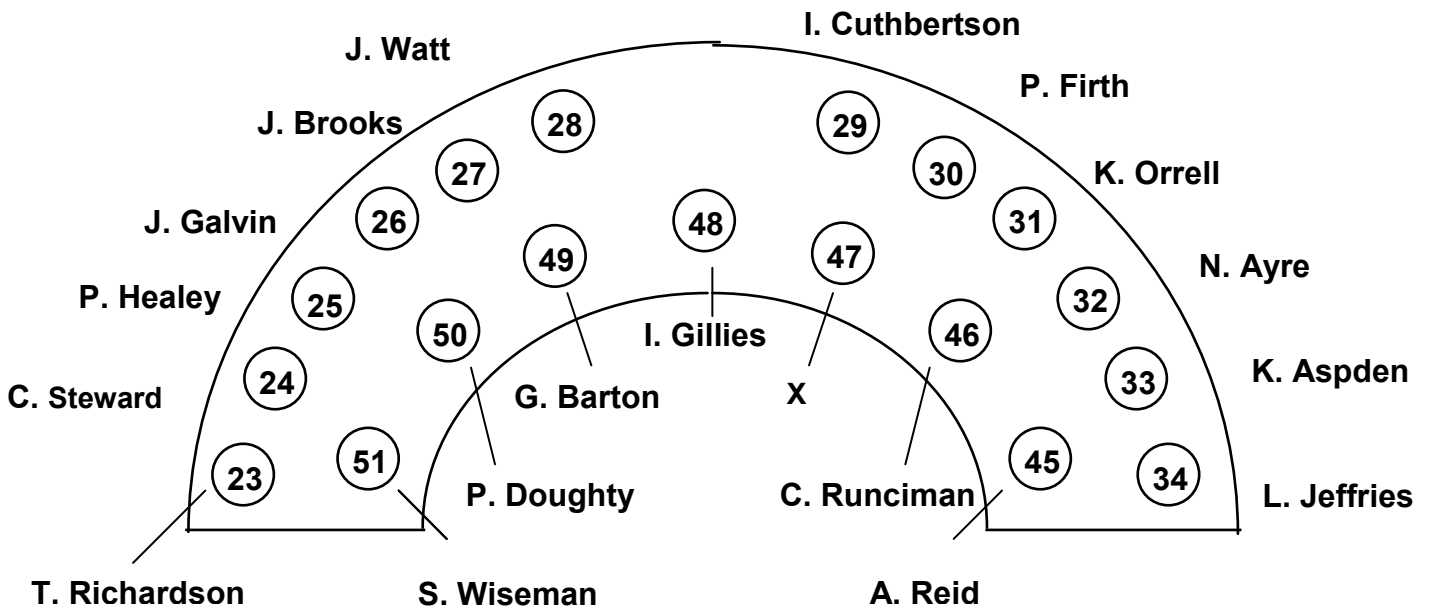


**CITY OF YORK COUNCIL
SUMMONS**

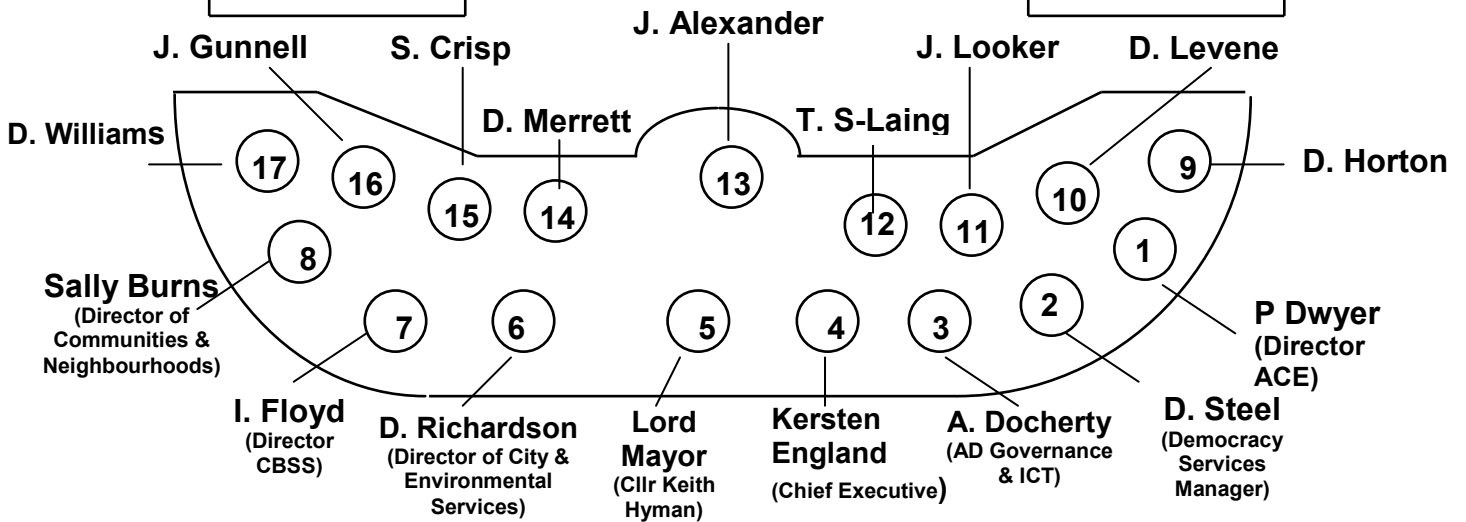
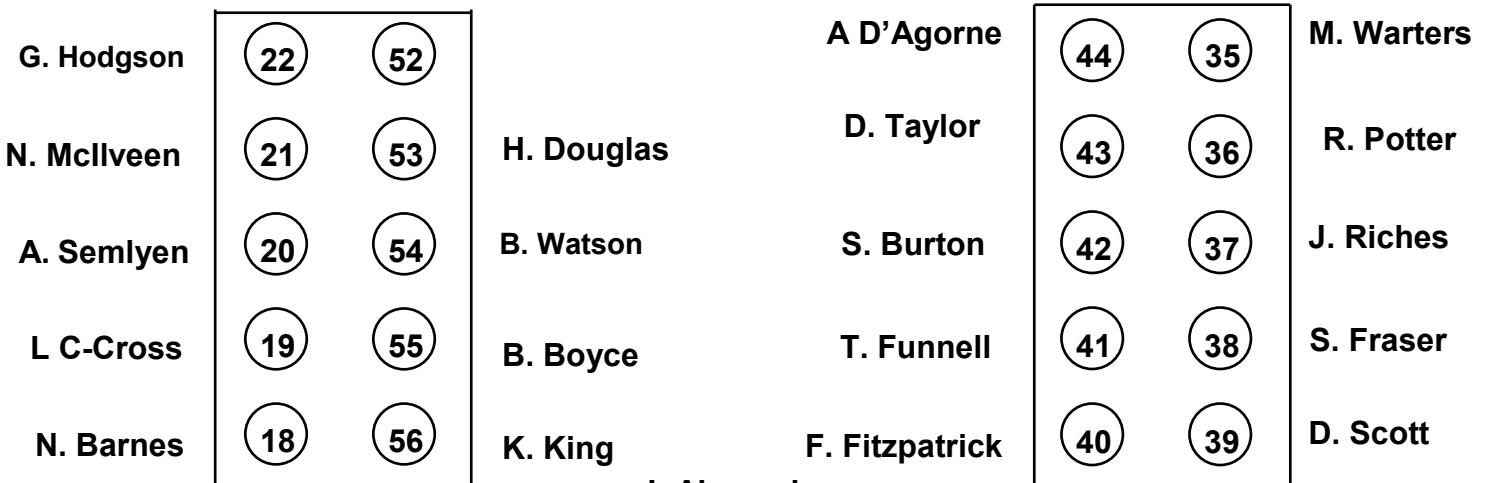
All Councillors, relevant Council Officers and other interested parties and residents are formally invited to attend a **Budget Council** meeting of the **City of York Council** at the **Guildhall, York**, to consider the business contained in this agenda on the following date and time

Thursday, 28 February 2013 at 6.30 pm

COUNCIL CHAMBER



Palantypist



A G E N D A

1. Declarations of Interest

At this point, Members are asked to declare:

- any personal interests not included on the Register of Interests
- any prejudicial interests or
- any disclosable pecuniary interests

which they may have in respect of business on this agenda.

All Members are granted dispensation in respect of any disclosable pecuniary interests they may have in relation to any interest they may have in land in York.

2. Civic Announcements

To consider any announcements made by the Lord Mayor in respect of Civic business.

