



Notice of meeting of

Executive

To:	Councillors Waller (Chair), Steve Galloway, Sue Galloway, Jamieson-Ball, Reid, Runciman and Vassie
Date:	Tuesday, 9 September 2008
Time:	2.00 pm
Venue:	The Guildhall, York

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 8 September 2008, if an item is called in *before* a decision is taken, *or*

4:00 pm on Thursday 11 September 2008, 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 the exclusion of the press and public from the meeting during consideration of the following:

- Annexes E, F, H & I to Agenda Item 7 (Hungate Council Headquarters – Update)
- Annex 2 to Agenda Item 8 (Update Report on the Progress Towards a Community Stadium)
- Annex 2 to Agenda Item 12 (Improved Direct Communications with Residents)
- Annex 2 to Agenda Item 15 (Museum Gardens Public Toilets)

on the grounds that these documents contain information relating to the financial or business affairs of any particular person (including the authority holding that information). This information is classed as exempt under paragraph 3 of Schedule 12A to Section 100A of the Local Government Act 1972 (as revised by The Local Government (Access to Information) (Variation) Order 2006).

3. Minutes (Pages 3 - 16)

To approve and sign the minutes of the Executive meeting held on 29 July 2008.

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 8 September 2008**.

5. Executive Forward Plan (Pages 17 - 22)

To receive details of those items that are listed on the Executive Forward Plan for the next two meetings of the Executive.

6. Minutes of Working Groups (Pages 23 - 52)

This report presents the minutes of recent meetings of the Local Development Framework (LDF) Working Group, the Social Inclusion Working Group and the Young People's Working Group

and asks Members to consider the advice given by the Groups in their capacity as advisory bodies to the Executive.

7. Hungate Council Headquarters - Update (Pages 53 - 86)

This report provides an update on progress made on this project since the withdrawal of the planning application, outlines the process to be adopted to review the Council's options and to select an appropriate way forward and asks Members to give a steer as to which options should form the basis of a more detailed appraisal.

8. Update Report on the Progress Towards a Community Stadium (Pages 87 - 108)

This report provides an update on the progress made towards meeting the conditions of a proposed loan to York City Football Club, prior to consideration of the proposal at Full Council on 25 September 2008, as requested by the Executive at their meeting on 15 July 2008.

9. Waste Update (Pages 109 - 114)

This report provides an update on the relocation options for Beckfield Lane Household Waste Recycling Centre and on negotiations concerning the interim contract for waste disposal.

10. Income Policy Framework (Pages 115 - 138)

This report presents the Council's income policy framework for discussion, comment and approval. The policy aims to improve efficiency and ensure consistency in the way that income is generated, collected, monitored and reported.

11. An Integrated Cross-City Bus Ticket for York (Pages 139 - 148)

This report provides details of the outcome of a study into integrated cross-city bus ticketing for York and seeks Members' recommendation for progressing one of the options identified by the study.

12. Improved Direct Communications with Residents (Pages 149 - 180)

This report seeks approval to proceed with the production of a new monthly council publication designed to improve direct communications with residents, and asks Members to approve a preferred supplier to work in partnership with the Council on this.

13. Proposed Actions as a Response to the Index of Multiple Deprivation Score (Pages 181 - 190)

This report seeks approval and funding for a set of proposed actions to tackle deprivation within the worst performing Index of Multiple Deprivation area in the City.

14. A Big Screen for York (Pages 191 - 196)

This report asks the Executive to decide whether they wish York to be considered as a site for a Big Screen.

15. Museum Gardens Public Toilets (Pages 197 - 206)

This report seeks approval to grant a long lease of the site of the Museum Garden toilets, together with an adjacent store building and an adjoining area, to The Lendal Tower Venture.

16. Urgent Business - Reference Report: Loan to Science City York (Pages 207 - 218)

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

Note: The Chair has agreed to consider under this item a reference report from the meeting of the Executive Members for City Strategy and Advisory Panel (EMAP) on 8 September concerning a loan of £50,000 to Science City York, if that loan is recommended for approval. A reference report has now been published on line following the EMAP meeting and copies will made be available at the Executive meeting.

Democracy Officer:

Name: Fiona Young

Contact details:

- Telephone – (01904) 551027
- E-mail – fiona.young@york.gov.uk

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.

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If you would, you will need to:

- register by contacting the Democracy Officer (whose name and contact details can be found on the agenda for the meeting) **no later than 5.00 pm** on the last working day before the meeting;
- ensure that what you want to say speak relates to an item of business on the agenda or an issue which the committee has power to consider (speak to the Democracy Officer for advice on this);
- find out about the rules for public speaking from the Democracy Officer.

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Further information about what's being discussed at this meeting

All the reports which Members will be considering are available for viewing online on the Council's website. Alternatively, copies of individual reports or the full agenda are available from Democratic Services. Contact the Democracy Officer whose name and contact details are given on the agenda for the meeting. **Please note a small charge may be made for full copies of the agenda requested to cover administration costs.**

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If you have any further access requirements such as parking close-by or a sign language interpreter then please let us know. Contact the Democracy Officer whose name and contact details are given on the order of business for the meeting.

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Holding the Executive to Account

The majority of councillors are not appointed to the Executive (38 out of 47). Any 3 non-Executive councillors can 'call-in' an item of business from a published Executive (or Executive Member Advisory Panel (EMAP)) agenda. The Executive will still discuss the 'called in' business on the published date and will set out its views for consideration by a specially convened Scrutiny Management Committee (SMC). That SMC meeting will then make its recommendations to the next scheduled Executive meeting in the following week, where a final decision on the 'called-in' business will be made.

Scrutiny Committees

The purpose of all scrutiny and ad-hoc scrutiny committees appointed by the Council is to:

- Monitor the performance and effectiveness of services;
- Review existing policies and assist in the development of new ones, as necessary; and
- Monitor best value continuous service improvement plans

Who Gets Agenda and Reports for our Meetings?

- Councillors get copies of all agenda and reports for the committees to which they are appointed by the Council;
- Relevant Council Officers get copies of relevant agenda and reports for the committees which they report to;
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City of York Council

Committee Minutes

MEETING	EXECUTIVE
DATE	29 JULY 2008
PRESENT	COUNCILLORS WALLER (CHAIR), STEVE GALLOWAY, SUE GALLOWAY, JAMIESON- BALL, REID AND VASSIE
APOLOGIES	COUNCILLOR RUNCIMAN

PART A - MATTERS DEALT WITH UNDER DELEGATED POWERS**38. 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, but with regard to agenda item 7 (Access York Phase 1 Park & Ride Development – Programme and Consultation Plan) Cllr Reid, a member of the Planning Committee, announced that she would not be taking part in any subsequent Planning application in relation to the chosen Park & Rides sites, due to her previous involvement in the major scheme bid as the then Executive Member for City Strategy.

39. EXCLUSION OF PRESS AND PUBLIC

RESOLVED: That the press and public be excluded from the meeting during consideration of Annex 4 to agenda item 13 (Update on Carry Forward Issues and Key Considerations in the Allocation of Surplus Resources), on the grounds that it contains information relating to consultations and negotiations in connection with a labour relations matter arising between the authority and its employees. Such information is classed as exempt under paragraph 4 of Schedule 12A to Section 100A of the Local Government Act 1972 (as revised by The Local Government (Access to Information) (Variation) Order 2006).

40. MINUTES

RESOLVED: That the minutes of the Executive (Calling In) meeting held on 8 July 2008 and the Executive meeting held on 15 July be approved and signed by the Chair as a correct record.

41. PUBLIC PARTICIPATION / OTHER SPEAKERS

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

With the permission of the Chair, Cllr Moore addressed the meeting in relation to agenda item 8 (Subsidised Public Bus Services), as a Ward Member for Skelton, Rawcliffe and Clifton Without. He noted the lack of provision of any evening service from the City Centre to Rawcliffe and asked that consideration be given to such a service, to enable residents to return home by bus in the evening and thus encourage greater use of public transport.

42. EXECUTIVE FORWARD PLAN

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

43. WEB-CASTING OF COUNCIL MEETINGS

[See also under Part B Minutes]

Members considered a report which examined the feasibility of web-casting meetings of full Council and other Council meetings, as requested in a motion approved by full Council on 10 April 2008.

The report examined the background to web-based multi-media tools (otherwise known as web-casting) and presented the following options for Members' consideration:

Option 1 – do not introduce a web-casting facility.

Option 2 – introduce a web-casting facility either by leasing a system on an 'out-hosted' basis, or by purchasing a system to run in-house.

If Option 2 were chosen, Members were invited to consider whether to test the market by means of a tender process (**Option 2a**) or to seek a negotiated contract (**Option 2b**). They were also invited to agree whether or not to proceed on the basis of a one-year pilot period should they decide to lease an 'out-hosted' system.

Information on other authorities using web-casting, together with costing comparison figures and an example of data protection information, was annexed to the report (Annexes A, B and C). Information requested by Members regarding the impact on staff resources of introducing web-casting was included in a further annex added to the agenda after initial publication (Annex D).

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

RESOLVED: (i) That the contents of the report be noted.

(ii) That a demonstration be arranged for all Council Members, prior to the next meeting of full Council on 25 September, to show how a web-casting system would operate in practice.¹

REASON: To give Council Members a better understanding of the issues involved before they consider the Executive recommendations on this item.

Action Required

1. Arrange demonstration to take place before Full Council GR
on 25/9/08

**44. ACCESS YORK PHASE 1 PARK & RIDE DEVELOPMENT -
PROGRAMME AND CONSULTATION PLAN**

Members considered a report which sought approval for proposals to progress a Major Scheme Bid (MSB) to the Department for Transport (DfT) for three new Park & Ride sites, following the success of the Council's application to the Regional Transport Board (RTB) for Regional Funding Allocation (RFA). The report also examined the outline programme and proposals to ensure the successful completion of the Park & Ride sites project.

The Executive had already agreed to the release of £164k from Council reserves to fund the development of the MSB and the preparation of the Outer Ring Road bid to the RTB (Minute 206 of the meeting on 22 April 2008 refers). It was anticipated that £110k of this would be needed to develop the MSB. It was proposed to fund the remaining £540k from the City Strategy Capital Programme. The Council had the option to proceed with the MSB or not; however, without it there would be little prospect of being able to fund any of the new Park & Ride sites. Details of the proposed arrangements for delivery of the project, which would require a Project Board, Project Team and dedicated Project Manager, were set out in paragraphs 16 to 22 of the report.

The report went on to examine site options and consultation proposals should Members decide to proceed with the MSB. It was proposed to carry out pre-application consultation on the following potential site locations, details of which were contained in the report and in the plans at Annexes C, D and E:

- Askham Bar - land between Tadcaster Road and the Railway.
- A59 Boroughbridge Road - site adjacent to the A59 (identified as 'site 2' in previous consultations).
- Inclusion in the bid of a subway to allow pedestrians and cyclists to cross the Outer Ring Road north of the A59

Roundabout (subject to justification of the additional cost of approx. £700k).

- Wigginton Road – 3 potential alternative sites at the Wigginton Road / A1237 junction.

After consultation and further feasibility work, a report would be brought to Members recommending a preferred site for progression through the planning process.

In respect of Wigginton Road, the Executive Member for City Strategy suggested that, for completeness, the option of a fourth site to the south-west be included in the consultation.

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

RESOLVED: (i) That Officers be instructed to proceed with this project, bringing reports back to the Executive at key stages.¹

(ii) That the delivery arrangements and the creation of a Project Board be approved.²

(iii) That the consultation process on the basis of a single site at Askham Bar be approved.³

(iv) That the consultation process based on the A59 site adjacent to Boroughbridge Road, previously identified as Site 2 and shown as such on the plan at Annex D, be approved.⁴

(v) That the possibility of a subway at the A59/ORR be included in the pre-application consultation.⁴

(vi) That the initial consultation process based on all three sites at Wigginton Road, as identified on the plan at Annex E, plus an additional site on the south-west of the junction, be approved.⁵

(vi) That Officers be asked to ensure that local Ward Members and Parish Councils, together with residents (through the Ward Committee newsletters), are kept up to date with progress and that an early opportunity is given to all parties to have an input into plans for the sites prior to any planning applications being drawn up.⁶

REASON: To enable progression of the Major Scheme Bid, which will make a significant contribution to sustainable transport in the City, and to ensure proper consultation with interested parties.

Action Required

- | | |
|---|----|
| 1. Commence project, and include progress report to Executive on Forward Plan. | JB |
| 2. Set up Project Board and Project Team. | JB |
| 3. Begin consultation on Askham Bar site. | JB |
| 4. Begin consultation on A59 site, including subway. | JB |
| 5. Begin consultation on the four Wigginton Rd sites (including south-west junction). | JB |
| 6. Make arrangements to keep Ward Members, Parish Councils and residents informed. | JB |

45. SUBSIDISED PUBLIC BUS SERVICES

Members considered a report which outlined the short term arrangements put in place to maintain services for bus routes 22, 18 and 196 and sought approval for a package of measures to maintain bus services until the outcomes of the Subsidised Bus Service Review were known and new arrangements could be implemented.

Temporary arrangements agreed with First York to maintain Service 18 and a reduced Service 22 were outlined in paragraphs 21 and 22 of the report. Service 196 had previously been part funded by City of York and East Riding Councils. As indicated in paragraph 23, City of York had now agreed to fund this service fully until 31 August 2008.

The report presented two options for addressing current service and cost pressures pending the outcome of the review of subsidised services requested at the last Budget Council meeting. They were:
Option A – maintain services pending the review (not recommended);

Option B – modify services from September, on the basis of the policy framework outlined in paragraphs 11-13 of the report. This would involve maintaining Service 22 during the daytime only, maintaining Service 18 and discontinuing Services C1, 21, C3, 195, 196 and 28/29, on the basis that these services had limited patronage and provided poor value for money.

Having considered data supplied by bus service operators and Transport Planning regarding annual and daily patronage figures for the services in question, and having noted the comments of Cllr Moore (Minute 41 refers) and the advice of the Shadow Executive on this item, it was

RESOLVED: (i) That the short term measures implemented, as described in paragraphs 21 to 23 of the report, be noted.

REASON: So that Members are aware of the arrangements already in place to maintain these services, as far as possible, until the results of the review are known.

(ii) That Officers be requested to negotiate an extension to the contracts in accordance with the following list until the end of the financial year, and that these services be specifically reviewed as part of the pending report on public transport provision in the City.¹

Service	Proposal
22 (evenings), York - Skelton	Discontinue 31/08/08 at end of current contract because of lack of patronage but seek to negotiate a late night service to Skelton and return after 2230 hours if economically viable.
22 (day) York - Skelton	Service maintained
C1 Tadcaster – Acaster Malbis, Bishopthorpe – Askham Bar	Discontinue but replace with new expanded service 21
21 Acaster Malbis – Tadcaster Road - York	Continue, revise and extend as per officer recommendation but review usage as part of public transport report
C3 Askham Bar – Askham Richard – Askham Bryan (loop)	Continue until end of present contract (24/4/09)
195 York – Elvington – Pockington	Continue until end of financial year but terminate at Elvington if practical and cheaper (e.g. unless subsidy from East Riding Council continued)
196 York – Elvington – Aughton	Continue until end of financial year but terminate at Elvington if practical and cheaper (e.g. unless subsidy from East Riding Council is made available)
27 Heslington – Heworth – Monks Cross	Continue until end of financial year
28 University – City – Clarence Street – Monks Cross	Continue until end of financial year.
18 York – Wheldrake – Holme on Spalding Moor	Service maintained

(iii) That up to £40,000 be allocated from the Council's reserves towards the cost of sustaining the services detailed in Resolution (ii) above.²

REASON: To ensure the continuation of those services for which current evidence suggests there is a clear need, pending the outcome of a comprehensive review of subsidised bus services.

Action Required

1. Begin negotiations with service operators.

JB

2. Make the necessary changes to budget records.

SA

46. TANG HALL AREA ASSET MANAGEMENT PLAN AD-HOC SCRUTINY COMMITTEE – FINAL REPORT

Members considered a report which presented the conclusions of the Tang Hall Area Asset Management Plan Ad-Hoc Scrutiny Review and sought approval for the recommendations arising from the review.

The recommendations, as subsequently approved by the Scrutiny Management Committee (SMC) at their meeting in July 2007, were summarised in paragraph 7 of the report. Full details were contained in the final report from the review, attached as Annex A. The SMC had agreed to delay the presentation of the final report to the Executive to enable it to be considered at the same time as the Tang Hall Area Asset Management Plan, which was the next item on the Executive agenda (Minute 47 refers).

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

- RESOLVED: (i) That the contents of the final report and its annexes be noted.
- (ii) That the recommendations arising from the review, as summarised in paragraph 7 of the cover report, be approved, with the inclusion of the comments recorded below:¹

Scrutiny Recommendation	Executive Decision
<p>1. That officers should adopt an appropriate range of the relevant research and consultation methodologies proposed in the model in paragraph 15 of the final report when developing future Area Asset Management Plans. Area based consultation at appropriate location(s) within the community, involving residents and key stakeholders, and Ward Committee consultation should be included as standard in all instances. The cost effectiveness of the consultation method and the particular circumstances of the area being considered should be taken into account when making the decision in each case.</p>	<p>Agree, with the additional provision that officers should ensure that there is not a duplication of effort with the Neighbourhood Action Planning process which is also being delivered by the council to identify a prioritisation of needs.</p>
<p>2. The Executive be asked to ensure the specific areas of need identified through this scrutiny review in paragraph 21 of the report are considered, as part of any future Area Asset</p>	<p>Agree these to inform any future Area Asset Management Plan for Tang Hall</p>

Scrutiny Recommendation	Executive Decision
Management Plan for Tang Hall.	
3. As standard practice, Ward Members should be included in the formulation of consultation plans from the start of the process for any future Area Asset Management Plans.	Agree, as the Executive is keen to uphold the principle of Ward Members' involvement in prioritisation of Council resources.

(iii) That the findings and recommendations from this review be taken into account when considering the proposed Tang Hall Area Asset Management Plan (Minute 46 refers).

REASON: In order to introduce appropriate changes to working practices and / or Council policy and procedures, in response to the findings and recommendations of the Scrutiny Committee.

Action Required

1. Make arrangements to embed these procedures in the production of AAMPs. SA

47. TANG HALL AREA ASSET MANAGEMENT PLAN

Members considered a report which sought approval for the Area Asset Management Plan (AAMP) for the Tang Hall area.

The AAMP, attached as Annex A to the report, sought to combine the strategic direction and priorities set by the Council's Corporate Asset Management Plan with the priorities and requirements to delivery local services and meet community need. It set out options for improvement and change to local Council-owned buildings and land in the Tang Hall area, and for obtaining funding to enable these changes to happen. It also incorporated an action plan and timescales for delivery.

In recommending approval of the AAMP, the Chair emphasised that the AAMP process was not intended to advantage one area of the City, nor offer a limitless 'shopping list' for the residents of the area in question.

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

RESOLVED: That the Area Asset Management Plan (AAMP) for Tang Hall be approved.¹

REASON: The AAMP combines the direction, priorities and requests of the Corporate and Service Asset Management Plans, which are driven by the Corporate Strategy, with the property-related needs of the Local Tang Hall community.

Action Required

1. Make arrangements to implement the Tang Hall AAMP. SA

48. FORMER FAMILY CENTRE, SIXTH AVENUE, HEWORTH

Members considered a report which presented options for the future of the former Family Centre at Sixth Avenue, Heworth, following transfer of the service to The Avenues Children's Centre. Further information on the property was circulated to Members at the meeting. *[This has been made available on-line as an additional annex to the report on this item].*

The property was currently earmarked for sale to support the 2008/09-2010/11 capital programme, as approved at Budget Council on 21 February 2008. However, the Tang Hall Area Asset Management Plan had identified a potential service need for which this property would be ideal. The following options were therefore presented:

Option 1 – dispose of the property by sale on the open market and use the capital receipt to contribute to the approved capital programme. This would achieve the projected capital and would not impact on other budgets.

Option 2 – appropriate the property to Resources, retain for continued service use by Young People's Services on a three-year interim arrangement, dispose of the former 'Rathbone' Centre at Nursery Drive, Acomb, to achieve a capital receipt and make up the shortfall from prudential borrowing. This would meet an identified service need but would require financial resources from the Resources Capital Repair Programme to put the building in repair.

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

RESOLVED: That Option 2 be approved and that the former Heworth Family Centre be retained for further use, on an interim basis, by Young People's Services.¹

REASON: To satisfy a continuing service need for a property in this location.

Action Required

1. Appropriate the property to Resources and make arrangements to carry out essential repairs. SA

49. APPROPRIATION OF PROPERTY

Members considered a report which sought approval for the appropriation and transfer of property held in the Housing Revenue Account (HRA) or the General Fund Revenue Account to the General Fund Revenue Account (GFRA) or the Housing General Fund (HGF), as required.

Under the Housing Acts, only property with a specific social housing use should be held in the HRA or HGF. Details of the proposed appropriations were attached as Annex A to the report, with plans at Annex B. They included:

- Part of the Haymarket Car Park – move from HRA to GFRA
- 17/21 Piccadilly – move from HRA to GFRA
- site of Peaseholme Hostel – move from HRA to GFRA
- site of 4 Fishergate – move from GFRA to HGF
- Arc Light Centre, Union Terrace Car Park – move from GFRA to HGF

At the meeting, Officers asked that their recommendation be amended, to allow for the Peaseholme Hostel site to be appropriated after the Hostel had been vacated, as this would be financially advantageous to the Council.

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

RESOLVED: That the sites and property detailed in Annex A to the report be appropriated in the financial year 2008/09, at the valuations and to the statutory powers shown in that annex, other than the Peaseholme Hostel site, which is recommended for appropriation in the year that the Hostel is vacated by Housing Services.¹

REASON: To maximise the capital resources in the areas that will benefit all the Council's Corporate Priorities.

Action Required

1. Carry out the appropriations, as approved, and arrange for future appropriation of Peaseholme site. SA

50. UPDATE ON CARRY FORWARD ISSUES AND KEY CONSIDERATIONS IN THE ALLOCATION OF SURPLUS RESOURCES

[See also under Part B Minutes]

Members considered a report which provided an update on the carry-forward issues deferred by the Executive on 30 June 2008, together with information on the level of the Council's reserves over

the next three years. A decision was sought as to whether any of these reserves should be used for specific purposes in 2008/09.

The Executive had requested further information on the following carry-forward proposals:

- Unexpected social care costs of £275k - further work was on-going in this area and a report would be brought back in September.
- Compensation payment requests to the Guildhall Orchestra and two other users of the Barbican – further information was set out in Annex 1 to the report.
- £38k set aside in contingency for 2008/09 to include further schemes in the IT Development Plan that were on a reserve list – summaries of the updated business cases for these bids were presented in Annex 2.

A forecast position on the level of the Council's reserves for the current financial year through to 2010/11 was attached at Annex 3 to the report. This indicated a decline in the 'headroom' figure above the minimum level of reserves in each successive year, falling from £9,845k in the current year to £1,937k by the end of 2010/11. The report advised that it would not be prudent to organise a separate allocation process to spend a one-off amount of reserves at this early stage in the year. However, the Executive's approval was sought in principle to create a separate fund for 'invest to save' schemes that would contribute to meeting the Council's efficiency target. This would enable high levels of reserves to be used early in the period, on the basis that they were repaid from efficiencies made as levels of reserves began to fall.

Further information relating to the finances of the Guildhall Orchestra was circulated at the meeting. *[This has been made available on-line as an additional annex to the report on this item].*

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

RESOLVED: (i) That authority be delegated to the Chief Executive to approve the payment of £22k compensation to the Guildhall Orchestra, subject to the receipt of relevant supporting documentation from the Orchestra - that is, a breakdown of the concert income and costs data shown on the first sheet of the supplementary information circulated at the meeting, together with an explanation of the cost increases shown.¹

(ii) That the payment of £2k compensation to other users of the Barbican, as highlighted in Annex 1 to the report, be approved.²

REASON: To ensure the fair payment of compensation for losses incurred as a result of the closure of the Barbican.

(iii) That £18.8k be released from the 2008/09 contingency to fund the four schemes proposed to commence through the IT Development Plan and that the ongoing costs of £47.9k per annum be funded through the IT Development Plan from 2009/10 onwards, subject to a business case for the QPR/PMS system and home care monitoring system coming back to the Executive to detail the cost savings which will be generated from the investment.³

REASON: In accordance with the recommendation of the Corporate IT Strategy Group following consideration of the updated business cases for these schemes.

Action Required

- | | |
|--|----|
| 1. Liaise with Guildhall Orchestra, consider documents, take and record decision. | SC |
| 2. Pay the compensation, as approved. | SA |
| 3. Make the necessary changes to budget records, bring report back to Executive (include on Forward Plan for a future meeting) and implement the proposed schemes. | SA |

PART B - MATTERS REFERRED TO COUNCIL

51. WEB-CASTING OF COUNCIL MEETINGS

[See also under Part A Minutes]

Members considered a report which examined the feasibility of web-casting meetings of full Council and other Council meetings, as requested in a motion approved by full Council on 10 April 2008.

The report examined the background to web-based multi-media tools (otherwise known as web-casting) and presented the following options for Members' consideration:

Option 1 – do not introduce a web-casting facility.

Option 2 – introduce a web-casting facility either by leasing a system on an 'out-hosted' basis, or by purchasing a system to run in-house.

If Option 2 were chosen, Members were invited to consider whether to test the market by means of a tender process (**Option 2a**) or to seek a negotiated contract (**Option 2b**). They were also invited to agree whether or not to proceed on the basis of a one-year pilot period should they decide to lease an 'out-hosted' system.

Information on other authorities using web-casting, together with costing comparison figures and an example of data protection information, was annexed to the report (Annexes A, B and C). Information requested by Members regarding the impact on staff

resources of introducing web-casting was included in a further annex added to the agenda after publication (Annex D).

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

RECOMMENDED: That Officers be asked to produce a report into the piloting of a scheme which would utilise the Council Chamber for web-casting, using an 'out-hosted' system, this report to identify the revenue and resource implications of such a scheme.¹

REASON: On the basis that an out-hosted system would not require ICT to support the system and to ensure that the advantages, disadvantages, costs and resource implications of web-casting are fully understood before committing the Council to its introduction.

Action Required

1. Refer recommendation to Full Council on 25/9/08. GR

52. UPDATE ON CARRY FORWARD ISSUES AND KEY CONSIDERATIONS IN THE ALLOCATION OF SURPLUS RESOURCES

[See also under Part A Minutes]

Members considered a report which provided an update on the carry-forward issues deferred by the Executive on 30 June 2008, together with information on the level of the Council's reserves over the next three years. A decision was sought as to whether any of these reserves should be used for specific purposes in 2008/09.

The Executive had requested further information on the following carry-forward proposals:

- Unexpected social care costs of £275k - further work was on-going in this area and a report would be brought back in September.
- Compensation payment requests to the Guildhall Orchestra and two other users of the Barbican – further information was set out in Annex 1 to the report.
- £38k set aside in contingency for 2008/09 to include further schemes in the IT Development Plan that were on a reserve list – summaries of the updated business cases for these bids were presented in Annex 2.

A forecast position on the level of the Council's reserves for the current financial year through to 2010/11 was attached at Annex 3 to the report. This indicated a decline in the 'headroom' figure

above the minimum level of reserves in each successive year, falling from £9,845k in the current year to £1,937k by the end of 2010/11. The report advised that it would not be prudent to organise a separate allocation process to spend a one-off amount of reserves at this early stage in the year. However, the Executive's approval was sought in principle to create a separate fund for 'invest to save' schemes that would contribute to meeting the Council's efficiency target. This would enable high levels of reserves to be used early in the period, on the basis that they were repaid from efficiencies made as levels of reserves began to fall.

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

RECOMMENDED: (i) That an 'invest to save' fund of £1m be established from the General Reserve.¹

REASON: To build capacity in the Council to deliver the increased efficiency target.

Action Required

1. Refer recommendation to Full Council on 25/9/08.

GR

A Waller, Chair

[The meeting started at 2.00 pm and finished at 3.05 pm].

EXECUTIVE FORWARD PLAN

Table 1: Items scheduled on the Forward Plan for the Executive Meeting on 23 September 2008		
Title & Description	Author	Portfolio Holder
<p>Waste Strategy</p> <p><i>Purpose of report: To update Members on the revised waste strategy for York.</i></p> <p><i>Members are asked to: Consider the recommendations in the report.</i></p>	John Goodyear	Executive Member for Neighbourhood Services
<p>Customer Strategy</p> <p><i>To consult Members on the revised Customer Strategy and advise them of the proposed timeline for consultation with customers and final approval. The strategy will set the framework for the physical, organisational and business process design for identifying and responding to customers needs and delivering high quality customer-focussed service across all Council services in the new Customer Centre at Hungate.</i></p>	Jane Collingwood	Executive Member for Corporate Services
<p>Transfer of Services to Neighbourhood Services</p> <p><i>Purpose of report: Staff in City Strategy and LCCS will come under a different senior management in Neighbourhood Services. Implementation will take place in October. Changes to the improvement in services will take place over the remainder of the year.</i></p> <p><i>Members are asked to: Approve the transfer of highway, parking and grounds maintenance services to Neighbourhood Services.</i></p>	Damon Copperthwaite	Executive Member for City Strategy

<p>Cycling Demonstration Town Bid Strategy</p> <p><i>Purpose of report: This is a city wide project affecting residents, businesses and visitors to the City. This is a 2.5 year project starting in September. Effects will begin to be seen from October and run through the project as new initiatives and schemes are introduced.</i></p> <p><i>Members are asked to: Approve the strategy and action plan for the project, particularly for the next 6 months.</i></p>	Ruth Egan	Executive Member for City Strategy
<p>Adopted Regional Spatial Strategy and Partial Review</p> <p><i>Purpose of report: The report summarises the key elements of the recently adopted RSS and highlights the key issues for York. It then sets out the timetable for the recently started Partial Review of the RSS which is necessary in order to respond to the government's Housing Green Paper. The first part of the Partial Review process is a Call for Evidence from the Regional Assembly.</i></p> <p><i>Members are asked to: Note the key elements of the recently adopted RSS and some key issues for York. Note and comment on the submission made by officers to the Call for Evidence as part of the Partial Review of RSS.</i></p>	David Caulfield	Executive Member for City Strategy
<p>Outer Ring Road Improvement Options</p> <p><i>Purpose of report: To provide Members with the results of a review of the options for improvements to the Outer Ring Road. To recommend a preferred solution to progress as a bid to the Regional Transport Board.</i></p> <p><i>Members are asked to: Approve a preferred option for improving the Outer Ring Road to progress as a bid to the Regional Transport Board for submission by 10 October.</i></p>	Tony Clarke	Executive Member for City Strategy

<p>Joint Strategic Needs Assessment for York</p> <p><i>Purpose of report: This is a joint report for CYC and North Yorkshire and York PCT. The main purpose is to inform the Executive about health and well-being needs for the people of York. The recommendations help to address these needs.</i></p> <p><i>Members are asked to: Accept the report and those recommendations that relate to CYC activity, and support joint working to address identified needs.</i></p>	<p>Bill Hodson/Pete Dwyer</p>	<p>Executive Member for Housing and Adult Social Services</p>
<p>Medium Term Financial Forecast & Strategy</p> <p><i>To highlight the Council's financial position over the next three years and propose a strategy to deliver a balanced budget each year and maintain and improve the Council's financial management and value for money.</i></p>	<p>Steve Morton</p>	<p>Executive Member for Corporate Services</p>
<p>Update on Review of Community Transport</p> <p><i>Purpose of report: This report will update the Executive on progress on the review of client transport by highlighting the operational changes that have taken place and the financial efficiency savings that have been achieved. The effect of the review on customers who use transport has been ongoing since the review started. The project is due to be completed by September 2009.</i></p> <p><i>Members are asked to: Note the progress being made on the review.</i></p>	<p>Simon Wing/Steve Morton</p>	<p>Executive Members for Housing and Adult Social Services & Corporate Services</p>
<p>Household Waste Recycling Centres – Permits and Controls</p> <p><i>Purpose of report: Is to ask Members to consider introducing a permit scheme to help control the size of vehicles using sites, reduce the level of illegal trade waste disposal and limit the amount of construction and demolition waste that can be disposed of at sites.</i></p> <p><i>Members are asked to: Consider the proposed permit control system.</i></p>	<p>John Goodyear</p>	<p>Executive Member for Neighbourhood Services</p>

<p>Waste Minimisation Strategy and Action Plan</p> <p><i>Purpose of report: This report is to recommend a new minimisation strategy and action plan for 2008/09 to 2010/11.</i></p> <p><i>Members are asked to: Approve the new strategy and make recommendations for new budget in 2010/2011.</i></p>	John Goodyear	Executive Member for Neighbourhood Services
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Table 2: Items scheduled on the Forward Plan for the Executive Meeting on 7 October 2008		
Title & Description	Author	Portfolio Holder
<p>Maximising Attendance</p> <p><i>Purpose of report: To inform Members of the work to maximise attendance of staff at the Council.</i></p> <p><i>Members are asked to: Note the report and make resulting recommendations.</i></p>	Chris Tissiman	Executive Member for Corporate Services
<p>First Corporate Performance & Finance Monitor</p> <p><i>Provision of the latest forecast of the Council's financial and performance position. Actions may be required to agree proposed amendments to plans, mitigation for identified issues and financial adjustments (such as allocations from contingency and virements) which are reserved to the Executive.</i></p>	Janet Lornie/Peter Lowe	Executive Member for Corporate Services
<p>First Capital Monitor</p> <p><i>Provision of the latest forecast of the Council's financial and performance position. Actions may be required to agree proposed amendments to the capital programme and financial adjustments which are reserved to the Executive.</i></p>	Ross Brown	Executive Member for Corporate Services

Table 3: Items slipped on the Forward Plan with the agreement of the Group Leaders					
Title & Description	Author	Portfolio Holder	Original Date	Revised Date	Reason for Slippage
<p>Meals Provision in Elderly Persons' Homes</p> <p><i>Purpose of report: To inform Members of the proposal to change the meals service within Elderly Persons Homes with effect from 1st April 2009. This will affect residents of elderly persons homes.</i></p> <p><i>Members are asked to: Approve the recommendations in the report to change the provision of and procurement of meals and catering within EPHs.</i></p>	Val Sutton	Executive Member for Housing and Adult Social Services	23 September 2008	4 November 2008	For consideration by Housing and Adult Social Services Directorate Management Team

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Executive

9 September 2008

Report of the Head of Civic, Democratic and Legal Services

Minutes of the Local Development Framework Working Group and the Social Inclusion Working Group

Summary

1. This report presents the minutes of recent meetings of the Local Development Framework (LDF) Working Group, the Social Inclusion Working Group and the Young People's Working Group and asks Members to consider the advice given by the Groups in their capacity as advisory bodies to the Executive.

