
MEETING	EXECUTIVE
DATE	23 JUNE 2009
PRESENT	COUNCILLORS WALLER (CHAIR), AYRE, STEVE GALLOWAY, MOORE, MORLEY, REID AND RUNCIMAN

PART A - MATTERS DEALT WITH UNDER DELEGATED POWERS

16. 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.

The Chair declared a personal, non prejudicial interest in agenda item 8 (Year End Performance and Financial Report for 2008/09), insofar as it related to York High School, as a governor of that school.

17. EXCLUSION OF PRESS AND PUBLIC

RESOLVED: That the press and public be excluded from the meeting during consideration of the following, on the grounds that they contain information classed as exempt under paragraphs 3 and 5 of Schedule 12A to Section 100A of the Local Government Act 1972 (as revised by The Local Government (Access to Information) (Variation) Order 2006:

- Annex 10 to agenda item 6 (Community Stadium – Outline Business Case) – exempt under paragraph 3 (information relating to the financial or business affairs of any particular person)
- Annex 1 to agenda item 7 (Improved Direct Communication with Residents) - exempt under paragraph 3 (information relating to the financial or business affairs of any particular person)
- Agenda item 10 (Equal Pay Update) – exempt under paragraph 5 (information in respect of which a claim to legal professional privilege could be maintained in legal proceedings).

18. MINUTES

RESOLVED: That the minutes of the Executive meeting held on 9 June 2009 be approved and signed by the Chair as a correct record, subject to the inclusion in the minutes of the additional annex (Annex 3) referred to in Resolution (v) of Minute 14..

19. PUBLIC PARTICIPATION

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

20. EXECUTIVE FORWARD PLAN

Members received and noted details of those items that were currently listed on the Forward Plan for the next two Executive meetings.

21. COMMUNITY STADIUM - OUTLINE BUSINESS CASE

[See also under Part B minutes]

Members considered a report which presented an outline business case for a community stadium in York, drawing on feasibility work undertaken by Five Lines Consulting, case studies for other stadiums across the UK and specialist advice provided to the Council.

The report included a demand assessment and an assessment of options, the latter providing an initial indication of the potential benefits, costs and viability of the four main options, as follows:

Option 1 – shared football and rugby core stadium, with a £1m contribution towards re-provision of an athletics facility elsewhere in the City.

Option 2 – shared football and rugby stadium, plus community sports village including a county standard athletics facility and sports pitches.

Option 3 – as per Option 2, plus an extensive range of community facilities.

Option 4 – as per Option 3, plus a hotel / conference centre.

The analysis at this early stage indicated that there was a significant capital shortfall for three of these options (Options 2-4). However Option 4, being supported by a key commercial anchor, could demonstrate both potential commercial robustness and wide community benefits.

A prudent approach was recommended, to ensure that any option developed did not expose the Council and its partners to future financial liability. The next steps, as outlined in paragraphs 13.3 to 13.5 of the report, would include development of a full business case, involving detailed feasibility work that would require in-depth analysis and the use of specialist resources. Following a project costing exercise, it was estimated that the total costs required to take the project to the next key and final feasibility stage would be £175k, representing an additional £100k on top of the budget already identified.

Having noted the comments of the Shadow Executive on this item, it was

RESOLVED: (i) That the findings of the report be noted and approval given to pursue the project to the next key stage; that is, to

undertake a detailed feasibility study that will develop a full business case for a robust and deliverable community stadium in York and to report back to the Executive in two key stages:

- a) findings from site selection and initial feasibility (November 2009, to align with the LDF process);
 - b) final findings (between April and July 2010).¹
- (ii) That the following strands of work be undertaken as part of the feasibility study, to enable the development of a business case for a preferred option:
- a) Confirm the specific requirements of York City, York City Knights, the Athletics Club and other sporting and community interests in the City. This could be formalised in some form of Memorandum of Understanding in relation to potential capital contributions, governance, operating arrangements and facility usage.²
 - b) Undertake an audit of the current activities taking place at the Huntington Stadium, together with a recommendation as to how those activities could be sustained in the future.³
 - c) Pursue detailed discussions / negotiations with relevant education and health sector partners to exhaust options for a well being / education hub. Exhaust the opportunities for other public sector stakeholders and partners and develop a business plan for how the uses could effectively co-habit a community stadium.⁴
 - d) Undertake a detailed financial and economic assessment. Initiate discussions with potential funding agencies. Undertake a detailed examination of development and procurement options as part of the wider financial appraisal.⁵
 - e) Initiate the site selection process for a preferred site or sites and begin the preparation of a high level planning case. Examine the scope for enabling development linked to the funding / financial appraisal.⁶
 - f) Undertake master planning / design work to assist the site selection process, identify land take requirements. Provide schematics to enable the feasibility work and specific stadium / partner requirements.⁷
 - g) Develop a high level business case for developing an eco-stadium that maximises the potential of environmental sustainability and green energy sources / technologies. This will cover a range of options, benefits, capital / revenue costs / savings, CO₂ savings and funding potential.⁸

- h) Identify Officer time from key corporate disciplines (in particular finance, legal, property, leisure and planning) to work as part of an internal team to support the feasibility work and ensure that the interests of the Council are secured at all stages as the project proceeds.⁹

REASON: In order to provide the best opportunity to deliver a shared use stadium for the City of York which will be economically viable in the long term.

Action Required

1. Schedule reports on Forward Plan for appropriate Executive meetings	SS
2. Arrange to confirm clubs' requirements, as agreed	SS
4. Commence discussions with partners, as agreed	SS
5. Commence financial and economic assessment etc., as agreed	SS
6. Initiate site selection process etc., as agreed	SS
7. Commence master planning / design work, as agreed	SS
8. Begin work on high level business case for an eco stadium, as agreed	SS
9. Identify Officers to support feasibility work, as agreed	SS
3. Commence audit of activities at Huntington Stadium, as agreed	SS

22. IMPROVED DIRECT COMMUNICATIONS WITH RESIDENTS

Members considered a report which sought approval to proceed with the production of a new bi-monthly Council publication designed to improve direct communications with residents of the City of York.

Previous reports to Executive had noted the link between overall satisfaction with the Council and the amount of information received by residents about council services, with both indicators falling in parallel for some years. It had been proposed to address this by way of a new council publication, produced in partnership with an external provider and financed through advertising. In view of the current economic climate, the proposal now was to fund a bi-monthly, A3 sized publication using existing directorate communications spending.

Members were asked to consider the following options, the respective costs of which were detailed in (exempt) Annex 1 to the report, together with distribution options:

Option 1 – A3, 4-page full colour, 170gsm gloss art paper, delivered four times per year with Your Ward and twice through a separate distribution.

Option 2 – A3, 4-page full colour, recycled newsprint, delivered four times per year with Your Ward and twice through a separate distribution.

Option 3 - A3, 4-page full colour, recycled newsprint, delivered by separate distribution six times per year. This was the recommended option, providing a shorter lead-in time and a truly bi-monthly publication.

In debating the distribution options, Members agreed that it was important to ensure a reliable, timely and regular delivery. Officers confirmed that Firm 2 could provide a solo distribution within budget, although this would be more expensive than a combined distribution with another publication.

Having noted the comments of the Shadow Executive on this item, it was

RESOLVED: That Option 3, the production of an A3, 4-page full colour publication printed on recycled newsprint and delivered six times per year as a solo distribution (by Firm 2, as detailed in the exempt annex), be approved.¹

REASON: To ensure the most effective and timely method of improving direct communication.

Action Required

1. Begin production of the new publication and enter into contract for distribution, as agreed GR

23. YEAR-END PERFORMANCE AND FINANCIAL REPORT FOR 2008/09

Members considered a report which provided details of the Council's performance during the period April 2008 to March 2009 and presented requests to carry forward funds into 2009/10, together with a reserves position statement.