3. Public Participation

At this point in the meeting, any member of the public who has registered to address the Council, or to ask a Member of the Council a question, on a matter directly relevant to the business on this agenda (namely, the setting of the budget) may do so.

The deadline for registering is **5:00pm on Wednesday 27 February 2013.**

4. Petitions

To receive any petitions to be presented by Members in relation to business associated with setting the Council's budget for the coming financial year, in accordance with Standing Order No.7.

5. Recommendations of the Cabinet in respect of the Capital Programme 2012/13 Monitor 3 (Pages 1 - 2)

To consider the recommendations made by the Cabinet, at their meeting on 12 February 2013, following consideration of the third monitor report on the Capital Programme. These are set out in the attached Part B minute and will be moved by the Cabinet Leader.

6. Recommendations of the Cabinet on the Council's Capital Programme Budget for 2013/14 to 2017/18, the Financial Strategy 2013/18 (including the Council's Detailed Revenue Budget Proposals for 2013/14 and 2014/15) and the Council's Treasury Management Strategy Statement and Prudential Indicators for 2013/14 to 2017/18 (Pages 3 - 12)

A Petition

To debate the following petition signed by 1,167 people:

"We call on the City of York Council to:

- Introduce an EMA-style grant for college students in the area*
- Make the grant available to all college students with no means-test*

The Educational Maintenance Allowance has been scrapped by this Government. This will leave many college students in York without the funds to travel to college, buy books and resources, or food. Similar EMA style payments have been reintroduced in two London Boroughs. This shows that there is the money to pay for EMA if we stand up and fight for it. Youth Fight for Jobs and Education believes that EMA could be brought back in York as well – it is evident from council expenditure in certain areas. £2.5m is being spent on consultancy firms to "find out how to better manage funds in the future", this alone would pay for all students to have EMA (£30 per week) at York College with £1,476,640 to spare (based on student numbers 2010/11)."

In accordance with the Council's current Petitions Scheme, Members will debate the above petition and will take it into account when considering and setting it's under mentioned budget.

B Recommendations from Cabinet, 12 February 2013

To consider the recommendations made by the Cabinet, at their meeting held on 12 February 2013, in relation to:

- a) The Council's Capital Programme Budget for 2013/14 – 2017/18
- b) The Council's Revenue Budget proposals for 2013 to 2018 and
- c) The Council's Treasury Management Strategy Statement and Prudential Indicators for 2013/14 – 2017/18

These recommendations are set out in the attached report and will be moved by the Council Leader.

Note:

The original budget reports to Cabinet, on which their recommendations are based, were circulated to all Members on 4 February 2013 and can be found on the Council's website, here:

<http://democracy.york.gov.uk/ieListDocuments.aspx?CId=733&MId=6881&Ver=4>

- a) **List of Council Amendments for Consideration at the Meeting** (Pages 13 - 36)
7. **Council Tax Resolution 2013/14** (Pages 37 - 48)
To consider the Council Tax Resolution for 2013/14, as set out in the attached report.
8. **Urgent Business**
Any other business which the Chair considers urgent under the Local Government Act 1972.

Democracy Officer for this meeting:

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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City of York Council

Extract from Committee Minutes

MEETING	CABINET
DATE	12 FEBRUARY 2013
PRESENT	COUNCILLORS ALEXANDER (IN THE CHAIR FOR ITEMS 1-5 AND PART OF ITEM 9), CRISP, GUNNELL, LEVENE, LOOKER, MERRETT, SIMPSON-LAING (VICE-CHAIR - IN THE CHAIR FOR ITEMS 6-8, PART OF ITEM 9 & ITEMS 11-20) AND WILLIAMS
IN ATTENDANCE	COUNCILLORS BARTON, BOYCE, D'AGORNE, DOUGHTY, FRASER, HEALEY, REID, STEWARD AND WARTERS

PART B - MATTERS REFERRED TO COUNCIL**97. CAPITAL PROGRAMME - MONITOR THREE 2012/13**

[See also Part A minute]

Members considered a report which informed them of the likely outturn position of the 2012/13 Capital Programme based on the spend profile and information to January 2013, including under and over spends, programme changes together with any slippage.

The current approved Capital Programme for 2012/13 was £69.033m, financed by £27.438m of external funding, and internal funding of £41.595m. A decrease of £11.752m, details of which were set out in the report, had resulted in a revised Capital Programme budget of £57.281 made up of under spends and net re-profiling to future years. The variances against each portfolio area together with a summary of the key exceptions and implications on the capital programme, was set out at paragraphs 6 to 38 and at Annex A of the report. A summary of the revised 5 year Capital Programme incorporating the proposed changes highlighted in the report was shown at Table 4 together with the proposed financing at Table 5. The schemes which made up the under spend of £1.126m reported in 2012/13 were set out at paragraph 47.

The overall spend and the commitment profile on the Economic Infrastructure Fund over the existing 5 year programme was reported at paragraphs 41 and 42 and at Annex B of the report.

RECOMMENDED: That Council agree the adjustments in the Capital programme of an overall decrease of £11.752m in 2012/13 with re-profiling of budget from 2012/13 to 2013/14 and 2014/15 of £10.626m as detailed in the report and contained in Annex A of the report. ¹.

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

Action Required

1. Refer to Budget Council.

JP

Councillor Alexander, Chair

[The meeting started at 5.00 pm and finished at 7.20 pm].



Budget Council**28 February 2013**

Report of the Leader of the Council

Recommendations of Cabinet on the Council's Capital Programme Budget for 2013/14 – 2017/18, the Financial Strategy 2013 – 2018 and the Treasury Management Strategy Statement and Prudential Indicators for 2013/14 – 2017/18**Summary and Background**

1. This report presents to Council the recommendations of Cabinet for approval in respect of the capital programme budget for the period 2013/14 to 2017/18, the revenue budget proposals for 2013/14 and 2014/15 and the treasury management strategy for the period 2013/14 to 2017/18. This report should be read in conjunction with the reports presented to Cabinet on 12 February.
2. On 12 February the Cabinet met to consider the revenue and capital budgets and the treasury management strategy. The following reports, copies of which Members have previously received, were considered;
 - i) Financial Strategy 2013 to 2018
 - ii) Capital Programme Budget 2013/14 to 2017/18
 - iii) Treasury Management Strategy and Prudential Indicators 2013/14 to 2017/18

Consultation

3. The council's budget has been widely consulted upon. Please refer to the relevant section of the Financial Strategy report for further details.

Options

4. Options open to the Council are to approve Cabinet's recommendations or to approve any amendments that may be moved by other Members of Council.

Specialist Implications

5. Implications in respect of setting the budget are contained in the Cabinet reports. Member's attention is drawn in particular to the legal advice and the statutory advice of the Section 151 officer as set out in the Financial Strategy report and repeated in the following sections.

Legal

6. The Council is required to set a council tax for 2013/14 before 11 March 2013. It may not be set before all major precepts (ie precepts from the Police and Fire Authorities) have been issued or before 1 March 2013, 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.
7. 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.
8. 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.
9. 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.

10. 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.
11. 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.
12. 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.
13. 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 8 above.
14. 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.

15. 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 2012/13 an increase above 2% will be considered excessive.
16. 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.

Statutory Advice from the Director of Customer and Business Support Services/Comments

Introduction

17. 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 2013/14 and beyond), reserves and general robustness of the process.

Overall Assessment

18. The proposals in this budget give a balanced budget for 2013/14 and give consideration to the financial years 2014/15 and an overview of future years. The council has well established effective financial management, effective monitoring, and has received very favourable external audit reports in respect of its financial management. The consideration of a two year budget is in line with the Councils prudent approach to long term financial planning.

19. Full scrutiny of the budget proposals for 2013/14 has taken place, in terms of their deliverability, and a proper risk assessment of a range of issues has been conducted.
20. 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 the 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. Where savings are not delivered, services are fully aware of the need to find compensating savings. In addition, proposals for 14/15 will be subject to more detailed review during 2013.
21. 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 the impact of the capital programme, waste pfi (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, there is funding through the Delivery and Innovation Fund which provides the capacity to assist in transformation and delivery of services, which will be crucial in responding to the financial challenges.
22. 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 2012/13 have been addressed through significant additional investment. In particular investment is provided for Adult Care. There is provision made for the expected 1% pay award.

Looking Ahead

23. Looking ahead there remains a range of very significant pressures for the future. It is almost certain that there will be 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.

