
Meeting	Executive
Date	12 July 2018
Present	Councillors Gillies (Chair), Aspden, Ayre, Dew, Douglas, K Myers, Runciman and Waller
In Attendance	Councillors D'Agorne and Looker

PART A - MATTERS DEALT WITH UNDER DELEGATED POWERS

12. Declarations of Interest

Members were asked to declare, at this point in the meeting, any personal interests not included on the Register of Interests, or any prejudicial or disclosable pecuniary interests, they might have in respect of business on the agenda.

Cllr Ayre declared a personal interest in Agenda Item 6 (Delivering Improved Sport and Active Leisure Facilities at Burnholme), as his son played for one of the football clubs that regularly used the current facilities. He took no part in the discussions or decision on the item.

13. Minutes

Resolved: That the minutes of the Executive meeting held on 21 June 2018 be approved and then signed by the Chair as a correct record.

14. Public Participation

It was reported that there had been one registration to speak at the meeting under the Council's Public Participation Scheme and three requests to speak from ward members.

Dan Taylor spoke on Agenda Item 5 (Housing Delivery Programme). Referring to a report in the Press on 6 July, he urged Executive to support increased affordable housing and the building of council homes on the Lowfield and Burnholme sites.

Cllr Fenton spoke on Agenda Item 5, as ward member for Dringhouses & Woodthorpe. He welcomed the report but queried the number of proposed dwellings on the Askham Bar site and asked for early consultation with residents on plans for the site.

Cllr Pavlovic spoke on Agenda Item 5, as ward member for Hull Road. He expressed surprise that the Development Company option was no longer recommended and criticised the proposals for lack of ambition, stating they would not meet the city's need for affordable homes.

Cllr Hayes, ward member for Micklegate, spoke on Agenda Item 10 (Clifford's Tower Visitor Centre Update), as a member of the Save Clifford's Tower Group. He announced he would be withdrawing his court appeal in the light of English Heritage's decision, but expressed the view that proper procedures had not been followed in making the original decisions in January 2017.

15. Forward Plan

Members received and noted details of the items that were on the Forward Plan for the next two Executive meetings at the time the agenda had been published.

16. Housing Delivery Programme

[See also under Part B]

The Assistant Director for Regeneration and Asset Management and the Assistant Director for Housing & Community Safety presented a report which set out proposals for the council to take a strategic lead in the delivery of mixed tenure housing, to provide much-needed affordable homes.

It was proposed that council-owned land and investment from the Housing Revenue Account (HRA) be used to directly deliver approximately 550 houses, of which 40% would be affordable housing, on 6 sites. Following the report to Executive on 7 December 2017 (Minute 100 of that meeting refers), due diligence had been undertaken on the legal and financial implications of different models of delivery and a high level business case developed for 7 potential sites. Of these, the Tang Hall Library site was too small to develop significant housing and was therefore recommended for sale to help fund

replacement library facilities. It was proposed to split the sites into two phases, with development to begin at the first site, Lowfield, in early 2019.

Options for delivery were detailed in paragraphs 35 – 44 of the report. Due diligence and analysis had shown that delivery through the HRA (option b) would best meet the key housing objectives. This was therefore the recommended option, rather than delivery through a council owned Development Company (option a), as suggested in the December report, or through the disposal of sites to private sector builders (option c).

In respect of comments made under Public Participation and questions from Members, officers confirmed that:

- the proposal for 550 houses was based on figures in the Local Plan and
- the shift in emphasis towards meeting housing need (paragraph 36 of the report) meant that delivery through the HRA was a better and quicker option at this point.

Resolved: (i) That the direct delivery of mixed tenure housing on the sites listed in paragraph 7 of the report (excluding Tang Hall Library) be approved in principle.

(ii) That the appropriation of the Lowfield site from the General Fund into the Housing Revenue Account (HRA) be approved in principle, subject to final valuation, which is to be confirmed through the Capital Monitoring report.

(iii) That a revised HRA business plan be brought to Executive, setting out the funding mechanism to deliver all the other sites within the programme.

(iv) That detailed design work be undertaken to develop and submit planning applications for the Askham Bar and Burnholme sites, to be funded from the HRA investment reserve at a cost of £700k.