This was the first year in which the Council was reporting its performance under the new, outcome-based national indicators. Priority based improvement had been encouraging, with over three quarters of Local Area Agreement indicators improving and nearly two thirds reaching or exceeding their targets. The Council's first Place Survey results were also good, with 55% in the top quartile. In some areas, such as educational achievement and waste management, York's performance was amongst the best in the country. Due to effective financial management, these improvements had been achieved within the Council's overall budget for 2008/09. Detailed information on the Council's performance generally and within each directorate was provided in paragraphs 18 to 68 of the report and in annexes 2 to 3.

With regard to financial performance, a net underspend of £1,478k was projected in 2008/09, of which directorates had requested £472k to be carried forward into 2009/10. Due to external pressures there had been overspends in City Strategy and Children's Services that could not be brought back into budget through corrective action and work was currently under way to address these. Details of the carry forward requests were provided in the body of the report and summarised in paragraph 74 to 78 for Members' consideration. Approval was also sought for the following transfers to the general reserves, as detailed in paragraphs 8 and 10 of the report:

- a backdated VAT rebate of £1,817k received in respect of museum admissions
- £120k from the insurance reserve, to meet the remaining uninsured costs of the York High School fire.

Members welcomed the positive indications in the report and noted the need to monitor the reserves position to ensure there was no deficit in the next three years, in view of the current financial climate.

Having noted the comments of the Shadow Executive on this item, it was

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

REASON: So that corrective action on these issues can be taken by Corporate Management team and directorates and key areas for improvement fed into future corporate planning.

(ii) That the out-turn position be noted.

REASON: So that consideration can be given to areas that are over or under spending.

(iii) That the transfer of the net receipt of £1,817k to the general revenue reserve, following the Fleming VAT case, as set out in paragraph 8 of the report, be approved.

REASON: To ensure that, over the lifetime of the Council's Financial Plan, reserves are maintained at an acceptable level.

(iv) That the transfer of £120k from the Council's insurance reserve to the general fund reserve in 2008/09 and a further £400k in 2009/10, as set out in paragraph 10, be approved.¹

REASON: To ensure that, over the lifetime of the Council's Financial Plan, reserves are maintained at an acceptable level.

(v) That the transfer of the balance on the trading activity reserve to the general fund reserve with effect from 1 April 2009, as set out in paragraph 10, be approved.²

REASON: To reflect the fact that this reserve is no longer required as the service is now part of the general fund.

(vi) That the requests to carry forward into 2009/10 funds totalling £472k for general fund services, as detailed in paragraphs 44, 54, 59, 65 and 67 and summarised in paragraphs 74 to 78 be approved, subject to the table below:³

Portfolio	Out-turn variance (£'000)	Bids to Carry Budgets into 2009/10	Executive comments	Net (£'000)
Children's Services	+759	-		+759
York High School Fire	+120	-	Approve Executive Member to receive update from officers detailing items which could not be recovered from insurance claim	+120
Leisure and Culture	-28	100	Approve There is an exceptional claim for £100k as this is related to a partnership project to convert York Central Library to an Explore Centre, and the "Learn and Thrive" campaign which will help to respond to the economic downturn.	+72
Economic Development	-2	-		-2
City Strategy	+277	31	Approve	+308
Neighbourhood Services	-210	205	Approve For Community Engagement, completion of	-5

			target hardening proposals, ward committee budget for schemes that are already committed, noise patrol budget, and waste minimisation. (awaiting information on uncommitted Ward Committee Schemes for £4k)	
Chief Executive's Department	-27	22	Approve For Scrutiny Board traffic consultation survey	-5
Property	+77	14	Approve For river banks survey	-5
Resources	-634	100	Approve Relates to specific 'invest to save' items.	-534
Housing General Fund	-19	-		-19
Adult Social Services	+33	-		+33
	+346	+472		+718

REASON: So that resources can be directed into those areas that meet corporate priorities.

(vii) That the request to carry forward unspent budget of £35k within the housing revenue account, as detailed in paragraph 50 and summarised in paragraph 74, be approved.⁴

REASON: So that resources can be directed into those areas that meet corporate priorities.

