



Notice of a public meeting of

Economic & City Development Overview & Scrutiny Committee

- To:** Councillors Waller (Chair), Healey (Vice-Chair), Semlyen, Barnes, Burton, Scott and D'Agorne
- Date:** Wednesday, 28 January 2015
- Time:** 5.30 pm
- Venue:** The Auden Room - Ground Floor, West Offices (G047)

AGENDA

1. Declarations of Interest

At this point in the meeting, Members are asked to declare:

- any personal interests not included on the Register of Interests
- any prejudicial interests or
- any disclosable pecuniary interests

which they may have in respect of business on this agenda.

2. Minutes (Pages 1 - 8)

To approve and sign the minutes of the last meeting of the Economic & City Development Overview & Scrutiny Committee held on 12 November 2014.

3. Public Participation

It is at this point in the meeting that of the public who register their wish to speak can do so. The deadline for registering is by **Tuesday 27 January 2015 at 5.00 pm**. To register please contact the Democracy Officer for the meeting, on the details at the foot of this agenda.

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The Council's protocol on Webcasting, Filming & Recording of Meetings ensures that these practices are carried out in a manner both respectful to the conduct of the meeting and all those present. It can be viewed at:

http://www.york.gov.uk/downloads/download/3130/protocol_for_webcasting_filming_and_recording_of_council_meetings

4. Attendance of the Cabinet Member for Transport (including written report on soft measures for transport modal shift and responsible driving, plus public transport review)

Pages (9 - 24)

This report provides Members of the Economic & City Development Overview and Scrutiny Committee with an overview of the ways that the Cabinet Member is ensuring the Council promotes sustainable transport modes and engages with the public on transport schemes across the city.

5. Six Monthly Update Report on Major Transport Initiatives

(Pages 25 - 36)

This report provides Members of the Economic & City Development Overview and Scrutiny Committee with an overview and update in relation to the major transport initiatives in the city currently being progressed.

- 6. Second Quarter Finance and Performance Monitoring Report** (Pages 37 - 48)
This report provides details of the 2014/15 forecast outturn position for both finance and performance in City & Environmental Services.
- 7. Update Report on Universal Credit** (Pages 49 - 60)
This briefing paper provides the Committee with an update on the progress made by the Department for Work and Pensions (DWP) to implement Universal Credit (UC) nationally and the proposals for the provision of local support for residents through a 'Universal Support- Local Delivery' (US-LD) partnership.
- 8. Update Report on Economic Dashboard and Part Time Working in York** (Pages 61 - 76)
This update report includes a copy of York's latest Create Jobs and Grow the Local Economy Dashboard, an evaluation of the current situation of part time working in the city and also includes an extract from the recently released entry for York from the Centre for Cities factbook.
- 9. Brownfield sites and infrastructure report publication** (Pages 77 - 110)
This report has been brought at the request of the Chair of Economic and City Development Overview and Scrutiny Committee (ECDOSC), as a result of the appearance of a report to Council Management Team prepared by the Director of City and Environmental Services (CES) on the York Press website.
- 10. Draft Final Report on Graduate Business Start Ups, Entrepreneurialism and Higher Value Jobs** (Pages 111 - 158)
This is the Draft Final Report on the work on the agreed scrutiny review of more productive and higher value jobs being undertaken by a Task Group on behalf of the Economic & City Development Overview & Scrutiny Committee (ECDOSC).
- 11. Work Plan 2015** (Pages 159 - 160)
Members are asked to consider the Committee's work plan for the municipal year.

12. Urgent Business

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

Democracy Officer:

Name- Judith Betts

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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 and
- For receiving reports in other formats

Contact details are set out above.

This information can be provided in your own language.

我們也用您們的語言提供這個信息 (Cantonese)

এই তথ্য আপনার নিজের ভাষায় দেয়া যেতে পারে। (Bengali)

Ta informacja może być dostarczona w twoim własnym języku. (Polish)

Bu bilgiyi kendi dilinizde almanız mümkündür. (Turkish)

یہ معلومات آپ کی اپنی زبان (بولی) میں بھی مہیا کی جاسکتی ہیں۔ (Urdu)

 (01904) 551550

City of York Council

Committee Minutes

Meeting	Economic & City Development Overview & Scrutiny Committee
Date	12 November 2014
Present	Councillors Waller (Chair), Watt (Vice-Chair), Semlyen, Barnes, Burton, Scott and D'Agorne
In Attendance	Councillor Healey

28. **Declarations of Interest**

At this point in the meeting, Members were asked to declare any personal, prejudicial or disclosable pecuniary interests that they might have had in the business on the agenda.

Councillor Scott declared a personal interest in Agenda Item 5 (Draft Final Report on Graduate Business Start-Ups, Entrepreneurialism and Higher Value Jobs) as his wife was a small business owner.

Councillor D'Agorne declared a personal interest in Agenda Item 6 (Update report on the implementation of the recommendations from the Construction Skills Scrutiny Review and the work of YorCity construction) as he had attended a Construction Industry Training Board (CITB) event referred to in an annex to the report.

No other interests were declared.

29. **Minutes**

Resolved: That the minutes of the last meeting held on 1 October 2014 be approved and signed by the Chair as a correct record.

30. **Public Participation**

It was reported that there had been two registrations to speak under the Council's Public Participation Scheme.

Gwen Swinburn spoke regarding the Committee's remit and Agenda Item 9 (Scoping Report on Proposal for Scrutiny Review of Lendal Bridge Closure). In relation to the York Economic Strategy, she stated that she had previously asked for a review of the performance of the whole strategy rather than a review against individual elements, such as the funding of Science City York.

In relation to Agenda Item 9 she urged the Committee to conduct the proposed review. She felt that it might be useful if there was outside oversight of the legal guidelines used in the decision making , the policy process and democratic governance issues.

Councillor Healey spoke regarding Agenda Item 9, he felt it would be a good topic to review. Firstly, that it had been billed as a 'trial' and that there had been too much of a focus on positive rather than negative outcomes. Secondly, he shared his thoughts about the payment of Penalty Charge Notices for crossing the bridge during the restricted hours and the Traffic Adjudicator's decision.

31. Attendance of the Cabinet Member for Homes & Safer Communities

The Cabinet Member for Homes and Safer Communities presented a report which updated the Committee on the priorities within her portfolio area.

A number of questions received by the Cabinet Member related to new Council Housing at Beckfield Lane, the level of Council Housing Rent/Tax arrears, Gas Safety Certificates in Housing Accreditation in the Private Rented Sector, new housing developments and pressure on existing infrastructure and the New Homes Bonus.

In response the Cabinet Member gave an update to Members on the design of the housing at Beckfield Lane. The homes had been designed to allow a level access lift in the front room and larger rooms had been put in place so that residents' carers could stay overnight. Regarding the question about tax arrears she informed the Committee that she would provide a written response on the level of tax arrears to include the figures from last year alongside this year.

She also added that information would be provided to the Member who asked about examples of heating costs in the Gas Safety Certificates in the Housing Accreditation scheme.

In response to whether communities would see an allocation of money from the New Homes Bonus (NHB) alongside Section 106 monies it was commented that the NHB was not additional money, but money granted by National Government. She confirmed that although this issue did not fall within the remit of her portfolio she would give an update to Members.

The Chair thanked the Cabinet Member for her report and attendance at the meeting.

Resolved: (i) That the Cabinet Member be thanked for her report and the updates given to Members' questions.

(ii) That a written response be provided to include information on the level of current tax arrears compared with figures from the last year.

(iii) That additional information on the allocation of the New Homes Bonus (NHB) be provided to Members by the Cabinet Member.

Reason: In order to keep the Committee informed of the Cabinet Member's priorities.

32. Draft Final Report on Graduate Business Start-ups, Entrepreneurialism and Higher Value Jobs

Members considered the draft final report on the work on the agreed scrutiny review of more productive and higher value jobs being undertaken by a Task Group on behalf of the Committee.

Discussion took place between the Committee on a number of the proposed draft recommendations particularly around recommendation (i) and the amount of affordable city centre space for start up and growing businesses in York.

In relation to recommendation (i) it was felt that further refinement to the wording and meaning was needed, particularly about where the affordable space would come from, how it could be delivered and a definition of what was appropriate and affordable.

Members felt, in relation to recommendation (i), it should be referred back to the Task Group Members for further work.

One Member commented that that there needed to be a mention of Science City York in the Officer's report, the Chair noted this and asked that this and their role within NewCo be included in the report for consideration at the next Committee meeting.

Resolved: (i) That the report be noted.

(ii) That the wording of recommendation (i) be referred back to the Task Group for clarification.

(iii) That a section on Science City York and its role within NewCo be included in the Higher Value Jobs Scrutiny Review draft final report.

Reason: In order to clarify the recommendations and to conclude work on this scrutiny review so the draft final report can be presented to Cabinet.

33. Update report on the implementation of the recommendations from the Construction Skills Scrutiny Review and the work of YorCity Construction

Members considered a report which provided them with an update on the implementation of the recommendations of the previously completed Construction Skills Scrutiny Review and the ongoing work of YorCity Construction.

In relation to recommendation 2 (Apprenticeship Developments), one Member asked if policy changes had been made a result of the review's recommendations.

Officers informed the Committee that the procurement exercise for the Community Stadium had specified a number of employment opportunities for local people and that they would anticipate an upward trend in local employment as a result of this. They suggested that these figures could be included in the Economic Dashboard.

Resolved: (i) That the report be noted.

(ii) That all the outstanding recommendations be signed as complete.

Reason: To conclude the scrutiny review.

34. Addressing climate change, fuel poverty, rising fuel bills and generating and selling localised sustainable energy in York.

Members received a report which outlined the current ongoing work happening across the Council and the city to help mitigate against climate change, fuel poverty and rising fuel bills. The report also illustrated the ongoing work relating to the generation of localised sustainable energy.

The Committee praised the depth of the report and ongoing and planned future work undertaken by Officers.

Resolved: That Officers be thanked for their work and the progress on the future long term strategy for decentralised energy generation in the city be noted.

Reason: In order to keep the Committee informed of work ongoing in this area.

35. York Economic Dashboard

Members received a report which provided them with York's latest Create Jobs and Grow the Economy Dashboard.

Officers informed the Committee that it was their intention to produce live online data for the dashboard and that it would continue to be considered by the Committee every quarter.

Resolved: That the report be noted and a further update be provided for the January meeting.

Reason: To keep Members informed about changes to the Economic Dashboard.

36. Scoping Report on Proposal for Scrutiny Review of Lendal Bridge Closure

Members considered a report which presented them with information regarding a proposed scrutiny review on the closure of Lendal Bridge. The report outlined actions that had been taken since the end of the trial closure of Lendal Bridge, including financial details such as income collected from penalty charge notices, application numbers for refunds and the proposal to establish a cross party Congestion Commission.

Discussion took place in which some Members felt that there were still unanswered questions and that a review could be used as a learning exercise. It would also allow for the Council to gain further knowledge and learn from the experience.

The Chair clarified that he had brought the topic forward for consideration but that it should be carried out in a way to note that Council Officers had carried out their jobs.

Some Members felt that a review should take place. Others disagreed and felt that a review would not be objective and would be used in a political manner.

A vote took place and it was decided to not conduct a review into the Lendal Bridge closure.

Councillor Scott asked that it be minuted that in his opinion, the vote did not reflect the make up of the Council and he stated that he would pursue the matter further.

Resolved: (i) That the report be noted.

(ii) That a review not be conducted on the Lendal Bridge Closure.

Reason: To ensure compliance with scrutiny procedures and protocols.

37. Update Report on Membership of the Supporting Older People's Task Group

Members received a report which informed them of the need to amend the membership of the Supporting Older People's Task Group following changes to the composition of the Economic and City Development Overview and Scrutiny Committee.

The Scrutiny Officer gave Members some background to the current situation, namely that two out of the four scrutiny committees were now not conducting reviews on the Corporate Review of Supporting Older People. However, the Corporate and Scrutiny Management Committee encouraged those committees who still wished to conduct reviews on the topic to proceed. He added that if Members wished to continue with a review that work could continue into the next municipal year.

One Member of the Task Group suggested that timing issues and the nature of the topic would not allow for proper consideration by the Task Group. Therefore it was;

Resolved: That the Committee do not continue with the review.

Reason: As the topic had been abandoned as a Corporate Scrutiny Review and that the time left in the municipal year would not be sufficient for suitable consideration.

38. Work Plan 2014/15

Members considered the Committee's work plan for the 2014-15 municipal year.

Members asked that Councillor Crisp as the Cabinet Member for Leisure, Culture and Tourism be invited to attend the Committee's January meeting to discuss the current situation of Newgate Market and the economic impact that had been made by the Tour de France on the city.

Resolved: That the work plan be noted and the following amendments be made;

- The possible attendance of the Cabinet Member in January.

- That a section on Science City York and its role within NewCo be included in the Higher Value Jobs Scrutiny Review and be considered by the Committee in January.
- That the Supporting Older People's Scrutiny Review Draft Final Report be deleted from the work plan.

Reason: To ensure that the Committee has a planned programme of work in place.

Councillor A Waller, Chair

[The meeting started at 5.30 pm and finished at 8.00 pm].

Cllr David Levene Update on Promoting Sustainable Transport in York

Summary

1. This report provides Members of the Economic & City Development Overview and Scrutiny Committee with an overview of the ways that the Cabinet Member is ensuring the Council promotes sustainable transport modes and engages with the public on transport schemes across the city.

Local Transport Plan (LTP)

2. The city's third Local Transport Plan (LTP3) sets out the transport strategy for the city and the measures to be progressed in the short-term (2011-2015), medium-term (2015-2021) and long-term (2021 -2031), under the following strategic themes:
 - Provide Quality Alternatives (to the car).
 - Provide Strategic Links
 - Implement and Support Behavioural Change.
 - Tackle Transport Emissions.
 - Improve Public Streets and Spaces

Council Plan

3. The Council has set 'Get York Moving' as a key priority for the city being delivered under the following initiatives:
 - Expanding Park and Ride Services
 - Improving Bus Services
 - Developing York's Cycling and Pedestrian Network
 - Improving Movement in the City Centre
 - Establishing 20mph Speed Limits in York's Residential Areas
 - Winning Hearts and Minds
4. There are two key elements to promoting sustainable transport in the city: Information and Infrastructure. The Council is working to raise awareness of alternatives to travelling by private car by progressing travel planning (Business, School and Personal) using the latest technology and delivering a one stop transport website for all travel information in the city (itravelyork.info). The Council is also delivering infrastructure improvements to provide advantages to sustainable transport modes where possible.

5. The Council has been successful in obtaining additional funding from central government over recent years to encourage sustainable transport. The key initiatives are the iTravelYork project funded by the Local Sustainable Transport Fund and the Better by Bus initiative funded through the Better Bus Area Fund. Other transport initiatives are progressed using the Local Transport Plan Integrated Block allocation from the Department for Transport and the Council's revenue resources.
6. The Transport Service works closely with the Air Quality team to promote transport measures which encourage non motorised transport modes and the increased use of low emission vehicles. The results of the consultation on the city's third Air Quality Action Plan are currently being assessed.

i-Travel York

7. The i-TravelYork programme commenced in 2012/13 and has been extended through to the end of 2015/16. The programme was focused in the Northern Quadrant of the city from Clifton through to Monks Cross where there are a relatively high number of car based trips. The iTY programme delivers eight different work-streams which together aim to encourage behaviour change in York towards more sustainable and active modes of travel. The following paragraphs outline the elements delivered in each work-stream:
 - Business engagement
 - Personal travel planning
 - Marketing and communications
 - Public transport initiatives – See Better Bus Area
 - Schools engagement
 - Health and active leisure
 - Infrastructure improvements
 - Alternative fuel vehicles

Business Engagement

8. The Council has developed a Business Travel Plan Network with 82 businesses on a network database. CYC has hosted a number of breakfast briefings on a range of topical subjects (including, the Workplace Cycle Challenge, Workplace Personal Travel Planning surgeries etc). 6 events have been run to date.

- Travel Plan implementation: 20 businesses have an approved travel plan with CYC; this is increasing as new planning applications have a travel plan requirement. These are now being administered via the ionTravel management system.
- Workplace Cycle Challenge: This initiative has grown year-on-year. In 2012, 64 organisations participated in the three week challenge. In 2013, 71 organisations participated and in 2014, 82 businesses took part.
- Workplace PTP: In 2014, JMP successfully engaged with 14 businesses in York and ran 29 workplace PTP events at 13 organisations.
- Match funding: Through i-Travel York, CYC has offered match funding to businesses for the provision of cycle parking. Four large businesses in York took this opportunity to improve facilities for their staff (York Science Park, University of York, York Hospital NHS Trust and Aviva) – collectively, 523 new cycle spaces have been provided through this initiative. Additionally, CYC offer the “Park that Bike” scheme to smaller businesses who wish to install cycle parking next to their shops / business – 186 spaces for cycles has been provided through this initiative.

Personal Travel Planning

9. A total of over 15,000 households in the northern area of the city have been contacted through the PTP project over the first 3 years of the project. The majority of 2014 engagements were from residential PTP in the New Earswick, Huntington, Earswick, Haxby and Wigginton areas of the Northern Quadrant, with 2,936 households participating as a result. Additionally, 1,912 participated at 21 community events, given a total of 4,848. ‘Participation’ involves signing up for travel information, taking a personal ‘challenge’ to try something new, or joining the online club MyTravelYork.
- 20% of respondents completed their challenge
 - 17% increased their levels of walking
 - 17% increased their levels of cycling
 - 13% increased their levels of bus use
 - 16% are using their car less

Marketing and Communications

10. One of the main elements of the i-Travel York project is the provision of a single website for all travel information for the city. The itravelyork.info site includes information on all transport modes and provides a journey planner which shows options for travelling within and around the city. The site also provides access to Bus and Cycle network maps and provides advice on driving options including car sharing and electric vehicles. In addition the site provides information on diversions for roadworks and incidents including access to the Council's twitter account @york_travel which provides the latest information for travellers in the city.
11. A popular cycle festival has been run for the last 5 years in Rowntree Park most recently linked to the Sky Ride which had over 10,000 participants in 2014 - double the 2013 number of participants. Specific marketing campaigns have included Bike Belles which is a bespoke cycling project to engage women in cycling. Between 14th February and 26th June, a total of 27 events were held, engaging a large number of women.
 - 400 women were actively engaged in the Bike Belles project
 - 2,000 women were indirectly engaged through social media interactions

School Engagement

12. We work with schools within the city to reduce the impact of the School Run and encourage more active travel modes. Most schools in York have a travel plan but there is no longer a statutory obligation on schools to keep them up to date. We work closely with School Services when there is new building works or a new school is planned.
13. In addition Walk to School weeks are run in the Autumn and summer terms, and the Big Pedal takes place in March. Participation is good, with typically 28 primary schools taking part in walk to school weeks. The Sustrans Big Pedal event typically sees 16 – 18 schools taking part.
14. As part of the Safe Routes to School programme over the last 10 years the Council has provided 20mph zones outside most schools in York and improved walking and cycling routes.

Health and Active Leisure

15. The LSTF project promotes healthy activities across the city such as leisure walks, adult cycle training and maintenance sessions including Sky Ride Local sessions.

Alternative Fuelled Vehicles

16. The Council has engaged with the taxi trade on benefits of low emission taxis and created one of the UK's first 'Low Emission Taxi incentive schemes'. There are currently over 30 hybrid/electric taxis on the streets of York as a result of this incentive scheme. Following support from City of York Council, Streamline Taxis has become the first taxi service in York to operate low emission vehicles with 10 new hybrid taxis and one electric taxi.
17. The Council has also worked with local bus operators to promote the benefits of low emission buses. There are now 8 full electric buses in operation in York including a full electric Park & Ride site at Poppleton Bar. A second Park & Ride site will also convert to electric shortly. The Council has also helped to provide the world's first full electric double decker City Sight Seeing bus. A further 5 are planned to be converted.
18. The UK's first 'Pay as You Go' publicly accessible electric vehicle recharging network accessible by mobile app, swipe card or voice recognition software has been installed in York. There are 17 dual headed standard chargers and 5 rapid chargers at city centre car parks and Park&Ride sites. 10 EV charging points have also been installed at York hotels and 6 at commercial developments.
19. Hybrid and electric cars have been successfully integrated into the CYC pool vehicle fleet partnering with City Car Club resulting in a reduction in CYC 'grey' fleet mileage by 34%

Better by Bus

20. York has been at the cutting edge of developing attractive bus services, with the express intention of bringing about mode shift from car, for many years. The prime historic example of this is York's Park & Ride network, which now features six sites, 3,500 parking spaces and carries 4 million trips per year, perhaps eliminating as much as 5,000 car trips in the city per day.

It is viewed as an exemplar system by many towns and cities seeking to develop a park and ride service of their own.

21. Provision of priority for bus services on the highway, to reduce reliability and reduce journey times, has always been difficult in York owing to the limited road space available – particularly in the city centre.

Priorities have been provided on some key routes eg. Tadcaster Road but other measures such traffic signal priority at junctions away from the city centre have been installed.

22. The space limitation also means that minor incidents have disproportionate effect on network capacity. The Better Bus Area project is funding Bus wardens on the ground to assist in resolving incidents quickly and Network Management Officers who monitor the city's CCTV and adjust traffic signal timings remotely. Both these actions reduce the impact of incidents and improve the capacity of the highway network for all road users.

23. In 2013 the Council set up a "Bus User Group" to represent York's bus passengers. This meets every two months, with members chosen to be representative of the bus using public (e.g. a range of ages, socio-economic status etc). We have also implemented a new "fault reporting system" with bus users able to report any faults they come across on the network (e.g. a missing timetable) through postcards carried on buses or a smartphone app. We have also undertaken a range of other consultative activities, including Bus User Surgeries in York city centre, attending ward and parish meetings and talking to special interest groups such as York Older People's Assembly, York Youth Council and York Blind and Partially Sighted Society.

24. The Council is currently working to deliver a transport smartcard in 2015. This will initially carry the park and ride ticket products and "All York" multi-operator products, with discussions underway with York's bus operators to ensure the card also carries some of their own products. We have also worked with Transdev to promote the Unibus smartcard, through providing the cards in freshers' welcome packs.

25. Working with Network Rail, East Coast and York Pullman the Council has provided a bus passenger enquiry point at the Rail Station.

This currently handles 2,000 enquiries a month and now sells a range of bus tickets, especially more expensive products such as season tickets and long distance tickets (e.g. to the North Yorkshire Coast).

26. The Council has installed around 50 real time information screens around the city. Most of these are in the city centre, but more recently screens have been fitted in district and village centres (e.g. Haxby, Dunnington and Acomb) and at large trip generators (e.g. York University, College of York St John, York District Hospital, York College). We have also developed a real time bus information smartphone app, as well as the UK's first multi-modal journey planner to include park and ride (see www.itravel.york.info) for more information.
27. More recently, effort has been focused on improving the city's general bus provision to mirror the high standards of the Park & Ride operation. This is viewed as a necessity, given the importance of bus services in the future as the key mitigator against potential increases in traffic congestion and as a delivery agent for other key CYC policies. Reliable, reasonably priced bus services are a very important facilitator of mobility in the labour market (Social Exclusion Unit, 2003). This has led to the following initiatives in York:
 - The Better Bus Area (BBA) programmes, which have sought to improve facilities for bus users across the city by, for example, improving stops and shelters, devising new, easy to read, timetables at all bus stops, electronic real time screen in the city centre and mobile apps providing real time next bus information.
 - Work by the bus companies themselves to better serve York, for example, FirstGroup reduced all their bus fares by 25-30% in Summer 2013 and bought in a new, York-based, management team replacing a previous management of the York operation from Leeds
 - Through the Green Bus Fund York now has one of the largest fleet of electric buses in the UK, with programmes in place to use electric buses for two of York's 6 park and rides, 2 non park and ride services and a complete conversion of the tour bus fleet to electric buses
 - A re-energising of the city's Quality Bus Partnership, particularly through the most recent round of the Better Bus Area programme, whereby York's bus operators have agreed to surrender some of their fuel duty rebate to CYC, so that it

can be spent on measures to improve service reliability. York is the only authority, outside the UK's 8 core cities, to have enacted this form of governance and funding for the bus network.

28. The programme to improve bus services in York kicked off in earnest in 2012, so it is relatively early to evaluate its success or otherwise. Initial indicators, however, are encouraging.

Particularly:

- The bus operators, CYC's private sector partners in delivering the bus network, have responded well to CYC's efforts to improve services. Bus companies are engaged through the Quality Bus Partnership and have assisted CYC's initiatives. An example of this is a recent exercise to lop trees which struck buses across York.

An open top tour bus was provided by Transdev, free of charge, tree surgeons were hired by CYC, funded by the fuel duty the operators have reassigned to CYC, and FirstGroup provided supervisory staff for the operation. The outcome of the operation has been that bus companies can now use double decker buses on some routes which were previously barred to them because of the risk of tree strikes, which has allowed a much needed increase in capacity on at least one frequent city route.

- Reliability across the network is improving. The DfT's recent statistical bulletin on service reliability shows that reliability for "frequent" (ie every 15 minutes or more often) services in York is amongst the best for UK urban areas. For non-frequent services reliability has increased from 68% being "on time" in 2009/10 to 84% in 2013/14.

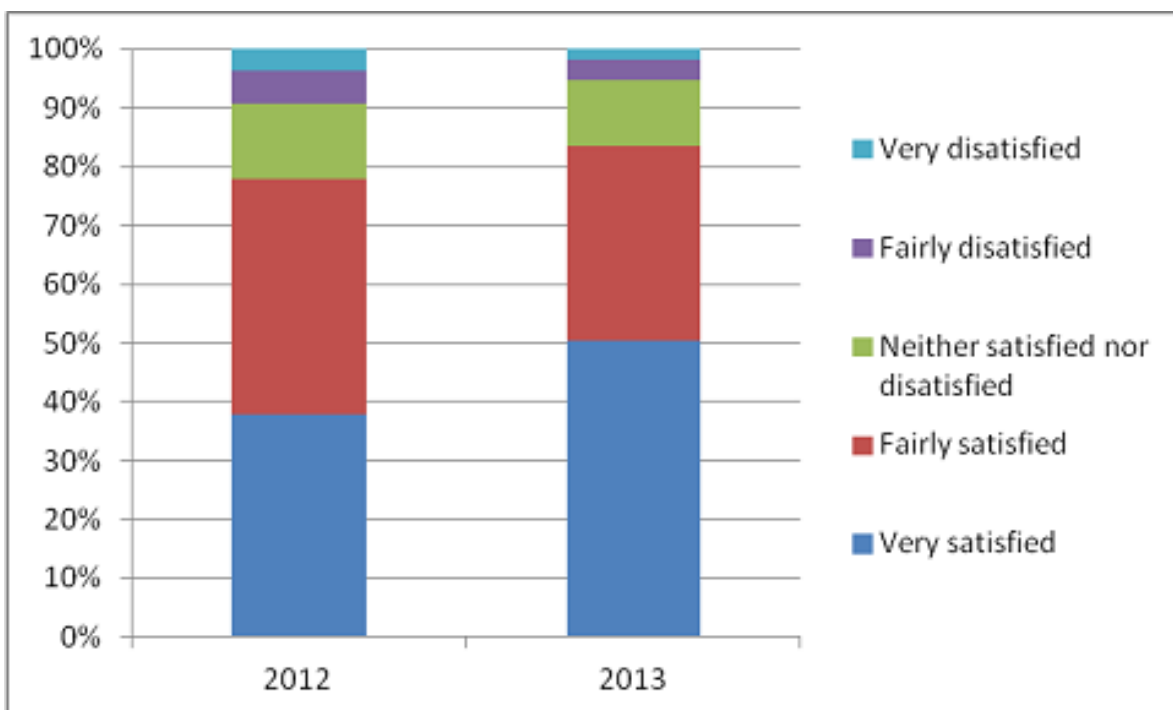
29. Passenger satisfaction is also improving. Passengers on York's buses rank them amongst the best in the UK according to surveys made by Passenger Focus, the UK's independent watchdog for bus and rail services.

30. Between September and December 2013, Passenger Focus interviewed over 1,000 passengers on York's Park & Ride services, First's city services and Transdev's services. The research showed that, compared to 18 other local authority areas surveyed by Passenger Focus last year, York's buses were:

- Considered best value for money of all the areas surveyed
- Considered in the best condition for all the areas surveyed

- In the top quarter of all areas for many aspects of the service, including satisfaction with bus stops, comfort and safety of vehicles.
- The city’s bus drivers were also ranked in the top quarter of areas for their welcome and helpfulness, smooth driving and appearance.

31. The chart below shows overall passenger satisfaction assessed across a number of aspects of the bus service, between Spring 2012 and Autumn 2013. As can be seen, there is a significant increase in passengers who are “very satisfied” (from 38% to 50%) and a decrease in those who are either “Very dissatisfied” or “fairly dissatisfied” (from 9% to 5%). This data set covers a period before many of the improvements to services made through BBA had taken effect, and more surveys are programmed to capture the effect of these additional measures.



