

Notice of meeting of

Cabinet

To: Councillors Alexander (Chair), Crisp, Fraser, Gunnell, Looker, Merrett, Simpson-Laing (Vice-Chair) and Williams

Date: Tuesday, 17 July 2012

Time: 5.30 pm

Venue: The Gateway Centre (Oak Room), Front Street, Acomb, York, YO24 3BN

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:

4:00 pm on Thursday 19 July 2012, if an item is called in *after* a decision has been taken.

Items called in will be considered by the Corporate and 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. Public Participation

At this point in the meeting, members of the public who have registered their wish to speak regarding an item on the agenda or a matter within the Cabinet's remit can do so. The deadline for registering is **5:00 pm on Monday 16 July 2012**.

- 3. Minutes** (Pages 3 - 20)
To approve and sign the minutes of the Cabinet meeting held on 15 May 2012.
- 4. Forward Plan** (Pages 21 - 26)
To receive details of those items that are listed on the Forward Plan for the next two Cabinet meetings.
- 5. Decision on the Proposal to Close Burnholme Community College** (Pages 27 - 120)
To consider a report which provides the results of consultation undertaken following the publication of Public Notices proposing a phased closure of Burnholme Community College. The report also informs Cabinet of the outcome of a recent Ofsted inspection of the College.
- 6. Park and Ride Expansion: Appropriation of Land at Poppleton for Planning Purposes** (Pages 121 - 134)
To consider a report which seeks authority for the appropriation of land for planning purposes at Poppleton, which is registered as a village green and currently being used for agricultural purposes. This is to facilitate an improved junction arrangement in connection with the proposed Poppleton Bar Park and Ride site.
- 7. Economic Infrastructure Fund** (Pages 135 - 172)
This report sets out proposals for the funding of four projects through the Economic Infrastructure Fund (EIF). Members are recommended to consider and approve the allocations.
- 8. 2011-12 Finance and Performance Monitor** (Pages 173 - 192)
This report provides a summary of the finance and performance progress for 2011-12. Performance has been presented under the five Council Plan priority themes.
- 9. Capital Programme Outturn 2011/12 and Revisions to the 2012/13 - 2016/17 Programme** (Pages 193 - 216)
This report sets out details of the Council's capital programme outturn position for 2011-12, information on changes required to the programme arising from any under and overspends and slippage and informs Cabinet of the funding position and update on the future years capital programme.

10. Treasury Management Annual Report and Review of Prudential Indicators 2011-12 (Pages 217 - 238)

To consider the annual treasury management report which reviews treasury management activities and the actual prudential and treasury indicators for 2011-12.

11. Financial Strategy Refresh (Pages 239 - 250)

This report provides an update to the Financial Strategy given the continued and rapid changes to the Local Government funding. An outline plan for the 2013/14 and 2014-15 budget process has also been provided.

12. Urgent Business

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

Democracy Officer:

Name: Jill Pickering

Contact details:

- Telephone – (01904) 552061
- E-mail – jill.pickering@york.gov.uk

For more information about any of the following please contact the Democratic Services Officer responsible for servicing this meeting:

- Registering to speak
- Business of the meeting
- Any special arrangements
- Copies of reports

Contact details are set out above.

This page is intentionally left blank

About City of York Council Meetings

Would you like to speak at this meeting?

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.

A leaflet on public participation is available on the Council's website or from Democratic Services by telephoning York (01904) 551088

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.**

Access Arrangements

We will make every effort to make the meeting accessible to you. The meeting will usually be held in a wheelchair accessible venue with an induction hearing loop. 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).

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.

Every effort will also be made to make information available in another language, either by providing translated information or an

interpreter providing sufficient advance notice is given. Telephone York (01904) 551550 for this service.

যদি যথেষ্ট আগে থেকে জানানো হয় তাহলে অন্য কোন ভাষাতে তথ্য জানানোর জন্য সব ধরনের চেষ্টা করা হবে, এর জন্য দরকার হলে তথ্য অনুবাদ করে দেয়া হবে অথবা একজন দোভাষী সরবরাহ করা হবে। টেলিফোন নম্বর (01904) 551 550।

Yeteri kadar önceden haber verilmesi koşuluyla, bilgilerin terümesini hazırlatmak ya da bir tercüman bulmak için mümkün olan herşey yapılacaktır. Tel: (01904) 551 550

我們竭力使提供的資訊備有不同語言版本，在有充足時間提前通知的情況下會安排筆譯或口譯服務。電話 (01904) 551 550。

اگر مناسب وقت سے اطلاع دی جاتی ہے تو ہم معلومات کا ترجمہ میا کرنے کی پوری کوشش کریں گے۔ ٹیلی فون (01904) 551 550

Informacja może być dostępna w tłumaczeniu, jeśli dostaniemy zapotrzebowanie z wystarczającym wyprzedzeniem. Tel: (01904) 551 550

Holding the Cabinet to Account

The majority of councillors are not appointed to the Cabinet (39 out of 47). Any 3 non-Cabinet councillors can 'call-in' an item of business following a Cabinet meeting or publication of a Cabinet Member decision. A specially convened Corporate and Scrutiny Management Committee (CSMC) will then make its recommendations to the next scheduled Cabinet meeting, 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;
- Public libraries get copies of **all** public agenda/reports.

City of York Council

Committee Minutes

MEETING	CABINET
DATE	15 MAY 2012
PRESENT	COUNCILLORS ALEXANDER (CHAIR), FRASER, GUNNELL, LOOKER, MERRETT, SIMPSON-LAING (VICE-CHAIR) AND WILLIAMS
IN ATTENDANCE	COUNCILLORS ASPDEN, BOYCE, CUTHBERTSON, FITZPATRICK, FUNNELL, HEALEY, JEFFRIES, RUNCIMAN, STEWARD AND WARTERS
APOLOGIES	COUNCILLOR CRISP

136. **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 Members declared personal, non-prejudicial interests in respect of agenda items 6. (Secondary Education Provision on the East side of the City and the Future of Burnholme Community College) and 7. (Implementing the Review of the City of York Council's Residential Care Homes for Older People) :

- Cllr Simpson-Laing, as a member of Unison and as her daughter was in Year 7 at Millthorpe School
- Cllr Williams, as a member of Unison and Unite
- Cllr Gunnell, as a member of Unison
- Cllr Merrett, as his daughter was in Year 7 at All Saints' School and as a Millthorpe School Governor
- Cllr Fraser as a member of the retired sections of Unison and Unite (TGWU/ACTS)
- Cllr Alexander, as a member of GMB

Councillor Simpson-Laing also declared a personal non-prejudicial interest in respect of Agenda item 10 (Developing a Thriving Voluntary Sector in the City of York) as an employee of a charity.

Councillor Gunnell also declared a personal non-prejudicial interest in relation to Agenda item 10 (Developing a Thriving Voluntary Sector in the City of York) as a member of the Management Committee of the Welfare Benefits Unit.

137. EXCLUSION OF PRESS AND PUBLIC

RESOLVED: That the press and public be excluded from the meeting during consideration of Annex B to Agenda item 7 (Implementing the Review of the City of York Council's Residential Care Homes for Older People) and Annex 3 to Agenda item 8 (Oliver House Elderly People's Home – Options for the future use of the Property) on the grounds that they contain information relating to the financial or business affairs of particular persons. This information is classed as exempt under paragraph 3 of Schedule 12 A to Section 100A of the Local Government Act 1972 (as revised by the Local Government (Access to Information) (Variation) Order 2006).

138. MINUTES

RESOLVED: That the minutes of the last Cabinet meeting held on 3 April 2012 be approved and signed by the Chair as a correct record.

139. PUBLIC PARTICIPATION/OTHER SPEAKERS

It was reported that there had been thirteen registrations to speak at the meeting under the Council's Public Participation Scheme and that three Members of Council had also requested to speak.

The following spoke in respect of Agenda item 6 (Secondary Education Provision on the East side of the city and the Future of Burnholme Community College):

Adrian Fisher spoke on behalf of Dawn Leatt, Gary Douglas and Darren Whittaker of the Burnholme Community College Parents Forum. He expressed their disappointment at the proposed closure which would not protect vulnerable children in a

disadvantaged local community. They questioned how community services would continue from the site following closure of the school. Upkeep of the buildings and decommissioning costs were also questioned. The Parents Forum felt that all options had not been examined, especially as the College was only half way through a 5 year recovery plan to increase the number of students applying for places. They pointed out that this was not a failing school its results were improving year on year and the College had received numerous awards. It was pointed out that, as Archbishop Holgate's the adjacent secondary school was now full, Burnholme was the only school in the catchment area with space which would cause issues in the future following closure. Members were asked to look at the bigger picture and vote against the proposed closure.

Nicole Naismith, a pupil of Burnholme CC, expressed concern that the wishes of school pupils were being ignored. Following the development of the Derwenthorpe site and an increase in birth rate she questioned where pupils would go. Burnholme College was an excellent school where everyone was known by name and where pupils made great progress but no one appeared to be listening or taking note of this.

Simon Gumn, Head Teacher of Burnholme CC, thanked officers for their in depth report on the proposals. He referred to the projected savings and future uncertainties and asked that if closure was agreed that the reasons put forward were certainties as he had no wish to upset staff or the education of his pupils if additional school places were required in the future. He requested that any closure should be dignified, causing least disruption to all concerned and he requested a future community injection for the area.

Simon Breare, Teacher at Burnholme CC made reference to the number of school places required year on year, both with closure of the College and without. Indicating that the limit would be breached with or without closure of the College. He expressed concerns at a possible future surge in demand for school places which could be disastrous for children in York. He felt that the authority should be planning for expansion rather than closure.

Stephen Hodgson, Chair of Governors Burnholme CC, expressed his agreement with the points raised by the parent's

forum. He confirmed that damage had been caused to the school following a second round of speculation in respect of the schools future. He asked members to ensure that every avenue had been examined prior to closure as there would be no way back from this decision. He pointed out that the school worked miracles with the pupils they received which was a credit to the dedicated staff. He requested members to work together with the school and officers to put together a long term plan to continue to provide an excellent education for children in the area.

Susan Williamson, Inclusion Leader Burnholme CC referred to the disadvantaged area the school covered explaining research undertaken in such areas and the affects on pupils. She referred to the achievements and successes of Burnholme pupils and the value added. Closure would mean the break up of a school in an already disadvantaged area with the consequential increase in NEET's etc. She asked the Cabinet to protect the vulnerable as every child mattered.

Carmel Appleton, Teacher at Applefields School spoke to acknowledge the loss the school would have on the adjacent Applefields special school. A pilot Special Needs Satellite class had been embedded at Burnholme which was working extremely well allowing children easy access to speech and language facilities and providing an inclusive atmosphere for pupils at the school to join with their peers. She questioned the relocation of this facility, the safety of pupils and financial costs involved.

Sarah Neale, Manager of Burnholme Nursery referred to the siting of a purpose built excellent community nursery on the site. She questioned the affect of closure on the nursery with 55 children, 11 staff members and a waiting list. Reference was also made to the valuable service the nursery provided for work experience and reading assistance provided by College pupils. She referred to the affect closure would have on the local community with the loss of after school clubs and Adult Education classes.

Cllr Warters spoke in relation to the petition presented to the Council on behalf of residents against the closure of the College which he felt was being ignored. No consideration appeared to have been taken of residents or the wider communities wishes in this case. He referred to the falling pupil roll with families

having been driven out of the area with the increasing use of family housing for student accommodation and questioned the use of the adjacent playing fields following closure.

Cllr Aspden referred to the Liberal Democrat Groups written comments to Cabinet, indicating that they were unable to support the recommendations in the report while there were still so many unanswered questions. He confirmed that he had met with the petitioners during which a number of issues had been raised which did not appear to have been addressed. He went onto question the prematurity of withdrawing the council's commitment to a 5 year plan and strategy for the College. He therefore asked the Cabinet to address these points before making a final decision on closure.

The following spoke in respect of Agenda item 7 (Implementing the Review of the City of York Council's Residential Care Homes for Older People):

On behalf of the York Branch of Unison, Andrea Dudding expressed disappointment that the authority were not making a commitment to providing care at all three sites. Reference was made to the public consultation which had resulted in overwhelming support for retaining care at the site in house. Concern was expressed at future security of jobs, staff morale and TUPE protection which could be eroded over time. She reiterated that quality of care should take precedence over profit.

Councillor Warters referred to the Lowfield School site proposed for a care village, in particular the 7 acres currently green fields and relocation of the football pitches for possible future development. He questioned the use of the capital receipt and the need to retain sport facilities/open space in the area. He went on to display a plan of the city indicating open space which had subsequently been developed.

Councillor Healey questioned the robustness of the risk analysis and the financial information.

The following spoke in respect of Agenda item 8 (Oliver House Elderly Persons Home – Options for the future use of the property):

Representations on behalf of the CVS were made by Angela Portz who urged members to support Option 1 to let Oliver House to a Voluntary Sector Management Group. She detailed the benefits this would bring from a vibrant voluntary sector, with a proven track record of running properties.

Councillor Warters also spoke in relation to Agenda item 11 (Police Reform and Social Responsibility Act 2011 – Police and Crime Commissioner – Update) he questioned the independence of the candidates and pointed out that politics should play no part in the appointment. Reference was made to reducing police numbers and the cost of the appointment.

140. FORWARD PLAN

Members received and noted details of those items listed on the Forward Plan for the next two Cabinet meetings at the time the agenda was published.

141. SECONDARY EDUCATION PROVISION ON THE EAST SIDE OF THE CITY AND THE FUTURE OF BURNHOLME COMMUNITY COLLEGE

Consideration was given to a report which set out details of the future provision of secondary education on the east side of the city and in particular Burnholme Community College (BCC). The report considered the arguments for and against maintaining the College, particularly in light of the projected future demand for secondary school places in the city.

Background information, including student numbers and details of the public consultation undertaken were set out at paragraphs 7 to 39 of the report and annexes. The proposals for current pupil transfers and assistance that would be provided was also outlined. Proposals to include the BCC catchment area within that of Archbishop Holgate's School together with the financial implications of maintaining or closure of the College were also explained in detail in the report.

The Cabinet Member confirmed her support for many of the points raised by earlier speakers but explained that a decision was now required to end the uncertainty for the College, its pupils and parents. She pointed out that, with falling numbers, it was proving difficult to sustain the school and maintain a full curriculum which required a number of specialist facilities which could not be provided. All the options had been examined and

Archbishop Holgate's had given their commitment to support the pupils and their long term future. It was confirmed that the satellite provision would continue, albeit at a different location in the city.

The Leader referred to a meeting with parents, prior to the Cabinet meeting, to answer their questions. He confirmed that this had been a very difficult decision to make however it had been shown that education at BCC could not be sustained in the longer term. Based on the evidence presented in the report it was

RESOLVED: That Cabinet agrees to:

- i) Publish Public Notices in accordance with Section 15(1) of the Education and Inspections Act 2006, to discontinue Burnholme Community College from 31 August 2014. This to be followed by a six week statutory representation period, after which the LA must consider any further observations and comments received and decide whether to proceed with the proposals summarised below:
 - It is proposed that Burnholme Community College will remain open until 2014 when students on the roll at the school in the current Year 9, Year 10 and Year 11 have completed their secondary education;
 - It is proposed that current Year 8 students will continue their education at the Burnholme Community College until the summer of 2013, and will then transfer to other schools. This means that they will be in their new schools for their year 10 and 11. For students currently on roll at Burnholme Community College in Year 7, it is proposed that they will stay at the school until the summer of 2014, and will then transfer to other schools for their Year 10 and 11. Detailed transition arrangements will be agreed between schools and in consultation with parents;

- For students currently on roll at Burnholme Community College in Year 7 and Year 8, transport assistance will be provided if their new school is over two miles from their home residence once they have transferred in 2014 and 2013, respectively;
 - For families of transferring students to receive assistance at the transferring stages with the purchase of new school uniform as required at the receiving school;
 - With the agreement of the governing body of Archbishop Holgate's CE School, it is proposed that the existing catchment area of Burnholme Community College will be merged with the catchment area of Archbishop Holgate's CE School. Those seeking a non faith based school will be offered an alternative secular school.¹
- ii) Note that the LA will work closely with the governing body of Burnholme Community College and other schools to develop a comprehensive package of support for the school, and a detailed transition plan for students and staff, that seeks to ensure the best possible education throughout the phased closure.
- iii) Note that the LA will work with Applefields School and other secondary schools in order to relocate the satellite class that has been successfully established at Burnholme Community College.
- iv) Note that the LA, with the York Education Partnership, will continue to develop further proposals that address the projected demand for school places across the city over the next decade, arising from predicted housing development and from the increase in the birth-rate.

- v) Initiate a further specific consultation focussing upon the potential future use of the Burnholme site in the event of the closure of the school. The recent consultation on the future of Burnholme Community College has highlighted particular concerns about the future of highly valued community services that are based at the College, including the Kids Club, the Burnholme Day Nursery, and Sports Provision including sports fields and MUGA. The authority will wish to explore options that make best use of the site whilst maintaining community facilities wherever possible. It is recognised that these important issues and possible options will require wide consultation and detailed debate and consideration.²

REASON: It has been concluded that the educational interests of the children and young people in the city would be best served by a phased closure of Burnholme Community College.

Action Required

- 1. Publish discontinuance Notice and representation period. KH
- 2. Undertake consultation on the potential future use of the site. KH

142. IMPLEMENTING THE REVIEW OF THE CITY OF YORK COUNCIL'S RESIDENTIAL CARE HOMES FOR OLDER PEOPLE

Members considered a report which provided financial model options arising from the decision made by Cabinet in January to proceed with the development of the three sites to replace the council's Elderly Persons' Homes (EPH).

Further information on progress with the closure of Oliver House and Fordlands Residential Care Home and deployment of the staff was set out at paragraphs 3 to 8 of the report. The Lowfield Care Village proposals including feedback on the soft market testing exercise were set out at paragraphs 9 to 24 and at Annex A of the report.

It was confirmed that a key assumption to the planning had been that the EPH modernisation programme would be self

sufficient as there was no new long term money available for the project. The report provided an analysis of the following options put forward for consideration:

Option 1 - the three new developments have care provided by independent sector operators

Option 2 - the council provides the care on the three new developments

Option 3 - the council provides the care on the Fordlands development only. Care on Lowfield and Haxby Hall is provided by an independent sector operator

Option 4 - the council provides the care on the Fordlands and Haxby Hall developments only. Care on Lowfield is provided by an independent operator

The Cabinet Member confirmed the significance of the financial undertaking the development of the three sites would be for the authority and to the extensive consultation exercise undertaken. As mentioned the ideal option would have been for the council to provide care on all the developments however this had been found to be the least affordable option.

RESOLVED: i) That Cabinet agree in principle to Option 4, to provide the care on the Fordlands and Haxby Hall developments only, with care on the Lowfield site being provided by an independent operator (subject to further financial consideration and Full Council approval), that is:

- a) That the Council fund and operate the new residential care home to be built on the Fordlands Road site by engaging a design team and then entering a formal tender process to procure a builder.¹
- b) That the Council states its intention to operate the new residential care home to be built on the site of the existing CYC care home at Haxby subject to financial affordability in Autumn

2013 when a firm decision on that particular home is required.

- c) That the Council seeks to procure a partner through a tendering process to fund, build and operate a 'community village for older people' (including 90 residential care beds) on the Lowfield site in Acomb. The council's own in-house service will be able to compete for this work.²
- ii) That Cabinet receive further reports outlining the outcome of the tenders for both the Fordlands and Lowfield village developments, with updated financial implications on all areas, to assess the affordability of the proposals.³

REASON: The Council's review of its existing elderly persons homes highlighted the need for changes to the current provision and how the homes could be replaced by modern facilities. There was overwhelming support in the consultation of the need for change and the vision of the new facilities in the city. After conducting a detailed analysis of a number of options both practical and financial along with considering the outcome of the public consultation Option 4 offers the best fit solution with least risk to the Council to create these modern facilities.

Action Required

- 1. Engage design team and proceed with tender process for the Fordlands Road site. GT
- 2. Proceed with tendering process for community village on Lowfield site. GT
- 3. Add to Forward Plan report back to Cabinet. GT

143. OLIVER HOUSE ELDERLY PERSONS HOME - OPTIONS FOR THE FUTURE USE OF THE PROPERTY

Members considered a report which detailed options for the future use of the former Elderly Persons Home (EPH) at Oliver House, which was becoming available as part of the EPH review. It was reported that this was a valuable, high profile city centre property with potential for both sale or an alternative use for the site.

Further information in relation to the options to sell or retain and the potential future uses; a Health and Social Care Hub, student accommodation or for affordable housing were set out in paragraphs 10 to 24 of the report.

Consideration was given to the following options:

Option 1 – Health and Social Care Hub

The property will be let to a Voluntary Sector Management Group for a term of 20-25 years at a commercial rent with a 5 yearly review of the rent to cover the cost of the prudential borrowing in lieu of a capital receipt. The groups who would use the site currently pay sufficient rent to meet the costs but would need to secure some investment funding to convert the building for their use. This could come from borrowing or grant funding.

Option 2 – Student Accommodation

The property would be let to YSJU for a term of 5 years, with the option to break at the end of the 3rd year. YSJU have indicated that they would be able to meet the required level of rental income with the proviso of a 6 months rent free period to fund the refurbishment.

Option 3 – Affordable Housing

Option 4 – Sale

Clarification was sought in relation to the timescales, if the property was let to a Voluntary Sector Management Group. Officers confirmed that it was envisaged that the property would be in use in around 9 months, however this detail had yet to be confirmed.

RESOLVED: That Cabinet approve the granting of a 20 year lease to a Voluntary Sector Management Group, at a commercial rental to be confirmed

through a formal valuation, and to be reviewed every 5 years. This would cover the cost of prudential borrowing in lieu of a capital receipt, with a subsequent review of selling the property. The lease will be on full repairing and insuring terms. It will also be contracted out of the security of tenure provisions of the Landlord and Tenant Act. ¹.

REASON: This option will achieve the income stream required to cover the increased revenue cost of the Elderly Persons Homes review, and contribute to the priorities set out in the Council plan whilst retaining the asset in the long term.

Action Required

1. Proceed with preparation of lease on the grounds set out.

TB

144. EXPLORING OPPORTUNITIES FOR THE FUTURE OF THE GUILDHALL

Cabinet Members considered a report which summarised the recent options appraisal and heritage significance/views analysis study undertaken for the Guildhall complex. Support was also required for the running of a Royal Institute of British Architects (RIBA) Open Ideas Competition in the form of a design exercise to stimulate ideas to explore the opportunities afforded by the Guildhalls unique setting.

The report provided further information on the consultation undertaken and an appraisal of the suggested options available in paragraphs 23 to 36 of the report with the format of the competition set out at Annex 1.

The Cabinet Member confirmed that this was an opportunity to seek innovative solutions to secure the future of the Guildhall complex for the city.

Consideration was then given to the following options:
Option 1 – to note the options appraisal work carried out by PMT and agree the proposal to proceed with an RIBA Open

Ideas Competition. An officer group working would prepare a detailed brief for the RIBA Open Ideas Competition to be launched in September 2012.

Option 2 – to note the options appraisal work carried out by PMT and commission further detailed studies as suggested to investigate the potential for future uses and ownership options by directly commissioning additional feasibility work.

Option 3 – to note the options appraisal work and take no further action.

RESOLVED: That Cabinet agree option 1 as set out in the report, to proceed with an RIBA Open Ideas Competition.¹

REASON: To facilitate the exploration of options for the future of the Guildhall in an innovative and cost effective way – that will generate publicity for the City and the site; facilitate a level of consultation and with the potential for securing interest in progressing a solution.

Action Required

1. Proceed with organisation of competition.

DW

145. DEVELOPING A THRIVING VOLUNTARY SECTOR IN THE CITY OF YORK

Consideration was given to a report which outlined progress towards the production of a Voluntary Sector Strategy for the City of York. Recommendations around the future funding criteria and management arrangements for the merged Voluntary Sector funding pots within the CANS directorate were also set out.

As part of the consultation process the Cabinet Member had attended an open meeting with voluntary sector representatives in March. Feedback from the consultation event had indicated that the production of a Citywide Voluntary Sector strategy should help to inform the agenda of key strategy partnerships. Details of the proposed outcomes were set out at paragraph 9 of the report.

Further consultation would be undertaken to secure city wide agreement on a Strategy and 3 Year Action Plan by September 2012.

The Cabinet Member confirmed that the proposals would provide desirable, measurable outcomes which supported the Council Plan.

RESOLVED: That Cabinet approve:

- The outcomes set out in paragraph 9 of the report as the basis for further work on developing the Voluntary Sector Strategy.
- The outline criteria set out in paragraph 13 of the report, as the basis for developing detailed funding criteria for the combined voluntary sector funding pot.¹
- 3 year funding agreements for York CVS, York CAB and the Welfare Benefits Unit as set out in paragraph 15 of the report.²

REASON: To strengthen the fabric of the voluntary sector in the city.

Action Required

1. Proceed with work on development of plan and funding criteria. AG
2. Prepare funding agreements. AG

146. POLICE REFORM AND SOCIAL RESPONSIBILITY ACT 2011 - POLICE AND CRIME COMMISSIONER - UPDATE

Cabinet considered a report which outlined the changes in legislation leading to policing and community safety being overseen by a Police and Crime Commissioner, supported by a Police and Crime Panel for each police force area. Details of work undertaken in York in preparation for these changes together with the proposals to continue development of a framework for community safety delivery in both York and North Yorkshire were set out.

It was reported that the City of York's Chief Executive had been designated as the Police Authority Returning Officer for the

North Yorkshire Police Authority area. Information relating to the establishment of the Police and Crime Panel and their associated duties, memberships and support required were set out in paragraphs 14 to 27 of the report. The potential impact of the changes in York and on community safety delivery for York and North Yorkshire were also reported.

The Cabinet Member further informed members of the proposed arrangements. He confirmed that concern had been expressed to the government in respect of the limited information provided for residents on the election. Particularly as many did not have computer access, further consideration was therefore required on publicity. Reference was also made to the opportunities to develop a model in partnership with Selby to provide shared services.

Consideration was then given to the following options:

Option 1 – To appoint via annual council two council nominations to represent CYC on the Police & Crime Panel.

Option 2 – To await the establishment of community safety delivery processes for York and North Yorkshire police force area after the election of PCC in November 2012.

Option 3 – To work with the CSPs in North Yorkshire in advance of the elections to develop an options paper setting out a framework for delivery of community safety in York and North Yorkshire that can be presented to the PCC post November 2012.

RESOLVED: That Cabinet approve:

- i) Option 3, to work with the Community Safety Partnerships in North Yorkshire in advance of the elections to develop an options paper setting out a framework for delivery of community safety in York and North Yorkshire that can be presented to the Police and Crime Commissioner post November 2012. ¹.
- ii) Determination of who the two CYC appointments to the Police & Crime Panel should be and recommend to Annual Council for appointment. ².

REASON: To ensure that Safer York Partnership's experience and reputation as a successful Community Safety Partnership is not lost in the process of change to establishment of structures for the force area of York and North Yorkshire.

Action Required

- | | |
|--|----|
| 1. Undertake development of options paper. | SW |
| 2. Refer appointments to Annual Council | JP |

Cllr J Alexander, Chair

[The meeting started at 5.30 pm and finished at 7.40 pm].

This page is intentionally left blank

Cabinet Meeting: 17 July 2012

FORWARD PLAN (as at 14 June 2012)

Table 2: Items scheduled on the Forward Plan for the Cabinet Meeting on 4 September 2012

Title & Description	Author	Portfolio Holder
<p>Alternative Delivery Models for Cultural Services Purpose of report: This report asks the Cabinet for permission to further develop a proposal for an alternative delivery model for cultural services.</p> <p>The report will ask the Cabinet to note the initial feasibility work undertaken; Agree to the proposal being further developed; Agree a consultation plan on the proposal.</p> <p><i>This report was slipped to the April meeting to allow time for public consultation and then to the June meeting to allow further time for public consultation. It was then slipped to the September meeting to allow more time to consider the implication of the review of learning skills strategy.</i></p>	<p>Charlie Croft</p>	<p>Cabinet Member for Leisure Culture and Social Inclusion</p>
<p>Customer Strategy Purpose of Report: To present the priorities for meeting the needs of customers from 2012 to 2015. Members are asked to approve the strategy.</p> <p><i>The report was slipped to the July meeting to allow for further consultation. The report has now slipped to the September meeting to allow officers to do further work on the strategy including complete an up to date customer insight data and other content changes, comms/launch preparations and to time the publication to coincide with the build up to West Offices.</i></p>	<p>Pauline Stuchfield</p>	<p>Cabinet Member for Corporate Services</p>

Table 2: Items scheduled on the Forward Plan for the Cabinet Meeting on 2 October 2012

Title & Description	Author	Portfolio Holder
<p>Accreditation Schemes – Recognising Good Landlords Purpose of Report: To advise Members of the different options to raise standards in the private rented sector.</p> <p>Members are asked to select and confirm a scheme.</p>	Ruth Abbott	Cabinet Member for Health, Housing and Adult Social Services

Table 3: Items slipped on the Forward Plan

Title & Description	Author	Portfolio Holder	Original Date	Revised Date	Reason for Slippage
<p>Minutes of Working Groups Purpose of Report: This report presents the minutes of recent meetings of the Young People's Working Group, the Local Development Framework Working Group and the Equality Advisory Group and asks Members to consider the advice given by the groups in their capacity as advisory bodies to the Cabinet.</p> <p>Members are asked to note the minutes and decide whether they wish to approve the specific recommendations made by the Working Groups, and/or respond to any of the advice offered by the Working Groups.</p>	Jayne Carr	Cabinet Leader	July 2012	Withdrawn	This item has been withdrawn because there are now no minutes of these Groups to consider at this meeting.

<p>Delivering the Council Plan Core Capabilities – Two Strategies</p> <p>Purpose of Report: To sign off two strategies which are instrumental to the delivery of the Council Plan core capabilities. These are the Innovation Strategy and Asset Management Strategy.</p> <p>Members are asked to agree the strategies.</p> <p><i>This item was slipped to the September meeting to allow for further consultation.</i></p>	Tracey Carter	Cabinet Member for Corporate Services	12 June	Withdrawn	<p>This item has now been withdrawn from the Forward Plan following the Organisational restructure and the transfer of Asset Management between portfolios,</p> <p>The Asset Management Strategy will be brought back to a later meeting when a full Asset review has been undertaken.</p>
<p>Realising the Vision for a Fair and Inclusive Council</p> <p><i>(Formerly titled “Equality Act 2010 - Implementing the public sector duties in City of York Council”)</i></p> <p>Purpose of the report: The public sector duties in the Equality Act 2010 support public bodies to improve quality of life outcomes in their areas. They came into effect in April and September 2011. The report will summarise the duties as outlined in legislation and how the government and the Equality and Human Rights Commission expect us to meet them. It will outline proposals for action to meet</p>	Charlie Croft/Evie Chandler	Cabinet Member for Leisure, Culture and Social Inclusion	Jan 2012	Nov 2012	This item has now been slipped to the November meeting to allow further time for consultation

<p>the duties and also minimum standards for these actions.</p> <p>Cabinet will be requested to consider and approve the actions proposed in the report.</p> <p><i>This item was slipped to the February meeting to allow more time to develop an action plan for excellence for the Equalities Framework for Local Government. It was then slipped to the April meeting to coincide with setting equality outcomes for the Council. The item has now been slipped to the July meeting to take account of the output of stage two of the Fairness Commission.</i></p>					
<p>Alternative Delivery Models for Cultural Services</p> <p>Purpose of report: This report asks the Cabinet for permission to further develop a proposal for an alternative delivery model for cultural services. The report will ask the Cabinet to note the initial feasibility work undertaken; Agree to the proposal being further developed; Agree a consultation plan on the proposal.</p> <p><i>This report was slipped to the April meeting to allow time for public consultation and then to the June meeting to allow further time for public consultation.</i></p>	<p>Charlie Croft</p>	<p>Cabinet Member for Leisure, Culture and Social Inclusion</p>	<p>March 2012</p>	<p>Sept 2012</p>	<p>This report has been slipped to the September meeting to allow more time to consider the implication of the review of learning skills strategy.</p>

<p>Customer Strategy Purpose of Report: To present the priorities for meeting the needs of customers from 2012 to 2015. Members are asked to approve the strategy.</p> <p><i>The report was slipped to the July meeting to allow for further consultation.</i></p>	Pauline Stuchfield	Cabinet Member for Corporate Services	May 2012	Sept 2012	The report has now slipped to the September meeting to allow officers to do further work on the strategy including complete an up to date customer insight data and other content changes, comms/launch preparations and to time the publication to coincide with the build up to West Offices.
--	--------------------	---------------------------------------	----------	-----------	---

This page is intentionally left blank



Cabinet**17 July 2012**

Report of the Cabinet Member for Education, Children and Young People

Decision on the Proposal to Close Burnholme Community College**Summary**

1. At its meeting on 15 May, Cabinet considered a report regarding the future provision of secondary education on the east side of the city and in particular at Burnholme Community College (BCC).
2. Cabinet agreed to publish Public Notices, in accordance with legislation, proposing a phased closure of BCC. A six-week statutory representation period followed the publication of notices and this closed on 2 July.
3. The representation period was the formal opportunity for individuals and organisations to express their views about the proposals. This report now provides Cabinet with details of the responses that were received during the representation period.
4. The report also informs Cabinet of the outcome of a recent Ofsted inspection of BCC and the response of the local authority (LA) and the governing body.

Background

5. The report to Cabinet in May set out in detail the background to this issue, and the arguments for and against maintaining the college. The report described the financial and educational implications of maintaining BCC and also considered future demand for secondary school places across the LA. The May report also considered the responses received during the initial public consultation period. Links to the May report and the public notices are listed at the end of this report.

Consultation: Responses received during the Statutory Representation Period

6. The LA received various submissions during the six-week representation period. The Parents' Action Group submitted a detailed formal representation to Cabinet members and to the Director of Children's Services and this is included as Annex 1. Annex 1A includes a brief response from officers to the key issues raised by the group. Officers have met several times with representatives of the group to discuss their views in person.
7. The LA also received emails and letters raising concerns and objections to the proposed closure. These are included as Annex 2.
8. The responses received during the representation period echoed some of the key themes that were debated during the initial consultation period. These include:
 - a general concern about the disruption to children's education in the short term
 - a view that BCC is a small community school where staff know all students, and that it is therefore better placed to provide a personalised high quality education, particularly given the levels of socio-economic deprivation in parts of the catchment area
 - concern that the proposed closure does not properly recognise the needs of students with special educational needs
 - a view that BCC has particularly strong links with the community that should be preserved at all cost
 - an argument that BCC should be maintained in order to help meet projected future demand for secondary school places
 - a belief that the BCC academic results show reason to support the school
 - a view expressed by the Parents' Action Group that the issue of affordability has been grossly misrepresented through the consultation process and that there is no demonstration that closure represents better value than maintaining the school
9. The Parents' Action Group questions the council's commitment to supporting the school and suggests that it has followed a strategy "to starve the school of support in readiness for earliest closure". The group also suggest that "the consultation has not complied

with statutory guidance and is a failure of the council's duty of care".

10. The council has provided considerable additional financial support to BCC over recent years. In 2009, at the time of the previous discussions on the future of BCC, a specific revision to the local funding formula was devised (the small secondary schools factor) and successfully negotiated with the other secondary schools. In total £1.3m of additional financial support has been made available to BCC over the four years up to and including the 2012/13 financial year.
11. Cabinet members are asked to review and consider the representations which are set out in full in Annex 1 and 2.

Ofsted Inspection May 2012

12. In May 2009 the school was inspected and judged to be a good and improving school. Since then attainment at the end of Key Stage 4 has remained above the government's floor standards for 5+A*-C including English and mathematics, although the school's performance remains significantly below the national average for this measure.
13. In January 2012 there were significant changes to the Ofsted framework. The 2012 framework places an emphasis on schools performing in line with national averages. If a school is below national averages the expectation is that it should be closing the attainment gap more rapidly than the rate of national progress.
14. The school was inspected by Ofsted again in May 2012. The inspection team reviewed many aspects of the school's work and looked in detail at the following:
 - the attainment of pupils and their progress, particularly in English and mathematics
 - the extent to which the recent improvements in assessment and teaching ensure that the needs of all pupils are being met in lessons
 - the impact of recent policy and strategies for the promotion of whole school literacy
 - the capacity of leaders at the school to bring about sustained improvement

- the impact of work done to improve behaviour, safety and attendance
15. The outcome of the most recent inspection is that the school requires significant improvement because it is performing significantly less well than it could reasonably be expected to do so. The school was therefore given a 'Notice to Improve'. The LA's view is that the school should have been judged as 'satisfactory' whilst recognising its vulnerability around floor standards and national averages.
 16. The school has lodged a formal complaint with Ofsted regarding aspects of the inspection.

Legal Implications: Statutory Guidance to be considered by Decision Makers (Cabinet)

17. The LA must have regard to guidance issued by the Secretary of State when taking a decision on closure proposals. 'Closing a Mainstream School: A Guide for Local Authorities' ("the Guidance").
18. All proposals should be considered on their individual merits. The Guidance sets out various factors that should be considered by decision makers (Cabinet) in making their decision and the relevant factors are summarised below:

A - Effect on Standards and School Improvement

19. The Guidance states that schools that need to be closed "are closed quickly and replaced by new ones where necessary; and the best schools are able to expand and spread their ethos and success".
20. The Guidance also notes the duty of LAs to secure diversity in the provision of schools and to increase opportunities for parental choice when planning the provision of schools in their areas; "the government's aim is to secure a more diverse and dynamic schools system which is shaped by parents. The decision maker should take into account the extent to which the proposals are consistent with the new duties on LAs".
21. The Guidance states that "when considering the closure of any school causing concern and, where relevant, the expansion of

other schools, the Decision Maker (Cabinet) should take into account the popularity with parents of alternative schools”.

22. It is clear that in this particular case different groups of parents hold different views. Annex 3 provides detail regarding parental preferences, and the choice of schools of people living within the BCC catchment area. The majority of those living in the BCC catchment area (71%) have chosen other schools. However, the Parents’ Action Group has demonstrated that the school is highly regarded by those who have chosen it.
23. The Guidance seeks to “encourage changes to local school provision where it will boost standards and opportunities for young people, while matching school place supply as closely as possible to pupils’ and parents’ needs and wishes”. Cabinet should be satisfied that the closure “will contribute to raising local standards of provision and will lead to improved attainment” and should “pay particular attention to the effects on groups that tend to under-perform including children from certain ethnic groups, children from deprived backgrounds and children in care, with the aim of narrowing attainment gaps”. The LA considers that the schools supporting the transition plans (which include schools judged to be satisfactory, good, and outstanding) will be well placed to support these particular groups of children and is confident that all schools will be ambitious in working to narrow the attainment gap.
24. The initial consultation on the future of BCC was not driven by educational standards but by low demand for places, the increasing number of surplus places and the financial viability of the school. However, the outcome of the recent Ofsted Inspection has now placed the school in a category of concern.
25. As a result of the inspection judgement, the LA has reviewed the existing Local Authority Support Plan in order to ensure an urgent and rigorous response to the particular issues identified in the report. It also identifies the processes that will be used to support the school and to monitor and evaluate progress in advance of an Ofsted monitoring visit which will take place between six to eight months from the date of the inspection.
26. The judgement of ‘Notice to Improve’ from Ofsted requires the LA to outline how the school will ensure significant progress within six months from the date of the inspection, and how the school will be

supported to be in a position to be fully removed from the Ofsted category within twelve months.

27. The LA has to describe what additional support will be commissioned, what steps are needed to support leadership at all levels, whether there is scope for partner organisations to support the school, whether the school should be closed or federated and whether the LA intends to use its intervention powers.
28. The LA has commissioned support from Manor Church of England Academy, an outstanding school which is led by a National Leader of Education and is a National Support School and National Teaching School. This support will provide the school with access to specialist teaching should it be required during the closure process and will ensure that good outcomes are secured for pupils remaining at the school during the phased closure. Staff will receive support to continue their professional development through working with Specialist Leaders in Education from Manor. This will also ensure that the quality of subject leadership is maintained and further developed during the period of closure.
29. The statutory guidance states that for all proposals considering closure that involve schools causing concern, the Decision Maker (Cabinet) “should have regard to the length of time the school has been in special measures, needing significant improvement or otherwise causing concern, the progress it has made, the prognosis for improvement, and the availability of places at other existing or proposed schools within a reasonable travelling distance. There should be a presumption that these proposals should be approved, subject only to checking that there will be sufficient accessible places of an acceptable standard available in the area to meet foreseeable demand and to accommodate the displaced pupils.” Availability of places is covered in the next section.

B - Need for Places

30. The Guidance advises that Cabinet “should be satisfied that there is sufficient capacity to accommodate displaced pupils in the area, taking into account the overall supply and likely future demand for places”.
31. The Guidance states that “it is important that education is provided as cost-effectively as possible. Empty places can represent a poor

use of resources – resources that can often be used more effectively to support schools in raising standards”.