24. 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

25. In terms of reserves, the proposals seek to make contributions to ensure reserves are 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.
26. I believe that the council will come in on budget for 2012/13 and this is reflected in the budget monitoring report presented to Cabinet at this same Cabinet meeting.
27. The recommended minimum reserves for 2013/14 are £6.4m, an increase on the current level of £0.3m, reflecting the significant change in funding from specific grants to general grants and also the revised funding for council tax support. This is considered within the report. I strongly advise Council to ensure there is some headroom between minimum reserves and actual reserves. The budget proposals seek to do this.
28. 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

29. The government have announced that they will require any local authority who proposes to raises its council tax by 2% or more to conduct a referendum.
30. The government have also stated that they will continue with the system of Council Tax Freeze Grant in 2013/14, as they did in 2012/13.
31. 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.
32. 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.
33. There are added risks this year in relation to the changes affecting the council regarding council tax support (previously council tax benefits) and localisation of business rates. With regard to council tax support the risks include non collection, increased benefit claimants (with all the cost of such an increase falling on the council) and risks at a wider level in terms of the impact of wider benefit changes and associated knock on effects for council services. In respect of localisation of business rates, whilst this offers potential benefits, there are also risks. The details of the system have only recently been confirmed, and there remain a number of areas that concern local authorities. These include the fact that local authorities need to meet the cost of backdated appeals, which could be significant. In addition, clearly there are risks associated with any further downturn in the economy and especially the impact on some high street stores. Both of these issues highlight the direct financial impact on the council of the local economic situation, and the need for the council to ensure priority is given towards ensuring a successful economy.

34. 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.

Recommendations

Capital Budget

35. Cabinet recommends that Council;
- i. Agree to the revised capital programme of £176.709m, that reflects a net overall increase of £48.381m as set out in paragraph 30 table 10 and in Annex A 'budget amendments' column of the Cabinet report). Key elements of this include:
 - a. Extension of prudential borrowing funded Rolling Programme schemes totalling £3.365m including the IT development fund as set out in paragraph 10 table 2 and summarised in paragraph 27 table 9;
 - b. Creation of 2 new prudential borrowing funded Rolling Programme schemes totalling £1.500m as set out in paragraph 14 table 3 and summarised in paragraph 27 table 9
 - c. New schemes totalling £3.585m including an increase in prudential borrowing of £3.185m as set out in paragraph 16 table 4 and summarised in paragraph 27 table 9;
 - d. New externally funded schemes totalling £25.974m as set out in paragraph 18 table 5 and summarised in paragraph 26 table 9
 - e. An increase in HRA funded schemes totalling £13.957m funded from HRA balances of £13.957m as set out in paragraph 19 table 6 and summarised in paragraph 27 table 9.
 - ii. Approve the full restated programme as summarised in Annex A totalling £176.709m over financial years 2013/14 to 2017/18 as set out in paragraph 30 table 10 of the Cabinet report.

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

Revenue Budget

36. Cabinet recommends that Council

- i) approve the budget proposals outlined in the Financial Strategy report, in particular
 - a. The net revenue expenditure requirement for 2013/14 of £127.778m
 - b. The revenue growth proposals as outlined in the body of the Cabinet report
 - c. The revenue savings proposals as outlined in Annex 2 of that report.
 - d. The fees and charges proposals as outlined in Annex 3 of that report.
 - e. The housing revenue account proposals set out in Annex 4 of that report.
 - f. The dedicated schools grant proposals set out in Annex 5 of that report.
- ii) Note that the effect of approving the income and expenditure proposals included in the recommendations would result in a 1.9% increase in the City of York Council element of the council tax.

Reason: To ensure a legally balanced budget is set and appropriate governance arrangements are in place for the Delivery and Innovation Fund.

Treasury Management Strategy Statement and Prudential Indicators

37. Cabinet recommends that Council approve;

- i) The proposed treasury management strategy for 2013/14, including the annual investment strategy and the minimum revenue provision policy statement
- ii) The prudential indicators for 2013/14 to 2017/18 in the main body of the Cabinet report
- iii) The specified and non specified investments schedule (Annex B to the Cabinet report)

iv) The scheme of delegation and the role of the section 151 officer
(Annex D to the Cabinet report)

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

Contact Details

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Chief Officer Responsible for the report:

Ian Floyd
Director of Customer and Business Support Services

Report Approved



Date 18 February 2013

Wards Affected: *List wards or tick box to indicate all*

All

For further information please contact the authors of the report

Background Papers:

Reports to Cabinet meeting held on 12 February 2013

Financial Strategy 2013 – 2018

Capital Programme Budget 2013/14 to 2017/18

Treasury Management Strategy Statement and Prudential Indicators for 2013/14 to 2017/18

Annexes: None

Budget Council - 28 February 2013**List of Amendments to be Proposed****A- Original Cabinet Recommendations**

(From report at pages 3-12 of the Council papers)

Capital Budget

35. Cabinet recommends that Council;
- i. Agree to the revised capital programme of £176.709m, that reflects a net overall increase of £48.381m as set out in paragraph 30 table 10 and in Annex A 'budget amendments' column of the Cabinet report). Key elements of this include:
 - a. Extension of prudential borrowing funded Rolling Programme schemes totalling £3.365m including the IT development fund as set out in paragraph 10 table 2 and summarised in paragraph 27 table 9;
 - b. Creation of 2 new prudential borrowing funded Rolling Programme schemes totalling £1.500m as set out in paragraph 14 table 3 and summarised in paragraph 27 table 9
 - c. New schemes totalling £3.585m including an increase in prudential borrowing of £3.185m as set out in paragraph 16 table 4 and summarised in paragraph 27 table 9;
 - d. New externally funded schemes totalling £25.974m as set out in paragraph 18 table 5 and summarised in paragraph 26 table 9
 - e. An increase in HRA funded schemes totalling £13.957m funded from HRA balances of £13.957m as set out in paragraph 19 table 6 and summarised in paragraph 27 table 9.
 - ii. Approve the full restated programme as summarised in Annex A totalling £176.709m over financial years 2013/14 to 2017/18 as set out in paragraph 30 table 10 of the Cabinet report.

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

Revenue Budget

36. Cabinet recommends that Council

- i) approve the budget proposals outlined in the Financial Strategy report, in particular
 - a. The net revenue expenditure requirement for 2013/14 of £127.778m
 - b. The revenue growth proposals as outlined in the body of the Cabinet report
 - c. The revenue savings proposals as outlined in Annex 2 of that report.
 - d. The fees and charges proposals as outlined in Annex 3 of that report.
 - e. The housing revenue account proposals set out in Annex 4 of that report.
 - f. The dedicated schools grant proposals set out in Annex 5 of that report.
- ii) Note that the effect of approving the income and expenditure proposals included in the recommendations would result in a 1.9% increase in the City of York Council element of the council tax.

Reason: To ensure a legally balanced budget is set.

Treasury Management Strategy Statement and Prudential Indicators

37. Cabinet recommends that Council approve;

- i) The proposed treasury management strategy for 2013/14, including the annual investment strategy and the minimum revenue provision policy statement
- ii) The prudential indicators for 2013/14 to 2017/18 in the main body of the Cabinet report

- iii) The specified and non specified investments schedule
(Annex B to the Cabinet report)
- iv) The scheme of delegation and the role of the section 151
officer (Annex D to the Cabinet report)

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

B - Amendments

1. Conservative Group Amendment to the Capital and Revenue Budget proposals.

To be moved by Cllr Gillies, seconded by Cllr Steward.

Capital Budget

In relation to the Cabinet's recommendations on the capital budget (paragraph 35 of page 10 of Council papers refers), under paragraph 35 (i), insert new sub paragraphs:

(f) 'Make available the existing EIF funds provisionally earmarked for the Digital Media and Cultural Centre project (an indicative £1.4m) and allocate for the investment in the general development of the Guildhall to ensure effective continued use of the building subject to satisfactory business case being developed.'

