262.49	14
Middlesbrough	1,261.69	15
Torbay	1,261.17	16
Bournemouth	1,258.29	17
Cheshire West & Chester	1,254.59	18
North East Lincolnshire	1,247.68	19
South Gloucestershire	1,245.20	20
Plymouth	1,244.67	21
Cornwall	1,244.41	22
Southampton	1,239.21	23
West Berkshire	1,238.79	24
Wiltshire	1,222.43	25
Stockton-on-Tees	1,221.53	26
Cheshire East	1,216.34	27
East Riding of Yorkshire	1,215.79	28
Poole	1,209.60	29
Herefordshire	1,205.09	30
Bath & North East Somerset	1,201.85	31
Wokingham	1,199.24	32
Leicester	1,186.22	33
Shropshire	1,179.39	34

Slough	1,151.39	35
Darlington	1,151.03	36
North Somerset	1,150.87	37
Portsmouth	1,149.12	38
Swindon	1,146.11	39
Luton	1,143.89	40
Stoke-on-Trent	1,143.55	41
Halton	1,137.91	42
Warrington	1,136.64	43
Derby	1,127.21	44
Medway	1,119.15	45
Southend-on-Sea	1,117.89	46
Milton Keynes	1,116.27	47
Thurrock	1,105.56	48
Telford and the Wrekin	1,098.62	49
Kingston upon Hull	1,096.63	50
Peterborough	1,095.71	51
Bracknell Forest	1,093.95	52
York	1,090.85	53
Windsor and Maidenhead	995.73	54

Source: CIPFAstats.net

Unitary Authority 2011/12 Net Budget Spend Per Head

<u>Unitary Authority</u>	<u>Net Budget</u> £	<u>Pop'n</u>	<u>Net Spend</u> Per Head £	<u>Rank</u>
Blackpool	145,602,270	140,172	1,038.74	1
Hartlepool	91,886,857	91,978	999.01	2
Middlesbrough	136,494,766	141,579	964.09	3
Blackburn with Darwen	132,857,500	140,494	945.65	4
Halton	110,486,734	119,489	924.66	5
Torbay	125,202,135	136,795	915.25	6
Nottingham	285,229,020	314,231	907.70	7
Redcar & Cleveland	124,754,450	137,580	906.78	8
Northumberland	281,239,199	313,969	895.75	9
Brighton & Hove	232,193,520	260,185	892.42	10
Leicester	283,629,130	319,224	888.50	11
Stoke-on-Trent	211,741,275	242,194	874.26	12
Kingston-upon-Hull	234,062,543	271,325	862.66	13
Bournemouth	142,706,076	166,432	857.44	14
North East Lincolnshire	134,379,150	157,908	851.00	15
Durham	435,141,176	515,380	844.31	16
Cornwall	460,047,871	546,129	842.38	17
Herefordshire	146,313,400	181,888	804.41	18
Slough	105,107,191	131,097	801.75	19
Southend-on-Sea	133,555,758	167,108	799.22	20
Reading	124,443,661	156,176	796.82	21
Darlington	81,035,072	102,146	793.33	22
Bedford	127,660,188	161,047	792.69	23
Peterborough	140,007,842	176,684	792.42	24
Bristol	362,967,353	458,368	791.87	25
North Lincolnshire	130,095,137	165,343	786.82	26
Plymouth	208,237,305	265,334	784.81	27
Southampton	190,685,200	245,703	776.08	28
Derby	195,002,080	251,447	775.52	29
Telford & Wrekin	127,206,493	164,108	775.14	30
Stockton-on-Tees	149,938,256	193,762	773.83	31
Luton	152,665,711	198,283	769.94	32
Portsmouth	161,458,651	210,022	768.77	33
Shropshire	224,684,499	295,399	760.61	34
Cheshire West & Chester	248,767,679	328,117	758.17	35
Rutland	29,018,386	38,980	744.44	36

Milton Keynes	181,757,281	246,153	738.39	37
Thurrock	118,251,028	164,534	718.70	38
Medway	184,618,541	257,565	716.78	39
East Riding of Yorkshire	248,135,259	347,973	713.09	40
Poole	102,054,872	143,144	712.95	41
West Berkshire	111,410,796	156,634	711.28	42
Wiltshire	324,371,000	465,032	697.52	43
Warrington	137,436,309	200,199	686.50	44
Central Bedfordshire	178,069,226	261,431	681.13	45
Cheshire East	249,015,000	368,841	675.13	46
North Somerset	147,572,143	219,977	670.85	47
Bath & North East Somerset	121,557,150	183,361	662.94	48
Swindon	136,283,567	207,015	658.33	49
South Gloucestershire	173,729,938	271,674	639.48	50
Bracknell Forest	74,665,310	117,143	637.39	51
York	123,900,290	205,091	604.12	52
Wokingham	99,245,608	168,433	589.23	53
Windsor and Maidenhead	83,765,589	147,004	569.82	54
	9,402,342,441	12,037,280	781.10	

Source: CIPFAstats.net



Cabinet**14 February 2012**

Report of the Cabinet Member for Corporate Services

Treasury Management Strategy Statement and Prudential Indicators for 2012/13 to 2016/17**Purpose**

1. The purpose of this report is to ask the Cabinet to recommend that Council approve the:
 - Integrated treasury management strategy statement including the annual investment strategy and the minimum revenue provision policy statement;
 - Prudential indicators for 2012/13 to 2016/17
 - Revised treasury management policy statement
 - Specified and non-specified investments schedule
 - Treasury management scheme of delegation and role of the section 151 officer

Background

2. The Council is required to operate a balanced budget, which broadly means that cash raised during the year will meet cash expenditure. The first function of the treasury management operation is to ensure that this cash flow is adequately planned, with cash being available when it is needed. Surplus monies are invested in low risk counterparties or instruments commensurate with the Council's low risk appetite, providing adequate liquidity initially before considering investment return.
 3. The second main function of the treasury management service is the funding of the Council's capital programme. The capital programme provides a guide to the borrowing need of the Council, essentially the longer term cash flow planning to ensure that the Council can meet its capital spending obligations. This management of longer term cash may involve arranging long or short term loans, or using longer term cash flow surpluses. On
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occasion any debt previously drawn may be restructured to meet Council risk or cost objectives.

4. CIPFA (Chartered Institute of Public Finance and Accountancy) defines treasury management as:

“The management of the local authority’s investments and cash flows, its banking, money market and capital market transactions; the effective control of the risks associated with those activities; and the pursuit of optimum performance consistent with those risks.”

Reporting requirements

5. The Council is required to receive and approve, as a minimum, three main reports each year, which incorporate a variety of policies, estimates and actuals. These reports are required to be adequately scrutinised by committee before being recommended to the Council. This role is undertaken by the Audit & Governance Committee. The three reports are:
- a) **Treasury management strategy statement and prudential indicators report** (this report) – which covers the treasury management strategy, minimum revenue provision policy, annual investment strategy and prudential indicators;
 - b) **A Mid Year Treasury Management Report** –will update members with whether the treasury activities are meeting the strategy, whether any policies require revision, if amending prudential indicators need amending;
 - c) **An Annual Treasury Report** – updates on treasury activity for the year and compares actual prudential indicators with estimates in the strategy.
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Treasury Management Strategy for 2012/13

6. The treasury management strategy for 2012/13 covers two main areas – Capital issues and treasury issues which are listed below. These areas cover the requirements of the Local Government Act 2003, the CIPFA Prudential Code, the Communities and Local Government (CLG) Minimum Revenue Provision (MRP) Guidance, the CIPFA Treasury Management Code and the CLG Investment Guidance:

a) Capital Issues – Capital Prudential Indicators 2012/13-2014/15

- Prudential Indicators relating to the Capital Programme;
- Prudential Indicators to assess affordability of the Capital programme
- Minimum Revenue Provision (MRP) Policy Statement .

b) Treasury management Issues – Treasury Management Strategy

- Prudential Indicators which will limit the treasury management risk and activities of the Council;
- the current treasury position;
- Economic background and prospects for interest rates;
- the borrowing strategy;
- Prudential indicators;
- policy on borrowing in advance of need;
- debt rescheduling;
- investment policy;
- creditworthiness policy;
- investment strategy;
- policy on use of external service providers;
- Scheme of delegation and the role of the S151 officer

The Capital Prudential Indicators 2012/13 – 2014/15

7. The Council's capital expenditure plans are the key driver of treasury management activity. The Council's Capital expenditure plans are the subject of a separate report the Capital programme 2012/13 to 2016/17. The output of the capital programme is reflected in this report in the capital

prudential indicators. The prudential indicators are designed to assist member's overview of the council's capital programme to ensure that the capital expenditure plans are affordable, sustainable and prudent.

8. The capital prudential indicators (PI) along with the treasury management prudential indicators (PI) are attached at Annex A and are also explained throughout the report:

- PI 1: Capital Expenditure
- PI 2: Capital financing requirement
- PI 3: Ratio of financing cost to Net revenue stream
- PI4&5: Incremental impact of capital investment decisions on council tax and housing rent
- PI6A: Affordable borrowing limit
- PI 6B: Operational boundary
- PI 6C: HRA debt Limit
- PI 7: Interest rate exposure for fixed and variable rated debt
- PI 8: Maturity structure of debt
- PI 9: Surplus funds invested >3654 days

9. HRA Self Financing Reform - A key issue facing the Council in 2012/13 is the impact of planned HRA self financing reform. This essentially ends the impact of the housing subsidy system and will see the HRA as a stand alone business. The Treasury Management Monitor 2 Mid Year Review and prudential Indicator report included information on the HRA Self-financing Reforms and revised the council's prudential Indicators for 2011/12. This report will also cover the HRA Self Financing reform and the further changes following the Government White paper in November 2011. The Council will need to approve these revised prudential indicator limits in advance of the reform being put into operation.
 10. The Council currently pays into the HRA housing subsidy system, and in order to stop future payments from 1 April 2012 the Council is required to pay the CLG £121.550m. This payment is effectively HRA debt, and so the prudential indicators in this treasury management report have been adjusted to reflect this change. The actual payment will be made on the 28 March 2012 and so the indicators will take immediate effect from the approval of these limits by Council. The changes under the HRA reform are expected to be beneficial to the Council.
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11. **Prudential Indicator 1 - Capital Expenditure.** This prudential Indicator is a summary of the Council's capital expenditure plans forming part of this budget cycle, where detail is provided in the Capital programme 12/13 to 16/17 report:

Capital Expenditure £m	2011/12 Estimate	2012/13 Estimate	2013/14 Estimate	2014/15 Estimate	2015/16 Estimate	2016/17 Estimate
Non-HRA	48.2	67.6	32.0	23.3	12.7	10.7
HRA existing	10.2	7.8	7.6	7.3	6.4	8.4
HRA settlement	121.6					
Total	180.0	75.5	39.6	30.6	19.1	19.1