32. The Guidance is specific in defining spare places stating that “the decision maker (Cabinet) should normally approve proposals to close schools in order to remove surplus places where the school proposed for closure has a quarter or more places unfilled, and at least 30 surplus places, and where standards are low compared to standards across the LA”.
33. At the time of the January census 2012, Burnholme had 286 students, with 314 surplus places (52%). In September 2012 it is estimated that BCC will have around 190 students across Years 8–11. This is subject to any further early transfers (at the request of parents) to other schools with available spaces.
34. The May report set out arrangements for accommodating the children displaced by a closure of BCC and noted that with the support of the governing bodies of other schools, the LA could guarantee students in Year 7 and 8 a choice of alternative schools. Importantly, the governing body of a neighbouring school (Archbishop Holgate’s) submitted a statement confirming that the school will offer places to any pupil in Year 7 and 8 wishing to transfer to the school as part of a managed phased closure. Archbishop Holgate’s School is a Church of England Academy and was judged by Ofsted to be an outstanding school at its last inspection. It currently serves around 42% of all 11-16 students living in the BCC catchment area (Annex 3).
35. The May report also detailed proposals to include the BCC catchment area within that of Archbishop Holgate’s School. The report noted that in order to meet future demand from within the proposed catchment area the school proposes to increase its annual admission limit from 162 to 216 in order to move from six to eight forms of entry. The governing body of Archbishop Holgate’s School will seek approval from the Secretary of State for this change, and the closure of BCC will be conditional upon this approval, which is expected to be forthcoming as it is consistent with government policy of expanding successful and popular schools.
36. The May report set out in detail the demographic trends and future anticipated demand for school places. It noted that it was difficult to predict with accuracy what the demand for school places will be

at individual schools, given the various and complex factors involved. These include migration, birth-rate changes, progression of various large housing developments, parental preference, and the potential for schools to increase admission limits as a result of new legislation.

37. A central argument that has been presented against closure is that BCC should be maintained in order to meet demand as it begins to rise in future years. Officers remain of the view expressed in the original report that demand for school places over the next ten years will be stronger in other areas of the city. However, even if BCC began to receive second choice preferences, it remains highly unlikely that the school would be able to grow beyond 380 students before the end of the decade – and consequently would continue to be financially unviable.
38. The May report detailed the 545 surplus places (excluding BCC) currently available in the city, based on existing admission limits. Officers will continue to work with headteachers, governing bodies, and with the York Education Partnership, to consider options for raising the admission limits of some secondary schools, where additional capacity proves to be needed, over the next decade and beyond.
39. Subject to debate with individual governing bodies and the York Education Partnership, the LA is confident that some secondary schools have the capacity to accommodate additional pupils. Some schools will require further investment in order to meet demand as it increases within their particular catchment areas. For example, Fulford School is anticipating rising demand from outlying villages and from the proposed Germany Beck development, which is expected to provide a Section 106 funding contribution towards meeting educational needs.
40. The May report noted ongoing changes in education policy and school funding arrangements that increase the financial and educational risks of maintaining BCC (in order to meet potential future demand) in the face of falling rolls and challenging circumstances.
41. A phased closure of BCC will remove surplus places and allow resources to be used by other schools to raise standards. There are sufficient spaces, with the expansion of Archbishop Holgate's

School and spaces in other schools, to meet the foreseeable demand for secondary school places.

C - Impact on the Community and Travel

42. The Guidance notes that “some schools may already be a focal point for family and community activity, providing extended services for a range of users, and its closure may have wider social ramifications. In considering proposals for the closure of such schools, the effect on families and the community should be considered. Where the school was providing access to extended services some provision should be made for the pupils and their families to access similar services through their new schools or other means.” The Guidance also notes that when considering proposals to close a school the Cabinet should consider the impact of the proposals on community cohesion and take into account the nature of alternative provision.
43. The May Cabinet report described the community facilities provided from the BCC site and highlighted concerns about the future of the Kids Club, the day nursery and sports provision including sports fields and the Multi Use Games Area (MUGA). Cabinet agreed to initiate a further specific consultation focussing upon the potential future use of the site in the event of closure. The LA will wish to explore options that make best use of the site whilst maintaining community facilities.
44. The council will lead a full review of the potential options for the site focussing particularly on the continuing provision of community facilities, with an aspiration to consolidate improve and expand existing services. This exercise will be informed by a consultation forum which will include community groups and partners. It will draw on the work done as part of the Tang Hall Asset Management Plan and the assessment of community provision. The Joseph Rowntree Foundation has offered to provide a project manager to support the consultation, development and analysis of options. The Assistant Director of Finance, Asset Management and Procurement will bring a report on this to Cabinet in January 2013.
45. In deciding statutory proposals, Cabinet should “bear in mind that proposals should not have the effect of unreasonably extending journey times or increasing transport costs, or result in too many children being prevented from travelling sustainably due to unsuitable routes”.

46. The May report gave details of proposed transport arrangements for those students affected and provided an analysis of distances from students' homes to some of the alternative schools that will be available to students. The analysis showed that the average distance for students living within the catchment area was 1.05 miles to Archbishop Holgate's School, with three other schools less than 2.7 miles away. The report noted that in the event of closure the LA will work with schools and transport operators to ensure that options are available. Free school transport would be provided for students who transfer to other schools as part of the agreed transition arrangements and who live more than two miles away.

D - Special Educational Needs (SEN) Provision

47. The Guidance states that; "SEN provision, in the context of school organisation legislation and this guidance, is provision recognised by the LA as specifically reserved for pupils with special educational needs". Examples of such SEN provision are the autism centres at Fulford School and Joseph Rowntree School, the dyslexia centre at St Oswald's Primary School and the speech and language centre at Haxby Road Primary School. Although BCC does not include SEN provision covered by this Guidance, the LA fully appreciates and respects the concerns of the Parents' Action Group regarding students with special educational needs. The group also opposes the closure in light of the success of the Applefields satellite class (within BCC) that currently includes seven students who are on the roll of Applefields School.
48. On the Burnholme roll there are eight students with Statements, 34 students recorded as School Action Plus and 39 students recorded as School Action making a total of 81.
49. Of these 81 pupils, 19 are in the current Year 11 and will leave school this summer. Therefore, the total from September 2012 will be 62.
50. Those pupils with SEN in the current year 9 and 10 will be able to stay on in school if their parents wish, therefore it is only those in the current year 7 and 8 for whom different arrangements would be required in due course. There are 39 pupils with SEN in years 7 and 8, of whom two have a Statement of SEN. The LA recognise that for these pupils and their families the prospect of changing schools is likely to raise anxiety, however, the LA is confident that

other schools in the city will be able to provide high quality teaching and support arrangements which will be appropriate to individual children's needs.

51. Parents of children with statements of SEN will be able to state a preference for another secondary school in the city and their rights are protected under Sections 316 and 324 of the Education Act 1996. The LA's SEN team will work with parents to plan transition arrangements. Where required, Transport will be part of the package of support arrangements.
52. For children with SEN who are supported under School Action or School Action Plus arrangements, parents will be able to nominate a new school in exactly the same way as for any other pupil without SEN. The LA's SEN team will support pupils, parents and schools to secure a new school placement and plan transition arrangements.
53. The seven students who are taught in the satellite class within BCC are on the roll of Applefields School. Initial consultation with this group of parents has taken place and specific planning to identify the new partner school is underway, being led by the headteacher of Applefields School and the Head of the LA's SEN Services. The success of the satellite class is a tribute to the commitment of staff from both Applefields and Burnholme.
54. There is strong support from parents for the satellite model to be maintained and the LA is equally committed to ensuring that a new partnership is established to build on the success of the current arrangements. It is appreciated that change can cause anxiety but there will be a good degree of continuity for the pupils in having familiar key staff working with them in a new satellite setting.
55. The LA and schools in the city have a strong and demonstrable record of developing excellent services and support for children with special educational needs. In summary, the LA is determined to work with schools and parents to ensure that the individual needs of all students are met.

The Financial Implications of Maintaining or Closing Burnholme Community College

56. The May report set out the significant financial implications of maintaining or closing BCC. The Parents' Action Group challenges this analysis. Officers standby the substance of the

initial report; BCC is demonstrably unable to operate within the budget to which it is entitled under the funding formula. The school has been supported at a cost to other schools, as was evidenced by the submissions from other governing bodies. The LA has steadfastly supported the school, writing off a deficit in 2009 and providing £1.3m of additional funding over the four financial years to 2012/13. Restrictions in public expenditure and the government's proposed changes to school funding arrangements from financial year 2013/14 increase the financial challenges facing the school community and the LA.

57. The Parents' Action Group states that the cost of subsidising BCC set out in the May report "does not factor in rising numbers in the school that would progressively see it become self-financing". In fact, these were taken into account in the report. Annex 6 of the May report sets out the additional funding the school would require in future years and included a projection of pupil numbers that allowed for changes in numbers. This was based on LA modelling that takes into account primary cohorts, patterns of parental preference and local housing developments. The model recognised that more students would be likely to be allocated BCC as their second preference, assuming that space was not available at their first preference school. For the record, the model indicated a peak of 77 students joining the school in 2017/18. These student numbers were included in the financial calculations which demonstrated that the school would require additional funding of £5.2m over the period to 2021 (average of £580k per annum). If the school did not receive these second preference students, the projected costs of maintaining the school would, in fact, increase still further over and above those set out in the report.
58. It is clear that in order to maintain BCC in the coming years the cost would be exceptionally high on a per pupil basis. Annex 5 of the May report demonstrated this, indicating that the cost of educating a student at BCC will be close to £8.5k for 2012/13 compared to between £4.2k and £5.4k per pupil at other secondary schools. The model indicates this cost will rise to over £9.5k by 2016/17 before falling back to £7.25K by 2019/20 assuming that more students have entered the school by then.
59. The May report noted that BCC is not financially viable without a high level of additional financial support. The report noted that in 2010 there were only nine other secondary schools in the country in urban areas with less than 250 pupils. Since 2010 five of these

schools have been closed and a further two are subject to closure proposals.

60. The Parents' Action Group suggests that the council is being disingenuous because it "fails to mention that other schools have vacancies and deficits that are being subsidised". Some schools do indeed have surplus places and these were listed in Annex 3 in the May report. However, all other schools within the city are operating within the resources provided through the locally agreed funding formula. Some schools have in-year budget pressures but all, with the exception of BCC, have plans to balance their budgets in accordance with the regulations of the funding formula scheme.
61. The Parents' Action Group considers that the council is being disingenuous because it "ignores that the council has options to move money into the education budget according to its priorities". In fact, the May report noted that the additional funding that would be required could be taken either from the Dedicated Schools Grant (and therefore would not be available to other school budgets) or from the council's General Fund. If funding were to be found from outside of the DSG then the annual subsidy required to support BCC in future years would equate to about a 1% rise in Council Tax.
62. As set out in the May report, if BCC were to close, capital investment of up to £2m will be required to support an increase in capacity at Archbishop Holgate's as the school moves from six to eight form entry to meet future demand from within the new catchment area. This will need to be funded by either the Education Funding Agency (EFA) or through Prudential Borrowing by the LA (repaid over time from a proportion of the revenue saving generated from closure), or by a combination of both.
63. Overall demand for secondary school places is considered at paragraph 30-41 of this report. This suggests that the majority of any further investment across the city will need to be incurred regardless of a decision to close BCC. This investment would have to be met from a number of funding sources. Developers' contributions through S106 agreements would be available where new housing developments produced increased pupil numbers in excess of existing capacity in particular areas of the city. In addition the DfE makes capital resources available to LAs on an annual basis through the Basic Needs Allocation. This allocation is based partly on any increased demand for places in each LA area.

Transition Arrangements in the Event of Closure

64. Cabinet considered the detailed transition arrangements to support a phased closure in the May report. The proposed arrangements have been developed in consultation with the governing body and with other secondary schools. The arrangements were also included in the public notice and have been shared and discussed with students and parents.
65. The arrangements are designed to support a phased closure of BCC with the current Year 9, 10 and 11 completing their education at BCC and with students in the current years 7 and 8 moving to other schools at the end of Year 9.
66. Students in Year 7 and 8, and their parents/carers will be invited to visit other secondary schools in September in order to make informed choices about transfer. Following suggestions from the BCC governing body it is now proposed that transfers should happen following the summer half-term break. This will help students to settle into their new schools before returning to start their GCSE options after the summer holiday.
67. The LA has agreed with the governing body of BCC that where students transfer under the transitional arrangements the LA will provide free transport where students live more than two miles from their new school. The LA will also provide school uniform grants as part of these arrangements.
68. Inevitably, consultation concerning the future of a school causes anxiety and uncertainty for students and staff. Regrettably, some parents have already elected to move their children to other schools that have spare places. In these circumstances the LA will not provide free transport or uniform grants, as the LA does not wish to encourage the individual moves of students in advance of planned transfers. This approach has been challenged by several parents who have chosen to move their children in advance of the transition plans.
69. In the event of closure the LA will continue to work in partnership with the leadership of BCC, the wider school community, and with parents, in developing the transition plan and in managing its implementation.

HR Implications

70. There are significant staffing implications associated with a school closure. BCC has been managing reductions in staffing as pupil numbers have reduced year on year and further reductions would be required if BCC were to remain open. In the event of a phased closure being agreed, the LA will seek to retain key personnel in essential posts until BCC's final closure date, whilst meeting all of our statutory obligations as an employer. The LA has worked with the governing body, the trade unions and professional associations to agree a transition plan that seeks to maintain the staffing needed to ensure leadership of the school and to ensure high quality teaching and learning through the period of the phased closure. This includes measures to retain staff and additional support from other schools (see paragraph 28).
71. The Council Leader and the Cabinet Member for Education, Children and Young People have visited BCC and met with the students and staff. Elected members agreed that additional measures were needed in order to retain existing teaching staff and to encourage students to remain at BCC during the transition period. Therefore, in order to secure teaching and learning, those teaching staff who remain in employment through to the end of the proposed closure period, will be offered redeployment to other permanent positions. A redeployment scheme, based on these principles, is being developed in consultation with headteachers, governing bodies and the professional associations.

Equalities

72. Members of the Cabinet are aware of the Equalities Act 2010 and that in performing its functions, the council must have due regard to the need to:
- (a) eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under this Act
 - (b) advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it
 - (c) foster good relations between persons who share a relevant protected characteristic and persons who do not share it
73. In this case the most relevant protected characteristic is clearly disability.

74. Having “due regard to the need to advance equality of opportunity” involves having particular regard, to the need to:
- (a) remove or minimise disadvantages suffered by persons who share a relevant protected characteristic that are connected to that characteristic;
 - (b) take steps to meet the needs of persons who share a relevant protected characteristic that are different from the needs of persons who do not share it;
 - (c) encourage persons who share a relevant protected characteristic to participate in public life or in any other activity in which participation by such persons is disproportionately low
75. The steps involved in meeting the needs of disabled persons that are different from the needs of persons who are not disabled include, in particular, steps to take account of disabled persons' disabilities.
76. Having “due regard to the need to foster good relations between persons who share a relevant protected characteristic and persons who do not share it” involves having due regard, in particular, to the need to:
- (a) tackle prejudice, and
 - (b) promote understanding
77. Equalities implications have been considered and paragraphs 47-55 highlight the particular implications for students with special educational needs. A community impact assessment has been undertaken and is included as Annex 4. Community and property implications are also referred to in paragraphs 43-44 above.

Other Implications

78. There are no specific crime and disorder, or information technology implications arising from this report.

Council Plan

79. The provision of secondary education is a key responsibility of the council, which is recognised as a high performing authority in this regard. Successful educational outcomes for young people from all of our communities contribute significantly to the delivery of the council's priorities, for example, providing students with high quality education enables young people to contribute positively to

the growth of the city's economy. Above all, the interests of young people have been uppermost throughout our consideration of this issue, given our stated ambition to make York the best place in England in which to grow up.

Risk Management

80. This proposal was identified as offering the best solution to the very difficult position the school faces as a consequence of a falling roll, surplus places and a significant funding shortfall that cannot be sustained. There is a need to end the period of uncertainty for students, parents and carers, staff and governors.
81. If a phased closure is agreed then the process will require a strict project discipline that includes risk management. A project board will be established to oversee the phased closure process and all transition arrangements for students and staff. The board should will senior representation from the closing and receiving schools.

Conclusions

82. The LA has a responsibility to ensure an appropriate balance between supply and demand of school places so that resources are used effectively.
83. The report included the comments received during the statutory representation period (Annex 1 and 2). The original May report detailed the wide variety of views on the future of BCC.
84. Officers remain of the view that, on balance, the interests of children and families across the city are best served by a phased closure.

Recommendations

85. Cabinet is recommended to:
 - i. Consider the representations made in response to the statutory closure notice (Annex 1 and 2) together with the statutory guidance (paragraph 17-55).
 - ii. Approve the closure of BCC on 31 August 2014, as proposed in the previous report to Cabinet (15 May) and in the public notices which provide detail of the transition arrangements.
 - iii. Note that closure is conditional and will take effect if, by the date of closure, the Secretary of State has approved the increase in

the number of students to be admitted to Archbishop Holgate's School.

- iv. Note that the LA will work closely with the governing body of BCC and other schools to develop a comprehensive package of support for the school, and a detailed transition plan for students and staff, that seeks to ensure the best possible education throughout the phased closure.
- v. Note that the LA will work with Applefields School, other secondary schools, and parents, in order to relocate the satellite class that has been successfully established at BCC.
- vi. Note that the LA, with the York Education Partnership, will continue to develop further proposals to meet demand for school places as it rises over the next decade.
- vii. Confirm that a further specific consultation focussing upon the potential future use of the Burnholme site should commence. The LA will wish to explore options that make best use of the site whilst maintaining community facilities (paragraph 44 above).

Reason: It has been concluded that the educational interests of the children and young people in the city would be best served by a phased closure of Burnholme Community College.

Annexes

Annex 1 - Formal representation from the Burnholme Community College Parents' Action Group

Annex 1a – Summary of the comments submitted by the Parents' Action Group

Annex 2 – Representations received from individuals

Annex 3 – Current school attendance of *Year 7 to Year 11* pupils resident within Burnholme Community College catchment, at Jan 2012 census

Annex 4 - Community Impact Assessment

Background papers

- [Cabinet report of 15 May](#) - Secondary Education Provision on the East side of the city and the Future of Burnholme Community College

- [Public notices of closure](#) - Proposed closure of Burnholme Community College
- [Closure proposals](#) - Burnholme Community College Full Proposals

These documents can all be downloaded from www.york.gov.uk

Contact Details

Authors:	Chief Officer responsible for the report:		
Kevin Hall Assistant Director Adults, Children and Education Ext 4207	Pete Dwyer Director of Adults, Children and Education Ext 4200		
Jill Hodges Assistant Director Adults, Children and Education Ext 4207	Report Approved	✓	Date 10 July 2012
	Cabinet Member Responsible for the report:		
	Cllr Janet Looker Cabinet Member for Education, Children and Young People		
	Report Approved	✓	Date 5 July 2012
Specialist Implications Officer(s): Richard Hartle (Finance) – ext 4225 Jo Sheen (HR) - ext 4250			
Wards affected	All	✓	
For further information please contact the authors of the report			

This page is intentionally left blank

Formal representation from the Burnholme Community College Parents' Action Group.

This representation refers to the Report of the Cabinet Member for Education, Children and Young People, Janet Looker, entitled 'Secondary Education Provision on the East side of the city and the Future of Burnholme Community College', dated 15 May 2012 – hereafter called the proposal.

Summary.

In summary:

1. The Council claims it will keep community facilities, including a vital nursery, but only has funded plans to decommission the site.
2. There is no material evidence to show that all options to make BCC viable have been 'vigorously pursued' as repeatedly claimed on radio, in the press and at public meetings.
3. Future demand for secondary places will require BCC places by 2016 and there is no credible plan to meet future demand without BCC.
4. Closure does not properly recognise the services provided by BCC to SEN, disadvantaged and troubled children and there is no credible plan to preserve the same quality of services to these special groups.
5. Affordability has been grossly misrepresented through the consultation and there is no demonstration or indication that closure represents better value than retaining the school:
 - a. It was routinely repeated that the only source of funding for BCC was to top slice other schools when this is not true.
 - b. The full costs of closure are largely uncalculated and they are omitted from the proposal to misrepresent closure as being far better value than continuation of BCC.

6. There is a lack of evidence of active Council support to BCC and this suggests a strategy to starve the school of support in readiness for earliest closure.
7. BCC academic results show reasons to support it, not close it – Since financial issues are balanced and active options to support the school have not been ‘pursued with vigour’ closure is a political choice, not educational or financial.
8. Taken together these issues show that the consultation has not complied with statutory guidance and is a failure of the Council’s duty of care.

Introduction

This representation falls into the following parts:

- Part 1 – Inadequacies, inaccuracies, and misinformation in the Authority’s proposals to close:
 - Section A – Protection of Community Services.
 - Section B – Operating options already explored.
 - Section C – Future demand
 - Section D – Disadvantaged children.
 - Section E - Special educational needs
 - Section F – Parental choice
 - Section G – Affordability and best value.
 - Section H – Support to BCC.
 - Conclusion.
 - Formal complaint.
- Part 2 - Options to keep Burnholme Community College (BCC) open.
- Part 3 – Public accountability requirements in the event of closure.

Part 1 – Inadequacies in the Authority’s proposals to close

Section A – Protection of Community Services

The proposal says that community services will continue after the school has closed. There is no plan for how a big site, with large empty buildings, would be maintained so that evening classes, drama and sports clubs could continue, and there is no recognition of any duty of care on the Council to keep the site safe.

The proposal asserts that continuing facilities would be ‘cost neutral’ but does not explain how this could be achieved.

Instead the proposal also states that the site will be ‘decommissioned’ at a cost of £25,000 – a sum sufficient only to close the facilities.

A nursery provides a service of major community significance from the site, providing much needed local employment – its future is at risk from this proposal.

The proposal appears to mislead, making infeasible promises in the text that are not explained, planned or funded in the same paper. It does not show proper care and attention for the future of nursery services.

Section B – Operating options already explored

In the proposal, in verbal statements to Parents, on radio and in the press the Council has repeatedly claimed to have vigorously explored all possible avenues to keep BCC open: We have seen no evidence of this, despite repeated requests, and instead the Council is proposing to close a recently established, and superbly successful new facility for SEN.

The Burnholme Parents Action Group (BPAG) found that options such as a community café (building on existing coffee mornings in the school) collocating the Tang Hall Library and other ideas were developed by the school in outline and on paper. We found no evidence of active support for these ideas from the Council.

Despite BCC being directly next door to Applefields Special School, an SEN Satellite Class, recently established in BCC arrived only after the Council could find no other host. Far from BCC being the obvious first choice it was Manor School that was the Council's preferred option and BCC was not considered until late in the process.

We believe the Council wanted to close BCC in 2009, and failed, and so has done no more than fund BCC until the very next opportunity to attempt closure: To aid this they have misrepresented their support to mislead opinion about the viability of BCC and its site.

Section C – Future demand.

This year only 40 pupils selected BCC as first choice but 47 chose BCC as second choice, predominantly after first choosing Archbishop Holgate's Academy (AHA). BPAG found that parents are happily selecting BCC if they think they might not get their child into AHA. This means there is sufficient current demand in BCC catchment if AHA cannot take BCC children in the future.

Jake Wood, the Council's Policy Support Manager, reported this to the February meeting of the York Education Partnership Board, he said:

“...[demand for] places between Year 7 and 11 would exceed available places from 2017/18. It was noted that this data was secure as it was based on the number of children currently in school.”

This 2017 analysis leaves out inward migration that will be a major source of population growth particularly affecting York (Population Topic Paper - Arup Consulting, July 2011). In recent news, the Home Secretary is preparing contingency arrangements against mass immigration from countries within the EU - something only partly recognised in the Arup report and revealing a major upturn in migration pressure on York stemming from continuing economic problems in Europe: This means there are likely to be fewer school places than children needing them before 2017.

AHA is a big and very successful school and growing numbers of parents will continue to choose it from all across the City – this will put increasing pressure on AHA places to the exclusion of more and more BCC catchment children who will increasingly need BCC as their second choice because this same demand will also fill up other schools across York too.

We have asked for, but have not been given any glimpse of the plans for AHA and subsequent expansion in other schools - we believe that they do not exist in any credible form. In particular, we have requested architect plans for AHA, quantised and costed by surveyors, meeting building regulations. Instead, we have been told that the Council means to lodge BCC students in portacabins and then, presumably, to work out the details from there.

We believe the Council has no credible plan to accommodate its own inadequate projections of demand for secondary school places: Closing BCC will make this situation worse.

Section D –Disadvantaged children

It is already the case that BCC is often left with the children that other schools do not admit and, naturally, these are often low attainers from poor and challenged backgrounds for whom BCC provides a specialist

pastoral care...

The following is an extract from the submission made by Sue Williamson, BCC's Inclusion Officer, and it is printed in full because it needs to be a matter of public record:

So what kinds of experiences and problems do the pupils at Burnholme have that are different from pupils who live in more affluent areas? I carried out research into this theme, published by York University as my MPhil in 2010 - and over a 4 year period I tracked a sample group of 10 pupils who were all in the top set. No pupils had parents who had been to university, 1 pupil had spent time in a refuge for domestic violence, 1 pupil's uncle had been murdered, 1 pupil's father who had been a street drinker had been killed in a fight, 1 pupil's mother was in an institution for people with drink problems ... she died during the research. 1 pupil was sexually abused. 1 pupil gave birth to a child before she finished school - 2 others had their first child before they were 18. 1 appeared in crown court when he was 18.

And this is the top set not an unusually deprived year. 3 had a close relative who had died in traumatic circumstances!

But that is only part of the story - the beginning. The main Burnholme story is the story of great success - of skill and energy that staff possess for working with pupils encountering traumatic experiences, the compassion and energy the pupils have for helping one another - and the respect and understanding that everyone in the school has for the culture of the community. The final chapter of the Burnholme story is how the pupils leave - in my sample of 10 pupils, 9 pupils gained 5 or more GCSEs at grade C or above - and 5 of these gained all A/As/Bs - 6 of the pupils had gained a full A level in philosophy at Burnholme - 3 went on to university - 6 are in employment.*

If you break up a community school, then the community suffers. When that community is one of the poorest and most disadvantaged in a city, and the sense of belongingness that the school fosters is lost

and pupils encountering misfortune are in a large school with a different school culture - there are going to be consequences. More NEETS, increase in crime rate? Worse than this?

And this, from Martin Cross...

I think I could add a couple of points which I don't mind being quoted about

Firstly would be to back what everyone is saying that I have always had a very high opinion of Burnholme from working with the school over the last eleven years. I have always felt that the staff are very committed to the young people and get to know them as individuals. Young people I've met have often said to me how they feel valued at school. I think this can have a significant impact on young people's mental health and help raise their confidence and self-esteem.

Secondly would be about the potential effects on young people and their families of the school closure. I would imagine that the whole process of the school closing and then a move to another school will be a difficult experience for all the young people and that for some young people this could understandably feel overwhelming. I would be interested to know if this has been taken into account in terms of the support that young people and families would need to help them through this transition. It may be that we see an increase to Child and Adolescent Mental Health Services as a result.

I hope this is useful and do let me know if I can be of any more help. I wish you luck with it.

The proposal and consultation show a disregard and lack of care for disadvantaged children. Comparisons of costs and results between BCC and other schools have not been adequately adjusted for the extra challenge faced by BCC and deaf ears have been turned to any argument concerning emotionally, socially and economically challenged children from two of the most disadvantaged wards in York.

It is our view that the proposal has a careless and cavalier attitude towards disadvantaged children, and towards the special contribution from BCC, and that the Council has failed in its duty to pay specific care and attention to the interests of disadvantaged children.

Section E – Special Educational Need

The degree of SEN loading on BCC was radically understated in the proposal and had to be corrected...

I write with reference to a document you have written about Burnholme Community College - and which is intended to form part of the LEA's case to York Council for closure of BCC - in which you state as follows:

" BCC currently has 286 students, including eight students with a statement of Special Educational Need and 32 students who currently receive additional support".

I wish to point out that this is substantially incorrect and gives a misleading account. As the Inclusion Leader for BCC I am in a position to inform you that for the previous 5 years the % of pupils on the SEN register has remained at around 30%. This academic year is in keeping with this pattern; the amount of pupils on the SEN register is 81. When the pupils with a statement of SEN are subtracted from this, the amount with additional needs is 73. I should be obliged if you would correct this figure.

A brand new Applefield's SEN satellite class was established in BCC only 6 months ago and it has proved an outstanding success – more children are due to join it in a few months time but it is now facing closure and relocation: This despite pedestrian access between the schools being recognized by all as a significant factor in its success: A short walk provides two-way access to all the facilities and support available in Applefields.

Provision elsewhere will degrade this service, requiring specialists and children to travel to and from Applefield's facilities. Extra funding would be

needed to employ more specialist teachers to compensate for time lost in travel, to provide comparable facilities elsewhere, and to pay for travelling expenses of staff and chaperoned shuttle of children between sites - the proposal includes £100,000 for reprovision of the classroom only and there are no other costs recognized: This means the Council plans to significantly degrade SEN services.

The exceptional SEN value of BCC was outlined by representation from experts both to the Council and the BPAG, as follows:

Currently York has 2 special schools. Hob Moor Oaks Primary School is part of the Hob Moor Federation, collocated with Hob Moor Primary and is an extremely inclusive setting. Parents whose children attend Hob Moor Oaks value the fact their children are educated alongside their mainstream peers and have formal and informal opportunities for inclusion.

Burnholme Community School is adjacent to Applefields Secondary Special School. An extremely successful satellite class was established at Burnholme Community College in September 2011. This provision has really strengthened the links between the two schools. Burnholme Community College is a welcoming inclusive school with a can do attitude and a real interest in the individuals who attend the school. The collocation of the two schools provides the potential for developing a true centre of excellence in inclusive secondary education.

The close proximity to Applefields enables students based in the satellite provision to easily access medical, speech and language therapy and physiotherapy services and after school provision, which would be problematic if this resource was based in a different secondary school. The opportunity to strengthen and develop the links between Applefields and Burnholme Community College provides the opportunity to replicate the inclusive approach to special education that is available to parents and pupils at Hob Moor Oaks. This inclusive approach increasingly is what parents are now used to and want for their children.

*There is an increasing body of literature and research both nationally and internationally which confirms the success and benefits of small schools and the importance for a wide range of young people to relate to a smaller number of key adults in order to succeed and learn at secondary school. Further information can be found at : <http://www.hse.org.uk/index.php/research-publications/occasional-papers/> . The recent research by Barry Carpenter (**The Complex Learning Difficulties and Disabilities Research Project** Developing pathways to personalised learning) Identified the increasing numbers of pupils in mainstream schools with complex learning difficulties who require a personalised approach to teaching and learning also should be taken into consideration.*

An expert assessment of the (in our view) irreplaceable qualities of the BCC Satellite is attached to this representation and forms part of it.

The proposal has no funding to make good the inevitable degradation in service caused by relocating the SEN Satellite and challenged children into schools that are miles apart from Applefields – the proposal withdraws quality services from SEN children.

It is our view that the proposal has a careless and cavalier attitude towards SEN, and towards the special contribution from BCC, and that the Council has failed in its duty to pay specific care and attention to the interests of SEN children.

Section F – Parental Choice

Parents of economically and socially disadvantaged children actively choose BCC because it is able to provide a small school community in which their children can survive and thrive. These families cannot run a car and BCC allows their children to walk or cycle safely to school within their own community. Archbishop Holgate's is the nearest alternative school but it lies on the opposite side of the Hull Road which is a dual carriageway arterial road that is extremely busy at rush hour – asking children to walk or cycle from BCC's streets does not respect child safety.

Closure of BCC will leave parents with AHA as the only practical and increasingly forlorn option as demand for places in AHA rises (see above): It is a big school, a faith school and an Academy lying outside the community (2 or 3 miles distant for some families) and any of these qualities may not meet parental preferences.

Planning permission for the new Derwenthorpe development cited BCC as the school providing education to children moving there. Now that Derwenthorpe is being built the Council has, in our view quite cynically, moved to close the school. The trip to AHA for children arriving in Derwenthorpe will be difficult if taken by safe and recognised routes.

We believe BCC closure is an affront to parental choice amongst the City's most challenged and often troubled families and it removes educational services underpinning Derwenthorpe development.

Section G – Affordability

The proposal does not contest the educational value of BCC but says that the only reason to close it is that it cannot be afforded: The BPAG has not been able to elicit, from the Council, any evidence to substantiate this claim despite repeated requests.

The only reference to the cost of creating sufficient future places after BCC closure is paragraph 82 that says:

....the potential cost of replacing 600 places, removed by the closure of Burnholme, by investing incrementally at other schools where demand increases, is not considered excessive compared to the costs of keeping the college open and the savings generated from closure'.

The proposal does not discuss or present a costed plan for 'other school expansion' to provide the places needed before 2017, but only quotes £2m for AHA expansion – a figure that appears to be a guess.

The proposal does not set out a plan for schools without BCC or its cost, nor does it compare the costs of school expansion with the (incomplete and adequately calculated) costs of closure that are in the proposal. We believe that the Authority does not know the costs of expansion to schools to replace BCC places and so cannot claim that school expansion is better value for money than retention of BCC.

The proposal does outline, but in a single round number that appears to be a guess, the cost of expansion to AHA – this is put at £2m but this expansion will only accommodate under ½ of BCC’s existing places. This suggests that a fully costed school expansion plan to fully replace BCC would be £6m and more, taking 4 to 6 years.

The proposal also disingenuously states that the cost of subsidising BCC would be £5.4m, over an 8 year period, but this does not factor in rising numbers in the school that would progressively see it become self-financing. Using the proposal’s own logic, we would estimate the likely cost to subsidise BCC, for the same 6 year period as the competing school expansion plan, to be between £3- 4m and so significantly less than the cost of expansion elsewhere.

Taking these affordability arguments together we believe that the Council has gerrymandered and misrepresented costs to falsely accuse BCC of being a dead-weight on the finances of other schools. The Council has made great play amongst the media and parents of the cost of BCC subsidy to other schools – a cost of £60,000 per school has been relentlessly repeated: This is disingenuous because it:

- Fails to mention that other schools have vacancies and deficits that are also being subsidised.
- Ignores that the Council has options to move money into the education budget according to its priorities.
- Inadequately recognises the additional costs of closure that, by the proposals’ own logic, would have to be found from schools too.

It is our contention that the costs of replacing BCC are likely to be more than the costs of keeping it open: At a time of uncertainty about rapid growth in demand for secondary school places the Council is taking a blind and expensive gamble with school places, parental choice and taxpayer's money.

The honest representation of facts would be to say that the Council should choose to subsidise BCC as the least risk and best value option but it chooses to gamble and to finance closure instead – we believe York citizens have been actively misled regarding affordability and best value.

Section H – Support to BCC.

The Council has continually asserted that it has worked tirelessly to help BCC to recover a decent (and now well-founded) reputation amongst its community but the BPAG found the following issues:

- Parents in feeder schools unaware of BCC open nights when filling in their preference forms.
- BCC prospectuses not distributed alongside materials of other schools.
- Significant numbers of parents reporting anti-BCC prejudice in other schools.

The BPAG also found widespread ignorance of the achievements of the school, even within its own catchment. For example, very few knew that BCC has won national awards for its Art Department, its Science department has won a cash prize from Rolls Royce, its Business department won best team award in competition with schools across North Yorkshire, and BCC rugby league teams are amongst the best in the County.

The Council claimed ignorance of these issues and assured us that, despite what was found, the school had been appropriately promoted.

We do not believe this because the evidence is wholly commensurate with a Council strategy to starve the school of support in readiness for a second attempt at closure as soon as politically possible.

Conclusion

This representation is frank about our beliefs and we have used this candour throughout our consultation on the proposal. We are as ready to be proved wrong now as we have been through the last 3 months of work with the Council. However, we repeatedly raised our questions and suspicions but we have not received adequate answers to them - we therefore must conclude that our suspicions have foundation and that the proposal is flawed as we suggest.

Consequently, we believe that the intention of the Authority, since BCC was rerieved in 2009, has been to close BCC at the next and earliest opportunity: This is why a five year plan was not properly sponsored and why it was abruptly withdrawn at the first sign of difficulty.

In our opinion, the arguments above show that the Authority failed to follow statutory guidance in production of its proposal and in its consultation: We reserve the right to challenge both in law.

We are frankly appalled that it is a Labour Administration, loudly professing support for the needy in a time of austerity, that has written this proposal: A proposal to close a school that has made a breakthrough for SEN in York and that is working wonders with economically and emotionally challenged children in two of the most deprived wards in York (Hull Road and Heworth).

We name Janet Looker and James Alexander as the political drivers and joint authors of this proposal - without their support and direction the Authority and its officials could not have begun this action.

Formal Complaint

On behalf of BCC parents the BPAG makes the following formal complaint to the City of York Council:

That the proposal and consultation documents did not present a full, fair and balanced account of the BCC situation or all options for its resolution.

That Councillors and officials made wrongful, incomplete, inadequate and misleading assertions on radio, in the press and in public meetings to the detriment of a balanced and honest consultation.

That Janet Looker has pursued, directed and promoted a single-minded campaign to close BCC without care or concern for truth or fairness.

That CYC in single-minded pursuit of closure of BCC has shown disregard for the interests of SEN and disadvantaged children.

That CYC has not properly weighed all facts to ensure best value for the local taxpayer.

We submit this representation as our primary evidence but can provide more upon request.

Part 2 - Options to keep Burnholme Community College (BCC) open.

We believe that there will be little difference between the costs to close BCC and the costs to keep it open: Add to this the Council's own forecasts of population demand and no further argument or options are needed to keep BCC open.

Nevertheless, several options have been tabled but all remain incompletely explored because of a fundamental lack of support for BCC. They include:

- Extension to community services by a public access café, building on existing coffee mornings at the school.
- Bringing Tang Hall library into school premises.
- Creation of a 'through school' by merger with a local Primary.
- Creation of a sixth form college and 'federated' specialist secondary support to other schools around key BCC facilities (eg drama studio and sports) and curricular expertise (eg arts and business).
- Accommodation of a stand-alone primary pupil referral unit with access to SEN and child mental health services already integrated within BCC – this would relieve increasing difficulties within the existing referral arrangements (see appended booklet that was presented to the Council Cabinet prior to their decision - it forms part of this representation).

We believe that the case for closure of BCC is narrowly made to suit a political agenda. The Council has steadfastly refused to take an integrated services view, specifically in order to paint a most deleterious view of BCC by:

- Insisting all money must come from other schools when this is not true.

- Failing to recognise how existing ‘federation’ and sharing of resource with other schools already saves costs and improves educational outcomes in other schools.
- Failing to consider how BCC benefit to other schools and to wider children services could be developed further.
- Failing to explore how the BCC site and assets could generate significant savings in budgets outside education – eg community services and social care.

The BPAG’s own proposal, submitted during the consultation, has not had a reply from the Council and so we conclude that it has been dismissed without any consideration.

We believe a political agenda is being run at the expense of honesty, transparency and fairness – valid arguments are not being listened to and viable alternatives are not being pursued.

Part 3 – Public accountability requirements in the event of closure

The BPAG, to the extent that we have been able to examine the facts, are convinced that closure of BCC is a grave error that will cost as much, or more, than retaining the school. We further believe it involves serious risk to education in York.

Attached is the booklet presented to York Council Cabinet that adds other perspectives on our argument, especially those of the children and parents affected. We believe the BCC Community and all citizens of York have a right to understand the outcomes of closure and to hold accountable those responsible for it.

To this end we give notice that we request and require, on behalf of the taxpayers of York, that separate and clear account be made of the following:

- Tracking of all children caught in BCC closure so that the results of BCC may be reconstituted as if it had still been open – we require this until the last pupil currently in BCC has completed their GCSEs.
- Clear and separate account of:
 - All Council funding of extension in AHA, including temporary provision of accommodation and any other costs in AHA associated with the influx of BCC children.
 - All costs of closure of the BCC site and Council funding of any community or other services remaining on it.
 - Additional busing costs for children caught by BCC closure.
 - All Council funding of extensions or similar arrangements in any school in York to accommodate rising numbers.
- Full account of class sizes in York secondary schools, by school year.

We give notice that, if necessary, we will submit Freedom of Information Requests asking for this information – If simple procedures for collection of

this information are put in place now we would not expect provision of it to be unduly onerous.

Good Practice Case Study



The Establishment of a Satellite Class for pupils with severe and complex learning difficulties within Burnholme Community College

Case Study completed by: Carmel Appleton.
Advisory Teacher for Complex Needs. Applefields School

Background

In September 2009 formal expressions of interest were sought from interested CYC mainstream secondary schools in developing a partnership with Applefields School to establish satellite provision for a group of secondary aged children with severe / complex needs. The pupils would be on roll of Applefields School with the provision of teaching and support by staff from the staffing establishment of Applefields School. It was expected that these staff would be integrated as partners into the host school's staff community.

Burnholme Community College was one of three schools who expressed an interest in hosting the provision. The satellite provision was successfully established in Burnholme Community College in September 2011.

Overview of Provision

The Satellite Class based at Burnholme Community College offers a supportive inclusive provision for a group of KS3 pupils from Applefields Secondary Special School.