Background

2. Under the Council's Constitution, the role of Working Groups is to advise the Executive on issues within their particular remits. 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.
3. Members have requested that minutes of Working Groups requiring Executive endorsement be submitted as soon as they become available. In accordance with that request, and the requirements of the Constitution, minutes of the following meetings are presented with this report:
 - LDF Working Group – minutes of the meeting held on 15 July 2008 (Annex A) and draft minutes of the meeting held on 4 August 2008 (Annex B)
 - Social Inclusion Working Group – draft minutes of the meeting held on 8 July 2008 (Annex C)
 - Young People's Working Group – minutes of the meeting held on 23 April 2008 (Annex D) and draft minutes of the meeting held on 10 July 2008 (Annex E).

Consultation

4. No consultation has taken place on the attached minutes, which have been referred directly from the Working Groups. It is assumed that any relevant consultation on the items considered by the Groups was carried out in advance of their meetings.

Options

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

Analysis

6. Members are asked to consider the following recommendations contained in the attached minutes of the Young People's Working Group at Annex D:
 - a) *"That the Executive be recommended to support the proposal to make a bid to the Myplace fund and note the Group's comments as summarised above"* – Resolution (i) of Minute 5.
 - b) *"That the Executive be recommended to support the event and the activities taking place"* – Resolution (i) of Minute 6.
7. Members may also wish to note in particular, and endorse where appropriate:
 - a) The comments of the LFG Working Group on the York North West Area Action Plan (Minute 9, Annex A).
 - b) The comments of the LDF Working Group on the Open Space, Sport and Recreation Study (Minute 13, Annex B).
 - c) The comments of the Social Inclusion Working Group on the draft Equalities Impact Assessment (Minute 6, Annex C)
 - d) The suggestions of the Social Inclusion Working Group for developing cross-strand working, particularly with regard to Lord Mayor's Day (Minute 8, Annex C).

Corporate Priorities

8. The aims in referring these minutes accord with the Council's corporate values to provide strong leadership in terms of advising these bodies on their direction and any recommendations they wish to make.

Implications

9. There are no known implications in relation to the following in terms of dealing with the specific matter before Members, namely to consider the minutes and determine their response to the advice offered by the Board:

- **Financial**
- **Human Resources (HR)**
- **Equalities**
- **Legal**
- **Crime and Disorder**
- **Property**
- **Other**

Risk Management

10. In compliance with the Council's risk management strategy, there are no risks associated with the recommendations of this report.

Recommendations

11. Members are asked to consider the minutes attached at Annexes A to E and to decide whether they wish to:
- a. Agree the specific recommendations made by the Working Groups, as set out in paragraph 6 above;
 - b. Respond to any of the advice offered by the Working Groups.

Reason:

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

Contact details:

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Chief Officer Responsible for the report:
Quentin Baker
Head of Civic, Democratic and Legal Services

Report Approved



Date 12/8/08

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 Local Development Framework Working Group held on 15 July 2008.

Annex B – Draft minutes of the meeting of the Local Development Framework Group held on 4 August 2008.

Annex C – Draft minutes of the meeting of the Social Inclusion Working Group held on 8 July 2008.

Annex D – Minutes of the meeting of the Young People's Working Group held on 23 April 2008.

Annex E – Draft minutes of the meeting of the Young People's Working Group held on 10 July 2008.

Background Papers

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

City of York Council

Committee Minutes

MEETING	LOCAL DEVELOPMENT FRAMEWORK WORKING GROUP
DATE	15 JULY 2008
PRESENT	COUNCILLORS POTTER (CHAIR), AYRE, D'AGORNE, MERRETT, MOORE, REID, SIMPSON-LAING, R WATSON, WATT AND MORLEY (SUBSTITUTE)
APOLOGIES	COUNCILLOR STEVE GALLOWAY

6. DECLARATIONS OF INTEREST

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

Cllr Simpson-Laing declared a personal interest in the business generally as she resides adjacent to the site for development.

7. MINUTES

RESOLVED: That the minutes of the meeting of the LDF Working Group held on 3 June 2008 be approved and signed by the Chair, subject to the following amendments:

- Minute 5 Resolution (iii): It was agreed that the Sustainability Statement would be circulated to all Members before delegating authority.
- The following two sentences be added to item 4 paragraph 3:

“Members enquired about internet shopping and it was noted that an allowance had been made for this in the projections.

Members asked about the basis on which the projections were made and it was confirmed that they have been based on long term economic trends of the past 20 years but take no account of the recent dramatic rise in oil prices, 'credit crunch' or developing world recession.”

8. PUBLIC PARTICIPATION

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

9. YORK NORTHWEST AREA ACTION PLAN - PROGRESS REPORT TOWARDS A PREFERRED OPTION

Members considered a report that outlined the progress of work on the York Northwest Area Action Plan and other planning and transport work being carried out. It outlined a revised vision, objectives and emerging spatial relationship, which has been developed from the work at the Issues and Options stage. A draft document plan for the Preferred Option Report was also outlined to indicate the structure of the report to be prepared.

A plan of sites, which had been suggested for residential development, was tabled and Members discussed the following areas:

- Former civil service sports ground
- West View Close (adjacent to the civil services sports ground)
- Cemex Site
- Keyland site, Carlisle Street
- Thrall Site

Members received a PowerPoint presentation which focused on the vision and objectives and the emerging spatial relationships. A revised vision was suggested which would take part in an overall package of aspirations for the York North West (YNW) area which included strategic objectives and spatial objectives, which are set out below:

York Northwest in 2026 will be

- a distinctive place of outstanding quality
- well connected with the city and wider region
- contributing to the economic prosperity of the city
- a vital and innovative addition to York
- fostering new sustainable communities and enhancing quality of life.

Strategic Objectives

1. To create new sustainable and inclusive communities.
2. To ensure the new communities and development are fully integrated with existing communities.
3. To maximise a unique opportunity to contribute to the overall economy prosperity of the City.

Spatial Objectives

1. To create new vibrant mixed neighbourhoods which assist in meeting the housing needs of York.
2. To create a mixed use urban quarter providing a complimentary range of uses to the City Centre, including a central business district, retail, leisure and residential uses, focussed around high quality public realm.
3. To create culture and leisure facilities which complement and expand York's regional, national, and international cultural offer.

4. To create connections with the City which prioritise sustainable modes of transport, including a new public transport interchange.
5. To create a new employment area which provides for future employment needs whilst maximising proximity to strategic transport infrastructure.

Members were asked to consider the above vision, strategic and spatial objectives for the Area Action Plan which, if agreed, would be taken forward and outlined in the Preferred Options for the Core Strategy.

Members raised various issues relating to:

- The analysis of the different options and if this would be available to the general public and councillors.
- The transport links including cycle routes, consultation with bus operators and a Park and Rail option at York Business Park. The officer stated that they were currently reviewing the cycle routes and considering the Park and Rail option and any links with the bus operators would be made at the appropriate time.
- The location of the shopping centres, residential area's and the density of the scheme.
- The number of car journeys in the area which could exacerbate congestion, air pollution and noise level. Officers suggested incorporating non-car zone areas into the development site.

Members considered the following suggested options to be carried forward:

- E1: B1 (offices) use at York Central
- E6: B8 (storage and distribution) use at British Sugar
- H2: Higher density housing included within a mix of uses, close to public transport interchanges, with medium density housing further from these facilities.
- H3: Housing mix in accordance with HMA
- S3: 2 Local Centres
- S5: Comparison retailing at York Central
- C1: Cultural quarter at NRM linked to museum gardens/Minster
- C3: 4/5* hotel at York Central
- C5: Pedestrian/cycle bridge across the river

Some Members expressed concerns that B2: General Industrial was not listed and the Officer informed Members that a full assessment of the employment options would be made after the employment study was received. Some Members questioned why S5: Comparison retailing at York Central was listed, as previously it was agreed that this was not appropriate from the advice given on the Retail Study. Officers advised that the quote given referred to convenience retail and not comparison

retailing. Officers further stated that the Study showed that the Castle/Piccadilly site was the preferred retail site but that York Central was the second best location. Members were also informed that additional retail work had been commissioned. Some Members still showed continuing concerns on including S5 but agreed to review the extra evidence before making a final decision.

After a detailed discussion, Members agreed the following recommendations to the report:

- Section 19, Bulletin point one of the Vision statement, amend it to read a distinctive place of outstanding quality and sustainable design
- Option H1 and H2 (page 36 & 37) Key Constraints and Uncertainties bullet point 3, Include the following sentence to the report: Opportunity to incorporate non car zones into the development site.

Some Members also suggested including an introductory paragraph under each option listed in Appendix 2.

Members were informed that once a preferred option was agreed the next steps would include viability testing, transport work and sustainability appraisal.

Members noted the progress on the Area Action Plan and requested Officers to produce a background report on why certain options were not chosen.

RESOLVED: (i) That the progress on the Area Action Plan to date be noted

REASON: To ensure that the Area Action Plan can be progressed, in accordance with the local Development Scheme.

(ii) That the recommended changes on the vision, objectives, spatial relationship/thematic approach and options be noted by Officers.

REASON: To ensure that Members' views are included in the production of the Preferred Option.

Cllr Potter, Chair

[The meeting started at 4.30 pm and finished at 5.50 pm].

City of York Council

(draft) Committee Minutes

MEETING	LOCAL DEVELOPMENT FRAMEWORK WORKING GROUP
DATE	4 AUGUST 2008
PRESENT	COUNCILLORS STEVE GALLOWAY (CHAIR), POTTER (VICE-CHAIR), AYRE, MERRETT, MOORE, REID, SIMPSON-LAING, R WATSON, WATT AND TAYLOR (SUBSTITUTE)
APOLOGIES	COUNCILLOR D'AGORNE

10. 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.

11. MINUTES

RESOLVED: That the minutes of the meeting of the Local Development Framework Working Group held on 15 July 2008 be approved and signed by the Chair as a correct record.

12. PUBLIC PARTICIPATION

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

Mark Waters addressed the meeting, on behalf of the Friends of Osbaldwick Meadows. He expressed the view that the Derwenthorpe development had caused a massive shortfall in green open space in the urban east side of York, particularly in Osbaldwick Ward, and asked what the Council proposed to do to alleviate this shortfall.

13. OPEN SPACE, SPORT AND RECREATION STUDY

Members considered a report which sought approval to publish the full 'Open Space, Sport and Recreation Study' as part of the Local Development Framework (LDF) evidence base. The Study had been made available to view on-line and printed copies, including large scale maps, had been circulated to Members.

The Study, produced in accordance with Planning Policy Guidance note 17 (PPG 17) and its companion guide, assessed open spaces of public value which offered important opportunities for sport and recreation. A previous version had been considered by the LDF Working Group on 8 January

2008, when a decision had been deferred pending further work to analyse area boundaries and consult on potential additional sites for inclusion in the Study. This work had now been concluded and 68 additional sites had been included in the revised Study, together with a reconsideration of the standards. . The revised version also addressed concerns raised by Members on 8 January with regard to 'Accessible Countryside', green corridors and setting local quantity standards.

Three options were presented for Members' consideration:

Option 1 – recommend approval of the Study for publication as part of the LDF evidence base;

Option 2- seek amendments to the Study prior to publication;

Option 3- request further work from Officers.

Members also received a presentation from PMP, the consultants who had produced the Study, reminding them of the purpose of PPG17 and outlining the methodology following during the assessment and the key findings resulting from this process.

Following questions and a full debate, the following recommendations and comments were agreed (by reference to the headings in the Executive Summary of the Study document and to the document appendices):

- a) **Current position** (p.ii):
 - should take into account the low satisfaction levels expressed by residents in some areas regarding the quantity of local parks;
 - needs to clarify that the standards do not preclude additional provision in the future in areas where further development occurs;
 - should consider whether all of the areas classified as 'amenity green spaces' are in fact usable as such - Officers should review previous Member comments and, in some cases, review sites.
- b) **Access** (p.vi):
 - should take account of the fact that sites within the City Centre sites are accessible to those working as well as residing there.
 - the issue of 'financial accessibility' - not just distance - when setting local standards was noted;
 - the word 'areas' should be removed from the 3rd bullet point.
- c) **Quantity** (p.vi, 1st bullet point):
 - amend to reflect the actual levels of satisfaction with parks expressed by residents, as previously highlighted (see 'a' above).
- d) **Parks and gardens** (p.viii, 6th bullet point):
 - query whether the upgrading of amenity green spaces would meet the need for parks in urban areas as suggested (the issue of size was highlighted), and what is meant by the 'Acomb and Woodthorpe area' – i.e. does it refer to wards or another type of geographical area?
- e) **Amenity green space** (p.ix):
 - re-phrase 2nd bullet point to remove the inference that additional green space provision in the City Centre will not be considered;

- re-phrase 5th bullet point to remove the inference that green space provision will only be protected in certain areas.
- recommendation AGS3 (page 89) should refer to Heworth Without, given the reference in Figure 6.5.
- f) **Provision for children** (p.x):
 - should take account of the need for 'buffer' zones of amenity space between play facilities and residential areas;
 - re the 3rd bullet point, any decision to remove play facilities should be taken by the local community, not imposed from above.
 - the reference to Dringhouses being an area where rationalisation should be appropriate was questioned;
 - re the 5th bullet point, terraced urban areas such as South Bank should also be considered for the provision of new facilities.
- g) **Provision for teenagers** (p.x):
 - re bullet point 3, smaller local parks may be unsuitable for such provision, due to the risk of major 'neighbour' issues;
 - future implementation of this study should involve teenagers in identifying 'need' and appropriate facilities and locations.
- h) **Outdoor sports facilities** (p.xi):
 - should reflect both the club-based analysis and the spatial analysis carried out by PMP - some club based needs have not been picked up, e.g. some clubs having to travel far to access pitches;
 - 2nd bullet point should include Holgate and other urban areas where demand for pitches has been expressed;
 - Officers to check whether a survey has been carried out to determine the needs of schools without sports pitches, and if necessary produce a further report for the LDG WG in due course;
 - the recommended standard should be amended to reflect Members' view that the standard for accessing synthetic pitches should be based on travel by public transport, cycling and walking.
- i) **Allotments** (p.xi) (3rd bullet point)
 - query re the inclusion of Wheldrake, due to additional facilities already being provided.
- j) **Green corridors** (p.xii):
 - the timescales for the green infrastructure work were highlighted and it was clarified that this work would go beyond the planning remit.
- k) **Appendix D** – there are a number of errors in the table including open space being labelled in the wrong wards. The table needs to be recirculated and sorted alphabetically by ward.
- l) **Appendix K**- the population figures for Heworth/Heworth Without appear the same; this needs to be amended.
- m) **Public participation** - with regard to the comments made under Public Participation, it was noted that the standards applied to the Derwenthorpe development were higher than those contained in the Local Plan, resulting in a significant contribution to open space needs in that part of York, and the Council's approach had been praised by the Planning Inspector.

n) **General:**

- where names are used for areas it must be clear whether they refer to wards or neighbourhoods.
- the boundaries of open spaces need to be checked e.g. Rawcliffe/Cliton Ings
- a clear definition of the typologies is needed, specifically the difference between 'natural/semi natural' and 'accessible countryside'.

RESOLVED: (i) That Officers prepare a revised version of Annex D (the site assessment scores), incorporating the amendments highlighted at this meeting and the meeting in January, and circulate it to Members by e-mail for them to raise any further comments, in writing, within the next two weeks.¹

REASON: To enable any further errors to be corrected prior to approval of the final Study document.

(ii) That, in accordance with Option 2, the Open Space, Sport and Recreation Study be recommended for publication as part of the LDF evidence base, subject to Resolution (i) and subject to the recommendations and comments of the Working Group, as set out above.²

REASON: So that the Study can be used as part of the LDF evidence base and to avoid further delays to the production of the Core Strategy.

(iii) That authority be delegated to the Director of City Strategy, in consultation with the Executive Member and Shadow Executive Member for City Strategy, to make any incidental changes to the Study arising from the recommendations of the Working Group, prior to its publication.³

REASON: So that the recommended changes can be incorporated.

(iv) That Consultants and Officers be thanked for the hard work they have put into producing the Study document.

Action Required

1. Prepare and circulate amended site assessment scores. JB
3. Make changes as agreed. JB

Cllr S F Galloway, Chair

[The meeting started at 4.30 pm and finished at 6.15 pm].

City of York Council

(draft) Committee Minutes

MEETING	SOCIAL INCLUSION WORKING GROUP
DATE	8 JULY 2008
PRESENT	<p>COUNCILLORS VASSIE (CHAIR), ASPDEN, BROOKS, GUNNELL AND LOOKER (VICE-CHAIR)</p> <p>JACK ARCHER (NON-VOTING CO-OPTED MEMBER), SUE LISTER (NON-VOTING CO-OPTED MEMBER), PETER BLACKBURN (NON-VOTING CO-OPTED MEMBER), RITA SANDERSON (NON-VOTING CO-OPTED MEMBER), DARYOUSH MAZLOUM (NON-VOTING CO-OPTED MEMBER), JAN JAUNCEY (NON-VOTING CO-OPTED MEMBER) AND LYNN JEFFRIES (NON-VOTING CO-OPTED MEMBER)</p> <p>GEORGE WRIGHT – YORK HUMANIST ASSOCIATION CLAIRE NEWHOUSE – HIGHER YORK STEVE ROUSE – CYC</p>
APOLOGIES	<p>SARAH FENNELL AND PAUL WORDSWORTH (NON-VOTING CO-OPTED MEMBERS)</p>

1. **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.

2. **MINUTES**

Rita Sanderson referred to Minute 48 (Community Forum Reports and Feedback) and the reference in the BME Citizen's

Open Forum's update that a funding application to the Equality and Human Rights Commission had been unsuccessful as no evidence had been available to prove that it was needed. She confirmed that YREN had been commended for their equality work but that no evidence could be produced that additional work was needed.

Lynn Jeffries requested further details in connection with the reference in the sheet attached to the agenda "About City of York Council Meetings" that "We can provide the agenda or reports in large print, electronically (computer disk or by email), in Braille or on audio tape. Some formats will take longer than others so please give as much notice as possible (at least 48 hours for Braille or audio tape)." Officers confirmed that they would provide this information to members of the group by email.

RESOLVED: That the minutes of the last meeting of the Social Inclusion Working Group held on 14 May 2008 be approved and signed by the Chair as a correct record and the "easy read" version be noted.

3. PUBLIC PARTICIPATION

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

4. INTRODUCTIONS AND WELCOME

Councillor Vassie spoke of his new role as Chair of the Social Inclusion Working Group, as part of his new Executive portfolio, which covered Leisure, Culture and Social Inclusion. He stated that he was looking forward to this new area of work. Councillor Looker confirmed that she was the new Vice Chair of the Group and Shadow representative for the Leisure, Culture and Social Inclusion portfolio and that she was looking forward to working with the Group.

5. COMMUNITY FORUM REPORTS AND FEEDBACK

Members received verbal updates, including reports about the use of Social Inclusion Working Group grants, from members of the community forum's involved in the Group's work.

The update from the Older People's Assembly included details of their 50+ Festival, which was to take place between 27 September and 5 October 2008. This years Festival would include reduced price tickets for Buddy Holly at the Grand Opera House in October, a rag rug display at the Spurriergate Centre, a pre-counselling service, an information fair with 30 stands and the 50+ games. If any member of the Group wished to include an event in the Festival they were requested to contact Sue Lister, the deadline for receipt of information was mid July.

An update was also given of the last Older People's Assembly meeting when details had been received of a motor scooter knocking down a pedestrian on the footpath. The Police had investigated but reported that no offence had been committed. It was pointed out that motor scooters of this type did not have to be registered or insured. It was understood that Don Parlabeau, Chair of the Assembly, was hoping to take this up at national level.

The update from the BME Citizen's Open Forum included the circulation of a CYC Social Working Group background and progress report for July 2008, which included further details of the YREN Senior Citizen's Ethnic Elders Social Group.

The update from the LGBT Forum related to their meeting held on 3 July 2008 and to their Summer Newsletter circulated at the meeting. Details were given of the York Pride Picnic, which would be a family event and to which all members of the Group were invited. The Picnic would include live music, community stalls and a dog show. It was reported that the Scarborough LGBT Forum were looking at the possibility of setting up an Older LGBT Conference either at the end of this year or early next. Leeds would probably be the venue to accommodate visitors from all over the country.

It was reported that the Disabled Peoples Forum was still in the process of development. University of York student volunteers were assisting in developing a voice for disabled people in York following the 'Disabled People Together Day' on 28 March. Project findings would be reported back in late Autumn 2008. Reference was made to the problems of acoustics in some buildings/venues and the need to ensure that hearing loops or microphones were used to make all meetings etc accessible.

Reference was also made to various transport experiences mainly related to buses not stopping at the kerb to assist the disabled in boarding. Other problems experienced included taxi's refusing to carry guide dogs and wheelchairs not being adequately secured in vehicles. Officers confirmed that all drivers received training on these issues. They also reported that the young people involved with PACT were at present examining the issue of accessible transport. This included buses and taxi's and he confirmed that when the information was available it would be circulated to the Group.

The update from York Interfaith referred to the grant made by the SIWG, which was helping finance booking rooms at Priory Street for their meetings on the first Wednesday of each month and improving access. It was confirmed that their meeting at the Mosque had gone well. A copy of their questionnaire requesting details of the current work and concerns of faith and belief groups in York and their equalities and diversity form, were circulated at the meeting and it was reported that there had been a good return.

6. DRAFT EQUALITIES IMPACT ASSESSMENT (EIA) FROM THE MARKETING AND COMMUNICATIONS TEAM

Consideration was given to a report, which detailed the draft Equalities Impact Assessment (EIA) from the Council's Marketing and Communications team.

The group were reminded that the Authority were required by law to carry out EIA's to cover all six equality strands to analyse the potential or actual effects of a policy and to establish whether the policy had a different impact on different groups of people. The aim of EIA's was to eliminate discrimination and produce positive outcomes for equality.

Matt Beer, Head of Marketing and Communications, stated the report detailed the policies that he was responsible for and he confirmed that it was still in draft form but welcomed the Groups input. He confirmed that the EIA would be completed and published in October 2008. He also confirmed that actions from the EIA would be included as part of his Departments Service Plans.

In relation to the document the Group made the following points:

- Remove jargon;

- Needs to be easier to read;
- Ensure that consultation is carried out and a consultation strategy is carried out early;
- 5 column text on pages 29 to 31, the headings should be repeated at the top of each page;
- Comic Sans font would make the document more accessible;
- An easy read version of the document would be helpful;
- Questioned length of time taken to produce documents in other languages (details to be emailed to Group, prior to next meeting);
- Important that blind and Partially Sighted Society had the opportunity to comment.

The Group welcomed the opportunity to review the EIA and expressed their thanks to the Head of Marketing and Communications for presenting the document to the Group first.

In answer to questions the Group were informed that towards the end of October/November it was proposed to invite the Group to go through a list of EIA's from other Council Departments. It was confirmed that they would not be in the same format but contain the key points and action plans.

RECOMMENDATION: That the report be noted and the views of the Group be taken into account in the Marketing and Communications EIA report.

REASON: To ensure the marketing and communications EIA is acceptable to the Group.

7. CITY OF YORK COUNCIL DRAFT SINGLE CORPORATE EQUALITY SCHEME: JULY 2008 TO JULY 2009.

The Group considered a report, which outlined actions at corporate level that the Council would take between July 2008 and July 2009; to make sure that it continued to be a fair and inclusive service provider and employer.

The Group was requested to note the approach outlined in the 12 month Single Corporate Equality Scheme and to make the draft available for consultation before the approach to the scheme was finalised in the Autumn of 2008. It was confirmed

that the Authority were required by law to have a scheme in place.

It was reported that the purpose of the consultation was to seek feedback about the Council's approach to the scheme and in particular whether this corporate scheme should be supplemented by directorate schemes for the period 2009-2012.

Officers confirmed that the consultation period ended on 22 August 2008. Co-optees and expert witnesses on the Group were requested to report back to their groups on the draft of this scheme and feed back their comments to the Equalities Team.

Group members referred to the short consultation period during the month of August when many members were on holiday. Officers confirmed that individual Group member's comments were sufficient at this stage as this would be a 3 year plan during which additional consultation would be undertaken with the community groups.

Officers also confirmed that the equality data was not completely up to date and that the 3 year scheme would have more focussed outcomes. It was noted that funding had been made available for a post to support this work and that it was hoped that an appointment would soon be made.

- RECOMMENDED:
- (i) That the Group note the approach in the draft Scheme outlined in Appendix 1 and that the draft be made available for consultation;
 - (ii) That the summary of the Equality Scheme be emailed to Group members.

REASON: To ensure continued and focused progress with equality and inclusion in the council.

8. WORKSHOP ON DEVELOPING CROSS STRAND WORKING AND PROJECTS

Members formed into 3 discussion groups to examine and identify areas for cross-strand working and to discuss which cross-strand joint projects could be developed for funding from the Groups budgets in 2008/09.

The discussion groups examined what each community group did at present and how they could interact with other strands to produce joint projects. The Groups three objectives were displayed to help focus members minds.

The Groups made the following suggestions for cross-strand working:

Group 1

- Celebrate Yorkshire Day together with representatives from all the strands
- Database of photographs, to obtain a better awareness of who we are and to show others (with permission this database of images to be shared with other authorities)
- Inclusive Lord Mayors Day, a representative of all strands and groups in York to be invited to attend the occasion and accompany attendees in the parade to the Merchant Adventurers Hall

Group 2

- Schools extended services include provision of family learning or intergenerational events (all Schools required to provide extended school services by 2010)
- Expansion of work with BME elders group e.g Befriending Schemes
- Community Development capacity - networking required
- Raise awareness in care

Group 3

- Higher York Students Forum offering to undertake voluntary activities with groups inc. older people (social activities, bingo, visiting etc)
- Celebration Day to cover all the strands

Officers confirmed that there were a number of excellent ideas suggested by the groups and that they would examine them in more detail. Detailed examination of the projects that covered the most strands would be undertaken which would include costing, time and implications for each. A report back would then be made to the Group.

Heather Rice, Director of People and Improvement, also confirmed that she would pursue the suggestions made by the Group regarding Lord Mayor's Day separately. The Higher York

representative also confirmed that the Students Forum would undertake the suggested voluntary activities without requesting any funding from the Groups budget.

Cllr C Vassie, Chair

[The meeting started at 6.38 pm and finished at 9.00 pm].

City of York Council

Committee Minutes

MEETING	YOUNG PEOPLE'S WORKING GROUP
DATE	23 APRIL 2008
PRESENT	COUNCILLORS BLANCHARD (CHAIR), RUNCIMAN, GUNNELL, AYRE AND ALEXANDER
APOLOGIES	COUNCILLOR ASPDEN
IN ATTENDANCE	COUNCILLOR SCOTT

18. DECLARATIONS OF INTEREST

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

Councillor Alexander declared a personal non-prejudicial interest in Agenda 5 (Children and Young People's Champion) as the recently elected Children and Young People's Champion.

19. MINUTES

RESOLVED: That the minutes of the Young People's Working Group held on 17th January 2008 be approved and signed by the Chair as a correct record.

20. PUBLIC PARTICIPATION

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

Councillor Scott spoke on Agenda Item 5 (Children and Young People's Champion). He congratulated Councillor Alexander on his election as the new Children and Young People's Champion and wished him every success in the role. He also thanked Officers for their time in relation to organising the recent elections. He was glad to see that more people had taken part in the process this time around. He believed that there was still work to do regarding alternative methods of voting. He also thanked the Working Group for being supportive of the Children and Young People's Champion.

21. UPDATE ON INVOLVEMENT AND PARTICIPATION WORK IN YORK

Members considered a report that advised them of the main recent and forthcoming initiatives in the work to promote the participation and involvement of children and young people in shaping services in the city. The following areas were discussed:

1. Community planning
One of the key aims of the Involvement Strategy is to develop an approach which ensures the involvement of children and young people in local decision making.
2. Coordination and training
Another key element of the Involvement Strategy is developing inter-agency cooperation, coordination and training.
3. Children and Young People's Plan
A Paper is being prepared for YorOK Board recommending that a new Children and Young People's Plan be developed for publication in April 2009.
4. Commissioning
A commissioning frame work is being developed for services for children in the City that will build on a strong tradition of partnership working, realise efficiencies and increase the emphasis on delivering services in the context of locally identified need.
5. Schools Council Conferences
York has developed over the past five years a highly successful model of holding a conference for student councils from York schools.
6. Hungate
Young people's involvement in the Hungate project has been raised at the Show Me That I Matter Group and Officer's are working with the project team to ensure that young people's views about the move of services are taken into account.
7. Leaving Care Leaflet
A group of seven young people have been involved in writing a leaflet which tells other young people who are about to leave care about the services that are available to them and their entitlements.
8. Yorkash
A group of 20 young people have been recruited and they are looking at the process and how they are going to publicise the grants.
9. It's Up 2U
This scheme is now running and is working closely with the Police to get the message into schools.
10. Health consultation
Work is being undertaken by a group of students from York University to develop a questionnaire about healthy lifestyles which will be distributed across secondary school.
11. York Youth Charter Mark
The North Yorkshire Chartermark has been updated to take account of other involvement standards (including Hear by Right, Health's Your Welcome and the new information Advice and Guidance Standards.)
12. The Heard
This is a group of young people who have used mental health services and are now working to influence them.

RESOLVED: That the developments outlined in the report be noted.

REASON: To update Members and to inform further involvements work with young people.

22. CHILDREN AND YOUNG PEOPLE'S CHAMPION

Members considered a report that updated them on the recent election for the role of Children and Young People's Champion.

The voting process for the Children and Young People's Champion had now been completed and in total 2233 votes were cast, which was an increase of over 60 on last time around. An increased number of schools had participated, particularly primary schools. York College had also participated.

Councillor James Alexander was elected as the next Children and Young People's Champion and he will be formally appointed at the Annual Council meeting on 22nd May 2008.

Officers reported that the election process had run smoothly. There was a hustings event for the first time with participation from children and young people from across the City. A DVD had been professionally made which resulted in a much higher product being available.

Officer and Members agreed that improvements still needed to be made in relation to the election process and work needed to be carried out regarding working with those schools that had not participated in the election. Improvements were also needed in relation to the Hustings event. Members requested that in future the date of the Hustings event should not be set until the Candidates had been chosen and their availability known.

Other stumbling blocks included budgets, IT, promotion of use of new technology and alternative voting systems and timing of elections. Members also noted that the roles and remits of working groups in general were currently subject to constitutional review. Members also discussed possible reporting lines for the Children and Young People's Champion.

RESOLVED: That the report and recent processes for electing the Children and Young People's Champion be noted.

REASON: To ensure that the electoral processes continue to be relevant.

Councillor P Blanchard, Chair
[The meeting started at 5.05 pm and finished at 6.10 pm].

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City of York Council

(draft) Committee Minutes

MEETING	YOUNG PEOPLE'S WORKING GROUP
DATE	10 JULY 2008
PRESENT	COUNCILLORS FRASER (IN THE CHAIR), AYRE, VASSIE AND ASPDEN (SUBSTITUTE FOR CLLR RUNCIMAN)
APOLOGIES	COUNCILLORS BLANCHARD, LOOKER AND RUNCIMAN
IN ATTENDANCE	COUNCILLOR ALEXANDER (YOUNG PEOPLE'S CHAMPION)

1. ELECTION OF CHAIR

In the absence of the Chair and Vice-Chair, it was

RESOLVED: That Cllr Fraser be elected to chair the meeting.

2. 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 following interests were declared:

- Cllr Aspden – a personal interest in the business generally, as a member of the National Union of Teachers.
- Cllr Fraser – a personal interest in agenda item 4 (Myplace – Application for Lottery Funding), as a member of the Club and Institute Union.
- Cllr Vassie – a personal interest in the business generally, as the father of three children attending schools in the City of York area.

3. MINUTES

RESOLVED: That the minutes of the last meeting of the Working Group, held on 23 April 2008, be approved and signed by the Chair as a correct record.