- Passenger numbers are increasing. Between 2012/13 and 2013/14 passenger numbers in York increased by 300,000 passenger trips, or 2%. Whilst not, in itself, a tremendous increase it should be seen within the context of a 4% fall in North Yorkshire and 7% fall in East Riding over the same period. Furthermore, the Poppleton Bar Park & Ride, investment in electric vehicles and improvements to passenger information are not captured in the data as they took place after March 2014.

To further put the increase in context, it broadly corresponds to 1,000 extra passengers per day, or a reduction of 60,000 car trips in York across the year (approximately 20% of new bus trips are modal shift from car (DfT stats)).

- The improvements in York are being recognised at a national level, through two study visits to York by senior DfT staff and favourable coverage in bus industry magazines and newspapers (for example, see <http://www.route-one.net/industry/operations/funding-helps-york-build-better-bus-services/>).

32. The changes so far represent a substantive gathering of momentum for York's bus network, but there is still much to do. Whilst reliability has improved, the speed of bus services, particularly in the peaks is relatively slow, which is likely to be suppressing use of the service.

As such, there is a need for greater, and imaginative bus priority measures, particularly in the city centre and on the immediate approaches to the city centre (for example, Fishergate, Blossom Street, Clarence Street etc). There is significant scope for greater adoption of electric vehicles in fleet, to both reduce particulate pollution in York and improve the attractiveness of the service.

Public Engagement

33. Transport schemes and interventions are generated from analysis of evidence such as accident statistics by Council officers and requests from the public e.g. resident parking schemes. The public are consulted for most schemes on the highway. For changes which require a permanent Traffic Regulation Order (e.g. parking restrictions) there are statutory notification processes to follow.

Transport Projects

34. The Transport Service delivers a large number of projects each year to enhance the environment for travellers in the city. The public are consulted on all of the significant schemes which are progressed. The extent of the consultation process depends upon the size, complexity, impact, location and funding source of the project.

35. A staged approval approach is taken to minimise abortive work and to ensure that funding is focused on the most acceptable final design. The aim for future schemes is to improve the consultation process by engaging with the public at an earlier stage in the development of projects so that they can be more fully involved resulting in the delivery of better overall schemes. This will enable local residents to co-design schemes, which affect their local environment, with the assistance of highway engineers to ensure that they meet acceptable design standards.
36. For many large transport projects (where there are realistic alternatives) currently we progress a one or two stage public consultation process to ensure that a solution which addresses local concerns is delivered. Where there are a number of realistic and affordable alternative solutions initial consultation is undertaken on a number of concept designs/principles to enable an acceptable option to be confirmed. Following the determination of a preferred approach further design is undertaken to confirm the engineering design layout. A final stage of consultation is undertaken on the outline design to ensure that local concerns have been addressed where possible.
37. Various different consultation mechanisms are used to ensure that acceptable designs are progressed: Leaflet distribution, Public meetings, Exhibitions, On-line consultations.
38. The key elements of the current consultation process for different types of schemes are shown in the following flow charts.

Large Complex Projects (Constrained Sites, Multiple Solutions)

- Problem Identification
- Feasibility Study
- Preparation of Concept Option Designs
- Stage 1 Consultation
- Preferred Option Determined
- Outline Design Prepared
- Stage 2 Consultation
- Final Design Approved
- Detail Design Prepared
- Construction

Smaller Simple Projects (Unconstrained Sites, Single Solutions)

- Problem Identification
- Feasibility Study
- Outline Design Prepared
- External Consultation
- Final Design Approved
- Detail Design Prepared
- Construction

Minor Projects (e.g. Pedestrian Dropped Kerb Crossings)

- Problem Identification – e.g. Prioritised Public Requests
- Review of site location
- Construction

Highway Regulation

39. The Council acts as the Highway Authority for the city regulating access and use of the Public Highway. There are statutory processes set down, principally in the 1980 Highways Act, which identify how the Council can make changes to the highway. A number of the most common items are identified below.

Waiting Restrictions

40. Requests by the public for changes to waiting restrictions (e.g. yellow lines) are reviewed on an annual basis. Any objections, following advertisement of the amendment to the Traffic Regulation Order, are formally considered. The final decision on the proposal is determined by the Cabinet Member responsible for Transport.
41. The Annual Review for 2014 covered 101 requests and included 48 recommendations for changes to the TRO across 15 different wards. These changes were advertised in November/December 2014.

Residents' Priority Parking Schemes (ResPark)

42. Any requests for changes to existing ResPark schemes are reviewed and approved in the same way as the waiting restrictions. If there is demonstrable demand for a new ResPark scheme then a formal consultation is undertaken. In order to proceed with any scheme, over 50% of households have to respond with over 50% of these in favour of a scheme.

Speed Limits

43. Requests for changes to speed limits can be made via a form available on the Council website or in other ways. In a similar way to waiting restrictions, these requests are now being collected together and considered all at once on an annual basis. Requests for changes to speed restrictions are much less common than requests for changes to waiting restrictions.

Traffic Signs

44. Requests for changes to traffic signs which do not involve legal changes (e.g. new warning or information signs) are summarised by officers on a pro-forma, added to a folder and considered together on a quarterly basis.

Speed Review Process

45. The Council receives many complaints about speeding vehicles from a number of sources including residents, elected members and representatives of local groups, such as resident associations. To help manage this, a data led method of assessing all speeding issues in York has been developed.

Speeding issues are assessed against a number of criteria in a partnership approach with the North Yorkshire Police (NYP) and North Yorkshire Fire and Rescue Service. Following receipt of the complaint each site is processed by NYP and scored against the criteria to determine the most appropriate resolution.

46. The following data is reviewed:

- a. Injury accident record** - based upon North Yorkshire Police data, for the preceding three years, and prioritised on severity using the standard categorisations of fatal, serious, or slight. Officers use a points scoring system to rank sites as high or low. This is based on a slight casualty receiving 1 point, with a fatal or serious casualty being weighted at 4 points. A total points score of 6 or more is need for the site to be given a “high” ranking.
- b. Speed data** - collected using automatic counting equipment and conducted over a period of at least 24 hours, but usually 7 days X 24hrs.

47. Sites are categorised as indicated in the following table and funding prioritised against other schemes in the Council's Capital Programme. It should be noted that casualty information is separately analysed annually across the city and funding allocated on a priority basis out of the Local Safety Scheme budget where engineering measure are appropriate.

Category	Speed	Casualties	Priority	Treatment
1	High	High	Very High	Speed management measures
2	Low	High	High	Casualty reduction measures
3	High	Low	Medium	Speed management measures, if funds available.
4	Low	Low	Low	Speed Indicator Scheme (SID) scheme, bin stickers etc.

20mph Limits

48. The Council has a policy to deliver 20mph speed limits in residential streets. The signed-only 20mph programme's primary objective is to make an investment to:
- Improve the local environment of neighbourhoods for residents;
 - Promote more considerate driving (20mph becoming the 'new normal' for residential streets);
 - Encourage more walking and cycling;
 - Increase *confidence about safety* in York's neighbourhoods.
49. Slight reductions in the mean speeds have been recorded on roads where 20mph limits have been introduced in York. It is anticipated that reduced speeds will help to meet the objectives of the scheme identified above.

Traffic Congestion Commission

50. A Traffic Congestion Commission is proposed to be set up to investigate options for addressing congestion issues in the city.
51. The objectives and protocols for the establishment of the commission are currently being developed with group leaders. The current expectation is that a report identifying the commission's remit and governance will be presented to the Cabinet in the near future.

The commission would commence work shortly afterwards with a final decision on the recommendations made by the Council in September/October 2015.

Cllr David Levene

20.01.15

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Economic & City Development Overview and Scrutiny Committee **28th January 2015**

Report of the Director of City & Environmental Services

An Update Report on Major Transport Initiatives in York

Summary

1. This report provides Members of the Economic & City Development Overview and Scrutiny Committee with an overview and update in relation to the major transport initiatives in the city currently being progressed.

Major Transport Initiatives

2. Separate reports on individual transport schemes are presented to the Cabinet Member for Transport on a regular basis. The overall capital programme is monitored through the year with the latest report submitted to the October Cabinet Member Decision Session.

Local Transport Plan (LTP)

3. The city's third Local Transport Plan (LTP3) sets out the transport strategy for the city and the measures to be progressed in the short-term (2011-2015), medium-term (2015-2021) and long-term (2021 -2031), under the following strategic themes:
 - Provide Quality Alternatives (to the car).
 - Provide Strategic Links
 - Implement and Support Behavioural Change.
 - Tackle Transport Emissions.
 - Improve Public Streets and Spaces
4. The Council has set 'Get York Moving' as a key priority for the City being delivered under the following initiatives - more detail is provided in Annex A:
 - Expanding Park and Ride Services

- Improving Bus Services
- Developing York's Cycling and Pedestrian Network
- Improving Movement in the City Centre
- Establishing 20mph Speed Limits in York's Residential Areas
- Winning Hearts and Minds

Traffic Congestion Commission

5. A Traffic Congestion Commission is proposed to be set up to investigate options for addressing congestion issues in the city.
6. The objectives and protocols for the establishment of the commission are currently being developed with group leaders. The current expectation is that a report identifying the Commission's remit and governance will be presented to a future Cabinet meeting. If a decision to progress was taken shortly to commence then a final decision on the recommendations could be made by the Council in September/October 2015.

Update on Transport Activities

7. The Transport Service is currently progressing a wide range of transport initiatives and improvements across the city using Local Transport Plan, Local Sustainable Transport Fund, Better Bus Area Fund and Council resources. The main headings are identified in the list below with further information against the key Council Plan themes

Major Transport Schemes

- Access York – New Park & Ride services at Askham Bar and Poppleton Bar
- A19 Pinch Point – Bus priority and highway improvements on the A19 south of York.

Cycling/Walking

- Haxby to Clifton Moor Cycle Route
- University Road Cycle Route
- Rural and Urban Cycle Guides
- Festival of Cycling

Public Transport

- Exhibition Square – Bus stop upgrades
- Smart Ticketing
- Electric Buses
- Bus information

Travel Planning and Sustainable Transport Promotion

- Local Sustainable Transport Fund - £1m of further funding received for 2015/16
- Personal Travel Planning
- Business Travel Planning
- itravelyork – website

Road Safety and Speed Management

- 20 mph Limits in residential areas
- Local Safety Schemes
- Danger Reduction Schemes

Parking Initiatives

- Minster Card
- Free Parking
- Pay on Exit

Event Planning

- Tour de France
- Sky Ride
- York Marathon
- Tour de Yorkshire

Integrated Transport Capital Programme 2014/15

8. The city's Transport improvement schemes are delivered using funds from the Integrated Transport Capital Programme. The current 2014/15 capital budget is approximately £13m including carryover of funding from 2013/14.
9. Details of the 2014/15 programme are reported through the Corporate Monitoring reports.

10. The key schemes that are being progressed in 2014/15 are indicated below.
- Access York phase 1 – completion of P&R sites at Poppleton and Askham, improvements to the A59/A1237 roundabout and new traffic signals at A59 Poppleton.
 - Public Transport schemes. City centre bus stop improvements, off bus ticket machines, interchange improvements, Real Time Information provision.
 - Clarence Street – road layout changes and associated traffic signal priorities – start delayed by utility diversions
 - Cycle schemes including: University Road cycle lane, Haxby to Clifton Moor cycle route and a number of network priority schemes.
 - Safety and Accessibility Schemes – Schemes to address local safety, danger reduction and speed management issues.
 - Safe Routes to School Programme – Rolling programme of improvements to improve sustainable access to schools.
 - 20mph speed limit roll-out
11. An overview of progress against significant schemes is contained in Annex A.

Consultation

12. Not applicable as this item is for information only

Options

13. Not applicable as this item is for information only

Council Priorities

14. These transport initiatives accord with the Council's priorities relating in particular to Get York Moving, Building Strong Communities and Create Jobs & grow the economy.

Implications

15. There are no financial, human resources, crime and disorder, information technology, property or other implications directly associated with this information only report.

Risk management

- 16. Not applicable as this is an item for information only.

Recommendations

- 17. That the Committee note the present position in relation to major transport initiatives in the city.

Reason: To keep the Committee informed about major transport initiatives.

Author:

Dave Carter
Major Capital Programme
Manager
Tel: 551414

Chief Officer Responsible for the report

Neil Ferris
Assistant Director Strategic Planning
and Transport

Report
Approved

Date

For further information please contact the author of the report

Wards affected – ALL

Annexes

Annex A - Overview of progress against significant schemes

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GET YORK MOVING – PROGRESS OVERVIEW RATING**Expanding Park and Ride Services**

Two new Park and Ride sites (Askham Bar and Poppleton Bar) opened on 8 June 2014. Parking capacity increased by 30% to 5,500 spaces. Associated Highway improvement works at the A59/A1237 junction completed in August 2014. All A roads into the city are now covered by a Park & Ride option for travellers. Additional funding for further expansion being sourced via the West Yorkshire plus Transport Fund.

- £15m of Government Funding secured for the £23m Access York Project through a nationally competitive process. All
- Askham Bar P&R site has been relocated and doubled in size to 1100 spaces and a new P&R site developed at Poppleton (600 spaces) on the A59. A major upgrade of A59/A1237 Roundabout has also been delivered as part of the project.
- New Traffic Signal junction on A59 at Poppleton facilitating access to/from the P&R and improving safety in the area.
- Construction of the main P&R site works commenced in May 2013 and became fully operational in June 2014
- Further funding being sought for P&R site at Clifton Moor (originally included in the York Package) for delivery using the West Yorkshire Plus Transport Fund
- A Green Bus Fund bid was successful for electric buses for the A59 and Monks Cross Park & Ride routes. 6 electric buses are operational on the A59 route with the Monks Cross service starting later in the year.

Improving Bus Services/ Network Capacity

BBAF Funding secured and programme being progressed. Multi-operator ticket up and running and work on smart ticketing products ongoing via BBAF. Number of BBAF interchange and bus priority schemes have been completed. Funding for further public transport improvements being sought via BBA2 and WY+TF.

- An additional £1.3m of funding over the next 4 years has been secured through Better Bus Area Funding from the Government. York was one of only five authorities that secured Better Bus Area Status.
- The Better Bus Area Fund programme is developing Smart ticketing products for York. The Yozone Card for 11-18 year olds now has fully smart capabilities. Delivery is dependent on bus operator programmes and regional wide progress. Equipment for smart cards will start to be installed over the next few months with rollout now anticipated in summer 2015
- City Centre bus interchange facilities have been upgraded via BBAF at Piccadilly, Stonebow and the Station. The upgrade of the facilities at St. Leonards Place (Exhibition Square) commenced in September with completion expected in January 2015. Further improvements in Rougier Street have been delayed by the slower than anticipated progress of the redevelopment of Roman House bus shelter but should be in place in 2015.
- One City tour bus has been converted to electric. Confirmation of the result of a bid for funding for a further 5 vehicles is expected shortly.
- Station public transport information centre opened. Now dealing with some 1500 enquiries per week
- Expansion of CCTV network to give better management of the highway network and resultant improvements in bus time reliability. Bus Wardens and Bus Network Managers have been appointed to resolve incidents quickly to minimise disruption.
- Real-time passenger information has been installed across City and District Centres.
- Station Frontage/Interchange - Initial feasibility work progressing with Network Rail.

Economic & City Development Overview and
Scrutiny Committee January 2015 - Report on Major Transport
Initiatives - Annex A

- A19 Pinch Point Scheme Phase 1 - Access improvements to the A19 Naburn/Designer Outlet Site being developed using DfT Pinch Point Funding. The first phase of these works covering an additional northbound lane (from Selby) on approach to the A19/A64 interchange, widening the circulatory carriageway of the southern roundabout (Designer outlet side) and incorporating a northbound bus lane into the interchange are anticipated to commence late 2014/15.

Developing York's Cycling and Pedestrian Network

Strategic network identified and prioritised list of improvements consulted on and established. Delivery ongoing via LSTF and LTP block funding.

- Haxby Road to Clifton Moor Cycle Route. The critical element of the route, the bridge over the Scarborough line, was constructed in autumn 2014 with the full route to be completed early in 2015. Investigations are ongoing into the ground conditions that caused some movement on the previous phase to identify suitable remedial action.
- University Road Safety Scheme now completed.
- University Road cycle scheme substantially completed.
- Improvements to footway (introduce tactile facility) on Station Rise to be completed in 2014/15
- Knapton to Rufforth Cycle Route: Phase 1 (metalled surfacing) completed in 2014/15. Phase 2 (link to Rufforth Village) and Phase 3 (link to Knapton) to be developed
- Further Cycling and Walking links to be upgraded in Clifton Moor area

Improving Movement in the City Centre

Ongoing programme of de-cluttering established.

Footstreets experiment completed and new hours of operation in place.

Expansion of the footstreets

- Following the success of the experimental Footstreets hours identified through the Footstreets review the experimental measures have now become permanent (10:30a.m to 5:00p.m)
- Programme of de-cluttering of the city centre continuing.
- Introduced additional cycle racks in City centre
- Investigate possible expansion of foot-streets to additional areas ongoing.
- Scarborough Rail Bridge renewal - Officers are working closely with Network Rail to minimise any disruption due to the bridge renewal works that will commence shortly.

Establishing 20mph Speed Limits in York's Residential Areas

Policy approach agreed, pilot completed and City wide roll out underway. Slower than anticipated progress due to addressing local concerns.

- Policy approach has been agreed with partners, including the Police.
- Ongoing monitoring of the South Bank pilot scheme
- West of York (covering a third of the City) completed early in 2014
- North York scheme were completed in 2014
- East York scheme underway, programmed for completion by the end of 2014/15.

Winning Hearts and Minds

Range of innovative and sustainable measures underway through the Local Sustainable Transport Fund programme - now extended to March 2016 following successful funding bid

- The additional £1m of funding for the LSTF programme will extend the programme through to March 2016 and widen the coverage to include the Poppleton Road/Holgate Road area.
- LSTF funded business travel planning service now up and running – contact has been established with over 80 businesses. ION travel software purchased to provide a way to track and manage business travel plans.
- LSTF funded personalised travel planning programme in the northern area of the City underway. Direct contact being made across the summer months with follow up contact.
- iTravel website launched in September 2012 to improve availability of timetable and other travel and transport information and planning tools. Continues to be developed as the main source of travel/transport information for the city.
- Progression of Low Emission vehicle initiatives across the city to reduce the impact of vehicle emissions on air quality.

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Economic and City Development Overview and Scrutiny Committee

28 January 2015

Report of the Director of City & Environmental Services

2014/15 Finance & Performance Monitor 2 Report

Summary

1. This report provides details of the 2014/15 forecast outturn position for both finance and performance in City & Environmental Services.

Analysis

Finance – forecast outturn overview General Fund

2. The current outturn position within the City & Environmental Services (excluding Highways, Waste & Fleet) is a projected overspend of £885k on a total net budget of £3,841k. Service Plan Variations by service plan are shown below:

	Net Budget £'000	Projected Outturn £'000	Variance £'000
City & Environmental Services			
Transport Services	-482	13	+495
Planning & Regeneration	193	583	+390
Economic Development	799	799	0
Director's Group	3,331	3,331	0
Total	3,841	4,726	+885

Note: '+' indicates an increase in expenditure or shortfall in income
 '-' indicates a reduction in expenditure or increase in income

3. Details of the main variations by service plan are detailed in the following paragraphs.

Transport Services (£+495k)

4. Car Parking income is forecast to be £408k below budget as income during the year has been lower than the same period last year. Further monitoring will be carried out during the year to assess the impacts of the free parking initiative introduced in late June, the pay on exit initiative at Marygate and the charges for Minster Badges.
5. In addition, there is £100k shortfall in ANPR income, £28k additional expenditure on connected cities, offset by £70k saving in quality bus contract budget.

Planning and Regeneration (£+390k)

6. Income from planning applications and building control are much lower than expected as developers delay submitting planning applications pending the publication of the Local Plan (£370k). There is also like to be a small public inquiry at Strensall (£15k).
7. Income from land charges is expected to £70k higher than budget..
8. Income in Design & Sustainability is expected to be £75k below budget.

Economic Development (£nil)

9. The current forecast is that Economic Development will outturn on budget.

Performance

10. Annex 1 summarises key aspects of the council's performance for 2014/15 quarter 2. The performance considered by this committee is primarily under the following headings:
 - Create Jobs & Grow the Economy
 - Build Strong Communities
 - Get York Moving
11. Members will recall at their meeting in October 2014 that they agreed that they would monitor progress on key equality performance indicators in relation to the Single Equality Scheme that come within the remit of this committee. These are now incorporated into the dashboard for this committee and are included

in the paper for item 8 of this meeting.

12. The number of Jobseekers Allowance claimants has fallen to 1% from 1.2% in Q1 and is below national and regional averages of 2.2% and 2.9% respectively. However, York has a higher proportion of part time workers than both regional and national averages at 33.2%, compared with 26.3% and 25.3% respectively.
13. The 5th Jobs Fair held at York Railway Institute in September attracted 1,023 residents looking for jobs and career advice. The event, which was organised through partnerships between the Council, York Learning, Job Centre Plus and Learning City York sought to bring together employers to offer advice and the chance to speak face to face to businesses about real employment opportunities in the city.
14. The Council's Economic Inclusion Fund has been used to commission the Experience Work 50+ programme designed to help older people into work. The pension age for women is increasing to 65 in 2018 and 66 for all in 2020 meaning people will either choose or need to stay in work for longer. A total of 92 people have completed the programme and 36.6% have gained employment, are self employed or gone on to further training.
15. York has received funding through the Leeds City Region and York, North Yorkshire & East Riding Enterprise Partnerships, including £400k through the Business Growth Fund, and potential further resource through the £1bn West Yorkshire + Transport Fund. Within the last quarter two successful bids have been made through the North Yorkshire Local Enterprise Partnership Business Growth Programme: First Steps Day Nursery were awarded £40,000, and Monk Bridge Construction Company were awarded £90,000. Including these there have now been 13 successful bids across both LEPS with £2.3 million total spend, £400k total grant and 71 jobs.
16. The Route to Success Training Programme for Young People includes providing support to those with high support needs to gain employment. This programme has been successful with 30 students completing it and 15 of those being High Support Needs learners. Performance is expected to increase in the 2014/15 academic year, with 22 High Needs Support students recruited so far.

17. Care leavers at 19 in Education, Employment and Training at Qtr 2 was 52% compared to the year end figure of 71%.
18. The Council have been implementing its Apprenticeship Programme. The Vacancy management approach is being implemented. Currently 18 supernumerary posts have been recruited to. Student internships for Summer 14 have been promoted and 5 placements offered and accepted. The winter internship programme, which takes place over the Christmas break has been publicised.
19. A new employability Hub at Rougier Street has been established.

Implications

20. There are no financial, human resources, equalities, legal, crime & disorder, information technology, property or other implications associated with this report.

Risk Management

21. The report provides Members with updates on finance and service performance and therefore there are no significant risks in the content of the report.

Recommendations

22. As this report is for information only, there are no recommendations.

Reason: To update the scrutiny committee of the latest finance and performance position.

Author:

Patrick Looker
Finance Manager
Tel: 551633

Chief Officers responsible for the report:

Sarah Tanburn
Director of City and Environmental Services

Report Approved

Date

14^h January 2015

Annexes

Annex 1 – York Monitor

York Monitor



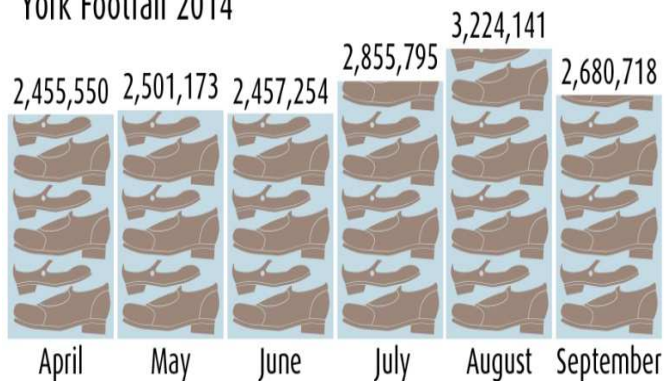
Quarter 2 Update 2014 – 2015

ANNEX 1

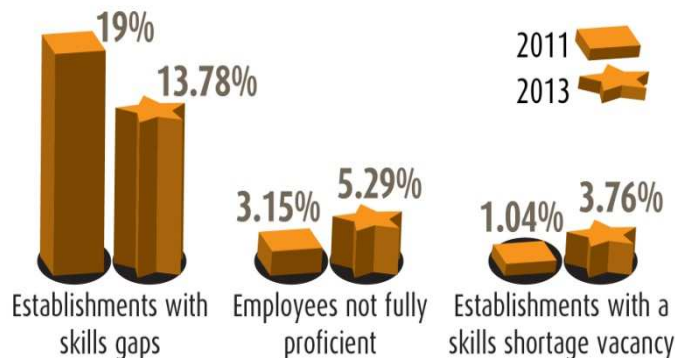


Create Jobs and Grow the Economy

York Footfall 2014



Skills gaps and shortages



Create Employment

The number of Job Seekers Allowance claimants has fallen to 1% from 1.2% in Q1 and is below national and regional averages of 2.2% and 2.9% respectively. However, York has a higher proportion of part time workers than both regional and national averages at 33.2%, compared with 26.3% and 25.3% respectively.

The 5th jobs fair held at York Railway Institute in September attracted 1,023 residents looking for jobs and career advice. The event, which was organised through partnerships between the Council, York Learning, Job Centre Plus and Learning City York sought to bring together employers to offer advice and the chance to speak face to face to businesses about real employment opportunities in the city.

Older People in Employment

The Council's Economic Inclusion Fund has been used to commission the Experience Work 50+ programme designed to help older people into work. The pension age for women is increasing to 65 in 2018 and 66 for all in 2020 meaning people will either choose or need to stay in work for longer. 92 people have completed the programme and 36.6% have gained employment, are self employed or gone on to further training.

Supporting Businesses

York has received funding through the Leeds City Region and York, North Yorkshire & East Riding Enterprise Partnerships, including £26m through the Local Growth Fund, £400k through the Business Growth Fund, and potential further resource through the £1bn West Yorkshire + Transport Fund. Within the last quarter two successful bids have been made through the North Yorkshire Local Enterprise Partnership Business Growth Programme: First Steps Day Nursery were awarded £40,000, and Monk Bridge Construction Company were awarded £90,000. Including these there have now been 13 successful bids across both LEPS with £2.3 million total spend, £400k total grant and 71 jobs.

Supporting young People with high support needs into Employment

The Route to Success Training Programme for Young People includes providing support to those with high support needs to gain employment. This programme has been successful with 30 students completing and 15 of those being High Support Needs learners. Performance is expected to increase in the 2014/15 academic year, with 22 High Needs Support students recruited so far.

Focus on Pop Up Cafes

City of York Council and Business Inspired Growth have worked together to deliver two 'pop up' business support and advice events:

- Your Bike Shed on 13th August
- Exhibition Hotel on 18th September

At each event there were a number of local business experts on hand to offer free business advice on topics ranging from social media to tax and accountancy. The sessions were held in an informal style with businesses choosing which topics they would like to discuss and then given timeslots with their relevant experts.

Feedback from businesses has been positive and the Council aim to follow up on business progress to evaluate the success of these events.

More information on pop up cafes can be found at the link below:

<http://youtu.be/nUIkB8HoUyw>

High Speed Rail Developments

There has been significant national investment announcements and plans around rail in recent months, providing sizeable opportunities for York and its strong rail sector over the next few decades. September saw the announcement that the proposed national high speed rail college is coming to Yorkshire, with Doncaster selected to co-host the training centre with Birmingham. After York missed out on its bid to host the college, the city backed Doncaster's bid to train at least 2,000 apprentices for the planned HS2 project, and will be working with Doncaster closely in 2015 to ensure help shape the curriculum appropriately for York-based employers. High Speed 2 and High Speed 3 proposals continue to develop, with intense lobbying from various cities and regions. York specifically has been championing investment which will benefit the city through the East Coast Mainline Authorities and Connected Cities group at party conferences; as well as directly with government. Finally, Rail North, a body taking forward a collective approach to rail in the North, shortlisted bidders for the running for current Northern and Transpennine franchises. Over the next 5 years more than £1 billion will be spent on the rail network in the north.

