



Notice of meeting of

Executive

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|---------------|---|
| To: | Councillors Steve Galloway (Chair), Sue Galloway, Jamieson-Ball, Macdonald, Orrell, Reid, Runciman, Sunderland and Waller |
| Date: | Tuesday, 27 March 2007 |
| Time: | 2.00 pm |
| Venue: | Guildhall |

AGENDA

Notice to Members - Calling In:

Members are reminded that, should they wish to call in any item on this agenda, notice must be given to Democracy Support Group by:

10:00 am on Monday 26 March, if an item is called in *before* a decision is taken, *or*

4:00 pm on Thursday 29 March, if an item is called in *after* a decision has been taken.

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

1. **Declarations of Interest**

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

2. **Exclusion of Press and Public**

To consider excluding the press and public from the meeting during consideration of Annex A to agenda item 8 (Concessionary Travel

Scheme) and Annex 2 to agenda item 9 (Waste PFI – Updated Outline Business Case), on the grounds that they contain information relating to the financial or business affairs of particular persons, which is classed as exempt under Paragraph 3 of Schedule 12A to Section 100A of the Local Government Act 1972, as amended by the Local Government (Access to Information) (Variation) Order 2006.

3. Minutes (Pages 1 - 6)

To approve and sign the minutes of the Executive meeting held on 13 March 2007.

4. Public Participation

At this point in the meeting, members of the public who registered their wish to speak regarding an item on the agenda or an issue within the Executive's remit can do so. The deadline for registering is **5:00 pm on Monday, 26 March 2007.**

5. Executive Forward Plan (Pages 7 - 8)

To receive an update on those items that are currently scheduled on the Executive Forward Plan.

6. Minutes of the Local Development Framework Working Group (Pages 9 - 28)

This report presents the minutes of recent meetings of the Local Development Framework Working Group and asks Members to consider the advice given by the Working Group in its capacity as an advisory body to the Executive.

7. Future York Race Meetings - Traffic Management Arrangements (Pages 29 - 52)

This report advises Members of the results of the traffic management arrangements adopted during the 2006 racing season and makes appropriate recommendations concerning future York race meetings.

8. Concessionary Travel Scheme for Elderly and Disabled Persons – Implications of Appeal by First York (Pages 53 - 68)

This report advises of the outcome of an appeal by First York to the Department for Transport for additional reimbursement payments in respect of bus travel concessions and considers the likely implications of the appeal decision for the Travel Concession Scheme in 2006/07 and 2007/08.

9. Waste PFI – Updated Outline Business Case (Pages 69 - 80)

This report provides updated financial information on the waste PFI project, identifies a revised affordability position for the Council and seeks confirmation that Members are committed to finding the additional resources required to make the project affordable.

10. Corporate Asset Management Plan (Pages 81 - 136)

This report presents a draft Corporate Asset Management Plan for the period 2007-2012 and asks Members to consider approving and adopting the Plan.

11. Annual Audit Letter (Pages 137 - 160)

This report summarises the key findings and conclusions of the District Auditor on the Council's arrangements in respect of the 2005/06 audit year.

Note: A revised version of the above report, including the comparative figures referred to in paragraph 6f) of the original version, was published on 21 March 2007.

12. Comprehensive Performance Assessment Refresh 2006 (Pages 161 - 166)

This information report provides details of the Council's 2006 Comprehensive Performance Assessment (CPA) score, and explains why block scores have changed since 2005.

13. Urgent Business

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

Democracy Officer:

Name: Fiona Young

Contact details:

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For more information about any of the following please contact the Democracy 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.

City of York Council

Committee Minutes

| | |
|---------------|---|
| MEETING | Executive |
| DATE | 13 March 2007 |
| PRESENT | Councillors Steve Galloway (Chair), Sue Galloway, Jamieson-Ball, Macdonald, Orrell, Reid, Runciman and Sunderland |
| APOLOGIES | Councillor Waller |
| IN ATTENDANCE | Councillor Vassie |

177. Declarations of Interest

The Chair invited Members to declare at this point any personal or prejudicial interests they might have in the business on the agenda. No interests were declared. However, Cllrs Sue Galloway, Macdonald and Reid, as Members of the West and City Centre Area Planning Sub-Committee, announced their intention to withdraw from the meeting during consideration of agenda item 9 (Proposed Sale of Housing Revenue Account Land for the Development of Affordable Housing), so as not to prejudice any subsequent decision they might make on related planning applications, under the terms of the Planning Code of Good Practice.

178. Exclusion of Press and Public

RESOLVED: That the press and public be excluded from the meeting during consideration of Annex 7 to agenda item 9 (Proposed Sale of Housing Revenue Account Land), on the grounds that it contains information relating to the financial or business affairs of particular persons, which is classed as exempt under Paragraph 3 of Schedule 12A to Section 100A of the Local Government Act 1972, as amended by the Local Government (Access to Information) (Variation) Order 2006.

179. Minutes

RESOLVED: That the minutes of the Executive meeting held on 27 February 2007 be approved and signed by the Chair as a correct record.

180. Public Participation

It was reported that there had been one registration to speak at the meeting under the Council's Public Participation Scheme.

Philip Crowe spoke in relation to agenda item 8 (Scrutiny Report – Guidance for Sustainable Development). He welcomed the report in broad terms, but drew attention to some omissions, in particular the lack of discussion and consultation on biodiversity issues. He also stressed the

need to incorporate the recommendations into enforceable strategies if they were to be effective, and asked what measures were in place to achieve this and to ensure that the necessary information was disseminated to relevant staff across the Council.

181. Executive Forward Plan

Members received and noted an updated list of items included on the Executive Forward Plan at the time the agenda for this meeting was published.

182. Minutes of the Social Inclusion Working Group

Members considered a report which presented the minutes of the most recent meeting of the Social Inclusion Working Group, held on 17 January, and asked them to consider the advice given by the Working Group in its capacity as an advisory body to the Executive.

The report drew attention to the Group's comments in respect of the Forthcoming Employment (Age) Regulations 2006, at Minute 23, and to their decision to support an application for funding from the York Racial Equality Network in the sum of £950 (Minute 24). In respect of the latter, it was noted that the Equalities Officer had delegated authority to determine funding applications of this nature.

RESOLVED: That the minutes of the Social Inclusion Working Group meeting held on 17 January 2007 be noted.

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

183. Deciding and Delivering Council Priorities – Audit Commission Report

Members considered a report which summarised the main findings and recommendations arising from the Audit Commission's study of arrangements for deciding and delivering the Council's priorities.

The full report of the Audit Commission had been considered on 31 January 2007 by the Audit and Governance Committee, who had recommended that the key matters raised therein be referred to the Executive. The Commission had commented positively on the way that the Council had identified its priorities as part of the development of the Corporate Strategy. However, it had identified a significant amount of remaining improvement work to deliver the priorities and embed them into the Council's day to day business.

The Organisational Effectiveness Programme (OEP) approved by the Executive in July 2006 had included a number of actions to address the Commission's recommendations and good progress had since been made in delivering these. A key area that remained to be improved was the way in which priorities influenced the allocation of resources. Work on this had been planned and would need to be completed quickly, as it would be

critical in terms of CPA, as well as a focus of attention for the Audit Commission.

The Chair noted the difficulty of providing measurable linkages between the priorities and budget allocation and indicated that it would be helpful in future to receive examples of systems used by other authorities to relate resource allocation to their corporate priorities.

RESOLVED: That the report be noted and that further development work be undertaken to develop the Council's prioritisation processes.

REASON: To note the progress already made in improving prioritisation arrangements and support work on further improvements.

184. Scrutiny Report - Guidance for Sustainable Development

Members considered a report which presented the final report of the Sustainable Development Scrutiny Sub-Committee in relation to the topic 'Guidance for Sustainable Development'. The final report, attached as Annex A, had been endorsed by the Scrutiny Management Committee at its meeting on 26 February 2007, for referral to the Executive. Cllr Vassie, as Chair of the Scrutiny Sub-Committee, attended and spoke in support of the Sub-Committee's report.

The report set out 25 recommendations and sought Executive support in particular for Recommendations 1, 2, 3(i), 4, 5, 6, 7, 9, 10, 11, 12, 13, 14, 15, 16 and 17, to ensure that these were taken forward as part of the Local Development Framework (LDF). All of the recommendations had been reviewed by Officers, as requested by SMC, to identify any potential gaps or duplication. Detailed Officer comments were included in a 'summary of implications' grid within the report.

In response to the matters raised on this item under Public Participation, it was confirmed that biodiversity issues were already part of the core LDF strategy and that a tracking system was in place to ensure that all Scrutiny recommendations endorsed by the Executive were followed up by the appropriate Officers. Members commented that the LDF and, in the short term, the Special Planning Guidance (SPG), would provide the ideal platform to ensure that the recommendations were included as core policies. For example, it would be able to encompass a policy requiring an increase in the amount of tree cover in the City overall. Some of the recommendations had already been included in the draft SPG, which was currently out for consultation.

The Chair thanked all Members and Officers involved for their work on this important scrutiny topic.

RESOLVED: (i) That **Recommendations 1, 2 and 7** in the Scrutiny report be referred for consideration by the LDF Working Group in the light of public consultation results and emerging national and regional guidance.

(ii) That **Recommendation 6** be referred for consideration by the LDF Working Group in the light of public consultation results and emerging national and regional guidance, and that it be noted that this proposal is included in the draft SPG that is currently being consulted on.

(iii) That, in respect of **Recommendation 8**:

a. The Executive's support for the establishment of new woodland be recorded and the Director of City Strategy be requested to develop options for achieving this and for sustaining existing tree cover in the City.

b. This recommendation be referred to the LDF Working Group with a request that they consider and advise on establishing a policy that would increase the percentage of tree cover in the City, and

(iv) That **Recommendations 3, 4, 5, 9, 10, 12, 13, 15, 16 and 17** be referred for consideration by the LDF Working Group.

(v) That, in respect of **Recommendation 11**, the Executive has reservations about whether this form of boundary treatment would be appropriate in every case and requests the LDF Working Group to consider carefully the implications of adopting such a blanket policy of this nature.

(vi) That, in respect of **Recommendation 14**:

a. The Executive recognises merits in the general approach of the recommendation but in the absence of agreed definitions finds it impossible to understand the practicality of implementing the suggestion, and

b. The recommendation be referred to Officers for further information and to incorporate the views of the LDF Working Group.

(vii) That Officers report back on the operational, workload and financial implications of **Recommendations 18, 19, 20 and 21**, following consideration of these proposals by the LDF Working Group.

(viii) That Officers be asked to report back on the financial implications of **Recommendation 22** as part of the budget build exercise for next year and, in the meantime, that such information as is readily and economically available be posted on the existing Council website.

(ix) That Officers be asked to report back on the implications of **Recommendation 23**.

(x) That **Recommendation 24** be referred for consideration by the LDF Working Group in the light of public consultation results and emerging national and regional guidance, and that Officers report back on the financial and practical implications of adopting a blanket policy of this sort, but that the attention of the Working Group dealing with the new City Hall project be drawn to this important issue.

(xi) That Officers be asked to provide additional information about **Recommendation 25**, in the light of existing regional and emerging national policies and, in respect of ITT applications, resource, capacity and financing issues.

REASON: To ensure that the recommendations of the Scrutiny Sub-Committee are considered for incorporation into the Local Development Framework, subject to further investigation of their implications, where appropriate.

185. Proposed Sale of Housing Revenue Account Land for the Development of Affordable Housing at Dane Avenue, Morritt Close and Chapelfields Road

Members considered a report which sought approval for the leasehold sale of three Housing Revenue Account (HRA) owned sites to housing associations, for the building of new affordable homes for rent. The sites in question were located in Dane Avenue, Chapelfields Road (the former Chapelfields Play Area) and Morritt Close.

The report outlined three options for Members' consideration:

Option 1 – to support the long leasehold sale of all or some of the sites, subject to satisfactory planning permissions being obtained. This was the recommended option, on the basis that it would contribute towards meeting the Council's affordable homes target, help address a shortage of family homes, enable access to an estimated £1.25m of government subsidy and provide opportunities to increase security at two of the sites.

Option 2 – not to support development of the sites.

Option 3 – to sell the freehold of the three sites for private housing development at the best price achievable via an informal tender procedure. A full analysis of the options was set out in paragraphs 42 to 46 of the report. On balance, Option 1 was considered to achieve the best outcome in respect of the Council's financial, affordable housing and corporate priorities.

Members commented on the increasing difficulty in finding Council owned land for housing development. They also noted the concerns expressed about a lack of children's play facilities in the Chapelfields area and the need to establish an alternative playground within the Westfield school boundary.

RESOLVED: (i) That Option 1 be approved, and the long leasehold sale of all or some of the three sites to housing associations

be supported, on the basis outlined in the report and subject to:

- a) Satisfactory planning permissions being obtained for development of the sites as affordable housing.
- b) An alternative playground, plus dedicated public open space being provided to serve the Chapelfields community.
- c) Officers giving consideration, in developing the proposals further, to the requests of the Shadow Executive, that is:
 - that there should be a more comprehensive redevelopment scheme for the wider area in relation to Morrith Close, “as there are two other derelict sites that could be used for affordable housing” (and possibly incorporating improvements to the 68 Club);
 - provision of a communal garden area for the use of existing Morrith Close area residents;
 - designing the scheme to avoid potential overlooking problems in relation to the Dane Avenue proposals.

REASONS: a) To increase the stock of affordable family housing in York, to which the Council will have nomination rights, thus helping to meet the housing needs of York residents who are unable to access the private housing market;

b) To respond to the concerns of the Shadow Executive and Ward Members in respect of the proposed developments, and to ensure that a co-ordinated area approach is taken to the developments.

(ii) That approval of the precise boundaries, and the net capital receipt received for the sites, be delegated to the Head of Housing Services and the Corporate Landlord.

REASON: To avoid unnecessary delay in progressing the sale.

(iii) That the method of calculating discretionary payments to tenants for the loss of use of part of their gardens, as detailed in paragraph 17 of the report, be approved as policy.

REASON: This will provide a consistent basis for the calculation of such sums should any similar circumstances arise in the future.

Note: Cllrs Sue Galloway, Macdonald and Reid left the room during consideration of the above item and took no part in the discussions or decisions thereon.

S F Galloway, Chair
[The meeting started at 2.00 pm and finished at 2.55 pm].

Executive Meeting 27 March 2007

EXECUTIVE FORWARD PLAN

Table 1: Items scheduled on the Forward Plan which were due to be submitted to this week's meeting

| Report | Author | Current Position | Likely Revised Date |
|---|---------------|--|----------------------------|
| Thin Client / Competition Strategy | Simon Wiles | Deferred for further work | 12/6/07 |
| Efficiency Programme, Including Strategic Procurement Programme | Simon Wiles | Deferred for further work | 12/6/07 |
| Monk Bar Garage – Future Use of Site | John Urwin | Deferred to consider further development options | 12/6/07 |
| Production of Foie Gras: Notice of Motion from Cllr Blanchard Referred from Full Council on 25/1/07 | Andy Hudson | Deferred to obtain further information | 27/6/07 |
| Neighbourhood Services Re-structure | Terry Collins | To go to Urgency Committee | N/a |

Table 2: Items scheduled on the Forward Plan for the Executive Meeting on 10 April 2007

| Report | Author | Current Position | Likely Revised Date |
|--|---------------------------|---|----------------------------|
| Final Report from Highways Maintenance Procurement PFI Scrutiny Review | Dawn Steel | Deferred from 13/3/07 | N/a |
| (Reference Report) - Progress on Major Capital Schemes in York Secondary Schools | Tracy Wallis / Kevin Hall | Referred from Children's Services EMAP on 14/3/07 | N/a |

| Table 3: Items scheduled on the Forward Plan for the Executive Meeting on 24 April 2007 | | | |
|---|------------------|-----------------------------|----------------------------|
| Report | Author | Current Position | Likely Revised Date |
| Education Scrutiny Committee – Final Report on Home to School Transport Contracts in York | Dawn Steel | On schedule | N/a |
| Responses to Statutory Notices Proposing Development of Land for Affordable Housing at Dane Avenue, Morritt Close and Chapelfields Road | Steve Waddington | On schedule | N/a |
| Sale of Lendal Bridge Sub Station | Paul Fox | Deferred from November 2006 | N/a |
| Update on Equal Pay Issues | Steve Morton | On schedule | N/a |
| Hungate – York Bedding Company CPO | Derek Gauld | On schedule | N/a |
| Should York be a World Heritage Site? | John Oxley | On schedule | N/a |
| Draft Sustainable Development Strategy for CYC | Kristina Peat | On schedule | N/a |
| Legal Services Framework Contract | Suzan Hemingway | On schedule | N/a |



Executive

27 March 2007

Report of the Head of Civic, Democratic and Legal Services

Minutes of the Local Development Framework Working Group

Summary

1. This report presents the minutes of recent meetings of the Local Development Framework Working Group and asks Members to consider the advice given by the Group in its capacity as an advisory body to the Executive.

Background

2. The revised Constitution agreed by Council on 27 April 2006 created a number of Working Groups whose role is to advise the Executive on issues within their particular remits. The Groups are:
 - Social Inclusion Working Group (equalities issues)
 - Young People's Working Group (young people's issues)
 - Local Development Framework (LDF) Working Group (matters relating to the review of the Local Development Framework)

The Constitution also includes a Protocol on Councillor Working Groups, which sets out rules and guidelines for the establishment and operation of Working Groups.

3. To ensure that the Executive is able to consider the advice of the Working Groups, it has been agreed that minutes of the Groups' meetings will be brought to the Executive on a regular basis. The Executive has also agreed to receive minutes of the meetings of the Economic Development Partnership Board, which acts as an advisory body to the Council and to the Local Strategic Partnership.
4. Consideration of the minutes of the above bodies has been scheduled on the Executive Forward Plan for the current municipal year as follows:
 - 19 December 2006 – LDF Working Group and Economic Development Partnership Board
 - 13 March 2007 - Social Inclusion Working Group and Young People's Working Group

- 27 March 2007 - LDF Working Group & Economic Development Partnership Board

In accordance with the Forward Plan, this report presents the minutes of the LDF Working Group meetings on 4 December 2006 (Annex A), 1 February 2007 (Annex B) and 6 March 2007 (Annex C). The minutes of the latest meeting of the Economic Development Partnership Board (EDPG), on 13 March 2007, have not yet been finalised. The minutes of the previous meeting, on 26 September 2006, were presented to the Executive on 5 December 2006. Therefore, there are no minutes from the EDPG attached to this report.

Consultation

5. No consultation has taken place on the attached minutes, which have been referred directly from the Working Group. The minutes of the meeting on 6 March are still in draft form, pending approval at the Group's next meeting. It is assumed that any relevant consultation on the items considered by the Group was carried out in advance of their meeting.

Options

6. Options open to the Executive are either to accept or to reject any advice that may be offered by the Working Group, and / or to comment on the advice.

Analysis

7. The attached minutes contain no specific recommendations to the Executive other than those relating to the City of York Local Development Scheme (Minute 31) and the York North West Area Action Plan (Minute 32) – Annex B refers. Members will recall that these issues have already been dealt with via direct reports to the Executive meeting on 27 February 2007.

Corporate Priorities

8. Consideration of the minutes of Working Groups promotes the corporate priority of improving leadership at all levels to provide clear, consistent direction to the organisation.
9. There are no known financial, Human Resources, Equalities, Legal, Crime and Disorder, Property or Other implications associated with the specific matter before Members, namely to consider the minutes and determine their response to the advice offered by the Working Group.

Risk Management

10. There are no risk management implications associated with the referral of these minutes.

Recommendations

11. Members are asked to consider the minutes attached at Annexes A, B and C and to decide whether they wish to respond to any of the advice offered by the LDF Working Group.

Reason:

To fulfil the requirements of the Council's Constitution in relation to the role of Working Groups.

Contact details:

Author:

Fiona Young
Principal Democracy Officer
01904 551024
email:
fiona.young@york.gov.uk

Chief Officer Responsible for the report:

Suzan Hemingway
Head of Civic, Democratic and Legal Services

Report Approved

Date

Specialist Implications Officer(s) None

Wards Affected:

All

For further information please contact the author of the report

Annexes

Annex A – Minutes of the meeting of the LDF Working Group held on 4 December 2006

Annex B – Minutes of the meeting of the LDF Working Group held on 1 February 2007

Annex C – Draft minutes of the meeting of the LDF Working Group held on 6 March 2007

Background Papers

Agendas and associated reports of the above meetings (available on the Council's website).

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City of York Council

Minutes

| | |
|-----------|--|
| MEETING | LOCAL DEVELOPMENT FRAMEWORK WORKING GROUP |
| DATE | 4 DECEMBER 2006 |
| PRESENT | COUNCILLORS REID (CHAIR), HORTON, HYMAN, LIVESLEY (AS SUBSTITUTE FOR R WATSON), MACDONALD, MERRETT, SIMPSON-LAING AND WALLER |
| APOLOGIES | COUNCILLORS D'AGORNE AND R WATSON |

22. DECLARATIONS OF INTEREST

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

No interests were declared.

23. MINUTES

RESOLVED: That the minutes of the Local Development Framework Working Group meeting held on 7 November 2006 be approved and signed by the Chair as a correct record, with the following amendment:

- (i) To delete the words “and that they cannot represent residents’ views at these meetings” from point (ix) of Part Three of Appendix 1.

24. PUBLIC PARTICIPATION

It was reported that there had been no registrations to speak under the Council’s Public Participation Scheme.

25. COMMUTED SUM PAYMENTS FOR OPEN SPACE IN NEW DEVELOPMENTS

Members received a report which sought comments on a revised approach towards implementing policy L1c (Provision of New Open Space in Development), with regard to commuted sum payments towards open space provision in new developments, and asked them to consider a more structured commuted sum payments process for use in considering planning applications for residential and employment, retail and leisure uses where appropriate.

The report presented two options for consideration:

- Option 1 – to approve a set of commuted sum payment figures, attached at Annex B of the report, for use with policy L1c;
- Option 2 – to continue calculating commuted sum payment figures on a site by site basis.

A schedule was circulated setting out the figures used to build up the costs for open space provision in the City of York. Members requested that a further breakdown be provided at Planning Committee, indicating equipment and labour costs and clarifying that land costs were not included. With regards to the cost per square metre of the play area at Holgate Park, Members suggested that the figure should be recalculated using the area of the play area, rather than that of the whole park.

Members proposed a number of amendments to the text accompanying the figures in Annex B, as detailed below.

RECOMMENDED: That Planning Committee be recommended to approve the commuted sum payment figures shown in Annex B of the report to support the application of policy L1c of the 4th Set of Changes to the City of York Local Plan, subject to the following amendments to the accompanying text:

- (i) To remove the words “in most situations” at the beginning of the second paragraph on residential developments and instead refer to developments of less than 10 dwellings and more than 10 dwellings where there is not enough space to meet open space requirements on site, as set out in policy L1c;
- (ii) To the heading of the table to clarify that the commuted sum required per dwelling excludes the land cost element;
- (iii) To the footnote to the table to clarify that the prices will be increased annually in line with the Building Costs Information Service Tender Price Index each April;
- (iv) To clarify that inflation to the time of payment must be added to the figures.

REASON: To give a degree of certainty and accountability regarding the Council’s approach towards requiring commuted sum payments for open space.

26. INFORMATION REPORT - THE IMPLICATIONS OF THE RECENT DECISIONS OF THE PLANNING INSPECTORATE ON THE CORE STRATEGIES OF STAFFORD AND LICHFIELD

Members received a report which advised them on the content of the recent reports by the Planning Inspectorate on the Core Strategies produced by Stafford Borough and Lichfield District Councils and the need to reflect these decisions in the production of York's Local Development Framework (LDF).

The report explained that following public examination both Core Strategies had been found to be unsound. The Inspectors considered that the defects were so severe that re-wording would not address the problems and that both documents should be withdrawn, effectively forcing the authorities to go back to the first stage of document production, the 'Issues and Options' stage. Paragraphs 8-14 of the report highlighted the key points made by the Inspectorate.

Officers were carefully considering the lessons to be learned from the experience of these two authorities and monitoring the progression of other Core Strategies through the planning process to gain a good understanding of what was likely to lead to a successful plan. In addition they were seeking further professional advice to ensure that York's LDF was developed in the most appropriate way.

Officers also reported that South Cambridgeshire District Council and East Hams Council had had their Core Strategies approved and that they were therefore also looking to learn from their experiences too.

RECOMMENDED: That the recent decisions of the Planning Inspectorate on the Core Strategies produced by Stafford Borough and Lichfield District Councils and the potential implications for the City of York be noted.

REASON: To ensure York's LDF reflects these decisions.

27. CITY OF YORK COUNCIL ANNUAL MONITORING REPORT FOR 2005/2006

Members received a report which sought their views on the Local Development Framework Annual Monitoring Report (AMR) prior to sending it to the Secretary of State in December 2006.

The draft AMR was attached as Annex A of the report.

Officers reported that paragraph 6.5 of the AMR was to be amended to give all figures in kilometres and square kilometres. They also confirmed that if more up to date figures became available prior to submission of the AMR to the Secretary of State, then they would be included at the appropriate places within the document.

RECOMMENDED: (i) That the suggested amendments on the content of the AMR set out below be considered by officers:

- a) To use Plain English in the document, particularly the Executive Summary, to ensure it is understandable to members of the public, and to illustrate figures in tables or charts rather than detailing them in text (eg: paragraph 1.9);
 - b) To highlight key points from all sections of the document in the Executive Summary, not just housing and employment;
 - c) To make the summary table of core output indicators easier to understand, possibly by providing a user guide or glossary;
 - d) To include references to the draft Housing Market Assessment;
 - e) To point (iv) in the table at paragraph 5.23 to explain where the annual net additional requirement figure comes from;
 - f) To Figure 5.2 to ensure that it could be clearly understood when printed in black and white;
 - g) To paragraph 5.42 to clarify that the Third Set of Changes to the Local Plan *proposed* to increase the level of affordable housing to 50%;
 - h) To paragraph 5.76 to clarify that Members always considered the Environment Agency's advice carefully, even when they approved applications contrary to this advice;
 - i) To paragraph 6.60 to rephrase and clarify the information therein.
- (ii) That the making of any changes to the document that are necessary as a result of these comments be delegated to the Director of City Strategy and the Executive Member and Opposition Spokesperson for City Strategy.

REASON:

- (i) So that the report can be progressed through to submission to the Secretary of State.
- (ii) So that changes resulting from the comments at the meeting can be made and the report be submitted by the required deadline.

COUNCILLOR A REID

Chair

The meeting started at 4.30 pm and finished at 5.45 pm.

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City of York Council

Minutes

| | |
|-----------|--|
| MEETING | LOCAL DEVELOPMENT FRAMEWORK WORKING GROUP |
| DATE | 1 FEBRUARY 2007 |
| PRESENT | COUNCILLORS REID (CHAIR), D'AGORNE, HORTON, MACDONALD, MERRETT, MORLEY (AS SUBSTITUTE FOR HYMAN), SIMPSON-LAING, WALLER AND R WATSON |
| APOLOGIES | COUNCILLOR HYMAN |

28. DECLARATIONS OF INTEREST

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

Councillor Simpson-Laing declared a personal non-prejudicial interest in agenda item 5 (York Northwest Area Action Plan) as a resident of the area.