(g) 'Within the revised Capital programme of £176.709m create a fund of £1m per annum for a programme of works for Basic Road Maintenance totalling £4m over a 4 year period (13/14 – 16/17). This to be funded by re-profiling schemes contained within the EIF programme (specifically Newgate Market and Reinvigorate York) to make available EIF funding of £850k per annum (covering the financial years 13/14 – 14/15) with £150k per annum (covering the financial years 13/14 – 14/15) being allocated from the existing LTP funds contained in the Capital Programme (which are earmarked for the 20 mph schemes with the cessation of any further 20mph schemes) and allocate £1m of EIF per annum (covering the financial years 15/16 - 16/17)'

For information, the effect on the original motion of this amendment would be as follows:

Capital Budget

35. Cabinet recommends that Council;

- i) Agree to the revised capital programme of £176.709m, that reflects a net overall increase of £48.381m as set out in paragraph 30 table 10 and in Annex A 'budget amendments' column of the Cabinet report). Key elements of this include:

- a. Extension of prudential borrowing funded Rolling Programme schemes totalling £3.365m including the IT development fund as set out in paragraph 10 table 2 and summarised in paragraph 27 table 9;
- b. Creation of 2 new prudential borrowing funded Rolling Programme schemes totalling £1.500m as set out in paragraph 14 table 3 and summarised in paragraph 27 table 9
- c. New schemes totalling £3.585m including an increase in prudential borrowing of £3.185m as set out in paragraph 16 table 4 and summarised in paragraph 27 table 9;
- d. New externally funded schemes totalling £25.974m as set out in paragraph 18 table 5 and summarised in paragraph 26 table 9
- e. An increase in HRA funded schemes totalling £13.957m funded from HRA balances of £13.957m as set out in paragraph 19 table 6 and summarised in paragraph 27 table 9.
- f. Make available the existing EIF funds provisionally earmarked for the Digital Media and Cultural Centre project (an indicative £1.4m) and allocate for the investment in the general development of the Guildhall to ensure effective continued use of the building subject to satisfactory business case being developed.**
- g. Within the revised Capital programme of £176.709m create a fund of £1m per annum for a programme of works for Basic Road Maintenance totalling £4m over a 4 year period (13/14 – 16/17). This to be funded by re-profiling schemes contained within the EIF programme (specifically Newgate Market and Reinvigorate York) to make available EIF funding of £850k per annum (covering the financial years 13/14 – 14/15) with £150k per annum (covering the financial years 13/14 – 14/15) being allocated from the existing LTP funds contained in the Capital Programme**

(which are earmarked for the 20 mph schemes with the cessation of any further 20mph schemes) and allocate £1m of EIF per annum (covering the financial years 15/16 - 16/17)

- ii) Approve the full restated programme as summarised in Annex A totalling £176.709m over financial years 2013/14 to 2017/18 as set out in paragraph 30 table 10 of the Cabinet report.

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

Revenue Budget

In relation to the Cabinet's recommendations on the revenue budget (paragraph 36 of page 11 of Council papers refers):

In paragraph 36 (i), sub paragraph (a), second line, delete '£127.778m' and replace with '£126.478m'

In sub paragraph (b) add at the end of the sentence 'subject to the following amendments;

- an additional £50k to reinstate the budget related to green waste that was removed in 2012/13
- an additional £40k to reinstate rubbish bins removed from service during 2012/13
- an additional £17k to refill salt bins that are empty following the related 2012/13 budget saving'

In sub paragraph (c) add at the end of the sentence 'subject to the following amendments;

- Add new proposal to reduce cabinet members by three to save £44k
- Add new proposal to reduce union facility time by £50k
- Add new proposal to remove uncommitted budget related to the Delivery and Innovation Fund to save £737k
- Add new proposal to remove the commitment to fund the Innovation & Catalyst programme to save £165k

- proposal CAN06 be reduced by £66k to remove the park attendant reorganisation in Parks & Open Spaces in order to ensure parks are locked at night
- proposal CANS33 be reduced by £29k to ensure that opening hours at Towthorpe HWRC are maintained at their current times
- Removal of proposals:
 - CANS103 – Waste services green waste policy £200k
 - CSTS03 – Parking income £175k

In paragraph 36 (ii), second line, delete '1.9%' and replace with '0%'. **Insert new text** after 'City of York Council element of the council tax' as follows 'resulting in the Council being able to accept the Council Tax Freeze Grant of £763k.'

Then, insert additional paragraph 36(iii) as follows:

(iii) approve the carry forward of £118k of unspent funding from the Delivery and Innovation Fund in 2012/13 into 2013/14."

For information, the effect on the original motion of this amendment would be as follows:

Revenue Budget

36. Cabinet recommends that Council

- i) approve the budget proposals outlined in the Financial Strategy report, in particular
 - a. The net revenue expenditure requirement for 2013/14 of **£126.478m**
 - b. The revenue growth proposals as outlined in the body of the Cabinet report, **subject to the following amendments;**
 - **an additional £50k to reinstate the budget related to green waste that was removed in 2012/13**

- **an additional £40k to reinstate rubbish bins removed from service during 2012/13**
 - **an additional £17k to refill salt bins that are empty following the related 2012/13 budget saving**
- c. The revenue savings proposals as outlined in annex 2 of that report, **subject to the following amendments;**
- **Add new proposal to reduce cabinet members by three to save £44k**
 - **Add new proposal to reduce union facility time by £50k**
 - **Add new proposal to remove uncommitted budget related to the Delivery and Innovation Fund to save £737k**
 - **Add new proposal to remove the commitment to fund the Innovation & Catalyst programme to save £165k**
 - **proposal CAN06 be reduced by £66k to remove the park attendant reorganisation in Parks & Open Spaces in order to ensure parks are locked at night**
 - **proposal CANS33 be reduced by £29k to ensure that opening hours at Towthorpe HWRC are maintained at their current times**
 - **Removal of:**
 - **CANS103 – Waste services green waste policy £200k**
 - **CSTS03 – Parking income £175k**
- d. The fees and charges proposals as outlined in Annex 3 of that report.

- e. The housing revenue account proposals set out in annex 4 of that report.
 - f. The dedicated schools grant proposals set out in annex 5 of that report.
- ii) Note that the effect of approving the income and expenditure proposals included in the recommendations would result in a **0%** increase in the City of York Council element of the council tax, **resulting in the Council being able to accept the Council Tax Freeze Grant of £763k.**
- iii) **Approve the carry forward of £118k of unspent funding from the Delivery and Innovation Fund in 2012/13 into 2013/14.**

Reason: To ensure a legally balanced budget is set.

Treasury Management Strategy Statement and Prudential Indicators

37. Cabinet recommends that Council approve;
- a. The proposed treasury management strategy for 2013/14, including the annual investment strategy and the minimum revenue provision policy statement
 - b. The prudential indicators for 2013/14 to 2017/18 in the main body of the Cabinet report
 - c. The specified and non specified investments schedule (Annex B to the Cabinet report)
 - d. The scheme of delegation and the role of the section 151 officer (Annex D to the Cabinet report)

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

B - Amendments

2. Liberal/Democrat Group Amendment to the Capital and Revenue Budget proposals

To be moved by Cllr Runciman, seconded by Cllr Reid.

Capital Budget

In relation to the Cabinet's recommendations on the capital budget (paragraph 35 of page 10 of Council papers refers), under paragraph 35 (i), insert new sub paragraphs:

(f) 'The abolition of the Economic Infrastructure Fund to be replaced with the Future York Fund. The Future York Fund will in 2013/14 pay for previously committed schemes related to Park & Ride and the Better Bus Fund as well as £260k in road improvements. Other capital schemes previously in the EIF (specifically Newgate Market, Reinvigorate York, the Arts Barge and the Digital Media and Cultural Centre) will be removed.'

(g) '£150k in 2013/14 being allocated from existing LTP funds contained in the Capital Programme and allocated to a Safer York Accident Reduction programme.'

For information, the effect on the original motion of this amendment would be as follows:

Capital Budget

35. Cabinet recommends that Council;

- i. Agree to the revised capital programme of £176.709m, that reflects a net overall increase of £48.381m as set out in paragraph 30 table 10 and in Annex A 'budget amendments' column of the Cabinet report). Key elements of this include:
 - a. Extension of prudential borrowing funded Rolling Programme schemes totalling £3.365m including the IT development fund as set out in paragraph 10 table 2 and summarised in paragraph 27 table 9;
 - b. Creation of 2 new prudential borrowing funded Rolling Programme schemes totalling £1.500m as set out in paragraph 14 table 3 and summarised in paragraph 27 table 9

- c. New schemes totalling £3.585m including an increase in prudential borrowing of £3.185m as set out in paragraph 16 table 4 and summarised in paragraph 27 table 9;
 - d. New externally funded schemes totalling £25.974m as set out in paragraph 18 table 5 and summarised in paragraph 26 table 9
 - e. An increase in HRA funded schemes totalling £13.957m funded from HRA balances of £13.957m as set out in paragraph 19 table 6 and summarised in paragraph 27 table 9.
 - f. **The abolition of the Economic Infrastructure Fund to be replaced with the Future York Fund. The Future York Fund will in 2013/14 pay for previously committed schemes related to Park & Ride and the Better Bus Fund as well as £260k in road improvements. Other capital schemes previously in the EIF (specifically Newgate Market, Reinvalidate York, the Arts Barge and the Digital Media and Cultural Centre) will be removed.**
 - g. **£150k in 2013/14 allocated from existing LTP funds contained in the Capital Programme and allocated to a Safer York Accident Reduction programme.**
- ii. Approve the full restated programme as summarised in Annex A totalling £176.709m over financial years 2013/14 to 2017/18 as set out in paragraph 30 table 10 of the Cabinet report.