The pupils have a dedicated form base within school and access a range of opportunities.

including:

- inclusion in mainstream groups - a personalised inclusion timetable reflects each pupil's individual strengths and interests.

- the use of the school facilities
- involvement in lunchtime clubs, break times, assemblies
- involvement in special events and 'Option 6' Days.
- participation in the house system

The Satellite Provision is also accessed by Burnholme students who are working well below age related expectations for appropriate parts of their curriculum.

Burnholme Community College supported the establishment of the Provision by:

- Having a welcoming, inclusive and can do attitude. This has been from the entire Burnholme community - Teachers, support staff, admin team and pupils.
- The Senior Leadership Team working in close partnership with the Head Teacher and key staff from Applefields School to plan the provision in Spring / Summer 2011. This involved the Head teacher, Head of Lower School, SENCo, Business Manager, and Assistant Head – Curriculum.
- Providing a spacious well positioned base room. The base is in a central position on the ground floor, near the key stage 3 playground, toilets, disabled toilet and Burnholme Diner.
- Providing access to all school facilities both curricular and extra curricular and access to the mainstream school's ICT network including pupil passwords and internet access.
- Staff contributing to Satellite pupil's Annual Review reports.
- Providing support from mainstream school administration as required.
- Supporting the transition of the satellite pupils in the summer term and start of the autumn term. This included
 - providing a room to host visits as the Satellite Base was being not ready.
 - BCC SENCo and Head supporting parent and pupil visits.

Annex 1

- Head teacher talking in all Year Assemblies about the planned setting up of the Satellite Base.
 - Organising pupil mentors to support the transition visits.
 - Inclusion in Yr 6 Transition Day activities.
 - Sharing of all school documentation – including ‘Starting Life at Burnholme Community College’ and ‘Staff Handbook’.
 - Involvement in Yr 6/ 7 induction activities e.g. Parent and Pupil Barbecue, visit to Lotherton Hall, Yr 7 Drama Day, School photos.
 - Induction activities for satellite staff in the summer term – meeting with Head teacher and SENCo re school policies, procedures and support available including staff buddying, training on computer network.
 - Opportunity to talk to whole staff group about key information about the satellite pupils at the start of the September Term.
- Involving Satellite pupils all aspects of school life and making them feel a valued part of the Burnholme Community.

Positive Outcomes and Impact of the Establishment of the Provision:

- Greater choice of inclusive provision now available within the City of York. Parents now able to apply to Applefields School and express a preference for their child to be part of the Satellite Provision. This has prompted applications to Applefields from two sets of parents for pupil places in the next academic year. Positive interest from mainstream parents of pupils currently in Yr 6 who see the provision as an asset for their child with SEN.
- Pupils well settled and progressing well in the Satellite Base and very high degree of parental satisfaction with the provision. This is evidenced by assessments held in Satellite Base, pupil annual review reports including pupil and parental contributions.
- Closer working and understanding between staff and pupils of both schools, this is evidence by the working practice

Areas for development to build on good practice in the first year and embed collaborative working between staff of both schools:

- Collaborative work to support the needs of low attaining pupils across the school including curriculum planning, moderation and assessment.
- Extend provision into KS4.
- Provide professional development opportunities for Burnholme Staff to work alongside staff in the Satellite Base.

Keep Burnholme Community Business College Open



Written on behalf of Parents by the BCC Parent's Action Group:
Dawn Leatt, Gary Douglas, Darren Whittaker, Adrian Fisher A.C.M.A.



I have taken this sense of pride with me into the world of work and every day life and take great pride in saying I went to Burnholme school. I feel it would be a massive shame and complete disappointment to people of York and especially the community of Burnholme if this school is closed”

GT – 2001 leaver

Contents

1. Why closure would spend £1,263,000 that could otherwise protect services and jobs.
2. Why closure would not improve but adversely affect education standards in the short term.
3. Why closure would fail our most vulnerable children.
4. Why closure would destroy a chance of creating a flagship SEN and referral provision.
5. Why closure would leave the City with no strategic options to cope with rising demand for places.
6. Why closure would close a school that would be viable shortly after its gates are closed.
7. Why closure would inevitably lead to the loss of invaluable community facilities in a needy area of the City.
8. Why closure would see an entire community bussed across York and deny parental choice to it.
9. Why closure is against all that the Council stands for
10. How to make it work
11. Annex A – The true costs of closure
12. Annex B – The positive alternative
13. Annex C – Burnholme’s Results 2011



...coming from a low income family they also helped my finances...for my GSCE art exam and made sure that I could always take part in after school activities. Without this I wouldn't have been able to go on to college and study for a futher 3 years and secure my future job.

Stacey Corner 2001 leaver

Why closure would spend £1,263,000 that could otherwise protect services and jobs.

The Authority's paper sets out:

- An option to close Burnholme Community College, and
- A 'Do Nothing' option.

The Closure option shows 'Optimism Bias' - the natural and unconscious tendency to favour the preferred option by underestimating risks, issues and costs involved.

The Do Nothing option looks as if it is the 'Keep Burnholme Open' option, but, it is not - it fails to consider what may be done to improve the school's position should it stay open.

Annex A shows an analysis of the 'closure' option (Annex 7 to the Authority's report) suggesting that costs are understated and that when all is fully accounted...

a 'worst case' cost could be in the region of £2,000,000

...money that would be better spent protecting key services and jobs, including investment in Burnholme.

A real 'Keep Burnholme Open' option, that would make this expenditure on closure unnecessary, is presented below.

There is no escaping significant costs, both moral and financial, from closure of this school.

The closure plan re-arranges education without improving its outcomes and it puts at risk the City's ability to deal with the demands of future growth (see below).



This school offers a high level of education and nurtures those in need of a little extra help. I hope that it is still open in 10years when my little boy starts his secondary education.”
Dr Lisa Marie Ashes – 1994 leaver

Why closure would not improve but adversely affect education standards in the short term.

Burnholme Community College is a small school where every child knows and cares for every other, across all years...

It is with total honesty that I can say that Burnholme was and still is so much more than a school... its a surrogate family to all who pass through it and it will always have a place in the heart of all of us who were once part of the Burnholme family.

The small school community of care, mutual respect and friendship is the secret ingredient in Burnholme and forcing pupils from it will be particularly distressing and demotivating for many.

Breaking up this extraordinary school to leave half its pupils in an empty, dying and dead-end school will damage education standards for those children.

Breaking up this extraordinary school to forcibly bus half its pupils into portacabins in an already big and full school cannot help their educational prospects either.

Cramming unhappy and disaffected children into an already big and full school will not help any child already in that school and the standards of the receiving school must be at risk.

Parents and special needs professionals have expressed real concern for the future of some of the children caught up in this disruption – they will be failed by it and the cost of failure is alternative provision that is 4 times the cost of mainstream, potentially leading to lifelong personal and social costs.

Either the Council makes expensive provision to avert educational failure or it pays for the consequences of it - perhaps for a lifetime. There is no escaping significant costs, social, moral and financial, from closure of this school.



Burnholme has been extremely supportive of many young people with mental health, social and learning problems who have been treated at Lime Trees. Staff have always done their best for the children...and made a huge difference to their futures... The ethos at the school has always been ... caring towards the most vulnerable. I sincerely hope that the planned changes do not go ahead.

Dr Chris Williams Consultant Child Clinical Psychologist

Why closure would fail our most vulnerable children.

A new Special Needs Satellite Class embedded in Burnholme was set up only 6 months ago – it represents many years of diligent planning by SEN specialists: It is a pilot, meant to expand to ever more mentally and physically challenged youngsters – our most vulnerable and needy children.

Though a run away success, closure would see it sit in an empty and dying school, with no expansion plans, and with no idea how or where it will go next! This innovative provision is providing fabulous help to vulnerable and easily damaged children – kids who will not understand or cope well with disruption and whose progress will be adversely affected by these changes.

“The day after closure was announced in school I had my SEN daughter sitting on the sofa, crying her eyes out, and refusing to get into her minibus to school – She kept repeating ‘I can’t go to my school –they are closing it. I like my school’.”

The Satellite is next door to Applefields, with easy access to medical, speech & language therapy, physiotherapy, including specialist after school provision, and there is a constant traffic through the connecting pedestrian gate – a walk-in, walk out access to experts and specialist facilities that is utterly invaluable.

And it is not only the SEN Satellite that benefits. Many parents choose Burnholme because it is a small school that can provide personalised care for their child. Many in Burnholme mainstream struggle with behavioural problems and psychological insecurities and the imminent presence of SEN specialist throughout the school, alongside understanding teachers who know them, means these kids who would otherwise disrupt or quietly fail instead prosper, their issues unnoticed by their peers.

Closure of Burnholme Community College will fail our most vulnerable and needy children: those already in the Satellite and all those who would join it. There is no escaping significant costs, social, moral and financial, from closure of this school.



Send my child to a large school, where he is one of a crowd, and I know he will be disruptive and we will have nothing but trouble with him.

Current Burnholme Parent

Why closure would destroy a chance of creating a flagship SEN and referral provision.

Burnholme can use its small school community to make a unique contribution to quality education in York because:

- Burnholme is able to provide tailored education to children from low income and challenging social settings who would struggle in larger impersonal schools.
- Burnholme already has excellence in statemented Special Needs through its Satellite partnership with Applefields that can and should grow.
- A Pupil Referral Unit, with wholly separate entrance, playground and classrooms could be established, with Burnholme as a natural mainstream transition for primary children successfully progressing from referral to mainstream.

Burnholme already deals with SEN and challenged children without impact on its gifted and talented children or the general mainstream. The addition of a separate Pupil Referral Unit would resolve growing and unsustainable pressure on that service, at minimum cost: It would give York a fully integrated Referral, SEN and pastoral care option that is geographically and organisationally integrated with York's SEN and child mental health services.

It would also preserve parental choice for all those needing small school care for their vulnerable child.

Strong interactions between special needs experts in the school and the main school itself are already in place to make this work: The addition of a Pupil Referral Unit would have obvious synergies and would transform the financial viability of the school – both Applefields and PRU having lodger status in facilities provided by the main school.

Closure would cost much more than keeping the school open in the short term: This proposal (allied to steeply rising demand for places – see below) would make a thriving school the cheapest and educationally best option for the long term. Annex B outlines costs and benefits.

Speak with SEN and behavioural experts about the special contribution Burnholme Community College does, and could continue to make before you decide to close this extraordinary educational asset.



In our judgement, based on current evidence and the assumption of an early to medium term return to growth long term provision should be in the range of an annual average of 780-800 dwellings per annum on average.

Population Topic Paper – Arup Consulting July 2011

Why closure would leave the City with no strategic options to cope with rising demand for places.

Primary Schools in York have just received £2m in extra funding because of larger than expected intake – large numbers of children are already on their way towards Secondary education.

York's population is growing at over double the UK rate and, in the next 5 years, is likely to grow by nearly 12,000 - that could mean 1500 to 3000 more children in the City.

York Council's own prediction is that, for the foreseeable future, 800 new houses per annum need to be built if York is to grow and prosper – drawing in yet more new families and Secondary age children. (Arup report to CYC.)

500 new houses are coming on stream directly behind Burnholme, in Derwenthorpe, and another 2,500 must inevitably follow because, as the Arup report also says, currently identified building land will not be sufficient.

There are currently only 800 spare Secondary places, all years, in York schools

The strategic choice is clear at a time of huge uncertainty around future school numbers, either:


1. Run a major risk of ending up with too few places to provide a quality education to York's children.

Or,

2. Keep open a small school to provide places when demand inevitably rises- a school that also delivers unique services to priority communities in York.

Speak with SEN and behavioural experts about the special contribution Burnholme Community College does, and could continue to make before you decide to close this extraordinary educational asset. Look again at your strategy for prosperity and growth and the pent up demand about to break on the City.

Keep Burnholme Community College open.



...we consider that our central scenario of 960 additional jobs per annum to be a realistic figure... growth in the Science City sectors is expected to deliver higher levels of employment creation... These trends are likely to be reflected in migration

Population Topic Paper – Arup Consulting July 2011

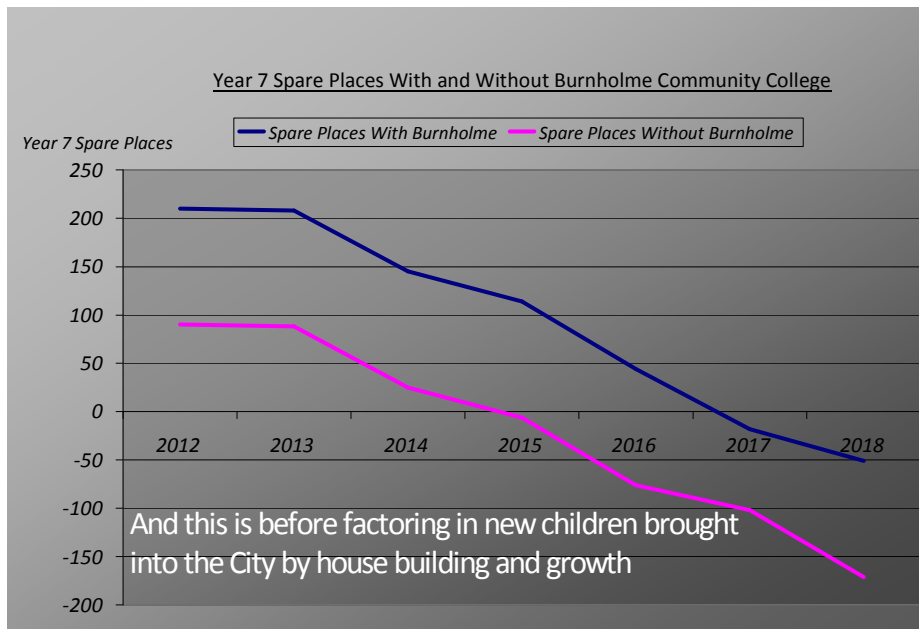
Why closure would close a school that would be viable shortly after its gates are closed.

A small investment to establish a badly needed Pupil referral Unit would significantly help the financial viability of the Burnholme school and site – it would also transform its significance as a principal education asset for York.

But, even without this needed development, Burnholme would likely become self-financing simply because steeply rising demand for places would make it so.

Parental choice now rules and this means that growing demand anywhere in the City, and its environs, puts strain on good schools - when demand outstrips supply (as the above shows it will) allocation of places then falls back on catchment.

Where will the children of Burnholme catchment go when other schools are already over-subscribed? Burnholme places will be needed because demand is set to grow steeply:





The College facilities provide so much for so many people and it is vital to keep them ... I think the college acts as a hub for the community as a whole, and to take it away would be like taking the heart of the community away.”
Ray Tudor – 1995 leaver

Why closure would inevitably lead to the loss of invaluable community facilities in a needy area of the City.

The Council says it wants to preserve the invaluable community facilities provided by the school but this is an unrealistic and forlorn hope if Burnholme Community College closes.

When money is so scarce it will not be possible to maintain evening classes and evening sporting facilities alone - The Council would have to pay considerable sums to keep a predominantly empty and otherwise useless building safe, weather-proof, warm and free from vandalism and dereliction – a totally infeasible proposition without the underpinning of a successful day school. Otherwise it would need to demolish the school and make good the site to just leave evening facilities – a huge cost and no part of plans for closure.

Perhaps the Council is prepared to pay out large sums to keep some sports fields and occasional use classrooms – But that cannot make sense and it would beg the question ‘What price is a strategically important school that serves a needy community?’

Closure of the school will inevitably lead to the loss of very important community facilities, operating in an area of recognised need, and serving the whole City and its surrounding communities.



My experiences at Burnholme have not only changed me as a person but also helped me shape the career that I am in. The relocation of all the children/young adults from the area to other schools would be demoralising to the community.

Paul Buckby – 1996 leaver

Why closure would see an entire community bussed across York and deny parental choice to it.

With Burnholme open almost all children walk or cycle to school.

The nearest secondary school to Burnholme is Archbishop Holgate's Academy but for many this is beyond reasonable walking distance and involves crossing Hull Road for cyclists - so children will need to be driven to school. This is recognised in the closure plan that includes costs of bussing children across York.

Some parents will not have the means to drive their children to AHS and the next nearest school is Huntington that is even further away. This means bussing will have to be a permanent feature after closure with all the costs, traffic problems and sustainability issues this involves.

Bussing an entire community's children to be reluctant part players in another area's school is not provision of quality education for the community at Burnholme.

Such a preposterous idea can only be suggested because it is Tang Hall kids and nobody but Tang Hall cares – Try suggesting it for advantaged areas and imagine the outcry from more articulate, better connected and better organised communities!

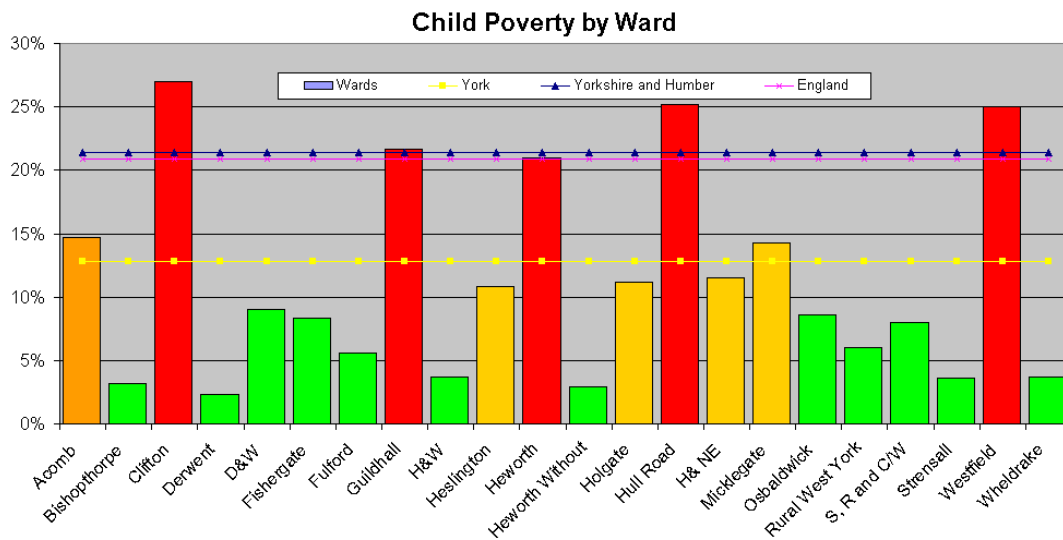
Because of the difficulties of travel across York, parents in Burnholme will have only one practical choice and that will be Archbishop Holgate's School: This is a big school, a faith school and an Academy and there are many parents who do not want to choose any of these options - but they will have no other practical choice .



The best thing though, to come from my time at Burnholme are the people I met at school, a couple of my friends from school are like my family. Our friendships are effortless and Burnholme was our meeting place all those 10 years or so ago on year 6 day and now we sit and watch our children play together.

AG – 2006 leaver

Why closure is against all that the Council stands for



The Council aims to protect the needy from the severity of cuts – no-one in York is more needy than a child growing up in Tang Hall, Hull Road and Heworth (see graph above).

What James Alexander has said:

- “...we are focusing on areas such as employment and skills and family support, and... working to develop a financial inclusion strategy,”
- “with the right interventions and proper support.
- “With that support, people can aspire to achieve and that benefits the whole city, socially and economically.”

What closure would mean:

- **Closing** a Business College focussed on “employment and skills” and “proper support” for people to “aspire to achieve” to the benefit of “the whole city, socially and economically.”
- **Closing** a major community centre offering “right interventions” and invaluable sports, drama and other facilities to the benefit of “the whole city, socially and economically.”



Fast forward 6 years since leaving, and I am preparing to start work as a graduate trainee in assurance (basically accounting!) for a global professional services firm, having recently left Durham University with a first-class honours degree in Maths and Physics.”

LP – 2005 leaver

How to make it work

The Burnholme Plan is working:

Last year the target was 70 and 66 chose Burnholme – a mere 4 pupils down

This year 40 chose Burnholme with 47 second choices – a full school if second choices had ended up in Burnholme.

20 Hempland families (Burnholme’s main feeder Primary) chose Burnholme this year when only 6 did last year, showing parental choice is turning towards Burnholme.

School results improve year on year (see Annex C) and its value added matches the outstanding schools in York – pupils make the same progress in Burnholme as they would in the very best schools in York.

Burnholme isn’t full today for a combination of reasons:

- Burnholme has had only two full years of a 5 year plan to turn around a reputation for failure – Parent opinions have not had fair chance to change.
- Archbishop Holgate’s Academy, due to the extraordinarily low numbers of Year 7 students this year, were able to take all Burnholme catchment applications – something that rising demand and growth in York will soon make impossible (see above) – then where will Burnholme children go?
- Parents were wary of Burnholme because the imminent threat of closure was never lifted – as the current consultation shows.

So,

Invest in Burnholme’s future using the money that would be needed to close it - closure would cost a lot more and leave no options when demand for secondary places grows.

Create a small school provision of unique value in York, focussed on the most needy pupils from a most needy community.

Advertise the success and quality of Burnholme amongst parents and actively promote a school where gifted and not-so-gifted, well-adjusted and not-so-well-adjusted pupils make the best progress they can...



The location of the school also benefitted my friends and I because we all lived nearby and could see each other outside school hours. Again, I look back and can see how beneficial the school was in helping me form lasting friendships as well as a strong local identity. It would be detrimental to the area and its children if future generations aren't offered the opportunity to be taught by attentive staff in a nurturing environment."
Sam Johnson – 2003 leaver

Burnholme Community College

watch a thousand flowers bloom



Educating to the highest standard and building a
community of prosperity and friendship
in Hull Road, Heworth and Tang Hall

The future of any community lies with its children...

Burnholme Community Business College gives our most needy children the skills, confidence and self esteem for a life of work and self-reliant good citizenship.

Stand up for what is right.

Keep Burnholme Community Business College Open



My experiences at Burnholme have not only changed me as a person but also helped me shape the career that I am in. The relocation of all the children/young adults from the area to other schools would be demoralising to the community.

Paul Buckby – 1996 leaver

Annex A – The True Costs of Closure

The closure plan is to keep the full school running for 2 years with half of its pupils remaining in it, to finish GCSEs, while the other half is bussed to Archbishop Holgate's Academy (and perhaps other schools): The full costs of the school will persist while additional costs of closure are incurred on top.

There are a number of costs that seem too low or missing altogether:

We believe that key support staff will also need to be retained and the Authority's costs do not seem to reflect this.

Only £91,000 has been included to cover the costs of teachers who do not transfer effortlessly into jobs elsewhere.

The annual bussing cost appears low.

Decommissioning costs of only £25,000 either betray the fact that there is no real intention to preserve community facilities or the costs are too low.

The report does not include costs for expansion to schools to accommodate growing demand once Burnholme has closed (other than immediate work in Archbishop Holgate's Academy).

Neither does it include the costs of providing PRU and other services that could otherwise be accommodated in Burnholme.

It does not factor in the strong likelihood that some children will be failed by this disruption, requiring costly interventions, possibly including alternative provision.

Paragraph 70 of the main report purports to show how much saving would be made but it assumes that nothing positive is done to change the position of Burnholme if it stays open - it simply projects the current level of subsidy indefinitely into the future.

The council may also be mortgaged to an Academy for the next 25 years.

Annex A – The True Costs of Closure (continued)

The Council's costs of closure to end of 2015/16 are:

	2012/13	2013/14	2014/15	2015/16	TOTAL
	£000	£000	£000	£000	£000
Net Annual Additional Cost	151	215	491	406	1,263

This total of £1,263,000 is understated and the timing of expected payments need only change slightly to make the numbers even higher over the next 4 years. Then there is considerable risk around this complex plan that could cause yet more expenditure.

On the other hand, this paper shows that growing pupil numbers, augmented by genuine savings from PRU and Satellite expansion into Burnholme, would see Burnholme providing a net benefit to the Council budget by the end of 2015/16.



...loved every moment of the 5 years I spent there. All of the teachers were great and I always felt like there was someone to help/talk to... achieved triple distinctions in my course at college and now study at the University of York studying a degree in Law.

Matthew Walters – year 2009 leaver

Annex B – The Positive Alternative

Currently the Primary Children's Behaviour Support Unit at Westfield School in Acomb is closed and Primary aged students from there are now at Danesgate with the senior aged students. This is not ideal at all.

By turning the Burnholme reprographic room and Paul Gough's office into toilets (the sewerage pipes are already there) Burnholme could accommodate a large number of primary aged students with behavioural difficulties; They would have an entrance and playground quite separate from Burnholme senior aged students.

By simply blocking off access at the junction with the link corridor, and halfway along the Maths corridor on the first floor, a completely separate and safe teaching area would also be created.

Some reorganisation of room usage could be necessary but certain classes don't require specialist rooms e.g. Maths, Humanities.

The cost of conversion would be in the tens not hundreds of thousands of pounds - a fraction of the extra cost of closing Burnholme.



Burnholme Community College was one of the most important and influential institutions that I have attended. I am now educated to postgraduate level having recently completed an MA in Modern and Contemporary Literature and Culture at the University of York.

Sam Johnson – 2003 leaver

Annex C – Burnholme’s Results 2011

In 2011 Burnholme was a school witnessing many children boarding buses from outside its own gates to go to other schools. Nevertheless, Burnholme had its best results ever – part of a trend of improvement that is likely to continue with 2012 results set to be even better again:

Of Primary pupils joining Burnholme:

- 28% are below expected educational standards ('low attainers').
- 46% are around standard ('medium attainers').
- 26% are above standard ('high attainers').

For these children, Burnholme achieved the following:

- 98% achieved 5 GCSEs or more, and
- 88% of pupils gained 5 or more at A* to C grade.
- 90% of pupils entering Burnholme as 'high attainers' went on to achieve 5 or more A* to C grades, including Maths and English.

The Value Added score is a measure of how much educational progress a pupil makes from joining until leaving a school: Burnholme’s 2011 score shows that it matches the best in York:

- | | |
|---|-------------|
| ○ Burnholme Community Business College | 1012 |
| ○ Archbishop Holgate’s Academy | 1012 |
| ○ Canon Lee Community School | 1001 |
| ○ Huntington School | 999 |
| ○ Joseph Rowntree School | 980 |

This page is intentionally left blank

Annex 1a

Summary of the comments submitted by the Parents' Action Group (See Annex 1) with *Officers' response in italics:*

1. The council claims it will keep community facilities, including a vital nursery, but only has funded plans to decommission the site.

Paragraphs 43-44 of this Cabinet Report (17 July) confirms that the council will lead a full review of the potential options for the site, focussing particularly on the continuing provision of community facilities. The review will be informed by a consultation forum that will include community groups and partners.

2. There is no material evidence to show that all options to make BCC viable have been 'vigorously pursued' as repeatedly claimed on radio, in the press and at public meetings.

The initial public consultation noted the options that had been considered as an alternative to closure. The consultation document asked for people's views regarding these options. These were also noted in paragraph 20 of the 15 May Cabinet report. These options included merging BCC with another secondary school to create a split-site school, merging BCC with one or more local primary schools to create a 'through-school' for children aged 4-16, converting BCC into a new Academy. The LA has explored and debated these options with the governing body and with the wider school community. The report explained why these options did not address the fundamental challenge of falling numbers and reduced funding.

3. Future demand for secondary places will require BCC places by 2016 and there is no credible plan to meet future demand without BCC.

Paragraphs 30-41 of this Cabinet Report (17 July) address this issue in more detail. The initial consultation document and the 15 May report considered demographic trends and the future demand for secondary school places. Annex 3 of the 15 May report detailed predicted demand for school places, actual and projected birth rates, pupil numbers by catchment area, current school

capacity and surplus places in schools. This Cabinet report (15 May) acknowledges that it is difficult to predict with accuracy where demand will increase, given the changing impact of migration, birth-rate changes, progression of housing developments, the impact of parental preference and the potential for schools to increase admission limits as a result of new legislation. The report notes that the LA will bring forward proposals to meet demand as it rises over the decade.

4. Closure does not properly recognise the services provided by BCC to SEN, disadvantaged and troubled children and there is no credible plan to preserve the same quality of services to these special groups.

Paragraphs 47-55 of this Cabinet Report (17 July) comments on SEN issues. The report details the number of children with SEN on the roll of Burnholme in each year group (children with statements or recorded as School Action or School Action Plus). The report also notes the success of the satellite class, which provides a base for seven students (who are on the roll of Applefields School) within BCC. The report confirms that work is underway to secure a new partnership with another secondary school that can build on this success.

5. Affordability has been grossly misrepresented through the consultation and there is no demonstration or indication that closure represents better value than retaining the school:
 - a. It was routinely repeated that the only source of funding for BCC was to top slice other schools when this is not true.
 - b. The full costs of closure are largely uncalculated and they are omitted from the proposal to misrepresent closure as being far better value than continuation of BCC.

The financial implications of maintaining or closing BCC were set out in paragraphs 70-82 of the 15 May Cabinet report. The views of the Parents' Action Group are addressed in this Cabinet report (17 July paragraphs 56-63). It remains the view of officers and the York Education Partnership that BCC is no longer financially viable.

6. There is a lack of evidence of active council support to BCC and this suggests a strategy to starve the school of support in readiness for earliest closure.

This suggestion is refuted by officers and by the governing body of BCC. The LA has steadfastly supported the school, writing off a significant budget deficit in 2009 and providing over £1.3m of additional funding over the four years to 2012/13.

7. BCC academic results show reasons to support it, not close it – Since financial issues are balanced and active options to support the school have not been ‘pursued with vigour’ closure is a political choice, not educational or financial.

The LA does not accept that financial issues are balanced. The school cannot operate within the budget to which it is entitled under the local funding formula. The LA case has focussed on falling rolls, the fact that the school has over 50% surplus places, and the challenge of providing a full curriculum for such small year groups. The 15 May report noted the challenges facing the school in the future, and noted the risks of the new Ofsted framework. Annex 4 of the 15 May report provided details of academic results in all secondary schools. This Cabinet report (17 July) provides further information following the recent Ofsted inspection.

8. Taken together these issues show that the consultation has not complied with statutory guidance and is a failure of the council’s duty of care.

The council has sought to ensure that the consultation and decision making process has fully complied with all statutory guidance regarding school closures. The council has undertaken extensive consultation on this challenging and complex issue. The public documents record the extent and detail of the consultation process and the responses received. This report (17 July) sets out the statutory guidance to be considered by Cabinet when taking a decision about a school closure.

This page is intentionally left blank

Representations received from individuals

1. Mrs C, Parent. Email received 22 May

From: Mrs C

Sent: 22 May 2012 21:05

Subject: Objection

I write with regard to the recent notification by the City of York Council to begin the closure of Burnholme Community College. After hearing the result of the consultation, we have taken the decision after having being advised by a number of professionals at various levels working within the education sector to remove our child who is currently in year 8, from Burnholme as soon as possible rather than wait until the end of year 9 as intended by the City of York Council. I rang the educational services office last Thursday to enquire about looking around Huntington, Arch Bishops and Joseph Rowntree School and was told to contact each establishment to book an appointment. I was told that there are no spaces for year 8 children at Arch Bishops or Huntington so if we are to apply, we will not get a place at either of these schools. I then asked the question regarding funding from the Council for a replacement uniform and travel expenses to the new school and was told that this will only be made to people who keep their children at Burnholme until the end of year 9 - anyone removing their child before this time will not be eligible for any funding whatsoever.

I sent an e-mail to the educational services office at the council on Thursday querying this and finally received a reply today from Tom saying " " I can confirm that the transport assistance provided to children who had requested Burnholme for Year 7 entry next September has only been offered where the allocated school is over 2 miles from the home address. This same policy and distance is being used for transfers at the end of Year 9 for children currently on roll at Burnholme in years 7 and 8."

I find this totally unacceptable. My daughter chose to attend Burnholme and we backed her every step of the way due to the fabulous impression we got at the open evening and also the fact that it takes 1 1/2 minutes for her to walk there. When I pointed out to Tom that my niece who was due to attend Burnholme but has had to change to Joseph Rowntree will get funding for travel, he said that it was because she will be attending a school more than 2 miles away from her home. We live even further away but it seems one rule applies to one person and one to another.

Tom did say that we could chose to move our child to Arch Bishops, although we would not get funding as it is less than 2 miles from our house - we can't apply to Arch Bishops as there are no places so have no choice to apply to Joseph Rowntree as it is the only school near to us that does have places.

I find it immoral that you are holding families to ransom and discriminating against them because they chose Burnholme as the educational establishment to send their child to and maybe can't afford to pay bus fares to other schools. It could even be classed as being in breach of human rights:

Human rights are commonly understood as "inalienable fundamental rights to which a person is inherently entitled simply because she or he is a human being." Human rights are thus conceived as universal (applicable everywhere) and egalitarian (the same for everyone).

I therefore challenge your intention to only offer funding to children that transfer from Burnholme at the end of year 9.

I insist you give this e-mail the attention it deserves and reply promptly.

2. Mrs I, ex-pupil. Letter received 23 May

23.5.2012

To City of York Council.

As a past pupil of Burnholme secondary school, now Burnholme Community College, I am writing to ask you to keep the school open. You only want to sell it. To build houses on the land surrounding it. Give these children who attend the school a chance to learn. I was a pupil 62 years ago when the school first opened. It was a great school then. So I am betting it still is. Please leave the school alone. Leave it open. Find something to raise your funds. Like getting more from tourists you are so bothered about.

Yours sincerely, Mrs X

Aged 77 years

3. Mrs E, parent, letter received 25 May

Dears Sirs

I am writing to object to the closure of Burnholme Community College, I have a daughter in Year 8 and if it closes she will have to finish her last two most important years of her education in another school, she does

not need disruption and added pressure trying to fit in and make friends at the start of her GCSE's years. She is a bright pupil doing really well, but now with the thought of Burnholme closing it's already making her worried every day she asks a question starting with what if... so obviously it is affecting her already.

Why can't the school at least stay open until all the pupils have finished their education there? At least then the council would have a better idea of numbers of Primary school children coming through, also make all children in the catchment area of Burnholme go to that school like what used to happen.

I chose Burnholme and only Burnholme for my daughter to go to because I went there, all my nieces, nephews and eldest daughter went there, my daughter gaining 12 GCSE's of grade C and above. We all had a very happy time during our school years with no bullying, and everyone getting along together. I want exactly the same for my daughter who is there now.

I don't want her to go to any of the other schools, if I did I would have put them as a 2nd and 3rd choice.

Please, Please, Please reconsider the decision to close Burnholme, think how you would feel if it was your child that was being affected.

Yours sincerely,
X

4. Miss B, pupil, letter received 29 May

Dear Mr Dwyer,

I am writing to you as I am a current year 7 at Burnholme school. You talk about parents choice what about my choice? Do I not matter? I had a choice earlier in the year French or Italian I made my choice Italian. Now that has been taken away even though I have been told I will HAVE to do French where is my choice there. If I wanted to do French I would have chose French in the first place.

I am happy at this school

Your sincerely,
X

5. Ms R, parent, letter received 29 May

Dear Mr Dwyer,

I am writing regarding the closure of Burnholme School. We looked around all the Local Schools, my daughter chose Burnholme because of the size. Small schools in our eyes are better and she is doing well in all lessons. If she has to move to a big busy school, I believe this will do her education no good. All the teachers at Burnholme care and know all the pupils, we don't have to take a photo of our child to parents evenings, so the staff know who they are talking about, which, I have heard this happens at the other schools. At Burnholme my daughter is not just a number but she will be at another school if you make her move. Please keep this wonderful school open so these children can carry on getting a good education in a small and very friendly school. Yours sincerely
X

6. Mr F, ex-pupil, email received 3 June

From: Mr F

Sent: 03 June 2012 18:32

Subject: Closure of Burnholme Community College.

I would like to register my disgust at the attempted closure of Burnholme. Losing such a great school with high standards would be a massive loss to the local community. I have nothing but fond memories of my time there and of the excellent staff who work there. I suppose that it's all about the short term profits though isn't it, and I'm sure that the land would be well used to build some much needed student accommodation (please note sarcasm). This generation is being severely let down by politicians who are not helping local communities and if you support the closure of this school then shame on you for being part of the problem and creating fewer and fewer chances to our young. Burnholme takes in many children who are from disadvantaged backgrounds and instills a sense of self identity and community within a caring and nurturing environment. I expect you to stand up for me and the many others who oppose this closure"

7. Miss W, parent, email received 6 June

From: Miss W

Sent: 06 June 2012 06:48

Subject: Objection for closure

I object strongly to the closure of Burnholme. I have 2 children attending and another 4 I would choose to send there. The school is wonderful and right for a lot of children. If shut my kids education will be affected greatly. My eldest I transferred from Manor at the end of year 7 due to bullying. When I contacted the school about this they did nothing and

her form tutor reply to me saying she would not be returning and changing was "ok" and there was not even an apology or good luck to the future of my child !!! That is disgusting you see these big schools yes they are good but if your child isn't the quickest at learning they don't want to know to them they are just a number that gets left behind in the system . My child is a very polite well behaved girl but does lack confidence this is commented by all teachers past and present . When she arrived at burnholme she was 2 years behind for her age but they have worked wonders in just 1-2 years getting her there with the support she needs. She would not prosper in a large overcrowded school and I am sure this is the case for a lot of children . A small school is needed to ensure that all children across York are given the best start in life . The teachers all know each child individually and the needs of that child . Any problems are noticed and sorted with a result everytime . What will come of the 200 - 300 children attending if this happens ?? Disruption beyond repair !!! . Keep a small school open in York for the people that need it . Archbishops is so overcrowded there will be so many children having to travel across York to school when they have a right to attend a brilliant local school for there safety and best interests .

My deepest objections Miss W (current pupils parent)

8. Mr G, grandparent, email received 11 June

From: Mr G

Sent: 11 June 2012 12:02

Subject: Closure of Burnholme Community College

Having a granddaughter, attending Burnholme Community College (BCC), I am against the closure of this excellent school. As it stands, she will have to change schools, before her education has been finished, therefore causing even more upheaval for her in her short life, so far.

Would you also answer the questions asked in the document entitled FORMAL REPRESENTATION FROM THE BURNHOLME COMMUNITY PARENTS ACTION GROUP.

9. Mr H, parent, email received 15 June

From: Mr H

Sent: 15 June 2012 17:38

Subject: Proposed closure of Burnholme Community College.

Dear Sir, I wish to officially lodge my reasons for NOT closing Burnholme Community College. Firstly this education establishment caters for the community with which it is in and closing it would mean children

travelling further to a school. My son attends Burnholme and he is doing really well in his education, he hopes to join the RAF when he leaves school and he is well on track to do this, a move of school may disrupt him. I firmly believe that parents putting their children in to other schools at the advise of local primary schools has not helped. But I believe the main reason that the school does not have many pupils is due to the University of York. Many properties in the area are privately rented by students, paying a higher yield than a family renting the same property, this has effectively driven families out of the area, Archbishop Holgates catchment area covers many rural areas which are unaffected by the University students. I think you are being very short-sighted because I think in the near future the following will happen. 1. Derwenthorpe new village will provide students for Burnholme. 2. The University realise the financial benefits for getting students to live in halls of residence, thus they are currently building to facilitate this, the knock on effect of this is many houses in the area available to rent by families again. I was shocked at the way the council have already 'bulldozed' their way towards closing this school. It really does not make sense longer term to close this fantastic school, so what are your motives for doing this? Personal financial gain? The people of York voted for people to represent them, show us you can understand the feelings of a community and keep this school open. Can you also advise me as to when I can see all letters and emails of objection to this proposed closure.

10. Ms A, parent, email received 15 June

From: Ms A

Sent: 15 June 2012 18:37

Subject: Closure

I am writing to express my disappointment at the plan to close this school. My son attends the school and is currently in year 9. This was the only school that we both wanted him to attend, despite looking at the choices. He is very happy here and the education he receives is second to none. I am dismayed that a school with brilliant teaching, excellent exam results and a committed staff team has been over looked, brushed aside and earmarked for closure. The whole community will now suffer, as will the future education of the pupils. Despite your claims that the transition from school to school will be smooth, those children will be at the time in their life where they need stability and security so their education will not suffer. With having to move to a new school, one they didn't choose to go to, they will have to make new friends, get used to

new teachers and new teaching styles, then get ready to study for their GCSE courses. This will have a detrimental effect on them and their education. As for my son, he can stay, but you will only 'do your best' for the remainder of his education. Your guarantee of excellent education, that he is receiving now, would be far more reassuring. I think what is even more upsetting, is the lack of debate when it came to the decision to close

the school. It should stay open as statistics show pupil numbers will increase, when Burnholme closes. When this happens, what a sorry state the education of York's children, will be in.

Please think again and keep this excellent school open for the future of our children.

11. Mr D, pupil, email received 17 June

From: Mr D

Sent: 17 June 2012 22:48

Subject: Why close burnholme community college?

Why do you have to close Burnholme Community College while it is the only school that has Italian and it is a small school so, you wouldn't get lost if your new to the school. My opinion to get more students to the school is to change the name of the school and uniform because people will get more interested to the name of the school. That's all that I want to say. Hope my reasons are strong enough to keep the school open.