29. MINUTES

Members requested that copies of the Planning Inspectorate's reports on both successful and unsuccessful Core Strategies be circulated to them for information.

RESOLVED: That the minutes of the Local Development Framework Working Group meeting held on 4 December 2006 be approved and signed by the Chair as a correct record.

30. PUBLIC PARTICIPATION

It was reported that there had been no registrations to speak at the meeting under the Council's Public Participation Scheme.

31. CITY OF YORK COUNCIL - LOCAL DEVELOPMENT SCHEME

Members received a report which advised them on the production of a revised Local Development Scheme (LDS) for the City as required under the Planning & Compulsory Purchase Act (2004) and presented a draft of the LDS, attached as Annex A, for consideration prior to formal submission to the Government Office for Yorkshire and the Humber.

The proposed LDS covered the following six key areas:

- (i) Introduction – highlighting the requirements of the new system and the authority's current position;

- (ii) Programme & Contents – covering the process of adopting development planning documents under the new planning system and highlighting those that the Council intends to prepare over the next three years;
- (iii) Annual Monitoring Report;
- (iv) Sustainability Appraisal & Strategic Environmental Assessment;
- (v) Existing Council Strategies;
- (vi) Resources.

The report presented two options for consideration:

- Option 1 - To approve the LDS as drafted by officers for submission to Government Office for Yorkshire and the Humber.
- Option 2 - To seek amendments to the LDS through the recommendations of the Working Group or alternatively request that officers prepare an alternative project plan.

Officers detailed a number of minor amendments to the wording of the proposed LDS:

- (i) To paragraph 1.6 to indicate that the Panel's Report on the emerging Regional Spatial Strategy would be issued in March 2007;
- (ii) To paragraph 1.9 to reword the final sentence to read, "This document will be used for the purposes of Development Control until such time as it is superseded by elements of the LDF";
- (iii) To paragraph 2.7 to add a sentence to indicate that the timetable for the emerging evidence base was detailed in Figure 2;
- (iv) To paragraph 2.9 to reword it to read, "An assessment has been undertaken to identify key risks to the programme. These are outlined in Table 1 below along with potential mitigating actions";
- (v) To the Second Air Quality Action Plan (AQAP2) row of Table 2 to clarify that the key aims listed related to the Second Local Transport Plan (LTP2);
- (vi) To the Economic Development Programme row of Table 2 to stipulate that the 2006/07 version of the programme would be used instead of the 2004/05 version and to list the priority themes as maintaining economic success, identifying skill needs and supporting people into employment and lifelong learning;
- (vii) To Table 2 to clarify that the Older People's Housing Strategy, the Homelessness Strategy, the Supporting People Strategy, the Private Sector Renewal Policy and the Empty Homes Policy all formed part of the overall Housing Strategy;
- (viii) To the second paragraph of the Statement of Community Involvement section of Annex A to replace "Environmental Forum" with "York Environment Forum" and "Inclusive City Reference Group" with "Inclusive York Forum";
- (ix) To Table 7 of Annex A to indicate that the consideration of representations on the Issues and Options document and the preparation of a Preferred Options document would be completed by December 2008;
- (x) To Table 12 of Annex A to indicate that the date of production for the Central Historic Core Conservation Area Appraisal would be July 2007, for the Employment Land Review would be March 2007 and for the Housing Land Availability Assessment would be April 2007;

- (xi) To Table 12 of Annex A to reword the first sentence of the synopsis for the SINC (Sites of Importance for Nature Conservation) Review to read, "This study is a re-appraisal of the procedures and criteria for designating sites of importance for nature conservation, in line with new guidance produced by DEFRA".

With regards to the revised work programme for the Local Development Framework (LDF), set out in Figure 2 of the draft LDS, some Members expressed concerns regarding the delays in adopting key Development Plan Documents (DPDs). Officers outlined the reasons for this revised timetable, which included national and regional issues, additional work commitments placed on the City Development Team, staffing problems and a lack of clarity about how the new planning system would operate in practice when the LDS was originally prepared.

Members noted that the Issues and Options consultation for the Key Allocations and Proposals Map and the York Northwest Area Action Plan was timetabled for November-December 2007 and that the formal consultation for the City Centre Area Action Plan and the York Northwest Area Action Plan, following submission to the Secretary of State, was scheduled for November-December 2009. Some concern was expressed that these consultation exercises ran into Christmas holiday periods and officers were asked to review the timetable to investigate if the consultation could be extended into January.

Some Members also expressed concern that the Housing Market Assessment and Central Historic Core Conservation Area Appraisal, that formed part of the emerging evidence base for the LDF, would not be completed until July 2007 and that the Issues and Options consultation on the Core Strategy and Strategic Policies would already have started by then. Officers were asked to review the timetable to investigate if these documents could be made available prior to the start of the consultation.

Members noted that there was a three year gap between the end of the North Yorkshire County Structure Plan (which covered the City of York) and the adoption of the new DPDs and expressed concern that this might impact on the Council's ability to control green belt development using Local Plan policies. Officers advised that they had discussed this matter with Government Office and submitted a request to the Regional Assembly to save the green belt policies from the Structure Plan for use over this period. They agreed to provide an update on this matter to a future LDF Working Group meeting.

Members also noted that the 1996 Biodiversity Audit formed part of the existing evidence base and expressed concern that this no longer complied with national standards and was dated and inadequate. Officers advised that they were currently looking into this issue and would ensure that an updated version was provided.

RECOMMENDED: That it be recommended to the Executive:

- (i) That the proposed Local Development Scheme, attached at Annex A of the report, be approved for formal submission to Government Office for Yorkshire and the Humber, subject to the following:
 - a) The minor amendments recommended by officers (as outlined above);
 - b) A review of the work programme to extend consultation periods where they fall across Christmas and to ensure that the Housing Market Assessment and Central Historic Core Conservation Area Appraisal were available prior to the Issues and Options consultation on the Core Strategy and Strategic Policies;
 - c) Any changes necessary as a result of recommendations made regarding the York Northwest Area Action Plan (minute 32 refers);
- (ii) That the making of any other necessary changes arising from either the recommendations of the LDF Working Group or the Executive prior to the submission to Government Office, be delegated to the Director of City Strategy in consultation with the Executive Member and Opposition Spokesperson for City Strategy;
- (iii) That the making of any minor changes arising from comments made by Government Office or the Planning Inspectorate following formal submission, be delegated to the Director of City Strategy in consultation with the Executive Member and Opposition Spokesperson for City Strategy.

REASON:

- (i) So that the Local Development Scheme can be submitted to Government Office for Yorkshire and the Humber;
- (ii) So that any recommended changes can be incorporated into the Local Development Scheme prior to its formal submission to Government Office;
- (iii) So that any comments made by Government Office or the Planning Inspectorate can be incorporated into the Local Development Scheme.

32. YORK NORTHWEST AREA ACTION PLAN

Members received a report which updated them on the progress of the joint Area Action Plan (AAP) for the York Central and British Sugar sites, to be known as the York Northwest Area Action Plan, and sought agreement to a programme for the preparation of the AAP.

The AAP would form part of the Local Development Framework (LDF) and the programme for its preparation, attached as Appendix 1 of the report, would be included in the revised Local Development Scheme (LDS) to be submitted to the Government Officer for Yorkshire and the Humber in March 2007.

The report presented two options for consideration:

- Option 1 - To proceed with the timetable for the preparation of the AAP, as outlined in Appendix 1 of the report;
- Option 2 - To prepare the AAP with an alternative timescale, whilst ensuring all statutory requirements are met.

The report explained that the work in preparing for the Issues and Options stage of the York Central AAP would be transferred into the preparation of the York Northwest AAP. This included work on the document preparation, the Consultation Strategy developed and the Scoping Report for the Sustainability Appraisal. A summary of the consultation responses on the Consultation Strategy was attached as Appendix 2 of the report. A copy of the consultation report and the amended Community Consultation Strategy were attached as Appendices 3 and 4.

Officers proposed that the programme, attached at Appendix 1, be amended to extend the public participation on the Issues and Options document, so that it took place from November 2007 to January 2008, to allow additional time as it fell over the Christmas holiday period.

Members expressed concern regarding the length of time needed to prepare and adopt the AAP and the risk that proposals may be put forward by developers in advance of the adoption of the AAP.

Members proposed some minor amendments to the Community Consultation Strategy, as set out below.

With regards to the Community Audit attached as Appendix 5, Councillor Merrett advised that he had a number of detailed comments as Micklegate Ward Councillor, which he would submit to officers outside of the meeting.

RECOMMENDED: That it be recommended to the Executive:

- (i) That the programme for the preparation of the Area Action Plan, attached as Appendix 1 of the report and with the amendment that the public participation on Issues and Options take place

from November 2007 to January 2008, and its inclusion in the revised Local Development Scheme be agreed;

- (ii) That the Community Consultation Strategy prepared for York Central, which will be taken into account in undertaking the public consultation relating to the York Northwest Area Action Plan, be noted, with the following amendments:
 - a) To paragraph 4.3 to the part of the definition of community relating to those who live adjacent to the area, to make specific reference to those who live on significantly affected traffic routes;
 - b) To the first bullet point of paragraph 8.3 to state that the public buildings where documents would be made available should include buildings local to the area.

REASON:

- (i) To ensure the planning context for the area is considered comprehensively and the linkages/implications of both sites are jointly planned for;
- (ii) To ensure the public consultation is as inclusive and comprehensive as possible.

COUNCILLOR A REID

Chair

The meeting started at 4.30 pm and finished at 6.00 pm.

City of York Council

Minutes

MEETING LOCAL DEVELOPMENT FRAMEWORK WORKING GROUP

DATE 6 MARCH 2007

PRESENT COUNCILLORS REID (CHAIR), D'AGORNE, HORTON, HYMAN, MACDONALD, MERRETT, SIMPSON-LAING, WALLER AND MORLEY (SUBSTITUTE)

APOLOGIES COUNCILLORS R WATSON

33. DECLARATIONS OF INTEREST

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

No interests were declared.

34. MINUTES

RESOLVED: That the minutes of the Local Development Framework Working Group meeting held on 1 February 2007 be approved and signed by the Chair as a correct record.

35. PUBLIC PARTICIPATION

It was reported that there had been no registrations to speak at the meeting under the Council's Public Participation Scheme.

36. CITY OF YORK HOUSING LAND AVAILABILITY ASSESSMENT - CONSULTATION ON PROPOSED METHODOLOGY

Members received a report which sought their views on the proposed methodology for the City of York Housing Land Availability Assessment (HLAA) prior to undertaking the study.

The draft Planning Policy Statement 3 (PPS3) set out the following key stages to the HLAA methodology:

- Establishing the process with partners;
- Identifying all the settlements where housing could be provided;
- Considering all potential sources of supply for new housing within these settlements;
- Quantifying the supply – i.e. how many houses can these sources of supply potentially deliver;
- Determining the likely level of windfall; and
- Considering 'developability'.

The draft methodology, attached at Annex A of the report, set out the proposed approach to each of these stages.

Members requested that the methodology be amended to reflect their comments and views and that the amended version be re-presented for their consideration.

RECOMMENDED:

- (i) That the following comments and views on the proposed methodology for the Housing Land Availability Assessment be agreed:
- Some constraints to be applied initially to potential sites to reduce the number that would be withdrawn at the next stage
 - Conversion may be possible to listed buildings and within conservation areas so these should not be primary constraints
 - Highways capacity should be a secondary constraint
 - Access to frequent public transport measurements should be amended to that used in CYC planning policy
 - Local Service Centres should be based on City of York Council figures rather than national figures
 - Map of character zones to be corrected
 - More specific zoning for City Centre
 - The inclusion of larger villages to be considered
- (ii) That the views of the Working Group be taken into account alongside those from other key stakeholders when the methodology for the Housing Land Availability Assessment is finalised.

REASON: To ensure that the methodology used to undertake the assessment is appropriate in relation to guidance and local circumstances.

37. CITY OF YORK LOCAL DEVELOPMENT FRAMEWORK: PLANNING AND CLIMATE CHANGE: CITY OF YORK'S POTENTIAL TO DELIVER ON SUB-REGIONAL RENEWABLE ENERGY TARGETS

Members received a report which introduced the draft supplement to Planning Policy Statement 1 on Planning and Climate Change and informed them of the new key strategic issues which this document raised. It also advised of City of York's potential to contribute to sub-regional renewable energy targets through the planning system, in advance of consultation on these matters as part of the Local Development Framework process.

The draft supplement raised the following key strategic issues:

- That the approach to the Core Strategy and the allocation of sites should consider how decentralised energy supply could contribute. This would require Local Planning Authorities to assess the potential for their areas to

accommodate renewable and low-carbon technologies, including for micro-renewables to be secured in new residential, commercial or industrial development. In terms of allocating land for development, it was proposed that priority be given to sites which performed well against a series of criteria, including:

- ◆ the effect of development on biodiversity and the capacity for adaptation;
 - ◆ the contribution to be made from existing and new opportunities for open space to urban cooling
 - ◆ physical and environmental constraints on the development of land such as flood risk and stability, taking a precautionary approach to increases in risk that could arise as a result of likely changes to climate;
- That consideration should be given to the allocation of sites for renewable and low carbon energy sources and its supporting infrastructure;
 - That it should be ensured that a significant proportion of the energy supply of substantial new development was gained on-site and renewably and/or from a decentralised, renewable or low carbon energy supply;
 - That the Regional Spatial Strategy should be required to establish carbon emission trajectories, whereby the performance of buildings would be monitored over time, including for the likely transport energy demands of the new development and its spatial distribution.

Figure 2 of the report showed a variety of means in which York could meet its indicative renewable energy target, and the implication of each of those means. Consultation on the LDF would consider such potential approaches, and invite comment on the levels and means of providing energy from renewable sources in domestic, commercial and other settings.

RECOMMENDED: That the key strategic requirement of draft Planning Policy Statement 1 (PPS1), as detailed in the report, be noted and support be given for the issues raised to be considered as part of the consultation on the Local Development Framework.

REASON: To ensure that full consideration is given to emerging national planning guidance on climate change as part of the preparation of the Local Development Framework.

COUNCILLOR A REID

Chair

The meeting started at 5.15 pm and finished at 7.00 pm.

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Executive**27 March 2007**

Report of the Director, City Strategy

Future York Race meetings – Traffic Management Arrangements**Summary**

- 1 This report advises Members of the results of the traffic management arrangements adopted during the 2006 racing season and makes appropriate recommendations concerning future York race meetings.

Background

- 2 At its meeting on the 7 February 2006 the Executive approved a draft York Race meetings Traffic Management Plan for use during the 2006 racing season.
- 3 The Plan sought to:
 - Provide a plan which catered for three race meeting 'groups':
 - the Ebor festival
 - the John Smith's meeting
 - all other race meetings
 - Ensure that the Traffic Management Plan applicable to each 'group' was well publicised and understood by the travelling public
- 4 Key objectives of the Plan were:-
 - To insulate the race meetings from the rest of the city
 - To minimise the impact of the race meeting on local residents
 - To minimise policing requirements
- 5 General concepts adopted were to:-
 - Concentrate all road travel journeys for all meetings so as to approach from the A64
 - Concentrate all public transport connections so as to operate in a coordinated and managed way

- Isolate the South Bank residential area during busy meetings in such a way that the local community was protected from the effects of the meeting

6 The Plan is summarised as follows:-

- All vehicles wishing to park at the race course were required to approach only from the A64
- For all meetings other than the Ebor and Johns Smiths all traffic was directed to use Sim Balk Lane and Bishopthorpe Road to the main car park area at Bustardthorpe. For the Ebor and John Smith an additional stream was created and directed to use Tadcaster Road to a subsidiary car park on the Knavesmire.
- For the Ebor meeting only the exit from the A64, Leeds direction and road to the London Bridge junction was made one way during the inbound phase so as to facilitate two lanes of traffic to leave the A64 and form the streams mentioned above at a very early stage. This meant that traffic travelling to Copmanthorpe out of the city was diverted so as to use the Manor Heath (Askham Bryan) junction off the A64.
- For the Ebor and John Smith meetings only Campleshon Road and Knavesmire Road was made one way between Bishopthorpe Road and Knavesmire Gates – and in that direction.
- For every meeting in the year traffic leaving the race course parking areas was required to rejoin the A64, retracing the route used when entering the meeting. This meant that for every meeting during the outbound phase traffic travelling on Sim Balk Lane would not be allowed to turn right towards Tadcaster Road
- At times during the outbound phase of the Ebor meeting traffic was prevented from turning into St Georges Place when travelling out of the city so as to minimise obstruction to general city traffic leaving the city. This turn was stopped when judged necessary by the Head of Network Management to prevent excessive tailbacks in towards the city centre.
- Similarly there were times during the outbound phase when the frequent operation of the Pelican crossing on Tadcaster Road adjacent to Nelsons Lane created excessive tailbacks in both the outbound general city centre traffic and that leaving the racecourse. At such times and again on the instructions of the Head of Network

management the signals were switched off and the crossing manually controlled.

- To prevent South Bank Roads being used as 'rat runs' all of the junctions with roads leading into that area with Campleshon Road and Knavesmire Road were closed off for the John Smith and Ebor race meetings. All roads inside the South Bank area thus remained available for normal use by residents and businesses. A limited amount of temporary no waiting restrictions were used to keep emergency access routes clear
- For safety reasons temporary restrictions were also used on Albermarle Road, Church Lane and the rural sections of Bishopthorpe Road and Sim Balk
- Specific arrangements for Buses, Taxis, Private Hire, walking and cycling were introduced for all race meetings.

7 Apart from the limited parking control measures outlined above no other waiting restrictions were used throughout the 2006 season.

8 The late introduction of charging for car parking during the main race meetings came at a point where it was not possible to obtain the required legal authority to introduce extra temporary waiting restrictions. This was of some concern to your Officers who could only monitor the situation with a view to possible additional measures being used in subsequent years. In the event, however, whilst the volume of on street parking increased when compared to previous years it was minimal in extent and at no point did it create unacceptable difficulties for the general movement of traffic. One resident, however, was vociferous in his complaints over the impact of the extra parking upon his immediate environment.

Policing in 2006

9 Following a late withdrawal of the normally present traffic management support from the police (due to a legal ruling which clarified police powers in non emergency situations.) A number of modifications had to be made to enable the originally planned system to operate completely without any police officers present. The changes made were:

- The abandonment of the proposed outbound management arrangements at the Tadcaster Road/Moor Lane roundabout for major race meetings.

(This would have seen the route to the A64 closed as during the Ascot meeting and traffic diverted via Moor Lane so as to minimise delay to inbound traffic heading for Sim Balk Lane).

- Significant modification of the proposed One Way system for Campleshon Road/Knavesmire Road which had been planned for every race meeting in the year and had significant reliance upon police officers.
- The introduction of yellow box markings on the Tadcaster Road/Moor Lane roundabout (so as to prevent the junction 'locking' during the inbound phase of major meetings).
- The use of additional staff to control the St Helens Road junction and the Tadcaster Road Sim Balk Lane junction.
- The use of temporary traffic signals (manually operated) to control:
 - the junction of Bustardthorpe car park and Bishopthorpe Road
 - the junction of Church Lane with Bishopthorpe Road
 - the junction of Church lane with Sim Balk Lane
- The use of additional staff in the Urban Traffic Control (UTC) Room to actively manage the traffic signal network.
- The installation of a CCTV web camera to cover the Knavesmire gates area and linked to the UTC Room.
- Modifications to the Knavesmire Road one way system for major meetings so as to allow a contraflow into the Knavesmire car park from Tadcaster Road. (this was achieved by coning off a lane on the 'wrong' side of the road and meant that the complex control of Knavesmire gates junction – only possible with the use of two police officers – could be reduced to a simple arrangement controlled by the main Traffic Lights).

10 With one notable exception the measures proved to be successful, albeit that this came at a cost and illustrated that had such police regulations to have been in effect for Royal Ascot the traffic management outcome might have been very different. Hosting such an event in the changed policing circumstances in the future must therefore be questionable.

11 The exception concerned an accident to a young cyclist who was in collision with a bus on Knavesmire Road. The boy was not seriously hurt. The accident occurred where the cycle route crosses Knavesmire Road and appears to be as a result of the cyclist not recognising the temporarily changed set of circumstances on Knavesmire Road (this was advised at the crossing point by the use of signs). It is impossible to say if this accident would not have occurred if the original plan had been employed as there is always an inherent danger in making temporary changes to a route used frequently by any individual of whatever age. The accident does,

however, highlight the need to actively address this crossing point during future race meetings.

Outcome of the 2006 Race Traffic Management Plan

- 12 With the notable exception mentioned above the Plan used worked exceptionally well and delivered fully upon its objectives. Whilst not so successful as the Ascot Plan in isolating the city from the race meeting nevertheless the impact of race traffic upon the life of the rest of the city was minimal. Compared to the pre Ascot traffic situation there has been a significant improvement and delays to the non race traffic are at an acceptable level.
- 13 Delays are still however present on the highway network which can be eliminated over time by educating race goers to follow the advised traffic route into the race meeting. It was noticeable that traffic on the A59/Dalton Terrace route was still appreciably higher than on a non race day. This meant that delays at Knavesmire gates were higher than can be expected over time. Observation suggest that the largest contingent who did not follow the advised traffic route were actually Race Committee members. There was, however a high element of general public traffic that ignored the advised route during the John Smith meeting and in particular coaches.
- 14 Throughout the entire racing season traffic was able to enter the racecourse between 8 and 12 minutes after having left the A64. For traffic leaving the now main car parking area at Bustardthorpe the typical journey time from car park exit to A64 was some 7 minutes. This was also the experience of those leaving the now subsidiary Knavesmire car park. Delays to non race traffic on Blossom Street, The Mount, Tadcaster Road and Bishopthorpe Road were too small to reliably measure.
- 15 There were, however some delays on the A64 during the inbound phase caused by drivers switching lanes to 'cut in' from the outside to nearside lane close to the Bond Hill Ash junction (turn off for Tadcaster Road). Traffic on the subsidiary Knavesmire car park also had long delays during the Ebor meeting in being able to get into a position to leave the car park and join the highway network.
- 16 Officers received only one complaint from residents/businesses in the South Bank area concerning traffic or parking conditions. A number were however received thanking staff for the introduction of a balanced set of measures which allowed them to go about their normal business relatively unaffected.
- 17 The complaint concerned the level of on street parking and the operation of an arrangement by the private hire/taxi trade to drop and collect pre booked customers at a location close to the race course but sufficiently far away that the vehicles concerned were not affected

by any traffic delays that might have occurred. This location (Albermarle Road) was not designated by the city council nor had/has the council any powers to prevent it as investigation revealed that what was taking place was an entirely lawful use of the highway.

Prerequisites for the 2007 Race season

- 18 Planning for the 2007 race season needs to take into account the following lessons learnt since hosting Royal Ascot:
- The Traffic Management Plan needs to be fully functional without reliance on any Police officers to control or manage traffic
 - Only a Police officer or a Police Community Support Officer has the lawful authority to stop or direct traffic
 - On the advice of Counsel, the council is unable to recover any costs that it incurs from any third party as a direct result of responding to traffic conditions created by the hosting of race meetings on the Knavesmire
 - Additional safety measures need to be in place at the Knavesmire Road cycle crossing during race meetings, these also cannot be recharged to any third party

Discussion

- 19 Clearly the criteria outlined in paragraph 18 above are onerous. The council is in effect caught between its Statutory duty to minimise congestion on race days and its ability to fund appropriate mitigating measures. It has, moreover, to manage traffic in such a way that it is not reliant upon police officers and which uses authorised devices such as traffic signals to stop and control traffic movements. Finally and again because of the Statutory duty imposed by Parliament, the council cannot simply do nothing.
- 20 The key factor in determining the response to a race day situation is thus how much money is available to support the measures that the council is obliged to fund. The 2006/7 council budget, as those in previous years, has no specific funding allocated. Thus any work undertaken to mitigate the impact of any traffic conditions, planned or otherwise, called upon existing service budgets. This has been a traditional approach and for relatively small sums, although difficult to accommodate, can be managed. To deal with the consequence of race meetings, has, as has been amply demonstrated during Royal Ascot and for the following race season, a significant cost and well beyond the means of existing budgets to accommodate. Officers in recognition of this serious difficulty thus sought as part of the 2007/8

budget process a specific and on going allocation of funds to managing all future race meetings.

- 21 At the time that the request had to be made for funding to support traffic management measures for race meetings the precise extent of those measures was not fully known. It has subsequently been recognized that the sum requested (and subsequently obtained - £30,000) was insufficient to provide for all of the measures that would ideally be required. The Traffic Management Plan has therefore been designed to reflect the budget available.
- 22 Working closely with Race Committee officers the exact need for traffic management for each day of each race meeting has been critically examined. Whilst not now directly involved the advice of the of the police has also been sought in the light of their experience in past years. This work has produced the following outcome:

| Event | Day | Traffic Management | |
|--------------------------|------|--------------------|----------|
| | | Inbound | Outbound |
| | | | |
| May Festival | Wed | Standard | SBL |
| May Festival | Thur | Standard | SBL |
| May Festival | Fri | Standard | SBL |
| | | | |
| Timeform Charity | Fri | Standard | SBL |
| Timeform Charity | Sat | Standard | SBL |
| | | | |
| John Smiths | Fri | Standard | SBL |
| John Smiths | Sat | Major | Major |
| | | | |
| Musical Showcase Evening | Thur | None | None |
| Musical Showcase | Sat | Standard | SBL |
| | | | |
| Ebor | Wed | Ebor | Ebor |
| Ebor | Thur | Ebor | Ebor |
| Ebor | Fri | Ebor | Ebor |
| | | | |
| Late Summer | Wed | Standard | SBL |
| Late Summer | Sat | None | None |
| | | | |
| October Meet | Fri | Standard | SBL |
| October Meet | Sat | Standard | SBL |

Key to Traffic Management

Standard - Sim Balk Lane main access to parking

Major - Tadcaster Road in use to additional parking + Campleshon Road

Ebor - Tadcaster Road in use, Campleshon Road and TWO exit lanes from A64

SBL- local arrangements at Sim Balk Lane to allow race and city traffic to flow together

- 23 It will be seen from the above that of the 16 days of racing in a normal race year, 6 would have no traffic management in place, 6 would have a small element, 1 would have a greater amount and only 3 would have measures of any significance. It should be noted that on all 16 days however there would be some limited temporary no waiting restrictions in place to protect the emergency services access routes in the South Bank area as has been done for every race meeting for the past 10 years.
- 24 The detailed description of the traffic management measures which make up the schemes described as Standard, Major, Ebor and SBL will be found in Annex A. These measures take fully into account the criteria outlined in paragraph 18 and have been trimmed back so as to be affordable within the £30,000 funding available. All measures required by the Race Committee to inform, direct and manage their customers on the public highway or within the racecourse would be funded directly by the Race Committee. It has been agreed that some costs would be shared as there are joint benefits.
- 25 In terms of the Knavesmire Road cycle crossing this will be directly affected on 4 days out of the 16. On these days Campleshon Road and Knavesmire Road will become one way (with flow towards Knavesmire Gates) but with a contra flow lane on the Knavesmire side to allow access to secondary parking on the Knavesmire for the entry phase. For the exit phase the Knavesmire Road one way direction would be maintained but Campleshon Road would revert to 2 way traffic.
- 26 Options considered by Officers for responding to the safety issue posed by the interaction of race traffic and users of the cycle route were:
- a. Close the route and require all users to stay on the main roads
 - b. Reduce the width of the route at the point where it connects with Knavesmire Road, introduce chicanes either side of the road and large signs advising cyclist to dismount
 - c. Permanently move the central island so as to allow its retention on these 4 days in a year. This would require the island to be reduced in width.
- 27 Option [a] was discounted on grounds of safety. This option would bring users into close proximity to a great number of vehicles, many if

which would be buses or coaches. The users of the cycle route would thus be placed in greater danger than that which the solution seeks to deal with.