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

Revenue Budget

In relation to the Cabinet's recommendations on the revenue budget (paragraph 36 of page 11 of Council papers refers):

In paragraph 36 (i), sub paragraph (a), second line, delete '£127.778m' and replace with '£126.478m'

In sub paragraph (b) add at the end of the sentence 'subject to the following amendments;

- an additional £50k to reinstate the budget related to green waste that was removed in 2012/13
- an additional £40k to reinstate rubbish bins removed from service during 2012/13
- an additional £17k to refill salt bins that are empty following the related 2012/13 budget saving
- an additional £150k to reinstate the budget related to waste rounds that was removed in 2012/13
- an additional £300k to reinstate budget to facilitate the reduction of the Fair Access to Care Services criteria back to 'Moderate'
- an additional £100k to reinstate the budget related to gully cleaning that was removed in 2012/13
- an additional £10k to reinstate the budget related to winter maintenance that was removed in 2012/13
- an additional £54k to reinstate budget related to ensure, in conjunction with the reversal of saving proposal CANS33 below, that increased charges for brick, rubble, bonded asbestos and gas cylinders can be avoided
- an additional £25k to reinstate the budget related to target hardening that was removed in 2012/13
- an additional £120k to increase the Ward Committees budget
- an additional £240k to be allocated to a programme of road resurfacing
- an additional £275k for the creation of a Community Fund
- an additional £50k for investment in carbon reduction and recycling work
- an additional £50k for investment in local business innovation
- an additional £10k for investment in Youth Services
- removal of the £200k recurring proposal to increase the level of the general reserve
- removal of the £200k recurring proposal to increase general contingency
- an additional £104k of one-off funding to increase the general reserve to its minimum acceptable level of £6,400k.'

In sub paragraph (c) add at the end of the sentence 'subject to the following amendments;

- Add new proposal to remove uncommitted budget related to the Delivery and Innovation Fund to save £737k
- Add new proposal to abolish the Quality Bus Contract to save £232k

- Add new proposal to remove the commitment to fund the Innovation & Catalyst programme to save £165k
- Add new proposal to reduce union facility time by £50k
- Add new proposal to reduce cabinet members by two to save £29k
- Add new proposal to remove the Council Leader's personal assistant to save £30k
- Add new proposal to remove the base budget contribution to general reserves to save £250k
- Add new proposal to remove a portion of the base budget contribution to general contingency to save £50k
- Removal of proposals:
 - CAN09 - Allotments £10k
 - CANS09/118 - Smarter York - Community Delivery £186k
 - CAN03/04/05 - Smarter York - Grass Cutting £38k
 - CAN12 - Community Centres £40k
 - CAN42 - Cultural & Learning Services £200k
 - CAN17 - Library Services £50k
 - CANS45 - Smarter York £34k
 - CAN47 - Parks & Open Spaces - Roles £25k
 - CANS54/60 - Neighbourhood Management Unit £81k
 - CAN10 - Street Cleansing £48k
 - AA01a - Fair Access to Care Services (FACS) - Substantial £160k
 - CANS33 - Waste Services - HWRC £75k
 - CANS103 - Waste Services - Green Waste £200k
 - CANS31 - Waste Services - Waste Rounds £150k
 - CANS19/20 - Highway Infrastructure £185k
 - CES102 - Planning Consultation £10k.'

In paragraph 36 (ii), second line, delete '1.9%' and replace with '0%'. **Insert new text** after 'City of York Council element of the council tax' as follows 'resulting in the Council being able to accept the Council Tax Freeze Grant of £763k.'

Then, insert additional paragraph 36(iii) as follows:

(iii) Approve the creation of a new income line in the budget of £1,681k to match uncommitted New Homes Bonus funds from the abolished Economic Infrastructure Fund.”

Then, insert additional paragraph 36(iv) as follows:

(iv) Approve the creation of a Better York fund which contains the following proposals:

- Committed revenue schemes previously associated with the Economic Infrastructure Fund (Tour De France, Living Wage, Financial Inclusion, Officer Delivery, Promoting York and Targeting Growth) - £1,139k
- Contribution to the general reserve - £104k
- General contingency budget - £200k
- Community Fund - £275k
- Road resurfacing programme - £240k
- Waterworld growth item - £160k
- Carbon reduction and recycling work investment - £50k
- Investment in local business innovation - £50k.”

For information, the effect on the original motion of this amendment would be as follows:

Revenue Budget

36. Cabinet recommends that Council

- i) approve the budget proposals outlined in the Financial Strategy report, in particular
 - a. The net revenue expenditure requirement for 2013/14 of **£126.478m**
 - b. The revenue growth proposals as outlined in the body of the Cabinet report, **subject to the following amendments;**

- an additional £50k to reinstate the budget related to green waste that was removed in 2012/13
- an additional £40k to reinstate rubbish bins removed from service during 2012/13
- an additional £17k to refill salt bins that are empty following the related 2012/13 budget saving
- an additional £150k to reinstate the budget related to waste rounds that was removed in 2012/13
- an additional £300k to reinstate budget to facilitate the reduction of the Fair Access to Care Services criteria back to 'Moderate'
- an additional £100k to reinstate the budget related to gully cleaning that was removed in 2012/13
- an additional £10k to reinstate the budget related to winter maintenance that was removed in 2012/13
- an additional £54k to reinstate budget related to ensure, in conjunction with the reversal of saving proposal CANS33 below, that increased charges for brick, rubble, bonded asbestos and gas cylinders can be avoided
- an additional £25k to reinstate the budget related to target hardening that was removed in 2012/13
- an additional £120k to increase the Ward Committees budget
- an additional £240k to be allocated to a programme of road resurfacing
- an additional £275k for the creation of a Community Fund

- an additional £50k for investment in carbon reduction and recycling work
 - an additional £50k for investment in local business innovation
 - an additional £10k for investment in Youth Services
 - removal of the £200k recurring proposal to increase the level of the general reserve
 - removal of the £200k recurring proposal to increase general contingency
 - an additional £104k of one-off funding to increase the general reserve to its minimum acceptable level of £6,400k.
- c. The revenue savings proposals as outlined in annex 2 of that report, **subject to the following amendments;**
- Add new proposal to remove uncommitted budget related to the Delivery and Innovation Fund to save £737k
 - Add new proposal to abolish the Quality Bus Contract to save £232k
 - Add new proposal to remove the commitment to fund the Innovation & Catalyst programme to save £165k
 - Add new proposal to reduce union facility time by £50k
 - Add new proposal to reduce cabinet members by two to save £29k
 - Add new proposal to remove the Council Leader's personal assistant to save £30k
 - Add new proposal to remove the base budget contribution to general reserves to save £250k

- **Add new proposal to remove a portion of the base budget contribution to general contingency to save £50k**

- **Removal of proposals:**
 - **CAN09 - Allotments £10k**
 - **CANS09/118 - Smarter York - Community Delivery £186k**
 - **CAN03/04/05 - Smarter York - Grass Cutting £38k**
 - **CAN12 - Community Centres £40k**
 - **CAN42 - Cultural & Learning Services £200k**
 - **CAN17 - Library Services £50k**
 - **CANS45 - Smarter York £34k**
 - **CAN47 - Parks & Open Spaces - Roles £25k**
 - **CANS54/60 - Neighbourhood Management Unit £81k**
 - **CAN10 - Street Cleansing £48k**
 - **AA01a - Fair Access to Care Services (FACS) - Substantial £160k**
 - **CANS33 - Waste Services - HWRC £75k**
 - **CANS103 - Waste Services - Green Waste £200k**
 - **CANS31 - Waste Services - Waste Rounds £150k**
 - **CANS19/20 - Highway Infrastructure £185k**
 - **CES102 - Planning Consultation £10k.**

- d. The fees and charges proposals as outlined in Annex 3 of that report.

- e. The housing revenue account proposals set out in annex 4 of that report.

- f. The dedicated schools grant proposals set out in annex 5 of that report.

- ii) Note that the effect of approving the income and expenditure proposals included in the recommendations would result in a **0%** increase in the City of York Council element of the council tax, **resulting in the Council being able to accept the Council Tax Freeze Grant of £763k.**

iii) Approve the creation of a new income line in the budget of £1,681k to match uncommitted New Homes Bonus funds from the Economic Infrastructure Fund.

iv) Approve the creation of a Better York fund which contains the following proposals:

- **Committed revenue schemes previously associated with the Economic Infrastructure Fund (Tour De France, Living Wage, Financial Inclusion, Officer Delivery, Promoting York and Targeting Growth) - £1,139k**
- **Contribution to the general reserve - £104k**
- **General contingency budget - £200k**
- **Community Fund - £275k**
- **Road resurfacing programme - £240k**
- **Waterworld growth item - £160k**
- **Carbon reduction and recycling work investment - £50k**
- **Investment in local business innovation - £50k.**

Reason: To ensure a legally balanced budget is set.

