

**Notice of a public meeting of  
Executive**

**To:** Councillors Aspden (Chair), Ayre, Craghill, Cuthbertson, D'Agorne, Runciman, Smalley, Waller and Widdowson

**Date:** Thursday, 13 February 2020

**Time:** 5.30 pm

**Venue:** The George Hudson Board Room - 1st Floor West Offices (F045)

**A G E N D A**

**Notice to Members – Post Decision Calling In:**

Members are reminded that, should they wish to call in any item\* on this agenda, notice must be given to Democracy Support Group by **4:00 pm on Monday, 17 February 2020.**

\*With the exception of matters that have been the subject of a previous call in, require Full Council approval or are urgent, which are not subject to the call-in provisions. Any called in items will be considered by the Customer and Corporate Services Scrutiny Management Committee.

**1. Declarations of Interest**

At this point, 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 - 16)

To approve and sign the minutes of the last Executive meeting, held on 21 January 2020.

### 3. **Public Participation**

At this point in the meeting members of the public who have registered to speak can do so. The deadline for registering is **5.00pm on Wednesday, 12 February 2020**. Members of the public can speak on agenda items or matters within the remit of the committee. To register to speak please contact the Democracy Officer for the meeting, on the details at the foot of the agenda.

#### **Filming, Recording or Webcasting Meetings**

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Residents are welcome to photograph, film or record Councillors and Officers at all meetings open to the press and public. This includes the use of social media reporting, i.e. tweeting. Anyone wishing to film, record or take photos at any public meeting should contact the Democracy Officer (whose contact details are at the foot of this agenda) in advance of the meeting.

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/download/downloads/id/11406/protocol\\_f\\_or\\_webcasting\\_filming\\_and\\_recording\\_of\\_council\\_meetings\\_20160809.pdf](http://www.york.gov.uk/download/downloads/id/11406/protocol_f_or_webcasting_filming_and_recording_of_council_meetings_20160809.pdf)

### 4. **Forward Plan** (Pages 17 - 20)

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

### 5. **City Centre Access – Phase 1 Proposals (Update)** (Pages 21 - 36)

The Corporate Director of Economy & Place to present a report which seeks to progress permanent security measures in the city that will be more aesthetically pleasing, and more in keeping with York's environment, than the previous temporary measures.

- 6. York Outer Ring Road Improvements – Dualling from A19 Rawcliffe to A64 Hopgrove** (Pages 37 - 50)

The Assistant Director of Transport, Highways & Environment to present a report which seeks approval to merge the remaining Junction Scheme and Dualling Scheme for the York Outer Ring Road (YORR) into a single programme of planning and delivery, following the news that YORR has received Programme Entry for the first phase of dualling, from A19 Rawcliffe to A64 Malton Road.
- 7. Update of the Housing Revenue Account (HRA) Business Plan and Asset Management Strategy (AMS)** (Pages 51 - 96)

The Assistant Director of Housing & Community Safety to present a report which reviews the council's HRA Business Plan, financial projections and AMS, and asks Executive to approve a revised Plan, projections and Strategy.
- 8. Financial Strategy 2020/21 to 2024/25** (Pages 97 - 230)

The Director of Customer & Corporate Services and the Head of Corporate Finance & Commercial Procurement to present a report which asks Executive to recommend to Council the financial strategy for 2020/21 to 2024/25, including the detailed revenue budget proposals for 2020/21.
- 9. Capital Programme 2020/21 to 2024/25** (Pages 231 - 274)

The Head of Corporate Finance & Commercial Procurement (Interim s.151 Officer) to present a report which sets out the Capital Strategy for 2020/21 to 2024/25, and new capital schemes in particular, and asks Executive to recommend the revised capital programme to Council.
- 10. Capital and Investment Strategy** (Pages 275 - 284)

The Head of Corporate Finance & Commercial Procurement to present a report which asks Executive to recommend the capital and investment strategy to Council for approval, in accordance with the Prudential Code 2017.
- 11. Treasury Management Strategy Statement and Prudential Indicators** (Pages 285 - 314)

The Head of Corporate Finance & Commercial Procurement to present a report which asks Executive to recommend to Council the treasury management strategy and prudential indicators for the 2020/21 financial year.

**12. Capital Programme Monitor 3** (Pages 315 - 338)

The Head of Corporate Finance & Commercial Procurement to present a report which sets out the projected out-turn position on the capital programme for 2019/20 and asks Executive to recommend to Council the adjustments detailed in the report and Annex A.

**13. Q3 19-20 Finance and Performance Monitor** (Pages 339 - 390)

The Director of Customer & Corporate Services to present a report which provides details of the council's overall finance and performance position for the period 1 October to 31 December 2019, together with an overview of any emerging issues.

**14. Urgent Business**

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

Democracy Officer:

Name: Fiona Young

Contact details:

- Telephone – (01904) 552030
- E-mail – [fiona.young@york.gov.uk](mailto:fiona.young@york.gov.uk)

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

- Registering to speak
- Business of the meeting
- Any special arrangements
- Copies of reports 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 (Polish)  
własnym języku.**

**Bu bilgiyi kendi dilinizde almanız mümkündür. (Turkish)**

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

** (01904) 551550**

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City of York Council

Committee Minutes

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Meeting	Executive
Date	21 January 2020
Present	Councillors Aspden (Chair, in the Chair for Agenda Items 1-9 and 11-14), Ayre, Craghill, Cuthbertson, D'Agorne (Vice Chair, in the Chair for Agenda Item 10), Runciman, Smalley, Waller and Widdowson
In Attendance	Councillor Perrett (in place of Cllr Myers)

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

### **75. Declarations of Interest**

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

Cllr D'Agorne declared a personal interest in Agenda Item 6 in respect of comments made under Public Participation on this item on behalf of York Cycle Club, as he had had previous conversations with YCC on these issues.

Cllr Waller declared a prejudicial interest in Agenda Item 10 (Discretionary Rate Relief (DRR) Awards 2020-2022), as Treasurer of Chapelfields Community Association, which was on the list of existing recipients of DRR. Cllr Aspden later declared a prejudicial interest in the same item, as a member of Fulford Parish Council, which was on the list of proposed recipients of DRR. Both Members left the room during consideration of that item and took no part in the discussions or decisions thereon, and Cllr D'Agorne took the Chair for the item.

### **76. Exclusion of Press and Public**

Resolved: That the press and public be excluded from the meeting should any discussion arise on Annexes 5, 6 and 7 to Agenda Item 6 (Castle Gateway Phase One Delivery Strategy) on the grounds that they contain information relating to the financial or

business affairs of particular persons. This information is classed as exempt under Paragraph 3 of Schedule 12A to Section 100A of the Local Government Act 1972 (as revised by the Local Government (Access to Information) (Variation) Order 2006).

**77. Minutes**

Resolved: That the minutes of the Executive meeting held on 28 November 2019 be approved and then signed by the Chair as a correct record.

**78. Public Participation**

It was reported that there had been four registrations to speak at the meeting under the Council's Public Participation Scheme, and one request to speak by a Ward Member.

Cllr Vassie, Member for Wheldrake Ward, spoke on Agenda Item 6 (Castle Gateway Phase One Delivery Strategy), urging Members to approach the development as an opportunity to deliver a zero carbon development, in accordance with the council's Climate Emergency target.

Peter Sheaf spoke on Item 6 on behalf of York Cycle Campaign, voicing concerns about the proposed multi-storey car park and suggesting that the creation of secure cycle parking would be more sustainable, in view of declining driver numbers.

Hon. Ald. Brian Watson spoke on Item 6, expressing concern at the level of council borrowing proposed and asking why the results of public consultation on the project were not publicly available.

Fiona Derbyshire, Chief Executive Officer of Citizens Advice York (CAY), spoke on Item 9 (Interim Report on Financial Inclusion and Welfare Benefits Activities 2019/20), highlighting the success of a variety of financial inclusion work carried out by CAY staff.



**79. Forward Plan**

Members received and noted details of the items that were on the Forward Plan for the next two Executive meetings at the time the agenda was published.

**80. Castle Gateway Phase One Delivery Strategy**

*[See also under Part B]*

The Assistant Director of Regeneration & Asset Management and the Head of Regeneration Programmes presented a report which set out the recommended delivery strategy for the first phase of the regeneration of the Castle Gateway, following submission of the necessary planning applications in autumn 2019. This phase represented a major step towards unlocking delivery of the whole masterplan.

The following options were presented, as set out in paragraphs 10-18 of the report and analysed in detail in paragraphs 19-44:

**Option 1**- the council to act as developer for all elements of phase1. This was the recommended option. It would require short term borrowing of £45.5m and long term borrowing of £3.3m.

**Option 2** – the council to build St George’s Field MSCP and dispose of 17-21 Piccadilly and Castle Mills with restrictions limiting the use of these sites to residential and a requirement to build a new Foss bridge. This would create a higher project liability gap of £13m, to be serviced through long term borrowing.

**Option 3** – not to proceed with St George’s Field multi storey car park (MSCP); to close Castle Car Par and dispose of 17-21 Piccadilly and Castle Mills as above. This would minimise the short term financial risk but create significant long term funding liability.

**Option 4** – not to proceed with the project, and to sell 17-21 Piccadilly and Castle Mills without any restrictions. As well as failing to deliver the masterplan, this would result in abortive costs.

Members welcomed the progress made on the regeneration masterplan, which would provide a range of public realm benefits, including new pedestrian and cycling routes. Further details would be reported to Executive as Phase 1 progressed, ensuring robust oversight and management of the project risks.

With reference to matters raised under Public Participation and questions from Members, it was confirmed that:

- responses to the public consultation were available online;
- 15% of the new car parking spaces would be for electric vehicles (compared with the current 2% requirement) and the car park would have solar panels and green walls;
- alternative uses of the car park had been explored, but its position within the flood zone meant these were limited.

Resolved: (i) That Option 1 be approved for the council to deliver Phase One of the Castle Gateway regeneration and allow the future closure of Castle Car Park.

Reason: To implement the first phase of the Castle Gateway under the delivery option that allows the council to control timescales, quantity and delivery and requires the lowest level of long-term financial commitment from the council.

(ii) That approval be given to carry out a procurement to engage a construction contractor to undertake the design and subsequent construction of the multi-storey car park at St George's Field, and that authority be delegated to the Director of Economy & Place, in consultation with the Director of Governance or her delegated officers, to take such steps as are necessary to award and enter into the resulting contract.

Reason: To proceed with RIBA stage 4 design and provide fixed build costs to inform the actual project budget.

(iii) That approval be given to carry out a procurement to engage a construction contractor to undertake the design and subsequent construction of the proposed development at Castle Mills, and that authority be delegated to the Director of Economy & Place, in consultation with the Director of Governance or her delegated officers, to take such steps as are necessary to award and enter into the resulting contract.

Reason: To proceed with RIBA stage 4 design and provide fixed build costs to inform the actual project budget.

(iv) That it be noted that a further report will be brought to Executive in late 2020, on completion of the early contractor engagement steps of the contracts in respect of St George's Field and Castle Mills, to report on the actual build costs and ask Executive to agree to proceed with construction and to recommend to Council the full contract delivery budget.

Reason: To allow the final decision to proceed with the project to be made, based on fixed prices.

(v) That it be noted that a report will be brought to Executive in summer 2020 to establish the design and construction budget for the new public realm at Castle Car Park and the Eye of York.

Reason: To set out the outline business case for phase two and allow the design of the new public realm to commence, based on an agreed budget.

(vi) That a recommendation to approve a budget of £2.15m to deliver the above decisions be included in the Capital Programme 2020/21-2024/25 to be presented to Budget Council in February.

Reason: To enable these decisions to be carried out.

(vii) That a recommendation to approve a budget of £532k for diversion of the Yorkshire Water sewer and associated demolition of the toilet block at St George's Field be included in the Capital Programme 2020/21- 2024/25 to be presented to Budget Council in February, and that authority be delegated to the Executive Member for Finance & Performance to take a decision to proceed with this.

Reason: To allow a decision to be made at the appropriate time to proceed with the sewer diversion, which will enable the construction at St George's Field to commence.

(vii) That approval be given in principle for the Housing Revenue Account to fund the construction

of 20 apartments at Castle Mills as new council housing at an estimated value of £3.7m, should the council act as developer for the site.

Reason: To enable new council housing to be delivered as part of phase one of the project, should the decision be taken to proceed with Castle Mills in late 2020.

(viii) That it be noted that a report will be brought to Executive in summer 2020 setting out the recommended delivery strategy for 17-21 Piccadilly.

Reason: To enable a decision to be taken on whether 17-21 Piccadilly should be included in the council-led delivery strategy once early design work has provided a more detailed viability appraisal.

**81. The Transfer and Transformation of Haxby Hall Care Home (by way of long lease) and Associated Land Transactions**

The Head of the Older Persons' Accommodation Programme presented a report which set out proposals for the council to deliver its objective of purchasing high quality care and facilities at Haxby Hall Care Home, while enabling existing residents to remain in their home and staff to retain their employment. A plan of the site was attached as Annex 1 to the report, with detailed financial and legal implications of the proposals at Annexes 2 and 3 respectively.

Executive had agreed on 25 January 2018 that a developer / operator be procured for Haxby Hall (Minute 106 of that meeting refers) and the Corporate Director, under delegated powers, had since appointed Yorkcare as Preferred Bidder. Their bid had included: an offer to contract back with the council an additional residential care bed for people living with dementia; an offer of £300k as a premium for the grant of a 125 year lease of the current site; and the phased redevelopment and expansion of Haxby Hall into a 63 bed residential care home.

In order to access the rear of the site, Yorkcare had purchased no. 7 York Road and were negotiating to purchase no. 5. Approval was sought for the council to purchase both these properties from Yorkcare for £500k, in order to lease them back alongside the main site. Incorporation of the adjacent Ambulance Station site in the development would also be

beneficial, and Yorkcare's bid included an additional sum of £150k towards its purchase should it become available within 2 years of the transfer of Haxby Hall.

The Executive Member for Adult Social Care & Health commended the proposals to Members and thanked officers and Haxby Hall staff for their work.

- Resolved:
- (i) That the appointment of Yorkcare Homes Ltd (Yorkcare) as Preferred Bidder to be the new residential provider for Haxby Hall Care Home which, when transferred as a going concern, will enable uninterrupted care for the residents and continued employment for the staff working there via a relevant transfer, be noted.
  - (ii) That approval be given to acquire from Yorkcare two adjacent properties on York Road, Haxby at an agreed combination purchase price of £500,000, providing access for the re-development of Haxby Hall.
  - (iii) That approval be given to grant Yorkcare a long lease of the Haxby Hall site, and of the two adjacent properties, for a term of 125 years in return for the council receiving payment of a premium of £450,000.
  - (iv) That, should it become available for sale within two years of the transfer of Haxby Hall, approval be given to purchase the existing Haxby ambulance station at a cost to the council of £150,000.
  - (v) That, should the purchase of the ambulance station proceed, Yorkcare be granted a lease of that site (for a term equal to the then remaining period of the lease of the main care home site) in return for Yorkcare paying a premium to the council; that premium to be an amount equal to any costs incurred by the council in purchasing the freehold of the ambulance station site that are in excess of £150,000.

- Reasons:
- (a) To enable Haxby Hall Care Home to be transferred as a going concern and modern care

home facilities to be developed from the south of the site.

(b) To enable the residents of Haxby Hall to avoid the upheaval and uncertainty of what, for some residents, would be a second home move in a relatively short time frame following the closure of their previous home(s) earlier in the programme.

## 82. **Shaping the Future of Bootham Park Hospital**

The Assistant Director of Regeneration & Asset Management presented a report which explored the options available to help the council shape the future of the Bootham Park Hospital Site (the Site), guided by extensive public and stakeholder engagement.

Since closure of Bootham Park Hospital, the council had worked with colleagues from the Hospital Trust and others to champion a positive future for the Site. Details of consultation on the resulting Bootham Park Site Development Plan were set out in Annex 2 to the report, indicating at least 70% approval for all aspects of the plan. On 14 January 2020 the Site's owners, NHS Property Services Limited, had announced the appointment of Enterprise Retirement Living as their preferred purchaser, to deliver an independent living retirement home and other facilities.

The following options had been examined, as detailed in paragraphs 41- 66:

**Option A** – to purchase the Site.

**Option B** – to use the council's legal and land holding rights as owner/landlord of part of the roadway providing access to the site from the east to shape the development.

**Option C** – to enhance the council's control via the planning approval process and the requirements of the draft Local Plan.

The recommendations involved pursuing Options B and C.

Option A was not recommended, due to the cost and risk to the council.

The Executive Member for Finance & Performance welcomed the proposals, which would achieve much of what stakeholders and residents wanted for the site, in the context of the development of a much needed independent living facility within the city.

Resolved: (i) That the results of the further phase of public and stakeholder engagement and the priorities identified for the future of Bootham Park Hospital site be noted.

Reason: So that the council's efforts to shape the future of the Site can be guided by the views and priorities of York citizens and stakeholders.

(ii) That officers be authorised to negotiate with the current and future owner of the Bootham Park Hospital site in order to secure beneficial public use of the parkland in front of the hospital building, improved pedestrian and cycle routes through the Site and conservation and redevelopment of the Site to deliver homes and services which are of benefit to the city, using the powers the council holds as owner/landlord of land over which the eastern access to the Site passes, its rights to maintain the cycle route that passes through the Site and as owner of property adjacent to the Site, and bring back to Executive the relevant decisions regarding property or asset agreements.

Reason: So that officers can negotiate to achieve the desired outcomes in order to shape the future of the Site.

(iii) That the delivery of sustainable transport routes through the Bootham Park Hospital Site and Bridge Lane be sought, via transport plans for this and adjacent developments.

Reason: To further improve cycle journeys from the new Scarborough Bridge to the District Hospital and beyond, and from the residential areas of Rawcliffe and Clifton to the District Hospital and the city centre.

(iv) That it be noted that the submitted Local Plan requires a full appraisal of the significance of the historic buildings, landscape and archaeology on the Site and any redevelopment proposals must arise out of this understanding, and that the Local Planning Authority be asked to provide pre-

application engagement with any future land owner / developer.

Reason: So that developers of the Site have clear and advance notice of the priorities and interests of the public and stakeholders, and can shape their development proposals accordingly.

(v) That the remaining monies in the One Public Estate budget, estimated as £15,000, be deployed to fund planning, legal and other help and advice, in order to progress the actions needed to shape the future of the Bootham Park Hospital Site.

Reason: So that work can progress to shape the future of the Site.

### **83. Interim Report on Financial Inclusion and Welfare Benefits Activities 2019/20**

The Assistant Director of Customer & Digital Services presented a report which provided an update on the impact of recent and imminent welfare benefits changes in York, other welfare benefits and financial inclusion activity, and progress on the agreed recommendations of the Financial Inclusion Scrutiny Review, over the six months to 31 September 2019.

The report examined the current effects of the rollout of Universal Credit (UC), support provided by the York Financial Assistance Scheme (YFAS) and the work of the Financial Inclusion Steering Group (FISG) set up to address the root cause of financial inequality. It was reported that:

- The number of residents claiming UC had increased by an average of 130 per month, compared with 126 in 2018/19;
- 133 clients had received support with UC via the Help to Claim service run by Citizens Advice York (CAY); 233 had received general UC support from CAY;
- Council tenant rent arrears had increased overall by 18.5%;
- The council had spent 66% of the £210k government grant received in 2019/20 for Discretionary Housing Payments;
- 598 YFAS applications had been received, of which 48% were awarded assistance, resulting in a spend of 95% of the total budget;



- Key outcomes from the ten projects currently funded by the FISG (detailed in Table 7, paragraph 25) had included the management of 817 debts, valued at £913k, with £569k (annualised) income gained;
- Progress on the Scrutiny recommendations had included the commencement of the Poverty Scrutiny Review, expansion of the membership of FISG and planning work for the revision of the Financial Inclusion Policy.

The Executive Member for Housing & Safer Neighbourhoods commended the report and the work carried out to provide support through these activities to over 1,000 residents in the past year. Having noted the comments made on this item under Public Participation, it was

Resolved: (i) That the report, and the progress made against the Financial Inclusion scrutiny recommendations, be noted.

(ii) That approval be given to use £1,300 from the Financial Inclusion budget to fund an event to bring together partners and resources in the city to work strategically on tackling digital exclusion in York.

Reasons: To ensure that councillors, residents and groups are aware of financial inclusion activity and the use of associated funding, to confirm that Members have been updated on welfare benefits, and to ensure that approved scrutiny actions are being implemented.

#### **84. Discretionary Rate Relief Awards 2020-2022**

The Assistant Director of Customer & Digital Services presented a report which detailed new applications for Discretionary Rate Relief (DRR) for the period 1 April 2020 to 31 March 2022, and proposed changes to the administration of the DRR scheme to create a more efficient process and greater certainty for recipients.

Applications already approved for 1 April 2019 to 31 March 2021 were set out in Annex A to the report; applications for the new 2-year period were detailed in Annex B. The proposed changes would see all existing and new approved awards granted in perpetuity from April 2020, removing the need for

organisations to apply each year and the associated administrative costs to the council. Approval of new applications would be delegated to the relevant portfolio holder.

Members considered the following options:

**Option 1** – approve any or all of the new applications in Annex B;

**Option 2** – decline any or all of the new applications in Annex B;

**Option 3** – approve any or all of the new applications in Annex B and the existing awards in Annex A in perpetuity, accepting the new scheme of administration;

**Option 4** – decline the new scheme of administration.

The Executive Member for Finance & Performance welcomed the proposed changes, and it was

Resolved: (i) That the new applications for Discretionary Rate Relief set out in Annex B to the report be approved (Option 1).

Reason: To provide a transparent process for awarding DRR.

(ii) That the new and existing awards be granted in perpetuity and the administration of the scheme be changed as set out in paragraphs 16-19 of the report (Option 3).

Reason: To provide a more appropriate process, in line with other forms of business rates relief and with reactive timescales, avoiding unnecessary administrative costs.

## 85. **2019/20 Finance and Performance Monitor 2**

The Principal Accountant (on behalf of the Interim S.151 Officer) presented a report which provided details of the council's overall finance and performance position for the period 1 July to 30 September 2019, together with an overview of any emerging issues.

The financial pressures facing the council were projected at £1,353k, broadly in line with previous years at this stage. Details of the financial position within each directorate were provided in Annex 1. The continuing pressures within Adult

Social Care in particular were highlighted; these reflected the national situation. However, through mitigation measures and monitoring it was expected that the council would out-turn within the approved budget. All repayments were up to date on the two outstanding loans over £100k, both to Yorwaste.

Performance indicators for this quarter had been grouped around the eight outcome areas within the Council Plan for 2019-23, approved by Council in October 2019. Indicators with a good direction of travel were summarised in paragraph 15 of the report, and those with a poor direction of travel in paragraph 16. Further details were provided in Annex 2.

The Acting Chief Executive / Director of Customer & Corporate Services confirmed that the decision taken during the pre-election 'purdah' period to defer this report to January had been his, as Returning Officer.

Resolved: That the finance and performance information in the report be noted.

Reason: To confirm that expenditure is being kept within the approved budget.

## **86. Capital Programme - Monitor 2 2019/20**

*[See also under Part B]*

The Principal Accountant (on behalf of the Interim S.151 Officer) presented a report which set out the projected out-turn position of the council's capital budget for 2019/20, along with requests to re-profile budgets to and from current and future years.

A decrease of £68.608m on the current approved programme was reported, resulting in a revised programme of £136.870m. There was an increase of £113k in 2019/20, offset by a £68.721m decrease due to re-profiling of budgets to future years, mostly due to a review of the York Central budget. Progress had been made against a number of key areas, including work beginning on the restoration of the Guildhall and the appointment of a contractor to build new homes at Lowfield. Variances against each portfolio area were set out in Table 1 at paragraph 6 of the report and detailed in paragraphs 8 to 48.

Executive approval was sought to:

- Increase the Shared Ownership Scheme budget to reflect the re-investment of capital receipts from equity sales;
- Appropriate land from the general fund to the HRA for the building of dwellings on the Lowfields site;
- Continue financial support for York City Knights.

Resolved: (i) That the 2019/20 revised budget of £136.870m, as set out in Table 1 at paragraph 6 of the report, be noted.

(ii) That the re-stated capital programme for 2019/20-2023/24, as set out in Table 2 at paragraph 17 and detailed in Annex A, be noted.

(iii) That the increase in the Shared Ownership Programme to reflect the sales receipts of £761k be approved.

(iv) That the budget allocated to Askham Bar for detailed design work, and that planning submission is to be re-allocated to the Hospital Fields / Ordnance Lane site as per the Executive decision on 26 September 2019 (*Minute 44*), be noted.

(v) That it be noted that the Modernisation and Major Repairs schemes have now been consolidated, as per the Monitor 1 report to Executive on 29 August 2019.

(vi) That the appropriation of land from the general fund to the Housing Revenue Account for the building of dwellings at the Lowfield site, at a market value of £4m, be approved.

(vii) That approval be given to continue the interim financial support arrangements for the York City Knights first team during the 2020 Rugby League season until YCK play their first game from the Stadium, on all the same principles as the financial support given in seasons 2017-2019.

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

**87. Lord Mayoralty 2020/21**

The Director of Governance presented a report which invited Members to consider the points system for the nomination of the Lord Mayor of York and to confirm the qualification of the group with the most points to make the nomination for the 2020/21 Municipal Year.

Under the current points system, as set out in paragraph 4 of the report, the Liberal Democrat group qualified to make the nomination, as they had accumulated the largest number of points.

Members were reminded that the current Lord Mayor had allowed the nomination of next year's Lord Mayor and Sheriff to take place in advance of this report, at the meeting of Full Council in December 2019, because the December Executive meeting had been cancelled due to the General Election. Attention was also drawn to an error in the table at paragraph 4 of the report on the printed copies of the agenda; the total number of points accumulated by the Labour group was **-16** and not -26 as stated.

Resolved: That the Liberal Democrat Group be invited to nominate the Lord Mayor for 2020/21, in line with the accumulated points system set out in paragraphs 3-6 of the report.

Reason: To ensure that the Council maintains an appropriate method by which to nominate Lord Mayors for office.

**PART B - MATTERS REFERRED TO COUNCIL**

**88. Capital Programme - Monitor 2 2019/20**

*[See also under Part A]*

The Principal Accountant (on behalf of the Interim S.151 Officer) presented a report which set out the projected out-turn position of the council's capital budget for 2019/20, along with requests to re-profile budgets to and from current and future years.

A decrease of £68.608m on the current approved programme was reported, resulting in a revised programme of £136.870m.

There was an increase of £113k in 2019/20, offset by a £68.721m decrease due to re-profiling of budgets to future years, mostly due to a review of the York Central budget. Progress had been made against a number of key areas, including work beginning on the restoration of the Guildhall and the appointment of a contractor to build new homes at Lowfield. Variances against each portfolio area were set out in Table 1 at paragraph 6 of the report and detailed in paragraphs 8 to 48.

Executive approval was sought to:

- Increase the Shared Ownership Scheme budget to reflect the re-investment of capital receipts from equity sales;
- Appropriate land from the general fund to the HRA for the building of dwellings on the Lowfields site;
- Continue financial support for York City Knights.

Recommended: That Council approve the adjustments resulting in a decrease in the 2019/20 budget of £68.608m, as detailed in the report to Executive and contained in Annex A to that report.

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

Cllr K Aspden, Chair

[The meeting started at 5.30 pm and finished at 6.47 pm].

**Forward Plan: Executive Meeting: 13 February 2020**

**Table 1: Items scheduled on the Forward Plan for the Executive Meeting on 19 March 2020**

Title and Description	Author	Portfolio Holder
<p><b>Response to the Council Motion on Empty Homes (July 2019)</b>  <b>Purpose of Report</b>                      To inform Executive of the following Council motion:                      “Given that York has experienced a recent spike in the number of homes left empty for six months or more, that Council Officers produce a report for consideration by the Executive to examine the potential options available to the Council to further reduce the number of empty homes in the city.”</p> <p>Executive will be asked to: respond formally to the motion.</p>	Ruth Abbott	Executive Member for Housing & Safer Neighbourhoods
<p><b>Protecting Live Music Venues and Nightclubs</b>  <b>Purpose of Report</b>                      To respond to the motion agreed at Council on 31 October calling on the Executive to take a number of actions in respect of live music venues in the city.</p> <p>Executive will be asked to: agree to actions in response to the motion that are within its powers.</p>	Charlie Croft	Executive Member for Culture, Leisure & Communities
<p><b>EV Charging Strategy</b>  <b>Purpose of Report</b>                      To formalise an electric vehicle charging strategy for City of York Council’s public charging network, to guide future development of the network, which is anticipated to expand rapidly over the coming years in order to meet the likely demand for EV charging and support an accelerated uptake of EV’s in York.</p> <p>Executive will be asked to: approve the EV Charging Strategy.</p>	Andrew Leadbetter	Executive Member for Environment & Climate Change and Executive Member for Transport

Title and Description	Author	Portfolio Holder
<p><b>City of York Council Fleet Strategy</b>  <b>Purpose of Report</b>            To consider a fleet replacement strategy which will include the next generation of waste vehicles for the city.</p> <p>Executive will be asked to: approve the fleet replacement strategy.</p>	<p>James Gilchrist &amp;            Bill Manby</p>	<p>Executive Member for Environment &amp; Climate Change and Executive Member for Transport</p>
<p><b>Proposals to Enable the Provision of Older Persons' Accommodation on Lowfield Green</b>  <b>Purpose of Report</b>            Following the results of consultation with older residents about their accommodation preferences and an unsuccessful procurement exercise to attract a care home developer for the Lowfield Green site, this report will consider how the site for Older People's Accommodation on Lowfield Green can be developed to best meet the needs of our older residents.</p> <p>Executive will be asked to: agree to procure an extra care developer and operator to develop a mixed tenure extra care development on the site previously identified for a care home.</p>	<p>Vicky Japes</p>	<p>Executive Member for Health &amp; Adult Social Care and Executive Member for Housing &amp; Safer Neighbourhoods</p>
<p><b>NSLC Commercial Proposals</b>  <b>Purpose of Report:</b>            To present commercial options in relation to the New Stadium and Leisure Complex at Monks Cross.</p> <p>Executive will be asked to: review the 2 options within the report and recommendations as provided.</p>	<p>Paul Forrest</p>	<p>Executive Member for Finance &amp; Performance</p>



**Table 2: Items scheduled on the Forward Plan for the Executive Meeting on 23 April 2020**

*None currently scheduled*

**Table 3: Items Slipped on the Forward Plan**

Title & Description	Author	Portfolio Holder	Original Date	Revised Date	Reason for Slippage
<p><b>New Stadium Leisure Complex Commercial Proposals</b></p> <p><i>See Table 1 for details</i></p>	Paul Forrest	Executive Member for Finance & Performance	13/2/20	19/3/20	To enable a more detailed report to be prepared.



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**Executive****13 February 2020**

Report of the Corporate Director for Economy and Place

Portfolio of the Executive Member for Transport and Planning

**City Centre Access – Phase 1 Proposals (Update)****Summary**

1. Keeping residents and visitors safe by protecting the public and the economy of York is a key role and priority for the Council. The Executive have previously made a number of decisions to minimise the likelihood of a hostile vehicle attack on the city.
2. At the Executive in August 2019 members heard from the Police and Counter Terrorism Unit about the risk of a hostile vehicle attack on the city. Whilst there is no specific intelligence of such an attack on York, the national threat level is currently substantial.
3. Executive have previously recognised the need to consider appropriate temporary measures until permanent measures are in place. This Christmas saw the deployment of temporary measures as advised by the Police and Counter Terrorism Unit.
4. This report seeks to progress permanent measures which will be more aesthetically pleasing and more in keeping with the environment of York. The design of the bollards was approved at the August Executive meeting this imagery is attached in Annex A.

## Recommendations

5. Members are asked to consider the following recommendations:

- a) To approve the final location of static and sliding bollards as detailed in Annex B.

*Reason: to give security rated effect to the Traffic Regulation Order change that was approved by Executive in August 2019.*

- b) Note the additional capital requirement of £1,000k for the Phase 1 measures (including mitigation for disabled groups and Racecourse measures) to be considered as part of the Capital Strategy report elsewhere on the agenda.

*Reason: To enable the delivery of the scheme of permanent measures for city centre security.*

- c) To note that the recommended solution will have an additional revenue cost implication to the council provisionally estimated at £115k in a full year. These additional costs will need to be included as unavoidable growth in future budget strategies. Any costs incurred in 2020/21 to be managed across budgets within the Transport service.

*Reason: To enable the delivery of the scheme of permanent measures for city centre security.*

- d) To approve the carrying out of procurement processes to engage contractors to supply, install and maintain the Scheme being the permanent hostile vehicle mitigation measures and to delegate to the Corporate Director of Economy and Place, in consultation with the Director of Governance, the authority to take such steps as are necessary to both award and enter in to the resulting contracts.

*Reason: To enable the delivery of the scheme of permanent measures for city centre security.*

- e) Instruct officers to liaise with Make It York to ensure that their planning for the Christmas 2020 event is started early and considers the Shambles market access requirements.

*Reason: To ensure that the planning and details for running the event are confirmed and accepted by the Safety Action Group in a timely manner and any impacts are mitigated.*

- f) Request that Officers report back to the Executive Member for Transport in due course to present an update to include a summary of the operational protocols and procedures.

*Reason: To enable the Executive Member for Transport to understand the procedures entailed in managing the scheme.*

## **Background**

- 6. The Executive have previously requested officers to work with representatives from North Yorkshire Police, York BID, Make it York, York Minster and York Racecourse to upgrade existing highway infrastructure within the city centre and at the racecourse to minimise the likelihood of a vehicle as weapon attack.
- 7. Following an Experimental Traffic Regulation Order Executive approved the making of the permanent order whereby the city centre will be closed to all traffic except emergency vehicles and those with essential permission, during the footstreets hours, which are currently 10:30am to 5:00pm (normally).
- 8. Recognising the impact this may have on some communities the Executive requested work be undertaken with traders, BID, Make it York and disabled access stakeholders to mitigate this impact. The Executive have then approved the implementation of a number of changes to mitigate this impact.