- 28 Option [c] would cost in the region of £12,000 and is perhaps something that might be considered in due course. Officers feel however, that the justification for the spending of such a sum is currently not sufficient given the potential calls that there are on the 2007/8 Capital Programme. Option [b] has therefore been included in the costings for the 2007/8 racing season. Members are requested to endorse this decision.

Options and Analysis

- 29 Members have two options with regard to the Traffic management arrangements for 2007:

[a] Take no action

If this option were to be selected the council will lay itself open to potential legal challenge that it has not responded to its Statutory Network Management Duty under the Traffic Management Act 2004. This states:

“It is the duty of a local authority to manage their road network with a view to achieving, so far as may be reasonably practicable having regard to their obligations, policies and objectives the following objectives-

- 1. securing the expeditious movement of traffic on the authority’s network; and**
- 2. facilitating the expeditious movement of traffic on road networks for which another authority is the traffic authority.”**

In this instance of course there could well be implications in regard to not having traffic management in place which would impact upon the Highways Agency as traffic authority for the A64. This option is not recommended

- [b] Adopt the traffic management plans described in Annex A or as may be modified as required by Members. This option is recommended.

Traffic Regulation Orders

- 30 The necessary powers to give effect to the Traffic management packages are already in effect as a result of decisions taken in regard to the 2006 racing season. Members at that time authorised the making of a package of Orders which could, at the discretion of the

Head of network management in consultation with the police and the Executive Member be used in any combination necessary to give effect to the package of traffic management measures approved by Members. There is thus no necessity to seek to make fresh regulations for the 2007 or indeed any subsequent seasons.

Corporate Priorities

- 31 There are no direct links to Corporate Priorities associated with this report but Members should be aware that it is important for the reputation of the Authority that the highways of the city are managed efficiently and effectively during race meetings.

Implications

Financial

- 32 Annex B details the works required within each package of Traffic management measures, the organisation who will fund the relevant measure and the cost. From this it can be seen that the direct and shared costs that need to be met by the city council are:

| Traffic Management package | Direct costs £ | Shared costs £ | Total £ |
|----------------------------|-------------------|-------------------|---------------|
| Standard | 3,100 | 360 | 3,460 |
| Major | 3,750 | 2350 | 6,100 |
| Ebor | 12,450 | 7,310 | 19,760 |
| Sim Balk Lane | Nil | Nil | Nil |
| | | | |
| TOTALS | | | 29,320 |

These costs include that associated with communicating the Plan.

- 33 As mentioned previously a Growth Bid was sought to fund this work which was successful and thus the costs can be contained within that budget.
- 34 The racecourse will be funding their own operations and sharing the cost of those works which have a joint benefit. Whilst your Officers are not party to the exact costs that they will incur it is understood that these will be in the region of £76,000. This will be offset by some £21,000 of income from the charges made for on course parking at busy meetings, leaving a net cost to them of some £45,000.

Human Resources (HR)

Network Management staff working to cover Saturday meetings would be on a voluntary basis (staff would however be paid at their

appropriate overtime rate). The possibility may therefore arise that this duty could not be covered as staff cannot be required to work outside their contracted hours.

Further implications

There are no Equalities, Legal, Crime and Disorder, Information Technology, Property or other implications

Risk Management

- 35 There is a high reputational risk to the authority should it not manage the consequences of a race meeting effectively. However on the basis that the measures recommend are adopted the council will be seen to be responding and whilst inevitably these measures will not satisfy all sectors of the community past experience has demonstrated that they will be effective in balancing the demands of non race traffic, with race traffic and within the budget available. Overall therefore the risk score is considered to be less than 16. (the point where a clear action plan and possibly further measures would be required to minimise risk).

Recommendation

- 36 It is recommended that:
- i. Option [b] in paragraph 26 with regard to the measures to be used at the crossing of the Knavesmire cycle route and Knavesmire Road be adopted (narrowing at junction, chicanes and extensive signing)
 - ii. The Traffic management arrangements described in Annex A be endorsed as appropriate for the 2007 racing season.

Reason: for the efficient and effective management of the highways of the city on race days in accordance with the council's Statutory Duty under the Traffic Management Act 2004.

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Background Papers

Report to The Executive dated 20 December 2005 – Future York Race Meetings

| | |
|---------------------------|--------------------------|
| Legal | |
| Financial | <input type="checkbox"/> |
| Human Resources | |
| Crime and Disorder | |
| Sustainability | |
| Equalities | |
| Other | |

ANNEX A

Traffic Management Measures recommended for the 2007 Racing Season

Overview

| Feature | Ebor | Major | Standard |
|---|------|-------|----------|
| CLOSURE (except for cyclists) of Top Lane extension (officially Tadcaster Road) at its junction with the A64 off slip from Scarborough at Bond Hill Ash | ✓ | | |
| CLOSURE (except for cyclists) of Top Lane at the 30 mph limit sign position. | ✓ | | |
| CLOSURE of the junctions leading to/from the South Bank Residential area onto Campleshon Road and Knavesmire Road | ✓ | ✓ | |
| SWITCH OFF of Sim Balk Lane/Tadcaster Road traffic signals and a BAN on the right turn TO the city centre from Sim Balk Lane during the outbound phase | ✓ | ✓ | ✓ |
| Temporary WAITING RESTRICTIONS on parts of some roads in the South Bank area | ✓ | ✓ | ✓ |
| The introduction of a ONE WAY direction of travel on Campleshon Road and Knavesmire Road so that traffic can only travel in the direction South east to North West (ie towards Knavesmire gates) with a contra flow lane between Knavesmire Gates and the entrance to A car park. | ✓ | ✓ | |
| Use of Traffic signals to control the Knavesmire Gates junction with Tadcaster Road | ✓ | ✓ | |
| ONE WAY bus/taxi/private hire circulation route via Nunnery Lane – Bishopthorpe Road – Campleshon Road – Knavesmire Road – The Mount | ✓ | ✓ | ✓ |
| Location of TAXI rank | | | |
| On Knavesmire Road adjacent to junction with County Stand Road and on the Knavesmire gates side of that junction | ✓ | ✓ | ✓ |
| Location of TAXI drop of point | | | |
| On Knavesmire Road at junction with County Stand Road | ✓ | ✓ | ✓ |
| Location of PRIVATE HIRE drop/pick up point | | | |
| On Campleshon Road between its | | | |

| | | | |
|---|---|---|---|
| junction with the entrance to the former Terrys factory HGV goods entrance and the entrance to D car park | ✓ | ✓ | ✓ |
| Location shuttle bus drop/pick up point | | | |
| On Campleshon Road between the entrance to D car park and its junction with County Stand Road | ✓ | ✓ | ✓ |

Details

Standard Package

Temporary no waiting restrictions on

Albemarle Road
Knivesmire Avenue
Knivesmire Crescent
Knivesmire Road
Racecourse Road
Bishopthorpe Road
Church Lane

Major Package

As Standard PLUS:

Sim Balk Lane - Lights monitored
 St Helens Road - Traffic Lights staffed
 St Georges Place monitored/managed as required
 Knivesmire Gates temporary signals in use staffed by Network Management officers
 Cycle crossing reduced in width with chicanes and extra signing
 Knivesmire Avenue closed
 South Bank area onto Campleshon Road closed
 Campleshon Road and Knivesmire Road – One Way towards Knivesmire Gates
 Knivesmire Road contra-flow from Knivesmire gates to entrance to 'A' Car Park

Sim Balk Lane package

Sim Balk Lane junction modified so as to suspend use of traffic lights and merge outbound city traffic with outbound race traffic. No right turn towards the city centre from Sim Balk Lane
 Bustardthorpe - Bishopthorpe Rd junction controlled by temporary traffic lights
 Bishopthorpe Road - Half closure at junction with Church

Lane so as to prevent exit to city centre from Bishopthorpe village
Church Lane - Sim Balk Lane junction controlled by temporary traffic lights

Ebor package

As Major and Sim Balk Lane Packages PLUS

A64 east bound at Bond hill Ash – exit slip converted to two lanes between A64 and the London Bridge lights – no access to Compmanthorpe
Top Lane(Tadcaster Road) junction closed to traffic wishing to leave Compmanthorpe – except cyclists
London Bridge junction controlled by Network Management staff from the UTC Control room

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Detailed costs and allocations

Standard Package

| Inbound Detail | Staff | Ownership | | | Costs | | | |
|---|-------|-----------|------------|--------|-------|------------|------------|------------|
| | | CYC | Racecourse | Shared | CYC | Racecourse | Shared | |
| Sim Balk Lane - Lights monitored | NM | X | | | | | 120 | 180 (Sat) |
| Taxi/PH/Buses - drop off points | | | X | | | | | |
| NW Cones | | | X | | | 480 | | |
| <i>Albemarle Road</i> | | | | | | | | |
| <i>Knavesmire Avenue</i> | | | | | | | | |
| <i>Knavesmire Crescent</i> | | | | | | | | |
| <i>Knavesmire Road</i> | | | | | | | | |
| <i>Racecourse Road</i> | | | | | | | | |
| <i>Bishopthorpe Road</i> | | | | | | | | |
| <i>Church Lane</i> | | | | | | | | |
| Traffic Orders | | | | | | | | |
| <i>Green Lane TPC Act</i> | | | X | | | 180 | | |
| Route Signing | | | X | | | | | |
| Network Monitoring | | | | | | 300 | | 450 (Sat) |
| Totals | | | | | | 300 | 660 | 120 |

Major Package

| Inbound Detail | Staff | Ownership | | | Costs | | |
|----------------------------------|-------|-----------|------------|--------|-------|------------|--------|
| | | CYC | Racecourse | Shared | CYC | Racecourse | Shared |
| Sim Balk Lane - Lights monitored | NM | X | | | | | 300 |
| St Helens Road - Traffic Lights | CSO | X | | | | | 625 |
| St Georges Place | | X | | | | | 150 |
| Knavesmire Gates traffic lights | NM | | | | X | | 720 |
| control | NM | | | | X | | 900 |
| Traffic Man | NM | | | | X | | 2000 |
| Knavesmire Road + Island | | | | | X | | |
| Knavesmire Avenue | CSO | X | | | | 350 | |
| Southbank Protection | | X | | | | 1600 | |
| Campleshon Road - One Way | | | | | X | 300 | |
| Taxi/PH/Buses - drop off points | | | | | X | | |
| NW Cones | | | | | X | | |
| <i>Albemarle Road</i> | | | | | | | |
| <i>Knavesmire Avenue</i> | | | | | | | |
| <i>Knavesmire Crescent</i> | | | | | | | |
| <i>Knavesmire Road</i> | | | | | | | |
| <i>Racecourse Road</i> | | | | | | | |
| <i>Bishopthorpe Road</i> | | | | | | | |
| <i>Church Lane</i> | | | | | | | |
| Network Monitoring | NM | | | | | 1500 | |

Traffic Orders

Green Lane TPC Act

X

30

Route Signing

X

St Helens

Traffic lights

CSO

X

150

Totals 3750

660

4695

Sim Balk Lane Package

| Outbound Detail | Staff | Ownership | | | Costs | | |
|---------------------------------|-------|-----------|------------|--------|------------|------------|--------|
| | | CYC | Racecourse | Shared | CYC | Racecourse | Shared |
| Taxi/PH/Buses collection points | | | X | | | | |
| Sim Balk Lane - 1630 to 1830 ? | AA | | X | | 625 | | |
| Bustardthorpe - Bishopthorpe Rd | AA | | X | | | | |
| Church Lane - Sim Balk Lane | AA | | X | | 260 | | |
| Totals | | | | | 885 | | |

EBOR Package

| Inbound Detail | | Staff | Ownership | | | Costs | | |
|---------------------------------------|-----------------------|-------|-----------|------------|--------|-------|------------|--------|
| | | | CYC | Racecourse | Shared | CYC | Racecourse | Shared |
| A64 e/b Bondhill Ash | measures | | X | | | 500 | | |
| Top Lane | | | X | | | 100 | | |
| | Signing | | X | | | 140 | | |
| London Bridge | | | X | | | | | 400 |
| | Change heads | | | | | 180 | | |
| Sim balk Lane - TM | | | | | | | | 1000 |
| Sim balk Lane – Lights monitored | | NM | X | | | | | 360 |
| Outbound lane signs | | | X | | | 300 | | |
| St Helens Road - Traffic Lights | | CSO | | | X | | | 150 |
| St Georges Place | | | X | | | | | |
| Knavesmire Gates traffic lights | | NM | | | X | | | 720 |
| | control | NM | | | X | | | 1260 |
| | Traffic | | | | | | | |
| | Man | NM | | | X | | | 5200 |
| Knavesmire Road + Island (in TM cost) | | | | | X | | | |
| Knavesmire Avenue | | CSO | X | | | 525 | | |
| South bank Protection | | | X | | | 2400 | | |
| Campleshon Road - One Way | | | | | X | 450 | | |
| Taxi/PH/Buses - drop off points | | | | | | | | |
| NW Cones | | | | | X | | | |
| | <i>Albemarle Road</i> | | | | | | | 480 |
| | <i>Knavesmire</i> | | | | | | | |

| | | | | | | | |
|--|---|----|---|--|---|--|------|
| | <i>Avenue Knavesmire Crescent Knavesmire Road Racecourse Road Bishopthorpe Road Church Lane</i> | | | | | | |
| Network Monitoring | | NM | | | | | 1800 |
| TM Equipments maintenance/replacement | | NM | X | | | | 1500 |
| Publicity for race packages | | | | | | | 1000 |
| Traffic Orders | | | X | | | | 90 |
| | <i>Green Lane TPC Act</i> | | | | | | |
| Route Signing | | AA | | | | | |
| A64 measures | | HA | | | | | |
| Outbound Detail | | | | | | | |
| South Bank proection | | | | | | | 2400 |
| Campleshon Road - One Way | | | | | X | | 450 |
| Campleshon Rd jw Bishopthorpe Rd | | | X | | | | |
| Knavesmire Road + island | | | | | | | 525 |
| Taxi/PH/Buses collection points | | | X | | | | |
| Knavesmire Gates | | NM | | | X | | 360 |
| | Control | | | | X | | 630 |

| | | | | | | | | | | |
|----------------------------------|----------------|-----|---|--|---|---|---------------|---------------|------------|--------------|
| St Georges place | TM | | | | X | | | | 2600 | |
| Tadcaster Rd - Pelican | | | X | | | | | | | |
| St Helens Road - Traffic lights | | CSO | | | | X | | | 150 | |
| London Bridge – change heads | | | X | | | | | 180 | | |
| Sim Balk Lane | 1630 - 1830 | | | | | | | | 1000 | |
| Bustardthorpe - Bishopthorpe Rd | | AA | | | | X | | | | |
| Bishopthorpe Road - Half closure | | | | | | X | | | 780 | |
| Church Lane - Sim Balk Lane | | AA | | | | X | | | | |
| | | | | | | | Totals | 12,450 | 570 | 14610 |

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Executive27th March 2007

Report of the Director of City Strategy

**Concessionary Travel Scheme for Elderly and Disabled Persons –
Implications of Appeal by First York****Purposes of Report**

1. To advise Members of the outcome of an appeal made by First York to the Department for Transport for additional reimbursement payments in respect of bus travel concessions enjoyed by eligible residents of York & North Yorkshire.
2. To consider the likely implications for the Travel Concession Scheme in 2006/07 and 2007/08 arising from the appeal decision.

Background

3. The Government introduced changes to Concessionary Fares legislation in April 2006, under the Travel Concessions (Extension of Entitlement)(England) Order 2005. The changes increased the discount to bus pass holders under the Concessionary Fares Schemes from 50% to 100% so that no fares were payable by pass holders. Time restrictions on the availability of Concessionary Fares remained unchanged as did Local Authorities' discretionary powers to enhance the statutory scheme and provide additional alternative concessions.
4. Local Authorities were required to implement the changes within their own local area. The Government provided £350 million in 2006/7 through the Local Government Funding Settlement to help local authorities meet the additional costs. This amount had been calculated as an estimate of the amount needed to top up existing provision to free fares. The allocation for City of York Council totalled £850k.
5. The Council's Executive on 17 January 2006 considered a Report, detailing action already taken and further action proposed to establish the revised arrangements as an Interim Scheme. The Interim Scheme continued the North Yorkshire Concessionary Fares Partnership, facilitating concessionary travel for pass holders throughout North Yorkshire and on unbroken journeys into neighbouring administrative areas. It also retained the alternative National Transport Tokens concessions available to York residents as an alternative to a bus pass.
6. In April 2004, City of York Council had used its discretionary powers to establish flat concessionary fares of 25p single and 50p all day travel, for

York residents travelling within York, to enhance the then 50% statutory minimum concession. This led to the negotiation of fixed reimbursement payments with First York Ltd. and Top Line Travel of York Ltd., superseding the trip based formula used by the Concessionary Fares Partnership. Reimbursements to other operators were revised by agreed supplements to payments made using the standard reimbursement formula.

7. First York and Top Line were unwilling to continue with negotiated fixed reimbursement payments from April 2006, as both companies felt that the passage of time had made the payments less well aligned with the guiding principle of Concessionary Travel Schemes; that operation of a Scheme should leave bus service operators no better or worse off financially.
8. The Concessionary Fares Partnership Standard Method of Reimbursement from April 2006 uses 2005/6 reimbursement payments to operators as the base from which 2006/7 payments are calculated. This was not acceptable to the two York operators. It was their opinion that the 2005/6 fixed payments were no longer a fair reflection of their entitlement. Consequently, payments were negotiated and agreed with First York and Top Line on the basis of forecast growth in patronage arising from the increased concession from April 2006. These negotiations were guided using a "toolkit" provided by central government, to assist in predicting the customer response to free travel.
9. On 21 April 2006, First York gave the Council seven days notice of its intention to appeal to the Secretary of State against the negotiated reimbursement arrangements. The appeal was subsequently submitted to the Department for Transport on 27 April 2006, detailing a number of aspects of the Reimbursement Arrangements which the Company considered to be flawed. There were subsequent exchanges of correspondence between the Company and the Department of Transport and between the Council and the Department of Transport, in which each party supported its position.
10. The appeal decision was received from the Department for Transport on 19 February 2007. It summarises the submissions by the two parties before considering them and announcing the decision, which is binding on both parties. The main part of the decision is attached to this report as Confidential Annex A. In summary, the decision maker accepted some, but not all, of First York's claims but also supported some of the Council's arguments. As a result, the Council has been directed to pay increased reimbursement amounts to First York in 2006/7 and successive years. The amounts are however less than had been sought by the Company.

Analysis of the Appeal Decision

11. Data provided to the Council by First York for the first quarter of 2006/7 shows significantly more concessionary trips than were forecast when the reimbursement figures were agreed. Data capture problems together with seasonal and other factors, make accurate extrapolation of this to an annualised figure difficult. It is likely, however that trips over the year will be at least 15% more than the original forecast. To the extent that this represents transfers from payment of full fares with either cash or National

Transport Tokens, First's claim for additional reimbursement was considered valid by the Appeal decision maker.

12. The combined take up of bus passes and tokens amongst the elderly population at the end of March 2006 was 86%. This consisted of 14,500 bus pass holders and 21,000 token claimants. In addition 1,400 bus passes and 200 lots of tokens were issued on grounds of disability. The size of the eligible population of Disabled Persons is not known.
13. By the end of February 2007, take up has risen to 93%, with around 22,250 bus passes issued to elderly persons and around 15,750 token claimants. Around 1500 passes issued on grounds of disability are now in circulation, with 150 disabled persons claiming tokens.
14. The Council's position that the "Average Fare", which pass holders would have paid in the absence of the Scheme, should be determined as a weighted average of a range of available ticket types was agreed by the appeal decision maker.
15. Because the appeal related to negotiated reimbursement arrangements which are different to the standard method adopted by the Concessionary Fares Partnership, the decision is understood to only affect payments to First York. Consequential additional payments to other bus service operators are therefore not expected to arise.
16. Payments for 2006/7 and 2007/8 will be affected by the appeal decision. The Chancellor of the Exchequer announced in his 2007 Budget speech that free concessionary travel would be further modified from April 2008 so that passes are valid throughout England, rather than locally as at present. Legislation to effect this is currently progressing through Parliament and consideration is being given at national level to implementation issues. At present, the full implications (financial or practical) of this development for local authorities is by no means clear and it is likely to be towards the end of 2007 before the revised Scheme is finalised.
17. There are a number of other issues which still need to be resolved, which could have a modest effect on the Council's Concessionary Fares Budget. These include a review of recharges between York and Harrogate Councils (as Lead Authority for the Partnership) in respect of reimbursement payments made by each authority to operators on the other's behalf, and settlement of outstanding claims from two operator's for additional costs arising from extra travel generated by changes to the Concessionary Fares Scheme.

Financial Implications

18. The table below show the changes to the budgets since 2003/04 when CYC was operating the statutory minimum half price scheme.

| Fin Year | Bus Pass £'000 | Tokens £'000 | Total £'000 | Comments |
|----------------------|---------------------------|-------------------------|------------------------|--------------------------------------|
| 2003/04 | 562 | 580 | 1,142 | £26 tokens, half price bus pass |
| 2004/05 | 922 | 1,080 | 1,992 | £50 tokens or 50p journey with pass |
| 2005/06 | 936 | 865 | 1,791 | £40 tokens or 50p journey with pass |
| 2006/07 Budget | 1,710 | 865 | 2,565 | £40 tokens or free journey with pass |
| 2006/07 Projected | 2,149 | 615 | 2,764 | £40 tokens or free journey with pass |

19. Members will see from the above that the budgeted increase in the costs of the bus pass reimbursements has increased from £562k in 2003/04 to £1,710k in 2006/07. This represents the additional cost in moving from the statutory minimum scheme of half price bus pass to free travel. This is an increase of £1,148k. Allowing 5% per annum for inflation means the increase in real terms has been c £1,050k. This has been funded by
- | | |
|--|--------|
| a) the decision to move to a 50p flat fare in 2004/05 | £350k |
| b) the allocation from Government for the free scheme | £850k |
| c) saving due to the fact CYC operated improved scheme | -£150k |
20. Following the appeal it is anticipated that the cost of reimbursements for bus pass use will rise to £2,149k (an increase of £439k over budget). This is partly offset by saving due to a reduced take up of bus tokens (£-250k) however this leaves a budget gap of £189k.
21. Prior to the result of the appeal it was assumed that the cost of concessionary fares and bus tokens budget combined would be within budget. At Monitor 2 it was anticipated that the bus tokens budget would underspend by £250k however, this would be offset by a corresponding overspend on bus pass reimbursements. This included known commitments re the fixed price agreement and a contingency sum available of £85k to deal with any additional cost claims. The result of the appeal means that an additional sum of £274k has to be paid to First York and that taking into account the uncommitted budget this leaves a budget deficit of £189k.
22. Whilst at Monitor 2 the City Strategy budget was forecasting an underspend of £52k it is not considered possible that at this late stage in the year the additional costs resulting from this appeal can be met from the City Strategy

budget. It is therefore requested that the Executive approve a call on reserves for £189k to fund the additional cost.

23. The Council has reserves that can be used to fund non-recurring expenditure, which will leave the contingency available to fund recurring items. CPA recommend that a minimum level of revenue reserves is held, and for 2006/07 the minimum recommended level is £4.95m. At the Corporate Monitor 2 report taken to Executive 16th January 2007 it was estimated that there will be approximately £5.52m of revenue reserves available. The balance available, if this application is approved will be £5.331m. The 2007/08 budget report forecast reserve balances over the years 2007/08 to 2009/10. This showed a “headroom in reserves” of £809k in 2007/08 rising to £935k in 2008/09 before dropping to £544k in 2009/10. The application of these reserves will adjust the three year figures to £620k, £746k and £355k.
24. The appeal decision suggests that the 2007/08 budget should be estimated on the basis of the 2006/07 reimbursement, with an addition to reflect the effect of increase over the year in adult bus fares. However this would need to be reviewed following analysis of updated usage data. If the reimbursement of £2m to First York is uplifted for inflation this would mean that there will be a projected budget shortfall in 2007/08 of between £250k and £300k. As part of setting the Council’s budget for 2007/08 it was recognised that the council may be required to fund additional costs relating to the bus pass scheme and a sum of £200k was set aside in the contingency. The General Contingency for 2007/08 was set at £800k. Potential areas that might require recurring funding during the year were identified as part of the budget process, and totalled £1.025m. A further £500k of one-off costs were identified. It is too early to know yet how many of the identified areas of financial pressure will come to fruition. The key pressures where there may still be a need for additional funding, which were included within the £1.025m, are the costs of meeting the demand and complexity of social care needs and possible cost of the pay award.
25. It is recommended that officers need to further analyse information provided by First York to ascertain actual increase in passenger trips. The impact of the fare increase announced in January will also need to be taken into account to derive the average fare and potential yield adjustment. It will be necessary to report back to Members as part of the ongoing monitoring arrangements when this is determined to seek a release from the council contingency. At that time there will also be a clearer view of the other potential calls on contingency so a more informed decision can be made.
26. **Other Implications**
 - **Legal** – The appeal decision maker appointed by the Secretary of State has exercised legal powers vested in the Secretary of State to direct the Council’s action. The Council is bound to comply with this direction
 - **Others** – There are no Human Resource, Resource, Equalities, Crime and Disorder, Information Technology, Property, or Sustainability Implications arising from matters considered in this report.

Risk Management

27. The majority of the risks relating to this report are financial. The result of the appeal coming so late in the year has meant that it is not possible to mitigate fully the effect of the additional expenditure in 2006/07. It is also too late to incorporate full year cost implications into the 2007/08 budget that was set at Full Council February 2007. Included in the budget report however was a recognition that there was a risk that the appeal may not go fully in our favour and that additional costs were possible.
28. A further risk is that as a result of this appeal further claims by bus operators may be made to the council. This position will have to be managed with all claims being considered on an individual basis with any future liabilities reported to Members in the monitoring reports following the management cycle arrangements.

Recommendations

29. It is recommended that the Executive consider the release of reserves to fund the projected overspend of £189k arising from result of the concessionary fares appeal.

Reason – the Executive is the responsible body for the release of this provision.

It is recommended that officers undertake further analysis of the usage data and determine an appropriate reimbursement methodology for 2007-08 reporting back to members when the full financial impact is clear.