4. PUBLIC PARTICIPATION / OTHER SPEAKERS

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

Cllr Alexander, who was present at the meeting as the Young People's Champion, had requested to speak in relation to agenda item 6 (UK Youth

Parliament). The Chair invited him to make his comments when that item was under consideration.

5. MY PLACE - APPLICATION FOR LOTTERY FUNDING.

Members considered a report which informed them of the Government's recently announced initiative, 'Myplace', to provide capital investment to improve facilities for young people.

Myplace would distribute £190m of Government capital investment over the next three years, through grants of between £1m and £5m. It would be administered by The Big Lottery Fund on behalf of the Department for Children, Schools and Families (DCSF), with a deadline of 30 September for the first funding round. Criteria for the funding were set out in paragraph 7 of the report.

In York, consultation with third sector young people's groups had identified a groundswell of support to proceed with an application in the first round of bids. York CVS were willing to head the project, and their involvement would secure an extra £50k if the bid was successful. The Assistant Director for Partnerships and Early Intervention was leading the Council's contribution. Officers believed that the ideal bid would be for capital funds to radically enhance a run-down city centre property. They were currently examining several possibilities, including those listed in paragraph 13 of the report, although some of these had been eliminated since the report was written. Sites still under consideration included Hungate and the Railway Institute.

In discussing the proposals, Members welcomed the opportunity to gain funding for young people's facilities and the suggested focus of investment outlined in paragraph 8 of the report. They also welcomed the potential for mobile facilities to be part of the bid and asked whether this could include transport to enable those living in outlying parts of the City or in other wards to access the chosen site.

RESOLVED: (i) That the Executive be recommended to support the proposal to make a bid to the Myplace fund and note the Group's comments as summarised above.¹

REASON: To enhance the facilities for young people's activities in the City.

- (ii) That, in developing the bid, Officers be advised to:²
- carry out a wide consultation, especially with young people's organisations, on the content of the bid and the potential location of the proposed facility;
 - propose two or three alternative sites as part of the consultation with young people;
 - ensure that the Council develops and maintains partnerships with other organisations to help prepare and support the bid.

REASON: So that young people are properly consulted on the nature and location of the proposed facility and so that all relevant organisations can be fully involved in developing the bid.

Action Required

- | | |
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| 1. Forward this recommendation to Executive (as part of reporting process for these minutes) | KS |
| 2. Take these comments into account during the consultation process. | ST |

6. 11 MILLION TAKEOVER DAY

Members considered a report which outlined the key aims of the 11 Million Takeover Day and how this would be planned in York to ensure the full involvement of children and young people.

Friday 7th November had been designated '11 Million Takeover Day', when the 11 million children and young people in England would be invited to 'take over' businesses, schools and councils, and be consultants to organisations that provided services to children. Building on lessons learned from the first Takeover Day, in November 2007, a number of ways were being developed to involve children and young people in the event, which would take place across the week including 7 November. These included shadowing the Executive Member for Children's Services for a day (22 October) and a key-note conference for Primary Schools Councils, as well as inviting feedback from children and young people as service users. The aim was to enable young people to take an active role in events, rather than just shadowing.

Members noted that the next meeting of the Working Group was on 22 October, which provided an opportunity to involve the young people shadowing the Executive Member in the meeting. This could include asking them to bring a report for discussion and / or to contribute to the consultation on the Myplace bid. It was suggested that discussions on the Myplace bid could initially be promoted via schools and / or school councils. In terms of the 'Takeover' events generally, it was agreed that a targeted approach would be needed to reach and engage a more diverse group of young people, beyond those regularly involved in such events.

RESOLVED: (i) That the proposals be welcomed and that the Executive be recommended to support the event and the activities taking place.¹

REASON: In the interests of engaging children and young people in the local democratic process and other Council activities.

(ii) That the involvement of young people in the next meeting of the Working Group, on 22 October, be agreed in principle, subject to clarification on how this process will be managed.²

(iii) That consideration be given to seeking young people's views on the Myplace bid, through the avenues available such as schools and school councils, and bringing them to the meeting on 22 October for discussion with the young people attending that meeting, if the timetable for developing the bid allows.³

REASON: To enable the Young People's Working Group to play an appropriate part in the events of 11 Million Takeover Day.

Action Required

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| 1. Forward this recommendation to Executive (as part of reporting process for these minutes) | KS |
| 2. Liaise with appropriate parties to facilitate this. | ST |
| 3. Liaise with appropriate parties to facilitate this. | ST |

7. UK YOUTH PARLIAMENT

Members considered a report which looked at the role of the UK Youth Parliament (UKYP) and the level of support and involvement that should be provided by the Council.

The UKYP, launched in July 1999, was an independent national charity that worked closely with the Government. It aimed to give young people aged 11 to 16 a voice in issues affecting them and a chance to be involved in the democratic process and take positive action on issues of concern. Each local education authority (LEA) in England represented a UKYP constituency, with an allocation of between one and six Members of Youth Parliament (MYPs) apiece. York had previously been actively involved but the experience had not proved positive. In 2007, the Involvement Sub-group of the YorOK Board had considered the matter carefully and concluded that representation on the UKYP was not currently a priority. However, recent correspondence from York's MP had prompted the need for further debate on this subject.

Members' comments were invited on the following options:

Option 1 – maintain the decision of the YorOK sub-group not to join the UKYP and instead to prioritise local inclusion, democracy and participation work, subject to reviewing this decision at a later date.

Option 2 – to resume involvement in the UKYP and identify appropriate resources to ensure a positive experience and good outcomes for the MYP and young people in York.

Cllr Alexander, commenting as the Young People's Champion, spoke in support of Option 2, noting that he had been contacted by schools and by young people interesting in engaging with the UKYP. He expressed disappointment that York was one of only 10% of authorities not currently involved in the UKYP.

Members commented that there was not sufficient information in the report for a proper decision to be taken at this stage about York's future involvement.

RESOLVED: (i) That a report be brought to the Group's next meeting, providing further information about the operation and cost implications of the UKYP, including the comparative 'value for money' that it provided in terms of involving young people in the democratic process.¹

(ii) That an MYP from a neighbouring authority be invited to attend the meeting to speak to the Group about his / her experiences of the UKYP.²

REASON: To enable Members to make an informed recommendation regarding York's future involvement with the UKYP.

Action Required

- | | |
|---|----|
| 1. Write report for next meeting, in accordance with publication deadlines. | ST |
| 2. Choose an appropriate MYP, in consultation with Chair and Vice-Chair, and invite to meeting. | ST |

8. CHILDREN AND YOUNG PEOPLES PLAN 2009-12 - PLANS FOR CONSULTATION

Members considered a report which outlined the plans for consultation on the Children and Young People's Plan for 2009-12, currently being developed for the YorOK Board for publication in April 2009.

The consultation would build upon the work for the 2007 Plan, which had drawn responses from 4,000 children and young people and been acknowledged by the Joint Area Review as 'thorough and wide-ranging'. The intention was to move along the continuum from information to consultation to involvement, thus ensuring that the community remained integral to the development of the Plan.

Key steps in the process included establishment of an 'Editorial' sub-group to oversee the development and 'shadow reference' groups of children and young people to support development and production of the Plan. A common consultation document drafted by the 'Reference' group was due to be considered by the YorOK Board on 16 July, prior to its release to initiate the consultation process.

Members commented that:

- The report contained too many acronyms, and a glossary was required;
- A special point should be made of engaging young people from minority communities and groups in the consultation;

- Account should be taken of the need to ensure transport to enable physical access to facilities for young people across the City of York area.

RESOLVED: (i) That the developments outlined in the report be noted, with Members' comments as summarised above.

(ii) that a further report be received at a future meeting on the consultation activity conducted.¹

REASON: To keep the Young People's Working Group informed of and involved in development of the Plan for children and young people.

Action Required

1. Arrange to write report for an appropriate future meeting. ST

S Fraser, Chair

[The meeting started at 5.05 pm and finished at 6.35 pm].



Executive**9th September 2008**

Report of the Assistant Director: Property Services

Hungate Council Headquarters - Update**Summary**

1. The purpose of this report is to
 - a. update the Executive on the progress made since the withdrawal of the planning application
 - b. to confirm the current budget and business case position
 - c. to outline the process to be adopted to review the Council's options and to select an appropriate way forward.
 - d. To present high level options
 - e. To review appraisal criteria, and
 - f. For members to give officers a steer as to which options should form the basis of a more detailed appraisal.

Background

2. The case for the Council HQ remains as compelling as before. The key project benefits are:
 - a. Rationalisation of the council's current administration accommodation portfolio which is anticipated to cost over £140m over the next 30 years.
 - b. A fully integrated York Customer Centre providing customers a single contact centre to enable all services to be accessed in one place, quickly, simply and effectively.
 - c. A city centre location that is accessible to all customers and citizens of York. Located in an area of regeneration with existing infrastructure and transport links providing access for staff. Maintaining the council's contribution to the economic

well-being of the city through its employment of c.1400 employees in a central location.

- d. A modern office environment, which supports an open interactive culture and facilitates flexible working styles, aids recruitment, staff retention and contributes toward reducing staff absence.
 - e. Compliance with current legislation in terms of Disability Discrimination Act in providing buildings and services that are accessible to everyone.
 - f. An accommodation solution that is sustainable in terms of economic, social and environmental impact, supported through three main targets: A score of "Excellent" under the British Research Establishment Environmental Assessment Model (BREEAM), to better Building Regulations CO2 emissions requirement by 30% and to include 20% on site renewable energy generation.
 - g. A building that is effective and efficient to enable the delivery of excellent customer services and unlock the efficiency gains identified as part of the Gershon agenda.
 - h. Inward investment to the city to a value approximately £50m.
 - i. The opportunity to release a number of important historic buildings, for example, St Leonard's for restoration and more appropriate use.
 - j. Provide a significant lever towards improving the Council's CPA rating through new corporate working arrangements.
 - k. Contribute towards the Council's overall value for money assessment.
 - l. Supports the reorganisation of the York Ambulance Service through the provision of land at the Yearsley Bridge site
3. The planning application for the new Council HQ in the Hungate Redevelopment Area was withdrawn in a letter from RMJM to the City of York Council on the 11th July 2008. This followed a period of consultation and receipt of a formal response from English Heritage.
 4. The letter from English Heritage summarised their response as follows: "Despite several meetings to discuss the emerging proposals English Heritage remains concerned that the building, by reason of its height and massing cannot be developed without harming the setting of the cluster of historic buildings and spaces around it. In summary, we object to the present proposal."

5. The letter also included: "We consider that the building proposed could be a very impressive, sustainable, fit-for-purpose, civic building but that in the location and site area proposed it will cause harm to the established historic environment."
6. Given the formal response from English Heritage and the decision to withdraw the planning application there needs to be a review of 2 key issues:
 - a. The sites in the City that could accommodate the HQ building appraised against the criteria for the project. Hungate would be one of those sites
 - b. The feasibility of schemes (sites or combinations of sites) that could achieve the council's aims taking into account the lessons learnt from the project so far and a set of reviewed and revised criteria.

Refer to diagram at Annex A

7. There is a need to move as quickly as possible on this work but this has to be balanced by the need to ensure that risks are minimised and a workable and deliverable solution is found. Site and scheme appraisals will involve detailed work which will inevitably take some time.

Action to date

8. A meeting was held by the Chief Executive and the Director of City Strategy with the Regional Director of English Heritage on Friday 10th July 2008.
9. The Project team briefed the Chief Executive, CMT members and the planning team on Monday 13th July 2008 with regard to possible sites that may be considered as part of a review of council options. This included the Hungate site, a number of sites previously considered and still available (both in the council's ownership and private ownership) and following informal discussions with landowners and developers, some new possibilities.
10. A private briefing was given to the Executive on Tuesday 14th July 2008.
11. Further discussions were had at the Corporate Monitor with Executive on 21st July 2008.
12. A briefing report was given to the Group Leaders on 15th August 2008 outlining progress made and a programme of work to follow.
13. A briefing report was presented to the Shadow Executive on 20th August 2008 outlining progress and a programme of work to follow.

14. A financial analysis was prepared by the property team to show expenditure and commitment to date and this is at Annex B to this report. It is not possible at this stage to identify how much of these costs are abortive. This can only be determined once a new solution has been chosen, it will however be incorporated into any new option analysis.
15. Expenditure to date at 9 July 2008 has been reported as £4.827m. It is important to note that this overall project is not just about the new building. The costs to date incorporate elements that will be required irrespective of the building solution. These include:
 - a. The relocation of the Peasholme Centre at £730k, including all design and statutory fees. (Commitment to a total project cost of £1.955m). This investment provides the council with a state of the art facility that meets all registration standards and provides a valuable asset and service to customers.
 - b. Land assembly, including the acquisition of the Ambulance Station and initial archaeological investigations at £1.3m. The site will have added value as a cleared site that is recoverable if sold at the right time on the open market.
 - c. Property Exit Strategy, including renegotiated leases, disposals, professional and legal fees to date at £430k. Most of this work needed to be done irrespective of the solution.
 - d. Internal project team costs, facilities management review, organisational change and consultant support at £745k. most of this work is still valid and will contribute to any future solution.
16. This leaves costs to date for the Hungate project of £1.625m. This expenditure includes both in-house and appointed consultant fees, procurement costs and planning fees. The work that has gone into the project to date will only be partially lost if the council chooses to change sites or delivery mechanism. If the solution is to stay at Hungate but with a different design only part of those costs will be abortive.
17. It should also be noted that the council has already brought £7.2m into its coffers through the sale of St. Leonard's.
18. A review has been undertaken of the leadership, project management process and the roles within the council and of partners to date, including an understanding of the council's legal and contractual position with regard to all of its' partners in the event of terminating the project or changing the delivery mechanism.
 - a. The Chief Executive and CMT have reviewed the structure and governance of the management of this project. The Chief Executive has decided to nominate the Director of City Strategy as the Project Sponsor (replacing the previous Director of

Resources). The Director of City Strategy will chair the Project Board and lead on that aspect of the project required to reach a successful planning approved design. CMT will play a greater role in the governance and decision making within the project.

- b. Consideration of options for this project will include a review of delivery mechanisms available to the council. If the solution selected requires the council to design and build, and the scope of required services does not significantly change, the team employed to date will, subject to approval by the Project Board, remain as:
 - i. Shepherds Construction
 - ii. RMJM Architects
 - iii. Giffords Engineering Consultants
 - iv. WT Partnership
 - v. Turner and Townsend
 - c. The documentation presented to the Project Board is attached at exempt Annex H and I
 - d. An analysis of the impact of delay upon other projects within the council, particularly those linked or dependant upon the Council HQ outcomes and timescale, is ongoing. The Chief Executive and CMT will consider the actions and resources necessary to maintain effective business processes within the organisation.
19. The Chief Executive, Leader of the Executive and Project Champion met with RMJM Architects on 19th August 2008 to receive their assurance and commitment to the project, consider appropriate actions necessary to move the project forward. RMJM Architects have taken the opportunity to refresh their team and a Board Director is now taking a lead on the project. RMJM restated their commitment to supporting the council and delivering a new council HQ. It was also agreed that RMJM would formally contact and establish support and advice from those architects who have successfully developed schemes within the City of York.
 20. The Chief Executive and Leader of the Executive, met the Regional Director of English Heritage on 19th August 2008, to discuss working relationships and principles to be adopted to enable an appropriate way forward for the project and avoid a repeat of their belated objection. English Heritage confirmed that the process of consultation, with them, adopted by the council for the withdrawn scheme had been appropriate.
 21. The review has enabled the council to consider 'lessons learnt' particularly those relevant to 'consultation' and to prepare future

strategies. The Consultation process to date was fully compliant with guidance, but we now recommend going over and above that guidance in the next stage.

22. It is therefore proposed to consider the setting up a 'design consultation forum', experts and facilitators, and improved working relationships with English Heritage. Further work is to be undertaken on a communications and engagement strategy for the 'external audience'. The strategy should include a process for informing consultees of our reasons for making decisions, particularly when the council chooses not to accept advise, suggestions or comments.
23. The Project Team has undertaken a high level analysis of the long list of potential sites available to the council. This exercise has highlighted the small number of site options likely to be available for a more detailed analysis in the coming weeks. The criteria used to undertake this piece of work included availability, deliverability, accessibility and suitability, comparative financial consequences and risk.
24. The Project Team has returned to the original 'site option review' undertaken in November 2004. A copy of this document will be made available to members as:
 - a. a reminder of the robust process that was gone through to identify a shortlist of sites
 - b. a reminder of the council's needs in terms of accommodation including front and back of office
 - c. a reference to existing expenditure, affordability parameters and the base case
 - d. a list of considered scheme options (i.e. Combinations of property to satisfy needs)
 - e. to enable a further review of those sites and options to see if the assumptions made are still relevant and current
 - f. to enable a review of the criteria used and perhaps amend in the light of the council's current position
25. The Project Team has, in consultation with planning and development colleagues, identified other more current site opportunities for consideration.

The way forward

26. The criteria for selection of a preferred building solution: the criteria used for a high-level review of options included:
 - a. Availability

- b. Deliverability
 - c. Accessibility and suitability
 - d. Financial consequences
 - e. Risk
27. The project team initially looked at 28 sites in and around the city of York. That list was quickly reduced to 14 on the basis that some were inappropriate, no longer available, the subject of planning applications or on the verge of development for other purposes. (Those in the council's ownership are listed in Annex D and those not in the council's ownership are listed in EXEMPT Annex E)
28. The 14 have been evaluated against the 5 criteria above to give an initial ranking. In evaluating the sites the council was focussed on two aspects:
- a. Would the site provide a single site solution to its needs, and
 - b. Would the site contribute to a multi-site solution
29. It should be noted at this point that should a multi-site solution be considered further, a lot more sites and buildings will be brought to the table for consideration.
30. This initial evaluation scheduled in Annex F has clearly steered us towards 4 sites with the potential to meet the majority of our needs, though several of the others may contribute to a more radical split site solution. In order to confirm this initial evaluation and develop some scheme solutions members views are required.
31. It is now necessary to move to the small number of scheme solutions for further detailed analysis. Officers will progress this work based upon the following high level approaches to a building solution:
- a. Single site in the city centre (within the inner ring road)
 - b. Single site on the edge of city centre
 - c. Split site in the city centre
 - d. Split site combination of city centre and edge of city centre
 - e. Split site combination of city centre and out of city location (e.g. Monk's Cross)
32. A further steer is needed in terms of prioritising and weighting the detailed appraisal criteria to relate to the circumstances the council now finds itself in.

- a. Availability: Current use and ownership; acquisition, the window of opportunity for the council.
 - b. Deliverability: Physically achievable in terms of location, land assembly, capacity, planning and conservation, archaeology, contamination, flooding, buildability, responds to brief , budget and timescale.
 - c. Accessibility and Suitability: Location and image, customers, staff, deliveries and services, DDA, adjacencies and transport links.
 - d. Finance: the balance of borrowing and capital, interest rates and inflation, annual sinking fund, rental, affordability, service and running costs over whole life, efficiency and other savings.
 - e. Risk; project risks, disposal proceeds, performance improvement and efficiency, organisational transformation, land assembly, deliverability and financial risks.
33. A further qualitative assessment of the options would consider:
- a. Operational effectiveness
 - b. Customer Services – Location and access
 - c. Customer Services – Amenity
 - d. Green Issues, carbon footprint and sustainability
 - e. Staff Amenity
 - f. Regeneration deliverables
 - g. Car parking
 - h. DDA compliance

Financial status and business case

34. The business case approved at Executive meeting 17 June 2008 is appended to this report at Annex G. Further work is being conducted to understand the current financial position following the delays caused by this review of the project.
35. Selecting figures from that report as a reminder of the current approved business case.
- a. A potential net present value saving of £4.768m
 - b. This compares with the net present value saving of the outline business case in November 05 of £2.7m

36. Members will need to consider whether this improved position and the financial benefits to be accrued from it are to remain as their target for any revised scheme, or whether they are prepared to see a reduction of that saving back towards the original business case in order that the benefits outlined at the beginning of this report can be achieved.
37. It is also important to keep the early years deficit below the £4m threshold set as one of the guiding parameters. It was reported in the last approved business case as £2.094m.
38. The impact of the prospective changes to this project in terms of financial affordability are complex. There are many elements to balance when appraising the options:
 - a. A single site solution allows the council to vacate its current accommodation, thereby releasing capital receipts through disposal of surplus assets and releasing rents through termination of leases. The proceeds of the latter being used to pay for prudential borrowing.
 - b. Any solution that retains an owned or leased building will reduce the capital, through receipts or borrowing, available to pay for any new building.
 - c. A single site solution at Hungate remains a possibility but needs further work on massing and scale and a review of how supporting accommodation at the Guildhall, St. Antony's House and 50 York Road, Acomb is used. This review and changes to the design will impact upon cost, but the degree depends upon the building solution.
 - d. A building that is 20% smaller will not cost 20% less, if the solution involves more than one site certain facilities will require a level of duplication and therefore a split site solution is potentially more expensive.
 - e. If a split site solution includes the leasing of a second building its location may be influenced by affordability and the further away from the city centre, the cheaper accommodation will be.
 - f. A solution that requires the council to occupy leased accommodation for longer than was planned will necessitate a re-negotiation of some of the leases and greater expenditure on rents
 - g. A prolonged delay in constructing a new building will expose costs to construction inflation which, despite the current economic climate, are still ahead of the retail price index.

- h. A solution that requires the council to purchase property may require prolonged negotiation to achieve a value for money acquisition
 - i. A solution that allows another party to develop and build, would give the council the option to buy or lease. Both would have to be appraised in terms of affordability over the life of the building.
 - j. Location will impact upon cost of build or lease. Edge of city centre or out of city centre is less likely to be influenced by consideration of the historic buildings present in the centre and therefore less constrained in terms of quality and materiality.
 - k. A less sustainable solution will impact upon the councils environmental credentials and potentially add to the whole life costs of the building.
 - l. The timing of site disposal, termination of leases, acquisition of property, borrowing and capital expenditure will all impact upon the cost model and business case
39. This list is in no way exhaustive but attempts to give members an understanding of the issues.

Further Works to progress

40. It is important that in considering the future of the Hungate site and its ability to satisfy or contribute to any proposed scheme solution or to be developed for other employment purposes, a clear set of parameters need to be established. Meetings will be arranged with Architects, Planners and English Heritage to determine the level of acceptable development appropriate to Hungate and to support the initial option analysis work being undertaken by the project team.
41. Consideration is being given to how the council should engage the wider audience through an effective communication and consultation strategy. Options being considered include:
- a. The use of a 'design consultation forum', including an external facilitator
 - b. The use of 'Experts' or 'Critical Friends' drawn from the professional bodies representing architecture, planning and communication.
 - c. Further public exhibitions at appropriate times during the design phase.
42. The level and degree of detailed consultation will depend very much upon the scheme options being appraised and the preferred solution to be progressed. (e.g. An out of city solution will attract less scrutiny from

those more interested in the historic core and conservation than the continued development of a scheme at Hungate)

43. This report seeks approval from members, in principle, to the forming of a 'design consultation group', the use of experts and public exhibitions.
44. With members approval the Project Team, with support from Legal and Democratic Services, will prepare draft 'Terms of Reference' for a 'Design Consultation Forum'.
 - a. Further discussion to be had regarding the parties to be invited to this forum, including input from English Heritage.
 - b. To appoint an external 'Facilitator' to the forum.
 - c. To ensure that the forum is fully informed of the council's objectives, expectations and working parameters for the new HQ
 - d. Clarity of Role and an understanding that this is not a decision making group.
 - e. To establish at which points in the process of progressing this project the forum's views and comments will be sought.
 - f. To determine how the council will respond openly and explicitly to the views and issues raised by the forum

Timetable

45. A detailed timetable will be very dependant upon the selected solution. But, the following can be used as a guide:
 - a. Shortlist of potential sites by end of August 2008
 - b. Appointment of consultant to undertake detailed appraisal as soon as is practicable
 - c. Approved approach to option appraisal at Executive on 9th September 2008
 - d. Detailed appraisal of scheme solutions (4 to 5 weeks)
 - e. Recommend preferred option(s) to Executive 7th October 2008.

Continuing work

46. Land Assembly: Continue with the vacation and demolition of the Ambulance Station; Continue with archaeological investigations; Establish and agree transition timetable for the Peasholme Hostel; Plan for the demolition of the existing hostel and to undertake necessary

archaeological investigations; open discussions with local landowners and developers regarding available property to support scheme options.

47. Property Exit Strategy: Discussions with Rushbond regarding the possibility of extended use of St. Leonard's; Initial contact with other Landlords on leased buildings; Continuing with disposal strategy, particularly Yearsley Bridge and Blake Street.
48. Design and Construction: To maintain contact with Crosby Lendlease, DEFRA, Black Swan, NEDL regarding the current position, relationships and future progress.
49. ICT: Continue to liaise with Managed Service procurement exercise.
50. FM Strategy: Continue with recruitment of FM Workstream Manager and FM Advisor; Review of implementation plan pending selection of preferred solution.

Communications

51. Review the current communications strategy and prepare appropriate releases for the benefit of Members, Staff and the public.

Corporate Priorities

52. The provision of new accommodation and the consequential improvement in services to our customers will contribute to all of the council's priorities.

Implications

53. Financial implications: are generally referred to in the report as part of the finance and business case.
54. It is acknowledged that additional project costs will need to be incurred to ensure future delivery of the project. This will include additional architectural design, project director costs and options appraisal. A detailed estimate of these costs is in the process of being built up, however at this point in time it is not anticipated that additional revenue budgets will be required to fund this expenditure.
55. Any abortive fees and costs relating to the project will need to be written off to revenue and be funded from reserves. Discussions are ongoing with the external auditor as to the accounting treatment and the value of these costs. However, at present it is expected that because the series of events causing this change has occurred in 08/09, a 'post balance sheet' note will be included in the 07/08 accounts, and the full financial impact of the changes will take place in 08/09.

56. There are no legal or other implications from this briefing report.

Recommendations

57. Members are requested to:

- a. Note the contents of the report
- b. Note that the following high-level approaches are acceptable:
 - i. Single site in the city centre (within the inner ring road)
 - ii. Single site on the edge of city centre
 - iii. Split site in the city centre
 - iv. Split site combination of city centre and edge of city centre
 - v. Split site combination of city centre and out of city location (e.g. Monk's Cross)
- c. Note the content of the high level appraisal at Annex F
- d. Give a steer regarding the detailed appraisal criteria (outlined in paragraph 32 and 33), prioritising and/or weighting as appropriate, to be used to evaluate the short-listed sites identified in Annex F:
 - i. Availability
 - ii. Deliverability
 - iii. Accessibility and Suitability
 - iv. Finance
 - v. Risk
 - vi. Qualitative Assessment
- e. Approve in principle the proposal to set up a 'Design Consultation Group', and the use of experts and public exhibitions

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Specific Implications:

Legal: Quentin Baker
Finance: Sian Hansom

Wards Affected: All

Report Approved



Date

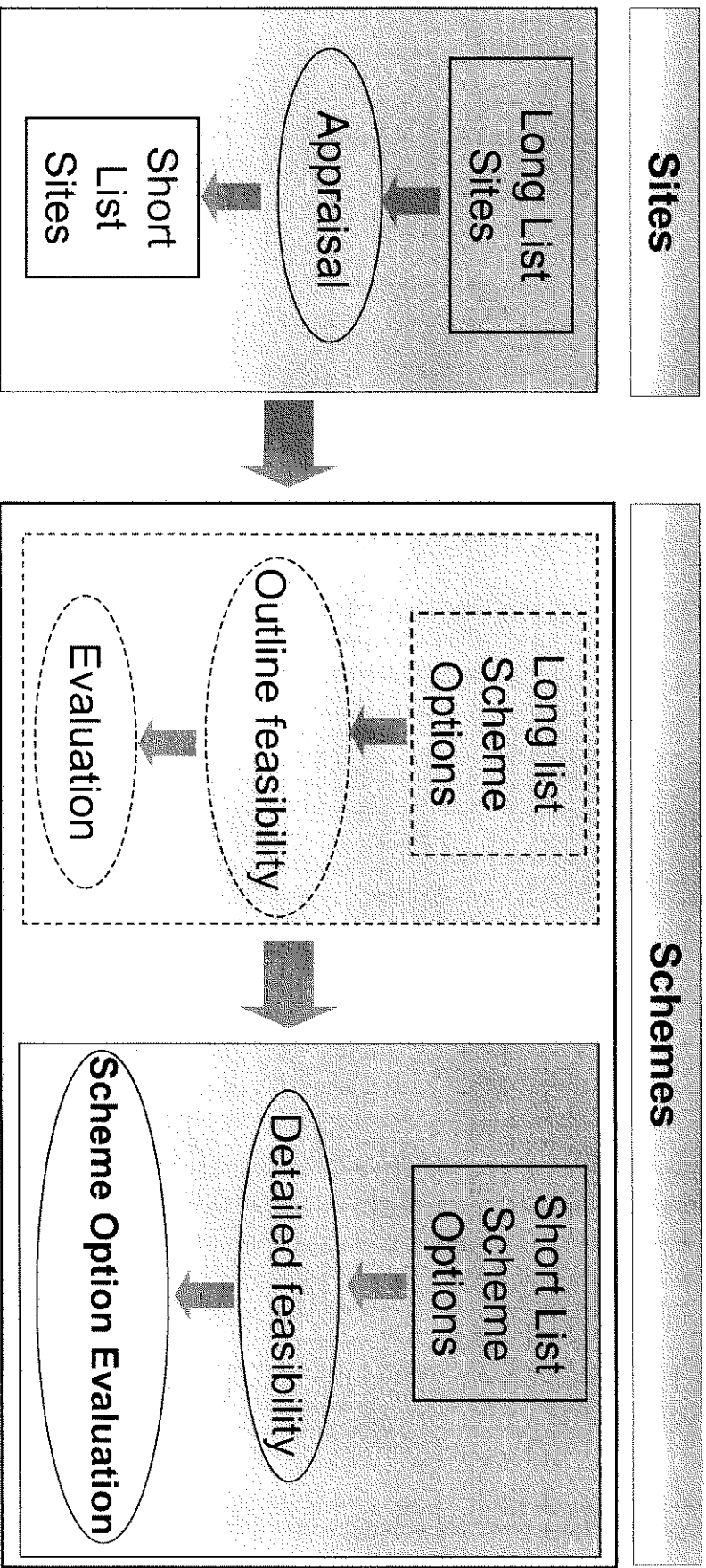
*26th August
2008*

For further information please contact the author of the report

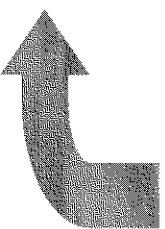
Background Papers

Annex A - Options Review Process

Re-establish Needs



Recommendation



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ANNEX B: HUNGATE PROJECT - EXPENDITURE TC

Workstream	2005/06	2006/07	2007/08	2008/09	Total Spend (FMS)	Currently Committed	Total Spend & Committed	Abortive Costs
	£	£	£	£	£	£	£	
Project Management								
Project Team	101,173	166,920	164,503	53,122	485,718		485,718	
HR	1,385	3,131	23,262	2,735	30,513		30,513	
Trade Union			3,155	1,253	4,408		4,408	
CYC - (APM fees)			6,845		6,845		6,845	
Peasholme Relocation								
CYC Engineer fees	1,962				1,962		1,962	
CYC - (SBD fees)	5,570				5,570		5,570	
					535,016		535,016	
Land Assembly								
Ambulance Station		1,248,000	1,225		1,249,225		1,249,225	
Archaeology			47,555		47,555		47,555	
CYC - (APM fees)			3,683		3,683		3,683	
Peasholme Hostel								
Construction			283,658	248,848	532,506		532,506	
External fees		12,734	16,421	528	29,683		29,683	
CYC - (SBD fees)		86,630	75,153		161,783		161,783	
CYC - (APM fees)		1,700			1,700		1,700	
CYC - (FM fees)		1,500			1,500		1,500	
Planning fee		3,445	4,980		8,425		8,425	
					2,036,060		2,036,060	
Hungate Construction								
Construction								
Risk								
Furniture								
Fees (Internal)								
CYC - (SBD fees)		25,000	25,000		50,000	30,000	80,000	
Planning fee				31,165	31,165		31,165	
Room Hire/catering		6,451			6,451		6,451	
Fees (External)								
4 Projects			11,750	3,000	14,750	6,000	20,750	
Colin Buchanan & Ptnrs			9,000	3,500	12,500		12,500	
Gifford & Partners			118,329	60,008	178,337	25,000	203,337	
Norwest Holz Soil Eng Ltd			18,674		18,674		18,674	
RMJM			540,920	135,124	676,044	154,000	830,044	
Shepherd Construction Ltd			131,958	57,417	189,375	5,000	194,375	
Turner Townsend LLP		8,970	66,400	10,920	86,290	5,000	91,290	
WT Partnership			56,400	27,200	83,600	25,000	108,600	
Technical (procurement)		12,000			12,000		12,000	
Building Research Estab Ltd				1,086	1,086		1,086	
IT M&E							-	
Public Art						15,000	15,000	
					1,360,272		1,625,272	
Property Exit Strategy								
Social Services Adaptations								
SS Review (Project Mgr)		30,000	30,000		60,000		60,000	
Construction			29,180	485	29,665		29,665	
CYC - (SBD fees)			9,533		9,533		9,533	
Fees (Internal)								
CYC - (APM fees)	30,650	4,810	8,594		44,054		44,054	
CYC - (Legal fees)		9,750			9,750		9,750	
CYC - (Eng fees)			160		160		160	
Fees (External)								
Technical (procurement)		24,000			24,000		24,000	
Legal Fees		4,389	9,250	2,006	15,645		15,645	
Lease renewal fees(SDLT)		18,515	49,170	2,211	69,896		69,896	
Disposals		109,660	29,116	9,234	148,010		148,010	
Removals			21,380		21,380		21,380	
Yearsley Bridge Site works				780	780		780	
					432,873		432,873	
Facilities Management								
Facilities Mgmt Review		1,994	32,099	1,917	36,010		36,010	
					36,010		36,010	
User Group/Change Mgmt								
Fees (Internal)								
R.Beane/Info gov/DMS			7,525		7,525		7,525	
Fees (External)								
Donaldsons		150,421			150,421		150,421	
Bradshaws			278		278		278	
Q-Matic UK Ltd				3,690	3,690		3,690	
					161,914		161,914	
	140,740	1,930,020	1,835,156	656,229	4,562,145		4,827,145	

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Annex D

Sites owned by City of York Council:

- Hungate
- St George's Car Park
- Askham Bar P&R
- Marygate Car Park
- Union Terrace Car Park
- Yearsley Bridge
- Monkbar Car Park

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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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Annex G

Extract from Executive report June 2008

Financial Implications

44. The first design solution was set to be delivered within a construction cost estimate of £24,669,000 a budget which was approved by the Executive in July 2007. The current scheme submitted for planning approval is the outcome of extensive consultation with key stakeholders and which now represents an increase in construction costs of £3.5m.
45. The business rationale for the move to Hungate has been driven by the fact that the Council currently operates its administrative functions from a mixture of 17 different buildings around the city. Of the 17 buildings 8 are leased and 9 are owned. The majority of the owned buildings are not purpose built offices and are falling short of the modern day standards in terms of both office accommodation and customer contact points. The total budget for the running costs of the 17 administrative properties amounts to £2.6m per annum. However, this budget does not include any provision for any substantial repairs and maintenance works that are required if the Council were to remain with the current arrangements.
46. In developing the business case three main scenarios were developed:
 - a) Do nothing (stay where we are in existing accommodation, spending existing budgets);
 - b) Stay where we are, but invest in the buildings to reduce the repairs backlog;
 - c) Move to a new purpose built facility at Hungate, and use the sale proceeds from the buildings we own, and lease savings to pay for it

Option a would cost the Council's revenue budget £115m over the 30 years from 2005/06 (when the project was approved). In today's prices (the net present value) this equates to £47m.