9. The Executive approved the design of the bollard to be used for the permanent measures and the procurement and installation of the non-moving bollards at the end of Parliament Street at the earliest opportunity. Six of these static permanent bollards were installed at the south eastern end of Parliament Street before the Christmas market in 2019. This reduced the scale of the temporary measures required for the Christmas market.
10. Following advice from the Counter Terrorism Unit a review of the temporary measures for Christmas (2019) took place. Officers have undertaken significant work with the Counter Terrorism Unit to support Make it York and ensure that adequate and appropriate temporary hostile vehicle mitigation measures for Make it York's Christmas events for 2019 were implemented.
11. The Executive in August 2019 gave permission to start a procurement exercise for permanent measures at the locations shown in Annex B so that temporary measures were not required in these locations in the future.
12. Since August the detailed designs for the hostile vehicle rated measures (PAS 68) have been progressed and work has continued with planning for the measures at York Racecourse.
13. The proposed measures consist of static bollards – as now installed at Parliament Street – and proposed sliding bollard systems at each of the access and egress points, illustrated in Annex A.
14. The sliding bollard systems are proposed at the following junctions:
  - Parliament Street – Piccadilly/Coppergate/High Ousegate
  - Spurriergate – Nessgate/High Ousegate/Low Ousegate
  - Coney Street – St Helen's Square
  - Davygate – St Helen's Square
  - Church Street – St Sampson's Square/Parliament Street
  - St Sampson's Square – Church Street

See plan at Annex B

15. The proposed static measures at the racecourse will complement the measures currently deployed by York Racecourse on race days.
16. A compliant procurement process is underway to find contractors to purchase and install the permanent HVM measures (the “Scheme”) with tenders due to be returned early 2020.
17. The minor schemes identified to improve disabled parking for the city centre are being progressed. The changes to parking on Piccadilly are subject to a decision on the proposed changes to the Traffic Regulation Orders for the taxi rank and loading bay. This is being considered at the Executive Member for Transport Decision Session on 20 February 2020.
18. Once implemented, the permanent measures will reduce the need for specific temporary HVM measures during the Christmas Market or other special events in the city centre throughout the year.
19. The proposed Scheme will provide a method of control which will only allow access for authorised vehicles in to the Phase 1 area and reduce the overall number of vehicles accessing the city centre during footstreets hours. This will also improve safety for pedestrians in the controlled area.
20. The Executive previously asked officers to consider a Phase 2 scheme focusing on Duncombe Place and the approach to York Minster. Although the Minster authorities have already installed hostile vehicle mitigation measures, these only have temporary approval. Officers are therefore in discussions with the Minster authorities to assist in developing their proposed Neighbourhood Plan for the area around York Minster, and to ensure hostile vehicle mitigation measures are considered along with the role of the relevant sections of public highway in the design.
21. Any requirement for temporary measures for events outside the Phase 1 area as shown in annex B will be considered as required.

22. Officers have liaised with the blue light services and other agencies. This work continues to develop the operational protocols and procedures for the operation of the Scheme.
23. As part of this work the traffic waiver system for the city centre is being reviewed. A system is being developed to allow limited permitted access during the footstreets hours. This operational protocol will dictate how this happens to ensure minimum detriment to businesses whilst maintaining security.
24. Draft operational procedures are being developed and agreed with CYC's Network Management team, the Police and Counter Terrorism Unit. It is proposed that the council's CCTV and security consultant will be trained to operate the system to ensure that legitimate access is maintained whilst preventing, as far as possible, unauthorised vehicle access into the protected area.
25. The original capital allocation for the scheme was £1,187,000 agreed in February 2018. This was increased by a further £100k in July 2018 by a reallocation of funding from the Built Environment Fund Capital allocation. Expenditure to the 31<sup>st</sup> March 2019 has been £225k mainly on fees to support the development of the project plus survey and consultation/engagement costs. The remaining capital allocation is £1,062k. Estimated expenditure going forward and including 2019/20 –

<b>Estimated Cost</b>	<b>£'000</b>
Cost of Measures inc. design & installation	1,510
Supervision fees	65
Temp Measures Xmas & New Year 2019	21
CCTV Design and Support	6
Racecourse Measures	300
Internal Fees	160
<b>Total</b>	<b>2,062</b>

The estimated costs are £1m above the current capital allocation and this additional funding will be considered as part of the 2020/21 budget process.



26. There will be ongoing costs associated with the maintenance and operation of these measures, this will also need to cover the additional administration required for the traffic waiver system. This is detailed in Annex C and will need to be considered during the budget setting process for 21/22. It is currently expected to be around £115,000 for the 7 day a week control room requirement and annual maintenance and servicing.
27. These costs include modest amounts for servicing and maintenance of the bollards and the CCTV and communications equipment. The more significant cost is for supervision, oversight and operation to ensure that these measures support a safe city centre whilst allowing emergency access.

### **Implications**

28. The following are the identified implications.
  - **Financial** – The capital costs set out in paragraph 25 of this report will be considered as part of the 2020/21 budget process. As identified in paragraph 26 there are going to be additional revenue costs in operating the city centre access measures. Whilst there is an indicative value of £115k in a full year this still needs to be finalised. It is proposed that any costs incurred during 2020/21 will be met from current budgets within Transport services. The future years' costs will need to be considered as part of the 2021/22 budget.
  - **Human Resources** – None at this stage.
  - **Equalities** – A Community Impact Assessment was included in the August 2019 report and mitigations regarding disabled parking are being implemented.
  - **Legal** – The Council legal team is involved in the preparation of the protocols, the procurement process and in the necessary adjustments to existing contracts.

- **Crime and Disorder** - These measures aim to deter and prevent vehicular access, during the agreed hours when the city is busiest, in the interests of public safety from the vehicle as a weapon threat.
- **Information Technology (IT)** – Investment in IT to remotely operate some of these measures will be required.
- **Property** - There are no property implications for this report or its recommendations but there may be a planning review and permission requirement associated with CCTV cameras required.
- **Risk Management** – This programme is tasked with delivering suitable measures to protect areas of high footfall and concentrations of people, namely the city centre and York Racecourse, against the threat of a vehicle as a weapon and the risk to public safety based on Police, consultant and security services advice. Once in operation, the Council and their partners will be responsible for ensuring reasonable endeavours are taken to maintain the security of the Phase 1 area during the footstreet hours.

## Contact Details

**Author:**

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Major Projects Manager

**Chief Officer Responsible for the report:**

Neil Ferris  
Corporate Director for Economy and Place

**Report Approved**



**Date** 15.01.2020

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**Wards Affected: Guildhall**

**All**

**For further information please contact the author of the report**

### **Background Papers:**

29 August, 2019, City Centre Access Experimental Traffic Order Conclusion and Phase 1 Proposals

<https://democracy.york.gov.uk/ieListDocuments.aspx?CId=733&MId=11108&Ver=4>

8 February, 2018, Executive report and minutes that agreed to the implementation of the hostile vehicle mitigation measures in the city centre.

<https://democracy.york.gov.uk/ieListDocuments.aspx?CId=733&MId=10196&Ver=4>

27 September, 2018, Executive report and minutes that agreed to the implementation of the hostile vehicle mitigation measures in the city centre.

<https://>

## **Annexes**

Annex A – Illustration of measures

Annex B – City Centre map showing location of proposed measures

Annex C – Breakdown of revenue budget implications

## **List of Abbreviations Used in this Report**

BID – York Business Improvement District

CCTV – Closed Circuit Television

HVM – Hostile vehicle mitigation

PAS 68 - the latest Publicly Available Specification for vehicle security barriers and bollards

**Annex A**

Illustration of hostile vehicle mitigation measures.

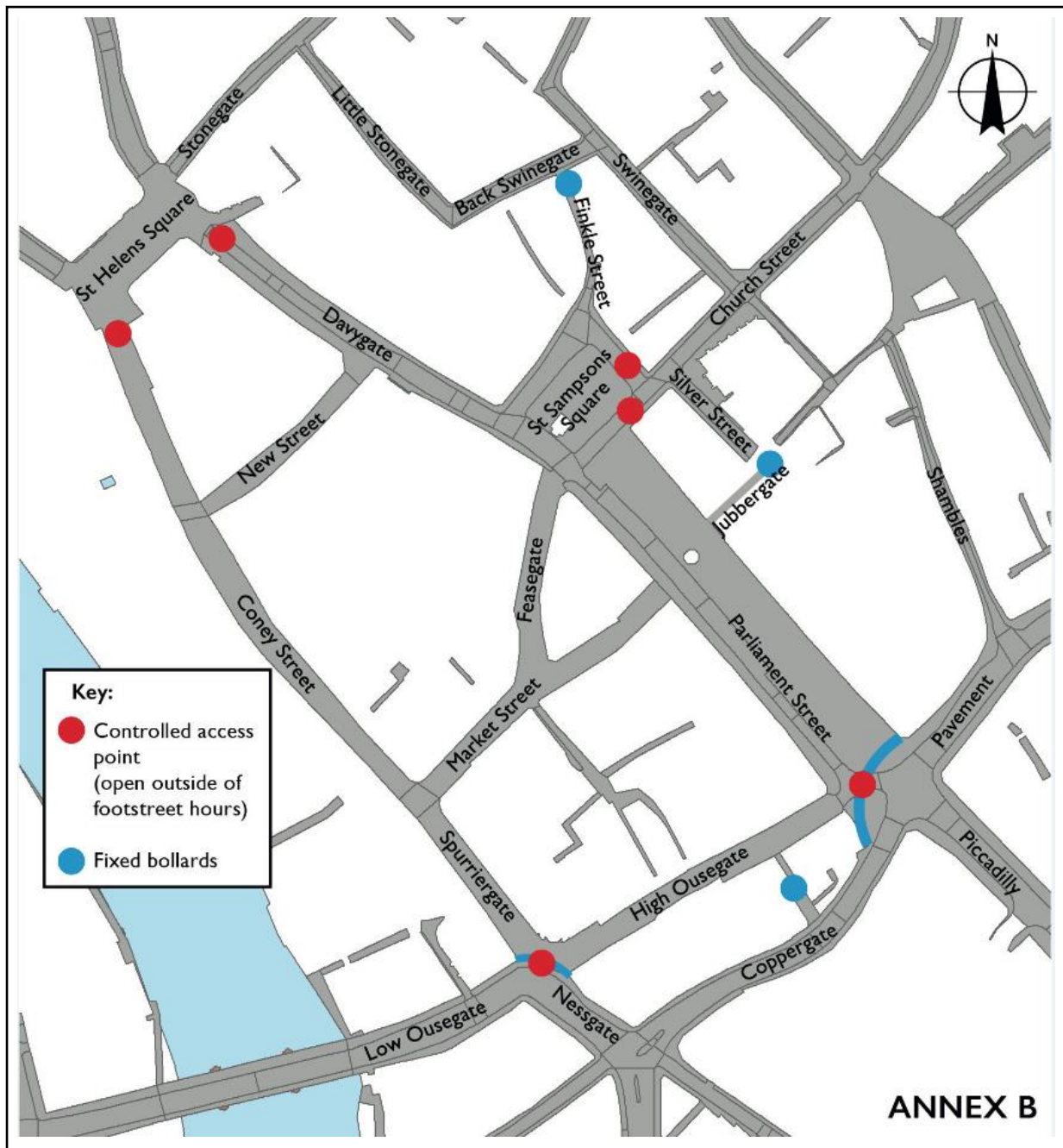


This Matador system in South Shields includes additional black bollards which are not proposed for York.



Static bollards in Parliament Street.

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## Annex B

Location of measures

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**Annex C**

Estimated Revenue costs:

Annual service/routine maintenance contract for Matador sliding bollard systems <sup>1</sup>	£ 16,000 rising 4% per annum
Annual service/routine maintenance CCTV systems <sup>2</sup>	£ 2,000
Annual service/routine maintenance communications system <sup>3</sup>	£ 3,200
Maintenance electronic control and monitoring <sup>3</sup>	£ 4,000
Operational cost, additional staff 7 days/week, year round, incl. uplift for additional responsibility <sup>4</sup>	£ 90,000
<b>TOTAL</b>	<b>£115,200</b>

1. Quote received 19 December 2019 for £16008 p.a.
2. Figure provided by CCTV manager, £300 per camera, 6 additional cameras planned, rounded up as subject to confirmation
3. Figure provided by design consultant and exclude electric supply costs and transmission costs
4. Quote for additional cost over current contract plus uplift for additional responsibility in permitting or refusing access for vehicles based on procedures and protocols currently being developed (including weekend cover when normal waiver system unavailable)

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**Executive****13 February 2020**

Report of the Director of Economy and Place  
Portfolio of the Executive Member for Transport

**York Outer Ring Road (YORR) Improvements – Proposed Phase 1  
Dualling from A19 Rawcliffe to A64 Hopgrove.****Summary**

1. In October 2019, the Department for Transport (DfT) announced that a £26m funding package for dualling a section of the YORR (A19 Rawcliffe to A64 Malton Road) ('Dualling Scheme') had been approved ('Programme Entry'). This is in addition to a programme to upgrade seven junctions along the YORR ('Junction Scheme') which has been underway since summer 2017.
2. The achievement of Programme Entry is good news for the region and provides further significant investment in the City's transport network to add to the £38m already secured for the Junction Scheme. Officers have undertaken a review of the project and have taken advice regarding the implications of the increased funding. The project will now require a single process in terms of an Environmental Impact Assessment (EIA) meaning the current planning permitted development rights in respect of the Junction Scheme can no longer be relied upon. The Junction Scheme and the Dualling Scheme will need to be dealt with as one project.
3. The amalgamation of the remaining Junction Scheme with the Dualling Scheme presents opportunities to co-ordinate and manage the design and construction of both schemes. Early delivery of both schemes is important to the city and merging them delivers more efficiency and cost effectiveness which enables a quicker overall delivery programme.
4. Through the development of the new Local Transport Plan the council can capture the opportunity and benefits that dualling and decongestion of the YORR could deliver for the city centre.

## Recommendations

5. The Executive are requested to:

- 1) note the positive news that YORR has Programme Entry for the first phase of dualling the YORR, from A19 Rawcliffe to A64 Malton Road.

Reason: Successive administrations have strived for many years seeking funding to upgrade the YORR. Many residents and employers in the City will welcome and support the news of this proposal.

- 2) approve the merging of the remaining Junction Scheme and the Dualling Scheme into a single programme of planning and delivery.
- 3) request officers to work with the funders of the two schemes to detail the impact of the two separate approvals and bring forward a single programme and revised timetable to a future Executive.
- 4) ensure that any positive impact upon the city's transport system of dualling the YORR is incorporated into the review of the Local Transport Plan so that policies can consider capturing any benefit.

Reason: To develop a single project approach to provide benefits which will aid management and co-ordination of the overall scheme and minimise the disruption impact upon the city of delivering such significant infrastructure project and avoid abortive works. By delivering as one scheme the benefits of a single programme and purchasing power are delivered.

- 5) approve the use of City of York match funding which has already been approved for the overall development specifically for the acquisition of land for the Dualling Scheme to a value of £1m.

Reason: To enable the match funding to be used for land purchase, where appropriate, at the earliest opportunity.

- 6) to note that the Assistant Director Transport, Highways and Environment has delegated authority to purchase land by private agreement / private treaty up to and including £250k in any one land interest in respect of the Junction Scheme and to authorise him to also have such delegated authority in relation to the purchase of land

by private agreement / private treaty in respect of the Dualling Scheme.

Reason: a) To ensure that land purchases for both schemes can be administered and acquired in an efficient manner.

b) To ensure that the council can demonstrate it has attempted to avoid a future Compulsory Purchase Order (CPO) by acquiring land through private agreement.

## **Background**

6. The Junction Scheme comprises upgrades to 7 of the existing YORR roundabouts between the Wetherby Road and Malton Road junctions along the A1237. The main objectives are that these upgrades will deliver an overall 18-20% improvement in journey times at peak periods and drive economic growth to provide jobs and homes. The Wetherby Road junction has been completed.
7. The identified improvements in the Junction Scheme are being delivered through the West Yorkshire Plus Transport Fund (WY+TF). The West Yorkshire Combined Authority (WYCA) co-ordinate the WF+TF and are responsible for the approval and allocation of funds to identified projects. The allocated fund to the Junction Scheme is £38.3m.
8. The key objectives for the Junction Scheme are :
  - Enhanced connectivity to the A1(M) and other strategic destinations
  - Reduced end to end journey times around the northern section of the York Outer Ring Road by approximately 20%
  - Enhanced journey time reliability for cross-county movements (estimated to be 15-20% of traffic) between origins and destinations in North Yorkshire
  - Removal of through traffic from York City centre due to the decongestion of the Outer Ring Road
  - Economic growth through increased capacity to accommodate future development in the area

- Improved design to modern standards reducing the potential for accidents
- Improved Non-motorised User facilities, to maximise the improvements for active travel as result of this scheme.

9. Progress on the Junction Scheme programme is as follows:

<b>Jcn 1 – A1237/Wetherby Road</b>	Completed and open for traffic in January 2019.
<b>Jcn 2 – A1237/Great North Way</b>	Preliminary design options under consideration.
<b>Jcn 3 – A1237/Clifton Moor</b>	Consultation and detailed design completed, ready to procure a contractor to undertake the works.
<b>Jcn 4 – A1237/Wigginton Road</b>	Consultation completed, detailed design and discussions with landowners in progress.
<b>Jcn 5 – A1237/Haxby Road</b>	Design options under consideration and preparation for planning application.
<b>Jcn 6 – A1237/Strensall Road</b>	Design options under consideration and preparation for planning application.
<b>Jcn 7 – A1237/Monks Cross Drive</b>	Design complete, ready for procurement of contractor for construction, but held up by delays in acquiring land.

10. Currently one junction upgrade has been completed at A1237/Wetherby Road and two further upgrades are at a design stage ready for construction.
11. In parallel to work on the Junction Scheme, an opportunity arose in late 2018 to bid for funding through the DfT to enhance the UK Government's proposed new Major Route Network (MRN) which includes part of the A1237. The council made a bid for this funding and identified a length of the YORR which could be dualled from A19 Rawcliffe to A64 Hopgrove, total estimated cost £28m. This is complimentary to the YORR Junction Scheme.
12. Following a period of negotiations, the DfT announced in October 2019 that the outline business case had been accepted and would be placed in their programme (Programme Entry). This is a significant decision and means that the funding will be made available subject to approval of a

Full Business Case (FBC). On the current programme the FBC is proposed to be submitted when all planning, land acquisition and procurement is complete, realistically this is likely to be in late 2022, however it should be noted that by combining the schemes the overall delivery programme will be sooner than as separate schemes.

## Options and Analysis

13. Following the announcement by DfT, council officers convened a meeting of the project team and key suppliers to consider how the Junction Scheme and the Dualling Scheme could be effectively co-ordinated to maximise the benefits. Given that there are two separate funding bodies and two separate approval processes, the following areas will need to be carefully managed to ensure that they are aligned:
  - design co-ordination
  - consultation and planning approval
  - project governance
  - acquisition of land
  - utility diversions
  - construction programme
  - Procurement of advisors and contractors to accommodate the combined scheme
14. The implication of programme entry for the Dualling Scheme on the remaining Junction Scheme is not just about co-ordination. From a planning perspective we have reviewed the schemes and received legal advice that confirms that the two schemes cannot be considered independently and the Environmental Impact Assessment must be considered for both schemes together as a single entity. This also means that the existing planning approach which included the use of permitted development rights for some of the junction schemes are no longer applicable. The entirety of the remaining Junction Scheme and the Dualling Scheme will now need to be considered through a single planning application. This principle, is based on European Case Law.
15. Should funding become available to carry out improvements to the remainder of the YORR in the future, further Environmental Impact Assessments and further planning permissions will be necessary. At the point of considering the implementation of such proposals the council will need to consider what the whole scheme is and it may be necessary to consider certain elements of work as one scheme, requiring one Environmental Impact Assessment, one planning permission, and if

necessary, one CPO. We are obtaining specialist legal advice on this point to ensure that our efforts to obtain funding to carry out improvements to the remainder of the YORR would not prejudice the current proposals to carry out the first phase of the works.

16. Given that advice, it is apparent that no further physical work can be undertaken on the Junction Scheme until each of the Environmental Impact Assessment and Planning Approval is secured, and the necessary land is acquired whether by private treaty or by CPO.
17. This is a landmark point in the YORR programme and the Junction Scheme and Dualling Scheme now need to be considered together. The project team have so far considered the delivery of the Junction Schemes and Dualling Scheme during the bid process as separate entities. This has demonstrated how problematical it would be at future stages, particularly due to the funding and approvals process needed from two different organisations (WYCA and DfT). Not only does this simplify the process, merging the schemes will result in a quicker overall delivery programme.
18. The legal advice provides little doubt that the two schemes need to be combined for the Environmental Impact Assessment. Following the grant of a satisfactory planning permission for the entirety of the Junction Scheme and the Dualling Scheme, options to develop a number of separate construction phases in the future can still remain available at this stage should the council want to deliver junction schemes in advance of dualling but risks an element of abortive works. Value for money through economies of scale will be a driving factor at the construction stage and a single delivery partner with a single contract would be the favoured approach to achieve this. These options will be considered as part of a future report.
19. The amalgamation of the two schemes and the requirement for a full planning application will require a pause. This will allow a number of longer term advantages to be captured.
  - To reduce and streamline into a single planning approval to mirror the environmental impact assessment.
  - The opportunity to align the governance of each funding organisation e.g. **final business cases**.



- Taking a single project approach will bring overall simplicity and economies in time.
- By combining the schemes at the construction and delivery phase it will also significantly reduce the impact upon the City's transport network

20. The recommended option therefore is now to build on the work that has been completed thus far and inter-weave this into the elements that need to be started for the Dualling Scheme. It is proposed that this allows the proper co-ordination of the following elements as one scheme.

- Design
- Consultation
- Planning & Environmental Impact Assessment
- Land Acquisition
- Utility Diversions
- Procurement

21. A new indicative programme is being developed with funders to deliver the amalgamated scheme and will be brought to a future Executive Meeting.

22. Another vital aspect is to purchase land for the Junction Scheme and Dualling Scheme as a single entity where possible. This is a necessary measure as it is important to acquire as much land as possible by private agreement to avoid the last resort of a Compulsory Purchase Order (CPO). Indeed it will be necessary at any possible future public inquiry for a CPO, that the Council can demonstrate that it has attempted to purchase land privately. Any land acquired for the Dualling Scheme and the Junction Scheme prior to obtaining satisfactory planning permission and full business case approval for the Dualling Scheme is acquired with some element of risk, which is unavoidable if we wish to be proactive in relation to both schemes. To mitigate that risk, where appropriate, the council could seek to negotiate contracts of sale which are conditional upon satisfactory planning permission being obtained or sell (at market value) parcels of land already acquired should satisfactory planning permission not be obtained and/or full business case approval for the Dualling Scheme not be forthcoming.

23. The lands cost estimate for these plots is in the order of £1m. Attempting to buy land for both schemes simultaneously will be a more efficient approach saving time, agents' fees, legal fees and salary costs

in the future. The Assistant Director of Transport, Highways and Environment already has delegated authority to make purchases of land in connection with the Junction Scheme up to £250k in any one interest. It is recommended that this delegated authority be extended to land required in connection with the Dualling Scheme.

24. A key objective of the YORR project, is the removal of through traffic from York city centre and some suburban areas due to the decongestion of the Outer Ring Road. The rationale is that additional capacity on the principal route network will attract the traffic that would naturally choose those routes. The work to quantify the areas and streets which might benefit has not begun and is not currently funded. However it is proposed that work on the brief, objectives and outcomes will commence shortly parallel to the Junction and Dualling schemes as part of the development of the new single larger project.

## **Council Plan**

25. The YORR Improvement proposals are embedded in the Council Plan 2019-23. The implementation of this programme of highway improvements will be an integral part of the key priorities to “create homes and a world class infrastructure; well paid jobs and an inclusive economy; getting around sustainably; a greener and cleaner city; safe communities and culture for all and an open and effective council”. Improvements to transport infrastructure such as reduced journey times are key drivers for improved productivity and unlocking sites for homes and jobs. This in turn leads to economic growth and the increase in wealth, helping local businesses to thrive.
26. Residents have been consulted about the junction upgrades to ensure that consideration of the potential impact of decisions in relation to health, communities and equalities has been made.

## **Implications**

### **Financial Implications**

27. The estimated cost for the overall Junction Scheme is £44.216m (inc. £5.94m council contribution). The estimated cost of the Dualling Scheme is £28m (inc. £2.8m council contribution) and includes all works, land, fees, project management and utility diversions. Release of funds from the WY+TF is in progress through satisfying the WYCA Project Assurance process. As stated in paragraph 12 above, release of funds

for the Dualling Scheme will be by presentation of a satisfactory Final Business Case to the DfT.

28. With regard to the proposed Dualling Scheme, a contribution of £2.8m match funding was approved by Council in December 2018. The final level of contribution from the Council's Capital Programme will be dependent on whether alternative funding sources can be identified.
29. Obtaining external funding from other organisations is being sought and these will be actively progressed however funding cannot be guaranteed at this stage. The York, North Yorkshire and East Riding LEP Infrastructure Board have confirmed their support for the scheme and have in principle indicated that they support the provision of up to £1.4m of match funding from the Local Growth Fund. A business case is being prepared for submission to the YNYER LEP seeking additional grant funding and this will be used to replace council funding.
30. DfT require the council to accept responsibility for meeting any costs of delivering the scheme over and above the DfT contribution requested, including potential cost overruns, and the underwriting of any third party contributions. This could result in the council needing to identify further funding requirements as the scheme progresses.
31. There is a level of risk associated with undertaking the development and feasibility work prior to award of grant funding which may ultimately be abortive. Should the scheme ultimately not be delivered then an element of these costs would be classed as abortive and need to be written off back to revenue. It is estimated that fees in the order of £0.5m which would cover design and preparation of a final business case would need to be written off, but land acquisition in the order of £1 m would be retained as a capital asset.

### **Human Resources**

32. There are no Human Resources Implications.

### **One Planet Council / Equalities**

33. The One Planet Council Better Decision Making Tool has identified the following areas which can be explored further during the design and development of the whole YORR improvement programme:
  - Greater consideration of renewable materials during construction.

- Consideration about the reduction of crime where subways are proposed.
- Enhanced Landscaping.
- Use of Public Art to provide attractive spaces for residents.

## **Legal Implications**

34. The council is actively pursuing the purchase of land and rights necessary for the Junction Scheme and the Dualling Scheme by negotiated agreement.
35. The council has the necessary powers to acquire land compulsorily in due course if required for the Junction Scheme and the Dualling Scheme using Part XII of the Highways Act 1980 which includes a number of CPO powers to support the delivery of highways and provided that the requirements to implement a CPO are properly complied with.
36. Any CPO made by the council cannot come into effect unless and until it is confirmed by the Secretary of State and the Judicial Review period has expired.
37. Given the extent of the Junction Scheme and the Dualling Scheme, it is anticipated that a CPO will be required in the future. As such Legal Services will work closely with the external legal advisors to ensure there is continuity between the negotiated agreement process and any CPO process which may be required.
38. Any contracts for the supply of services, goods and works in connection with the Junction Scheme and the Dualling Scheme will need to be properly procured in accordance with the Council's Contract Procedure Rules and the Public Contracts Regulations 2015. A review of the strategy in respect of the procurement of various contracts in relation to the Junction Scheme and the Dualling Scheme is currently being undertaken and the results will be presented to a future meeting of the Executive as part of the overall delivery strategy.

## **Crime and Disorder**

39. There are no Crime and Disorder implications.

## **Information Technology**

40. There are no Information Technology implications.

## **Property**

41. Property Services are involved in this project acting as land managers for the council. New pieces of land will be acquired for the Junction Scheme and the Dualling Scheme, the title of which will belong to the council. Property Services will also advise and assist the Project Team in supervising the work of the Land Valuers, land referencers and Legal advisors.

## **Other**

42. There are no other known implications

## **Risk Management**

43. In compliance with the council's risk management strategy the main risks that have been identified in this report are those which could lead to financial loss, damage to the council's image and reputation and failure to meet stakeholders' expectations. Measured in terms of impact and likelihood, the land acquisition risk has been assessed at 21. This is classed as Major/Highly Probable and is the most significant live issue on the project. Other risks have been assessed at 14 or below. At this point the risks will be monitored and managed. A risk allowance has been estimated and is included within the current cost plan for the project. The top two risks currently affecting this project are:

- a. Risks associated with land acquisition. As described above, there is a high risk that some landowners may potentially be unwilling to sell land to the council by private agreement, or in a timely manner. This presents a programme risk potentially prolonging the time to complete the project, increase costs or lose the secured funding. In order to mitigate this risk, preparation of a CPO in parallel to land negotiation is being progressed as described in this report.
- b. Risks associated with utility diversions being more complex than anticipated. These could lead to programme delays and have a cost implication. Early meetings with utility companies are planned to mitigate these risks.

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**Report**  **Date** 31/1/20  
**Approved**

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

**All**  tick

Rawcliffe & Clifton Without, Haxby & Wigginton; Huntington & New Earswick.

**For further information please contact the author of the report**

**Background Papers:**

Report to Executive 13<sup>th</sup> July 2017

Report of the Corporate Director of Economy and Place  
Portfolio of the Executive Member for Transport & Planning

Report to Executive 26<sup>th</sup> September 2019 – Agenda Item 12

Report of the Corporate Director of Economy and Place  
Portfolio of the Executive Member for Transport & Planning

**List of Abbreviations Used in this Report**

CPO – Compulsory Purchase Order

WYCA – West Yorkshire Combined Authority

YORR – York Outer Ring Road

FBC – Final Business Case

FBC+ - Final Business Case Plus

HR – Human Resources

WY+TF – West Yorkshire Plus Transport Fund

DfT – Department for Transport

YNER LEP – York, North Yorkshire and East Riding Local Enterprise  
Partnership

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**Executive****13 February 2020**

Report of the Assistant Director for Housing & Community Safety  
Portfolio of the Executive Member for Housing & Community Safety

**Update of the Housing Revenue Account (HRA) Business Plan and Asset Management Strategy (AMS).****Summary**

1. The HRA Business Plan sets out the context for the income and expenditure decisions and the impact of those decisions on the HRA over a 30 year period, with a focus on the first 5 years. The AMS sets out the context for management of the assets within the HRA. These are the homes that the council owns and the land that they sit on. These documents have been revised with the emphasis on providing the broad context for more detailed strategies, investment programmes, plans and initiatives which are referenced within the two documents. The Council has a wider asset management strategy for all council assets which the AMS sits under and is currently being reviewed.
2. The main priorities of the plans and investment are:
  - Increase the stock of social housing owned by the HRA through an ambitious development programme
  - Develop new homes that are built to passivhaus standard, contributing to the Council's effort to ensure a carbon neutral city by 2030
  - Improve the quality of homes and communal areas and reduce the carbon footprint of existing council homes through investment in assets, community led regeneration and working with communities and individuals
  - Ensure that our homes, and the management of them, maintain and improve health and wellbeing outcomes for individuals,

families and communities alongside other Council services and partners

3. This report takes into account proposals being considered by Executive as part of the Capital Budget 2020/21 to 2024/25 and Financial Strategy 2020/21 to 2024/25 elsewhere on the agenda.

## **Recommendations**

4. Executive is asked to:

- 1) Approve the revised HRA Business Plan (Annex A), revised financial projections (Annex B) and Asset Management Strategy (Annex C).

Note that a separate 'operational strategy' outlining what Housing Services do, how we will do it, what we want to achieve and the financial framework for this will be developed as part of our current change management programme.

Reason: So that the council has an updated business plan, asset management strategy for the Council's housing stock and 'operational strategy' for the services we provide, all of which will be published.

## **Background**

5. The last full revision to the Housing Revenue Account (HRA) Business Plan was approved by the Executive in November 2017 with a further revision to the finances in February 2019 to reflect the inclusion of the £154m Housing Development Programme. An annual update of the Business Plan has previously been undertaken which usually involved relatively minor adjustments to financial phasing, slight shifts in emphasis in response to new opportunities or challenges and updating statistics or information set out in the plan. The Asset Management Strategy (AMS) has not been updated within the last 5 years
6. The HRA Business Plan is first and foremost a financial document that determines how the council will meet the present and future needs of people living in our homes whilst ensuring the long term viability of the stock
7. It sets out the priorities for the business over the next 30 years to demonstrate that the council can maintain sufficient investment in its current assets, deliver high quality services to the people living in council

owned homes whether rented or leased and raise capital funding to support a programme of new council house building. It presents greater detail of investment priorities over the first five years of the Plan.

8. The AMS supports and informs the HRA Business Plan. It sets priorities for the physical care, improvement and disposal of the housing stock and related housing assets. The length of time since review and the results of a new housing stock condition survey warrant an updated Asset Management Strategy.
9. Both documents have been pared down to broad themes with links to more detailed information and initiatives. Previously, information and data were included in the body of the report which were almost immediately out of date.
10. The HRA business plan and AMS updates reflect;
  - The national policy context.
  - The new council plan.
  - The declaration nationally and locally of a climate emergency.
  - A more ambitious new build programme for market sale and affordable housing.
  - Increased capital and revenue investment to improve the quality and energy efficiency of our homes.
  - Continued investment in homes for an ageing population.
  - Considerable investment in ICT to support our workforce and people who use our services.
  - A firm commitment to community led regeneration.
  - Use of communal areas to help improve health and wellbeing.
  - Investment in people who work for us, developing a culture that empowers colleagues and builds on the strength of people and communities.

### **HRA Financial Update**

11. The HRA business plan and AMS finances are part of the overall Council budget for decision by executive elsewhere on the agenda.
12. The budget recognises the need for further investment in its housing stock and has identified additional funding for its repairs service;

- A new five year electrical testing programme across the stock (£711k full year)
- Annual risk assessments for Legionella (£80k full year)
- Additional servicing on equipment in tenants properties dealing with damp (£150k full year)
- New Apprenticeship Programme to recruit and retain up to 15 apprentices over a five year period (£100k full year)

There is also proposed investment across the Housing Management service;

- Additional investment in training across the service (£30k)
  - Additional resources to support the adaptations service to people who live in council homes (£25k full year)
  - Additional resources to support estate regeneration, improving care of estates and policy support (£92k full year)
  - Additional resources to optimise the implementation of the new Housing ICT system (£140k full year)
13. It is also important to ensure that the HRA does operate efficiently and a number of savings (£507k in a full year) have been identified. These include;
- Reduction in subcontractor spend using internal resource where possible (£-200k)
  - Using smart technology to increase productivity (£-109k)
  - Reducing the time and cost of bringing void properties back into operation (£-100k)
  - Other efficiency savings (£-98k)
14. The July 2019 budget amendment approved a further £2m investment into additional capital investment in modernising council homes (£1m) and also to increase the energy efficiency of council stock (£1m).
15. The plan includes increased investment in major modernisation programmes and the standing water programme. These are important priorities for improving the quality of life of the people who live in our homes, following some delays to these programmes over recent years.
16. Within the 2020/21 to 2024/25 capital strategy report additional investment of £1m has been identified (over 4 years) for delivering

improved energy efficiency measures across the housing stock. There is a further £150k per annum identified for investing in adaptations to council stock enabling people to live longer in their homes.