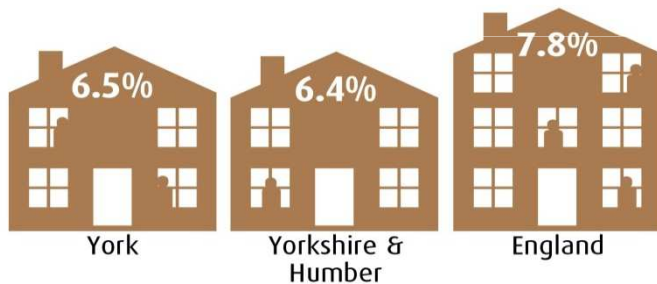
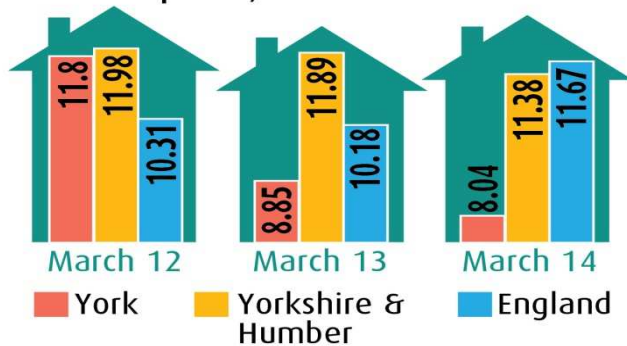
ANNEX 1

Looking Ahead... To create jobs and grow the economy the Council will:

- Set up marketing & business development agency for the city to work with the private sector to bring economic growth.
- Deliver key projects including York Central, York BioHub, and Skills capital through Askham Bryan. These are funded through the Local Growth Fund for the Leeds City Region and York, North Yorkshire and East Riding Local Enterprise Partnerships.
- Host access to finance/business support events:
 - Manufacturing Match – 07/10/14
 - Growth Accelerator – 16/10/14
- Deliver Living Wage Week Events in November for large and small businesses to discuss becoming accredited and paying the Living Wage.
- Hold a conference for city businesses in November, with a range of activities providing advice and support to business. Speakers include: Sir Stuart Rose (Chief executive of Ocado), Martin Van de Weyer (Business Editor, Spectator) and other local entrepreneurs. This will be linked to activity around Global Entrepreneurship week.

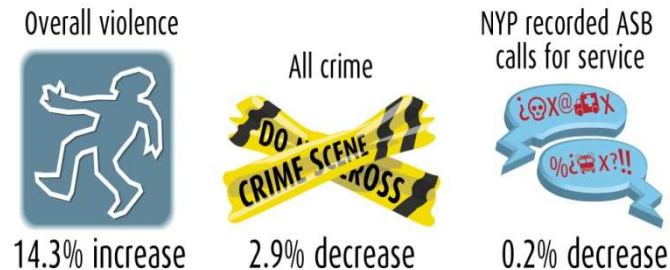
Build Strong Communities

Homelessness prevention and relief per 1,000 households



Projected Increase in the number of Households (2013 - 2021)

Crime incidents 2013/14 to 2014/15



Deliver a community stadium including a county standard athletics facility

Greenwich Leisure Ltd (the UK's largest leisure centre operator) is leading the consortium named as the preferred bidder to deliver the 8,000 all-seater York Community Stadium & Leisure Complex and run the council's existing leisure centres at Yearsley Pool and Energise.

Support community groups to take greater ownership of the management and operation of parks and green spaces

Between July and September, the Smarter York team worked on 29 community schemes including the community running of Rowntree Park summer fair, the construction of phase 2 of the Rawcliffe Country Park bike track and awarding the contract for the refurbishment of the Cornlands Play Area with Cornlands and Lowfields Residents Association.

Increasing Affordable Housing

Affordable Home construction has fallen from 151 in 2011/12 to 50 in 2013/14. Negotiations between the Council, York Housing Assoc., land owners and Homes & Community Agency has resulted in Jubilee Court, a £2 million, 18 home affordable housing development in Elvington.

Focus on Tackling Loneliness and Social Isolation

The Joseph Rowntree Foundation has undertaken research in York on how to reduce loneliness and social isolation. Research found that the main causes of loneliness were due to ageing, family issues, not knowing neighbours, a lack of community facilities and chances to get involved with the community.

A free resource pack providing ideas on how to tackle loneliness is now available at the link below:

<http://www.jrf.org.uk/publications/loneliness-resource-packrk.gov.uk>

York's Lidgett Grove Methodist Church established a successful Community Café offering company and activities. The Café was initially started as a pilot project but following it's support and usage work is now underway to develop the facility into a Community Hub.

Consult on the draft local plan that sets out how York's housing needs will be met up to 2030

In line with the government's 2012 National Planning Policy Framework, a draft Local Plan was agreed by Cabinet on 25 September. Public Consultation is on hold while further work is carried out to comply with a motion submitted at Full Council in October. Currently, proposals include:

- 20 employment sites for future development, for example York Central
- Approximate £300m investment in transport infrastructure to deliver York's growth ambition

Council Homes and Housing Services

The Council's Housing and Building Services team have achieved the Government Standard for Customer Service Excellence following an independent review. The 2013/14 Tenant and Leaseholder Report showed 86.9% overall satisfaction rate with services. Council tenant arrears increased to 2.3% of annual due rents in Q2. However, as the past 3 years figures range from 1.3 – 1.6% this should improve over the remainder of the year.

Raise standards in the private rented sector

99 landlords have registered nearly 400 homes with the council's private landlord accreditation scheme 'YorProperty'. 49 landlord members have taken up the scheme's core management and property standards training and only one of seven property inspections has needed further action to meet the standards set.

Community Safety

A Summer Safety campaign was launched in July centred around the 'Plan Safe, Drink Safe, Home Safe' campaign developed by the University of York St. John Students' Union. Measures included bus, mobile screen and poster advertising campaigns and distribution of beer mats to riverside venues.

Violent crime in the Cumulative Impact Zone, an area covering a large part of the city centre, is forecast to reduce by 6.8%. However, Violent crime associated with alcohol outside the city centre continues to slowly rise.

Reported Domestic Violence in York is currently on course to reduce by 1%. The Domestic Abuse Early Intervention Project has been receiving referrals from the Police since February. The Early Intervention Worker has been vetted and now has direct access to Police systems.

ANNEX 1

Looking Ahead... To build strong communities the Council will:

- Deliver a community stadium including a county standard athletics facility
- Support community groups to take greater ownership of the management and operation of parks and green spaces
- Through the 'Rewiring' programme the Council will develop community hubs where we can work in partnership with local communities at a neighbourhood level
- Raise standards in the private rented sector and continue to tackle homelessness through a sustained focus on early intervention and prevention
- Deliver the Community Learning Strategy and expand opportunities available to residents to promote health and wellbeing, including the development of a pilot programme focusing on living with dementia

Get York Moving

Bus journeys

Passengers per head of population (2013)



York



Yorkshire & Humber



England



Average vehicle speeds - York

Complete the Access York Project

Two new Park and Ride sites (Askham Bar and Poppleton Bar) opened on 8 June 2014 with parking capacity increased by 30% to 5,500 spaces. Associated Highway improvement works at the A59/A1237 junction were completed in August 2014. All A roads into the city are now covered by a Park & Ride option for travellers. Additional funding for further expansion is being sourced via the West Yorkshire plus Transport Fund.

Deliver Better Bus Area Funded schemes such as Exhibition Square

City Centre bus interchange facilities have been upgraded through Better Bus Area Funding at Piccadilly, Stonebow and the Station. The upgrade of the facilities at Exhibition Square, which handles around 750,000 passenger journeys a year, commenced in September with completion expected in November. Further improvements in Rougier Street have been delayed by the slower than anticipated progress of the redevelopment of Roman House St but should be in place in 2015.

Complete 20mph speed limit programme for residential areas across the city

The South Bank pilot project has been completed and its success continues to be monitored. City wide roll out is now underway and the completion of the West of York means a third of the City is now covered.

City wide progress is slower than expected as the programme has been addressing local concerns, but schemes in North and East York are due to be completed in 2014/15.

Transport Network

The condition of the Road and Pathway network has been relatively stable over the past 3 years, 16% of roads and 4% of paths were rated as poor condition in 2013/14 a rise and fall of 1% point respectively from 2012/13. Principal roads are in better condition than smaller ones, although even unclassified routes where maintenance should be considered, at 10%, is better than national and regional averages of 17%.

Focus on Cycling

The 'Cycle Yorkshire – Ride the Routes' mobile phone app has been selected as a finalist in the 'Digital Community Pioneer of the year' category of the Digital Entrepreneur Awards 2014.

York's iTravel programme led the development of the app on behalf of the Road Safety Partnership across Yorkshire & Humber. The free app, which was launched in March this year has already been downloaded over 4,000 times and is backed by Welcome to Yorkshire.

The app includes information for riders who want to follow in the tracks of both Yorkshire stages of 'Le Tour'. It incorporates flyover scenic maps of the routes, as well as videos of York based semi-pro cyclist Jamie Sharp, tackling some of the most challenging sections.

The app can be downloaded for Apple and Android devices at the link below or by searching the Google or Apple stores for 'Cycle Yorkshire':

<http://bit.ly/cycleyorkshire>

Traffic

People issued Penalty Charge Notices (PCNs) in relation to the trial traffic regulation of Lendal Bridge can now apply for refunds online through the Council's website until the end of the year. The Council's website will be updated monthly with the number of PCNs repaid and the council will publish the total cost of the Lendal Bridge settlement process after Wednesday 31st December.

Improving Movement in the City Centre

Following the success of the experimental Foot streets hours identified through the Foot streets Review, the revised Foot streets hours have now become permanent (10:30 to 17:00). The possible expansion of foot streets to additional areas continues to be investigated.

Develop York's Cycling and Pedestrian Network

The critical element of the Haxby Road to Clifton Moor Cycle route, the bridge over the Scarborough railway line, will be constructed in autumn 2014 with the full route completed early in 2015.

Phase 1 of the Knapton to Rufforth Cycle Route will be completed in 2014/15 with Phase 2 and 3 (a link to Rufforth then Knapton) to be developed in future years.

ANNEX 1

Looking Ahead... To get York moving in 2014/15 the Council will:

- Complete the Access York Project which increases the capacity of the service by 30% (2 New Park & Ride sites and the upgrade of the A59/A1237 roundabout).
- Develop York's Cycling and Pedestrian Network, inc. the Haxby Road to Clifton Moor Cycle Route
- Complete 20mph speed limit programme for residential areas across the city
- Deliver Better Bus Area Funded schemes such as Exhibition Square, Capacity enhancements to Clarence Street/Lord Mayors Walk junction, Museum Street bus shelter, and new shelter in Rougier Street
- Work with the West Yorkshire plus Transport Fund to deliver infrastructure improvements in the city including the completion of the first stages of the Outer Ring Road upgrade study, commencement of detailed design of the A1237 roundabout improvements and review of the station frontage to reduce the conflict between users and improve the interface between modes

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Economic & City Development Overview & Scrutiny Committee**28 January 2015**

Proposed Scrutiny Review on Universal Credit:
Universal Support - Local Delivery

Summary

1. The Committee wish to consider whether the implementation of Universal Credit (UC) and particularly the way that residents will access it, is a topic for scrutiny. This briefing follows on from that of 25 March 2014 and provides an update on the progress made by the Department for Work and Pensions (DWP) since then to implement UC nationally and the proposals for the provision of local support for residents through a 'Universal Support - Local Delivery' (US-LD) partnership.

Background

2. UC will replace six¹ national working age benefits. As noted in the earlier report delayed implementation meant, at that time, that most tenants would not be affected until 2016/17 and others not until after 2017. Those of pension age are not affected.
3. The DWP announced in November 2014 that a further phased national UC roll out would begin from February 2015. York is in the first tranche, going live from 16 February 2015, along with some other North Yorkshire councils: Craven, Hambleton and Ryedale. Harrogate Borough Council (HBC) has been a live site since February 2014. This is part of the DWP's twin-track approach to delivering UC by developing a strategic digital service whilst learning from further roll-out of a live service.

¹

The six benefits that will be replaced by UC for working age people are

- Income-based Jobseeker's Allowance (JSA) - not Contribution-based (CB)
- Income-related Employment and Support Allowance (ESA) - not Contribution based.
- Income Support
- Working Tax Credit
- Child Tax Credit
- Housing Benefit (HB)– this will be replaced by a Housing Credit within UC

The two tracks are described as follows:

4. **The live service:**

- April 2013: began roll out of UC to limited claimant types (single jobseekers). The DWP aims to use the live service to roll out UC and 'test and learn' about processes and policy as it evolves.
- June 2014: DWP started taking some new UC claims from job-seeking couples, and singles who are also claiming housing benefit, expanding to around 100 Jobcentres by the end of 2014 (mainly in NW England).
- November 2014: DWP started taking some new UC claims for families with children (in existing live areas).
- February 2015: DWP starts first tranche of 'accelerated' national roll out to expand UC to all 700 Jobcentres by March 2016 (for new claims for single jobseekers).

5. **The digital service:** in parallel, the DWP is developing and testing a new 'digital service' which it intends will eventually enhance the features and functionality of the current live service operation.

- November 2014: plans to start early tests of this service.
- November 2015: planned date for testing its digital service at high volumes before nationwide adoption.
- May 2016: the DWP's planned start for rolling out its new digital service to claimants nationwide.
- December 2017: DWP expects no new claims to legacy benefits.
- December 2019: the DWP's planned date for completing the transfer of 93 per cent of claimants on to UC.

6. This is a further deceleration of the already revised full roll out plans by at least two years from 2016/17 to December 2019.

There are unlikely to be any changes to the pace, scope and extent of the roll out programme before the General Election in May 2015 but the result of that election could lead to changes in UC policy.

7. The DWP expects that up to 500,000 people will receive UC by April 2016. The latest available figures from the DWP² show that 44,330 people had claimed UC during the period April 2013 to December 2014 and that at 13 November 2014 there were 22,900 active UC claims. Locally, in Harrogate Jobcentre, which went live in February 2014, there were 380 active claims, but not all of these claims included housing costs. HBC's Benefit service estimated that on 10 December 2014 they have 20 live UC housing costs claims.
8. The lack of a detailed implementation plan beyond the latest roll out programme remains a concern together with the impact that this will have on the council's ability to provide a good standard of service to customers and to retain highly skilled benefits staff.

Local Intelligence

9. At the end of November 2014 York had 10,424 Housing Benefit (HB) customers. As highlighted in the table below, of these 56% are of working age and the majority will be affected by the roll out of UC by December 2019. It is still the intention that tenants in certain 'specified' accommodation will be exempt from claiming help with their rent as part of their UC and will continue to receive HB (e.g. homeless, hostel tenants, and vulnerable people such as disabled or with mental health or other significant support needs). We estimate that around 500 tenants in York could be in this category.
10. As the table below shows, on current thinking this means that around 5,338 existing working age HB customers will need to be migrated to UC by December 2019 based on present caseload and DWP plans.

HB caseload	10,424
Pension age (44%)	4,586
Working age (56%)	5,838
less Exempt (est.)	500
Migrate by Dec 2019	5,338

11. Local authorities will continue to administer Council Tax Support (CTS) schemes - at the end of November 2014 York had 11,074 CTS

² <https://www.gov.uk/government/statistics/universal-credit-29-apr-2013-to-11-dec-2014>

customers. Note that customers can receive either HB or CTS or both. Post-UC implementation they can receive UC or CTS or both.

12. Councils will retain responsibility for awarding Discretionary Housing Payments (DHP) for all eligible customers including those on UC.
13. CYC has already started to consider the implications of UC roll out and has developed an action plan in readiness for February 2015. Plans for future roll out will take into account evolving DWP strategy and knowledge gained from our own experience.

Resources

14. The council has already seen year on year reductions in its benefit administration grant from the DWP since 2011 which has added pressure on service delivery:
 - 2011/12 £1,106,910
 - 2012/13 £1,050,137
 - 2013/14 £986,733
 - 2014/15 £911,339 (£731,930 DWP / £179,409 CLG)³
 - 2015/16 £816,891 (£662,863 DWP / £154,028 CLG)
15. Whilst this has been offset to a degree by some additional one off funding to support councils through various specific aspects of Welfare Reform implementation such as the transfer of crisis loans, the basic core funding has seen a real reduction.
16. For context the full average cost of a benefit assessor is approximately £23,000 per year.
17. It is expected that when the DWP publish detailed migration plans and the linked reduction in HB caseload becomes clear that there will also be details of a corresponding drop in the administration grant paid to councils. There is a risk that this will have implications for service resilience and the retention of experienced staff at a time when demand for support and advice will surely increase as customers move on to UC.
18. An additional pressure will be the withdrawal of Government funding from 2015/16 for Local Welfare Provision (LWP) – in York called the ‘York Financial Assistance Scheme’ (YFAS). Total funding from DWP in 13/14 was £381k and £376k for 14/15 with the council adding £100k and

³ Grant source is split from 14/15 between DWP and CLG (Communities & Local Government) as DWP only have responsibility for HB with CTS falling to CLG.

£200k respectively for each year. Cabinet agreed on 16 December 2014 to give a commitment to maintaining YFAS funding at current levels and to give an in principle consideration to direct additional council tax funding towards the scheme. The final decision will be made in February 2015 as part of the Budget report.

‘Universal Support – Local Delivery’ (US-LD)

19. The UC ‘Local Support Services Framework’ (LSSF - published February 2013⁴) was the initial title of the DWP model to provide support to claimants with complex needs who would need assistance adapting to and managing the UC claim process. It was rebranded in October 2014 as ‘Universal Support – Local Delivery’⁵ reflecting that the support itself will be available and delivered locally.
20. Local support will be available to help claimants where appropriate. This will be provided through DWP and local authority delivery partnerships – although it can include other local partners. This provides a structure for the delivery of a range of local support services to individuals needing additional help with the new demands of UC.
21. Trials and tests of Universal Support are underway in eleven sites across the country for twelve months from September 2014. The key areas of delivery that are being tested are
 - access to digital support
 - triage (the early identification of customer support needs and signposting/arranging of tailored support)
 - the development of personal budgeting support initiatives (helping claimants to obtain bank accounts, debt advice and Alternative Payment Arrangements for those who are not able to manage financially)
 - partnership development
22. UC is intended to help claimants to get used to monthly payments in arrears and to manage their finances successfully, making it easier to move into work.

⁴ <https://www.gov.uk/government/publications/universal-credit-local-support-services-framework>

⁵ <https://www.gov.uk/government/publications/universal-support-delivered-locally-information-for-local-authorities/universal-support-delivered-locally-information-for-local-authorities>

23. For example, Personal Budgeting Support services will be available to claimants who are not used to managing money on a monthly basis:
 - An on-line 'Personal Planner' is available to help claimants understand and prepare for financial changes.
 - Online budgeting tools for claimants who can help themselves - such as those offered by Money Advice Service and Citizens Advice.
 - Jobcentre Plus 'work coaches' will direct claimants to help and advice in their areas. This could include help from local organisations to open a bank account or to put together a monthly budget. Some people may also be offered support over the phone or face to face to help them.
24. There is no statutory requirement for councils to help support the delivery of UC but it is in their residents and their own interests to do so. From a CYC perspective it complements the council's anti-poverty and Financial Inclusion Strategy objectives.
25. As a result of work carried out in pilot areas the DWP recognise that there are a number of challenges around the issue of including rent in UC and they are taking a number of steps to address these. This includes incorporating the requirement for council's HB sections to provide advice to DWP UC Service Centres on matters relating to rent, as part of the local support that councils would be expected to deliver under 'US-LD'.
26. In summary, whilst councils will determine how best to deliver these services it is expected that they will specifically deliver:
 - Supported on-line access
 - Personal Budgeting Support
 - Support for UC Service Centre for queries on rent.
27. Funding arrangements should become clearer before February 2015. However, the principle of the cost model as currently envisaged is payment based on time per task and includes the following work:
 - Personal Budgeting Support - straight forward (2 hrs) / Complex (6 hrs)
 - Supported on-line access - straight forward (1 hr) / Complex (2 hrs)
 - Support for UC Service Centre - HB queries (15 - 30 mins)
 - Manual inputting of claims for CTS for residents getting UC (30 mins).Funding will also include landlord and other communication costs as well as management overheads.
28. The DWP have estimated that 1,984 York residents will make a claim for UC in the 14 months to March 2016 and that just over 10% (226 or 16

per month on average) will need help with on-line supported access and personal budgeting support. They also estimate that 283 will be entitled to CTS and that around 400 cases will require the UC Service Centre to contact CYC to get support for issues about eligible rent. This data on the likely workload that local support demand will generate is based on DWP analysis of current Jobseekers Allowance (JSA) caseload and the findings of live services elsewhere.

Pilot Experience and CYC Planning

29. Harrogate went live for new claims to UC from single people on 24 February 2014 and has been providing support under LSSF. At a recent stakeholder meeting it was confirmed that the funding arrangements were still not fully resolved. They expected very low numbers requiring support of 5 rising to 15 per month and will be providing a triage service by contacting customers the DWP have identified as possibly needing alternative payment arrangements assistance (e.g. payment to a landlord), support with personal budgeting, and supported on-line access. For customers in debt they will work with external partners, such as the Citizen's Advice Bureau (CAB). The DWP confirmed that software issues still exist but these are being worked on. Legislation will be in place by February 2015 to allow effective data sharing between DWP and relevant supporting agencies.
30. At the December 2014 North Yorkshire Benefit Managers group HBC advised that there appeared to be some deterioration in UC processing performance. This has meant it is taking longer for some customers to be notified of their award decisions and payments. There have been some problems for customers who have not been able to supply the correct paperwork to HBC in support of claims for CTS causing processing delays and on occasion contributed to HB overpayments where there has been a requirement to migrate to the new benefit. The numbers are not significant given the low volumes of UC customers and the problems are not affecting every claim. However, issues are becoming noticeable and have been reported back to the DWP to look at implementing service improvements. There are no current issues with customers being seen in local Jobcentre Plus offices to be interviewed and provided with support to find work and this part of the process is currently working well.
31. The volumes are still small and they estimate that they have 20 CTS claims made by UC claimants who are having their housing costs included in their UC rather than receiving HB. Their UC claims now include claims from couples and they expect this to be extended to include families from the end of January 2015.

32. In the year ending June 2014 Harrogate's unemployment rate amongst 16 – 64 year olds was 3.3% compared to 5% in York⁶. Although unemployment in York is higher than in Harrogate we do not expect a disproportionate impact from the introduction of UC to single job seekers.
33. The Benefits Service within Customer Services is engaging with other council departments, libraries, partners and interested organisations to look at identifying vulnerable groups, mapping services the council already provides, or are planning to provide, including access to getting on-line, assisted digital claiming, financial inclusion, and work readiness. 'Advice York'⁷ will be a key component in preparing for UC.
34. The first of a rolling programme of meetings on UC support started in March 2014. There is an on line survey which has been set up to collect information about support services already in the city, which will close in January 2015. The results from this will help inform our support services strategy which is likely to be a mix of external (partner) and internal (CYC) service provision.
35. On 15 December 2014 the Council and the DWP held the first roll out meeting with social landlords, voluntary & charitable organisations, and CYC staff. As part of the roll out programme the DWP will provide CYC with information on potential claim numbers and activity which will allow us to plan our provision in detail.

Other Impacts to Consider

36. The risks and impacts set out in paragraphs 26 to 32 of the report of 25 March 2014 remain broadly similar.

These can be summarised as

- **Digital inclusion** – councils and partners will need to ensure that customers are provided with sufficient access to the internet and with help on how to use it

⁶ Source ONS: <http://www.ons.gov.uk/ons/datasets-and-tables/index.html?pageSize=50&sortBy=none&sortDirection=none&newquery=LI01++Local+labour+market+indicators+by+Unitary+and+Local+Authority&content-type=Reference+table&content-type=Dataset>

⁷ A network of advice providers in York offering free, independent, impartial, confidential legal advice in areas of social welfare: <http://www.adviceyork.org.uk/>

- **Breach of the ‘claimant commitment’** - the tougher sanctions regime, whereby residents face reduced or withdrawn benefit/UC, will result in more vulnerable people relying on the council or partners in times of crisis
- **Impact on the private rented sector** – uncertainty remains over how rent arrears will be tackled under UC prompting almost four in ten larger landlords to say that they would reduce the number of properties they let to welfare recipients, according to research from the British Property Federation in April 2014⁸
- **Local Welfare Provision (LWP) and Discretionary Housing Payments (DHP)** – as noted in para 18 above direct DWP funding for YFAS will end from April 2015. The DHP subsidy figures from the DWP for 2015/16 have not yet been announced but a reduction is anticipated. The challenges of UC will increase customer contact, applications and potentially awards from such discretionary support schemes.
- **Getting into debt/financial exclusion** – switching to single monthly payments in arrears will be a challenge to some low income families who are already struggling. There will be increased demand for personal budgeting support and debt counselling.
- **Direct Payments** – under UC, help with rent will normally be included in the monthly UC payment to the claimant. Some tenants, whose help with housing costs (that is, through HB) is currently paid direct to the landlord, will have difficulty making the transition to managing rent payment themselves. ‘Alternative Payment Arrangements’ (e.g. direct to a landlord) will be permitted in certain circumstances, generally for a short period, to allow time to adapt. Social landlords in particular will need to review how and when they collect rent.

Conclusion

37. Implementation of US-LD is a major piece of work which supports the council’s objectives to work as ‘one’ across council departments and with partners. The lack of a ‘big bang’ approach is to be welcomed. The gradual and delayed roll out of UC will allow more time for us to test and develop with partners support services delivery and for the steady

⁸ [http://www.bpf.org.uk/en/newsroom/press_release/PR140409 - Universal Credit confusion risks driving large landlords away from housing benefit tenants.php](http://www.bpf.org.uk/en/newsroom/press_release/PR140409_-_Universal_Credit_confusion_risks_driving_large_landlords_away_from_housing_benefit_tenants.php)

adoption of locally tailored delivery models. The funding model is also likely to evolve in the light of experience.

38. Scrutiny work could look at the council and partners' preparedness for UC, the construction of the US-LD and any of the impacts to be managed by the US-LD, either individually as a group. As more information on pilots, live running sites and US-LD will emerge in the year from February 2015, it is recommended that this Committee receives an updated report in late 2015 to inform a possible scrutiny review at that point.

Recommendations

39. That the Committee note the information contained the report and agree to receive a further update report in late 2015.

Reason: To keep the Committee informed about the implementation of Universal Credit.

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**Report
Approved**

Date 13/1/15

Specialist Implications Officer(s) *None*

Wards Affected: *List wards or tick box to indicate all*

All

For further information please contact the authors of the report

Background Papers:

Economic & City Development Overview & Scrutiny Committee Report 25
March 2014

Abbreviations:

CAB - Citizens Advice Bureau
CLG - Communities & Local Government
CTS - Council Tax Support
CYC – City of York Council
DHP - Discretionary Housing Payment
DWP - Department for Work and Pensions
HB - Housing Benefit
HBC – Harrogate Borough Council
JSA – Jobseekers Allowance
LWP - Local Welfare Provision
LSSF – Local Support Service Framework
UC - Universal Credit
US-LD – Universal Support - Local Delivery
YFAS - York Financial Assistance Scheme

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Economic & City Development Overview & Scrutiny Committee**28 January 2015**

Report from the Office of the Chief Executive

Economic Dashboard and Overview of Part Time Working in York**Summary**

1. A copy of the economic dashboard is included in Annex A. This includes the same variables as previous dashboards, but is arranged in a revised format.
2. The new dashboard reflects the fact we are moving to a new automated system of Key Performance Indicators (KPI) monitoring and measurement. This will ensure that scrutiny always have the most up to date information at the time of Committee meetings.
3. This report also includes an evaluation, asked for by the Chair of Economic and City Development Overview and Scrutiny, on the current situation regarding part time working in York.
4. This report provides an analysis of part time working and finds that:
 - There are higher levels of part time working in York than in other cities in the UK for both males and females;
 - The rate of part time working is particularly high for females - Nationally York is in the top ten local authorities for part time working.
 - Part time workers in York are relatively well-paid compared to some other areas of the country. However, it is also true that part time employment on average pays a lower rate per hour than full time work.
5. Since the last scrutiny meeting, significant new data was released on 19th January, including the Centre for Cities fact book. This is produced as part of the Centre for Cities outlook work which was published on the same day. Since the last meeting, the *Annual Survey of Household and Earnings* (ASHE) data was published in November 2014. Information from the ASHE is included in both the section on part time working and the dashboard.
6. York's ranking in the series that Centre for Cities collects is included in this report. This shows that York performs very well in measures on skills and employment but performs less well on measures of housebuilding and housing affordability.