Option b would cost £130m over the 30 years, and involve an upfront investment of over £8m to improve the existing stock and periodic investment over the next 30 years to maintain to minimum requirements. This equates to a total cost of £53.5m in today's prices

Option c, the move to Hungate, will cost £90m over the next 30 years¹, or £41.7m in today's prices. This is a £5.3m saving in today's prices to the Council over that time. The saving is even greater if we compare

¹ Based on the last position reported to the Executive in July 2007

the Hungate project (option c), to the more likely reality of option b, with savings of over £11m.

47. The main focus of the Councils Administrative Accommodation project is around the construction of the new office on the Hungate site. However, there are a number of other positive spin offs from the project which include a £1m enhancement of the Council's social services facilities, including a new hydrotherapy pool at Oakland's swimming pool. Premises which are, being retained, will have over £500k invested in them, and there will be a new homeless hostel to replace the facility at Peasholme Green. The St Leonard's complex will also be regenerated with the buildings being converted from offices to a mix of uses that complement the city. This is in addition to the economic regeneration of the Hungate area as a whole.
48. The project is funded from the sale of its existing office accommodation (with the exception of the Guildhall and St Anthony's house), and from borrowing, which will be largely financed from the savings the Council will make by not leasing the other office buildings. In addition there will be efficiency savings by operating from fewer sites, with fewer overheads from operating 4 buildings rather than 17. A final advantage of option c is that the Council will eventually own its main office accommodation outright and will not be tied into leases which would continue to be the case in both options a and b and it is expected that the value of the new building will be more than its construction cost.

Assessing Project Affordability

49. The affordability of the project is affected by three main variables:
- a) The cost of the new building
 - b) The level of capital receipts achieved from the sale of existing offices
 - c) The level and cost of borrowing
50. The level of borrowing is the balancing figure and has the largest impact on the affordability of the project. Therefore if the cost of the new building increases and the level of receipts stay the same, the increase will have to be met from borrowing, which will reduce the affordability of the project. The same is true if the value of receipts reduce, the gap will be funded from borrowing.
51. In order to measure the viability of the project, two measures of affordability have been developed.
- a) The first is the net present value of the savings that the Council will achieve over the next 30 years by moving to the new arrangements.
 - b) The second is a more short term indicator which measures the initial revenue impact of the transition to the new buildings. This is referred to as the early years deficit and will be funded from the

Council's venture fund, which stands at £4m and will therefore have no impact on the Council Tax payer.

52. The last business case reported to the Executive in July 2007, reported the NPV of the savings at £5.15m and the Early Years Deficit at £3.3m.

Updates to the Business Case

53. Since the July 2007 Executive Report, there have been a number of Project Board meetings where the business case model has been updated as new information has become available. These changes were largely linked to changes in the spend profile of the project. Table One illustrates the main changes since the last Executive that have impacted on the affordability of the project. The majority of the changes have resulted in an improvement in the affordability position, with the NPV of the savings increasing by £1.25m to £6.393m and the Early Years Deficit improving marginally. The gross capital expenditure for the whole project has remained at the approved level of £40.3m.

Table One – Previously reported changes to the affordability since the July 2007 Executive Meeting.

	NPV of Savings £m	Early Years Deficit £m
Executive July 2007	5.150	3.318
Changes:		
Mill House Rent Review (£45k p.a. increase)	0.455	-0.124
Ashbank Disposal slip from 2008/09 to 2010/11	-0.094	0.170
Yearsley Bridge Disposal – Slip to 2008/09	-0.165	0.554
Social Services Adaptations slip £800k	0.033	-0.058
York Customer Centre – cost savings in 2010/11	0.861	-0.163
3 month build delay until 30 th June 2010	0.131	-0.380
Monitor 2 slippage	0.022	-0.038
January 2008 Project Board	6.393	3.280

The Current Position

54. The current design is significantly different from the first design solution estimated to cost £24.669m a budget which is contained within the wider project budget of £40.3m approved by the Executive in July 2007.

The new design will result in an increased cost of £3.5m which is mainly attributable to the changes in materiality and the use of additional glass natural stone, reconstituted stone and zinc cladding. The 12 week delay for further design development has meant that additional inflation costs have to be factored in along with additional costs for the introduction of a Combined Heat and Power Plant and a more complex substructure.

55. A detailed cost breakdown and explanation is attached at annex 1. However, as part of the Government's drive towards making Local Authorities adopt the international financial report standards (IFRS's) and bring accounting in line with the private sector, there has been a significant accounting development that the Council can opt to take advantage of, and will benefit the project affordability.
56. The project is currently budgeted to borrow approximately £27m and was being repaid in line with the statutory rules of 4% debt repayment per annum. This method of financing was approved at the July Executive and would have meant that at the end of the 30 years there would be some debt outstanding (£9.2m), although the building would be worth far in excess of this. The new accounting regulations allow Councils to defer the repayment of debt during the construction period and match their debt repayments to the life of the asset they are buying. In the case of this project, the building is being constructed to have a life of 60 years. The benefit of deferring and extending the debt repayments over this time is to reduce the upfront costs to the Council which will reduce the early years deficit significantly. The NPV of the savings measured over the 30 years also increase, although there will continue to be a level of outstanding debt associated with the building at the end of the 30 years modeling period, this will effectively be secured against the value of the building, which will be significantly more than this level of debt estimated at £15.4m. In today's prices this equates to £3.2m in NPV terms.
57. Table 2 shows the affordability indicators assuming the new accounting rules are adopted and then assuming a capital cost increase of £3.5m and the impact on the affordability. The impact of the year end slippage has been minimal but has been shown for completeness.

Table 2 – Impact on Affordability of increased costs and accounting changes

	NPV of savings	Early Years Deficit
	£m	£m
Original Business Case July 2005	2.760	3.090
Executive July 2007	5.150	3.318
January 2008 Project Board	6.393	3.280
Change to accounting rules (repay debt over the life of the asset)	0.660	-2.579
Slippage from 2007/08 to 2008/09	0.040	-0.063
Base Position May 2008	7.093	0.683
Impact of £3.5m increase in construction costs	-2.325	1.456
Grand Total – June 2008	4.768	2.094

58. The revised affordability position therefore shows a net present value of the savings as being £4.768m, an improvement of £2m since the original business case, and the early years revenue deficit of £2.094m, a reduction of £1m from the original business case. These represent the new affordability parameters that the project is now expected to deliver.
59. Any increase in the cost of the building will result in an increased level of debt required. Table 3 illustrates the assets and liabilities associated with the position reported in July 2007 and the position assuming a £3.5m increase in the main build costs.
60. The net asset position in today's prices in 2035/36, shows that the Council's net asset base in association with the Hungate build will be almost £32m following the additional £3.5m investment requested as part of this report. The comparative asset base, if we were to remain in our existing buildings is £8m (the value of current owned accommodation).

Table 3 – Assets and Liabilities in 2035/36

		<u>Exec 24th July 2007</u>		<u>Latest Position Assuming £3.5m additional investment</u>	
Prudential Borrowing*		24,422,000			29,096,000
Gross Cost of the Building		31,293,000			34,793,000
Value of Building once completed		35,000,000			35,000,000
Outstanding Debt (cash figure) in 2035/36	- 9,200,000			- 17,400,000	
NPV of Outstanding Debt (as at 2035/36)		- 1,600,000			- 3,135,000
Asset Value less Outstanding Debt in 2035/36		33,400,000			31,865,000

** the increase in net borrowing is more than £3.5m because of the changes to the accounting regulations allow a debt repayment holiday during construction, which was not the case in July 2007.*

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Executive**9th September 2008**

Report of the Director of City Strategy, Head of Finance, Head of Civic, Democratic & Legal Services

Community Stadium – Update Report**Summary**

1. The purpose of this report is to provide the Executive with an update on the progress towards meeting the conditions of a proposed loan to York City Football Club as set out following the meeting of the Executive of 15th July 2008. The proposal for a loan will be considered at Full Council on 25th September 2008 and because of the relatively short timescale between the Executive decision in July, the complexity of the work required, this report does not have some of the key information that will be provided for Council. It is therefore work in progress but also provides the Executive with the opportunity to confirm on the basis of the latest information available, their commitment to offering a loan or recommending a different option.
2. The report also provides information on the case for a community stadium at Annex 1 which sets out potential uses and possible management arrangements.

Background

3. The Staffing and Urgency Committee on 21st May 2008 considered a report recommending a loan to the York City Football Club (YCFC) to enable it to repay its £2.1 million loan from the Football Foundation. The committee approved this proposal in principal subject to a number of conditions being fulfilled.
4. At the meeting of the Executive on the 15th July 2008 a further report was considered and the following recommendations were made subject to a decision by Full Council on 25th September 2008:

That the Council make a loan of £2.1 million to York City Football Club (YCFC), to replace the existing loan of £2.1 million made by the Football Foundation, subject to the conditions set out in paragraphs 9 and 10 of the report and including the following conditions:

- a) Further financial investigation into YCFC, Bootham

Crescent Holdings and JM Packaging that clarifies the ownership structure, number and value of calls on a capital receipt from the sale of Bootham Crescent and the financial position of the parties involved, and confirms that such a loan and interest could be repaid in full from the value of Bootham Crescent.

b) The Council loan to be subject to a charge on the Bootham Crescent ground, such charge taking precedent over all other calls on the asset.

c) Written confirmation to be obtained that the Football Foundation guarantees that YCFC would receive a £2 million Football Stadia Improvement Fund (FSIF) grant, to be applied to the development of a new community stadium.

d) A legal agreement is to be obtained (explained in Annex 2)

e) The interest payable from the loan to be set at a commercial rate which is detailed in Annex 2, reflecting the likely return the Council would achieve if invested on the money markets.

f) The interest to be payable with the balance of the loan at the end of the period projected in June 2012. During this period the interest would be compounded.

g) Confirmation that the final terms of the loan meet the legal requirements set out in paragraph 19 of the report.

5. The Executive also resolved that an update report on the progress towards a community stadium be brought to the Executive meeting on the 9th September 2008.

Update on the latest position

A) Potential funding for a new stadium:

6. The value of Huntington Stadium has been estimated (details are provided in Annex 2) based on a 25% affordable housing contribution, assuming the community benefits of the stadium out-weigh the community benefits of the higher up to 50% affordable housing within existing planning policy. This estimated figure would however have to be reduced by the cost of relocating the of athletics track. (Members previously resolved to contribute £1 million) together with a sum of approximately £400K for the necessary separation of the existing main stand from Courneys.
7. On the same basis of a 25% affordable housing requirement the value of Bootham Crescent has been estimated (see Annex 2 for information). From this figure the repayment value to CYC would have to be deducted together with other deductions for repayment to shareholders in Bootham Crescent

Holdings (BCH) and to JM Packaging. This would leave a balance available for investment in the new stadium.

8. The required Football Stadium Improvement Grant total is £2 million. The total, when added to the balance available from Bootham Crescent and Huntington Stadium, based on the assumptions above can be seen in Annex 2.
9. The cost of a new stadium is currently estimated to be between £1400 and £2000 per seat at 08/09 prices depending on the specification and the level of additional facilities required. This would put the total cost of a new 6000 seat stadium being built in 2010/11 at between £9.1m and £13m when taking construction inflation into account. The table below summarises the situation in terms of costs of a new stadium. In addition a table containing information about the funding of the stadium can be found in Annex 2.

Option	a	b	c
Capacity (No of seats)	6,000	6,000	6,000
Cost per Seat (08/09 Prices)	£1,400	£1,750	£2,000
Construction Cost (08/09 Prices)	£8,400,000	£10,500,000	£12,000,000
Construction Inflation factor applied for 10/11 build	8.50%	8.50%	8.50%
Construction Cost 10/11	£9,114,000	£11,392,500	£13,020,000
Land Cost	£0	£0	£0
Estimated Cost	£9,114,000	£11,392,500	£13,020,000
Projected Funding Shortfall	£4,364,000	£6,642,500	£8,270,000

10. The table above shows a shortfall in funding which represents the amount the council will have to contribute to the project funds in order to deliver a community stadium, (for more information please see Annex 2). This shortfall could be funded in a three different ways:
 - Sole use of prudential borrowing,
 - Capital receipts,
 - A combination of the prudential borrowing and capital receipts.
11. The revenue cost of borrowing the full amount of the shortfall is explained further in Annex 2. This revenue cost could be financed from income generated from the ground/football club or could be funded by the Council from revenue (the latter would take the form of a growth item in the appropriate years budget cycle). The council could take a view that the community stadium is a priority

over other calls on revenue if it feels it is a sufficient priority. Potential loss of the FF £2 Million grant could also influence the council's decision to part fund the stadium and this loss would also affect the figures in Annex 2.

12. Capital receipts could be allocated to fund the shortfall. Capital receipts at the Council are limited but following changes in accounting rules up to £4m is available to allocate to new schemes for the 2009/10 budget cycle. A bid for capital funds could be made through the usual mechanism of the Capital Resource Allocation Model process.
13. A combination of the two options above could be used to fund the shortfall. For every £100k of capital receipts used there would be a resultant decrease of revenue budget required of £8.5k. For example applying capital receipts of £1m to the £1400 per seat option would reduce the revenue budget required. Please see Annex 2 for further details.
14. Information is currently being sought from the Deloitte as to the likely income achievable based on that from similar stadia and this will form part of the verbal update to be provided by officers at the meeting on the 9th September.

B) Scope of Deloitte work

15. Following the July Executive meeting Deloitte were re-engaged to work on the following:
 - JMP financial situation – obtain, read and comment on the audited financial statements of JMP for the 12 months ending 30th September 2005, September 2006, 9 months ending June 2007.
 - Financial relationships between the owners of and stakeholders in the Football Club – read the package of agreements and summarise the relationships between JM, JMP, YCFC, York City Supporters Trust, Bootham Crescent Holdings Limited, minority shareholders and the Football Stadia Improvement Fund and identify clauses within the agreements that appear to be of most relevance to CYC
 - Creditor rankings will be summarised in the event of the football club becoming insolvent
16. At the time of writing the report no information had been received on the above work although it is expected this will be available for the meeting on the 9th September where officers will provide a verbal update of the findings.

C) Update on Legal Implications

17. Work is ongoing on the necessary legal work to satisfy the conditions set out from the July Executive. Progress to date is set out in the Legal section below.

Options and Analysis

18. This is an update report and various pieces of key information are not yet available as explained elsewhere in the report. There are however still options

available to Members in making a recommendation to council or in deciding not to refer the subject of a loan to council at all.

19. The council has made the delivery of a community stadium one of its corporate imperatives within the Corporate Strategy 2007 – 2011. The previous report argued that a partnership with YCFC was a paramount consideration in delivering a new stadium. The prime purpose of any loan made to YCFC is therefore to ultimately help to facilitate the stadium by relieving the financial pressures on the club in advance of moving. Clearly the outcome from the July committee, whilst approving the principal of the loan, was focussed on necessary measures to ensure that the council was fully protected in securing any loan against the existing ground and also ensuring that there is sound financial management in both YCFC and the majority shareholder of the ground, JM Packaging. It is this work that Deloitte are working on and which is not available at the time of writing the report.
20. Another important factor in any decision to provide support to YCFC is the protection of the current status of the Football Stadium Improvement Grant which would see their current loan being converted into a grant when work begins on a new stadium. Currently YCFC are unable to meet the conditions of the loan and this could be withdrawn which would mean that the future £2 Million grant would be lost to the project.
21. Whilst Members of the July committee resolved to recommend to council that a loan of £2.1 Million be made to YCFC (subject to stringent conditions) there remains a number of options to achieve the previously desired outcome or an option not to provide support to the football club which would almost certainly mean the end of the council's community stadium aspirations in their current form.
22. The options available to Members are therefore:

Option 1 – Do Nothing - Clearly Members could still decide to do nothing as set out in the previous July report. The implications of this are still as set out in that report namely further investment in the club will be required to pay the ongoing interest to the FF (please see Annex 2). If the football club goes out of business or is run on a less successful basis in terms of its ongoing revenue then a community stadium may not be deliverable without significant council support in terms of both revenue and capital. Clearly without detailed knowledge of any future outcome for the football club under this option it is not possible to predict any likely required council investment to deliver and run a community stadium. The do nothing option would also mean that a grant from the Football Foundation at the levels currently on offer (£2 Million) would almost certainly be lost.

Option 2 – Replace the FF loan - Continue to recommend to Council that the loan be made, provided the conditions set out in the minutes of the July report are satisfied. This option is to make a loan of £2.1 Million up to 2012. For the total cost of the loan, including rolled up interest, please see Annex 2.

Option 3 – Provide a loan to cover interest on the FF loan – During the course of discussions with the council's professional advisors a suggestion was made that instead of replacing the FF loan, a loan could be made by the council to pay the interest only on the outstanding FF loan. This would have the benefit that the total outlay and liability of the council would be less and that the FF would turn their loan into a grant at the same level when the first sod was turned on the new stadium (please see Annex 2 for further information). Clearly if Members were to prefer in principal this approach then more work would need to be done in looking at the advantages and disadvantages of such an approach. As with option 1 the council would need to ensure that such a loan was fully protected against the Bootham Crescent asset and in particular that there is sufficient equity in the ground to pay back both the FF loan and the council loan in the event that YCFC ceased to operate.

Option 4 – The council to buy the freehold of Bootham Crescent – In the July report the possibility of the council buying the freehold of Bootham Crescent and renting it back to YCFC pending the completion of the new stadium was raised. It was pointed out in the report that for such an option to be properly evaluated a considerable amount of work would need to be carried out and that this would put a significant time delay into the decision making process. Members did not resolve in July to investigate further this possibility and no work has therefore subsequently been done on looking at the advantages and disadvantages. Dependant on Members evolving views on the options above it does however remain an option but with the same caveat as in July that it would put a significant further delay into the decision making process. There is of course a third party option to buy the site in place and therefore this third party would need to give approval to the council buying the land. The council's health and safety liabilities would also need to be investigated bearing in mind the age and condition of Bootham Crescent.

Corporate Priorities

23. The provision of a new community stadium for the city is a 'Corporate Imperative in the Corporate Strategy 2007-2011. It is also identified in Active York's 'Sport and Active Leisure Strategy' which was signed up to at the Leisure and Heritage EMAP in June 2005. The facilities section of this strategy was updated in May 2007.

Implications

24. **Financial** – The financial implications have been covered in the main body of the report. Officers are expecting to receive the report from Deloitte on 3rd September and will update Members at the meeting as to the findings of the work.
25. **Legal** –
 - Walker Morris, the council's framework legal consultant have been fully briefed on what is proposed and the risk reduction conditions being sought. Interim

legal advice has now been received on both on the way we might achieve our aims and the likely limitations on any agreements. Advice has also been received of further complicating factors relating to securing the loan against the ground.

- All potential parties have been written to explaining what is proposed and seeking an indication as to whether they are happy to proceed. As yet no confirmatory response has been received.

a) Instruction of Legal Advisors – Advice Received

Interim advice has been received as to how we might structure the agreements a summary of which is as follows:-

- What might be referred to as the partnership aspect of the arrangements, i.e. the commitment to partnership to develop a community stadium, is in practical terms only likely to consist of a Memorandum of Understanding between the parties at this stage due to the lack of detail underlying the project.
- The fact that the suggested security for the loan is in fact owned by another company, BCH, albeit 75% owned by YCFC, gives rise to a risk that, in the event of insolvency of BCH within two years, a liquidator of BCH might seek to challenge that transaction as a transaction at an undervalue.
- Please see Annex 2.
- It is noted that the FF loan agreement provides for interest to be paid annually in February. The council is advised to seek clarity (detailed in Annex 2). Further clarification on this is currently being sought from YCFC.
- It is suggested that CYC clarify the basis on which the Rugby club occupy Huntington stadium. Further information is being sought from the council's property team.
- On a more general level the Commercial Partner advising had some trouble recognising the benefits of what he felt was a rather convoluted approach, over a simpler alternative of lending to cover the interest payments themselves or part thereof. Such an approach would obviate the need for any agreement between CYC and the FF and reduce the council's exposure.

b) Next stage of the process

- Drafting and negotiating the necessary agreements will commence but, to date this is on hold until indication from the parties that they are willing to proceed has been received. It is suggested that there is likely to be little incentive for the FF to enter into an undertaking, and incur legal fees in the process. However, no substantive response has yet been received other than confirmation that they have handed our letter to their lawyers.

c) Communication With Other Parties

- The council has written to the FF, Rugby Club and YCFC summarising the proposals and explaining the process going forward. As well as seeking to establish formal channels for any subsequent negotiations we have also sought to establish the parties willingness to sign up to the proposed scheme.

26. **Human Resources** – There are no implications

27. **Equalities** – There are no implications

28. **Crime and Disorder** – There are no implications

29. **Information Technology** – There are no implications

30. **Property** –

Risk Management

31. There are a number of risks which were set out in the previous reports on 21st May 2008 and 15th July 2008. These are repeated here and updated as appropriate:

a) The land values of Bootham Crescent and Huntington Stadium may vary and these assets form the basis of the future capital to finance the new stadium. The value of Bootham Stadium may be insufficient to cover the repayment of the loan advance (please see Annex 2)

b) The value of the ground in the report is based on 25% affordable housing. This level of Affordable Housing is less than the Council's current policy of up to 50% affordable housing and would require a decision by the Council that the community benefits of a community stadium would out-weigh the community benefits of the higher level of Affordable Housing.

c) Neither Bootham Crescent nor Huntington Stadium has planning permission for anything other than their existing use.

d) If the Council decide not to make a loan then the Football Foundation may, at any point, request for their loan to be repaid.

e) To ensure that CYC get the full loan and the rolled up interest back, the Bootham Crescent site may have to be sold and this could therefore lead to the closure of the football club.

f) No alternative site has yet been identified to build the new community stadium and any such site would require planning permission for a stadium

g) Because of the length of time to deliver a new stadium the associated

build costs may vary

h) Design issues may occur

i) The stadium would be delivered in partnership with YCFC and York Knights Rugby League Club and difficulties may be encountered in working in partnership

j) The scope, funding and workings of the future stadium management need to be agreed and formalised

k) Please see Annex 2

l) No business model has been created which will allow a full assessment of the cost of a new community stadium to be compared with currently identified assets and also the projected ongoing revenue costs of a new stadium to be compared with projected income.

m) The fact that the suggested security for the loan is in fact owned by another company, BCH, albeit 75% owned by YCFC, gives rise to a risk that, in the event of insolvency of BCH within two years, a liquidator of BCH might seek to challenge that transaction as a transaction at an undervalue.

n) The £2 Million loan from the FF is not converted into a £2 Million grant towards the community stadium.

Recommendations

32. Members are asked to consider the following recommendations:

a) To confirm the recommendation of the previous Executive on 15th July 2008 that a recommendation be made to full Council to carry out Option 2 above subject to the conditions set out in that report being fully satisfied.

OR as an alternative

b) Recommend to full council that either option 3 or option 4 be carried out subject to any necessary work to ensure that either option could be supported, and recognising the delay this may put into any decision making process.

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Wards Affected: List wards or tick box to indicate all

All tick

For further information please contact the author of the report

Background Papers:

- Community Stadium Report to Staffing and Urgency Committee 21st May 2008
- Staffing and Urgency Committee Minutes 21st May 2008
- Deloitte report on community stadium for CYC 20th June 2008
- A letter received from Walker Morris dated 27th June 2008 (Issues in relation to a proposed loan
- Active York's Sport and Leisure Strategy
- Executive Report 15th July 2008

Annexes

Annex 1 – The Case for a Community Stadium

Annex 2 – Confidential Annex

The Case for a Community Stadium

1. What do we mean by “Community Stadium”? There is no standard definition of the term. It is applied to a wide variety of new stadia across the country each very different in terms of its specification, management, and level of community involvement.
2. We therefore need to define the term for ourselves and to be clear from the outset on the characteristics that we want to see in a community stadium for York.
3. The starting point might be that the stadium should:
 - Be for all the people of York
 - Be an icon for the city: a source of pride, promoting community cohesion
 - Promote the success of the city’s professional clubs and the profile of the city
 - Engage the community in both its design and its business plans in order to ensure its long-term sustainability
 - Inspire people of York to be participants
 - Offer a high quality experience for spectators
 - Generate business activity to ensure financial viability and contribute to the wider economy of the city
 - Contribute to the objectives of the Community Strategy and particularly the targets in the LAA, notably:
 - Adult participation in active lifestyles
 - Adult participation in sport
 - Young people’s participation in PE and sport
 - Young people’s participation in positive activities
4. The City’s Sport & Active Leisure Strategy provides a template, stating that, Both York City and York Knights urgently need a modern professional stadium that meets league and safety standards and can attract investors, players and spectators. This facility must cater for the full sports development continuum. It must be accessible by the community as a training and participation venue and as the route to excellence. This venue must be viewed by the professional clubs and the community at large as a citywide, multi-sport facility.

The stadium, its uses and facilities:

5. The Council as planning authority and potentially as a stakeholder in the stadium is strongly placed to ensure the development of a stadium with the

above characteristics and to deliver the best possible benefits for local people. At the same time it is important to recognise the realities of how the stadium will be funded and brought forward and how this in turn will shape the fundamental nature of the facility. A significant funder will be the Football Foundation and the facility therefore must be designed to accommodate the players, spectators and sponsors of professional football. Taking account also of the needs of rugby league this means a stadium operating professional sport all year round with the following key features:

- A high quality grass pitch that can be used for professional football and rugby league 52 weeks of the year. (NB even a high quality grass pitch will not sustain usage of more than 3 matches per week (2 during winter months - in terms of pitch access the professional clubs will take priority)
 - Facilities for the media, including television transmission
 - Executive facilities for match days and other events
 - Catering for spectators for match days
 - Retail outlets for York City and York City Knights
 - Team and club facilities including offices
 - Match day facilities including team and referee's changing rooms
 - Covered spectator seating which must have a capacity and design that is compliant with the requirements of the Football League
 - Accommodation for around 6,000 spectators. (The Football League's Membership criteria require a minimum capacity of 5,000 with at least 2,000 seats). Given that recently completed stadia cost between £1,400 and £2,000 per seat, available funding is not going to build the kind of 20,000 + seater stadia seen elsewhere in the country with large stands capable of accommodating a wide range of other facilities.
6. At the same time the new stadium can be designed to accommodate a range of other users. The Council, other community groups, residents, and Active York have identified demand for leisure facilities that could be considered in the planning of a community stadium, either as part of the stadium structure and operation itself or as an associated development. These include:
- Indoor sports hall space: The city has a deficit equating to 24 badminton courts.
 - Good quality community grass pitches: Active York's playing pitch audit has identified the need for additional grass playing pitches and more specifically good quality, well drained pitches to cater for the high level of demand that York's thriving football and rugby development is generating.
 - A hockey development facility. Hockey participation rates in York are higher than the national average, York's players are keen and able to grow and compete at a regional level and beyond. For the development of hockey in the city there is a need for at least one water-based synthetic pitch (or any surface which supersedes this). This should on the same site as a sand based facility to provide for all levels of competition and training. For this to be sustainable

this must become the home of competitive hockey and hockey development in the city and must have the backing of England Hockey.

- A venue for schools sports competitions and competition finals: Schools have extensive sports facilities but few are of competition standard and none has any spectator facilities. The level of performance for school sports is being raised by the appointment of a Competition Manager to oversee the school sports competition structures. Access to the stadium for finals and competition events would raise the profile and level of performance of school sport.
- A centre for sports development: A high profile home for the development of sport in the city would include a venue for community clubs to meet, coach development and training rooms, fitness rooms for sports science and physical training, offices for sports administration and club support.
- Fully accessible fitness facilities: Whilst there is no identified demand for further commercial gyms in the city, it is clear that fully accessible facilities catering for all abilities are needed to inspire increased participation in active lifestyles. A wide range of types of activities and opportunities are needed including studios for classes, a venue for lead walks, trim trails, etc.
- Community swimming facilities: There is a demand for an additional 6 x 25m lanes of pool space in the city and the council has stated a desire to provide this in the city centre.
- A larger outdoor concert venue. The Barbican is limited by its 1,500 seats. There may be a niche for a venue accommodating up to 6,000.

Possible Models:

7. There are many possible models for the configuration and management of a stadium. The nature of the stadium and the particular needs that it could meet will be strongly shaped by the site that is ultimately chosen and the community in which it is placed. Two possible illustrations are given below.

City centre:

8. A site in the city centre with its obvious advantages in terms of transport links would also bring particular opportunities for partnership arrangements with a distinct type of community. Here a stadium could be designed particularly to meet the sporting and recreational needs of people who work in the centre. City centre employees will want facilities that are available before and after work as well as at lunchtime which they can access on foot. Such a stadium could be developed with:
 - community rooms suitable for fitness classes
 - an accessible gym and studio space with corporate memberships, squash courts and possibly a city centre community pool
9. This model could engage business partners. Additionally a community use agreement would ensure school and community access to facilities and the right to have community events (such as the “Big Sing”) in the stadium. Developers’ contributions could be channelled into the development of additional sport and fitness facilities.

10. Additional commercial uses available for community use could be envisaged such as conference and exhibition space.
11. Management arrangements would depend on the level of financial investment by the different partners in the development.

As part of a regeneration of an existing sports site:

12. A stadium developed on or along side an existing sports venue would have the advantage of an existing sports foundation and would strongly link the new venue to the existing sports community. Such a site would allow the stadium to sit along side training pitches, to incorporate outward facing community changing and ancillary facilities, and to be an integral part of sports development in the city. The particular associated facilities would depend on the site chosen but they could include:
 - changing rooms
 - fitness training facilities
 - teaching and coaching rooms
13. This type of facility would put the stadium at the heart of community sport. Professional and amateur community players could be playing and training on the same facilities and community clubs may be able to bring in small amounts of external funding to enhance the existing facilities. Depending on location it may be possible for sports section 106 funding from residential developments to be spent on the additional facilities that would complement the stadium. This is likely to be around £250k.

Athletics Facilities

14. It can be assumed that the plans for development of a community stadium will require the relocation of the athletics provision at Huntington stadium, either to make way for a re-development at Huntington Stadium itself or consequent on the disposal of Huntington Stadium following the relocation of the York Knights to a new stadium. It will be essential to re-provide and relocate the athletics facilities. We currently have the only synthetic running track in North Yorkshire. It is used by City of York Athletics Club for three training sessions per week and hosts around 30 events per year. Replacement of the track, with small spectator stand, field events, jumps facilities and equipment will cost at least £1.5m. This assumes that it will be co-located with other sports facilities which will include changing and parking facilities. A venue which meets the needs of the club and other athletics users will be required. A possible location could be the new Heslington East campus.

Stadium Management

15. A clear feature of any community stadium is that in order to achieve the wide range of benefits, to balance the needs of the various stakeholders, and to

ensure financial viability, it will be essential that the stadium is managed by an independent entity. This is most likely to be a management company ownership of which will be in proportion to investment in the stadium. Since there is no potential for the operation of the stadium to be subsidised it will be essential that a company is established capable of taking an entrepreneurial approach. This in turn will strongly influence the range of activities to be accommodated within the stadium.

