

Meeting	Cabinet
Date	9 September 2014
Present	Councillors Alexander (Chair), Crisp, Cunningham-Cross, Levene, Looker, Merrett and Simpson-Laing (Vice-Chair)
In attendance	Councillors D'Agorne, Healey, Warters, Watson
Apologies	Councillor Williams

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## **PART A - MATTERS DEALT WITH UNDER DELEGATED POWERS**

### **24. Declarations of Interest**

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

Councillor Merrett declared a prejudicial interest in relation to Agenda item 10 (Financial Close for the Long Term Waste Management Service Contract) as an employee of Amey Consulting, part of a wider group of AmeyCespa a separate part and he left the room and took no part in the discussion or voting in relation to this item.

Councillor Merrett also declared a personal non prejudicial interest in relation to Agenda item 9 (Community Stadium and Leisure Facilities Update) in relation to the swimming content of the facilities, as his daughter used Yearsley Pool as a member of the York City Baths Club.

Councillor Simpson-Laing declared a personal non prejudicial interest in relation to Agenda item 9 (Community Stadium and Leisure Facilities Update) as her daughter was a member of York Athletics Club. She also noted that as a member of the main Planning Committee involved in approval of the outline application she was supporting the principle of a Community Stadium and that she would be considering any subsequent planning application on its own merits.

Councillor Cunningham Cross declared a personal non prejudicial interest in relation to Agenda item 9 (Community Stadium and Leisure Facilities Update) also as a member of the main Planning Committee and as she would be supporting the principle of a Community Stadium and would be considering any subsequent planning application on its merits.

Councillor Crisp declared a personal non prejudicial interest in relation to Agenda item 9 (Community Stadium and Leisure Facilities Update) and confirmed, as the relevant Cabinet Member, that she would not be taking part at the Planning Committee meeting when the application was considered.

Councillor Looker declared a personal non prejudicial interest in relation to Agenda item 9 (Community Stadium and Leisure Facilities Update) confirming that whilst not previously being a member of the Planning Committee for the outline application, as a current member of the main Planning Committee she confirmed that she would be considering any subsequent planning application on its merits.

## **25. Minutes**

Resolved: That the minutes of the last meeting of Cabinet held on 6 May 2014 be approved and signed by the Chair as a correct record.

## **26. Public Participation**

It was reported that there had been four registrations to speak at the meeting under the Council's Public Participation Scheme, and that three Members of Council had also requested to speak on items, details of which are set out below:

### York Flood Risk Management Strategy

Peter Richardson, a local resident, spoke to refer to figures published in the local press regarding flood defence costs. He pointed out that in reality flooding could be alleviated at little cost by dredging at Naburn Lock to reduce water levels further upstream.

Councillor D'Agorne spoke to welcome the new Flood Risk Management Strategy. He did however express concerns at the effects of new housing developments on drainage and asked for this to be reflected in Local Plan planning policies. He also

made reference to areas where increased rainfall caused surface water problems and to the need to invest and alleviate these problem areas.

### Community Stadium and Leisure Facilities Update

Fiona Evans spoke, as a representative of the Yearsley Pool Action Group, expressing their concerns at the procurement process in relation to the new Community Stadium and in particular the threat to the Yearsley Pool. She referred to the damage closure of the pool would have on water sports and fitness swimming in the city and to the lack of consultation with York City Baths Club and pool users. She referred to previous commitments made in relation to Yearsley Pool and asked Cabinet to reconsider the outcome and preserve the pool for future generations.

Fiona Williams spoke as Chief Executive at Explore York Libraries and Archives, confirming her pleasure in being part of the new Stadium project. She referred to the Explore Library space proposed at the Stadium aimed at accessing new users and groups to engage with libraries.

Councillor Healey confirmed that Fiona Evans, the earlier speaker had covered many of his points in relation to the possible closure of Yearsley Pool. He referred to the increase in costs from the inception of the first proposals for the Stadium and questioned the value for money from current proposals. He acknowledged that it was difficult to see how retention of the Yearsley Pool would fit in with the provision of a new Stadium and he asked Cabinet to ensure that current proposals still met the original proposals for a Stadium.

Councillor Watson spoke to express his concerns regarding proposals for the new Stadium and to question a number of risks he had identified in relation to the project. These included risks in relation to the different types of pools, failure of the cinema/restaurants, planning, library, Yearsley Pool, if the development was not profitable and if the costs were not agreed by full Council.