Table 1: Capital Expenditure

12. Table 1 details the capital expenditure of the Council excluding other long term liabilities, such as PFI and leasing arrangements which already include borrowing instruments.
13. **Prudential Indicator 2 - The Capital Financing Requirement (CFR) (Council's Borrowing Need);** the second prudential indicator is the Council's Capital Financing Requirement (CFR). The CFR is simply the total historic outstanding capital expenditure which has not yet been paid for from either revenue or capital resources. It is essentially a measure of the Council's underlying borrowing need. Any capital expenditure above, which has not immediately been paid for, will increase the CFR.
14. Following accounting changes under International Financial Reporting Standards introduced in the Statement of Accounts in 2010/11, the CFR includes any other long term liabilities (e.g. PFI schemes, finance leases) brought onto the balance sheet. Whilst this increases the CFR, and therefore the Council's overall borrowing requirement, these types of scheme include a borrowing facility of their own and so the Council is not required to separately borrow for these schemes. The Council currently has a limit to cover such schemes of £20m included within the CFR. Table 2 shows the Capital Financing Requirement, excluding other long term liabilities, below:

Capital Financing Requirement £m	2011/12 Estimate	2012/13 Estimate	2013/14 Estimate	2014/15 Estimate	2015/16 Estimate	2016/17 Estimate
Non-HRA CFR	150.8	168.6	166.8	167.6	168.2	167.3
HRA existing	18.8	18.8	18.8	18.8	18.8	18.8
HRA settlement	121.6	121.6	121.6	121.6	121.6	121.6
HRA CFR	140.4	140.4	140.4	140.4	140.4	140.4
Total CFR	291.1	309.0	307.2	308.0	308.6	307.7

Table 2: Capital Financing Requirement (CFR)

15. **Affordability Prudential Indicators** - The prudential indicators mentioned so far in the report cover the overall capital programme and the control of borrowing through the capital financing requirement. In addition, it is necessary to assess the affordability of the Council's capital investment plans. These prudential indicators provide an indication of the impact of the capital programme investment plans on the Council's overall finances.

16. **Prudential Indicator 3 - Ratio of financing costs to net revenue stream.** This indicator identifies the trend in the cost of capital (borrowing and other long-term obligation costs net of investment income) and compares it to the Council's net revenue stream.

%	2011/12 Estimate	2012/13 Estimate	2013/14 Estimate	2014/15 Estimate	2015/16 Estimate	2016/17 Estimate
Non-HRA	7.7%	9.2%	9.2%	8.8%	8.4%	8.2%
HRA (inclusive of Settlement)	2.4%	2.3%	2.1%	2.0%	1.7%	1.7%

Table 3: Ratio of financing costs to net revenue stream

17. **Prudential Indicator 4 - Incremental impact of capital investment decisions on council tax.** This indicator identifies the revenue costs associated with proposed changes to the five-year capital programme recommended in the Capital programme 2012/13 to 2016/17 budget report and compared to the Council's existing approved commitments and current plans. The assumptions are based on the budget.

£	2011/12 Estimate	2012/13 Estimate	2013/14 Estimate	2014/15 Estimate	2015/16 Estimate	2016/17 Estimate
Council tax - band D	£19.81	£23.89	£18.04	£0.62	£0.98	£0.97

Table 4: - Incremental impact of capital investment decisions on the band D council tax

18. **Prudential Indicator 5 - Incremental impact of capital investment decisions on housing rent levels.** Similar to the council tax calculation, this indicator identifies the trend in the cost of proposed changes in the housing capital programme recommended in the capital programme budget report compared to the Council's existing commitments and current plans, expressed as a discrete impact on weekly rent levels. This indicator is zero as the housing rent levels are set by

Government and is not directly impacted by the Council's capital plans.

£	2011/12 Estimate	2012/13 Estimate	2013/14 Estimate	2014/15 Estimate	2015/16 Estimate	2016/17 Estimate
Weekly housing rent levels	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00

Table 5 - Incremental impact of capital investment decisions on housing rent levels

MRP Policy Statement

19. The Council is required to pay off an element of the non-HRA (General Fund) capital expenditure each year which has accumulated as the Capital Financing Requirement (CFR) through a revenue charge (the minimum revenue provision - MRP), although it is also allowed to undertake additional voluntary payments if required (voluntary revenue provision - VRP).
20. CLG Regulations (statutory Instrument (SI) 2008 no.414 s4) have been issued which require full Council to approve an MRP Statement in advance of each year. The guidance offers four main options under which MRP could be made, with an overriding recommendation that the Council should make prudent provision to redeem its debt liability over a period which is reasonably commensurate with that over which the capital expenditure is estimated to provide benefits. The four options are:
- a) The regulatory method (which complies with regulation 28 in SI 2003 no.3146) – 4% of the borrowing outstanding;
 - b) The Capital Financing Method – 4% of the Council's Capital Financing Requirement;
 - c) The Depreciation Method – repayment of the debt over its depreciation life;
 - d) The Asset Life Method – repayment over the life of the asset to which the borrowing has been taken to fund.
21. The Council is recommended to approve the following MRP Statement. For capital expenditure incurred before 1 April 2008 or which in the future will be Supported Capital Expenditure, the MRP policy will be:
- **Existing practice** - MRP will follow the existing practice outlined in former CLG regulations (option A);
or

22. These options provide for an approximate 4% reduction in the borrowing need (CFR) each year.
23. From 1 April 2008 for all unsupported borrowing (including PFI and finance leases) the MRP policy will be
 - Asset Life Method – MRP will be based on the estimated life of the assets, in accordance with the proposed regulations (this option must be applied for any expenditure capitalised under a Capitalisation Direction) (option D);
24. These options provide for a reduction in the borrowing need over approximately the asset's life. The asset life is an absolute maximum and wherever possible the debt should be repaid over a shorter period. Estimated asset life periods will be determined under delegated powers. It should be noted that with all debts, the longer the repayment period the more is paid in interest over the period of the loan. It is therefore deemed as prudent to reduce the period over which the repayments are made.
25. No revenue charge is currently required for the HRA under the HRA self-financing reform in the next 5 years. Under the HRA reform the HRA will be required to charge depreciation on its assets, which will have an increased revenue cost effect. In order to address any possible adverse impact in the next 5 years, regulations allow the Major Repairs Allowance to be used as a proxy for depreciation and for the depreciation charge to be reversed therefore, having no revenue impact on council tax. Further guidance is currently under discussion between the CLG and CIPFA.
26. Repayments included in annual PFI or finance leases are also applied as MRP.

Treasury Management Strategy

27. The capital prudential indicators set out above ensure that the Council's capital programme / expenditure plans are affordable, sustainable and prudent. The treasury management function ensures that the Council's cash is available to meet the Council's capital programme requirements and also revenue activity needs in accordance with the Local Government Act 2003 and relevant professional codes
 28. The treasury management function involves both the forecasting of the cash flow and, where capital plans are
-

require, the organisation of appropriate borrowing facilities. The strategy covers the / prudential / treasury indicators, the current and projected debt positions and the annual investment strategy.

Current Portfolio Position

29. The Council's treasury portfolio position at 31 December 2011 is detailed below in table 6:

Institution Type	Principal	Average Rate
<u>Public Works Loan Board (PWLB)</u> – Money borrowed from the Debt Mgt Office (Treasury Agency)	£120.1m	4.23%
<u>Market Loans</u>		
Club Loan – A loan taken in conjunction with 2 other Authorities	£10.0m	7.155%
LOBO Loan – Lender Option Borrower Option	£10.0m	3.74%
Total Gross Borrowing	£140.1	4.283%
Total Investments	£ 53.3	1.29%
Net Debt	£ 86.8	

Table 6: Current position at 31 December 2012

30. The Council currently has £140.1m of fixed interest rate debt and £53.3m of investments. It appears that the level of investments is high in the current low investment interest rate environment, however at the end of the financial year the level of investments is estimated to reduce from cash flow movements and as the capital programme continues to spend, to £25m.

31. In addition, even though investment interest rates are currently low, in future borrowing rates are predicted to rise. It has therefore been important during 2011/12 to take a long term view on borrowing and £7m new loans have been taken. It is sensible to take some borrowing now to prevent (in future) a large amount of borrowing having to occur in a specific year. This reduces the risk of exposure to interest rates in a single year and gives some stability to the overall Council revenue budget.

32. The total borrowing requirement in 2011/12 is £17.1m and to date only £7m of borrowing has been taken. This is 41% of the borrowing requirement in 2011/12. The markets continue to be monitored to take advantage of favourable rates.

33. The £140.1m of borrowing has an average life of 17.7 years and average cost of debt of 4.283%. The Council currently has no variable rate borrowing. The Council is only permitted to borrow to invest in capital projects, unless permitted to do otherwise by the Government. Therefore the majority of the Councils existing debt is secured against its asset base.
34. Figure 1 shows the Councils current debt maturity structure as at 31 December 2011:

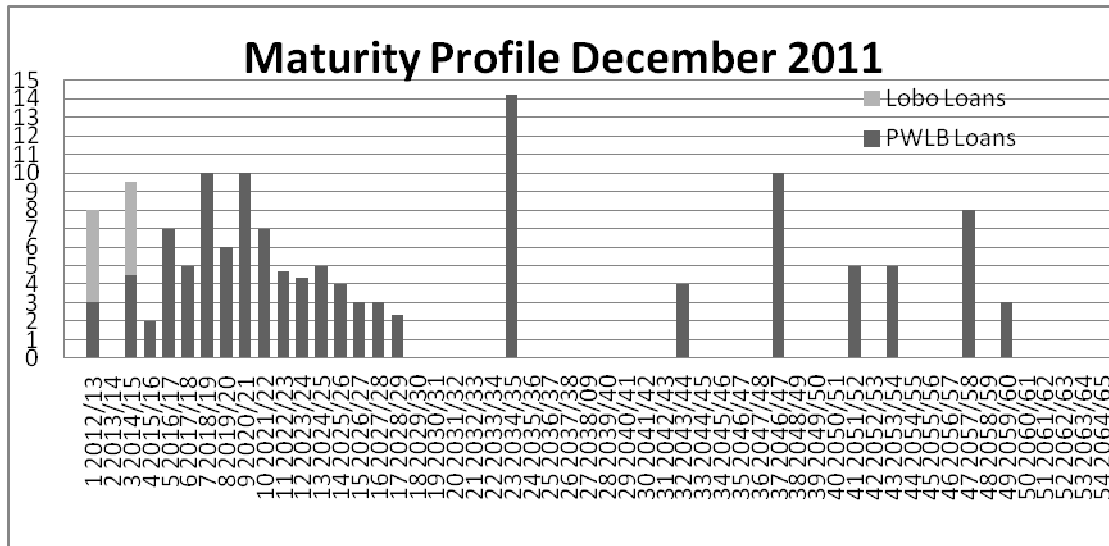


Figure 1 – Debt Maturity Profile as at 31 December 2011

35. The Council’s total investments at 31 December 2011 was £53.3m of which £12.0m were held in instant access call accounts, £7.3m in instant access money market funds and £34.0m invested in fixed term deposits on the UK money market
36. Further to the current treasury management position above, it is key that the council operates its treasury management activities within defined prudential indicator limits. One of these is that the Council needs to ensure that its total debt, net of any investments, does not, except in the short term, exceed the total of the CFR in the preceding year 2011/12 plus the estimates of any additional CFR for 2012/13 and the following two financial years . This allows the flexibility to borrow in advance of need and ensures that borrowing is for a capital purpose and that borrowing is not undertaken for revenue purposes.
37. Table 7 shows that the net debt position of the Council does not exceed the underlying capital borrowing need (the Capital Financing Requirement - CFR). The Director of Customer Business & Support Services (S151 Officer) confirms that the

Council complied with this prudential indicator and does not envisage difficulties for the future.

