
MEETING	CABINET
DATE	6 NOVEMBER 2012
PRESENT	COUNCILLORS ALEXANDER (CHAIR), CRISP, GUNNELL, LEVENE, LOOKER, SIMPSON-LAING (VICE-CHAIR) AND WILLIAMS
IN ATTENDANCE	COUNCILLORS CUTHBERTSON, DOUGHTY, HEALEY AND STEWARD
APOLOGIES	COUNCILLOR MERRETT

PART A - MATTERS DEALT WITH UNDER DELEGATED POWERS

36. DECLARATIONS OF INTEREST

Members were invited 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.

Cllr Simpson-Laing declared a personal non prejudicial interest in respect of agenda item 18 (Community Stadium Update) as her daughter was a member of York Athletics Club.

Cllr Simpson-Laing also declared a prejudicial interest in respect of agenda item 19 (Refurbishing Newgate Market) related to her employment and left the room and took no part in the discussion or voting thereon.

Cllr Levene declared a personal non prejudicial interest in respect of agenda item 12 (Future Credit Union Arrangements in York) as his employer had been a Director of the Credit Union.

Cllr Looker declared a prejudicial interest in respect of agenda item 12 (Future Credit Union Arrangements in York) as a member of the Credit Union, prior to it being wound up and she left the room and took no part in the discussion or voting thereon.

37. **EXCLUSION OF PRESS AND PUBLIC**

Members indicated that, the report and Annex to Agenda Item 12 (Future Credit Union Arrangements in York – Supporting the North Yorkshire and York Credit Union) had now been made public. This followed the announcement from the Financial Services Authority that the North Yorkshire Credit Union had been placed into liquidation, there was therefore no longer a need to make a resolution to exclude the press and public from the meeting for consideration of this item.

They also indicated that they did not intend to make a resolution to exclude the press and public from the meeting for consideration of, Agenda Item 18 (Community Stadium Update), as they would not be entering in to detailed discussion on the exempt information contained in Annexes 2 and 3.

38. **MINUTES**

RESOLVED: That the minutes of the last Cabinet meeting held on 9 October 2012 be approved and signed by the Chair as a correct record subject to:

In Minute 30 – Delivery and Innovation Fund – Funding Decisions, the addition of the following resolution:

- ii) That data on DIF funded projects be provided to a future meeting to ensure that this funding is delivering the anticipated results. ¹.

Action Required

1. Provide EIF data to a future Cabinet Meeting. RR, KS

39. **PUBLIC PARTICIPATION/OTHER SPEAKERS**

It was reported that there had been one registration to speak at the meeting under the Council's Public Participation Scheme, and that three Members of Council had requested to speak on various agenda items.

Gwen Swinburn spoke as a local resident, firstly in respect of Agenda item 12 (Future Credit Union Arrangements in York)

suggesting that a better case/evidence base should have been put forward for the grant funding proposed to the South Yorkshire Credit Union. Secondly, in relation to the minutes of the October Cabinet meeting she had asked that, as standard protection, service level agreements should be required. Finally, that Community Contracts should be embedded in a number of reports on the agenda and that these needed revisiting.

Councillor Healey made representations in respect of Agenda item 12 (Future Credit Union Arrangements in York) expressing major concerns and hoping that lessons had been learnt and questioning how similar problems could be avoided in the future.

Councillor Steward also spoke in relation to Agenda item 12 (Future Credit Union Arrangements in York) questioning the difficulties encountered as it appeared there had been issues at every level leading to the current situation.

Councillor Steward also spoke in relation to Agenda item 16 (CYC Financial Inclusion Policy and Action Plan) confirming that whilst welcoming the policy and plan he expressed concerns at the large number of initiatives and requested some tangible measurable outcomes. Education was put forward as one of the most useful tools and stress as a major result which required management.

40. 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.

41. 2012/13 PERFORMANCE AND FINANCE MONITOR 2

Members considered a report which set out the performance of the Council in delivering its Council Plan priorities and reported progress on delivering the revenue budget, covering the period 1 April 2012 to 30 September 2012. Headline performance in the delivery of the Council Plan and projected performance against budget were also reported.