Reason - to ensure proper financial management of council funds.

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Annexes

Annex A - Appeal decision (extract)

Background Papers

Correspondence between City of York Council, First York Ltd. and Department for Transport between January 2006 and February 2007.

Department for Transport Concessionary Bus Travel Bulletin (19 February 2007)

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By virtue of paragraph(s) 3 of Part 1 of Schedule 12A
of the Local Government Act 1972.

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Executive**27 March 2007**

Report of the Director of City Strategy

Waste PFI – Updated Outline Business Case**Summary**

1. This report provides updated financial information on the waste pfi project, and identifies a revised affordability position for the Council. Members are requested to confirm they are committed to finding the additional resources required to make the project affordable over the life of the project.

Purpose of report

2.
 - 1) To advise the Executive of reduced costs and revised timescales for the proposed PFI procurement project for future waste services, and;
 - 2) To satisfy DEFRA requirements for commitment to the affordability of the proposed project.

Background

3. The Executive approved the submission of an Outline Business Case (OBC) to DEFRA for joint procurement of future waste treatment services with North Yorkshire County Council on 12 September 2006.
4. DEFRA have subsequently revised and further clarified the requirements for PFI projects in relation to sites and planning consents, necessitating the OBC to be updated accordingly. The opportunity has also been taken to revise predicted waste flows and costs using up to date estimates.
5. The Councils have also recently set their budgets for 07/08, and Medium Term Financial Strategies (MTFS) covering 08/09 and 09/10. The base budget information used in the OBC has therefore been revised, with a consequential impact on the affordability of the project.
6. Changes to waste flows and financial information are a consequence of external factors such as waste growth and market prices, and will need continual monitoring to ensure project estimates remain up to date.

7. In addition to these changes, DEFRA have specifically requested that Members are fully aware of the affordability of the project relevant to each Authority, including appropriate sensitivity analysis.

Waste Volumes and Growth

8. Estimates of future waste flows and growth have been revised to reflect the latest information available. The most significant changes result from increases in recycling and composting performance in 2005/06 and 2006/07 compared to that predicted in the OBC, and reduced waste growth.
9. Estimates of future growth in waste have been revised downwards to more accurately reflect recent experience and trends. The consequence of this reduction is that the total amount of waste predicted to be handled in the period from 2008 to 2033 across York and North Yorkshire has reduced by approximately 370,000 tonnes to 13,255,000 tonnes. Biodegradable waste sent to landfill in the same period is also predicted to reduce from 2,209,700 to 1,946,300 tonnes. The reduction in estimated waste has had implications on the costs of the project, reducing the size of the treatment plants and thus operating costs. Other costs have also been updated, including taking into account price and interest rate changes since submitting the OBC.

Programme changes

10. As a consequence of the changes to the procurement strategy, key dates have now changed. Acquisition of sites and planning consents have become critical activities to delivery of the overall programme. Any slippage in tasks associated with this work stream will delay the whole programme. Revised key dates are:

| | <u>Key Issue/Event</u> | <u>OBC Date</u> | <u>Revised Date</u> |
|--|---|------------------------|----------------------------|
| | <u>PFI Procurement</u> | | |
| | PRG approval of OBC | Jan 07 | May 07 |
| | Prepare Planning Application for Treatment Plants | Jul 09 | Sept 07 |
| | Issue OJEU | Feb 07 | June 07 |
| | Issue Tenders | July 07 | Aug 07 |
| | Contract Award | Nov 08 | Mar 10 |
| | Consent Granted | Apr 11 | Sept 09 |
| | Construction Period - Efw | Apr 11 – Apr 13 | Mar 10 – Mar 13 |
| | Status as at 05/03/07 | | |

Consultation

11. As this report is an update on the process and financial information relating to the project no consultation has been undertaken on these aspects.

Corporate Priorities

12. This project is critical in delivering Improvement statement 1, to decrease the tonnage of biodegradable waste and recyclable products going to landfill, enabling the diversion of waste from landfill to treatment facilities.
13. The costs identified below also consider the most efficient way to achieve this diversion, thus significantly contributing to Improvement statement 13, improving efficiency and reducing waste to free-up more resources

Financial Implications

Comparison of reference project and status quo

14. As reported to the Executive on 12 September 2006, there are extremely significant financial implications for this project. The costs set out below have been compared with a 'status quo' option, where waste continues to be disposed of to landfill and LATS permits are traded. The table below compares the revised project costs and revised costs of 'status quo' with those set out in the original OBC.

Table A **25 year partnership costs**

| | OBC September 2006 | | Revised March 2007 | |
|--|---------------------------|--------------------|---------------------------|--------------------|
| | Reference Project £000 | Status Quo £000 | Reference Project £000 | Status Quo £000 |
| Project Costs | 1,398,967 | 785,749 | 1,345,182 | 723,920 |
| Landfill tax | 192,607 | 588,014 | 149,208 | 493,945 |
| Landfill allowance costs | (27,262) | 385,846 | (54,698) | 249,096 |
| Total | 1,564,312 | 1,759,609 | 1,439,691 | 1,466,961 |
| Difference reference project vs 'status quo' | (195,297) | | (27,270) | |
| Less PFI credit | (115,756) | | (116,527) | |
| Benefit of 'do something' | (311,053) | | (143,797) | |

15. The costs have significantly reduced since the OBC was submitted in September 2006, largely because of the changes in waste volumes and growth explained in paragraph 12 above. In addition prices of the capital infrastructure and associated life cycle costs have increased (offset by reduced operating costs). Recent changes in interest rates have also been taken into account.
16. The benefit of undertaking the reference project compared to the status quo has reduced since submitting the OBC as identified above. Annex 1 highlights a number of significant risks / issues identified with this project for which estimated costs have not been included.

Affordability

17. Table B sets out a comparison of the 'affordability gap' for the reference project between the OBC submission and the revised reference project.

| Table B | Affordability gap - full project | |
|-------------------------|----------------------------------|-----------------------------|
| | OBC September 06 £000 | Revised March 07 £000 |
| Reference project costs | 1,564,312 | 1,439,691 |
| Adjusted for | | |
| LATS | 27,262 | 54,698 |
| WCA Transport costs | - 39,268 | - 48,724 |
| | <u>1,552,306</u> | <u>1,445,665</u> |
| Less | | |
| Budgets | - 590,657 | - 620,292 |
| PFI credits | - 115,756 | - 116,527 |
| Affordability gap | <u>845,893</u> | <u>708,846</u> |

18. It will be noted that the gap has significantly decreased, as a result of the factors set out above. However the affordability gap still represents a significant challenge to the Council, particularly in the context of substantial spending pressures and Council Tax capping.

19. For York, the latest estimated affordability gap over the life of the project is £123,559k as set out in the table below:-

Table C **Affordability analysis - CYC over project life**

| | Notes | Total £000 | 2008/09 £000 | 2009/10 £000 | 2010/11 £000 | 2011/12 £000 | 2012/13 £000 | 2013/14 £000 |
|--|----------|----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| City of York Council | | | | | | | | |
| Recycling | | 25,176 | 330 | 712 | 736 | 760 | 786 | 809 |
| Landfill & Composting | | 52,009 | 3,796 | 4,034 | 4,328 | 2,330 | 2,433 | 1,128 |
| Residual Waste Treatment | | 206,876 | 0 | 0 | 0 | 3,418 | 3,480 | 8,766 |
| | | 284,061 | 4,126 | 4,746 | 5,064 | 6,509 | 6,698 | 10,704 |
| Existing Budget | | -135,940 | -3,980 | -4,079 | -4,181 | -4,286 | -4,393 | -4,503 |
| PFI Credits | | -27,781 | 0 | 0 | 0 | -757 | -757 | -1,313 |
| CYC Affordability Gap | a | 120,340 | 146 | 667 | 883 | 1,466 | 1,548 | 4,888 |
| <i>Indicative Council Tax Increase</i> | | | 0.2% | 1.0% | 1.4% | 2.2% | 2.4% | 7.5% |
| LATS purchases | b | 3,219 | 0 | 0 | 1,056 | 585 | 1,578 | 0 |
| <i>Indicative C Tax Increase - LATS</i> | | | | | 1.6% | 0.9% | 2.4% | |
| Overall affordability gap | c | 123,559 | 146 | 667 | 1,939 | 2,051 | 3,126 | 4,888 |
| <i>Indicative C Tax Increase - Overall</i> | | | 0.2% | 1.0% | 3.0% | 3.1% | 4.8% | 7.5% |

Refer to Annex
a2
b Refer to paragraph 20
c Paragraph 19

NB. The above analysis ends at 2013/14 as this represents the peak year in budget growth, excluding the impact of price variances. Further detail over the entire life of the project is however, available in Annex 2 including the position for each Council and the Partnership as a whole.

20. The scenario above represents the 'most likely' solution at present, taking into account the award of pfi credits but before taking into account sales of LATS. Whilst it is expected that the project will generate a net LATS surplus of £55m over the life of the contract, it is anticipated that

there will be a need to purchase LATS in 10/11,11/12 and 12/13, as shown in table C above for CYC.

21. It should be noted that the costs and affordability have decreased significantly, and that the Authorities will work with contractors to 'smooth' the impact on Council Tax over the period of the contract.
22. It is recommended, in order to satisfy DEFRA's requirements, that the Council commits to finding the additional resources to make the project affordable over the life of the project.
23. The budget figures included in the above tables are based on approved 07/08 budget figures, thereafter inflated for the following 2 years, gross of income generated, and assuming contract prices and inflation in existence at the time. These budget figures will continue to be reviewed and updated as the project progresses.

Sensitivities

24. As can be seen from the revised projected costs set out above, changes in assumptions can have significant implications on the overall projection of costs, and thus affordability and the business case for undertaking the procurement project.
25. In order to test the robustness of the costs, sensitivity analyses has been carried out on the following assumptions:-
 - Internal rate of return (IRR)
 - Operating costs
 - Capital costs
 - Third party income
26. The impact of the sensitivity analyses identifies that the overall net cost (after taking into account the existing budgets) of the project could range between £654,148k (best case) and £774,227k (worst case) referred to as the 'affordability' envelope by DEFRA.
27. For York, the overall net cost (after taking into account the existing budgets,) could range between £106,952k (best case) and £135,928k (worst case). However it should be noted that the definition of best/worst case is a professional view taken by officers and advisers on the project, based on guidance from DEFRA.
28. Members are requested to note the 'affordability envelope' set out above, and recognise the variations from the most likely position as set out in table C above.

Other Implications

29. The following implications have been assessed:
- **Human Resources (HR)** – there are no HR implications of this report
 - **Equalities** – there are no equalities implications
 - **Legal & Procurement Implications** – there are no additional or amended requirements as a result of this report, compared to the report approved in September 2006.
 - **Crime and Disorder** – there are no crime and disorder implications
 - **Information Technology (IT)** – there are no IT implications
 - **Property** – there are no property implications
 - **Other** – there are no other implications of this report

Risk Management

30. The Waste procurement is identified as a high risk for the Council, largely because of the high level of government penalties should the Councils fail to divert sufficient waste from landfill and thus potential financial risk to the Council. This report does not change the approach to risk on the procurement project, and as identified in the report to Executive on 12 September 2006, a detailed assessment of the risks will be brought to the Executive when DEFRA have responded to the OBC. A list of risks / issues associated with this project are set out in Annex 1.

Recommendations

31. Members are asked to
- a. confirm that the council is committed to finding the additional resources, as set out in paragraphs 14 to 28 above, required to make the project affordable over the life of the contract, subject to any further obligations and financial parameters as directed by DEFRA or any other Government department.
 - b. Note the revised timescales identified in paragraph 10 above

Reason: to progress the PFI application for funding to DEFRA

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Chief Officer Responsible for the report:

Bill Woolley
Director of City Strategy

Report Approved

Date 7 March 07

Report Approved

Date *Insert Date*

Wards Affected:

All

For further information please contact the author of the report

Background Papers:

York and North Yorkshire Waste Management Partnership
Waste PFI Project Outline Business Case
Supplementary report to Y&NY Waste OBC
Previous reports to Executive
 Joint Waste Management Strategy report
 Executive approval of OBC, 12 September 2006

Annexes

Annex 1 – Risks and issues – Waste PFI project
Annex 2 – Financial profile of expenditure

Risks and Issues – Waste PFI project

The following risks have been identified as relevant in the consideration of pursuing the application for PFI credits. No account of these risks has been taken into account in the costings included in this report.

- a) Based on planned inputs under the Status Quo scenario, there will be insufficient landfill disposal capacity available throughout the 25 year contract term. In the absence of an out-of-area diversion option, this would require the Councils to provide or acquire suitable land and secure planning consent in-county or haul residual waste possibly long distances to alternative out-of-area sites.
- b) There is significant uncertainty over future landfill gate fees and landfill tax rates.
- c) The Councils would be relying predominantly on their LATS Trading Strategies to mitigate LATS exposure. There is great uncertainty surrounding the LATS scheme in relation to the availability of Tradable Permits and their associated price, particularly over a 25-year period. In addition to the LATS trading costs and/or fines, central government has indicated that it intends to pass on the fine from the EU in relation to the UK failing to meet the targets set under the EU Landfill Directive.
- d) If the Partnership were to proceed with a LATS trading based strategy then it would be heavily dependent upon the vagaries of an immature LATS market. Should it then become clear, midway through the LATS trading strategy, that investment in infrastructure is preferable then there would be a significant time lag before infrastructure could be put in place.
- e) The Reference Project seeks to manage waste more sustainably. This includes implementing waste minimisation, recycling and composting initiatives and treatment technologies to divert biodegradable material away from landfill and optimise energy recovery from the remaining waste resource. These combined efforts reduce the burden of waste on the environment, by recovering material resources & energy and thereby reducing carbon emissions associated with the waste streams.
- f) The European Parliament recently voted for significant changes to the way waste is managed in the EU. A new Directive on Waste is being developed to succeed the Waste Framework Directive adopted in 1975 and revised in 1991, which sets the basic rules for waste management in Europe. MEPs voted to

add provisions banning the landfilling of materials including paper, glass, textiles, plastic and metal from 2015 – with a full landfill ban on recyclable materials from 2020. The Directive is only yet in the early stages of development but, should such proposals be transposed into the final Directive, then the Reference Project ensures that the systems and infrastructure will be in place to meet these requirements.

- g) The Reference Project reflects the joint waste strategy adopted by North Yorkshire County Council, City of York Council and the 7 district and boroughs in North Yorkshire. The Reference Project also reflects the outcomes of the Best Practicable Environmental Options study and public consultation. A predominantly landfill based approach would contradict both national and adopted local waste strategies. In addition and as outlined above, a landfill based strategy represents the least sustainable option available and is the least attractive waste management option in terms of the waste hierarchy and carbon footprint.

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Executive**27 March 2007**

Report of the Corporate Landlord

Corporate Asset Management Plan**Summary**

- 1 As part of the CPA criteria the council is required to have in place a current Corporate Asset Management Plan (AMP). The council has produced a number of annual AMP's in the past which have all been rated as "good" by the central government. Attached to this report is a five year Corporate Asset Management Plan for Members consideration. Although this is a five year plan it will be reviewed annually to report on progress and to take in to account any changes in priorities for the council and new initiatives and directions from central government. One of the annexes to the Corporate Asset Management Plan are the 2005/6 Performance Indicator results for the council.
- 2 Key issues
 - Corporate AMP is part of Asset Management Planning Structure
 - Closely linked to Capital Strategy and Corporate Strategy
 - 5 year plan setting out Property Priorities and Outputs
 - Details corporate framework for delivery of above
 - Reports on latest National and Local Property Performance Indicators
- 3 Members are asked to consider approving and adopting the Corporate Asset Management Plan 2007-2012

Background

- 4 The council has adopted a Corporate approach to the management of its property assets for a number of years and has produced a number of Corporate Asset Management Plans which were submitted to central government for assessment. As a result of receiving a "good" assessment for each of these plans there was no longer a requirement to prepare and submit these plans but the council has continued to follow and develop the principles of Corporate Asset Management across its property portfolio.
- 5 Asset Management is now contained in the criteria for the comprehensive performance assessment (CPA) in the Use of Resources section where there is a

requirement for the council to have a Corporate Asset Management Plan and to show the difference it is making in its use of the council's property and land holdings.

- 6 The Corporate AMP is very closely linked to the capital strategy which was approved by the Executive on the 12 September 2006 and together they form one part of the Asset Management Planning Structure which is detailed in the AMP and summarised here (figure 1).

Strategic Plans & Linkages

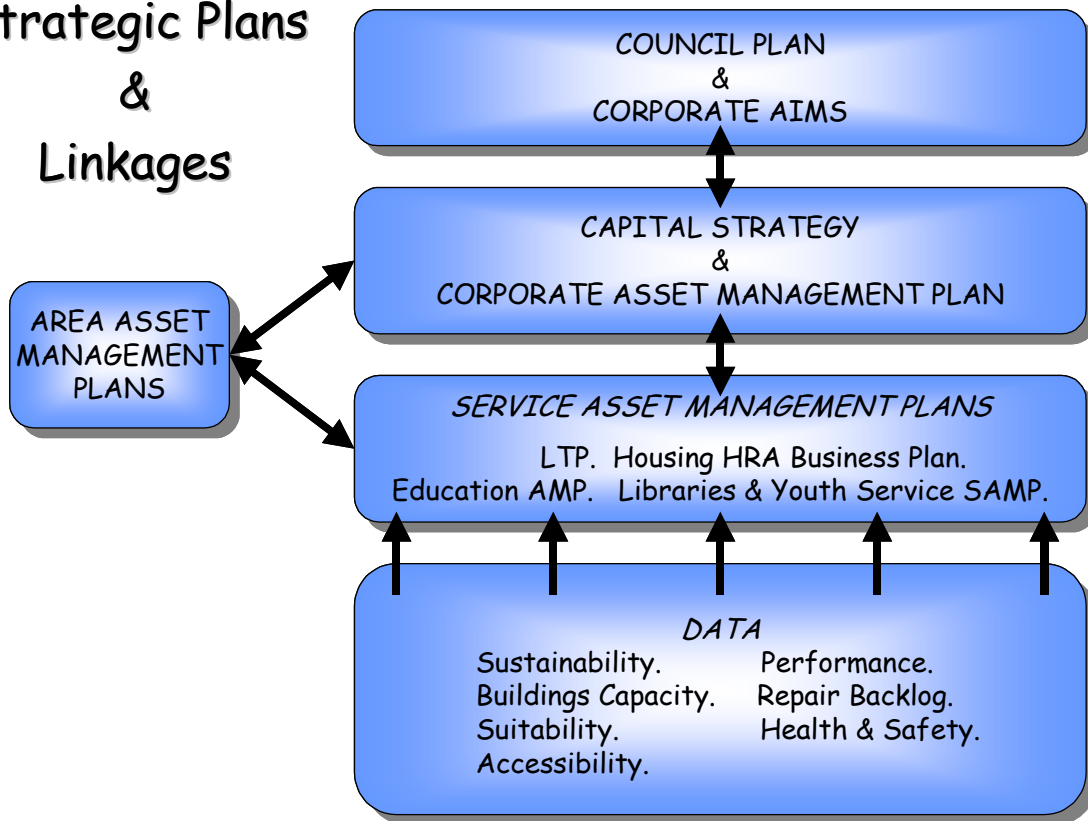


Figure 1

- 7 The Corporate AMP and its annexes are attached to this report and set out
- The Asset Management priorities and outputs that the council will follow in the future use of its land and buildings.
 - The framework and structure that is in place to deliver the council's corporate and service priorities in a way that will result in the council having.
 - The right space
 - At the right time
 - In the right place
 - At the right cost

ensuring that all times Council policies on matters such as access for all, sustainability and equality of opportunity are followed.

- How future asset management projects and initiatives will be delivered in a corporate, consistent and coordinated way that links closely with the corporate and capital strategy.
- Have information and data on the council's property assets and their performance are collected, stored, measured and used to direct resources and to inform and support decisions.

- 8 There is also a brief report of the latest Property Performance Indicators. The DCLG has recently issued new performance indicators (COPROP indicators) although these do not have to be submitted until the end of year 2006/7. It was decided, as a trial, to collect as much information as possible in the year 2005/6 so that it could be ensured that there will be a full set of data available for the year 2006/7 which will be submitted to the government.
- 9 This Corporate Asset Management Plan is for a period of 5 years so that it is a fairer reflection of the council's direction in asset management planning and enables longer term targets to be set.
- 10 It will be reviewed annually however and a report written to the Executive on
- Past performance including a full report on the national and local property performance indicators
 - Progress on longer term priorities and outputs
 - Change in priorities and pressures from within and external to the council
 - Any revised priorities and projects
- 11 This Corporate AMP together with other documents and reports outlined in the plan will be used to support and direct the council's future use of and investment in its property and land assets to ensure that a maximum return in terms of occupation and use, at an economical and sustainable costs, is obtained.

Consultation

- 12 The Corporate AMP has been prepared over a period of time in full consultation with Members of the Corporate Asset Management Group, Property Services, Section Heads, Corporate Finance and other stakeholders. Their contribution and comments have been incorporated in the report and are vital in establishing corporate "ownership" of the plan and its outcomes and implications for the council.

Options

- 13 The only option before Members is the approval or not of the proposed Corporate Asset Management Plan in the form attached. Non approval may have an effect on the CPA score for the council.

Corporate Priorities

14 Asset Management Planning and the Corporate AMP, in its aim of supporting council services in delivering the strategic and service objectives, significantly contributes to the council's Corporate Strategy and priorities. Section 2.4 of the Corporate AMP show the extensive nature of these contributions

15 The purpose of the AMP is to, in particular, contribute to the organisational effectiveness improvement priorities 10 to 13

10 Improve our focus on the needs of customers and residents in designing and providing services

- Provision of new administrative office accommodation and customer points
- Ensuring all retained buildings are accessible to all and suitable for the service they deliver
- Production of Area AMPs in full consultation with local communities and their representatives

11 Improve leadership at all levels to provide clear, consistent direction to the organisation

- Role of the Corporate Landlord working with IT, finance and Human Resources
- Providing the structure for delivery of property related services across the whole Council
- Corporate control of property related budgets

12 Improve the way the council and its partners work together to deliver better services for the people who live in York

- Cross-council representation on the Corporate Asset Management Group and the Development Team approach to major projects
- Area AMP production again using cross-council representation and also linking with other public service providers

13 Improve efficiency and reduce waste to free up more resources

- Aim to reduce the space occupied by council services and the cost of occupation of that space
- Using sustainable and efficient building construction methods
- Ensuring all property related expenditure is directed through the Corporate Landlord to ensure best value obtained from limited budgets

Implications

16 The following information is provided:

- **Financial**

The Corporate AMP together with the capital strategy promotes the efficient and effective use of the capital resources available to the council. It also helps to ensure that any buildings which are occupied are reviewed for the economic and sustainable viability of occupation on a regular basis.

- **Human Resources (HR)**

There are no HR Implications.

- **Equalities**

There are no Equalities Implications.

- **Legal**

There are no legal implications.

- **Crime and Disorder**

There are no crime and disorder implications.

- **Information and Technology (IT)**

There are no IT implications.

- **Property**

The property implications relating to Asset Management and Capital Investment are contained within the body of this report.

Risk Management

17 Together with capital strategy the Corporate Asset Management Plan reduces the risk of poor decision making relative to the council's capital investment, use and review of its land and property portfolio. It ensures that there was a consistent council wide approach to the process of Asset Management.

Recommendation

18 Members are asked to consider approving and adopting the Corporate Asset Management Plan 2007-2012 for the City of York Council.

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Report Approved

Date 15/3/07

Specialist Implications Officer(s)

Implication None

Name

Title

Tel No.

Wards Affected:

All

For further information please contact the author of the report

Background Papers:

2002 Corporate Asset Management Plan for the City
of York Council
2006 Capital Strategy

Annexes

Annex A – The Corporate Asset Management Plan for City of York Council 2007-2012
with annexes.

Annex A

**CORPORATE ASSET MANAGEMENT
PLAN**

2007-2012



CORPORATE ASSET MANAGEMENT PLAN

2007-2012

CONTENTS

- 1** Background/Achievements
- 2** Future Direction
- 3** Delivery
- 4** Property Performance Measurement
- 5** Current Projects

Annexes

- A** Corporate Priorities
- B** RICS Principles of Good Asset Management
- C** CAMG/CAPMOG makeup and CRAM process
- D** Corporate/Service/Area AMP summaries
- E** Summary of facilities offered by new TF database
- F** National and Local PI Results 2003-2005
- G** COPROP Indicators – Summary
- H** Example of Building Asset Management Report

1. BACKGROUND/ACHIEVEMENTS

1.1 Corporate Asset Management has been a key component of the use and development of the City of York's property and land assets since the Best Value Review of 1998.

1.2 A number of Corporate Asset Management Plans (AMP) have been produced since that time, all of which have received the highest rating from Central Government.

These Corporate Asset Management Plans have been a key tool in bringing about the culture change required by the authority in treating land and property assets as a corporate resource used by council services, partners and third parties to deliver the council's corporate plan and strategy.

1.3 There have been a number of achievements which can be specifically linked to this change to the corporate management of assets.

These include:-

- Dedicated Executive Member (for Resources) with responsibility for Asset Management.
- Re-positioning of Property Services in the strategic Resources Directorate.
- Restructure of Property Services Group with the appointment of a Corporate Landlord at Assistant Director level and the group structured to meet clients needs.
 - Asset and Property Management
 - Facilities Management
 - Strategic Business and Design
- Increased elected Member involvement at key stages.
 - Executive
 - Corporate Services EMAP
 - Scrutiny
 - Ward Members
- Establishment of Corporate Asset Management Group.
- Installation of new Corporate Asset database to record all asset information and key performance indicators with access to be made available across the council.
- Capital resources successfully bid for to deal with
 - Repair backlog
 - Accessibility issues
 - Treatment of asbestos

- Service reviews linked to Service Asset Management Planning – service led with property support and challenge.
- Development team (involving key stakeholders throughout the project) approach to dealing with major projects.

Examples - Review of secondary education provision on west side of York
- Relocation of swimming facilities
- Replacement of Joseph Rowntree School.

- Corporate Landlord is consulted on all proposals which have an impact on property or land requirements.
 - Co-ordinated approach to consultation with the community, through ward members, local meetings and community groups, on key local property issues and proposals

1.4 To date Corporate Asset Management Plans have looked at the short term but now, with the change in the council's approach to more medium to long term planning with the provision of a 5 year Corporate Strategy, 3/5 year budget planning, a Capital Strategy and the development of a 5 year Repair and Maintenance Strategy this Corporate AMP also looks at a similar 5 year period, with an annual review, and links the Corporate Priorities (see Annex A) with Property Priorities (see next section) which will form the basis in which Asset Management Planning is taken forward in the future.

2. FUTURE DIRECTION

2.1 The City of York Council needs to build on the changes it has already achieved in dealing with its property and land assets. This AMP sets out the ways the council is looking to make progress.

2.2 The future direction must be linked to the Corporate Priorities and so set out below are Property Priorities which will be used as a basis for setting future projects and allocating resources.