£m	2011/12 Estimate	2012/13 Estimate	2013/14 Estimate	2014/15 Estimate	2015/16 Estimate	2016/17 Estimate
External Debt	261.7	278.5	278.1	278.6	278.4	277.5
Investment	(25)	(20)	(20)	(20)	(20)	(20)
Net Debt	241.7	258.5	258.1	258.6	258.4	257.5
Total CFR	291.1	309.0	307.2	308.0	308.6	307.7
NET < CFR	Yes	Yes	Yes	Yes	Yes	Yes

Table 7: Net Debt < Capital Financing Requirement

Prudential Indicators: Limits on Authority to Borrow

38. Prudential Indicator 6A – Authorised Borrowing Limit - It is a statutory duty under Section 3 (1) of the Local Government Act 2003 and supporting regulations, for the Council to determine and keep under review how much it can afford to borrow. The amount so determined is termed the “Authorised Borrowing Limit”, and represents a control on the maximum level of debt. This is a limit beyond which external debt is prohibited, and this limit needs to be set or revised by the full Council. It reflects the level of external debt which, while not desired, could be afforded in the short term, but is not sustainable in the longer term.

Authorised Limit £m	2011/12 Estimate	2012/13 Estimate	2013/14 Estimate	2014/15 Estimate	2015/16 Estimate	2016/17 Estimate
Borrowing	215.4	216.3	216.9	216.0	216.0	216.0
HRA settlement	121.6	121.6	121.6	121.6	121.6	121.6
Other Long term liabilities	10	20	20	20	20	20
Total	347.0	357.9	358.5	357.6	357.6	357.6

Table 8: Authorised Borrowing Limit

39. Prudential Indicator 6B – Operational Boundary. In addition to the “authorised Borrowing Limit”, there is a limit which is the maximum level of debt allowed for, on an ongoing operational purpose. This is the Operational Boundary. The Operational Boundary in reality would only be breached because of in year cash flow movements. In most cases, this would be a similar figure to the CFR, but may be lower or higher depending on the levels of actual debt

Operational Boundary £m	2011/12 Estimate	2012/13 Estimate	2013/14 Estimate	2014/15 Estimate	2015/16 Estimate	2016/17 Estimate
Borrowing	195.4	196.3	196.9	196.0	196.0	196.0
HRA settlement	121.6	121.6	121.6	121.6	121.6	121.6
Other Long term liabilities	10	20	20	20	20	20
Total	327	327.9	328.5	327.6	327.6	327.6

Table 9: Operational Boundary

40. Separately, the Council is also limited to a maximum HRA CFR through the HRA self-financing regime, known as the HRA Debt Limit. This limit is currently:

HRA Debt Limit £m	2011/12 Estimate	2012/13 Estimate	2013/14 Estimate	2014/15 Estimate	2015/16 Estimate	2016/17 Estimate
Total HRA	145.97	145.97	145.97	145.97	145.97	145.97

Table 10: HRA Debt Limit

Economic Background

41. The economic situations is the background to which all treasury management activities operate. It assists in the formation of the treasury management strategy as it details the current economic and market environment. Further information on the current economic environment is available on request.

Prospects for Interest Rates

42. Current interest rates and the future direction of both long term and short term interest rates have a major influence on the overall treasury management strategy and affects both investment and borrowing decisions. To facilitate treasury management officers in making informed investment and borrowing decisions the Council contracts Sector as its treasury adviser. Part of their service is to assist the Council in formulating a view on interest rates. Annex B draws together a number of current City forecasts for short term (Bank Rate) and longer fixed interests rates. Table 11 gives Sector's central view:

Annual Average %	Bank Rate	Investment Rates		Borrowing Rates		
		3 month	1 year	5 year	25 year	50 year
March 2012	0.50	0.70	1.50	2.30	4.20	4.30
June 2012	0.50	0.70	1.50	2.30	4.20	4.30
Sept 2012	0.50	0.70	1.50	2.30	4.30	4.40
Dec2012	0.50	0.70	1.60	2.40	4.30	4.40
March 2013	0.50	0.75	1.70	2.50	4.40	4.50
June 2013	0.50	0.80	1.80	2.60	4.50	4.60
Sept 2013	0.75	0.90	1.90	2.70	4.60	4.70
Dec 2013	1.00	1.20	2.20	2.80	4.70	4.80
March 2014	1.25	1.40	2.40	2.90	4.80	4.90
June 2014	1.50	1.60	2.60	3.10	4.90	5.00

Table 11 – Sector's Bank Rate forecast for financial year ends

43. Sector Treasury services view of fixed long term borrowing rates (PWLB) and the base rate are also shown in graphical format below in Figure 2.

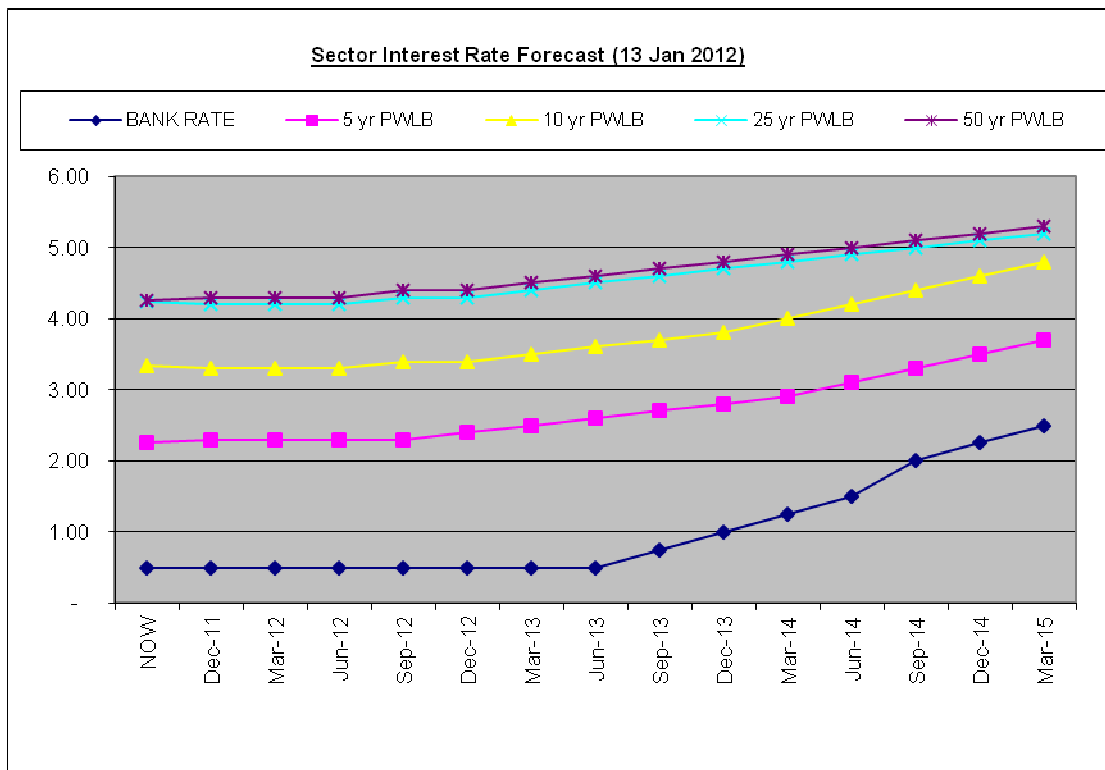


Figure 2 – Sector interest rate forecast

44. The graph clearly shows that the base rate and the range of PWLB borrowing rates are forecast to remain relatively flat until March 2013 where rates are seen to gradually rise.
45. Growth in the UK economy is expected to be weak in the next two years and there is a risk of a technical recession (i.e. two quarters of negative growth). Bank Rate, currently 0.5%, underpins investment returns and is not expected to start increasing until quarter 3 of 2013 despite inflation currently being well above the Monetary Policy Committee inflation target. Hopes for an export led recovery appear likely to be disappointed due to the Eurozone sovereign debt crisis depressing growth in the UK's biggest export market. The Comprehensive Spending Review, which seeks to reduce the UK's annual fiscal deficit, will also depress growth during the next few years.
46. Fixed interest borrowing rates are based on UK gilt yields. The outlook for borrowing rates is currently much more difficult to predict. The UK total national debt is forecast to continue rising until 2015/16; the consequent increase in gilt issuance is therefore expected to be reflected in an increase in gilt yields over this

period. However, gilt yields are currently at historically low levels due to investor concerns over Eurozone sovereign debt and have been subject to exceptionally high levels of volatility as events in the Eurozone debt crisis have evolved.

47. This challenging and uncertain economic outlook has a several key treasury management implications:

- The Eurozone sovereign debt difficulties, most evident in Greece, provide a clear indication of much higher counterparty risk. This continues to suggest the use of higher quality counterparties for shorter time periods;
- Investment returns are likely to remain relatively low during 2012/13;
- Borrowing interest rates are currently attractive, but may remain low for some time. The timing of any borrowing will need to be monitored carefully;
- There will remain a cost of capital – any borrowing undertaken that results in an increase in investments will incur a revenue loss between borrowing costs and investment returns.

Borrowing Strategy

48. The Council undertakes long term borrowing in accordance with the capital expenditure requirements of the capital programme. As a result of the capital programme 2012/13 to 2016/17 the borrowing requirement is projected to increase significantly from its current level of £141.6m in 2011/12 to a high of £309.0m over the next 5 years.