Action Required

1. Implement and record the agreed transfer SA
2. Implement and record the agreed transfer SA
3. Implement and record the agreed carry forwards within departmental budgets SA
4. Implement and record the agreed carry forward within the HRA SA

24. BUDGET PROCESS AND RESOURCE ALIGNMENT ARRANGEMENTS FOR 2010/11

Members considered a report which outlined the proposed arrangements to support the preparation of the Council's 2010/11 budget and the alignment of resources based upon strategic and corporate priorities.

On the basis of the Medium Term Financial Strategy (MTFS) approved by Council on 26 February 2009, a target had been set to deliver £15m efficiency savings over a three year period. However, due to the economic downturn it was likely that this target would need to be increased. It was intended to produce an updated MTFS in July, to provide a firmer indication of the financial issues facing the Council over the next few years.

The arrangements set out in the report were intended to ensure a systematic and robust approach to the setting of the 2010/11 budget, so that budgetary decisions were taken in the context of updated priorities, identified financial pressures and value for money (VFM) considerations.

Key elements of the proposed process included:

- Pre-agreed cash increases to base budgets for each service area
- A focused Base Budget Review within each department
- The establishment of de minimis levels for all growth bids
- Robust and effective validation of efficiency proposals
- A fundamental corporate overview of the Council's reserves
- Improvements to the Council's capital planning process

A timeline for preparation of the 2010/11 budget was attached as Annex A to the report. Members were invited to support the proposed arrangements, as recommended (Option 1) or to suggest alternative arrangements (Option 2).

Having noted the comments of the Shadow Executive on this item, it was

RESOLVED: (i) That the proposed budget planning process, as outlined in the body of the report, be approved.¹

REASON: To ensure that robust financial management arrangements are in place to support the preparation of the 2009/10 budget and the Medium Term Financial Strategy.

Action Required

1. Begin implementation of the agreed budget planning process SA

25. EQUAL PAY UPDATE

[See also under Part B minutes]

Members considered a report which provided a summary of the current position on the Council's equal pay litigation and sought a mandate to extend the scope of the type of equal pay claims to be settled and a decision on tactics around other types of equal pay claims.

A decision was also sought in respect of legal representation for the Council at the GMF hearing in November.

RESOLVED: That recommendations (i) to (iv), as set out in paragraph 14 of the report, be approved.¹

REASON: In order to agree an appropriate approach to the handling of Equal Pay claims.

Action Required

1. Take action to implement the agreed proposals, including SA scheduling a further report on the Forward Plan

PART B - MATTERS REFERRED TO COUNCIL

26. COMMUNITY STADIUM - OUTLINE BUSINESS CASE

[See also under Part A minutes]

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A prudent approach was recommended, to ensure that any option developed did not expose the Council and its partners to future financial liability. The next steps, as outlined in paragraphs 13.3 to 13.5 of the report, would include development of a full business case, involving detailed feasibility work that would require in-depth analysis and the use of specialist resources. Following a project costing exercise, it was estimated that the total costs required to take the project to the next key and final feasibility stage would be £175k, representing an additional £100k on top of the budget already identified.

Having noted the comments of the Shadow Executive on this item, it was

RECOMMENDED: That Council endorse the approach set out in the report and allocate £100k from general reserves in 2009/10 to provide funds for the delivery of this work, which will include specialist external advice to ensure delivery within the next 12 months.¹

REASON: To enable the project to be progressed.

Action Required

1. Refer this recommendation to Full Council GR

27. EQUAL PAY UPDATE

[See also under Part A minutes]

Members considered a report which provided a summary of the current position on the Council's equal pay litigation and sought a mandate to extend the scope of the type of equal pay claims to be settled and a decision on tactics around other types of equal pay claims.

A decision was also sought in respect of legal representation for the Council at the GMF hearing in November.

RECOMMENDED: That Council approve recommendation (v), as set out in paragraph 41 of the report.

REASON: In order to ensure appropriate legal representation at the hearing.

Action Required

1. Refer this recommendation to Full Council GR

A Waller, Chair

[The meeting started at 2.00 pm and finished at 3.00 pm].

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