17. The key changes in the financial elements of the plan are that the debt attributed to the HRA increases to £171m (as sites are appropriated in order to deliver the new Housing Development Programme). The impact of these decisions going forward has been modelled into the revised 30-year business plan shown at annex B in regards to the plan. This plan also takes into account assumed rent increases over the period, inflation increases, timings for delivery of new units, right to buy sales and borrowing costs

The key headline financial elements of the plan are as follows with 2019 plan figures in parenthesis:

- Debt increases to £166m (£171m) as sites are appropriated in order to deliver the approved Housing Delivery Programme.
  - Debt levels will reduce to £26m (£0m) in year 30 of the plan
  - Debt costs over the period of the plan total £117m (£77m) due to the increased investment in land appropriation, new homes and existing homes.
18. The above shows that the HRA is forecast to take a longer period to repay the overall debt than under the previous plan. However, the HRA is undertaking significant investment in the current stock and new housebuilding programme, and overall the plan remains affordable and financially robust.

## **Consultation**

19. No external consultation has been done on the HRA business plan and the Asset Management Strategy. Officers in Finance and Housing have developed these documents. Consultation takes place on individual strategies, plans, programmes and initiatives. Papers outlining the approach that would be taken on these documents were heard by Housing & Community Safety Scrutiny Committee in September 2019. Extensive consultation has taken place around the council plan which has helped shaped these documents and programmes.

## **Options**

20. Option 1: Approve the revised HRA Business Plan (Annex A), revised financial projections (Annex B) and Asset Management Strategy (Annex C)

Note that a separate 'operational strategy' outlining what Housing Services do, how we will do it, what we want to achieve and the financial framework for this will be developed as part of our current change management programme.

## Analysis

21. **Option 1:** The new format of both documents reflects the broad themes and ambitions that the housing service work to with links to more detailed information, action plans, strategies, programmes and initiatives. As these get updated the core plan will be, in effect, updated. This avoids information held within the plans becoming out of date quickly. Readers will find it more meaningful as a stand-alone document and those wanting more information on particular areas can follow the links which will be reviewed regularly.

The 'operational strategy' for Housing Services to be developed will set out;

- Who we are
- What we do
- Who the people we serve are
- Our behaviours and approach
- What we want to achieve
- The financial framework that we operate in

The 'operational strategy' will be the key document for our staff and the people that we provide services to.

## Council Plan

22. The HRA business plan and AMS contribute directly to 'creating homes and world class infrastructure' as well as supporting the other key priorities through the provision of affordable homes where people can live safely and thrive.

## Implications

23.

- **Financial** – These documents set out the context for the financial planning and submissions to council's budget
- **Human Resources (HR)** – The increased training budget will help with the development of our workforce and the culture that they operate in. There is also provision for the introduction of some new posts to support the overall business plan delivery.
- **One Planet Council / Equalities** – The documents set out the broad context for Housing's contribution to the council plan and key initiatives such as the contribution to reducing carbon emissions, creating homes and world class homes and infrastructure. They are also a regulatory requirement. The Better Decision Making tool and other assessments are done on individual initiatives which come within the terms of these documents.
- **Legal - none**
- **Crime and Disorder** – HRA funding contributes to the Community Safety Unit
- **Information Technology (IT)** – The HRA budget sets out investment in new IT which is managed as a major project
- **Property - None**
- **Other - None**

## Risk Management

24. The business plan is a thirty year plan with a large number of variables making up the assumptions. There will be a number of influences (internal and external) that will impact the plan. The key variables are value to rent increases, inflation, building standards and regulations, the costs and revenues of the Housing Delivery Programme, and national housing policy. The plan though is financially robust and able to deal with external impacts in the short term particularly in relation to the minimum working balance. The plan is also updated on a regular basis to take into account such changes.

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**Report**  **Date**  
**Approved**

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**Wards Affected:**

**All**

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**Annexes**

**Annex A – Housing Revenue Account Business Plan**

**Annex B – HRA Business Plan finance 2019 / 2020 onwards**

**Annex C - Housing Asset Management Strategy.**

**Annex D – HRA Business Plan & AMS Better Decision Making Tool**



## Housing Revenue Account (HRA) 30 year Business plan 2020 - 2050

### Introduction

This document sets out the framework that is the HRA business plan. As it is essentially a financial plan this document sets a broad context for financial planning and investment decisions. Readers can follow links to more detailed information on the elements that make up and inform this plan. The Asset Management Strategy gives more details on the investment and management of the assets within the HRA.

The plan must ensure that the Council's housing stock related priorities and programmes are supported and delivered whilst demonstrating sound financial management within existing budgets and through the use of additional debt headroom.

The main priorities and programmes aim to;

- Increase the stock of social housing owned by the HRA through an ambitious development programme
- Develop new homes that are built to passivhaus standard, contributing to the Council's effort to ensure a carbon neutral city by 2030
- Improve the quality of homes and communal areas and reduce the carbon footprint of existing council homes through investment in assets, community led regeneration and working with communities and individuals.
- Ensure that our homes, and the management of them, maintain and improve health and wellbeing outcomes for individuals, families and communities alongside other Council services and partners.

The HRA current debt level at 31<sup>st</sup> March 2019 is £139m and will increase through appropriation of land from the Council's general fund for development purposes. The majority of this debt, £122m, relates to the Government's introduction of self-financing for HRAs from April 2012. The objective of the 30 year business plan is to ensure that all debt is repaid over time utilising the additional debt headroom to help realise City of York Council's ambitions.

This plan should be read in conjunction with the Housing Asset Management Strategy (AMS) which gives details of HRA assets and how they will be managed now and in the future.

The AMS highlights:

- The approach to maintenance and retrofitting of the existing stock
- A capital programme that addresses historic under investment in the fabric of our homes identified through stock condition surveying
- Our approach to regeneration of areas where the council has homes

### Further information:

Information on [Housing Revenue Accounts](#)

Local Government Association [survey results](#) on removal of the HRA cap

## National Policy Context

Housing has moved up the political agenda over the last decade. Issues around the affordability of home ownership, private renting and the reduction in the number of genuinely affordable homes have driven this. Increases in the most visible aspect, rough sleeping and the Grenfell Tower fire have shaped the debate more recently.

Key themes currently influencing this plan include;

- The cumulative impact of Right to Buy and welfare reform including the roll out of Universal Credit, 1% social rent reduction over 4 years from April 2016 and initiatives such as the 'bedroom tax'.
- The wider financial position of local authorities, the NHS, the third sector and the changes in services they provide for people.
- A shift in the focus of government policy from home ownership to also increasing the supply of 'affordable' housing such as social rent, intermediate rent and low cost home ownership options, including self and community build. This includes additional funding announcements to support housing development.
- The declaration of a climate emergency with ambitions to reach carbon neutrality by Government (2050) and City of York Council (2030)

## Further information:

NPPF

[Localism Act 2011](#) and [overview](#)

[The Welfare Reform Act 2012](#) and [regulations](#)

[Housing and Planning Act 2016](#)

[Welfare Reform and Work Act 2016 – social rent reduction](#)

[Homelessness Reduction Act 2017](#)

[Housing White Paper 'Fixing our broken housing market' Feb 2017](#)

[Housing Green Paper 'A new deal for social housing'](#)

[Queen's Speech December 2019](#)

[Grenfell Tower Inquiry](#) Phase 1 report

## Local context and the Council Plan

City of York Council exists for one purpose – to support the best quality of life for our residents, now and in the future.

York has a great heritage and great communities. It's a fantastic place to live and work. Whilst relatively prosperous there are pockets of deprivation within the city which pose considerable challenges for the city. York, like the rest of the country, has an increasingly older population.

York's housing market is characterised by high demand and low supply, which pushes up house prices and rents above the regional average. Social housing (council and housing association) is around 15% of the city's housing stock.

The HRA currently has around 7500 homes and manages around 250 homes on behalf of another social housing provider, Thirteen Homes. There are 11 Independent Living Communities (ILCs) for people who are older or would benefit from this accommodation. Two of the ILCs provide extra care.

These homes are let using a choice based lettings approach in partnership with housing providers through North Yorkshire Home Choice. Extra Care homes have an additional process which helps us meet the care needs of people living there whilst maintaining balanced and thriving communities.

Delivery of the new Local Plan will provide the framework for land use including homes and employment sites in future. The supply of environmentally friendly and affordable homes is a key consideration in these plans.

This Business Plan is informed by and supports the wider Council Plan through a range of strategies.

The Council Plan has 8 key priorities the HRA business plan contributes directly to 'creating homes and world class infrastructure' as well as supporting the other key priorities.

Council staff '**work together, to improve and make a difference**' – these are the Council's values.

### Further information

The City of York [Council plan](#)

The existing and proposed Local Plan can be found [here](#)

[Strategic Housing Market Assessment](#)

[York Open data - a range of information including demographic and performance data](#)

[York, North Yorkshire and East Riding Housing Strategy](#)

[Safer York Partnership](#)

[Community Safety Strategy](#)

[Homelessness and Rough Sleeping Strategy](#)

[Homeless and rough sleeping statistics](#)

[Tenancy Strategy](#)

Adult Social Care [Future Focus](#) approach

[North Yorkshire Home Choice](#)

### Key investment decisions

- £20m set aside in 2012/13 to invest in new or improved housing provision has been utilised to provide 126 new dwellings, 65 shared ownership homes and a 57 bed hostel for homeless families
- Executive (17th January 2018) agreed to a New Home Building Programme on council owned sites totalling £153.9m. The programme is funded by utilising the lifting of the debt cap to appropriate land into the HRA, capital receipts from sales on the sites, equity sales from shared ownership properties and right to buy receipts
- £44m capital investment will be invested over the next 5 years to maintain and improve the council homes that we provide.
- £41.6m revenue funding in responsive repairs and cyclical maintenance over the same period.
- £2m will be invested in a new integrated IT system to radically improve service delivery

### Financial assumptions

Key Area	Assumption	Comment
General inflation	2.0%	
Rent increase inflation	2.00% to 4.00%	Rent increases assumed in line with proposed government guidelines of CPI plus 1%
External borrowing interest rate	3.25% to 3.98%	Portfolio of fixed rate maturity loans with PWLB
Minimum HRA balance	£20m	Recognise risk in self financing environment
Right to buy sales	60 p.a. reducing to 50 p.a. over time	In line with sales forecast
Void rate	0.9%	In line with current position, no significant increase/decrease forecast
Bad debts	1.5%	To allow for changes under welfare reform

**Further information:**

Information on RTB sales can be found [here](#)

Information on the Right To Buy scheme can be found [here](#).

Our [repairs policy](#) fact sheet

[Social Housing Asset Value](#)

**Housing Delivery programme and affordable housing supply**

The council has recognised that more needs to be done to expand the housing stock across all tenures and to accelerate the pace of housing delivery particularly by using surplus public sector land assets

The HRA will deliver over 600 homes, most to passivhaus standard over 8 sites in the next few years. On average 60% of these will be for market sale which will enable 40% of the homes to be affordable homes, including shared ownership and rented council housing. Over 240 affordable homes will be delivered in total.

The council will continue to work with housing partners in the city to maximise the supply of social and 'affordable' housing through planning gain and housing association development, fostering a collaborative approach across partners to maximise value for money.

The HRA will also offer individuals and community groups opportunities to self build as part of the programme. This is already in successful operation on the Lowfields development site.

We will also continue to review the mechanisms for delivering new council owned housing, considering all products and funding opportunities that deliver affordability for people.

Examples of this include, shared ownership, discount sale, older persons accommodation, specialist housing and 'key worker' designated housing.

Committed sums, Right to Buy receipts, grant funding and funds from the HRA are maximised to support this.

**Further information:**

[Housing delivery programme](#)

[Self build and custom build housing](#)

[Yospace community homes](#)

[Affordable home ownership / shared ownership](#)

### **Older Persons Accommodation Programme (OPAP)**

The Older person's Accommodation programme's function is to provide and enable the provision of appropriate accommodation to support older people to live well in later life with the support and care they need. Personal care provision and assistive digital technology is utilised to enhance independent living.

The programme is currently building Independent Living properties at Lincoln Court and extra care properties at Marjorie Waite Court. Work is ongoing to support the development of additional independent living accommodation across the city being provided by other affordable housing providers and developers.

Based on national demand data York has a shortage of independent living and extra care properties which is forecast to be over 1100 independent living properties and almost 500 extra care properties by 2039. Consultation for the Older Person's Accommodation Programme has indicated that the demand for small safe and manageable accommodation may well be higher than the national average so this under-provision may be greater than calculated.

As well as the work completed on Glen Lodge the programme is providing extra units and upgrades at:

- Lincoln Court – Full refurbishment and 15 new apartments on site now. £4.4m
- Marjorie Waite Court – 33 unit extension 29 apartments 4 bungalows. On site now. Due to complete Autumn 2020 £6.667M

#### **Further information:**

[Be Independent](#)

[Independent Living Communities including those with extra care](#)

[Update on OPAP to Housing & Community Safety Scrutiny Committee July 2019](#)

[Adaptations](#)

[Yorwellbeing Handyperson Service](#)

### **Repairs, maintenance and regeneration**

The capital programme includes:

- Building new homes
- Adaptations
- Re-roofing programmes

- Standing water programme
- Replacement heating systems
- Structural and external works
- Asbestos removal
- Tenant's Choice modernisation of homes ( bathrooms, kitchens, re-wiring)
- Energy efficiency retrofit programmes
- Housing Environmental Improvement Programme
- Decent homes work
- Major works on empty homes

The reactive and planned repairs spending includes

- External painting programmes
- Day to day repairs
- Minor works on empty homes
- Gas, electrical and other testing

Regeneration programmes are community led and will be done in partnership with the local community, councillors and partners. It will look at the housing, people, the community assets and how the whole environment supports health and wellbeing for all. Our Groves Community Plan is the first example of this and was possible following a successful bid for £265k enabling and commercial capacity building grant to develop the plan.

#### **Further information**

Housing Asset Management Strategy – link available once agreed by executive and published

Groves Community Plan – available Feb 2020

[Repairs policy](#)

[Building Services capital programme information](#)

Regeneration strategy – to be developed 2020

#### **Information technology**

Considerable investment in information technology is being made by the Housing Revenue Account and the wider Council has an innovative approach to the use of systems, networks and assistive technology to support the people of York.

A review of current housing systems was carried out during 2016 and a budget of £2m has been agreed to invest in replacing those systems in a programme that will take around two years to implement. A project team is currently working on implementation with a go live expected at the end of 2020.

The overriding strategic objectives are to transform service delivery and place people who

use our services at the centre of the service.

In doing so it will:

- Provide a wide range of self service options and communication channels
- Provide an integrated view of information and data across housing services
- Reduce administration costs and improve management information
- Help facilitate our person centred approach to the people we provide services to

These benefits will feed through to people as better informed decisions are taken, staff time is freed up to work with people who live in our homes and access our services.

#### Further information:

##### [Digital York](#)

Internet of things – connecting devices to work together in providing services and data – link to follow once developed by ICT

##### [Free Wi-Fi](#)

##### [Smart Places Evolution Programme](#)

#### Our vision, ambitions and workforce

Housing and Community Safety service vision – *‘The provision of high quality homes that are affordable in communities where people feel safe’*.

This is delivered through:

- The provision of well-maintained affordable homes
- Ensuring that residents and people visiting the city feel safe
- Maximising independence through housing related support and supported accommodation
- Empowering the workforce

The vision and supporting statements will be updated in 2020 through staff consultation as part of our change management programme.

As part of a stock retaining unitary authority the housing service is responsible for all strategic and practical housing functions funded via the HRA, housing and wider council general fund, income generation and grants. The housing service also includes regulation of the private rented sector, licensing of Houses of Multiple Occupation and the Council’s adaptations service.



The HRA part funds the Council's Community Safety Hub which deals with the most complex and serious nuisance cases as well as identifying and tackling ASB and crime 'hot spots' across the city.

The service aims for tailored, proactive, holistic management of tenancies, dovetailing with and complementing council and other services for the benefit of people who live in our homes and their families. We will work on building real relationships with the people we provide services to. We will link in to the ward teams and local area teams to highlight and promote the wellbeing of residents and improve their environment. We will work to provide efficient, people focused services that are top performing whilst meeting the complex needs of individuals and families.

This approach will also achieve benefits for other services. By providing advice, early help and low-level preventative work in disciplines outside the 'traditional' housing boundaries, the Housing Management Service will help people maintain their tenancy, health and wellbeing and reduce their need for more costly interventions. Good relationships and prevention will also help with purely housing issues such as void loss and rent arrears.

The approach will also ensure that the service is efficient and able to deliver value for money in the current economic climate

The Housing and Community Safety Service Plan headlines:

Embed the principles around restructure of Housing/Building Services to provide locality working, individual and community resilience and volunteering.	Develop a Mental Health resettlement pathway	Publish the new Community Safety Plan	Develop a healthy homes approach including Introducing an intelligence based approach to enforcement (across all housing tenures)	Mitigate the effects of welfare reform for our customers and the council.
Accelerate the supply of new affordable homes to passivhaus standard and continue the Older Persons Accommodation Programme	Improve the supported housing offer in the city	Embed new ICT through change management across the Housing Service	Delivery of the Housing Capital programme to help meet carbon reduction targets	Reduce rough sleeping by 50%, implement the Homeless Reduction Act and Homelessness Strategy action plan successfully.

The Council has a strong commitment to developing the workforce with the core training delivered online, including mandatory elements at council and directorate level.

Housing recognise the value and potential of a well-motivated, skilled, knowledgeable and empowered workforce.

Housing Services have local, housing focused training resources and are utilising the opportunities presented by implementation of the new ICT system to further develop the approach and person focused culture across it workforce and activities as outlined above. Extra resources have been committed to the housing training budget from 2020/21 onwards.

**Further information:**

[Housing Service Standards](#)

[Tenant and leaseholder annual report](#)

[Adaptations](#)

Training / empowerment plan – to be added following change management programme 2020

‘Operational Strategy’ – to be added following change management programme 2020

**Governance and getting people involved**

York is a unitary authority with 47 councillors representing 21 wards.

The decision making structure is comprised of an executive committee made up of executive members. Housing is represented by the Executive Member of Housing and Safer Neighbourhoods.

York has a strong tradition of involving and engaging with people in shaping services and this is a constantly developing area. Housing have mature arrangements in place shaped by the regulatory frameworks over time and with an eye on the future. The housing engagement offer and strategy is regularly reviewed.

Highlights of the current arrangements include:

- an annual satisfaction survey with key data tracked over time and benchmarked
- a range of forums for people to get involved in, such as the combined Tenant Scrutiny panel, bespoke focus groups and drop in sessions for people to access in their local communities

More recently Housing are working with colleagues across the Council to develop and promote volunteering opportunities and have developed an apprenticeship programme within Housing Services.

We will also work with people to manage and use our communal areas to help create inclusive and vibrant environments which helps improve their health and wellbeing. We also intend to increase biodiversity through encouraging planting for pleasure, food and activity.

**Further information:**[Getting involved](#)[Housing Environmental Improvement Programme](#)

Communal areas policy - available mid 2020

**Performance and Benchmarking**

Rent arrears and management of empty homes performance have been challenging over the past decade due to the combined effects of austerity measures, welfare reform, increases in personal debt as well as historical under investment in the housing stock which is being addressed via the Housing Asset Management Strategy.

When Benchmarked, York's Housing Service is seen to be performing adequately when compared nationally and with comparator organisations. Our aim is to perform better whilst supporting the people we work with by developing genuine relationships with each of them to realise their potential.

Our HRA spending and performance is benchmarked using the Housemark Service. This data is used to help improve services and inform our annual report.

**Further information:**[Housing performance data – open data platform](#)[Housemark](#)

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**HOUSING REVENUE ACCOUNT PROJECTIONS**  
**City of York Council**

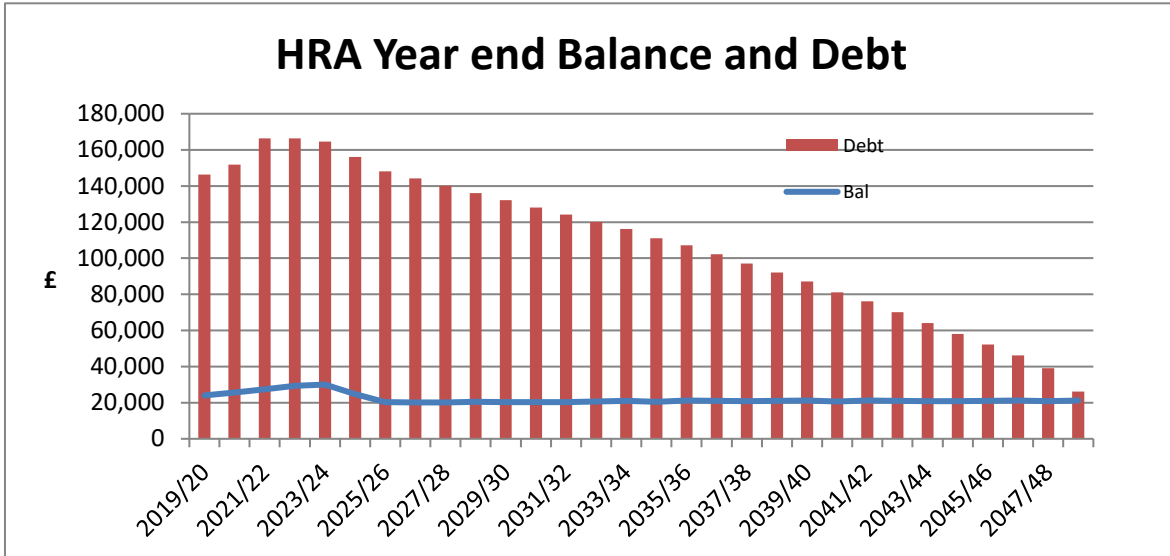
Year	2019.20	2020.21	2021.22	2022.23	2023.24	2024.25	2025.26	2026.27	2027.28	2028.29	2029.30	2030.31	2031.32	2032.33	2033.34	2034.35
£'000	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
<b>INCOME:</b>																
Rental Income	30,763	31,241	32,048	32,888	33,788	34,641	35,267	35,871	36,488	37,139	37,800	38,284	38,773	39,266	39,764	40,265
Void Losses	-273	-279	-286	-294	-302	-309	-315	-321	-326	-332	-338	-342	-347	-351	-355	-360
Service Charges	1,309	1,335	1,362	1,389	1,417	1,445	1,474	1,503	1,533	1,564	1,595	1,627	1,660	1,693	1,727	1,761
Non-Dwelling Income	406	488	560	654	751	820	852	869	886	904	922	941	959	979	998	1,018
Grants & Other Income	412	415	415	415	415	415	415	415	415	415	415	415	415	415	415	415
<b>Total Income</b>	<b>32,616</b>	<b>33,200</b>	<b>34,098</b>	<b>35,053</b>	<b>36,069</b>	<b>37,012</b>	<b>37,693</b>	<b>38,337</b>	<b>38,996</b>	<b>39,690</b>	<b>40,395</b>	<b>40,925</b>	<b>41,461</b>	<b>42,002</b>	<b>42,548</b>	<b>43,100</b>
<b>EXPENDITURE:</b>																
General Management	-6,372	-6,418	-6,672	-6,709	-6,853	-6,997	-7,140	-7,284	-7,429	-7,578	-7,730	-7,884	-8,042	-8,203	-8,367	-8,534
Special Management	-2,315	-2,291	-2,337	-2,364	-2,411	-2,460	-2,509	-2,559	-2,610	-2,662	-2,716	-2,770	-2,825	-2,882	-2,939	-2,998
Other Management	-340	-346	-353	-360	-368	-375	-382	-390	-398	-406	-414	-422	-431	-439	-448	-457
Rent Rebates	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Bad Debt Provision	-456	-465	-477	-490	-503	-516	-525	-534	-543	-553	-563	-570	-578	-585	-592	-600
Responsive & Cyclical Repairs	-6,724	-7,588	-8,086	-8,328	-8,578	-8,750	-8,925	-9,103	-9,285	-9,471	-9,660	-9,854	-10,051	-10,252	-10,457	-10,666
<b>Total Revenue Expenditure</b>	<b>-16,207</b>	<b>-17,109</b>	<b>-17,926</b>	<b>-18,251</b>	<b>-18,713</b>	<b>-19,097</b>	<b>-19,481</b>	<b>-19,870</b>	<b>-20,266</b>	<b>-20,670</b>	<b>-21,082</b>	<b>-21,500</b>	<b>-21,926</b>	<b>-22,360</b>	<b>-22,803</b>	<b>-23,255</b>
Interest Paid & Administration	-4,797	-4,902	-5,229	-5,468	-5,438	-5,299	-5,069	-4,909	-4,817	-4,684	-5,406	-5,252	-5,094	-4,937	-4,779	-4,601
Interest Received	155	211	204	284	295	273	224	201	201	203	203	202	202	204	207	206
Depreciation	-8,149	-8,270	-8,403	-8,541	-8,692	-8,826	-8,944	-9,054	-9,167	-9,287	-9,408	-9,530	-9,654	-9,778	-9,904	-10,030
<b>Net Operating Income</b>	<b>3,618</b>	<b>3,130</b>	<b>2,743</b>	<b>3,076</b>	<b>3,521</b>	<b>4,062</b>	<b>4,424</b>	<b>4,706</b>	<b>4,947</b>	<b>5,251</b>	<b>4,702</b>	<b>4,844</b>	<b>4,989</b>	<b>5,131</b>	<b>5,270</b>	<b>5,420</b>
<b>APPROPRIATIONS:</b>																
FRS 17 /Other HRA Reserve Adj	-41	-42	-43	-43	-44	-45	-46	-47	-48	-49	-50	-51	-52	-53	-54	-55
HRA CFR Revenue Provision	0	0	0	0	-1,900	-8,400	-8,000	-4,000	-4,000	-4,000	-4,000	-4,000	-4,000	-4,000	-4,000	-5,000
Revenue Contribution to Capital	-4,062	-1,480	-880	-1,180	-840	-850	-850	-850	-850	-850	-850	-850	-850	-850	-850	-850
<b>Total Appropriations</b>	<b>-4,103</b>	<b>-1,522</b>	<b>-923</b>	<b>-1,223</b>	<b>-2,784</b>	<b>-9,295</b>	<b>-8,896</b>	<b>-4,897</b>	<b>-4,898</b>	<b>-4,899</b>	<b>-4,900</b>	<b>-4,901</b>	<b>-4,902</b>	<b>-4,903</b>	<b>-4,904</b>	<b>-5,905</b>
<b>ANNUAL CASHFLOW</b>	<b>-485</b>	<b>1,608</b>	<b>1,820</b>	<b>1,853</b>	<b>737</b>	<b>-5,233</b>	<b>-4,473</b>	<b>-191</b>	<b>49</b>	<b>352</b>	<b>-198</b>	<b>-56</b>	<b>87</b>	<b>228</b>	<b>366</b>	<b>-485</b>
Opening Balance	24,497	24,011	25,619	27,440	29,292	30,029	24,796	20,324	20,132	20,182	20,534	20,336	20,279	20,367	20,595	20,960
<b>Closing Balance</b>	<b>24,011</b>	<b>25,619</b>	<b>27,440</b>	<b>29,292</b>	<b>30,029</b>	<b>24,796</b>	<b>20,324</b>	<b>20,132</b>	<b>20,182</b>	<b>20,534</b>	<b>20,336</b>	<b>20,279</b>	<b>20,367</b>	<b>20,595</b>	<b>20,960</b>	<b>20,475</b>
<b>Other HRA Reserve Balance</b>	<b>5,807</b>	<b>1,109</b>	<b>319</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

**HOUSING REVENUE ACCOUNT PROJE**  
**City of York Council**

Year	2035.36	2036.37	2037.38	2038.39	2039.40	2040.41	2041.42	2042.43	2043.44	2044.45	2045.46	2046.47	2047.48	2048.49
£'000	17	18	19	20	21	22	23	24	25	26	27	28	29	30
<b>INCOME:</b>														
Rental Income	40,771	41,281	41,795	42,313	42,835	43,361	43,892	44,426	44,963	45,505	46,050	46,599	47,152	47,708
Void Losses	-364	-369	-374	-378	-383	-388	-392	-397	-402	-407	-412	-417	-422	-426
Service Charges	1,797	1,833	1,869	1,907	1,945	1,984	2,023	2,064	2,105	2,147	2,190	2,234	2,279	2,324
Non-Dwelling Income	1,039	1,059	1,080	1,102	1,124	1,147	1,170	1,193	1,217	1,241	1,266	1,291	1,317	1,343
Grants & Other Income	415	415	415	415	415	415	415	417	417	417	417	417	417	417
<b>Total Income</b>	<b>43,657</b>	<b>44,219</b>	<b>44,786</b>	<b>45,359</b>	<b>45,936</b>	<b>46,519</b>	<b>47,107</b>	<b>47,702</b>	<b>48,300</b>	<b>48,903</b>	<b>49,512</b>	<b>50,125</b>	<b>50,743</b>	<b>51,366</b>
<b>EXPENDITURE:</b>														
General Management	-8,705	-8,879	-9,056	-9,238	-9,422	-9,611	-9,803	-9,999	-10,199	-10,403	-10,611	-10,823	-11,040	-11,260
Special Management	-3,058	-3,119	-3,182	-3,245	-3,310	-3,376	-3,444	-3,513	-3,583	-3,655	-3,728	-3,802	-3,878	-3,956
Other Management	-466	-475	-485	-495	-505	-515	-525	-535	-546	-557	-568	-580	-591	-603
Rent Rebates	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Bad Debt Provision	-607	-615	-623	-630	-638	-646	-654	-662	-670	-678	-686	-694	-703	-711
Responsive & Cyclical Repairs	-10,879	-11,097	-11,319	-11,545	-11,776	-12,012	-12,252	-12,497	-12,747	-13,002	-13,262	-13,527	-13,798	-14,073
<b>Total Revenue Expenditure</b>	<b>-23,716</b>	<b>-24,185</b>	<b>-24,664</b>	<b>-25,153</b>	<b>-25,651</b>	<b>-26,159</b>	<b>-26,678</b>	<b>-27,206</b>	<b>-27,745</b>	<b>-28,294</b>	<b>-28,855</b>	<b>-29,426</b>	<b>-30,009</b>	<b>-30,604</b>
Interest Paid & Administration	-4,423	-4,245	-4,048	-3,850	-3,653	-3,435	-3,218	-3,000	-2,763	-2,526	-2,289	-2,051	-1,794	-862
Interest Received	207	209	208	208	210	209	208	210	208	207	208	210	209	209
Depreciation	-10,158	-10,287	-10,417	-10,548	-10,680	-10,813	-10,948	-11,083	-11,219	-11,357	-11,495	-11,635	-11,775	-5,711
<b>Net Operating Income</b>	<b>5,567</b>	<b>5,711</b>	<b>5,865</b>	<b>6,016</b>	<b>6,163</b>	<b>6,320</b>	<b>6,473</b>	<b>6,623</b>	<b>6,781</b>	<b>6,933</b>	<b>7,081</b>	<b>7,222</b>	<b>7,373</b>	<b>14,398</b>
<b>APPROPRIATIONS:</b>														
FRS 17 /Other HRA Reserve Adj	-56	-57	-59	-60	-61	-62	-63	-65	-66	-67	-69	-70	-37	-37
HRA CFR Revenue Provision	-4,000	-5,000	-5,000	-5,000	-5,000	-6,000	-5,000	-6,000	-6,000	-6,000	-6,000	-6,000	-7,000	-13,000
Revenue Contribution to Capital	-850	-850	-850	-850	-850	-850	-850	-850	-850	-850	-850	-850	-850	-850
<b>Total Appropriations</b>	<b>-4,906</b>	<b>-5,907</b>	<b>-5,909</b>	<b>-5,910</b>	<b>-5,911</b>	<b>-6,912</b>	<b>-5,913</b>	<b>-6,915</b>	<b>-6,916</b>	<b>-6,917</b>	<b>-6,919</b>	<b>-6,920</b>	<b>-7,887</b>	<b>-13,887</b>
<b>ANNUAL CASHFLOW</b>	<b>661</b>	<b>-197</b>	<b>-43</b>	<b>106</b>	<b>252</b>	<b>-592</b>	<b>559</b>	<b>-292</b>	<b>-135</b>	<b>16</b>	<b>162</b>	<b>303</b>	<b>-514</b>	<b>511</b>
Opening Balance	20,475	21,136	20,939	20,896	21,002	21,254	20,662	21,221	20,929	20,793	20,809	20,972	21,274	20,761
<b>Closing Balance</b>	<b>21,136</b>	<b>20,939</b>	<b>20,896</b>	<b>21,002</b>	<b>21,254</b>	<b>20,662</b>	<b>21,221</b>	<b>20,929</b>	<b>20,793</b>	<b>20,809</b>	<b>20,972</b>	<b>21,274</b>	<b>20,761</b>	<b>21,271</b>
<b>Other HRA Reserve Balance</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

**HRA Business Plan 2019/20 - 2048/49**

The debt level at the end of this 30 year business plan is £26.134m



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## Housing Asset Management Strategy

### Introduction

The Housing Asset Plan sets out the work we do in relation to maintaining, investing and improving our housing stock and a clear picture of what we need to do in order to meet the challenges that face us over the next few years, not least the Climate Change Agenda. It builds on the previous Strategic Asset Plan 2015 – 2018, taking in new innovations and thinking, in order to develop a clear plan for decision-making over the next five years.

City of York Council's ability to deliver good services for people now and in the future is dependent on our ability to make the most of the homes we own - not only as nice places to live but also as assets we improve and invest in. It is important to understand the finance which flows through the landlord function and how it is connected to our homes. Most of the money comes directly from rent, and expenditure can be apportioned to housing management, maintenance and investment.