49. The increase in the borrowing requirement is as a result of the general requirements of the capital programme expenditure and specifically, borrowing rises due to:

- (i) £14.211m Administrative accommodation project
- (ii) £20m Economic Infrastructure Fund
- (iii) £121.550m HRA reform

50. The borrowing requirement for the administrative accommodation project of £14.2m is the funding needed to support the move to the new West Office building in 2012/13. The total capital expenditure of the project approved by Members remains at £43.804m and results in a saving over 25 years of £17m. Total borrowing requirement of the project is £29.628m, with the remainder of the funding being provided from a revenue

contribution of £1.092m and earmarked capital receipts of £13.084m

51. The borrowing requirement for the Economic Infrastructure Fund will deliver major economic benefits for the City of York covering strategic themes/priorities – further information is available in the capital programme budget 2012/13 to 2016/17 report.
 52. The £121.6m borrowing requirement for the HRA reform is detailed in the additional HRA borrowing strategy below.
 53. The borrowing strategy takes into account the borrowing requirement, the current economic and market environments and is also influenced by the above interest rate forecast. Therefore, the borrowing strategy will be to lock into some long-term borrowing in 2012/13 whilst interest rates are lower than in the coming years, but also give consideration not to undertake external borrowing but rather use cash balances.
 54. The use of the Council's cash balances means that the capital borrowing need (the Capital Financing Requirement quoted above), has not been fully funded with loan debt as cash supporting the Council's reserves, balances and cash flow has been used as a temporary measure. This strategy is prudent as consideration has to be given to the investment rate of return that is currently being received on Council's cash balances. Investment returns are low due to the continued historical low interest rates and counterparty risk is high.
 55. It is therefore beneficial to have a borrowing strategy where consideration is given to taking some longer term borrowing and also use some cash reserves.
 56. External borrowing will be taken throughout the financial year when interest rates seem most favourable. A target interest rate in light of table 11 above is 4.5%. This will enable borrowing to be taken through the year at different time periods. Consideration will also be given to the maturity profile of the debt portfolio so the Council is not exposed to the concentration of debt being in any one year.
 57. Against this background and the risks within the economic forecast, caution will be adopted with the 2012/13 treasury operations. The Director of Customer Business and Support Services will monitor interest rates in financial markets and adopt a pragmatic approach to changing circumstances:
 - if it was felt that there was a significant risk of a sharp FALL in long and short term rates, e.g. due to a marked increase of
-

risks around relapse into recession or of risks of deflation, then long term borrowings will be postponed, and potential rescheduling from fixed rate funding into short term borrowing will be considered.

- if it was felt that there was a significant risk of a much sharper RISE in long and short term rates than that currently forecast, perhaps arising from a greater than expected increase in world economic activity or a sudden increase in inflation risks, then the portfolio position will be re-appraised with the likely action that fixed rate funding will be drawn whilst interest rates were still relatively cheap.

58. For the first time in 2012/13 a borrowing strategy needs to be identified for the HRA as a result of the HRA Reform. Under the HRA Self-financing reform, on 28 March 2012, there is a requirements for the Council to make a one-off payment to Communities and Local Government for £121.550m which will remove the Council from the current HRA subsidy system. This one off payment will ensure that the HRA will no longer make future annual payments to the CLG and it is expected that the overall impact will be beneficial to the Council.
 59. The Council will need to have the cash settlement amount of £121.550m available by the 28 March 2012, so separate borrowing solely for this purpose is anticipated. The Public Works Loan Board (PWLB) - the Governments public sector loans facility - are providing loans at interest rates 0.85% lower than the usual PWLB interest rates. These lower rates are solely for the HRA settlement requirements specifically on 28 March 2012 and this provides a compelling reason to utilise this borrowing availability.
 60. The exact structure of debt to be drawn is currently being considered by officers to ensure it meets the requirements of the HRA business plan and the overall requirements of the Council. Whilst the debt can be drawn earlier than needed, this may incur additional revenue costs that potentially would not occur if debt is taken on 28 March 2012 or it could incur a revenue saving that would not occur if debt is taken on 28 March 2012. This will be considered when a review of the structure of actual prevailing borrowing and investment interest rates is undertaken nearer to the time.
 61. Part of the HRA borrowing strategy is therefore to have funds available for the cash settlement to CLG of £121.550m on 28 March 2012. The exact structure of borrowing, the rate of interest
-

and whether surplus cash balances will be used as an alternative to borrowing will be considered by officers. In addition, the HRA strategy in 2012/13 for borrowing will be the same as the borrowing strategy described above for the whole Council. However, it is not expected that the HRA will take any further borrowing in the foreseeable future.

62. All decisions will be reported to the appropriate decision making body – Cabinet - at the next available opportunity.

Prudential Indicators – Limits on Borrowing Activity

63. There are three debt / borrowing related prudential indicators. The purpose of these are to constrain the activity of the treasury function within certain limits, thereby managing risk and reducing the impact of any adverse movement in interest rates. However, if these are set to be too restrictive they will impair the opportunities to reduce costs / improve performance. The indicators are:

- Upper limits on variable interest rate exposure. This identifies a maximum limit for variable interest rates based upon the debt position net of investments
- Upper limits on fixed interest rate exposure. This is similar to the previous indicator and covers a maximum limit on fixed interest rates;
- Maturity structure of borrowing. This gross limit is set to reduce the Council's exposure to large fixed rate sums falling due for refinancing in a confined number of years.

64. These three debt/borrowing related prudential indicators are calculated to include the debt undertaken for the HRA as well as the remaining borrowing debt portfolio.

£m	2012/13 Estimate	2013/14 Estimate	2014/15 Estimate	2015/16 Estimate	2016/17 Estimate
Interest rate Exposure					
	Upper	Upper	Upper	Upper	Upper
Limits on fixed interest rates based on net debt	104%	104%	104%	104%	104%
Limits on variable interest rates based on net debt	-4%	-4%	-4%	-4%	-4%

Maturity Structure of borrowing 2012/13		
	Lower	Upper
Under 12 months	0%	30%
12 months to 2 years	0%	30%
2 years to 5 years	0%	40%
5 years to 10 years	0%	40%
10 years and above	30%	90%

Table 12: Limits on Interest rate exposure and the Maturity Structure of Borrowing

Policy on Borrowing in Advance of Need

65. The Council will not borrow more, than or in advance of its needs, purely in order to profit from the investment of the extra sums borrowed.
66. Under regulation, the Council can borrow in advance of need in line with its future borrowing requirements in accordance with the Capital Financing Requirement. Any borrowing decision in advance of need will be considered carefully to ensure that value for money can be demonstrated, it is affordable, sustainable & prudent, that the treasury management revenue budget can support the borrowing finance costs in the longer term and that the Council can ensure the security of such funds if invested.
67. Borrowing in advance will be made within the constraints of the CIPFA Prudential Code that ensures that total debt, net of any investments, does not, except in the short term, exceed the total of the CFR in the preceding year 2011/12 plus the estimates of any additional CFR for 2012/13 and the following two financial years.
68. Risks associated with any borrowing in advance activity will be subject to prior appraisal and subsequent reporting through the mid-year or annual reporting mechanism.

Debt Rescheduling

69. It is forecast that short term borrowing rates will be considerably cheaper than longer term fixed interest rates in the foreseeable future. Therefore, there may be potential opportunities to generate savings by switching from long term debt to short term debt. However, these savings will need to be considered in the light of the current treasury management position, the short term nature of the loans, the costs of premiums involved in premature repayment for existing debt
-

and the likely cost of refinancing those short-term loans, once they mature.

70. Debt rescheduling will also be considered for the HRA and the costs and benefits assessed to ensure value for money.

71. The reasons for any rescheduling to take place will include:

- a) the generation of cash savings and / or discounted cash flow savings;
- b) helping to fulfil the strategy outlined above, and
- c) enhancing the balance of the portfolio (amend the maturity profile and/or the balance of volatility).

72. Consideration will also be given to identify if there is any residual potential left for making savings by running down investment balances to repay debt prematurely as short term rates on investments are likely to be lower than rates paid on current debt.

73. Any rescheduling will be reported in accordance with the usual monitoring cycle.

Annual Investment Strategy

Investment Policy

74. The Council will have regard to the department of Communities and Local Government's (CLG) Guidance on Local Government Investments ("the Guidance") and the 2009 CIPFA's Treasury Management in Public Services Code of Practice and Cross Sectoral Guidance Notes ("the CIPFA TM Code").

75. The Council's investment priorities are the security of capital and the liquidity of its investments. The Council also aims to achieve the optimum return on its investments commensurate with proper levels of security and liquidity. The risk appetite of this Council is low in order to give priority to security of its investments, see later in the section of the Creditworthiness Policy.

76. The borrowing of monies specifically to invest or lend on and make a return is unlawful and the Council will not engage in such activity.

77. In accordance with "the Guidance" it is necessary in the strategy to determine investment instruments, which are identified, for use in the financial year. The investment

instruments are classed under “specified” and “non-Specified” investments categories and are detailed in Annex C. It is also a requirement to set limits for the institutions in which the Council will invest their surplus funds - Counterparties limits. These are set out in the later section - the Investment Strategy.

78. Consideration will be given throughout the year, and approval requested where necessary, to the alteration of the “specified” and “non-specified” investment categories to allow the continued effective management of the Councils treasury management operations. The Council continues to take a prudent approach to investing funds as set out in the Creditworthiness Policy below.

Creditworthiness Policy

79. This Council uses the creditworthiness service provided by Sector Treasury Services. This service has been progressively enhanced over the last year and now uses a sophisticated modelling approach with credit ratings from all three rating agencies - Fitch, Moodys and Standard and Poors, which forms the core element. It does not rely solely on the current credit ratings of counterparties but also uses the following as overlays:

- credit watches and credit outlooks from credit rating agencies
- CDS spreads to give early warning of likely changes in credit ratings
- sovereign ratings to select counterparties from only the most creditworthy countries

80. This modelling approach combines credit ratings, credit watches, credit outlooks and CDS (Credit Default Swap) spreads in a weighted scoring system for which the end product is a series of colour code bands, which indicate the relative creditworthiness of counterparties. These colour codes are also used by the Council to determine the duration for investments and are therefore referred to as durational bands. The Council is satisfied that this service now gives a much-improved level of security for its investments. It is also a service which the Council would not be able to replicate using in house resources.

81. The selection of counterparties with a high level of creditworthiness will be achieved by selection of institutions
-

down to a minimum durational band within Sector's weekly credit list of worldwide potential counterparties. The Council will therefore use counterparties within the following durational bands:

Yellow	5 years*
Purple	2 years
Blue	1 year (only applies to nationalised or semi nationalised UK Banks)
Orange	1 year
Red	6 months
Green	3 months
No colour	not to be used

**This category is for AAA rated Government debt or its equivalent;*

82. The Sector creditworthiness service uses a wider array of information than just primary ratings and by using a risk weighted scoring system, does not give undue preponderance to just one agency's ratings

83. Typically the minimum credit ratings criteria the Council use will be a short term rating (Fitch or equivalents) of Short Term rating F1, Long Term rating A-, Viability ratings of BB+, and a Support rating of 3. There may be occasions when the counterparty ratings from one rating agency are marginally lower than these ratings but may still be used. In these instances consideration will be given to the whole range of ratings available, or other topical market information, to support their use.