Despite a challenging context it was confirmed that there had been strong performance in a number of areas and that the recent 'Big York Survey' had provided details of the concerns

and priorities of residents which would assist in funding decisions.

The Council's net General Fund budget was just over £122m for 2012/13 and the mid year forecasts had indicated that the Council faced financial pressures of £2,513k, a significant improvement to the £5,937k reported at Monitor 1.

Further detailed information on Council Plan performance in each of the areas together with strategies put in place to address these issues was set out in paragraphs 12 to 62 of the report with details of performance and financial outturns of each directorate in paragraphs 63 to 111.

The Cabinet Member referred to the rewarding proactive working currently being undertaken by all Cabinet Members in conjunction with Officers and to the achievements to date. Following discussion it was

RESOLVED: That Cabinet agrees to:

- i) Note the current projected pressures of £2,513k.
- ii) Approve the strategies in place to mitigate the forecast as outlined in the body of the report
- iii) Approve the earmarking of the total contingency balance of £599k against the spending pressures, subject to further review at final outturn ¹.

REASON: In order to ensure expenditure is kept within budget.

Action Required

1. Make necessary budget amendments.

DM

42. TREASURY MANAGEMENT MONITOR 2 MID YEAR REVIEW AND PRUDENTIAL INDICATORS 2012/13

Members considered a report which provided an update on treasury management activities for the period 1 April 2012 to 30 September 2012, to ensure that the Council was implementing

best practice in accordance with the CIPFA Code of Practice for Treasury Management.

Details of the present economic background and its effect on the Annual Investment Strategy and Portfolio were set out at paragraphs 4 to 29 of the report.

Information on the monitoring of the Prudential Indicators (PI's to ensure that the Council had operated within the treasury limits and PI's) was also attached at Annex A.

RESOLVED: That in accordance with the Local Government Act 2003 Cabinet agrees to:

- i) Note the treasury management activities in 2012/13.
- ii) Note the movements in the Prudential Indicators at Annex A.

REASON: To ensure the continued performance of the Council's Treasury Management function.

43. TECHNICAL REFORMS TO COUNCIL TAX

The Cabinet considered a report which provided them with details of the Governments technical reforms to Council tax and recommended changes to council tax exemptions in light of new powers.

In summary the changes were:

- (a) giving billing authorities power to levy up to full council tax on second homes;
- (b) replacing exemption Classes A and C with discounts, the amount of which would be for billing authorities to determine;
- (c) abolishing Class L exemptions, and making mortgagees in possession of empty dwellings liable to council tax in respect of them;

- (d) allowing billing authorities to levy an 'empty homes premium' in respect of dwellings which had been left empty for two years or more;
- (e) setting a default assumption that payment of council tax by instalments will be over twelve months rather than (as is currently the case) ten;
- (f) allowing authorities to publish online the 'Information to be supplied with demand notices', but with a duty to supply it in hardcopy to any council tax payer requesting it – as an efficiency measure, and to encourage the take-up of electronic billing;
- (g) changes to eliminate potential tax complications from arrangements involving third party suppliers where solar panels were placed on the roofs of dwellings without coming into the paramount control of the residents.

Further information regarding the financial benefits, recommendations and potential risks were set out at paragraphs 6 to 33 of the report together with the following suggested options:

Option 1 – To agree the recommendations at Paragraphs 6 – 33 and approve them on the basis that the Finance Bill was enacted;

Option 2 – To not agree the recommendations and leave exemptions as they currently were

Option 3 – To approve different levels of exemption to those recommended.

Following discussion it was

- RESOLVED: i) That Cabinet agrees to approve the recommendations for changes to council tax exemptions as set out at Paragraphs 6 to 33 of the report. ¹
- ii) That a report back be provided to Cabinet in 12 months to include collection data to ensure

that the proposed changes are working correctly. ²

REASON: To increase the amount of council tax liability in 2013/14 and keep Members updated.

Action Required

- | | |
|--|----|
| 1. Proceed with proposed changes. | DW |
| 2. Schedule report back on forward plan. | DW |

44. LEEDS CITY REGION - BUSINESS RATES POOL

Consideration was given to a report which provided Members with initial information as to how a Leeds City Region Business Rates pool would work, this followed changes, from April 2013, in the way Local Government would be funded.