### Vision

The Asset Plan vision is to keep homes in good condition and residents safe and comfortable. The Plan will also identify priorities for repair and maintenance and opportunities to reduce the carbon footprint and increase the energy efficiency of our housing stock. This will reduce running cost for residents.

### Strategic objectives

This plan and the actions that arise from it will help to achieve the following outcomes of the ***Council Plan 2019 – 23 Making History, Building Communities*** :-

- A Greener and Cleaner City
- Good Health and Wellbeing
- A better start for Children and Young People
- Well-paid jobs and an inclusive economy
- Creating homes and world class infrastructure

For further information follow the links below;

[Council Plan 2019 -2023](#)

### **Stock Profile**

The Council provides housing services across a range of different tenures and assets. The Housing Revenue Account (HRA) currently holds approximately 7,500 tenanted units, together with over 540 leasehold properties and in excess of 900 garages which are managed by the housing team. The majority of the properties are general needs houses and flats.

In addition to general needs housing we provide specialist accommodation made up of Independent Living Communities, some with Extra Care and hostels which provide temporary accommodation for homeless families and individuals.

### **HRA Land**

In addition to property assets the HRA has land assets. Most of the sites available are small and not viable for housing development. In some circumstances it would be beneficial to sell smaller site. Prior to land being sold individual sites will be assessed on a wider strategic level. Assessment option for use would include;

1. Community use e.g. energy scheme or public open space

2. Regeneration opportunities now or in the future
3. Self Build
4. Affordable housing scheme with a Registered Provider
5. Specialist housing scheme
6. Land swap

Where land is valued below £500k a paper will be taken to Senior Management Team outlining options and implication for approval. This will result in an Officer Decision by the Assistant Director in consultation with the Director for Customer and Corporate Services. For Assets above £500k a report would go to Executive for approval.

Prior to any decision being taken there will be consultation with ward councillors, followed by local public consultation and resident involvement.

### **Non Traditional Housing Stock**

Amongst the general needs housing stock there are a number of non-traditional dwellings constructed in the periods 1921 to 1927 (Dennis Wild steel framed housing) and 1946 to 1951 (other non-traditional construction).

Non-traditional housing stock pose particular issues. Initially identified as having poor thermal efficiency and some potential structural issues, there has been significant investment since 1990 to ensure the properties remain fit for purpose. Some of these remedies have permanently resolved the defects, whilst others remain temporary solutions.

The stock condition survey provides an up to date assessment of our non-traditional properties.

### **Non-dwellings and communal spaces**

There are over 1000 non-dwelling properties held within the HRA portfolio, with CYC Building Services responsible for the maintenance of the communal spaces and fabric of the buildings. The non-dwellings funded by the HRA are referred to as blocks. A block includes housing units (usually flats and/or maisonettes) and communal areas. These are typically contained within one roof, there may be some shared facilities such as walkways or gardens. The council has a duty to manage these spaces even where the dwellings within a block are all leasehold.

The responsibilities for these assets include ensuring regulatory compliance with fire, asbestos and electrical testing regimes as well as property management and services such as cleaning services and legionella monitoring.

### **Understanding and Involving People**

We are committed to listening to people's views and acting on their feedback. We commission a tenant satisfaction survey every year. A statistically significant number of people who live in our homes are randomly selected to receive the survey.

We understand that we need to explore new ways of involving the people who live in our homes. A series of events will be held with people to find out how people would like us to involve them in 2020.

### **Climate Change**

In July 2019 the City of York Council declared a Climate Emergency, aiming to make York carbon neutral by 2030. As the largest single landlord in the city the Council is uniquely placed to take a lead role in reducing fuel costs and further exploring less fossil-fuelled based solutions - making homes greener, healthier and places where people want to stay.

## Existing stock

It is important to recognise that about 80% of the homes that people will be living in in 2050 are already built. In the social housing sector this percentage is even higher. It is therefore crucial that we invest in the stock we already have, making it 'fit for the future' by reducing carbon emissions and improving energy efficiency, as well as ensuring that our new build homes are high quality.

Homes fit for the future are:

- Low carbon
- Resilient to climate change
- Attractive and desirable places to live
- Adaptable to the changing needs of society
- Healthy places to live
- Address fuel poverty

Bringing the existing housing stock to near zero carbon emissions would:

- Reduce fuel costs
- Reduce the direct and consequential costs of fuel poverty
- Boost economic growth by supporting larger-scale projects, skill development e.g. apprenticeships, and business opportunities
- Reduce costs and demand for health and social care in the direct costs of dealing with the impacts of poor housing quality (e.g. respiratory conditions related to damp rooms)
- Reduce the number of additional deaths from extreme weather, from winter cold and summer heat

In order to significantly improve the thermal efficiency of our existing housing stock, we need to explore the retrofit options available on the market, the cost of these options and the environmental impact and also take a lead on developing our own local expertise.

One of the main ways of achieving these targets will be by making homes more energy efficient. Another factor pushing forward this change is the need to reduce running costs for householders in order to increase their disposable income.

### **Financial Planning and Risk**

The HRA Business Plan covers a 30 year period 2020 – 50. It focuses largely on those activities relevant to the management of the Council’s housing related assets and challenges facing key service delivery areas. It includes an Investment Programme, formulated on a 5 and 30 year basis.

For further information refer to the HRA Business Plan 2020-2050 attached to this report.

### **Compliance with Standards**

Statutory compliance with Health and Safety related legislation is essential. It is our duty as a landlord to ensure the homes we provide are safe for people to live in. This strategy informs our approach to maintaining relevant safety standards for gas, electricity, asbestos, fire risk, water hygiene, and lifts.

For further information follow the links below;

[Decent Homes CLG Guidance](#)

## Repairs and Maintenance

Having an effective Repairs and Maintenance service is a top priority for the people living in our properties. It also forms a key part of our work to maximise the effective life of our housing assets. Our service standards are set out in our Responsive Repairs Policy (Repairs and Maintenance link below).

## Decent Homes Standards

The government sets a minimum standard, known as the 'decent homes standard', for all council and housing association homes, stating that they must:

- be in a reasonable state of repair
- have reasonably modern facilities and services
- provide a reasonable degree of thermal comfort

Through our ongoing repairs and maintenance and our modernisation scheme Tenants' Choice, we are committed to ensuring that our homes meet the decent homes standard.

For further information follow the links below;

[Decent Homes CLG Guidance](#)  
[Repairs and Maintenance](#)  
[Our Housing Service Standards](#)  
[Modernisation Scheme](#)  
[External Painting Programme](#)  
[Council House Modernisation](#)

## Stock Condition

The previous Housing Asset Plan established a scoring matrix for individual properties with the view that the information within this matrix would be maintained and updated. The purpose of the Asset Rating is to score the properties within the HRA on their quality - a low risk score for a good quality asset and a high risk score for a poor asset. This scoring methodology would be applied uniformly across the portfolio so every asset is scored in the same way. Having a standardised score for each asset will help inform discussion and management decisions about properties in the HRA, by providing a point of reference and comparison between assets. It was recognised at the time that more suitable data sources and assessment criteria would emerge that would improve the overall quality and accuracy of the evidence base.

An improved asset rating and assessment tool will be developed following the implementation of the new ICT Housing System. This will enable us to maintain a detailed overview of all properties in the HRA.

We now have an up to date housing stock condition survey. The stock condition survey provides a 95% accuracy assurance levels. The final analysis of the data is underway. A programme for dealing with underperforming stock has been developed and further work will continue.

For further information follow the links below;

[Stock condition surveys](#)

## Initial Findings

3.9% of stock was found to be failing Decent Homes Standard. Additional resource has been allocated to speed up progress towards achieving Decent Homes Standards for all Council Homes.



A third of our stock has been identified as having an Energy Performance rating below band C. We are exploring options to improve the energy efficiency of our housing stock.

### **Future Housing Delivery**

The Council is committed to developing over 600 high quality new homes across York in 8 Council-owned locations. The Housing Delivery Programme will deliver new mixed tenure developments where:

- 60% of homes will be for sale on the open market
- Minimum of 40% of homes will be a mix of affordable homes, including shared ownership and council rented housing

For further information follow the links below;

[Housing Delivery Programme](#)

### **Shared Ownership**

We are running an open market shared ownership scheme in York, people can buy a share in a property on the open market. We have acquired over 20 properties since the scheme started. It is hoped that we will be able to help 65 people to buy their own home on this scheme.

For further information follow the links below;

[Shared Ownership](#)

## **Community-led Regeneration**

The importance of community and housing-led regeneration has never been greater in providing the stimulus for connections and improvements to health and well-being. Mental and physical health awareness, loneliness, isolation, food poverty and homelessness are all high on the agenda of national and local government thinking.

### **The Groves**

We successfully bid for Estate Regeneration Grant of £265k from Homes England to carry out feasibility work on improvements to the Groves area.

A pioneering and community-led regeneration approach is being developed with people who live in the Groves area of the city. This is bringing opportunities to improve the health and wellbeing of residents, provide more homes, retrofit existing homes to high energy efficiency standards and improve the quality of the local environment for people living there.

Investment opportunities for The Groves regeneration project will be developed further through a focused Business and Investment Plan, and a rolling delivery programme of improvements will be agreed as funding opportunities emerge. The *Groves Community Plan* will be published in 2020.

Lessons learned from The Groves will be taken forward in order to explore and inform community-led area regeneration opportunities in other areas of the City.

### **Adapting homes for the future**

There are increasing numbers of older people, disabled people including children with long term illnesses and often complex conditions who are living in our existing housing stock. We need not only to ensure that we are building new

homes which are flexible but that we need also need to ensure that our existing housing stock is suitable, fit for the future, and meets their individual need. By doing so we will maximise independence and improve the quality of life for older people, people with disabilities, and their families.

### **Older Persons Provision**

We are improving, replacing and expanding the housing provision for older people in York. Our plans aim to help older people remain independent in their own home for as long as possible, while offering a choice of accommodation to meet their requirements.

We have increased independent living provision by 27 homes at Glen Lodge in Heworth. The scheme includes 24 hour support and was completed in November 2017.

A further 48 homes for older people, some of which have extra care provision, are due for completion in 2020 at Marjorie Waite Court and Lincoln Court.

We will continue to review our provision for older people for the future, as well as work to ensure that the whole stock is accessible to all.

### [Independent Living](#)

### **Acquisitions and disposals**

The Council own a number of high value properties across the city, and when one of these properties becomes vacant it is assessed using the asset management tool for repair, conversion or disposal. Approval to dispose of a property would be sought where it is determined that a property is of high value, large in proportions, expensive to heat, repair and maintain.

There are occasions when we may acquire properties on the open market. This could occur when we have the ‘right of first refusal’ where someone has previously exercised their Right to Buy and now want to sell their home. We may also acquire properties in areas where we are looking to regenerate or redevelop.

For further information follow the links below;

[HRA Strategic Asset Plan](#)

### **Procurement Strategy**

Building Services work closely with procurement colleagues to secure value for money and quality services for people living in York. Whilst many of the contracts procured are likely to come through frameworks provided by procurement consortia, they consistently aim to maximise the number of local contractors bidding for our work.

The Council’s Plan 2019-2024 requires the development of sustainable and ethical procurement policies which promote local supply chains and support inclusive clean growth. Housing and Building Services will make a positive impact to the development and success of these policies.

For further information follow the links below;

[Procurement  
Council Plan 2019 -2023](#)

## Draft Action Plan

<b>Action</b>	<b>Reason</b>	<b>Timescale</b>	<b>Lead</b>
Revise the existing scoring matrix	To meet the Councils commitment to Climate Change and make use of the stock condition survey. .	November 2020 then Ongoing	Housing Strategy And Policy
Establish a decision making process for assessing future use of HRA land assets.	To make best use of land assets and provide a clear framework for assessing land.	July 2020	Housing Strategy And Policy
Identify opportunities for housing development, regeneration and specialist housing.	To apply the Asset Register data generated by the scoring matrix to enable investment and re-development opportunities.	Ongoing	Housing Strategy And Policy
Establish an approach to housing led regeneration across the city.	To ensure that local people are involved in the decisions which impact on their local community, housing, health and wellbeing.	December 2020	Housing Strategy and Policy
Research wide reaching retro fit models for our existing stock including cost and environmental benefits.	To improve the energy efficiency of our existing stock, reduce running cost and contribute to meeting the Council commitment to carbon neutrality by 2030.	June 2020	Housing Strategy and Policy

Explore new ways of involving tenants in housing services	To involve more people, who are representative of the people living in our homes, in the decisions that affect them and the homes they live in.	August 2020	Housing Services
Assess suitability of current older persons provision	To ensure older person stock is fit for purpose fit for the future.	To be confirmed	To be determined
Develop a strategic approach to making our existing stock accessible to all	To make better use of our existing stock and expand the offer to older people.	September 2020	Strategy and Policy /Building Services

The 'Better Decision Making' tool has been designed to help you consider the impact of your proposal on the health and wellbeing of communities, the environment, and local economy. It draws upon the priorities set out in our Council Plan and will help us to provide inclusive and discrimination-free services by considering the equalities and human rights implications of the decisions we make. The purpose of this tool is to avoid decisions being made in isolation, and to encourage evidence-based decision making that carefully balances social, economic and environmental factors, helping us to become a more responsive and resilient organisation.

The Better Decision Making tool should be used when proposing new projects, services, policies or strategies, or significant amendments to them. The tool should be completed at the earliest opportunity, ideally when you are just beginning to develop a proposal. However, it can be completed at any stage of the decision-making process. If the tool is completed just prior to the Executive, it can still help to guide future courses of action as the proposal is implemented.

**The Better Decision Making tool must be attached as an annex to Executive reports. A brief summary of your findings should be reported in the One Planet Council / Equalities section of the report itself.**

Guidance to help you complete the assessment can be obtained by hovering over the relevant question.

Please complete all fields. If you wish to enter multiple paragraphs in any of the boxes, hold down 'Alt' before hitting 'Enter'.

#### Introduction

<b>Service submitting the proposal:</b>	Housing
<b>Name of person completing the assessment:</b>	Denis Southall
<b>Job title:</b>	Head of Housing
<b>Directorate:</b>	HHASC
<b>Date Completed:</b>	21.01.20
<b>Date Approved</b> (form to be checked by head of service):	

#### Section 1: What is the proposal?

1.1	<b>Name of the service, project, programme, policy or strategy being assessed?</b> Housing Revenue Account Business Plan (HRABP) and Asset Management Strategy (AMS) refresh
1.2	<b>What are the main aims of the proposal?</b> Increase the stock of social housing owned by the HRA through an ambitious development programme, develop new homes that are built to passivhaus standard, contributing to the Council's effort to ensure a carbon neutral city by 2030, Improve the quality of homes and communal areas and reduce the carbon footprint of existing council homes through investment in assets, community led regeneration and working with communities and individuals, ensure that our homes, and the management of them, maintain and
1.3	<b>What are the key outcomes?</b> A more ambitious new build programme for market sale and affordable housing, Increased capital and revenue investment to improve the quality and energy efficiency of our homes, Continued investment in homes for an ageing population, Considerable investment in ICT to support our workforce and people who use our services, A firm commitment to community led regeneration, Use of communal areas to help improve health and wellbeing, Investment in people who work for us, developing a culture that empowers colleagues and builds on

#### Section 2: Evidence

2.1	<b>What data / evidence is available to support the proposal and understand its likely impact?</b> (e.g. hate crime figures, obesity levels, recycling statistics) Strategic Housing Needs Market Assessment, demographic data on ageing across the population and in York, demand for council homes, affordability indices, government funded programmes to increase the supply of social, affordable and low cost housing for rent, purchase, self build etc and relevant legislation - See HRA draft business plan. Stock condition survey 2019.
2.2	<b>What public / stakeholder consultation has been undertaken and what were the findings?</b> None on these documents as consultation is done on programmes, action plans, initiatives and policies that flow from these documents.

	<b>Are there any other initiatives that may produce a combined impact with this proposal?</b> (e.g. will the same individuals / communities of identity also be impacted by a different project or policy?)
2.3	Future Focus programme, anti-poverty strategy, affordable housing policy, local plan,





### Section 3: Impact on One Planet principles

Please summarise any potential positive and negative impacts that may arise from your proposal on residents or staff. This section relates to the impact of your proposal on the ten One Planet principles.

For 'Impact', please select from the options in the drop-down menu.  
If you wish to enter multiple paragraphs in any of the boxes, hold down 'Alt' before hitting 'Enter'.

#### Equity and Local Economy

Does your proposal?	Impact	What are the impacts and how do you know?
3.1 <b>Impact positively on the business community in York?</b>	Positive	Safer and healthier homes and environments can lead to a happier and more productive workforce. Local employment can benefit from the building and stock improvement programmes
3.2 <b>Provide additional employment or training opportunities in the city?</b>	Positive	Local employment can benefit from the building and stock improvement programmes. The apprenticeship programme will provide training and employment
3.3 <b>Help improve the lives of individuals from disadvantaged backgrounds or underrepresented groups?</b>	Positive	Proactive, flexible management of council homes and communal areas will help individuals and communities thrive, especially those who may be socially isolated for example. The Older Persons Accommodation Programme, adaptations service and investment in

#### Health & Happiness

Does your proposal?	Impact	What are the impacts and how do you know?
3.4 <b>Improve the physical health or emotional wellbeing of residents or staff?</b>	Positive	Healthy homes help people stay healthy, this includes good internal and external facilities and opportunities such as well insulated energy efficient homes, adaptations and improved accessibility, use of communal
3.5 <b>Help reduce health inequalities?</b>	Positive	As above
3.6 <b>Encourage residents to be more responsible for their own health?</b>	Positive	Working with colleagues across the council and other partners we will promote positive health initiatives and opportunities to improve their health and wellbeing. This is demonstrated for example in having an Active
3.7 <b>Reduce crime or fear of crime?</b>	Positive	Proactive, collaborative working, early intervention and appropriate enforcement will help tackle nuisance, criminal activity and anti-social behaviour. Work to reduce rough sleeping contributes to tackling
3.8 <b>Help to give children and young people a good start in life?</b>	Positive	Children need warm, safe homes and communities to survive. Housing prevent homelessness, provide good quality housing and work with other services to ensure that we work with families to help them thrive.

#### Culture & Community

Does your proposal?	Impact	What are the impacts and how do you know?
3.9 <b>Help bring communities together?</b>	Positive	Housing work with colleagues to promote community cohesion e.g. through support for Resident Associations, working as part of war teams, tackling anti-social behaviour and promoting social activities.
3.10 <b>Improve access to services for residents, especially those most in need?</b>	Positive	In addition to pathways to housing for young people and the provision of accommodation with extra care we are developing a pathway to support people with poor mental health in to mainstream housing where they can
3.11 <b>Improve the cultural offerings of York?</b>	Neutral	
3.12 <b>Encourage residents to be more socially responsible?</b>	Positive	Continued work with colleagues across the council and with partners to promote socially responsible activity e.g. ward level activity, Housing Environmental Improvement Programme, Asset Based Community Development,

#### Zero Carbon and Sustainable Water

Does your proposal?	Impact	What are the impacts and how do you know?
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3.13	<b>Minimise the amount of energy we use and / or reduce the amount of energy we pay for?</b> E.g. through the use of low or zero carbon sources of energy?	Positive	Investment in our homes to make them more energy efficient and to help meet the carbon emissions target for 2030. Reduced emissions for workforce vehicles. Building homes to high energy efficient / Passivhaus standards.
3.14	<b>Minimise the amount of water we use and/or reduce the amount of water we pay for?</b>	Positive	As above

#### Zero Waste

Does your proposal?		Impact	What are the impacts and how do you know?
3.15	<b>Reduce waste and the amount of money we pay to dispose of waste by maximising reuse and/or recycling of materials?</b>	Unsure	

#### Sustainable Transport

Does your proposal?		Impact	What are the impacts and how do you know?
3.16	<b>Encourage the use of sustainable transport, such as walking, cycling, ultra low emission vehicles and public transport?</b>	Positive	Council workforce fleet converting to electric only vehicles. HEIP programme providing secure external storage space for cycles etc.
3.17	<b>Help improve the quality of the air we breathe?</b>	Positive	Lower emissions from council homes, Groves project includes road closure proposals to be trialled in 2020.

#### Sustainable Materials

Does your proposal?		Impact	What are the impacts and how do you know?
3.18	<b>Minimise the environmental impact of the goods and services used?</b>	Mixed	Overall the improved energy efficiency of our housing should be positive

#### Local and Sustainable Food

Does your proposal?		Impact	What are the impacts and how do you know?
3.19	<b>Maximise opportunities to support local and sustainable food initiatives?</b>	Unsure	Communal areas policy being developed which will promote use of communal areas for food growing amongst other beneficial activities.

#### Land Use and Wildlife

Does your proposal?		Impact	What are the impacts and how do you know?
3.20	<b>Maximise opportunities to conserve or enhance the natural environment?</b>	Positive	Communal areas policy will promote planting, wilding and increase of biodiversity where possible.
3.21	<b>Improve the quality of the built environment?</b>	Positive	Investment in new and existing homes will improve the stock and enhance the environments around them.
3.22	<b>Preserve the character and setting of the historic city of York?</b>	Neutral	
3.23	<b>Enable residents to enjoy public spaces?</b>	Positive	Communal areas policy will promote planting, wilding and increase of biodiversity where possible as well as use of this space for activity.

3.40	<b>Additional space to comment on the impacts</b>		

**Section 4: Impact on Equalities and Human Rights**

Please summarise any potential positive and negative impacts that may arise from your proposal on staff or residents. This section relates to the impact of your proposal on **advancing equalities and human rights** and should build on the impacts you identified in the previous section.

For 'Impact', please select from the options in the drop-down menu.  
 If you wish to enter multiple paragraphs in any of the boxes, hold down 'Alt' before hitting 'Enter'

**Equalities**

Will the proposal **adversely impact** upon 'communities of identity'?  
 Will it **help advance equality** or **foster good relations** between people in '**communities of identity**'?

	Impact	What are the impacts and how do you know?
4.1 <b>Age</b>	Positive	Older Persons Accommodation Programme provides investment which acknowledges the need for an ageing population. This is supported by adaptations service, falls prevention, Active Communities Officers. Work to promote
4.2 <b>Disability</b>	Positive	Older Persons Accommodation Programme provides investment which acknowledges the need for an ageing population. This is supported by adaptations service, falls prevention, Active Communities Officers. Work to promote
4.3 <b>Gender</b>	Positive	Investmetnt in new IT will help ensure we can analyse data to identify areas of indirect discrimination or bias as well as providing flexible communication channels. This will inform <b>policy and service development</b>
4.4 <b>Gender Reassignment</b>	Positive	Investmetnt in new IT will help ensure we can analyse data to identify areas of indirect discrimination or bias as well as providing flexible communication channels. This will inform <b>policy and service development</b>
4.5 <b>Marriage and civil partnership</b>	Positive	Investmetnt in new IT will help ensure we can analyse data to identify areas of indirect discrimination or bias as well as providing flexible communication channels. This will inform <b>policy and service development</b>
4.6 <b>Pregnancy and maternity</b>	Positive	Investmetnt in new IT will help ensure we can analyse data to identify areas of indirect discrimination or bias as well as providing flexible communication channels. This will inform <b>policy and service development</b>
4.7 <b>Race</b>	Positive	Investmetnt in new IT will help ensure we can analyse data to identify areas of indirect discrimination or bias as well as providing flexible communication channels. This will inform <b>policy and service development</b>
4.8 <b>Religion or belief</b>	Positive	Investmetnt in new IT will help ensure we can analyse data to identify areas of indirect discrimination or bias as well as providing flexible communication channels. This will inform <b>policy and service development</b>
4.9 <b>Sexual orientation</b>	Positive	Investmetnt in new IT will help ensure we can analyse data to identify areas of indirect discrimination or bias as well as providing flexible communication channels. This will inform <b>policy and service development</b>
4.10 <b>Carer</b>	Positive	Investmetnt in new IT will help ensure we can analyse data to identify areas of indirect discrimination or bias as well as providing flexible communication channels. This will inform <b>policy and service development</b>
4.11 <b>Lowest income groups</b>	Positive	Loca area working, building relationships, helping people access affordable housing, more energy efficient homes. Investmetnt in new IT will help ensure we can analyse data to identify areas of indirect discrimination or bias as well as providing flexible
4.12 <b>Veterans, Armed forces community</b>	Positive	The Armed Forces Covenant is embedded in housing policies e.g. the allocations policy

**Human Rights**

Consider how a human rights approach is evident in the proposal

	Impact	What are the impacts and how do you know?
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4.13	<b>Right to education</b>	Positive	The investment in new and existing homes, providing homes for homeless people, improving energy efficiency allow for home environments conducive to educational activity
4.14	<b>Right not to be subjected to torture, degrading treatment or punishment</b>	Positive	Work to tackle county lines activity, cuckooing, human trafficking and modern slavery across services contributes to this.
4.15	<b>Right to a fair and public hearing</b>	Positive	Appeal mechanisms and appropriate use of the courts and advocacy services are built in to procedures across housing services.
4.16	<b>Right to respect for private and family life, home and correspondence</b>	Positive	Appropriate tenancy and licence agreements, training for staff and robust governance mean that this is build in to the work that we do.
4.17	<b>Freedom of expression</b>	Neutral	
4.18	<b>Right not to be subject to discrimination</b>	Positive	Improved IT will help us analyse services and the impact this has on people with protected characteristics
4.19	<b>Other Rights</b>		

4.20	<b>Additional space to comment on the impacts</b>		





**Section 5: Planning for Improvement**

5.1	<b>What have you changed in order to improve the impact of the proposal on the One Planet principles?</b> (please consider the questions you marked either mixed or negative, as well as any additional positive impacts that may be achievable)
	The HRA business plan and AMS impact on a very wide range of services and people receiving those services. It is more appropriate to assess this with each individual initiative

5.2	<b>What have you changed in order to improve the impact of the proposal on equalities and human rights?</b> (please consider the questions you marked either mixed or negative, as well as any additional positive impacts that may be achievable)
	As above

5.3	<b>Going forward, what further evidence or consultation is needed to ensure the proposal delivers its intended benefits?</b> e.g. consultation with specific vulnerable groups, additional data)
	Assessment of impact on energy efficiency / CO2 production, consultation to measure progress on individual initiatives, use of Internet of Things to gather data across the stock and communities.

5.4 **Please record any outstanding actions needed to maximise benefits or minimise negative impacts in relation to this proposal?** (Expand / insert more rows if needed)

Action	Person(s)	Due date

In the One Planet / Equalities section of your Executive report, please briefly summarise the changes you have made (or intend to make) in order to improve the social, economic and environmental impact of your proposal.

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**Executive****13 February 2020**

Joint Report of the Deputy Chief Executive/ Director of Customer and Corporate Services (Interim Head of Paid Service) and Corporate Finance and Commercial Procurement Manager (Interim s151 Officer)

Portfolio of the Leader and Deputy Leader of the Council

**Financial Strategy 2020/21 to 2024/25****Summary**

1. This report presents the financial strategy 2020/21 to 2024/25, including detailed revenue budget proposals for 2020/21, and asks Members to recommend to Council approval of the proposals. Following on from consultation with residents and business groups, the financial strategy delivers a balanced budget for 2020/21 with savings proposals totalling £4m, equivalent to 3.2% of the net budget. There are separate reports on the agenda covering the capital budget, the capital and investment strategy and the treasury management strategy.
2. Over £11m in additional revenue funding will be added to the Council's 2020/21 budget to support the objectives outlined in the new Council Plan. Specific examples of revenue investment include;
  - Creating homes and world class infrastructure - investment in 2020/21 of £1.5m to fund the on-going work of the Housing Delivery Programme, York Central, Castle Gateway, the Community Stadium and other crucial major projects.
  - Good health & wellbeing – investment in 2020/21 of over £4.5m in adult social care, to support and care for some of the most vulnerable residents in York. This includes the costs of care, supporting adult social care staff and enabling residents to remain in their homes for longer.
  - A better start for children and young people - investment in 2020/21 of £225k, including £50k to commission additional mental health early intervention work, with a further £190k funding to

contribute towards initiatives aimed at improving children's wellbeing and tackling the city's attainment gap.

- Safe communities and culture for all - investment in 2020/21 of £340k, including additional officer capacity to support our local communities and ward committee funding to ensure safer communities across York.
- A greener and cleaner city - investment in 2020/21 of over £1m to create a new waste and street environment service, with a new neighbourhood focus to support local communities.
- A greener and cleaner city - investment in 2020/21 of £50k to invest in the northern forest, alongside £3m capital investment which is included in the capital budget report.
- A greener and cleaner city – investment of £150k in 20/21 with a further £150k committed in 2021/22 towards the climate change delivery programme (with appropriate senior officer support and expertise in carbon budgeting) to coordinate, develop and implement the council's ten year plan to deliver a zero carbon future for York.
- Getting around sustainably - investment in 2020/21 of £25k to improve the electric vehicle car charging point network in the city, with a further £200k one off funding to refresh the Transport Plan, including feasibility work on the potential options regarding Haxby station.

3. Other key issues included in the budget proposals are as follows;

- A proposed basic council tax increase of 1.99 % in 2020/21.
- In addition an increase of 2% in line with the government's social care precept, equating to additional income of £1.8m, which provides support for social care
- Revenue savings of £4m in 2020/21
- Ensuring a financially prudent budget by addressing known budget pressures, including likely pay awards and inflationary pressures
- A net revenue budget of £127.223m, which will be funded by:
  - i. Council tax income of £93.808m
  - ii. Retained business rates of £33.415m



- Alongside these proposals, elsewhere on the agenda the capital budget report details significant additional capital investment of over £56m, including schemes in transport, highways, schools, libraries and housing, which together with the revenue budget proposals ensure continued investment in key frontline service delivery, and supports the councils key priorities.

4. The following table shows the 2020/21 budget position after taking account of the expenditure and funding changes outlined throughout the report. Further detail is provided at annex 1.

<b>Summary</b>	<b>2020/21 £'000</b>
Total investment (Table 3)	11,090
Total net funding changes (Table 4)	-2,427
Total changes in council tax (Table 5)	-3,241
Total changes in business rates income (Table 6)	-1,139
Total savings and income generation (Table 7)	-4,013
Use of reserves (Table 8)	150
New homes bonus funding (Table 9)	-420
<b>Budget gap</b>	<b>0</b>

Table 1 – Budget position summary

5. City of York Council continues to face financial challenges, particularly with regard to uncertainty over national funding streams and growing demand for council services, especially within adult social care.
6. The council's proposed overall financial strategy includes significant investment in several priority areas outlined in the recently agreed Council Plan, including front line services, adult social care, neighbourhood-based working and initiatives to reduce carbon emissions.

## Recommendations

7. Members are asked to consider the appropriate levels of council tax that they wish to see levied by the City of York Council for 2020/21. In doing so they should pay due regard to factors such as;

- Expenditure pressures facing the council as set out in the report
- Impacts of savings proposals set out in annex 2
- Medium term financial factors facing the council as outlined in the report
- Projected levels of reserves as set out in the report
- Statutory advice from the Section 151 Officer

8. In light of the considerations outlined in the paragraph above, Members are asked to recommend to Council approval of the budget proposals as outlined in this report. In particular;

- The net revenue expenditure requirement of £127.223m
- A council tax requirement of £93.808m
- The revenue growth proposals as outlined in the body of the report
- The 2020/21 revenue savings proposals as outlined in annex 2
- The fees and charges proposals as outlined in annex 3
- The consultation feedback as set out in annex 4
- The Housing Revenue Account (HRA) growth set out in annex 5, and the HRA savings proposals set out in annex 6
- The dedicated schools grant proposals outlined from paragraph 154
- The use of £420k New Homes Bonus, £150k from the Lendal Bridge reserve and £150k Transport reserve to fund one off investment, as outlined in paragraphs 86, 87 and 92

Reason: To ensure a legally balanced budget is set

9. The effect of approving the income and expenditure proposals included in the recommendations would result in a 3.99% increase in the City of York element of the council tax, 2% of which would relate to the social care precept. It is intended that the total council tax increase including the parish, police and fire authority precepts, will be agreed at the full Council meeting on 27 February 2020.

10. Members are asked to note the revocation of the 2019/20 North and West Yorkshire 75% retention business rates pool on 31 March 2020 and agree membership of City of York Council in the new 20/21 North and West Yorkshire 50% retention business rates pool from 1 April 2020, as outlined in paragraph 111

Reason: To ensure ongoing membership of the North and West Yorkshire business rates pool

11. Members are asked to approve the average rent increase, based on national formulas linked to RPI and CPI, of 2.7% to be applied to all rents for 2020/21, with the exception of a 2.2% increase on the Gypsy, Roma and Traveller Community site rents as described in paragraphs 150 and 153.

Reason: To ensure the ongoing financial stability of the HRA and allow work on improving the quality of the council's affordable housing to continue.

## **Background**

### National context and funding issues

12. York has the 4<sup>th</sup> lowest band D council tax out of 55 unitary council in England.
13. All aspects of the public sector are continuing to face challenging times. In recent years the council has had to deal with large reductions in funding, combined with a range of significant pressures, particularly in social care.
14. In relation to council tax, the proposals in this report are predicated on a basic council tax increase in 2020/21 of 1.99 %, plus an additional increase of 2% in line with the government's social care precept. Further information on council tax and the social care precept is included later in the report.

### Local issues and challenges

15. There remains continued pressure on many of the council's income budgets and inflation is driving up costs.

16. Whilst devolution of business rates presents opportunities for the council, there are also associated risks with business rates appeals and the business rates reset which is expected to take place in the next spending review period.
17. The major capital programme the Council is embarking upon brings with it some significant risks. In 2019/20 provision was made for such risks with the allocation of £1.5m funding into the venture fund to deal with cashflow or revenue implications regarding major capital schemes.
18. The Council made a climate emergency declaration, which was supported by all political groups. Since then the Council have supported the motion to declare a region-wide climate emergency. This declaration will support the region's ongoing commitment to achieve carbon neutrality and deliver the new Energy Strategy and Delivery Plan (ESDP), which aims to drive forward clean growth.
19. In shaping the budget these issues have been carefully considered to ensure we set a budget that is both prudent and protects vulnerable people. Ensuring that there is the capacity to invest in council priorities has been a critical part of the budget deliberations.