84. All credit ratings will be monitored on an ongoing basis as information is provided weekly basis and also adhoc. The Council is alerted to changes to ratings of all three agencies through its use of the Sector creditworthiness service:

- If a downgrade results in the counterparty/investment scheme no longer meeting the Council's minimum criteria, its further use as a new investment will be withdrawn immediately.
 - In addition to the use of Credit Ratings the Council will be advised of information in movements in Credit Default Swap against the iTraxx benchmark and other market data on a weekly basis. Extreme market movements may result in
-

downgrade of an institution or removal from the Councils lending list.

85. The Council has determined that it will only use approved counterparties from countries with a minimum sovereign credit rating of AA- from Fitch Ratings (or equivalent from other agencies if Fitch does not provide). The list of countries that qualify using this credit criteria as at the date of this report are shown in Annex D. This list will be added to or deducted from by officers should ratings change in accordance with this policy.

Investment Strategy

86. Investments will be made with reference to the core balance and cash flow requirements and the outlook for short-term interest rates (i.e. rates for investments up to 12 months). The Council uses matrices that stipulate both time and financial limits in order to spread counterparty (credit) risk when investing money with approved counterparties. The matrices are based on the projected average balance for the year. Therefore for 2011/12 (as for 2010/11) with the average balance forecast to be circa £60m, the matrix stipulates a limit for £8m for counterparties with a durational band of 3 months and £15m longer than 3 months.

87. For 2012/13, in the current economic environment, the Council has budgeted for an investment return target of 1% on investments placed during the financial year. The budgeted investment earnings rates for returns on investments placed for periods up to three months during each financial year for the next five years are as follows:

2012/13	0.70%
2013/14	1.00%
2014/15	1.60%
2015/16	3.30%
2016/17	4.10%

88. There are downside risks to these forecasts (i.e. start of increases in Bank Rate is delayed even further) if economic growth remains weaker for longer than expected. However, should the pace of growth pick up more sharply than expected there could be upside risk, particularly if Bank of England inflation forecasts for two years ahead exceed the Bank of England's 2% target rate.

89. For its cash flow generated balances, the Council will seek to utilise, business reserve accounts (call accounts), 15 to 30 day
-

notice accounts, short dated fixed term deposits and money market funds. The Council will avoid locking into longer term deals while investment rates are down at historically low levels unless attractive rates are available with counterparties of particularly high creditworthiness, which make longer-term deals worthwhile, and within the risk parameters set by this council.

90. **Prudential Indicator 9** - total principal investment funds invested for greater than 364 days. This limit is set with regards to the Council's liquidity requirements and are based on the availability of funds after each year-end. A maximum principal sum to be invested for greater than 364 days is £10m
91. At the end of the financial year, the Council will report on its investment activity as part of its Annual Treasury Report. It should be noted that the Investment policy, creditworthiness policy and investment strategy are applicable to the council's overall surplus funds and are also pertinent to the HRA.

Policy on the use of external service providers

92. The Council uses Sector as its external treasury management advisors.
93. The Council recognises that responsibility for treasury management decisions remains with the organisation at all times and will ensure that undue reliance is not placed upon our external service providers.
94. It also recognises that there is value in employing external providers of treasury management services in order to acquire access to specialist skills and resources. The Council will ensure that the terms of their appointment and the methods by which their value will be assessed are properly agreed and documented, and subjected to regular review.

Scheme of Delegation and the Role of the Section 151 Officer

95. Those charged with governance are responsible for the treasury management activities and these need to be clearly defined within the organisation. Attached at Annex E are the Treasury Management Scheme of Delegation and also the Treasury Management role of the section 151 officer (Director of Customer & Business Support Services).
-

Consultation and Options

96. The treasury management function of any business is a highly technical area, where decisions are often taken at very short notice in reaction to the financial markets. Therefore, to enable effective treasury management, all operational decisions are delegated by the Council to the Director of Customer & Business Support Services, who operates within the framework set out in this strategy and through the Treasury Management Policies and Practices. In order to inform sound treasury management operations the Council works with its Treasury Management advisers, Sector Treasury Services. Sector Treasury Services offer the Council a comprehensive information and advisory service to enable the Council to maximise its investment returns and minimise the costs of its debts.
97. Treasury Management strategy and activity is influenced by the capital investment and revenue spending decisions made by the Council. Both the revenue and capital budgets have been through a corporate process of consultation and consideration by the elected politicians. The revenue budget and capital budget proposals are included within this agenda.
98. At a strategic level, there are a number of treasury management options available which depend on the Council's stance on interest rate movements. The report sets out the Council's stance and recommends the setting of key trigger points for borrowing and investing over the forthcoming financial year.

Council Plan

99. The Treasury Management Strategy Statement and Prudential Indicators are aimed at ensuring the Council maximises its return on investments and minimises the cost of its debts. This will allow more resources to be freed up to invest in the Council's priorities, values and imperatives, as set out in the Council's Plan.

Implications

100. Implications of the report are as follows:
-

- **Financial** – The revenue implications of the treasury strategy are set out in the Revenue Budget report also on this agenda.
- **Human Resources (HR)** – None
- **Equalities** – None
- **Legal** – Treasury Management activities have to conform to the Local Government Act 2003, the Local Authorities (Capital; Finance and Accounting) (England) Regulations 2003 (SI 2003/3146), which specifies that the Council is required to have regard to the CIPFA Prudential Code and the CIPFA Treasury Management Code of Practice and also the Local Authorities (Capital Finance and Accounting) (England) (Amendment) Regulations 2008 (SI 2008/414), which clarifies the requirements of the Minimum Revenue Provision guidance.
- **Crime and Disorder** – None
- **Information Technology (IT)** – None
- **Property** – None

Risk Management

101. The treasury management function is a high-risk area because of the volume and level of large money transactions. As a result of this the Local Government Act 2003 (as amended), supporting regulations, the CIPFA Prudential Code and the CIPFA Treasury Management in the Public Services Code of Practice (the code) are all adhered to as required.

Recommendations

102. The Cabinet are asked to recommend that Council approve:
- a. The proposed Treasury Management Strategy for 2012/13 including the annual investment strategy and the minimum revenue provision policy statement;
 - b. The Prudential Indicators for 2012/13 to 2016/17 in the main body of the report;
 - c. The Specified and Non-specified investments schedule (Annex C)
 - d. 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.

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Report Approved **Date** 15/02/11

Ian Floyd - Director of Customer Business and Support Services

Report Approved **Date** 14/02/12

Specialist Implications Officer(s)

N/a

Wards Affected:

All

For further information please contact the author of the report

Background Papers

Prudential indicator workings 2011/12 to 15/16

Treasury management budget 2011/12

Capital programme 2012/13 to 2016/17 report

Capital budget control 2011/11 to 2016/17.

Sector -treasury management advisers commentary.

Annexes

Annex A – Prudential and Treasury Indicators 2011/12– 2016/17

Annex B – Interest Rate Forecast

Annex C – Specified and Non-Specified Investments categories Schedule

Annex D – Approved countries for investments

Annex E – Scheme of Delegation and the Role of the Section 151 Officer

Annex A

PRUDENTIAL INDICATORS			2011/12	2012/13	2013/14	2014/15	2015/16	2016/17
			Probable Outturn	estimate	estimate	estimate	estimate	estimate
1)	Capital Expenditure		£'m	£'m	£'m	£'m	£'m	£'m
	To allow the authority to plan for capital financing as a result of the capital programme. To enable the monitoring of capital budgets to ensure they remain within budget	Non - HRA	48.2	67.6	32.0	23.3	12.7	10.7
		HRA	131.8	7.8	7.6	7.3	6.4	8.4
		TOTAL	180.0	75.5	39.6	30.6	19.1	19.1
2)	Ratio of financing costs to net revenue stream							
	This indicator estimates the cost of borrowing in relation to the net cost of Council services to be met from government grant and council tax payers. In the case of the HRA the net revenue stream is the income from Rents and Subsidy	Non - HRA	7.7%	9.2%	9.2%	8.8%	8.4%	8.2%
		HRA	2.4%	2.3%	2.1%	2.0%	1.7%	1.7%
3)	Incremental impact of capital investment decisions - Council Tax		£ p	£ p	£ p	£ p	£ p	£ p
	Shows the actual impact of capital investment decisions on council tax. The impact on council tax is a fundamental indicator of affordability for the Council to consider when setting forward plans. The figure relates to how much of the increase in council tax is used in financing the capital programme and any related revenue implications that flow from it.	Increase in Council Tax (band D) per annum	19.81	23.89	18.04	0.62	0.98	0.97
4)	Incremental impact of capital investment decisions - Hsg Rents		£ p	£ p	£ p	£ p	£ p	£ p
	Shows the actual impact of capital investment decisions on HRA rent. For CYC, the HRA planned capital spend is based on the government's approved borrowing limit so there is no impact on HRA rents.	Increase in average housing rent per week	0.00	0.00	0.00	0.00	0.00	0.00
5)	Capital Financing Requirement as at 31 March		£'m	£'m	£'m	£'m	£'m	£'m
	Indicates the Council's underlying need to borrow money for capital purposes. The majority of the capital programme is funded through government support, government grant or the use of capital receipts. The use of borrowing increases the CFR.	Non - HRA	150.8	168.6	166.8	167.6	168.2	167.3
		HRA	140.4	140.4	140.4	140.4	140.4	140.4
		TOTAL	291.1	309.0	307.2	308.0	308.6	307.7

6a)	Authorised Limit for external debt -		£'m	£'m	£'m	£'m	£'m	£'m
	The authorised limit is a level set above the operational boundary in acceptance that the operational boundary may well be breached because of cash flows. It represents an absolute maximum level of debt that could be sustained for only a short period of time. The council sets an operational boundary for its total external debt, gross of investments, separately identifying borrowing from other long term liabilities for 3 financial years.	borrowing	327.2	327.9	328.5	327.6	357.6	357.6
		other long term liabilities	20	20	20	20	20	20
		TOTAL	357.2	357.9	358.5	357.6	357.6	357.6
6b)	Operational Boundary for external debt -		£'m	£'m	£'m	£'m	£'m	£'m
	The operational boundary is a measure of the most likely, prudent, level of debt. It takes account of risk management and analysis to arrive at the maximum level of debt projected as part of this prudent assessment. It is a means by which the authority manages its external debt to ensure that it remains within the self imposed authority limit. It is a direct link between the Council's plans for capital expenditure; our estimates of the capital financing requirement; and estimated operational cash flow for the year.	borrowing	307.2	307.2	308.5	307.6	307.6	307.6
		other long term liabilities	20	20	20	20	20	20
		TOTAL	327.2	327.2	328.5	327.6	327.6	327.6
7)	Adoption of the CIPFA in Public Services: Code of Practice and Cross-Sectoral Guidance Notes	Recommended in the Treasury Management Strategy 2010/11 to 2014/15						
8a)	Upper limit for fixed interest rate exposure							
	The Council sets limits to its exposures to the effects of changes in interest rates for 3 years. The Council should not be overly exposed to fluctuations in interest rates which can have an adverse impact on the revenue budget if it is overly exposed to variable rate investments or debts	Net principal re fixed rate borrowing / investments	104%	104%	104%	104%	104%	104%
8b)	Upper limit for variable rate exposure							
	The Council sets limits to its exposures to the effects of changes in interest rates for 3 years. The Council should not be overly exposed to fluctuations in interest rates which can have an adverse impact on the revenue budget if it is overly exposed to variable rate investments or debts	Net principal re variable rate borrowing / investments	-4%	-4%	-4%	-4%	-4%	-4%