16. A variety of approaches have been taken across the country to how ownership of the stadium is vested and how management is organised depending on the level of capital investment by the respective partners. Almost all, however, involve the creation of a management company of some sort.
17. There will be choices for the Council in terms of its involvement in the operation of a new stadium assuming it takes a financial stake. Some authorities have taken an active role in the management company of the stadium; others have simply leased the stadium out. It should be noted that local authorities have had widely different levels of involvement in the funding of stadia up to providing 100% funding.
18. There will be a number of potential mechanisms for ensuring the delivery of the community benefits ultimately specified for the stadium including:
 - Any agreements relating to transfer of the land on which the stadium is built e.g. a lease
 - A section 106 agreement
 - The memorandum and articles of association of any management company created
 - Any stake in and/or Involvement in the governance of any management company
 - An ad hoc management agreement if appropriate

Design of the Stadium

19. There will be potential to incorporate issues of wider policy interested into the stadium notably a high environmental specification. This is not an area that has seen particular innovation in this country although the new Colchester stadium has included rainwater harvesting in the irrigation of the pitch, translucent sheets in the stand walls to maximise the use of natural light, insulated panels to minimise heat loss and high efficiency boilers. There are more innovative examples on the continent, notably the Freiburg stadium with its 100kW solar plant.

Future Reference Group

20. To progress the development of the community stadium a reference group should be established. This group would:

- Oversee the development of a strategic financial and management plan that will deliver a community stadium and associated facilities
 - Develop a business plan for the operation of the stadium
 - Develop proposals for a management model to operate the stadium
 - Ensure that key sections of the community are consulted where necessary and that community access is a consideration throughout
 - Commission key pieces of work appropriate to the planning process and receive the reports from such work to inform decisions
 - Present to the Council a proposal for the delivery and management of the facility
21. The composition of this group will in part depend on the location chosen for the stadium and therefore the communities of interest to be represented. It would be chaired by the Council and would be likely to include:
- The principal users: York City and York Knights
 - The wider sports community: Active York
 - The landowner
 - Other potential users eg. the business community
 - Other investors
 - Potential the athletics club depending on the solution to be adopted for athletics

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

Document is Restricted

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Proposed Loan to York City Football Club

Additional Comments from Walker Morris

Following receipt of the Deloitte Report we offer the following comments for consideration by the City Council in addition to the points we have previously raised or commented upon in correspondence and at our meeting with you.

Persimmon

The release of the Persimmon control over the disposal of the Bootham Crescent Site requires the obtaining of satisfactory planning permission the costs of which I believe will fall to the City Council. If as an alternative the City Council is minded to seek to secure the release or variation of these controls Persimmon will most likely require payment. Neither of these appear to have been factored into the equation.

BCH

In addition to the need to review possible minority shareholder controls and securing the agreement of BCH as a separate entity to the overall package of proposals, we have previously mentioned that there may be additional monies outstanding against BCH although we understand from Deloitte that they believe such monies to be relatively modest.

Corporate Documentation

We have not reviewed the corporate documentation associated with YCFC or BCH at this stage and in particular offer no comment on the possible impact of the York City Supporters Trust interest which of course can operate to occasion delay and potentially frustrate the objectives and timetable of the City Council.

If the City Council is minded to proceed this is a matter that will require further detailed assessment of this latter aspect as well as the extent to which YCFC can exercise control over BCH to secure the reinvestment of net proceeds in the proposed new stadium.

YCFC

One of the key risks is the insolvency of YCFC as a result of creditor action/withdrawal of support by JMP at any time up to and including the commissioning and operation of the new stadium and the extent to which this will affect YCFC's ability to enter into any ground sharing agreement or pay any rental for such and related to that the City Council's perspective on whether this risk affects its confidence in embarking upon this route.

Funding of the Community Stadium

The nature of Persimmon's control over the site also means that the new community stadium will need to be forward funded (presumably by the City Council) without any assurance that there will be sufficient receipt from its sale.

The Football Foundations agreement to funding will need to be carefully scrutinised as its principal focus is to fund league rather than non-league football ground improvements.

The City Council will need to be satisfied that it can obtain vacant possession of the Huntington site if the proceeds of this site are critical for funding the new stadium.

We note that the Deloitte Report does not address Tax issues - we comment that there may be adverse tax consequences for BCH arising from the sale of the site and generally which have not been factored into the assumption as to what net proceeds may be available for investment in the new stadium.

Conclusion

It is clear that there are a number of features that may adversely impact upon the deliverability of any decision to proceed to implement a new community stadium and in connection therewith to enter into a range of ancillary arrangements including the possible loan funding of YCFC and agreements with other parties including the Rugby Club, the Athletics Club, the Football Foundation.

If the Council is minded to proceed it may wish to consider whether it should allow a period of time within which clarity can be obtained from interested parties as to whether the overall objective is capable of being realised. This may also need discussion with Persimmon. The likely process might envisage time within which the City Council approves costs estimates associated with the provision of the new stadium, its scope and operating parameters and future revenue costs. Additionally, a full appreciation of the downside risks that might arise once any financial support to YCFC had been committed.. Also, agreeing Heads of terms with interested parties around a timetable and scope that give much greater confidence that any financial support from the City Council has much greater probability of delivering the overall objective

David Kilduff
Partner
Walker Morris



Executive**9 September 08**

Report of the Director of City Strategy

WASTE UPDATE**Purpose of report**

1. To provide and update to Members on the relocation options for Beckfield Lane HWRC requesting funding for additional feasibility work and to update on negotiations on the interim contract for waste disposal.

Background – Beckfield Lane HWRC

2. As part of the policy prospectus for 07/08, members via the groups leaders agreed that options relating to Beckfield Lane HWRC should be considered largely because of the position of the site within a residential area and the traffic congestion associated with the site.
3. A full analysis of the options available was undertaken in May 07 taking into account work undertaken by external consultants; this was considered by Corporate Management Team. It was clear there was no option that provided an ideal solution, because of the criteria considered.
4. Following further consultation, the options analysis was narrowed to considering 3 options. Initial feasibility work has been undertaken on these options, funded from within existing budgets. However in order to progress this work to the position where members have sufficient information to make a decision it is estimated that a further £35,000 is required to cover preliminary design work, specifications, topographical surveys and further analysis of planning issues around the short listed options.
5. Members are therefore requested to consider the priority of this work in the current financial year. In order to fund the additional feasibility work which will be carried out by the engineering design team, supported by external advisors as appropriate, a funding request will be required, as no funds are currently allocated to this work. If Members consider this work to be a priority a request can be made by Executive to full Council for the release of funds from reserves. Alternatively a growth bid can be made for funding from 09/10 budgets.
6. If Members are minded to support the work, a capital growth bid will need to be submitted for future years capital expenditure.

Background – Interim Waste Disposal Contract

7. As Members are aware the Council has entered into an Inter Authority Agreement with NYCC to provide long term waste disposal facilities through the PFI scheme. Until this contract is operational there is a potential LATS liability in target years (please refer to report to Executive on 27 March 2007) and consequently the two authorities have been working together to find an interim solution to cover the period until the PFI contract is operational in 2013/14.
8. It had been anticipated that the outcome would have been known at this stage, enabling a recommendation to be put to members on whether CYC should participate in joint arrangements with NYCC. However negotiations have not yet been completed and a report will be brought back for members consideration when the evaluation has been completed
9. Members are therefore asked to note the latest position.

Options on HWRC relocation

10. Option 1 Do nothing. This would involve continuing to use the facilities available at Beckfield Lane for the foreseeable future, and is not recommended because of ongoing anti-social behaviour issues, traffic congestion and proximity to residential housing
11. Option 2 Undertake additional feasibility work in 08/09. This would inform members on preferred options and estimated costs and would enable an accurate bid to be submitted for capital funding in 09/10
12. Option 3 – Request Council to prioritise funding for the feasibility work identified as part of the 09/10 budget process, with associated estimated capital costs.

Way Forward – HWRC

13. From the work undertaken to date it is clear that the HWRC at Beckfield Lane is not longer fit for purpose as currently operated. Given the significant resources investments needed to deliver a suitable facility, it is vital to undertake additional feasibility and costing work to the initial studies that have already taken place.

Corporate Priorities

14. Corporate Priority Number 1 is to decrease the tonnage of biodegradable waste and recyclable products going to landfill. A contribution to this priority would be made by providing improved facilities over and above that of the existing Beckfield Lane HWRC.
 - a. Corporate Priority Number 10 is to improve our focus on the needs of customers and residents in designing and providing services. This would be achieved by providing a more accessible, and easier to use facility.
 - b. Corporate Priority Number 12 is to improve the way the council and its partners work together to deliver better services for the people who live in York. This would be achieved by consulting with contractors on

optimisation of facility design, and continuous monitoring of contractor performance.

Implications

Financial

15. The cost of undertaking the additional work is approximately £35,000 for which there is not budget. If Members wish to proceed, either a request should be made to release funds from contingency in 08/09 (this requirement has not previously been highlighted) or a growth bid should be submitted as part of the 09/10 budget process.
16. Whichever route is followed a bid for capital funding would be required for the capital works that would need to be undertaken for the year of implementation.
17. The General Contingency for 2008/09 was set at £800k. Potential areas that might require funding during the year were identified as part of the budget process, and totalled over £2m, which included £750k for costs connected with the Highways PFI bid. To date £14k has been released leaving £786k available although there is a further request elsewhere on the agenda for £32k. It is too early to know yet how many of the identified areas of financial pressure will be brought before Members for funding. The key pressures identified where there may be a need for additional funding included within the £2m, are: downturn in parking pcn income, concessionary fares and children's social care costs. This request was not included in the £1.989m identified as possible recurring pressures in the budget. Any release from the contingency will obviously reduce sums available for distribution during the remainder of the year. The balance available, if this application is approved, will be £751k. It should be noted however that this sum is for one-off purposes so therefore will not impact on future years revenue budget.

Human Resources (HR) (Contact – Head of HR)

18. There are no HR implications.

Equalities (Contact – Equalities Officer)

19. One of the key concerns about the current arrangements at Beckfield Lane is the customer access issues. Whilst there is a proportion of visitors 'on foot', the majority use individual vehicles. One of the key criteria in the evaluation of options will be the impact on customers; this will involve liaising with the Equalities section to ensure appropriateness of the criteria used and the evaluation methodology.

Legal (Contact – Head of Legal and Democratic Services)

19. At this stage there no Legal implications, but if and when sale and purchase of land proceed, there will be Legal involvement required.

Crime and Disorder (Contact - Senior Partnerships Support Officer, Community Planning & Partnerships)

20. Crime and Disorder implications require further investigation. HWRC's are vulnerable to vandalism, theft and abusive behaviour.

Information Technology (IT) (Contact – Head of IT)

21. There are no IT implications.

Property (Contact – Property)

22. There is currently an outline planning application for residential development pending for the Beckfield Lane site, and the site is HRA owned. Property will be involved in the options appraisal work to be undertaken

Risk Management

23. The reduction and recycling of waste is a high priority for the Council, because of the potential exposure to government penalties. The development of the HWRC's is part of this overall strategy.
24. The Council's 3 HWRC's play a significant role in meeting the future recycling and composting targets, agreed in the York & North Yorkshire Waste Partnership strategy. By doing nothing, there is a risk that the Council may not be able to meet its future statutory targets and obligations to the Partnership (SLA's).
25. In doing nothing there is a significant reputational risk to the Council as there is public expectation of a new site being provided, also implied by the sale of Northfield School site for housing development. This may be interpreted by the public that the Council are less than committed to recycling.
26. There is financial risk in doing something, as the one-off costs are likely to be higher than anticipated, and there will be increases in operating costs as well.

Recommendations

27. Members are recommended to
 - a) Note the position on the interim waste contract
 - b) Consider which option identified in paragraph 10 –12 above they wish to support, including the release of funding as required.

Contact Details

Author:

Roger Enzor / Ray Chaplin

Chief Officer Responsible for the report:

Bill Woolley
Director of City Strategy

Report Approved

 tick

Date *Insert Date*

Specialist Implications Officer(s)

Financial
Patrick Looker
Finance Manager
01904 551633

Wards Affected: Skelton, Rawcliffe and Clifton Without; Holgate;
Acomb; Westfield; Dringhouses and Woodthorpe; Rural York West

For further information please contact the author of the report

Background Papers:

Planning Feasibility Report, Assessment of Short listed Sites for Beckfield Lane
HWS, Spawforth Associates, September 2005
Executive Report: Household Waste Sites – Relocation and Site Development, 1st
June 2004.
CIWM Scientific & Technical Review, April 2005
National Assessment of Civic Amenity Sites, 2004

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Executive

9 September 2008

Report of the Head of Finance

Income Policy Framework

Summary

1. The purpose of this report is to present to Executive for discussion, comment and approval the Council's income policy framework. The policy (Annex A) has been developed to help meet the Council's corporate priorities and to contribute to the Organisational Effectiveness Programme. The policy aims to improve efficiency and ensure consistency in the way that income is generated, collected, monitored and reported.

Background

2. The council relies on the generation and collection of income in order to deliver its services. Income is received from government grant, council tax and non domestic rates, and an increasingly significant contribution is made from the fees and charges that the council makes for the delivery of its services.
3. The Audit Commission has undertaken research on the extent to which income from fees and charges contributes to council spending. In total £10.8 billion was raised nationally in 2006/07, amounting to half as much as income from council tax. Within unitary authorities, the proportion of income raised, as a percentage of total service expenditure ranges from 4.3% to 17.6%. The City of York Council raised 9.1% in fees and charges and this compares with the average for unitary authorities of 9.4%.
4. In comparison, the council tax requirement per head of population for unitary authorities ranged from £262 to £482 for the same year, with an average of £356. The City of York Council's council tax requirement per head was £319. Clearly there is a balance between income from the different sources and the funds available for service delivery.
5. It is in the interest of all taxpayers, rent payers and residents that the collection of income is undertaken in the most efficient way and that the amount of income due that is not collected is minimised. The policy aims to address this through key principles that should be adopted across all council services.

The Policy

6. The purpose of the policy is to improve efficiency and ensure consistency in the way that income is generated, collected, monitored and reported.
7. The policy is based on a set of key principles and these principles will be supported by guidance notes that provide more information about how the key principles should be applied in practice. The guidance notes will be developed under the guidance of the section 151 officer. They will be reviewed regularly and enhanced, amended and updated as necessary to recognise changes in legislation or to encompass organisational changes.
8. The main policy objectives are as follows:
 - to ensure that charges reflect council and service objectives and priorities, the community strategy and local area agreement;
 - to maximise income for the council;
 - to offer choice and minimise exclusion;
 - to protect tax payers interests by minimising debt and late payment;
 - to ensure equality and consistency when dealing with customers;
 - to ensure compliance with legal and statutory requirements;
 - to implement appropriate recovery action.
9. The policy draws on best practice and Audit commission guidance. It addresses the requirements for income monitoring and reporting (KLOE 3.1.11) and for risk management (KLOE 4.1.12 to 4.1.15) currently contained in the Comprehensive Performance Assessment – Use of Resources element. It also addresses the recommendations in the audit commission report ‘positively charged’ which was published in January 2008.
10. Implementation of the policy framework will commence as soon as the policy is approved, but full compliance with the policy by all directorates will take some time to achieve and a summary implementation plan has been developed to guide the implementation (Annex B). Detailed implementation plans are being developed for each directorate and these will be agreed by Directorate Management Teams and progress with implementation monitored.

Consultation

11. Consultation has been undertaken with the Income Project Board, the Easy at York Board, Departmental Management Teams, Equalities Officer, Risk Management Officer and Corporate Management Team, in drafting this policy.

Options and Analysis

12. Not relevant for the purposes of this report.

Corporate Priorities

13. The introduction of the income policy framework supports the following community strategy and corporate priorities and direction statements:
- Reduce the environmental impact of council activities and encourage, empower and promote others to do the same;
 - Improve leadership at all levels to provide clear, consistent direction to the organisation;
 - Improve efficiency and reduce waste to free up more resources;
 - Improve the economic prosperity of the people of York with a focus on minimising income differentials;
 - We will be an outward looking council, working across boundaries to benefit the people of York;
 - Contribute to the debt recovery and information sharing and partnerships aspects of the community strategy;

Implications

14. **Financial** The approval and implementation of the income policy framework will not amend the Council's Financial Regulations, but it will provide additional guidance on the way that income is dealt with. Approval of the policy will also address the requirements of the key lines of enquiry in the Comprehensive Performance Assessment, Use of Resources element.

Human Resources (HR) There are no implications.

Equalities An Equalities Impact Assessment has been undertaken in consultation with the equalities officer.

Legal The head of legal services has advised on the development of the policy framework. There are no specific implications, although regular monitoring will be required, to ensure that the policy remains effective and relevant.

Crime and Disorder There are no implications.

Information Technology (IT) There are implications for the implementation of the replacement FMS system and these have been communicated to the FMS project team in order to ensure that the information requirements of the policy can be delivered in the future. There will also be some minor amendments necessary for the council website and for the systems utilised by the YCC staff.

Property There are no implications.

Risk Management

15. A risk assessment of the policy framework has been undertaken. Whilst there are no risks associated with the policy itself, there has been an opportunity to identify those risks that the policy seeks to address and to assess the ongoing risk to the council of not implementing the key principles of the policy.
16. The risks associated with the recommendations of this report are recorded in the council's risk register and are assessed at a net level below 16.
17. The development of this policy framework is a key risk control mechanism to address the risks identified and regular monitoring will be required, to ensure that the policy remains effective and relevant.

Recommendations

18. Executive are asked to:
 - a) approve the implementation of the income policy attached at Annex A of this report from 1 October 2008;

Reason

To provide the council with a corporate policy framework for income that will contribute to organisational efficiency, corporate governance, improved consistency and risk control.

- b) approve the summary implementation plan attached at Annex B to this report, to commence from 1 October 2008;

Reason

To ensure that compliance with the policy and guidance is achieved across all council services within the timescales set out in the action plan.

Contact Details

Author:
Val Fitton
Income project officer
Resources Directorate
Extension 1113

Chief Officer Responsible for the report:
Sian Hansom
Head of Finance

Report Approved *tick* **Date** *Insert Date*

Report Approved *tick* **Date** *Insert Date*

Specialist Implications Officer(s) *List information for all*
Implication ie Financial *Implication ie Legal*
Name *Name*
Title *Title*
Tel No. *Tel No.*

Wards Affected: All

For further information please contact the author of the report

Background Papers:

Positively Charged – maximising the benefits of local public service charges, Audit Commission

Annexes

Annex A – Income Policy
Annex B – Summary Implementation Plan

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City of York Council

Income Policy

Version	Consultation	Date
First draft 27/3/2008	Income Project Board	1 April 2008
Updated 23/4/2008	Easy Board	29 April 2008
	Income Project Board	21 May 2008
Updated 29/5/2008	Income Project Board	19 June 2008
Updated 26/6/2008	DMT consultations	26 June 2008
Updated 17/7/2008	CMT consultation / Income Board	17 July 2008
Final draft 20/8/2008	Leader	6 August 2008
Final Version	CMT	27 August 2008

1. Introduction

Scope of the Policy

This policy has been developed to help meet the Council's corporate priorities and to contribute to the Organisational Effectiveness Programme (OEP).

The City of York Council relies on the generation and collection of income in order to deliver its services. The council raises income from statutory sources such as Council Tax and National Non Domestic Rates, but an increasingly significant contribution is made from the fees and charges that the council makes for the delivery of its services.

It is in the interest of all taxpayers and residents that the collection of income is undertaken in the most efficient way and that the amount of income due that is not collected is minimised.

This policy will cover the following aspects of income collection:

- Charges for services
- Setting the level of fees and charges
- Determining concessions
- Collecting income
- Recovery action for late or non-payment
- Performance and Reporting mechanisms

The policy draws on best practice and Audit Commission guidance including "Positively Charged – maximising the benefits of local public service charges".

Each section will be accompanied by Income Policy Guidance Notes to assist with implementation of the policy. The effectiveness and relevance of the policy and all annex and guidance notes will be reviewed annually.

Policy Objectives

- To ensure that charges reflect council and service objectives and priorities, the community strategy and local area agreement;
- To maximise income for the council;
- To offer choice and minimise exclusion;
- To protect tax payers interests by minimising debt and late payment;
- To ensure equality and consistency when dealing with customers;
- To ensure compliance with legal and statutory requirements;
- To implement appropriate recovery action.

Assessment and Impact of the Policy

The policy has been equality impact assessed and has a positive benefit to the council in improving consistency in the way that it sets charges and concessions, collects payment and recovers debt.

A risk assessment of the policy has been undertaken and existing risks identified, evaluated and recorded in the council risk register. The policy provides the council with a mechanism for controlling and managing those risks.

Application of the Policy

The policy applies to all council operations and activities. The key principles arising from the policy should also be applied to arms length organisations, including schools and partnerships, unless there are alternative regulations that govern these organisations.

The council's financial regulations set out the systems and procedures for managing income and expenditure. This policy sets out in more detail issues relating to income, but remains within the basic governing framework set out in the financial regulations.

Exceptions to the Policy

Exceptions to the requirements of the policy should be dealt with in the same way as exceptions to standing orders and financial regulations, using appropriate delegated powers. A record should be kept of all decisions to grant an exception.

Definitions

Discretionary Service – A service that the local authority does deliver, but is not statutorily required to deliver, and which could be discontinued if the authority chose to do so.

Statutory Service – A service that the local authority is statutorily required to deliver and cannot withdraw, irrespective of whether or not there is a charge.

Service that is essential for well being - A service that is not a statutory service, but which the local authority determines should be provided to improve the well being of customers, irrespective of whether or not there is a charge.

2. Charges for Services

Types of charge

There are different types of charges that the council makes as follows:

- Charges from statutory sources (such as Council Tax and Non Domestic Rates);
- Charges which are set nationally by government (such as planning fees);
- Charges for which there is a local choice about how much to charge, but which are restricted to recovering costs;
- Charges for services that may be operated on a trading basis, or for which there is no guidance.

This policy covers all charges to some extent, but parts of the policy are specifically aimed at services where there is an element of local choice in the setting of those charges.

Services restricted to recovering costs

Certain council services are restricted to recovering the costs of providing the service. Where this is the case, it is essential that the full service cost is identified and that all elements of cost taken into account are reasonable and justifiable. This is irrespective of the level of charge ultimately set.

Services that may be operated on a trading basis

Services that may be operated on a trading basis tend to be those that are not seen as essential for social well being or that are discretionary. By their nature they may also be available from a number of providers, thereby offering customers choice. For these services, customer demand will play an important role in deciding what the level of charge should be, although the cost of providing the service will also be relevant. The full cost of these services should be identified prior to setting charges.

Policy Guidance – Section 2 Charges for Services

- Where charges are made that are not pre-determined, the full cost of the service is quantified and taken into consideration in determining the charge to be made (Income Policy Guidance Note 1).

3. Setting the Level of Fees and Charges

Services restricted to recovering costs

The ability to recover the cost of providing the service does not mean that the council should automatically set the level of charge in order to recover all costs. It will depend on a wide range of complex views, perceptions and influences. The level of charge for each service will depend on the service objectives and priorities, customer demand, customer choice, and the need for income to support service delivery and development.

A charge set to recover cost will generate income that may enable a wider level of service delivery or service development, than would otherwise be possible. The impact of the charge can be addressed, as necessary by the use of different charges for different levels of service, or by granting concessions to target specific service users.

Services that may be operated on a trading basis

Services that are not restricted to recovering cost tend to be services that are not considered essential to the well being of residents. Even so, these services may be provided to encourage residents to participate in specific activities or to discourage or restrict the demand for particular services. The level of charges for these services will also be influenced by many factors and can be moderated by setting a range of charges for different levels of service and by granting concessions.

Figure 1 illustrates the main influences on service charging.

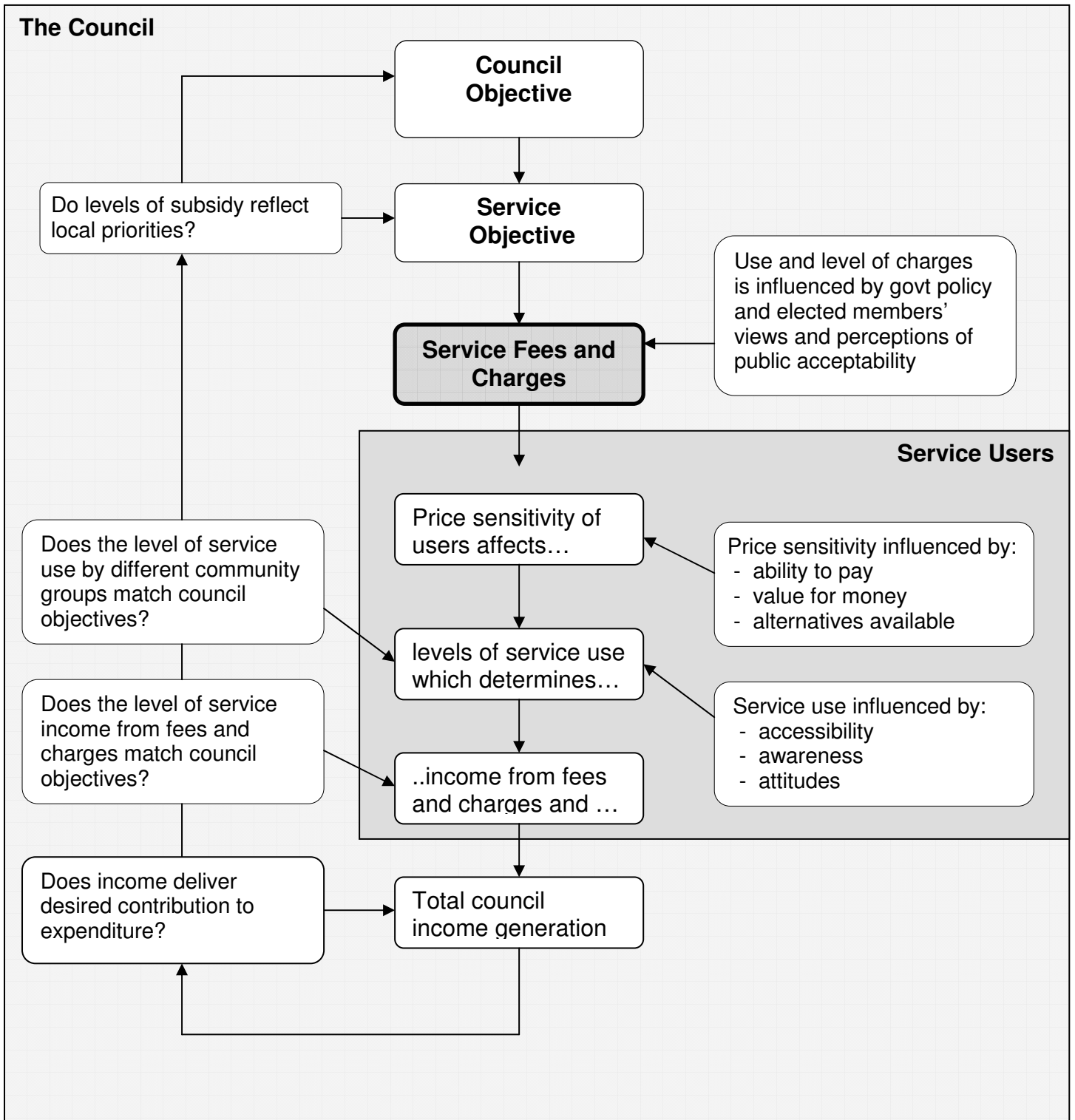
Policy Guidance – Section 3 Setting the Level of Fees and Charges

- The following factors must be taken into account in setting fees and charges:
 - Contribution to community strategy and local area agreement;
 - Contribution to council objectives and priorities;
 - Contribution to service objectives and priorities;
 - Customer profile;
 - Demand for service;
 - Service availability and accessibility;
 - Alternative services and prices.

The minimum requirement will be the identification of clear links to objectives and priorities (Income Policy Guidance Note 2).

- The factors determining a charge should be reviewed whenever the level of fees and charges are reviewed, or every two years if fees and charges are not reviewed in that time scale (Income Policy Guidance Note 3).

Figure 1 Influences on Service Charging



Source: - adapted from figure 7 in the audit commission report 'Positively Charged'

4. Determining Concessions

The council may wish to target certain services at specific groups of residents or visitors and in doing so it may decide to apply discounts or concessions.

The decision about whether and how to apply concessions must be taken with full information about the demand for the service and the contribution that the service makes to council and service priorities. In other words, there must be a reason why the concessions are relevant and a positive decision that the concessions should be offered to specific customer groups.

Examples of customer groups that might be eligible for concessions in order to satisfy service priorities and objectives are:

- Children (of various age ranges)
- Students (or people in full time education who are not children)
- Young people other than children (of specific age ranges)
- Homeless persons
- People on low incomes (or people in receipt of benefit)
- The over 60s (or other ranges of older customers)
- People with particular disabilities
- Ethnic groups
- Residents
- Visitors
- Commercial sector / Small businesses
- Employers
- Staff

The list is not exhaustive, but in every case where a concession is granted, there should be a sound reason why the concession has been made. This will assist the council to achieve consistency, equality and inclusion in the delivery of services.

In some cases there may be nationally prescriptive concessions and where this is the case, there is often government support to help fund these (for example concessionary bus fares). However, these concessions should be subject to the same principles as all other concessions.

In other cases there is comprehensive government guidance on the financial assessments that need to be carried out to determine the contribution that customers' should make towards charges, such as 'Charging for Residential Accommodation' (CRAG) guidance.

Policy Guidance – Section 4 Determining Concessions

- The reason for all concessions should be identified in terms of the service objectives and priorities they aim to achieve and blanket concessions (those that apply to all services and all types of fees and charges) should be avoided (Income Policy Guidance Note 4).

- Any concession that is made over and above the level of a nationally prescriptive concession should be subject to the same scrutiny as non-prescriptive concessions (Income Policy Guidance Note 5).
- The service outcomes of granting concessions should be monitored and the decision reviewed at least every two years (Income Policy Guidance Note 6).

5. Collecting Fees and Charges

Income collection

The way that income is collected and the timing of income collection both determine how quickly the income is recovered, the extent to which there is scope for non-payment and the costs of collection.

The way that income is collected involves the method that a customer uses to pay the charge and how they do so:

method of payment (cash, cheque, debit/credit card, bank transfer)

channel of payment (face to face, by mechanical device, by telephone, at a bank or post office, over the internet).

The **timing of income collection** will depend on the nature of the service being delivered, the customer group and the service objectives and priorities.

Where services are **discretionary**, they are likely to depend on the collection of income in order to be sustained, or they may contribute to the delivery of other statutory services. In these cases income should be collected in advance of, or at the same time as the delivery of service. This will help to ensure that the occurrence of debt is minimised.

Where services are delivered to commercial organisations in a competitive environment, income should be collected in advance of the service delivery in order to minimise debt.

If the service is **statutory** or **essential for well being**, income should be collected in advance where practicable, but the delivery of the service may be such that the recovery of income can only take place after the service has been delivered. In these circumstances, there is always a higher risk that the income may not be recovered and that debt arises which is ultimately written off.

As taxpayers ultimately fund the write-off of bad debt, it is fundamental that the 'payment in advance' policy is adopted wherever possible and reasonable.

Choice and options

It is always desirable to give service users some choice about the method of payment and / or the channel of collection, to help avoid inequity or exclusion of any particular customer group. However, the type of service and the service objectives and priorities will determine how much choice. Statutory services are likely to allow the most choice whereas discretionary services may offer the least choice. This is because they are driven by different service objectives.

There are instances where certain choices may not be possible because they are uneconomic or because of the need to improve efficiency. For example, the option to pay by cash, or the ability to pay face to face. Where one method or channel of payment is not possible, there will always be an alternative option that allows all potential customers to benefit from the service in question.

This applies equally to the timing of payment. If payment is required in advance, the preferred method of payment will be by electronic means, but customer may have the option to pay by alternative methods and alternative channels.

Creating Debt

Services that do not require payment in advance are usually paid for by raising a bill that is sent to the customer for payment after the service has been delivered. This automatically creates a debt that the council has to recover. If debts are not collected they ultimately become bad debts and will be written off at a cost to the taxpayer. In the case of housing rent arrears that are written off, it is the council tenants who ultimately pick up the cost. The debt recovery process is covered in section 6.

The creation of debt needs to be managed and guidance given about the way that debt is created in order to help with this management process. Small sums are much harder to recover and so the incidence of small value debt must be reduced as much as possible to minimise bad debt. By placing a lower limit on the value of bills raised, this will help with debt management. Where small value bills have previously been created, options for addressing this will need to be identified.

Cancellation and Refund

Some council services are responsive and require customers to make a request for service. In many cases, payment will be required in advance of the service being delivered, otherwise a bill will be raised in respect of the service.

There are occasions when customers subsequently need to cancel the service request and a refund of payment may be required. In these circumstances, a minimum time period will be required for cancellation of a service, in order to be eligible for a refund.

Accountability

The availability of customer choice should not mean that the customer has the ability to delay payment or not to pay at all.

No charge that is legitimately due should be waived or cancelled unless every attempt has been made to collect the income due.