12. Ms K, parent, email received 20 June

From: Ms K

Sent: 20 June 2012 20:13

Subject:

dear mr dwyer please can you have another think about shutting burnholme community college as that was mine and my sons choice he really likes it there. i think it will really disrupt his education if he has to move schools at the start of year 10. his sister also has to start year seven at the same time. im sure if you work everything out properly school uniforms and bus travel will come very close to the cost of keeping the school open. it will be a massive ask of my 13 year old to make sure his sister gets to school and home safe because of the distance they will have to go. the students at bcc are like a family and they all love there school based in the community they all know each other and most of all the teachers no all the students. we all know in a few years you will have to build a new school because of student nos please have a rethink many thanks

13. Ms N, parent, letter received 2 July

Dear Mr Dwyer

I am writing to ask you to properly reconsider the closure of Burnholme Community College.

I have moved myself and daughter from Rawcliffe back over to Heworth where I was brought up and am back living with my parents intentionally on purpose for the sole reason of my daughters education.

She originally went to a school in Rawcliffe by after great consideration we left due to the fact there were too many pupils for the year she was in and was overlooked and left behind in the major subjects, this is because she is a quiet, considerate and studious pupil.

I chose Tang Hall School because it is a small school and close to our chosen secondary school of Burnholme College which is of similar size. At Tang Hall they have good sized classes where the children get the full attention of excellent teachers. In the first two weeks of being at Tang Hall where she was assessed properly she was upgraded 4 levels in reading and 2 levels in maths all because of the last school she was in a big class where unfortunately she was left behind due to the fact the teacher had so many pupils to deal with.

It has been our plan to move from Tang Hall to Burnholme to keep up the same level of education and hopefully even better it with it being a small school. I personally think with the class sizes teachers are able to give their undivided attention to the pupils so no-one gets lost in the system and it is like having a private education.

Archbishop Holgate and Huntington are the schools where it is suggested we send our children instead if Burnholme closes down, I for one am not happy about this as I have always felt there are far too many children there already.

I am currently on the Joseph Rowntree Housing Association list to buy a property on the Derwenthorpe site next to Burnholme College. When I originally got the plans and details for the local amenities Archbishop Holgate was listed as the chosen secondary school then approximately 6 months later I was sent details again which then listed Burnholme as the recommended secondary school, I think this speaks volumes for itself as the housebuilders have changed details for which many parents would be looking at schools when moving to a new property.

If Archbishop Holgate is already near to full capacity how will it manage? To be honest it seems to be a no-brainer but to keep Burnholme open as there will be an influx of children over the next few years from new developments in the area.

Please also note that parents and children from Archbishop Holgate have already been posting notes on facebook over Burnholme pupils moving there as there has always been rivalry between the two schools so could you imagine the impact this will have over everyone which will no doubt lead to big trouble.

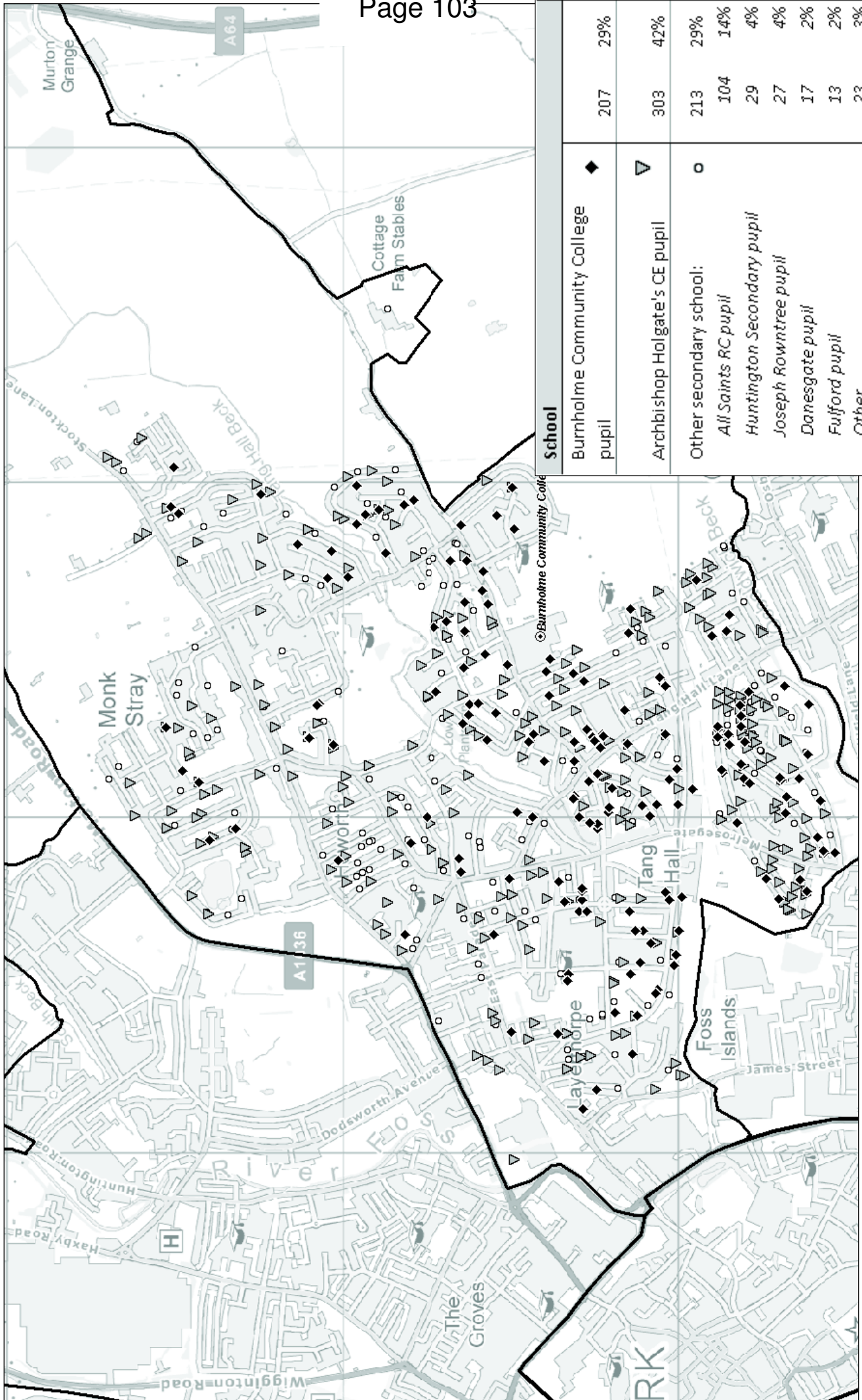
I am requesting that you please take this to heart from a seriously concerned year 5 parent whose child has already been overlooked in an already overcrowded school, to which if Burnholme Community College closes will undoubtedly be lost again.

Yours sincerely

X

This page is intentionally left blank

Annex 3 – Current school attendance of Year 11 pupils resident within Burnholme Community College catchment, at Jan 2012 census.



School		
Burnholme Community College pupil	◆	207 29%
Archbishop Halgate's CE pupil	▼	303 42%
Other secondary school:	○	213 29%
All Saints RC pupil		104 14%
Huntington Secondary pupil		29 4%
Joseph Rowntree pupil		27 4%
Danesgate pupil		17 2%
Fulford pupil		13 2%
Other		23 3%
total		723

This page is intentionally left blank

Annex 4

Proposed Closure of Burnholme Community College - Community Impact Assessment

This Community Impact Assessment (CIA) has been prepared in accordance with City of York Council's vision to promote equal life outcomes for everyone living, working and visiting York, through inclusive design in everything the council does. This process was previously called the Equality Impact Assessment (EIA).

1	<i>Name and Job Title of person completing assessment</i>	Bernard Flanagan Early Intervention Manager
2	<i>Name of service, policy, function or criteria being assessed</i>	Secondary Education Provision on the East side of York and the Future of Burnholme Community College
3	<i>The main objectives/aims of the service/policy/function/criteria</i>	<ol style="list-style-type: none"> 1. The future provision of secondary education on the east side of the city and in particular at Burnholme Community College. 2. The status of Burnholme Community College, particularly in light of the projected future demand for secondary school places in the city. 3. Transitional arrangements that seek to ensure that the best possible quality of education is maintained during a phased closure period and that guarantee students currently in Years 7 and 8 a choice of several alternative schools when they transfer schools at the end of Year 9. <p>The May 2012 Cabinet report recommended that the local authority (LA) should publish a statutory notice proposing the phased closure of Burnholme Community College, followed by a six-week representation period, after which the LA would consider all further observations and comments received</p>

		and decide whether to proceed with the proposals. This CIA was commissioned as part of that consultation process.
4	Date	This document was prepared during May, June and July 2012, in preparation for the Cabinet decision-making meeting scheduled for 17 July 2012.

Stage 1: Initial Screening

5	<p><i>What evidence is available to suggest that the proposed service, policy, function or criteria could have a negative or positive effect on quality of life outcomes for people (both staff and customers) from the communities?</i></p> <p>A: There is sufficient evidence of potential impact to proceed with a full impact assessment – see below.</p>
---	--

Stage 2: Full Impact Assessment

6	<i>How could different communities be affected by the proposed or reviewed service/policy/function/criteria?</i>	
A1	Public/customers – positive effects	This is a major change to provision. In the long term it is expected that there will be a positive impact on the education of young people in the city. Further details are included in Annex A.
A2	Public/customers – negative effects	This is a major change to provision. In the shorter term, extensive measures are being put into place to support the transition of those pupils most immediately affected. Further details are included in Annex A.
B1	Staff – positive effects	This is a major change to provision. It therefore has an impact on staff. In the long term it is expected that there will be a positive impact on the education of young people in the city. As this is the function of education staff, there will be a beneficial effect in terms of staff morale and career development. Further details are included in Annex A.
B2	Staff – negative effects	This is a major change to provision. It therefore has an impact on staff. In the shorter term, extensive measures are being put into place to support the

staff most immediately affected.
Further details are included in Annex A.

7 *Can any negative effects be justified?*

The initial consultation document and Cabinet report (15 May 2012) published through the democratic process set out clearly the rationale for the consideration for the future of BCC and the benefits which would accrue to pupils.

- **Taking positive action to address imbalances or under-representation**

Not applicable.

- **To comply with other legislation or enforcement duties**

The Cabinet report specified certain legislative requirements that are relevant to this issue – see paragraphs 13 and 65 to 67 of the 15 May report.

- **Evidence-based need to target a particular community or group e.g. younger/older people.**

The Cabinet paper of 15 May summarised concerns about the breadth of curriculum and educational experience for students within this community:

“Declining student numbers impacts upon the school in several ways. It will receive less funding, usually resulting in a reduction in the number of staff. It then becomes increasingly difficult to maintain a full curriculum and to offer a range of options, or to organise subject teaching in ability groups where that is appropriate. Students’ wider school experiences, as a result, become increasingly restricted. There is also a challenge to maintain specialist teaching in subject areas resulting in pupils being taught by non-subject specialists. A smaller school provides limited opportunities for promotion making it harder to retain ambitious staff.”

In addition, the OFSTED report of May 2012 raised issues about BCC performance (though challenged by LA) as summarised for Cabinet 17 July 2012:

“15 The outcome of the most recent inspection is that the school requires significant improvement because it is performing significantly less well than it could reasonably be expected to do so. The school was therefore given a ‘Notice to Improve’. The LA’s view is that the school should have been judged

as ‘satisfactory’ whilst recognising its vulnerability around floor standards and national averages.”

8 *What changes will you make to the service/policy/function/criteria as result of information in parts 5 & 6 above?*

These proposals will provide access to high quality secondary education for pupils in Burnholme Community College and its catchment area.

The analysis of evidence and the extensive consultation with affected parties has led to the published proposals and the measures to support pupils and staff who might be adversely impacted by these measures.

There are extensive transition arrangements proposed to support pupils which are detailed in the consultation documents and the Cabinet reports.

9 *What arrangements will you put in place to **monitor impact, positive and negative**, of the proposed service/policy/function/criteria on individuals from the communities?*

There are a number of systems in place through the partnership between City of York Council, Schools and other community partnerships which monitor pupils’ achievement and well-being. Support can then be put into place to support children and young people based on the assessment of individual need.

Individual pupil information is regularly collected, monitored and analysed for a broad range of purposes. The pupil information includes characteristics such as ethnicity, gender and special educational needs data as well as exam results, school attendance and exclusion data. This information is routinely used across the organisation at an operational and strategic level to aid planning, the allocation of resources, to undertake needs assessments and monitor interventions.

Other elements of monitoring take place to ensure the well-being of pupils in city schools. For example - there is an annual survey to explore pupils’ behaviour and relationships in school and explore aspects of their well-being. Schools are also required to log racial incidents which are collated by the LA.

10	<i>List below actions you will take to address any unjustified impact and promote equality of outcome for staff, customers and the public from the communities.</i>	
Action		Lead
<p>No unjustified impacts have been identified.</p> <p>However, the LA recognised that the transition period will be challenging for pupils, their families, and their staff. Extensive measures, documented in the papers, are in place to mitigate those impacts.</p>		When by?
11	Date CIA completed	
<p>Author: Bernie Flanagan Position: Early Intervention Manager Date: 2 July 2012</p>		
12	Signed off	
<p>I am satisfied that this service/policy/function has been impact assessed.</p> <p>Name: Kevin Hall Position Assistant Director, Adults, Children and Education Date: July 2012</p>		

Community Impact Assessment Burnholme Community College

Background:

The background to the proposed closure of BCC is set out in detail in the initial consultation document and the Cabinet Report of May 2012.

Consultation: How those likely to be affected by the proposal have been engaged.

Specific consultation processes were summarised in the Cabinet Paper 15 May:

“10. The future of BCC was last publicly debated in 2009 when the governing body proposed a plan to increase the number of students applying for places. The plan was supported by both City of York Council and the other schools in the city.”

“12. The Local Authority launched a public consultation regarding the future of BCC in March 2012. This was predicated on the low number of pupils at the school, the increasing number of surplus places, and the increasing level of financial subsidy required from other secondary schools.”

“20. The consultation document noted that, in considering the challenges faced by BCC, the LA and the governing body have considered a range of options other than closure, including:

- keeping BCC open by increasing the funding provided*
- merging BCC with another secondary school to create a split site school*
- merging BCC with one or more local primary schools to create a 'through-school' for children aged four to 16 years*
- converting BCC into a new 'academy'”*

“23. The governing body organised a well attended public meeting at BCC on 22 February 2012 to explain the need for the public consultation. The formal consultation began on 1 March 2012 and closed on 20 April 2012. The consultation document described the reasons for the consultation, the options already considered, and set out the proposals and their potential implications.

24. *One thousand paper copies of the consultation document and questionnaire were distributed to students, parents and staff at BCC and neighbouring schools and libraries. A further 1000 copies were provided to the Burnholme Parents Action Group at their request. The consultation paper and questionnaire were also promoted on-line on the council's website.*

25. *The council received 174 online responses and 124 paper responses. Annex 1 provides an analysis of the questionnaire responses received. The cabinet member has been provided with a copy of all submissions.*

26. *The council also received an e-petition supporting BCC (205 signatures) and a separate paper petition (1996 signatures) organised by the Burnholme Parents Action Group.*

27. *Within BCC the student council has debated the proposed closure, and discussed potential transition plans. This was led by the school. Twenty-two students have also completed the questionnaire.*

28. *Governing bodies (which are representative of parents in schools) were also invited to respond to the consultation and submissions were received from Hempland Primary, Applefields, Fulford, Huntington, Millthorpe and Archbishop Holgate's Schools and are included in Annex 2. Individual governors of various schools also contributed via the questionnaire. Also included in Annex 2 is a response from Cllr Warters as city councillor and on behalf of Osbaldwick and Merton Parish Councils and Meadlands area residents association.*

29. *Hempland Kids Club has submitted a comprehensive pack including 72 individual letters in support of the club and the service it provides. The club is based in a separate building, at the front of the college, formerly occupied by the Youth Service. The Kids Club is a non-profit making registered charity with 170 children registered to the club.*

30. *The council also received various requests for further information from individuals and via elected members and local MP's. Where available this information has been provided. The issues have also been debated in the local media and on local radio. Officers have met with various parents and other interested parties to discuss the proposals in more detail. The Cabinet Member has also received correspondence from parents and members of the local community."*

The initial report was considered by Council cabinet at a public session on 15 May. The meeting was in a community building 200 metres from the school.

At that meeting, Cabinet agreed to publish a statutory notice proposing the phased closure of Burnholme Community College, followed by a six-week representation period, after which the LA would consider all further observations and comments received and decide whether to proceed with the proposals.

The Council web-site clearly stated:

The six week representation period will run until 5pm on Monday 2nd July 2012. A report considering the representations made during this period will be discussed at the council's Cabinet on 17 July 2012, where the final decision will be made about whether to close the school.

The Cabinet of 15 May further decided to initiate a further specific consultation focussing upon the potential future use of the Burnholme site in the event of the closure of the school: *"The recent consultation on the future of Burnholme Community College has highlighted particular concerns about the future of highly valued community services that are based at the College, including the Kids Club, the Burnholme Day Nursery, and Sports Provision including sports fields and MUGA. The authority will wish to explore options that make best use of the site whilst maintaining community facilities wherever possible. It is recognised that these important issues and possible options will require wide consultation and detailed debate and consideration."*

The Cabinet paper of 17 July strengthens this commitment to consultation about future use:

"The council will lead a full review of the potential options for the site focussing particularly on the continuing provision of community facilities, with an aspiration to consolidate improve and expand existing services. This exercise will be informed by a consultation forum which will include community groups and partners. It will draw on the valuable work done as part of the Tang Hall Asset Management Plan and the assessment of community provision. The Joseph Rowntree Foundation has offered to provide a project manager to support the consultation, development and analysis of options. The Assistant Director of Finance, Asset Management and Procurement will bring a report on this to Cabinet in January 2013."

It also highlights ongoing consultation processes including discussion with the Parent Action Group. It includes for public record copies of additional submissions made.

The cabinet paper for 17 July details the consultation responses received within the statutory consultation period, which confirms that the process was transparent.

- “6. The LA received various submissions during the six-week representation period. The Parents’ Action Group submitted a detailed formal representation to Cabinet members and to the Director of Children’s Services and this is included as Annex 1. Annex 1A includes a brief response from officers to the key issues raised by the Group. Officers have met several times with representatives of the Group to discuss their views in person.*
- 7. The LA also received emails and letters raising concerns and objections to the proposed closure. These are included as Annex 2.*
- 8. The responses received during the representation period echoed some of the key themes that were debated during the initial consultation period. These include:*
- a general concern about the disruption to children’s education in the short term*
 - a view that BCC is a small community school where staff know all students, and that it is therefore better placed to provide a personalised high quality education, particularly given the levels of socio-economic deprivation in parts of the catchment area*
 - concern that the proposed closure does not properly recognise the needs of students with special educational needs*
 - a view that BCC has particularly strong links with the community that should be preserved at all cost*
 - an argument that BCC should be maintained in order to help meet projected future demand for secondary school places*
 - a belief that the BCC academic results show reason to support the school*
 - a view expressed by the Parents’ Action Group that the issue of affordability has been grossly misrepresented through the consultation process and that there is no demonstration that closure represents better value than maintaining the school.*

Later in the report:

“71 The Council Leader and the Cabinet Member for Children and Young People have visited BCC and met with the students and staff. Elected members agreed that additional measures were needed in order to retain existing teaching staff and to encourage students to remain at BCC during the transition period.”

Have potential positive and negative impacts been identified?

The Council papers of 15 May and 17 July set out the ways in which negative impacts for pupils and staff have been mitigated.

Quality of Life Indicators:

The paper of 15 May set out **alternative options** for the school and how these have not proved viable. It also set out proposals to support pupils during transition (paragraphs 40-55). This is evidence that the LA has carefully considered the potential impact on the quality of life of pupils at BCC, other children within the community, as well as their parents and the staff.

Protected Characteristics:

Race

A demographic breakdown of pupils by Race has been undertaken. Of the 311 pupils in BCC at the time of the last such survey, 274 were white British. This is verified by the recent Ofsted report.

In percentage terms this is similar to the position at Archbishop Holgate's School.

This might be a slight under-estimate. Figures for members of the Traveller community depend on 'self-declaration' by families. According to the annual schools' census, there are a small number of pupils from the Traveller community at Burnholme Community College.

Given the comparatively small numbers, additional support is quickly available through assessment of individual need.

Additional support is provided in the first instance by schools with additional specific support from the LA's Traveller and Ethnic Minority Support Service (TEMSS). The level and type of support for any pupil is determined according to individual need. This support is kept under constant review and would 'follow the pupil'. Therefore if a pupil moves to another school then appropriate support would continue to be provided.

Pupils in all secondary schools in City of York would be entitled to a similar level of support from TEMSS. This could be from a teacher or TA depending on the level of need.

Safety of pupils (anti-bullying) is a key strategy for LA. There are a small number of incidents of bullying in all schools in the LA (including racial incidents). However, they are relatively uncommon and spread proportionately across all schools.

Religion

As summarised in the paper of 15 May, the proposal to adjust catchment areas so that pupils who might have gone to Burnholme CC can access Archbishop Holgate's has potential impact on those who do not wish to access a 'Faith School':

"55 The proposal of Archbishop Holgate's governing body to increase the capacity of the school may ease the concerns raised by some parents that the school was full and would not be able to accommodate more children. The LA recognises that some parents would prefer a school that was not a faith school and would therefore revise admission arrangements to ensure that they would be able to apply (as now) to any school, but would also guarantee a place at the nearest secular school with spaces. The council's standard school transport policy would continue to apply. Further discussions will be needed to ensure that proposed arrangements are in accordance with the new admissions code of practice."

Gender

The percentage of girls attending Burnholme CC is slightly higher than other schools but not significantly so (there are 2 other York schools with the same or higher proportion). Support (ongoing and during transition) is described above.

Disability

Pupils at Burnholme with Special Educational Needs:

The initial consultation document and May Cabinet report considered the implications of the proposals for pupils with Special Educational Needs Paragraph 47-55 of the July 17 Cabinet report notes that:

"On the Burnholme roll there are eight students with Statements, 34 students recorded as School Action Plus and 39 students recorded as School Action making a total of 81.

Of these 81 pupils, 19 are in the current Year 11 and will leave school this summer. Therefore, the total from September 2012 will be 62.

Those pupils with SEN in the current year 9 and 10 will be able to stay on in school if their parents wish, therefore it is only those in the current year 7 and 8 for whom different arrangements would be required in due course. There are 39 pupils with SEN in years 7 and 8, of whom two have a Statement of SEN. The LA recognise that for these pupils and their families the prospect of changing schools is likely to raise anxiety, however, the LA is confident that other schools in the city will be able to provide high quality teaching and support arrangements which will be appropriate to individual children's needs.

Parents of children with statements of SEN will be able to state a preference for another secondary school in the city and their rights are protected under Sections 316 and 324 of the Education Act 1996. The LA's SEN team will work with parents to plan transition arrangements. Where required, Transport will be part of the package of support arrangements.

For children with SEN who are supported under School Action or School Action Plus arrangements, parents will be able to nominate a new school in exactly the same way as for any other pupil without SEN. The LA's SEN team will support pupils, parents and schools to secure a new school placement and plan transition arrangements.

The seven students who are taught in the satellite class within BCC are on the roll of Applefields School. Initial consultation with this group of parents has taken place and specific planning to identify the new partner school is underway, being led by the headteacher of Applefields School and the Head of the LA's SEN Services. The success of the satellite class is a tribute to the commitment of staff from both Applefields and Burnholme.

There is strong support from parents for the satellite model to be maintained and the LA is equally committed to ensuring that a new partnership is established to build on the success of the current arrangements. It is appreciated that change can cause anxiety but there will be a good degree of continuity for the pupils in having familiar key staff working with them in a new satellite setting.

The LA and schools in the city have a strong and demonstrable record of developing excellent services and support for children with special educational needs. In summary, the LA is determined to work with schools and parents to ensure that the individual needs of all students are met."

In addition, the following forms part of the recommendations of the 17 July report:

“To note that the LA will work with Applefields School and other secondary schools in order to relocate the satellite class that has been successfully established at Burnholme Community College.”

Age:

The Transitional Arrangements described in the two Cabinet papers set out the arrangements by which those pupils in ‘exam years’ are specifically supported.

Pregnancy/maternity

The rate of teenage pregnancy in York is falling and has been falling for several years. The number of pregnant pupils, or pupils who are parents, is therefore low. There are usually slightly more instances in some wards than others. This is based on the area in which the individuals live rather than the school they attend.

Support for teenage parents and their children is available through a variety of publicly-funded provision, plus of course their own families. All schools are signed up to the protocol entitled: *Education and Support for Pregnant Students and School Age Parents*. This document sets out how ‘*educational establishments support pregnant students and school age parents to continue their education and, in doing so, enabling them to reach their full potential.*’

A copy is available on request.

Carers:

Some pupils can play a significant caring role to other members of their family. This is through family not school circumstance. Support is provided, on an identified needs basis, by service both public and voluntary sectors. A specific initiative has been launched in all York schools to support young carers.

Sexual Orientation:

There are no statistics for the sexual orientation of pupils. It would be not appropriate to collect such data for young people of this age.

As with other circumstances there is comprehensive support available to pupils on an assessed needs basis. Similar support is available in all City of York schools.

Gender Reassignment:

There are no statistics for the sexual orientation of pupils. It would be not appropriate to collect such data in young people of this age.

As with other circumstances there is comprehensive support available to pupils on an assessed needs basis. Similar support is available in all City of York schools.

Marriage and Civil Partnership:

Not Applicable.

Staff – Human Resource Issues:

The Consultation document and the May 15 Cabinet paper noted the issues affecting staff and the measures to mitigate their impact. The July 17 cabinet paper states:

“70 There are significant staffing implications associated with a school closure. BCC has been managing reductions in staffing as pupil numbers have reduced year on year and further reductions would be required if BCC were to remain open. In the event of a phased closure being agreed, the LA will seek to retain key personnel in essential posts until BCC’s final closure date, whilst meeting all of our statutory obligations as an employer. The LA has worked with the governing body, the trade unions and professional associations to agree a transition plan that seeks to maintain the staffing needed to ensure leadership of the school and to ensure high quality teaching and learning through the period of the phased closure. This includes measures to retain staff and additional support from other schools (see paragraph 28).

71 The Council Leader and the Cabinet Member for Children and Young People have visited BCC and met with the students and staff. Elected members agreed that additional measures were needed in order to retain existing teaching staff and to encourage students to remain at BCC during the transition period. Therefore, in order to secure teaching and learning, those teaching staff who remain in employment through to the end of the proposed closure period, will be offered redeployment to other permanent positions. A redeployment scheme, based on these principles, is being developed in consultation with headteachers, governing bodies and the professional associations.”

In addition the report states:

“28 The LA has commissioned support from Manor Church of England Academy, an outstanding school which is led by a National Leader of Education and is a National Support School and National Teaching School. This support will provide the school with access to specialist teaching should it be required during the closure process and will ensure that good outcomes are secured for pupils remaining at the school during the phased closure. Staff will receive support to continue their professional development through working with Specialist Leaders in Education from Manor. This will also ensure that the quality of subject leadership is maintained and further developed during the period of closure.”

This page is intentionally left blank



Cabinet

17 July 2012

Report of the Cabinet Member for City Strategy

Park & Ride Expansion: Appropriation of Land at Poppleton for Planning Purposes

Summary

1. The purpose of this report is to seek authority for the appropriation for planning purposes of 187m² of land at Poppleton, which is registered as a village green and currently being used for agricultural purposes as shown on the attached plan at Annex B, under Section 122 of the Local Government Act 1972. This is in order to facilitate the redevelopment of the land to deliver an improved arrangement for the junction of Northfield Lane and the A59 in connection with the proposed Poppleton Bar Park & Ride site and to enhance economic activity in the area.

Background

2. Expanding York's Park & Ride Network is a key component of delivering the Council Plan priority to 'Get York Moving'. Highway design and consultation has been taking place as this project moves to the procurement stage for construction. The outline highway layout was approved at the Cabinet Member for City Strategy Decision Session on 12 April 2012.
3. As part of the provision of the proposed Park & Ride site at Poppleton it is proposed to upgrade the North Field Lane/A59 junction to allow access to the new site, to improve access to businesses in the area and improve safety.
4. Land at Poppleton has been acquired to enable the delivery of the proposed Poppleton Bar Park & Ride site. Part of the land (approx. 30%) acquired was registered as a village green in 1967. The boundaries of the village green were confirmed during the detailed design of the site. The land has been farmed for at least the last 50

years without general public access. As part of the development access to the village green area will be available to the public for recreational use for the first time.

5. The original layout of the Park & Ride site which was granted planning consent in 2010 is considered to have too great an impact on the village green. An application to vary the original planning consent has been submitted which alters the proposed layout of the Park & Ride site to enhance the village green area. However, owing to the restricted area available, it is not possible to redesign the North Field Lane/A59 junction, with the desired capacity, which avoids the village green.
6. A small area (187m²) of the village green, less than 2% of the registered area (1.4Ha), is needed for a separate left turn lane out of North Field Lane which will increase the overall capacity of the junction and reduce queuing in the area. See Annexes A&B. An equivalent area of land can be designated as village green in the area to ensure that the overall land available for public access is maintained at the same level.
7. Alternative proposals to minimise the impact on the village green have been investigated such as relocating the junction further eastwards into the Garden Centre car park. However this would have affected the viability of a local business and resulted in a lower capacity junction due to the reduction in the stacking length available between North Field Lane and Station Road. A small area of land has been purchased from the Garden Centre to enable the left turn lane into North Field Lane to be provided.
8. Alternatively an application to deregister a section, or all, of the village green could have been made however this would have affected a larger area of the village green, resulted in additional distance from the village to any re-provided area, additional cost and significant delay to the project.

Appropriation Powers

9. The Council has the power to acquire and hold property for various statutory purposes to perform its functions. In order to use land for a purpose other than the one for which it was acquired the land must be “appropriated” for a different use. Appropriation is a statutory process which allows the Council to transfer property within its ownership from one use to another.

10. Section 122 of the Local Government Act 1972 enables the Council to appropriate land for any statutory purpose for which it is authorised to acquire land. The Council must, therefore, determine that the land is no longer needed for the original purpose for which it was acquired and appropriate it for planning purposes.
11. The standard power of appropriation contained in S122 Local Government Act 1972 is not normally available when the land to be appropriated is Common or Village Green. However in limited circumstances this power can be used for such land. This is where the total area of the land appropriated in the Common or Village Green concerned does not exceed 250 square yards (209m²). To enable appropriation of a Village Green to occur notice must be given of the intention to do so advertised in two consecutive weeks in a local newspaper. Any objections must then be considered by the Local Authority. Following appropriation the land remains registered as village green but the appropriation enables the Council to override the statutory restrictions on the use of the land.
12. Appropriation of the land for planning purposes requires the Council to consider the following factors:
 - that the appropriation will facilitate the carrying out of development, re-development or improvement on or in relation to the land or is required for a purpose which it is necessary to achieve in the interests of the proper planning of an area in which the land is situated;
 - it will contribute to the promotion of the economic, social and/or environmental well-being of the area;
 - the provisions of the development plan, whether planning permission is in force and any other considerations that would be material to the determination of a planning application for development of the land;
 - that the land is no longer required for the original purpose for which it was acquired.

Basis of Appropriation

13. It is considered that it is permissible to appropriate the land on the following basis.
 - The appropriation facilitates the development of the Park & Ride site and associated highway works.
 - The scheme will promote the use of public transport supporting social inclusion and result in both economic and

environmental benefits by reducing traffic congestion. The appropriated land will enable a higher capacity junction to be provided which will also reduce journey times and improve access to businesses in the area.

- Planning consent has been granted for the Park & Ride site.
- The land was originally acquired for the provision of the Park & Ride site and is now proposed to be used for highway improvements.

Consultation

14. A notice was published in the Press on 30 May and 6 June identifying the area proposed to be appropriated under Section 122 of the Local Government Act 1972 with a last response date for any objections of 21 June. See Annex B for the appropriation plan.

Objections

15. One objection to the proposed appropriation was received as detailed below.

“Upper Poppleton Parish Council wishes to object to the proposed appropriation of land at the junction of Northfield Lane Upper Poppleton and the A59 trunk road on the grounds that insufficient information or justification has been provided to support any requirement to appropriate this land which is designated as village green.”

16. The Parish Council also questioned City of York Council’s decision to use the appropriation procedures at this later stage in the development of the Park & Ride site when it has known of the existence of the village green designation for some time and could have used the more exhaustive and open de-registration process instead.

Analysis of Objection

17. In advance of the objection being received a meeting was held with representatives of the Poppleton Parish Councils on 8 June to discuss the proposals and answer any questions. Further contact has been made with the Parish Council since receipt of their objection to try to resolve their concerns. It is hoped that an update on their position will be available for the Cabinet meeting.

18. The Local Government Act 1972 does not require information or justification to be provided for the appropriation therefore it is not considered that the level of information provided is a valid procedural objection. It is not considered that the Parish Council have made a substantive objection to the proposed appropriation.
19. It is also considered that the most appropriate legal powers are being used for the appropriation of this small piece of land which is registered as village green but has not been available for general access over the last 50 years. In addition the overall area of the village green will be maintained by the provision of an equivalent area at the west end of the registered area. Alternative approaches to changing the status of the land would have been more expensive and time consuming increasing uncertainty and potentially jeopardising the delivery of the project.

Options

20. There are three main options to be considered.

Option 1: Progress the appropriation of the land for the enhanced junction.

Option 2: Redesign the junction to avoid the village green area.

Option 3: Deregister the village green.

Analysis

Option 1

21. **Appropriation of the land for the enhanced junction.** A higher capacity junction can be provided which reduces congestion in the area. This option would enable the overall project delivery programme to be achieved with an expected opening date of April 2014. This major infrastructure project will provide significant economic, social and environmental benefits for residents, businesses and visitors. On balance the advantages to the public from the project are considered to outweigh the loss of a small area of village green particularly given that it appears not to have been used as such and that the proposal will make the remainder more accessible. It is considered that the appropriation process provides the most effective means to address the need to use the small area of the village green.

Option 2

22. **Redesign the junction to avoid the village green area.** The reduced area available will mean a less efficient junction can be delivered. The stop line on North Field lane would need to move southwards to allow the provision of a single straight ahead and left lane reducing the overall capacity of the junction. In addition all traffic from North Field Lane would be through the signal controlled junction removing the advantage of left turn movements via a separate give way lane. The overall operation of the junction would be less effective and additional queuing particularly on North Field Lane at peak times would be experienced. The layout could be designed and built with in the anticipated timescales however the benefits would be reduced.

Option 3

23. **Deregister the village green to enable the originally proposed junction to be provided.** The maximum capacity junction could be provided if the space restriction was removed. The deregistration of the village green under Section 16 of the Commons Act 2006 would involve consultation on the proposal followed by a Public Inquiry with a final decision taken by the Secretary of State. The process is likely to take up to 12 months with a cost of over £20k. Under the current programme Full Approval for the scheme from the DfT is anticipated in December 2012. However, an application can only be made if all statutory approvals have been obtained. Significant delay could be incurred if the Full Approval submission had to wait until the deregistration process was completed.

Council Plan

24. Phase 1 of the Access York is critical to the future economic prosperity and environmental wellbeing of the city and assists in the delivery of the following Council Plan Priorities:

Get York Moving –

- Removes traffic from the city centre
- Increases capacity of the Outer Ring Road
- Provides bus priority for Park & Ride and service bus routes to encourage transfer to sustainable transport
- Improves access across Outer Ring Road by walking and cycling

Create jobs and grow the economy –

- Reduces impact of congestion on business
- Provides improved public transport options for staff and customers

Protect the Environment –

- Improves air quality in the city centre
- Reduces carbon emissions

Implications

Financial

25. The recommend option has very limited financial implications as the scheme is in line with the layout included in the original cost estimates. Option 2 would require additional design and would result in a scheme with reduced capacity but with potentially lower delivery cost. Option 3 would be higher cost due to the requirement to fund a public inquiry and extended project management.

Human Resources (HR)

26. There are no human resource implications.

Equalities

27. There are no equalities implications.

Legal

28. Legal advice has been obtained to ensure that the Council are following the correct approach to addressing the presence of the village green.

Property

29. The land has been acquired by the council to enable the Park & Ride site to be delivered. The village green land proposed to be appropriated for planning purposes will be used as part of the highway network in the area.

Risk Management

30. The recommended option will enable a higher capacity junction to be provided leading to reduced congestion in the area. The decision to appropriate the land for the enhanced junction could be subject to Judicial Review. However, it is considered unlikely that this will occur as the number of objections was low, the remainder of the village green will become available for public use as part of the scheme and the overall area with public access will remain unchanged. Option 2 would provide a lower capacity junction with a risk that additional congestion will occur in the area. Option 3 has a high risk of delaying the overall scheme and potentially jeopardising the funding approval for the project.

Recommendations

31. The Cabinet is recommended to:

- 1) Consider the objection to the appropriation of the land.

Reason: To comply with the requirements of Section 122 of the Local Government Act 1972.

- 2) Authorise with immediate effect the appropriation of land at Poppleton currently owned by the Council for planning purposes in accordance with the provisions of Section 122 of the Local Government Act 1972.

Reason: To enable the delivery of the highest capacity North Field Lane/ A59 junction to improve the social, environmental and economic well-being of the area.