It was reported that under the new funding system Business Rates would be localised, with local authorities keeping any money they collected. As amounts would vary, Local Authorities would be able to group together to form into local pools which would share the risks of any volatility in income and the potential of removing the need for a levy payment on growth.

Further details on these proposals were set out at paragraphs 4 to 11 and a suggested set of governance arrangements for a Leeds City Region rates pool at Annex A of the report.

It was noted that final involvement in the pool would only be recommended if it was found to be of financial and economic benefit to the city. Following further discussion it was

RESOLVED: That Cabinet agree to the Chief Executive and Director of Customer & Business Support Services (as S151 Officer) signing the final pool proposal for the Leeds City Region Pool, subject to subsequent assessment once the implications of the 2013/14 Local Government Finance Settlement are known. ¹

REASON: To ensure that York's options are kept open with how best to benefit from the localisation of business rates.

Action Required

1. Proceed with final pool submission to DCLG. AC

**45. CITY OF YORK COUNCIL ANNUAL AUDIT LETTER 2011/12 -
AUDIT COMMISSION**

Consideration was given to a report which provided Members with the Audit Commission's Annual Letter summarising the 2011/12 audit of City of York Council. The Commission's letter and summary of their findings were set out in Annex 1 and in the Appendix attached to the report.

The Commission had confirmed the Council provided value for money and had successfully met one of its most significant financial challenges of delivering a balanced budget and achieving savings of £21m this year.

Audit Commission Officers were in attendance and confirmed that the authorities' financial planning process had been found to be robust and supported by regular update reports throughout the year.

Members expressed their appreciation to the District Auditor and his staff for their work during the 2011/12 year.

RESOLVED: That Cabinet notes the Audit Commission's City of York Council Annual Audit Letter 2011/12

REASON: It is a statutory requirement that the Annual Audit letter is issued on completion of the audit.

**46. FUTURE CREDIT UNION ARRANGEMENTS IN YORK -
SUPPORTING THE NORTH YORKSHIRE & YORK CREDIT
UNION**

Members considered a report which outlined work undertaken to establish a level of support from the City of York Council to secure an on-going Credit Union presence in York and North Yorkshire.

Officers updated Members confirming that North Yorkshire Credit Union had, over a couple of years, encountered severe

financial difficulties mainly as a result of a high level of bad debts and overheads and over dependence on non-recurring grants. This had resulted in the recent Financial Services Authority announcement that the North Yorkshire Credit Union had now been placed into liquidation.

It was confirmed that Members of the Council had been on the Union's Board as members in their own right, responsible to the Credit Union and not representing the Local Authorities interests.

Further information on work undertaken to secure an on-going Credit Union presence in York and North Yorkshire and consultation undertaken was set out at paragraphs 5 to 13 of the report.

The possibility of the South Yorkshire Credit Union working out of York Explore and ultimately the new West Office building was also noted.

Councillor Cuthbertson, spoke as Treasurer of the Credit Union from April 2010, pointing out that set up of the Credit Union had had cross party support. He spoke at length of his concerns that the Union had not been run as a business, to the wide range of problems including high overheads and management and operational issues. He expressed support for the recommendation pointing out that the Union should have a financial inclusion aim and a delivery strategy but that there was also a requirement for a monitoring role at meetings.

The two options then considered were to:

1. Approve the one-off cost of £50k to South Yorkshire Credit Union and a Credit Union presence remains in York.
2. Not approve the £50k one-off cost and South Yorkshire Credit Union do not operate a Credit Union in York.

Members questioned the possibility of an officer in an 'observer role' attending meetings and the remit of this role.

Following further discussion it was

RESOLVED: That Cabinet agree to:

- i) Approve a grant contribution of up to £50k to be allocated from the Economic Infrastructure Fund towards the development of the South Yorkshire Credit Union.
- ii) Note that the £50k allocated from the EIF is included in the £300k being recommended within the financial inclusion policy report, also included on this agenda.
- iii) Recommend appointment of an officer with 'observer status' to monitor the work of the new Union by attendance at Credit Union Board Meetings. ¹.