Local issues and challenges – Adult social care

20. Locally demand for council services continues to increase, with an ageing population and increased complex needs in respect of care. There are also significant challenges in the health sector, including challenging financial positions for health partners which are in turn a significant financial risk to the council.
21. The Financial and Performance monitor 3 report, elsewhere on this agenda, sets out in more detail the current financial pressures in relation to adult social care.
22. The additional funding received in 2020/21 and areas of investment in relation to adult social care is summarised in the table below.

	<b>2020/21</b>
	<b>£'000</b>
Additional social care grant	2,722
Social care precept	1,801

<b>Total Additional Social Care Income</b>	<b>4,523</b>
Invested in:	
Pay and pension	371
Price inflation	1,158
Children preparing for Adulthood	600
Investment to ensure budget sustainability	550
Increased costs due to complexity and market capacity	1,844
<b>Total Invested</b>	<b>4,523</b>

Table 2 – Adult social care additional funding and investment

23. The majority of the growth will be used to fund price increases and cost pressures currently being experienced by costlier support packages for a growing number of individuals with complex care needs. It will also be used to fund the increasing cost of residential placements in a marketplace where the majority of customers are self funders and resources to satisfy demand are scarce. It will also be used to funding the increasing cost of the support required as children move into adult services.
24. The strategy to bring a sustainable balanced budget is to focus on key areas we believe will make the most impact on these areas of increasing cost. In order to achieve this, growth will also be used to bring in external expertise to support work on reviewing the key areas of budget pressure. This will help us embed at scale what we are currently doing to improve the budget position. We will also commission focussed external expertise to help us create an enhanced social care leadership and management structure that will enable us to manage the budget sustainability. Key performance outcomes include;
- Implementing best practice financial controls and measures to improve scrutiny, review and authorisation of spend.
  - Ensuring prudent use of financial resources in commissioning social care packages
  - Reducing the number and spend on permanent residential placements through the use of short term intensive support and alternative provision.
  - Reducing the spend on home care services through better, more frequent reviewing of care, the use of technology to support people

as a default option and strengths based approaches that harness personal strengths and sustain families in their caring roles.

- Reducing the cost of residential and home care coming to adult services through children's service through earlier intervention by adult services to prepare young people with care needs for adulthood.
- Improving uptake of NHS continuing health care services where people are eligible for these.
- Stabilise the rising unit cost of residential and nursing care by agreeing rates with the sector based on the actual cost of care.

25. We are creating a sustainable adult social care leadership structure that;

- Drives the principles of strengths based practice, radical help and the use of technology, through the more powerful use of roles such as Principal Social Worker and Principal Occupational Therapist
- Supports the move from dependence on long term services to rapid intensive support in crisis and the scaling down of this through review
- Makes better use of business intelligence and data to move from information to action; turning strategy more quickly into delivery at the frontline
- Reduces cost through better market shaping and the introduction of innovation into the social care market
- Creates clearer operational accountability for budget and performance

26. We are changing our approach to reviews, learning from our good practice and positive outcomes from managing demand at the front door of adult social care. At the heart of this is our proven experience that care can be reduced by enabling people to access more community and voluntary sector support to promote independence. This programme is underway.

### Local issues and challenges – Children's social care

27. Nationally there is significant pressure on budgets in children's services. Demand is increasing and numbers of children in our care are also rising. There are well publicised issues with SEND and high needs funding which are subject to national review. In York we are seeing

significant demand pressures, for example referral to social care are on track to have doubled this year. In addition historically, there has been insufficient focus on practice quality and ensuring children receive the right service at the right time.

28. For the last year there has been very significant due diligence activity with a detailed review of every aspect of service delivery. As a result of this, drift and delay which had existed has been tackled and this has led to a re calibration in the system with significantly more children needing the support of a child protection plan or being in our care. This also creates cost pressures.
29. Improvement journeys of this type also require investment in workforce to support them to make the practice changes which are necessary. In York we are very pleased to have been successful in attracting social workers at the start of their careers with a view to supporting and developing them to become a stable and experienced workforce committed to the children of York. In order to offer them appropriate support and mentoring we have recruited additional experienced staff to ensure caseloads remain reasonable and children and their families receive a timely and appropriate service.
30. Against this context (especially as there is a need for a relentless focus on continuing our improvement) to make savings is very challenging. Therefore the savings which are proposed are primarily in areas where there is an alternative funding source (such as a grant) and core budget can be reduced. Where this is not the case savings are anticipated to come from re alignment of services to have a more focused practice model which reduces the number of children that require statutory intervention due to complex needs) for example being in need of protection or in need of being in our care).
31. The growth items in the budget relate to areas where there is significant need such as mental health support and social care practice improvement.

### Council priorities

32. The Council Plan for 2019/2023 is based on our statutory responsibilities and the priorities of our administration. The plan is structured around 8 core outcomes, which in turn reflect the key components of a good quality of life for our residents. These are:

- **A greener and cleaner city** – York’s environment is protected and enhanced through investment in the Council’s frontline services working towards becoming a carbon neutral city by 2030
- **Good health and wellbeing** – Every resident enjoys the best possible health and wellbeing throughout their life
- **A better start for children and young people** – Families, carers and schools are supported so that every child and young person has the opportunity to develop, learn and achieve their aspirations
- **Well-paid jobs and an inclusive economy** – High skilled and better paid jobs in sustainable businesses, providing opportunities for all York’s people in an inclusive economy
- **Getting around sustainably** – More people chose to travel by public transport, walking or cycling, benefiting from improved roads, footpaths and cycle routes across the city, cutting congestion, pollution and carbon emissions, as part of renewed efforts to tackle the climate emergency
- **Creating homes and world-class infrastructure** – The right housing is available, affordable and environmentally sustainable for everyone with good quality infrastructure that supports community and local businesses
- **Safe communities and culture for all** – Residents live safe from harm as part of strong and vibrant communities, participating in their local area and have access to a range of quality cultural activities
- **An open and effective Council** – We work as an efficient, open, transparent, democratically-led and accountable organisation, in partnership with key stakeholders, to deliver on residents priorities and achieve the council plan outcomes for our city

33. The plan focuses on outcomes rather than just on the services we provide, to help the Council and our partners work better together, rather than as a collection of individual services and activities.
34. The plan was formally approved by Council on 31 October 2019 following consultation with residents, businesses and staff.
35. The budget reflects the Council priorities, with significant revenue and capital investment in a number of critical areas, or protection to existing spending, as set out in both the capital budget and this report.



### Medium term financial strategy

36. Anticipating that the council would be self funded from council tax and business rates by 2020/21, it was recognised some years ago that a successful economy is critical to the council's financial future, with strong and growing business rates and the ability to attract better paid employment to the city.
37. Inevitably, savings will still need to be found in the medium term to deal with further reductions in funding and growth pressures. This is covered in more detail later in the report.
38. The medium term strategy will focus on delivering efficiencies across all areas and a need to drive forward some corporate savings programmes. Ensuring that there is the capacity to invest in key priority areas has been a critical part of previous budget decisions and will need to continue in the future.
39. This strategic approach ensures that any cross cutting implications are taken into consideration and savings in one particular area do not impact on other budgets in an unintended way.

### Consultation

40. The council has been working with residents and businesses to identify the services that matter most to them and to understand their priorities for spending the council budgets.
41. The budget consultation launched on 15 November 2019 and closed on 12 January 2020 for paper surveys and closed at midnight on 31 December 2019 for online surveys.
42. This year there were 825 responses, an increase compared to 366 last year.
43. The consultation replicated a number of question sets from previous years on council tax and the social care precept, to allow us to track feedback.
44. The consultation was promoted to residents through various existing channels via the business intelligence team, published on the council's consultation page, and promoted via the communications teams. Paper copies of the survey were available at council buildings and 3rd party premises across the city.

45. The online survey was promoted;

- Within the business community via existing business network links and distribution groups including York Business Week (11<sup>th</sup> to 15<sup>th</sup> November), Make It York, The Business Improvement District, York Chamber of Commerce and the York Federation of Small Businesses. Promotion was through social media, website channels and email. These key stakeholders were asked to pass on details of the consultation to their members. Approximately 4% of the total responses were received from the business community.
- To equalities groups via the equalities network.
- Our City was distributed to all households in the city in December, with delivery taking place over a two week period. The question set shown in Our City was the same as the online budget consultation, but with a reduced number of equalities questions. As with the distributed paper copies of the budget consultation, responses were sent back via Freepost to West Offices.

46. The key messages from the consultation were;

- To balance the budget majority of respondents (47%) were in favour of an increase in council tax, rather than an increase in charges or a reduction in service provision
- The views on both the basic council tax and social care precept increase were varied with most residents supporting either no increase or the maximum increase. 27% of respondents (the second largest) were in favour of the maximum 1.99% increase in the basic council tax (excluding social care precept), although 34% did not support an increase. The largest category (38%) of respondents were in favour of the maximum 2% increase in the social care precept, although a significant proportion did not support an increase (29%).
- Respondents were asked if they agreed with various areas for capital investment. The area most agreed was a priority was maintenance and development of highways and infrastructure assets, followed by maintenance and upkeep of schools, renewable energy to reduce council and city energy bills and maintenance and refurbishment of parks, play areas and libraries. Maintenance and refurbishment of council premises was the least favoured capital investment scheme.

47. These consultation results have been used to inform the budget, as evidenced below;
- The views of residents on council tax increase are varied, with a significant number favouring either a maximum or no increase. The budget proposal increases both the basic council tax and social care precept. This decision was taken to address the significant budget pressures which the council faces, particularly in adult social care, as set out in the report.
  - The council have prioritised capital investment in highways, schools and energy efficiency as detailed in the capital budget report elsewhere on this agenda.
48. The consultation responses to questions are summarised in Annex 4. Due to the significant volume of free text comments these are not included in the summary annex but will be published on the York's open data platform [www.yorkopendata.org](http://www.yorkopendata.org)

#### Executive Member decision session consultation

49. Following the consultation, five decision session meetings were held for all portfolios (some of these were joint decision sessions) in the week commencing 13 January. The Executive Member decision session meetings were a new addition to the budget consultation process.
50. The meetings provided further opportunity for Executive Members to obtain feedback from stakeholders, and also gave stakeholders a view of the initial budgets proposals approximately a month in advance of the usual timeframe. Six members of the public and two elected members registered to speak to share their views, which were taken into consideration by Members in advance of the finalisation of these budget proposals.

#### Principles that have shaped the budget process

51. As outlined earlier in the report, due to the reduction in government funding, it is critical that the council continues to support economic growth, recognising the significant financial benefits in the form of retained business rates, and creation of jobs. Ensuring that there is a strong link between the capital and revenue budgets to support the

delivery of council priorities is essential. The capital budget sets out significant capital investment, and details regarding some of the major capital schemes that will impact on the economy of the city. There is a growing imperative for all councils to respond to the climate emergency and look for opportunities to develop the circular low carbon economy as part of their action to deliver council priorities.

52. Many councils across the country are now experiencing very severe financial challenges. Whilst the challenges for this council are significant, through sound financial planning, and in year management, the council retains strong financial health, and continues to be able to make significant strategic investments. In response to a shift in demand led expenditure pressures and reductions in grant funding, the council is taking steps to enable itself, residents and communities to work together as equal partners to meet their future needs and priorities.
53. In terms of investment, the council spends a significant amount of its budget on protecting vulnerable people through its social care services. In 2019/20, the net cost of adult social care was £49.9m, 40% of the council's net budget.
54. The scale of the budget reductions required will inevitably affect all services and all residents to some extent. In considering what savings can be made we have taken long term approaches to the development of future services. This approach will help to protect the needs of the most vulnerable people in York.
55. All service areas were asked to consider the long term implications of a 2% per annum reduction in their controllable spend over a 4 year period from 2020/21 to 2023/24, which is in the region of £4m in each financial year. This included an assessment of options, risks, and links with Council priorities.
56. Alongside the revenue budget, set out in the separate capital budget report are proposals for further major investment in a variety of schemes. These continue the council's approach to prioritise investment in the economy, housing, transport, and to invest to save including energy efficiency. In addition, the council is continuing to make a significant investment in ICT, recognising that the need for high quality technology will be crucial to delivering services in the most effective manner in the future, particularly in relation to adult and children's services and customer services.

## **Budget analysis**

57. The budget setting process has taken into account the following issues, (which are considered in more detail in following paragraphs);
- i. Consideration of the 2019/20 position.
  - ii. Consideration of unavoidable cost increases, priority areas, how to create the capacity in priority areas and creating the capacity to allow for service improvement and innovation.
  - iii. Consideration of reductions in grant funding.
  - iv. Ensuring that the budget is robust and prudent and is based upon the strategic financial advice of the s151 officer.
  - v. Ensuring there is a strong link between the capital and revenue budgets and that the delivery of priorities fully considers the two budgets hand in hand.

### 2019/20 position

58. As part of the budget approved in February 2019, considerable investment was made in priority services to ensure sufficient resources to deliver statutory and priority services. The most notable example was additional funding for adult social care contracts, with the inclusion of £1.9m growth. At a time of significant financial challenges, this was a major investment to ensure the council were able to provide a better funding deal for care providers and to cover a general increase in adult contracts, including the new national living wage.
59. As outlined earlier in the report, and in a separate report elsewhere on this agenda, the latest finance and performance report identifies a range of budget pressures with the expectation that these will be contained within the overall approved budget by the end of the financial year.
60. Given the significant pressures within both children's and adult social care there may be a potential need to allocate any underspend from 2019/20 towards social care in 2020/21.
61. However some areas identified as pressures in 2019/20 will require additional funding going forward and these include investments relating to waste, children and adult social care, which is covered further in the report. In addition the Council will need to take some concerted actions

to ensure cost pressures are minimised, with cost avoidance strategies to be implemented. Provision is included within the budget for this.

### Additional Investment

62. The following bullet points set out the areas where additional investment is being made;

- Revenue funding for the prior year capital programme **£1,500k**
- Adult social care - **£4,152k** to cover contractual price increases and demographic pressures, including the cost of adults as they transition from children's services within 2020/21. Including an increase for officer pay and pension costs (included in the £2m figure below) a total investment of £4,523k has been made in the adult social care service, as set earlier in the report
- Contractual price increases **£993k** - to cover unavoidable contractual price increases in other service areas, mainly waste and children's services
- Pay and Pension costs - **£2,000k** is included for pay and pension costs in 2020/21.
- Member Allowances increase **£141k** – to cover changes to member allowances, as recommended by an independent remuneration panel and approved by Council in December 2019

63. The following bullet points set out the full year growth as agreed in the July 2019 supplementary budget;

- Graffiti removal team **£70k** - to create a new team to remove graffiti, particularly on private premises and utilities.
- Carbon reduction and sustainability officer **£54k** - To create a lead carbon reduction and sustainability officer role to promote carbon zero by 2030
- Recycling, litter and dog bins **£43k** – To service an additional 2 bins per ward councillor which were added in 2019/20
- Northern forest **£50k** - To create additional capacity to allow for further tree planting and better tree maintenance across the city - as part of the Council's commitment to the Northern Forest

- Community engagement officer **£40k** – To create an additional community engagement officer to enable faster action to create local area working, safer and inclusive communities
- Purple flag promotion **£50k** – To create officer capacity and a small budget to promote purple flag, working in partnership with local businesses and partners to create a safer, more family-friendly and inclusive city centre
- Waste collection improvements **£100k** – To invest in a review of new sustainable waste vehicles, increase collection rates, and improve customer service. This will include a review of waste collection, including plastics and food waste.
- Blacksmith apprentice **£25k** – To invest in a new Blacksmith apprentice for an improved street environment
- Council tax relief for care leavers **£10k** – To ensure all care leavers in their first year of leaving care do not pay council tax
- Electric vehicle charging points **£25k** – To increase electric charging points revenue budget to better improve maintenance.
- Safe and inclusive communities fund **£250k** - A new safer and inclusive communities fund to be allocated to ward committees to enhance safer communities

64. The following bullet points set out the areas where additional investment is being made in other priority areas;

- Waste and environment services **£500k**, with a further £500k commitment in 2021/22 – To invest in waste and environment services to include additional staffing on waste rounds, improved city centre cleaning and effective weed control.
- Climate change delivery programme **£150k**, with a further £150k commitment in 2021/22 – To establish a climate change delivery programme that will deliver a programme of actions along with the development of an evidence base to inform future activity and a public engagement exercise.
- Apprenticeships **£77k** – To provide permanent funding to support the ongoing apprenticeships scheme

- Public rights of way **£30k** – To invest in additional resource to speed up the process to approve public rights of way
- Taxi licence enforcement **£60k** – To invest in additional taxi licence enforcement
- Mental health early intervention fund **£50k** – To create a mental health early intervention fund

65. As set out earlier, there remain potential pressures and risks are within social care. The budget provides for a significant investment within adult care, however it is recognised there remain a number of risks in this area.

### One off Investment

66. In addition to the ongoing expenditure pressures set out above one off growth totalling £720k is included.

- Transport Plan refresh **£200k**, with a further £200k committed in 21/22
- Haxby station **£50k** – Funding for a strategic outline business case for Haxby station, to reassess and evaluate potential sites, service patterns, demand and revenue forecasting, and other high-level infrastructure requirements
- Children and young people **£150k** – To support improvement of services for children and young people
- Children and young people **£40k** - A range of initiatives including a summer school to deliver cultural education opportunities that will contribute to the wellbeing and success of our children and young people and help to reduce the attainment gap
- Forward planning **£200k** – To deliver future forward planning, once the Local Plan is complete
- Organisational development programme **£80k**, with a further £30k committed in 2021/22 – investment to support the organisation development plan, in particular support for middle management training and development, to support the delivery of council priorities



67. The one off growth items above are funded from £420k new homes bonus grant provided by central government, £150k from the transport reserve and £150k from the lental bridge reserve.

### Investment Summary

68. The investments described above are set out in the following table;

<b>Investment</b>	<b>2020/21 £'000</b>
Recurring investment	
- Revenue funding for prior year capital schemes	1,500
- Adult social care prices contingency	4,152
- Prices contingency	993
- Pay and pension	2,000
- Member allowances	141
- Graffiti removal team	70
- Carbon reduction & sustainability officer	54
- Recycling, litter and dog bins	43
- Northern forest	50
- Community engagement officer	40
- Purple flag promotion	50
- Waste collection improvements	100
- Blacksmith apprentice	25
- Council Tax relief for care leavers	10
- Electric vehicle charging points	25
- Safe and inclusive communities fund	250
- Waste and environment services	500
- Climate change delivery programme	150
- Apprenticeships	77
- Public rights of way	30
- Taxi licence enforcement	60
- Mental health early intervention fund	50
One off investment	
- Transport plan refresh	200
- Haxby station business case	50
- Children and young people	150

- Reduce the attainment gap	40
- Forward planning	200
- Organisational development programme	80
<b>Total Investment</b>	<b>11,090</b>

Table 3 – Summary of investment

### Grant Funding Changes

69. The Revenue Support Grant (RSG) due to the Council in 2019/20 was £529k. However, since the Council were included in a 75% retention business rates pilot in 2019/20, the RSG due was forgone. RSG funding has now be phased out and is therefore nil in 2020/21. The first line of Table 4 shows the reduction in RSG, excluding the effect of the business rates pilot.
70. The second line of Table 4 shows the net change in specific grants. It is anticipated that public health grant will increase by £234k, although this is not confirmed. If the grant is not received expenditure may be funded from one off reserves. The council will receive additional grant of £2,722k in 2020/21 to fund adult social care pressures. This will be used to fund growth in adult social care and is covered in further detail elsewhere in the report.
71. In total, specific grants are estimated to increase by £2,427k in 2020/21.

<b>Funding Changes</b>	<b>2020/21 £'000</b>
- Reduction in RSG (excluding effect of business rates pilot )	529
- Net increase in specific grants	-2,956
<b>Net Funding Changes</b>	<b>-2,427</b>

Table 4 – Grant funding changes

### Council Tax Funding Changes

72. Table 5 shows the net changes to council tax funding.
73. The first line in Table 5 shows the 3.99% increase in council tax which will generate additional income of £3.593m on the existing taxbase.

74. A further £148k council tax is generated due to an increase in taxbase as shown in the second line of Table 5. The taxbase is calculated by the s151 Officer each year and represents the total number of Band D equivalent properties in the city. In 2020/21, this has grown by approximately 107 properties. Taxbase can increase or decrease due to various factors including new homes and changing patterns in the number and types of discounts taxpayers are able to receive or apply for.
75. The third line is the collection fund surplus of £500k from 2018/19 which was used in the 2019/20 budget and falls out this year.
76. The council tax collection fund surplus or deficit for the year 2019/20 is estimated on 15 January 2020, based on current year actual figures. The surplus is a result of an increase in taxbase, compared to estimates made last year. The collection fund surplus is only available as one off funding, but there is no surplus forecast for the year 2019/20.
77. In summary the Table 5 shows an estimated £3.241m additional income from council tax in 2020/21.

	<b>2020/21</b>
<b>Council tax</b>	<b>£'000</b>
- Increase in charge	-3,593
- Increase in taxbase	-148
- Collection fund surplus 2018/19	500
- Collection fund surplus 2019/20	0
<b>Net council tax changes</b>	<b>-3,241</b>

Table 5 – Council Tax funding changes

### Business rates income

78. Table 6 shows a total of £1.139m additional income from business rates.
79. In 2019/20 City of York Council were part of a 75% rates retention pilot and in 2020/21 this reverted to a 50% retention model.
80. There may be further one off benefits from the 2019/20 75% pilot which have not been assumed within the budget figures, and will be the subject of further consideration during 2020/21 as the amounts become more certain. This is covered in further detail later in the report.

	<b>2020/21</b>
<b>Business rates income</b>	<b>£'000</b>
- Business Rates growth	-1,139
<b>Change in income</b>	<b>-1,139</b>

Table 6 –Change in business rates Income

### Savings proposals

81. Directorates have identified £3.943m to contribute towards the 2020/21 savings target in addition to corporate savings of £70k. These proposals, outlined in annex 2, include increases in income, reductions in administration costs and removal of vacant posts.
82. The savings proposals included in annex 2 provide the details of the 2020/21 impact totalling £4.013m.
83. Table 7 summarises the 2020/21 savings to be delivered by each directorate and corporate services.

	<b>2020/21</b>
<b>Savings</b>	<b>£'000</b>
- Health, Housing, Adult Social Care	-1,914
- Economy and Place	-590
- Customer and Corporate Services	-580
- Children, Education and Communities	-859
- Corporate	-70
<b>Total savings changes</b>	<b>-4,013</b>

Table 7 –2020/21 Savings Proposals

### Use of Reserves

84. The transport reserve includes funding which was set aside in a prior year for the West Yorkshire Combined Authority (WYCA) transport fund, but due to timing of when the fund started some funding was never required. Members have already approved use of some of this reserve the 2018/19 and 2019/20 year's budgets.
85. As noted in previous budget reports, the use of £450k from the transport reserve in 2019/20 to fund ongoing expenditure falls out in 2020/21.

86. As at 31st March 2020 a balance of £165k is forecast to be held in the Transport reserve and it is proposed that £150k of the balance is used to fund one off investment.
87. As at 31st March 2020 a balance of £150k is forecast to be held in the Lendal Bridge reserve. Members have approved use of this reserve in May 2017 and it is proposed that the £150k balance is redirected in 2020/21 to fund the one off investment relating to transport, whilst other transport schemes will be considered alongside the Local Transport plan.

	<b>2020/21</b>
<b>Use of reserves</b>	<b>£'000</b>
- Transport reserve used 2020/21 to fund on off	-150
- Transport reserve used 2019/20 to fund recurring	450
- Lendal Bridge reserve used 2020/21 to fund one off	-150
<b>Change in income</b>	<b>150</b>

Table 8 –Use of Reserves

#### New homes bonus (NHB) grant

88. The new homes bonus was introduced to provide an incentive for local authorities to encourage housing growth in their areas. Authorities receive funding for growth above the national baseline set at 0.4%. When an authority has overall growth in excess of the baseline, it gets rewarded for the above-baseline growth, not its entire growth.
89. In the September 2019 settlement the government announced a reduction in legacy payments and a phasing out of the NHB funding by 2023/24.
90. We will continue to phase out any ongoing revenue funding from NHB. This currently totals around £2.2m (as set out in the table below) and therefore over the coming years this will be gradually phased out in future budgets.
91. The total funding available in 2020/21 is £2.7m.
92. The budget proposals include one off investment of £420k which will be funded from NHB.

<b>New Homes Bonus</b>	<b>£'000</b>
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- Available 2020/21	-2,679
- Previous Council decisions	
February 2016 budget - recurring	1,349
July 2015 budget amendments - recurring	1,259
February 2019 budget - recurring	51
- 18/19 Allocation to phase out NHB funding	-400
- Allocated in this budget (one off)	420
<b>NHB remaining</b>	<b>0</b>

Table 9 – New homes bonus funding

### Net Budget Composition

93. Taking into account funding changes summarised in Tables 4, 5 and 6, Table 10 below summarises the funding available from council tax and business rates for 2020/21.

	<b>2020/21 £'000</b>
Council Tax	93,808
Business Rates	33,415
<b>Total Net Budget</b>	<b>127,223</b>

Table 10 – Net budget composition for 2020/21

### **Fees and charges**

94. Detailed proposals for any changes to fees and charges are attached at annex 3. The proposals have taken account of such factors as current consumer price indices, possible impact on customer numbers, knowledge of business and current market conditions and benchmarking exercises. Any increased income from this review of charges is included within the overall list of savings attached at annex. The majority of increases are approximately in line with inflation with the exception of fees which are set by central government.
95. Fees for the european settlement scheme (ESS) have been reduced from £14, and will be offered free of charge for York residents.

96. The proof of life service is due to be handed over to Registrars in April and will continue to be offered free of charge
97. The proposals include a £1 increase in evening car parking charges for non Minster badge holders, although it should be noted that this is the first increase in evening parking charges since April 2004.

### Council Tax

98. The existing components of the current (2019/20) band D council tax for a CYC resident are shown in Table 11 below. It should be noted that these figures exclude parish precepts which are an additional charge in some areas.

	£
City of York Council	1,330.25
North Yorkshire Police	255.77
North Yorkshire Fire and Rescue	71.27
<b>TOTAL</b>	<b>1,657.29</b>

Table 11 - Make Up of 2019/20 Council Tax

99. The collection fund is the ring-fenced account where all council tax is credited. This account can either be in surplus or deficit at the year end, depending on whether the authority has managed to collect more or less than it originally anticipated and the growth in property numbers. This year, the CYC element of the council tax surplus is estimated to be nil and this is included in the budget assumptions.

### Referendum Limits

100. The council tax referendum limit has reduced from 3% to 2% (excluding social care precept) for 2020/21. The threshold is not guaranteed to continue beyond 2020/21. If a Council wishes to set a higher council tax it must hold a referendum. It must also provide 'substitute calculations' which need to be presented to setting out what the alternative budget would be. This means that that if any proposal is made for a council tax above the referendum limit it must be accompanied by 'substitute calculations' within the referendum limit, to be used in the event that the referendum would reject the increase. If a referendum is held after the beginning of the relevant financial year, the higher rate of council tax will

be payable unless and until it is overturned by a 'no' vote in the referendum. In the event that a referendum rejects the increase, the billing authority would be able to issue new bills, offer refunds at the end of the year or allow credits against liability the following year, although individual council taxpayers would be entitled to a refund on demand.

101. The costs of a referendum are not easy to estimate, and depend to an extent on whether it can be done as part of another election. If there is no other election, provision should be made for £210k. If the referendum could be combined with another election this would reduce the cost by approximately 50%. There are no local elections scheduled to take place in 2020/21. In addition there are the costs of rebilling which is estimated at £50k.

### Social care precept

102. Local authorities with responsibilities for adult social care have been given the flexibility to charge a further social care precept in addition to the 2% referendum threshold. The Council can charge up to a maximum of 2% on social care precept.

103. As referred to earlier in this report, the recommendation made in these papers is that from April 2020 the City of York element of the council tax will increase by 3.99%, 2% of the increase relating to the social care precept.

104. A 2% social care precept increase generates additional income of approximately £1.8m for the council which will be used along with additional grant funding to fund adult social care increased costs, pay, pension and other pressures. The increase in the adult social care precept is in recognition of the significant budget pressures within this service area. Further details on the use of the adult social care precept are covered earlier in the report.

### **Precepts**

105. In addition to the council tax to be charged by the City of York, the overall charge must include the precepts from the North Yorkshire Police, North Yorkshire Fire and Rescue Authority and parish councils. Due to the timing of this report these precepts are not yet available but will be included in the report which is considered by full Council on 28 February.



106. Table 12 demonstrates both the cash and percentage increase in 2019/20 for these which resulted in a total band D council tax for a York property of £1,657.29.

	2018/19 Charge (£)	2019/20		
		Increase (£)	Increase (%)	Council Tax (£)
CYC	1,288.38	41.87	3.25%	1,330.25
Police	232.82	22.95	9.86%	255.77
Fire	69.20	2.07	2.99%	71.27
<b>Total</b>	<b>1,590.40</b>	<b>66.89</b>	<b>4.20%</b>	<b>1,657.29</b>

Table 12 – 2019/20 Council Tax Figures for City of York Area

107. There are 31 parish councils within the City of York Council area. It should be noted that the council will provide each parish with a support grant to ensure that they do not experience any loss on their equivalent funding as a result of changes due to the localisation of council tax support.

### **Business Rates (National Non Domestic rates - NNDR)**

108. The council is projecting retained business rates income in 2020/21 of £33.415m, an increase of £1,139k compared to 2019/20.

#### Business Rates Pooling

109. City of York Council is currently a member of the North and West Yorkshire (NWX) Business Rates Pool.

110. The NWY business rates pool was part of a pilot programme, offering 75% business rates retention for 2019/20, which was set to run for one year only. Any additional business rates growth resulting from the 2019/20 75% pilot scheme can be utilised to further support risks and potential future investment needs. A further report will be brought to Members later in the year once more detailed figures are available.

111. The 2019/20 75% pilot scheme has ceased for 2020/21 and the pool was revoked. The pool was reformed for 2020/21 with the exclusion of one authority. The 20/21 pool retains only 50% of business rates, in line with national policy.

## Reserves and Contingency

### General reserves and contingency

112. Table 13 shows the position on the general fund reserve which, it is anticipated, will be £7.442m by the end of 2019/20. The projected reserves at the end of 2019/20 are based on the assumption that Members agree no usage of reserves in 2020/21 as part of the final recommendations to Council. It should be noted that the figures below also assume that there will be no requirement to fund an overspend against the 2019/20 budget.

	<b>2019/20 Projected Out-turn £'000</b>	<b>2020/21 Budget £'000</b>
<b>General reserve at start of year</b>	7,442	7,442
In Year use of reserves	0	0
<b>General reserve at end of year</b>	7,442	7,442
Prudent minimum reserves	6,400	6,400
<b>Headroom (+)/Shortfall (-) in reserves</b>	1,042	1,042

Table 13 – Projected general reserves

113. In line with best practice, the council has undertaken a review of risks and known commitments in order to determine its minimum general reserve level. In considering this, it has been determined by the s151 Officer that a level of £6.4m remains an appropriate figure. However in light of the risks facing the council, in relation to major capital programme schemes such as York Central and Castle Gateway and the budget pressures within children's and adult social care as covered earlier in the report, it is considered that headroom should remain above the minimum level. Reserves are covered in further detail within the s151 statutory statement at the end of the report, which cautions against any reduction in the general reserve at this stage.

114. In addition to general fund reserves, the budget includes a £500k general contingency. In recent years this has always been required.

115. As mentioned earlier in the report, due to significant risks associated with major capital projects and the reduction in NHB grant it is appropriate to provide an adequate contingency on an ongoing basis. This is critical in terms of the setting of a prudent budget.

## Venture fund

116. The balance on the venture fund reserve is anticipated to be £3.98m at the end of 2019/20.

117. As covered in previous budget reports Executive have already agreed commitments in future years to major projects including £300k to the Community Stadium, £3m to York Central, £200k to Burnholme Community Centre and £131k to Mental Health services. After taking into account these commitments, the forecast year end balances on the venture fund is included below in Table 14.

	<b>Forecast Year end Venture Fund Balance</b>
	<b>£'000</b>
2019/20	3,980
2020/21	4,175
2021/22	4,356
2022/23	4,244
2023/24	1,281
2024/25	1,485

Table 14 – Venture Fund Balance

118. Taking into account future years commitments, a balance of £850k is available at 2019/20, which increases to £1.4m by 2024/25 as advances are repaid to the fund from prior year schemes.

## Medium term planning

### Medium Term Outlook

119. The Spending Review 2019 (SR19) announced in September 2019 is a one year only review for 2020/21 and is effectively an extension to the 4 year settlement covering the period 2016/17 to 2019/20. The main feature was the announcement that social care funding will remain at existing levels plus an additional £1bn nationally. In addition, although it was expected that business rates retention would increase to 75% nationally, this was postponed until 2021/22 and in 2020/21 business rates pilot will revert to the 50% retention system.

120. The provisional settlement was announced on 20 December. It is expected that the final settlement will be announced in February, but it is unlikely to differ significantly from the provisional figures.
121. In the settlement it was confirmed that £1bn social care funding would be repeated in each year of the parliament. A potholes fund of £500m was proposed and allocations will be announced at a later stage. The government's manifesto indicated that there are prospects for additional funding for various new schemes including childcare, SEND, flood defence and capital investment, although there may be reductions to public health grant funding. Details of this are expected to emerge in the next budget on the 11 March 2020 or the Spending Review 2020, likely to be announced in autumn 2020.
122. The Spending Review 2020 will be a multi-year review covering 2021/22 to 2023/24 and this will provide greater certainty over the medium term. However, until that point significant uncertainty remains due to the ongoing 'fair funding' review and the ongoing review of business rates retention.
123. The Queen's speech provided some clarity on the government's new fiscal rules, which are;
- To have the current budget in balance no later than the third year of the forecast period
  - To limit public sector net investment to an average of 3% of GDP
  - To reassess plans in the event of a pronounced rise in interest rates taking interest costs above 6% of government revenue
124. The commitment to balance the budget in the third year of parliament indicates a much tighter fiscal policy than the previous chancellor. Given that a large proportion of public sector funding is protected, this raises the risk that there is less scope for growth in local government funding. Conversely, some parts of local government could receive better settlements than in recent years, with it being recognised that adult services and children's services are in a critical position nationally.

### Business Rates and Funding Reform

125. As highlighted in previous Financial Strategy reports, the government has phased out Revenue Support Grant (RSG) by 2020/21, to be

replaced by a system which allows local government to retain a greater percentage of business rates growth.