(v) That approval be given to procure construction partners for the Housing Delivery Fund and that authority for their appointment be delegated to the Corporate Director of Health, Housing & Adult Social

Care, in consultation with the Executive Member for Housing & Safer Neighbourhoods.

(vi) That it be noted that a detailed business case for each of the following sites will be brought back to the Executive:

- a) Burnholme
- b) Askham Bar former Park & Ride
- c) Former Clifton Without School
- d) Former Manor School
- e) Former Woolnough House Older Persons' Home
- f) Hospital Fields Road and Ordnance Lane

(vii) That a programme of support and marketing be developed to promote and ensure the successful delivery and uptake of market sale, self-build, rent to buy, shared ownership and downsizing schemes, funded from the HRA investment reserves.

(viii) That opportunities for investment in additional affordable homes on private sector developments across the city be investigated, and proposals brought back to the Executive.

(ix) That approval be given to dispose of the Tang Hall Library site on the open market.

Reason: To progress with the building of much-needed new homes in York, increase the number of affordable homes in the city and meet the housing needs of a broader range of York residents.

17. Delivering improved Sport and Active Leisure facilities at Burnholme

[See also under Part B]

The Strategic Services Manager and the Public Health Programme Manager presented a report which sought approval to invest in improved sports facilities at the former Burnholme Community College site, continuing plans to create a Health and Wellbeing Campus.

The report explained how the project would complement the growing range of sports facilities across the city by focusing on offering local opportunities for residents, in line with the city's Health & Wellbeing Strategy and the business case agreed in May 2016. Officers had been working with Greenwich Leisure Ltd. (GLL), who had managed the council's leisure facilities since December 2017, to deliver the vision for sport outlined in the report. Approval was sought to extend the contract with GLL to enable them to take over the operation of the Burnholme site from 2019/20, after redevelopment work. The redeveloped facilities would be the York hub for GLL's Healthwise programme, complementing the work of the Health Hub on the site.

Plans for the site would be shared at a community engagement event at Burnholme before submission of a planning application later this year, with an anticipated completion date in late 2019. Officers confirmed that protecting arrangements for groups currently using the facilities on a regular basis was something that could be managed within the contract with GLL.

- Resolved:
- (i) That a net investment of £2.45m should be made to deliver improved sports facilities at the Burnholme Health and Wellbeing campus and further enabling works to facilitate the delivery of sports, health and housing on the site, and that an application for planning permission be prepared and submitted for these works.
 - (ii) That approval be given to extend the Greenwich Leisure Ltd. (GLL) leisure facilities operation service contract, dated 16 November 2017, to cover the Burnholme Sports provision, on the terms described in the report and for the term of that contract.
 - (iii) That, for the term of the contract, existing regular users of the current facility can continue to have the same access times and cost arrangements, subject to annual price increases in line with inflation.
 - (iv) That approval be given to use the Venture Fund to manage the early years

deficits on the Burnholme operations, up to a total of £0.2m, to be funded from the surpluses due in the later years.

Reason: So that improved sports and active leisure facilities are made available for the benefit of the citizens of York.

18. Re-procurement of Sexual Health and Contraception Services

The Director of Public Health presented a report which sought authority to approach the market for the tendering of sexual health and contraception services, in line with the council's contract procedure rules and EU procurement legislation.

Local authorities had a statutory responsibility to commission specialist sexual health services for their population. To meet this obligation, it was proposed to award a new contract for 3 years, with an option to extend by 2 years, plus consideration of a further 2 years, subject to performance, up to a maximum of 7 years. It was intended to go to the open marketplace with a fixed budget and defined specification based on local need, with an 80% quality and 20% financial assessment model. Details of this procurement strategy, and the procedure should it fail to secure a contract, were set out in paragraphs 12-16 of the report.

In response to questions from Members, officers confirmed that the current service was working well and it was open to the service provider to re-apply, as well as other contractors. The risks of operating a safe and effective service with a reduced budget were recognised and being mitigated, as set out in paragraphs 43-45.

Resolved: (i) That City of York Council officers be authorised to approach the market to inform the commissioning and procurement of a sexual health service, to start from 1 July 2019.

(ii) That the Director of Public Health, in consultation with the Executive Member for Adult Social Care & Health, be authorised to accept the highest scoring tender, in accordance with the evaluation criteria, and award a contract.