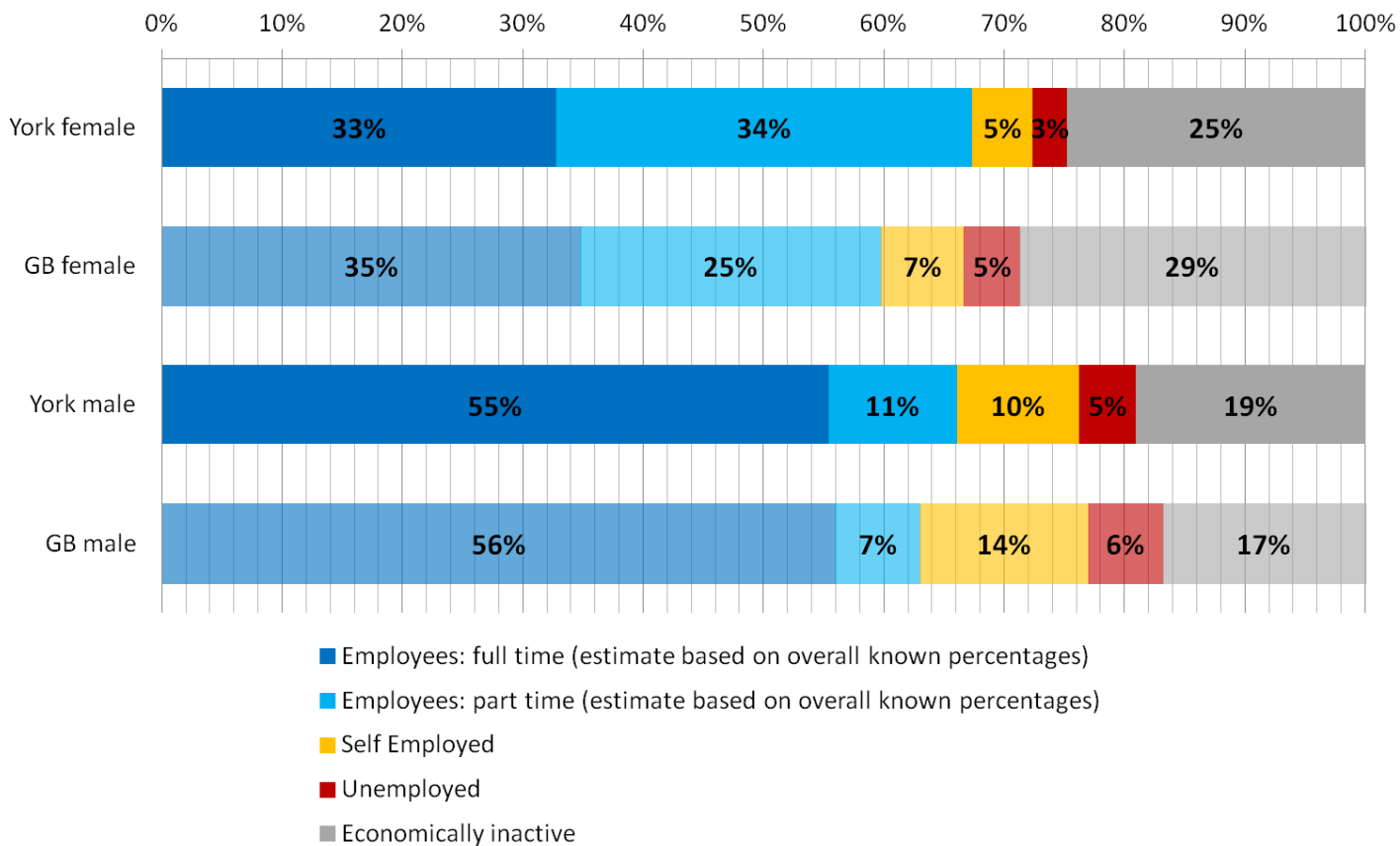
This will be updated when the data next becomes available in January 2016. Members may wish to draw their attention to these items.

Background

Part Time Working levels in York

- The proportion of part time workers in York is considerably higher in York than the national average for part time workers. Around 32,400 residents in York work on a part time basis. The majority of part time workers in York are women (24,900), and in fact over half of all working women in the city work part time. Table one compares working patterns in York with the national average.

Table 1: Male and Female Working Patterns in York versus the GB average



(March 2013, Annual population survey)

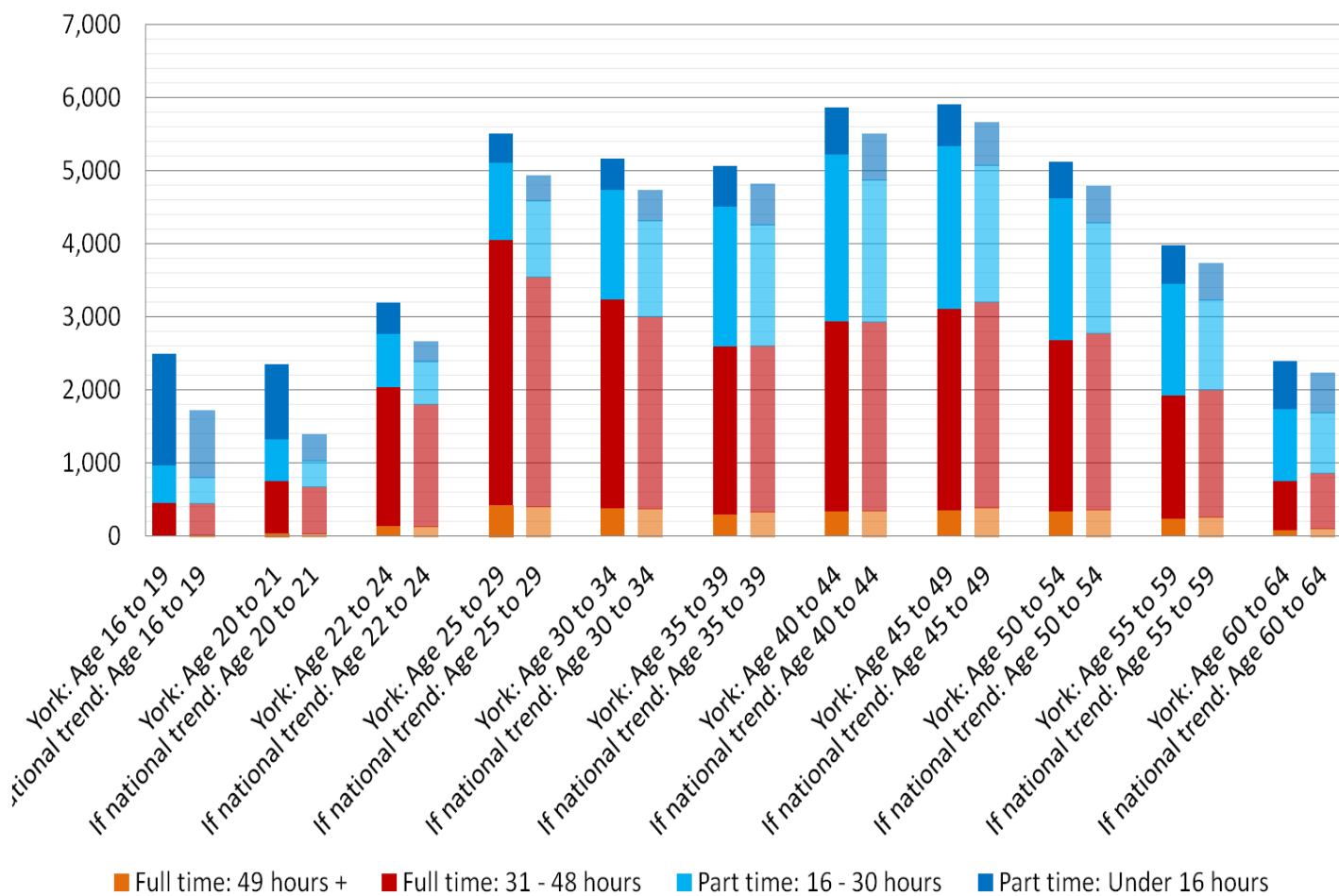
What are the implications of higher part time working rates in York?

- Whilst York has higher part time working rates than other places, without further data it would be too simplistic to imply that this is necessarily an issue for the City. There are many reasons why an individual might work part time.

It could be for reasons related to an individual’s lifestyle (for example, alongside a university course or to manage childcare or caring responsibilities) or it could be involuntary part time work where the individual in question would like to work full time but full time work is unavailable.

- Further analysis of the rate of female part time working (see table two) suggests that higher than average part time working occurs for York women in almost every age group, but is more likely to be for under 25 year olds (there is a large proportional population of students in York), and for women aged between 35 and 50.

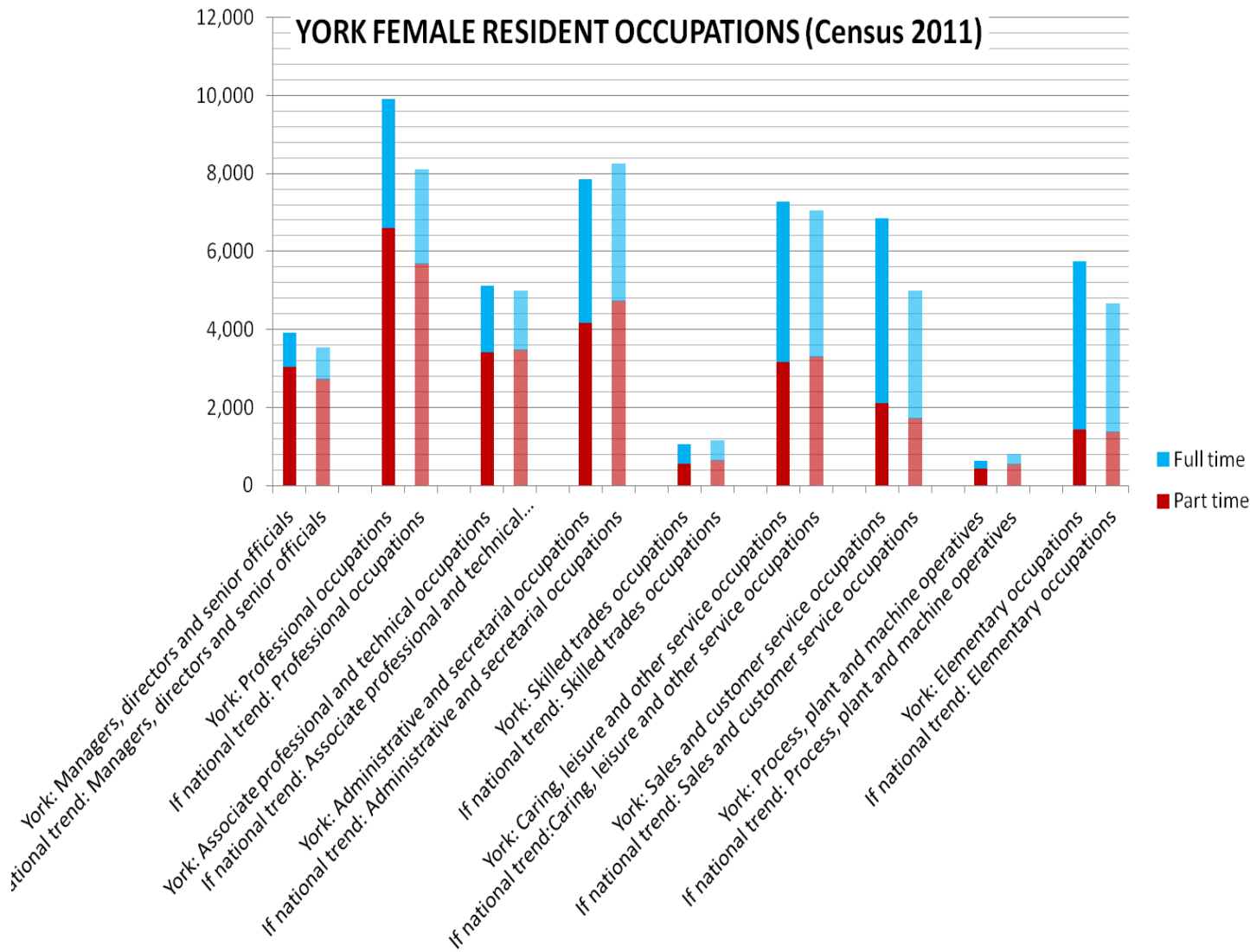
Table 2: Resident York females in full and part time employment by age

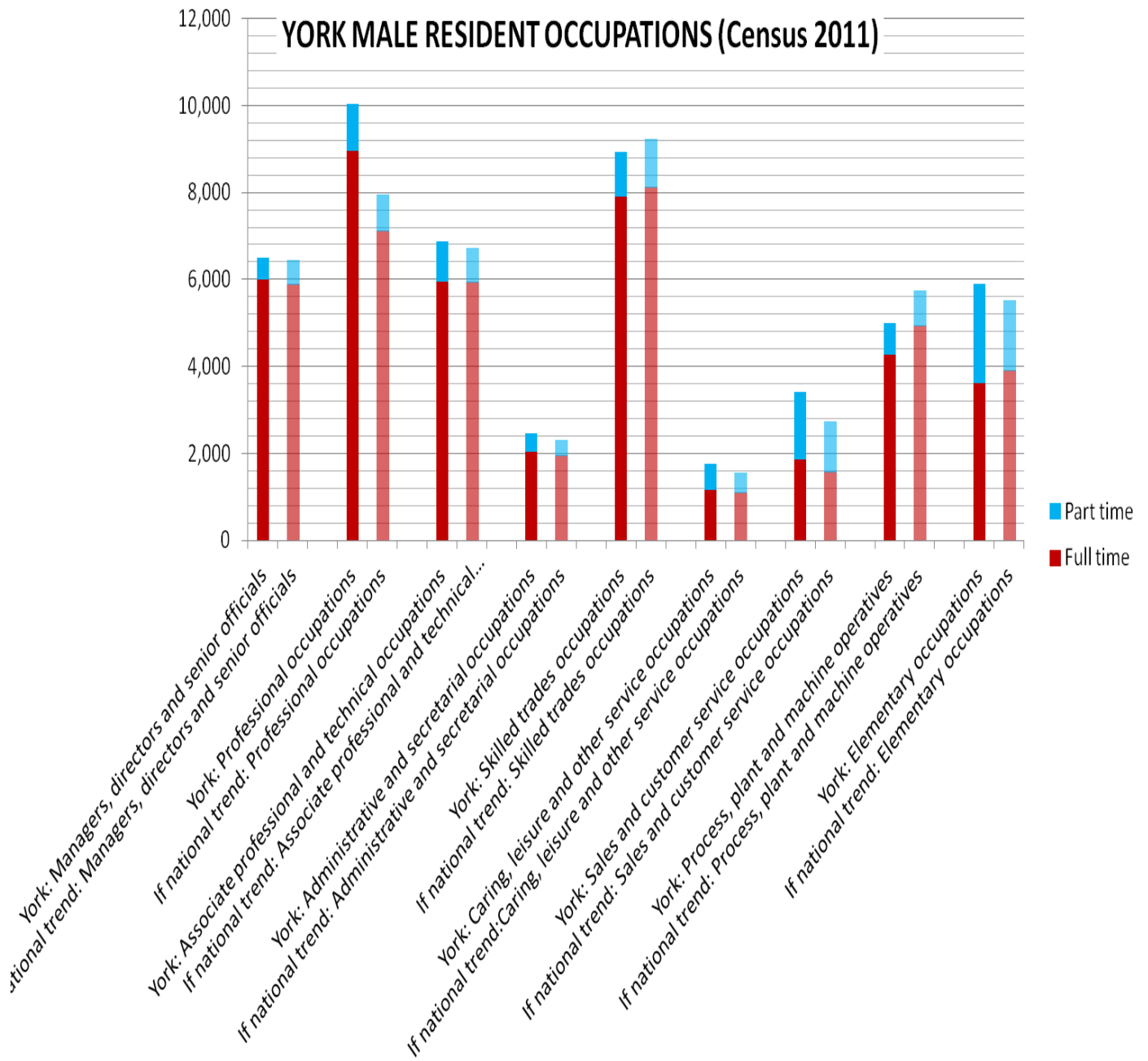


- Consequently - despite headline figures, and without investment in independent research - given the explanations above it is difficult to conclude that part-time working per se is a specific problem any more than it is at a national level.
- Nevertheless, at a national level we know part-time workers are paid lower wages and are more likely to want to work more hours, so it is important to better understand these key issues in parallel with the absolute figures.

What is the sectoral breakdown of part time jobs in York?

12. The tables below show that there are a number of occupations in York where there are a relatively large number of part time workers (i.e. more part time than full time employees). These include:
- ‘Elementary’ occupations, whereby further education is not a requirement
 - sales and customer service occupations
 - caring, leisure and other service occupations





13. Whilst this is in line with national trends, given that there are more part time workers in York, the trend here is even more acute. These sectors also tend to be occupations with lower average wages.

TOP PART TIME OCCUPATIONS (WHERE YORK ALSO HAS GREATER NUMBER OF EMPLOYEES THAN THE NATIONAL AVERAGE)	MEDIAN HOURLY WAGE (UK)
Sales and customer service occupations (specifically sales assistants and retail cashiers)	£7.14
Elementary occupations (specifically cleaners, waiters/waitresses, bar staff and kitchen assistants)	£7.15
Caring, leisure and other service occupations	£8.33

(ASHE 2014)

Do part-time employees want to work more hours?

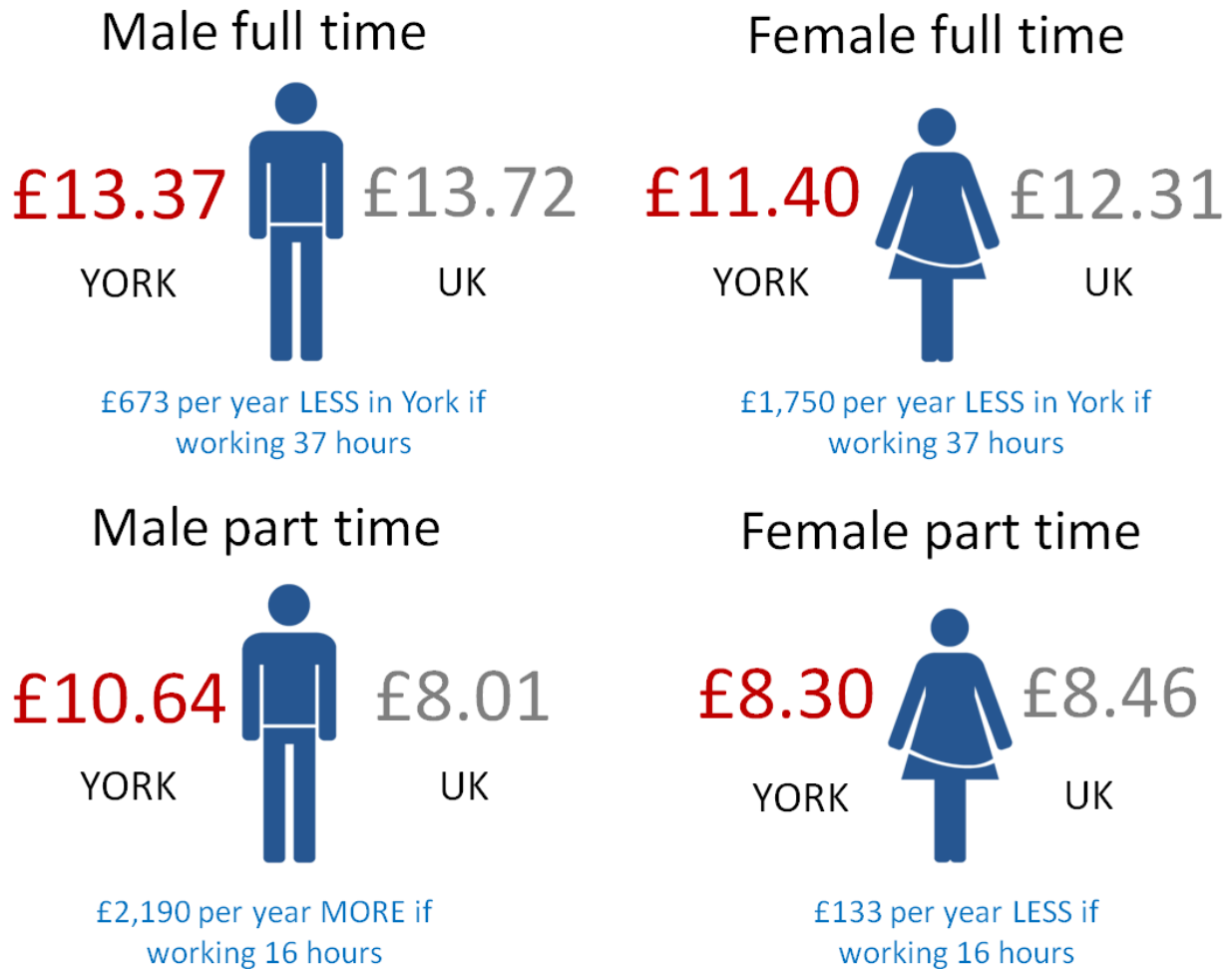
14. This is a difficult question to answer as there is no reliable local data on the issue. However, we can look at national data to see what this could mean for York. It is recognised that a number of part time workers do wish to work longer hours, and nationally we know that this figure equates to approximately 22.1%.
15. If we assume that York has the same trend as the national average, approximately 7,200 York residents currently working part time would also want to work more hours. The occupations to which this applies to also compounds the issue; they are the same as the low pay sectors highly prevalent in part time working.

TOP 3 OCCUPATIONS FOR UNDEREMPLOYMENT	NUMBER OF PEOPLE UNDEREMPLOYED (% underemployed nationally)	% OF ENTIRE WORKFORCE
Elementary Occupations	2456 (21.10%)	2.48%
Sales And Customer Service Occupations	1921 (18.72%)	1.94%
Caring, Leisure And Other Service Occupations	1251 (13.87%)	1.26%

(NOMIS 2014)

How much are part-time employees paid?

16. Part time employees typically earn less per hour than those working full time. This is largely due to the occupations and sectors in which those who work time are employed, as laid out in the table above.
17. Research shows that, both locally and nationally, female part time workers are more likely to receive lower pay than male counterparts:



Centre for Cities Rankings

18. The Centre for Cities produces annual rankings for 64 primary urban areas in the UK for a number of economic factors. The below table summarises the differences between our overall annual ranking in the raw data for 2014 and 2015. The data used for the rankings is the most recent publicly available, which is mostly from 2013 but there are some exceptions. For a more detailed examination of the information, an extract of the Centre for Cities Factbook, including information from York is included in Annex B.

Factor	Rank Centre for Cities 2014 (out of 64 cities)	Rank Centre for Cities 2015(out of 64 cities)	Change in rank
People			
Population change	11th	5 th	+6
Business & Innovation			
Business start ups per 10,000 people	24th	26 th	-2
Business stock per 10,000 population	19th	19 th	=
Patents per 100,000 population	32nd	27th	+5
GVA per worker	40th	38 th	+2
Skills			
High Level Qualifications	7th	9th	-2
No formal qualifications	7th	11th	-4
5 A*-C GCSEs including English and Maths (2013 data)	4th	1st	+3
Jobs			
Employment	13th	12th	+1
Private sector to public sector ratio	35th	39th	-4
Private sector jobs change	57th	39th	+18
Industrial structure			
Manufacturing jobs	57th	56th	+1
Knowledge intensive jobs	13th	19th	-6
Public service jobs	29 th	25th	+4
Other services jobs	22nd	20th	+2
Unemployment			
JSA claimant count	5th	4 th	+1
Youth claimant count	4th	3 rd	+1
Long term claimant count	6th	6th	=
Claimant count change	4th	9th	-5
Housing			
Average house price	13th	14th	-1
Affordability	12th	11th	+1
Connectivity			
Postcodes with superfast broadband	55th	48th	+7

19. In the Centre for Cities headline report, the organisation analyses in more detail both the differences in rankings over time and, for JSA, comparisons between the best and worst wards within cities.
20. In this analysis, York scores well in the measures around skills and employment. York scores well in terms of inequality (the ratio between job seekers allowance rates in rich vs poor wards), where the city is 5th overall for the UK. We perform less well on housing availability and costs. The city has moved up the overall rankings in terms of housing affordability ratios (i.e. housing is less affordable compared to earnings) and we are the second lowest rank in terms of new house building.
21. Other notable headline stats include:
 - We are the number one city in the UK in terms of GCSE results.
 - We have improved our overall ranking for the creation of private sector jobs by 18 places.
 - We are in the top 10 for all measures on unemployment (indicating low unemployment) and skills (indicated high levels of skills).
 - We have improved on broadband connectivity, but still remain in the bottom half of all cities. This is partly because (i) the data only takes account of BT lines, (ii) York has a higher proportion of rural postcodes and the data covers 2014 which does not capture the ultrafast broadband rollout which will take place in 2015/16.

Council Plan

22. This paper is for information only but the information here is relevant against performance for the Create Jobs and Grow the Economy council priorities.

Implications

23. This paper is for information only.

Financial

24. Paper is for information only

Human Resources (HR)

25. Paper is for information only

Equalities

26. Paper is for information only

Legal

27. Paper is for information only

Recommendations

28. Members are asked to note the contents of this report.

Reason: So the Committee is kept informed about the part-time working situation in York and is updated on economic indicators included in the dashboard.

Author:	Chief Officer responsible for the report:		
Author's name Phil Witcherley	Chief Officer's name Kersten England		
Dept Name: Office of the Chief Executive	Title Chief Executive, City of York Council		
Tel No. 553343	Report Approved	<input checked="" type="checkbox"/>	Date 20/01/15
Wards Affected: <i>List wards or tick box to indicate all</i>			All <input checked="" type="checkbox"/>

Annexes

Annex A – Economic Scrutiny and Overview Dashboard as updated on 19th January, 2015

Annex B – Extract from Centre for Cities Factbook – York

Create Jobs and Grow the Economy 2014/2015

Produced by the Shared Intelligence Bureau January 2015

No of Indicators shown : 63

Direction of Travel shows the trend of how an indicator is performing against its Polarity over time

Page 1 of 4



			Previous Years			2014/2015							
Quarterly Indicators			Collection Frequency	2011/2012	2012/2013	2013/2014	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Target	Polarity	Direction of Travel
Benefits	CJGE06	JSA Claimants: % of Working Age Population (16-64)	Monthly	2.70%	2.30%	1.60%	1.20%	1.00%	-	-	-	Up is Bad	Good
		Benchmark - National Data	Monthly	4.00%	3.80%	2.90%	2.40%	2.20%	-	-	-		
		Benchmark - Regional Data	Monthly	5.00%	4.90%	3.80%	3.20%	2.90%	-	-	-		
	CJGE07	JSA Claimants: % of Working Age Population (18-24)	Monthly	3.50%	2.50%	1.50%	0.90%	1.10%	-	-	-	Up is Bad	Good
		Benchmark - National Data	Monthly	8.30%	7.10%	5.00%	3.90%	3.70%	-	-	-		
		Benchmark - Regional Data	Monthly	9.90%	9.00%	6.40%	5.10%	4.90%	-	-	-		
	CJGE08	JSA Claimants: % of Working Age Population (16-64) (Over one year)	Monthly	0.50%	0.50%	0.40%	0.30%	0.30%	-	-	-	Up is Bad	Good
		Benchmark - National Data	Monthly	0.90%	1.00%	0.80%	0.70%	0.70%	-	-	-		
		Benchmark - Regional Data	Monthly	1.10%	1.40%	1.20%	1.10%	1.00%	-	-	-		
	CJGE38	Total Benefit Claimants (Working Age 16-64)	Quarterly	12,210	11,510	10,670	10,180	-	-	-	-	Up is Bad	Good
	CJGE09	% Total Benefit Claimants (Working Age 16-64)	Quarterly	9.20%	8.60%	7.90%	7.60%	-	-	-	-	Up is Bad	Good
		Benchmark - National Data	Quarterly	14.80%	14.30%	13.30%	12.90%	-	-	-	-		
		Benchmark - Regional Data	Quarterly	16.30%	15.90%	14.90%	14.40%	-	-	-	-		
	CJGE39	Lone Parents (Working Age 16-64)	Quarterly	1,100	910	850	840	-	-	-	-	Up is Bad	Good
	CJGE10	% Lone Parents (Working Age 16-64)	Quarterly	0.80%	0.70%	0.60%	0.60%	-	-	-	-	Up is Bad	Neutral
Benchmark - National Data		Quarterly	1.50%	1.30%	1.20%	1.20%	-	-	-	-			
Benchmark - Regional Data		Quarterly	1.50%	1.30%	1.30%	1.30%	-	-	-	-			

Create Jobs and Grow the Economy 2014/2015

Produced by the Shared Intelligence Bureau January 2015

No of Indicators shown : 63

Direction of Travel shows the trend of how an indicator is performing against its Polarity over time

Page 2 of 4



	Quarterly Indicators		Collection Frequency	Previous Years			2014/2015					Polarity	Direction of Travel
				2011/2012	2012/2013	2013/2014	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Target		
Benefits	CJGE11	Workless Households % of all Households	Discontinued	14.90%	13.20%	-	-	-	-	-	-	Up is Bad	Good
Business	CJGE22	Number of vacant city centre shops	Monthly	55	40	42	46	45	45	-	-	Up is Bad	Good
	CJGE23	% of vacant city centre shops	Monthly	8.16%	5.95%	6.25%	6.90%	6.75%	6.73%	-	-	Up is Bad	Good
	CJGE27	Total Businesses	Annual	7,870	8,010	8,135	-	-	-	-	-	Up is Good	Neutral
	CJGE28	Business Births	Annual	655	720	945	-	-	-	-	-	Up is Good	Good
	CJGE29	Business Deaths	Annual	605	635	600	-	-	-	-	-	Up is Bad	Neutral
	CJGE30	GVA per head (£)	Annual	22,390	23,084	23,483	-	-	-	-	-	Up is Good	Good
	CJGE31	Total GVA (£ billion)	Annual	4.43	4.62	4.75	-	-	-	-	-	Up is Good	Good
CJGE32	Business Start - ups (YTD)	Quarterly	1,588	1,494	1,155	324	613	-	-	-	Up is Good	Neutral	
Centre for Cities	CJGE33	Employment rate (%) (Rank out of 64)	Annual	6	13	12	-	-	-	-	-	Up is Bad	Good
	CJGE34	Working age population with qualification at NVQ4+ (%) (Rank out of 64)	Annual	9	11	10	-	-	-	-	-	Up is Bad	Good
	CJGE35	Total CO2 emissions per capita (t) (Rank out of 64)	Annual	28	28	28	-	-	-	-	-	Up is Good	Neutral
	CJGE36	Business stock per 10,000 population (Rank out of 64)	Annual	24	21	20	-	-	-	-	-	Up is Bad	Good
	CJGE37	GVA £ per head (Rank out of 64)	Annual	16	14	15	-	-	-	-	-	Up is Bad	Neutral
CJGE40	Overall Rank (Rank out of 64)	Annual	17	18	17	-	-	-	-	-	Up is Bad	Good	
Deprivation and Poverty	CJGE13	Proportion of Children in Child Poverty (HMRC)	Annual	12.50%	11.10%	-	-	-	-	-	-	Up is Bad	Good