126. Before the provisional settlement was announced, it was assumed that from 2020/21 there would be an increase in all local authorities' retention of business rates from 50% to 75%. This has been postponed until 2021/22.
127. The most recent Queen's speech promised a fundamental review of business rates. It is to be assumed that future changes will be made to 'protect your high street and community from excessive tax hikes'. This suggests further reliefs or discounts in the future as well as the continuation of the small business rate relief. It might also lead to more fundamental change in the way that businesses are taxed.
128. The government intends to progress legislation so the next business rates revaluation will be brought forward by one year to 2021 and future revaluations will take place on a three yearly cycle rather than a five yearly cycle. This should help to reduce volatility in the system. In the future it is expected that regular baseline resets will overlap with the revaluations.
129. The Government have indicated that they are minded to have a full business rates baseline reset in 2021/22. This could have significant implications for a high growth authority such as York, as any growth built up since 2013/14 may be taken and redistributed to authorities with higher 'needs', according to the revised funding formula under consideration in the Fair Funding Review (FFR).
130. The Fair Funding Review focuses on the cost drivers for individual authorities. It is expected that this would be implemented as part of the 2021/22 local government finance settlement. As part of the funding reform, additional responsibilities will transfer to local government, potentially the administration of housing benefits for pensioners and funding of public health.

### Social care funding

131. Social care funding received an extra £1bn in 2020/21 and this will continue for the duration of this parliament. There is no indication as to whether the social care precept on council tax will continue beyond 2020/21.

132. The government wants to reform social care to find ‘a long term solution that will stand the test of time’. The Social Care Green Paper was originally due to be published in summer 2017, but a new date for publication has not been confirmed. This is expected to consider the longer-term challenges in adult social care, and its purpose will be to build a sustainable, long-term, reliable system. As set out elsewhere in this report there are ongoing pressures within social care funding, linked to the financial challenges within the NHS.

### Medium term strategy and approach to savings

133. Recognising some of the risks set out in preceding paragraphs, in particular the state of the UK economy, and the distribution of local government funding, the table below, Table 15, sets out the headline figures for the Council’s medium term financial forecast.

	2021/22	2022/23	2023/24	2024/25	2025/26
	£'000	£'000	£'000	£'000	£'000
<b>GROWTH</b>					
Pay and price inflation	2,465	2,530	2,590	2,650	2,720
Social care (assumes additional grant funding)	2,500	2,560	2,620	2,690	2,760
Capital Programme	1,500	1,500	1,500	1,500	1,500
Other	1,100	1,100	960	500	500
<b>Total growth</b>	<b>7,565</b>	<b>7,690</b>	<b>7,670</b>	<b>7,340</b>	<b>7,480</b>
<b>RESOURCES</b>					
Council Tax at 3%	2,750	2,800	2,850	2,900	2,950
Business Rates	800	800	800	800	800
<b>Total resources</b>	<b>3,550</b>	<b>3,600</b>	<b>3,650</b>	<b>3,700</b>	<b>3,750</b>
<b>FUNDING GAP</b>	<b>4,015</b>	<b>4,090</b>	<b>4,020</b>	<b>3,640</b>	<b>3,730</b>

Table 15 – Medium Term Forecast to 2025/26

134. These figures are based on the current funding formula and grant funding for adult social care continuing in a similar manner as currently. Clearly there are a number of factors that could change these figures, and uncertainty will remain until the announcement of the Spending

Review 2020, but they provide the broad basis on which the Council will need to consider decisions over coming years.

135. The funding gap figure of approximately £4m each year represents the amount of savings that are required each year to balance the budget.
136. Whilst settlements for local government are expected to be better than in the past, this is far from certain in light of the current one year settlement and the factors outlined earlier in the 'medium term outlook' section of the report.
137. There are two very major pressures facing the Council. These relate to social care, and the impact of the capital programme.
138. The impact of the capital programme will have an effect on the revenue budget in terms of cost of borrowing. The current capital programme has additional borrowing needs (excluding borrowing supported by savings/enterprise zone receipts) of approximately £40.6m by increasing the programme by an additional £56m (as set out in the capital budget report). This would result in just over £150m borrowing requirement over the next 5 years. Whilst this is spread over a number of years, the broad requirement in future years is for an increase in the treasury budget of around £1.5m every year.
139. The current pressures on the social care budget are expected to continue in the medium term and are reflected in the figures in Table 15.
140. To achieve the savings, and ensure budget pressures are contained, it is essential that the Council further develops the delivery of digital services, its use of assets, ensures efficient cost control, develops new sources of income, secures grant funding and reviews the method of delivery of a number of service areas.
141. An assumption is included for £800k of business rates growth per annum. However as identified earlier in the report there are uncertainties around assumptions in business rates funding which may have a significant impact on the council's funding. This will be determined by the outcome of the fair funding review and the business rates baseline reset.
142. Based on the current assumptions above, based on a 3% increase in future year's Council tax, there remains a funding gap of between £3.64m and £4m each year, over the next 5 years. The Council will need to consider the relevant balance of savings, variation in council tax, and potential changes in funding and income from business rates.

143. Specific details of future year's savings proposals will be covered in future budget reports. Looking beyond 2020/21 is difficult given a wide range of uncertainties already described. The scale of savings is to a large extent dictated by the overall level of council tax increase that will be set.

### **Housing Revenue Account (HRA) Budget**

144. Local Authorities are required, by legislation, to keep a HRA. The Local Government and Housing Act 1989 stated that items of income and expenditure only relating to council housing must be contained within the account. Authorities have a duty to ensure that the HRA balances, to keep the budget under review and to take all reasonable steps to avoid a deficit.

145. This budget has recognised the need for further investment in its Housing Stock and has identified additional funding for its repairs service totalling £1.5m in a full year. There is also proposed investment across the Housing Management service totalling £0.3m in a full year. Details of these investments are shown in Annex 5

146. It is also important to ensure that the HRA does operate efficiently and a number of savings (£507k in a full year) have been identified. Details of these savings are shown in Annex 6.

147. Elsewhere on the Agenda there is an update to the HRA Business Plan which shows the 30 year HRA forecast. The headlines of that forecast are that

- Maximum debt will increase from £140m to £166m as the Housing Delivery Programme develops sites
- The HRA debt then reduce to £26m by the end of the plan
- The minimum HRA year end balance can be maintained at over £20m

148. The plan remains financially robust as the ongoing HRA debt can be serviced whilst continuing to deliver in year surpluses (prior to debt repayment) in every year of the plan.



## Rent Changes 2020/21

149. Since April 2002, the rent increase has been calculated with the key aim of converging rents across all social housing providers whether local authority landlord or other registered provider. This involved a phased change in rents, known as rent restructuring, based on a formula for rent setting created by central government. This government formula rent took account of various factors including the number of bedrooms a property has, property valuation, average earnings and the date at which all rents were expected to converge.
150. Central government policy has now changed and rent restructuring has been brought to an end. The subsequent policy of increasing rents by the Consumer Prices Index (CPI) + 1% that was applied for the 2015/16 increase was due to apply for ten years but in July 2015 further changes to social rents were announced in the Welfare Reform and Work Bill 2015. All social housing rents were required to be reduced by 1% for four years from 2016/17. Government made a further announcement in October 2017 confirming that social rents can be increased by CPI + 1% with effect from 2020/21 for a period of at least five years. Therefore the increase for 2020/21 will be 2.7% using CPI as at September 2019 of 1.7%. Future increases in the model assumes CPI at 2%.
151. The expected effect on rent levels over the next 3 years is shown in table 16 below.

Year	Estimated Average Rent Per week	Estimated Average Decrease(-)/Increase per week
2020/21	£79.59	£2.08
2021/22	£81.98	£2.39
2022/23	£84.44	£2.46

Table 16 – HRA Rent changes

152. The Mobile Homes Act 1983 allows the council to increase rents by RPI. However, where the RPI is higher than CPI +1%, CPI +1% is used in line with the other rent increases.
153. The current RPI is lower than CPI+1%, as such, using the national formula, a rate of 2.2% (December 2019 rate) will be used to increase the Gypsy, Roma and Traveller Community site rents in 2020/21.

## Dedicated Schools Grant (DSG) and the Schools Budget

154. The DSG is ring-fenced for funding the provision of education or childcare for 3 to 16 year olds in all settings. As such it covers funding delegated to individual LA maintained schools, academies and PVI providers through the LMS & Early Years funding formulae, plus funding for other pupil provision which is retained centrally by the LA to support such things as Special Educational Needs and some central education services.
155. 2018/19 saw some significant changes to DSG allocations for LAs. The Department for Education (DfE) introduced new national funding formulae to allocate the DSG for schools, high needs and the central school services block from April 2018. These new arrangements are continued for 2020/21 but with some tightening of the flexibility available to local authorities, particularly in the use of centrally retained budgets.
156. Previously the DSG was divided into three blocks; schools, high needs and early years. From 2018/19 the DfE introduced a fourth block, the central school services block, which funds LAs for the statutory duties they hold for all maintained schools and academies, which were previously funded through the schools block.
157. The funding LAs receive in each block is now determined by a specific national funding formula (NFF). The total DSG allocation for 2020/21 is estimated at £139.189m, an increase of £6.965m (5.3%) from 2019/20 and broken down as follows:

DSG Funding Block	2019/20	2020/21	Increase	
	£m	£m	£m	%
Schools Block	98.164	103.951	5.787	5.9%
Early Years Block	10.842	11.036	0.194	1.8%
High Needs Block	19.556	21.028	1.472	7.5%
Central School Services Block	3.663	3.175	(0.488)	(13.3%)
<b>Total DSG</b>	<b>132.224</b>	<b>139.189</b>	<b>6.965</b>	<b>5.3%</b>

Table 17 – DSG Allocation

### Schools Block

158. The vast majority of the Schools Block DSG (£103.321m) is used to fund the local funding formula for mainstream schools (maintained and

academies). Following a detailed consultation with all schools and the Schools Forum prior to setting the 2018/19 budget, the LA agreed to introduce the DfE's new national funding formula (NFF) at school level from April 2018. As the DfE announced a two year funding settlement for the DSG, the consultation and LA agreement was for these new arrangements to continue for 2019/20. For 2020/21 the LA is again proposing to follow the NFF for schools.

159. This equates to an increase of £5.852m (6.0%) in the total resources available to allocate to schools in the city through the school funding formula. For individual schools this results in increases ranging from a minimum of 1.84% per pupil to a maximum increase of 10.44% per pupil.
160. The remaining £0.629m of the Schools Block DSG is allocated to the growth fund. The growth fund can only be used to support increases in pre-16 pupil numbers to meet basic need, additional classes needed to meet the infant class size legislation or meet the costs of pupils in new schools commissioned to meet basic need. The growth fund may not be used to support schools in financial difficulty or general growth due to popularity; which is managed through lagged funding.

### Early Years Block

161. York's government funding rates for 2020/21 through the Early Years block have increased by 8p per hour from the 2019/20 rates to £4.38 per hour for 3 & 4 year olds (+1.9%) and £5.28 per hour for 2 year olds (+1.5%). In line with this the LA is proposing to increase all elements of the Early Years Single Funding Formula rates for York providers in 2020/21 in proportion to the increase in government funding. However, under the formula the DfE established in 2017 to support standalone nursery schools, the amount to be received has remained the same at £90k.

### **2020/21 EYSFF Funding Rates**

	<b>Base Rate £/hour</b>	<b>Deprivation Rate £/hour</b>	<b>Nursery School Lump Sum £</b>
3 & 4 Year Olds	4.07	0.41	89,971
2 Year Olds	5.28	Nil	Nil

Table 18 – EYSFF Funding Rates

### High Needs Block

162. The high needs block DSG increases by £1.472m (7.5%) in 2020/21. As has been previously reported, the high needs budget is already under significant pressure due to rising demand from increased numbers of SEND pupils. For 2019/20 there is a projected net outturn overspend on the high needs budget of £2.0m, contributing to an estimated deficit carry forward DSG balance of £2.7m into 2020/21. Projections for 2020/21 show that; based on the increased funding, current numbers and expected inflationary pay and contract price increases and without any significant mitigating action, the in year overspend should reduce to £1.0m.
163. Overspends at this level are clearly unsustainable and further work, as part of the inclusion review that is currently underway, is essential to ensure that high needs expenditure is maintained within the funding available through the high needs block of the DSG. Members should note that a deficit carry forward of DSG into 2020/21 at the projected amount (£2.7m) is significantly in excess of the 1% level that will trigger a formal requirement from the DfE for the LA to submit a deficit recovery plan.
164. Under the new school funding arrangements for 2018/19 the DfE introduced ring fences around the transfer of resources between blocks. Under these rules the DfE does allow LAs to make a request to their Schools Forum for up to a 0.5% transfer of funding from the Schools Block to the High Needs block. As part of the LA's agreement to move schools onto the NFF it was also agreed that no transfer request would be sought in the first two years. However, given these pressures, it is now highly likely that the LA will need to consider such a request in 2021/22 as part of an agreed DSG deficit recovery plan.

### Central School Services Block

165. This funding block was created in 2018/19 from elements of the previous schools block and the former Education Services Grant (ESG). As part of the DfE's strategy to remove funding within this block that directly supports exceptional expenditure previously agreed between LAs and their Schools Forums, there is a significant reduction of £0.488m (13.3%) in 2020/21. The LA, subject to consultation with the Schools Forum, proposes to manage this reduction by ceasing to make a £195k pa contribution to the schools broadband contract and removing the, as yet uncommitted, budget provision for prudential borrowing against

secondary basic need capital expenditure. Other than this the LA proposes no further changes to the budgets funded by the central school services block DSG.

## **Scrutiny**

166. In accordance with constitutional practice Corporate Scrutiny and Management Policy Scrutiny Committee have considered at its meeting on 11 November 2019 what level of budget is appropriate in the coming year to support scrutiny reviews. The committee take into account existing levels of spend in 2019/20 and the councils overall financial position. In the light of those considerations the committee has decided to maintain the current funding level of £5k and not request any increase.

## **One Planet/ Equalities**

167. The Public Sector Equality Duty is a duty which requires all public authorities to consider the impact of proposed decisions on various recognised groups with protected characteristics as part of the organisations formal decision making process. The protected characteristics as defined by the Equality Act 2010 are:

- Age;
- Disability;
- Gender reassignment;
- Marriage and civil partnership;
- Pregnancy and maternity;
- Race;
- Religion or belief
- Sex; and sexual orientation.

168. For City of York the decision makers are the Leader of the Council and the Executive who make reasoned well founded decisions based on the professional advice from appropriately skilled and qualified officers. In respect of the budget, Full Council, is asked to approve the budget as recommended to it by the Executive. In respect of Officers a number hold statutory responsibilities, for example Head of Paid Service, s151 and Monitoring Officer, and as such there is a greater onus on statutory officers to ensure that the advice and recommendations given also take into account a number of factors including the Public Sector Equality Duty as part of their role.

169. In all aspects of the budget setting for the Council it is essential that the Public Sector Equality Duty is at the forefront of all decisions made. To ensure this occurs an Equality Impact Assessment is prepared at the outset of the budget preparations and a detailed EIA has been completed on the overall impact of the budget proposals using the Better Decision Making Tool and this is available at annex 7.
170. The EIA is classed as a “living document” and as such it should be regularly revisited to ensure that the impacts of proposals (either negative or positive) on the protected characteristics are taken into consideration and recorded. It is accepted that the EIA accompanying the budget report will not address the impacts of every detailed aspect of the budget and therefore individual elements of the budget will, following Council approval, attract their own EIA to support delivery of that proposal and ensure that negative aspects of the protected characteristics are acknowledged and where possible mitigated.
171. The impact assessment considers risks associated with savings proposals to ensure any negative impact for a particular group, sector or community is eliminated or counterbalanced.
172. The financial strategy will impact on all residents and has carefully considered the local demand for services whilst also ensuring the budget set is prudent, protects vulnerable people and has capacity to invest.
173. This negative impact can be mitigated by investment targeted to these same communities. The key approaches to achieving savings whilst avoiding impacts on communities of identity include;
- Ensuring that savings are made from back office functions and universal services
  - Protecting statutory services and other key services for vulnerable residents
  - Increasing community involvement in service redesign and delivery
  - Making services self-financing wherever practicable, including external trading
  - Maximising the return from externalised service provision
  - Redesign of existing services and external contracts
  - Placing a focus on prevention and ceasing service provision only where this is least impact
  - Streamlining services to provide focussed support and reduce areas of duplication

- Supporting carers
- Integrated working with health
- Focussing growth where it is expected to have a positive effect on older or disabled people and their carers

174. There is significant investment in the climate change delivery programme to coordinate, develop and implement the council's ten year plan to deliver a zero carbon future for York. This brings many positive outcomes in relation to energy usage, waste and sustainable transport.

175. Funding for carers will continue as the council aims to provide a more comprehensive set of support, reflecting the significant role of carers in allowing people to remain in their own homes and live independently as far as possible.

176. The changes within a new operating model for adult social care seek to reduce people's dependency on social care support through the provision of information and advice and earlier intervention to support, maintain or regain independence for those who are able. These changes are designed improve outcomes for customers, including those with one or more protected characteristic (particularly Age and Disability). For those who require ongoing support, the offer will be made more flexible and tailored to their needs.

### **Specialist Implications**

177. This report has the following implications;

#### **Financial**

178. The financial implications are contained within the body of the report.

#### **Human Resources (HR)**

179. As implementation plans to achieve savings are produced the specific staffing implications will be clear and staff consulted on the proposals. The type of change affecting staff in 2020/21 is likely to be a mixture of post reductions and working for redesigned services, some of which may no longer be delivered by the council.

180. The HR implications of change are managed in accordance with established council procedures. As part of this process consultation with trade unions and affected staff will continue to be undertaken and every

opportunity will be explored to mitigate compulsory redundancies, such as vacancy controls, flexible working, voluntary redundancy / early retirement and extended redeployment. Where consideration is being given to the transfer of services to another provider TUPE will apply which will protect the terms and conditions of employment of transferring staff.

181. A programme of support for staff who are going through change is in place which will help staff adapt to changes to the way they will need to work or to prepare for a move into a new role.

## **Legal**

182. The council is required to set a council tax for 2020/21 before 11 March 2020. It may not be set before all major precepts (i.e. precepts from the Police and Fire Authorities) have been issued or before 1st March 2020, whichever is the earlier. The decision to set the level of council tax is reserved to Council and cannot be taken by Executive or delegated to officers, although Executive has to recommend a budget to Council. These comments are intended to apply to both the Executive meeting and the subsequent Council meeting.

183. Before determining the level of the tax, the Council must estimate its proposed revenue expenditure, taking into account amounts required by way of contingency, any need to raise reserves and any other amounts which the Council is legally required to transfer between funds. It must also estimate its anticipated income, any relevant transfer between funds and any proposed use of reserves. It must then calculate the difference between the two which is the council tax requirement.

184. The Council's Chief Financial Officer (under s151 Local Government Act 1972) is required to report to the Council on the robustness of the estimates made for the purposes of the calculations, and the adequacy of the proposed financial reserves. The Council must have regard to the report when making decisions about the calculations in connection with which it is made. The Chief Financial Officer has a statutory duty under section 114 of the Local Government Finance Act 1988 to issue a written report if he considers that a decision taken by the Council would be unlawful and likely to cause a financial deficiency.

185. In reaching decisions on these matters, Members are bound by the general principles of administrative law. Lawful discretions must not be abused or fettered and all relevant considerations must be taken into account. No irrelevant considerations may be taken into account, and



any decision made must be one which only a reasonable authority, properly directing itself, could have reached. Members must also balance the interests of service users against those who contribute to the Council's finances. The resources available to the Council must be deployed to their best advantage.

186. Members must also act prudently. Members must also bear in mind their other statutory duties to have regard to certain matters when making decisions. The report identifies proposals which, if approved, may potentially have an impact on children, older adults and persons with disabilities all of which groups are statutorily protected equality strands under the Equalities Act 2010. In making their decision, Members must have due regard to their public sector equality duties and the need to eliminate discrimination, to mitigate against negative impacts where these are known and to promote equality when making decisions. Members must also take into consideration the need to consider any crime and disorder implications of the decision. A failure to follow these principles could open the Council to judicial review.

187. Members have a fiduciary duty to the council tax payers and others in the local authority's area. This means that members must behave responsibly in agreeing the budget. Members have no authority to make anything other than a balanced budget.

188. Among the relevant considerations which Members must take into account in reaching their decisions are the views of business ratepayers and the advice of officers. The duty to consult representatives of non-domestic ratepayers on the Council's expenditure plans is contained in Section 65 of the Local Government Finance Act 1992.

189. In considering the advice of officers, and the weight to be attached to that advice, Members should have regard to the personal duties placed upon the s151 Officer. Members are obliged under the Code of Conduct to have regard to the advice of the s151 Officer and Monitoring Officer. The Council may take decisions which are at variance with their advice, providing there are reasonable grounds to do so. However, Members may expose themselves to risk if they disregard clearly expressed advice, for example as to the level of provision required for contingencies, bad debts and future liabilities. In addition, if Members wish to re-instate savings recommended by the Corporate Finance and Commercial Procurement Manager in order to balance the budget, they must find equivalent savings elsewhere.

190. The Corporate Finance and Commercial Procurement Manager is required by Section 151 of the Local Government Act 1972 and by the Accounts and Audit (England) Regulations 2011 (as amended) to ensure that the council's budgeting, financial management, and accounting practices meet relevant statutory and professional requirements. This is in addition subject to the requirements set out above.
191. Members must also have regard to, and be aware of, the wider duties placed upon the council by various statutes governing the conduct of its financial affairs. These include the distinction between revenue and capital expenditure and the requirement to set prudential indicators in line with capital investment plans that are prudent, affordable and sustainable.
192. Section 106 of the Local Government Finance Act 1992 makes it a criminal offence for any Member with arrears of council tax which have been outstanding for two months or more to attend any meeting at which a decision affecting the budget is to be made, unless the Member concerned declares at the outset of the meeting that he or she is in arrears and will not be voting on the decision for that reason. The Member concerned must not vote but may speak. The application of Section 106 of the 1992 Act is very wide and Members should be aware that the responsibility for ensuring that they act within the law at all times rests solely with the individual Member concerned.
193. If a referendum is held after the beginning of the relevant financial year, the higher rate of council tax will be payable unless and until it is overturned by a 'no' vote in the referendum. It must also provide "substitute calculations" which need to be presented to Council setting out what the alternative budget would be. This means that that if a party proposes a council tax above the referendum limit they must also produce "substitute calculations" within the referendum limit, to be used in the event that the referendum would reject the increase. In the event that a referendum rejects the increase, the billing authority would be able to issue new bills, offer refunds at the end of the year or allow credits against liability the following year, although individual council taxpayers would be entitled to a refund on demand.

### **Council Priorities**

194. This report, alongside the capital budget, sets out a range of investments and savings which reflect the Council's priorities. These are covered in detail in the main body of the report.

## **Statutory Advice from the s151 Officer**

### Introduction

195. The Local Government Act 2003 places responsibilities upon the council's Chief Finance Officer to advise the council on the adequacy of its reserves and the robustness of the budget proposals including the estimates contained in this document. This section also addresses the key risks facing the council in relation to current and future budget provision. The following paragraphs outline my assessment of the budget proposals outlined in this report, including reserves and general robustness of the process. Section 25 (2) of the 2003 Act requires the council to have regard to this assessment in approving the annual budget and setting the council tax.

### Robustness of proposals and process

196. The preparation of a budget relies on estimates, which are made at a point in time, and clearly there are a number of factors that can influence actual expenditure throughout the year. However, there are processes in place to ensure that assurance can be given that this budget has been constructed using the best available information and assumptions at the time of preparation. These include:

- regular budget monitoring to ensure known pressures are reflected
- involvement of directorate management teams in development of the proposals
- regular scrutiny of the proposals by Executive members, including separate budget Executive Member Decision Sessions held during January

197. Considerable reliance is also placed on budget managers having proper arrangements in place to identify issues early, project the likely demand for services, and consider value for money and efficiency.

198. In order to provide assurances that the budget estimates are robust the following factors have been considered:

- overall funding available including specific grants and other funding available from central government, along with locally raised income from council tax and business rates,
- progress made in delivering 2019/20 savings
- whether the budget decisions outlined in this report are achievable

- the current and anticipated budget pressures arising from services such as social care
- the forecast impact of inflation and pay awards
- the financial sustainability of the council and the effectiveness of the financial management arrangements in place
- the affordability and sustainability of the capital investment plans outlined in the capital programme report elsewhere on this agenda and the revenue impact of this expenditure

199. In addition, the council has a demonstrable track record of delivering budget savings and has sound financial management procedures in place. This has been recognised by favourable audit reports in respect of financial management and processes and overall the financial planning process is sound and effective.

200. A range of pressures have been identified and built into the budget presented in this report, including a contingency sum of £500k as in previous years. There are also significant savings, reflecting the scale of the challenge facing the council. There should be no understatement of the scale of this challenge that continues to face the council, given the general upward cost profile of adult care and children's services.

### Risks

201. The report outlines the key risks to the 2020/21 budget and these are considered further in the following paragraphs.

202. A key risk facing the council is the number of complex capital schemes it is currently undertaking, and which are still at relatively early stages of development. Should schemes not progress to full completion there remains a risk that costs currently assumed to be capable of being capitalised must be written off to revenue. There are also increased borrowing levels resulting in increased revenue costs of debt in coming years. This is highlighted in the medium term plan figures.

203. A further key risk in relation to the capital programme is that some major capital projects may have short/medium term cash flow impacts. For example York Central, and Castle Gateway will be major schemes, which will result in additional business rates, income or capital receipts, but that may require short term borrowing prior to income being received to cover the costs. As identified in previous budget reports, the Venture Fund will be used to support early years cash flow deficits on major strategic capital projects.

204. The current pressures being experienced within both adults and children's services are of concern and the ongoing action being taken, as outlined in the finance and performance report elsewhere on this agenda, will need to continue and be given a high priority. Specific attention is drawn to the national picture regarding these services, which are recognised as being under increased pressure. Whilst this council has invested in these services in recent years, the risks remain, and it is essential the council continues to make adequate budgetary growth provision to deal with the significant cost pressures these services are experiencing, along with savings programmes to mitigate pressures. The budget proposals properly recognise these pressures.
205. Brexit remains an area of risk that will require continued monitoring. There do not appear to have been any significant issues to date but there are clearly potential future implications, such as increased inflation or difficulties securing goods. Additional funding has been provided by Government and £139k of this funding remains unallocated to cover any potential costs in the coming year.
206. The reduction in New Homes Bonus Funding will also require careful planning to ensure expenditure currently funded from this source can be met from council tax/retained business rates. Again, provision has been made for this in future years.
207. The council has declared a climate emergency and funding has been allocated within the budget to coordinate, develop and implement the council's ten year plan to deliver a zero carbon future for York. The potential future costs (and savings) that may result from this work is still relatively unknown and will therefore require careful monitoring and further consideration in future years budgets.
208. Clearly, there are risks in the achievement of some of the proposed savings and, in assessing this risk, I cannot guarantee that every single proposal will be achieved. I do however consider the overall package to be prudent. As outlined earlier, processes are in place to ensure the robustness of the proposed savings. A risk assessment of the individual savings proposals has been conducted and discussed with senior management. Where savings are not delivered, services are fully aware of the need to find compensating savings.
209. Finally, there remains the potential for significant changes to the system of local government finance in coming years. The government originally

launched the Fair Funding Review in 2016 scheduled for implementation in April 2020, however, implementation was postponed. This policy is likely to change the needs assessments of local authorities and therefore the distribution of funding between different councils. The government has recently announced that they are making progress on the review and that they will be consulting on further details of the proposed reforms soon. Officers will continue to monitor any developments in this area.

### Other issues

210. CIPFA's Financial Resilience Index is a comparative analytical tool for use by chief financial officers to support good financial management. The index shows a range of measures that CIPFA have determined are associated with financial risk. In considering the budget the index has been reviewed and particular attention given to reserves sustainability, interest payable as a proportion of net expenditure and business rates growth. All these areas have been considered within the budget and appropriated provision made.
211. In October 2019 CIPFA issued a Financial Management Code to support good practice in financial management and assist in demonstrating financial sustainability. The Code sets out the standards of financial management and 2020/21 will be the first year of full compliance to reflect that councils will need time to consider the contents of the code. We will use the forthcoming financial year to prepare for full implementation and demonstrate our compliance with the Code.
212. In November CIPFA issued Guidance on Prudential Property Investment which includes details of how councils can calculate whether their property investments are proportional to the size of their revenue budgets. Whilst this council has only made relatively modest investments in commercial property, in comparison to other councils, this is an area of potential risk so this guidance will also be reviewed during coming months and in future years will form part of the budget preparation process.

### Reserves

213. CIPFA guidance states that, in order to assess the adequacy of reserves when setting the budget, chief finance officers should take account of the strategic, operational and financial risks facing the authority and that the

many factors involved when considering appropriate levels of reserves can only be assessed properly at a local level.

214. Determining the appropriate levels of balances is therefore a professional judgement based on local circumstances including the overall budget size, risks, robustness of budgets, major initiatives being undertaken, budget assumptions and other earmarked reserves and provisions.
215. Furthermore, part of the risk management process involves taking appropriate action to mitigate or remove risks, where this is possible. This in turn may lead to a lower level of reserves being required, and it would be appropriate to consider reducing the level of balances held where appropriate action to mitigate or remove risks has been successfully undertaken. As part of the year end process, a review is undertaken and any balances that are no longer required, or that can be reduced due to action taken to reduce or mitigate the relevant risks, will be reported to Executive as part of the year end outturn report.
216. The proposed 2020/21 budget seeks to keep reserves to an amount of £1,042k above their minimum levels. This recognises that, in difficult financial times and alongside general uncertainty regarding the economy, it is advisable to ensure sufficient reserves are in place.
217. The recommended minimum reserves for 2020/21 are £6.4m and this is considered within the report. Whilst I have identified in earlier paragraphs the risks facing the council I do not consider that reserves require any increase, but as in previous years, would caution against any reduction at this stage as there remain risks within the capital programme and social care in particular.

### Summary

218. The continuing reduction in public spending coupled with increasing demand for services means financial planning needs to be robust. For future budget planning, further action will be needed to focus resources on the highest priority services to reduce demand, as well as creating capacity to make investment in key front line services and essential capital investment. Therefore, the major financial challenge facing the council in coming years remains the need to secure further savings and for cost pressures to be managed effectively. Given the current financial pressures referred to in previous paragraphs there will need to be continued careful monitoring of the achievement of the savings outlined

in this report. The council also has strong financial health in terms of its overall level of unallocated reserves.

219. I have given careful consideration to the proposals outlined in all the budget reports on this agenda and particularly the risks associated with the proposals. Prudent and realistic assumptions have been made and the financial implications of known pressures have been included. Therefore, I am satisfied that they represent a robust budget on which the council can rely in setting council tax.

### **Risk Management**

220. A summary of risks attached to the budget is contained in annex 8. Each risk identified relates to at least one Key Corporate Risk (KCR) which are monitored regularly throughout the year and reported to the Audit and Governance Committee.