No debt should be written off unless there is a reason why recovery is not possible, and this reason is recorded and subject to the appropriate authorisation. The principles for recovery action are contained in section 6, although there are separate policies for recovery and write-off of debt.

Policy Guidance - Section 5 Collecting Fees and Charges

- Payment in advance or at the same time the service is delivered should apply for all discretionary services and for commercial organisations (Income Policy Guidance Note 7).
- A choice of payment method and payment channel should be offered to customers in most cases (Income Policy Guidance Note 8).
- A lower financial limit should be applied to raising bills and creating debt (Income Policy Guidance Note 9).
- A minimum time period will be required for cancellation of a service paid for in advance, in order to be eligible for a refund (Income Policy Guidance Note 10).
- No charge that is legitimately due should be waived or cancelled unless every attempt has been made to collect the income due (Income Policy Guidance Note 11).

6. Recovery action for late or non-payment

Late payment

When a bill or other request for payment is sent out it should always contain clear and unambiguous information about the charges made so that the customer can understand the payment due. If payment is required in advance, but this is done by way of a bill, the bill should be sent out in sufficient time to allow payment to be made by the due date or within the timescales specified.

If payment is not received by the due date, it then becomes a late payment. Depending on the type of payment, a recovery process will be put into action once the payment is late by more than a prescribed time. The recovery process should be followed for all late payments, unless there is a specific reason why not, which is authorised and recorded.

Once a payment is late, it becomes an outstanding debt and it should be monitored and recorded in performance statistics. (Section 7 deals with performance and reporting mechanisms.)

Applying sanctions

Depending on the nature of the outstanding debt, sanctions may be applied. This will depend on the type of service, the nature of the payment, whether arrangements can be agreed and the legal framework within which a bill is raised. Sanctions may take the form of a withdrawal of service, where this is possible and reasonable. This should be the course of action taken for all discretionary services and services provided to commercial organisations.

In the case of council tax and business rates, there are specific regulations that govern the recovery action that is available to the council, as withdrawal of service is not an option.

Where the service is statutory or it is essential for health and/or well being, it may not be possible or desirable to withdraw the service. In these cases, the recovery process may need to be adapted to deal with late payment.

Recovery action

Recovery action will commence once a payment becomes late and a specified length of time has passed. The first recovery action for most debts will be a reminder. This should be sufficient to prompt payment for all debts where the payment has been genuinely overlooked or misinterpreted.

After a reminder has been sent, if the debt remains unpaid, further recovery action will be taken and this will depend on the nature of the debt and the legal framework within which the payment is due. The sanctions for non-payment can be a court summons, liability order, court judgement, attachment of earnings or benefit, bailiff recovery, bankruptcy, eviction or imprisonment.

If legal action is taken to recover debt, court costs will be incurred and these will be passed on to customers.

Co-ordinated Recovery Process

An individual customer or business may have a number of different debts outstanding at any one time and it is desirable that the recovery action takes into consideration all the relevant debts and deals with them in a co-ordinated way, rather than dealing with them separately. The council is working towards better co-ordination of debt recovery in order to improve the recovery process and make it easier for customers to manage their debt in a way that is acceptable to the council. The council will work more closely with partners to ensure that guidance is provided to those with multiple debts.

Priority Debt

There are many types of debt, but 'priority' debts are those where the strongest legal action can be taken against the person who does not pay. It is better for customers if debt is settled on the basis of priority, because this will help them to avoid the most serious action.

Priority debts for the council are as follows:

- Rent arrears, because it could result in eviction;
- Council tax and business rates, as failure to pay can result in bailiff action, attachment of earnings/benefits, bankruptcy or imprisonment;

The principle will be adopted that the priority debts of council tax and housing rent arrears will be given equal weight.

Subject to any limitations imposed by the data protection act and human rights legislation, access to debtors' information contained on different systems will be made available, in order that customers' full indebtedness to the council can be established.

Irrecoverable debts

It is recognised that not all debts are recoverable and when a situation is reached in which all legitimate recovery action has been taken and there is no prospect of collecting a debt, it will be classed as irrecoverable.

Separate policies and procedures exist for recovery and write-off of debt and these policies and procedures will be followed from the point that a debt becomes overdue.

In relation to debt recovery and write-off, it has been identified that small value debts may be uneconomic to collect (see Income Policy Guidance Note 9).

Policy Guidance – Section 6 Recovery Action for late or non-payment

- When a bill or other request for payment is sent out it should contain clear information about the payment due (Income Policy Guidance Note 12).
- The relevant recovery process should be followed for all late payments (Income Policy Guidance Note 13).
- All outstanding debt should be monitored and recorded in performance statistics (Income Policy Guidance Note 14).
- Services should normally be withdrawn where outstanding debt arises for discretionary services or services provided to commercial organisations (Income Policy Guidance Note 15).
- Recovery action should aim to take into consideration all a customer's debts and deal with them in a co-ordinated way (Income Policy Guidance Note 16).

7. Performance and Reporting Mechanisms

Setting Targets

In every case where charges are made and income is collected, performance targets should be set and monitored and this should be part of the service planning process where income is significant.

When individual charges are made for services, a clear link should be identified between income generation, charging and collection and service objectives and priorities (see Section 3, setting the level of fees and charges).

Targets are automatically set for the total amount of income to be generated each year for each service in the budget setting process. Where income is significant, performance targets should also be set to monitor usage levels, collection information and debt levels.

Performance Monitoring

Monitoring income collection performance is necessary in order to assess the success of charging in service delivery and in achieving council and service objectives and priorities. A clear distinction should be made in all reports between income that has been billed and that which has been collected.

Effective monitoring can only take place if clear targets are set and information is collected and analysed on a regular basis. Better performance monitoring will enable better reporting and this in turn will improve the basis on which decisions about income generation, charging and collection are made in future.

Reporting

Where income generation is central to achieving service objectives and priorities, up to date reporting on income performance can help to identify and address related service issues.

Finance and performance monitoring reports should include information on current performance against the income targets set for the service in question and identify whether performance has improved or is worsening. They should also offer proposals for dealing with poor performance, both short term measures and longer term proposals. This may include varying charges.

Annual fees and charges reports are a crucial element of income generation and charging policy as they set the level and scope of charges. They should include information about recent performance against targets and how income contributes to service objectives and priorities. This will assist the decision making process, particularly where there are proposals for significant changes to fees and charges.

Policy Guidance – Section 7 Performance and Reporting Mechanisms

- Performance targets should be set for all income generation, charging and collection activities (Income Policy Guidance Note 17).
- Finance and performance monitoring reports should include information about performance against income targets (Income Policy Guidance Note 18).
- Fees and charges reports should contain information about the contribution that income makes to service and council objectives and priorities (Income Policy Guidance Note 19).

Income Policy Framework – Summary Implementation Plan – Key Actions October 2008 to March 2010

Key Principle	Action Required	Responsible officer	Start date	Target for completion
1	Full costing of all services for which charges made	Finance officers	Oct 2008	Mar 2009
2	Ensure clear links exist between fees and charges and council objectives and priorities	Service managers with support of finance officers	Oct 2008	Sept 2009
3	Ensure fees and charges are reviewed at least every two years. No action at this stage			
4	Identify links between council objectives and priorities and concessions granted / avoid blanket concessions	Service managers with support of finance officers	Oct 2008	Sept 2009
5	Review national concessions and identify links with council objectives and priorities	Service managers with support of finance officers	Oct 2008	Sept 2009
6	Ensure concessions are reviewed at least every two years. No action at this stage			
7	Implement payment in advance for discretionary services and commercial organisations	Service managers with support of finance officers	April 2009	Mar 2010
8	Review payment methods / channels for each income stream	Service managers / easy project / finance officers	Oct 2008	Sept 2009
9	Implement lower threshold for raising invoices	Service managers with support of finance officers	April 2009	Mar 2010
10	Apply cancellation policy	Service managers / easy project / finance officers / customer accounts	April 2009	continuous

Key Principle	Action Required	Responsible officer	Start date	Target for completion
11	Each directorate to use delegated powers to approve and record exceptions to the policy	Directors to agree with service managers	Oct 2008	Mar 2009
12	Review and Revise invoice format / information content / terms	FMS project officers	in progress	Mar 2009
13	Review and update recovery procedures	Head of finance	Jan 2009	July 2009
14	Review information requirements for monitoring outstanding debt	Service managers with support of finance officers	Oct 2008	Mar 2009
15	Review and implement service withdrawal for non-payment for discretionary services and commercial organisations	Service managers with support of finance officers	Oct 2008	Mar 2009
16	Implement debt co-ordination process for customers with multiple debt	Head of finance / debt recovery officers	April 2009	Mar 2010
17	Review / set performance targets for income generation and collection	Service managers / performance officers / finance officers	Oct 2008	Mar 2009
18	Report performance against targets for income generation and collection	Service managers / performance officers / finance officers	April 2009	continuous
19	Include links to council objectives and priorities in fees and charges reports	Service managers / finance officers	Oct 2008	Sept 2009



Executive**9 September 2008**

Report of the Director of City Strategy

An Integrated Cross-City Bus Ticket for York**Summary**

1. This report provides Members with details of the outcome of a study into integrated cross-city bus ticketing for York. The report seeks Member's recommendation for progressing one of the options identified by the study.

Background

2. The local bus network in York is predominantly operated by the First Group. A small number of local services are operated by Transdev, but these are all Council tendered bus services.
3. There are a number of minority bus services travelling from further afield operated by small, independent companies (eg. Reliance and Stephensons) or by large nationals (eg Transdev and Arriva).
4. No ticketing option currently exists to allow passengers to travel on the services of two different bus companies without buying a separate ticket on each bus.
5. A motion was presented to Full Council on 29 November 2007 requesting that officers explore the means by which an integrated cross-city bus ticket could be introduced for York with a proposed implementation date of January 2009.
6. Officers have worked to develop a range of possible options which Members are now asked to consider. A copy of the comprehensive study prepared by Halcrow forms a background paper to this report. This is available for Members in hard copy in the Member's library or electronically on the Members' drive (M: drive)
7. The Halcrow report is written in light of the 'Yorcard' integrated ticketing product currently being trialled in Sheffield¹. Consideration is given to short-term, ticketing solutions and the longer term integration into a Yorkshire-wide 'Yorcard'.

¹ 'Yorcard' is a new smartcard-based payment system for public transport, currently under development for South and West Yorkshire. This new payment method is designed to offer passengers an easy, secure, convenient and cost-effective way of paying for public transport across the region. The intention is that the product will be expanded to South and West Yorkshire within the next two to three years and assurances have been made at the City Region level that York will be included as a consideration for early rollout of the trial.

8. The report concludes with the presentation of short and long term strategies for the introduction of an integrated ticketing product and includes indications of cost and timescale.

Findings of the Study

9. The main aims of the study were to:
 - review the local bus market and current ticketing provision;
 - consult with key stakeholders and local bus operators;
 - identify operational considerations in light of local area characteristics;
 - provide a review of good practice for consideration from across the UK;
 - identify European and national level competition and regulation parameters;
 - assess relative value of a scheme from the perspective of passengers, operators and the Council;
 - identify a series of costed options for possible introduction into the York area;
 - provide a basic analysis of the benefits and costs of such options;
 - summarise the operational requirements for such options to be developed;
 - identify appropriate methods for apportioning revenue;
 - produce a recommended strategy; and
 - identify any further work that may be necessary for a preferred scheme to be pursued.
10. The following table, extracted from the Halcrow report, demonstrates the total, current, number of weekday bus boardings and the passengers who would benefit from a multi-operator ticketing product. The great majority of all journeys that involve interchange between different operators (93%) were found to involve interchange from or to a First York service, demonstrable of First's comprehensive coverage of the inner York area and principal attractors within the City.
11. The figures recorded in the AM peak hour only include concessionary pass usage by the blind.

12. The difference between 'boardings' and 'journeys' as displayed in the above table

	AM Peak Hour	Daily Flows	Proportions
Total bus boardings	4,095	24,088	-
Total passenger journeys	3,414	20,082	100% of passenger journeys
All Interchange transfers	681	4,006	20% of passenger journeys
Same-operator interchange transfers	498	2,929	15% of passenger journeys
Cross-operator interchange transfers	183	1,076	5% of passenger journeys

is that a journey can have more than one boarding, i.e. two or more bus services are used.

13. The opportunities for latent demand resulting from the introduction of an integrated ticketing scheme are also recognised, although quantifying such levels of demand remains difficult at this stage due to a lack of boarding and alighting data specific to the areas affected. Future work as part of the development of this study should seek to identify likely levels of latent demand in order to assist in developing the specific cost benefits associated with any particular scheme's implementation.
14. The Halcrow report outlines five ticket types that can be covered from a block exemption from The Competition Act 1998 and the Transport Act 2000. These five types form the basis of the options available for development in the York area and are as follows:
- **Multi-operator Travelcards (MTCs)**
Entitle multiple journeys on a number of different operators' services across different routes, provided those routes and services are not substantially the same – e.g. bus zonal tickets and travel passes.
 - **Through Tickets (TTs)**
Entitle a particular journey using two or more connecting services run by different operators, as long as these operators do not compete with each other over a substantial part of the route covered by the journey. The study identified that the main routes as having potential for interchange were from inbound inter-urban services onto onward attractors outside the city centre such as York Hospital and York University, or equally to outlying employment areas such as Clifton Moor. Provision of through ticketing to reach specific attractors such as these would therefore be predominantly of benefit to passengers travelling in on inter-urban routes.
 - **Multi-operator Individual Tickets**
Entitle the use of any service of participating operators on the same route.

- **Short Distance Add-ons**
Entitle the purchase of an MTC as an extension to a ticket on an individual local short distance route.
 - **Long Distance Add-ons**
Entitle the purchase of a single ticket, MTC, TT as an extension to a ticket on an individual long distance route.
15. The report explores the various benefits and drawbacks of the options and concludes that, in the short term and in the interests of confirming that the suspected latent demand for such a product exists, the Council develops a paper-based Multi-operator Travelcard.
 16. The cost of a paper-based product would be considerably lower than that of a smartcard. The estimated costs of the Smartcard and paper-based options, as well as entrance in to a 'Yorcard' scheme are outlined in Annex A.
 17. The Council has no budget assigned to this project for either its launch or ongoing maintenance within the current financial year.

Policy Framework

18. There is recognition that whilst single operator travel cards (eg the 'First Day' ticket) meet the needs of many bus users, there will be a significant minority who benefit from a multi-operator ticket. This demand is acknowledged and the launch of such a product is supported in the Local Transport Plan².

Consultation

19. There is also recognition that bus operators have the freedom to set their own fare levels on commercial bus services. Operators have been consulted on the proposals and are broadly acceptant of the Council's aims. It is appreciated that the major operators would not be prepared to withdraw their proprietary tickets and would expect the multi-operator travel card to be priced at such a level that it does not undermine these products.
20. No formal public consultation has been carried out following the recent completion of the Halcrow report.

Options

21. A number of factors were taken into consideration when appraising the ease and possibility of implementation of each option, including:

² LTP 2006-11 Part 3, paragraph 6.60

- potential revenue costs;
 - timescale for delivery;
 - how integrated ticketing systems might work in conjunction with existing concessionary schemes and schemes led by individual bus operators;
 - possible fare structures and possibility to defray costs;
 - feasibility of scheme in operational terms;
 - compatibility with neighbouring authorities; and
 - required funding and quantum sources.
22. There are three options to consider, work on which would commence if the necessary budget is allocated through the budget process for 2009/10:
- A Proceed with the introduction of a paper-based, multi-operator Travelcard with a view to introducing a smartcard solution in the longer term
- Deliver a paper-based, multi-operator travel card for introduction in April 2011. Following its launch, the success of the product would be monitored over a period and transfer to a smartcard option (either proprietary or as part of 'Yorcard') would subsequently be considered.
- B Proceed with the immediate introduction of a smartcard product
- Deliver a multi-operator smartcard for introduction in April 2012.
- C Not to introduce a cross city bus ticket unless it forms part of the wider 'Yorcard' scheme
- Strengthen relations with bus operators and monitor the progress of the 'Yorcard' pilot for introduction at some point in the future.

Analysis

Option A – Proceed with the introduction of a paper-based, multi-operator Travelcard with a view to introducing a smartcard solution in the longer term

23. This option would see the launch of a paper-based, multi-operator cross city bus ticket which, with the agreement of the bus operators, would be accepted on all bus services across the City.
24. The product would be no less attractive to residents and tourists than a smartcard and is deliverable within a shorter period and at a far lower cost than a smartcard solution.
25. A significant proportion of the research required to establish a paper product is the same as that required for a smartcard (eg fare structures, re-imburement to operators, zone boundaries, etc). If The Council does subsequently decide to proceed with a form of smartcard, much of the work will already have been completed.
26. This option would allow for the outcome of 'Yorcard' trials to be determined before more financial commitment towards a longer-term strategy is made.

27. The estimated set up cost of a paper-based product is comparatively low at £187,000 but would require a first year overall budget of £343,000 when revenue and pilot scheme costs are taken into account. See Annex A.
28. A Multi-Operator Travelcard is a ticket entitling the holder to make two or more journeys on two or more specified local public transport services operating on two or more routes, provided that:
 - These routes are not substantially the same;
 - The local public transport services are not substantially the same; and
 - For each route, the passenger usage and revenue received from the ticket and other tickets purchased as a result of the agreements demonstrate that the ticket is not, in practice, a multi-operator individual ticket or a through ticket.

Option B - Proceed with the immediate introduction of a smartcard product

29. This option would see the introduction of a multi-operator, cross city smartcard based product which would not form part of the 'Yorcard' system currently being trialled in South Yorkshire.
30. Without financial support from either regional or central government, the cost of launching a 'stand-alone' smartcard scheme is prohibitive at an estimated first year total of £2.7m.

Option C – Not to introduce a cross city bus ticket unless it forms part of the wider 'Yorcard' scheme

31. This option would result in there being no cross-city bus ticket until and if 'Yorcard' is expanded to the York area. Current estimations for the introduction of this product in York are 3-5 years.
32. The 'Yorcard' scheme is currently being trialled in Sheffield. There are currently no plans for the extension of the product to York although Leeds City Region has been successful in a bid to the Region for funding to extend the scheme.
33. The Council should aspire to adopt 'Yorcard' should there be an opportunity to launch the product in York. Most of the work required to launch a paper-based scheme would not be wasted should 'Yorcard' arrive in York more quickly than it is currently anticipated.
34. When the opportunity to become part of the 'Yorcard' scheme becomes a reality, the estimated cost of approximately £2m in the first year will be acknowledged and funded through the Regional Financial Allocation.

Corporate Objectives

35. Council involvement in the provision of bus services contributes towards the following Council's Corporate Aims as set out in the Council Plan. In particular, it contributes towards the "Sustainable City" and "Inclusive City" strategic objectives

in the Community Strategy and Corporate Aim 1.3 to “make getting around York, easier, more reliable, and less damaging to the environment”.

36. Council involvement also contributes towards achievement of the objectives embodied in the Council’s Second Local Transport Plan; to reduce congestion, improve safety, improve air quality, improve accessibility, and improve other aspects of quality of life.
37. The introduction of an integrated cross-city bus ticket will serve to further raise the image of York’s local bus network and thus support the above aims by encouraging a greater number of people to use public transport.

Implications

38. Implications for the proposals are:

Financial

39. Members will note from the options that the cost of implementing through ticketing solutions are significant. The cheapest option a) would involve one off set up costs of £187k as well as ongoing running costs of £130k. Options b) and c) have such high set up costs they cannot be realistically affordable for the council.
40. This initiative was not included in the 2008/09 budget proposals and no funds set aside in the contingency. It is reasonable therefore for Members to consider this priority along with other Council budget pressures / priorities as part of the 2009/10 budget process to determine whether funds should be made available for this initiative.

Human Resources (HR) – None

Equalities – None

Legal

41. In the launch of any cross-city integrated bus ticket consideration must be given to the legal framework within which such products are permissible. Special attention must be given to the conditions of both The Competition Act 1998 and the Transport Act 2000.

Crime and Disorder - None

Information Technology (IT)

42. The introduction of a smartcard would require significant expenditure on back-office facilities.

Property - None

Risk Management

43. The risks associated with the recommendations of this report are assessed at a net level below 16.

Recommendations

44. That Members note the estimated cost implications and realistic timescales for the introduction of an integrated cross-city bus ticket.

Reason: The original ambition to launch an integrated ticket by January 2009 is not achievable.

45. Members are asked to select one of the options for further detailed consideration and subsequent implementation subject to the necessary budget being made available.

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Report Approved

 Tick

Date

28.8.08

Report Approved

Date

Insert Date

Wards Affected: List wards or tick box to indicate all

All

For further information please contact the author of the report

Background Papers:

Integrated Cross-City Bus Ticketing for York Final Report, Halcrow, August 2008 (in hard copy in the Members' library or available electronically from the Members' M: drive)

Annexes

Annex A: Costs of Multi-Operator Travelcard options

9 September 2008

Costs of Multi-Operator Travelcard Options

	Option A	Option B	Option C
On-bus equipment	-	£875k	£875k
Off-bus readers	-	£525k	£140k
Operator back-office requirements	£37k	£37k	£37k
Selling point set-up costs	-	£110k	£110k
Financing arrangements	-	£260k	£260k
Smartcards	-	£25k	£25k
Consultancy	£100k	£500k	£250k
Inception publicity	£50k	£50k	£50k
Total set-up costs	£187k	£2.38m	£1.75m
Operating cost	£10k per year	£188k per year	£175k per year
Apportionment surveys	£40k per year	-	-
Staffing and administration	£60k per year	£60k per year	-
Ongoing publicity	£20k per year	£20k per year	£20k per year
Annual operating cost	£130k	£268k	£195k
Pilot scheme costs (20% annual costs)	£26k	£54k	£39k
Total inception cost (including set-up, pilot and first year of operation)	£343k	£2.70m	£1.98m
Inception cost per transaction*	£2.45	£19.29	£14.14
Timescale for delivery	24 months	36 months	36 months

* Assumes approximately 140,000 transactions per year, based on 538 return journeys per weekday (comprising an estimated daily 1,076 cross-operator interchange transfers)



Executive**9 September 2008**

Report of the Director of People and Improvement

Improved direct communications with residents**Purpose of Report**

1. This report asks for Members' approval to proceed with the production of a new monthly council publication designed to improve direct communications with residents. It asks for Members to approve a preferred supplier to work in partnership with the council, following an OJEU process.

Background

2. The Executive received a report on 24 July 2007 that looked at the evidence for a link between overall satisfaction with the council and the amount of information residents received about council services. Both indicators had been falling in parallel for some years. The report proposed addressing this situation through improving direct communications with the people of York by establishing a monthly council publication delivered to every household. The report recommended members' approval in principle for working in partnership with an outside provider supplying print, design and distribution, with the council supplying the editorial content. The publication would be financed through diverting the spending on some or all of the council's local recruitment advertising into the costs of production and distribution.
3. Approaches to seek a partner were made to local providers at the time of this first report, but Members, while agreeing to the introduction of a free delivery, civic publication, asked for officers to undertake an OJEU procurement process to award a two year contract in a subsequent report in September. This second report also answered members concerns about the constraints of establishing a new publication, responding to detailed questions relating to areas such as sustainability, distribution and finance.
4. Members especially raised the issue of how the funding would be moved from recruitment to the costs of the publication. The question of how a budget for a new publication should be arrived at, based on diverted recruitment advertising spend across the council, was addressed in Autumn 2007. Advice from Finance was that a budget could not be arrived at in advance of the full costs being known and therefore the procurement should proceed without specific agreement on that issue.
5. After advice from the procurement team a specification was drafted by the Head of Marketing and Communications with procurement support in January 2008. The

OJEU notice was published Friday 8 February and six responses had at pre-qualification questionnaire stage.

6. The party leaders were consulted about the Invitation To Tender (ITT) document via email on 18 March 2008 and a revised ITT was sent to party leaders on 10 April 2008 (please see Annexe 1 for the ITT).
7. All suppliers that responded to the PQQ were invited to tender, however only two responses were received – Newsquest and Your Local Link. Tenders from these firms were opened in presence of Cllr Steve Galloway 21 May.
8. The two bidders were invited to make a presentation on 20 June of their best options to the officer panel consisting of the Head of Marketing and Communications, the Corporate Marketing Manager and the Media and Publications Officer working on the present Your City. Also in attendance at the presentations were members of the procurement team, the Leader and Leader of the Opposition.
9. Owing to the complexity of the different options presented, and the different funding models from the two bidders with differing reliance on advertising, the evaluation of the bids took some time. However a conclusion was arrived at by 30 June and a paper presented to the Corporate Management Team (CMT) to seek a budget (as this had not been agreed pre-procurement) on July 30. CMT agreed to establish a budget at this meeting.

Options

10. These are contained in confidential annexe 2. In accordance with the evaluation criteria outlined in the ITT the recommended options are Your Local link options A and C.

Evaluation

11. The effectiveness of any new publication in reaching residents will be evaluated throughout the proposed two-year contract:
 - a mechanism for feedback will be included in the publication itself
 - a local question will be included into the new Place Survey that replaces the Residents' Opinion Survey (resop) from this year. This question will ask the old resop local indicator "How satisfied or dissatisfied are you with the amount of information provided by the council", which has shown a drop in line with overall satisfaction.
 - the new publication will also be assessed through the talkabout citizen's panel and through any focus groups the council may hold in the light of the Place Survey.
12. All feedback and research will be used to evaluate the progress of the new publication and make changes as appropriate.

Implications

Financial

13. The preferred option requires a budget of £60k to produce 12 issues a year. This would give the council 96 pages of editorial a year with which to communicate directly with residents, as opposed to the 16 pages currently available. In addition the option would allow for 24 pages annually of recruitment advertising to run adverts for locally recruited jobs, especially those that will be recruited to through job pools in the future.
14. CMT have agreed to create a budget to fund this option from existing resources. This would be based on a formula where the total budget would be recouped as follows: through an editorial charge of £24k divided between the six directorates; £20k diverted recruitment spend based on the percentage each directorate spent on local advertising last year (which was £123k in total); £10k diverted from the annual budget consultation spending which would be able to be run in the new publication in future; £6k from the existing Your City budget of £11k (which excludes distribution). £5k would be kept from this budget for photography and taping.
15. In calculating the costs to directorates a flat rate of £4k per directorate has been included for the editorial in the new publication. This is so as not to disadvantage the directorates who advertise most, when the publication will represent the council corporately and strive to include all directorates equally.
16. The costs to directorates would therefore be as follows:

Directorate	Editorial charge £ 000	Recruitment advertising charge £ 000 (based on percentage of total spend last year)	Total pa £ 000
Chief Executives	4	1.4 (7%)	5.4
Neighbourhood Services	4	1.4 (7%)	5.4
City Strategy	4	2 (10%)	6
HASS	4	5.8 (29%)	9.8
LCCS	4	8 (40%)	12
Resources	4	1.4 (7%)	5.4*
Totals	24	20 (100%)	44

*the costs of the annual budget consultation are met from a Resources budget and would need to be recouped from Resources in addition to this figure

Human Resources (HR)

17. The publication would be overseen by one of marketing and communications Media and Publications Officers supported by the press office, with the publication's overall management the responsibility off the Media and Publicity Manager and the Head of Marketing and Communications. This will require these officers to adapt the way they currently work.

Equalities

18. The publication will be printed with the existing 'language box' which goes on all council publications. This has recently been expanded to include Polish. The wording explaining the availability of large print versions of the publication will also be included in a minimum of 14 point type.
19. As with the existing Your City taped versions of the publication will be available for anyone with a visual impairment. This will cost in the region of £2,000 which will need to be met from the remnant of the existing Your City budget.
20. Advertising to every household will increase the opportunity for council adverts to be seen by wider groups than buyers of newspapers, including (as the new publication will be delivered to all households in the city) all BME households.

Sustainability issues

21. Sustainability was a key part of the ITT and weighted as part of the evaluation model. Both bidders' approaches to sustainability are therefore contained within the evaluation.
22. The publication will include a request that residents recycle it when they have finished with it. Provision can be made for the publication to be emailed to those residents who would prefer that (although it would be designed to be read as a printed publication). This can be done by establishing an email group and sending the document, either as pdf file or a link to the council's website.
23. The opportunities provided for improved communication on environmental issues could potentially outweigh any concerns with paper usage. For instance, if the council is able to increase its recycling rate as a result of being able to put the arguments for recycling to more people more frequently, than that changed behaviour might outweigh the environmental impact of the extra print.

Legal

24. As with all council publicity, the new publication would be governed by the council's media protocol and by the Code of Recommended Practice on Local Authority Publicity.
25. Past legal advice is that public notices could not be included in the paper, although the situation will be monitored for changes in the position.

Crime and Disorder

26. Improved communications with the people of York through a new publication could play their part in reducing the fear of crime and other perception issues related to crime and disorder.

Information Technology (IT)

27. There are no IT implications in this report.

Property

28. There are no property implications in this report.

Other

29. All other implications have been covered in the report.

Risk Management

30. The options contained in this paper include partnership arrangements with private firms. There is a risk with any commercial arrangement with the private sector that their financial health is secure.

Consultation

31. The council's Corporate Management Team has been consulted on the options outlined in this paper.

Recommendations

32. Members are asked to proceed with either Your Local link options A or C in accordance with the evaluation criteria outlined in the ITT.

Contact Details

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Background papers:

Full evaluation model

Annexes:

1. ITT - Tender for the Provision of Design, publication and distribution of a Council Newsletter
2. Options received from bidders



Contract ref: CEXC – 2008.06

INVITATION TO TENDER

Tender for the Provision of Design, publication and distribution of a
Council Newsletter

(OJEU ref: 2008/S 29-039137)

DATE **2008**

Copyright and Confidentiality

Tenderers should note that copyright in this ITT rests with the City of York Council. The Tenderer shall treat all information contained within the ITT as strictly private and confidential.

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PART A

INSTRUCTIONS TO TENDERERS

1. General

- 1.1 Tenderers should read all instructions carefully before completing the documentation. Tenderers must comply with the terms of this Invitation to Tender (ITT). Failure to comply with these requirements for completion and submission of the Tender may result in the rejection of your Tender.
- 1.2 Tenderers should acquaint themselves fully with the extent and nature of the service and contractual obligations contained herein and take any independent financial or legal advice, if necessary as early as possible in the process and Tenderers are deemed to have done so before submitting a Tender. No claim out of want of knowledge will be accepted.
- 1.3 Any Tenderer is deemed to be fully satisfied on submitting a Tender as to the accuracy and sufficiency of the rates and prices stated in the Price Schedule which shall (*except in so far as it is otherwise provided in the Contract*) cover all its obligations under the Contract and shall be deemed to have obtained for itself all necessary information as to risks, contingencies and all other circumstances influencing or affecting its Tender.
- 1.4 The Council accepts no responsibility for any estimates or assumptions made by the Tenderer of the resources which may be needed to provide the requirements as described in the ITT.
- 1.5 This ITT does not constitute an offer by the Council, and the Council does not undertake to accept the lowest or any tender under this procurement even where all the requirements are met. The Council reserves the right to accept a part of any tender unless the Tenderer expressly stipulates otherwise in their Tender response. The Council further reserve the right to award more than one tender.
- 1.6 The Council reserves the right to accept or reject any Tender and to annul the tender process and reject all tenders at any time prior to award of contract without incurring any liability to the Tenderer.
-

1.7 Tenders are submitted on the condition that the Council's authorised representative(s) may, after opening of the Tender discuss verbally or in writing with any tenderer details of the documents submitted relating to the proposed Contract prior to formal acceptance of a Tender without any way committing the Council to accept such Tender.

1.8 Tender Validity

1.8.1 Your Tender shall remain open for acceptance for a minimum period of 180 calendar days. A Tender valid for a shorter period may be rejected.

1.9 Modification and withdrawal

1.9.1 Tenderers may modify their Tender prior to the deadline for receipt by giving written notice, sealed and identified externally with the contract reference, to the Council. No Tender may be modified subsequent to the deadline for receipt.

1.9.2 Tenderers may withdraw their Tenders at any time prior to accepting the notification of award by sending a notice of withdrawal to the Council.

1.10 Tender Costs

1.10.1 The Council will not be liable for any costs Tenderers may incur in the preparation or submission of their Tender, or for those costs which may arise out of any subsequent events within the procurement process such as System Demonstrations.

1.11 Confidentiality

1.11.1 It is a condition of the Tenderers continued involvement in this tender process that the Tenderer undertakes to keep confidential this Invitation to Tender and all other information, whether written or oral concerning the business and affairs of the Council which the Tenderer has received or obtained as a result of the information supplied in connection with this Invitation to Tender, or in discussion relating to it, except any such information which is in the public domain through no fault of the Tenderer.

1.11.2 Tenderers must not disclose Tender prices, or even an approximation, prior to the deadline for receipt. In addition, they must not try to obtain information about competitors' tenders or proposed tenders. Tenderers shall not disclose that it has been

INVITATION TO TENDER

invited to tender, nor shall tenderers be canvassed or discussed with any other Tenderer or member or officer of the Council.

1.11.3 For the avoidance of doubt, the confidentiality obligations contained herein shall apply equally to any employee, sub-contractor or professional advisor consulted by the Tenderer and it shall be the responsibility of the Tenderer to ensure that any such employee, sub-contractor or professional advisor abides by the terms of this Invitation to Tender.