Contact Details

Author:

*Tony Clarke
Transport Programme
Manager
City & Environmental
Services
01904 551641*

Cabinet Member Responsible for the Report:

*Cllr Dave Merrett
Cabinet Member for Planning, Transport
& Sustainability*

**Report
Approved**



Date *3 July 2012*

*Richard Wood
Assistant Director, Strategic Planning &
Transport*

**Report
Approved**



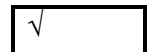
Date *28 June 2012*

Specialist Implications Officer(s)

*Brian Gray – Legal Services
Phillip Callow – Property*

Wards Affected: *Rural West*

All



For further information please contact the author of the report

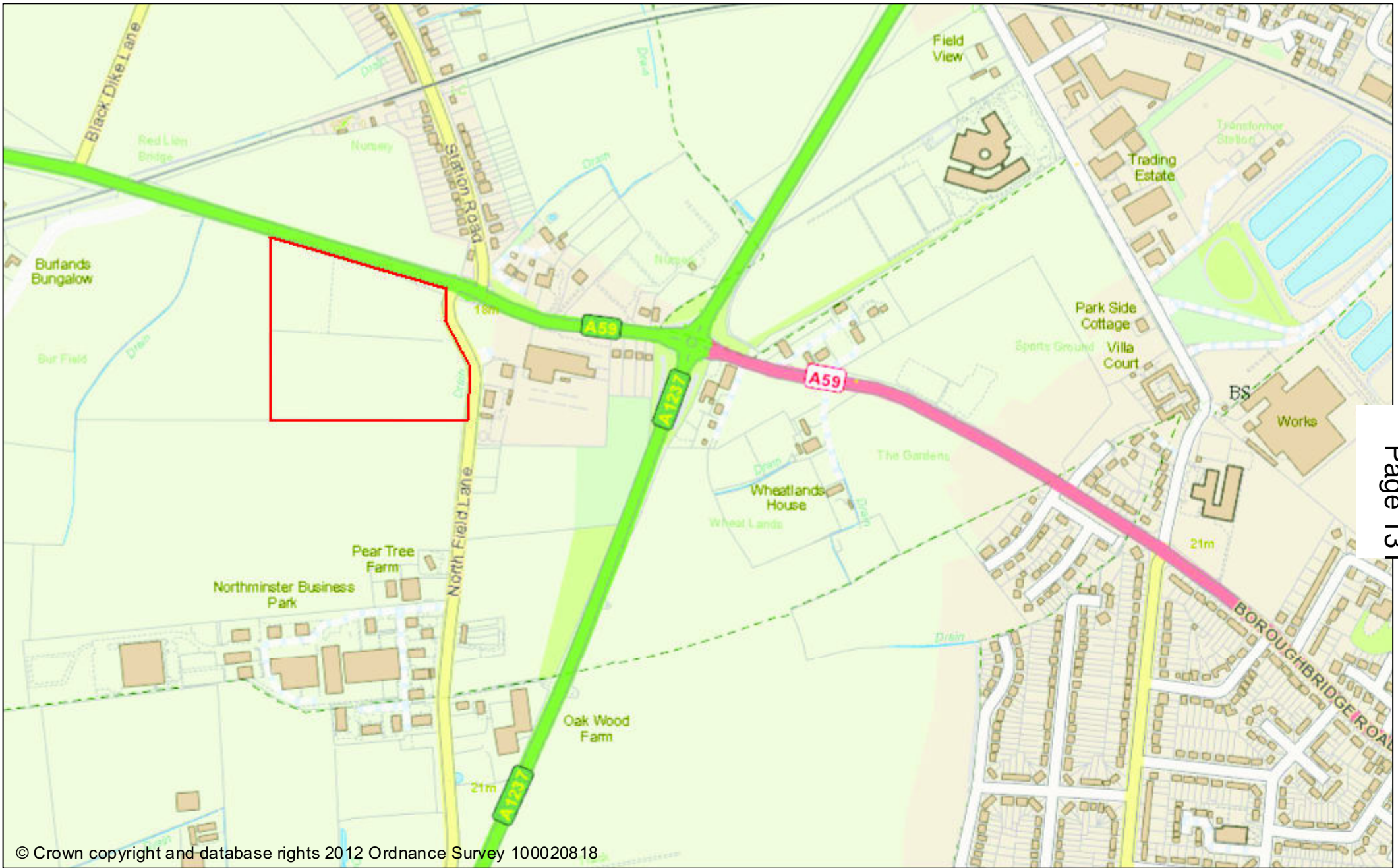
Background Papers:

Annexes

Annex A – Poppleton Bar Park & Ride Site Location Plan

Annex B – Land Appropriation Plan

This page is intentionally left blank



© Crown copyright and database rights 2012 Ordnance Survey 100020818

Poppleton Bar Park & Ride Site Location Plan

Map Notes:

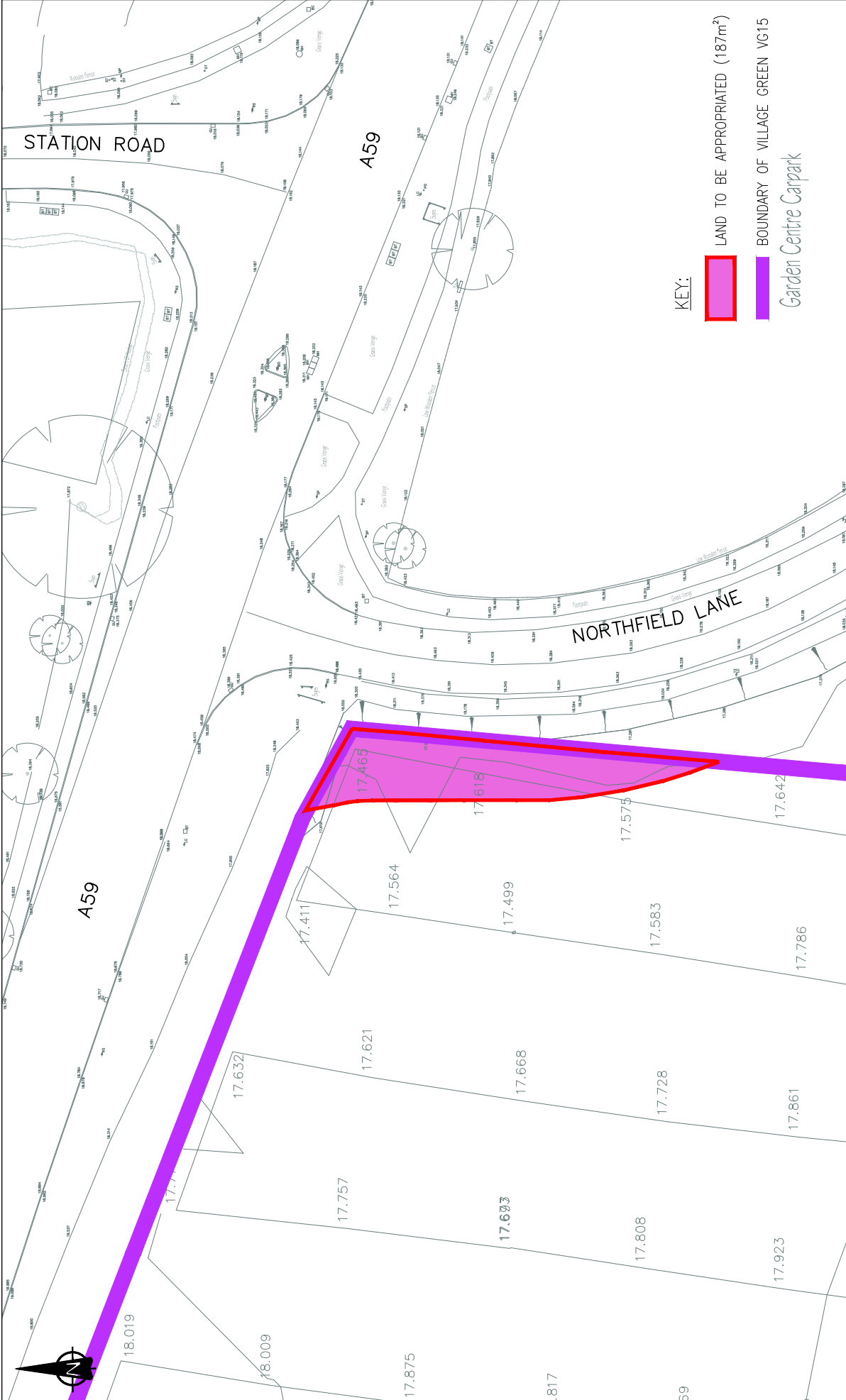
Date: 28/06/2012

Author:

0 0.0425 0.085 0.17 0.255 0.34 Km



This page is intentionally left blank



KEY:

- LAND TO BE APPROPRIATED (187m²)
- BOUNDARY OF VILLAGE GREEN VG15 Garden Centre Carpark

Drawn by: CG Date: 16/05/12
 Checked by: LC Date: 16/05/12
 Approved by: CC Date: 16/05/12

THAYPR/PB/ISK056_REV_2
 1:500

ACCESS YORK PARK AND RIDE

NORTHFIELD LANE/A59 JUNCTION IMPROVEMENT

LAND TO BE APPROPRIATED



This page is intentionally left blank



Cabinet**17th July 2012**

Report of the Cabinet Leader

Economic Infrastructure Fund – July Funding Decisions**Summary**

1. This report sets out proposals for the funding of four projects through the Economic Infrastructure Fund (EIF).

Background

2. At its meeting of 3rd April, City of York Council agreed the governance and parameters for the Economic Infrastructure Fund, a fund of critical mass to enable projects of strategic importance to the city's ambitions for creating jobs and growing the economy.
3. The **Economic Infrastructure Fund (EIF)** will seek to ensure we maintain and grow our successful economy. With the partial re-localisation of business rates, improvement in our overall business rate levy will bring potential direct financial reward.
4. There are five themes for the EIF which have been agreed by Cabinet to target the benefit of the fund: (1) Get York Moving, (2) Digital York, (3) Reinvigorate York, (4) Economic Inclusion, and (5) Sustainable Economy.
5. Projects are considered first by officers through internal programme management arrangements which bring together senior officers with responsibility for areas of activity related to this agenda, and by extension the aims of the EIF. Officers have reviewed the business cases and due diligence has either been undertaken or is underway.
6. Projects approved to date from the fund are as follows
 - Park and Ride £2.5m
 - Better Bus Fund £1.665m

- Core project team £0. 430

Total allocations from the fund approved to date are £4.595M. These are shown in Appendix 2 (see Table 6 for detail).

Rationale

7. The rationale for the projects presented is based on the potential for the Council to enable investment in creating economic growth and jobs. Projects will be deemed to be stronger where they lead to additional funding.

Projects for consideration by July Cabinet

8. The projects under consideration by July Cabinet include one project under the Reinvigorate York theme and three under the Sustainable Economy theme.
9. The projects are recommended for funding by officers as providing strategic fit, deliverability and value for money, and to deliver against the above rationale.
10. A summary of these projects is provided below; the detail follows:

TABLE: Summary of July Funding Decisions

	EIF Funding	Leverage (i.e. additional funding)	Jobs Impact	Gross Value Added (GVA) Impact
EIF Theme: Reinvigorate York				
Reinvigorate – Initial Package	£200,000	Match funding from private companies	N/A	£320,000 ¹

¹ Over ten years, based on multiplier produced by English Heritage (2010) *Heritage Counts* report.

EIF Theme: Sustainable Economy				
Digital Media Cultural Centre	£1,400,000 (loan)	£2,000,000	142 (direct) 235 (indirect)	£6,200,000
Tour de France Campaign	£50,000	c. £250,000	N/A ²	Up to £73,000,000 (total) ³
Targeting Growth in key sectors	£80,000	N/A	150 (total)	£1,000,000 (total)

11. The detail of the projects under consideration by Cabinet at its July meeting are included in Appendix 1. Full business cases have been considered by senior officers with responsibility for bringing forward, overseeing and managing delivery for the Economic Infrastructure Fund.

12. An overview of each of the projects is provided here:

Reinvigorate York – Initial Package of Projects (under the Reinvigorate York theme)

Funding requested: £200,000 (Grant)

13. The **Reinvigorate York Initial Package of Projects** proposes using EIF monies to provide the initial critical investment in city centre infrastructure that will unlock this further investment. This package creates a step change in the public realm, via eight specific projects for immediate auctioning.

14. The eight projects include paving, lighting, seating as well as de-cluttering unnecessary signage, fencing, bollards and other items of street furniture.

² There will be jobs impact from the campaign – both direct from the event itself, but also potentially indirect from the supply chain for the event. However, there are currently no accurate estimates available – these are being developed with Welcome to Yorkshire.

³ Impact if the event is held in the city, taken from figures produced in analysis of the impact on London as a result of the 2007 event. Figure is for GVA creation as a direct result of the event and not permanent GVA creation, which would be a smaller proportion of this. Social Research Associated (2007) [Tour de France – The Grand Depart 2007: research summary](#). Report commissioned by Transport for London

15. The Reinvigorate York programme is being led by Sir Ron Cooke, and Cllr Dave Merrett is the lead member. Progress was reported to Cabinet Decision Session on 1st December 2011, and the setting up of a City Centre Design Group agreed.
16. The programme is a key element of a wider programme of work being developed to facilitate the evolution of the future of York's city centre, and a core element of the emerging city centre investment and action plan being developed to support this evolution. This plan will identify both the future trajectory of the city centre economy and the interventions required to facilitate this economic transformation. The role of Reinvigorate York will be to ensure the city centre environment is of the quality required to attract the visitors and business investment to the city that the city's ambitious economic aims would suggest.

Strategic Fit

17. In this way, the Reinvigorate York project presented here is a key contributor to the **Council's Priority 1, Creating Jobs, Growing the Economy** and the **York Economic Strategy's Ambition 4, World Class Place**.

Deliverability

18. The package of projects is considered to be deliverable, given the establishment of a city centre design group and manual, which is now in place to oversee the projects.

Value for Money

19. At £200K, the project will create a step-change in the overall environment in the city centre, and will principally have an impact on sustained return visits and footfall by visitors, but also greater confidence by businesses either already located in the centre, or looking to locate in the centre, to invest in locations in the city centre. In other examples of similar projects across the UK, English Heritage has found that projects tend to create £1.6 value for every £1 invested in the public realm.⁴

⁴ English Heritage (2010). Heritage Counts.

Recommendation

20. It is recommended that funding for this project of £200K is approved.

Targeting Growth in Key High Value Sectors (EIF Theme: Sustainable Economy)

Funding requested: £80,000 (Grant, split over two years – 2012-13 and 2013-14)

21. This project is designed to identify, initiate and deliver projects in the city's high value sectors as a way of promoting growth in GVA and jobs not only in these high value sectors, but through the supply chain providing benefits to a much wider range of business growth in the city.
22. The project will provide funding to the city's lead industry body for these high value sectors – Science City York – funding to provide dedicated resource in engaging with and most importantly, identifying the barriers to growth in these sectors, as well as solutions for retaining and growing the city's existing business base in these sectors, but also to attract new businesses in these sectors. The capacity provided by the SCY team will provide a critical opportunity to make a real difference in the way that the city develops the offer for existing businesses to grow and new businesses to locate in the city.
23. As part of this capacity, the city will have access to SCY's track record and expertise in identifying and securing external funds where appropriate.

Strategic Fit

24. The project delivers against Council Plan **Priority 1: Creating Jobs, Growing the Economy** as well as **York Economic Strategy Ambition 2: A More Competitive Business Base**.
25. The city's recently published York Economic Strategy sets out the ambitious targets of becoming a top 5 UK city and top 10 European mid sized city. However, recent economic forecasts produced by the Regional Economist Unit suggest that these targets will be challenging if interventions are not undertaken to

proactively drive growth in the private sector – and particularly high value, high growth sectors like IT/digital, creative and biosciences

26. The city has significant potential in both retaining and attracting new presence in these key sectors, and the profile of these industries – high value, lower employment – mean that, alongside some of the general business support and employment work the city is undertaking, growth in these industries could fill a growing need for private sector growth.

Deliverability

27. The project is deliverable on the basis that SCY already have expertise in this area and a network that can be used to hone the city's engagement with and identification of projects to create growth in these sectors.

Value for Money

28. The project is considered good value for money, given the potential returns that the funding will provide by unlocking growth in industries that will have an impact throughout the York economy.

Recommendation

29. It is recommended that funding for this project of £80K is approved.

Tour de France Campaign (EIF Theme: Sustainable Economy)

Funding requested: £50,000 (Grant, split over two years – 2012-13 and 2013-14)

30. The proposal for this project is to resource a campaign to bring the Tour de France Grand Depart Stage 2 to the city in 2014.
31. The Tour de France is the largest annual sporting event in the world, with 2bn spectators worldwide watching either live or on TV/internet/radio. The Grand Depart will be broadcast on 100 TV channels, 70 radios, 400 newspapers and press agencies, 70 websites, that is to say 2,300 journalists representing 35 nationalities (using 2011 figures), broadcasting in 185 countries on 92 channels, of which 60 transmit live coverage; and receiving 14 million unique visitors to its website, generating a platform for showcasing the city in which the event takes place.

32. The campaign for bringing the TdF Grand Depart to the city would be part of a larger campaign that has been developed by and will be managed by Welcome to Yorkshire. By providing resource to the campaign, the city of York will feature prominently in the marketing for the Bid. The iconic image of the Minster will be used and this will appear throughout the Grand Depart media coverage. For example, as part of the Eurosport's coverage of the event, which runs daily from June 30th – July 22nd. The image will appear nearly 1200 times and be seen by over 2 million people. The value of this package alone is £117,500.
33. The money provides the necessary contribution to leverage the support of a larger campaign from across the region that has the potential, beyond the weight of the city alone, to secure this event for our benefit and the benefit of the wider region.

Strategic Fit

34. The project delivers against Council Plan **Priority 1: Creating Jobs, Growing the Economy, Priority 2: Get York Moving, and Council Plan Priority 3: Build Strong Communities**, as well as with York Economic Strategy's **Ambition 5: Coordinated approach to investment** and its aims of **a more international York**. The project if successful, has the potential to bring significant increases in footfall as a result of the event itself as well as the indirect footfall generated by the promotion of the city to international markets.

Deliverability

35. The project is deliverable although there is the risk that the project is unsuccessful. However, Yorkshire's England Bid has high profile support from star sprinter Mark Cavendish and Team Sky team mate Ben Swift and Rapha Condor Sharp's Ed Clancy. The bid has full backing of the local authorities, police, transport companies as well as cross party political support and business community buy in – all of which will be critical to secure the confidence of the TdF organisers.
36. Further, the bid campaign itself provides an opportunity to raise the profile of York within the UK more generally simply as a result of the benefits.

Value for Money

37. The bid offers significant value for money, given the potential overall benefits that the city might secure as a result of the TdF Grand Depart coming to the city. Given the benefits to London with their experience of the TdF Grand Depart of £88m benefit to the region and £35m media coverage.

Recommendation

38. It is recommended that funding for this project of £50K is approved.

Digital Media and Cultural Centre (DMCC) (EIF Theme: Sustainable Economy)

Funding requested: £1,400,000 (Loan/Grant, 2012-13)

39. This project seeks EIF funding to match against both private investment and potentially York and North Yorkshire, East Riding Local Enterprise Partnership (YNYER LEP) Growing Places Funding⁵ to create business space for creative and digital industries in the city centre.
40. The project will provide creative professional business space for established creative and digital businesses as well as space for new and up and coming creative digital businesses with the availability of Pods and Pod packages that include creative and business mentoring. On site will be Public Exhibition Space that will promote international contemporary and digital art with a separate franchised Cafe Bar to service tenants and the general public.
41. The project will be run by a new social enterprise to be established, although the project is being steered by Science City York's Creative Network Chair, Marcus Romer, and the work to develop the project undertaken by the team at Bar Lane Studios.
42. The funding sought would be used to refurbish the building alongside the YNYER LEP Growing Places Funding. The EIF funding provided would most likely be a grant but with some element of loan funding. The due diligence process will be used to

⁵ Subject to YNYER LEP Board approval.

identify the exact mix of loan and grant funding that is most suitable and provides best value.

43. Several sites have been explored for the project, and a preferred site – the Bonding Warehouse - which is privately owned and would be leased to the social enterprise, is under negotiation, subject to conclusion of satisfactory agreement with the owner of the building.
44. The project has been inspired by the consistent problem that creative and media companies have of finding the physical accommodation they need to operate and grow in the city. There are a number of companies operating currently in spaces in and around the city that have advised of their difficulties in finding grow-on space, and the city has over the years, seen a number of businesses leave or seriously consider leaving the city to nearby destinations such as Leeds or elsewhere.
45. The project also addresses the demand for flexible, lower cost start up space. Most importantly, the project provides an iconic centrepiece in the city centre for the city's ambitions to be an internationally renowned City of Media Arts.
46. The project has been developed by the team at Bar Lane Studios working with the team at Science City York and support from City of York Council officers on behalf of the city.
47. The project details are set out in Appendix 1, although commercial confidentiality limit the extent of the detail provided. A business case is still through due diligence, and as such, any funding agreed by Cabinet would be subject to final sign off of the full business case and governance.

Strategic Fit

48. The project delivers against **Council Plan Priority 1: Creating Jobs Growing the Economy** and **York Economic Strategy Ambition 2: A More Competitive Business Base.**

Deliverability

49. The project is considered deliverable on the basis that a preferred site has been identified and is under negotiation, and the project is subject to agreement with the owner of the building and suitable terms being agreed. Should negotiations over the preferred site fail, there are other options that have been identified as potential sites.
50. The project is also subject to due diligence and governance being agreed, including the make-up of the social enterprise.

Recommendation

51. It is recommended that this project is agreed **subject to sign off of business case, governance, terms on the preferred site, and full due diligence being completed.**

Options

52. The principal options open to Cabinet members are as follows:
 - Approve the three projects – Reinvigorate York, Targeting growth in key high value sectors and Tour de France campaign; and approve in principle the DMCC project subject to business case sign off.
 - Approve a mix of projects
 - Reject all projects

Analysis

53. The projects presented provide deliverability, value for money and strategic fit as per the Council's priorities and those of the city in creating jobs, growing the economy.
54. Whilst in some cases, estimating exact impacts is difficult, the projects represent significant contributions to key assets within the city – whether in the case of Reinvigorate, the city centre; in the case of DMCC and targeting growth in key high value sectors, the sectors the city has strengths in and the potential to grow; and in the case of the Tour de France campaign, the city's profile and ability to attract visitors and investment.
55. Individual project analysis is provided in the appendix according to projects.

Consultation

56. The themes and governance for the taking of decisions on EIF projects were agreed at Cabinet on 3rd April.
57. The proposals presented have been considered by senior officer's internal programme management arrangements for Council Plan Priority 1: Creating Jobs Growing the Economy, and the projects included represent the Board's recommendations to Cabinet.

Implications

Financial

58. The Appendix to this report sets out the detailed financial information relating to the fund. The total value of the fund in terms of direct Council contribution is £28.5m. Table 1 of the Appendix 2 shows this profiled across the next 5 years.

Allocations to date total £4.595m and are shown in Table 6 of Appendix 2

Recommended allocations within this report total £1.730m, and are summarised in Table 6 of the Appendix and shown below

Scheme	EIF funding	Total value
Digital, Media and Cultural Centre	£1,400,000	4,395,000
Reinvigorate York	200,000	200,000
Targeting growth in key high value sectors project	80,000	80,000
Tour de France campaign	50,000	50,000
Total	1,730,000	4,725,000

If all of these projects are approved the total approvals to date will be £6.325m

Table 4 in Appendix 2 shows the approvals against the total fund, across the next 5 years. This shows there is a potential over-commitment of £116,000 in 2012/13. However, it is likely that some expenditure will slip into 2012/13 and at this stage clearly available funding in 2013/14 can cover this.

Human Resources

59. There are no human resources implications arising from this report.

Equalities

60. There are no equalities implications arising from this report.

Legal

61. There are no legal implications arising from this report

Crime and Disorder

62. There are no crime and disorder implications arising from this report.

Information Technology

63. There are no information technology implications arising from this report.

Property

64. There are no property implications arising from this report.

Other

65. There are no other implications arising from this report.

Risk Management

66. The main risks associated with the proposed projects include:

Risk	Likelihood	Mitigation
All projects		
Outcomes identified may not be achieved to their full extent	Medium	The projects will be monitored and delivery supported by f the Programme Management Board

Reinvigorate York		
Deliverability of individual projects	Low	Risks will be managed on a project by project basis
Targeting growth in key high value sectors		
Deliverability of specific projects may be challenging	Medium	Risks will need to be managed on a project by project basis; however, the Council's Economic Development Unit will work closely with the SCY team to ensure specific projects are facilitated.
Tour de France campaign		
The bid may not be successful	Medium	The investment will strengthen the bid, and the Council will work with Welcome to Yorkshire to ensure sufficient support is provided to the project
DMCC		
The project may not be commercially viable	Medium	Council officers are working with the project through due diligence and any funding approval should be in principle and subject to full completion of this process.
The negotiation of terms over the preferred site may fail.	Medium	Other potential sites have been identified as options should the first preference site prove unviable.
The project may not be able to repay the funding	Medium	See above

Recommendations

67. Cabinet is recommended to consider and approve the following allocations from the EIF:

- £200K for Reinvigorate York scheme
- £80K for Targeting Growth in Key High Value Sectors

- £50K for Tour de France campaign

68. Cabinet is recommended to consider and approve in principle the following scheme, subject to sign off of business case, governance, terms on the preferred site, and full due diligence being completed, and a further detailed report back to Cabinet for final approval:

- £1.4m for Digital, Media and Cultural Centre

Reason: To support the Council Plan priorities of creating jobs and growing the economy and investing in the city's economic future

Report author

Katie Stewart
Head of Economic Development
(01904) 554418
katie.stewart@york.gov.uk

Ian Floyd
Director of CBSS
ian.floyd@york.gov.uk

Lead officer
Kersten England
Chief Executive
(01904) 552000
kersten.england@york.gov.uk

Wards affected: All

For further information please contact the author of the report

Appendices:

Appendix 1- Projects for consideration by July Cabinet

APPENDIX 1: Projects for consideration by July Cabinet

1. Reinvigorate York – Initial Package of Public Realm Projects

EIF Theme: Reinvigorate York

Proposal summary

Background

Reinvigorate York is part of a wider programme of activity emerging to create the York city centre of the future as a more competitive and distinctive USP in the York economy – capable of attracting new investment and generating growth in the existing business base, and attracting new visitors and residents.

The programme is focused on the public realm element of this programme – and the initial package of projects included in this proposal are designed to kick start further investment in high profile projects throughout the city centre to create a modern, clean public space that both showcases the city's heritage and history, but also provides the environment for businesses, residents and visitors of today.

The package presented here provides the initial critical investment in city centre infrastructure that will unlock this further investment. This package creates a step change in the public realm, including paving, lighting, seating as well as de-cluttering unnecessary signage, fencing, bollards and other items of street furniture.

Reinvigorate York is a key element of a wider programme of work being developed to facilitate the evolution of the future of York's city centre, and a core element of the emerging city centre investment and action plan being developed to support this evolution. This plan will identify both the future trajectory of the city centre economy and the interventions required to facilitate this economic transformation. The role of Reinvigorate York will be to ensure the city centre environment is of the quality required to attract the visitors and business investment to the city that the city's ambitious economic aims would suggest.

In this way, the Reinvigorate York project presented here is a key contributor to the **Council's Priority 1, Creating Jobs, Growing the Economy** and the **York Economic Strategy's Ambition 4,**

World Class Place.

It represents the Council's investment in the city centre as an economic asset, and has the potential in the context of the work being undertaken through an expanded Retail Strategy Group to become a York City Team to bring forward further investment from the private sector.

Strategic Need

Strategically, the investment to be made in this initial phase of Reinvigorate York will be a critical step in potentially unlocking further such investment in the form of either increased visitors and/or business investment to the city centre.

This investment may either be in the form of investments made by businesses locating in the city or already existing in the city, or in increased visitor numbers (particularly repeat visits), or in a different way through the potential bringing forward of a Business Improvement District in the city to generate further investment by partners in supporting a wider transformation of the city centre.

Strategic impacts

The power of heritage and the distinctiveness of York city centre cannot be underestimated in the generation of economic growth for the city's future.

The city centre has the potential to attract increased numbers of businesses, residents and visitors. As Centre for Cities has found in its Making the Grade Office Report, small cities tend to have higher demand in the centre for office accommodation, but limited ability to accommodate that demand given current constraints on city centre space and capacity.

Equally, the city centre and particularly the heritage offer available in the city centre is a strong draw for international visitors to the UK. 40% of the 10 million holiday trips made by overseas visitors to the UK each year cite heritage as the primary motivation for their trip to the UK – more than any other single factor (Oxford Economics, 2009, [Heritage and the UK Tourism Economy](#)). At the moment, however, international visitors only make up 13% of overall visitors to the city (Fact 09, Visit York).

This is backed up by the research for *Heritage Counts*. 91% of survey respondents to the on-street survey considered that the

historic environment was either important or very important in decisions on where to visit. It was also an important factor in deciding where people live (74%) and work (68%).

In addition, the attraction of greater footfall to the area can increase the turnover of indigenous businesses. According to English Heritage, just over one in four of the businesses surveyed (26%) said that their turnover had directly increased as a result of the historic environment investments. The organisation also finds that investment of this kind generates a greater mix of business investment – greater diversity and likelihood of independent businesses to locate in city centre

The impact of investing in the historic public realm is estimated at £1.6 for every £1 invested over ten years.¹

Likely project impacts

The project thus has the potential to generate the following impacts:

- **Increased inward investment** from businesses locating or growing in the city centre
- **Increased return and new footfall from visitors**, and therefore, increased overall footfall year on year, measuring from 2011-2012 figures. Given 99% of visitors are likely to recommend the city to a friend, any increase in visits is likely to generate further multiplier effects in the number of visitor trips to the city.
- **Increased GVA** – overall impact at £1.6 for every £1 invested

Strategic Fit

The project supports Council Plan Priorities for Creating Jobs, Growing the Economy, Get York Moving, Protect the Environment and Protect Vulnerable People. It also supports Ambition 4 in the York Economic Strategy, that of a World Class Place.

¹ English Heritage (2010). Heritage Counts.

Proposal

Eight specific projects are proposed to go forward now, with up to £200k of funding for the initial phase of Reinvigorate York from the Council's Economic Infrastructure Fund (EIF).

This phase of the work is considered the critical first step in unlocking further investment from private investors and landlords in the public realm surrounding their property – creating a modern public realm that is fit for purpose for the modern yet historic city centre that will attract the further investment in the city that is required for the city to reach its economic ambitions.

The 8 specific proposals to be considered are set out below.

1. **Removing, replacing, refurbishing waste bins - £20k**
2. **Removing, replacing, refurbishing, restoring street lighting - £70K**
3. **Removal, replacement, and standardisation of bollards in the city centre - £20k.**
4. **Refurbishing, repairing, replacing of street seats - £30K**
5. **Painting of poles etc. - £10k**
6. **Inner city tree work: new planting and better management - £10k**
7. **Station to Minster Route – Paving of Station Rise - £25k**
8. **Reinvigorate York needs to demonstrate/ explain work in progress_- £5k**

TOTAL (provisional estimate) = £190,000 (allowing £10k contingency)

Financial Projection

Investment sought	£200K
Additional investments/income/funding	
Recycled return on investment if any	N/A

Outcomes	
<ul style="list-style-type: none"> • An increase in visitor numbers – most likely from repeat visits • An increase in business investment and diversity of that investment – either through growth of existing city centre businesses and/or the attraction of more new investment • An increase in GVA – initially this investment will provide £120K added value; more indirectly, this added value will increase on the back of further investments made by the private sector in the public realm 	
<i>Contribution to economic targets</i>	
Direct Economic Growth	See below
Indirect Economic Growth	£320K ² + additional investment from private sector to be determined
Direct jobs created	Jobs associated with projects
Indirect jobs created	
<i>Contribution to social targets</i>	
The project will enable a more inclusive city centre environment through greater accessibility and a public realm that a greater range of residents and visitors alike can enjoy.	
<i>Contribution to environmental targets</i>	
<p>The project will contribute directly to attracting greater economic activity and investment in the city centre – which by its very nature enables lower CO2 emissions through agglomeration effects (i.e. greater concentration in a smaller area of activity, thereby minimising the need for CO2-hungry transport modes and contributing to greater density of development).</p> <p>Through encouraging greater investment in the city centre, the city will take pressure off otherwise less sustainable development outside the centre.</p>	

² Based on multiplier from English Heritage (2010). Heritage Counts.

2. Digital, Media and Cultural Centre

EIF Theme: Sustainable Economy

Proposal summary

Background

It is proposed that a Digital Media and Cultural Centre is created to provide affordable space for up to 250 micro/small creative businesses over a period of 5 years. The development will be located in the heart of the City of York at a site to be confirmed. The City of York Council are committed to this project and will support the project by building it into the City's strategy and any future development spokes.

The project responds to a market failure in the provision of flexible, city centre space for the digital and creative industries. This shortage has been identified in the 2011 DTZ report commissioned by Science City York.³

The sector is dominated by micro or small businesses; many of them are young and innovative. These businesses require flexible, low-cost premises located in the city centre, however land values and rental prices are prohibitively high acting as a barrier to growth. Market demand for affordable studio and business premises is high.

The model would adopt a pricing structure that provides a ladder of progression from start-up to established business, enabling growth.

The Site

A preferred site has been identified in the heart of the City Centre – the Bonding Warehouse. The refurbishment costs are based on an appraisal and feasibility study undertaken on the preferred site. Finalisation of agreement on this site will be subject to conclusion of satisfactory agreement being reached with the owner of the building.

³ DTZ (2011) Specialist property strategy for science and technology businesses in the city of York. Commissioned by SCY.

However, other sites have been explored and are available should the preferred site negotiations not produce agreement.

Aims

- Build capacity through developing a creative hub in the City of York
- Create a destination venue, contributing to the cultural tourism offer of the City
- Unlock critical business space required to drive growth in the creative business sector
- Generate new business and jobs, helping established businesses to grow
- Providing a ladder of progression from start-up micro enterprise to high growth business
- Create an innovation hub that generates b2b activity, collaborations and new IP
- Provide professional & skills development
- Development and integration into the existing infrastructure

Strategic Fit

The project delivers against **Council Plan Priority 1: Creating Jobs Growing the Economy** and **York Economic Strategy Ambition 2: A More Competitive Business Base.**

The acknowledged overspill of creativity as a driver of innovation in other industry sectors is seen as one of Europe's biggest challenges over the next decade. The Commission has earmarked over 380 million Euros to invest in innovation and have established a new body to support creative overspill. An essential element of any city's ambition to maximize these opportunities is the ability to identify where creative talent thrives, can be engaged and skilled with the right tools to support other industry sectors in generating new, innovative services, products and processes.

Having recently been shortlisted for status as a UNESCO City of Media Arts, the York creative sector has made clear its ambitions to become an internationally renowned hub of media arts. To support development of this hub, the newly launched York Economic Strategy sets out an ambition for strengthening supply chains and supporting infrastructure for businesses in the creative and media arts sector to grow. This in turn provides a direct

relationship with the LEP strategic aims to achieve recognition of the region as the innovation capital of the North of England.

The city has the clear potential to become not only nationally but also internationally competitive. York is currently home to more than 250 creative and media arts businesses, and it is the fastest growing sector of the city's economy. It has thus been identified as a key opportunity for further business growth – not only to support existing businesses and new start-ups and to encourage University spinouts, but also to attract further investment in the sector from beyond the city. Acting as a supply chain for HEIs' and FEIs' graduates and micro enterprises wishing to grow. Providing an intermediate step with business parks and York Science Park for expanding businesses. In addition the city will benefit from a destination venue that is recognised as contemporary cultural landmark, forming a vital link to a new connected and global network of similar organisations and cities. The result will be an iconic and visible presence that reaffirms York's commitment to the contemporary creative and cultural sector.

That of 'The Baltic Triangle', the main 'Cultural & Creative Industries' legacy of the 2008 European Capital of Culture, exemplifies a successful example of investment of this nature. <http://www.liverpoolbaltictriangle.co.uk/> The initial £8 million invested has provided leverage for a many other schemes including a £65 million private sector development. By building strategic alliances between city council, business, cultural venues and heritage the Baltic Triangle has achieved international acclaim. The development of the DMCC would be the lynchpin of the City of York strategy to achieve international recognition as a centre for 'Media Arts'.

Financial Projection	
Investment sought	1,400,000
Additional investments/income/funding	2,995,000
Recycled return on investment	1,400,000 over life of project from year 5

Breakdown of funding

Element of project	Source of funding	Type	Funding (in millions)
Feasibility Study	Business Link Legacy Funding	Grant	.015
Purchase of building (private investor)	Private investor	Investment	.755
Refurbishment of building	<i>YNYER LEP Funding</i>	<i>Loan</i>	<i>1.0</i>
	<i>CYC EIF (pending decision)</i>	<i>Loan</i>	<i>1.4</i>
Due diligence	CYC Delivery and Innovation Fund	Grant	.025
Mentoring, business support services	<i>ERDF (outline business plan approved)</i>	<i>Grant</i>	<i>1.2</i>
Total cost of project			£4.395m

Lines in italics pending due diligence and further steps

Further funding options

Arts Council Strategic Capital funds up to £500,000 & Heritage Lottery Capital funds up to £500,000 along with other targeted funding pots.

Private finance through the sale of leasehold space, to be explored further if invited to the next stage could also raise revenue

Outcomes	
Direct Economic Growth	
Indirect Economic Growth	
Direct jobs created	142 jobs created
Indirect jobs created	235 Jobs created

Contribution to social targets

By creating a central space for creative industries, the project will enable greater public interaction with one of the city's growing industries.

By creating affordable business space, the project will open out the possibility of enterprise to a wider range of individuals – thereby creating greater opportunity for employment.

Contribution to environmental targets

The project would be developed using environmentally sustainable standards of building and the feasibility study would scope what level these environmental standards could be.

3. Targeting Growth in Key High Value Sectors**EIF Theme: Sustainable Economy****Proposal summary****Background**

The city's recently published York Economic Strategy sets out the ambitious targets of becoming a top 5 UK city and top 10 European mid sized city. However, recent economic forecasts produced by the Regional Economist Unit suggest that these targets will be challenging if interventions are not undertaken to proactively drive growth in the private sector – and particularly high value, high growth sectors like IT/digital, creative and biosciences.

The city has significant potential in both retaining and attracting new presence in these key sectors, and the profile of these industries – high value, lower employment – mean that, alongside some of the general business support and employment work the city is undertaking, growth in these industries could fill a growing need for private sector growth.

However, attracting and retaining business presence in these sectors requires consistent understanding, development and marketing of the offer and business environment for these industries – a capacity that any local authority would struggle to provide.

Strategic Need and Fit

The strategic need for this project is predominantly covered by **Council Plan Priority 1: Creating Jobs, Growing the Economy** and **York Economic Strategy: Ambition 2: A Competitive Business Base and Ambition 5: Coordinated approach to investment.**

The project will provide funding to the city's lead industry body for these high value sectors – Science City York – funding to provide dedicated resource in engaging with and most importantly, identifying the barriers to growth in these sectors, as well as solutions for retaining and growing the city's existing business base in these sectors, but also to attract new businesses in these sectors. The capacity provided by the SCY team will provide a critical opportunity to make a real difference in the way that the city develops the offer for existing businesses to grow and new businesses to locate in the city.

Proposal

This funding would enable SCY to provide detailed sector knowledge through increased engagement with businesses with high growth potential across the city. Key aspects of this delivery would include:

- Engagement with businesses from a broad range of industry sectors across the York and North Yorkshire, Leeds and Humber LEP geographies, to further identify their needs, provide solutions or signpost and make referrals and to act as a broker where required between organisations.
- Liaison and joint working with other relevant business networking organisations and other industry focused groups.

Maintaining regular communications with businesses across SCY networks, and overseeing the delivery of SCY annual events programme

Financial Projection	
Investment sought	£40K
Additional investments/income/funding	N/A
Recycled return on investment if any	N/A

Outcomes	
<ul style="list-style-type: none"> • Delivery of strategy and deliverables to support media arts industry including Digital Media and Cultural Centre • Identification of and development of projects that will add to the city's growing capacity in the biorenewables/biosciences industries • Production of regular reports on issues/opportunities in the IT/digital, creative and biosciences industries, along with other high growth industries as appropriate • Growth in number of jobs in high growth industries • Growth in GVA from high growth industries 	
<i>Contribution to economic targets</i>	
Direct Economic Growth	See below – aggregated to indirect
Indirect Economic Growth	£1m
Direct jobs created	See below – aggregated to indirect
Indirect jobs created	150 jobs
<i>Contribution to social targets</i>	
<i>Contribution to environmental targets</i>	

4. Tour de France Campaign

EIF Theme: Sustainable Economy

Proposal summary (up to 2 sides A4)

Background

The region, through Welcome to Yorkshire is bidding to host the Grand Depart for the Tour de France in 2014, and the city of York has the potential to benefit from the second of the two stages for which the region is bidding in this Grand Depart.

The Tour de France is the largest annual sporting event in the world, with 2bn spectators worldwide watching either live or on TV/internet/radio.

Welcome to Yorkshire is leading the official bid to bring the Grand Depart of the Tour de France back to England, with two stages in Yorkshire and a third stage in Southern England, en route to the south coast for an efficient transfer to Northern France.

The region is competing against places like Barcelona, Germany, Utrecht (The Netherlands) and Scotland

Yorkshire's England Bid has high profile support from star sprinter Mark Cavendish and Team Sky team mate Ben Swift and Rapha Condor Sharp's Ed Clancy. The bid has full backing of the local authorities, police, transport companies as well as cross party political support and business community buy in

The public campaign launched to encourage people to show their support www.yorkshire.com/backlebid

The potential for both the attraction of visitors and investment to the city as well as the exposure the event will provide to the city to the international markets with which the city of York is keen to make stronger links is the key rationale for CYC developing the proposal to play a key part in this campaign.

Strategic Need

The project has the potential to advance the city's ambitions to internationalise its offer and connect to new markets beyond the UK's borders. In this way it fits the strategic need set out in the **Council Plan, Priority 1: Creating Jobs, Growing the Economy** and in **York Economic Strategy, Ambition 5: Coordinated approach to investment**.

The project also provides an opportunity to promote the value of cycling and sport to our residents – fitting with Council Plan priorities for **Get York Moving** (improving take up of cycling), and **Build Strong Communities** (healthy, sustainable communities).

Strategic Fit

The project adds significant value to the internationalisation programme of activity for the city over the short-term – providing a platform for promotion of the city as a quality destination – not only to visit, but to live and work.

Key points

- **A global audience of over 2bn people watch the race every year**
- Roughly every other year the race starts outside of France, this year it starts in Liège in Belgium
- **Over 185 countries around the world show the Tour de France every year on 92 different television channels with the last hour of every stage broadcast live across Western Europe**
- The tour itself, including teams and administration, **give a huge boost to accommodations, restaurants and shops**
- That could start several days before racing begins
- Great opportunity to showcase other cycling routes in the area
- According to the main backer of **the 2007 English start, Transport for London, the Tour is estimated to have brought £88m to south-east England and to have generated £35m worth of media coverage.**
- **Spectator numbers were estimated at more than 2m over the two days of racing**

Evidence from the London experience

The experience of London and the Southeast in hosting the TdF in 2007 suggest the likely impacts of hosting a Grand Depart. Evaluation indicated highly favourable attitudes towards London as the host of both the TdF. Eight out of ten people interviewed said the TdF was the main reason for their being out. A survey of satisfaction with the Tour de France and related events produced very high scores for the TdF as a spectacle, the quality of stewarding, the information available, and facilities for the public.

The TdF directly generated £73 million in London, £15 million in Kent and a further estimated £35 million from publicity. In addition there were many other related events held by local authorities and other organisations which cumulatively generated substantial additional activities and spending.

Estimated attendance was around three million or more in London and Kent. The picture overall is of people treating the TdF and associated events as family and social occasion. More than half came from outside London, and ten per cent came from overseas.

Surveys results indicated that just over half of those attending said they were more likely to cycle as a result of the TdF in particular for leisure. Overall, one fifth of cyclists interviewed at the Festival said they already cycled more than in 2006 and 11% had taken up cycling since then. Those most likely to cycle more included younger women, people aged 16-34 and those in social classes ABC1.