(iii) That authority be delegated to the Director of Public Health, in consultation with the Executive Member for Adult Social Care & Health, to manage this contract, including any variations and planned extensions, in accordance with City of York Council's policy and procedures.

(iv) That the Director of Public Health be authorised to open initial discussions with North Yorkshire County Council on the potential for joint commissioning sexual health services on a North Yorkshire and York footprint, as part of an approach to risk management in the event of a failed tender procedure.

Reason: To meet the council's statutory responsibilities under the Health and Social Care Act 2012 and enable sexual health services that are clinically safe, value for money and responsive to local need to be available to York residents.

19. Treasury Management Annual Report and Review of Prudential Indicators 2017/18

[See also under Part B]

The Deputy Chief Executive / Corporate Director of Customer & Corporate Services presented a report which provided a review of treasury management activities, and the actual prudential and treasury indicators, for the 2017/18 financial year.

The report had been considered by the Audit & Governance Committee at their meeting on 27 June 2018, as required by the CIPFA Code of Practice on Treasury Management . Details of the out-turn against prudential indicators were attached at Annex A.

As detailed in paragraphs 13-15 of the report, there was a need to increase the Authorised Borrowing Limit to £441.4m for 2017/18, and to £480.3m for future years. This would require the approval of Full Council.

Resolved: That the 2017/18 performance of treasury management activity and prudential indicators outlined in Annex A to the report be noted.

Reason: To ensure that the continued performance of the treasury management function can be monitored and to comply with statutory requirements.

20. YNY Ltd.

The Corporate Director of Economy & Place presented a report which proposed that the council withdraw from its membership of YNY Ltd. (the Company), so that the Company could be dissolved.

YNY Ltd., a private company with three members - North Yorkshire County Council (NYCC), City of York Council (CYC) and York & North Yorkshire Chamber of Commerce, had been set up to support economic growth in the area. It had been dormant since 2014, when the Board agreed to transfer it to NYCC. However, as the articles of association did not allow for a single member or director, CYC approval was required to begin the process of dissolving the Company and to use the remaining £2,833.59 in its account towards the associated administrative costs.

- Resolved: (i) That approval be given in principle, as a member of the Company, to:
- a) Replace the current articles of association with un-amended model articles of association for private companies limited by guarantee to allow for sole directors, membership of less than 2 and distribution of the residue in the bank account to be used towards the administrative costs of dissolving the Company.
 - b) Following the amendment of the articles, send a formal letter from City of York Council and North Yorkshire Chamber of Commerce giving 7 clear days' notice of their respective cessations of membership.
- (ii) That authority be delegated to the Corporate Director of Economy and Place to carry out any

additional actions necessary to bring the above resolution into effect.

Reason: To allow the orderly dissolution of YNY Ltd., a company which is no longer required by the Partners.

21. Clifford's Tower Visitor Centre Update

The Assistant Director for Regeneration and Asset Management presented a report which asked Members to consider the council's response to the announcement by English Heritage (EH) that they would not be proceeding with the Visitor Centre element of their proposals for Clifford's Tower.

This item had been added to the agenda under urgency procedures because, due to the timing of the announcement, it had been listed on the Forward Plan for less than 28 days before the meeting date and a swift decision was needed in order to provide certainty in respect of the proposals.

Since EH received planning permission for their proposals in October 2016, the planning decision had been subject to Judicial Review, the result of which was still being appealed. In June 2018, EH had announced they did not intend to take forward their plans for a visitor centre but would work with the council to consider other options. It was therefore recommended that the Executive withdraw its previous decisions to lease to EH the land required for the visitor centre and associated public plaza, as indicated on the plan attached as Annex 1 to the report.

Having noted the comments made under Public Participation on this item, it was

Resolved: (i) That the offer of a long lease for the land requested by English Heritage for the construction of a Clifford's Tower visitor centre (shaded light blue on the plan at Annex 1) be retracted.

(ii) That the offer of a two year lease for the adjacent land for the associated public piazza proposed as part of the visitor centre project (shaded orange on the plan at Annex 1) be retracted.

Reason: To reflect the decision of English Heritage not to proceed with the visitor centre.

PART B - MATTERS REFERRED TO COUNCIL

22. Housing Delivery Programme

[See also under Part A]

The Assistant Director for Regeneration and Asset Management and the Assistant Director for Housing & Community Safety presented a report which set out proposals for the council to take a strategic lead in the delivery of mixed tenure housing, to provide much-needed affordable homes.