			2010/11	2011/12	2012/13	2013/14	2014/15	2015/16
9)	Upper limit for total principal sums invested for over 364 days		£'m	£'m	£'m	£'m	£'m	£'m
	The Council sets an upper limit for each forward financial year period for the level of investments that mature in over 364 days. These limits reduce the liquidity and interest rate risk associated with investing for more than one year. The limits are set as a percentage of the average balances of the investment portfolio.	Upper Limit	£10	£10	£10	£10	£10	£10
10)	Maturity structure of new fixed rate borrowing during 2006/07		Upper Limit	Lower Limit				
		under 12 months	30%	0%				
	To minimise the impact of debt maturity on the cash flow of the Council. Over exposure to debt maturity in any one year could mean that the Council has insufficient liquidity to meet its repayment liabilities, and as a result could be exposed to risk of interest rate fluctuations in the future where loans are maturing. The Council therefore sets limits whereby long term loans mature in different periods thus spreading the risk.	12 months and within 24 months	30%	0%				
		24 months and within 5 years	40%	0%				
		5 years and within 10 years	40%	0%				
		10 years and above	90%	30%				

Glossary Of Abbreviations

HRA Housing Revenue Account
SORP Statement of Recommended Practice - for Local Authority Accounting

CYC City of York Council
CFR Capital Financing Requirement

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ANNEX B - Interest Rate Forecast 2011/2015

Sector's Interest Rate View															
	Now	Dec-11	Mar-12	Jun-12	Sep-12	Dec-12	Mar-13	Jun-13	Sep-13	Dec-13	Mar-14	Jun-14	Sep-14	Dec-14	Mar-15
Sector's Bank Rate View	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.75%	1.00%	1.25%	1.50%	2.00%	2.25%	2.50%
3 Month LIBID	0.87%	0.70%	0.70%	0.70%	0.70%	0.70%	0.75%	0.80%	0.90%	1.20%	1.40%	1.60%	2.10%	2.40%	2.60%
6 Month LIBID	1.16%	1.00%	1.00%	1.00%	1.00%	1.00%	1.10%	1.20%	1.40%	1.60%	1.80%	2.00%	2.50%	2.70%	2.90%
12 Month LIBID	1.65%	1.50%	1.50%	1.50%	1.50%	1.60%	1.70%	1.80%	1.90%	2.20%	2.40%	2.60%	3.10%	3.20%	3.30%
5yr PWLB Rate	2.25%	2.30%	2.30%	2.30%	2.30%	2.40%	2.50%	2.60%	2.70%	2.80%	2.90%	3.10%	3.30%	3.50%	3.70%
10yr PWLB Rate	3.33%	3.30%	3.30%	3.30%	3.40%	3.40%	3.50%	3.60%	3.70%	3.80%	4.00%	4.20%	4.40%	4.60%	4.80%
25yr PWLB Rate	4.24%	4.20%	4.20%	4.20%	4.30%	4.30%	4.40%	4.50%	4.60%	4.70%	4.80%	4.90%	5.00%	5.10%	5.20%
50yr PWLB Rate	4.26%	4.30%	4.30%	4.30%	4.40%	4.40%	4.50%	4.60%	4.70%	4.80%	4.90%	5.00%	5.10%	5.20%	5.30%
Bank Rate															
Sector's View	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.75%	1.00%	1.25%	1.50%	2.00%	2.25%	2.50%
UBS	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	-	-	-	-	-	-	-	-	-
Capital Economics	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	-	-	-	-	-
5yr PWLB Rate															
Sector's View	2.25%	2.30%	2.30%	2.30%	2.30%	2.40%	2.50%	2.60%	2.70%	2.80%	2.90%	3.10%	3.30%	3.50%	3.70%
UBS	2.25%	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Capital Economics	2.25%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	-	-	-	-	-
10yr PWLB Rate															
Sector's View	3.33%	3.30%	3.30%	3.30%	3.40%	3.40%	3.50%	3.60%	3.70%	3.80%	4.00%	4.20%	4.40%	4.60%	4.80%
UBS	3.33%	3.45%	3.45%	3.50%	3.60%	3.65%	-	-	-	-	-	-	-	-	-
Capital Economics	3.33%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	-	-	-	-	-
25yr PWLB Rate															
Sector's View	4.24%	4.20%	4.20%	4.20%	4.30%	4.30%	4.40%	4.50%	4.60%	4.70%	4.80%	4.90%	5.00%	5.10%	5.20%
UBS	4.24%	4.80%	4.90%	4.90%	4.90%	4.90%	-	-	-	-	-	-	-	-	-
Capital Economics	4.24%	4.30%	4.30%	4.30%	4.30%	4.30%	4.30%	4.30%	4.30%	4.30%	-	-	-	-	-
50yr PWLB Rate															
Sector's View	4.26%	4.30%	4.30%	4.30%	4.40%	4.40%	4.50%	4.60%	4.70%	4.80%	4.90%	5.00%	5.10%	5.20%	5.30%
UBS	4.26%	4.80%	4.95%	4.95%	5.00%	5.00%	-	-	-	-	-	-	-	-	-
Capital Economics	4.26%	4.40%	4.40%	4.40%	4.40%	4.40%	4.40%	4.40%	4.40%	4.40%	-	-	-	-	-

Annex C**Specified and Non-Specified Investments Categories**

A variety of specified and non-specified investment instruments will be used to place the Council's surplus funds. These investment instruments are, subject to the credit quality of the institution. The criteria, time limits and monetary limits applying to institutions or investment vehicles are list in the tables below.

Accounting treatment of investments. *The accounting treatment may differ from the underlying cash transactions arising from investment decisions made by this Council. To ensure that the Council is protected from any adverse revenue impact, which may arise from these differences, a review of the accounting implications of new transactions will be occur before they are undertaken.*

SPECIFIED INVESTMENTS:

All such investments will be sterling denominated, with maturities up to maximum of 1 year, meeting the minimum 'high' rating criteria where applicable

Institution / Counterparty	Minimum 'High' Credit Criteria	Use
<i>Term Deposits with nationalised banks and banks and building societies operating with government guarantees</i>		
<i>Debt Management Agency Deposit Facility</i>	<i>UK Sovereign rating</i>	<i>In-house</i>
<i>Term deposits – local authorities</i>	<i>UK Sovereign rating</i>	<i>In-house</i>
<i>Term deposits – banks and building societies</i>	<i>Coded: Orange on Sectors Matrix. Fitch's rating: Short-term F1+, Long-term AA-, Individual B, Support 2 Or equivalent rating from Standard & Poors and Moody's</i>	<i>In-house</i>
<i>Collateralised deposit</i>	<i>UK Sovereign rating</i>	<i>In-house and Fund Mangers</i>
<i>Certificates of deposits issued by banks and building societies covered by UK Government guarantee</i>	<i>UK Sovereign rating</i>	<i>In-house and Fund Mangers</i>

<i>Certificates of deposits issued by banks and building societies</i>	<i>Fitch's rating: UK sovereign rating or Short-term F1+, Long-term AA-, Individual B, Support 2 or equivalent rating from Standard & Poors and Moodys</i>	<i>In-house and Fund Managers</i>
<i>UK Government Gilts</i>	<i>UK Sovereign rating</i>	<i>In-house buy and hold and Fund Managers</i>
<i>Bonds issued by multilateral development banks</i>	<i>Long term AAA</i>	<i>In-house buy and hold and Fund Managers</i>
<i>Bonds issued by a financial institution which is guaranteed by the UK government</i>	<i>UK Sovereign rating</i>	<i>In-house buy and hold and Fund Managers</i>
<i>Sovereign bond issues (other than the UK govt)</i>	<i>Sovereign rating</i>	<i>In-house buy and hold and Fund Managers</i>
<i>Treasury Bills</i>	<i>UK Sovereign rating</i>	<i>Fund Managers</i>
<i>Collective Investment Schemes structured as Open Ended Investment Companies (OEICs): -</i>		
<i>1. Government Liquidity Funds</i>	<i>Short-term F1, Long-term AAA</i>	<i>In-house and Fund Managers</i>
<i>2. Money Market Funds</i>	<i>Short-term F1, Long-term AAA</i>	<i>In-house and Fund Managers</i>
<i>.3. Enhanced cash funds</i>	<i>Short-term F1, Long-term AAA</i>	<i>In-house and Fund Managers</i>
<i>4. Bond Funds</i>	<i>Long-term AAA</i>	<i>In-house and Fund Managers</i>
<i>5. Gilt Funds</i>	<i>Long-term AAA</i>	<i>In-house and Fund Managers</i>
<i>UK Nationalised Banks</i>	<i>UK sovereign rating</i>	<i>In-house and Fund Managers</i>
<i>UK Part nationalised Banks</i>	<i>UK sovereign rating</i>	<i>In-house and Fund Managers</i>

NON-SPECIFIED INVESTMENTS:

A maximum of 100% can be held in aggregate in non-specified investment

1. *Maturities of ANY period*

<i>Institution / Counterparty</i>	<i>Minimum Credit Criteria</i>	<i>Use</i>	<i>Max % of total investments</i>	<i>Max. maturity period</i>
<i>Term deposits – banks and building societies</i>	<i>Coded: red and green on Sectors Matrix. Fitch's rating: Short-term F1, Long-term A-, Or equivalent rating from Standard & Poors and Moody's</i>	<i>In-house</i>	<i>100%</i>	<i>3-6 Months</i>