Strategic impacts

The proposal could result in the following specific measurable impacts:

- **Increased brand recognition** – the Grand Depart will be broadcast on **100** TV channels, **70** radios, **400** newspapers and press agencies, **70** websites, that is to say **2,300** journalists representing **35** nationalities (using 2011 figures), broadcasting in **185** countries on 92 channels, of which **60** transmit live coverage; and receiving 14 million unique visitors to its website, generating a platform for showcasing the city in which the event takes place

- **Increased footfall** – recent figures suggest that the Olympic torch relay drove footfall up by 23 to 25% on an average Tuesday. The impact of a Tour de France Grand Depart, given the unique draw for audiences not just in the city (as would have been the case for the torch relay) but in the region and wider national catchment for the event, would be significantly higher. From the London experience, 3 million attended the event, and 80% were visitors.
- **Increase in proportion of overseas visitors** – as in the case of London, up to 10% of attendance could be from overseas visitors – providing direct experience of York to a range of international markets. Building on this, the chances of repeat visits are relatively high, given recent survey data suggesting that 99% of visitors to the city would return. At the moment, only 13% of York visitors visit from overseas markets.
- **Increase in spend in local economy as a result of the immediate event** – The TdF has been estimated at a value of £300m to the Yorkshire economy if the bid is successful. For York, a stage of this event could attract anywhere around the £75m that the London event attracted for the one stage it hosted in 2007.
- **Increase in proportion of residents considering and taking up cycling** – 50% of those attending more likely to consider cycling for leisure and 20% to cycle more often than before the event (some leakage of this benefit to visitors)

Proposal

The proposal is for the city to release two stages of £25K contributions each to the campaign to bring the Grand Depart to the region, with the specific aim of bringing one of the two stages being sought to the city. The campaign will identify York as the preferred host for the second stage of the Grand Depart.

For the Tour de France the start of a stage is about:

1. The City (York)
2. The Teams and Riders
3. The Publicity Caravan – up to 250 decorated cars and promotional vehicles

The City of York will feature prominently in the marketing for the Bid. The iconic image of the Minster will be used and this will appear, for example, as we sponsor Eurosport's coverage of the Tour de France. This programme runs daily from June 30th – July 22nd. The image will appear nearly 1200 times and be seen by over 2 million people. The value of this package alone is £117,500.

The money provides the necessary contribution to leverage the support of a larger campaign from across the region that has the potential, beyond the weight of the city alone, to secure this event for our benefit and the benefit of the wider region.

Financial Projection	
Investment sought	£50K over two years
Additional investments/income/funding	Match by RIEP funding and additional support to be secured from West Yorkshire authorities.
Recycled return on investment if any	N/A
The £50K will be released over two years – the first tranche immediately on approval and the next at beginning financial year 2012-13. Fund will be coordinated through a West Yorkshire bid partnership, with support from Wakefield MDC.	

Outcomes
<ul style="list-style-type: none"> • Increased brand recognition of York as a destination for business, visitors and living (as measured by market perceptions work) to 190 countries via international broadcasting, and • Increased footfall for the event in the region of more than 25% (using Olympic torch relay as a benchmark)

- Increased longer term footfall from return visitors (99% of visitors would return and 94% would recommend to family and friends from 2009/10 Yorkshire Visitor Survey)
- Potential for increase in spend in the visitor, retail and leisure economy
- Increase in proportion of visitors from overseas markets – currently 5% (as per Fact 2009, Visit York)

Contribution to economic targets

Direct Economic Growth	See below (aggregated figures taken from London experience and estimates of Yorkshire proposal impacts)
-------------------------------	---

Indirect Economic Growth	£75 million
---------------------------------	-------------

Direct jobs created	TBC (economic impact report being prepared by W2Y)
----------------------------	--

Indirect jobs created	
------------------------------	--

Contribution to social targets

The TdF Grand depart would contribute to the Building Stronger Communities priority of the Council through the increase in health and well being as a result of increased take up of cycling.

Contribution to environmental targets

Bringing the event to the city would enable the city to enhance the take up of cycling by residents in the city and would offer a platform for further encouraging this take-up.

Economic Infrastructure Fund Control

TABLE 1 Funding Sources

	<u>Approved</u>	Prior Year £000	12/13 £000	13/14 £000	14/15 £000	15/16 £000	16/17 £000	Total £000
New Homes Bonus (Rev Grant)			1300.00	1800.00	1800.00	1800.00	1800.00	8500.00
Prudential Borrowing			2000.00	4000.00	5000.00	5000.00	4000.00	20000.00
Total Fund Value CYC		0.00	3300.00	5800.00	6800.00	6800.00	5800.00	28500.00

TABLE 2 Projected Allocations by Theme & Scheme - detail

		Prior Year £000	12/13 £000	13/14 £000	14/15 £000	15/16 £000	16/17 £000	Total £000
Get York Moving - Expenditure		395.00	9093.00	13786.00	3568.00	0.00	0.00 #	26842.00
- Park & Ride		395.00	4173.00	13786.00	3568.00			21922.00
Funded by:								
GG	Gvt Grant - DfT		2969.00	9809.00	2539.00			15317.00
DEV	S106		300.00	100.00				400.00
CYC	CYC - Other	395.00	904.00	1377.00	1029.00			3705.00
EIF	CYC - EIF	approved	0.00	2500.00				2500.00
		395.00	4173.00	11286.00	3568.00	0.00	0.00	21922.00
- Better Bus Fund			4920.00					4920.00
Funded by:								
GG	Gvt Grant - DfT		2925.00					2925.00
DEV	External Contributions		330.00					330.00
EIF	CYC - EIF	approved	1665.00					1665.00
		0.00	4920.00	0.00	0.00	0.00	0.00	4920.00
Get York Moving - Funding		395.00	9093.00	11286.00	3568.00	0.00	0.00	26842.00

Prior Year 12/13 13/14 14/15 15/16 16/17 Total

	£000	£000	£000	£000	£000	£000	£000
Digital York - Expenditure	0.00	0.00	0.00	0.00	0.00	0.00 #	0.00
Digital York- Funding	0.00	0.00	0.00	0.00	0.00	0.00 #	0.00

	Prior Year	12/13 £000	13/14 £000	14/15 £000	15/16 £000	16/17 £000	Total £000
Reinvigorate York - Expenditure	0.00	200.00	0.00	0.00	0.00	0.00 #	200.00
- Reinvigorate York - Initial Funding							0.00
Funded by:							0.00
External funding							0.00
External Contributions							200.00
CYC - EIF			recommended				200.00
	0.00	200.00	0.00	0.00	0.00	0.00	200.00
Reinvigorate York	0.00	200.00	0.00	0.00	0.00	0.00 #	200.00

	Prior Year	12/13 £000	13/14 £000	14/15 £000	15/16 £000	16/17 £000	Total £000
Economic Inclusion York - Expenditure	0.00	0.00	0.00	0.00	0.00	0.00 #	0.00
Economic Inclusion York	0.00	0.00	0.00	0.00	0.00	0.00 #	0.00

	Prior Year	12/13 £000	13/14 £000	14/15 £000	15/16 £000	16/17 £000	Total £000
--	------------	---------------	---------------	---------------	---------------	---------------	---------------

Sustainable Economy York	0.00	3465.00	65.00	0.00	0.00	0.00 #	3530.00
- Targeting Growth in Key Sectors							0.00
Funded by:							
External funding							0.00
External Contributions (in kind)							0.00
CYC - EIF	recommended	40.00	40.00				80.00
		0.00	40.00	40.00	0.00	0.00	80.00
- Digital and Media Arts Hub							0.00
Funded by:							
External funding		1000.00					1000.00
External Contributions (in kind)		1000.00					1000.00
CYC - EIF	recommended	1400.00					1400.00
		3400.00	0.00	0.00	0.00	0.00	3400.00
- Tour de France - Campaign							0.00
Funded by:							
External funding							0.00
External Contributions (in kind)							0.00
CYC - EIF	recommended	25.00	25.00				50.00
		25.00	25.00	0.00	0.00	0.00	50.00
Sustainable Economy York - Funding	0.00	3465.00	65.00	0.00	0.00	0.00 #	3530.00

	Prior Year	12/13 £000	13/14 £000	14/15 £000	15/16 £000	16/17 £000	Total £000
Core Costs - Expenditure	0.00	86.00	86.00	86.00	86.00	86.00	430.00
- Officer capacity							0.00
Funded by:							
CYC - EIF			approved				
	0.00	86.00	86.00	86.00	86.00	86.00	430.00
	0.00	86.00	86.00	86.00	86.00	86.00	430.00
	0.00	86.00	86.00	86.00	86.00	86.00	430.00

	Prior Year	12/13 £000	13/14 £000	14/15 £000	15/16 £000	16/17 £000	Total £000	
TABLE 3 - TOTAL Fund Value eif PLUS Other Funds								
Direct EIF	0.00	3300.00	5800.00	6800.00	6800.00	5800.00	28500.00	
Non EIF	395.00	9428.00	9909.00	2539.00	0.00	0.00	22271.00	
	395.00	12728.00	15709.00	9339.00	6800.00	5800.00	50771.00	
Funded by:								
GG	Government Grant	0.00	5894.00	9809.00	2539.00	0.00	0.00 #	18242.00
DEV	S106	0.00	630.00	100.00	0.00	0.00	0.00	730.00
	Other External Funding		1000.00	0.00	0.00	0.00	0.00 #	1000.00
	Other External Contributions		1000.00	0.00	0.00	0.00	0.00 #	1000.00
CYC	CYC - Other	395.00	904.00	0.00	0.00	0.00	0.00 #	0.00
EIF	CYC - EIF	0.00	3416.00	2651.00	86.00	86.00	86.00 #	6325.00
		395.00	12844.00	12560.00	2625.00	86.00	86.00	28596.00
	CYC - EIF to be allocated	0.00	-116.00	3149.00	6714.00	6714.00	5714.00	22175.00

TABLE 4 - Summary EIF - Approvals/Recommendations							
Total Available	0.00	3300.00	5800.00	6800.00	6800.00	5800.00	28500.00
Total Allocations	0.00	3416.00	2651.00	86.00	86.00	86.00	6325.00
Allocations Approved to date		1751.00	2586.00	86.00	86.00	86.00 #	4595.00
Allocations being recommended		1665.00	65.00	0.00	0.00	0.00 #	1730.00
Balance Remaining	0.00	-116.00	3149.00	6714.00	6714.00	5714.00	22175.00

TABLE 4 - EIF (CYC) Analysis Capital Revenue Split							
Total Available	0.00	3300.00	5800.00	6800.00	6800.00	5800.00	28500.00
NHB Total	0.00	1300.00	1800.00	1800.00	1800.00	1800.00	8500.00
NHB Revenue Spend		65.00	65.00				130.00
NHB Capital Spend		1600.00					1600.00
NHB Total Remaining	0.00	-365.00	1735.00	1800.00	1800.00	1800.00	6770.00
Prudential Borrowing Total	0.00	2000.00	4000.00	5000.00	5000.00	4000.00	20000.00
Prudential Borrowing (CYC) - Capital Spend Only	0.00	1665.00	2500.00				4165.00
Prudential Borrowing Remaining	0.00	335.00	1500.00	5000.00	5000.00	4000.00	15835.00

TABLE 5 - Summaries by Theme Committed							
<u>Gross Cost</u>	Prior Year	12/13 £000	13/14 £000	14/15 £000	15/16 £000	16/17 £000	Total £000
Get York Moving	395.00	9093.00	13786.00	3568.00	0.00	0.00	26842.00
Digital York	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Reinvigorate York	0.00	200.00	0.00	0.00	0.00	0.00	200.00
Economic Inclusion York	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Sustainable Economy York	0.00	3465.00	65.00	0.00	0.00	0.00	3530.00
Core Costs	0.00	86.00	86.00	86.00	86.00	86.00	
TOTAL	395.00	12758.00	13851.00	3568.00	0.00	0.00	30572.00

TABLE 6 - EIF Summary by project							
Approved							
Park and Ride		0.00	2500.00	0.00	0.00	0.00	2500.00
Better Bus Fund		1665.00	0.00	0.00	0.00	0.00	1665.00
Project team costs		86.00	86.00	86.00	86.00	86.00	430.00
		1751.00	2586.00	86.00	86.00	86.00 #	4595.00
Recommended							
reinvigorate york		200.00	0.00	0.00	0.00	0.00	200.00
digital media		1400.00	0.00	0.00	0.00	0.00	1400.00
science city		40.00	40.00	0.00	0.00	0.00	80.00
tour de france		25.00	25.00	0.00	0.00	0.00	50.00
		1665.00	65.00	0.00	0.00	0.00 #	1730.00
		3416.00	2651.00	86.00	86.00	86.00 #	6325.00

This page is intentionally left blank



Cabinet**17 July 2012****Report of the Cabinet Member for Corporate Services****2011-12 Finance and Performance Monitor****Purpose of report**

1. This report provides a summary of the finance and performance progress for 2011-12. Performance is presented under the five priority themes:
 - Create jobs and grow the economy
 - Get York moving
 - Build strong communities
 - Protect vulnerable people
 - Protect the environment.
2. Supporting data and analysis are available in the five priority scorecards, listed as background papers.

Overview & context

3. The responsibility for governing the city brings with it tough decisions which are increasingly controversial and difficult. However, the Cabinet has taken some significant decisions this year, not-least in progressing the transformation of elderly person home provision, in responding to surplus places in secondary schools, in consolidating waste and recycling and in overseeing the Community Stadium development.
4. This has been a challenging year for York, set against a backdrop of significant change in the local government sector as a whole. However, we have been shifting our way of working to complement the approach and ambitions of a new administration and delivered on our key priorities. We have successfully delivered budget savings; sustained our performance and service delivery, whilst achieving a minimum of compulsory redundancies, when compared with other local authorities across the country.
5. We have made significant changes to the management structures of the council; reducing the number of AD portfolios and consolidating services

further. We also set a balanced and deliverable two-year budget for 2012-2014, which will deliver a further £20m of savings over the period.

Headlines for the year

6. The council's net General Fund budget for 2011-12 was £123,900k, inclusive of £1,025k usage of reserves and balances and the council's provisional outturn position is an under spend of £349k, an improvement of £1.3m since Monitor 3. This improvement is primarily as a result of continued stringent cost control methods, and internal management reporting has tracked the impact of this positive action.

Directorate	Gross Exp'ture Budget	Gross Income Budget	2011/12 Net Budget	Monitor 3 variance	Draft Outturn
	£'000	£'000	£'000	£'000	£'000
Adults, Children & Education	135,740	-52,315	83,425	+1,567	+1,523
City Strategy	31,511	-24,289	7,222	-146	-271
Communities & Neighbourhoods	82,516	-44,975	37,541	+800	+402
Customer & Business Support Services	77,901	-71,886	6,015	-136	-233
Office of the Chief Executive	2,666	-1,978	688	-	-3
DIRECTORATE BUDGETS	330,334	-195,443	134,891	+2,085	+1,418
Treasury Management				-250	-504
New Homes Bonus				-714	-714
Pensions				-200	-326
Other misc corporate budgets				-	-223
CENTRAL BUDGETS	15,463	-26,454	-10,991	-1,164	-1,767
GROSS BUDGET	345,797	-221,897	123,900	+921	-349

Table 1 – Financial Overview

7. An overview of this outturn, on a directorate by directorate basis, is outlined in Table 1 above and the key variances are summarised in the following paragraphs. The main movements from the Monitor 3 report are:

- City Strategy – an improvement of £125k due to continued expenditure control across the directorate’s service areas.
 - Communities & Neighbourhoods – an improvement of £398k primarily due to the identification of further mitigation strategies, most notably in Housing and Public Protection.
 - Corporate budgets – an improvement of £603k due to an improved Treasury Management position as a result of reduced borrowing costs, as well as lower pension strain costs.
8. In Adult Social Services increasing service demand for Independent Residential & Nursing Care and Direct Payments remains an issue, as well as new pressures in External Homecare and some delays in the Homecare and EPH business change programmes. In Children’s Services, we have retained the 'excellent' rating (Ofsted March 2012) for services to safeguard children in York and support young people who are in the council's care. However, an increase above forecasts in the number of children under the care of the council further contributes to the pressure.
9. There is a continued shortfall in Building control income compounded by in year pressures arising from the City Strategy Directorate service reviews. There are delays in achieving cross directorate savings within Communities and Neighbourhoods taken as part of the 2011-12 budget, including the Fleet Review.
10. York’s Economy continues to perform well against the national picture although business growth shows a mixed picture. The Centre for Cities “Cities Outlook report 2012” highlighted a number of areas where York is amongst the top performers of the 64 UK cities included:
- Youth unemployment - third lowest
 - Inequality levels - sixth lowest
 - City growth by population - third fastest
 - Workers skilled to NVQ4+ - seventh highest
 - Number of unqualified people - joint sixth lowest
 - Increase in unemployment from 2010 to 2011 - second lowest
 - Long-term JSA claimant rate - 13th lowest
11. Business growth has seen a positive increase in the rate of early stage business start ups, placing York top of the region for growth in early stage starts, and improved long term business survival rates. However, the rate of VAT registrations (£71K threshold) in York remains below national comparator cities.
12. Community safety continues to improve, with crime rates across the city reducing by a further 10% throughout the year. York continues to be rated as one of the safest cities in the UK. There are small pockets of

higher crime levels and council activities have been focussed on these areas.

13. Results from an APSE survey placed York in the top 10% of councils for performance on cost in a number of services including parks & open spaces, refuse collection and street cleansing services. APSE also identified Energise as one of the best national performers for sports and leisure facilities.
 14. We have seen a reduction in staff sickness by around 15% this year and we have sustained service delivery in critical areas such as Children's Social Care, where the service attained two excellent ratings from assessments of children's services and safeguarding. York is the only council outside London to consistently achieve the top rating for its children's services during the lifetime of the assessment.
 15. Our housing services continue to perform well, with the activity on homeless prevention having positive effects on the numbers presenting as homeless, particularly 16-17 year olds. The housing service has also been shortlisted for Local Authority Landlord of the Year for the achievements through the Access Matters scheme.
 16. Our Adult Social Care Services have made significant strides in 2011/12, with senior management now having a firm lead on the challenging transformation programme. The number of customers receiving support is increasing but the transition to a new model of personal budget allocation, home care delivery and the introduction of the new reablement service will help contain the financial implications of this increase. As the new model becomes established, waiting lists and throughput times will also begin to reduce.
 17. Whilst the year-end position is positive, there remain considerable financial challenges looking ahead into 2012-13 and beyond. The February Budget Council report approved £20m of savings over the next 2 years and progress against delivering these, as well as dealing with the underlying issues experienced during 2011-12, will require careful monitoring.
 18. Beyond 2012-13, significant financial challenges will result from changes to funding as Central Government continues to implement the various streams of the 2010 Local Government Finance Bill, as well as the outcomes of a likely midterm Spending Review. The continued development of the Financial Strategy will ensure that the Council prepares effectively for these challenges.
-

What we delivered this year

19. We now have a Council Plan that has given a new clarity of purpose to the council, making the authority more focussed on its priorities and with a defined and deliverable action plan that runs through to 2015. One year into this, we have already made significant progress on delivering the priorities.

20. Our top ten tangible achievements this year were:

- Setting a robust two-year budget for 2012-14;
- Funding for a significant extension to the city's Park & Ride provision;
- 200 new apprenticeships city-wide (double the original target for the scheme);
- Fairness Commission established, with input into the budget and service delivery;
- Radical reform of our EPH provision and greatly strengthened adult Reablement service;
- £21m savings in 2011/12;
- Community contracts developed for all 18 wards;
- "Excellent" assessments for children's services and safeguarding arrangements;
- Crime reduction by a further 10%, bucking national trends;
- FTR bus taken off the roads; orbital cycle route established.

21. The following sections provide further information on the financial outturn of each directorate as outlined in Table 1 above.

Adults, Children & Education

22. The Adults, Children & Education directorate has reported an overspend of £1,523k, made up of an overspend on Adult Social Services (£1,660k) and an underspend on Children & Young People's Services (£137k). This represents an overall improvement of £44k since monitor 3.

23. In Adult Social Services, the population growth of older people is already placing a greater demand on council services and budgets, with increased numbers of people seeking support from social care services. As the number of customers receiving personal budgets to support them continues to rise, it promotes independence, enables choice and control over the daily lives of our customers and they can exercise greater choice and control over their lives. As forecast, pressures centre on a greater number of referrals than anticipated in Independent Residential & Nursing Care (£1,393k) and a continued increase in the number of customers taking up Direct Payments (£586k) along with a significant pressure in External Homecare primarily related to Learning Disability

customers with additional pressures relating to children in transit between children's and adults services (£1,245k). An increased number of emergency placements made towards the end of the financial year resulted in an overspend on respite care of £187k.

24. There has been significant organisational change within adult social care, service levels are close to the targets, reflecting the considerable effort to maintain services to customers even through the changes to the homecare service to ensure a sustainable future. We have also outsourced our reablement contract (March 2012) which will deliver a new and greatly strengthened service and also reduce the financial pressures in this area. In Homecare, there were delays in letting the reablement contract and reconsideration of other care services options (£679k) and in EPH's, implementation delays mean that the full saving could not be achieved (net £421k).
25. However, mitigating actions had been identified to offset these pressures. A significant number of vacant posts were held whilst the Business Change workstreams continued (£399k), an under spend on Warden Call (£174k) and delays in two Supported Living schemes result in an under spend (£385k). Grant adjustments (£594k), other underspends (£580k) and additional funding from the PCT (£614k) all contribute to the overall position.
26. We want to ensure that York's children grow up in happy and stable environments, in family settings wherever possible which is why our parenting program has provided support to an increasing number of families with multiple and complex needs. This should help manage the caseload of looked after children due to earlier prevention work. The number of children currently under the care of the council is considerably higher than predicted when the 2011-12 budget was set and as a result contributed to the directorate's financial pressures. This increased caseload resulted in additional in-year staffing costs (£403k) and increased legal costs (£184k). There are also currently 29 Special Guardianship Orders in place which have resulted in an increase in spend of £119k. The Young Person Foyer at the Howe Hill Hostel has opened bringing together all key service provision aimed at supporting Young People at risk of homelessness.
27. The number of children in local foster placements has increased from 162 when the budget for 2011/12 was set, to the present figure of 183, which has resulted in an over spend of £224k. A comprehensive programme of prevention to address growing LAC population was launched at a directorate event in December 2011, with programme boards established to deliver changes.

28. There is an ongoing need for 20 Independent Fostering Agency placements which have exceeded that provided for in the budget resulting in an over spend of £256k. A weekly review of the children in these placements by the senior management team has been initiated to expedite their return to local placements as soon as possible. Any moves are always for the child's benefit.
29. Underspends on some previous year grant allocations have been used to offset some of these expenditure pressures (£1,245k). Other mitigating savings of £221k result from restrictions on expenditure in place across the directorate, including a further £319k from staffing vacancies.

City Strategy

30. The City Strategy directorate has reported an underspend of £271k, which is an improvement of £125k from the Monitor 3 report. Savings have been reported in concessionary fares (£206k), network management (£70k) and transport planning (£274k). Additional income has resulted in underspends in parking (£67k), property services (£134k) and economic development (£87k) and have been offset by shortfalls in income from Building Control (£207k) and the time taken to deliver service review savings (£349k). The directorate also absorbed a £95k pressure related to corporate Carbon Reduction Commitment Scheme costs.

Communities & Neighbourhoods

31. The Communities & Neighbourhoods directorate has reported an overspend of £402k, an improvement of £398k since the last report.
32. The overspend consists primarily of directorate wide reviews that did not fully provide savings in 2012/13. The Fleet review has a significant savings target of £650k within CANS in addition to unachieved prior year savings within the council. The review was not forecasting any savings achievable in this financial year due to the part year effect of savings and one off investment costs. In the final outturn figures investment costs of £270k are allocated to the project, whilst the savings (£220k identified) are accounted for within the individual service areas both within CANS and council wide. Project Savings of £530k are currently forecast for 2012/13.
33. Elsewhere other directorate wide projects did not fully meet their targets and overspends have been reported against the Supplies and Services review (£426k), Agency Staff (£97k), Internal Trading (£150k), Area Based Working (£92k) and the Business Support Review (£224k).

34. There were two key overspends within Commercial Waste where the service was £576k below the budgeted income level (although still making a profit) and Building Maintenance (£208k) which was a result of costs involved in rationalising the business at the start of the year.
35. To mitigate the directorate wide overspends budget managers sought savings within service budgets and these have mostly been successful in reducing the overall spending. The main areas were the holding back of uncompleted highway schemes (£366k) and ceasing ward committee expenditure following Monitor 2 (£348k).
36. There were also a number of further underspends auctioned across the directorate including Housing Services (£254k), Environmental Health and Trading Standards (£121k), Library Service (£98k) and Sport and Active Leisure (£140k). There was also additional income received (partly from the decision to increase charges from January) from the Crematorium (£79k), Licensing (£81k) and Registrars service (£99k). There was also windfall income of £177k within Housing services. There was further directorate wide mitigation of £450k including vacant posts.

Customer & Business Support Services

37. Customer & Business Support Services has reported an underspend of £233k, which is a £97k improvement from the Monitor 3 report. The main areas of underspend relate to vacant posts being held pending restructures and service reviews in other parts of the council, along with a range of other minor underspends.

Office of the Chief Executive

38. The Office of the Chief Executive directorate has reported an underspend of £3k due to a range of minor variations across the directorate.

Corporate Budgets

39. These budgets include Treasury Management activity and other corporately held funds. Treasury Management has generated a £504k underspend due to reduced interest paid on borrowing and increased interest earned due to higher than anticipated cash balances and the volatility in financial markets which has allowed for the Council to take advantage of favourable interest rates.
40. In addition, pension strain costs to date have been lower than anticipated in the financial year resulting in an underspend of £326k.
41. This section also now includes the use of £714k for the New Homes Bonus to support the revenue budget, as reported at Monitor 3, as well as underspends of £223k on general support budgets.

Dedicated Schools Grant

42. In the DSG area there is a projected underspend of £387k against a budget of £106,642k, primarily due to lower than expected costs related to SEN Out of City Placements. Due to the nature of the DSG, any underspend must be carried forward and added to the following year's funding with overspends either being funded from the general fund or reducing the following year's funding allocation.

Housing Revenue Account (HRA) - Finance

43. The Housing Revenue Account opened with a general balance of £10,398k and the year end position identifies an underspend of £1,491k resulting in an increase in the overall HRA balance of £413k. There are a number of underspends across the HRA within repairs and maintenance, general management and sheltered housing. There were further underspends due to slippage within the capital programme and higher than assumed interest on cash balances.

Reserves

44. The February 2012 Budget Report to Council stated that the minimum level for the General Fund reserve should be £6.1m (equating to 5% of the net budget) and as part of that report, approval was given to a £250k contribution that takes the reserve to a level of £6.3m.
45. In ensuring a prudent budget was approved, the February Budget report also made provision to reinstate the General Contingency with a contribution of £250k. Given that the General Fund reserve now sits above its minimum recommended level, it is proposed that the 2011-12 £349k underspend is transferred to the General Contingency to allow Council to meet significant issues that may arise the in 2012-13 and beyond. This transfer would take the General Contingency to £599k.
46. The outturn and the allocation of the underspend into contingency, together with the inclusion of funding in the 2012-13 budget for the contingency fund and contribution to reserves, have increased the overall financial stability of the Council. However, there remain significant risks going forward, as the public sector reductions require further savings to be delivered across the Council. The February 2012 Budget Report set out plans for achieving £20m of savings in the next two years, and it will be essential that these are delivered, alongside managing known existing pressures set out in this report. The level of reserves remains only just above minimum levels so there is very little scope for the use of reserves to fund overspending.

47. The following sections provide information regarding our performance against the Council Plan priorities:

Create Jobs and Grow Economy

48. The city of York now supports more than 114,000 jobs and contributes £4bn (GVA) of value to the national economy. However, the growth forecast for York based on the Regional Econometric Model (REM) is low compared to others (based on a number of factors but predominantly lower than average growth in the private sector) and economic conditions are set to remain challenging but York has significant potential to grow.
49. Business growth over the past year shows a mixed picture. There has been a positive increase in the rate of early stage business start ups, placing York top of the region for growth in early stage starts, and improved long term business survival rates. This has contributed to fewer vacant shops and encouraging footfall results when compared with other benchmark areas. However, the rate of VAT registrations (£71K threshold) in York remains below national comparator cities. This means the city has work to do to ensure that early stage starts have the opportunity to grow to the VAT registration threshold.
50. York's commitment to growth has enabled some key actions to be achieved including the York Business Conference (part of an award winning week) attended by over 100 business representatives, the Economic Development Strategy, a single point of contact for businesses via the Economic Development Team with a new online business portal, local source bias included in procurement strategy, and increased business intelligence capacity. Negotiations with a national provider are nearly complete for Free Wi-Fi across large parts of the city centre which will attract businesses and tourists.
51. Pupils coming out of school with 5 GCSEs grade A-C (inc Maths and English) has seen a strong improvement (+3.6% from 84.3% in 09/10) in the KS4 area, with significant closing of the gap for pupils from a deprived background to the lowest for 3 years (33.5% gap compared to 42% last year).
52. York's residents are more productive (GVA per head) than any other residents in the region other than Leeds. Nonetheless, York's productivity does not rank as well nationally against UK comparator cities (£20,242 per head which is 27th out of 64 UK cities).
53. Reduced numbers of job seeker allowance's claimants is helped by York's commitment to doubling the Apprenticeship target creating over 200 new posts in the city and further investment in the city centre

including securing commitment for a Network Rail centre in the city (500 jobs). However, York maybe affected by a higher proportion of people employed in the public sector compared to other cities.

54. Youth unemployment shows a positive picture with high benchmark results but the number of NEETs (Not in Education, Employment or Training) now ranks 30th nationally which is down on the 7th place from the year before. Long term unemployment amongst those 24 and under has risen sharply, although well below comparator levels (relatively small numbers from 30 to 100 people).

Protecting the Vulnerable

55. Achievements highlighted earlier (paragraphs 22-29) within the Adults, Children & Education section are also key contributions to this priority.
56. Since the launch of the Children's Front Door policy the number of referrals received by the Assessment team are at a higher level but the quality of referrals to social care team has improved resulting in a higher percentage going onto an initial assessment (nearly 77% in Q4 compared to 53% in Q1)
57. There was a very good response to our annual survey for adult social care. The responses to the majority of questions that directly related to peoples experience of social care, their health and wellbeing, safety and management of day to day activities all showing improvements when compared to last year.
58. The Shadow Health and Wellbeing Board has assumed full shadow responsibilities. The Joint Strategic Needs Assessment has been completed and published and the health and wellbeing strategy is being compiled from the recommendations of the needs assessment.
59. We are beginning a 3 to 4 year modernisation programme which will see the existing 9 Elderly People's Homes close and be replaced by state of the art residential care facilities on 3 sites. This decision followed an extensive citywide consultation, which showed widespread support for the council's vision for future care.
60. The average weekly number of CYC acute delayed discharges has reduced in year (10.08 in Q1 to 8.69 in Q4) and is an improved performance from 2010/11; this has reduced the financial pressure on this service. This is particularly noteworthy in light of the fact that referrals to the hospital team are up 6% since last year.

Strong Communities

61. The council is performing well on this priority, particularly in the reduction in actual levels of crime, preventing homelessness and maintaining visitor numbers to attractions and sports centres.
62. The reduction in crime levels comes at a significant time with the launch of the first York annual Crime Summit in April. A partnership survey around public confidence in the police was also launched at the summit – this will examine the performance of partners in tackling crime and public perceptions of crime and policing. This feedback will be analysed in conjunction with feedback from The Big York Survey with results coming out Summer 2012.
63. There has also been strong partnership working, one outcome being the implementation of a multi-agency domestic violence strategy.
64. In terms of developing cohesive and inclusive communities, our approach to equalities has been greatly strengthened, reaching the “achieving” level in the EFLG scheme and we are committed to an action plan for reaching level “excellent”.
65. York has been nominated for LA Landlord of the Year at the UK Housing Awards 2012. This reflects: the increase in overall tenant satisfaction with the LA; the work done over the course of a year where nearly 1000 households have been prevented from becoming homeless; and the development of the empty property strategy, to bring vacant buildings back into use. However, performance has slightly dipped over affordable housing as there were 151 affordable housing completions for 2011/12, against a target of 171. This is largely due to the delay of the 19 council houses at Lilbourne Drive. These will be the first council homes built in York for over 20 years. 11 were completed in April 12, with the remainder to follow late summer. There has also been a significant decrease in the completions through government backed HomeBuy schemes on previous years.
66. In terms of sports development, the Community Stadium planning application was approved by planning committee on 17 May 2012. The council will now work with the applicants, the sports clubs and commercial partners to work up a detailed planning application for the scheme, which will include the design and layout of the stadium. York has also been successful in securing the city as an overnight stop for the Olympic Torch on 19-20 June.
67. Visitor numbers to attractions and sports centres have been maintained this year and Energise was identified from the Association for Public

Service Excellence (APSE) data analysis as one of the best national performers for Sports and Leisure facility management.

68. There has been a great emphasis on community engagement with the new model for Neighbourhood Working which went to Cabinet in March 2012. This detailed the approach for partnership working and Community Contracts. In June 2012 all ward committee meetings will be presented with their Community Contracts, with the opportunity for residents to feedback on whether their ward priorities remain the same. However, less encouraging is the decline in numbers of residents attending ward committees (from an average of 48.1 last year to 39.8) and a reduction in the number of people taking part in participatory budgeting, both of which may reflect the non publication of a bespoke Your Ward newsletter and agenda. From 2012/13 there will be three ward committee meetings a year, which will be detailed through Your Ward newsletters.
69. As well as hosting a successful visit from Her Majesty the Queen, 2012 sees York celebrate York800 – 800 years since it was granted its Royal Charter. An exciting programme of events for residents, businesses and visitors is currently underway, with the Charter Weekend running on 7-9 July. This weekend will celebrate 800 years as an independent city through song, dance, tours, talks and a flotilla. There is a diverse range of cultural opportunities available for young people through the Shine programme, as a result there has been an increase in the number of hits on the YorOk website Shine page.

Get York Moving

70. Positive progress is being made towards delivering the Get York Moving priority, with funding secured for various different programmes which will improve movement in the city. Park & Ride usage has increased by 8% this year and funding was secured to extend the Park & Ride programme from five sites to seven. Completion of the scheme for the new sites is scheduled for April 2014.
71. Bus passenger numbers have remained stable this year at around £15 million and, with the Better Bus Area Fund secured, the service will be improved in the future, including the creation of 5 bus interchanges across the city centre and improved reliability and information for passengers. Furthermore, the Quality Bus Partnership is examining new partnership/contractual arrangements with operators in the city to improve all aspects of bus travel, whilst promised changes to the FTR service have been made.

72. The increase in Park & Ride passengers and the number using buses does not appear to have affected the numbers using car parks, which has also increased by 1.7% this year.
73. Funding has also been secured for further extension of the sustainable transport programme. Through the Intelligent Travel York programme improvements will be made to the cycling and pedestrian network and improve sustainable travel in the city between July 2011 and March 2015.
74. Cycling has increased in the city (up 8% from 09/10 to 10/11), and could see further increases in the future with the set up of the new orbital cycle route. Cycle theft is down by 42% due to proactive work by the police.

Protect the environment

75. York has an outstanding built and natural environment, with iconic world class heritage. York's distinctiveness needs to be used to attract further investment and sustainable growth, without compromising what makes the city attractive. To succeed requires combining economic growth with reduced environmental impact, as well as placing expectations on individuals to adjust their behaviour.
76. This year a targeted marketing campaign was delivered to encourage further recycling and continue to improve the recycling rate for the city, with the results being a 1.4% increase in recycling in the city. All York properties except farms and rural properties now receive 2 kerbside recycle collections (currently 99.4% of York households), and there has been a 4% increase in the tonnage of waste composted. Whilst the percentage of landfill waste has not met the target of 51.83%, it has continued to improve.
77. Progress has been made to reduce the carbon footprint for the city as a revised Carbon Management Improvement Programme for the council has been approved. Also the council continues to offer free loft and cavity wall insulation for York residents in partnership with Yorkshire Energy Partnership. Efforts to reduce CO₂ emissions would appear to be successful with a 21% reduction in emissions in the local authority area since the baseline year of 2005, showing good progress towards the 2020 target of a 40% reduction. York has achieved the largest CO₂ reduction when compared to similar local authorities.
78. The council has been graded as Level 1 for how it is adapting to climate change, which represents no change since 2010/11. Progress is being made towards Level 2, including a full risk assessment of council services and beginning wider engagement with strategic partners.

However to achieve Level 2 the council needs to begin implementing appropriate adaptive responses in priority areas and service plans.

79. In an effort to reduce CO2 from streetlights an extensive street lighting replacement programme has begun. Over the last two years there has been a reduction of 20.14% in energy consumption from street lighting, making good progress towards the five year target of -25%.
80. In terms of the environment a York Central Historic Core Conservation Area Character Appraisal has been adopted, the first for major City Conservation Area. Alongside this there was been a 3% increase in conservation areas with an up to date character appraisal and an 8% increase in the active management of local sites to improve bio-diversity.
81. Other progress related to the environment includes the implementation of Environmental Stewardship and habitat creation schemes, including wild flowering of sections of the City Walls. Also, over 50,000 trees have been planted so far as part of Treemendous, including 1,100 as part of small local schemes

Core Capabilities

82. To enable all staff to be responsive to customers and to work effectively across team and organisational boundaries, Cabinet agreed (3rd April 2012) the development and implementation of a workforce strategy to develop our future workforce and harness the skills of our staff to deliver our priorities. The first annual employee awards have taken place and a new Employee of the Month scheme has been established (eXtra Factor). Staff sickness levels have improved across all Directorates with the average days lost per FTE for CYC reducing by 1.82% from the 2010/11 figure (8.66 now, down from 10.48).
83. Customer services access has been improved with a better online customer service portal which has a customer satisfaction level of 55% and a mobile phone app ("love clean streets") for residents to request a rapid response for cleansing jobs, graffiti and fly tipping. This went live on 19th March and is available from the app stores. In response to public consultation from September 2011 Customer Services are also now being provided from the Explore Centre in the City and the Gateway Centre in Acomb. The assessment of our services against the Customer Services Excellence standard has also been initiated.
84. The preparations for the move to West Offices are well underway. A key short term deliverable, with long-term benefits. This will mark a major change in the way the council operates, but opportunities will need to be seized in order to get the best out of the new environment. The Cabinet agreed (February 2012) to move from Guildhall to West Offices and look

at options for other uses of the Guildhall - an initial appraisal has been completed but a more detailed appraisal and review of options will take place over the next 12 months.

85. We won a Living Labs Global award for the innovation project (GeniUS! which was created as part of the NESTA creative councils programme) which will be piloted in Cape Town.

Looking to the Future – Areas of Focus

86. Whilst we have maintained positive performance and delivery this year, there are still areas where, if issues are not addressed, could leave us in a vulnerable position. These areas are currently the subject of careful assessment and planning and will thus be areas of focus for us in the coming year:

Housing availability in the city:

87. The number of affordable homes built this year has been below target and the number of overall completions is well below previous years, which will result in a shortfall against demand in the coming years if not rectified. House prices in York are above the national and regional averages, but wage levels are marginally below average, posing a significant risk to the ability to attract and retain the required workforce in the future. Developing a coherent strategy for addressing city-wide housing issues in a holistic way, ensuring that housing is considered as an economic issue as well as a social issue. Some work has started with relevant senior managers to start to work up a proposal of what this might look like.

Congestion & accessible transport:

88. Movement around the city continues to be a challenge for residents and businesses. Whilst the number of bus journeys is increasing, the number of car journeys is not decreasing in sympathy. Issues such as options for improving the north ring-road and potential restriction of certain parts of the city centre areas to only public transport will need to be progressed. Whilst significant funding has been secured for both Park & Ride expansion and pedestrian/cycle improvements, work is starting to successfully deliver against this funding.

Pressure on Social Care Services:

89. The partnership work required to reshape delivery toward prevention and community/home-based support will require our continued focused leadership.

Cumulative impact of the recession on residents:

90. As the economy dips back into recession, the financial pressures on residents will be prolonged or increased as wages continue to fall behind inflation and the availability of employment opportunities is reduced. When combined with the forthcoming changes to welfare benefits, these factors will mean increased financial hardship for residents, and additional pressure on council services to support the most vulnerable. In-work poverty due to the cost of living increasing may become an increasing issue. Focus on financial inclusion work will be broader than just those not in work. Focussing on ensuring provision of a “living wage” from employers across the city (as well as for own staff) is becoming increasingly important.
91. Benefit changes will impact on residents further with some set to lose several hundred pounds. Work is on going to asses the full impact and any mitigating actions which can take place.

Ongoing public sector austerity measures and re-shaping:

92. The next Comprehensive Spending Review will likely bring a requirement for local government to make further savings, against an operating context of with legislative changes that mean ongoing and significant change is required in the way the council operates. The impacts of the Localism Act and the Health & Social Care reforms are examples of where legislation will drive the need for the council to change.
93. Performance and service delivery have by-and-large been sustained through the last few years of efficiency measures. However, further reductions in funding at a time where transformation and setting up new operating models will be required in addition to the “day job” will put increasing pressure on our ability to deliver quality services to residents. The new workforce strategy sets out how we will address many of the risks relating to staff morale and capacity. In order to deliver “more with less” we must unlock and nurture the talent base within the organisation, helping our staff to flourish and maximise their potential.
94. The outlook for local government is still one of significant financial and operational challenges, and York will need to prioritise carefully to ensure we keep focussed on our key priorities.