1.11.4 In the event that the Tenderer does not comply with the undertakings in this paragraph 1.11 or in any other manner does not treat this Invitation to Tender as confidential, without prejudice to any other right or remedy available to the Council, the Council may reject the Tender.

1.11.5 Tenderers should note that the Council is under a legal obligation pursuant to the Freedom of Information Act 2000 (FOIA) to disclose information relating to this tender process and any resultant contract upon request unless an exemption applies under the provision of the FOIA. (The Commercial Interest exemption will apply for the duration of the procurement process).

1.11.6 The Council undertakes to hold confidential any information provided by the Tenderer in relation to this ITT subject to the event the Council receives a request for information under the FOIA (or any other applicable legislation governing access to information) whereby the Council shall be entitled to disclose all such information and documentation (in whatever form) as is necessary to comply with the relevant legislation.

1.11.7 The Council proposes that the following information relating to this ITT will be made available to third parties on request in accordance with above:

- The Councils Invitation to Tender
- Tenderers invited
- Successful Tenderer details
- Successful Tenderers response (subject to confidentiality and commercial interest tests)
- Overall Contract Value (not the breakdown of costs)
- Contract term
- Any information regarding the evaluation process to justify best value has been achieved

1.11.8 You are asked to consider if any of the information supplied in your Tender should not be disclosed because of its sensitivity (other than that referred to above). If this is the case, you

INVITATION TO TENDER

should, when providing the information, identify the same and specify the reasons for its sensitivity. The Council will endeavour to consult with you about sensitive information before making a decision on any Freedom of Information requests received.

1.11.9 If you consider that none of the information supplied by you is sensitive, please make a statement to that effect.

1.11.10 The final decision on what is or is not exempt information shall be determined by the Council, having considered the representations of any Tenderers (where provided). The Council shall not be liable for any loss; damage, harm or other detriment to the Tenderer however caused arising from any disclosure of information under any applicable legislation governing access to information.

1.12 Equalities

Tenderers as both an employer and supplier are expected to comply with their statutory obligation under the following legislation (or European equivalents):

- Sex Discrimination Act 1975
- Race Relations Act 1976 and Race Relations (amended) Act 2000
- Disability Discrimination Act 1995
- The Employment Equality (Age) Regulations 2006

and any other relevant which may be introduced during the period of this contract.

1.13 Copyright

1.13.1 Tenderers are reminded that the entire contents of this Invitation to Tender belong to the Council. It must only be used for the purpose for which it was issued.

1.14 Contract

1.14.1 Any contract(s) resulting from this ITT will be subject to the Council's Standard Contract Terms, which comprise the Software Licence and Services Agreement and Standard Support and Maintenance Agreement.

1.14.2 It is intended that the contract will be awarded for a period of 2 years with an option to extend for an additional 2 years at 12 month intervals dependant on supplier performance.

1.15 Contract Award

1.15.1 This Invitation to Tender does not constitute an offer by the Council and the Council does not undertake to accept the lowest or part or all of any Tender even if all requirements are met. All Tenderers shall be notified in writing whether their submitted Tenders have been successful or unsuccessful to progress to the next stage of the procurement process.

1.15.2 In the event of the Tender being successful and following the Tenderer being successful in the subsequent stages of the procurement process the Council will issue a formal letter awarding the Tenderer preferred supplier status. The actual Contract between the Council and the successful Tenderer will be a form of Agreement to be prepared by the Council on the basis of the Standard Contract Terms as set out in Appendix 1 and comprising this ITT and the Tender documentation. Until formal agreement and signing of the contract is executed, no part of this procurement process shall be construed as contractually binding.

1.16 Tenderers Warranties

1.16.1 In submitting its Tender, the Tenderer warrants, represents and undertakes to the Council that:

a) all information, representations and other matters of fact communicated (whether in writing or otherwise) to the Council by the Tenderer, its staff or agents in connection with or arising out of the Tender are true, complete and accurate in all respects, both as at the date communicated and as at the date of submission of tender.

b) it has made its own investigations and research and has satisfied itself in respect of all matters (whether actual or contingent) relating to the Tender and that it has not submitted the Tender and will not be entering into the Contract (if the same be awarded to the Tenderer by the Council) in reliance upon any information, representation or assumption which may have been made by or on behalf of the Council;

c) it has full power and authority to enter into the Contract and perform the obligations specified in the Standard Contract Terms and will, if requested, produce evidence of such to the Council; and

d) it is of sound financial standing and has and will have sufficient working capital, skilled staff, equipment and other resources available to it to perform the obligations specified in the Standard Contract Terms.

2. INSTRUCTIONS FOR THE COMPLETION OF THE ITT

2.1 Tender Response

2.1.1 With regard to the information above and in the following Parts, Tenderers are required to complete and submit the Tender as detailed below and as further directed in the relevant Schedules.

2.1.2 Tenders not submitted in the requested format may be rejected.

2.1.3 Tenders not complying with any mandatory requirements that are contained in this Invitation to Tender will be rejected. Mandatory requirements are denoted where the words 'shall' or 'must' is used.

2.1.4 Tenderers must confirm their intention to tender or otherwise in writing, by completion and return of the enclosed Acknowledgement Form on receipt of this ITT.

2.1.5 Those wishing to decline are requested to return the Acknowledgement Form duly completed, this ITT and ancillary documents, materials and samples and not to retain copies thereof.

2.1.6 Tenderers must ensure all documents requiring a signature must be signed:

- a) where the Tenderer is an individual, by the individual;
- b) where the Tenderer is a partnership, by a duly authorised partner;
- c) where the Tenderer is a company within the meaning of the Companies Act 1985, by a director duly authorised for the purpose.

2.1.7 Tenderers must submit their Tender response in the name in which they would subsequently contract, if successful, and no alteration or amendment will be accepted with regard to this information.

2.1.8 Tenderers are requested to type their responses into the Tender document (where applicable), which will be provided as MS Word documents on request, after receipt of the ITT Acknowledgement Form.

2.1.9 All Tenders must be completed in English. Any printed literature furnished by the Tenderer may be written in any other language

INVITATION TO TENDER

but must be accompanied by an English translation of its relevant pages. In such a case, for the purpose of interpretation in relation to the Tender, the English translation shall prevail.

2.1.10 Rates and prices must be quoted in pounds sterling (exclusive of Value Added Tax) and decimal fractions of a pound.

2.1.11 Any documents the Tenderer wishes to provide in addition to those required for completion i.e. sales brochures or case studies must be independent of the required documents and if requested these are kept to a minimum.

2.2 Tender Submission

2.2.1 One 'original' hard copy, one complete (hard) copy (two in total) and one electronic copy on disk of the tender response must be sealed in an envelope and clearly marked as below:

Tender Submission
Contract ref: CEXC – 2008.06

and delivered to:

Catherine Cowling
Corporate Procurement Manager
City of York Council
Guildhall
YORK
YO1 9QN

and received no later than **12 noon** on **XX XXXX XXXX**

The Tender envelope should not bear any name or mark indicating the Tenderer and can be delivered at any time up to the time and date stipulated above which is the latest for receipt. Under no circumstances will Tenders be accepted which identify the Tenderer in any way or arrive after the due date and time for receipt.

2.2.2 Tenderers are strongly advised to send their Tender by secure means e.g. registered post to ensure it reaches the Council before the submission deadline.

2.2.2.1 Tenders sent through the post are done so entirely at the Tenderers own risk. The Council accepts no responsibility for non-receipt. In the event of a dispute, it will be the responsibility of the Tenderer to prove delivery.

INVITATION TO TENDER

2.2.2.2 If a courier service plastic wraps the Tender documents to satisfy its own requirements, the outer covering should clearly indicate that the package contains Tender documents. Failure to do this may lead to the documentation not being processed as a Tender.

2.2.2.3 The Council does not accept responsibility for the premature opening or mishandling of envelopes that are not submitted in accordance with this Invitation to Tender.

2.3 Tender Clarification

2.3.1 Any questions concerning any aspect of the ITT or the proposed contract should be submitted by **Date 10 Days prior to closing date** preferably via e-mail to:

E-mail: catherine.cowling@york.gov.uk

or in writing to:

Catherine Cowling
Corporate Procurement Manager
City Finance Centre
PO Box 31
YORK
YO1 7DU

**All correspondence should quote the contract reference:
CEXC – 2008.06**

2.3.2 Whilst the Council will endeavour to provide an adequate response to all questions raised by Tenderers, the Council cannot guarantee that a full response to any questions will necessarily be available within the timescales set for replies to this ITT.

2.3.3 Tenderers shall be responsible for ensuring that they are fully familiar with the nature and extent of the proposed contract and shall obtain for themselves at their own expense all information necessary for the preparation of their Tenders. No claim arising out of want of knowledge will be accepted.

2.3.4 Where the Council considers any question(s) to be of material significance, both the question(s) and the response will be

INVITATION TO TENDER

circulated by e-mail (or post where no e-mail address is available) to all Tenderers.

3. Next Stage - Stage 3 Supplier Presentations

- 3.1 The next stage of the procurement process will be Stage 3, Supplier Presentations. Suppliers will be invited to present their proposals and a mock up of the design of the newsletter to key city of york council stakeholders and evaluation panel.
- 3.2 It is expected that presentation sessions will take place over approximately 3 days. All sessions will follow score sheets/scripts provided by the Council in order to facilitate evaluation and scoring, which will be undertaken by all participating staff.
- 3.3 All demonstrations will take place at the Council's premises in York.
- 3.4 Further details regarding the presentations will be issued to short listed suppliers.
- 3.5 The Council will not be liable for any costs suppliers may incur in the preparation and delivery of presentations.

INVITATION TO TENDER

PART B**PROCUREMENT TIMETABLE**

- B1. Tenderers should note the following dates for this procurement process and ensure their availability as appropriate.
- B2. This is an indicative timetable only and maybe subject to change at the discretion of the Council.
- B3. Tenderers will be informed in advance of any revisions of the timetable (if required) throughout the remaining procurement process.

Stage	Task	Date / Proposed Date
1	Issue of OJEU Notice	8th February 2008
1	Closing date for return of PQQ responses	17th March 2008
1	Evaluation of PQQ responses and Shortlist 1	W/C 17 th march
2	Issue ITT to shortlisted suppliers	W/C 7 th April 2008
2	Closing date for queries regarding ITT	9 th May (est)
2	Closing date for return of ITT responses	19 th May (est)
2	Evaluation of ITT responses and Shortlist 2	W/C 19 th May
3	Issue of invitations and make arrangements for supplier Presentations with short listed suppliers	23 rd May (est)
3	Presentation period	W/C 2 nd June (est)
3	Evaluation of Presentations and Shortlist 3	End W/C 2 nd June (est)
4	Preferred supplier decided and notified	W/C 9 th June
5	Contract clarification	W/C 9 th June
6	Contract award (subject to standstill period)	W/C 16 th June

PART C

EVALUATION OF TENDERS

C.1 Evaluation Approach

- C1.1 Prior to the detailed evaluation the Council will examine each Tender submitted for completeness and compliance. Tenders may be excluded where they have failed to comply with any of the Instructions to Tenderers as directed.
- C1.2 Following the above each Tender will be subject to a thorough evaluation. Results from the evaluation will produce a shortlist of no more than four suppliers who will be invited to take part in the next stage of the procurement process, **Stage 3 Supplier Presentations**.
- C1.3 The Council reserves the right to seek clarification in regard to any Tender (as required) during the evaluation process.

C.2. Evaluation Criteria

- C2.1 Evaluation of the Tender (and subsequent stages) will be undertaken following the model for the Most Economic Advantageous Tender (MEAT).
- C2.2 The qualitative evaluation criteria accounts for 60% of the evaluation and the remaining 40% accounts for the evaluation of total price.
- C2.3 The following elements will be assessed to form the qualitative evaluation (the sections being evaluated are listed in order of importance):
- Design and Creativity 15%
 - Distribution 25%
 - Advertising methodology 10%
 - Sustainability 5%
 - Partnership Approach 5%
- C2.4 The following elements will be assessed to form the cost evaluation (the sections being evaluated are listed in order of importance):
- Financial contributions required from the Council (i.e cost neutral will obtain the highest score)
 - Rate card for the Council's local recruitment advertising
 - Percentage of reliance on the Council's recruitment advertising.

C2.5 The following table shows the weighting breakdown of the 60% quality score for each section, for each procurement stage.

Section	% of marks available	
	Stage 2 ITT	Stage 3 – Presentations
	50%	50%

C2.6 Each requirement has been denoted as being **Essential** or **Desirable**. All essential requirements have a weighting double the amount of the desirable requirements.

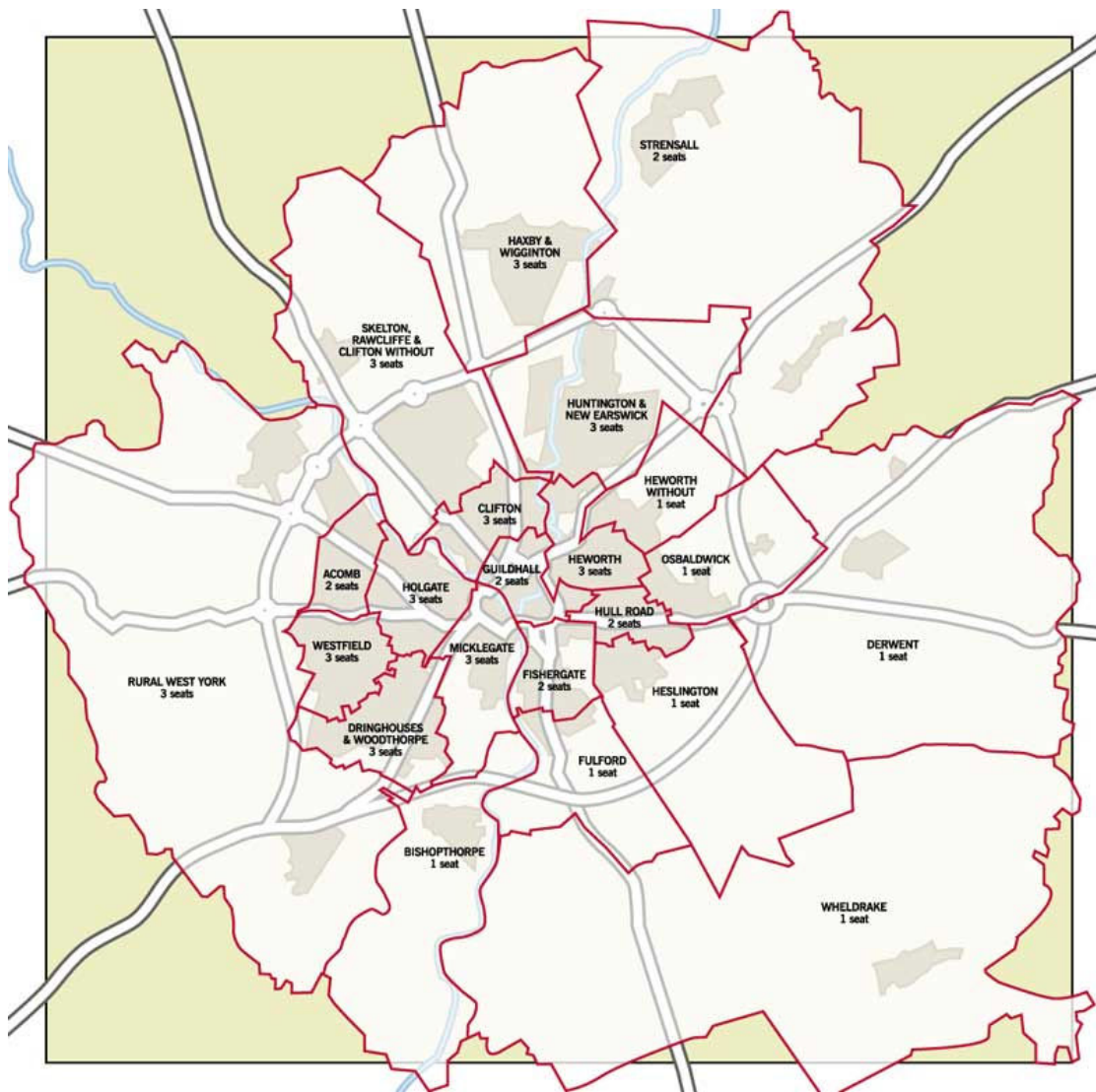
SCHEDULE 1

Requirements

1. Background

City of York Council is a unitary authority which includes rural areas beyond the old city boundaries. The urban area has a population of 137,505, while the entire unitary authority has 184,900 people. The city within the walls is a major tourist destination, attracting visitors from all over the world.

There are around 87,000 households in the York area, with the council area divided into wards (see map below). The households include many types of property, including farms, detached, semi-detached and terraced houses, and blocks of flats.



City of York Council area

Communicating with every household is a major priority for the council, informing residents of the work the council is doing, how the council is performing and providing value for money. The council's existing publication, *Your City*, is a quarterly, four page A4 two-colour news sheet, delivered to every household through

an in-house distribution network with its sister publication *Your Ward*. This distribution is staggered over a 4-6 week period. *Your City* does not provide enough information for residents in its existing format and the majority of residents in the council's polling are unhappy with the amount of information the council provides.

Reliable distribution of a newsletter to all of the 87,000 homes is essential, as any shortcomings in distribution, however understandable, will adversely affect the council's reputation. For this reason the distribution of the publication is included in this specification and guarantees about the effectiveness of distribution are required. (See distribution below)

Councillors have asked the council's marketing and communications team to improve communications with residents through the introduction of more frequent direct publications, delivered to every household. We are therefore looking for a partner to produce a monthly publication to allow for the most newsworthy and important stories to be reported factually and highlighted in feature articles. Areas where there is a particular need to explain the council's thinking on an issue can be highlighted, taking in all shades of opinion. [Mechanisms for residents' feedback should also feature in the publication.](#)

The provisions of the Code of Recommended Practice on Local Authority Publicity would apply, namely that all information must not support any political party and be as objective as possible.

2. Scope

The council is seeking creative solutions to the issue of direct communications with residents at low cost. The council not only needs to be able to inform residents of its work, it needs to provide value for money in doing so (and be seen to be providing value for money).

The council would provide the editorial and photographs for the publication through the marketing and communications team. All other aspects of the publication, including design, advertising, distribution and printing will be the responsibility of the successful supplier, subject to the council's agreement on overall design and some reasonable restrictions on potential advertisers.

The length and size of the publication would depend on the amount of advertising, but the council would envisage a minimum of eight pages of editorial in any new publication.

The council has no opinion on whether the publication should be a newspaper or a magazine, except that as a council publication it will reflect on the council. A product that looks 'glossy' might therefore be avoided, as would one that looks excessively cheap. Any bidder in this tender would be free to propose how a publication should look, and the council would be interested in the reasoning behind that.

The marketing and communications team would seek a close working relationship as partners in the new publication. The council may need to recruit extra staff, depending on the size of the publication, which may need to be figured into the financial calculations. For this reason production and distribution costs will need to be kept to a minimum.

3 Funding of a publication

The council would like the publication to be self-funding. The only cost the council will incur is in writing the publication – design, print and distribution would all need to be funded through advertising. Presenting a way this could be done is a major part of this specification, which is why we are especially looking for a creative approach.

The council is prepared for some or all of its local recruitment advertising to be redirected into the publication to offset these costs. At present the council spends around £150,000 annually on recruitment in local publications, although the long-term indications are that these costs will reduce.

4 Branding

The new publication would be to all intents and purposes a City of York Council publication, although potentially operated on the council's behalf by a third party.

The publication should be easily identifiable as a City of York Council publication. However, in recognising that we are seeking a partnership an element of joint branding would be acceptable.

5 Distribution

As mentioned in the introduction, distribution is an essential element in this specification. All 87,000 households, including flats, must receive the publication and the council will require proof that this has been achieved. Given the stringency of this requirement the council has in the past considered Royal Mail distribution essential.

The council's boundaries do not follow post code areas, with some post codes being in City of York Council boundaries and some being in adjoining authorities (North Yorkshire County Council and East Riding of Yorkshire Council). Therefore any post code based distribution either takes in some other areas or misses out some areas within the council's boundaries. This would need to be considered and a solution found by any successful bidder.

6 Timescale

The council recognises that a new publication will take time to establish itself. For this reason the council would like to enter into a two year agreement, or 24 issues.

7 Completion of the Specification

Suppliers are requested to respond in detail to each requirement within the requirements document set out below.

8 Requirements

Point		Essential/ Desirable	Supplier Response
8.1	Design		
8.1.1	Suppliers should identify how the document would be easy recognisable as a City of York Council publication.	Essential	
8.1.2	Proposals to be put forward on an appropriate look/layout for the publication, with reasoning for this suggestion provided.	Essential	
8.1.3	City of York Council envisage the editorial being a minimum of 8 pages. Suppliers must set out within their proposal how this is achievable.	Essential	
8.2	Advertising		
8.2.1	Suppliers should demonstrate how advertisements would be incorporated in to their publication	Essential	
8.2.2	Some or all of City of York Council's local recruitment advertising could be redirected into the publication. Suppliers must detail within their proposal how this could be incorporated.	Desirable	
8.2.3	Suppliers to detail within their response their approach to finding advertising from businesses to fund the publication.	Desirable	
8.2.4	If the supplier is to use the Council's recruitment advertising to part fund the publication, it should provide an estimate of the costs of advertising space to council departments.	Desirable	
8.3	Funding		
8.3.1	Suppliers to show how the publication will provide value for money.	Desirable	

Point		Essential/ Desirable	Supplier Response
8.3.2	Suppliers to consider how the publication could be self funding. Please include a business plan to demonstrate how this is achievable saying how much, if any, of the council's spend on local recruitment advertising will be required	Essential	
8.3.3	The Council would like to retain copyright on the publication in the event of insolvency of the Supplier or at the end of the term to ensure continuity. Suppliers are to include cost proposals on retaining the copyright at the end of the term.	Essential	
8.3.3	The Council's preference is that the publication is self funding. There must be a very strong business case should suppliers come back with costs to the Council. Suppliers can propose alternatives to self funding, however these must be submitted with a strong business case on the benefits and added value the Council can achieve with investment over and above the recruitment advertising.	Desirable	
8.4	Distribution		
8.4.1	Distribution must be completed to all households in a timely and reliable manor. Suppliers to detail their proposals on how the distribution requirement will be met.	Essential	
8.4.2	Suppliers must detail within their proposal how they will provided proof that all 87,000 households have received their publication.	Essential	
8.5	Sustainability		

Point		Essential/ Desirable	Supplier Response
8.5.1	<p>Suppliers are to consider sustainability issues in their proposals. Include within your proposal how you will reduce the environmental impact of the new publication.</p> <p>The council is committed to reducing the environmental impact of its activities and will therefore expect this to be reflected in the publication. We would look for high quality recycled paper or other FSC approved sources of paper to be used for the publication, and we would look for production to be certified as to its total carbon footprint.</p>	Essential	
8.6	Partnerships		
8.6.1	<p>The supplier must be able to forge a close working relationship between the City of York Councils marketing and communications team. Suppliers to explain their approach to partnerships and how they will engage with key council stakeholders.</p>	Essential	

SCHEDULE 2

Price Schedule

- *Please ensure this document is completed and returned as part of your Tender.*

- S2.1 All prices are to be given in Pounds Sterling (£) (exclusive of VAT), and to decimal fractions of a pound.
- S2.2 The prices stated will be deemed to be the fixed and fully inclusive price of the requirements described including; expenses, carriage, risks and obligations.
- S2.3 Any Tenderer is deemed to be fully satisfied on submitting a Tender as to the accuracy and sufficiency of the rates and prices stated in this Price Schedule which shall (*except in so far as it is otherwise provided in the Standard Contract Terms*) cover all its obligations under the Contract and shall be deemed to have obtained for itself all necessary information as to risks, contingencies and all other circumstances influencing or affecting its tender.
- S2.4 All prices quoted must be valid for a minimum of 180 calendar days from the tender return date.
- S2.5 Alternative offers may be submitted provided they would be commercially beneficial to the Council. Full details of any alternative offers must be submitted as a separate document(s).
- S2.6 Suppliers must detail in their response to this schedule:
- Whether the publication is cost neutral
 - How much advertising will be required to make the publication cost neutral from other businesses and organisations
 - The percentage that the Supplier will rely on from the Council's Local advertising budget

In addition to this suppliers must provide a rate card for advertising space, based on fractions of pages (1/8 page, 1/4 page, 1/2 page, full page etc) with dimensions depending on the size of page suppliers choose.

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

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Executive

9th September 2008

Report of the Director of City Strategy

Proposed actions as a response to the Index of Multiple Deprivation score

Summary

1. This report arises out of the Executive decision at its meeting on 12th February to instigate a pilot project aimed at reducing deprivation in the worst performing Index of Multiple Deprivation (IMD) area of the city.
2. The City of York Council, with partners, have now met on three occasions to discuss a practical approach to tackling deprivation and this report details the outcome of those meetings in terms of proposed actions and associated costs.
3. A request is made for funding the actions.

Background

4. The report to Executive in February provided detailed information on the composition of the IMD.
5. The IMD statistics were published at the end of 2007, but the figures were collected in 2005, and therefore may not accurately describe the situation as it is today. However, these figures do allow for a comparison with the previous published figures, which were collected in 2001. In brief:
 - **Overall York's levels of deprivation are decreasing** - The 2004 IMD ranked York Unitary Authority as 219 out of 354 local authorities (where 1 is the most deprived and 354 is the least deprived). In 2007 York is ranked at 242.
 - **The numbers of deprived areas in York are reducing** - In 2004 York had 11 SOA's that were within the 20% most deprived in England. In 2007 York had a reduced figure of 8 SOA's within the 20% most deprived and one was within the 10% most deprived.
 - **One SOA remains particularly disadvantaged** - It is the same SOA within the 10% most deprived for 2004 and 2007.
 - **Approx 12,000 people** live in the LSOAs that fall within the 20% most deprived LSOAs in England.
 - **Approx 5,500 Households** in the LSOAs that fall within the 20% most deprived LSOAs in England.

York's 20% most deprived LSOAs have the following characteristics on average

- Just over a third of people are income deprived
- One in five women aged 18-59 and men aged 18-64 are employment deprived
- Just under a half of children live in families that are income deprived
- 37.5% of older people are income deprived

6. In simple terms the overall IMD is made up of seven sets of statistics called “domains”. Not all domains are given equal value in determining the overall IMD and the table below describes each domain and its weighting.

Table 1: Domain Weights for the IMD 2007	
	Domain Weight
Income Deprivation Domain	22.5 %
Employment Deprivation Domain	22.5%
Health Deprivation and Disability Domain	13.5%
Education, Skills and Training Deprivation Domain	13.5%
Barriers to Housing and Services Domain	9.3%
Crime Domain	9.3%
Living Environment Deprivation Domain	9.3%

7. As noted above the IMD is compiled from a number of domains. In response to this a range of partners and partnerships have a significant, and in some instances, a lead role to play in tackling deprivation, e.g. the PCT, Police, Learning and Skills Council, Jobcentre Plus etc. Following the approval of the February report, a working group has been established bringing together agencies working in the Westfield Ward. The recommended actions in this report are a result of the discussions of the working group.

Consultation

8. The appropriate Ward Planning Committee has been briefed on the details behind the “most deprived” area report and their support for initiatives to address the issues has been agreed. A report has also been presented to the Local Strategic Partnership (WOW) Board which endorsed the suggested pilot project.

Options

9. The option for Members is to consider the actions set out below in response to the issue raised.

Analysis

10. It is acknowledged that more analysis is required with the involvement of key agencies in the city.

11. However, it was agreed that rather than delay action with further detailed analysis, the City Council lead and manage a pilot multi-agency programme – involving where appropriate the Ward (Planning) Committee - which will tackle deprivation initially in the Westfield SOA with the worst IMD score. The lessons learned and the results of this action will be reported back, at regular intervals, to the Council and the WOW Board to inform the partnership on how best to develop a city-wide approach to tackling deprivation.

12. The pilot team is tasked to:

- Assemble a working budget.
- Reduce deprivation in one area of the city.
- Identify effective leadership roles to deliver actions and outcomes.
- Develop and deliver proposals, which provide outcomes supporting existing strategies of partnership agencies.
- Establish a template for a city-wide approach to tackling deprivation.
- Suggest how partners' resources might be better used through a joint approach.
- Develop interim success measures prior to the next IMD in 4 years time.
- Develop a reporting mechanism for actions and results.

Proposed actions

13. An audit of current activity (which relate to the domains within the IMD) in the Westfield area is being collated. This is proving more time consuming than envisaged, and therefore work should continue in developing new or improved services prior to the completion of the audit. The audit will be a valuable tool to use later, to enable the group to explore potential improved ways of working together which will be of mutual benefit to both agencies and their clients.

14. Running parallel to this work the Executive Members have completed a doorstep survey across the city, including an area within the targeted Westfield SOA. The results of the survey have not yet been fully analysed but it will identify additional potential actions other than the three proposed below.

- Support the formation of an active residents group and provide them with appropriate Community Development Training. (£2,500)
- Develop and deliver at least one activity targeted at each of the IMD domains (detailed below). (£27,800)
- Produce and deliver a quarterly local Newsletter detailing information and activity (with timetables and venues for resident participation). (£2,000)

15. It was noted that whilst actions would improve the life of the local residents, they might not affect the current IMD score (2004 statistics published in 2007), as it will be historically backdated. Therefore, it was agreed that performance measures will have to be developed for each action adopted.

Domain targeted actions

16. The domain targeted actions proposed by the working group, along with suggested budgets and lead organisations, are:

Employment deprivation (EDU):

Using the latest Department for Work and Pension's "Working Age Client Group Figure" the Westfield Pilot Area has the second highest number of "workless people" within a SOA.

Future Prospects are already active across the city but there is potential to increase their presence in the area. It is suggested that a 0.5 post for a Community Learning and Work Adviser is created for one year to offer a range of targeted intense support through the delivery of:

- personal self development (accredited or non accredited)
- confidence building,
- stress management
- benefits and funding advice, including better off calculations
- employability skills workshops such as CV creation, Application Techniques and Interview Skills
- 1-2-1 individual support around developing increased employability skills
- Information Advice and Guidance around learning and work options
- Brokerage to training,
- delivery of accredited learning such as OCN provision
- informal IT classes and taster sessions

£20,000

Income deprivation (CAB plus Credit Union support):

Continue the CAB Housing Debt Outreach work at the Acomb Housing Office and support the work with a reprinting of the "York on a Budget" booklet.

£800

The new CAB Money Management Outreach Officer has been appointed – need to arrange an induction with complementary agencies working in the target area and negotiate the level of presence in the area with CAB.

£0

Implement a benefits take-up campaign with CAB/Welfare Benefits Unit (CAB proposed cost for a small area is £2000 for one campaign). It is suggested that two campaigns should be run in a twelve month period. This will include:

- The design, print and distribution of a leaflet with the key information for each campaign.

- Distribution of information through intermediaries, e.g. GP surgeries, churches etc.
- Two drop-in benefit advice sessions for each campaign.
- Follow-up detailed work with individuals to ensure take up.
- Recruit individuals onto Money Management courses.

£4,000

Investigate the Council's debt recovery policy and consider improvements in supporting those in debt whilst maximising debt recovery. Leeds City Council to provide a mentoring service.

£0

Health deprivation(Future Prospects):

Future Prospects have developed a "Cooking on a budget" course, which was part of the Cornerstone Project (targeted at the homeless). The PCT have also developed a healthy eating recipe book, which can be used as part of a course. A similar course was run some time ago using Adult Education funding and Westfield School kitchen as a venue. Costs include raw materials and a tutor.

£3,000

Education deprivation(CAB and Youth Service):

Launch a "Free School Meals Take-Up Campaign" linked to the benefits take-up campaign.

£0

Seek support from Acomb Library/Local Schools in Homework Club/Parents and Children Learning Together sessions.

£0

Crime (Neighbourhood Pride Unit):

Support the Police in increasing their visibility and providing additional publicity for their "Capable Guardian" scheme.

£0

Living environment deprivation (Neighbourhood Pride Unit/Housing):

Use the residents group to prioritise environmental improvements identified through the survey carried out by local Councillors.

£ potentially funded through Ward Committees/Neighbourhood Forums.

Barriers to housing and services (Housing):

To be developed with Housing taking into account the “Decent Home Standard” work and York Pride initiatives. £0

Outcomes/Outputs

17. Within the above costed actions, it is intended that potential outcomes/outputs will be -

Future Prospects will deliver :

- 15 employability skills sessions, which cover CVs, interview skills, application techniques, Confidence Building, and Financial Capability.
- 5 Healthy Eating for Less sessions.
- 3 locally delivered enrolment sessions at key points in within the academic year.
- 5 apprenticeship workshop/ young people’s employability sessions- in conjunction with Youth Service and Connexions provision.
- 3 Citizenship in the Community Taster sessions.
- This work will also have a target of moving 5 people into employment and 10 into further learning or trading.

The Citizens Advice Bureau benefits take up campaign has a target of supporting applications for 60 individuals and their families.

In order to assess the potential future results in other areas, CAB monitoring information will be collected on:

- Numbers of people/households directly contacted through door knocking and attending events.
- Numbers of benefits taken up and the amounts awarded.
- Numbers requesting and receiving money management advice.
- Numbers of York on a budget booklets distributed.
- Numbers joining York Credit Union.

Potential for replication

18. The above actions will be closely monitored, with a view to learning lessons which can be replicated in other areas of the city.