2.3 **Property Priorities**
2007-2012

- | | |
|-----|---|
| 1. | Hold reliable, up-to-date, quality data. Understand what CYC have got and how it performs. |
| 2. | Establish level of and develop a clear strategy to reduce maintenance backlog of buildings, land and infrastructure. |
| 3. | Challenge and review use of buildings and land based on agreed criteria ensuring all property assets are 'fit for purpose.' Give each property asset a label reflecting its current and potential status. |
| 4. | Encourage services to consider integrated delivery from fewer buildings and less land because of limited resources. |
| 5. | Set specific targets to achieve Gershon efficiencies – e.g. 10% fewer assets. Targets to be medium and long term at strategic, service and building levels. |
| 6. | Combine storage needs in less expensive and more accessible sites. |
| 7. | Take out of the city what does not need to be there. E.g. – central store with archive retrieval service, satellite office provision. |
| 8. | Ensure maintenance spend is focussed on those assets to be retained and seek adequate maintenance and capital budgets to meet identified need. |
| 9. | Set priorities to meet needs which are identified in the Corporate, Service and Area Asset Management Plans . |
| 10. | Produce an annual report on all aspects of property and asset management, highlighting corporate and service performance. |

2.4 The table below shows how these Property Priorities (PP) are linked to the Corporate Priorities together with examples of current and future projects which are detailed elsewhere in this AMP.

Corporate Strategy – Priorities Linked to Property Priorities and Projects

- | | | |
|----|---|--|
| 1. | Decrease the tonnage of biodegradable waste and recyclable products going to landfill | - PP 3, 4, 5, 6, 8 Provide suitable recycling facilities Eco-depot Waste treatment facility |
| 2. | Increase the use of public and other environmentally friendly modes of transport | - PP 3, 5, 9 Park & Ride sites Cycle parking Car Park SAMP |

- | | | |
|-----|---|---|
| 3. | Improve the actual and perceived condition and appearance of the city's streets, housing estates and publicly accessible places | <ul style="list-style-type: none"> - PP 2, 4, 5, 6, 7, 8, 9 Reduce repair backlog Invest in public buildings/space Link to priorities in service AMPs |
| 4. | Reduce the actual and perceived impact of violent, aggressive and nuisance behaviour of people in York. | <ul style="list-style-type: none"> - PP 3, 4, 9 Design out crime Ensure safety/security of buildings |
| 5. | Increase people's skills and knowledge to improve future employment prospects | <ul style="list-style-type: none"> - PP 4, 8, 9 Provide learning facilities for all <ul style="list-style-type: none"> - school programme - Danesgate - Library learning centres - support for people with learning disabilities |
| 6. | Improve the contribution that Science City York makes to economic prosperity | <ul style="list-style-type: none"> - PP 4, 9 Work with City Development Team to ensure developments meet Science City objectives. |
| 7. | Improve the health & lifestyles of the people who live in York, in particular among groups whose levels of health are the poorest | <ul style="list-style-type: none"> - PP 2, 3, 4, 5, 7, 8, 9 Leisure SAMP Swimming pools/sports facilities Quality open spaces in right area Adult Services SAMP City centre one stop shop Decent Homes provision. |
| 8. | Improve the life chances of the most disadvantaged and disaffected children, young people and families in the City of York | <ul style="list-style-type: none"> - PP 2, 3, 4, 5, 8 Childrens Services SAMP Integrated children's centres Extended schools Youth Service SAMP Decent Homes provision |
| 9. | Improve the quality and availability of decent, affordable homes in the city | <ul style="list-style-type: none"> - PP 2, 5, 8 Housing SAMP Arclight Travellers Sites Housing sites review Discus Bungalow sites School/Leisure Houses |
| 10. | Improve our focus on the needs of customers and residents in designing and providing services | <ul style="list-style-type: none"> - PP 1, 4, 9 Area AMPs – linked to local service provision Suitability of and access to buildings |

Admin accom project

- | | |
|---|--|
| <p>11. Improve leadership at all levels to provide clear, consistent direction in the organisation</p> | <p>- PP 3, 4, 10 Role of corporate landlord With IT/finance/HR Structure for delivery Corporate control of budgets CAMG/CAPMOG</p> |
| <p>12. Improve the way the council and it's partners work together to deliver better services for the people who live in York</p> | <p>- PP 1, 2, 3, 4, 6, 7, 8 Development Team approach CAMG Structure Area AMP's – co-location Links to HA's, PCT etc.</p> |
| <p>13. Improve efficiency and reduce waste to free up more resources.</p> | <p>- PP 3, 4, 5, 6, 7, 8 Reduce cost of occupation Reduce space occupied Building construction methods Energy and sustainability</p> |

2.5 These Property Priorities, together with the well established principles of Corporate Asset Management which have been used by the council for several years which in turn are based on the RICS Principles of Good Asset Management (see Annex B for summary), will be used in assessing future projects at a strategic, service and property level which will form the outputs by which the difference Corporate Asset Management Planning is making in the authority is seen.

2.6 These will be reviewed and updated every year and reported to the Corporate Management Team and elected Members. Set out below are some of the main **Property Outputs (PO)** the council will be seeking to deliver.

2.7 Property Output 1 (PO1) – Development of new database (Technology Forge)

- Linked to PP1.
- Technology Forge Facility database purchased at the end of 2006.
- Becomes key tool for all property data – links to digital maps, survey information, performance information.
- Proposed link also to financial systems ensuring data integrity.
- Access to data across council.
- Establish Property Database User Group to produce and manage timetable for implementation and development.

Property Output 2 (PO2) – Have full information on all property and land assets by 2008

- Linked to PP1, 2, 5, 10
- Includes title/ownership (undertake programme of registering title), details of occupancy, including cost and performance.

- Record all information in Tf (see PO1)
- Enable considered decisions to be made (linked to other PO's)

Property Output 3 (PO3) Develop and implement a Repair And Maintenance Strategy for all Council land and property assets by:

- Establishing a fully funded programme of repair and maintenance works
- Rationalising the property stock and releasing poor performing buildings (example of this is the Provision of New Council offices project detailed in section 5 where 5 current office buildings are being sold and the leases on a further 5 office buildings are being terminated in the move to new purpose built office accommodation)
- Working with local established partners to seek investment in historic buildings within the city currently owned by the Council
- Linking the strategy to all Service and Area AMPs
- Liaising with schools to encourage them to follow the same principles
- Setting the following targets
 - Reduce the outstanding repair backlog by 10% p.a.
 - Within 5 years have only buildings where there is either no asbestos or other hazardous material present or, where there is an occurrence, have it managed within the legislative requirements and guidelines
 - Have all buildings with public space fully accessible within 5 years

Property Output 4 (PO4) – Have a funding policy which supports capital and revenue programme and a capital and revenue programme which takes in to account need, priorities and funding available over 5 years.

- Link to PP4, 5, 8, 9
- Have a capital receipts programme which generates funding to be targeted at the Council's priorities.

Property Output 5 (PO5) – Determine future options for all existing property and land assets by 2008

- Linked to PP3, 6, 7 and service AMP's
- Ensure all buildings show
 - Value for money
 - Accessible and safe
 - Good use
- Ensure current condition of building and future repair liabilities are taken into account in determining options
- Undertake exercise to 'label' all assets
 - dispose
 - retain
 - invest
 - reusewith timetable for action.

Property Output 6 (PO6) – Complete all Service AMP's in time for CRAM process 2008/9

- Linked to PP3, 4, 5, 9 and service plans
- Produced in conjunction with services, partners and executive members
- Includes commercial property portfolio – ensure positive net return
- Includes administrative accommodation

Property Output 7 (PO7) – Complete all key Area AMP's by 2009

- Linked to PP4, 5, 9
- Linked to Planning Strategy to identify key areas – based upon 'communities' and not on ward areas
- Consultation with ward members, key stakeholders, community organisations, partner services, the public and the Corporate Asset Management Group.
- Encourage sharing of assets with other council and partner services.

Property Output 8 (PO8) – Have appropriate structure and processes in place to deliver Corporate Asset Management across the council

- Linked to all PP's
- Section 3 describes in more detail current structure and processes in place
- By 2008 have undertaken review of CAMG and CAPMOG and consider alternative models.
- Ensure occupiers licence (see Section 3) is in place on all property and land by 2009.
- Establish framework partnership over range of services to ensure full property service can be delivered by the Corporate Landlord across all the council.
- Corporate Landlord to have a strategic understanding of all property related revenue and capital budgets by 2009 – to ensure limited resources are delivered to those areas of most need.

Property Output 9 (PO9) – Keep all interested parties informed

- Link to PP1, 4, 5, 9, 10
- Produce annual report to elected members, services, central government.
- Production of PI's and other performance information (see Section 4).
 - National – COPROP/BV/Local
 - Focus on those that can be improved – e.g. maintenance, energy costs, access.
- Produce reports at an appropriate level/details
 - e.g. Service/Area AMP's, AM Reports on individual properties and land, project information sheets.

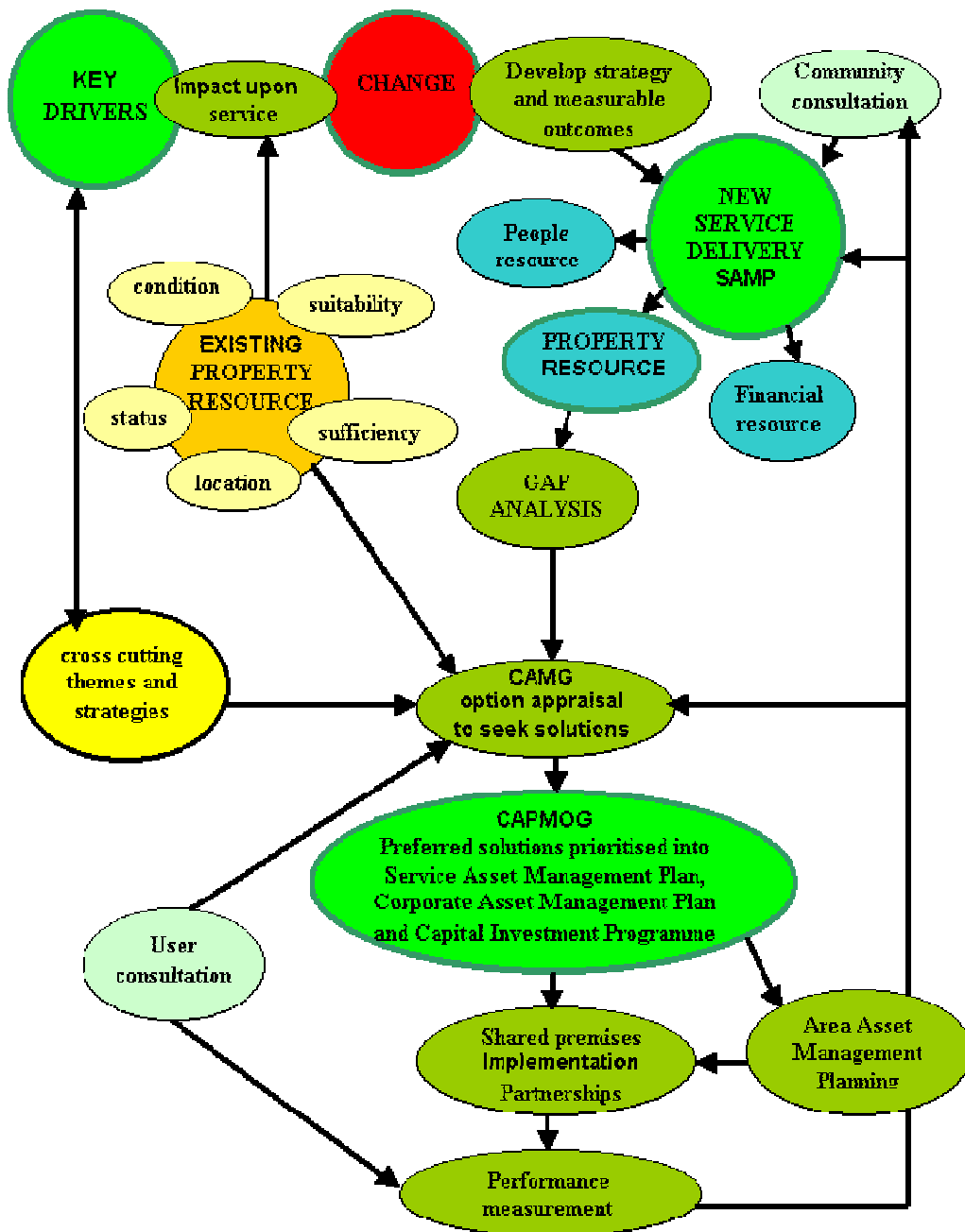
2.8 In addition to the Property Output detailed in this report there are a number of specific projects which support the Outputs and Priorities – Property and Corporate.

The main ones are listed in Section 5 with timescales. Information on these projects are collected on Project Information Sheets which can be accessed by all those involved in the project and senior officers and elected members. These are regularly updated in terms of progress, cost and resources available and so the information in Section 5 is a snapshot at a particular time.

SECTION 3 – DELIVERY

- 3.1 In order for the Property Priorities and Outputs to be delivered there needs to be in place an effective corporate framework and structure.
- 3.2 Diagram 3A sets out how the overall framework of Asset Management Planning looks

THE OVERALL FRAMEWORK



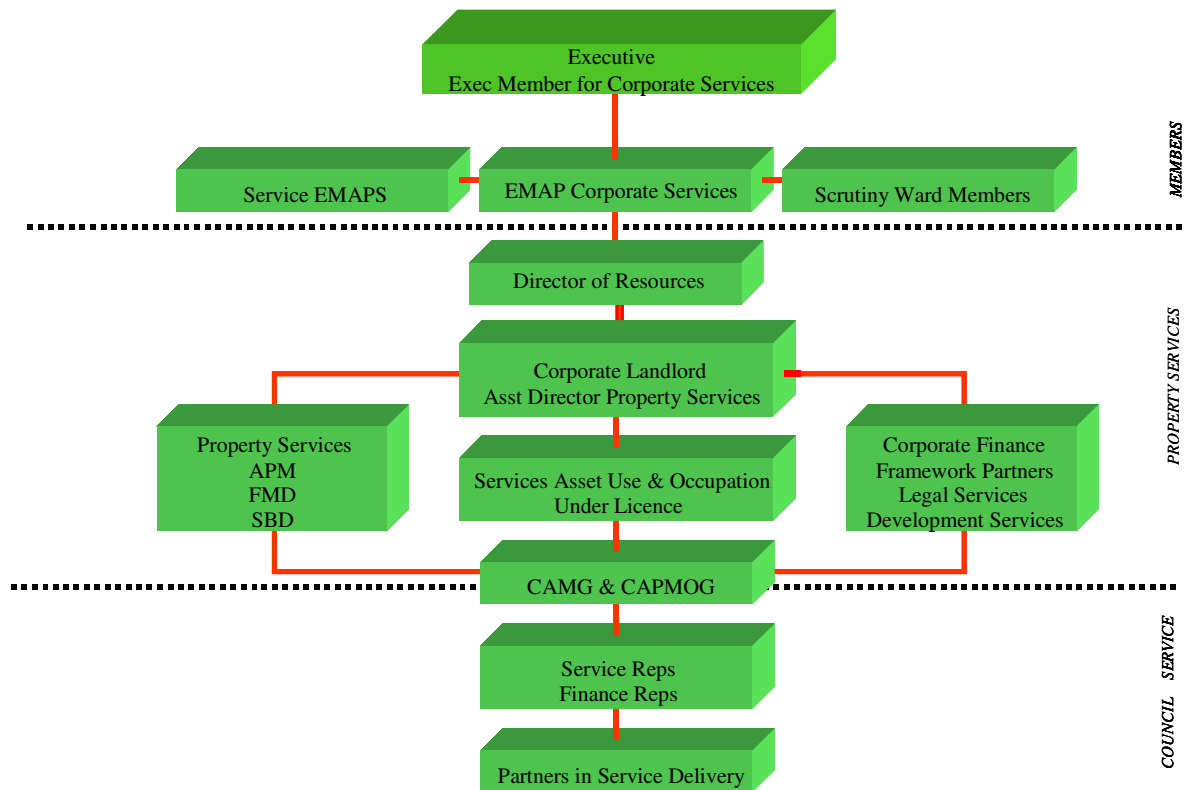
3.3 It can be seen that the key drivers and changes in the way that council services are provided and the impact on the property needs of the service identify a gap compared to the existing property resource.

It is then the role of the Corporate Landlord, in consultation with others, to suggest and appraise a range of options to provide potential solutions which are included in the Service and Corporate AMP's and then produce, where necessary, a bid for external and internal capital funds to enable implementation.

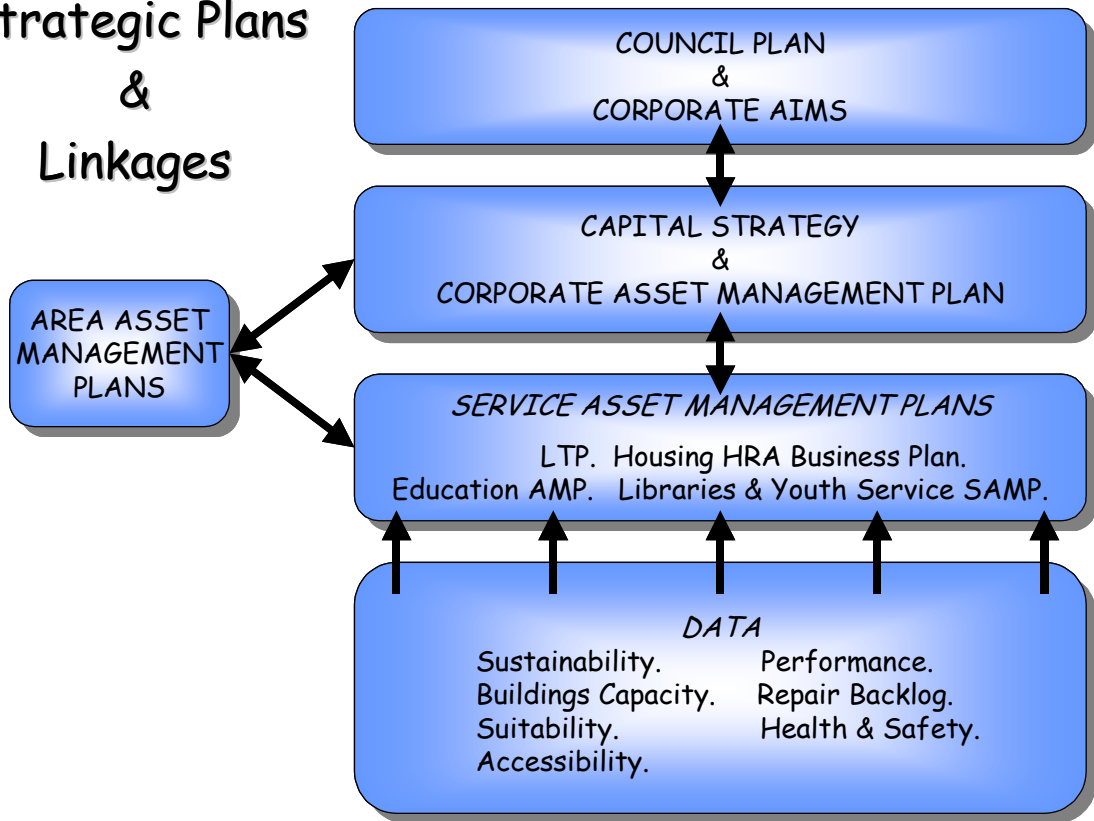
To enable this to happen there needs to be a formal structure linking Members, property and operational services and also a series of documents and protocols which set out what is to be done and how it is to be done.

Diagrams 3B and 3C set out how this is followed in York. Further explanation of the elements of this framework are set out below.

CONSULTATION & INVOLVEMENT



Strategic Plans
&
Linkages



3.4 Member Involvement

- Executive Member for Corporate Services is 'Property Champion' and has regular meetings with the Assistant Director for Property Services.
- Major property related issues are reported to the council's Executive and Ward Members are consulted on these reports. The Corporate AMP is approved by the Executive.
- Members Scrutiny Panel has looked at several strategic topics such as Surplus Property Policy and Area AMP's.
- Service Executive Members are consulted on Service AMP's.
- Ward Members have a key part to play in the production of Area AMP's.

3.5 Property Services Involvement

The appointment of the Assistant Director of Resources as Head of Property Services in 2003 with exclusive responsibility for Property Services and Asset Management has meant that the corporate control of the use and management of assets has continued at a quicker pace over the last 3 to 4 years.

Examples of this include:-

- Chairing and representation on Corporate Asset Management Group (CAMG).
- Representation on Capital Programme Monitoring Group (CAPMOG).

Both officer groups deal with many property related issues. The group is made up of service and financial representatives and major decisions concerning the use of property and expenditure are brought to the group before they are referred to Members. This includes looking first at all bids for Capital, whether externally or internally funded, using the CRAM (Capital Resource Allocation Model) process.

This process has recently been reviewed to ensure

- All projects reflect the council's strategic direction
- Maximises the opportunities for external partnerships
- There is a clear strategic approach to the service provision aspect of meeting community needs

Further details of the make up and operation of CAMG and CAPMOG and the CRAM process are included at Annex C. The operation and effectiveness of this group is due to be reviewed with a view to extending their influence and effectiveness (see PO8).

3.6 Corporate Control

3.6.1 Land and property should be treated and viewed as a corporate resource which is used to deliver a service to the public, either by the council or in conjunction with a partner group.

There has already been considerable progress made in achieving this and it is the policy now that ownership and use of land and buildings are controlled by the policies contained in the

- Corporate Asset Management Plan
 - 5 year high level strategic document
 - Contains future direction, priorities and outputs
 - Influences all property related decisions
 - Reviewed annually

- Service Asset Management Plan
 - Join 5 year document prepared by Operational and Property Services
 - Sets out -
 - Service vision
 - Property needed to deliver the vision
 - Options to meet this need
 - Forms basis for future projects and capital bids
 - Reviewed annually

- Area Asset Management Plan
 - Focuses on how council and non-council services can be delivered in the community.
 - Objective is to simplify customer access to services from buildings and land which are fit for purpose.
 - Promotes asset rationalisation, shared use of buildings and reduction of net running costs.

The relationship between these plans is demonstrated in Figure 3C and more detail is given in Annex D.

It is the intention to have all key services and community areas covered by these plans by 2009 (see PO's 6 and 7).

3.6.2 Linked with these plans is the intention to have greater control of other property related issues by the Corporate Landlord. These include

- holding all property data on a corporate database which is the responsibility of Property Services but can be accessed by operational services. This will be delivered through the Technology Forge database and a User Group has been formed – made up of property and service offices – to see how this can be developed (PO1). Details of this database on at Annex E.

- Licence of Occupation
 - reinforces corporate ownership of local buildings
 - ensures services take into account full cost of occupation
 - all changes in accommodation are known by the Corporate Landlord at an early stage so they can ensure the appropriate challenge is followed (PP3)
 - Assists in the efficient disposal of assets as contains details of exit strategy and responsibilities for occupier and Corporate Landlord

- Corporate Supervision of Property Budgets (PO8)

To ensure the consistency and quality in all expenditure on property it is the intention that property related budgets, such as repair, energy etc. are supervised by the Corporate Landlord. This can be done by

- The Corporate landlord understanding how revenue and capital property budgets are spent
- Ensuring expenditure meets priorities that have been identified in the Service AMPs and reviews
- Particularly making sure money is not spent on buildings which are to be vacated in the near future

The purpose is to ensure that limited money is only spent on those properties which are to be retained in the medium to long term, where the need is the greatest and is used in the most cost effective way, ensuring value for money.

There are already central budgets for dealing with the maintenance backlog, improving accessibility to meet DDA standards and managing asbestos. These are allocated by the Corporate Landlord using strict criteria.

It should be noted that schools have delegated budgets which are the responsibility of the individual school governing bodies but they should be adopting the same principles and guidelines to achieve best practice principles

- Reports to Members

As a reinforcement to all the above it is now a requirement that reports to Members from all Council services must contain comments from the Corporate Landlord, just as they do from ITT, HR, Legal and financial officers. This means that the Corporate Landlord has an opportunity to ensure the Property priorities and outputs are being met.

3.7 Conclusion

The corporate framework and process set out in this section should ensure that there is a clear link (Golden Thread) between the use of land and buildings and corporate and service priorities and customer and service need.

4. PROPERTY PERFORMANCE MEASUREMENT

We are collecting and analysing asset performance data, comparing the results internally and externally with comparable authorities. We are using the information to direct resources and to inform and support decisions on rationalisation and improvement.

4.1 Having accurate data and information on the council's property and land assets is an important part of the asset management process and all decisions on continued and future use of properties should be able to be supported by the available data to show the property is fit for purpose and is achieving value for money.

4.2 All data is collected and stored on the council's new property database, supplied by Technology Forge. The system was purchased in December 2006 to replace the existing property database which was no longer suitable in being able to analyse the data and produce reports which met the customer needs.

4.3 The new database, when fully populated, will be able to:-

- Be accessible by a number of property, service and other users via the web
- Produce reports to meet any need
- Be a central record of all property and land information avoiding the need of duplication of information
- Be developed to:-
 - Meet all NLPG (National Land and Property Gazetteer) requirements
 - Link to all plans/maps/reports relating to the property making retrieval of information easier
 - Link to the Financial Management System thus improving security of transfer of financial information
 - Produce all national and local PI's so saving time

4.4 The development of the Tf database will be project managed over a number of years and a Property Database user group, membership made up of Property Services, Financial and Operational Service Officers, has been set up to decide on priorities and produce a realistic plan and timetable.

4.5 Currently there is already a wealth of data available on the property asset portfolio and its performance which includes:-

Portfolio information

The tables below detail some basic information about the City of York's property and land assets.