Create Jobs and Grow the Economy 2014/2015

Produced by the Shared Intelligence Bureau January 2015

No of Indicators shown : 63

Direction of Travel shows the trend of how an indicator is performing against its Polarity over time

Page 3 of 4



			Previous Years			2014/2015							
Quarterly Indicators			Collection Frequency	2011/2012	2012/2013	2013/2014	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Target	Polarity	Direction of Travel
Earnings	CJGE14	Average earnings of residents - Gross Weekly Pay (£)	Annual	487.6	523.1	526.5	-	478.7	-	-	-	Up is Good	Bad
		Benchmark - National Data	Annual	500.2	508.3	517.9	-	520.8	-	-	-		
		Benchmark - Regional Data	Annual	461.7	465.2	479.1	-	479.0	-	-	-		
	CJGE15	Average earnings of residents - (% difference York & GB)	Annual	-2.58%	2.83%	1.63%	-	-8.79%	-	-	-	Up is Good	Bad
	CJGE16	Earnings gap between the 25 percentile and the median (York)	Annual	216.5	244.1	237.9	-	181.7	-	-	-	Up is Bad	Good
Education (Adult)	CJGE17	% of working age population qualified - No qualifications	Annual	6.80%	6.40%	6.90%	-	-	-	-	-	Up is Bad	Bad
		Benchmark - National Data	Annual	10.60%	9.70%	9.30%	-	-	-	-	-		
		Benchmark - Regional Data	Annual	11.90%	11.50%	10.40%	-	-	-	-	-		
	CJGE18	% of working age population qualified - to at least L2 and above*	Annual	77.10%	79.80%	80.20%	-	-	-	-	-	Up is Good	Neutral
		Benchmark - National Data	Annual	69.70%	71.80%	72.50%	-	-	-	-	-		
		Benchmark - Regional Data	Annual	66.60%	68.70%	69.50%	-	-	-	-	-		
	CJGE19	% of working age population qualified - to at least L3 and above*	Annual	60.60%	65.60%	65.70%	-	-	-	-	-	Up is Good	Neutral
		Benchmark - National Data	Annual	52.70%	55.10%	55.80%	-	-	-	-	-		
		Benchmark - Regional Data	Annual	48.00%	51.50%	51.80%	-	-	-	-	-		
	CJGE20	% of working age population qualified - to at least L4 and above*	Annual	40.80%	41.30%	40.60%	-	-	-	-	-	Up is Good	Neutral
		Benchmark - National Data	Annual	32.90%	34.40%	35.20%	-	-	-	-	-		
		Benchmark - Regional Data	Annual	27.50%	29.70%	30.00%	-	-	-	-	-		

Create Jobs and Grow the Economy 2014/2015

Produced by the Shared Intelligence Bureau January 2015

No of Indicators shown : 63

Direction of Travel shows the trend of how an indicator is performing against its Polarity over time

Page 4 of 4



			Previous Years			2014/2015							
Quarterly Indicators			Collection Frequency	2011/2012	2012/2013	2013/2014	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Target	Polarity	Direction of Travel
Employment	CJGE01	Total In Employment	Annual	106,900	104,600	105,400	-	-	-	-	-	Up is Good	Neutral
	CJGE02	Total Employee Jobs	Annual	103,500	101,600	102,400	-	-	-	-	-	Up is Good	Neutral
	CJGE03	York's unemployment rate below the national	Quarterly	1.90%	2.20%	2.40%	2.20%	-	-	-	-	Up is Good	Neutral
	CJGE04	% of Full-time employees	Quarterly	67.50%	67.70%	65.90%	66.10%	-	-	-	-	Up is Good	Neutral
		Benchmark - National Data	Quarterly	74.00%	73.80%	74.10%	74.20%	-	-	-	-		
		Benchmark - Regional Data	Quarterly	72.70%	72.60%	72.90%	73.20%	-	-	-	-		
	CJGE05	% of Part time employees	Quarterly	32.50%	32.10%	33.60%	33.20%	-	-	-	-	Up is Bad	Neutral
		Benchmark - National Data	Quarterly	25.80%	25.70%	25.40%	25.30%	-	-	-	-		
		Benchmark - Regional Data	Quarterly	26.90%	26.80%	26.50%	26.30%	-	-	-	-		
	CJGE21	% of young people not in education, employment or training	Annual	5.60%	4.90%	4.20%	-	-	-	-	-	Up is Bad	Good
Benchmark - National Data		Annual	6.10%	5.80%	5.30%	-	-	-	-	-			
Benchmark - Regional Data		Annual	7.10%	6.30%	5.70%	-	-	-	-	-			
Safeguarding (Young People)	CJGE12	Children under 16 in Workless Households	Discontinued	10.10%	6.10%	-	-	-	-	-	-	Up is Bad	Good

Annex B: Extract from Centre for Cities – York Rankings



Local authorities in PUA:

York

	Rank	Rank
area km²	270 (30/e4)	
people		
Total population, 2013	202,400 (50/e4)	
Population change, 2012-13		1.2% (5/e4)
business & innovation		
Business start-ups per 10,000 pop, 2013		46.7 (20/e4)
Business stock per 10,000 pop, 2013		309 (10/e4)
Patents per 100,000 pop, 2013		3.5 (27/e4)
Gross Value Added (£bn), 2013	£4.8 (43/e3)	
GVA per worker, 2013	£45,500 (30/e3)	
skills		
High level qualifications, 2013	57,900	40.6% (0/e4)
No formal qualifications, 2013	9,900	6.9% (11/e4)
5A*-C GCSEs inc. Maths & Eng., 2013		67.4% (1/e3)
jobs		
Employment, 2014	105,800	74.4% (12/e4)
Private to public sector ratio, 2013		2.2 (20/e4)
Private sector jobs change 2012-13	400	0.6% (20/e3)
industrial structure		
Manufacturing jobs, 2013	4,100	3.9% (50/e3)
Knowledge intensive service jobs, 2013	17,900	17.1% (10/e3)
Public service jobs, 2013	33,000	31.5% (25/e3)
Other services, 2013	45,200	43.2% (20/e3)
earnings		
Average weekly wages, 2014	£447 (44/e4)	
Change in real wages, 2013-14	-£19 (45/e4)	-4.3% (40/e4)
unemployment		
JSA claimant count, Nov 2014	1,230	0.9% (4/e4)
Youth claimant count, Nov 2014	250	0.7% (3/e4)
Long term claimant count, Nov 2014	320	0.2% (0/e4)
Claimant count change, from Feb 2008	-630	-0.5 (0/e4)
housing		
Average house price, 2014	£218,800 (14/e3)	
Affordability ratio, 2014		9.1 (11/e3)
environment		
CO ₂ emissions per capita (t), 2012		5.6 (10/e4)
digital connectivity		
Postcodes with super-fast broadband, 2014		66.1% (40/e3)

LEP: York is in both the Leeds City Region and the York and North Yorkshire LEPs.

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**Economic and City Development Overview
and Scrutiny Committee**

28 January 2015

Report of the Director of City & Environmental Services

Brownfield and Infrastructure Report Publication**Summary**

1. This report has been brought at the request of the Chair of Economic and City Development Overview and Scrutiny Committee (ECDOSC). The request coming as a result of the appearance of a report (**Annex A**) to Council Management Team prepared by the Director of City and Environmental Services (CES) on the York Press website.

Recommendations

2. Members are asked to note the status of the report, its method of release and the route by which the issues raised are to be formally brought for consideration by Members.

Background

3. As part of the ongoing work of the Audit and Governance Committee papers have been presented in November 2013 and April 2014 outlining the approach that the Council is adopting in respect of project Management and Project Boards.
4. Over the same period the Council was managing the cessation of Lendal Bridge trial and the Chief Executive had commissioned a review of the management structures and processes relevant to this specific project from Crown Management Services (CMS).
5. In May 2014 a new interim Director of CES and Assistant Director of Transport, Highways and Waste were appointed and have been responding to the need for a more structured and robust management processes, in addition to the issues identified by the above strands of work.

6. As part of the process the Director of CES brought a report to the Council's Management Team (CMT) for consideration of proposals for delivering brown field and infrastructure projects. The status of this report is a management discussion document for the Council's Management Team, it includes a number of specific staffing and cost issues which the management team was asked to consider.
7. Subsequent to the discussion of the report by CMT on 12 November 2014, the Council's Audit and Governance Committee has requested a report as to the outcome of the CMS report and the Council has received a Freedom of Information request for the management discussion document.
8. In light of the confidential contents of the management discussion document it was released by the Director of CES in redacted form due to the confidential nature of some of the contents.
9. In order that this committee can contextualise the management discussion document in the evolution of the management of projects, the latest draft of the report which is due to be considered by Audit and Governance is also included at **Annex B**. It should be noted that due to later date of the Audit and Governance Committee this is not the final version of the report that Audit and Governance will be asked to formally consider.

Consultation

10. No Consultation has been necessary for this report.

Options

11. There are no options associated with this report.

Council Plan

12. This report has no implications for the Council Plan.

Implications

13. **Financial:** There are no financial implications associated with this report.
14. **Human Resources (HR):** There are no HR implications associated with this report.

15. **Equalities:** There are no equalities issues associated with this report.

16. **Legal** there are no equalities issues associated with this report.

Risk Management

17. There are no risks associated with this report.

Contact Details

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Chief Officer responsible for the report:

Sarah Tanburn

Director
City & Environmental Services

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**Report
Approved**

Date *Insert Date*

Specialist Implications Officer(s): None

Wards Affected: Guildhall

All

For further information please contact the author of the report

Background Papers:

None


Annexes

Annex A Brownfield and Infrastructure report redacted

Annex B Audit & Governance Committee Report - Lendal Bridge Trial

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CONFIDENTIAL : HUMAN RESOURCES IMPLICATIONS

	
COUNCIL MANAGEMENT TEAM	Date of meeting
Report of the Interim Director of City & Environmental Services	12 November 2014

DELIVERING BROWNFIELD SITES AND INFRASTRUCTURE: PROJECT GOVERNANCE, MANAGEMENT, PLANNING AND FINANCE

This paper sets out a proposed approach to delivering core regeneration projects within the Infrastructure Delivery Plan. CMT are asked to consider core principles of sound governance for major projects.

If the Council wishes to deliver large scale complex projects and brownfield sites some investment is needed alongside that governance. This paper proposes a Major Projects Team to drive the work, and so is closely related to a bid being made to CRAM/EIF and potentially any growth. I have also set out the emerging thinking about both strategic planning and development management in the current situation.

RECOMMENDATIONS:

- (1) That CMT agree to the establishment of an Infrastructure Delivery Board and associated major project governance structures as set out in this paper
- (2) That CMT agree to the prioritisation of major projects as set out here
- (3) That CMT note the potential financial implications for both the EIF and the revenue budget of planning to deliver major infrastructure projects
- (4) That CMT note the fall-back position for infrastructure delivery at para 3.6 should funding prove unavailable, which would restrict focus to the Stadium, outer ring-road and York Central.

1. City Growth: the Infrastructure Delivery Plan and Major Projects

- 1.1 The Council is committed to inclusive, managed growth which enables quality housing, employment and environmental quality and underpins financial stability for the future. Much of this strategy is articulated in the Local Plan (see separate paragraph on planning

CONFIDENTIAL : HUMAN RESOURCES IMPLICATIONS

below.) The Plan incorporates a significant level of infrastructure which in turn is captured in the emerging Infrastructure Delivery Plan.¹

- 1.2 In addition the Council is committed to certain major projects which bring forward brownfield sites, combine or contribute to key infrastructure, facilitate growth (particularly a more robust economic profile) or significantly affect a large area. These are discussed in more detail in the next section
- 1.3 There is a final category of looming requirements which might be considered within the same governance expectations.
- 1.3 The programme which emerges from combining the major projects and the IDP can be divided into five streams which have somewhat different funding and management trajectories:

Element	Major funding sources	Comments
On site infrastructure required by growth eg schools, onsite roads, affordable housing, health, open space	Primarily funded by the site itself or a combination of local sites (section 106). Viability studies have taken our policy expectations into account though of course developers will still negotiate and the arguments around affordable housing are particularly complex.	1. Where an element of this infrastructure gets funded elsewhere we should ensure the released s106 demand is available to fund other items. This requires some forethought given planning gain regulations. 2. Otherwise this delivery will be part of the planning process.
Strategic Infrastructure	A significant proportion (c10%) is likely (but not guaranteed) to be secured through WYTF+ and LGF. A further element (maybe 40%) will come from the CIL. We are developing a strong narrative to support access to funding through the next 10 years.	This is almost entirely roads, particularly the dualling of the northern ring road. It includes some smaller items, eg site remediation at York Central (subject to a bid to LCR LEP).

¹ In formal terms the IDP is in turn what drives the Community Infrastructure Levy. I am using it here to encompass a range of items, some of which fall outwith that formal definition but are key to the overall success (eg the Stadium). In this context the Local Plan is the emerging draft, any growth will have infrastructure requirements.

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Major Projects – particularly York Central & Station; Castle Piccadilly; the Guildhall; the Stadium; Reinvigorate York and the Public Realm; and the Fund of Funds	Many and various and may well include private sector, repayable resources.	See section 2
Transport capital investment including BBAF, LSTF, Scarborough Rail Bridge etc	Primarily the WYTF+ and special government funds though some may be funded from the Council's resources.	Managed through the Transport Team and the Transport Capital Board. Some overlap with strategic infrastructure above.
'Looming projects' that might be considered in the major projects programme for the purposes of good governance.	Various depending on topic. Not all are capital-oriented.	At the moment not the subject of this paper.

2. Major projects and major planning applications: definitions and inclusions

2.1 CES has conducted a two stage review of major projects to consider which the priorities are and which need additional resources to manage delivery. This process has shaken out two particularly important criteria:

- *The distinction between a major planning application and a major project:* a planning application (such as British Sugar) may be on a large scale requiring dedicated resources and skills to ensure a good outcome. However (once the Manor School site is sold) little additional corporate input is needed to secure the development although the occasional intervention to manage relationships might be needed.
- *Timeliness and objectives of Council intervention:* a project may present opportunities for the Council but, perhaps due to recalcitrance by the landowner or other uncontrollable factors be undeliverable at the moment. In such a case, the Council will maintain relationships and observe closely but would not prioritise the project for management interventions.

2.2 We are separately reviewing the projected needs for the development management of major applications and statutory responsibilities such as Village Design Statements and other community planning work.

2.3 This gives rise to the following classification of major land/building/site based activities:

CONFIDENTIAL : HUMAN RESOURCES IMPLICATIONS

Major project and sponsor	Priority and Stream	Comment
York Central and York Station (Director, CES)	Primarily strategic site (as YC is an opportunity zone in the LP) though the Station project is transport dominated	<ol style="list-style-type: none"> 1. Internally I am combining these into one oversight Board. NR will do the same when they take back the station in March. Joint board will cover both projects. 2. Multi-million pound project with big investment from WYTF+. 3. The financial envelope for capturing ROI for infrastructure will be key.
Castle Piccadilly AD (Development Services, Planning and Regeneration)	Primarily strategic site (CP the other opportunity zone) with important employment, heritage, public realm and transport (bus) elements	<ol style="list-style-type: none"> 1. This was not a high priority but the opportunities offered by the LaSalle collapse and the One Public Estate project are enormous and should be seized. 2. (Like YC) the area has a chequered history of failed attempts. 3. It is really important that we retain employment in the Zone but also 4. CYC needs to maximise transport thinking in the light of the long term strategy of reducing traffic in the city centre while maximising economic potential
Stadium Directors CES and CANS)	Major project	A key exemplar of the resources needed to bring a large scale project forward.
Guildhall AD Finance, Asset Management and Procurement	Major project	I have just joined the project board and have started discussing interim uses with the project manager.
Biovale CEX	Major project but site works managed by University	Key relationship for CYC. Significant LEP investment.
Reinvigorate York/public realm AD (Highways Transport and Waste)	Major project/transport project	<p>We have 'paused' the next major RY sites, while work is proceeding on the theatre interchange and the wayfinding project. We are also progressing the design work for Fossgate and Exhibition Square to be ready for what comes next.</p> <p>The programme must be intimately linked to our transport vision and proposals which come forward after the Congestion Commission.</p>
Fund of Funds	Major project/enabling	We need an effective way to both corral the money needed for the IDP and Major

CONFIDENTIAL : HUMAN RESOURCES IMPLICATIONS

Director, CES		Projects programme and a way to channel ROI when called for. This project needs specialist support and officers are working on the way to get what is needed.
Nestle	Major project	Although developers are very interested, the site is caught up in Switzerland.
Barbican	Limited project work to bring	In a range of developer discussions.
Hungate	Major planning app on site	Building work well underway. New masterplan anticipated.
British Sugar	Some project work, morphing into a major planning app	Once the Manor School site is sold, this will primarily be a planning matter and can be dealt with accordingly
Whinthorpe	Major planning app but at the moment not a project in other senses	In detailed discussions on masterplan
Clifton Moor	Major planning app but at the moment not a project in other senses	In masterplan discussions.
Outer Ring Road AD, Highways, Transport and Waste	Major transport project	Roundabouts very likely to receive WYTF+ funding. ORR project structure being established. Once funding and approach to dualling confirmed this will be a huge engineering but simpler management task.
Scarborough rail bridge	Smaller but high profile transport project	Seeking £1.5m funding but once obtained should not be too complex to achieve.
Other transport projects	Range of projects	Managed through Transport Capital Board.

2.4 This table suggests that York Central & Station, Castle Piccadilly, the Stadium, the Guildhall, Biovale, the Outer Ring Road and the Fund of Funds are the key priorities for the next 18 months, with a watching brief for the public realm while the Congestion Commission runs. I have assumed these priorities in what follows.

3. A corporate approach to major projects

3.1 In considering the Council's success on major projects a few features stand out:

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- Planning led projects have been slow but Hungate is on site. However, there are real challenges in DM and PEM in enabling the future large sites, both in terms of capacity and expertise. There is also a national shortage of planners.
- A huge transport investment has been completed this year, CYC has a very successful delivery record in sustainable transport and our highway network is broadly in good repair.
- The Stadium is the fastest progressing project and the only one with a dedicated team led by an experienced project manager.
- Partners and stakeholders are sceptical of CYCs ability to deliver on non-transport led projects. This gets in the way of delivery as ever higher commitments are requested
- At times projects get caught up in debates that are not primarily about the project itself, and need to be mindful of the Council's commercial interests and negotiations. Political uncertainty can mean that potential partners and investors view York as high risk.
- Management and governance of some projects has been inconsistent, sometimes with insufficient evidence of project delivery skills required.
- Corporate ambitions, eg for local labour, have not been consistently revised and need a stronger focus.
- Alluring and retaining investors is fundamental to success.

3.2 I am therefore proposing that, via CMT, we agree a corporate approach to major projects. Appendix One sets out an approach based on the following elements:

- *Clear standards of project management and governance:* every project setting up governance arrangements within specific parameters,
- *Introducing gateways* for next steps (especially procurement and comms), proper allocation of budgets for projects and measurable KPIs.
- *Transparency of projects:* meaning regular reporting to CMT alongside understanding and adherence to disciplines around confidentiality, single negotiating partners etc
- *Prioritisation:* the table above suggests prioritisation of certain projects. CMT should resist adding to the list without proper initiation and agreement
- *Skills and capacity:* the Council (like others) nor to maximise appropriate project management skills.

3.3 I am also specifically suggesting CMT sets up an Infrastructure Delivery Board which has oversight of all the above, reports formally to CMT (or CMT/Cabinet) once a quarter, improves the six-monthly reporting to EDSOC and ensures that projects meet the requirements of management, gateways, transparency and resource management we should expect. This Board would be chaired by the Director of CES and CMT membership should include at least Director of CBSS.

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4. Member oversight

4.1 Member involvement in major projects varies, including:

- The Stadium Project Board with three members on it, which has functioned well
- The new cross-party steering group on York Central
- A six-monthly update to EDSOC (but not Cabinet) on major projects.
- Updates to the Cabinet Member on transport capital projects

There is no one approach but we do need to work with members to understand their wishes and the parameters of engagement. Appendix One suggests that for every major project, at PID stage, member involvement and oversight must be articulated and confirmed, together with a six-monthly report to Cabinet on progress.

[REDACTED]

[Redacted]

[Redacted]

6. Financial approach

6.1 CES DMT has considered this matter in detail. A crude assessment of the resources the Council will need to deliver these projects is as follows (excluding on-site infrastructure):

[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]
[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]
[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]
[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]
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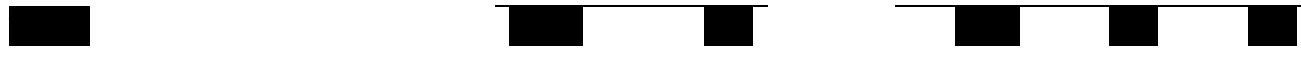
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- 6.5 In discussion, officers have agreed that we will scope this request and then consider the funding sources (capital, EIF etc) as it is a complex equation. Subject to this discussion I will be further discussing it with Finance to inform the final bid. In summary, I would be bidding for [REDACTED] in the first year, decreasing slightly in the following two years, to maximise the City's position in the economic cycle and opportunities and maximise brownfield sites.
- 6.6 I would reiterate that if we do not properly resource projects they will not get delivered. The experience of the last year across all these projects shows the importance of this. A coordinated approach to delivery will offer reduced costs in shared procurement and expertise
- 6.7 If the funding above is not available I propose that, in addition to agreeing the governance protocols proposed, I will establish a small group, including the Stadium team and a much reduced investment from EIF. I will review the Regeneration Team, for whom funding disappears in September 15, and potential resources for project management of York Central. In this situation, York Central would be the only major project to be progressed (besides the stadium and outer ring road.)

7. Next steps

7.1 An Infrastructure Delivery team needs:

- *Project management skills*: this might be Prince 2 but not necessarily. The ability to programme the work, identify dependencies and sequence tasks, manage effective governance, assess and manage risks, manage multiparty funding streams, assess and act on commercial, legal and other advice and manage effective negotiations.

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- *Strong advice and support* to ensure good management of process, robust commercial and legal advice, financial propriety and due diligence. This advice needs to be robustly procured (inhouse or externally) and kept within the overall strategic framework to be delivered by the programme.
- *Resilience and focus*: all of these projects are a long term game. It requires considerable determination by the team and the framework in which to get on with the job. These attributes have not been granted to any project but the Stadium (and the Local Plan itself).
- *Investor Confidence and Relationship development* : creating relationships and vehicles to ensure York is attractive to investors.
- *Relevant specialist capacity*: this will vary. For instance York Central must have masterplanning expertise and leisure management understanding is important to the Stadium, while both heritage and commercial acumen matter to the Guildhall.

7.2 Given these features it is recommended that these posts are permanent recruitments, though the ending of a project will make a postholder vulnerable to redundancy. Specific project teams would be recruited once finance is available and business plans agreed, and may be on time limited contracts.

7.3 The outline timetable would be:

12/11/14 Discussion at CMT including detailed governance proposals for major projects

By 30/11/14 Establish Infrastructure Delivery Board

By Xmas Agree detailed way forward including budget implications as far as possible

During January With JDs etc publish proposals and engage in consultation. Creation of new Unit

By end of March Dissolution of existing structures

7.4 Tim Atkins will be providing me with significant support to establish the new approach, Board and unit and we have rejigged some stadium work to accommodate this. However, a great deal of it will need my direct intervention. At the end of it, we should have a robust and adequately resourced structure to deliver these key ambitions.

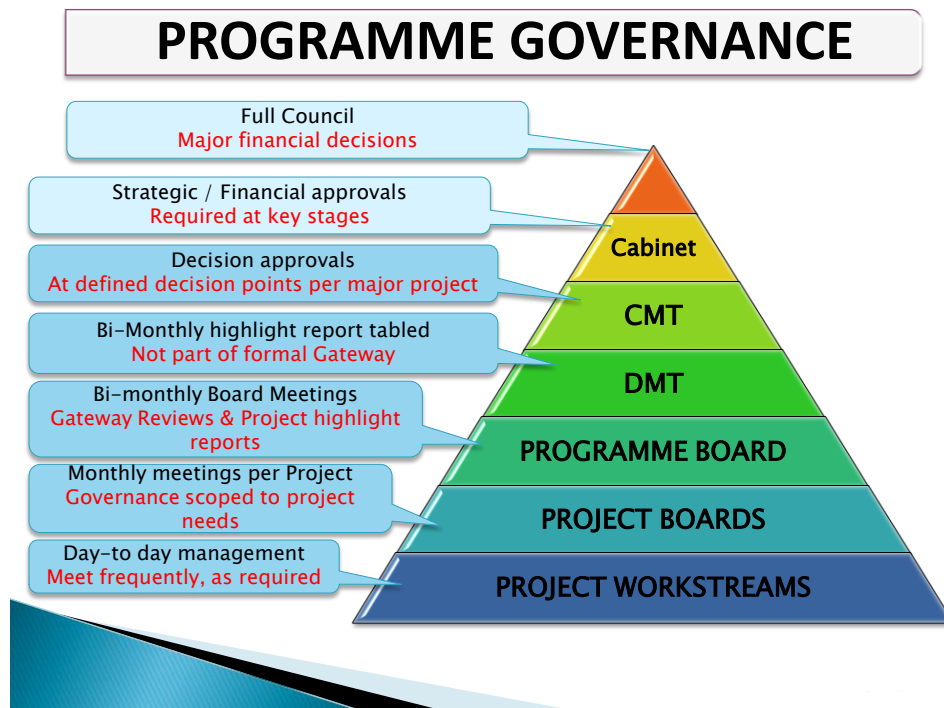
Report Authors:	Chief Officer Responsible for this report:
Sarah Tanburn, Interim Director City & Environmental Services	

APPENDIX ONE

Infrastructure Delivery Programme Governance

A key strand of the Infrastructure Delivery Plan is the direct delivery of a number of major projects, including the development of a funding mechanism. This document paper summarises the proposed governance arrangements for the initiation and management of major projects

Governance structure



Infrastructure Delivery Board (IDB)

A Board for Infrastructure Delivery will be established, tasked with the effective delivery of the major projects where CYC has a key interest contributing to growth in the city. Each Major Project will have a Project Board to oversee its delivery. This Board will be established by CMT, and will be required to prepared its own Project Initiation Document for the infrastructure delivery programme (PID) / Outline Business and progress the submission of appropriate budget proposals.

The IDB will meet on a bi-monthly basis (once every two months). Its primary function is to ensure the delivery of a joined-up programme to maintain economic growth and regeneration within the city, through the effective delivery of key infrastructure projects as defined by CMT. It will control a Project Gateway Review (GR) process for all CYC major

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infrastructure projects. The IDB will also receive highlight reports from each project at each meeting. These will be presented by the relevant Project Manager.

The IDB will be an internal steering group. It will only have the powers delegated through the Chief Officer who will be its chair. Key decisions will be recorded as Officer Decisions. Reports regarding the Programme's Progress will be reported to CMT and Cabinet. The PB will consist of the following key Board Members:

Programme Board role	Description
Chair / Senior Responsible Officer	Director of CES
Finance Director	S151 Officer / CYC Director of Finance & Resources
CYC Asset / Procurement Manager	Assistant Director(s) responsible for asset management and procurement
Client / Key stakeholder	Appropriate Directors / Assistant Directors with major client / stakeholder interests in Regeneration / Infrastructure Projects – e.g. transportation, housing, planning
Major Projects Manager	Responsible for the management of the Board and its business.
Programme Manager / Administrator	Responsible for the programming of projects and Programme plan

The IDB may impact on the business of a number of existing Boards across the council and therefore it is proposed that some aspects / scope of these existing boards are reviewed. However, the IDB will only be responsible for the major projects delegated by CMT (ie not all housing, transport or service delivery projects); in the first instance these are anticipated to be:

- The Stadium
- The Guildhall
- Reinvigorate York and the Public Realm
- Castle Piccadilly
- York Central
- The Fund of Funds

Project Boards

Every major infrastructure project will be required to have a project board.

Each Project Board will be established once the project has received approval from the Programme Board for its PID / Outline Business Case. This will include budget / financial provisions and a governance structure for the project's ongoing management. The extent

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and membership of the Board will be dependant on the complexity and size of the Project. In any circumstance the Board should include the following:

Project Board role	Description
Chair / Senior Responsible Officer & Project Sponsor	Relevant Director or Assistant Director for the service area.
Finance Manager	Appropriate Directorate finance manager
Asset / Corporate Finance manager	Where the project has significant property / procurement or financial implications
Client / Key stakeholder	Appropriate Senior Manager(s) who represents the client / or key stakeholders.
Project manager	Presents reports to the Board, responsible for the delivery of the Project
Project Board Administrator	Responsible for the management of Board's Business
Other Key Stakeholders	Consideration should be given to a role within the Board of external stakeholders and appropriate Council Members.