The pilot project will:

- Evaluate the effectiveness of expanding outreach work in a small geographical area.
- Train residents in Community Development which they can cascade into other areas by becoming mentors.
- Provide a protocol for multi-agency work in small areas.
- Evaluate the most appropriate contact methods to encourage participation.
- Identify cost savings/improved outputs through joint agency projects.
- Develop Performance Indicators for small area deprivation projects.
- Produce re-usable learning/information giving material for use in other areas.
- Provide evidence on outputs that can be used in future funding bids.
- Develop a reporting mechanism on progress to residents, Members, and partner organisations that is simple and effective whilst allowing for a flexibility in delivery to maximise outcomes.

Corporate Priorities

19. The Council's corporate strategy identifies a number of priorities relevant to the issues considered within this report:

- Improve the actual and perceived condition and appearance of the city's streets, housing estates and publicly accessible spaces.
- Reduce the actual and perceived impact of violent, aggressive and nuisance behaviour on people in York.
- Increase people's skills and knowledge to improve future employment prospects.
- Improve the economic prosperity of the people of York with a focus on minimising income differentials.
- Improve the health and lifestyles of the people who live in York, in particular among groups whose levels of health are the poorest.
- Improve the life chances of the most disadvantaged and disaffected children, young people and families in the city.
- Improve the quality and availability of decent, affordable homes in the city.

Implications

20. Financial :

The total cost, where listed above, is £32,300.

There is no current budget allocation to support the list of proposed actions and therefore members will need to consider releasing funds from contingency (this item has not been previously highlighted) to fund the project.

The General Contingency for 2008/09 was set at £800k. Potential areas that might require funding during the year were identified as part of the budget process, and totalled over £2m, which included £750k for costs connected with the Highways PFI bid. To date £14k has been released leaving £786k available although there is a further request elsewhere on the agenda for £35k. It is too early to know yet how many of the identified areas of financial pressure will be brought before Members for funding. The key pressures identified where there may be a need for additional funding included within the £2m, are: downturn in parking pcn income, concessionary fares and children's social care costs. This request was not included in the £1.989m identified as possible recurring pressures in the budget. Any release from the contingency will obviously reduce sums available for distribution during the remainder of the year. The balance available, if this application is approved, will be £754k. It should be noted however that this sum is for one-off purposes so therefore will not impact on future years revenue budget.

21. Human resources: From past experience of similar work in Bell Farm and Clifton, a pilot project managed and lead through the council will have a call on staff time across directorates and particularly within the Economic Development and Partnerships team. This will have to be managed corporately along with other emerging priorities, e.g. responses to the Future York Report.

22. Equalities: The project will support the council meet part of its vision to promote cohesive and inclusive communities.

23. Legal: None

24. Crime and Disorder: Any action tackling deprivation will have a positive impact on crime and disorder.

25. Information Technology: None

26. Property: None

Risk Management

27. In compliance with the council's risk management strategy. There are no risks associated with the recommendations of this report.

Recommendation

28. The Executive is requested to agree the actions, and identify budgets to implement them, as detailed in paragraphs 14 to 16 above, as a response to tackling deprivation within the worst IMD area in the city.

Reason: To reduce deprivation in the city, and to inform the Council and the Local Strategic Partnership on the development of an effective city-wide response to deprivation.

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Chief Officer Responsible for the report:

Bill Woolley
Director of City Strategy

Report Approved

Date

Wards Affected: Initially Westfield with others to follow.

Specialist Implication Officer

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For further information please contact the author of the report

Background Papers:

Information on the Index of Multiple Deprivation is kept on file at the Economic Development Unit.

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Executive

9 September 2008

Report of the Director of Learning, Culture and Children's Services

A Big Screen for York**Summary**

1. This report asks the Executive whether they wish York to be considered for a Big Screen.

Background

2. The BBC has for some time been building up a public space broadcasting infrastructure with screens installed in Manchester, Birmingham, Liverpool, Bradford, Hull, Leeds, Rotherham, Derby and Swindon. The 2012 "Livesites" initiative builds on this base rolling out a nationwide network of 30 – 60 Big Screens across the country by 2012. Under this initiative further screens have been installed in Plymouth, Portsmouth, Bristol, Cardiff, Norwich, Swansea, Middlesbrough, and Walthamstow with four more installations in the pipeline.
3. There is likely to be a further roll out of the programme from next year. It is not clear at this point whether York would be chosen to host a big screen as part of the further roll out. It will depend how many screens are ultimately funded and on the geographical spread of the applicants for those screens (recognising that there are already a number of installations in Yorkshire). However, it is clear that in order to be considered for a screen a primary requisite is to have planning permission in place, that a city with planning permission in place will be a strong applicant, and that York would be an attractive applicant city to host a screen. If York wishes to go ahead it will therefore be necessary to reach in a in-principle decision quickly on a potential site so that planning permission can be sought.

The Big Screens Initiative

4. Key features of the screens are:
 - They are to be placed in high profile city centre sites and will be designed in a variety of sizes and styles to suit their locations. Any screen for York would be proportionate to the space in which it was sited (and would probably be significantly smaller than in some other cities). We would be able to select a design that we were comfortable fitted with our unique surroundings
 - They are much more than just big TV sets: they will network nationally and internationally and interact with their audiences

- There is an expectation that the locality will deliver a specified proportion of the content to be broadcast on the screen
 - Leading up to 2012 there will be a four year content and events programme for the screens and performance spaces including a simultaneous opening celebration across all UK major cities
5. The organisers of London 2012 see the screens as crucial to broadening the reach of the games, for creating opportunities for participation, and for creating a bond between culture and sport. They also aim to strengthen community leaving a lasting legacy in the form of an exciting community facility.
 6. The project moves this forward by linking together:
 - i. Local authorities and their role in animating their prime city centre events spaces
 - ii. Cutting edge digital media technology providing networking and interactive capabilities
 - iii. The permanent urban screen approach of the UK's unique Public Space Broadcasting Project led by the BBC
 7. Screens will allow local people and organisations to innovate, create, communicate, educate, and entertain each other through:
 - Creating a digital city centre focal point and meeting place
 - Forming a public news and information point, improving public awareness of local issues, developments, initiatives and activities
 - Providing a high profile outlet for visual arts, digital innovation and local filmmaking
 - Offering a hi-tec showcase for educational and community activity
 - Enhancing a city's profile regionally, nationally and internationally through partnership with the BBC
 - Helping make city centres vibrant, family-friendly places
 8. There is clear potential in York to bring residents and visitors together, especially through events surrounding a screen with economic spin-offs in terms of visitors then shopping, eating out, etc. and lengthening visitor stays. There is also potential to showcase York and the Yorkshire region to potential visitors through the screen's networking capabilities.
 9. The content will be a mixture of:
 - Locally-made video content
 - Live camera coverage of local activities
 - Back-drop to events staged around the screen
 - National and international events (e.g. Pre 2012 content, Wimbledon, Live8, Opera in the Park and the 2012 Olympics)

- Exclusive screenings (e.g. from the Royal Opera House, commissioned digital art, and networking and touring projects)
 - Viewer generated content (e.g. pictures and information)
 - Interactivity (e.g. games, uploads and downloads)
 - BBC channels, including News and information (text, video, pictures)
 - 2012 coverage
10. Within the partnership arrangement the local authority will be responsible for managing the event space whilst the BBC will provide the technical operational management of the screen. The screen manager and the local authority will work together to generate local content.
11. An initial meeting of potential stakeholders in York identified that there is a huge wealth of local video content already available to us from our universities, schools, community organisations, heritage organisations, archives (notably the Yorkshire Film Archive), events and festivals. There will be no difficulty in providing local content and no danger of relying solely on BBC content. Some commissioning of work will also be required from time to time, however.
12. Research in Manchester, Birmingham and Liverpool shows that:
- More than 80% liked having a permanent screen in their city squares...less than 5pc disliked the idea
 - 75% thought it improved their squares
 - Nearly 75% would recommend a screen to other cities
 - More than 25% paid specific visits to see the screen and enjoyed shopping more (over 40% in Manchester)

Where would a screen go in York?

13. Screens will only be considered for high profile city-centre locations with high levels of footfall. There must also be space suitable for events around the screen. Although screens can come in all manner of sizes and guises to suite their chosen location initial discussions with planners indicate that it will be a significant challenge to identify suitable sites in the historic centre of York because of the obvious potential impact on the historic environment. A great deal of care and sensitivity will be required in the consideration of any potential site.
14. The best long-term option would be the new St John Square in Hungate. This will provide a high-quality ambience and the screen could be built into the design of the new buildings.

Consultation

15. Informal consultation has taken place with potential partners and stakeholders. There is high degree of enthusiasm and commitment to the project. Specific consultation would of course be required concerning the location of any

screen. If members are interested in progressing this initiative then public consultation would be recommended perhaps using the Talkabout panel.

Options

16. The principal options are:
 - i. Not to pursue a big screen for York
 - ii. To wait for St John's Square
 - iii. To investigate whether there is a shorter term option before St John's Square becomes a reality

Analysis

17. Not to pursue a screen will mean missing out on the experience that 60 - 100 other cities and towns will enjoy across the country. It will also mean losing the opportunity to showcase what York has to offer.
18. Waiting for St John's Square is likely to result in York missing out as there is currently no immediate prospect of this phase of the Hungate development moving forward.
19. The obvious context in which to consider options is the City Centre Area Action Plan (CCAAP) and particularly the Issues and Options paper which contains proposals around:
 - Redesigning city centre public spaces to enhance the physical experience of the city centre and installing the necessary infrastructure to enable a greater number and variety of events.
 - Providing appropriate temporary and permanent signage in public spaces in order to promote key events of interest.
 - Encouraging new tourist attractions.
 - Pro-actively encouraging a vibrant evening economy including [...] entertainment.
 - Developing new cultural facilities and venues within the city centre – what facilities and where?
20. The Issues and Options paper is open to consultation until 22 September. A representation could be submitted as part of that process allowing Members to consider the benefits of a Big Screen within the context of that consultation.
21. As part of the preparation for the Preferred Options (the next stage of the CCAAP) the City Development team will undertake a detailed public realm audit of the city centre. This will consider an array of aspects such as access, quality, use / conflicts of use, positive & negative characteristics, weaknesses and opportunities and re-design options. This work could be used to inform discussions on the location of a Big Screen.
22. It will be possible to work with the City Development team as they produce the Preferred Options report to identify the preferred location(s) (planning

permitting) which could then be included in Preferred Options public consultation in the Spring/Summer 2009.

23. Consideration would also be given to the scope for an appropriate temporary location to be used as a trial site to highlight problems and benefits.

Corporate Priorities

24. The public information and interactive nature of the screen will enable it to contribute across a range of the Council's corporate objectives encouraging participation, involvement and community cohesion.

Implications

Financial

25. The screen would be provided by the Livesites project and would become the property of the local authority. The value of the kit will be well in excess of £300k. The management costs would be met by the BBC. There would be three areas of cost to the local authority:
 - Staff time to animate the events space around the screen – the exact level would be a matter of negotiation within the partnership and some could be provided within existing staffing resources. However, it would be prudent to assume an additional cost of around £10k
 - One-off installation costs for screen. These would depend entirely on the type of screen and location. It could be up to £35k if it is fixed in the ground, considerably less if wall-mounted
 - On-going running costs for the screen: electricity and maintenance contract – about £16k per annum
 - Ideally some budget to commission new content
26. If members are interested in proceeding further these costs would be clarified and any bid for resources could be considered within next year's budget process.

Legal

27. Any decision to enter into an agreement for a screen would be subject to a full legal agreement being drawn up in consultation with the Head of Legal Services.

Property

28. Any property implications will depend on the final location selected for any screen and would be discussed with the Head of Property Services, the City Centre Manager, and/or the owners of any privately owned property as appropriate.

Crime and Disorder

29. Any location chosen would need to ensure the security and safety of participants and the handling of crowds.

Other Implications

- 30. The report has no Human Resources, Equalities, or Information Technology implications.

Risk Management

- 31. There are no risks associated with making an in principle decision at this stage. Further detailed work will then be undertaken on feasibility.

Recommendations

- 32. The Executive is recommended to consider whether they wish to pursue further feasibility work relating to a big screen for York.

Reason: To pursue a big screen for York.

Contact Details

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Chief Officer Responsible for the report:

Charlie Croft
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Tel No: 553371

Report Approved



Date 28 August, 2008

Specialist Implications Officer(s):

Financial Implications.
Richard Hartle
Head of Finance (LCCS)
Tel No. Ext 4225

Wards Affected: List wards or tick box to indicate all

All

For further information please contact the author of the report

Background Papers:



Executive

9th September 2008

Report of the Corporate Landlord

Museum Gardens Public Toilets

Summary

1. This report seeks approval to grant a long lease of the site of the Museum Garden Toilets, an adjacent store building and an adjoining area of the Museum Gardens (the Property) to a development company, The Lendal Tower Venture (the Developer).

Background

2. The location of the Property is shown hatched black on the plan attached as Annex 1. It falls within the Yorkshire Museums and Gardens Charity (the Charity) and as such is part of the estate managed by York Museums Trust (YMT). The adjoining building to the Property known as the Engine House is part of the former York Waterworks office owned by council and leased to The Helmsley Group for a term that expires in 2177 at a peppercorn rent.
3. In April 2006, the Executive considered a report on a proposal from the Developer to build a restaurant with an outdoor terrace on a raised platform using part of the Engine House and the toilet site. The scheme, which now has planning permission, would incorporate a new gated and separate ramped entrance to the Museum Gardens from The Esplanade, new facilities for the leisure boat users and an alternative access to the restaurant and a paved courtyard through the City Walls, from the road that leads to Dame Judi Dench Walk.
4. Members welcomed the proposal to improve and enhance this corner of the Museum Gardens with a restaurant and agreed in principle to the closing of the toilets and leasing the site to the Developer and ask that a further report be presented on the terms of the development agreement, alternative arrangements for the public toilets and facilities for the boat users.

Information

5. The existing public toilets are only opened between March and September. Within the proposed restaurant scheme there will be a disabled toilet, open to the general public at all times the restaurant is open. The nearest public toilets are located at Bootham Bar. A Scrutiny Committee is currently looking at the implications of a Cultural Quarter that includes the Museum Gardens and there

is regular dialogue with the YMT with regard to improvements to the Yorkshire Museum and the Gardens, consequently the provision for any replacement public toilets within the Cultural Quarter can be discussed and addressed within these forums.

6. The new development scheme will also provide a building to accommodate a sluice and refuse facility to be accessed by boat users at any time and a new water point on The Esplanade.
7. As the capital receipt from the grant of the lease will be derived from the assets of the Charity it will be necessary to ring-fence the receipt and apply it to the benefit of the Charity. Under the new organisational scheme for the Charity, the Managing Trustee is YMT and it would therefore be appropriate for the receipt to be used to further YMT's plans for the refurbishment of the Yorkshire Museum and Gardens.
8. Heads of Terms for a Development Agreement have been provisionally agreed with The Lendal Tower Venture, a single entity venture company formed from syndicated members of The Helmsley Group. The Development Agreement will be conditional on the council obtaining the Charity Commission consent, the Developer obtaining Schedule Ancient Monument Consent and a tenant for the new restaurant. If all the conditions are satisfied the Developer will be granted a lease of the Property to run co-terminus with the Engine House lease having a termination date 24th March 2177. The main Heads of Terms are included as Confidential Annex 2.

Consultation

9. Ward members are supportive of the restaurant scheme and feel it fits in with the long term plans of improving the area and the Cultural Quarter. The advantages for the Museum Gardens outweigh the loss of the public toilets and the location of the restaurant will heighten the appreciation of Lendal Bridge, the adjacent buildings and the river.

YMT have agreed to the relevant land being removed from their lease of the Museums Gardens and are supportive of the scheme, which they see as a beneficial investment in the Museum Gardens.

Through the planning process the boating fraternity have been consulted on the new facilities to be provided for their use and they generally welcome the new facilities.

Options

10. The following two options are available:
 - a) Grant a lease of the Property for the proposed restaurant scheme;
 - b) Retain the public toilet block.

Analysis

11. Option a) – Grant a lease of the Property

Advantages:

The present public toilet block presents a poor entrance to the Museum Gardens and if this development scheme comes to fruition, it will provide an enhance entrance from The Esplanade, new refreshment facilities with the restaurant and terrace over looking the river with a disabled toilet available to the public throughout the year and a new water point and disposal facilities for the boaters who moor at The Esplanade.

Disadvantage:

The existing public toilets available between March and September will not be fully replaced in the short term.

Option b) – To retain the Property.

Advantage:

The public toilets and existing boat facilities will remain. `

Disadvantage:

The opportunity to provide an enhanced entrance to the Museum Gardens from The Esplanade will be lost.

Corporate Priorities

11. Supporting the Developer's proposed scheme will improve the condition and appearance of a publicly accessible space, one of the Ten Priorities to be achieved over the next four years, included within the Corporate Strategy.

Implications

12. The following information is provided:

- **Financial**

The budget for maintaining and operating public toilets will be reduced.

- **Human Resources (HR)**

There are no HR implications

- **Crime and Disorder (C & D)**

There have been some anti-social activities associated with the toilet block.

- **Legal**

There are a number of legal aspects to this transaction including, an application to the Charity Commission for consent to grant a lease, drafting a conditional development agreement, the long term lease to be granted to the Developer, a surrender document in relation to the existing lease of the store building, an escrow and step-in rights document, approval of the documentation with YMT, negotiations with the YMT with regards to creating a new access to the Museum Gardens and to carry out the development. The Developer has provided an undertaking to be responsible for the council's legal costs whether or not the development agreement subsequently becomes unconditional.

- **Equalities**

There are no equalities implications

- **Property**

The Property implications are included within the report.

Risk Management

13. The proposed development will not start until all external consents have been obtained and a tenant has provisionally agreed to lease the proposed restaurant, therefore the risk to the council of achieving the objective at this stage is minimal. Under the development agreement, the developer has to deposit the cost of carry out the development in a joint escrow account, and in the event the Developer defaults during the construction, there are step-in rights for the council to use the funds in the escrow account to finish the works. Although this measure is not an absolute guarantee the development scheme will be completed, it provides the best safety net that can be devised to ensure risks associated with development are minimised.

Recommendation

14. Members are asked to:
 - 1) approve Option A: subject to obtaining the Charity Commission consent to the transaction, to lease the site of the Museum Garden Toilets, an adjacent store building and a adjoining area of the Museum Gardens to The Lendal Tower Venture based on the Heads of Terms of the Development Agreement, as included in Annex 2.
Reason: To improve a publicly accessible space.
 - 2) apply the consideration sum to the benefit to the Yorkshire Museum and Gardens Charity.
Reason: To comply with the Council's obligations as custodian trustee.

- 3) request at the next full council meeting that a sub-committee be constituted as the Yorkshire Museum Gardens Committee, in accordance with the 1960 Charitable Scheme (pending the final agreement of the new replacement Scheme), in order to remove from the endowment the property required to build the proposed restaurant, in compliance with the Charities Act 2006.

Reason: To comply with the Charities Act 2006 and to make a proper application to the Charity Commission for consent to dispose of the property.

Contact Details

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**Report
Approved**



Date 26 /08/ 2008

Specialist Implications Officer(s)

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Wards Affected: Guildhall



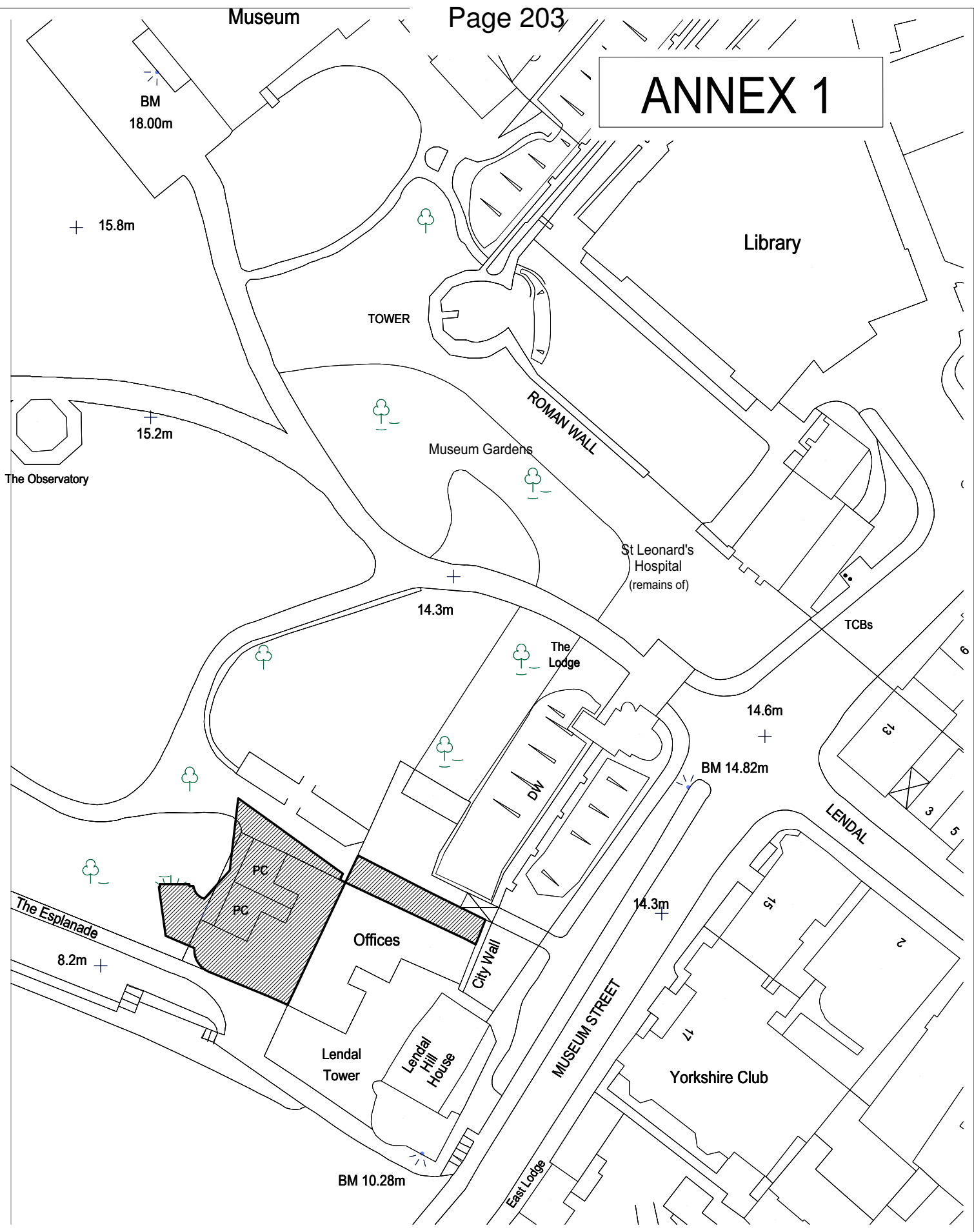
For further information please contact the author of the report

Background Papers: Minute 192 of The Executive meeting of 4th April 2006 and other information held on the Property Services file, subject to confidentiality on any exempt negotiations.

Annexes: Annex 1 – Plan showing the extent of the property
Annex 2 – Heads of Terms of the Development Agreement -
Confidential Information

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ANNEX 1



SCALE:

DRAWN BY:

DATE 12/8/2008

Originating Group:

Drawing No.

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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**9 September 2008**

Report of the Head of Civic, Democratic and Legal Services

REFERENCE REPORT: LOAN TO SCIENCE CITY YORK**Summary**

1. This report requests Members to consider a decision referred by the Executive Members for City Strategy and Advisory Panel on 8 September 2008. This referral was made in accordance with the delegation scheme detailed in the Council's Constitution.

Background

2. At the meeting of the Executive Members for City Strategy and Advisory Panel on 8 September 2008, Members considered a report, which sought approval for a loan of £50,000 to Science City York Company Limited by guarantee to assist with its cash flow whilst drawing down external funding.

The Executive Member resolved to recommend that the Executive approve a loan of £50,000 from the Council to the Science City York Company Limited by guarantee to assist with its cash flow.

Members are asked to consider the Executive Member's recommendation, as indicated in the above resolution.

Consultation

3. No further consultation has taken place in addition to the consultation detailed in paragraph 5 of the report attached as Annex 1.

Options

4. The Executive can either approve or reject the proposal of the Executive Member.

Analysis

5. Members need to consider the details in the report attached as Annex 1 and make a decision based on the information therein.

Corporate Priorities

6. The aims in facilitating this referral to the Executive accord with the key principles of improving the Council's organisational efficiency and complying with the requirements of the Council's Constitution.

Implications

7. The implications of the original decision are set out in paragraphs 8 to 10 of Annex 1.

Risk Management

9. There are no risk management implications in relation to the referral to the Executive of this matter. The risk management implications of the original decision are outlined in paragraph 11 of Annex 1.

Recommendations

That the Executive approve a loan of £50,000 from the Council to the Science City York Company Limited by guarantee to assist with its cash flow.

Reason: In line with Constitutional requirements.

Contact Details

Author:
Jill Pickering
Democracy Officer
01904 552061

Chief Officer Responsible for the report:
Quentin Baker
Head of Civic, Democratic and Legal
Services
01904 551004

Report Approved Date

Specialist Implications Officer(s)
N/A

Wards Affected:

For further information please contact the author of the report

Background Papers:

Decision Sheet of the Executive Members for City Strategy and Advisory Panel, 8 September 2008 (published on the Council's website on 9 September)

Annexes

Annex 1 – Report to the Executive Members for City Strategy and Advisory Panel – Loan to Science City York – 8 September 2008.



Executive Member for City Strategy and Advisory Panel

8 September 2008

Report of the Director of City Strategy

LOAN TO SCIENCE CITY YORK**Summary**

- 1 To seek approval for a loan of £50,000 to Science City York Company Limited by Guarantee (CLG) to assist with its cash flow whilst drawing down external funding.

Background

- 2 Science City York has been established as a company limited by guarantee; it is jointly owned by the City of York Council and the University of York. A Board of Directors has been established to take forward the Company, including the Director of City Strategy representing the City of York Council. The CLG is now effectively responsible for delivering contracts for business support from Yorkshire Forward. These currently last until the end of March 2009, although discussions are underway to extend these.
- 3 A cash flow forecast has been put together to support the financing of the company; this has involved close co-operation with finance officers within the City of York Council. As a result of preparing this, the company has now requested a loan of £50,000 from each of the two owners of the company. The purpose of the loan will be to ensure a firm financial position to the establishment of the company and to deal with in particular cash flow issues arising from the delays in payment of grant claims from Yorkshire Forward. The University of York has already agreed their loan to the company.
- 4 A facility agreement has been prepared by officers within the Council's Legal Services for the loan of £50,000 from the City of York Council. A copy of the agreement is appended to this report. In essence, this provides for a loan of £50,000 at an interest rate of 5.25% per annum.

Consultation

- 5 No specific consultation has been undertaken regarding the subject of this report. Members will be aware that the Future York Group report highlighted in its recommendations the importance of Science City York in contributing to the

prosperity of the City. Substantial consultation was undertaken by the Council following receipt of this report and this confirmed the role that Science City York can play in strengthening a knowledge based economy in York.

Options

- 6 The options are to either approve a loan to the CLG or not to do so. The loan will cover short term cash flow issues for the company caused by the delay in expenditure being covered by the receipt of external grant income. Officers have worked with the CLG to prepare their cash flow forecasts. The option of not approving a loan will create significant risk to the cash flow of the CLG at a time when it is seeking further external funding from European Regional Development Funds and Yorkshire Forward.

Corporate Priorities

- 7 Science City York is a central feature of the economic development strategy for the City, and as such directly contributes to the corporate priority to improve the economic prosperity of the City with a focus on minimising income differentials. It also impacts on corporate priorities relating to increasing people's skills and knowledge to improve future employment prospects and to reduce the environmental impact of council activities and encourage, empower and promote others to do the same.

Implications

Finance

- 8 The Council is able to make such a loan for policy reasons. The provision of the loan can be funded through existing economic development budgets. The financing of the loan proposal should be cost neutral to the Council provided the loan is re-paid in full. There is a risk of non-repayment, although this is likely to be minimal due to the Council's direct involvement in the company.

Legal

- 9 The attached facility agreement has been prepared by officers within Legal Services. Under Section 2 of the Local Government Act 2000, the Council has the power to undertake activities to promote the economic, social and environmental well-being of the District.

Human Resources, Equalities, Crime and Disorder, Information Technology and Property

- 10 There are no specific implications affecting these issues arising directly from this report.

Risk Management

- 11 There is a significant risk to the cash flow of the CLG if a loan is not approved by the Council to the Company. This could impact on the ability of the CLG to trade, with implications for the economic development strategy for the City, and could have a indirect consequence to the reputation of the Council.

Recommendations

- 12 That the Advisory Panel advise the Executive Member to recommend that the Executive approve a loan of £50,000 from the Council to the Science City York Company Limited by guarantee to assist with its cash flow.

Reason – To support the development of Science City York and the contribution it makes to the City and the Council’s strategic objectives. The loan will enable the establishment of Science City York as a company limited by guarantee to proceed on a firm financial basis and fulfil contractual requirements to Yorkshire Forward.

Contact Details

Author:
Roger Ranson
Assistant Director
City Strategy
Tel No.551614

Chief Officer Responsible for the report:
Bill Woolley
Director of City Strategy

Report Approved Date 18 August 2008

Specialist Implications Officer(s)
Financial – Patrick Looker
Legal – Brian Gray
Others – Report Author
Wards Affected:

All

For further information please contact the author of the report

Annexes

Annex 1 Unsecured loan agreement

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DATED

2008



Facility AGREEMENT

Harrowells
SOLICITORS

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THIS AGREEMENT is made the _____ day of **2008**

BETWEEN:-

- (1) **The Council of the City of York** of the Guildhall York YO1 9QN (“the Council”)
- (2) **SCIENCE CITY YORK** of 20 George Hudson Street, York YO1 6WR, a company limited by guarantee whose company number is 06139121 (“the Company”).

WHEREAS

By virtue of various agreements (the Agreements) between Yorkshire Forward and the Council grant facilities were provided to the Council for the purpose as expressed within those Agreements and the funding from those grants was used for the promotion of the activities of the Company prior to its incorporation under the Companies Acts

The Council is still in receipt of Funding under the Agreements and will continue to meet its obligations under the same

In order to meet these obligations and afford the continued support to the Company the Council has offered to facilitate the remaining funding under those Agreements by a loan to the Company the sum of fifty thousand pounds (£50,000) (“the Loan”) which offer has been accepted by the Company.

IT IS HEREBY AGREED:-

1 REPAYMENT

1.1 The Company shall repay (or shall procure the repayment of) the Loan advanced under this Agreement together with interest as specified in clause 2 below such interest and the Loan being together the “Repayment Sum” upon not less than twelve calendar months written notice to the Council.

1.2 Upon receipt of the written notice, the Company shall pay (or shall procure the payment) of the Repayment Sum as soon as reasonably practicable and in any

event not later than twelve calendar months from the date of receipt of the written notice.

1.3 The Company shall not do anything that causes the Council to be in breach of its obligations under the Agreements

2 INTEREST

2.1 Interest shall accrue on the Loan at a rate of 5.25 per centum per annum and such interest shall be calculated on a daily basis compounded at monthly rests and shall be paid annually in arrears.

2.2 In the event that any balance of the Repayment Sum, remain unpaid at the expiry of the twelve month period the Council shall be entitled to demand that the Company pay (or shall procure payment) to the Council interest on such balance of the Repayment Sum for the time being outstanding to the Lender at the rate of four per centum per annum (4% p.a) above the base lending rate of the time being of HSBC Bank plc, such interest to be calculated on a daily basis and compounded at monthly rests and to be paid on demand.

2.3 A certificate signed by or on behalf of the Council stating the amount of the Repayment Sum then outstanding or any interest costs or penalty interest payable under this Agreement shall be conclusive evidence of the amounts payable (or outstanding as the case may be) except in the case of manifest error.

3 COSTS

The costs of the Council in respect of the preparation, negotiation and completion of this Agreement shall be paid by the Borrower upon completion of this Agreement.

4 ALIENATION

4.1 This Agreement and the benefit of it is entirely personal to the Company and the Company shall not without the Councils express written consent assign charge or otherwise part with the benefit hereof.

4.2 The Council may without restriction assign this Agreement.

4.3 The obligations on the parties in this Agreement shall be binding on the parties' respective successors in title and any permitted assigns.

5 NOTICES

5.1 Any notice to be given under this Agreement shall be in writing and shall be delivered to the Registered Office of the party specified in this Agreement.

5.2 Any notice sent by first class prepaid post shall be deemed served forty eight (48) hours after posting and any notice delivered personally shall be deemed served at the time of delivery.

6 GOVERNING LAW

This Agreement and any dispute hereunder shall be governed by English law and the parties hereby agree to submit to the exclusive jurisdiction of the courts of England and Wales.

7 DEED

This Agreement is executed by the parties as a deed and shall be deemed delivered only upon the exchange of executed original and counterpart(s).

IN WITNESS whereof the parties have executed this Agreement as their deed the day and year first hereinbefore written



**The Common Seal Of
the Council of the City of York
was herunto affixed in the presence of**

Authorised Signatory)

SIGNED as a **DEED** (but not delivered until)
the date hereof by Science City York)
acting by two directors or one director and)
the secretary)

_____ Director

_____ Director/Secretary

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