**Contact Details**

**Author:**

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(Corporate Finance)

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Deputy Chief Executive/Director of  
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Debbie Mitchell  
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Procurement Manager  
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**Report  
Approved**



**Date** 31/1/20

**Specialist Implications Officer(s)**

Legal – Janie Berry  
HR – Trudy Forster

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

**All**

**For further information please contact the authors of the report**

Background Papers:

Key Corporate Risk Monitor 3 2019/20: Audit and Governance Committee 4  
December 2019

Executive Member Budget Decision Session reports:

- Joint Decision Session - Executive Member for Environment and Climate Change, Transport and Economy and Strategic Planning 13 January 2020
- Joint Budget Decision Session - Executive Members For Children, Young People And Education And Culture, Leisure And Communities 14 January 2020
- Joint Budget Decision Session - Executive Leader (incorporating Policy, Strategy and Partnerships) and finance and Performance 15 January 2020
- Joint Budget Decision Session - Executive Leader (incorporating Policy, Strategy and Partnerships) and finance and Performance 15 January 2020
- Decision Session – Health and Adult Social Care 15 January Decision Session - Executive Member for Housing & Safer Neighbourhoods 16 January 2020

Budget Consultation available at [www.yorkopendata.org](http://www.yorkopendata.org)

Annexes:

- 1 – 2020/21 Budget Summary
- 2 – 2020/21 Savings Proposals
- 3 – Fees & Charges
- 4 – Summary Consultation Results
- 5 – HRA 2020/21 Growth Proposals
- 6 – HRA 2020/21 Savings Proposals
- 7 – Better Decision Making Tool
- 8 – Risk Analysis

Abbreviations used in this report:

ASC – Adult Social Care  
BCF – Better Care Fund  
CCG- Clinical Commissioning Group  
DSG – Dedicated Schools Grant  
ESDP - Energy Strategy and Delivery Plan  
EYSFF – Early years single funding formula  
FTE – Full time equivalent  
HRA - Housing Revenue Account  
KCR – Key Corporate Risk  
NHB – New Homes Bonus  
NWY – North and West Yorkshire  
RSG – Revenue Support Grant  
WYCA – West Yorkshire Combined Authority

**Annex 1 Summary of 2020/21 Budget**

	<b>2020/21 £000's</b>
<b><u>Expenditure</u></b>	
<b>Net Expenditure Brought Forward</b>	<b>123,372</b>
<b>Expenditure Pressures</b>	
Additional Investment:	
- Revenue funding for prior year capital programme	1,500
- Adult social care	4,152
- Other Prices Contingency	993
- Pay and Pension Costs	2,000
- Member Allowances	141
Investment agreed in the July 2019 supplementary budget:	
- Graffiti removal team	70
- Carbon reduction and sustainability officer	54
- Recycling, litter and dog bins	43
- Northern forest	50
- Community engagement officer	40
- Purple flag promotion	50
- Waste collection improvements	100
- Blacksmith apprentice	25
- Council Tax relief for care leavers	10
- Electric vehicle charging points	25
- Safe and Inclusive Communities Fund	250
Other Priority Investment:	
- Investment in waste and environment services	500
- Climate change delivery programme	150
- Apprenticeships	77
- Public rights of way	30
- Taxi licence enforcement	60
- Mental health early intervention fund	50
	<b>10,370</b>
One off Investment (funded by £420k New Homes Bonus, £150k transport reserve and £150k lental bridge re	
- Transport Plan refresh	200
- Business case for Haxby station	50
- Improve services for children and young people	150
- Reduce the attainment gap	40
- Forward planning	200
- Organisational development programme	80
	<b>720</b>
<b>Total Expenditure Pressures</b>	<b>11,090</b>
Expenditure Reductions:	
- Health, Housing and Adult Social Care	(1,914)
- Economy and Place	(590)
- Customer and Corporate Services	(580)
- Children, Education and Communities	(859)
- Corporate Savings	(70)
<b>Total Expenditure Reductions</b>	<b>(4,013)</b>
<b>Changes in Income</b>	
- Increases in specific grants	(2,956)
<b>Total Changes in Income</b>	<b>(2,956)</b>

**One off Income**

- Transport reserve fall out	450
- Transport reserve (funding one off investment)	(150)
- Lendal bridge reserve (funding one off investment)	(150)
- New Homes Bonus (funding one off investment)	(420)
	<hr/>
	<b>(270)</b>

**Revised Projected Budget Requirement****127,223****Funding****Funding Streams:**

- Council Tax	(93,808)
- Business rates	(33,415)
	<hr/>
<b>Projected Funding</b>	<b>(127,223)</b>

**Overall Funding Gap****0**

**Annex 2 2020/21 Savings Proposals**

Ref	Portfolio	Proposal Description	2020/21 Impact £000	2021/22 Impact £001	Total Saving Impact £'000
<b>HEALTH, HOUSING AND ADULT SOCIAL CARE</b>					
HHASC1	Housing & Safer Neighbourhoods	<b>Housing - Hostels</b> Inflationary increase in Hostel rents	(15)		(15)
HHASC2	Housing & Safer Neighbourhoods	<b>Housing - Hostels</b> Realignment of void budgets to provide consistency across both Hostel sites	(7)		(7)
HHASC3	Housing & Safer Neighbourhoods	<b>Housing - Homelessness</b> The consolidation of Homelessness Reduction funding streams has created efficiencies in this area allowing for base budget to be reduced without any impact on the service	(15)		(15)
HHASC4	Housing & Safer Neighbourhoods	<b>Housing</b> Deletion of the storage and removals budget, since this service is now minimal and there are other prevention strategies and arrangements for storage in place.	(3)		(3)
HHASC5	Housing & Safer Neighbourhoods	<b>Housing - Howe Hill</b> Conversion of 5 double rooms at Howe Hill to 10 single rooms will provide additional rent and increase capacity	(12)	(35)	(47)
HHASC6	Housing & Safer Neighbourhoods	<b>Traveller Sites</b> Inflationary increase in Traveller rents as governed by Mobile Homes Act	(5)		(5)
HHASC7	Housing & Safer Neighbourhoods	<b>Private Sector Housing</b> Increase in Disabled Facilities Grant (DFG) admin charge income	(16)		(16)
HHASC8	Housing & Safer Neighbourhoods	<b>Community Safety</b> Increased contribution from external partners to fund admin staff supporting the delivery of multi agency work	(15)	(15)	(30)
HHASC9	Health & Adult Social Care	<b>Yorkcraft</b> Review Yorkcraft business model. Undertake a review of the supported employment opportunities offered by Yorcraft so they are maximised, and the reliance on support from the council budget is reduced over three years.	(62)		(62)
HHASC10	Health & Adult Social Care	<b>Be Independent</b> Review existing model and explore integration opportunities with NHS to create efficiencies and a better service for customers	(100)		(100)
HHASC11	Health & Adult Social Care	<b>Provider Services</b> Redesign provider services delivery model to create more efficient delivery.	(50)	(50)	(100)
HHASC12	Health & Adult Social Care	<b>Residential Placements</b> Reduce number of residential placements. Implement "No Permanent Placements" model and support people in their own homes, in extra care housing and in communities	(68)	(68)	(136)
HHASC13	Health & Adult Social Care	<b>ASC Review Process</b> Introduce a review process that, from the start of an individual's support, builds on individual and community strengths, reducing the need for commissioned support. Use Trusted assessors to increase the effectiveness of our assessment and review process in helping people access	(300)		(300)
HHASC14	Health & Adult Social Care	<b>ASC Customer Income</b> Inflationary increase in customer income. Likely increase in customer income due to increase in benefit rates.	(295)		(295)
HHASC15	Health & Adult Social Care	<b>Older People's Accommodation</b> As the programme matures and the full range of developments and reprovion is realised across the city, the additional investment made will deliver a saving as more placements will be made at the agreed cost of care.	(60)		(60)
HHASC16	Health & Adult Social Care	<b>Continuing Healthcare (CHC) Income</b> Improvements to our processes for assessing eligibility and securing CHC income. This is a continuation of the current mitigation project and assumes a move over a number of years to LA average levels of CHC contributions.	(500)		(500)
HHASC17	Health & Adult Social Care	<b>Transitions from Children's Services</b> Managing expectations of individuals transitioning into Adult Social Care. Work with families and individuals to ensure packages are maximising independence and not creating over dependence on formal social care	(30)		(30)
HHASC18	Health & Adult Social Care	<b>External contribution to post</b> The Clinical Commissioning Group (CCG) is now funding 50% of the Assistant Director Joint Commissioning post.	(53)		(53)
HHASC19	Health & Adult Social Care	<b>Reablement</b> Improve effectiveness of Reablement. Work with partners to ensure the right support is provided at the right time to the right people in order to reable customers as fully as possible with a view to reducing steadily but significantly the need for formal social care	(38)		(38)
HHASC20	Health & Adult Social Care	<b>Commissioning - Intensive Housing Management Support</b> An efficiency saving that has already been achieved on this contract allowing the budget to be reduced	(40)		(40)
HHASC21	Health & Adult Social Care	<b>Burnholme Community Hub</b> A review of the current day services provided to ensure they are operating efficiently	(30)		(30)

Ref	Portfolio	Proposal Description	2020/21 Impact £000	2021/22 Impact £001	Total Saving Impact £'000
HHASC22	Health & Adult Social Care	<b>Commissioning - Housing Related Support</b> A target reduction to remove duplication of service provision.	(160)		(160)
HHASC23	Health & Adult Social Care	<b>Sensory and Impairment</b> This saving is already achieved following a remodelling of the Sensory and Impairment Service	(40)		(40)

(1,914)	(168)	(2,082)
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**ECONOMY AND PLACE**

EP1	Economy & Strategic Planning/ Environment & Climate Change	<b>Public Protection</b> Inflationary increase in fees and charges	(5)		(5)
EP2	Housing & Safer Neighbourhoods	<b>Licensing</b> Inflationary increase in fees and charges	(5)		(5)
EP3	Finance & Performance	<b>Property Management</b> 2% income growth from the Council's commercial assets	(75)		(75)
EP4	Transport	<b>Parking Income</b> Proposals include * 10p per hour increase on the day rate * £1 Evening increase for non Minster Badge Holders (no change for Minster badge holders) * £10 Increase in Minster Badge (valid for 2 years) * Additional Respark Zones * Contract Parking Inflation * Additional Diesel Duty (to implement from 2021/22)	(450)	(20)	(470)
EP5	Transport	<b>Highway Regulation Service</b> Inflationary increase in fees and charges	(15)		(15)
EP6	Transport	<b>Bridge Maintenance</b> Capitalise the majority of the Bridge Engineer post	(35)		(35)
EP7	Environment & Climate Change	<b>Household Waste Recycling Centres</b> Inflationary increase in fees and charges	(5)		(5)

(590)	(20)	(610)
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**CUSTOMER AND CORPORATE SERVICES**

CCS1	Policy, Strategy & Partnerships	<b>Communications</b> Savings to be delivered through consolidation of budgets. -All Communications, marketing and project engagement (resident facing) resource and budget is centralised - Restructure of the consolidated team and realignment of resources to Directorates in line with LA operating model. - Advertising/publicity budgets are consolidated, spend is controlled and reviewed for cost reductions - Spend on statutory notices is recorded separately and matched to income. - Restructure of posts within the team	(24)		(24)
CCS2	Policy, Strategy & Partnerships	<b>Democratic Services</b> Delete palantypist budget as this service is not currently required	(35)		(35)
CCS3	Policy, Strategy & Partnerships	<b>Legal Services</b> Savings will be delivered from staffing efficiencies and reduced external legal fees	(15)		(15)
CCS4	Finance & Performance	<b>Benefits and Transactional Services</b> Savings will mainly be delivered from increased income generation, including the implementation of a more proactive inspection regime. Income from the Court of Protection work will also be increased, due to increasing volumes of cases. There is also an option to reduce staffing in the Housing Benefit team which is linked to the review of Local Council Tax Support	(32)		(32)
CCS5	Finance & Performance	<b>Business Intelligence</b> Continuing the consolidation of statutory data and reporting activity across the organisation as well as: • Increased income from external sources; • Automation of existing processes allowing staff reduction; • Using Innovation grant funding; • Small reduction in staff on-costs	(16)		(16)
CCS6	Finance & Performance	<b>Customer Services</b> • Reduction in staffing through channel shift • Customer strategy review	(40)		(40)

Ref	Portfolio	Proposal Description	2020/21 Impact £000	2021/22 Impact £001	Total Saving Impact £'000
CCS7	Finance & Performance	<b>Health and Safety</b> A review of the shared service agreement with NYCC has been undertaken and as a result CYC can negotiate a reduced contribution to the Shared Service. This represents an annual efficiency saving as a proportion of the whole shared service	(8)		(8)
CCS8	Finance & Performance	<b>ICT</b> A number of options will deliver the ICT savings: • Capitalise all staff working 100% on capital funded projects • Managed Service Agreement • Shared service business as usual options with HBC • Income opportunities • Reduce the ICT service window	(50)		(50)
CCS9	Finance & Performance	<b>Bereavement Services</b> Additional income anticipated from 2.5% fee increase	(50)		(50)
CCS10	Finance & Performance	<b>Registrars</b> Additional income anticipated from 2.5% fee increase	(10)		(10)
CCS11	Finance & Performance	<b>Customer Experience and Digital</b> Additional non-statutory Income generation opportunities; particularly within the Registrars and Bereavement services.	(10)		(10)
CCS12	Finance & Performance	<b>Finance and Procurement</b> A number of small supplies budgets will be reduced (£15-20k). A review of the capital programme finance support will be completed to enable appropriate costs to be recharged in future years.	(50)		(50)
CCS13	Finance & Performance	<b>Business Support and Payroll</b> Deliver efficiencies across HR and Payroll admin.	(100)		(100)
CCS14	Finance & Performance	<b>Facilities Management</b> • Reduction in water management/ asbestos budget (£30k) • Increase in partner rent income through annual rent reviews (£35k) • Additional income target on cleaning services (£5k)	(70)		(70)
CCS15	Finance & Performance	<b>Property Commissioning and Design</b> A wider review of Commissioning & Design services will be undertaken to deliver savings.	(20)		(20)
CCS16	Finance & Performance	<b>Print Budget</b> Print budget review to reduce printing costs council wide	(50)		(50)
			(580)	0	(580)

**Children, Education and Communities**

CEC1	Children, Young People & Education	<b>Children's Social Care Placement Costs</b> We have now approved our Sufficiency Strategy which it is projected will save £200k per annum in placement costs. We will ensure 3rd party payments in relation to high cost care packages are recouped. This includes the introduction of a fair charging policy for parents in relation to looked after children. The weekly resource panel will also review all high cost social care placements and ensure rigorous financial management is in place.	(150)		(150)
CEC2	Children, Young People & Education	<b>Unaccompanied Asylum Seeking Children</b> Budget realignment to take account of central government grant income. No change to service provision.	(100)		(100)
CEC3	Children, Young People & Education	<b>Youth Justice Service</b> This is a partnership service. Realignment of CYC contribution to this service, in consultation with Partners. This may result in a reduction of a post.	(35)		(35)
CEC4	Children, Young People & Education	<b>Local Safeguarding Children Partnership</b> This is a partnership service. Realignment of CYC contribution to this service, in consultation with Partners. We are undertaking a full review of safeguarding partnership arrangements which came into operation a year ago. This may affect staffing structures.	(48)		(48)
CEC5	Children, Young People & Education	<b>Children's Social Care Leaving Care</b> Removal of historic underspend on placement costs due to DfE grant of £93k.	(93)		(93)
CEC6	Children, Young People & Education	<b>Children's Social Care Direct Payments</b> The new SEND commissioner post will work with services to review all packages, whilst encouraging more people to move to direct payments to take control of their service provision. This should result in a small saving.	(10)		(10)
CEC7	Children, Young People & Education	<b>Early Help</b> Restructure and re alignment of community, local area teams, early years, school wellbeing service and CIN practitioners, with a view to removing duplication and better aligning and targeting service provision. This will remove some management costs and enable the loss of some support roles without a negative impact on service provision.	(150)		(150)

Ref	Portfolio	Proposal Description	2020/21 Impact £000	2021/22 Impact £001	Total Saving Impact £'000
CEC8	Children, Young People & Education	<b>Troubled Families</b> Review processes to ensure that the Council maximises its use of central government grant funding. There would be no impact on service provision.	(150)		(150)
CEC9	Children, Young People & Education	<b>Early Years and Childcare</b> There has been a historical underspend of £25k in this area for the last 2 years. Therefore this budget can be removed with minimal impact.	(25)		(25)
CEC10	Children, Young People & Education	<b>School Governance</b> Full cost recovery of all traded services in this area.	(6)		(6)
CEC11	Culture, Leisure & Communities	<b>Community Centres</b> Following investment in community hubs and community centre infrastructure it is possible to make small reductions to a number of budget heads including building maintenance	(20)		(20)
CEC12	Culture, Leisure & Communities	<b>Communities and Equalities</b> Following the expiry of a contract with an external web site provider in March 20 steps will be taken to integrate accessibility-related information into existing Council information systems to better meet user need	(10)		(10)
CEC13	Children, Young People & Education	<b>CEC Support Services</b> Cross cutting review of traded services for schools to ensure full cost recovery is in place.	(12)		(12)
CEC14	Children, Young People & Education	<b>CEC Commissioned Services</b> A range of efficiency savings across the directorate in relation to commissioned services	(50)		(50)

(859)	0	(859)
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**Corporate Services**

CORP1	Finance & Performance	<b>Making Best Use of Council Assets</b> Review of the commercial portfolio to dispose of less profitable assets and invest in higher yield assets. Over the next 4 years opportunities will be taken to deliver increased commercial investment and it is envisaged savings in the region of £0.5m may be achievable over a 4 year period.	(50)		(50)
CORP2	Finance & Performance	<b>Council Wide Cross Cutting Saving</b> Opportunities will be taken in coming years to utilise the new Grade 13 grade, with potential to create more efficient and effective structures across the Council. It is envisaged as part of this there will be some efficiencies that arise, however this proposal does not envisage any large scale restructuring/savings, but a more modest approach to release some efficiency but ensure management capacity is retained in critical areas.	(20)	(80)	(100)

(70)	(80)	(150)
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<b>Total Savings</b>	<b>(4,013)</b>	<b>(268)</b>	<b>(4,281)</b>
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**STANDARD CHARGES FOR RESIDENTIAL CARE HOMES**

Due to the completion of the Centre of Excellence in 2020/21 any charges to other LA's for placements will be agreed at the specific based on the support required

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From 1st April 2020

Annex 3b

## Weekly Child Allowance (including Delegated Authority)

Age	National Weekly Allowance 2019/20 £	Delegated Authority 2019/20 £	Total Weekly Allowance 2019/20 £	National Weekly Allowance 2020/21 £	Delegated Authority 2020/21 £	Total Weekly Allowance 2020/21 £	Percentage Increase %
0-4	£132.02		<b>£132.02</b>	£134.68		<b>£134.68</b>	2.0%
5-10	£146.02	£14.42	<b>£160.44</b>	£148.96	£14.42	<b>£163.38</b>	1.8%
11-15	£167.02	£16.35	<b>£183.37</b>	£170.34	£16.35	<b>£186.69</b>	1.8%
16-17	£194.04	£17.31	<b>£211.35</b>	£197.94	£17.31	<b>£215.25</b>	1.8%

2020/21 Includes a 2% uplift on the national weekly allowance payment, we will pay the national weekly minimum amount when  
The Delegated authority fee may vary

## Foster Carer Fees and Capacity Payments

Grade	Fee £	Capacity - Total payments	
		2 £	3+ £
Level 1	65.08	32.54	65.08
		50%	100%
Level 2	173.55	43.39	86.78
		25%	50%
Level 3	496.61	99.32	198.64
		20%	40%

The foster carer grade fee may vary  
Capacity payments are based on the grade fee payments

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## **Placement Review: Fees and Allowances 2019**

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- 1: Child Allowance (pg2)
- 2: Delegated Authority Allowance (pg3)
- 3: Birthday, Christmas and Festival allowance (pg3)
- 4: Holiday Allowance (pg4)
- 5: Holiday Supplement Allowance (pg5)
- 6: Clothing Allowance (pg5)
- 7: Tuition (pg6)
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- 9: Nursery Fees (pg6)
- 10: Pocket Money (pg 6)
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- 13: Transport (pg8)
- 14: Public Transport and Bus Passes (pg8)
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- 17: Multiple Placement Payment (pg10)
- 18: Emergency Placement Additional Fee (pg10)

**1: Child Allowance**

This allowance will be reviewed annually and updated based on Government guidance.

The Foster Carer weekly child allowance is allocated to cover the average costs of looking after a child as part of the Foster Carer's family. The amounts are below.

Age	Weekly Allowance 2019/20	Annual Delegated Authority Allowance ( paid weekly)
0-4	£132.02	On request
5-10	£146.02	£750 per child per year
11-15	£167.02	£850 per child per year
16-17	£194.04	£900 per child per year

It is recommended that the child's weekly allowance covers the following costs:

- General care costs including food, accommodation and contribution towards utility related household costs
- Normal replacement of clothing
- Pocket Money and child savings
- Normal transport associated with any child living within a family including to and from local school and out of school activities
- The basic costs associated with contact e.g. telephone costs and the child's drinks and food
- Attendance at child care review meetings
- Participation in clubs and activities
- Keeping record of events and memories about the child for the child
- Repayment scheme for a computer / I pad required for school

The Fostering Network recommended breakdown of the child allowance is below.

Age	Food	Clothing	Transport	Personal	Household	Total
0-4	34%	22%	8%	6%	30%	100%
5-10	32%	26%	7%	8%	27%	100%
11-15	32%	26%	11%	10%	21%	100%
16+	30%	26%	9%	17%	18%	100%

## **2: Delegated Authority allowance (see rates on page 1)**

In addition to child allowance, holiday, birthday and Christmas allowance, an annual Delegated Authority amount will be paid to Foster Carers (for each child). This is to be combined with the weekly child allowance, and to be spent on the child or young person at the carer's discretion, thereby working towards the principle of normalising decision making for the child.

(Some of these decisions may be taken in conjunction with the Fostering Social Worker and child's Social Worker, taking the views of the child / young person into consideration)

It is anticipated that the Delegated Authority allowance will be used to pay for:

- Additional leisure activities
- Hobbies
- Music lessons
- Out of school clubs
- Holiday clubs
- Clothing for a special event
- Duke of Edinburgh, Scout and Guides expenses

Receipts will not need to be submitted for Delegated Authority expenditure. However Foster Carers must retain their receipts and these may be reviewed during visits made by the Fostering Social Worker. At annual review, the Foster Carer will be requested to evidence how the Delegated Authority allowance was spent on the child or young person.

The additional payment will be made weekly along with the usual child allowance. If a child moves placement the additional payment will move with the child.

The weekly Delegated Authority payment can be saved up by Foster Carer or in the child / young person's bank account in order to pay for a more expensive item or activity.

## **3: Birthday and Christmas / Festival allowances**

It is accepted that there are important events which incur additional costs for Foster Carers. Accordingly, a payment equivalent to one week's fostering allowance is automatically paid prior to the child's birthday and Christmas period.

A Foster Carer can request that the allowance is paid to cover another major religious festival instead of Christmas. Any new placement will receive these allowances if children are placed shortly before these occasions.

For any placement ending before the child/young person's birthday, this money will normally be recovered from the carers unless the carers provide the gifts they have purchased to the child.

Christmas payments are made approximately four weeks before Christmas falls. For any placement ending three weeks before Christmas Day, the allowance will normally be recovered.

Age	Birthday Allowance 2019/20	Christmas/ Allowance 2019/20	Festival
0-4	£132.02	£132.02	
5-10	£146.02	£146.02	
11-15	£167.02	£167.02	
16-17	£194.04	£194.04	

#### **4: Holiday allowances**

Each Foster Carer household is entitled to 3 weeks holiday allowance; this is equivalent to 3 week's child allowance per year for each child living with them. The payment relates to each financial year (1st April to 31st March) and the amount to be paid is in accordance with the age of the child.

The holiday allowance is paid to support a carer to take a child on holiday or to be used for holiday activities such as day trips or outings. Foster Carers are advised to retain receipts for this expenditure. The holiday allowance is to be paid proportionately to the length of time the child is in placement subject to the discretion of the Fostering Service Manager.

Foster Carers should claim the holiday allowance at the time it is needed. It can be claimed in units of one weeks allowance up to the maximum of three weeks. The payment is not generated automatically. Foster Carers need to ensure that holiday allowances are spent on holidays or appropriate activities as agreed with their Fostering Social Worker.

Where a child changes placement during the financial year and the holiday allowance has already been claimed, the payment of additional holiday allowance to the new carers is at the discretion of the Fostering Service Manager and will only be paid in exceptional circumstances.

A 'Stay Over Foster Carer may request holiday allowance for a specific child over and above the three weeks allowance if the 'Stay Over' Foster Carer is taking the child away on holiday. This is at the discretion of the Fostering Service manager.

Age	Holiday allowance week 1 2019/20	Holiday allowance week 2 2019/20	Holiday allowance week 3 2019/20
0-4	£132.02	£132.02	£132.02
5-10	£146.02	£146.02	£146.02



11-15	£167.02	£167.02	£167.02
16-17	£194.04	£194.04	£194.04

### **5: Holiday supplement allowance**

A Foster Carer, in common with other parents and carers, must ensure that all children in care attend school during the school term. In recognition of the increased cost of holidays in the school holidays a supplement is available for each child up to a maximum of £300 per year.

The holiday supplement allowance is only payable if agreed in advance with the Fostering Service Manager prior to booking the holiday.

A request for payment of the holiday supplement will need to include evidence that the cost of the holiday for each child is greater than the 3 weeks holiday allowance.

The Local Authority will pay for any costs incurred in purchasing a passport for a child and any Visa which may be required for holiday travel.

### **6: Clothing Allowance**

- Start up

Children and young people may come into care needing additional clothing. A Foster Carer can claim a clothing allowance at the beginning of a placement up to a maximum of 3x the child's weekly allowance.

- School uniform

Foster Carers may request a school uniform grant for a child or young person who needs to change school. For planned changes in school uniform, for example in moving from lower to upper school, it is expected that Foster Carers will budget accordingly.

- Work clothing and equipment

On an ongoing basis the weekly allowance should enable Foster Carers to maintain and increase the level of clothing over time.

A Foster Carer may request a one off grant towards the cost of work clothing that a young person requires at the beginning of training or employment

Where a child is changing placement, it is expected that they will move with a reasonable amount of clothing that fits and is in good condition and appropriate for seasonal conditions.

Children should also be provided with a suitcase or bag for transporting clothes. Children may want to keep clothes they have grown out of as they have come from

their family. Foster carers need to ensure they check with the child and social worker before disposing of clothing.

### **7: Tuition**

Private tuition will not be funded and should be discussed in the child/ young persons Personal Education Plan.

### **8: School trips**

The Delegated Authority payment can be used to fund school trips.

Requests for exceptional residential school trips e.g. skiing need to be made in advance to the Service Manager of the child and will be considered on a case by case basis.

### **9: Nursery fees**

Foster carers can apply for age related free nursery hours.

Requests for a financial contribution towards additional hours can be made via the Service Manager of the child to the Fostering Service Manager. This will be considered on a case by case basis, if the nursery provision is felt to be in the best interest of the child.

### **10: Pocket Money**

There are two basic principles, which apply to pocket money:

- There needs to be some measure of equality between children within the foster household. Therefore, carers need to take into account the pocket money paid to other children in the household.
- The pocket money should be realistic depending on the age of the child. Children can be encouraged to 'save' their pocket money to buy special items as well as for treats such as sweets, CD's, or games.

Pocket money should be given to children and young people for their own use and not to pay for regular entertainment, clothes or personal toiletries as this should come out of the fostering allowance. Any deviations from this need to be discussed with the child's social worker.

The amount of pocket money must be clarified at the start of a placement and discussed and recorded at the placement agreement meeting. The amount arrived at must be compatible with the foster carers' birth children still living in the home and other foster children.

Where there are concerns that it may be risky for a child or young person to have their pocket money directly, this should be agreed with the supervising social worker and the child's social worker and clearly recorded.

If a child or young person has to spend time in a respite care there is an expectation that the respite carer will pay the child or young person's pocket money.

It is not expected that pocket money is paid to children under the age of five. They can have occasional treats instead of pocket money.

It is recommended that an increase in pocket money is linked to the child or young person's birthday to mark their increasing age and maturity

### **11: Health care expenses**

Health care expenses for children are generally exempt from charges under the NHS. Children / young people with diagnosed conditions may be eligible to claim Disability Living Allowance. In exceptional circumstances, Foster Carers may request the reimbursement of unavoidable costs for items which may not have been exempt from NHS charges or payable through DLA payment. E.g.: glasses, immunisations for holidays.

### **12: Household related costs**

- Furniture and equipment

At the point of Foster Carers initial assessment, the basic equipment needed will be discussed, at this point certain items may be provided at the discretion of the Fostering Service Manager. From that point it is the expectation that Foster Carers are responsible for the overall condition and furnishing of the foster home to an acceptable standard, including the security and maintenance of any garden or outside area. It is an expectation that carers take out household insurance.

It is expected that the need for additional furniture, equipment and the replacement of any equipment, furniture or furnishings, will be assessed during supervision visits and if any replacement is required ,agreement will need to be sought from the Fostering Service Manager prior to any purchase. Receipts must be retained and passed to the Supervising Social Worker for payment.

Replacements items must be purchased by CYC from agreed suppliers, i.e. Beds, mattresses

Any specialist equipment or adaptations needed will be subject to a needs assessment based on the young person's requirement.

On commencement of a placement basic equipment should include a bed, storage space for children's clothing and personal items, 2 sets of bedding, pillows, mattress protector or cover as required . For babies and younger children basic equipment will include a cot, buggy, car seat, high chair, changing equipment, sterilising/bottle equipment, 3 sets of cot bedding. It is expected that replacement bedding for longer term placements will be funded out of the child's weekly allowance.

In addition, specific items might be identified i.e.: stair gates, cooker guards, smoke alarms, pond covers, gate and window locks etc, for which loan of equipment or

assistance with purchase may be negotiated with the Fostering Service Manager on a case by case basis.

In some circumstances, in order for a placement to proceed, more specific equipment may need to be provided i.e. bunk beds, a double buggy or car seat. These items would be classed as equipment provided for a carer and would not belong to specific children. However, any specifically modified equipment for the child/young person could move with them.

Equipment purchased by the fostering service remains the property of City of York Council. As a result should equipment be in a good condition but not required by the original Foster Carer, then it may be provided to others who need that equipment. Foster carers should not sell unwanted equipment purchased by CYC unless this is agreed and they are using the proceeds towards other equipment.

### **13: Transport**

There is an expectation that children and young people will undertake most journeys in their day-to-day lives, by walking, cycling, and using public transport or in the foster family's car.

The child weekly allowance includes an element / percentage to cover the travelling expenses for a child. For example;

- Local trips for medical / health appointments
- Transport to and from local school
- Taking and collecting from local leisure and social activities
- Transport to contact, where contact is local to the foster home
- Attendance at reviews, case conferences, and child protection meetings

Local travel costs are covered within the child's weekly allowance, therefore it is expected that the first 200 miles driven by carers each month will not be claimed for.

Any mileage over 200 miles per month can be claimed. Mileage claims should be submitted to the Supervising Social Worker, when they are processed the first 200 miles will be discounted. Claims must be submitted within 3 months of the journey.

### **14: Public transport and bus passes**

Young people over the aged 12 will be encouraged to make use of public transport where necessary for school and leisure activities. All young people are now eligible for an all-day bus pass for First York within the City of York area.

For young people placed outside the York area, corresponding arrangements will be made to cover bus pass provision/reimbursement.

– Bicycles

Young people are eligible to reclaim the purchase of a bicycle with safety equipment, if this will enable them to cycle safely to school and for they request it for their leisure time. Any proposed bicycle purchase should be fully considered and costs agreed by the Fostering Service Manager prior to any Foster Carer committing to a purchase. Provision of a bicycle should be considered in the context of the child's travel/transport plan.

A bicycle and safety equipment can be purchased up to the £350 .Additional amounts can be contributed from the Delegated Authority payment.

– Driving and moped lessons

The purchase of provisional car / moped licence and starter pack of up to 10 driving lessons may be considered on an individual basis by both the Fostering and Child's Service Manager as part of a wider plan of supporting a young person's independence.

### **15: Foster Carer Fees**

Foster carer fees will be paid in line with agreed skill levels

- Level one
- Level two
- Level three

Grade	Weekly Skill Fee	Capacity fee Second placement	Capacity fee Third placement
Level 1	£63.80	£31.90	£63.80
Level 2	£170.15	£42.54	£85.08
Level 3	£496.61	£99.32	£198.64

Each Foster Carer will be assessed and reviewed to determine their level within the fee structure.

All Foster Carers on Level one to three will be paid a skill fee when they have a child or young person in placement.

Payments of the fee may continue if a Foster Carer is without children in the following circumstances

- i) When a Foster Carer does not have a child in placement -up to 14 days in total
- ii) A foster carer who has a named placement may request to take a holiday break without the foster children - up to 14 days in total. Foster carers are expected to give a minimum of 1 months notice to allow an alternative placement to be arranged.
- iii) When a Foster Carer is sick, up to 14 days in total
- iv) A maximum of 28 days in total in any year will be covered by these payments.

The Fostering Service Manager's may use discretion to continue to pay a fee to Foster Carers who are undergoing an investigation or who are being re assessed. This will be time limited and subject to review.

### **16: Long Service Awards**

In acknowledgement of long service of Foster Carers. The following will be paid

- 5 years' service £250
- 10 years' service £500
- 15 years' service £750
- 20 years' service £1000

A Foster Carer's length of service will be identified by the Supervising Social Worker and noted in the foster carer annual review. Appropriate payment will be authorised by the Fostering Service Manager.

### **17: Multiple placements payment**

For Level 2 and 3 carers this will be increased from 12.5% to 20% for a second child and from 25% to 40% for a third child.

Level 1 carers will continue to be paid 25% for second child and 50% for third.

### **18: Emergency payment**

Foster Carers may be asked to take a placement in an emergency situation, they will be offered an additional payment, and this is in recognition of the disruption caused to the household. The usual fees and allowance for the child will also be paid.

Emergency placements are defined as a same day placement that needs to take place without any pre planning. The additional payment will be £50 a day for up to 6 days to allow the Local Authority to plan for the child.

### **Exceptions**

All exceptions to the Fees and Allowances Policy will need to be agreed in writing by the Fostering Service Manager.

**Adoption, SGO & CAO**  
**Allowances**  
**PAYABLE FROM 1st APRIL 2020**

Age	Weekly Allowance 2019/20 £	Weekly Allowance 2020/21 £	Percentage Increase %
0-4	£132.02	£134.68	2.0%
5-10	£146.02	£148.96	2.0%
11-15	£167.02	£170.34	2.0%
16-17	£194.04	£197.94	2.0%

Note: An amount equivalent to the Child Benefit entitlement will be deducted from this allowance.