<i>Fixed term deposits with variable rate and variable maturities: -Structured deposits</i>	<i>Short-term F1+, Long-term AA-, Individual B, Support 2</i>	<i>In-house</i>	<i>40%</i>	<i>1 Year</i>
<i>Certificates of deposits issued by banks and building societies NOT covered by UK Government guarantee</i>	<i>Short-term F1+, Long-term AA-, Individual B, Support 2</i>	<i>In-house buy and hold and Fund Managers</i>	<i>30%</i>	<i>1 Year</i>
<i>Commercial paper issuance covered by a specific UK Government guarantee and issued by banks covered by the UK bank support package</i>	<i>UK Sovereign rating</i>	<i>In-house and Fund Managers</i>	<i>30%</i>	<i>1 Year</i>
<i>Commercial paper other</i>	<i>Short-term F1+, Long-term AA-, Individual B, Support 2</i>	<i>In-house</i>	<i>30%</i>	<i>1 Year</i>
<i>Corporate Bonds other: the use of these investments are under consultation. From 1/4/12 potential that they are no longer classed as capital expenditure. (Update will be given in the outturn report)</i>	<i>Short-term F1+, Long-term AA-, Individual B, Support 2</i>	<i>In-house and Fund Managers</i>	<i>N/A – Capital Expenditure BUT Under consultation 1/4/12.</i>	<i>N N/A – Capital Expenditure - But Under consultation on 1/4/12.</i>
<i>Other debt issuance by UK banks covered by UK Government guarantee</i>	<i>UK Government explicit guarantee</i>	<i>In-house and Fund Managers</i>	<i>30%</i>	
<i>Floating Rate Notes: the use of these investments would constitute capital expenditure unless they are issued by a multi lateral development bank</i>	<i>Long-term AAA</i>	<i>Fund Managers</i>	<i>N/A – Capital Expenditure</i>	<i>N/A – Capital Expenditure</i>
<i>Property fund: the use of these investments would constitute capital expenditure</i>	<i>--</i>	<i>Fund Managers</i>	<i>N/A – Capital Expenditure</i>	<i>N/A – Capital Expenditure</i>
<i>Local Authority mortgage guarantee scheme</i>	<i>Short-term F1+, Long-term AA-, Individual B, Support 2</i>	<i>In-house</i>		

2. Maturities in excess of 1 year

<i>Term deposits – local authorities</i>	<i>--</i>	<i>In-house</i>	<i>10%</i>	<i>> 1 year</i>
<i>Term deposits – banks and building societies</i>	<i>Coded: Purple on Sectors Matrix. Fitch's rating: Short-term F1+, Long-term AA-, Individual B, Support 2 Or equivalent rating</i>	<i>In-house</i>	<i>10%</i>	<i>> 1 year</i>

	<i>from Standard & Poors and Moody's</i>			
<i>Certificates of deposits issued by banks and building societies covered by UK Government guarantee</i>	<i>UK Sovereign</i>	<i>In house and Fund Managers</i>	<i>10%</i>	<i>> 1 year</i>
<i>Certificates of deposits issued by banks and building societies covered by the UK government banking support package</i>	<i>UK Sovereign</i>	<i>In house and Fund Managers</i>	<i>10%</i>	<i>> 1 year</i>
<i>Certificates of deposits issued by banks and building societies NOT covered by the UK government banking support package</i>	<i>Short-term F1+, Long-term AA-, Individual B, Support 2</i>	<i>In house and Fund Managers</i>	<i>10%</i>	<i>> 1 year</i>
<i>UK Government Gilts</i>	<i>UK Sovereign rating</i>	<i>In-house and Fund Managers</i>	<i>10%</i>	<i>> 1 year</i>
<i>Bonds issued by multilateral development banks</i>	<i>Long term AAA</i>	<i>In-house and Fund Managers</i>	<i>10%</i>	<i>> 1 year</i>
<i>Sovereign bond issues (i.e. other than the UK govt)</i>	<i>Long term AAA</i>	<i>In-house and Fund Managers</i>	<i>10%</i>	<i>> 1 year</i>
<i>Collective Investment Schemes structure as open Ended Investment Companies (OEICs)</i>				
<i>1. Bond Funds</i>	<i>Long-term AAA</i>	<i>In-house and Fund Managers</i>		
<i>2. Gilt Funds</i>	<i>Long-term AAA</i>	<i>In-house and Fund Managers</i>		

Approved countries for investments

AAA

- Australia
- Canada
- Denmark
- Finland
- Germany
- Luxembourg
- Netherlands
- Norway
- Singapore
- Sweden
- Switzerland
- U.K.

AA+

-
- France
- Hong Kong
- U.S.A.

AA

- Belgium
- UAE

AA-

- Japan
 - Qatar
 - Saudi Arabia
-

Treasury Management Scheme of Delegation**(i) Executive / Full Council**

- receiving and reviewing reports on treasury management policies, practices and activities
- approval of annual strategy and annual outturn

(ii) Executive

- approval of/amendments to the organisation's adopted clauses, treasury management policy statement and treasury management practices
- budget consideration and approval
- approval of the division of responsibilities
- receiving and reviewing regular monitoring reports and acting on recommendations

(iii) Audit & Governance Committee

- receiving and scrutinising reports on treasury management policies, practices and activities
- scrutinising the annual strategy, annual outturn and quarterly updates.

(iv) Director of resources (Section 151 Officer)

- reviewing the treasury management policy and procedures and making recommendations to the responsible body.
- Approving the selection of external service providers and agreeing terms of contract in accordance with the delegations in financial regulations.

The Treasury Management Role of the Section 151 Officer

- recommending clauses, treasury management policy/practices for approval, reviewing the same regularly, and monitoring compliance
 - submitting regular treasury management policy reports
 - submitting budgets and budget variations
 - receiving and reviewing management information reports
 - reviewing the performance of the treasury management function
-

- ensuring the adequacy of treasury management resources and skills, and the effective division of responsibilities within the treasury management function
- ensuring the adequacy of internal audit, and liaising with external audit
- recommending the appointment of external service providers.



Cabinet

14 February 2012

Report of the Cabinet Member for Health, Housing and Adult Social Services and the Cabinet Member for Corporate Services

Housing Revenue Account Reform and Business Planning

Purpose of report

1. This report provides an overview of the new Housing Revenue Account (HRA) self financing system and the impact of this reform on the Housing Business Plan. It asks members to agree the outline summary business plan attached at Annex 1, with a view to receiving a further more detailed report later in 2012. It also asks members to make key decisions required to maintain the financial stability of the HRA, namely the 2012/13 average rent increase and the proposed level of overall capital expenditure.

Background

2. April 2012 will mark a significant change to the way that council housing is financed. The Localism Bill will dismantle the current system of HRA subsidy and replace it with a new system of self financing. This results in a number of changes to the current financing system which has a significant impact on the Council's HRA business plan and its stock retention strategy.
3. The current HRA is a national housing finance account and HRA subsidy is the system for redistributing resources between councils based on a desk top assessment of each council's notional deficit or surplus. York is in negative subsidy in that its notional income exceeds its notional expenditure. As a result we pay the difference to the Government (expected to be £7.7m in 2011/12) which then redistributes this to those authorities who are in positive subsidy. Under this system, York's negative subsidy is forecast to increase year on year and we have no method of influencing or reducing the amount that must be paid over to Government.
4. The new system involves a reallocation of housing debt based on whether the valuation of each council's housing business is higher than their existing debt. For York, the government estimates that the value of our housing business is £145m, which is some £122m higher than our

existing level of housing debt. Therefore, the council will need to borrow in order to pay this difference of £122m to central government. This is a one off payment and in return the council gets greater independence and responsibility for the management of its housing stock as in future it will have the ability to actively manage the debt and its financial impact on the HRA.

5. The statutory ring fence that prevents councils from subsidising the housing account with contributions from the general fund and vice versa remains in place with no changes proposed. Taken in the round, this settlement represents a good outcome for the council and this report goes on to explain the impact on the housing business plan.

Rent restructuring

6. In 2000 the Government announced that from April 2002 all councils and housing associations had to set their rents on a new, fair and consistent basis. This involved a phased change in rents over 10 years beginning in April 2002 based on a formula for rent setting created by Central Government. This is known as rent restructuring and will mean that rents charged will move towards a Government set target rent. By 2012 similar properties should be charged similar rents regardless of who owns the property, other than the new “affordable” rents that are set at up to 80% of market rent. This deadline has been extended and rents will now converge by 2015/16. This Government formula rent takes account of various factors including the number of bedrooms a property has, property valuation, average earnings and the date at which all rents are expected to converge.
7. Current Government rents’ policy assumes that through the process of rent restructuring there will be eventual convergence between the rents in the local authority and registered social landlord (RSL) sectors. At this point actual and guideline rents for a single authority should all have the same value. The actual rent is the rent charged to the tenant. The guideline rent is a notional rent and a feature of the outgoing HRA subsidy system. However, this is the level of rent the Government has assumed when calculating the settlement of £122m.
8. Taking into account the rent calculations on individual properties and the impact of moving all rents towards the target rent results in an actual average rent increase for York of 7.4%. The rent increase will apply to all council properties including hostels and travellers sites. It is necessary to serve notices on tenants to vary their current rent and a minimum of four weeks notice is required.

9. The Government expectation is that councils will continue to follow national rent setting policy, and the settlement is based on future income levels assuming the current national rent policies are implemented as planned. Should the council decide to set a lower rent increase this will have a direct financial impact because the debt level will remain the same but with less rental income available to service that debt. The result being that either savings will need to be made in the housing service or the debt will need to be taken over a longer time period which is, in the longer term, more expensive.
10. The recommended option is therefore to increase rents in line with Government guidance of RPI at September 2011 of 5.6% plus 0.5% plus the move towards convergence. If the council chooses not to follow the government guidance, every 1% reduction equates to a recurring reduction in income of £277k. Following the guidance results in an average increase of 7.4%. This is in line with the recommendation from Government and matches the assumed level of income in the HRA settlement calculations. The average weekly rent will be £72.02 and average weekly increase £4.98.

Options

11. Option 1 (recommended option) – Agree the outline 5 year business plan as set out in Annex 1, including
 - a. The average rent increase of 7.4% for 2012/13
 - b. Continuing to follow national social rent policy
 - c. Capital investment of £43m over the 5 years

Analysis

12. The outline business plan is based on a number of key strategic assumptions, including;
 - That the council will continue to follow national social rent policy in determining the rents payable by tenants
 - That the capital programme will be set at a level that allows the council to continue to deliver the York Standard for all homes (i.e. decent homes plus)
 - That the council will repay the self financing debt by 2030/31.
13. The main areas that need to be considered are examined in more detail in the following paragraphs. They are linked in that the income from rents will fund the capital programme and the repayment of the debt, along with all the other services for tenants in the HRA such as disabled adaptations, tenancy services, etc.