## Financial Close for the Long Term Waste Management Service Contract

Richard Lane spoke, on behalf of York and Ryedale Friends of the Earth, an organisation which had campaigned against the incinerator for York since the plans emerged in 2002. He expressed their concerns at the financial outlay, lack of consultation and questioning the proposed savings and as to whether the waste volumes required this facility. He also referred to the lack of alternative options and the costs of leaving the contract.

Councillor D'Agorne spoke to endorse the earlier speaker's comments and concerns in relation to the long term waste contact.

The Chair thanked the speakers for their comments, confirming that these would be taken into account when consideration was given to the reports later in the meeting.

### **27. Forward Plan**

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

### **28. 2014/15 Finance Monitor 1**

Consideration was given to a report which presented details of the Council's financial position for the period covering 1 April to 30 June 2014 and provided an assessment of performance against budgets.

It was noted that financial pressures were forecast at £2,924k, compared to £3,722k at the same time last year and that it was proposed to allocate £600k of contingency to known Health and Wellbeing pressures, bringing the overall position down to £2,324k.

The Leader gave an overview of the forecast on a directorate basis as shown in Table 1 and detailed some of the main variations as reported in paragraphs 8 to 26. He confirmed that following the industrial action in July, that the one off saving of around £10k would be donated to support the work of the food

bank charity with the remainder going to assist Health and Wellbeing pressures.

Resolved: That Cabinet agree to:

- (i) Note the current financial position of the Council, as set out in the report;
- (ii) Allocate £600k of contingency to meet pressures in Health & Wellbeing, as set out at paragraph 23 of the report;
- (iii) Invest £40k in the municipal bonds agency, as set out at paragraphs 31 and 32 of the report;
- (iv) The virement of internal payments made between Health & Wellbeing and CANS as set out at paragraph 15 of the report;
- (v) Donate £10k of the strike savings to support the work of food banks and the remaining saving to Health & Wellbeing, as set out at paragraph 29 of the report;
- (vi) A traveller's rent increase, as set out in paragraphs 16 to 18 of the report.

Reason: To ensure expenditure is kept within the approved budget.

Action Required

1. Implement the agreed allocation, investment, virement, donation and increase detailed in the report.

DM

**29. Capital Programme Monitor One 2014/15**

*[See also Part B minute]*

Members considered a report which set out details of the Council's projected capital programme outturn position for 2014/15, including any under/over spends and adjustments, together with requests to re-profile budgets to/from current and future years.

It was noted that the current 2014/15 capital programme, as approved by Council and updated in July was £83m, with current monitor showing a decrease of £6.912m resulting in a revised capital programme of £76.319m, the majority of which was attributable to the re-profiling to future years budgets and the remainder to a reduction in government grants.

The variances in each portfolio were shown at Table 1 of the report and a summary of the key exceptions and implications on the capital programme reported in paragraphs 8 to 26. Revisions to the 5 year programme were also reported together with details of funding for future years to 2018/19.

The Leader highlighted work proposed on the city's War Memorials and to the extensive capital works set out in Annex A to the report. Members also referred to the demographic pressures on local schools and the need for good sustainable planning for the future needs of children in the city.

Resolved: That Cabinet agree to:

- (i) Note the 2014/15 revised budget of £76.319m as set out at paragraph 5 and Table 1 of the report.
- (ii) Note the restated capital programme for 2014/15 – 2018/19 as set out at paragraph 28, Table 2 and detailed in Annex A of the report.

Reason: To enable the effective management and monitoring of the Council's capital programme.

### **30. 2014/15 Performance Monitor Quarter 1**

Consideration was given to the York Monitor which provided details of the Council's activities and achievements from 1 April to 30 June 2014, showing progress on achieving the Council Plan priorities.

The Leader highlighted the significant growth in the economy, whilst there were issues with income levels in the city and he confirmed the need to attract higher value jobs to the city. Other Members referred to the need to break down the barriers to ensure that women received the skills, training and education to ensure equal access to jobs.

It was noted that a current scrutiny review was already examining attracting more productive and higher value jobs to the city on behalf of the Economic & City Development Overview & Scrutiny Committee.