REASON: In order to promote a Credit Union offering in North Yorkshire and York in line with the Council's Plan to 'build stronger communities' and 'grow the economy'

Action Required

1. Await decision of CSMC (Calling In) meeting, 19 November 2012.

LB

47. ASSET MANAGEMENT STRATEGY UPDATE

Consideration was given to a report which set out a refined set of drivers to update the existing Asset Management Strategy and identified mechanisms for delivering the strategy and delivery plan for 2012-13.

Following significant reductions in public sector funding there had been a need to reduce the costs of Council assets, rationalise their number and share assets with other public sector bodies. It was therefore proposed to undertake a comprehensive review of all assets and develop a 10 year long term plan for the delivery of efficiencies and planned investment.

Details of the principles for the evaluation, information database and proposals for Year 1 projects and delivery were set out at paragraphs 7 to 14 of the report.

Following discussion it was

RESOLVED: That Cabinet agree to:

- i) The principles set out in the report which will drive a comprehensive review of all CYC assets.
- ii) The Year 1 work plan as set out in Para 13 of the report.
- iii) Note the prospective development of a Delivery and Innovation Fund bid to support a comprehensive Asset Review as an invest to save initiative. ¹

REASON: To ensure that CYC assets deliver business priorities and value for money through maximising opportunities to generate income and reduce revenue costs

Action Required

1. Proceed with programme as outlined in the report.

TC

48. THE BIG YORK SURVEY

Consideration was given to a report which provided an initial view of the findings from the Big York Survey, marking a new approach to gathering customer insight, which is was hoped to repeat on an annual basis.

Views had been sought on a broader range of outcomes than previous citywide surveys with the results providing useful data for service planning, ward work and identifying areas of residents concern.

An initial overview of the findings was set out at paragraphs 7 to 12 of the report, with positive areas detailed at paragraphs 13 and 14 and concerns at paragraphs 15 and 16. A summary of the key findings were reported at Annex A of the report and response rates and consultation at paragraphs 17 to 23.

Cabinet Members referred to the valuable statistical information received which would be supplemented by ongoing feedback from residents in localities throughout the year. Reference was made to the areas of concern which would be examined and actions put in place to address where at all possible.

RESOLVED: That Cabinet agrees to:

- i) Note the findings of the Big York Survey.
- ii) Note the actions being taken as a result of the Big York Survey.
- iii) Commit to repeating the Big York Survey on an annual basis.¹

REASON: To ensure that the council gains representative feedback from residents to inform service design and delivery.

Action Required

1. Include survey in work plan on an annual basis. IG, NB

49. RESPONDING TO THE FINAL REPORT OF YORK FAIRNESS COMMISSION: A BETTER YORK FOR EVERYONE

Consideration was given to the following three reports on the agenda submitted to Cabinet for approval:

- Responding to the final report of the York Fairness Commission
- Single Equality Scheme 2012-2016
- CYC Financial Inclusion Policy and Action Plan

To fulfil the Council's ambition of creating a fairer and more inclusive city these reports had been prepared with each making a different contribution to this ambition.

The first report contained the Council's proposed response to the Fairness Commission's final report, published on 27 September 2012 – A better York for everyone, attached at Annex A. With Annex B containing the proposed 10 Fairness Principles, headline recommendations and 100 Ideas for Action.

The Council had already made significant progress since publication of the interim report, details of which had been set out at paragraphs 11 to 23 of the report.

Details of the proposed responses to each of the Headline Recommendations – A to G, outlining how each aligned with the Council’s priorities and progress already made and that planned were set out in paragraphs 35 to 60.

Financial implications arising from these recommendations would be reflected in the forthcoming 2013/14 Capital and Revenue budget reports.

Members confirmed the need to address the issues of life expectancy and child and fuel poverty in all areas of the city.

RESOLVED: That Cabinet agrees to:

- i) The proposed response to each of the Headline Recommendations noting how they will contribute to the delivery of the Council Plan priorities.
- ii) Proposals for the ongoing ownership and monitoring of the Fairness Principles and Recommendations as described in paragraph 30 of the report.
- iii) Note that the financial implications of implementing the Living Wage and extending concessionary fares will be brought forward in the 2013/15 budget papers for decision. ¹.