A continued focus on creating jobs and growing the economy

95. The York Economic Strategy sets a range of outcomes that we must deliver on, including the creation of 1,000 new jobs and 75 new business start ups each year. To deliver this we will continue to promote York as a

business destination by actively seeking inward investment and assisting employers to (re)locate to York, whilst also working to ensure that our residents have the skills mix needed to take full advantage of these new and existing employment opportunities.

Super Connected Cities

96. The Secretary of State for Culture has recently announced the 27 cities eligible to bid for a share of the Urban Broadband Fund Phase 2 fund, and York was one of those identified. This announcement includes the provision of £50 million to enable smaller cities to achieve Super-Connected City status through the Urban Broadband Fund Phase 2 (UBF Phase 2).

Targeted work on Financial Inclusion

97. Focussing resources on those communities where financial inclusion is a major issue. This would include building on the pilot from the Westfield ward and taking this to e.g. the Lindsey and Carr estates.

Health & Social Care

98. Taking the opportunities arising from the transfer of public health and embracing the LA leadership role on partnerships which develop more integrated health and social care arrangements for the city.

Neighbourhood working

99. This will underpin our approach to engaging with residents and delivering services. We will build on our learning from the pilot project to clarify and roll-out our approach to neighbourhood working, incorporating our response to localism, community rights to buy & challenge and the need for different approaches to engagement with residents.

The Big York Survey

100. The Big York Survey (24th May – 25th June) will provide an opportunity for residents to give us their views, feedback and ideas on citywide services. Combined with a new Talkabout survey in September 2012, this will provide more up to date information about Customer engagement and provide better customer insight which will be central to decision making and service design.

City Deal for LCR

101. Continuing the work to strengthen our position with the Leeds City Region LEP and working to secure benefit for York from a Leeds City Deal. Continuing to review our options in respect of a developed transport authority and how we would be part of this.

New models for delivering services

102. Trailing / implementing new and innovative models for delivering services, with the aim to deliver specific schemes this as examples for future changes. The transition of libraries to a social enterprise/employee mutual model is one example where we would aim to deliver a new model of delivery.

Analysis

103. The analysis of the financial position of the council is included in the body of the report.

Consultation

104. There has been extensive consultation with Trade Union groups on the ongoing implications of the council's financial situation.

Corporate Priorities

105. The information and issues included in this report demonstrate progress on achieving the priorities set out in the Council Plan (2011-15).

Implications

106. The implications are:

- Financial - the financial implications are dealt with in the body of the report.
- Human Resources - the impact of delivering savings is having considerable implications in terms of managing the HR issues. The Council is seeking to manage the process of reducing staffing number as effectively as possible, through use of Voluntary Redundancy and working with the Trade Unions.
- Equalities - there are no specific equality implications to this report, however equalities issues are accounted for at all stages of the financial planning and reporting process.

Risk Management

107. The risk management processes embedded across the council continue to contribute to managing the risk issues associated with major projects and key areas of service delivery.

Recommendations

108. Members are asked to note the year end under spend of £349k and that this is transferred to the General Contingency.

Reason: To ensure significant financial issues can be appropriately dealt with.

Authors:	Cabinet Member & Chief Officer Responsible for the report:		
Debbie Mitchell, Corporate Finance Manager, Ext 4161	Councillor Julie Gunnell, Cabinet Member for Corporate Services		
Andrew Crookham, Principal Accountant, Ext 2912	Ian Floyd, Director for Customer & Business Support Services		
Toby Brotherton, Business Intelligence Officer, Ext 2202	Ian Graham, Head of Performance and Innovation		
	Report Approved	√	Date 9 July 2012
Wards Affected: <i>All</i>			
For further information please contact the authors of the report			

Additional background papers (information provided online only):

- Priority scorecard – Create growth & grow the economy
- Priority scorecard – Get York moving
- Priority scorecard – Protect the environment
- Priority scorecard – Protect the vulnerable
- Priority scorecard – Build strong communities



Cabinet

17 July 2012

Report of the Cabinet Member for Corporate Services

CAPITAL PROGRAMME OUTTURN 2011/12 AND REVISIONS TO THE 2012/13 – 2016/17 PROGRAMME

Report Summary

1. The purpose of this report is to:
 - Set out the Council's capital programme outturn position for 2011/12 along with the final outturn position;
 - Inform the Cabinet of any under or overspends and seek approval for any resulting changes to the programme;
 - Inform the Cabinet of any slippage and seek approval for the associated funding to be slipped to or from the financial years to reflect this.
 - Inform Members of the funding position of the capital programme.
 - Provide an update on future years capital programme.

Consultation

2. The capital programme was developed under the Capital Resource Allocation Model (CRAM) framework and agreed by Council on 24 February 2011. Whilst the capital programme as a whole is not consulted on, the individual scheme proposals and associated capital receipt sales do follow a consultation process with local Councillors and residents in the locality of the individual schemes.

Summary of the 2011/12 Capital Programme

3. The 2011/12 – 2015/16 capital programme was approved by Council on 24 February 2011. Since then a number of amendments have taken place as reported to Cabinet in the 2010/11 Capital Programme Outturn report, the amendments made as at Council on the 30th June 2011, the amendments as reported through the Capital Monitor 1 6th September 2011 and the amendments as reported through Capital Monitor 2 1st November 2011. The changes made as result of the above papers result in a current approved capital programme for 2011/12 of £57.031m, financed by £25.347m of external funding, and internal funding of £31.684m. Table 1 illustrates the movements from the start budget to the current approved position at monitor 3.

	Gross Budget £m	External Funding £m	Internal Funding £m
Original Budget Approved by Council at Feb 11	58.029	22.356	35.673
Amendments from 2010/11 Outturn report	9.726	7.344	2.382
Amendments from June Council Meeting	(1.656)	0.000	(1.656)
Amendments from Mon 1 Cabinet Report September	5.436	0.635	4.801
Amendments from Mon 2 Cabinet Report November	0.587	0.158	0.429
Amendments from Mon 3 Cabinet Report February	(15.091)	(5.146)	(9.945)
Current Approved Capital Programme	57.031	25.347	31.684

Table 1 Current Approved Programme per Monitor 3

4. As a result of this report the capital programme outturn will be £49.847m, figure 1 shows the 2011/12 expenditure split by key service area.

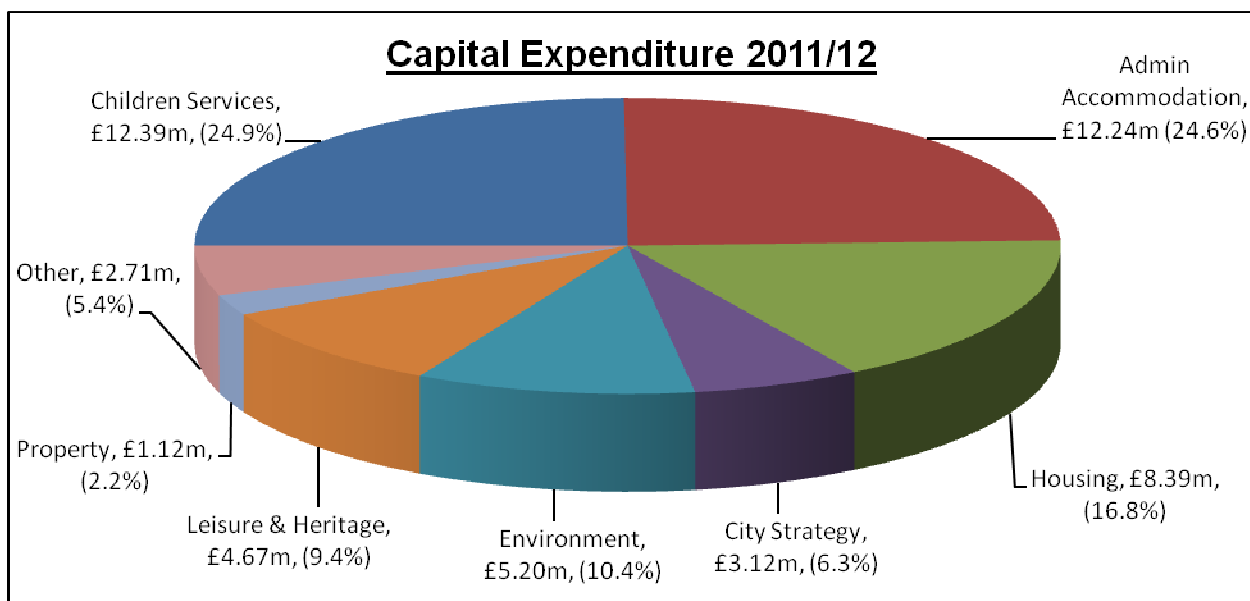


Figure 2 Capital Outturn by service area 2011/12

2011/12 Capital Programme Outturn and Overview

5. The 2011/12 capital outturn of £49.847m represents a variation against the Monitor 3 budget of -£7.184m. The variation is comprised of three components.
6. The first is revision to existing budgets, these are requests as set out in the departmental paragraphs below to increase budget against the previous approved position and can be either externally funded (such as additional grant funding received) or internally funded (such as an increase in borrowing). The second component is re-profiling that represents budget that is currently approved in the capital programme but requires moving to or from future years in line with a changing timetable of delivery for a specific schemes. The third component is genuine under/over spends against the latest approved budget.
7. The net variation of -£7.184m in 2011/12 is made up as follows:
 - Requests to revise budgets of £1.727m,
 - Re-profiling of a net -£8.786m of schemes from 2011/12 to future years,
 - Adjustments to schemes decreasing expenditure by a net £0.125m.

8. Accordingly there are requests for budgets to be carried forward (re-profiled) in to future years totalling a net position £8.786m with further details provided in the following departmental analysis paragraphs. The total variances for individual departmental capital programmes along with requests for re-profiling and other key information are summarised in Table 2, this includes a restated budget position with specific variations being set out in the departmental paragraphs below.

Directorate	Dep't	Original Approved Budget	Revisions to Orig Budget	Revised Budget	11/12 Spend / Outturn	Variance	Re-profiling to future years	Adjustments (under) / overspend
		£m	£m	£m	£m	£m	£m	£m
		(1)	(2)	(3)	(4)	(5)	(6)	(7)
				(1) + (2)		(4) - (3)		
ACE	Children's Services	13.549	1.486	15.035	12.392	-2.643	-2.643	0.000
ACE	Adult Social Services	0.561	0.000	0.561	0.482	-0.079	0	-0.079
CANS	Comms and Culture	5.901	0.000	5.901	4.668	-1.233	-1.186	-0.047
CANS	Env Services	5.305	0.170	5.475	5.200	-0.275	-0.275	0.000
CANS	Housing & PP	12.199	0.000	12.199	9.996	-2.203	-2.204	0.001
City Strategy	Planning & Trans'	3.243	0.071	3.314	2.983	-0.331	-0.331	0.000
City Strategy	Admin Accom	13.529	0.000	13.529	12.242	-1.287	-1.287	0.000
City Strategy	Comm Stadium	0.200	0.000	0.2	0.136	-0.064	-0.064	0.000
City Strategy	Property Services	1.315	0.000	1.315	1.121	-0.194	-0.194	0.000
CBSS	IT	0.899	0.000	0.899	0.627	-0.272	-0.272	0.000
CBSS	Misc/Contingency	0.330	0.000	0.33	0.000	-0.330	-0.330	0.000
	Total	57.031	1.727	58.758	49.847	-8.911	-8.786	-0.125

**Table 2 –Approved Budget vs. Revised Budget + Outturn Adjustments
& Requests for re-profiling**

9. The supporting information setting out the variances and the requirements for re-profiling are set out in the paragraphs below. All the explanations are based on movement against the approved monitor 3 position.

ACE - Children's Services (Budget £13.549m, Outturn £12.392m)

10. The outturn of the 11/12 Children's Services element of the Capital Programme is £12.392m against a Monitor 3 budget of £13.549m. Increases in the budget of £1.486m are being recommended, to bring the budget to £15.035m. These are set out below, and based upon this revised budget, the net under spend will be £2.643m which is being requested to be carried forward.
11. The main change being requested to the capital programme is an increase of £1.5m for the Primary School Strategic Programme to be funded through the use of prudential borrowing. The Council would incur the borrowing, but the repayments are covered by schools funding, with no direct revenue costs for the Council.
12. The Primary School Strategic Programme represents a significant investment in the primary school estate that has resulted in a new school building to replace those used by the federation of Rawcliffe Infant and Clifton Junior Schools, and a scheme that supported the Diocese with the merger of Our Lady's VA RC and English Martyr's VA RC Primary Schools.
13. The total LA budget for the development of both schools over 3 years was £13.7m. The funding includes DCSF grant, Schools Access Initiative funding, Devolved Formula Capital contributions from the schools and Prudential Borrowing agreed with the Schools Forum.
14. The works at the schools have been funded from the existing budget (a combination of DCSF grant, Schools Access Initiative funding, Devolved Formula Capital contributions from the schools and Prudential Borrowing agreed with the Schools Forum), but in order so that further pressure is not put on the schools programme in the future, an agreement has been reached with the schools to fund

£1.5m of borrowing, thereby reducing pressure on later years budgets, and effectively fully funding works that have been done in 11/12.

15. The £1.5m Prudential Borrowing element is funded by the revenue savings generated within the LMS Funding Formula as a result of the school mergers. Members should note that there is no impact on General Fund budgets as the revenue repayments will be funded entirely from within the existing Dedicated Schools Grant budget. It is requested that the borrowing is repaid over a period of 25 years in life with repayment periods for similar capital assets. The repayments will be funded by the savings generated as a result of the amalgamation of the schools.
16. The requests to carry forward budget to future years relates in the main to three schemes. The Joseph Rowntree One School Pathfinder scheme requires funds of £218k to be re-profiled from 11/12 to 12/13 due to an outstanding payment due to be made in April 2012.
17. The majority of the Targeted Capital Fund 14-19 Diploma schemes were completed by 31st March with only retentions outstanding. Exceptions are the scheme at Applefields which was completed in April. The majority of the slippage (£560k) on here relates to the payments outstanding on this scheme. The other scheme which has been delayed is the refurbishment of the Clifton Without buildings for use by Canon Lee School and requests to carry budget forward total £949k.
18. The DfE Maintenance programme of works has seen the majority of the schemes previously reported as in progress were completed in 2011/12. As there were concerns about the original budgets set aside for some of the schemes a significant contingency was held pending tender prices being obtained. As a result of the tenders being mainly within budgets already allocated most of the contingency was not required. Further schemes have therefore been set in motion during the year, but not all of these began or were completed by 31st March, resulting in a request for re-profiling of budget of £1.175m.

ACE - Adult Social Services (Budget £0.561m, Outturn £0.482m)

19. The outturn of the 2011/12 Adult Social Services Capital Programme is £0.482m against a budget of £0.561m, a variation of -£0.079m. There are no significant variations to report.

CANS – Communities and Culture (Budget £5.901m, Outturn £4.668m)

20. The outturn of the 2011/12 Communities and Culture Capital Programme is £4.668m against a budget of £5.901m, a variation of -£1.223m.
21. A number of schemes require re-profiling at values of over £100k as follows:
- Milfield Lane Community Sports Centre requires £380k of funding to be re-profiled from 2011/12 to 2012/13 due to the scheme awaiting planning permission before the Councils contribution is made.
 - The Energise gym expansion scheme requires £680k of funding to be re-profiled from 2011/12 to 2012/13 as the schedule of works to develop the scheme requires a greater lead in time and the scheme will progress in 2012/13.

CANS - Environmental Services (Budget £5.305m, Outturn £5.200m)

22. The outturn of the 2011/12 Environmental Services Capital Programme is £5.200m against a budget of £5.305m, a variation of -£0.105m.
23. Waste Infrastructure Capital Grant (WICG) scheme requires funds of £110k to be re-profiled into 2012/13 due to the programme of works being developed in line with the objectives of the external funding. Sub projects are expected to commence in 2012/13.
24. The Highway Resurfacing & Reconstruction (Structural Maintenance) schemes show an outturn position of £3.845m versus a monitor 3 position of £3.654m, a variation of £191k. The required increase in Council funding to support this has come from under spends within the Environmental Services capital programme such as special bridge maintenance and highways conditions improvements budgets. No new additional Council funding is required as a result of this

increase in spend. The increase was as a result of the capitalisation of existing revenue schemes.

25. The Parks and Open Spaces Development programme of works shows an outturn position of £180k versus a monitor budget of £10k. This increase is funded by Section 106 funds. The increased expenditure relates to improvements in playing fields, play areas, gardens and allotments.

CANS - Housing & Public Protection (Budget £12.199m, Outturn £9.996m)

26. The outturn of the 2011/12 Housing & Public Protection Capital Programme is £9.996m against a budget of £12.199m, a variation of -£2.223m.
27. A number of schemes require amendments at values of over £100k as follows:
 - Modernisation of Local Authority Homes programme of works requires funds of £326k to be re-profiled to 2012/13 due to a delay in the issuance of the tender for works in 2011/12.
 - Major Repairs Allowance schemes require funds of £341k to be re-profiled to 2012/13 due to due to 13 due to delays to start on site for the miscellaneous works schemes.
 - Local Authority Homes programme of works requires funds of £1.088m to be re-profiled into 2012/13 due to delays in the commissioning of works
 - Air Quality Monitoring scheme requires £125k of funds to be re-profiled to 2012/13 due to feasibility Studies in relation to the schemes were not completed until end of September 2012 in the case of Low Emission Strategy and March 2012 for the Low Emission.
 - The Crematorium project requires £246k of funding to be re-profiled into 2012/13 in line with revised scheme timings.

City Strategy – Planning and Transport (Budget £3.243m, Outturn £2.983m)

28. The outturn of the Planning and Transport Capital Programme is £2.983m against a budget of £3.243m, a variation of -£0.260m.

29. The Local Transport Plan schemes require funds of £322k to be re-profiled into 2012/13. There were a number of under spends across the programme, with the most significant being the Fishergate (Pedestrian Route to Barbican) scheme, which was not progressed in 11/12 as planned. The reinstatement of the Clifton Green Junction Left Turn Lane was delayed as a decision was not made to progress this scheme until April 2012, and the South Bank 20mph scheme was deferred until the council policy was approved in May 2012

City Strategy - Administrative Accommodation (Budget £13.529m, Outturn £12.242m)

30. The Administrative Accommodation scheme outturn position is £12.242m against a budget of £13.529m. £1.287m of funds are required to be re-profiled to 2012/13 due to a variation with the schedule of payment to the main contractor. The project is still expected to be and remains within the overall budget of £43.804m.

City Strategy – Community Stadium (Budget £0.200m, Outturn £0.136m)

31. The Community Stadium capital scheme had an outturn position of £136k against a budget of £200k. £64k of funding has been re-profiled into 2012/13.

Property Services (Budget £1.315m, Outturn £1.121m)

32. The outturn of the Property Services capital programme is £1.121m against a budget of £1.315m, a variation of -£0.194m.
33. Only one scheme within the service area requires re-profiling of over £100k. The Repairs to Riverbanks (Scarborough to Clifton) requires funds of £111k to be re-profiled to 2012/13. The works will complete in 2012/13 and are as a result of access issues caused by high water levels.

Customer and Business Support Services – IT Development Plan (Budget £0.899m, Outturn £0.627m)

34. The outturn of the IT Capital Programme is £0.627m against a budget of £0.899m, a variation of -£0.272m.

35. £272k of funding requires re-profiling to 2012/13 in relation I-Trent HR/Payroll System -£91k, the thin terminal roll out £50k and CYC Web / e-mail systems £81k.

Miscellaneous (Budget £0.330m, Outturn £0.000m)

36. The outturn of the miscellaneous items that contains the capital contingency budget was £0 against the budget of £330k. This budget will be re-profiled to 2012/13 and will be used as required to fund small scale variations reported to Members as part of this report.

Funding the 2011/12 Capital Programme

37. The 2010/11 capital programme of £49.847m has been funded from £22.516m external funding and £27.331m of internal funding. The internal funding includes resources such as revenue contributions, Supported Capital Expenditure, capital receipts and reserves.
38. The overall funding position continues to be closely monitored to ensure the overall capital programme remains affordable and is sustainable over the 5 year approved duration.

Update on the 2012/13 – 2016/17 Capital Programme

39. As a result of this report amendments have been made to future year's capital programmes as a result of both re-profiling schemes from 2011/12 and through requests for the use of new funding. Table 3 sets out the movements in the 2012/13 capital programme

	Funding	Expenditure
	£m	£m
12/13 Budget per 11/12 mon 3 inc Budget Process (restated)		74.757
Outturn Variations that decrease the programme		(7.107)
<u>Funded by:</u>		
External funding	(5.750)	
Internally funded	(1.357)	
Virements from 11/12 increasing 12/13 budget		8.786

<u>Funded by:</u>			
External funding		4.837	
Internally funded		3.949	
Virements from 12/13 budget re-profiled to future years (decreasing 12/13 budget)			(9.369)
<u>Funded by:</u>			
External funding		-6.457	
Internally funded		-2.912	
Revised 12/13 Budget per 11/12 Outturn			67.607

Table 3 – Amendments to 12/13 Capital Programme

40. Contained within table 3 are amendments to reflect the updated funding position of the Access York Phase 2 programme that has an overall scheme value of £21.169m. No new funding is requested as part of this realignment with the scheme funding now reflecting the Staffing and Urgency report approval and The Economic Infrastructure Fund cabinet paper
41. The restated capital programme for 2012/13 to 2016/17 split by portfolio is shown in table 4. The individual scheme level profiles can be seen in Annex 1.

Total by Department		2012/13 Budget	2013/14 Budget	2014/15 Budget	2015/16 Budget	2016/17 Budget	Total Budget
		£m	£m	£m	£m	£m	£m
ACE	Children's Services	9.964	5.142	5.362	0.000	0.000	20.468
ACE	Adult Social Services	1.307	0.505	0.515	0.525	0.000	2.852
CANS	Communities and Culture	4.238	5.070	3.000	0.000	0.000	12.308
CANS	Environmental Services	4.549	2.906	2.834	3.197	2.734	16.220
CANS	Housing & Public Protection	13.498	9.701	9.401	8.330	10.087	51.017
City Strategy	Planning & Transport	8.475	23.232	5.963	0.090	0.090	31.048
City Strategy	Admin Accom	14.030	1.468	0.000	0.000	0.000	15.498
City Strategy	Comm Stadium	3.864	0.000	0.000	0.000	0.000	3.864

City Strategy	Economic Development	0.058	0.000	0.000	0.000	0.000	0.058
City Strategy	Property Services	4.016	0.100	0.100	0.100	0.000	4.316
CBSS	IT Development Plan	1.438	0.750	0.750	0.750	0.750	4.4385
CBSS	Misc(Contingency)	0.330	0.000	0.000	0.000	0.000	0.330
CBSS	Economic Infrastructure Fund	1.300	5.299	6.800	6.800	5.800	25.999
	Total	67.067	54.674	34.725	19.792	19.461	195.719

Table 4 – Restated Capital Programme 2012/13 to 2016/17

42. Table 5 shows the projected call on Council resources going forward.

	2012/13 £m	2013/14 £m	2014/15 £m	2015/16 £m	2016/17 £m	Total £m
Gross Capital Programme	67.067	54.674	34.725	19.792	19.641	195.719
Funded by:						
External Funding	28.281	35.821	23.019	10.140	11.719	108.980
Council Controlled Resources	38.786	18.853	11.706	9.652	7.742	86.739
Total Funding	67.067	54.674	34.725	19.792	19.641	195.719

Table 5 - 2012/13 –2016/17 Capital Programme Financing

43. The Council controlled figure is comprised of a number of resources that the Council has ultimate control over how it chooses to apply them, these include Right to Buy receipts, Revenue Contributions, Supported (government awarded) Borrowing, Prudential (Council funded) Borrowing, Reserves (including Venture Fund) and Capital Receipts.
44. It should be recognised that capital receipts which form part of the Council Controlled Resources should be considered at risk of not being realised within set time frames and to estimated values until the receipt is received. The capital programme is predicated on a small number of large capital receipts, which if not achieved would cause significant funding pressures for the programme. The Director of Customer and Business Support closely monitors the overall funding

position to ensure that the over the full duration of the capital programme it remains balanced, any issues with regard to financing will be reported as part of the standard reporting cycle to the Cabinet.

Corporate Objectives

45. All schemes approved as part of the capital programme have been scored through the Capital Resource Allocation Model (CRAM), which rigorously evaluates scheme submissions against key corporate objectives and national government priorities.

Financial Implications

46. The financial implications are considered in the main body of the report.

Human Resources Implications

47. There are no HR implications as a result of this report

Equalities Implications

48. The capital programme seeks to address key equalities issues that affect the Council and the public. Schemes that address equalities include the Disabilities Support Grant, the Schools Access Initiative, the Community Equipment Loans Store (CELS) and the Disabilities Discrimination Act (DDA) Access Improvements.
49. All individual schemes will be subject to Equalities Impact Assessments

Legal Implications

50. There are no HR implications as a result of this report.

Crime and Disorder

51. There are no crime and disorder implications as a result of this report

Information Technology

52. There are no information technology implications as a result of this report.

Property

53. The property implications of this paper are included in the main body of the report which covers the funding of the capital programme from capital receipts.

Risk Management

54. The capital programme is regularly monitored as part of the corporate monitoring process. In addition to this the Capital Asset Management Group (CAMG) meets regularly to plan monitor and review major capital schemes to ensure that all capital risks to the Council are minimised.

Recommendations

55. The Cabinet is requested to:
- Note the 2011/12 capital outturn position of £49.847m and approve the requests for slippage totalling £8.753m from 2011/12 programme to future years capital programme.
 - Recommend to Full Council the use of £1.5m of Prudential Borrowing for the Primary School Strategic Programme in 2011/12 with the associated revenue implications to be met from the Children's Services budgets and repaid over a period of 25 years from savings made as a result of the amalgamation of the schools.
 - Note the changes to future years capital programme and realignment of the Access York Phase 2 programme.
 - Recommend to Full Council the restated 2012/13 to 2016/17 programme as summarised in Table 3 and detailed in Annex 1 taking account of the re-profiling of schemes.

Reason:

- To allow the continued effective financial management of the capital programme from 2012/13 to 2016/17.

Contact Details

Author:

Ross Brown
Principal Accountant
Technical Finance
Customer and Business
Support
01904 551207

Louise Branford-White
Finance Manager
Technical Finance
Customer and Business
Support
01904 551187

Chief Officer Responsible for the report:

Ian Floyd
Director of Customer and Business and
Support

**Report
Approved**



Date 02/07/2012

Tracey Carter
Finance Asset Management and
Procurement
Customer and Business Support

**Report
Approved**



Date 02/07/2012

Specialist Implications Officer(s)

None

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

All




For further information please contact the author of the report

For further information please contact the author of the report
Background Papers 2011/12 monitoring working papers and respective
DMT reports (where applicable).

Annex 1 – Capital Programme by year 2011/12 – 2016/17

This page is intentionally left blank

	
Cabinet	17 July 2012
Report of the Cabinet Member for Corporate Services	

Treasury Management Annual Report & Review of Prudential Indicators 2011/12

Summary

1. This Council is required through regulations issued under the Local Government Act 2003 to produce an annual treasury report reviewing treasury management activities and the actual prudential and treasury indicators for 2011/12. This report meets the requirements of both the CIPFA Code of Practice on Treasury Management (the Code) and the CIPFA Prudential Code for Capital Finance in Local Authorities (the Prudential Code).
2. During 2011/12 the minimum reporting requirements were that the full Council receive the following reports:
 - a) an annual treasury strategy in advance of the year (February 2011)
 - b) a mid year (minimum) treasury update report (December 2011)
 - c) an annual review following the end of the year describing the activity compared to the strategy (this report)
3. Recent changes in the regulatory environment place a much greater onus on members for the review and scrutiny of treasury management policy and activities. This report is important in that respect, as it provides details of the outturn position for treasury activities and highlights compliance with the Council's policies previously approved by members. Prudential Indicators are attached at Annex A.
4. The Council has complied with the requirement under the Code to give scrutiny to all of the above treasury management reports by the Audit & Governance Committee and member training on

treasury management issues was undertaken during the year on 13 February 2012 in order to support Members' scrutiny role.

5. The treasury management annual activities detailed in the report ensure the Council's treasury management activities are affordable sustainable and prudent as approved by Council on 24 February 2011 and the Council's debt and investment position ensures adequate liquidity for revenue and capital activities, security for investments and manages risks within all treasury management areas.
6. The Council's treasury position for 2011/12 is in the table below, compared to 2010/11. It shows that the Council's Capital Financing Requirement, borrowing and investment position. In 2011/12, £121.5m of debt was taken in accordance with the new HRA self financing reform. Further detail is included later in the report.

	31-Mar-12	Rate	31-Mar-11	Rate
	£m	%	£m	%
GF Total Debt	121.3	4.2%	114.3	4.2%
HRA Debt	18.8	4.2%	18.8	4.2%
HRA Self Financing	121.5	3.2%		
HRA Total Debt	140.3	3.4%	18.8	4.2%
Total debt	261.6	3.8%	133.1	4.2%
Capital Financing Requirement	293.2		152.5	
Over/ (under) borrowing	(31.6)		(19.4)	
Investments:	26.2	1.45%	35.2	1.15%

Table 1 – Position of the treasury management portfolio

Background

Economic Background

7. The performance of the council's treasury management function is an outcome of the long-term borrowing and short-term investment decisions affected by the economic conditions during the 2011/12 financial year.

8. The financial year continued the challenging investment environment of previous years, namely low investment returns and continuing heightened levels of counterparty risk. The original expectation for 2011-12 was that Bank Rate would start gently rising from quarter 4 2011. However, GDP growth in the UK was disappointing during the year under the weight of the UK austerity programme, a lack of rebalancing of the UK economy to exporting and weak growth in our biggest export market - the EU.
9. The EU sovereign debt crisis grew in intensity during the year until February 2012, when a second bailout package was eventually agreed for Greece. Weak UK growth resulted in the Monetary Policy Committee increasing quantitative easing by £75bn in October 2011 and another £50bn in February 2012. Bank Rate therefore ended the year unchanged at 0.5% while CPI inflation peaked in September 2011 at 5.2% but then fell to 3.4% in February 2012, with further falls expected to below 2% over the next two years.
10. Gilt yields which affect the rate at which the Council can borrow, fell for much of the year, until February 2012, as concerns continued to build over the EU debt crisis. This resulted in safe haven flows into UK gilts which, together with the two UK packages of quantitative easing during the year, combined to depress borrowing rates which continued at historically low levels.
11. Investment rates, the rate at which the Council can lend, remained low throughout 2011/12. This was due to widespread and multiple downgrades of many banks credit ratings and country sovereign ratings, continued Eurozone concerns, and the significant funding issues still faced by many financial institutions.
12. Figure 1 shows the base rate movements since 1 January 2011 with predictions from economists and the Council's treasury management advisors – Sector - to March 2015. The graph shows how predictions have changed. The circle line shows Sectors prediction of the base rate in January 2011 compared to their latest prediction in triangles. All forecasts show the base rate to remain flat at 0.5% until December 2013.

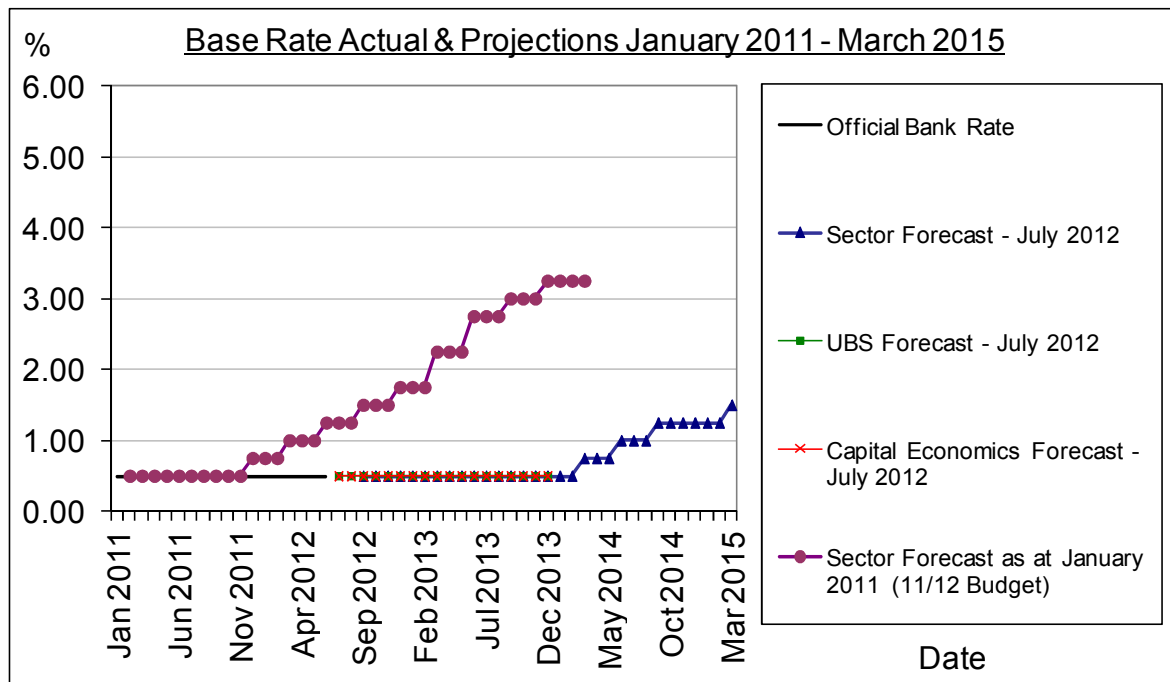


Figure 1 – Forecast Base Rates 2011- 2015

Treasury Management Strategy

13. The Council's borrowing strategy set for 2011/12 at full Council on 24 February 2011 followed advice from the council's treasury management advisors –Sector - to have a balanced approach and lock into some long term borrowing in 2011/12 where interest rates were expected to be lower than in the coming years, whilst also considering reducing the Council's surplus funds due to investment rates yielding relatively low returns compared to borrowing rates.
14. External borrowing would be taken throughout the financial year when interest rates seemed most favourable at a target interest rate of 5%. The target rate was revised at the midyear review report to Cabinet on 1 November 2012 to 4.3%. The maturity profile of the debt portfolio was taken into account, so the Council was not exposed to the concentration of debt being in any one year.
15. Also running down the investment portfolio and using the Council's surplus cash rather than taking further external borrowing was also deemed a favorable approach. Due to continued uncertainty in the aftermath of the 2008 financial crisis consideration was given to postponing borrowing to avoid the

cost of holding higher levels of investments and to reduce counterparty risk.

16. The actual movement in gilt yields meant borrowing rates fell sharply during the year and continued at historically very low levels.
17. Figure 2 shows the PWLB interest rates from 1 October 2010 to 31 March 2012 and includes the loans borrowed by the council. It illustrates that the Council took loans during the year as rates continued to fall. At the end of March, the triangle at the far right is the average loan rate for the 21 HRA self financing loans at 3.2%.

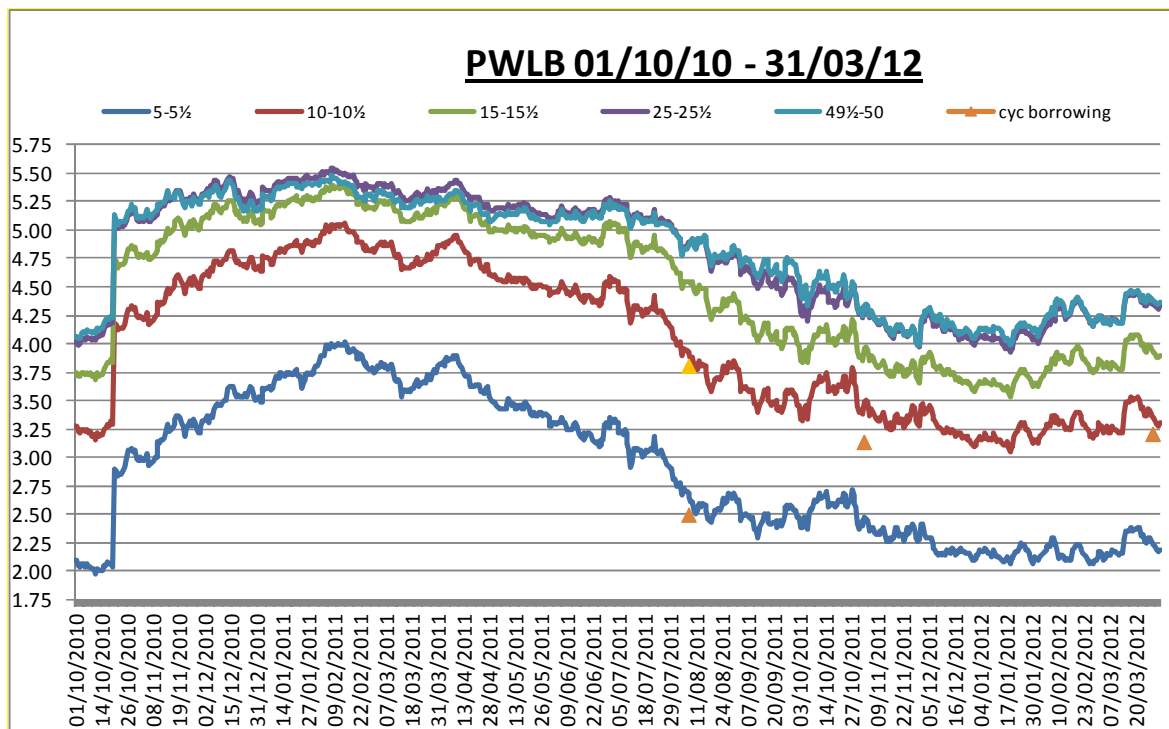


Figure 2 - PWLB rates and CYC borrowing levels

18. Figure 2, illustrates that over 2011/12, that PWLB rates have fallen significantly and have almost returned to the level that they were at prior to the government increasing all PWLB rates by 0.85 basis points on 20 October 2012.

Borrowing Outturn 2011/12

19. The Council undertakes capital expenditure on long-term assets as part of the Capital programme. The way that the capital

programme is financed affects the treasury management activity of the Council, and ultimately borrowing. The prudential indicators which control the borrowing activity of the Council are contained in Annex A.

20. The purpose of the Council's underlying need to borrow is to finance capital expenditure and this is termed the Capital Financing Requirement (CFR). In 2011/12 the Council's CFR significantly increased compared to previous years. This was due to the implementation of the housing finance reform at the end of the financial year, which abolished the housing subsidy system financed by central government. Consequently, all housing debt had to be reallocated nationally between housing authorities. The result of this reallocation is that this Council made a capital payment to the Department of Communities and Local Government of £121.550m. This resulted in an increase in the CFR.
21. The total CFR for the council at the end of 2011/12 was £293.2m and this was split between the General Fund at £152.9m and the HRA at £140.3m. In accordance with the borrowing strategy, some external borrowing was taken to finance this requirement but also surplus funds were used and the investment portfolio was reduced.
22. Total borrowing at the start of 2011/12 was £133.1m (General Fund £114.3m / HRA £18.8m) and at the end of 2011/12 excluding the HRA self financing settlement £140.1m (General Fund £121.3m / HRA £18.8m). Total borrowing at the end of 2011/12 including the HRA self financing settlement of £121.55m, was £261.6m. This is split between the General Fund £121.5m and the HRA £140.3m. In accordance with the HRA Self Financing regulations, there will be two borrowing portfolios from 2011/12 which will be monitored separately in future.
23. It should be noted that there was no impact on HRA revenue budget in 2011/12 to finance the £121.550m payment made as compensating adjustments were made in the HRA subsidy determination. The HRA subsidy determination continued to 31/3/2012, from 1/4/2012 the new self financing system commences.

24. Table 2 and Table 3 show the movement in borrowing during the year split between the General Fund and HRA. Details on the interest rates obtained on new borrowing, the average rate of the portfolio and the year of maturity are also shown.