Treasury Management Strategy Statement and Prudential Indicators

37. Cabinet recommends that Council approve;
- a. The proposed treasury management strategy for 2013/14, including the annual investment strategy and the minimum revenue provision policy statement
 - b. The prudential indicators for 2013/14 to 2017/18 in the main body of the Cabinet report
 - c. The specified and non specified investments schedule (Annex B to the Cabinet report)
 - d. The scheme of delegation and the role of the section 151 officer (Annex D to the Cabinet report)

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

B - Amendments

4. Green Group Amendment to the Capital and Revenue Budget proposals

To be moved by Cllr D'Agorne, seconded by Cllr Taylor.

Capital Budget

In relation to the Cabinet's recommendations on the capital budget (paragraph 35 of page 10 of Council papers refers), under paragraph 35 (i), insert new sub paragraph (f):

(f) 'Allocate from the revenue element of the Economic Infrastructure Fund, the following:

- £300k for developing a business plan for a renewable energy company
- £235k to support the development for a city wide evening and weekend bus service
- £35k to develop a sustainable food strategy for York.'

For information, the effect on the original motion of this amendment would be as follows:

Capital Budget

35. Cabinet recommends that Council;

- i) Agree to the revised capital programme of £176.709m, that reflects a net overall increase of £48.381m as set out in paragraph 30 table 10 and in Annex A 'budget amendments' column of the Cabinet report). Key elements of this include:
 - a. Extension of prudential borrowing funded Rolling Programme schemes totalling £3.365m including the IT development fund as set out in paragraph 10 table 2 and summarised in paragraph 27 table 9;
 - b. Creation of 2 new prudential borrowing funded Rolling Programme schemes totalling £1.500m as set out in paragraph 14 table 3 and summarised in paragraph 27 table 9

- c. New schemes totalling £3.585m including an increase in prudential borrowing of £3.185m as set out in paragraph 16 table 4 and summarised in paragraph 27 table 9;
 - d. New externally funded schemes totalling £25.974m as set out in paragraph 18 table 5 and summarised in paragraph 26 table 9
 - e. An increase in HRA funded schemes totalling £13.957m funded from HRA balances of £13.957m as set out in paragraph 19 table 6 and summarised in paragraph 27 table 9
 - f. **Allocate from the revenue element of the Economic Infrastructure Fund, the following:**
 - **£300k for developing a business plan for a renewable energy company**
 - **£235k to support the development for a city wide evening and weekend bus service**
 - **£35k to develop a sustainable food strategy for York.**
- ii) Approve the full restated programme as summarised in Annex A totalling £176.709m over financial years 2013/14 to 2017/18 as set out in paragraph 30 table 10 of the Cabinet report.

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

Revenue Budget

In relation to the Cabinet's recommendations on the revenue budget (paragraph 36 of page 11 of Council papers refers) :

In sub paragraph 36(i)(b) add at the end of the sentence 'subject to the following amendments;

- An additional £35k to fund an Energy Efficiency and Fuel Poverty officer
- An additional £45k to fund a Waste Minimisation officer and associated costs for policy development related to the waste hierarchy.'

In sub paragraph 36(i)(c) add at the end of the sentence ‘subject to the following amendments;

- Add new proposal to remove a portion of uncommitted budget related to the Delivery and Innovation Fund to save £202k
- Add new proposal to remove the commitment to fund the Innovation & Catalyst programme to save £165k
- proposal CAN06 be reduced by £66k to remove the park attendant reorganisation in Parks & Open Spaces in order to ensure parks are locked at night
- Removal of:
 - CANS42 – Cultural and Learning Services £200k
 - CAN09 – Allotments £10k
 - CAN110 – Environmental Protection Unit £11k’

For information, the effect on the original motion of this amendment would be as follows:

Revenue Budget

36. Cabinet recommends that Council

- i) approve the budget proposals outlined in the Financial Strategy report, in particular
 - a. The net revenue expenditure requirement for 2013/14 of £127.778m
 - b. The revenue growth proposals as outlined in the body of the Cabinet report, **subject to the following amendments;**
 - **An additional £35k to fund an Energy Efficiency and Fuel Poverty officer**
 - **An additional £45k to fund a Waste Minimisation officer and associated costs for policy development related to the waste hierarchy.**
 - c. The revenue savings proposals as outlined in annex 2 of that report, **subject to the following amendments;**

- **Add new proposal to remove a portion of uncommitted budget related to the Delivery and Innovation Fund to save £202k**
 - **Add new proposal to remove the commitment to fund the Innovation & Catalyst programme to save £165k**
 - **proposal CAN06 be reduced by £66k to remove the park attendant reorganisation in Parks & Open Spaces in order to ensure parks are locked at night**
 - **Removal of:**
 - **CANS42 – Cultural and Learning Services £200k**
 - **CAN09 – Allotments £10k**
 - **CAN110 – Environmental Protection Unit £11k**
- d. The fees and charges proposals as outlined in Annex 3 of that report.
- e. The housing revenue account proposals set out in annex 4 of that report.
- f. The dedicated schools grant proposals set out in annex 5 of that report.
- ii) Note that the effect of approving the income and expenditure proposals included in the recommendations would result in a 1.9% increase in the City of York Council element of the council tax.

Reason: To ensure a legally balanced budget is set.

Treasury Management Strategy Statement and Prudential Indicators

37. Cabinet recommends that Council approve;
- a. The proposed treasury management strategy for 2013/14, including the annual investment strategy and the minimum revenue provision policy statement

- b. The prudential indicators for 2013/14 to 2017/18 in the main body of the Cabinet report
- c. The specified and non specified investments schedule (Annex B to the Cabinet report)
- d. The scheme of delegation and the role of the section 151 officer (Annex D to the Cabinet report)

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

Note: Figures in the Council Tax resolution would change should any of the above amendments be carried. Updated versions of the Council Tax resolution to reflect any such changes will be available at the meeting.



Council

28 February 2013

Report of the Director of Customer and Business Support Services

Council Tax Resolution 2013/14

Summary

- 1 This report asks Members to approve the rate of Council Tax for 2013/14. Although the legal requirement is that the Council must have set a balanced budget and the Council Tax charge by 11 March it is important that Council Tax rates are approved at this meeting to allow sufficient time to produce and post Council Tax bills and meet all statutory deadlines.
- 2 This report sets out the resolution based on the assumption that the budget proposals recommended by the Cabinet on 12 February 2013 are approved.
- 3 Members are reminded that the individual Council Tax bill is comprised of four elements - the amount levied for City of York Council, the amount precepted by the North Yorkshire Police Authority, the amount precepted by the North Yorkshire Fire and Rescue Authority and, for properties in a parished area of the city, the amount precepted by the individual Town or Parish Council.
- 4 The Localism Act 2011 made significant changes to the Local Government Finance Act 1992, and now requires the billing authority to calculate a Council Tax requirement for the year, not its budget requirement as previously. This is to help the Council determine if it has set an excessive Council Tax increase, that would in turn trigger a local referendum. Principles set by the Secretary of State for Communities and Local Government determine that an increase in a Council's basic rate of Council Tax of 2% is excessive.

Background

- 5 The Council's net revenue budget and capital programme were recommended by the 12 February 2013 Cabinet for approval by Council. Details appear earlier on this agenda.

- 6 The Council Tax levels to be proposed will include the precepts received from the parish councils, the North Yorkshire Police Authority and the North Yorkshire Fire and Rescue Authority. Members are reminded that the Council must word the resolution in precise language, as directed by legislation.

Parishes

- 7 The total of parish precepts have increased by £6,069.00 (0.299%) to £621,678.00, from £615,609.00 in 2011/12. This masks a variety of changes in the individual parishes from a reduction of 10.24% to an increase of 22.91%. The individual precepts are only charged to the residents in that parish. The total rise in precepts over the last six years has been £91.9k (17.3%).

North Yorkshire Police

- 8 On 8 February 2013, the North Yorkshire Police and Crime Commissioner approved a freeze in the North Yorkshire Police Council Tax (at £204.55 for a band D property) between 2012/13 and 2013/14.