The Project Board will be an internal steering group. Consideration will need to be given to the engagement with member(s) and external stakeholders (where appropriate). This may be a project specific member level steering group.

The Board will have the powers delegated through the Chief Officer who will be its chair. Key decisions will be recorded as Officer Decisions. It will deal with highlight / exception reports regarding the Project's progress. Highlight reports will then be presented to the PB on a bi-monthly basis, identifying key risks, issues and other exceptions. The Project can only progress past key Gateway stages once the Project Team has conducted a Gateway review. The Project Board must approve the GR and then seek approval from the IDB.

The lifecycle of a project is summarised below:

A PROJECTS LIFESPAN



Gateway Reviews

GRs will be undertaken by the Project Team and presented initially to the Project Board for approval to proceed to the IDBB. A project cannot proceed beyond key points in its life until a GR has been undertaken and approved by the IDB. (see Gateway Review Matrix for Major Projects).

Gateway Reviews will be undertaken at the following key stages:

Gateway Stage	Project stage completed	Cabinet / Member approval
1. Business Justification	PID / Outline Business Case	Forward plan schedule
2. Investment Decision	Full Business Case	Cabinet / council approval
3. Procurement / Delivery Strategy	Procurement strategy or delivery plan	
4. Contract award	Contract completion / award	Cabinet / Council approval
5. Financial close	Project Completion	
6. Transfer / Project Review	Contract Management / Review	

A template setting out the requirements for each Gateway review will be developed. As with all projects, dependant on their nature and complexity, these will need to be adapted and considered project by project.

The decision matrix is set out below:

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Gateway Review Matrix

	Project Board	Prog Board / Gateway Review	DMT	CMT	MEMBERS
RECEIVE PROJECT MANDATE FROM DMT /CMT			X	X	
P.I.D / OUTLINE BUSINESS CASE		X			
FULL BUSINESS CASE / OPTIONS APPRAISAL	X	X	X	X	X
DELIVERY PROGRAMME FOR APPROVED OPTION	X	X			
PROCUREMENT STAGE / OR OTHER	X				
AWARD CONTRACT / OR OTHER	X	X	X	X	X
DESIGN, BUILD OR FINALISE	X				
CONTRACT SIGNATURE / FINANCIAL CLOSE	X	X	X	X	X
CYC POST CONTRACT MANAGEMENT PROCESS	X		X		
CLOSE / TRANSFER	X	X	X		

Project Managers / Project Resources

Each project will have a dedicated Project Manager. The project manager will be responsible for the day-to-day management of the project. They will be responsible to the Project Board for the delivery of the Project. The Project Manager will report to the senior Officer responsible for the delivery of the Major Projects Programme.

Other project resources maybe in place, either dedicated to the individual project, or shared resources under the direction of the Major Projects Programme. Detailed management arrangements will be put in place at the PID / Outline Business stage of the project relating to the relevant project resources.

The Project manager will be responsible for the management of the Project Budget. Monthly project reports should be prepared with the Project finance Manager.

Line management will normally be provided by the manger of the major projects workstream or Director of City & Environmental Services. The Project Sponsor will be the Senior Responsible Officer responsible for delivery of the project

A suit of standardised project documentation for reporting and project programming has been prepared (see draft templates) including:

- Project Initiation Document (Major Infrastructure projects)
- Project Tracking Matrix / timeline
- Project Plan
- Risk / Issue log

CONFIDENTIAL : HUMAN RESOURCES IMPLICATIONS

- Highlight report
- Role profiles for the Project Sponsor and Project Manager roles



Audit and Governance Committee

11 February 2015

Report of the Director of City and Environmental Services

Lendal Bridge Trial

Summary

1. This report covers the actions taken in respect of governance of major projects, including transport projects, as a result of the review of the trial closure of Lendal Bridge in 2013-2014. The report shows that the recommendations, where accepted, have been implemented and the management of large projects continues to develop.

Recommendations

2. That Members note this report.

Background

3. Immediately following the re-opening of the bridge in April 2014, the Chief Executive advised the Leader that she was commissioning a review of the management structures and processes relevant to the project. Crown Management Solutions (CMS) were commissioned to undertake this review; the company knew the authority well, having provided a range of services including for some five months the interim assistant director of Highways, Transport and Waste, while retaining objectivity. This combination of knowledge and distance made them a strong choice for this piece of work. The Chief Executive was clear that this review should be based on honesty and 'no blame', to ensure that all those involved were able to speak freely and organisation learn from the experience. The brief for this work is at **Appendix One**.
4. Note that this work was commissioned alongside improvements to the project management system (see 1.3 and other paragraphs below) for transport and so the commission for this piece of work is also shown.

These were two of several pieces of work commissioned at this time and the document has been edited to exclude irrelevant material.

5. The CMS report on the trial closure is attached **Appendix Two**. It has already been widely circulated after being tabled by the Chair of Economic and City Development Overview and Scrutiny Committee (ECDOSC) at its meeting of 12 November 2014. It sets out the findings from a review of the relevant documentation and conversations with a number of relevant officers and councillors. As requested by the Chief Executive it is focused on the lessons which might be learnt from the process of the trial; it does not aim to be a review of the effectiveness of the trial against its objectives, of which the most detailed study has been the Cabinet report of 6 May 2014 (contained within the reports pack at http://www.york.gov.uk/info/200621/transparency/827/council_webcasts/70).
6. This report was received by the Chief Executive and the new Director of City and Environmental Services (CES) in the summer. However, even before receipt a number of issues relating to project and programme management were clear to the new Director and the new (substantive) Assistant Director Transport, Highways and Waste. In particular, a more structured and robust management both of transport projects and the overall programme was needed. CMS were therefore commissioned to develop a project management system in a timeframe which overlapped the review itself.

Recommendations and response

7. The key findings of the review relate to management improvements. As noted in the report to Audit and Governance in November 2013 the methodologies, at the core of project management, need to ensure that the right mechanisms are in place for management, control and organisation. The key to the successful implementation of projects is that Prince2 principals should be used to ensure appropriate management tools are used within frameworks. The response is therefore intended to deliver appropriate management tools in what is in some cases a developing framework.

8. The report itself is largely narrative and the Director extracted a table of recommendations, attached at **Appendix Three** with a current update on progress. This groups the outcomes of the report into three categories, related to governance, programme management and project management.
9. At the Chief Executive's request, an update on implementation was prepared in November 2014. This was also tabled by the Chair at the meeting of 12 November 2014 and circulated since; it is attached at **Appendix Four**.
10. The table at **Appendix Three** provides the latest update on implementation. Members are asked to note the following points:
 - The transport programme has been largely separated from the brownfield and infrastructure (major regeneration projects) programme. The exception would be very large transport projects such as the Outer Ring Road. Experience in other authorities shows that combining the two both swamps the regeneration work with transport projects and also confuses two overlapping but distinct sets of skills.
 - The brownfield and infrastructure programme has been separately discussed with Members (see below).
 - The transport programme can have a volatile funding profile, from the small mainstream network improvement programme to very large funding projects, dedicated streams (e.g. the Local Sustainable Transport Fund) and partnership projects. There are overlaps between some transport investments and contracts for services, particularly with respect to buses.
 - In addition, many local transport projects may have a mixed funding profile, including resources from planning gain, specific grant and the council's direct resources. Satisfying the timetabling and evidence requirements of funders is an important part of project management.
 - Project management, inside and beyond transport projects, is not an automatic skill but contains a set of techniques and practices which need to be formally adopted and monitored.
 - The Transport Programme Board now meets monthly and is chaired by the Assistant Director Highways, Transport and Waste.

Member oversight is provided by regular reporting of schemes to the portfolio holder for Transport and all major projects are subject to Cabinet Member approval before commencement.

Brownfield and infrastructure projects

11. The Council has had a series of brown field and infrastructure projects in varying stages of development for some time. Some of these are fundamental to its commitment to bringing forward brownfield sites for housing and employment, notably York Central. Others relate to key council assets such as the Guildhall while some, like Biovale, are the outcome of important partnerships furthering the economic potential of York. Over the summer, the new Director of CES and the departmental management team reviewed all these projects for deliverability and priority. This review recognised that circumstances change; in particular the current commercial issues surrounding important properties in the Castle Piccadilly area opens up opportunities which need to be explored, and the work Network Rail has undertaken on land ownership on York Central makes that development much more achievable.
12. The officer review was summarised in presentations to leading Members in November and December 2014, attached at **Appendix Five**. This identified the following major projects as priorities, based on progress, opportunities, partnerships and funding:
 - Outer Ring Road
 - Stadium
 - York Central and Station Gateway
 - Biovale
 - Guildhall
 - Fund of Funds
 - Public realm renewal
 - Castle Piccadilly
13. The review of these projects identified five further key requirements, set out in the presentation:
 - All projects should have a clear governance structure with identified resources

- Project Initiation Documents should show the governance structure and key milestones. As a project gathers weight (e.g. as funding is confirmed) further management safeguards are required including risk registers, financial arrangements etc
 - Member oversight needs to be confirmed and clarified in each case
 - A structure of gateways for decision making and project progress is to be put in place for each project
 - The establishment of a Brownfield and Infrastructure Board, to oversee the whole programme and ensure projects are complying with these expectations
14. The current situation on the prioritised projects is summarised below and Members will note that whilst as reported to Audit and Governance in April 2014 that elected member attendance on boards is not in a decision making capacity, the most appropriate way of ensuring Cabinet Members who are decisions are briefed needs to be considered by each project and this is currently in development as detailed below.

Project	Current status	Next steps
Outer Ring Road	Awaiting final decisions from West Yorkshire Transport Fund (WYTF) but preliminary funding for design work agreed. Project Board now set up and starts meeting in January 2015.	To determine best Member oversight of this project as funding is (probably) confirmed and formal decision to proceed made by Cabinet post budget. Decision as to first two roundabouts for design work will also be needed.
Stadium	Planning application now submitted. Contractual discussions ongoing.	Planning consideration anticipated March-April 2015 and contractual decisions in June-July. Cabinet to be asked to consider Member oversight in the light of project progress and changed political make-up.

York Central and Station Gateway	These two projects now combined under one internal Project Board and one shared project board with Network Rail. CYC Member advisory group was established and first meeting now being set. Project Initiation Document (PID) in place following Memorandum of Understanding (MoU) agreed with Network Rail (NR) in September 2014.	Planning framework and transport assessment in train. Ongoing discussions with Leeds City Region (LCR) Local Enterprise Partnership (LEP) re infrastructure funding for York Central (YC) and WYTF re multi-modal funding for Station & Gateway. Negotiation re vehicle for infrastructure funding underway.
Biovale	Primary lead with University of York (UoY). Funding sought from both LEPs with decisions anticipated in January.	Steering Group established, chaired by University and representation (Director CES) from CYC, together with support from Make it York. Next stages will depend on funding decisions.
Guildhall	Project under review for interim uses following funding decisions. Reported to Cabinet check	check
Fund of Funds	Project to corral opportunities for investment in infrastructure to maximise impact.	Project initiation will depend on resources available to take this work forward after the budget.
Public realm renewal	Wayfinding consultation now complete. Work in Fossgate in detailed discussion with traders.	To be reviewed post election in light of need to maintain and improve all city centre public realm.

Castle Piccadilly and Southern Gateway	Officer review identified options in light of commercial property movement in the area. Shadow (officer) Board requested further work to be reported in early 2015 and enable informed recommendations to Members.	Depending on outcomes of next stage commercial evaluation decisions will be needed on investment in project management as part of the budget process, along with formal project initiation.

15. It should be noted that in some cases resources are still being clarified both for some of the substantive project and project management. (See paragraph 4 below.) The new Brownfield and Infrastructure Board had its first meeting on 27 January 2015.
16. The area most in flux relates to Member oversight, which is partly a reflection of changes in the Council control. This Committee decided **check** to establish a Member steering group for York Central, which has its first meeting **check**. The Stadium Board, had three Consultative Councillors in membership until planning applications were submitted at which time members chose to withdraw from the Board, The Guildhall **check**. The Outer Ring Road and Biovale are still seeking funding and the Member oversight will need to be considered as funding is awarded and formal decisions to proceed are considered. Castle Piccadilly (or, more broadly, the Southern Gateway) project is still in very early stages, and will only become a formal project if and when resources are available for the next stage.
17. The overall programme has historically been reported to EDOSC together with the transport programme. It would be appropriate to review this when resources are confirmed, probably at an early Cabinet of the new Council in June or July.

Resources

18. Effective and robust project management requires an upfront investment and ongoing funding however well managed projects will always be more cost effective in overall project spend.

This basic truth is particularly important in the early stages of a project where viability, partnership arrangements, demand and potential funding all need to be considered but (usually) only the Council is in a position to consider committing the resources needed to explore the opportunities. Many organisations (not only in the public sector) tend to under-resource this process, leading to overlong project initiation, untested assumptions about delivery or failure to progress.

19. Officers have therefore reviewed the project management requirements of the prioritised projects in both transport and brownfield programmes. In the capital projects associated with the transport arena this is more straightforward as project management costs tend to be easier to identify. External arrangements generally reduce the risks of abortive work by staging funding. It is also usually evident that the project involves capital expenditure making the fees themselves capitalisable from an early stage.
20. Brownfield and infrastructure projects tend to be more complex with different risks involved, including the risks of initiation costs for projects which do not proceed (and therefore are harder to capitalise). York Central provides an interesting example illustrating the current workstreams being undertaken by the Council as part of unlocking some £30m (current estimate) of other public investment and £500m private investment to develop the site:
 - partnership with network rail including negotiation and relationship management, legal analysis of possible vehicles for capturing value uplift on the site, progressing joint project management arrangements
 - commercial capacity both to agree a vehicle above and understand the Council's own interests, alongside understanding the viability assessments and their implications for development options
 - planning and urban design knowledge to ensure the site will be developed within planning constraints and to deliver the Council's ambitions, but is not unduly delayed
 - transport knowledge to assess the impact of proposals

- financial capacity to assess the requirements and opportunities for funding (from a range of sources including bid-writing, negotiation, lobbying and briefing) including the discussions with LCR LEP and WYTF.
 - basic project management expertise to ensure governance, documentation, milestone management etc.
 - scheduling and programme management (shared with NR) to articulate the required order of events over a multi-year programme from flood mitigation to station management
21. All of these workstreams (with related skills demands) are crucial to seeing the development of a site which has long been stymied by its complexity and the vagaries of the market. Despite its challenges York Central together with the Station and Gateway project, represent a major opportunity, both for York to maximise housing on brownfield land and for the regional economic benefits. Accessing the other public resources which will unlock this (approx) £600m development does require commitment by the key partners, Network Rail (NR) and CYC.
22. NR has committed some £51m to York Central (excluding works to the station itself, and of which £35m is to build the new signalling and training facilities). CYC has committed £10m to improve access to the site.
23. This brief case study illustrates the importance of properly resourcing the early stages of these complex projects. Officers have estimated the likely costs of supporting the priority projects and this is part of the ongoing current budget discussions.
24. Later stages of projects will more typically enable project management costs to be part of the overall project development as it gains momentum. This has been true, for instance in the Stadium project and the investment in the new roundabout and Park & Ride at Poppleton during 2013-14. Bids for resources should include a management element (typically constrained at some 5% of the overall project cost), although this is not always sufficient for ongoing commercial and legal requirements which may need continuing additional support, depending on the complexity of the project.

Conclusions

25. This report has considered the implementation of recommendations arising from the review of the Lendal Bridge trial commissioned by the Chief Executive.

It has highlighted that in the transport domain robust project and programme disciplines have now been normalised within the management of the function, overseen at a senior management level and enabling robust reporting to Members.

In the area of complex regeneration projects a more flexible model is required and this is being developed as appropriate for prioritised projects alongside proper requirements for project initiation and reporting.

Options

26. There are no options associated with this report.

Analysis

27. This section should present an appraisal of the advantages and disadvantages of each option.

Council Plan

28. The effective use of project management, member engagement and informed decision making will aid the delivery of Council priorities.

Implications

29. **Financial:** There are no implications associated with this report, individual projects will as necessary submit reports to decision making bodies detailing the implications of specific projects.
30. **Human Resources (HR):** There are no implications associated with this report, individual projects will as necessary submit reports to decision making bodies detailing the implications of specific projects.
31. **Equalities:** There are no implications associated with this report, individual projects will as necessary submit reports to decision making bodies detailing the implications of specific projects.

32. **Legal:** There are no implications associated with this report, individual projects will as necessary submit reports to decision making bodies detailing the implications of specific projects.

Risk Management

33. The failure to implement sound project management is and has proved to be a significant risk for the Council.

The process of developing and implementing the Council approach to the project management should in itself be a process of continuous improvement and the actions that are being taken as detailed in this report are part of that process.

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Sarah Tanburn
Interim Director
City & Environmental Services

**Report
Approved**

 tick

Date *Insert Date*

Specialist Implications Officer(s): None

Wards Affected: Guildhall

All

For further information please contact the author of the report

Background Papers:

None

Annexes *(these will be available at the Audit and Governance Committee on 11 February 2015)*

Appendix One: Brief for Lendal Bridge Review and Programme Management

- Appendix Two: Report by Crown Management Solutions on the management implications of the trial closure of Lendal Bridge
- Appendix Three: Action Plan arising from the management review of the trial closure of Lendal Bridge with January update
- Appendix Four: November update on implementation of action plan
- Appendix Five: Presentations to Member November 2014 regarding brownfield and infrastructure sites

DRAFT



Economic & City Development Overview & Scrutiny Committee**28 January 2015**

Report of Assistant Director Governance and ICT

Draft Final Report on Graduate Business Start-ups, Entrepreneurialism and Higher Value Jobs**Summary**

1. This is the Draft Final Report on the work on the agreed scrutiny review of more productive and higher value jobs being undertaken by a Task Group on behalf of the Economic & City Development Overview & Scrutiny Committee (ECDOSC).

Background to Review

2. At a meeting in March 2014 the Economic & City Development Overview & Scrutiny Committee considered briefing papers on three possible scrutiny review topics and agreed that more productive and higher value jobs could be worthy of scrutiny review. The Committee appointed a Task Group comprising Cllrs Burton (Chair), Semlyen and Cuthbertson to examine the proposed topic further.
3. The Task Group met with Officers on several occasions to agree a suitable remit and during a meeting between the then ECDOSC Chair, the Head of Economic Development and the Programme Director Business Consolidation it was suggested the focus of the review should be on entrepreneurship and graduate enterprise.
4. The Committee subsequently agreed the following review aim and objectives:

Aim

5. To identify cost effective ways to attract graduates and entrepreneurs to start up or relocate in York thus enabling the employment of local people at higher than average wages.

Objectives

6. i) Identify improvements to the way York attracts and supports graduates and young entrepreneurs to develop enterprise in the city.
- ii) Identify an improved marketing strategy for York in general and as a place to grow higher value jobs.

Consultation

7. City of York Council Economic and Enterprise Officers and the Business & Economic Intelligence Unit have been consulted and have provided information in support of this review, as have the University of York, York St John University, Sophie Jewett of York Cocoa House, Ged Dillon of The Hog and Apple, York, and Catalyst IT Solutions, Heslington East, York.

Background

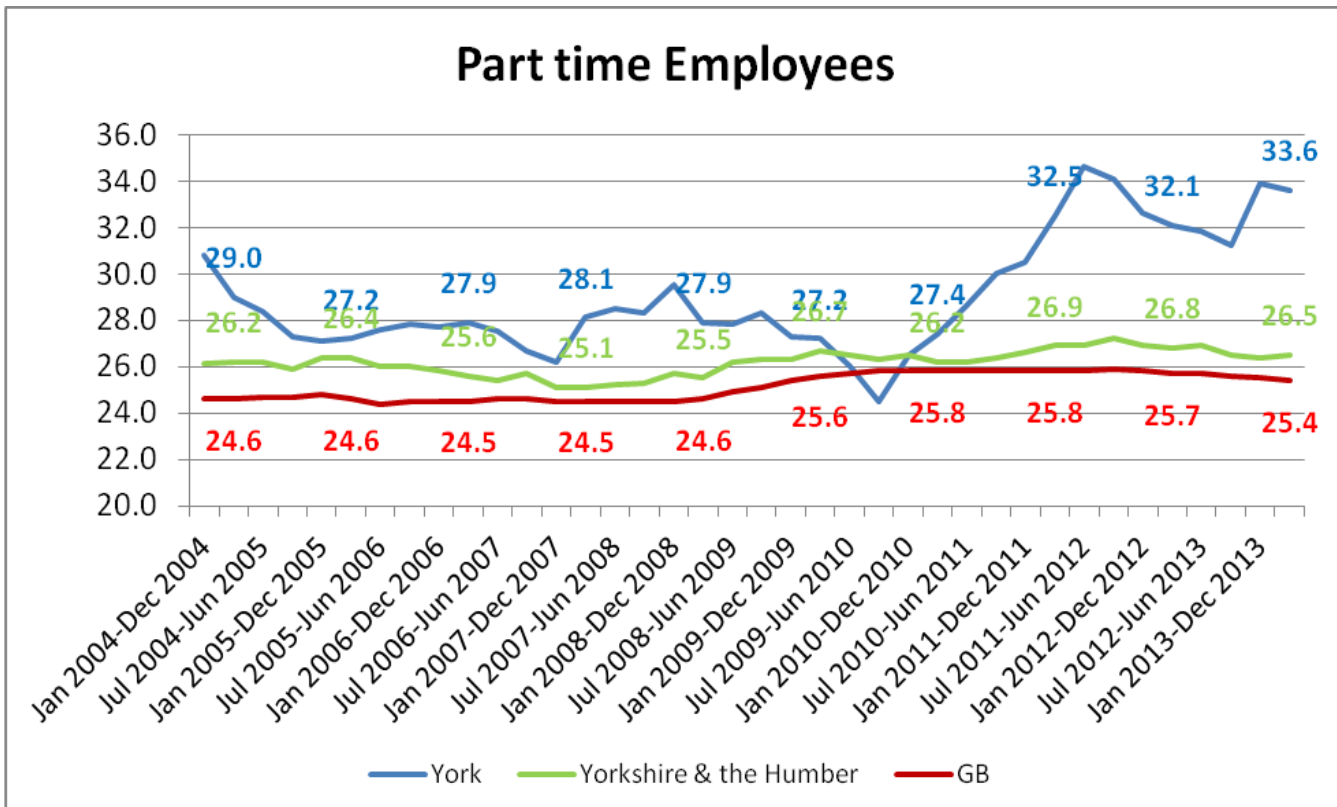
8. In looking to attract higher value jobs it is necessary to understand and appreciate the link between Gross Value Added (GVA) and the higher value jobs. GVA is linked to gross domestic product (GDP) as both are measures of economic output.
9. Recently published figures by the Office of National Statistics show the value of York's Economy was worth £4.31 billion in 2012, the highest since 1997 and beating pre-recession levels of £4.27 billion. The GVA per head in 2012 was above the UK 100 Indices at 101.1 and was 2nd in the region behind Leeds.
10. However, there is a need to remain competitive on a national and international scale and the Centre for Cities Outlook has ranked York 40 out of 64 cities in regards to GVA per worker hence:
 - GVA per head is not competitive.
11. This can be tracked back to two headline issues, both of which reflect changes in the sectoral composition of York's economy, in particular the decline in manufacturing employment, which began in the 1990s:
 - We have high employment in traditional low productivity areas such as hospitality, catering and retail;

- We have low employment in the traditional high value areas such as insurance and pensions, pharmaceuticals, telecoms, chemicals and biochemistry.

12. The Task Group agreed that as York has low unemployment it is not that people do not have jobs and they wanted to find out how to raise the average level of wages by looking at sectors of the economy that can provide jobs and higher wages. The Task Group could look at either bringing in new organisations or helping home grown businesses develop and boost entrepreneurialism. The Task Group agreed it would be better to look at entrepreneurialism rather than outside businesses.

Information Gathered

13. While the unemployment rate in York is below the national average the latest economic dashboard shows the percentage of full time employees has fallen to 66.1% (from a high of 75.4% in September 2010) while the percentage of part time employees has risen to 33.2% (from a low of 24.5 in September 2010). ECDOSC members suggested that students staying in the city after graduation are taking part-time employment or roles previously taken up by those with lower levels of education, while they established a career path



Objective i)

14. To progress the review the Task Group wanted to consider best practice from other local authorities on what they are doing to encourage entrepreneurialism and assist companies to start and grow. A short survey found:

- **Leeds City Council:** QU2 (Supporting Business Success through Leeds Metropolitan University). Professional business centres offer a range of office services at affordable rates. Social media training provides an overview of online networks to give businesses a digital presence. They work closely with the university business start-up team to ensure the transition from university to running a business is as seamless as possible. They also offer recent graduates access to hot desk facilities and the use of a business address, free of charge, for three months.
- **Sheffield:** Works closely with Sheffield Hallam University and the University of Sheffield to support graduate and post graduate business creation.

Sheffield Hallam helps students – or graduates from the last five years – start their own businesses with free access for a year to specialist business knowledge and resources to improve their chances of success. Last year, it supported almost 600 students with their business ventures.

The University of Sheffield runs a pre-start programme to take graduates from the late concept stage through to a stage where they are either ready to launch their business or apply for investment/funding if necessary. Some are incubated in an innovation centre for six months free of charge where they have access to an in-house business adviser, free printing, outgoing calls and WiFi, meeting rooms, workshops and networking events.

- **Hull:** The enterprise centre acts as a central point of access at the University of Hull for activities which will enhance enterprise skills and inspire business start-ups, supporting and driving activities from students, graduates and staff as well as members of the wider community. The enterprise centre also works with schools to help create a more enterprising culture.

- **Durham:** Enterprise activities allow the opportunity to explore entrepreneurial potential and to set up and run a business whilst still at University. The 'enterprise support programme' helps provide the knowledge and skills required for students to start exploring business start up and self employment. The programme has been developed by university staff, small business experts and entrepreneurs, and aims to give practical help and advice as and when needed. A resident business adviser is available to discuss any aspect of business start-up.

15. To gain further information about what is available in York, Task Group Members took part in visits to the University of York and York St John University in June 2014.

University of York

16. Task Group Members visited the University's Ron Cooke Hub at Heslington East, which offers workspace accessible to entrepreneurs, business and other organisations. Facilities include high-quality, subsidised start-up space; areas for meetings, presentations, seminars, training and hospitality; access to industry experts and business support advisers; facilities to promote services; intern and graduate recruitment pool and networking opportunities.
17. The Hub was largely funded through the European Regional Development Fund as part of a project to encourage knowledge transfer between the University and local businesses. The Embedded Business Space and Technology Transfer project evidenced the following Small and Medium Enterprises (SME) / business engagement results:
- 75 SME assists – a minimum of 12 hour / two day intensive support.
 - 20 new businesses created – there are more in the pipeline but can only be reported once they have sustained for 12 months+.
 - 358.5 (FTE) new jobs created.
 - 12,709m2 new floor space created.
18. The project is also targeted to grow the regional economy by achieving GVA of £37 million between the start and end dates from January 2007 to December 2014.
19. Central to the Hub offering is Springboard, low cost, fully serviced accommodation for start-up businesses.

It provides space, time and support for entrepreneurs to turn ideas into commercially-viable businesses. Businesses must be less than 12 months old and they can stay in Springboard for one year.

20. In the Hub's annual report for 2013 York Science Park Ltd reported that they had seen keen interest in Springboard despite the tough economic climate. During the 2012/13 academic year the average occupancy was 61%. However since its inception Springboard has supported 34 companies with an average occupancy of 73%. There were no business failures within Springboard during the 2012/13 academic year, with 50% of the companies ending their subsidised period in the domain being retained within York Science Park managed premises; moving to the adjacent Catalyst office building.
21. The Student Enterprise Space situated within the Springboard domain provides a free-of-charge office base and postal address for promising student businesses, including business support events and proof-of-concept¹ / social enterprise funding opportunities. The number of students signing up to use the facilities has grown 206% in 2012-13 to a total of 49 students running 30 businesses.
22. The integration of student businesses and external companies is proving invaluable for the cross fertilisation of ideas and support. The University offers funded enterprise internships to students and graduates to explore their business ideas and makes no claim in the intellectual property of its undergraduates
23. The Catalyst at Heslington East provides follow-on space and is designed to support the growth of early stage companies in the creative, IT, digital and media sectors. It gives new businesses the opportunity to access the facilities and the teaching and research expertise of the University's academic departments, including computer science, law and management and the Department of Theatre, Film and Television.
24. University of York alumni have set up a network of entrepreneurial alumni <http://yorkexperts.co.uk/> which allows specialist advice for students looking to set up in business or are involved in a start-up business.

¹ Proof-of-concept is documented evidence that a potential product or service can be successful.