Debt strategy and treasury management

14. The new system will limit the level of borrowing that the council can undertake for housing by setting a limit of indebtedness. Nationally, the Government appreciates that this reform represents a major transaction with significant levels of debt being transferred between central and local government and have made some changes to assist this process. The key change occurred when the Government announced at the end of September 2011 that Public Works Loans Board Loan interest rates, solely for the purpose of discharging a council's obligation under self financing, are to be reduced by 1%. This makes these PWLB loans more attractive than alternative sources of funding e.g. bonds and therefore effectively makes this the best option for councils that need to borrow in order to pay central government.
15. The reform of the HRA subsidy arrangements is expected to take place on 28th March 2012 and will require the council to pay a fixed amount (£122m) to Government to remove the council from the subsidy system. The amount that the council is required to pay to government has changed from the initial consultation, increasing from £89m to £122m. The amount increased due to a reduction in the discount rate used to value the HRA from 7% to 6.5% along with changes to inflation, property numbers and the assumed average rent increase for 2012/13. Due to the changes to PWLB loans outlined in paragraph 10 above, this is financially the most advantageous way to finance the borrowing required. Assuming the recommended option is agreed, the loans will be repaid in accordance with the HRA borrowing strategy which is outlined in the separate Treasury Management Strategy report also on the agenda.
16. Alternative methods of financing the housing debt have been considered by officers, including bonds and other market loans, however the PWLB loans offer the best value for the council due to their flexibility and low interest rates.

Capital Investment

17. The council has already achieved the Governments Decent Homes Standard and the outline business plan is based on achievement of a higher "York Standard" for all properties. The proposed level of capital expenditure stands at £43m over the 5 year period from 2012/13 to 2016/17.
18. There is a difference between the level of borrowing the council needs to take on in order to make the payment to Government and the cap on the maximum amount the council is allowed to borrow for self financing.

This is commonly referred to as “headroom” within the self financing settlement and could be used to deliver new council housing or other investment in the housing stock.

19. At this stage, it is proposed that no additional borrowing is undertaken as it is recognised that this headroom is not immediately required to meet the York Standard on all homes. The need for any additional investment funded from headroom borrowing will be kept under review and further detail around the options available will be provided in the more detailed report due to Cabinet in June 2012. It is prudent to retain this option to allow additional work that tenants and members may wish to bring forward to improve the quality of the housing stock.

Sensitivity Analysis

20. A series of prudent assumptions have been made in order to construct the baseline HRA business plan, which are as follows;
- RPI at 2.5%
 - Financing costs at 6.0%
 - 10 RTB sales per year, generating a useable capital receipt of £187k
 - Void rate at 1.2%
 - Bad Debts at 0.4%

21. The assumed rent increases are set out in the table below

Year	Estimated Average Rent Increase (assuming 2.5% RPI)	Average rent per week	Average increase per week
2012/13	7.4%	£72.02	£4.98
2013/14	4.3%	£75.09	£3.07
2014/15	4.3%	£78.28	£3.19
2015/16	4.2%	£81.59	£3.31
2016/17	3%	£84.05	£2.46

22. When broken down by size / type of accommodation, the above estimated rent increases for 2012/13 results in an average rent for a 2 bed property of £73.70 and a 3 bed property £80.52
23. There are a number of alternative assumptions and scenarios that can be applied to the baseline model to test the impact of a range of actions on planning for the housing stock over a 30 year business plan. The most significant factors that make a difference to the plan are the level of investment carried out, the number of Right To Buys and the assumed rent levels. The HRA business plan will be formally monitored on a

regular basis and any variations reported to members in the usual finance monitoring reports.

Consultation

24. The Tenants Federation have been briefed on the changes being made and the impact they have on the housing business plan.

Corporate Priorities

25. The information and issues included in this report demonstrate progress on achieving the priorities set out in the Council Plan (2011-15).

Implications

26. The implications are:

- Financial - the financial implications are dealt with in the body of the report.
- Human Resources - there are no specific human resource implications to this report.
- Equalities – the outline business plan maintains the current level of provision for disabled adaptations to council properties. There are no changes to services as a result of this report. However, should members not agree the recommended option then savings may need to be identified and a full Equalities Impact Assessment will be completed for any reductions or changes in service delivery.
- Legal - there are no legal implications to this report.
- Crime and Disorder - there are no specific crime and disorder implications to this report.
- Information Technology - there are no information technology implications to this report.
- Property - there are no property implications to this report.
- Other - there are no other implications to this report.

Risk Management

27. While the settlement can be viewed as positive there are a number of areas of risk that will need to be closely monitored and suitable mitigation identified.
28. Interest rates could rise above the levels used in the plan. Given the current low rates this is clearly a high risk and the mitigation proposed is to adopt a range of borrowing tactics including using some long term fixed rate borrowing to give more certainty in the business plan figures. In future the council will be adopting real business planning for the HRA

and in doing so will be proactively managing these risks and making real decisions about rents, investment, borrowing and repayment of debt.

29. The proposals contained in the Welfare Reform Bill could reduce income to some families and may increase the level of bad debts. The progress of the bill and the impact on lower income households needs to be closely monitored with emphasis placed on preventative work, such as financial inclusion, financial capacity building and measures to prevent households from falling into poverty.
30. Inflation could be higher than the current assumptions however the impact of this on the plan is minimal. If this should occur then the capital programme would need to be reduced for a period to compensate.
31. Right to Buy Sales could be higher, reducing the overall level of rental income received. If this should occur then the capital programme would need to be reduced for a period to compensate. Currently 75% of RTB receipts are pooled back to central government. In December, Government issued a consultation paper entitled "Reinvigorating the Right to Buy and one for one replacement" with a deadline for responses of 2nd February 2012. The consultation focuses on proposals to increase caps on RTB discounts to make the scheme more attractive to tenants and considers how any RTB receipts are to be shared between local and central Government. As they have not revised the assumptions on the number of RTBs, and they have allowed for repayment of the debt on a property before pooling, this does not have any impact on the debt settlement. However, if the proposed changes do make the scheme more attractive to tenants there could be an increase in the number of RTBs which will have an adverse impact on the ongoing business plan due to the loss of rental income whilst also reducing the capital receipts available to reinvest in the capital programme. The situation will be kept under review and any material impact reported to members.
32. The Government will continue to set national social rent setting policy and maintaining the rental income stream is essential for the viability of the business plan. Any variation from the national policy is likely to result in a negative financial impact on the business plan and could result in reductions in services to tenants.
33. Under the current system depreciation is essentially an accounting entry which is reversed out of the HRA "below the line" and as such has no impact on the overall bottom line. However, the move to self financing will mean that in future depreciation is a real charge to the HRA. This reinforces the importance of maintaining the stock to a good standard. The Chartered Institute of Public Finance & Accountancy will be issuing further guidance and officers will continue to monitor the situation.

Recommendations

34. Members are asked to:

- a. Approve the average rent increase for 2012/13 as set out in paragraphs 6 to 10
Reason: to ensure the ongoing financial stability of the HRA and allow work on improving the quality of the council's affordable housing to continue.

- b. Note the HRA revenue plan as set out in Annex 1, that will be recommended to Council within the Financial Strategy report elsewhere on this agenda
Reason: to ensure the ongoing financial stability of the HRA

- c. Note 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
Reason: to ensure the ongoing financial stability of the HRA and allow work on improving the quality of the council's affordable housing to continue.

Authors:	Cabinet Member & Chief Officer Responsible for the report:		
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	Sally Burns, Director of Communities & Neighbourhoods		
	Ian Floyd, Director of Customer and Business Support Services		
	Report Approved	√	Date 19/1/12
Wards Affected: All			
For further information please contact the authors of the report			

Annex 1 – HRA financial plan

Background Papers:

Council Housing: A Real Future - CLG Consultation Paper & Opportunities / Implications for CYC, Executive, 22nd June 2010

HOUSING REVENUE ACCOUNT PROJECTIONS

City of York Council

Year	2012.13	2013.14	2014.15	2015.16	2016.17
£'000	1	2	3	4	5
INCOME:					
Rental Income	29,870	31,116	32,432	33,758	34,726
Void Losses	-346	-361	-376	-391	-403
Service Charges	814	816	819	839	860
Non-Dwelling Income	607	616	625	641	657
Grants & Other Income	460	460	460	463	466
Total Income	31,405	32,648	33,960	35,310	36,306
EXPENDITURE:					
General Management	-5,412	-5,547	-5,686	-5,828	-5,974
Special Management	-2,390	-2,450	-2,511	-2,574	-2,638
Other Management	-214	-219	-214	-219	-225
Rent Rebates	0	0	0	0	0
Bad Debt Provision	-118	-247	-643	-669	-688
Responsive & Cyclical Repairs	-6,312	-6,470	-6,632	-6,797	-6,967
Total Revenue Expenditure	-14,446	-14,933	-15,685	-16,088	-16,492
Interest Paid & Administration	-6,685	-6,826	-6,968	-6,969	-6,968
Interest Received	68	81	96	109	119
Depreciation	-7,319	-7,497	-7,684	-7,866	-8,053
Net Operating Income	3,023	3,472	3,719	4,496	4,913
APPROPRIATIONS:					
FRS 17 /Other HRA Reserve Adj	-2,975	-3,974	-3,474	-2,973	-2,972
HRA CFR Revenue Provision	0	0	0	0	-108
Revenue Contribution to Capital	-737	-810	-308	-2,612	-2,682
Total Appropriations	-3,712	-4,784	-3,782	-5,585	-5,763
ANNUAL CASHFLOW	-690	-1,312	-63	-1,089	-851
Opening Balance	9,500	8,810	7,499	7,436	6,347
Closing Balance	8,810	7,499	7,436	6,347	5,497
Other HRA Reserve Balance	5,855	9,855	13,355	16,355	19,355

HOUSING CAPITAL PROJECTIONS
City of York Council

Year	2012.13	2013.14	2014.15	2015.16	2016.17
£'000	1	2	3	4	5
EXPENDITURE:					
Planned Variable Expenditure	0	0	0	0	0
Planned Fixed Expenditure	-7,594	-7,835	-7,510	-9,981	-10,230
Disabled Adaptations	-300	-300	-300	-315	-323
New Build Expenditure	0	0	0	0	0
Other Capital Expenditure	0	0	0	0	0
Procurement Fees	-346	-355	-365	-365	-365
Previous Year's B/F Shortfall	0	0	0	0	0
Total Capital Expenditure	-8,240	-8,490	-8,175	-10,661	-10,919
FUNDING:					
Major Repairs Reserve	7,319	7,497	7,684	7,866	8,053
Right to Buy Receipts	184	184	184	184	184
Unsupported Borrowing	0	0	0	0	0
Other Receipts/Grants	0	0	0	0	0
Other Reserves	0	0	0	0	0
Revenue Contributions	737	810	308	2,612	2,682
Total Capital Funding	8,240	8,490	8,175	10,661	10,919
In-Year Net Cashflow	0	0	0	0	0
Cumulative Position	0	0	0	0	0
Major Repairs Reserve Bal:	0	0	0	0	0