Resolved: That Cabinet agree to note the Council's current performance against its key priorities for the period covering 1 April to 30 June 2014.

Reason: To update Cabinet on the Council's performance against key themes for the last quarter.

**31. Review Housing Revenue Account Business Plan 2013 to 2043**

Members considered a report which provided an overview of the revised Housing Revenue Account business plan for the next 30 years and details of the key priorities for the next five years, which included investment fund proposals to support the delivery of more affordable homes.

The Cabinet Member highlighted that the Council's housing stock had been rated within the top quartile across the authorities and of improvements made to the housing stock.

Consideration was then given to the following options:  
Option one – To adopt the revised plan set out at Annex one

Option two – To ask officers to revise the document

Resolved: That Cabinet agree Option One to adopt the Housing Revenue Account Business Plan as set out at Annex A of the report.<sup>1</sup>

Reason: The plan sets out the priorities for the housing revenue account for the next 5 years and gives clear messages as to the commitment to continue to invest in the council's existing stock, the local communities and build new much needed social rented housing.

Action Required

1. Implement the Plan.

TB

## 32. **Community Stadium and Leisure Facilities Update**

*[See also Part B minute]*

Consideration was given to a report which updated Cabinet on the progress of the procurement for the Community Stadium and City Leisure Facilities contract. Since approval of the business case, in March 2012 it was reported that the scope of the project had expanded with the inclusion of the city's leisure facilities.

With the final stage bid now complete, Greenwich Leisure Ltd had been selected as the preferred bidder and were proposing to create a new Stadium Leisure Complex, comprising an 8000 all-seat community stadium, leisure and sports centre, NHS Training and Development Centre, community hub and commercial retail/ digital cinema and restaurants/bars.

It was noted that, whilst the scheme would increase the city's sport and leisure offer, the total direct cost of the project would be c.£37m, which would require c.£8m of CYC funding, requiring Council approval. Further information on the financial implications and associated risks of proceeding with the project up to contract award were reported.

Officers referred to points raised by earlier speakers confirming that the original scheme for a smaller stadium had not included any commercial income streams which were required to make the scheme commercially viable. Work had been undertaken to bring forward a sustainable solution which included a number of commercial properties. Officers acknowledged the risks, although they confirmed operators would take on many of the risks once any commercial deals were agreed. With regard to Yearsley Pool it was confirmed that a number of options had been explored and, if the Pool was to have a long term future, further work was required.

Members expressed their support for the Stadium scheme which would provide facilities of both regional and national significance. They confirmed that a wide range of options had been explored but pointed out that it was the authority's duty to obtain the optimum from the site.

Officers were thanked for the comprehensive report and it was confirmed that the Cabinet Members for Transport and Leisure,

Culture and Tourism were keeping a watching brief on the proposals as they progressed.

Following further lengthy discussion it was

Resolved: That Cabinet agree to:

- (i) Proceed with the procurement on the basis of the proposals set out in the report, to deliver the 'New Stadium Leisure Complex' and the estimated project timetable set out in Table 3.
- (ii) Note that Greenwich Leisure Ltd have been nominated as the Preferred Bidder following the Competitive Dialogue procurement exercise.
- (iii) Note the overall financial position and programme management arrangements as presented noting the financial risks and potential resultant liabilities that may arise as a result of proceeding with the scheme through the detailed planning submission and construction phases.
- (iv) Proceed with the submission of a detailed planning application on behalf of the Council by the preferred bidder seeking approval for the proposals for the New Stadium Leisure Complex.
- (v) The appropriation of the proposed stadium complex and leisure facilities site to planning purposes under S.122 of the Local Government Act 1972 and Section 237 of the Town and Country Planning Act 1990 on the basis that the appropriation will facilitate the carrying out of development, re-development or improvement works on the land which will contribute to the promotion or improvement of the economic, environmental or social well-being of the Council's area.
- (vi) Work with relevant stakeholders in looking at community management options for Yearsley

Pool as set out in paragraph 35 of the report should the operator not take up the option to operate the pool at no additional cost.

- (vii) Note the position of the project partners and the implications of proceeding and any potential delays.
- (viii) Note the progress of the off-site facilities and their associated issues, risks and timetable for financial close.
- (ix) Note, and accept, the risks set out in the risk management section of the report, and the financial implications section.<sup>1</sup>

Reason: To update Members on the procurement of the New Stadium Leisure Complex and in order to progress the scheme to provide a landmark leisure destination for the City.