REASON: To ensure that the fairness principles and recommendations are implemented in line with the Council’s commitment to protect vulnerable people.

Action Required

1. Implement proposals arising from recommendations.

JC

50. CITY OF YORK COUNCIL FINANCIAL INCLUSION POLICY AND ACTION PLAN

Consideration was given to the second report, the City of York Council Financial Inclusion Policy and Action Plan, at Annex A which had also been prepared to realise the vision for a fair and inclusive city.

The Policy had been prepared as a new initiative to direct additional resource to support people becoming financially marginalised, adopting a more preventative approach to promoting financial inclusion.

Management of the Council's approach to income collection through its Debt and Income Collection Policies was set out at Annex B which included the establishment of a cross directorate Financial Inclusion Network for delivery of the financial inclusion agenda. Information on current financial inclusion services across the Council were set out at Annex C.

It was noted that the success of the Policy and Action Plan was heavily dependent on the involvement and buy in of partner agencies. To ensure that the Council was at the forefront of financial inclusion in the city and in order to progress the identified actions a 3 year package of Economic Infrastructure Funding was proposed. To deliver the outcomes, £300k would include the provision of a Project Manager and advice services details of which were set out at paragraph 15 of the report.

Following further discussion it was

RESOLVED: That Cabinet approve:

- i) CYC's proposed overarching approach to Financial Inclusion, in particular the draft Action Plan, for the next 12 months, as set out at Annex A of the report, including proposed arrangements for Economic Infrastructure Funding.
- ii) The draw-down of £300,000 identified from the Economic Infrastructure Fund to facilitate the above approach. ¹

REASON: CYC's policy approach to financial inclusion is intended to increase the scope and build the capacity of CYC and other partners to deliver a more co-ordinated approach to financial inclusion across the City, bringing about the following outcomes:

- The creation of a Citywide financial safety net, with good information and advice available for all residents.
- The identification of a programme of proactive outreach campaigns in areas of specific need.
- The embedding of financial inclusion within all council strategies and all directorates / service plans.

Action Required

1. Implement agreed policy using funds from EIF. JC, AG

51. SINGLE EQUALITY SCHEME 2012-2016: REALISING THE VISION FOR A FAIR AND INCLUSIVE COUNCIL

Consideration was then given to the final report of the three which would make a contribution to the ambitions for a fair and inclusive city, the Single Equality Scheme (SES) for 2012 to 2016, attached at Annex A to the report.

The report described a new Council wide approach to equality and diversity which had been informed by evidence from the Fairness Commission. The updated equality vision statement had been put forward for approval together with the Scheme and its objectives. The scheme would be led by the Cabinet Member for Leisure, Culture and Tourism supported by the Council Management Team, the Equality Leadership Group and advised by the Equality Advisory Group (EAG).

Key changes were also proposed to the EAG, which included Councillors no longer being members of the Group. It was confirmed that members of the public and community groups would be invited to comment on the scheme and that comments received would be taken on board during the

scheme's annual review. Although the Council was no longer required to have a SES it was felt that it would, amongst other things, support members, increase knowledge and encourage and support council partners in sharing equality objectives and outcomes in the city.

RESOLVED: That Cabinet approves:

- The Council's current equality vision
- The Single Equality Scheme 2012 to 2015
- The governance arrangements set out in the report, including changes to the Equality Advisory Group as set out in paragraph 12 of the report. ¹

REASON: To help the Council to achieve its vision for a fair and inclusive council and city

Action Required

1. Implement new vision, scheme and governance arrangements.

EC

52. COMMUNITY STADIUM UPDATE

Consideration was given to a report which updated Members on the Community Stadium project.

Further information on the procurement timetable, the proposals for new project management/governance arrangements, an update on the business case and risk register and details of the interim arrangements for the current Waterworld contract were set out at paragraphs 3 to 31 of the report.

Proposals for new governance arrangements together with new roles, responsibilities and delegations were reported at paragraphs 11 to 18 and in Annex 1. An update on the business case including the capital costs of the scheme, as approved in March 2012, and those proposed were set out at Table 1 with the project costs at Table 2.