TABLE A – PROPERTY BY CIPFA CLASSIFICATION

Table 5A: Property by CIPFA Classification

Value of Properties by CIPFA Classification
(Number)

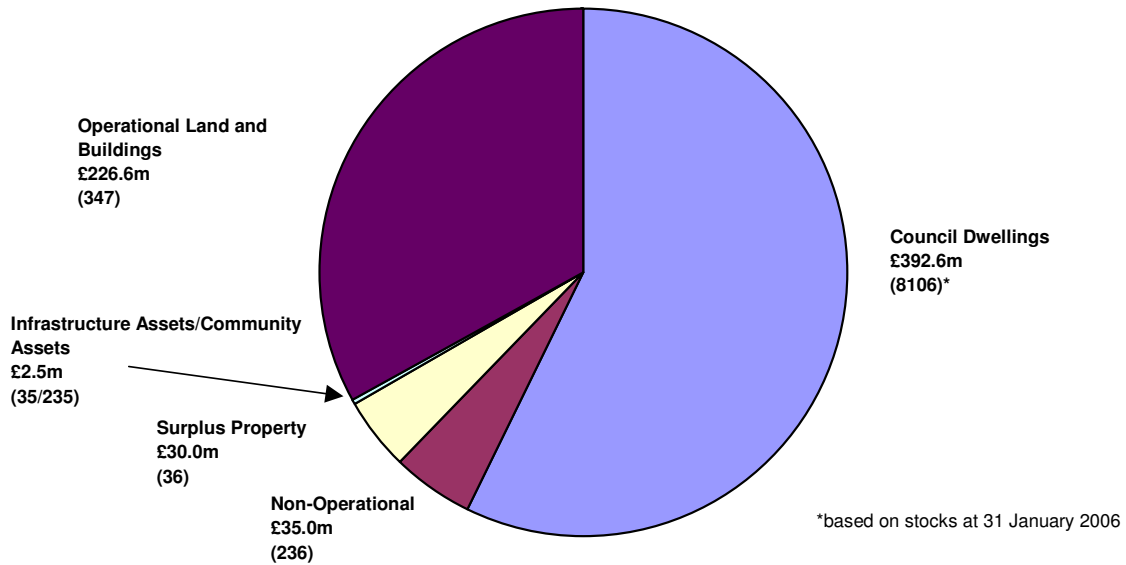


TABLE B – ASSET VALUES BY SERVICE AREA

Table 5B: Asset Values by Service Area (at 31 March 2006)

Value of Council Properties/Sites by Service Area

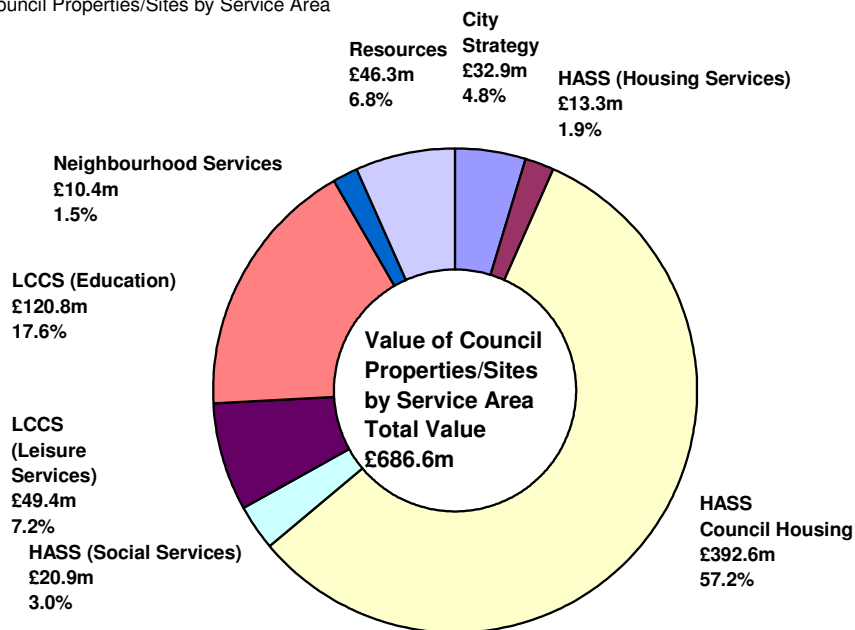


TABLE C – NUMBER AND TYPE OF PROPERTIES

Included amongst the assets owned by the Council at 31 March 2006 were the following:

| | |
|------|--|
| 7 | Administrative Buildings |
| | Mansion House |
| 172 | Commercial Properties – mainly retail and industrial |
| 1 | Open Air Market |
| 1 | Art Gallery |
| 1 | Theatre |
| 7 | Museums |
| 10 | Libraries |
| 1 | Crematorium |
| 4 | Waste Disposal/Civic Amenity Sites |
| 11 | Toilet blocks |
| 71 | Schools |
| 8 | Day Centres |
| 15 | Residential Homes |
| 8 | Community Centres |
| 1 | Youth Centres |
| 16 | Allotment Sites (1,152 plots) |
| 11 | Public Parks (approx 74 acres) |
| 3 | Sports Centres |
| 2 | Swimming Pools |
| 2 | Sports Pavilions |
| 7 | Play Areas |
| 3 | Travellers Sites |
| 2 | Equipped Farms |
| 17 | Off Street Car Parks |
| 2 | Coach Parks |
| 8100 | Council Houses and Flats (approx) |
| | Bar Walls |

Performance Indicators

The council has collected performance information for a number of years – both on the national indicators and locally agreed indicators. Details of the results for the last 3 years are found at Annex F

Central Government has changed the national Property PI's (now known as COPROP indicators) and these will be first reported for the year 2006/7 and then annually. Definitions of the new indicators are at Annex G

Set out below are the last results submitted on the old type PI's together with the comparisons from the council's benchmarking partners (please note all figures exclude schools and housing properties).

| Ref | Indicator (National) | YORK | Benchmarking Group | | | |
|-------|---|-----------------------------------|--------------------|--------------|---------------|---------------|
| | | | Average | Range | | |
| NPI 1 | (a) % gross internal floor-space in condition categories A-D | A | 4.46% | 14.09% | 1.42%- 41.00% | |
| | | B | 62.66% | 52.73% | 19.87%-96.16% | |
| | | C | 32.51% | 32.23% | 1.51%-76.34% | |
| | | D | 0.37% | 1.58% | 0.37%-2.37% | |
| | (b) Backlog of maintenance by cost expressed | 1). As total value | £4,439,613 | £4,928,000 | £0.5m-£16.5m | |
| | | 2). As a % in priority levels 1-3 | 1 | 2.00% | 15.22% | 2.00%-26.00% |
| | | | 2 | 50.00% | 44.86% | 19.00%-68.34% |
| 3 | 48.00% | | 39.92% | 11.23-67.02% | | |
| NPI 2 | Overall average internal rate of return (IRR) for each of the following portfolios: | | | | | |
| | (a) Industrial | 11.78% | 8.60% | 7.19%-11.78% | | |
| | (b) Retail | 9.32% | 8.37% | 7.08%-11.20% | | |
| | (c) Agricultural investment property | n/a | 7.73% | 7.73% | | |
| NPI 3 | Total annual management costs per m ² (GIA) for the property portfolio | £0.64 | £0.45 | £0.16-£0.64 | | |
| NPI 4 | Efficient use of assets & year-on-year improvements in energy efficiency: | | | | | |
| | (a) Repair & maintenance costs per m ² | £12.81 | £13.34 | £9.41-£15.52 | | |
| | (b) Energy costs per m ² GIA (gas, elec, oil, solid fuel) | £8.82 | £5.89 | £2.26-£8.82 | | |
| | (c) Water costs per m ² GIA (water, sewerage) | £2.36 | £2.02 | £1.31-£2.61 | | |

| Ref | Indicator (Local) | YORK | Benchmarking Group | |
|---------|--|--------------------|---------------------|---|
| | | | Average | Range |
| LPI 1 | Performance of capital disposals against target set | 57.00% | 93.30% | 45.8%- 157.6% |
| LPI 2 | Performance of investment portfolio Retail | 6.24% | 7.34% | 6.1%-9.32% |
| | % Return of Income against CV of investment portfolio Industrial | 6.31% | 6.96% | 3.78%-11.78% |
| LPI 3 | Voids. No. of lettable units void as a % of total units at 31 st March | 2.26% | 5.13% | 2.26%-8.08% |
| LPI 4 | Efficiency of income collection. % total gross income received as % achieved in 90 days | 96.59% | 96.72% | 95. %99.1% |
| LPI 6 | Space utilisation. Net internal area of offices/member of staff | 7.76m ² | 12.91m ² | 7.76m ² -15.17m ² |
| BVPI 56 | The % of authority buildings open to the public in which all public areas are accessible to all. | 72.00% | 54.37% | 42.10%-75.00% |

4.6 The data collected has already been used in a variety of ways, examples include.

- Asset Management Reports

All property related information is held on the council's property asset database. It is used for a variety of purposes but the main use which has been of benefit to operational services and property services is the production of individual Asset Management Reports for each building and major pieces of land. These have been used for several years and, following consultation with service and other users of these reports, they have been revised and the new format is at **Annex H**

It will be seen that these AMR's are a good measure of the individual building's "fitness", in financial, service and property terms and again are used in the production of service and area AMP's.

- Obtaining Capital Funding to

- reduce the repair backlog
- deal with asbestos
- improve accessibility

- Supporting Services in their service and property reviews especially in challenging continued use of expensive and 'unfit' property for example.

- Library Service – as part of the development of the Service AMP data was used to

- Direct resources to improve accessibility
- Identify longer term suitability for new service
- Challenge continued use of high 'cost-in-use' buildings

- Administrative Accommodation – data has informed

- High cost in use
- High future liability
- High value of freeholds for disposal
- Favoured locations for new buildings (staff survey)

4.7 With the production of the Property Priorities and Outputs and the Corporate Strategy priorities it is important to link PI's to these.

Therefore a review will take place in the next 12 months to assess how the COPROP indicators relate to these and a review of the local PI's together with benchmarking group members to consider the appropriateness of the existing PI's and if any new uses are needed to promote the performance of this plan.

Reporting

4.8 The performance of the property portfolio has been reported to Members in the past, usually along with the Corporate AMP.

It is now the intention to produce an annual report to Members – to the Executive which indicates

- progress report on performance in achieving Property Priorities and Outputs as detailed in this plan.
- update on the reduction of the backlog of repair and maintenance
- key data and performance statistics including COPROP and local PI's.
- examples of projects which have made a difference.
- review of PP's, PO's to take in to account changes in the council's business priorities.
- revised future timetable and details of key projects.

This will be reported after each year end.

- 4.9 Property performance data is readily available to all members and service managers to assist them in considering which assets are best suited for continued service delivery. These are reported in the Service AMP's which are approved by members.

The Scrutiny Panel also continues to have a role to play and has looked at:

- Area Asset Management Plans
- Options for disposal of surplus property
- Commercial Portfolio
- Consultation with members and stakeholders

Conclusion

- 4.10 Measurement of the Council's property portfolio is a key tool in:

- Ensuring the consultation process and decision making on future use of property is based on a full set of data.
- Challenge can take place on the "fitness for purpose" of individual buildings and also operational services use of property.
- Detailing how the repair backlog is reducing whilst avoiding unnecessary expenditure on maintenance and improvement on non-priority assets.
- Local and national best practice can be identified and applied to York.
- Access to data can be more widespread and easier.
- Realistic targets can be set to improve the Council's property portfolio in meeting customer needs.
- The Corporate Landlord can see "the bigger picture" and ensure that maximum efficiency is gained by joint use of buildings internally and with external partners taking place.

5. CURRENT PROJECTS

- 5.1 This schedule lists a selection of the main specific projects which are currently underway. Further strategic projects are detailed in 2.7 and 2.8 and progress on all these projects, together with other smaller projects, will form part of the annual report to the Council's Executive (Property Priority 10).

STRATEGIC

| PROJECT | DESCRIPTION/OBJECTIVE | STAGES/TIMESCALE | VALUE | LINK TO PROPERTY PRIORITIES (PP) CORPORATE PRIORITIES (CP) |
|----------------------------------|---|--|--------------------------|---|
| Provision of New Council Offices | Move from current 16 offices scattered across City Centre to new purpose built office/Customer Contact Centre in Hungate which releases currently poor performing expensive office buildings with high levels or repair backlog | Start on site April 2008 Completion of building April 2010 New offices open June 2010 | £28m | PP2, 4, 5, 6 CP3, 10, 12,13 |
| Capital Receipts Programme | Ensure sufficient capital receipts generated each year to meet shortfall in capital programme funding. | Complete sales of following properties (main ones only) <u>2007</u> Lidgett Grove School Bonding Warehouse Galmanhoe Lane Strensall Youth Centre Clifton Family Centre Shipton Street School Osbaldwick Lane Field 2 Blake Street Kent Street Coach Park <u>2008</u> Parkside Centre Land at Metcalfe Lane Monk Bar Garage | TOTAL VALUE C£13-£14m | PP4, 5, 8, 9 CP – supports all CPs by making funding available |

| | | | | |
|------------------------------|--|--|--|---------------------|
| Affordable Housing Provision | Identification of Housing sites that can be transferred to Housing Associations. Re-use of 3 sites containing 'Discus' Bungalows to re-house current occupiers and provide further housing. | Approval as to sites – chosen and future options Summer 2007 | | PP3, 4, 9 CP3, 9 |
|------------------------------|--|--|--|---------------------|

SERVICE

| PROJECT | DESCRIPTION/OBJECTIVE | STAGES/TIMESCALE | VALUE | LINK TO PROPERTY PRIORITIES (PP) CORPORATE PRIORITIES (CP) |
|--|---|--|--|---|
| Provision of Library Learning Centres | Expansion of 2 libraries to share with Adult Learning to provide Library Learning Centre for all ages. | <u>Acomb</u> Funding obtained 2005 Start on site July 2007 Completion January 2008 <u>Tang Hall</u> Apply for funding March 2007 Start on site 2008 Completion 2009 | £600k tba | PP2, 4, 9 CP3, 5, 7, 8, 10 |
| Provide new starter/business units at Amy Johnson Way and Hospital Fields Road | Replace unsuitable workshop units with modern units, at more accessible locations suitable for start up businesses, built by partner developers for use by the Council, to encourage business/employment in York. | <u>Amy Johnson Way</u> Start on site March 2007 Completion of building December 2007 New building open February 2008 <u>Hospital Fields Road</u> Start on site December 2006 Completion of building March 2007 New building open May 2007 | £3m £300k | PP2, 9 CP3, 5, 10,13 |
| Provision of New Skills Centre at Danesgate | Re-use of former Special School to provide Skills Centre for use of children of all ages. | Started on site November 2006 Completion of works August 2007 New Skills Centre September 2007 | £2.1m | PP3, 4, 9 CP3, 4, 5 |

SERVICE

| PROJECT | DESCRIPTION/OBJECTIVE | STAGES/TIMESCALE | VALUE | LINK TO PROPERTY PRIORITIES (PP) CORPORATE PRIORITIES (CP) |
|---|--|--|--|---|
| Review of Secondary School provision on west side of York | New Manor CE Secondary School to be built and extension/refurbishment of another school - York High One secondary school site to be sold | <u>Manor School</u> Planning permission March 2007 Start on site May 2007 Completion of works November 2008 New School opens January 2009 <u>Oaklands/York High</u> Planning permission March 2007 Start on site August 2007 Completion of works January 2009 New school opens March 2009 | £17m £12m | PP2, 4, 9 CP3, 5, 13 |
| Joseph Rowntree School – New Build | Opportunity to build new Joseph Rowntree School with capital for BSF funds. | Bid submitted December 2006 School to be completed September 2009 | £25m | PP2, 4, 9 CP3, 5, 13 |

ANNEX A

COUNCIL CORPORATE PRIORITIES

Helping to shape the future of the city

1. Decrease the tonnage of biodegradable waste and recyclable products going to landfill
2. Increase the use of public and other environmentally friendly modes of transport
3. Improve the actual and perceived condition and appearance of the city's streets, housing estates and publicly accessible spaces.
4. Reduce the actual and perceived impact of violent, aggressive and nuisance behaviour on people in York
5. Increase people's skills and knowledge to improve future employment prospects
6. Improve the contribution that Science City York makes to economic prosperity
7. Improve the health and lifestyles of the people who live in York, in particular among groups whose levels of health are the poorest
8. Improve the life chances of the most disadvantaged and disaffected children, young people and families in the city of York
9. Improve the quality and availability of decent, affordable homes in the city.
10. Improve our focus on the needs of customers and residents in designing and providing services
11. Improve leadership at all levels to provide clear, consistent direction to the organisation
12. Improve the way the council and its partners work together to deliver better services for the people who live in York
13. Improve efficiency and reduce waste to free-up more resources

ANNEX B

RICS “ASSET MANAGEMENT IN LOCAL AUTHORITIES” GUIDELINES

GOOD PRACTICE SUMMARY

- a. Putting in place new corporate groups that, along with the Corporate property Officer, can drive a more corporate and strategic view of the capital programme and the use of property assets and provide the basis for greater cross-cutting working and cross-service capital projects;
- b. Restructuring governance arrangements, leading to elected members being more effectively engaged with strategic decision-making on property issues;
- c. Putting in place property management arrangements that are appropriate to local circumstances and provide the basis for implementation of a more corporate and strategic view of the use of property assets;
- d. Ensuring that project design and management capability is appropriate to the scale and complexity of the capital programme, so that the capital programme is managed as efficiently and effectively as possible;
- e. Developing and maintaining corporate property database and ensuring that all relevant staff have access to it, so that decisions regarding the use, retention and maintenance of property are based on accurate up-to-date information;
- f. Monitoring a suite of property performance indicators that are appropriate to the local context, and taking actions regarding property assets based on an analysis of the indicators;
- g. Engaging with external organisations on their approach to asset management planning, and taking actions regarding property assets based on this engagement;
- h. Consulting with relevant groups on the capital programme and property-related issues, and using the results to inform decisions regarding capital projects and the use of property assets;
- i. Developing a medium/long term property strategy, integrated with the authority’s medium term plan, which sets out how future property requirements are going to be met and includes a clear strategic approach to issues such as disposals, space utilisation (including flexible working) and co-location;
- j. Undertaking property reviews aimed at improving service delivery and the performance of property assets;
- k. Developing integrated formal approaches to option appraisal (including whole-life costing) and the prioritisation of capital projects, so that investment decisions are based upon a clear business case.

ANNEX C

CORPORATE ASSET MANAGEMENT GROUP REMIT

The Corporate Asset Management Group will continue to take responsibility for ensuring that the council operates best practice and a whole council approach to the management of its property assets. The group will be chaired by the Corporate Landlord (AD: Head of Property Services) and will be made up of senior representatives from all of the Council's Departments. In cases where a department is responsible for a diverse range of services, the department's management team will ensure that all services are appropriately represented.

The group will continue to report to the Council's Corporate Management Team (CMT).

It will have responsibility for the following areas:

- To proactively support the role, culture and philosophy of the Corporate Landlord function.
- To contribute to the development and review of a 'property protocol' to support a consistent approach to the management of the council's property assets through:
 - The Annual Corporate Asset Management Plan
 - Continuous development and review of Service Asset Management Plans (including EdAMP, LTP, HBP)
 - Continuous development and review of Area Asset Management Plans (Cross-cutting)
 - Continuous development and review of Premises development plans (where appropriate)
 - To ensure that all strategic planning is based upon a needs driven approach responding to 'Key Drivers' at corporate and service level
 - To ensure that all projects (property solutions) emanate from a process that includes:
 - 'Gap' analysis
 - Option Appraisal
 - Prioritisation
 - Objective analysis and the setting of appropriate and measurable 'Evaluation' targets linked to both corporate and service based objectives
 - a pre-CRAM assessment by the CAMG

- To promote innovation, shared and integrated use of assets and corporate resolution of cross-cutting issues
 - To continue to provide an overview and monitor the performance of the group against established targets and key areas for change:
 - Match assets to service needs
 - Drive down the property costs of service delivery
 - Maximise the benefits from assets
 - Maximise the benefits of repairs expenditure and capital investment
 - Contribution to corporate objectives
 - To support mechanisms for the 'challenge' and review of property utilisation throughout the Council and receive reports from such exercises
 -
 - To support mechanisms for the survey and review of property condition, suitability, safety and performance with regard to access and receive reports from such exercises

CAPMOG REMIT

The monitoring of the capital programme will continue to be the responsibility of the Corporate Monitoring Group (CAPMOG). The group will be chaired by the Corporate Landlord (AD: Head of Property Services) and will be made up of senior representatives from all of the council's departments. In cases where a department is responsible for a diverse range of services, that department's management team will ensure that all services are appropriately represented.

The group will continue to report to the council's Corporate Management Team (CMT).

It will have responsibility for the following areas:

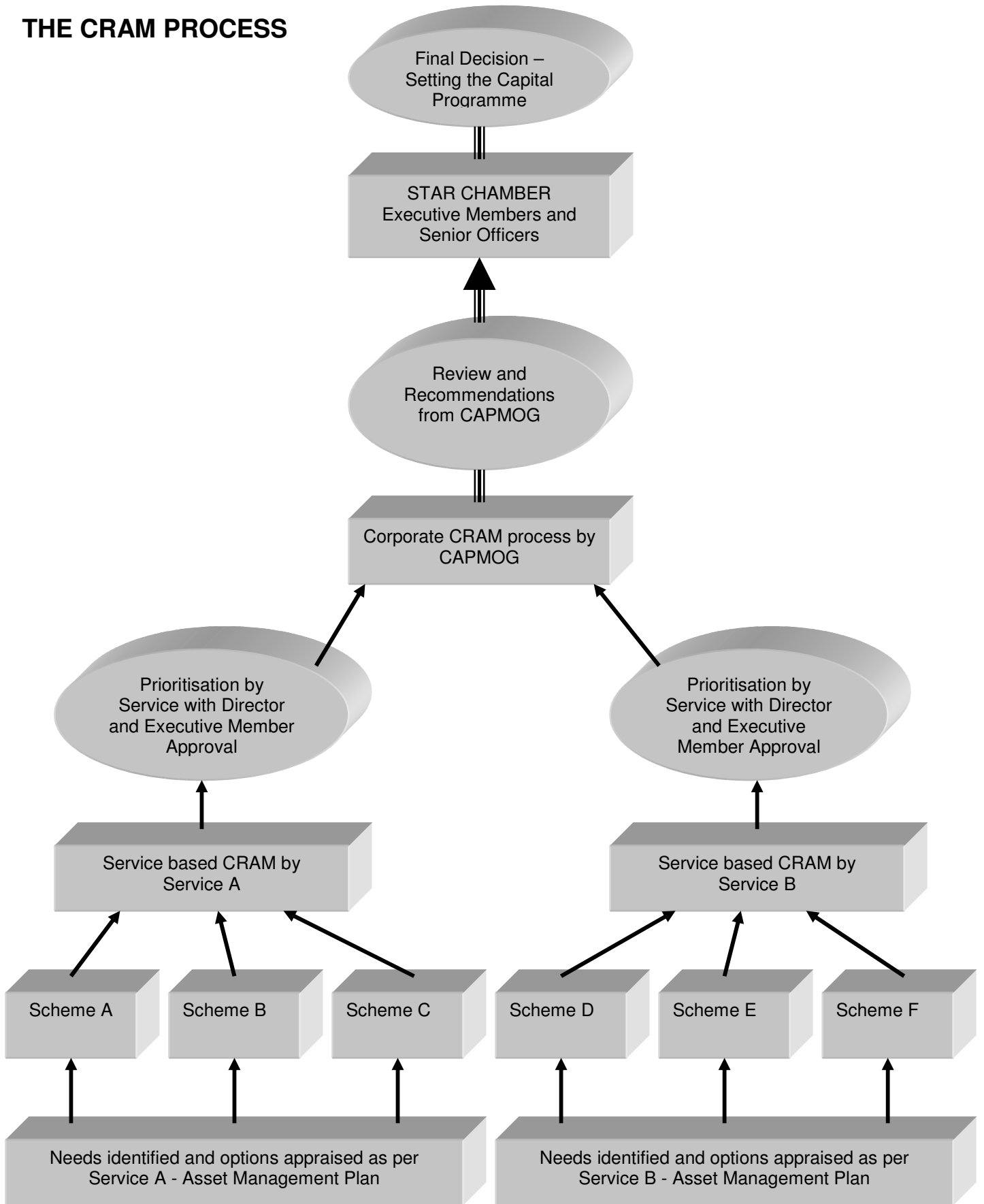
- The review, update and preparation of the council's Capital Strategy.
- To monitor and ensure that all capital expenditure adheres to the Capital Strategy.
- To produce the overall capital programme utilising the CRAM process.
- To review and update the CRAM process from time to time to reflect change within the council.
- To produce the overall 'receipts programme' with a full risk assessment for each potential receipt.
- Reconcile the receipt programme and other funding sources with the programmed capital expenditure.
- Ensure that all capital budgets are profiled to produce realistic monitoring and variances.
- Rationalise practices for capital monitoring throughout the council.
- To receive capital and receipt monitoring reports prior to being reported to CMT and council Members.
- Recommend and take action within the capital programme and receipts programme to avoid overspends or slippage.
- Ensure that all capital budgets are on the council's FMS, including those externally funded through lottery etc. and those for which the council is the accountable body, and enforce a capital control regime at department level.
- Develop and continually review a 3 to 5 year capital programme.
- Establish a funding panel of experts to ensure that all funding opportunities for capital projects are considered and to ensure that all outputs resulting from investment contribute to future funding opportunities.

- To receive and review post investment appraisals so that lessons learnt and good practice can be disseminated and used for all future investment projects.

CAPMOG will meet every six weeks and agendas will be split such that alternative meetings will concentrate on:

- The monitoring of capital expenditure, funding and receipts (prior to reporting to CMT and Members).
- The review of practices and procedures described above and used to support the monitoring process.

THE CRAM PROCESS



ANNEX D

Service and Area AMP Summaries

1 Service Asset Management Plan

The structure of each Service Asset Management Plan can be summarised as

Format

1. Introduction
 - What is a Service Asset Management Plan?
 - What are the benefits?

2. Vision
 - Service to provide
 - Based on recent service reviews/inspections
 - Key drivers
 - Service objectives and aims
 - Proposed service structure
 - Property implications

3. Audit
 - Analysis of existing portfolio that delivers service
 - Asset Management Reports
 - Running costs
 - Outstanding repairs
 - Accessibility
 - Suitability
 - PI's – building and service related
 - Summary of main issues

4. Appraisal
 - Assessment of current buildings and locations – fit with proposed structure
 - Identification of options and way forward to 'close the gap'
 - Available and potential funds
 - Internal budgets
 - Capital receipts/CRAM
 - External funds/partnerships

- Other factors
 - Current and future opportunities
 - Other council and non-council services (including trusts and voluntary groups)
 - ITT infrastructure requirements
- Looked at on a location/building basis

5. Action Plan

- Based on section 4
- Detailed next steps

6. Timetable

- Based on 4 and 5
- 3-5 year plan

7. Review

- Regular basis – say yearly
- Market opportunity basis
 - New funding
 - Available buildings

8. Annexes

- Asset Management Reports
- Location plan
- Survey/suitability data
- Service information
- Property Performance data

2. Area Asset Management Plans

An Area Asset Management Plan (AAMP) combines the strategic direction and priorities set by the Corporate Asset Management Plan, which are linked to the Council's corporate priorities, with the priorities and requirements identified in the individual Service Plans at a local, location specific level. In particular the AAMP

- Focuses on wards' community areas
- Looks at council and non-council community needs and service delivery
- Incorporates partnership working
- Promotes asset rationalisation and shared use of buildings with council and partner services thus reducing net running costs
- Objective is to simplify customer access to council and non-council services.