Action Required

1. Await decision of CSMC (Calling-In) meeting. TA

**33. York Flood Risk Management Strategy**

Consideration was given to a report which set out a draft Flood Risk Strategy for York. This had been prepared following the introduction of legislation that gave the City of York Council major new responsibilities, as the Lead Local Flood Authority for its area. This including the development, maintenance, application and monitoring of a strategy for local flood risk management.

Members were asked to approve the Strategies content and the proposals for consultation both with partners and internally, prior to public consultation. It was noted that it was proposed to publish the full strategy in 2015 with a review in line with the six year Flood Risk Regulations cycle.

The Cabinet Member referred to the new responsibilities arising from the Flood and Water Management Act 2010 and to the nature and variety of the different bodies and individuals involved. He confirmed that the Strategy would be a partnership approach, with statutory responsibilities but limited funds.

In answer to earlier questions from speakers, he referred to the two proposed policies in the Local Plan, mentioned at 7.2 of the Strategy, which detailed flood risks and drainage. Also to the issues of hotspots and to the approach being undertaken to relieve these, including the use of Flood Wardens.

The Leader also referred to the issues at Naburn, referred to by a speaker, he confirmed that a more comprehensive examination was required of the issues involved as he believed that dredging would not have the desired result in reducing river levels upstream.

Following further discussion it was

Resolved: That Cabinet approve York's Flood Risk Management Strategy at Annex 1 of the report.  
1.

Reason: To ensure the Council is compliant with its duties in the Flood and Water Management Act (2010) and to ensure that we have a Local Flood Risk Management Strategy that can drive future flood risk investment needs.

Action Required

1. Proceed with necessary consultation.

SW

## **PART B - MATTERS REFERRED TO COUNCIL**

### **34. Capital Programme Monitor One 2014/15**

*[See also Part A minute]*

Members considered a report which set out details of the Council's projected capital programme outturn position for 2014/15, including any under/over spends and adjustments, together with requests to re-profile budgets to/from current and future years.

It was noted that the current 2014/15 capital programme, as approved by Council and updated in July was £83m, with current monitor showing a decrease of £6.912m resulting in a revised capital programme of £76.319m, the majority of which

was attributable to the re-profiling to future years budgets and the remainder to a reduction in government grants.

The variances in each portfolio were shown at Table 1 of the report and a summary of the key exceptions and implications on the capital programme reported in paragraphs 8 to 26. Revisions to the 5 year programme were also reported together with details of funding for future years to 2018/19.

The Leader highlighted work proposed on the city's War Memorials and to the extensive capital works set out in Annex A to the report. Members also referred to the demographic pressures on local schools and the need for good sustainable planning for the future needs of children in the city.

Recommended: That Council agree to:

- (i) The adjustments in the Capital programme of a decrease of £6.912m in 2014/15 as detailed in the report and contained in Annex A.
- (ii) The use of £75k Contingency for works in relation to the War Memorial sites as set out at paragraph 16 of the report. <sup>1</sup>.

Reason: To enable the effective management and monitoring of the Council's capital programme

Action Required

1. Refer to Council.

JP

**35. Community Stadium and Leisure Facilities Update**

*[See also Part A minute]*

Consideration was given to a report which updated Cabinet on the progress of the procurement for the Community Stadium and City Leisure Facilities contract. Since approval of the business case, in March 2012 it was reported that the scope of the project had expanded with the inclusion of the city's leisure facilities.

With the final stage bid now complete, Greenwich Leisure Ltd had been selected as the preferred bidder and were proposing

to create a new Stadium Leisure Complex, comprising an 8000 all-seat community stadium, leisure and sports centre, NHS Training and Development Centre, community hub and commercial retail/ digital cinema and restaurants/bars.

It was noted that, whilst the scheme would increase the city's sport and leisure offer, the total direct cost of the project would be c.£37m, which would require c.£8m of CYC funding, requiring Council approval. Further information on the financial implications and associated risks of proceeding with the project up to contract award were reported.