25. York Entrepreneurs is a society which has a large student membership. They run a number of projects on campus but also undertake other activity such as outreach with schools. Enactus is a similar student society aimed at supporting social enterprise.
26. The York Award is a well-established recognition programme for students who wish to develop broader employability skills.
27. The University identified one of the obstacles to setting up a small business in York as being the lack of a critical mass of graduate jobs. If a graduate starts a business and it does not work then there is no fall-back. This presents an employment risk because if the new enterprise fails there are few other employment options.
28. Another possible obstacle is the perceived lack of convenient car parking at the Heslington East campus which is a cause of frustration for start up businesses wanting to attract clients from other parts of the country. However, the Hub's Annual report 2013 states that one of the most important improvements during the year is the opening of the Kimberlow Lane car park and new access via Grimston Bar, enabling ample parking facilities for all.
29. A problem could be the signage from both the A65 and from Heslington West as drivers on Hull Road are asked to follow signs to the Sports Village and Grimston Bar Park and Ride to access Kimberlow Lane car park, although literature providing clear directions is available on the university website.
30. There was also a suggestion that the university would benefit from a hotel near the Heslington East Campus, both for clients of businesses using the Springboard and Catalyst office buildings and people attending conferences and lectures at the Ron Cooke Hub.
31. To gather further evidence Task Group Members visited Catalyst IT Solutions, a developing IT support business based in the Springboard, a facility they considered invaluable.
32. While the two entrepreneurs behind Catalyst IT Solutions were focusing on building their business they were struggling with business support and would have benefitted from a basic composite business service at a discount rate. Ideally this would be a form of one-stop shop providing help and advice with business, financial and legal matters.

They would also welcome a community of entrepreneurs so they could meet people in a similar situation for networking events.

York St John University

33. Since 2009 expert staff have helped budding entrepreneurs and small organisations to achieve their potential through workshops, start-up business programmes, access to funding and the provision of affordable work space.
34. Start-up facilities include dedicated offices, hot desks, meeting spaces and small conferencing suites, providing a professional environment for young businesses. Start-ups have access to the University's facilities and resources as well as advice from YSJ academics and technical staff.
35. The Phoenix Centre was launched to kick start the development and growth of creative and digital businesses and in the five years since its launch it has accommodated 65 start-up businesses.
36. The centre has been developed by Science City York in direct response to feedback from members of its Creative York and IT & Digital York networks, fulfilling an identified requirement for a centrally located, incubation facility to support the region's growing creative and digital sectors. Businesses can occupy space in the centre for a maximum of one year.
37. St John also has effective connectivity with its alumni through a mentoring scheme which provides opportunities for students to improve their employability skills and enhance career prospects. It views entrepreneurship not only as setting up in business but also the skills around innovation.
38. The incubation facility provides affordable space and allows students to develop their business in a collaborative environment. This internal marketplace has allowed as many as four Phoenix businesses to work on the same project.
39. The incubation and mentoring services have provided business help to more than 150 businesses while the enterprise team supports over 350 graduate business inquiries each year. Some 4% of York St John graduates, from a student population of 6,500, establish a business, compared to 2.6% regionally. Again many decided to set up a business some years after graduating.

A graphic designer developing a business at the Phoenix Centre left University five years ago while another who set up a social enterprise working with people with dementia had been working from home for a year and a half. She hopes to be able to find some affordable shared space when she has to leave the centre.

40. In early July 2014 York St John hosted an Entrepreneurs Boot Camp at which 31 would-be business people were given expert advice on how to get started. The four-day programme included practical aspects of starting a business such as finance, marketing, business planning, networking and sales. Sessions were led by business experts and professional advisers such as solicitors and accountants.
41. The University hosts an annual Enterprise Event offering workshops and the opportunity to hear from established businesses in the area. This is usually free and in the past has been held during York Business Week.
42. The Acorns Programme is aimed at self-starters who are about to become self-employed or have just started their business venture. The programme offers practical advice and support to turn ideas into reality.
43. York St John conducted a survey of graduate businesses and where they are now and it found that 30% had left York because they could not find affordable, reasonably equipped space.
44. The migration out of the city is highlighted by the creative agency The Beautiful Meme (TBM) which was created in York five years ago, although not by York graduates. The agency is making its mark nationally and internationally, winning major UK and international awards for creativity. Clients include AXA PPPhealthcare, King's College, Design Museum, AkzoNobel, English National Ballet Opera North and National Trust Scotland. The Task Group asked the founder and creative director of TBM, to help the review by sharing his experiences but he declined, saying he was relocating his business to London at the end of 2014.

Graduate Support

45. Higher York is a partnership of Askham Bryan College, the University of York, York College, York St John University, and the City of York Council. Craven College is an associate member.

46. Among Higher York's priorities, the partners are committed to supporting the development of local enterprise, specifically through '*supporting students and graduates to improve their chances in local, national and international job markets and develop their own business skills through enhancing graduate employability and entrepreneurship*'.
47. Pan-institutional activity: The Graduate Entrepreneurship Project, which brought together the 10 higher education institutes in Yorkshire and the Humber, was financed through the European Regional Development Fund. It supported over 70 new start-ups over three years. The future of this project may benefit from a continuation of a regional approach (York St John and Higher York have begun to explore funding opportunities through the Local Enterprise Partnerships).
48. The Business Growth Fund helps new businesses accelerate growth in the crucial first year of trading. In addition to funding recipients receive mentoring, access to contacts, events and networking.
49. The Yorkshire Innovation Fund is operated by the two universities and is aimed mainly at established businesses although start-ups are also eligible.

Science City York

50. Science City York (SCY) is a leading provider of high quality business and innovation services. It was the organisation that secured £19.6m towards the creation of knowledge transfer space across the Heslington East campus, including the Ron Cooke Hub, through the Embedded Space and Technology Transfer project (paragraph 17).
51. It works closely with, and in some ways acts as an extension to, the City of York Council's Economic Development Unit in delivering the aims and ambitions of the Council Plan 2011-15 and the wider York economic strategy. Its aims are:
 - Providing professional high quality business and innovation services;
 - Levering significant investment to support growth;
 - Being a key communicator of all growth sectors;
 - Sharing our expertise to create more value for clients.
52. Key priorities are to help early stage businesses to establish and grow and helping businesses reach their goals (paragraph 36).

This includes providing grow-on space (paragraph 23) and embedded business space for small and medium sized businesses, allowing them to exploit opportunities for collaboration with other businesses and research organisations.

53. Science City York (SCY) was founded in 1998 to help develop York's economy and its priorities are to support businesses to achieve growth; develop new infrastructure to support the region's growth sectors and help businesses to make connections with the academic and research base.
54. In July 2014 the Science City York Board, comprising representatives from City of York Council, University of York, York St John University and the chairs of SCY's sector networks, accepted a proposal by City of York Council for SCY to come under full Council ownership and form part of NewCo (since named Make it York), a company created by the Council to promote business development, tourism and culture in the city.
55. This will allow City of York Council to ensure the SCY offer is brought more closely in line with other York partners and agencies. This will create a wider suite of activities and enable SCY to continue providing services to the key growth sectors of bioscience, creative and IT & digital, in addition to building on its joint programme of work with City of York Council in developing the city's innovation ecosystem.
56. The move builds on the success of SCY over the past decade, in which time it has successfully brought in significant public and private sector funding and contributed to the creation of jobs and GVA growth.
57. The University of York and York St John University are supportive of the move of SCY to encompass the broader remit of NewCo. Both universities have made clear their continued commitment to working with the Council to deliver the ambitions of the city as a Science City, including maintaining the city's provision of innovation and business support across the city's key growth sectors.
58. However, SCY is operating on reduced capacity at present – staff numbers have gone down from 7 FTE to 2 FTE as of the end of December 2014 and as it may take several months to recruit and embed new staff the focus is on sector development work for the biomedical, creative and digital sectors. As of December 2014 SCY could not commit capacity as it did not know what the budget for NewCo will be for this activity.

Objective ii)

59. To identify a strategy to make it easier to grow jobs in York, the Task Group sought the opinions of other people who have set up businesses in the city, a graduate and a former groundworker.
60. York Cocoa House. The Task Group met businesswoman Sophie Jewett in early July 2014. Sophie, a graduate of the University of York and former events officer at York St John University who set up the York Cocoa House in the city centre in 2011.
61. She was still working in events management when she first set up a web based business, Little Pretty Things, offering chocolate based classes, tastings, events and activities. She spent as much time as she could making chocolates, going to fairs and markets and delivering workshops at weekends and evenings. Sophie took part in the Acorn Programme at York St John to develop her ideas and in February 2010 she handed in her notice in order to take her business to the next level with the York Cocoa House, opening her first office at the York Eco Centre.
62. She suggested to the Task Group that the development of small businesses is led by available space, and there is also a need to create a mechanism of support for new businesses. While she is grateful for CYC support with things such as business funding, alternative finance solutions and peer to peer lending, some other areas of advice are fragmented. She suggested:
 - A “fixer” who can help address problems and find solutions to issues around planning, licensing and environmental health at the same time.
 - A one-stop-shop for business support as so many alternatives have grown to fill the void left by Business Link.
 - Initiatives to develop networking, business-to-business mentoring and peer support to provide cross fertilisation of ideas with people who are further on in their careers.
63. A business is more likely to succeed if the idea is strong and Sophie’s view is that by sharing these ideas they will become a magnet for expertise and people willing to help. However, there was a tension between ideas being stolen and ideas being able to grow.

64. She also felt that York had many excellent businesses and industries but many were not acknowledged within the city. There was a need to identify home-grown talent and let them stand and develop on their own but providing a safety net when needed.
65. Her opinion is that the difference between businesses that succeed and those which fail is that the ones that succeed keep trying, but the risk culture is being suffocated. Rather than so much effort being put into risk analysis she felt more should go into opportunity analysis to stimulate business ideas. Entrepreneurs see their business development as a long-term plan and tend to pay themselves less in order to reinvest in the business.
66. The Hog and Apple, York started as a hog roast business which was conceived in late 2006 by Ged Dillon and a friend with a shared passion for good food. In the early days it was very much a weekend enterprise catering for a variety of social events with both partners continuing to work full time.
67. As The Hog and Apple evolved it moved into fine food catering and much of its current business involves providing a complete catering package for wedding receptions. Initially the preparation and much of the cooking was done in the kitchens at their homes. Ged later took full control of the business and went full time in April 2013 while his friend decided to stay in paid employment.
68. The Hog and Apple moved into a business unit in 2013 and was registered for VAT in August 2014. It currently employs chefs, kitchen and serving staff on a freelance basis but Ged will be employing a full-time chef in the near future and has been in talks about taking on an apprentice.
69. There were numerous obstacles to overcome in the early days of establishing the business, most significantly finding out who to contact for help and advice on a wide variety of issues such as:
 - tax;
 - legal matters;
 - health and safety;
 - insurance
 - accountancy;
 - public liability;
 - where to find staff;

- how to go about training staff;
- claiming expenses
- tenancy advice;
- business rates for council tax.

70. He admits that in the early days he was working by trial and error and had to learn from his mistakes. He used the internet for information but soon realised the best source of advice was by talking to other business owners, many of whom had made a similar series of errors. He found that people who had set up in business were passionate about what they were doing and were only too willing to share their experiences.
71. Ged did not know what support was available from City of York council and while he was able to register online as a food business he did not find the Council website helpful and had difficulty contacting anyone from the Council by telephone.
72. To help start-up businesses Ged suggests some form of central monitoring system on the lines of the food business register. He suggests all new businesses should be registered with a Council support service complemented by one or two members of staff who can provide “on-the-spot” help and advice or signpost appropriate support.

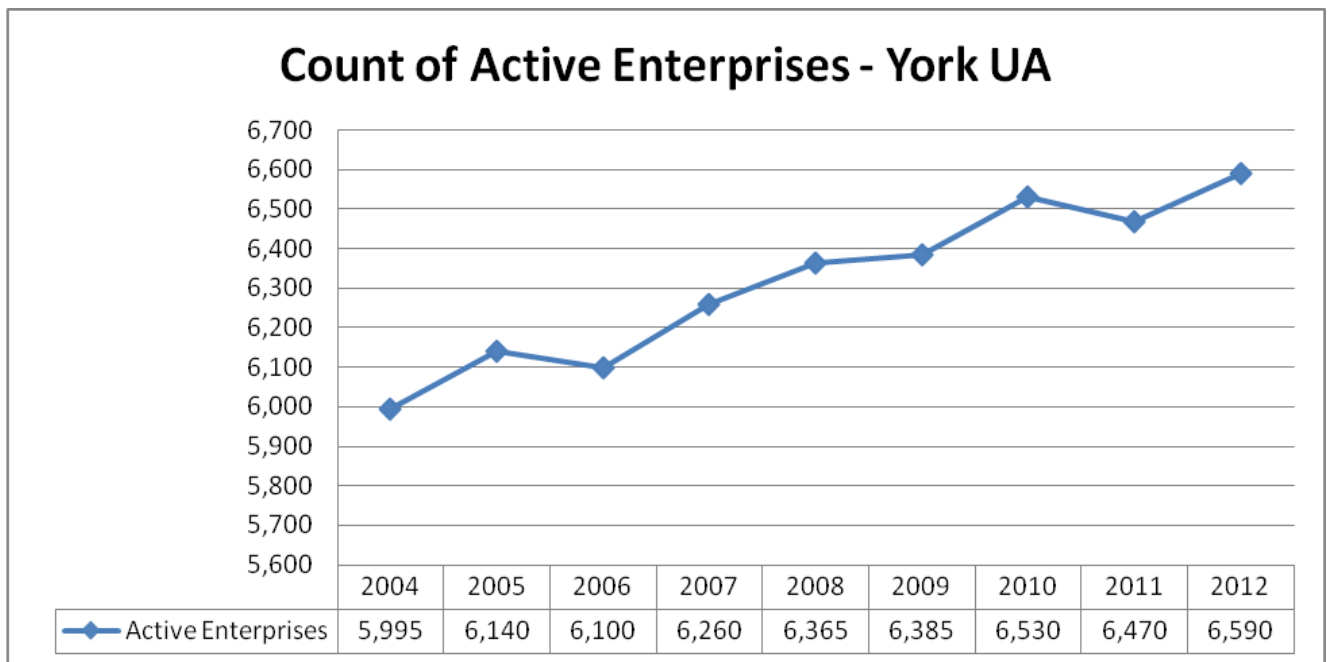
Business Demography

73. To help understand the success and failure rate of firms setting up in York the Task Group asked the CYC Performance and Innovation Team for measures to track the progress of businesses. The information below provides the latest and most accurate proxy measures although it does only include the number of VAT and PAYE based enterprises.
74. The Office for National Statistics provides the following annual figures in late November 2013: <http://www.ons.gov.uk/ons/rel/business-register/business-demography/2012/rft-business-demography-2012-tables.xls>
75. Active: The starting point for demography is the concept of a population of active businesses in a reference year (t). These are defined as businesses that had either turnover or employment at any time during the reference period. Births and deaths are then identified by comparing active populations for different years.

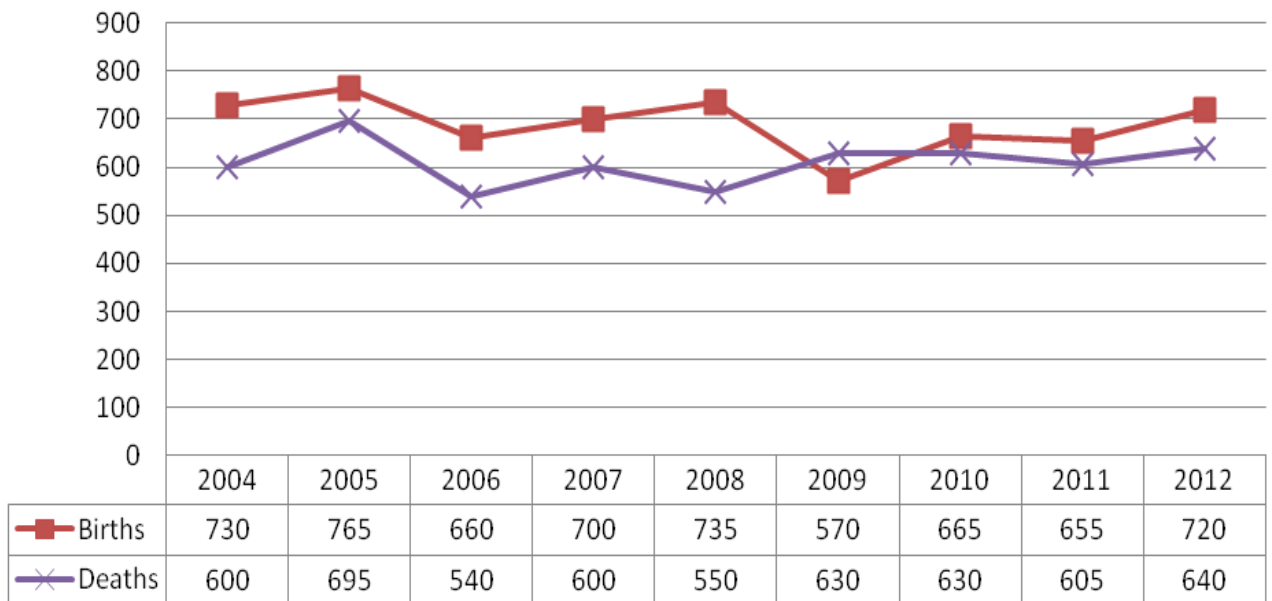
76. Births: A birth is identified as a business that was present in year t, but did not exist in year t-1 or t-2. Births are identified by making comparison of annual active population files and identifying those present in the latest file, but not the two previous ones.

77. Deaths: A death is defined as a business that was on the active file in year t, but was no longer present in the active file in t+1 and t+2. In order to provide an early estimate of deaths, an adjustment has been made to the latest two years deaths to allow for reactivations. These figures are provisional and subject to revision.

78. The following are the graphs that relate to York:

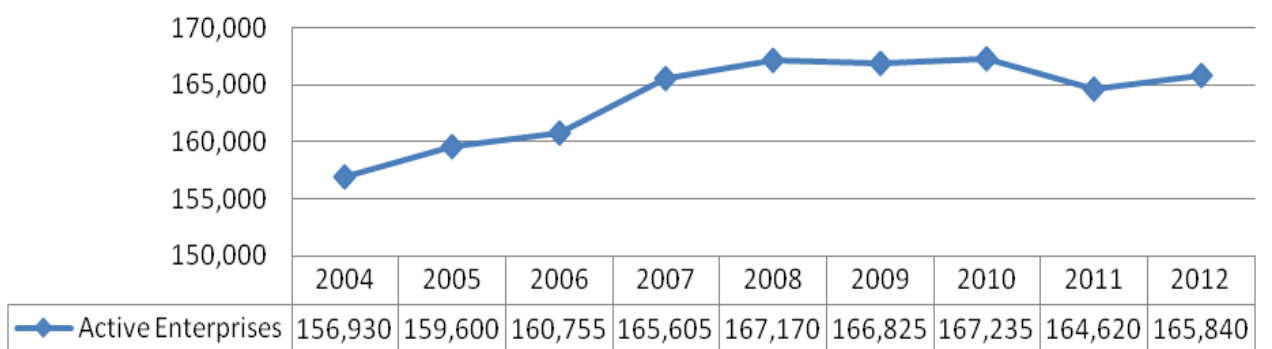


Business Births and Deaths - York UA

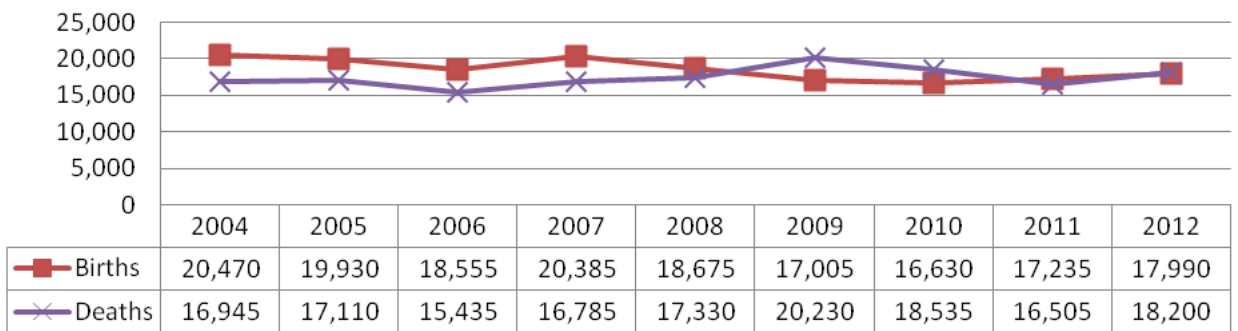


Regionally

Count of Active Enterprises - Yorkshire And The Humber Region

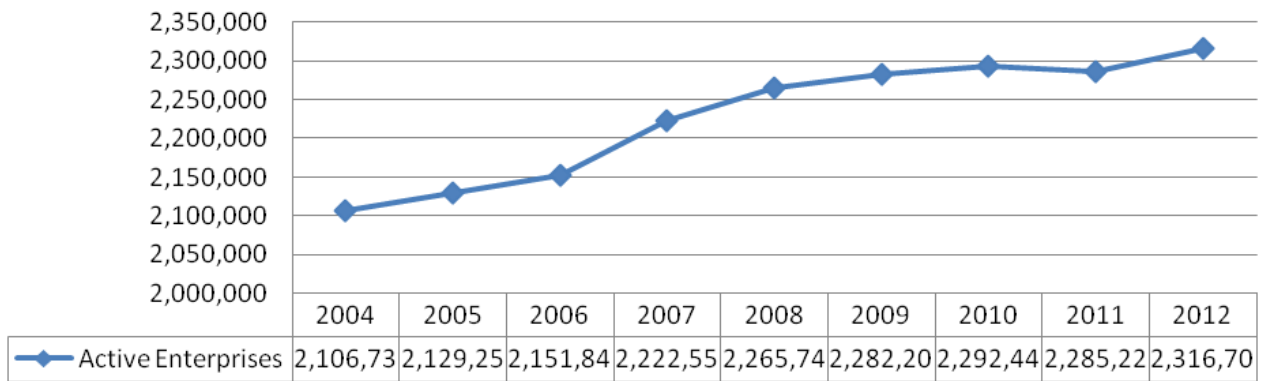


Business Births and Deaths - Yorkshire And The Humber Region

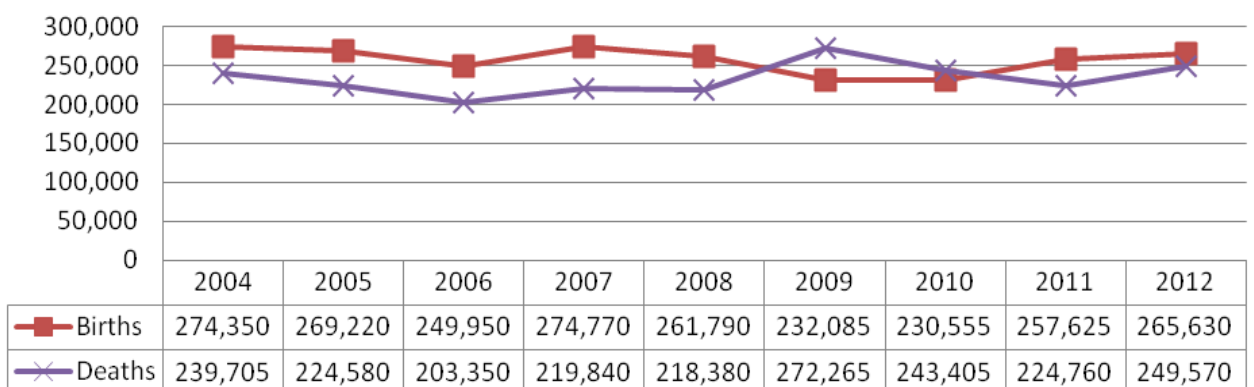


Nationally

Count of Active Enterprises - Great Britain



Business Births and Deaths - Great Britain



Growth Hubs

79. During discussions in September 2014 about simplifying access and information for new businesses the Task Group were told of Leeds City Region Enterprise Partnership plans to establish a regional growth hub (Annex 1).
80. A strategic priority of the growth hub is to “unlock the growth potential of business and enterprise” and to:
- Simplify and coordinate the landscape for business support;
 - Coordinate targeted support for innovation and high growth businesses;
 - Work with the private sector and other partners to support the potential of firms across all sectors to grow and adapt to changing and new markets.
81. Among the potential gaps in business support it identifies a single point of access for all business support i.e. a one-stop-shop for information on business support, business information and referral.
82. It identifies that the current business support landscape is crowded, confusing and uncoordinated and one of the principles of the hub is to make things easier for SMEs and intermediaries by bringing everything into one place.

Recent Developments

83. In August 2014 the Department for Business, Innovation and Skills (BIS) published a package of support making it easier for budding entrepreneurs to start up and grow a business from their home.
84. The measures were announced by Business Minister Matthew Hancock who noted in a Government release that around 70% of new businesses start off in the home, and the 2.9 million home-based businesses in the UK contribute £300 billion to the economy². As part of a long-term economic plan to back businesses, the government wants to make it much easier for people thinking of starting a home business to do so with the law firmly on their side. The new measures include:

² BIS Business Population Estimates and BIS Small Business Survey

- New legislation will make it easier for people to run a business from a rented home. The law will be changed so that landlords can be assured that agreeing to this will not undermine their residential tenancy agreement. A new model tenancy agreement will also be made available;
- Updated planning guidance makes it clear that planning permission should not normally be needed to run a business from your home:
- New business rates guidance clarifies that in the majority of cases home based businesses will not attract business rates.

85. By removing some of the red tape required to run a home business, the Government is hoping to create an increase in home-based entrepreneurs over the coming years.

86. Cllr Semlyen asked the Learning and Culture Overview and Scrutiny Committee to undertake a review in to entrepreneurship skills training in schools and colleges, which they agreed to as an adjunct to the careers scrutiny task force chaired by Cllr Scott. The Task Group has asked that ECDOSC receive a copy of the Learning and Culture OSC final report.

New Investment

87. Since the Task Group began its work a new development was announced that may help address the lack of a critical mass of graduate jobs (paragraph 27) in the region. In July 2014 York announced two major developments which will create hundreds of higher value jobs after winning millions of pounds in Government funding.

88. A food science campus off the A64 at Sand Hutton will mean 800 highly skilled and highly paid technical jobs while a bio hub at the University of York will host and support a range of high-tech industrial biochemical companies and create a further 500 high value jobs, although it is not known how many of these jobs will be for the people of York.

89. The new food science campus, to be built on the Food and Environment Research Agency (FERA) site, will be a base for research and product testing in the AgriFood and AgriTech industries.

90. There is also funding for:

- Biovale - £8m of new science facilities in York to provide a biotechnology 'innovation cluster,' which will help companies develop next generation biofuels, bio-waste processing and high value chemicals.
- Askham Bryan College, for a £1.6 million new state-of-the-art 'Agri-Tech' training Centre and Engineering Centre of Excellence

Analysis

91. In regard to the steady supply of higher education graduates from York's colleges and universities the Task Group were mindful of the lack of a critical mass of graduate jobs in the city. They noted that anecdotal evidence suggested that many who remain in the city after graduation take part-time or lower value jobs, which has a knock-on effect on York's labour market.
92. The Task Group acknowledged the City's track record in encouraging graduate start-ups, noting that many were not included in official statistics as they were below the VAT threshold, while others relocated relatively soon after start-up.
93. In regard to the business start-ups located at the Phoenix Centre at York St John University, the Task Group recognised that one of the challenges they faced was a lack of affordable follow-on space. Many of those graduates wanted to keep their fledgling businesses in or around the city centre because of its transport links and the availability of cafes where they often held meetings.
94. The total office stock in the city centre excluding business centres / services offices was 1,501,321 sq ft (May 2013 baseline). If a target were to be set, an appropriate level might be to increase this by 20% by 2020.
95. The Task Group were pleased to note that evidence gathered during the review suggested that those people who had started up in business were passionate about what they did and were happy to share their experiences with other start-up businesses.
96. Having considered the two case studies (paragraphs 60-65 and 66-72) and the evidence from the two entrepreneurs behind Catalyst IT Solutions (paragraph 32) the Task Group recognised the similarities in the issues new businesses faced even though their routes to start up came from different career backgrounds.

The Task Group acknowledged the feedback from them suggested they would have benefitted from mentoring opportunities and access to business-to-business support.

97. The Task Group also recognised that networking could help provide a fertile environment in which businesses thrive. Too often people developing their businesses were so focused on what they were doing they did not have time to share what they were doing with others. By sharing their ideas they could become a magnet to attract the expertise they needed to grow.
98. In recognising the void left by the loss of Business Link the Task Group acknowledged that experts in the public sector were not always best placed to advise the private sector. Task Group Members noted the view of businesses that the current approach was fragmented, making it more difficult to seek advice. The Task Group questioned whether this could be improved.
99. While accepting that experts in the public sector are not always best placed to advise the private sector Task Group Members agreed the Council could help facilitate information sharing, mentoring, business-to-business advice and networking opportunities.
100. A consistent message during the Task Group's investigations was the importance of having a single point of contact for new businesses. When businesses start up they often do not know where to go and from whom to seek advice and a single point of contact at an early stage would prove valuable. Businesses also felt they needed specific early help with networking and to be made more aware of networking events and opportunities.
101. The Task Group also recognised that with entrepreneurial students their ideas were usually very strong and a new business was more likely to survive if the idea was strong. Even so, they acknowledged that most students did not start a business on graduation. They, along with non-graduate entrepreneurs, were more likely to start a business at age 26 or 27 and graduates were more likely to start a business if they were first exposed to social enterprise.
102. Changing the sectoral composition of York's economy (paragraph 11) is fundamental to the ambition of improving its productivity and the value of jobs in the city. The decline in both is attributable to the decline of manufacturing jobs in the city from the 1990s.