ANNEX E

Summary of facilities offered by new TF database

- Single integrated system with a single database
- Core framework with focused modules
- Modules available to date
 - Property Register
 - Condition survey and identified work
 - Hazards (including asbestos)
 - Access
 - Estate Management
 - Valuations
 - Utility Register (including costs)
- Finance Management module being developed
- Access to database available throughout the Council
- View only access available over the web
- Reporting available on all fields – many already standard and facility for bespoke reports
- Direct link to photographs and documents through database
- Ability to view maps and floor plans directly

ANNEX F**National and Local PI Results 2003-2005**

| Ref | Indicator | York | | | |
|-------|--|-----------------------------------|------------|------------|------------|
| | | 2003 | 2004 | 2005 | |
| NPI 1 | (a) % gross internal floor-space in condition categories A-D | A | 2.00% | 2.96% | 4.46% |
| | | B | 40.00% | 51.21% | 62.66% |
| | | C | 56.00% | 44.62% | 32.51% |
| | | D | 2.00% | 1.21% | 0.37% |
| | (b) Backlog of maintenance by cost expressed: 1). As total value | | | | |
| | | 1 | £210,264 | £135,414 | £82,225 |
| | | 2 | £1,584,984 | £2,990,670 | £2,198,866 |
| | | 3 | £1,767,691 | £2,523,929 | £2,158,522 |
| | | 2). As a % in priority levels 1-3 | | | |
| | | 1 | 6.00% | 2.00% | 2.00% |
| | 2 | 44.00% | 53.00% | 50.00% | |
| | 3 | 50.00% | 45.00% | 48.00% | |
| NPI 2 | Overall average internal rate of return (IRR) for each of the following portfolios: | | | | |
| | (a) Industrial | 10.82% | | | |
| | (b) Retail | 13.62% | | | |
| | (c) Agricultural investment property | n/a | n/a | n/a | |
| NPI 3 | Total annual management costs per m ² (GIA) for the property portfolio. | £0.32 | £0.41 | £0.64 | |
| NPI 4 | Efficient use of assets & year-on-year improvements in energy efficiency: | | | | |
| | (a) Repair & maintenance costs per m ² | £11.45 | £13.69 | £12.81 | |
| | (b) Energy costs per m ² GIA (gas, elec, oil, solid fuel) | £10.69 | £8.29 | £8.82 | |
| | (c) Water costs per m ² GIA (water, sewerage) | £2.77 | £1.99 | £2.36 | |
| | (d) Co ₂ emissions in tonnes of carbon dioxide per m ² (kwh/m ²) | | 0.09600 | | |
| NPI 5 | Cost Predictability: (a) % of projects where outturn falls within +/- 5% of the estimated outturn, expressed as a %age of the total number of projects completed in the financial year. (Comparison of estimated outturn project costs at "commit to invest" with actual outturn cost) | 65.40% | | | |
| | Time Predictability: (b) % projects falling within +5% of the estimated timescale, expressed as a % of the total number of projects completed in that financial year (Comparison of estimated timescale against actual timescale) | 93.33% | | | |

| Ref | Indicator | Definition | York | | |
|----------|--|--|---------------------|---------------------|---------------------|
| | | | 2003 | 2004 | 2005 |
| LPI 1 | Performance of capital disposals against target set | Actual amount | £1,700,000 | £3,536,127 | £2,457,010 |
| | | Target set | £2,100,000 | £3,443,000 | £3,706,000 |
| LPI 2 | Performance of investment portfolio | % of return of income against capital value of investment estate: Retail | 8.66% | 8.85% | 9.32% |
| | | Industrial | 16.99% | 17.22% | 11.78% |
| | | Agricultural | n/a | n/a | n/a |
| LPI 3 | Voids | No of lettable unit voids as a % of the total units at 31st March (excl markets) | 0.73% | 3.76% | 5.51% |
| LPI 4 | Efficiency of income collection | % total gross income receivable as % achieved within 90 days | 93.52% | 95.93% | 95.41% |
| LPI 5 | Repair costs | Total maintenance budget Plan'd Maint | 0.86% | 0.35% | 0.31% |
| | | as a % total of total React Maint revenue budget: | 1.97% | 2.77% | 1.00% |
| LPI 6 | Space utilisation of authorities administrative offices | <u>NIA</u> No of staff | 10.72m ² | 11.52m ² | 11.40m ² |
| BVPI 156 | The % of authority buildings open to the public in which all public areas are suitable for and accessible to disabled people | | 13.00% | 29.70% | 42.10% |

ANNEX G

COPROP Indicators - Summary

1 Condition and Required maintenance

- A** % Gross internal floor space in condition categories A-D
- B** Required maintenance by cost expressed:
 - I/ as total cost in priority levels 1-3
 - II/ as a % in levels 1-3
 - III/ overall cost per square metre GIA
- C** Annual percentage change to total required maintenance figure over previous year
- D** I/ total spend on maintenance in previous financial year
 - II/ total spend on maintenance per square metre GIA
 - III/ percentage split of total spend on maintenance between planned and responsive maintenance

2 **Building Accessibility Surveys**

- A** % of portfolio by GIA sq.m. for which an Access Audit has been undertaken by a competent person
- B** Number of properties for which an Access Audit has been undertaken by a competent person
- C** % of portfolio by GIA sq.m. for which there is an Accessibility Plan in place
- D** Number of properties for which there is an accessibility plan in place

3 Suitability Surveys

- A** % of portfolio by GIA sq.m. for which a suitability survey has been undertaken over the last 5 years
- B** Number of properties for which a Suitability survey has been undertaken over the last 5 years
- C** i/ % of properties graded as good or satisfactory
 - ii/ % of properties for which grading has improved since the last suitability survey was carried out at the property

4 Environmental Property Issues

- A** Energy Costs/Consumption (gas, electricity, oil, solid fuel) by property category
 - £/sq.m. GIA
 - kwh/sq.m. GIA
- B** Water Costs/Consumption by property category
 - £/sq.m. GIA
 - volume/sq.m. GIA
- C** CO2 emissions by property category
 - tonnes/sq.m. GIA

5 Sufficiency (Offices)

- A** i/ A/ Operational offices as % of total operational portfolio
B/ Office space per head of the population
- ii/ Office space (sq.m.NIA) as a percentage of total floor space in operational office buildings
- iii/ A/ Number of office or operational buildings shared with other public agencies
B/ % of office or operational buildings shared with other public agencies
- B** i/ average floor space (sq.m.) per FTE staff in office teams
- ii/ average floor space per workstation
- iii/ annual property cost per workstation

6 Spend

- A** Gross Property Costs of the operational estate as a % of the Revenue Budget
- B** Gross Property Costs per sq.m. GIA by CIPFA Property Category

7 Time and Cost predictability

- A** Time Predictability Design – The percentage of projects where the actual time between Commit to Design and Commit to Construct is within, or not more than 5% above, the time predicted at Commit to Design
- B** Time Predictability Post Contract. The percentage of projects where the actual time between Commit to Construct and Available for Use is within, or not more than 5% above, the time predicted at Commit to Construct
- C** Cost Predictability design The percentage of projects where the actual cost at Commit to construct is within +/- 5% of the Cost predicted at Commit to Design
- D** Cost Predictability Post Contract. The percentage of projects where the actual cost at Available for Use is within +/- 5% of the cost predicted at Commit to Construct.

Asset Management Report 2007

STRENSALL LIBRARY



Property UPRN: P001202
 File Ref: 2178/3
 Owning Committee: LEISURE
 Occupying Committee: LEISURE
 Services Delivered: LIBRARY
 Ward: STRENSALL

Core Data

Location: The Village, Strensall, York, YO32 5XS

Tel N° Property: 01904 490876
 Service: 01904 553316 (Fiona Williams)

Areas Site: 200.00 m² Property: GIA 105.38m²

| Block: | Type | Area | Occupant |
|--------|--------------|----------------------------|------------------|
| | Ground Floor | 96.00m ² | Library Services |
| | G/F Zone B | 9.38m ² | Library Services |
| | Storeroom | 00.00m ² | Library Services |
| | Total | 105.38m² | |

Property Details

Tenure: Freehold with Possession
Type: NON HRA
Year Built: 1875
Listed Building: No
Category: Operational other land & buildings
Disabled Access: Yes
Suitability Rank:
Wiring Cert:

Valuation

Current Use: Depreciated Replacement Cost – Buildings £130,000 01/04/2003
 Depreciated Replacement Cost – Land £57,500 01/04/2003

Comments

Opening times: Monday 5.30pm – 7.30pm, Tuesday 2.00pm – 5.00pm, Wednesday (closed), Thursday 10.00am – 12.30pm, Friday 2.00pm – 5.00pm & 5.30pm – 7.30pm, Saturday 10.00am – 12.30pm.

Property Surveys**Condition Survey (W.I.):**

| Prio rity | <u>Amount (£)</u> | <u>Classification</u> |
|----------------------|--------------------------|------------------------------|
| 1 | 0 | Urgent |
| 2 | 0 | Essential |
| 3 | 0 | Desirable |
| 4 | 3150 | Long Term |
| | Total £3,150 | |

Disability Access Audit:

| Prio rity | <u>Amount (£)</u> | <u>Classification</u> |
|----------------------|--------------------------|------------------------------|
| 1 | 330 | Essential |
| 2 | 700 | Recommended |
| 3 | 0 | Desirable |

Suitability Survey:

| | | |
|-------------|-----------------|---------------------|
| Score: | 34 | Total £1,030 |
| Rank | ? | |
| Priority 1: | Image | |
| Priority 2: | Safety/Security | |

Asbestos Survey:

| | |
|-------------------|-----|
| Hazards Detected: | No |
| Risk: | N/A |

Contaminated Land Survey:

| | |
|-------------------|--------------|
| Hazards Detected: | Not surveyed |
| Risk: | N/A |

Fire Risk: Not surveyed

Comments

N/A

Running Costs

Cost Centre: H377

Expenditure

| | 2005/2006 | <u>2004/2005</u> | <u>Average</u> |
|-------------------------------|------------------|-------------------------|-----------------------|
| Repair & Maintenance | 3,669 | 8,337 | 6,003 |
| Energy | 829 | 214 | 521 |
| Water/Sewerage | 222 | 84 | 153 |
| Cleaning | 3,874 | 2,685 | 3,279 |
| Asset Rental/Insurance/Rates: | 7,241 | 8,810 | 8,025 |
| Other | | 388 | 194 |
| Total Running Costs: | £15,835 | £20,518 | £18,175 |

Income

| | 2005/2006 | <u>2004/2005</u> |
|----------------|------------------|-------------------------|
| Lettings: | 00.00 | 00.00 |
| Sundry Income: | 00.00 | 525.00 |
| Total: | £00.00 | £525.00 |

Running Costs m²

Property: £167.49 m²
 Service Benchmark: £115.72 m²

Comments

N/A

Terrier Information

Details

Plan N^o: 306
OS Sheet N^o: SE6360NW
Drawing N^o: 91954
Card N^o: 7973
Deed Pkt: 6573/3
Stat Pwr Acq: Public Libraries and Museums Act 1964
Purchasing Committee: Acquired from NYCC on Local Government Reorganisation 01/04/1996
Purp of Acq: Provision of branch library

Comments

N/A

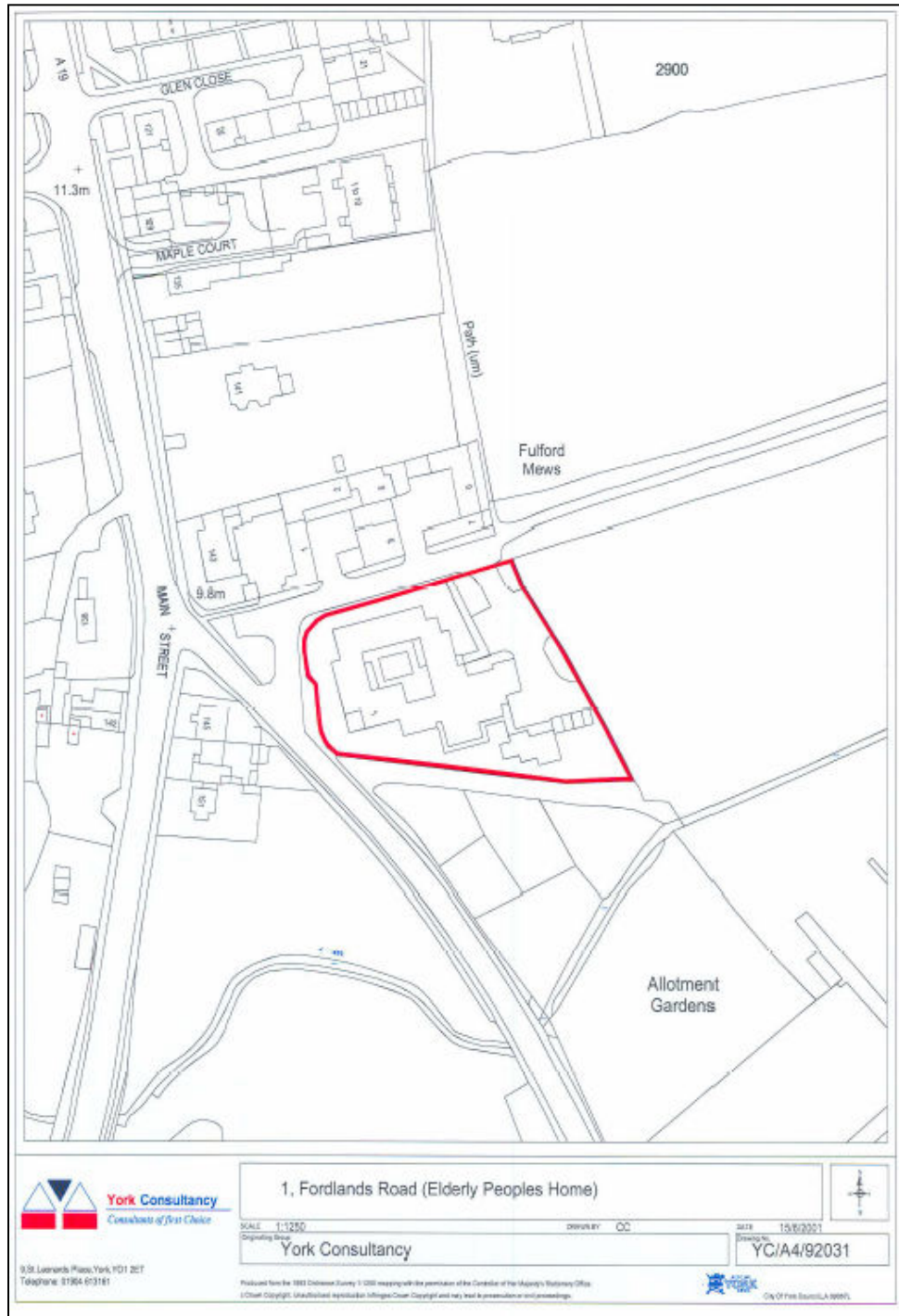
Lease Details

Authority as Lessor

(if blank then none)

Authority as Lessee

(if blank then none)



Rear Elevation



Side Elevation



Side Elevation



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Executive

27 March 2007

The Annual Audit Letter 2005/06

Report of the Assistant Director of Resources (Audit & Risk Management)

Summary

- 1 This paper summarises the key findings and conclusions of the District Auditor in respect of the 2005/06 audit year.

Background

- 2 The District Auditor reports annually his independent opinion of the Council's arrangements based on an annual programme of work agreed by officers and Members. This programme of work must meet the standards set out in the Code of Audit Practice and is focused across 3 main areas of interest:
 - the opinion given on the Council's annual Statement of Accounts and Statement of Internal Control;
 - the financial aspects of corporate governance (including financial health, systems of assurance, probity and legality);
 - performance management (including CPA, VFM, performance management information and the Best Value Performance Plan).
- 3 The Letter also summarises key findings from the annual Inspection programme and includes the Council's CPA scorecard for 2006 and a related 'Direction of Travel' statement.

Summary of key issues

- 4 In summary, the District Auditor notes that:
 - a) overall, the Council is "**improving adequately and demonstrating a 3 star overall performance**" for 2006 CPA purposes (*page 5, paragraph 5*) but that preparing for the Corporate Assessment in January 2008 "**presents challenges for the Council**" (*page 4, paragraph 3*)
 - b) the Council has maintained sound financial management and "**sustained a strong focus on value for money, with very good performance across a range of services whilst containing**

overall service costs in line with the lowest spending Councils nationally” (page 7, paragraph 16) and unqualified opinions were given on the financial accounts and in respect of the VFM conclusion (page 4, paragraph 3);

- c) important improvements in internal control and the overall governance framework have been made, such as the introduction of the Audit & Governance Committee, and in raising awareness of these matters (page 14, paragraph 44);
- d) the Use of Resources CPA re-fresh in 2006 was scored as a 2 compared to 3 in 2005. Priority areas for improvement noted by the Audit Commission (page 14, paragraph 45) are:
- accounts for audit to be free of material misstatements;
 - all partnerships to have robust governance arrangements;
 - the financial performance of all partnerships to be reviewed and achievement of objectives actively monitored;
 - consolidate the corporate approach to procurement;
 - continue to develop the Audit & Governance Committee to ensure it is confident in its role and is able to provide effective challenge as part of the Council’s overall management assurance framework;
 - embed the development work on-going in relation to the equalities agenda.
- e) various service improvements have been made across a wide range of services but there remain areas for improvement, some of which remain outstanding from last year (page 4, paragraph 3). Particular matters to note include:
- the strategic planning and prioritisation issues arising from a review of deciding & delivering Council priorities (page 9, paragraphs 25-27);
 - the adequacy of overall programme and project management arrangements at the Council (page 10, paragraph 29);
 - the need to address the improvement issues set out in respect of LSP to properly support the development of the LAA and partnership working (page 11, paragraph 33-35);
 - excellent Ofsted Inspection (page 12, paragraph 37);
 - that whilst the fraud and security side of the BFI Inspection is judged to be excellent and improving, there were some performance issues to be addressed by the Benefits service in 2005/06 (pages 12, paragraphs 38);
 - good CSCI Inspection overall but it was noted that the improvement areas identified previously in respect high cost

Adult intensive social care and the unit costs of home care remain outstanding (*page 12, paragraph 39*).

- 5 The Letter also notes key areas for improvement based on performance in 2005/06, as set out in the Direction of Travel (DOT) report (*page 6, paragraphs 7-23*). Positive progress made includes:
- a) high performance within services for children, young people and adult care services, supported by LPSA initiatives to further improve performance;
 - b) improvement across the majority of key BVPIs, most notably in respect of planning which is now meeting national standards;
 - c) good progress has been made in addressing local priorities through the York Pride initiative particularly in respect of the built environment and access to services ([Easy@York](#) project work);
 - d) strong focus on VFM sustained with very good performance noted across a range of services whilst keeping service costs in line with the lowest spending Councils nationally. Significant progress has also been made in the early achievement of national efficiency targets and the development of the five year Efficiency Programme which along with the Organisational Effectiveness Programme should help to support organisational development and the considered allocation of resources to priority services;
 - e) proactive response to recent job losses in taking a strategic approach to consideration of the City's future employment and economic prospects and good progress made in developing and implementing a Local Area Agreement (LAA) by April 2007;
 - f) healthy schools scheme contribution to helping to improve the health of local people;
 - g) evidence of a number of robust service delivery plans spanning key service areas including the Local Transport Plan and Children and Young People's Plan, both of which received the highest possible rating in external assessment;
 - h) the York Neighbourhood Pride has been launched, building on the success of the original York Pride initiative to address specific local neighbourhood issues;
 - i) plans for sustainable waste management have progressed and an outline business case to DEFRA for PFI status has been submitted;
 - j) evidence of good progress being made in implementing the improvement plan to address known governance issues, improved call-handling arrangements following the successful launch of the new Customer Centre and the York Pride Action line and key milestones in respect of the Admin Accommodation project have been achieved;

- k) key development work progressing in respect of the corporate procurement development programme including the development of a robust regulatory framework, the Strategic Procurement Programme and the re-structure of the CPT to ensure it is fit for purpose and better able to deliver a demanding and complex support service across the organisation.

6 However, the DOT report also notes that:

- a) despite improvements in the Benefits service, the Council remained in the lower quartile for processing times in 2005/06. It should be noted however that performance in this area has since improved with officers reporting that;
 - i. the time taken to process new claims has improved from 40 days in 2005/06 to 35 days in 2006/07 (year to date in February 2007);
 - ii. the time taken to process changes in circumstances has improved from 28 days in 2005/06 to 16 days in 2006/07 (YTD in February 2007)
- b) whilst the Council's overall improvement through the LPSA was higher than the national average, a small number of specific stretch targets set by the Council for youth offending, housing benefits and educational attainment at Key Stage 3 and GCSE were not achieved;
- c) the triennial Best Value user satisfaction survey shows inconsistencies in the levels of user satisfaction with services at the Council, so that whilst satisfaction with some services such as recycling and street cleanliness increased significantly, satisfaction with some other services such as waste collection and sports & leisure have fallen;
- d) tight financial constraints continue to require careful management to ensure budget pressures in 2006/07 and savings targets for 2007/08 are achieved. This is known and officers report that the current projection for 2006/07 outturn will be at or slightly below the Budget set by Council for the year;
- e) there is a need to ensure that performance management arrangements are properly focused on the delivery of community outcomes and that the Council's community leadership role is exercised in such a way as to encourage the engagement and inclusion of all partners further to the LAA;
- f) failure to achieve affordable housing targets and increases in the overall housing waiting list. Officers report that the waiting list increased by 2.9% between 2005 and 2006 and this is thought to be largely due to lower turnover rates in tenancies and hence less housing opportunities becoming available in the period. In addition, whilst the Council failed to achieve its affordable housing target in 2005/06 it is important to note that the target referred to by the

District Auditor is an average annualised figure derived from a global five year target. To that end it is more meaningful to consider achievement across that time frame given the particular time-leads involved in housing provision of this kind and the fact that there will be peaks and troughs in terms of new provision coming on stream across the whole five year period;

- g) despite some progress in implementing the Equalities strategy overall, further work is needed to address the development of a consistent and effective approach to inclusion across all services;
- h) the Council remains one of the worst performing authorities in respect of sickness absence indicators which may be adversely affected further in light of growing capacity problems and the impact of the Job Evaluation scheme on staff relations and increased budgetary pressures;
- i) delays in progressing some aspects of the overall corporate procurement development programme, most notably the Corporate Procurement Strategy due to staffing problems in 2006;
- j) on-going need to ensure the Equalities strategy and the Risk Management strategy are fully embedded across the Council.

Next steps

- 8 Following the Executive's consideration of the Letter on the 27 March 2007, the Letter must be made publicly available in accordance with the relevant legislation by 31 March 2007. As in previous year's the Letter will therefore be published on the Council's website. An action plan setting out what will be done and by whom in response to the issues raised will be prepared and reported to the Audit & Governance Committee for in-year monitoring purposes by those Members charged with governance in accordance with the Council's Constitution. As last year, this will cover the key areas for improvement identified by the District Auditor.

Options

- 9 Not relevant for the purpose of the report.

Analysis

- 10 Not relevant for the purpose of the report.

Corporate Objectives

- 11 Not relevant for the purpose of the report.

Implications

- 12 There are no financial, HR, equalities, legal, crime and disorder or IT&T implications arising from this report.

Risk Management Assessment

- 13 Not applicable to this report.

Conclusions

- 14 The Annual Letter is generally positive and recognises much of the excellent progress made by the Council in 2005/06. Nonetheless the District Auditor notes some key areas for improvement which will be incorporated into the action plan arising from the annual audit letter and reported to the Audit & Governance Committee for on-going monitoring and progress chasing purposes.

Recommendations

- 15 It is recommended that the Executive:
- a) note the content of this report and the Annual Letter itself, attached as Annex 1 to this report, prior to its publication on the Council's website before 31 March 2007;

Reason

To comply with the statutory requirements for the external audit of the Council

- b) consider any particular matters to be included in the action plan in response to the issues raised by the District Auditor to be reported to the Audit & Governance in April 2007.

Reason

To ensure the effective management and follow-up of key action to be taken to support on-going development and improvement work at the Council

Author:

Liz Ackroyd
Assistant Director of Resources
(Audit & Risk Management)
Resources
Ext 1706

Chief Officer Responsible for the report:

Liz Ackroyd
Assistant Director of Resources (ARM)

Report Approved

Yes

Date 10 March 2007

Specialist Implications Officer(s) Not applicable

Wards Affected Not applicable

All

Annexes

The Annual Audit & Inspection Letter 2005/06

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Annual Audit & Inspection Letter

City of York Council

Audit 2005/2006

The Audit Commission is an independent body responsible for ensuring that public money is spent economically, efficiently and effectively, to achieve high-quality local services for the public. Our remit covers around 11,000 bodies in England, which between them spend more than £180 billion of public money each year. Our work covers local government, health, housing, community safety and fire and rescue services.

As an independent watchdog, we provide important information on the quality of public services. As a driving force for improvement in those services, we provide practical recommendations and spread best practice. As an independent auditor, we ensure that public services are good value for money and that public money is properly spent.

Status of our reports

This report provides an overall summary of the Audit Commission's assessment of the Council, drawing on audit, inspection and performance assessment work and is prepared by your Relationship Manager.

In this report, the Commission summarises findings and conclusions from the statutory audit, which have previously been reported to you by your appointed auditor. Appointed auditors act separately from the Commission and, in meeting their statutory responsibilities, are required to exercise their professional judgement independently of the Commission (and the audited body). The findings and conclusions therefore remain those of the appointed auditor and should be considered within the context of the Statement of Responsibilities of Auditors and Audited Bodies issued by the Audit Commission.

Reports prepared by appointed auditors are:

- prepared in the context of the Statement of Responsibilities of Auditors and Audited Bodies issued by the Audit Commission; and
- addressed to members or officers and prepared for the sole use of the audited body; no responsibility is taken by auditors to any member or officer in their individual capacity, or to any third party.

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Contents

| | |
|--|-----------|
| Our overall summary | 4 |
| Action needed by the Council | 4 |
| How is City of York Council performing? | 5 |
| The improvement since last year - our Direction of Travel report | 6 |
| Service inspections and Performance audits | 9 |
| Financial management and value for money | 13 |
| Conclusion | 15 |
| Availability of this letter | 15 |

Our overall summary

- 1 This report provides an overall summary of the Audit Commission's assessment of the Council. It draws on the findings and conclusions from the audit of the Council, inspections that have been undertaken in the last year and from a wider analysis of the Council's performance and its improvement, as measured through the Comprehensive Performance Assessment (CPA) framework.
- 2 The report is addressed to the Council, in particular it has been written for Members, but is available as a public document for stakeholders.
- 3 The main messages included in this Letter are:
 - An unqualified opinion has been given on your accounts.
 - An unqualified conclusion has been given on your arrangements to secure Value for Money.
 - Your arrangements for financial reporting, financial management and internal control are generally fit for purpose.
 - Our reviews, and those of other inspectorates, have noted service improvements across a wide range of areas. These reviews have, however, also identified areas for improvement, and in some cases, areas for improvement identified last year which have not yet been addressed.
 - Preparing for the Corporate Assessment, to be carried out in early 2008, presents challenges for the Council.
 - The Council needs to continue to manage the big financial challenges successfully, these include: ensuring the Social Services overspend position is under control; and ensuring that the waste management solution is affordable.