Officers referred to points raised by earlier speakers confirming that the original scheme for a smaller stadium had not included any commercial income streams which were required to make the scheme commercially viable. Work had been undertaken to bring forward a sustainable solution which included a number of commercial properties. Officers acknowledged the risks, although they confirmed operators would take on many of the risks once any commercial deals were agreed. With regard to Yearsley Pool it was confirmed that a number of options had been explored and, if the Pool was to have a long term future, further work was required.

Members expressed their support for the Stadium scheme which would provide facilities of both regional and national significance. They confirmed that a wide range of options had been explored but pointed out that it was the authority's duty to obtain the optimum from the site.

Officers were thanked for the comprehensive report and it was confirmed that the Cabinet Members for Transport and Leisure, Culture and Tourism were keeping a watching brief on the proposals as they progressed.

Following further lengthy discussion it was

Recommended: That Council approve £4m Prudential Borrowing for the capital investment in the replacement leisure facilities (as shown in the tables at paragraph 22 of the report). The associated revenue costs of the borrowing will be c£360k per annum and will be shown as growth in the treasury management budget from 2016/17. <sup>1</sup>.

Reason: To update Members on the procurement of the New Stadium Leisure Complex and in order to progress the scheme to provide a landmark leisure destination for the City.

Action Required

1. Refer to Council.

JP

**36. Financial Close for the Long Term Waste Management Service Contract**

Consideration was given to a report which updated Cabinet on progress of the Long Term Waste Service Contract with AmeyCespa for the provision of a waste treatment service at Allerton Quarry, Knaresborough.

The City Council had agreed in December 2010 to enter into a Joint Waste Management Agreement with North Yorkshire County Council for the provision of a Long Term Waste Management Service, as a long term sustainable alternative to landfill for the treatment of residual municipal waste.

Details of the significant key changes affecting the proposals which had taken place since December 2010, including receipt of planning permission, changes in technology and waste tonnage together with funding information for the project, following the Government's withdrawal of PFI credit support, were also reported in detail and in Annexes 1 to 4 in the report. Following consideration of all aspects of the proposals Cabinet were asked to decide whether the long term waste treatment project should progress to Financial Close within the approved affordability envelope.

The Leader confirmed that North Yorkshire County Council had, earlier in the day, approved the recommendations put to their Council as detailed in the report at paragraphs 206 to 215.

Members acknowledged that whilst this was not a perfect solution, the project was preferable to the landfill option available. Officers confirmed that Financial Close took place following the October Council meeting and highlighted changes that could occur in e.g. the Euro which could affect financial aspects of the project and to the costs which could be incurred if either authority withdrew from the contract.

Following further discussion it was

Recommended: That Council be asked to confirm:

- (i) The City Council is supportive of the County Councils recommendation to proceed to Financial Close for the Long Term Waste Treatment Service contract given the revised environmental and financial assessments carried out and detailed in this report given the positive long term benefits; subject to the final terms within the Value for Money Envelope set out at paragraph 146 of the report.
- (ii) That delegated authority be given to the Director of Customer and Business Support Services (acting in consultation with the Director of City and Environmental Services and the Assistant Director (Governance & ICT) to amend the Joint Waste Management Agreement and to agree any other documents necessary to give effect to this project.
- (iii) That the Director of Customer and Business Support Services, is authorised to issue the certificates under the Local Government (Contracts) Act 1997 to confirm the City Council's powers to enter into the contracts referred to above;
- (iv) That an indemnity be given by the City Council to the Director of Customer and Business Support Services, against any claim that may arise out of or in connection with the issue of the certificates under the Local Government (Contracts) Act 1997.
- (v) That all the Executive Decisions recommended above will not be implemented unless and until Full City Council agrees to the recommendation to proceed to Financial Close and

Financial Close can be delivered within the Value for Money Envelope set out at paragraph 146 of the report. <sup>1</sup>.

Reason: In order for Full Council to determine whether to enter into a long term waste management contract.

Action Required

1. Refer to Council.

JP

**37. Urgent Business - Scottish Referendum**

Cllr Alexander confirmed that, following contact from Ed Miliband MP, Leader of the Labour Party and discussions with York Group Leaders it had been agreed to fly the Scottish flag, the Saltire, from the Mansion House to acknowledge Scotland's forthcoming referendum asking whether Scotland should be an independent country.

Cllr J Alexander, Chair

[The Meeting started at 5.30 pm and finished at 7.20 pm].