North Yorkshire Fire and Rescue Authority

- 9 At its meeting on 13 February 2013 the North Yorkshire Fire and Rescue Authority approved a freeze in its Council Tax (at £62.10 for a band D property) between 2012/13 and 2013/14.

National Non-Domestic Rates (NNDR)

- 10 2013/14 sees the introduction of the localised business rates system. Council is asked to note the following issues and figures related to the new scheme:
- i) City of York Council formally joined the Leeds City Region Business Rates pool on 15 January 2013.
 - ii) The NNDR1 form, approved by the Director of Customer & Business Support Services on 31 January 2013 under delegated powers projected business rates income for 2013/14 for the entire City of York of £92,578,301 and that of this,
 - a) £46,289,151 will be paid to Central Government as the Central Share.
 - b) £925,783 will be paid to North Yorkshire Fire & Rescue Authority as their proportion of the Local Share.

c) £45,289,157 will be retained by City of York Council as its proportion of the Local Share.

iii) City of York Council will:

a) Have an Individual Business Rates Baseline of £45,101,767.

b) Pay a tariff of £21,903,720.

c) And as a result have a Baseline Funding level of £23,198.047.

11 In April 2012 the two NNDR multipliers were 45.8p in the pound for normal properties and 45.0p 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 2013 the multipliers will increase to 47.1p (by 2.7%) and 46.2p (by 2.6%) respectively.

Council is recommended to resolve as follows:

12 It be noted that on 13 December 2012 the Director of Customer and Business Support Services, under his delegated authority, calculated the Council Tax Base for the year 2013/14:

(a) for the **whole Council area** as 60,945.49 [Item T in the formula in Section 31B of the Local Government Finance Act 1992, as amended (the "Act")]; and

(b) for those dwellings in those parts of its area to which a **Parish** precept relates as in column 1 in the attached Schedule A.

13 Calculate that the Council Tax requirement for the Council's own purposes for 2013/14 (excluding Parish precepts) is £69,710,060.

14 That the following amounts be calculated for the year 2013/14 in accordance with Sections 31 to 36 of the Act:

(a) £362,263,050.00 being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(2) of the Act taking into account all precepts issued to it by Parish Councils.

(b) £291,931,312.00 being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(3) of the Act.

(c) £70,331,738.00 being the amount by which the aggregate at 14(a) above exceeds the aggregate at 14(b)

above, calculated by the Council in accordance with Section 31A(4) of the Act as its Council Tax requirement for the year. [Item R in the formula in Section 31B of the Act].

- (d) £1,154.01 being the amount at 14(c) above [Item R], all divided by Item T (12(a) above), calculated by the Council, in accordance with Section 31B of the Act, as the basic amount of its Council Tax for the year (including Parish precepts).
- (e) £621,678.00 being the aggregate amount of all special items (Parish precepts) referred to in Section 34(1) of the Act (as per the attached Schedule A).
- (f) £1,143.81 being the amount at 14(d) above less the result given by dividing the amount at 14(e) above by Item T (12(a) above), calculated by the Council, in accordance with Section 34(2) of the Act, as the basic amount of its Council Tax for the year for dwellings in those parts of its area to which no Parish precept relates.

15 To note that North Yorkshire Police and the North Yorkshire Fire and Rescue Authority have issued precepts to the Council in accordance with Section 40 of the Act for each category of dwellings in the Council's area as indicated in the tables at 16 below.

16 That the Council, in accordance with sections 30 and 36 of the Act, hereby sets the aggregate amounts shown in the tables below, and at Schedule B for Parished areas, as the amounts of Council Tax for 2013/14 for each part of its area and for each of the categories of dwellings.

City of York Council

A	B	C	D	E	F	G	H
£	£	£	£	£	£	£	£
762.54	889.63	1,016.72	1,143.81	1,397.99	1,652.17	1,906.35	2,287.62

North Yorkshire Police

A	B	C	D	E	F	G	H
£	£	£	£	£	£	£	£
136.37	159.09	181.82	204.55	250.01	295.46	340.92	409.10

North Yorkshire Fire and Rescue Authority

A	B	C	D	E	F	G	H
£	£	£	£	£	£	£	£
41.40	48.30	55.20	62.10	75.90	89.70	103.50	124.20

Aggregate of Council Tax Requirements (excluding Parished Areas)

A	B	C	D	E	F	G	H
£	£	£	£	£	£	£	£
940.31	1,097.02	1,253.74	1,410.46	1,723.90	2,037.33	2,350.77	2,820.92

- 17 Determine that the Council's basic amount of Council Tax for 2013/14, which reflects a 1.9% increase, is not excessive in accordance with the principles approved under section 52ZB of the Act.

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SCHEDULE A

Parts of the Council's Area	1.	2.	3.							
	Council Tax Base	Basic Amount of Tax	Valuation Bands							
		£	A £	B £	C £	D £	E £	F £	G £	H £
Acaster Malbis Parish Council	281.20	1,153.13	768.75	896.88	1,025.00	1,153.13	1,409.38	1,665.63	1,921.88	2,306.26
Askham Bryan Parish Council	188.93	1,156.56	771.04	899.55	1,028.05	1,156.56	1,413.57	1,670.59	1,927.60	2,313.12
Askham Richard Parish Council	75.51	1,170.59	780.39	910.46	1,040.52	1,170.59	1,430.72	1,690.85	1,950.98	2,341.18
Bishopthorpe Parish Council	1,206.59	1,165.45	776.97	906.46	1,035.96	1,165.45	1,424.44	1,683.43	1,942.42	2,330.90
Clifton Without Parish Council	1,677.81	1,156.29	770.86	899.34	1,027.81	1,156.29	1,413.24	1,670.20	1,927.15	2,312.58
Copmanthorpe Parish Council	1,611.79	1,160.48	773.65	902.60	1,031.54	1,160.48	1,418.36	1,676.25	1,934.13	2,320.96
Deighton Parish Council	133.15	1,169.02	779.35	909.24	1,039.13	1,169.02	1,428.80	1,688.58	1,948.37	2,338.04
Dunnington Parish Council	1,294.76	1,155.04	770.03	898.36	1,026.70	1,155.04	1,411.72	1,668.39	1,925.07	2,310.08
Earswick Parish Council	419.49	1,176.99	784.66	915.44	1,046.21	1,176.99	1,438.54	1,700.10	1,961.65	2,353.98
Elvington Parish Council	471.28	1,169.14	779.43	909.33	1,039.24	1,169.14	1,428.95	1,688.76	1,948.57	2,338.28
Fulford Parish Council	897.84	1,175.21	783.47	914.05	1,044.63	1,175.21	1,436.37	1,697.53	1,958.68	2,350.42
Haxby Town Council	3,086.68	1,173.97	782.65	913.09	1,043.53	1,173.97	1,434.85	1,695.73	1,956.62	2,347.94
Heslington Parish Council	344.31	1,175.54	783.69	914.31	1,044.92	1,175.54	1,436.77	1,698.00	1,959.23	2,351.08
Hessay Parish Council	112.39	1,167.58	778.39	908.12	1,037.85	1,167.58	1,427.04	1,686.50	1,945.97	2,335.16
Heworth Parish Council	795.10	1,154.97	769.98	898.31	1,026.64	1,154.97	1,411.63	1,668.29	1,924.95	2,309.94
Holtby Parish Council	84.97	1,163.58	775.72	905.01	1,034.29	1,163.58	1,422.15	1,680.73	1,939.30	2,327.16
Huntington Parish Council	3,229.24	1,172.92	781.95	912.27	1,042.60	1,172.92	1,433.57	1,694.22	1,954.87	2,345.84
Kexby Parish Council	85.42	1,161.21	774.14	903.16	1,032.19	1,161.21	1,419.26	1,677.30	1,935.35	2,322.42
Murton Parish Council	155.79	1,155.86	770.57	899.00	1,027.43	1,155.86	1,412.72	1,669.58	1,926.43	2,311.72
Naburn Parish Council	205.57	1,161.80	774.53	903.62	1,032.71	1,161.80	1,419.98	1,678.16	1,936.33	2,323.60
Nether Poppleton Parish Council	853.42	1,167.22	778.15	907.84	1,037.53	1,167.22	1,426.60	1,685.98	1,945.37	2,334.44
New Earswick Parish Council	703.82	1,164.64	776.43	905.83	1,035.24	1,164.64	1,423.45	1,682.26	1,941.07	2,329.28
Osbalwick Parish Council	981.59	1,153.46	768.97	897.14	1,025.30	1,153.46	1,409.78	1,666.11	1,922.43	2,306.92
Rawcliffe Parish Council	2,196.71	1,162.13	774.75	903.88	1,033.00	1,162.13	1,420.38	1,678.63	1,936.88	2,324.26
Rufforth and Knapton Parish Council	427.90	1,160.81	773.87	902.85	1,031.83	1,160.81	1,418.77	1,676.73	1,934.68	2,321.62
Skelton Parish Council	542.54	1,170.42	780.28	910.33	1,040.37	1,170.42	1,430.51	1,690.61	1,950.70	2,340.84
Stockton-on-the-Forest Parish Council	492.90	1,156.72	771.15	899.67	1,028.20	1,156.72	1,413.77	1,670.82	1,927.87	2,313.44
Strensall with Towthorpe Parish Council	1,885.84	1,156.18	770.79	899.25	1,027.72	1,156.18	1,413.11	1,670.04	1,926.97	2,312.36
Upper Poppleton Parish Council	882.20	1,165.96	777.31	906.86	1,036.41	1,165.96	1,425.06	1,684.16	1,943.27	2,331.92
Wheldrake Parish Council	821.79	1,161.76	774.51	903.59	1,032.68	1,161.76	1,419.93	1,678.10	1,936.27	2,323.52
Wigginton Parish Council	1,321.87	1,173.29	782.19	912.56	1,042.92	1,173.29	1,434.02	1,694.75	1,955.48	2,346.58
	<u>27,468.38</u>									
All other parts of the council's area	<u>33,477.11</u>	1,143.81	762.54	889.63	1,016.72	1,143.81	1,397.99	1,652.17	1,906.35	2,287.62
	<u>60,945.49</u>									