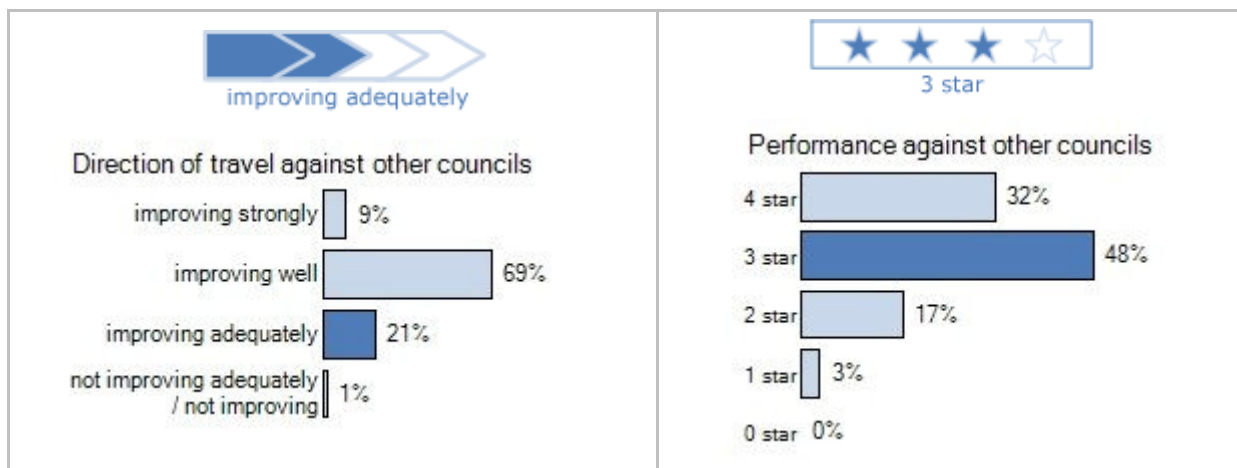
Action needed by the Council

- 4 The issues emerging from our performance reviews are integral to ensuring effective governance, needs-based and customer-focused delivery and continuous improvement. These issues, amongst many others, will be robustly tested in your forthcoming corporate assessment. *CPA 2005 – A Harder Test* has a more demanding framework than the original model; it not only expects councils to have appropriate strategies and systems to promote efficiency and effectiveness, but also to demonstrate that these mechanisms are embedded and are making an impact. One of your key challenges over the next year will be to implement the changes already underway to strengthen your arrangements and to establish an organisational culture which embraces these changes.

How is City of York Council performing?

- 5 Our overall judgement is that City of York Council is improving adequately and we have classified the Council's performance as three star. The results of our assessments of all single tier and county councils are in Table 1.

Table 1 CPA assessment



Source: Audit Commission

- 6 The detailed assessment for City of York Council is as follows.

Table 2 CPA scorecard

| Element | Assessment |
|---|----------------------|
| Direction of Travel judgement | Improving adequately |
| Overall | 3 star |
| Current performance | |
| Children and young people | 4 out of 4 |
| Social care (adults) | 3 out of 4 |
| Use of resources | 2 out of 4 |
| Housing | 2 out of 4 |
| Environment | 3 out of 4 |
| Culture | 2 out of 4 |
| Benefits | 3 out of 4 |
| Previous corporate assessment/capacity to improve, as included in overall CPA judgement in 2006 | 3 out of 4 |

The improvement since last year - our Direction of Travel report

- 7 Our assessment is based on performance recorded in 2005/06 as data for that year has been audited. We also recognise more up to date changes to your arrangements and service developments and note that officers report further performance improvements in the current year.
- 8 You maintained your improvement trend in 2005/06. You have sustained high performance within services for children and young people and adult care services, and improved the majority of key Best Value Performance Indicators (BVPIs), most notably in areas of poorer performance, such as planning, where national standards are now being met, although performance remained significantly below the national average in 2005/06. The Department for Transport has designated you as a centre of excellence for integrated transport planning. Your arrangements to process housing benefit claims have also improved substantially, but you remained in the lowest quartile nationally for this particular measure in 2005/06. Officers report that performance has improved in 2006/07.
- 9 You have sustained progress in addressing local priorities through the York Pride initiative which has led to improvements to the environment, and the easy@york project which continues to improve access to services. Actions to make York a safer city have been successful in 2005/06 in reducing crime overall, but car crime increased significantly.
- 10 Your Local Public Service Agreement (LPSA) initiatives have helped you to improve performance within some areas such as services to children and young people and sustainable transport. We note that your overall rate of improvement through the LPSA was slightly higher than the national average rate. However, stretch targets for areas such as youth offending, housing benefits and educational attainment at Key Stage 3 and GCSE were not achieved.
- 11 You have responded positively to recent job losses in the city by setting up an independent strategic review group including members from key partners to produce an overview of the city's employment and economic prospects. In addition, your Science City initiative continues to achieve positive outcomes for the local economy in the form of increased business start-ups and learning opportunities. You have made progress against the York Central Area action plan, which aims to redevelop an area of the city to provide brownfield land for housing and new employment opportunities. However, the closure of the British Sugar plant on an adjacent site has introduced further complications along with opportunities to broaden your original proposals, which you are now evaluating and addressing.
- 12 Increased participation in the healthy schools scheme and other health promoting activities has contributed to a general trend of improvement in the health of local people. Your new 'Eco Depot', which incorporates sustainable construction principles and energy sources, will provide an opportunity for environmental education.

- 13 The recently reported triennial Best Value user satisfaction survey has revealed inconsistent levels of satisfaction with your services. Satisfaction with some services such as recycling and street cleanliness has increased significantly, although satisfaction with others, such as waste collection and sport & leisure has fallen. There has also been a reduction in the overall satisfaction from 57 per cent in 2003/04 to 44 per cent, which represents a move from the top quartile, to the bottom quartile, although the satisfaction with the way you handle complaints has improved.
- 14 This fall in overall satisfaction has occurred despite a general trend of improvement in services. It is important that the council understands the reasons for the reduction in satisfaction. You already have processes in place to communicate with the public. In addition to the city-wide newsletter you provide each household with a ward newsletter setting out Council messages for specific wards, and this is a good practice initiative. To maximise public satisfaction, you will need to actively engage with the public to ensure that their needs and expectations are identified and reflected in your actions.
- 15 You have made some progress in delivering your equalities strategy, and there are examples of positive engagement of service users in developing services. An affordable housing pilot using an equity loan scheme has been successful and, in conjunction with regional partners, external funding has been secured to finance the scheme for the period from 2005/06 to 2010/11. However, feedback from residents suggests that your actions to make York a more inclusive city have not had the desired impact. You did not achieve your annual target for affordable housing completions and the overall housing waiting list has increased. There has been limited progress in integrating social inclusion issues into neighbourhood action plans. You have identified a range of issues related to the rapidly changing diversity of the community, which need to be addressed to achieve a consistent and effective approach to inclusion across all services.
- 16 You have sustained a strong focus on value for money, with very good performance across a range of services whilst containing overall service costs in line with the lowest spending Councils nationally. You have made significant progress against the national efficiency targets, by developing a five-year Corporate Efficiency Programme, to support the redirection of resources to priority services, and officers report that they are on track to meet the efficiency targets early.
- 17 Your recent organisational restructure aims to deliver improved management capacity and enable further redirection of resources to priority services. You have made good progress in developing plans to sustain future improvement. You have recently revised your corporate strategy, agreed new priorities and are developing arrangements to support their delivery. One example of this is your creation of the Organisational Effectiveness Programme, which has combined four internally-focused priorities with a range of existing initiatives, to promote a more corporate approach to organisational development.

- 18 You have made good progress on developing a Local Area Agreement and have taken steps to implement the agreement by the deadline of April 2007. You have restructured the Local Strategic Partnership (LSP) to address its requirements. Some challenges remain, including the development of leadership capacity and new approaches to budget pooling. Through the LSP you have developed performance management arrangements which focus on the delivery of community outcomes required by the LAA. These will need to be rolled out as soon as practicable to enable you and your partners to demonstrate the impact of your actions. Effective engagement with partners is essential in delivering these shared outcomes. You need to satisfy your community leadership role in respect of the emerging LAA in an inclusive way to ensure that partners remain engaged and actively participate in strategic partnership working. Partners' understanding of your revised priorities, and your understanding of theirs, will be a determining factor in the success of the LAA.
- 19 You now have some robust service delivery plans. For example, your Local Transport Plan and your Children and Young People's Plan have both received the highest possible rating from external assessments. York Neighbourhoods Pride is being launched to build on the success of the initial York Pride initiative by developing projects to address specific local neighbourhood issues. You are also making progress on your plans for sustainable waste management by submitting, with your partner, an outline business case to DEFRA for PFI funding to assist the development of waste management facilities. However, sites for the facilities have yet to be determined by North Yorkshire County Council. There are significant affordability issues to resolve regardless of the option pursued.
- 20 You have made good progress at implementing your improvement plans linked to your priorities. Your Customer Centre is now open and you have improved call-handling arrangements to the York Pride Action Line. This has contributed to improvements in the cleanliness of the local environment. Early land transactions have been completed to enable the office accommodation project to progress. This project is still at an early stage but you have met your initial objectives and milestones, including the completion of land assembly transactions. You have also made significant progress in addressing weaknesses in your governance and assurance arrangements.
- 21 Tight financial constraints continue to place pressure on your capacity to deliver your priorities. A government decision to set a notional budget for the current year has made your financial position even more challenging. You have identified 2006/07 budget pressures of £3 million which you are closely monitoring and managing. Your 2007/08 budget has been set on the basis you will achieve savings to the value of £6m and this will need to be monitored to ensure they are delivered.

- 22 In terms of organisational capacity, staffing issues remain a key challenge. Although your staff absence levels have improved, you were still amongst the worst performing Councils for this measure in 2005/06. A combination of staff absences and recruitment and retention issues is likely to place additional pressure on existing staff. Your job evaluation scheme is due to be implemented in 2007; this is likely to create a range of staff relations and budgetary pressures which you will need to manage effectively.
- 23 You have made progress in developing more robust corporate procurement arrangements. A Strategic Procurement Programme has been agreed; delivery of this programme will be a significant step forward in helping the Council to use procurement as a tool to improve services and demonstrate value for money. However, the development of a new corporate procurement strategy has been subject to significant delay, and you now anticipate implementing this strategy by June 2007.

Service inspections and Performance audits

- 24 We did not plan to deliver any service inspections during the year, but did deliver several performance audit reviews. The key issues arising from these reviews are set out below:

Deciding and Delivering Council Priorities Review

- 25 This review was originally scheduled for delivery during 2004/05, but by mutual agreement, we delayed its delivery until you had completed the initial work on updating your priorities. We completed the review when you were in the early stages of implementing your new priorities, which were formally agreed by the Council in June 2006. At that stage you had a significant amount of work to do, to ensure that these priorities were embedded within your service and financial planning systems in time for the 2007/08 budget setting process. We are aware that you have been taking further action to make this happen.
- 26 The key messages emerging from our review were
- Whilst some priorities, such as for Safer York are already well established within a partnership framework, others, such as Health and Lifestyle, were at a very early stage, with little evidence to indicate how new priorities relating to this area were being embedded.
 - The process of developing the priorities through the Corporate Leadership Group has helped to instil a new sense of corporate ownership amongst your senior managers and a better understanding of their potential roles in delivering your ambitions.
 - You had not developed the mechanisms necessary to keep you focused on the new priorities. Your performance management framework had not been amended to incorporate the improvement statements and you had not decided how to report progress against the targeted outcomes for these cross-cutting improvements.

- There were still some significant steps to develop a realistic and robust strategy to deliver against these priorities, these are set out below:
 - You applied your service planning framework consistently, but had yet to develop detailed guidance on incorporating the improvement statements into service plans with sufficient emphasis on user focus.
 - You were committed to developing 'better measures' to drive improvement in services, but the current measures to assess performance against the Year One actions were not sufficiently SMART and staff training to address that had not started.
 - Clarity is needed on how resources are allocated to priorities, and how you will demonstrate value for money. Strategies, such as those for procurement and the medium term financial plan, which was developed at the same time as the new priorities, were still being finalised.

27 Our review made a number of high and medium priority recommendations which you are now taking action on, and which we intend to follow up during 2007/08, in advance of the Corporate Assessment. In addition, since prioritisation is one of five key themes explored by the Corporate Assessment model, we will revisit some of the issues identified during the Assessment in early 2008. In particular, we will be assessing how well your priorities are understood, the extent to which your resource allocations reflect those priorities and whether you have developed clear links between your strategic priorities and your action plans.

Review of project management and programme management arrangements

28 During 2006 we carried out a review of your programme and project management arrangements and focused on the:

- easy@york programme management, and
- administration accommodation project management.

29 Our main conclusion from these two reviews is that in the absence of corporately agreed programme and project management guidance, your ability to introduce new initiatives robustly and consistently will continue to be wholly dependent on the skills and experience of individual officers. It is worth noting that the Corporate Assessment model explores whether capacity is used effectively to deliver ambitions and priorities – including the extent to which projects are properly resourced and managed.

30 Our review of your Easy@York programme involved a brief follow-up of a more detailed review undertaken during 2005, which we reported in last years Letter. We found that:

- you have strengthened your programme assurance arrangements, and
- whilst changes to programme staff may cause you some interim difficulties, the programme is now established, and we do not propose carrying out any further audit work on the part of the programme approved to date.

- 31 Our initial work on your administration accommodation project has confirmed that your arrangements for establishing this project include many good practice elements.
- 32 Our main concern related your decision to run the set of diverse sub-projects as a project rather than as a programme, this decision being influenced by the non-availability of corporate guidance on programme management. Nevertheless, controls have been established for this particular initiative, including issue and risk management.

Delivery of Corporate Objectives through the Local Strategic Partnership

- 33 This review focused on the Local Strategic Partnership's (LSP) performance management arrangements and considered how your community leadership role contributes to effective partnership working.
- 34 The key issues emerging from the review relate to:
 - the need for the LSP to consolidate the work already done to establish the community strategy by strengthening its focus on the delivery of community priorities;
 - the need to ensure that all partners, whether in a strategic or operational capacity, are effectively engaged with the LSP and share ownership of the priorities and outcomes it is committed to deliver; and
 - the need to strengthen current performance management arrangements to ensure that the impact of the LSP's actions can be measured.
- 35 Our Corporate Assessment model will assess your effectiveness at ensuring that partnership working is productive and sustainable, that accountability within partnerships is clear and robust and that partners, individually and collectively, review performance within a culture of open debate and constructive challenge.

Reviews by other Regulators

- 36 An important aspect of the role of the Relationship Manager is to work with other inspectorates and regulators who also review and report on your performance. During the last year you have received an annual performance assessment (APA) from three inspectorates covering your Adult Social Care, Children and Young People (C&YP) and Benefits arrangements.

- 37** The Office for Standards in Education (Ofsted) judged that you provide outstanding outcomes for children and young people. Your Children's Trust has successfully built on established patterns of partnership, reflected by the recent award of Beacon status for Early Intervention. Your C&YP Plan was completed ahead of time, which, together with targeted services that address the needs of vulnerable groups, demonstrates a good shared understanding of local needs. You have made good progress against most, but not all, of the issues identified in the 2005 APA. Whilst you continue to operate under tight fiscal constraints and some significant financial and organisational uncertainties amongst other agencies, you provide excellent value for money for C&YP. Within the available resources, you have excellent capacity to continue to reshape services and to further improve outcomes for C&YP in the area.
- 38** The Benefit Fraud Inspectorate (BFI) has judged your performance as good; you met 5 of the 12 performance measures where the BFI had set a standard, and 52 of the 65 enablers. Whilst you have demonstrated a clear commitment to detecting fraud and undertaking appropriate sanctions and steadily improved against the majority of performance measures set for claims administration there are some performance issues in other areas, for example, the speed of processing changes in circumstances. You have drawn up an action plan to address these issues, and officers report that the performance has improved significantly in 2006/07.
- 39** The Commission for Social Care Inspectorate (CSCI) judged that you serve most people well, and your capacity to improve was promising. You have consolidated last year's performance and in many areas, have delivered improvements on that performance. However, CSCI identified a range of areas for improvement, including some, such as the high cost of intensive social care for adults and older people and unit costs of home care, which were identified as areas for improvement last year.

Financial management and value for money

- 40 As your Appointed Auditor I have reported separately to the Audit & Governance Committee on the issues arising from our 2005/06 audit and have provided:
- an unqualified opinion on your accounts;
 - a conclusion on your Value for Money arrangements to say that these arrangements are adequate; and
 - a report on the Best Value Performance Plan confirming that the Plan has been audited.
- 41 My audit findings are an important component of the CPA framework described above. In particular the Use of Resources score is derived from the assessments made by the auditor in the following areas.
- Financial Reporting (including the preparation of your accounts and the way these are presented to the public).
 - Financial Management (including how the financial management is integrated with strategy to support your priorities).
 - Financial Standing (including the strength of your financial position).
 - Internal Control (including how effectively you maintain proper stewardship and control of your finances).
 - Value For Money (including an assessment of how well you balance the costs and quality of your services).
- 42 We assessed your arrangements in these five areas as follows.

Table 3 Use of resources judgements

| Element | Assessment |
|--|-------------------|
| Financial reporting | 2 out of 4 |
| Financial management | 3 out of 4 |
| Financial standing | 2 out of 4 |
| Internal control | 2 out of 4 |
| Value for money | 3 out of 4 |
| Overall assessment of the Audit Commission | 2 out of 4 |

43

- 44 You have made a number of improvements in your internal control environment during 2005/06, for example the adoption of the new constitution, the development of the Officer Governance Group and the role of the Audit & Governance Committee. You have also introduced member champions for important governance themes and this has raised awareness of internal control matters, and has improved the overall governance framework.
- 45 There are some areas where improvements are needed. The key points include:
- Submit accounts for audit that are free from material mis-statement.
 - Ensure that all partnerships have robust governance arrangements in place. Review the financial performance of the partnerships, and monitor the achievement of the operational objectives of the partnerships.
 - Continue to successfully manage your tight financial position, specifically ensuring that the Social Services overspend remains under control, and that the waste management solution is affordable to the Council.
 - Deliver the ongoing work to strengthen your procurement approach and deliver the new corporate procurement strategy.
 - Continue to develop the role of the Audit & Governance Committee to ensure that it informs, and is a part of, your whole assurance framework.
 - Embed equality issues – ensuring high standards of service delivery are achieved across the increasingly diverse community.

Conclusion

- 46 This letter has been discussed and agreed with Chief Executive and the Director of Resources. A copy of the letter will be presented at the Executive on 27 March 2007.
- 47 The Council has taken a positive and constructive approach to our audit and inspection work and I would like to take this opportunity to express my appreciation for the Council's assistance and co-operation.

Availability of this letter

- 48 This letter will be published on the Audit Commission's website at www.audit-commission.gov.uk, and also on the Council's website.

Mark Kirkham

District Auditor and Relationship Manager

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Executive**27th March 2007**

Report of the Director of People and Improvement

Comprehensive Performance Assessment Refresh 2006**Summary**

1. This report provides members with the Council's 2006 Comprehensive Performance Assessment (CPA) score, and explains why block scores have changed since 2005. This report provides information about the score but does not ask members to make any decisions.

Background

2. CPA is the national performance management framework for the council overall, administered by the Audit Commission. Each year the Commission reports the CPA rating of all English councils. This allows for year on year comparison of each council's performance, and allows residents to compare the performance of different councils.

Consultation

3. Not applicable.

Options

4. This report provides information for members. No options are presented.

Analysis

5. The table below sets out the council's CPA score for 2006, and compares this with the position for 2005 (reported December 2005).

| CPA area | 2005 | 2006 |
|---------------------------|----------------------|----------------------|
| Overall Star Rating | 3 star | 3 star |
| Direction of Travel | Improving Adequately | Improving Adequately |
| Corporate Assessment | 3 | 3 |
| Children and Young People | 4 | 4 |
| Benefits | 3 | 3 |
| Culture | 2 | 2 |
| Environment | 2 | 3 |
| Housing | 3 | 2 |
| Social Care for Adults | 3 | 3 |
| Use of Resources | 3 | 2 |

Overall Position

6. The council's star rating remains at 3 stars (equating to 'good' council label) for the 5th year running. This is on a scale of 0 stars (worst) to 4 stars (best).
7. The council's direction of travel rating remains at 'improving adequately'. This is on a scale running from 'not improving' to 'improving strongly'.
8. Taken together, the star rating and direction of travel rating make up the council's overall CPA position.
 - Among the 46 unitary councils, only 10 have 4 stars overall, 23 have 3 stars, 10 have 2 stars and 3 councils have 1 star. Given our comparative level of spend, the maintenance of a 3 star rating within a comparatively based performance mechanism, is a positive achievement.
 - York's Direction of Travel rating does not compare as well as the overall star rating. Of the 41 unitary councils rated, 2 were improving strongly and 26 improving well. York was in a group of 12 councils which were improving adequately.

Corporate Rating

9. Our corporate arrangements were last assessed by the Audit Commission in 2002, via a major inspection. We have benefited from carrying a very positive score of 3 (on a scale of 1 to 4) forward from that inspection. Our next corporate inspection will take place in January / February 2008. This

inspection will assess the quality of the council's overall leadership and management, and rate how successfully it is achieving its overall strategic ambitions. The 2008 inspection will use a much more stringent inspection criteria than the 2002 inspection. Preparation for the 2008 inspection is underway – with an initial self evaluation due to be prepared by July 2007.

Service Blocks

10. While the council's overall rating has been stable since CPA was introduced in 2002, there has been a degree of change at the service block level. In 2006, the Environment service block improved its score, while the Use of Resources and Housing blocks each dropped a rating point. All of the blocks are rated on a consistent scale running from 1 to 4.
11. Members should note that as one of the Audit Commission's aims with CPA is to drive improvement across local government, the CPA framework is made tougher each year. This gradual tightening of rules and performance targets within the service blocks means councils need to perform better to maintain the same score from year to year. This is most apparent within the Use of Resources block, but applies to all the other service blocks.

Environment Block

12. 90% of the environment block is rated on performance on a group of 31 nationally comparable performance indicators. The indicators cover a range of service areas – development, environmental health, highways, planning, road safety, trading standards, transport, and waste management. Therefore this rating is mostly a measure of performance during the 2006/07 financial year. Seven of the 31 indicators measure customer satisfaction with key services – these indicators were measured in Autumn 2007.
13. Of the 31 performance indicators, 14 were above the upper performance thresholds set by the Commission, 15 were between the upper and lower thresholds, and 2 were below the lower performance threshold set by the Commission. This level of performance provides a strong 3 (out of 4).
14. The other 10% of the environment block score is based on a waste management inspection carried out in Autumn 2004. That inspection scored 2 out of 4.
15. In 2005 the council's score was pegged at 2 due to the council being designated a planning standards authority. In the year to June 2006, our speed of processing planning applications performance measured by Best Value Performance Indicator (BVPI) 109a-c improved so markedly that we stopped being pegged back. This, allied to the continued strong performance across the range of performance indicators, allowed the Environment block score to rise from 2 to 3.

Housing Block

16. 85% of the housing block is based on performance across 20 nationally comparable performance indicators. Twelve of these indicators cover housing management services, and eight cover 'community housing' service areas (homelessness services including temporary accommodation, and private sector housing). Three of the 20 indicators were above the upper performance thresholds set by the Commission, 14 were between the upper and lower performance thresholds, and three were below the lower performance thresholds. Both the housing management and community housing indicator sub-blocks scored 2 – meaning that the overall housing block scored 2.
17. The community housing sub-block scored 2 rather than 3 because 2 indicators too few were above the upper threshold. In 2005 this sub-block scored 3.
18. The housing management sub-block scored 2 because 1 indicator too few was above the upper threshold. This sub-block scored 2 in 2005.
19. The other 15% of the housing block score is based on a supporting people inspection carried out in Autumn 2004. That inspection scored 2 out of 4. A strong housing management inspection score from 2002 that had been included in the 2005 assessment, was 'timed out' in 2006. This placed more weight onto the performance indicators.
20. Between 2002 and 2005 the housing block sat just above the 2/3 threshold. This year the block scored just below that same threshold.

Use of Resources.

21. This service block is rated based on an annual auditor's judgement of performance against a published set of criteria. The UoR block rating is assembled from ratings for 5 sub-blocks. The scores for the sub-blocks are set out below. Members will note that financial management and value for money elements continue to be rated as 3 (on a scale of 1 to 4). Just 5% of single tier and county councils are able to score a 4 on the value for money theme.

| | 2005 | 2006 |
|---------------------------------|----------|----------|
| Financial Reporting | 3 | 2 |
| Financial Management | 3 | 3 |
| Financial Standing | 3 | 2 |
| Internal Control | 2 | 2 |
| Value for Money | 3 | 3 |
| Overall Use of Resources | 3 | 2 |

22. This service block is rated by the Audit Commission using a complicated framework of over 150 individual criteria. A number of these criteria are seen as 'must-do' criteria at their particular level. So for example within the financial reporting theme, all the must-do criteria at level 2 must be in place before the financial reporting theme could possibly score a 3 – even if all the level 3 financial reporting criteria are in place. Each year the number of criteria being made 'must-do' at each level is increased – making the assessment tougher. The auditors can exercise some discretion, for example if a new development is being put into place which will meet a criteria. However as this is a system to allow comparison between councils, auditors need to follow the rules quite strictly.
23. In 2006, across the whole block, we met 74 of the 77 level 2 criteria, and 40 of the 53 level 3 criteria. Therefore while a large majority of the level 2 and level 3 criteria are in place, a relatively small number of issues remain to be put in place to the auditor's satisfaction. The most significant actions still in progress or outstanding from the 2006 action plan relate to partnerships and the ethical framework governing the council's work.
24. A further detailed action plan is now being developed to ensure that Use of Resources reaches level 3 by the 2008 assessment. Members should be aware that successfully delivering a 3 by 2008 is likely to depend on additional resources being found to undertake the work, and will depend on members engaging with a range of training opportunities. The detailed action plan for Use of Resources will be submitted to Audit & Governance Committee once completed. Any additional resource implications will be taken to CMT and reported to members as appropriate.

Other Service Blocks.

25. The score for the other four service blocks – Adults Social Care, Benefits, Children & Young People, Culture – remained unchanged from 2005.

Future Position

26. The Audit Commission will consult in the next few months on the detailed framework for 2007. However members will remember that the 2nd in year performance report published in January 2007 forecast a likely maintenance of our 3 star rating for the 2007 refresh. The 2007 refresh will mainly be based on performance during the 2006/7 financial year, and will continue to include the strong corporate rating from 2002.
27. Once the Audit Commission publish their plans for 2007, and suggest an approach for 2008, we will be better placed to understand the likely position for 2008 (2007/08 financial year) and will be able to put measures in place to ensure that we continue as a highly rated council under CPA.

Corporate Priorities

28. Successful delivery of the council's 13 priorities impact positively on the council's CPA rating.

Implications

29. These are no financial, human resources, equalities, legal, crime and disorder, information technology or property implications of the report's recommendations.

Risk Management

- 30 There are no known risks associated with the recommendations below.

Recommendations

31. Members are asked to note the council's latest CPA rating.

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Heather Rice
Director of People and Improvements

Report
Approved



Date 12/3/07

Wards Affected: List wards or tick box to indicate all

All

For further information please contact the author of the report

Background Papers:

All relevant background papers must be listed here.

Audit Commission documents:

- Letter to CYC 19th February 2007
- CYC Culture, Environment and Housing block reports 19th February 2007
- 'CPA – The Harder Test – scores and analysis of performance in single tier and county councils 2006' (February 2007)