This bears directly on the report's recommendations and setting a stretch target for the proportion of jobs in high value sectors such as professional, scientific and technical activities would measure directly the outcome the report is interested in.

103. Current forecasts reflected in the Local Plan from work done by Oxford Economics see a growth in employment in professional, scientific and technical activities of 1.2% by 2030. A target to increase the proportion of jobs in these categories by 5% by 2030 would reflect a significant shift in the structure of the economy. Interventions through the Local Growth Fund (in support of York Central, Biovale) and through Newco would support the achievement of this target.

Conclusions

104. There is a need to provide more affordable space in York in general and in the city centre in particular to provide suitable accommodation to allow start-up businesses to move on and grow.
105. New businesses would benefit from a more joined up approach to business support. While a whole host of advice services have grown to fill the void left by Business Link fledgling businesses would benefit from the creation of a mechanism of support for new businesses, a "one-stop-shop" where a series of potential problems can be addressed and solved at the same time.
106. For continuity this single point of access would best be served by appointing specific officers to the role with their contact details circulated on York Means Business and relevant Council and business partner websites.
107. New businesses would benefit from more mentoring and networking opportunities (paragraph 97). Regular networking with people in similar fields can lead to a cross fertilisation of business ideas and development (paragraphs 63 & 64).
108. Start-up business want simplified access to information held by the council on issues such as planning, licensing, environmental health etc (paragraphs 32, 62, 69 and 72).

109. The Task Group recognised that communication is an important element of developing business in the city and as such a comprehensive database and email list of all York business would be important for spreading the message of what is available and where.

110. Overall, while the Task Group welcomed the new investment coming to York and the higher value jobs it will create they would hope that those positions would prove suitable for people from York rather than being filled by graduates from elsewhere. This would free up part-time and lower value jobs for others in York's labour market.

111. Finally, there is a need to change the sectoral composition of York's economy to improve productivity and the value of jobs in the city.

Draft Review Recommendations

112. Having considered the evidence above, the Task Group recommends:

- i. That the Economic Development Unit, Newco and their partners bring forward innovative proposals to increase the amount of city centre space available for start-up and growing businesses in York by 20% by 2020, the amount of extra space to increase year on year and be reviewed annually;
- ii. That the Council look to establish a single point of contact for business advice and develop a communications strategy to more effectively inform business owners and new starters of the assistance the Council can provide by clearly signposting services and to examine how local banks, accountants and solicitors could be used to point people in the direction of the council and its partners for advice;
- iii. That named Council support officers responsible for liaison with start-up businesses are clearly identified on the York Means Business and other appropriate Council websites;
- iv. That the Council and its partners work to increase business-to-business mentoring, peer support and networking opportunities for small businesses and the named contacts in Recommendation iii) be responsible for facilitating networking opportunities.

- v. That ECDOSC receives reports within six months on the outcomes of the support being provided to new local businesses by the Council.
- vi. That interventions through the Local Growth Fund and Newco support an increase of 5% in employment in professional, scientific and technical activities by 2030.
- vii. That the Council construct a comprehensive database and e-list of businesses in the city;
- viii. That existing education providers be encouraged to step up provision of business plan writing so people can be coached to develop business plans;
- ix. That the University of York be urged to:
 - Reallocate University car parking to improve access and increase the attractiveness to visitors to the Ron Cooke Hub, subject to planning restrictions;
 - Make more in its prospectus that the university does not claim the intellectual property rights to undergraduate ideas.

Council Plan

113. This review is linked to the create jobs and grow the economy element of the Council Plan 2011-15.

Implications

114. At the time of undertaking this review it was acknowledged many of the recommendations would fall within the purview of the newly formed Newco (now named Make It York). Any resource implications falling on the Council will need to be addressed once the specific role of Newco and the Council within it, has been established.

- **Financial** – the Council funds the EDU team and has a number of priorities to deliver. If it concentrates on one area that will impact on other business. Recommendations iv) and vii) will come at a cost but it has not been determined what these cost will be.

- **Human Resources** – resource wise the Economic Development Unit are already stretched so there are limitations to the level of intervention available. CYC will aim to include these aims and recommendations in the Newco contract but the ability to deliver them will be subject to the level of resources made available to Newco. This contract with and resources going to Newco are subject to a further report to Cabinet.
- **Equalities** – there are no equalities implications.
- **Legal** – there are no legal implications at this stage.
- **Crime and Disorder** – there are no crime and disorder implications.
- **Information Technology** – there are no direct IT implications.
- **Property** – there are no property implications.
- **Other** – there are no other implications at this stage

Risk Management

115. There are no known risks arising from the report. However, there is a risk to the economic development of York if nothing is done to arrest the migration of graduates and graduate start-up businesses away from the city.

Recommendations

116. Having considered the information contained within this report, Members are asked to:
- i. Note the report and agree any final changes required;
 - ii. Consider the draft review recommendations shown in paragraph 112, and identify any amendments and / or additional recommendations required.

Reason: To conclude the work on this scrutiny review in order that the draft final report can be presented to Cabinet.

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Report Approved

Date 29/12/2014

All

Wards Affected:

For further information please contact the author of the report

Annexes

Annex A – Leeds City Region Local Enterprise Partnership Business Growth Hub

Annex B – Outcome measures

Abbreviations

CYC – City of York Council
ECDOSC – Economic & City Overview & Scrutiny Committee
FERA – Food & Environment Research Agency
FTE – Full Time Equivalent
GDP – Gross Domestic Product
GVA – Gross Value Added
IT – Information Technology
PAYE – Pay As You Earn
SCY – Science City York
SME – Small & Medium Enterprise
TBM – The Beautiful Meme
VAT – Value Added Tax



BUSINESS GROWTH HUB MAY 2014

LEEDS CITY REGION
ENTERPRISE PARTNERSHIP



WHAT IS A GROWTH HUB?

- An access and referral point for all business support products and services available in a LEP geography
- Clear focus on support for growth-oriented SMEs
- Ranging from 'light-touch' web presence to dedicated helpline and teams of advisers

GROWTH HUBS IN ENGLAND

There are established Growth Hubs in:-

- Greater Manchester <http://www.businessgrowthhub.com/>
- Lancashire <http://www.boostbusinesslancashire.co.uk/>
- Cumbria <http://www.cumbriagrowthhub.co.uk/>
- Northamptonshire
<http://www.northamptonshiregrowthhub.co.uk/>

POLICY CONTEXT

- Closure of regional Business Links
- National business support contracts awarded e.g. MAS, UKTI, Growth Accelerator, TSB etc.
- BIS dialogue with Core Cities and LEPs
- £32m RGF funding for 16 Growth Hubs in Wave 2 City Deal areas e.g. £2.5m for Humber
- **'Small Business: Great Ambition' makes a commitment to 'roll out Growth Hubs during 2014 and 2015 to provide a single place for businesses to go for local advice and support'.**

THE NEED FOR A GROWTH HUB

- SMEs that access business support are more successful
- Growth-oriented SMEs create a disproportionately high number of new jobs
- The business support landscape has become more fragmented and complicated for SMEs
- There is lots of business support out there which SMEs are not benefitting from
- It is resource-intensive to map, promote and maintain business support information
- A central hub with local spokes makes sense (why do it 10 times for LCR?)

THE CURRENT BUSINESS SUPPORT LANDSCAPE



GROWTH HUB FOR LCR

Underpinning Principles

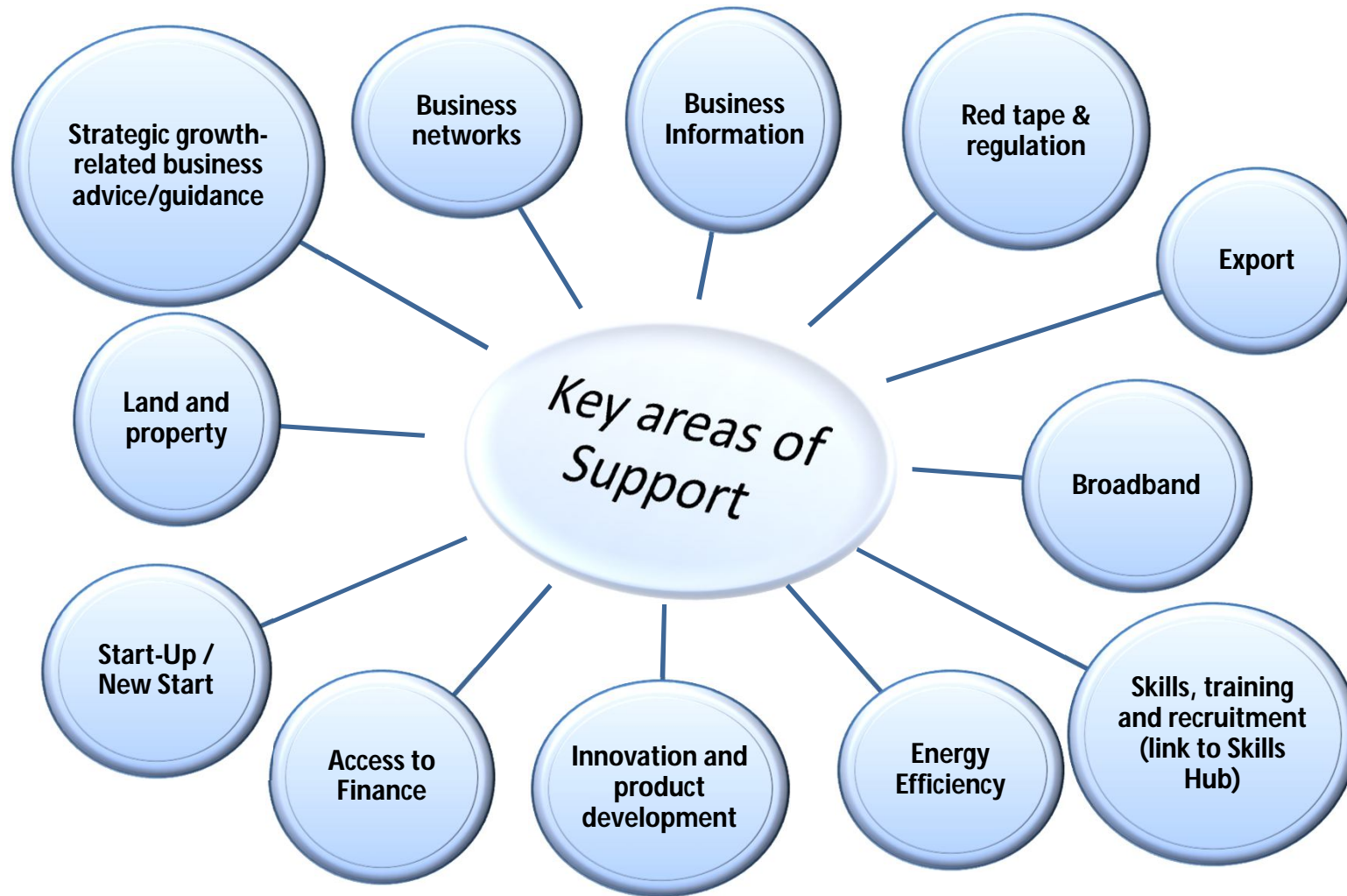
- Makes things easier for SMEs and intermediaries i.e. everything is in one place
- Proactive focus on growth-oriented SMEs (to be defined), but can react to all businesses in LCR
- It doesn't deliver advice, but provides access and referral to trusted, good quality business advice
- Partnership approach with local providers critical
- Co-location of other business support services e.g. Skills Hub, Access to Finance, MAS, Chambers etc.

GROWTH HUB FOR LCR

Underpinning Principles (continued)

- Drives 'deal-flow' to growth-oriented products and services
- Becomes part of a joined-up network of hubs across the country to share good practice and lobby
- Uses customer feedback to jointly-develop new products and services with Government
- It doesn't chase public money for the sake of it e.g. ERDF debate
- **Underpinning architecture for a sustainable business support model**

CONTENT AND LINKAGES



GROWTH HUB FOR LCR

Key Features

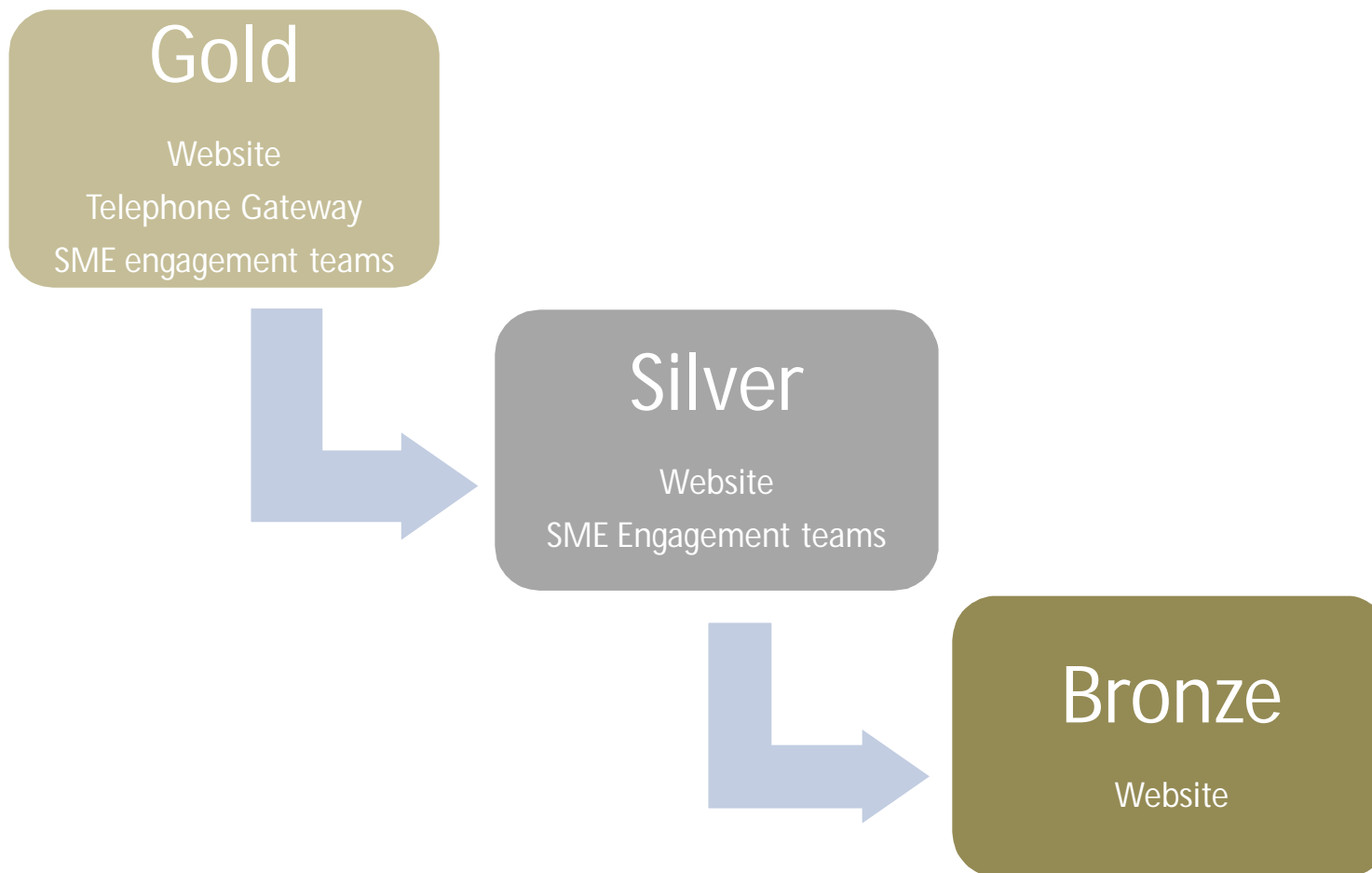
- Gold, silver and bronze models dependent on resources
- Hub and spoke model i.e. central hub linked to wider network of local spokes (how many?)
- Shared CMS system for all Growth Hub partners (Evolutive)
- Central business intelligence function to report on SME demand/needs (may include a regular business survey and reports to Government)
- Consistent branding (LEP), QA and evaluation across the Hub partners (local and national)
- Consistent approach to business diagnosis and definition of 'growth-oriented'
- Public and private sector support e.g. staff, premises, free events/workshops/seminars etc.

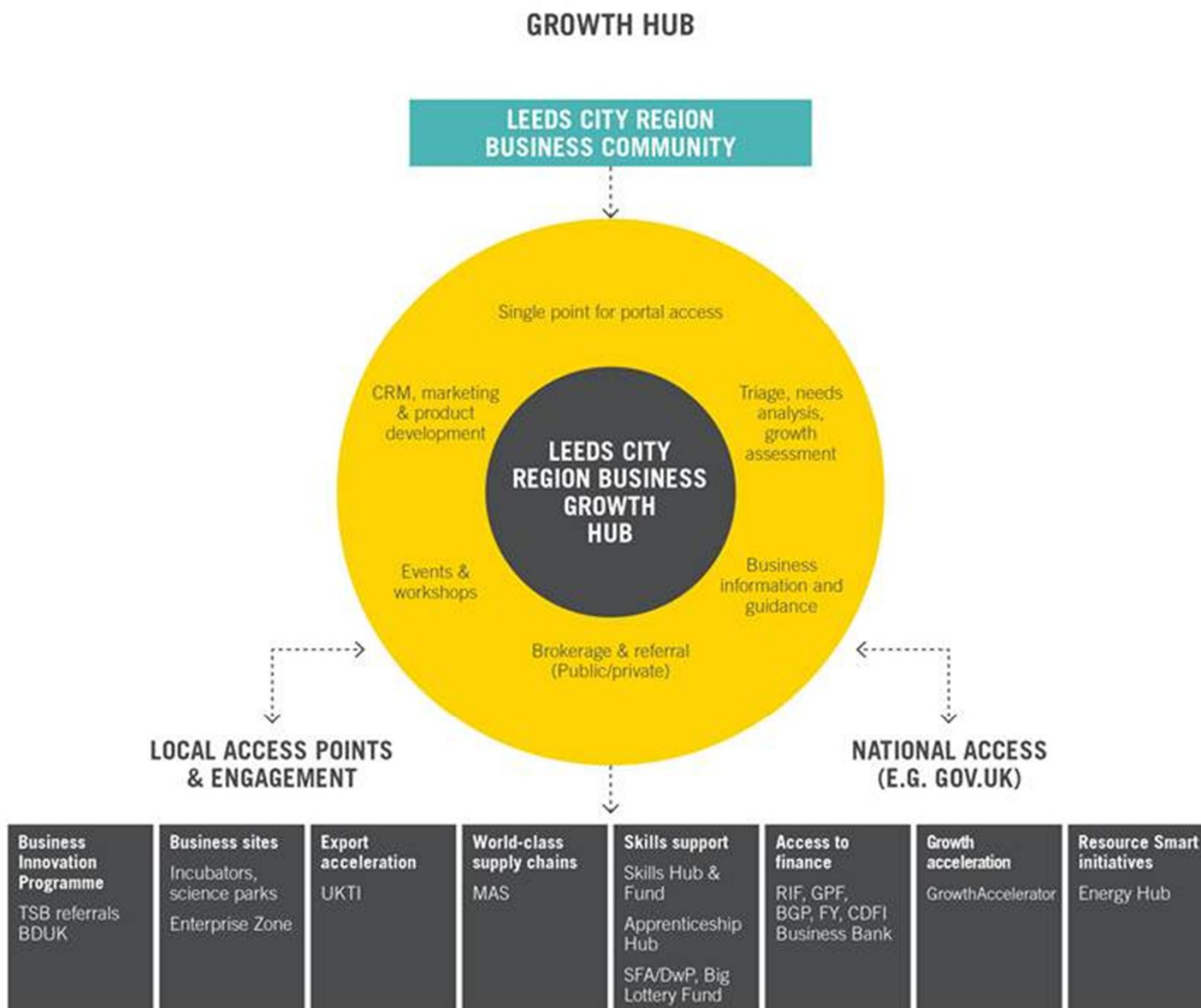
GROWTH HUB FOR LCR

Key Features (continued)

- Website with links to local spokes
- Utilisation / adaptation of the national business support offer (website, telephone gateway & knowledge bank)
- Locally-embedded SME account managers (expert knowledge on products and services)
- Local partners to determine where managers should be based, and who they should target (strategic exercise based on economic priorities and opportunities at the district level)
- Requires a consistent approach and sharing of intelligence and good practice.
- Ongoing development of new products and services.

GROWTH HUB MODEL OPTIONS





RESOURCE OPTIONS

- **Local Growth Fund (£0.625m from LGF for 15/16)**
- **Includes £125K for evaluation linked to Ministerial Star Chamber Review of business support**
- ESIF, including 'opt-ins' (more suited to delivery of services from the Hub)
- Horizon 2020 (as above)
- Regional Growth Fund Round 6
- Growing Places Fund interest repayments
- Other Government funding schemes
- Private Sector support (sponsorship, staff, venues, events/workshops/seminars, expertise)
- Public Sector support (staff, venues, expertise)

ROLE OF THE HUB

- Branding (LEP Growth Hub linked to local ones)
- Co-ordination and promotion of activity across LCR
- Content Management
- Underpinning CMS (Evolutive)
- Gathering/analysing business intelligence (LCR survey)
- Governance (BIG Panel to LEP Board/CA)
- Securing additional resources form Govt. and partners
- Quality Assurance & evaluation
- Product / service design and development

ROLE OF THE SPOKES

- Proactively target and account-manage growth-oriented SMEs
- Provide match-funding for SME account managers
- ‘Light touch’ diagnosis and impartial brokerage (‘right products at the right time’)
- Map & coordinate local provision
- Share data and intelligence with central Hub and other spokes
- Communications with local partners and strategic leadership at local level
- Contribute to product/service design, development and evaluation

NEXT STEPS

- Consult with EDOs and DoDs in summer 2014
- Ongoing dialogue with Government re-funding and policy
- Ongoing development of the model with Working Group and partners
- Ongoing development of the LEP CMS
- Potential commissioning of the website
- Incorporation of elements of the national business support offer
- Learning from other Growth Hubs across the country

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How to measure the impact of the draft recommendations

A range of outcome measures have been considered to measure the impact of the scrutiny. A discussion of the strengths/weaknesses of each is set out below:

- **Headline GVA**

Arguably this is the most appropriate given the focus of the scrutiny on increasing productivity. However, GVA is a notoriously unreliable measure even at national level, measures at regional level (NUTS II) even more so, and difficulties are compounded at local authority level (NUTS III). Taking into account the varied forces that impact on the measure (global economic factors, business cycle) that are beyond the control of the council, and the difficulty of proving a causal relationship between the report's recommendations and changes in performance on an inherently unreliable measure, this is not recommended.

- **Business stock**

Again, this measure is attractive in terms of its focus on increasing entrepreneurship, which should result in more business births, and more successful businesses, resulting in fewer business deaths. Data is available in a range of forms (VAT registrations, PAYE, survey). None are complete and sometimes point in different directions (Bank Business Survey suggests York in bottom 5% of local authorities for business start-ups; York accountancy firm UHY Calvert Smith reported in the last year York had created 4 new businesses per 10,000 population, compared to a national average of 0.8). There is also the issue of whether business stock in the round measures the shift from low to high value appropriately. Whilst these measures are valuable as indicators of performance, it is much more difficult to choose one and then set a target with any confidence. This is not recommended.

- **Space availability**

In principle, this does seem to relate directly to one of the report's key recommendations, and change would be more directly attributable to the actions of the council, through its planning and regeneration activity. This is therefore recommended. The total office stock in the City Centre excluding business centres/services offices was 1,501,321 sqft (May 2013 baseline) If a target were to be set, an appropriate level might be to increase by 20% by 2020.

- **Graduate retention/ Bringing graduates back to York**

Higher York does not regularly collect information on these areas, (although usefully, a survey was carried out and the results published in February 2014). ONS Population data does capture resident qualification levels. This would however be a very rough proxy for the outcome the sub-group was interested in specifically, of the interplay between students coming to the university and staying in the city for employment or business start-up, and graduates who leave, but then return later. This is not recommended.

- **Sectoral composition**

Changing the sectoral composition of York's economy is fundamental to the ambition of improving its productivity and the value of jobs in the city. The decline in both is attributable to the decline of manufacturing jobs in the city from the 1990s. This bears directly on the report's recommendations and setting a stretch target for the proportion of jobs in high value sectors such as professional, scientific and technical activities would measure directly the outcome the report is interested in. Current forecasts reflected in the Local Plan from work done by Oxford Economics see a growth in employment in professional, scientific and technical activities of 1.2% by 2030. A target to increase the proportion of jobs in these categories by 5% by 2030 would reflect a significant shift in the structure of the economy. Interventions through the Local Growth Fund (in support of York Central, Biovale) and through Newco would support the achievement of this target. This is recommended.

- **Part-time employment**

The headline information is readily available on a monthly basis from JSA data. The key challenge with part-time work is in relation to distinguishing between elective and enforced part-time working. This is currently impossible. It would therefore not be appropriate to consider setting a target on this.

- **Hollowing out of age range**

ONS and NOMIS statistics suggest that York's population increase over the last 20 years has mainly been in the 20-24 and 50+ year

Annex B

olds. There has been limited growth in 25-40 year olds. However York is still in a stronger position than the regional and national average and it is therefore difficult to see a link between this and the value of jobs in the city and the productivity of the local economy. As this measure seems not to have a direct link with the report's areas of focus, this is not recommended.

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Economic & City Development Overview & Scrutiny Committee Work Plan 2014/2015

Meeting Date	Work Programme
11 June 2014 @ 5.30pm	<ol style="list-style-type: none"> 1. Attendance of the Cabinet member for Transport 2. Further Update on Youth Unemployment including updated statistics. (Julia Massey) 3. Interim Report on Online Business / E-Commerce Scrutiny Review 4. Verbal Report on GVA/high value jobs (David Walmsley) 5. Report and Cabinet Member feedback on other potential scrutiny topics proposed at scrutiny work planning event: <ul style="list-style-type: none"> • Public transport provision in the city • Low emissions strategy • Closure of Lendal Bridge 6. Work Plan 2014/2015
23 July 2014 @ 5.30pm	<ol style="list-style-type: none"> 1. End of Year CYC Finance and Performance Monitoring Report 2. Scoping report on Supporting Older People Scrutiny Review exploring how economic growth benefits older people eg to extend paid working/economic contribution 3. Economic Dashboard Update 4. Update on implementation of recommendations including a specific outcome target measure and progress arising from the External Funding Scrutiny Review 5. Work Plan 2014/2015 including verbal updates on ongoing scrutiny reviews.
1 October 2014 @ 5.30pm	<ol style="list-style-type: none"> 1. Attendance of the Cabinet Member for Planning and Sustainability 2. Overview Report on Low Emissions Strategy including update of Air Quality Action Plan 3. Update on Refresh of Equalities Scheme inc. Introduction to relevant focus areas 4. First Quarter CYC Finance and Performance Monitoring Report. 5. Six monthly Update Report on Major Transport Initiatives including overview of public transport provision in light of changing travel patterns

	<ul style="list-style-type: none"> 6. Six monthly Update Report on Major Developments within City of York Council 7. Work Plan 2014/2015
12 November 2014 @ 5.30pm	<ul style="list-style-type: none"> 1. Attendance of the Cabinet Member for Homes and Safer Communities 2. Higher Value Jobs Scrutiny Review Draft Final Report. 3. Update Report on Bulk Buying of Energy (invite York Community Energy speaker). 4. Six monthly Update from YorCity Construction. 5. Economic Dashboard Update 6. Work Plan 2014/2015
28 January 2015 @ 5.30pm	<ul style="list-style-type: none"> 1. Attendance of Cabinet Member for Transport including written report on soft measures for transport modal shift and responsible driving, plus public transport review 2. Six monthly Update Report on Major Transport Initiatives 3. Second Quarter CYC Finance and Performance Monitoring Report 4. Update report on Universal Credit (Pauline Stuchfield) 5. Update Report on Economic Dashboard and part-time working in York. 6. Brownfield sites and infrastructure report publication 7. Draft Final Report Higher Value Jobs Scrutiny Review. 8. Work Plan 2014/2015
11 March 2015 @ 5.30pm	<ul style="list-style-type: none"> 1. Attendance of the Cabinet Member for Economic Development (tbc) 2. Attendance of Cabinet Member for Culture, Leisure and Tourism to present update on Shambles Market. 3. Third Quarter CYC Finance and Performance Monitoring Report 4. Six monthly Update Report on Major Developments within City of York Council 5. Economic Dashboard Update 6. Draft Final Report Online Skills Scrutiny review 7. Draft Work Plan for 2015-2016