It was proposed that council-owned land and investment from the Housing Revenue Account (HRA) be used to directly deliver approximately 550 houses, of which 40% would be affordable housing, on 6 sites. Following the report to Executive on 7 December 2017 (Minute 100 of that meeting refers), due diligence had been undertaken on the legal and financial implications of different models of delivery and a high level business case developed for 7 potential sites. Of these, the Tang Hall Library site was too small to develop significant housing and was therefore recommended for sale to help fund replacement library facilities. It was proposed to split the sites into two phases, with development to begin at the first site, Lowfield, in early 2019.

Options for delivery were detailed in paragraphs 35 – 44 of the report. Due diligence and analysis had shown that delivery through the HRA (option b) would best meet the key housing objectives. This was therefore the recommended option, rather than delivery through a council owned Development Company (option a), as suggested in the December report, or through the disposal of sites to private sector builders (option c).

In respect of comments made under Public Participation and questions from Members, officers confirmed that:

- the proposal for 550 houses was based on figures in the Local Plan and

- the shift in emphasis towards meeting housing need (referred to in paragraph 36) meant that delivery through the HRA was a better and quicker option at this point.

Recommended: That a budget of £22.5m be created for the development of the Lowfield site, funded from HRA resources (£4.5m) and market sales (£18m), as set out in the report, noting that the final funding split may change and will be reported to future Executive meetings, and that HRA reserves will cash flow the development prior to the start of market sales.

Reason: To enable the progression of the building of much-needed new homes in York, to increase the number of affordable homes in the city and meet the housing needs of a broader range of York residents.

23. Delivering Improved Sport and Active Leisure Facilities at Burnholme

[See also under Part A]

The Strategic Services Manager and the Public Health Programme Manager presented a report which sought approval to invest in improved sports facilities at the former Burnholme Community College site, continuing plans to create a Health and Wellbeing Campus.

The report explained how the project would complement the growing range of sports facilities across the city by focusing on offering local opportunities for residents, in line with the city's Health & Wellbeing Strategy and the business case agreed in May 2016. Officers had been working with Greenwich Leisure Ltd. (GLL), who had managed the council's leisure facilities since December 2017, to deliver the vision for sport outlined in the report. Approval was sought to extend the contract with GLL to enable them to take over the operation of the Burnholme site from 2019/20, after redevelopment work. The redeveloped facilities would be the York hub for GLL's Healthwise programme, complementing the work of the Health Hub on the site.

Plans for the site would be shared at a community engagement event at Burnholme before submission of a planning application

later this year, with an anticipated completion date in late 2019. Officers confirmed that protecting arrangements for groups currently using the facilities on a regular basis was something that could be managed within the contract with GLL.

Recommended: (i) That the net investment of £2.45m for the Burnholme sports facilities capital investment works and sport, health and housing enabling works be added to the Capital Programme and funded from receipts secured by the Older Persons' Accommodation Programme, and Section 106 contributions received for improving sports facilities.

(ii) That, in the light of recommendation (i) above and other minor changes set out in the report, a revised total capital budget of £8.529m be approved for the Burnholme development.

Reason: So that improved sports and active leisure facilities are made available for the benefit of the citizens of York.

24. Treasury Management Annual Report and Review of Prudential Indicators

[See also under Part A]

The Deputy Chief Executive / Corporate Director of Customer & Corporate Services presented a report which provided a review of treasury management activities, and the actual prudential and treasury indicators, for the 2017/18 financial year.

The report had been considered by the Audit & Governance Committee at their meeting on 27 June 2018, as required by the CIPFA Code of Practice on Treasury Management . Details of the out-turn against prudential indicators were attached at Annex A.

As detailed in paragraphs 13-15 of the report, there was a need to increase the Authorised Borrowing Limit to £441.4m for 2017/18, and to £480.3m for future years. This would require the approval of Full Council.

Recommended: That the increase in borrowing limit set out in paragraphs 13 to 15 of the report be approved.

Reason: In accordance with the statutory requirements in Section 3(1) of the Local Government Act 2003.

Cllr I Gillies, Chair

[The meeting started at 5.30 pm and finished at 6.40 pm].