The Cabinet Member presented the report confirming the total scheme costs were unchanged. She also made reference to the proposed interim arrangements for the current Waterworld facility following receipt of notice from the current operator.

Consideration was then given to the following options open to the Cabinet in respect of the Waterworld premises:

Option A – Close the facility

Option B – Accept keys back from GLL and the Council operate

Option C – Agree new terms with GLL to secure them as operators until the end of the procurement exercise
(Confidential Annex 3 provided details of the rental discount).

Officers referred to the key risks set out at paragraphs 48 to 55 and in Confidential Annex 2 of the report which it was confirmed would be managed throughout the project. It was also reported that the current procurement timetable to select an operator for the stadium and existing leisure facilities was due for completion in December 2013 which included a period of slippage up to 30 June 2014.

Following further discussion it was

RESOLVED: That Cabinet agrees to:

- i) Note progress on the project to date and the timetable for the procurement and associated decisions, in particular the key issues, set out in paragraph 9 of the report, relating to the financial challenges facing the future provision of the existing leisure facilities in the City.
- ii) Agree the key amendments to the business case and note the financial implications.
- iii) Note the updated risk register, the potential financial impact of any abortive costs.
- iv) Agree the proposed Governance arrangements for the project.
- v) Note the roles, responsibilities and delegated powers of the key individuals and bodies within the governance structure (set out in detail in Annex 1) and in particular the role of the Project Board set out in paragraph 14 of the report.

- vi) Agree Option C set out in paragraph 35 as the new interim contract arrangements for the Huntington Stadium Leisure Complex (Waterworld).
- vii) Note the financial implications of the interim arrangements for the Huntington Stadium Leisure Complex (Waterworld) contract. ¹.

REASON: To update Cabinet on this scheme, agree key amendments and new arrangements for Waterworld in order to progress the project.

Action Required

1. Await decision of CSMC (Calling In) meeting, 19 November 2012.

TA, AL

53. REFURBISHING NEWGATE MARKET

Members considered a report which put forward proposals for a £1.5m capital investment into Newgate Market, from the Economic Infrastructure Fund (EIF).

It was confirmed that the proposed investment was to reinvigorate the market to increase footfall and spend and to uplift the appearance of the existing market place. If approved, additional detailed consultation would be undertaken and a steering group established to move the project forward.

The Cabinet Member reported back on consultation undertaken with shoppers and traders which had raised awareness of the proposed investment and asked for priorities for that investment. It was reported that there had been good feedback and suggestions made which would provide a good base on which to move forward. More detailed consultation would be undertaken if investment in principle was received.

The key deliverables, aims of the scheme and the business case were set out at paragraphs 10 and 24 of the report.

Considerations was then given to the following options:

- 1. A reduced scheme could be delivered at £1m. This would have the same key features. It would, however, omit the repaving and resurfacing work proposed in the full scheme.

2. A small scheme could be taken forward, for example, by developing only Areas A and B.
3. A bigger scheme could be delivered. A multi-million pound investment could create a covered market.

However none of these options were recommended as the £1.5m capital investment was considered a critical element of the city centre action and investment plan being developed to reinvigorate the future of York's city centre.

Following further discussion it was

RESOLVED: That Cabinet approve a £1.614m investment from the Economic Infrastructure Fund in Newgate Market, phased over the following periods:
£100k (2012/13),
£1.4m (2013/14)
and to agree a further £114k revenue funding in 2013/14 from the EIF to cover the lost income during refurbishment with a repayment profile as set out in Annex 1 of the report. ¹

REASON: To position Newgate Market as a unique and high performing asset for the city centre.

Action Required

1. Proceed with proposed works and EIF investment following further consultation.

CC

54. URGENT ITEM - STATUTORY REPORT OF THE MONITORING OFFICER

Consideration was given to the statutory report of the Monitoring Officer in respect of the Local Government Ombudsman's (LGO) finding of maladministration in respect of the way the Council managed the housing allocation process for a resident.