General Fund					
<u>Loan Type</u>	<u>Date Raised</u>	<u>Date Matured</u>	<u>Amount</u>	<u>Interest Rate</u>	<u>Duration</u>
Matured	28/05/2010	27/05/2011	5,000,000	0.700%	1.00
			5,000,000		
Raised	11/08/2011	10/08/2021	2,000,000	3.810%	10.00
Raised	11/08/2011	10/08/2016	5,000,000	2.500%	5.00
Raised	07/11/2011	07/11/2020	5,000,000	3.140%	9.00
			12,000,000		
Loans net position 2011/12			7,000,000		
Opening loan balance 2011/12			114,271,110		
Closing loan balance 2011/12			121,271,110		

Table 2 - Movement in General Fund Borrowing 2011/12

HRA					
<u>Loan Type</u>	<u>Date Raised</u>	<u>Date Matured</u>	<u>Amount</u>	<u>Interest</u>	<u>Duration</u>
Raised	28/03/2012	31/03/2027	5,000,000	3.050%	15.01
Raised	28/03/2012	31/03/2032	3,750,000	3.320%	20.01
Raised	28/03/2012	31/03/2026	4,500,000	2.970%	14.01
Raised	28/03/2012	31/03/2031	6,000,000	3.328%	19.01
Raised	28/03/2012	31/03/2026	5,000,000	2.970%	14.01
Raised	28/03/2012	31/03/2024	1,900,000	2.760%	12.01
Raised	28/03/2012	31/03/2042	8,100,000	3.510%	30.01
Raised	28/03/2012	31/03/2025	4,000,000	2.870%	13.01
Raised	28/03/2012	31/03/2028	7,000,000	3.120%	16.01
Raised	28/03/2012	31/03/2029	7,900,000	3.180%	17.01
Raised	28/03/2012	31/03/2028	6,500,000	3.120%	16.01
Raised	28/03/2012	31/03/2030	5,600,000	3.230%	18.01
Raised	28/03/2012	31/03/2027	5,600,000	3.050%	15.01
Raised	28/03/2012	31/03/2025	4,400,000	2.870%	13.01
Raised	28/03/2012	31/03/2042	8,100,000	3.510%	30.01
Raised	28/03/2012	31/03/2030	6,000,000	3.230%	18.01
Raised	28/03/2012	31/03/2029	7,000,000	3.180%	17.01
Raised	28/03/2012	31/03/2031	6,100,000	3.280%	19.01
Raised	28/03/2012	31/03/2030	5,000,000	3.230%	18.01
Raised	28/03/2012	31/03/2042	8,100,000	3.510%	30.01
Raised	28/03/2012	31/03/2031	6,000,000	3.280%	19.01

	Loans net position 2011/12	121,550,000		
	Opening loan balance 2011/12	18,793,846		
	Closing loan balance 2011/12	140,343,846		

Table 3 - Movement in HRA Borrowing 2011/12

25. The General Fund new borrowing decisions were taken in light of the maturity structure of the Council's current long term borrowing and the advantageous interest rates available. The new HRA self financing borrowing was taken in accordance with the HRA self financing model, to ensure the most optimum position could be obtained for the HRA in this historical low interest rate environment.
26. The Council did not restructure any of its borrowing portfolio during the year as no opportunities were favourable due to the disparity in PWLB rates since November 2007 and the governments increase in PWLB rates in the comprehensive spending review October 2010 by 0.85 basis points. The graph at figure 2 does highlight however, that interest rates have substantially fallen during 2011/12 and that rates are almost as low as they were prior to the governments overnight interest rate increase. Therefore, in 2012/13 there could be potential rescheduling opportunities.
27. The overall position of the borrowing activity resulted in a fall in the average interest rate by 0.4% from 4.2% to 3.8%. If the HRA self financing debt is excluded to give a fairer comparison between 2010/11 and 2011/12 then the average interest rate remained the same at 4.2%.
28. Figure 3 shows the average rate of CYC borrowing in 2010/11 continues to be lower than other unitary authorities and the national average. No figures as yet are available for 2011/12.

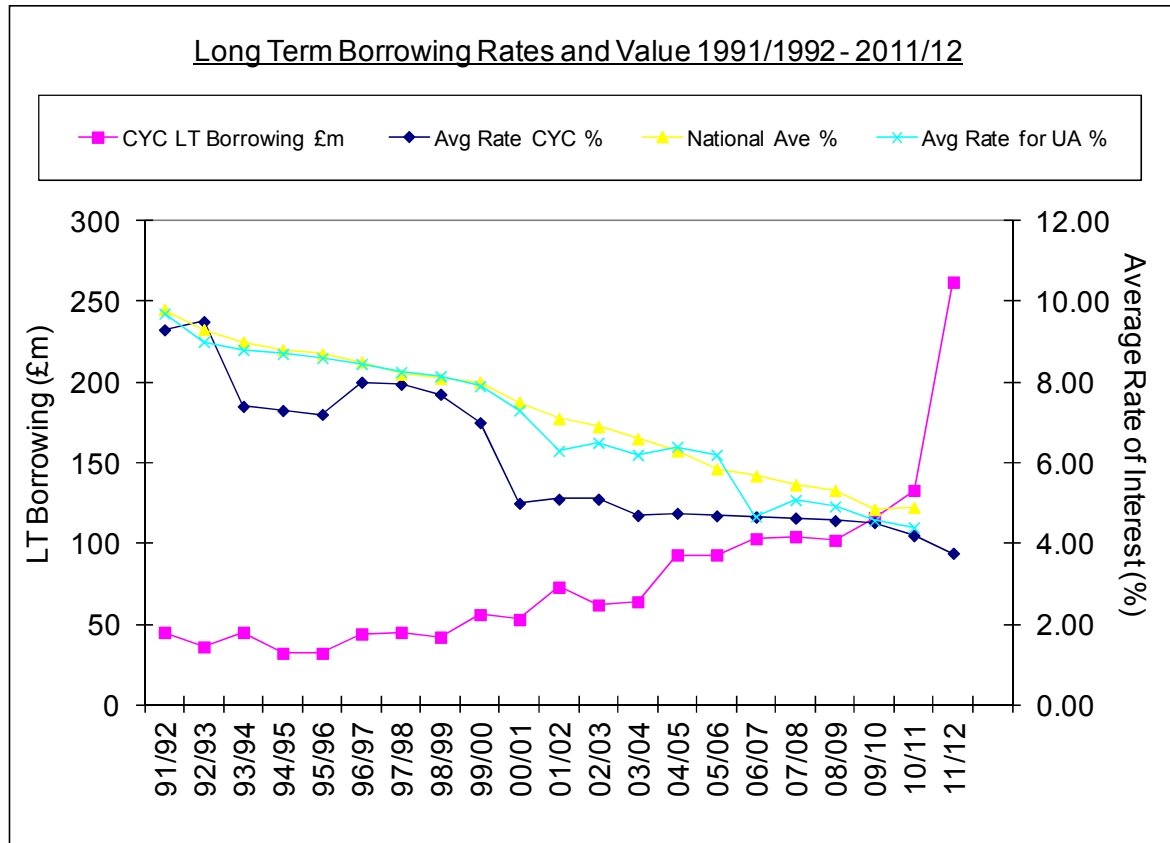


Figure 3 - CYC borrowing vs National Average vs Unitary Authority

Investment Outturn 2011/12

29. The tight monetary conditions following the 2008 financial crisis continued through 2011/12 with little material movement in the shorter term deposit rates. Bank Rate remained at its historic low of 0.5% throughout the year while market expectations of the imminence of monetary tightening and potential increase in interest rates, were gradually pushed further and further back during the year to the second half of 2013 at the earliest. Overlaying the relatively poor investment returns were the continued counterparty concerns generated by the Eurozone sovereign debt crisis.
30. The Council's investment policy is governed by CLG guidance, which was implemented in the annual investment strategy approved by the Council on 24 February 2011. This policy sets out the approach for choosing investment counterparties, and is based on credit ratings provided by the three main credit rating agencies (Fitch, Standard & Poors, Moody's) supplemented by additional market data (such as rating outlooks, credit default swaps, bank share prices etc.).

31. The continued credit rating concerns of counterparty's resulted in very few counterparties being available in which the Council could invest its surplus funds. Those counterparties which were available were also utilised by other investors as better credit rated institutions hold lower risk. Therefore interest rates remained low at all level.
32. The investment activity during the year conformed to the approved strategy, and the Council had no liquidity difficulties.
33. The Council maintained an average investment balance of £63.8m compared to £43.1m in 2010/11. The surplus funds earned an average rate of return in 2011/12 of 1.45% compared to 1.15% in 2010/11. This is due to cash flow movements giving rise to an increased average investment balance during 2011/12. The comparable performance indicator is the average 7-day LIBID rate, which was 0.48% in 2011/12 and the three month LIBID rate of 0.82%. All investments occurred in line with the investment strategy that the security of capital is of prime importance.
34. Figure 4 illustrates the investment interest rates available for 2011/12 including the rate of return on investments achieved. The Council's rate of return is continually higher than all yields except 1 year. The Council could not invest further in 1 year deposits due to the security of the Councils surplus fund being of prime importance.

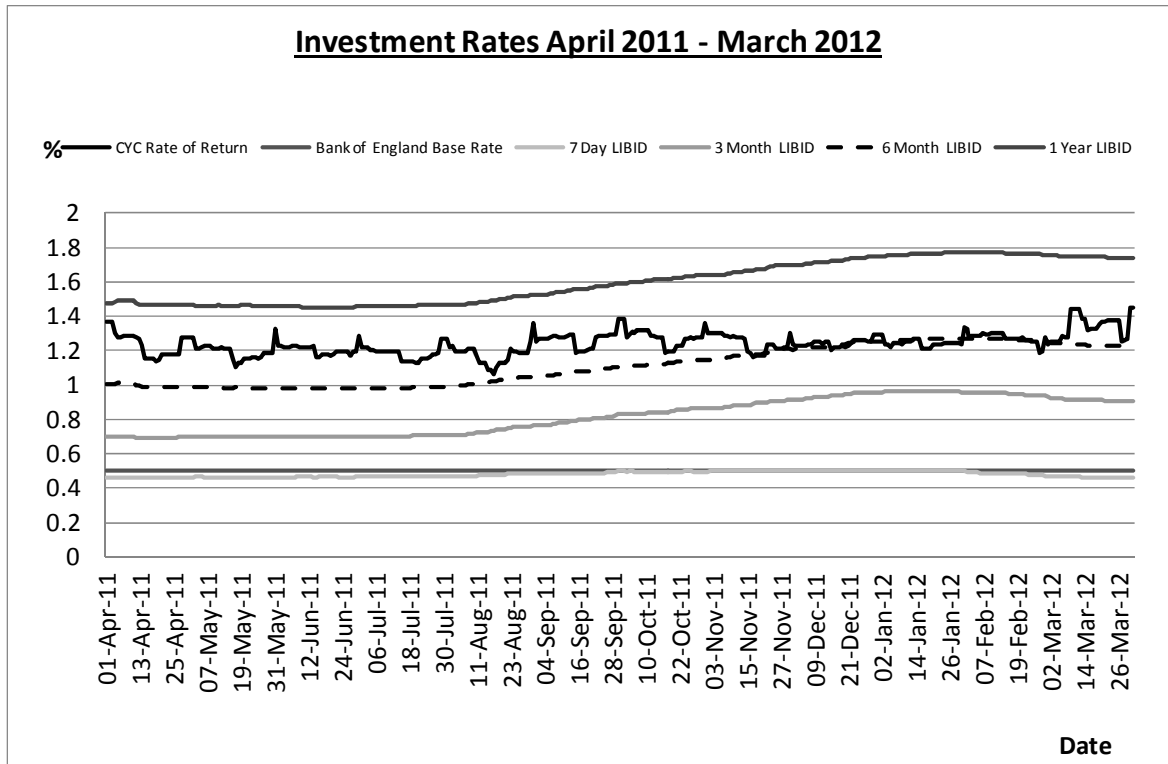


Figure 4 – Investment Rates vs. Rate of Return on CYC Investments

Consultation

35. This report is for information purposes and reports on the performance of the treasury management function. Members through the budget process set the level of budget and expected performance of the Councils treasury management function.

Options

36. In accordance with the Local Government Act 2003, it is a requirement under the CIPFA Prudential code and the CIPFA Treasury Management in Local Authorities that the Cabinet receives an annual treasury management review report of the previous year –2011/12- by 30 September 2012. It is also a requirement that the Council delegates the role of scrutiny of treasury management strategy and policies to a specified named body which in this Council is the Audit & Governance Committee. This annual treasury management report is scheduled at Audit & Governance Committee on 25th July 2012.

Corporate Priorities

37. Treasury Management is aimed at ensuring the Council maximises its return on investments and minimises the cost of its debts. This will allow more resources to be freed up to invest in the Council's priorities, values and imperatives, as set out in the Council's plan. Effective treasury management is concerned with the management of the council's cash flows, it's banking, money market and capital transactions, the management of debt, the effective control of the risks associated with those activities, and the pursuit of optimum performance consistent with those risks.

Implications

38.

- (a) **Financial** These are detailed in the body of the report
- (b) **Human Resources (HR)** There are no HR implications as a result of this report
- (c) **Equalities** There are no equalities implications as a result of this report
- (d) **Legal** Treasury Management activities have to conform to the Local Government Act 2003, which specifies that the Council is required to adopt the CIPFA Prudential Code and the CIPFA Treasury Management Code of Practice
- (e) **Crime and Disorder** There are no crime and disorder implications as a result of this report
- (f) **Information Technology (IT)** There are no IT implications as a result of this report
- (g) **Property** There are no property implications as a result of this report

Risk Management

39. The treasury function is a high-risk area because of the level of large money transactions that take place. As a result of this there are strict procedures set out as part of the Treasury Management Practices statement. The scrutiny of this and other

monitoring reports is carried out by Audit & Governance Committee as part of the council's system of internal control.

Recommendations

40. The Cabinet, in accordance with the Local Government Act 2003 is advised to:
- (a) **Note** the 2011/12 performance of the Treasury Management activity,
 - (b) **Note** the change in the funding of the HRA from the subsidy system to the HRA Self Financing system
 - (c) **Note** the movements in the Prudential Indicators in Annex A

Reason – to ensure the continued performance of the Council's Treasury Management function and the affects of the HRA reform on treasury management activities can be monitored.

Contact Details

Author:	Chief Officer Responsible for the report:		
Louise Branford-White Finance Manager Technical Finance CBSS 01904 551187	Ian Floyd Director of Customer & Business Support Services (CBSS)		
Ross Brown Principal Accountant Technical Finance CBSS 01904 551207	Report Approved	√	Date 4/07/12
Specialist Implications Officer(s)			
Wards Affected: All wards			All Y
For further information please contact the author of the report			

Background Papers:

Cash-flow Model 2011/12 Investment Register 2011/12, PWLB Debt Register, Capital Financing Requirement 2011/12 outturn, Prudential Indicators 2011/12, CIPFA Statistics 2010/11

Annexes - Annex A: Prudential Indicators 2011/12

This page is intentionally left blank

Prudential Indicators 2011/12 Outturn

Annex A

PRUDENTIAL INDICATORS			2011/12 Estimate Monitor 3	2011/12 actual	2010/11 actual
1) Capital Expenditure To allow the authority to plan for capital financing as a result of the capital programme. To enable the monitoring of capital budgets to ensure they remain within budget.	Non - HRA		£M 48.2	£M 41.5	£M 46.9
	HRA		131.8	129.9	7.0
	TOTAL		180.0	171.4	53.9
2) Ratio of financing costs to net revenue stream This indicator estimates the cost of borrowing in relation to the net cost of Council services to be met from government grant and council taxpayers. In the case of the HRA the net revenue stream is the income from Rents and Subsidy.	Non - HRA		7.7%	6.5%	8.5%
	HRA		2.4%	2.0%	2.6%
3a) Incremental impact of capital investment decisions - Council Tax Shows the actual impact of capital investment decisions on council tax. The impact on council tax is a fundamental indicator of affordability for the Council to consider when setting forward plans. The figure relates to how much of the increase in council tax is used in financing the capital programme and any related revenue implications that flow from it.			£ p	£ p	£ p
	Increase in Council Tax (band D) per annum		19.81	19.62	20.13
3b) Incremental impact of capital investment decisions - Hsg Rents			£ p	£ p	£ p

	Shows the actual impact of capital investment decisions on HRA rent. For CYC, the HRA 2008/09 planned capital spend is based on the government's approved borrowing limit so there is no impact on HRA rents.	Increase in average housing rent per week	0.00	0.00	0.00
4) Net Borrowing not exceed the CFR	To ensure that borrowing levels are prudent over the medium term the Council's external borrowing, net of investments, must only be for a capital purpose and so not exceed the CFR.		£M 255.5	£M 235.4	£M 97.9
5) Capital Financing Requirement as at 31 March	Indicates the Council's underlying need to borrow money for capital purposes. The majority of the capital programme is funded through government support, government grant or the use of capital receipts. The use of borrowing increases the CFR.		£M	£M	£M
		Non - HRA	150.8	152.9	134.5
		HRA	140.4	140.3	18.8
		TOTAL	291.1	293.2	153.3
6a) Authorised Limit for external debt -	The authorised limit is a level set above the operational boundary in acceptance that the operational boundary may well be breached because of cash flows. It represents an absolute maximum level of debt that could be sustained for only a short period of time. The council sets an operational boundary for its total external debt, gross of investments, separately identifying borrowing from other long-term liabilities for 3 financial years.		£M	£M	£M
		borrowing	337.0	337.0	192.0
		other long term liabilities	10.0	10.0	10.0
		TOTAL	347.0	347.0	202.0
6b) Operational Boundary for external			£M	£M	£M

	<p>debt - The operational boundary is a measure of the most likely, prudent, level of debt. It takes account of risk management and analysis to arrive at the maximum level of debt projected as part of this prudent assessment. It is a means by which the authority manages its external debt to ensure that it remains within the self-imposed authority limit. It is a direct link between the Council's plans for capital expenditure; our estimates of the capital financing requirement; and estimated operational cash flow for the year.</p>	<p>borrowing other long term liabilities TOTAL</p>	<p>317.0 10.0 327.0</p>	<p>317.0 10.0 327.0</p>	<p>172.0 10.0 182.0</p>
7)	<p>Adoption of the CIPFA Code of Practice for Treasury Management in Public Services Ensuring Treasury Management (TM) Practices remain in line with the Code of Practice.</p>	<p>TM Policy Statement 12 TM Practices Policy Placed Before Council Annual Review Undertaken A&G named as specified Scrutiny body</p>	<p>✓ ✓ ✓ ✓ ✓</p>	<p>✓ ✓ ✓ ✓ ✓</p>	<p>✓ ✓ ✓ ✓ ✓</p>
8a)	<p>Upper limit for fixed interest rate exposure The Council sets limits to its exposures to the effects of changes in interest rates for 3 years. The Council should not be overly exposed to fluctuations in interest rates which can have an adverse impact on the revenue budget if it is overly exposed to variable rate investments or debts.</p>	<p>Net interest re fixed rate borrowing / investments Actual Net interest re fixed rate borrowing / investments</p>	<p>104%</p>	<p>107%</p>	<p>110%</p>
8b)	<p>Upper limit for variable rate exposure</p>				

	The Council sets limits to its exposures to the effects of changes in interest rates for 3 years. The Council should not be overly exposed to fluctuations in interest rates which can have an adverse impact on the revenue budget if it is overly exposed to variable rate investments or debts.	Net interest re variable rate borrowing / investments Actual Net interest re variable rate borrowing / investments	-4%	-7%	-10%
9)	Upper limit for total principal sums invested for over 364 days		£M	£M	£M
	To minimise the impact of debt maturity on the cash flow of the Council. Over exposure to debt maturity in any one year could mean that the Council has insufficient liquidity to meet its repayment liabilities, and as a result could be exposed to risk of interest rate fluctuations in the future where loans are maturing. The Council therefore sets limits whereby long-term loans mature in different periods thus spreading the risk.	Investments over 364 days	10.0	10.0	10.0
			£0	£0	£0
10)	Maturity structure of new fixed rate borrowing		Upper Limit	Actual £M	Actual £M
	The Council sets an upper limit for each forward financial year period for the level of investments that mature in over 364 days. These limits reduce the liquidity and interest rate risk associated with investing for more than one year. The limits are set as a percentage of the average balances of the investment portfolio.	under 12 months	0%	261.6	133.1
		12 months & within 24 months	1%		4%
		24 months & within 5 years	2%	0%	2%
		5 years & within 10 years	5%	5%	5%
		10 years & and above	27%	15%	21%
			66%	79%	68%

Glossary Of Abbreviations

HRA

Housing Revenue Account

CFR

Capital Financing Requirement

CYC

City of York Council

1. In accordance with the Prudential Code, the Prudential Indicators set by full Council on 24 February 2011 for the financial year 2011/12 must be monitored and reported at Outturn. The Prudential Indicators are detailed above and the key points are explained below:
2. **Indicator 1 - Capital Expenditure:** The capital programme expenditure at monitor 3 was estimated to be £180.0m, which includes £121.5m for HRA Self financing reform; outturn was £171.4mm. The Capital Programme Outturn 2011/12 report has further detail with regards to this movement. The reduced outturn compared to monitor 3 is due to a number of schemes being slipped to be completed during 2012/13.
2. **Indicator 2 – Ratio of Finance Costs to Net revenue Stream:** This indicator represents how much borrowing (where the finance costs are not supported by government grant), for the capital programme, will cost as a percentage of the net revenue stream of the Council. The General Fund indicator is 6.52% compared to a budgeted level of 7.7%, with the marginal decrease due to reduced finance costs, as a result of reduced MRP. Further details are contained in paragraph 9... The Housing Revenue Account (HRA) version of the indicator is 2.0% compared to the budgeted level of 2.4%, the difference is mainly due to a higher HRA balance which earned investment income than was originally estimated.
3. **Indicator 3 (a) & (b) - Incremental Impact of Capital Investment Decisions on the Level of Council Tax (3a) and Housing Rents (3b):** This indicator shows the impact of capital investment decision on the bottom line level of Council Tax. The Council can fund its discretionary capital programme from two main sources, from borrowing or using capital receipts from the sale of surplus assets. The Council's policy is to use capital receipts to fund the Capital programme, where possible. However in the current economic environment with reduced capital receipts there is the requirement to use borrowing to support the capital programme, which has an impact on Council Tax through the revenue cost of financing the borrowing. The borrowing is not taken unless it is affordable, sustainable and prudent and can be supported by an existing budget.
4. **Indicator 4 – Net Borrowing not exceed the CFR:** In order to ensure that borrowing levels are prudent over the medium term the Council's external borrowing, net of investments, must only be for a capital purpose. This essentially means that the Council is not borrowing to support revenue expenditure. Net borrowing should not therefore, except in the short term, have

exceeded the CFR for 2011/12 plus the expected changes to the CFR over 2012/13 and 2013/14. This indicator allows the Council some flexibility to borrow in advance of its immediate capital needs in 2011/12. The table highlights the Council's net borrowing position against the CFR, it confirms that no borrowing occurred in advance of need and the net borrowing position was below the CFR.

5. **Indicator 5 - Capital Financing Requirement (CFR):** The CFR at outturn was £293.2m, which is the Council's underlying need to borrow for all capital investment over time. At year-end when the Capital programme is financed, the CFR can change when decisions are made with regards to the use of external funding, capital receipts etc to support the Capital investment of the Council
6. The CFR represents the capital expenditure (which has not yet been paid for by revenue or other resources) which is required to be funded by borrowing. Under Statute, the council is permitted to borrow to fund capital expenditure. When borrowing is undertaken it is not taken for a specific capital scheme but rather to fund the council's capital financing requirement as a whole. The Council is allowed to borrow in advance of need; it can borrow the CFR in the current year and also 2 years in advance. The Council's underlying need to borrow for capital expenditure is termed the Capital Financing Requirement (CFR).
7. Part of the Council's treasury activities is to address the funding requirements for this borrowing need. Depending on the capital expenditure programme, the treasury service organises the Council's cash position to ensure sufficient cash is available to meet the capital plans and cash flow requirements. This cash requirement may be sourced through borrowing from external bodies (such as the Government, through the Public Works Loan Board [PWLB] or the money markets), or through utilising temporary cash resources within the Council.
8. The Council's underlying borrowing need (Capital Financing Requirement) is not allowed to rise indefinitely. Statutory controls are in place to ensure that capital assets are broadly charged to revenue over the life of the asset. The Council is required to make an annual revenue charge, called the Minimum Revenue Provision – MRP, to reduce the CFR. This differs from the treasury management arrangements which ensure that cash is available to meet capital commitments. External debt can also be borrowed or repaid at any time, but this does not change the CFR.
9. The Council's 2011/12 MRP Policy (as required by CLG Guidance) was approved as part of the Treasury Management Strategy Report for 2011/12 on 24 February 2011. The calculations underpinning the MRP calculation have been reviewed against current financial reporting requirements and the requirements of the prudential code. This is to ensure that the MRP calculation is consistent with the current years MRP policy statement and also consistent in the Statement of Accounts. It should be noted that this is a review of the calculation and not a

change in policy, there is therefore no approval required. The Statement of Accounts in the explanatory forward references an increase in earmarked reserves in relation to provision for debt repayments, which accounts for the reduced MRP charged in 2011/12, but with provision for debt repayments held in reserve for future repayments.

10. **Indicator 6(a) - Authorised Limit:** The authorised limit is the “affordable borrowing limit” required by s3 of the Local Government Act 2003. The Council does not have the power to borrow above this level, which is approved at Full Council every year. The Authorised Limit was revised during 2011/12 due to the HRA Self Financing reforming being approved in the government white paper during the year. This resulted in the Council borrowing an additional £121.5m which had not been included the initial Authorised Limit calculation. The revised prudential indicators were approved at Council on 8 December 2012. The table confirms that during 2011/12 the Council has maintained gross borrowing within its authorised limit of £347.0m. The Council’s highest level of borrowing during the year was when the £121.5m borrowing was taken for the HRA Self financing reform on 28 March 2012 at £261.6m. The headroom available within this limit allows the Council the ability to borrow in advance of need in accordance with its 3 year forecast Capital programme. Debt levels have remained within the limits set.
11. **Indicator 6(b) – Operational Boundary:** This is approximately the expected borrowing position of the Council during the year. Periods where the actual position is either below or over the boundary is acceptable subject to the authorised limit not being breached. In 2011/12, the actual borrowing level was below the operational boundary due to the Council not borrowing the total amount it was permitted to do so during the year and not taking any borrowing in advance of need. This was in accordance with the strategy to hold off borrowing due to borrowing rates being much higher than investment rates.
12. **Indicator 7 - Adoption of the CIPFA Code of Practice in Treasury Management:** In accordance with the Prudential Code, the Council has adopted the CIPFA Treasury Management in the Public Services Code of Practice “the Code” prior to the beginning of the financial year. The table shows the code has been adhered to.
13. **Indicator 8(a) & (b) - Upper Limit for Fixed and Variable Interest rate Exposure:** Interest rate exposure on debt is positive due to it being in relation to interest paid and on investments is negative as it is interest being received. When the variable and fixed interest rates are totalled, it will always be 100%. The majority of the interest received for the Council relates to variable rated investments, where as the interest paid on debt is fixed. The limits set in the budget were not breached and the outturn stands at 107% for fixed interest rate exposure and –7% for variable interest rate exposure.

- 14. Indicator 9 - Upper Limit for total principal sums invested for over 364 days:** This has been set at £10m and is approximately 25% of the average portfolio throughout the year. In the year no investments for longer than 364 days have been taken due to the credit ratings assigned to counterparties. In the current environment it is viewed as high risk to have long term exposure. The banks which are nationalised have the backing of government and therefore investment up to 1 year is considered.
- 15. Indicator 10 - Maturity Structure of Fixed rate Borrowing:** The borrowing portfolio is spread across different time periods to ensure that the Council is not exposed to the requirement to take new borrowing in any one year and be exposed to interest rates in any one year. In 2011/12 the borrowing portfolio maturity profile was within the limits set.



Cabinet

17 July 2012

Report of the Cabinet Member for Corporate Services

Financial Strategy Refresh

Purpose of report

1. This report provides an update to the Financial Strategy given the continued and rapid changes to the Local Government funding. It also provides an outline plan to the 2013/14 and 2014/15 budget process.

Introduction

2. The challenges facing all public sector organisations are very significant and these difficult financial times are certain to continue in coming years as the Government seeks to deliver upon its aspiration of reducing the public sector share of total GDP.
3. York has responded well to the challenges to date with strong financial management practices, successful delivery of efficiencies and a firm economic base when compared with many other local authorities.
4. However, to continue to deal with the challenges effectively will require the Council to have a clear long term year strategy in terms of how it wants to shape the City through its financial strategy, and deliver Council priorities. The general direction and operation of the Council will also need to be considered, with significant change required in a number of services.

Key Priorities

5. It is imperative that the financial strategy supports the Council's priority objectives, as outlined in the Council Plan. In particular it should be the enabler to ensure the economic prosperity of the city and the provision of an effective and fair society which has sound public services. Key priority themes to drive the financial planning process forward are set out below:
 - Creating and growing a successful Economy for York.
 - Protecting Vulnerable Groups.
 - Ensuring that York residents receive effective provision of vital public services such as Housing and Transport.

6. The effects of a poor economy and a reliance upon government funding are seen very clearly across the country at present, where the impact of public spending cuts are falling the most severely.
7. Delivering the Council priorities at a time of difficult financial challenge, will require long term approaches to ensuring a sustainable local funding base, driving out efficiency and changing how services are delivered. It will however also require significant reductions in many areas of service delivery to ensure sufficient resources for the key priority areas.

Funding Issues

8. The Councils key funding sources are Government grant (general and specific), Council tax, fees and charges, and there is also the potential in the future to grow business rates. There are many issues that will affect these areas, and these are considered briefly below:
 - i) Local Business Rates – with the proposed localisation of business rates it was felt that there may be significant opportunity to seek to grow business rates and for the Council to receive significant benefit. The current guidance from Government regarding this scheme however sets out that 50% of all growth will be passed to central government, and York (as an area with a high level of business rates) will also pay over a further 42% of any remaining gains. Whilst therefore there are still benefits to growing business rates, the scheme as designed is not as favourable as it potentially could have been.
 - ii) Council Tax currently accounts for £75.7m of the Council's net budget. It is unavoidable that the overall contribution from Council Tax in coming years will impact on the overall level of reductions that will be required in Council services. In the last two years the Government has sought to keep Council Tax levels frozen. The implications of a declining council tax base that does not keep pace with inflation will inevitably mean more severe public spending reductions. York's Council tax is still amongst the lowest of all unitary councils and is approximately 9% below the average for unitary councils (equivalent to some £7m). The medium term plan currently assumes for Planning purposes only, increases in council tax of 2% and 1% over the next two years. These will clearly need to be considered as part of the budget process.
 - iii) Fees and Charges are levied on a range of services provided by the Council, and we receive significant income from our Assets. Exploiting new opportunities for generating income and providing high quality services which the customer is willing to pay for will be important in the future. This may require a more commercial approach to some of the Council's fee charging services. It may also require capital investment to

ensure facilities offer the highest standards and a fundamental review and an ongoing focus/prioritisation of the assets the Council holds.

- iv) Government Grants – the current value of the general Government grant is £46.5m. This is expected to reduce over coming years in real terms. A number of specific grants are anticipated to be rolled into this general grant from 2013/14, and this will include changes in Council Tax benefit grant. Along with these changes in grant funding, the Government is currently considering potential changes in the grant funding formula, all of which make predictions of overall grant settlements in future years difficult.
- v) The proposed changes in Council Tax Benefit will have a significant impact on the Council. Funding from Government is set to reduce by 10% and the Council is required to design a local discount scheme for residents who currently receive Benefit. This scheme will be finalised throughout the rest of 2012 and will be implemented on 1 April 2013. The Government have made it clear in their most recent guidance (Localising Support for Council Tax – A statement of intent) that local authorities must carry out consultation on any new scheme. This consultation must comply with the Best Value Statutory Guidance published in September 2011. It is recommended that the council should comply with this guidance to mitigate the risk of a judicial review. The final specific details of the scheme to be consulted upon are agreed by the Cabinet Member for Corporate Services. A draft plan is attached at Annex A of this report.

Investment and Cost Pressures

- 9. As part of the budget approved in February, the Council created an Economic Infrastructure Fund. This provides for some £28m of Council funding, plus external grant funding that increase the value of the fund. The allocation of this resource to key priority projects will be a significant contributor to achieving priorities and ensuring a sustainable economic base in the long term.
- 10. Alongside consideration of resources and investment in its priorities, the Council needs to continue to focus upon achieving efficiency, innovation, exploring new ways of working and delivering key projects. The Delivery and Innovation Fund, established in the 2012-13 budget, provide resources to assist with new ways of working. In order to support the delivery of these efficiencies, the Council has approved a new Procurement Strategy, Workforce Strategy, and is continuing to invest in new technology. A key priority for coming years will be to maximise the efficiency of our whole Asset portfolio.
- 11. Whilst the impact of public spending reductions is significant, the Council also faces growing demand for many services. In particular the demographic

trends in relation to adult care have and will continue to create significant financial pressure. It will be important to seek to constrain these growth pressures, otherwise the implications on other areas of service provision will be extreme.

An Effective Strategy

12. The importance of managing the different issues and challenges set out above cannot be overstated. This represents a huge challenge for the Council, especially as it comes on the back of major reductions in spending in recent years. However, it is a challenge that the Council has demonstrated an ability to deliver. We have delivered on £21m of efficiencies in 2011/12, there is a clear Council plan in place, and the Council's financial management is recognised as being highly effective. In addition, the framework of ensuring an effective organisation is in place, through how we procure services, our ways of working, our investment in staff, and the investment in technology. There remain many areas where we can continue to develop and improve but this existing framework provides the platform for the Council to meet the ongoing challenges.
13. A successful strategy will ensure that:
 - there is investment in the economic infrastructure to create sustainable long term economic growth,
 - there is continued innovation and efficiency in how services are delivered,
 - there is investment in the facilities it runs ensuring the highest standards for customers,
 - there is a high degree of self reliance upon its own income sources – ensuring the highest level of local choice and decision making,
 - there is an effective provision of public services ensuring a high quality of life and protecting vulnerable people, creating a city people choose to live and work in, and in turn providing the sources of funds to achieve this.

Medium Term Strategy

14. A two year budget covering the period 2012-13 (approved) and 2013-14 (agreed in principle) was approved by Council in February 2012. Table 1 highlighting the key aspects is shown overleaf:

	2012/13	2013/14
<u>Expenditure</u>	£m	£m
Pay & Pensions	1.60	1.83
T. Management & Capital	1.07	1.38
Waste	0.75	0.75
Contingency & Reserves	0.50	1.00
Delivery & Innovation	1.00	1.50
Other Pressures	3.83	3.83
Total Expenditure	8.87	10.29
<u>Income</u>		
Council Tax	2.55	1.51
General Grant	-5.04	0.00
Other Income	0.50	0.00
Total Income	-1.99	1.51
Savings Identified	-10.74	-8.78
Budget Gap	0.00	0.00

Table 1: February 2012 Approved Budget

15. The financial plan is continually evolving and the latest growth requirements for 2013/14 and 2014/15 are outlined in Table 2 below. Members are reminded that these plans will be refined further throughout the year:

	2013/14	2014/15
<u>Expenditure</u>	£m	£m
Pay & Pensions	1.32	2.50
T. Management & Capital	0.55	1.50
Waste	0.75	0.75
Contingency & Reserves	1.00	1.00
Delivery & Innovation	1.50	1.00
Service Based Pressures	3.07	4.07
Total Expenditure	8.19	10.82

Table 2: 2013/14 & 2014/15 Current Growth Requirements

16. The total amount of savings agreed in principle for 2013-14 was £8.78m and Table 3 shows the breakdown of the savings by directorate:

	2013/14
<u>Directorate</u>	£m
Adults, Children & Education	3.79
City Strategy	1.03
Communities & Neighbourhoods	2.73
Customer & Business Support Services	0.95
Office of the Chief Executive	0.12
Corporate	0.16
Total Expenditure	8.78

Table 3: 2013/14 Savings by Directorate

17. A thorough review of these savings is currently underway and where Directorates identify potential shortfalls in achievement they will be expected to identify compensating savings. This review will be submitted to the Director of Customer and Business Support Services by the end of July 2012 and will then be updated on a monthly basis as part of the budget process.

Summary Position

18. Taking the various issues above into account, the following summary position is presented in Table 4 below:

	2013/14	2014/15
	£m	£m
Expenditure Increases	8.19	10.82
Savings Approved	-8.78	0.00
Changes in Government Funding	2.00	2.00
Council Tax	-1.41	-0.70
Net Position	0.00	12.12
Additional Savings Required	0.00	-12.12

Table 4: 2013/14 Savings by Directorate

2013/14 and 2014/15 Budget Planning Process

19. Overall the budget process is considered to have worked well for 2012-13 and delivered a very sound budget. The two year budget was seen as positive and this will continue. The following sections set out a summary of the process for the year coming year.

June/July 2012

20. Review of the 2013-14 savings will be undertaken and options for alternative savings identified where required. The outcome of this exercise will be reported to CMT and Members by the late July/early August and will feed into the first budget meetings in September.
21. Targets for meeting the 2014-15 savings requirement will be allocated to Directorates and proposals will be formulated over the summer. A full set of budget savings for 2014-15 will be presented at budget meetings in September.

September/October/November 2012

22. There will be budget review meetings with Cabinet members during September, October and November 2012. These will consider 2013-14 savings, 2014-15 savings and any requirements for growth.

December 2012

23. Final proposals will begin to be put together, leading to the presentation of new 2 year budget to Council in February.
24. It should be noted that there will be continued engagement with Trade Unions via Directorate JCC's and the Corporate JCC and that the consultation and equalities processes are being refreshed.

Analysis

25. The analysis of the financial position of the council is included in the body of the report.

Consultation

26. None specific to this report, however the overall process will involve consultation with a variety of groups and organisations.

Corporate Priorities

27. The information and issues included in this report demonstrate progress on achieving the priorities set out in the Council Plan (2011-15).

Implications

28. The implications are:
 - Financial - the financial implications are dealt with in the body of the report.
 - Human Resources - the impact of delivering savings is having considerable implications in terms of managing the HR issues. The Council is seeking to manage the process of reducing staffing number as effectively as possible, through use of Voluntary Redundancy and working with the Trade Unions.

- Equalities - there are no specific equality implications to this report, however equalities issues are accounted for at all stages of the financial planning and reporting process. Equality Impact Assessments will be completed for individual budget proposals and summary information will be available for the budget review meetings with Cabinet members during September, October and November. The individual EIAs will then be used to complete an overall assessment of the cumulative impact of the budget on all the communities of interest.

Risk Management

29. The risk management processes embedded across the council continue to contribute to managing the risk issues associated with major projects and key areas of service delivery.

Recommendations

30. Members are asked to:

- a. Agree to the refreshed Financial Strategy and the outline budget planning process for 2013-14 and 2014-15;

Reason: To ensure the Council meets future financial challenges and produces a sound, prudent budget for 2013-14 and 2014-15.

- b. Approve that formal consultation including public consultation in line with Best Value Statutory Guidance is undertaken with regard to implementing a new scheme to reflect the changes to council tax support (Paragraph 8 vi and Annex A) and that the final scheme details for consultation are agreed with the Cabinet Member for Corporate Services.

Reason: To ensure that the council complies with the Government guidance as set out in the DCLG document Localising Support for Council Tax – A statement of intent and to ensure that all stakeholders including customers of the scheme are provided with the opportunity to provide feedback.

Authors:	Cabinet Member & Chief Officer Responsible for the report:			
Ian Floyd, Director for Customer & Business Support Services, Ext 1100 Debbie Mitchell, Corporate Finance Manager, Ext 4161	Councillor Julie Gunnell, Cabinet Member for Corporate Services Ian Floyd, Director for Customer & Business Support Services			
Andrew Crookham, Principal Accountant, Ext 2912	Report Approved	√	Date	4 July 2012
Wards Affected: <i>All</i>				
For further information please contact the authors of the report				

Annex A – Consultation Plan Council Tax Support

This page is intentionally left blank

Council Tax Support Consultation Plan

Stakeholder	Precepting Authorities	Public Consultation (Statutory 12 weeks)		
	July 2012	August 2012	September 2012	October 2012
Fire Authority	[Redacted]			
Police Authority	[Redacted]			
<u>Business Inc:</u>		[Redacted]	[Redacted]	[Redacted]
<i>Science City York Networks</i>		[Redacted]	[Redacted]	[Redacted]
<i>Chamber of Commerce</i>		[Redacted]	[Redacted]	[Redacted]
<i>FSB</i>		[Redacted]	[Redacted]	[Redacted]
<i>Insitute of Directors</i>		[Redacted]	[Redacted]	[Redacted]
<i>York Science Park</i>		[Redacted]	[Redacted]	[Redacted]
<i>Visit York</i>		[Redacted]	[Redacted]	[Redacted]
<i>Key Account Network</i>		[Redacted]	[Redacted]	[Redacted]
<u>Other Stakeholder Groups:</u>		[Redacted]	[Redacted]	[Redacted]
<i>Young People</i>		[Redacted]	[Redacted]	[Redacted]
<i>Youth Council</i>		[Redacted]	[Redacted]	[Redacted]
<i>Community Facilitators</i>		[Redacted]	[Redacted]	[Redacted]
<i>EAG</i>		[Redacted]	[Redacted]	[Redacted]
<i>SERG</i>		[Redacted]	[Redacted]	[Redacted]
<i>Cutomer Sevices</i>		[Redacted]	[Redacted]	[Redacted]
<i>Residents Associations</i>		[Redacted]	[Redacted]	[Redacted]
<i>Tenants Inspectors</i>		[Redacted]	[Redacted]	[Redacted]
<i>Benefit Claimants</i>		[Redacted]	[Redacted]	[Redacted]
<i>Talkabout Panel</i>		[Redacted]	[Redacted]	[Redacted]
<i>Council Website</i>		[Redacted]	[Redacted]	[Redacted]

This page is intentionally left blank