Note: This schedule shows the basic City of York Council + Parish element of Council Tax for each area.

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SCHEDULE B

Parts of the Council's Area

Valuation Bands

	A	B	C	D	E	F	G	H
	£	£	£	£	£	£	£	£
Acaster Malbis Parish Council	946.52	1,104.27	1,262.02	1,419.78	1,735.29	2,050.79	2,366.30	2,839.56
Askham Bryan Parish Council	948.81	1,106.94	1,265.07	1,423.21	1,739.48	2,055.75	2,372.02	2,846.42
Askham Richard Parish Council	958.16	1,117.85	1,277.54	1,437.24	1,756.63	2,076.01	2,395.40	2,874.48
Bishopthorpe Parish Council	954.74	1,113.85	1,272.98	1,432.10	1,750.35	2,068.59	2,386.84	2,864.20
Clifton Without Parish Council	948.63	1,106.73	1,264.83	1,422.94	1,739.15	2,055.36	2,371.57	2,845.88
Copmanthorpe Parish Council	951.42	1,109.99	1,268.56	1,427.13	1,744.27	2,061.41	2,378.55	2,854.26
Deighton Parish Council	957.12	1,116.63	1,276.15	1,435.67	1,754.71	2,073.74	2,392.79	2,871.34
Dunnington Parish Council	947.80	1,105.75	1,263.72	1,421.69	1,737.63	2,053.55	2,369.49	2,843.38
Earswick Parish Council	962.43	1,122.83	1,283.23	1,443.64	1,764.45	2,085.26	2,406.07	2,887.28
Elvington Parish Council	957.20	1,116.72	1,276.26	1,435.79	1,754.86	2,073.92	2,392.99	2,871.58
Fulford Parish Council	961.24	1,121.44	1,281.65	1,441.86	1,762.28	2,082.69	2,403.10	2,883.72
Haxby Town Council	960.42	1,120.48	1,280.55	1,440.62	1,760.76	2,080.89	2,401.04	2,881.24
Heslington Parish Council	961.46	1,121.70	1,281.94	1,442.19	1,762.68	2,083.16	2,403.65	2,884.38
Hessay Parish Council	956.16	1,115.51	1,274.87	1,434.23	1,752.95	2,071.66	2,390.39	2,868.46
Heworth Parish Council	947.75	1,105.70	1,263.66	1,421.62	1,737.54	2,053.45	2,369.37	2,843.24
Holtby Parish Council	953.49	1,112.40	1,271.31	1,430.23	1,748.06	2,065.89	2,383.72	2,860.46
Huntington Parish Council	959.72	1,119.66	1,279.62	1,439.57	1,759.48	2,079.38	2,399.29	2,879.14
Kexby Parish Council	951.91	1,110.55	1,269.21	1,427.86	1,745.17	2,062.46	2,379.77	2,855.72
Murton Parish Council	948.34	1,106.39	1,264.45	1,422.51	1,738.63	2,054.74	2,370.85	2,845.02
Naburn Parish Council	952.30	1,111.01	1,269.73	1,428.45	1,745.89	2,063.32	2,380.75	2,856.90
Nether Poppleton Parish Council	955.92	1,115.23	1,274.55	1,433.87	1,752.51	2,071.14	2,389.79	2,867.74
New Earswick Parish Council	954.20	1,113.22	1,272.26	1,431.29	1,749.36	2,067.42	2,385.49	2,862.58
Osbalwick Parish Council	946.74	1,104.53	1,262.32	1,420.11	1,735.69	2,051.27	2,366.85	2,840.22
Rawcliffe Parish Council	952.52	1,111.27	1,270.02	1,428.78	1,746.29	2,063.79	2,381.30	2,857.56
Rufforth and Knapton Parish Council	951.64	1,110.24	1,268.85	1,427.46	1,744.68	2,061.89	2,379.10	2,854.92
Skelton Parish Council	958.05	1,117.72	1,277.39	1,437.07	1,756.42	2,075.77	2,395.12	2,874.14
Stockton-on-the-Forest Parish Council	948.92	1,107.06	1,265.22	1,423.37	1,739.68	2,055.98	2,372.29	2,846.74
Strensall with Towthorpe Parish Council	948.56	1,106.64	1,264.74	1,422.83	1,739.02	2,055.20	2,371.39	2,845.66
Upper Poppleton Parish Council	955.08	1,114.25	1,273.43	1,432.61	1,750.97	2,069.32	2,387.69	2,865.22
Wheldrake Parish Council	952.28	1,110.98	1,269.70	1,428.41	1,745.84	2,063.26	2,380.69	2,856.82
Wigginton Parish Council	959.96	1,119.95	1,279.94	1,439.94	1,759.93	2,079.91	2,399.90	2,879.88
All other parts of the council's area	940.31	1,097.02	1,253.74	1,410.46	1,723.90	2,037.33	2,350.77	2,820.92

Note: This schedule shows the total aggregate Council Tax (City of York Council, Police, Fire and Parish) for each area.

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SCHEDULE C

Parts of the Council's Area

	Council Tax Base	Precept Value £	Basic Band D £
Acaster Malbis Parish Council	281.20	2,774.00	9.32
Askham Bryan Parish Council	188.93	2,562.00	12.75
Askham Richard Parish Council	75.51	2,200.00	26.78
Bishopthorpe Parish Council	1,206.59	28,000.00	21.64
Clifton Without Parish Council	1,677.81	23,000.00	12.48
Copmanthorpe Parish Council	1,611.79	27,883.00	16.67
Deighton Parish Council	133.15	3,533.00	25.21
Dunnington Parish Council	1,294.76	15,421.00	11.23
Earswick Parish Council	419.49	14,250.00	33.18
Elvington Parish Council	471.28	12,350.00	25.33
Fulford Parish Council	897.84	31,000.00	31.40
Haxby Town Council	3,086.68	99,000.00	30.16
Heslington Parish Council	344.31	11,950.00	31.73
Hessay Parish Council	112.39	2,750.00	23.77
Heworth Parish Council	795.10	9,500.00	11.16
Holtby Parish Council	84.97	1,680.00	19.77
Huntington Parish Council	3,229.24	101,520.00	29.11
Kexby Parish Council	85.42	1,600.00	17.40
Murton Parish Council	155.79	2,000.00	12.05
Naburn Parish Council	205.57	3,900.00	17.99
Nether Poppleton Parish Council	853.42	21,000.00	23.41
New Earswick Parish Council	703.82	19,000.00	20.83
Osbalwick Parish Council	981.59	10,000.00	9.65
Rawcliffe Parish Council	2,196.71	42,700.00	18.32
Rufforth and Knapton Parish Council	427.90	7,550.00	17.00
Skelton Parish Council	542.54	16,000.00	26.61
Stockton-on-the-Forest Parish Council	492.90	6,700.00	12.91
Strensall with Towthorpe Parish Council	1,885.84	25,000.00	12.37
Upper Poppleton Parish Council	882.20	20,155.00	22.15
Wheldrake Parish Council	821.79	15,500.00	17.95
Wigginton Parish Council	1,321.87	41,200.00	29.48

Note: This schedule shows precepting information for each parish area.

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