The report of the LGO, attached at Annex 1 to the report, found that the Council placed the complainant and his family in a property which was too small for him. This had resulted in the family living in overcrowded conditions for over two years and meant that the Council had not met its legal duties.

The authority were now required to consider the report and, within 3 months, notify the Ombudsman of the action which the authority had taken or which it proposed to take. It was confirmed that the family had now been rehoused and that the Council had agreed to pay compensation of £2000 and review its guidance and provide training to relevant Officers.

Details of the Officers response to these findings were set out at Annex 2 of the report and following further discussion it was

RESOLVED: That Cabinet agrees to:

- i) Note the Local Government Ombudsman's findings and recommendations and to endorse the steps already taken by Officers by way of offering a remedy.

REASON: To satisfy the legal requirement to consider the report and to confirm the appropriateness of the remedy recommended by the Ombudsman.

- ii) Take no further action in relation to the matters set out in this report.

REASON: The steps already taken have been accepted by the Ombudsman as representing an appropriate remedy.

- iii) Adopt this report as the Council's formal response under section 5A of the Local Government and Housing Act 1989 and section 31 of the Local Government Act 1974 and arrange for it to be sent to every member of the Council and the Ombudsman.

REASON: To comply with legal requirements.

Action Required

1. Forward copy of report to the Ombudsman and all members.

AD

PART B - MATTERS REFERRED TO COUNCIL

55. 2012/13 CAPITAL PROGRAMME MONITOR 2

Consideration was given to a report which set out the likely outturn position of the 2012/13 Capital Programme based on the spend profile and information to October 2012.

Changes made throughout the year had resulted in a current approved capital programme for 2012/13 of £65.103m, financed by £28.987m of external funding and internal funding of £36.116m.

An increase of £3.930m, made up of new schemes and net profiling of schemes from the current year had resulted in a revised capital programme budget of £69.033m, full details of which were set out in paragraphs 4 to 7 and at Table 2 of the report. It was noted that the portfolios had been aligned with the new Council Structure from 1st April 2012.

A summary of the key exceptions and implications for the capital programme were reported in each service area at paragraphs 9 to 30 and summarised in Table 3.

The projected call on Council resources going forward to 2016/17 capital programme were set out at paragraphs 32 to 35, Table 2 and Annex A of the report. It was confirmed that the overall funding position was closely monitored by the Director of Customer and Business Support to ensure that the capital programme remained balanced, with any issues being reported to Cabinet.

RECOMMENDED: That Council agree:

- the adjustments in the Capital programme of an overall increase of £3.930m in 2012/13 and re-profiling from 2012/13 to 2013/14 and 2014/15 of £553k as detailed in the report and contained in Annex A including the following new schemes:
 - £248k for the provision of a Looked after Children's Contact Centre funded by £190k departmental borrowing with the associated costs being funded by the savings realised from this service area as a

- result of delivering this scheme and £58k funded from DfE Children's Social Care Capital Grant.
- £2.213m for the outright purchase of Fleet Vehicles previously leased to be funded by prudential borrowing with the associated revenue costs being met from existing departmental revenue budgets.
 - £34k Parks and Open Spaces schemes all funded from S106.
 - £10k S106 CCTV Digital Infrastructure
- To note the 2012/13 revised budget of £69.033 as set out in paragraph 6 and Table 2 of the report.
 - To note the restated capital programme for 2012/13 – 2016/17 as set out in paragraph 30, Table 3 and detailed in Annex A of the report.
 - To note the re-profiling and adjustments of the Economic Infrastructure fund to align to spend and approval as set out in the Economic Infrastructure reports to Cabinet noting the overall fund remaining at £28.5m.
 - To note the inclusion of the £618k for works at Hazel Court for the Office of the Future funded by prudential borrowing with the associated costs being met from annual revenue savings of £235k from moving out of the Guildhall, St Anthony's and 50 York Road as approved by Council on the 11 October 2012.
 - To approve the use of capital contingency:
 - £31k for Flood Pump Resilience (paragraph 12)
 - £85k for CCTV Digital Infrastructure (paragraph 15)

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

Action Required

1. Forward recommendations to Council.

JP

Cllr J Alexander, Chair

[The meeting started at 5.30 pm and finished at 7.25 pm].

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