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**SHORT BREAKS ALLOWANCES****PAYABLE FROM 1st APRIL 2020**

Time Band	Standard Sharing Care Current Weekly Allowance 2019/20 £	Standard Sharing Care Updated Weekly Allowance 2020/21 £	Allowance paid to carer of child with additional health needs (i.e.std allow. + 70% enhancement) Proposed Weekly Allowance 2020/21 £	Allowance paid to carer of child with more complex care needs (i.e.std allow. + 60% enhancement) Proposed Weekly Allowance 2020/21 £
0-4 hours	18.13	18.13	30.81 (i.e. 18.13 + 12.68)	29.00 (i.e. 18.13 + 10.87)
4-8 hours	27.13	27.13	46.12 (i.e. 27.13 + 18.99)	43.41 (i.e. 27.13 + 16.28)
8-12 hours	36.19	36.19	61.52 (i.e. 36.19 + 25.33)	57.90 (i.e. 36.19 + 21.71)
12-24 hours	54.24	54.24	92.21 (i.e. 54.24 + 37.97)	86.79 (i.e. 54.24 + 32.55)

**Contract Care Scheme**

	Weekly Allowance 2019/20 £	Weekly Allowance 2020/21 £
Contract Carers	368.28	368.28

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ENVIRONMENTAL HEALTH	2019/20	2020/21	
	Charge (Before VAT) £	Charge (Before VAT) £	Percentage Increase £
<b><u>HEALTH &amp; SAFETY</u></b>			
<b><u>SKIN PIERCERS</u></b>			
a) Tattooisists	191.00	195.00	2.1%
b) Skin Piercers	191.00	195.00	2.1%
c) Premises	191.00	195.00	2.1%
¼ly payment available by Standing Order			
<b><u>FOOD &amp; SAFETY UNIT</u></b>			
Export Certificate - Paper Certificate	70.69	72.32	2.3%
Export Certificate - Electronic Certificate	50.00	51.15	2.3%
<b><u>ANIMAL HEALTH</u></b>			
Animal Boarding / Dog Breeding / Pet Shop:			
- grant (yearly)	330.00	332.00	0.6%
- renewal (2 year licence)	520.00	522.00	
- renewal (3 year licence)	567.00	569.00	0.4%
- request for re-inspection for re-rating purposes	100.00	100.00	0.0%
Additional Activity (1 year)	n/a	186.00	n/a
Additional Activity (2 years)	n/a	315.00	n/a
Additional Activity (3 years)	n/a	329.00	n/a
Home Boarding / Day Creche:			
- grant (yearly)	216.00	217.00	0.5%
- renewal (2 year licence)	348.00	350.00	
- renewal (3 year licence)	395.00	398.00	0.8%
- request for re-inspection for re-rating purposes	74.00	74.00	0.0%
Additional Activity (1 year)	n/a	72.00	n/a
Additional Activity (2 years)	n/a	143.00	n/a
Additional Activity (3 years)	n/a	158.00	n/a
Home Boarding Franchises:			
- grant (yearly)	n/a	132.00	n/a
- renewal (2 year licence)	n/a	179.00	n/a
- renewal (3 year licence)	n/a	231.00	n/a
Dangerous Wild Animals - valid for 2 years (excluding vet fees)	265.00	268.00	1.1%
Riding Establishments ~ 1-10 horses (excluding vet fees):			
- grant (yearly) - with inspection	330.00	332.00	0.6%
- grant (yearly) - without inspection	187.00	189.00	1.1%
- renewal (2 year licence) - with inspection	n/a	522.00	n/a
- renewal (2 year licence) - without inspection	n/a	379.00	n/a
- renewal (3 year licence) - with inspection	567.00	569.00	0.4%
- renewal (3 year licence) - without inspection	424.00	426.00	0.5%
- request for re-inspection for re-rating purposes	100.00	100.00	0.0%
Riding Establishments ~ 11-20 horses (excluding vet fees):			
- grant (yearly) - with inspection	416.00	417.00	0.2%

- grant (yearly) - without inspection	216.00	217.00	0.5%
- renewal (2 year licence) - with inspection	n/a	665.00	n/a
- renewal (2 year licence) - without inspection	n/a	465.00	n/a
- renewal (3 year licence) - with inspection	709.00	712.00	0.4%
- renewal (3 year licence) - without inspection	509.00	512.00	0.6%
- request for re-inspection for re-rating purposes	129.00	129.00	0.0%
Riding Establishments ~ 21 or more horses (excluding vet fees):			
- grant (yearly) - with inspection	502.00	503.00	0.2%
- grant (yearly) - without inspection	245.00	246.00	0.4%
- renewal (2 year licence) - with inspection	n/a	808.00	n/a
- renewal (2 year licence) - without inspection	n/a	550.00	n/a
- renewal (3 year licence) - with inspection	852.00	855.00	0.4%
- renewal (3 year licence) - without inspection	595.00	598.00	0.5%
- request for re-inspection for re-rating purposes	157.00	157.00	0.0%
Performing /Exhibition of Animals:			
- Grant and renewal (3 yr licence)	355.00	355.00	0.0%
- Request for re-inspection for re-rating purposes	71.00	72.00	1.4%
Zoos Licence Grant (4 year licence)	282.00	305.00	8.2%
Zoos Licence Renewal (6 year licence)	378.00	409.00	8.2%

PUBLIC PROTECTION (Excluding Licensing)	2019/20	2020/21	
	Charge (Before VAT)	Charge (Before VAT)	Percentage Increase
	£	£	£
<b>FEES FOR THE TESTING AND VERIFICATION OF WEIGHING AND MEASURING INSTRUMENTS</b>			
Standard Hourly Charge	70.69	72.32	2.3%
<b><u>Consultancy and Court Cases (per hour)</u></b>			
Officer (Grade 8)	58.40	59.78	2.4%
Officer (Grade 9)	64.04	65.53	2.3%
Officer (Grade 10)	70.69	72.32	2.3%
Officer (Grade 11)	79.24	81.03	2.3%
Officer (Grade 12)	87.54	89.50	2.2%

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REGULATORY SERVICES (Licensing)	2019/20	2020/21	
	Charge (Before VAT) £	Charge (Before VAT) £	Percentage Increase %
<b><u>STREET TRADING CONSENTS</u></b>			
<b>INSIDE CITY WALLS</b>			
Ice Cream			
Food			
Non Food			
Artists	2,150.00	2,200.00	2.3%
Buskers 1 day	20.50	21.00	2.4%
Buskers 5 days	61.00	62.00	1.6%
Buskers 10 days	102.00	104.00	2.0%
Buskers 1 month	202.00	207.00	2.5%
<b>OUTSIDE CITY WALLS</b>			
Ice Cream	1,720.00	1,760.00	2.3%
Food	1,615.00	1,655.00	2.5%
Non Food	770.00	785.00	1.9%
<b>OCCASIONAL</b>			
Food	56.00	57.00	1.8%
Non Food	41.00	42.00	2.4%
Charities	15.00	15.00	0.0%
<b><u>CAR BOOT SALES (commercial)</u></b>			
Less than 15 traders	75.00	76.00	1.3%
15 - 50 traders	148.00	150.00	1.4%
50 - 100 traders	300.00	307.00	2.3%
More than 100 traders	410.00	420.00	2.4%
*if the operator is paying rent for using private land the fees are reduced by half			
Charities	15.00	15.00	0.0%
<b><u>SEX ESTABLISHMENTS</u></b>			
Grant sex shop/cinema - application fee	846.00	856.00	1.2%
Grant sex shop/cinema licence fee - grant	468.00	473.00	1.1%
Grant sexual entertainment venue - application fee	1,234.00	1,248.00	1.1%
Grant sex entertainment venue licence fee - grant	588.00	595.00	1.2%
Renewal sex shop/cinema	746.00	758.00	1.6%
Renewal sexual entertainment venue	1,177.00	1,189.00	1.0%
Trans/Vary sex shop/cinema	846.00	856.00	1.2%
Trans/Vary sexual entertainment venue	1,234.00	1,248.00	1.1%
<b><u>Scrap Metal Dealers - renewable 3 yearly</u></b>			
Grant / renewal site licence	480.00	480.00	0.0%
Grant / renewal site licence (2 sites)	662.00	663.00	0.2%
Grant / renewal site licence (3 sites)	799.00	784.00	-1.9%
Grant / renewal collectors licence	326.00	326.00	0.0%
Variation	149.00	151.00	1.3%
Variation change of name / address	86.00	87.00	1.2%
<b><u>Miscellaneous</u></b>			
Hypnotism Licence	72.00	74.00	2.8%
Film Classification	87.00	89.00	2.3%
Replacement Charitable Collection Permit	10.50	10.50	0.0%
<b><u>Consultancy and Court Cases (per hour) - Licensing</u></b>			
Officer (Grade 5)	47.21	47.63	0.9%
Officer (Grade 6)	50.38	50.86	1.0%
Officer (Grade 7)	53.25	53.79	1.0%
Officer (Grade 8)	57.12	57.73	1.1%
Officer (Grade 9)	62.76	63.49	1.2%
Officer (Grade 10)	69.41	70.27	1.2%

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TAXI LICENSING	2019/20	2020/21	
	Charge	Charge	Percentage Increase
	£	£	%
<b>PRIVATE HIRE LICENCE FEES</b>			
Driver's licence - new application (3 Year Licence) application fee	152.00	152.00	0.0%
Driver's licence - new application (3 Year Licence) grant fee	153.00	153.00	0.0%
Driver's licence - renewal (3 Year Licence) and (applications over 3 months late charged at new app fee)	227.00	227.00	0.0%
Vehicle licence - new application	216.00	216.00	0.0%
Vehicle licence - renewal (applications over 3 months late charged at new app fee)	183.00	183.00	0.0%
Vehicle licence - new plate renewal (change every 3 years)			
Vehicle inspection (including admin fee)	64.00	64.00	0.0%
Vehicle re-test (including admin fee)	35.00	35.00	0.0%
Change of vehicle fee	36.00	36.00	0.0%
Drivers badge - replacement charge	14.50	14.50	0.0%
Internal vehicle plate - replacement charge	9.00	9.00	0.0%
Vehicle plates - cost to new apps (includes internal plate)	46.00	46.00	0.0%
Vehicle plates - replacement charge (set of 2)	37.00	37.00	0.0%
Operator's licence - 1 - 10 vehicles (5 Year Licence)	178.00	178.00	0.0%
11 - 50 vehicles (5 year licence)	310.00	310.00	0.0%
51 - 90 vehicles (5 year licence)	443.00	443.00	0.0%
90+ vehicles (5 Year Licence)	509.00	509.00	0.0%
change of company name	25.00	25.00	0.0%
transfer of licence	25.00	25.00	0.0%
Vehicle licence transfer fee	25.00	25.00	0.0%
Duplicate licence fee	15.00	15.00	0.0%
Change of name or address	15.00	15.00	0.0%
Administration charge for various activities including bounced cheques	31.00	31.00	0.0%
<b>HACKNEY CARRIAGE LICENCE FEES</b>			
Driver's licence - new application (3 Year Licence) - application fee	152.00	152.00	0.0%
Driver's licence - new application (3 Year Licence) - grant fee	153.00	153.00	0.0%
Driver's licence - renewal (3 Year Licence)	227.00	227.00	0.0%
Vehicle licence - new application	187.00	187.00	0.0%
Vehicle licence - renewal (applications over 3 months late charged at new app fee)	193.00	193.00	0.0%
Horse drawn hackney carriage vehicle licence	167.00	167.00	0.0%
Vehicle inspection (including admin fee)	64.00	64.00	0.0%
Vehicle re-test (including admin fee)	35.00	35.00	0.0%
Change of vehicle fee	36.00	36.00	0.0%
Driver's badge - replacement charge	14.50	14.50	0.0%
Internal vehicle plate - replacement charge	9.00	9.00	0.0%
Vehicle plate - replacement charge	30.00	30.00	0.0%
Vehicle licence transfer fee	25.00	25.00	0.0%
Duplicate licence fee	15.00	15.00	0.0%
Change of name or address	15.00	15.00	0.0%
Administration charge for various activities including bounced cheques	31.00	31.00	0.0%

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**Housing & Community Safety Fees & Charges 2020-21**

HOUSING - HRA		2019/20	2020/21	% Increase
		Charge	Charge	
		£	£	
<b>Garages</b>				
Normal	Council tenant	7.68	7.89	2.7%
	Private **	9.22	9.47	2.7%
High Demand	Council tenant	9.24	9.49	2.7%
	Private (local connection) **	21.59	22.17	2.7%
	Private (no local connection) **	27.15	27.88	2.7%
Low Demand	All tenures	3.88	3.98	2.7%
<b>Cookers</b>				
Charges are based on current prices plus a %. No new cookers are rented to tenants		2018/19 charge plus 3.4%	2019/20 charge plus 2.7%	
** Charges include VAT				

HOUSING - GENERAL FUND		2019/20	2020/21	%
		Charge	Charge	Increase
		£	£	%
<b>Houses in Multiple Occupation Fees &amp; Charges</b>				
<b>New Licence Applications*</b>				
	Band A	995	1,150	15.6%
	Band B	1,160	1,300	12.1%
	Band C	1,325	1,490	12.5%
	Band D	1,410	1,670	18.4%
<b>Licence Renewals</b>				
	Band A	690	705	2.2%
	Band B	730	750	2.7%
	Band C	770	790	2.6%
	Band D	830	850	2.4%
<b>Other HMO Charges</b>				
	Penalty fee**	200	210	5.0%
	Letters of Advice	100	105	5.0%
	Immigration Inspection	150	155	3.3%
	Copy of Register	500	500	

**Notes**

\*Discount of £75 for HMO licence holders with a relevant HMO qualification

\*\*Penalty fee where the Council identifies that a HMO should be licensed

<b>Mobile Homes Licensing (Mobile Homes Act 2013)</b>				
	New Licence Application	750	770	2.7%
	Transfer of Licence (no variations)	250	260	4.0%
	Variation to Licence	550	560	1.8%
	Annual Inspection - 50 units or more	550	560	1.8%
	Annual Inspection - 49 units or fewer	430	440	2.3%
<b>Landlord Training Fees</b>				
	1 x 3 hour Landlord Training course per person (Not related to HMO qualification)	75	100	33.3%
	2 x 3 hour Landlord Training course per person (Not related to HMO qualification)	100	125	25.0%
	New online training course (Not related to HMO qualification)	75	75	
<b>Charging for Notices</b>				
Housing Notices	Officer's hourly rate up to maximum of £300			
Works in default	Officer's Hourly rate			
Hourly Rates	Grade 8	58.40	59.780	2.4%
	Grade 9	64.04	65.530	2.3%
	Grade 10	70.69	72.320	2.3%
	Grade 11	79.24	81.030	2.3%
	Grade 12	87.54	89.500	2.2%
<b>Administration of Private Sector grants/loans</b>				
	Home Safety Loan (Includes VAT)	200	200	
	DFG (as % of eligible works)	15%	15%	
	Home Appreciation Loan (as % of eligible works)	12%	12%	
	Energy Repayment Loan (as % of eligible works)	12%	12%	
	Empty Property Loans (as % of eligible works)	12%	12%	
** charge inclusive of VAT				
<b>Yorkshire Handyperson Service</b>				
	Hourly rate (includes VAT)	22.50	23.00	2.2%

COMMUNITY SAFETY	2019/20 Charge	2020/21 Charge	% Increase
	£	£	%
<b>Fixed Penalty Notices</b>			
Littering Fine	100	100	
Littering Fine early payment	75	75	
Reclaim Fee (Statutory fee)	60	60	
Kennels Fees - Statute only allows the local authority to recover the costs of kennelling the stray	10	10	
Failure to comply with a Community Protection Notice	100	100	
Failure to comply with a Community Protection Notice (early payment)	75	75	
Breach of Public Space Protection Order	100	100	
Breach of Public Space Protection Order (early payment)	75	75	
Advertising 2 or more vehicles for sale on the highway	100	100	
Advertising 2 or more vehicles for sale on the highway (early payment)	75	75	
Repairing a motor vehicle on the highway for commercial gain	100	100	
Repairing a motor vehicle on the highway for commercial gain (early payment)	75	75	
Failure to produce evidence of authority to transport commercial waste	300	300	
Failure to produce evidence of authority to transport commercial waste (early payment)	180	180	
Dog Fouling (no early payment discount)	75	75	
Small-scale fly-tipping (less than a small van load)	400	400	
Small-scale fly-tipping (less than a small van load) - early payment	240	240	
Failure to provide an authorised officer with written waste information	400	400	
Failure to provide an authorised officer with written waste information (early payment)	240	240	
Failure to comply with the requirement to provide adequate waste receptacles (no early payment discount)	100	100	
Inappropriate presentation of domestic waste	60	60	
Failure to comply with domestic waste duty of care requirement	250	250	
Failure to comply with domestic waste duty of care requirement (early payment)	150	150	

\* Early payment requires penalty notice to be paid within 10 days

TRANSPORT	2019/20	2020/21	
	Charge (exc VAT) £	Proposed Charge (exc VAT) £	Percentage Increase %
Bus Stop			
Installation & removal of temporary bus stop	99.00	99.00	0.0%
Removal of permanent bus stop during work	184.00	184.00	0.0%
Damage to bus stop or unauthorised removal	184.00	184.00	0.0%
Road Safety			
Local Authority School Children: (cost per child)			
Pre Basic Cycle Training Level 1	4.20	4.20	0.0%
Basic Cycle Training Level 2	18.00	18.00	0.0%
Cycle Training Level 1 and 2 combined	21.00	21.00	0.0%
Advanced Cycle Training Level 3	9.00	9.00	0.0%
Adults (cost per person):			
1:1 adult training (first hour)	33.50	33.50	0.0%
1:1 adult training (90 minutes)	50.00	50.00	0.0%
Pedestrian Training:			
School training by class (2 x 1.5hr class)	100.00	100.00	0.0%
Replacement charge for YOzone card & ENCTS cards	10.00	10.00	0.0%
Monks Cross parking charge	5.00	5.00	0.0%
Highways Adoption Fees	8% of scheme costs*	8% of scheme costs*	n/a
Checking Developers Plans	£500 + 2% of estimated works	£500 + 2% of estimated works	n/a
White Bar Markings			
Application and Initial Placement	128.00	130.00	1.6%
Refreshment (to new and existing)	81.00	85.00	4.9%
Scaffold & Hoarding licences			
Initial consent and 1 month permission	120.00	150.00	25.0%
Each additional month or part thereof	60.00	75.00	25.0%
Late notification fee (less than 5 working days)	37.00	45.00	21.6%
Failure to comply with terms of licence	77.00	90.00	16.9%
Retrospective Application /Additional fee for dealing with Skip/ Container/ Building Materials licence for 14 days	n/a 55.00	300.00 55.00	0.0%
Late notification fee (less than 3 working days)	37.00	40.00	8.1%
Failure to comply with terms of licence	26.00	55.00	111.5%
Additional fee for dealing with unlicensed skips/ scaffolding	99.00	200.00	102.0%
Cherry picker licence - up to 1 day	80.00	80.00	0.0%
Cherry picker licence - more than 1 day	109.00	150.00	37.6%
Crane - up to 1 week	120.00	150.00	25.0%
Crane - per additional week	150.00	150.00	0.0%
Retrospective Application /Additional fee for dealing with unlicensed cherry picker/crane		300.00	
*excludes costs associated with specialist areas e.g. highway structures, street lighting, traffic signals (full cost recovery); additional fees will be applied relating to an extension of works and agreement based upon the cost of outstanding works.			
Vehicle Crossing Fees (Assessment & Inspection Fee)	143.00	145.00	1.4%
Change to Permanent Traffic Regulation Order - removal from Res Park zone		3,000.00	
Change to Permanent Traffic Regulation Order - other changes		6,000.00	
Road Closures, dependant on scale (exc VAT and advertising costs) (Non-Commercial/ Charitable Events may be exempt or	min £483 max £1,452	2,000.00	
Temporary Waiting Restrictions (exc cost of work, coning & advertising)	177.00	200.00	13.0%
Authority to contravene Moving Traffic Order	25.00	50.00	100.0%
Annual Parking Waiver	85.00	90.00	5.9%
Waiver to contravene a Parking Order 1 day	25.00	25.00	0.0%

TRANSPORT	2019/20	2020/21	
	Charge (exc VAT) £	Proposed Charge (exc VAT) £	Percentage Increase %
2 - 7 days	59.00	59.00	0.0%
8 - 14 days	118.00	118.00	0.0%
Brown Sign Applications			
1 sign	316.00	316.00	0.0%
2 signs	526.00	526.00	0.0%
Charge per sign for each additional sign over 2 signs	105.00	105.00	0.0%
Additional charge for signs on the trunk road network	789.00	789.00	0.0%
Any additional works costs per sign	per application	per application	n/a
Noticeboard/structure (in highway)	263.00	263.00	0.0%
Licence to plant	263.00	263.00	0.0%
Approval consent for House Builder signs			
4 signs or less	371.00	371.00	0.0%
5 to 8 signs	433.00	433.00	0.0%
9 signs or more	494.00	494.00	0.0%
Retrospective Application /Additional fee for dealing with			
4 signs or less	n/a	742.00	
5 to 8 signs	n/a	866.00	
9 signs or more	n/a	988.00	
Pavement Cafe Licences	660.00	660.00	0.0%
General Solicitor Highway Enquiries			
Simple	85.00	90.00	5.9%
Medium	112.00	115.00	2.7%
Complex	225.00	230.00	2.2%
NRSWA (Set Nationally)			
Section 50 Licence Administration	307.00	307.00	0.0%
Special Permission Inspections	307.00	307.00	0.0%
Utility sample fee	51.00	51.00	0.0%
Investigatory/ Third Party	68.00	68.00	0.0%
Defect Inspections fee	47.50	47.50	0.0%
Emergency Works	Actual Cost plus supervision and admin fee	Actual Cost plus supervision and admin fee	
Special Permissions	£800 or 6%	£800 or 6%	n/a
Charges for Casualty Accident Data			
Statistic Only Requests - Up to 10 years Statistics			
Single Junction and/or up to 200m	43.00	44.00	2.3%
Single Junction and/or up to 600m	75.00	77.00	2.7%
Roundabouts up to 6 arms and 200m	105.00	107.00	1.9%
Roundabouts up to 6 arms and 1.6km	136.00	139.00	2.2%
Up to 16km e.g. A1237	211.00	215.00	1.9%
Up to 32km e.g. A64	272.00	278.00	2.2%
Whole of York	346.00	354.00	2.3%
Extra Plan by vehicle type or pedestrian	43.00	44.00	2.3%
Standard Collision Requests			
Accident Request - up to 5 years			
Single Junction and/or up to 200m	87.00	89.00	2.3%
Single Junction and/or up to 600m	118.00	121.00	2.5%
Roundabouts up to 6 arms and 200m	160.00	163.00	1.9%
Roundabouts up to 6 arms and 1.6km	211.00	215.00	1.9%
Up to 16km e.g. A1237	272.00	278.00	2.2%
Up to 32km e.g. A64	346.00	353.00	2.0%
Whole of York	408.00	417.00	2.2%
Extra Plan by vehicle type or pedestrian	75.00	77.00	2.7%
Accident Request - up to 10 years			
Single Junction and/or up to 200m	136.00	139.00	2.2%
Single Junction and/or up to 600m	211.00	215.00	1.9%
Roundabouts up to 6 arms and 200m	272.00	278.00	2.2%
Roundabouts up to 6 arms and 1.6km	346.00	353.00	2.0%
Up to 16km e.g. A1237	408.00	417.00	2.2%
Up to 32km e.g. A64	482.00	491.00	1.9%
Whole of York	544.00	555.00	2.0%
Extra Plan by vehicle type or pedestrian	136.00	139.00	2.2%
Traffic Survey Data			
Automatic traffic count data (ATC): per site for 1 years	112.00	114.00	1.8%
Classified count data	50% of the survey cost	50% of the survey cost	0.0%

WASTE SERVICES	2019/20	2020/21	
	Charge (inc VAT if applicable)	Proposed Charge (inc VAT if applicable)	Percentage Increase
	£	£	£
<b>Charges for Replacement Bins/Containers</b>			
180L	44.00	45.00	2.3%
240L	49.00	50.00	2.0%
360L	55.00	56.00	1.8%
Recycling box	0.00	0.00	n/a
<b>Garden Waste (additional bin collection charge)</b>	39.00	40.00	2.6%
<b>Bulky Household Collections</b>			
10 items	22.00	23.00	4.5%
White Goods - Fridges/Freezers only (domestic collections)	13.00	14.00	7.7%
Bonded Asbestos Collections for quantities up to 200 kg, including assessment visit (incs VAT)	105.00	108.00	2.9%
Bonded Asbestos Collections greater than 200 kg, price quoted on application (excluding VAT)	n/a	n/a	n/a
<b>Hazel Court - Household Waste Recycling Centre</b>			
Material Charges:			
Brick/rubble per bag	2.00	2.50	25.0%
Bonded Asbestos per sheet (less than 1.8m by 0.6m)	6.00	7.00	16.7%
Bonded Asbestos per sheet (more than 1.8m by 0.6m)	14.00	15.00	7.1%
Bonded Asbestos per bag (able to be lifted by one person)	6.00	7.00	16.7%
Plasterboard per bag	6.00	7.00	16.7%
Gas bottles up to 10Kg	8.00	9.00	12.5%
Gas bottles up to 20Kg	14.00	15.00	7.1%
Gas bottles large (over 20kg) or specialised	41.00	42.00	2.4%
<b>Trade Waste Charges</b>			
Waste to be charged per tonne or part thereof :-			
Residual Waste to Landfill per tonne	161.00	165.00	2.5%
Minimum Charge	83.00	85.00	2.4%
Recycling or Waste for Composting per tonne	83.00	85.00	2.4%
Minimum Charge	42.00	43.00	2.4%
Minimum percentage of waste be recycable to qualify for charge for recycling or waste for composting rate = 85%			
<b>Commercial Waste</b>			
Commercial Collection		Subject to service required/customer requirements	-

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**DEVELOPMENT MANAGEMENT****Section A - Advice as to whether permission / consent is required**

Category	Current Fee (excluding VAT) 2019/20 £	Proposed (excluding VAT) 2020/21 £	Percentage Increase %
<b>Householder Enquiry</b> (ie house extensions, garages/sheds, etc)	69.70	72.00	3.3%
<b>Other Commercial Development</b> (to establish if "development" or whether "permitted development" or not)	69.70	72.00	3.3%

Note 1 - All fees above are subject to VAT

**Section B - Advice in relation to the prospects of permission / consent being granted****Category - Minor Development**

Proposed Development Type	Current Fee (excluding VAT) 2019/20 £	Proposed (excluding VAT) 2020/21 £	Percentage Increase %
Householder (see note 4)	69.70	72.00	3.3%
Advertisements (see note 4)	69.70	72.00	3.3%
Commercial - where no new floorspace (see note 4)	102.50	105.00	2.4%
Change of Use - with no building works (see note 4)	102.50	105.00	2.4%
Telecommunications (see note 4)	141.45	145.00	2.5%
Other (See note 3 & 4)	141.45	145.00	2.5%
<b>Small Scale Commercial Development</b> (Incl shops offices, other commercial uses)			
* Upto 500m2	358.75	368.00	2.6%
* 500-999m2	717.50	736.00	2.6%
<b>Small Scale Residential</b>			
* less than 4 Dwellings - fee per dwelling	141.45	145.00	2.5%
* 4-9 Dwellings	717.50	736.00	2.6%

Note 1 - All fees above are subject to VAT

Note 2 - With site visit and meeting if Development Management Officer considered to be required

Note 3 - Includes all other minor development proposals not falling within any of the categories such as variation or

Note 4 - Additional £100 fee + vat when the site is a listed building or in the curtilage of a listed building, and building construction works or engineering operations are proposed

**Category - Major Developments**

Proposed Development Type	Current Fee (excluding VAT) 2019/20 £	Proposed (excluding VAT) 2020/21 £	Percentage Increase %
<b>Major new residential</b>			
Student accommodation developments (10 or more students)			
* 10-25 Dwellings	1,250.50	1,282.00	2.5%
* 26-199 Dwellings - additional fee per dwelling	49.20	51.00	3.7%
<b>Small Scale Commercial Development</b> (inc shops, offices, other commercial uses)			
* 1,000 m2 to 3,000m2	2,162.75	2,217.00	2.5%

Note 1 - All fees above are subject to VAT

Note 2 - With site visit and meeting if Development Management Officer considered to be required

**DEVELOPMENT MANAGEMENT****Category - Very Large Scale Developments**

<b>Proposed Development Type</b>	<b>Current Fee (excluding VAT) 2019/20 £</b>	<b>Proposed (excluding VAT) 2020/21 £</b>	<b>Percentage Increase %</b>
* Development of over 200 dwellings (A further bespoke charge may be required depending on complexity of the development & the range of issues that need	Minimum fee of £49.20 per dwelling	Minimum fee of £51.00 per dwelling	3.7%
* Single use or mixed use developments involving sites of 1.5 ha or above  * Development of over 3,000m2 of commercial floorspace  * Planning briefs / Masterplans	Fee to be negotiated with a minimum fee of £3,895	Fee to be negotiated with a minimum fee of £3,992	2.5%

Note 1 - All fees above are subject to VAT

Note 2 - With multiple meetings including a lead officer together with Development Management case officer and

Note 3 - The fee for pre-application advise expected to be not less than 20% of anticipated planning fee for a full

**Exemptions**

Advice sought in the following categories is free

- \* Where the enquiry is made by a Parish Council or Town Council
- \* Where the development is for a specific accommodation/facilities for a registered disabled
- \* Advice on how to submit a planning application
- \* Enquiries relating to Planning Enforcement

**Section C - Section 106**

<b>Category</b>	<b>Current Fee (excluding VAT) 2019/20 £</b>	<b>Proposed (excluding VAT) 2020/21 £</b>	<b>Percentage Increase %</b>
<b>Section 106 Confirmation Letter (Simple)</b> (ie does not require site visit or document retrieval)	31.78	33.00	3.8%
<b>Section 106 Confirmation Letter (Complex)</b> (ie requires site visit and/or document retrieval)	107.63	111.00	3.1%
Copies of S106 Agreements	55.35	57.00	3.0%

Note 1 - All fees above are subject to and include VAT

**Section D - Building Control**

<b>Category</b>	<b>Current Fee (excluding VAT) 2019/20 £</b>	<b>Proposed (excluding VAT) 2020/21 £</b>	<b>Percentage Increase %</b>
Letter of confirmation } Completion Certificates } Approvals }	49.00	50.00	2.0%

Note 1 - All fees above are subject to and include VAT

**DEVELOPMENT MANAGEMENT****Section E - Land Charges**

<b>Category</b>	<b>Current Fee (excluding VAT) 2019/20 £</b>	<b>Proposed (excluding VAT) 2020/21 £</b>	<b>Percentage Increase %</b>
Basic search - over the counter	100.00	103.00	3.0%
Basic search - electronic	100.00	103.00	3.0%
Business search	195.00	200.00	2.6%
Optional enquiries	55.00	57.00	3.6%
Additional enquiries	30.00	31.00	3.3%

**Section F - Naming & Numbering**

<b>Category</b>	<b>Current Fee 2019/20 £</b>	<b>Proposed 2020/21 £</b>	<b>Percentage Increase %</b>
Renaming of property	40.00	50.00	25.0%
Naming of new property	85.00	100.00	17.6%
New developments up to 10 units	225.00	250.00	11.1%
New developments over 10 units (per additional unit)	40.00	50.00	25.0%
Confirmation of address	40.00	50.00	25.0%

**Section G - Commons Registration**

<b>Category</b>	<b>Current Fee 2019/20 £</b>	<b>Proposed 2020/21 £</b>	<b>Percentage Increase %</b>
Processing & Registration under section 15A(1) of the Commons Act 2006	360.00	370.00	2.8%
Processing & Registration of the Highway Statement & Highway Declaration under section 31(6) of the Highways Act 1980 (Other fees are available on request)	320.00	327.00	2.2%
Tree Preservation Orders	46.00	47.00	2.2%

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PARKING SERVICES		2019/20	2019/20	2019/20	2020/21		2020/21		2020/21	
		Standard Charge	Discounted Rate*	Premium Rate**	Standard Charge		Discounted Rate*		Premium Rate**	
		Charge £	Charge £	Charge £	Proposed Charge £	% Increase %	Proposed Charge £	% Increase %	Proposed Charge £	% Increase %
Note : VAT is chargeable at the appropriate rate										
Household Permit	-Standard *	99.95	49.98	139.00	99.95	0.0%	49.98	0.0%	139.00	0.0%
	Quarterly charge *	30.50	15.25	42.00	30.50	0.0%	15.25	0.0%	42.00	0.0%
	-Second	187.50			192.50	2.7%				
	Quarterly charge	57.50			58.75	2.2%				
	-Third	380.00			390.00	2.6%				
	Quarterly charge	100.00			102.00	2.0%				
	-Fourth	775.00			800.00	3.2%				
	Quarterly charge	200.00			205.00	2.5%				
Visitor	-Standard	1.25			1.25	0.0%				
	-Concessionary	0.30			0.30	0.0%				
Special Control Permit	-Standard *	112.00	56.00	143.00	115.00	2.7%	57.50	2.7%	146.00	2.1%
	Quarterly charge *	33.00	16.50	43.00	33.80	2.4%	16.90	2.4%	44.00	2.3%
Special Additional Permit	-Standard *	112.00	56.00	143.00	115.00	2.7%	57.50	2.7%	146.00	2.1%
	Quarterly charge	33.00	16.50	44.00	33.80	2.4%	16.90	2.4%	45.00	2.3%
Business Permit *		430.00	215.00		440.00	2.3%	220.00	2.3%		
Guest House Authorisation Card		430.00			440.00	2.3%	220.00			
Multiple Occupancy Permit *	-Standard *	170.00	85.00		175.00	2.9%	87.50	2.9%		
	Quarterly charge *	47.00	22.50		48.00	2.1%	22.50	0.0%		
Landlord's Permit *		170.00	85.00		175.00	2.9%	87.50	2.9%		
Community Permit *		55.50	27.75		57.00	2.7%	28.50	2.7%		
Day use Community Permit	- Standard	1.35			1.35	0.0%	0.68			
	- Charities	0.00								
Authorisation Card without Permit		3.20			3.20	0.0%				
Property Renovation Permit	- Quarterly *	122.50	61.25		125.00	2.0%	62.50	2.0%		
	- Daily *	3.30	1.65		3.40	3.0%	1.70	3.0%		
Commercial Permit *		620.00	310.00		640.00	3.2%	320.00	3.2%		
	- Quarterly	152.50	76.25		157.50	3.3%	78.75	3.3%		
Commercial Permit (Specific Zone) *		157.50	78.75		162.50	3.2%	81.25	3.2%		
	- Quarterly	41.00	20.50		42.25	3.0%	21.13	3.0%		
Penalty Charge Notice (PCN) Full (Higher/ Lower)		70.00 / 50.00			70.00 / 50.00	0.0%				
PCN Discounted (Higher/ Lower)		35.00 / 25.00			35.00 / 25.00	0.0%				
PCN Enforced (Higher/ Lower)		105.00 / 75.00			105.00 / 75.00	0.0%				
Vehicle Removal Charge		112.50			115.00	2.2%				
Vehicle Storage Charge	Daily	12.80			13.20	3.1%				
Vehicle Disposal Charge		26.50			27.00	1.9%				
Admin Fee		50.00			50.00	0.0%				
Replacement Permit Respark	First Replacement									
	Second Replacement	187.50			187.50	0.0%				
Regular User Discount Permit (2 Year)		20.00			30.00	50.0%				

\* discount available for vehicles 2.7m or less in length or a low emission vehicle within Ultra Low Emission Definition

\*\* additional charge for high emission vehicles within DVLA band J,K,L or M.

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**PARKING SERVICES - SCHEDULE OF SEASON TICKET CHARGES**

		2019/20 Current Charge £	2020/21	
			Proposed Charge £	Increase %
<b>Annual Season Ticket*</b>	Standard Car Parks	1,200.00	1,260.00	5.00%
	Discount vehicle rate	600.00	630.00	5.00%
<b>Monthly Season Tickets</b>				
Standard Stay car parks	Standard rate	160.00	168.00	5.00%
	Discount vehicle rate	80.00	84.00	5.00%
<b>Weekly Season Tickets</b>				
Preferential phone rate only				
Standard Stay car parks	Standard rate	65.50	68.50	4.58%
	Discount vehicle rate	32.75	34.25	4.58%
<b>Contract Parking (Bulk) *</b>				
Foss Bank - Annual		585.00	610.00	4.27%
<b>Hotel Scratchards</b>				
Standard Stay Car Parks	Per Book of 30	265.00	275.00	3.77%
<b>Contract Parking (City Centre Resident 24 hour)</b>				
Foss Bank - Monthly	Standard rate	84.00	87.00	3.57%
	Discount vehicle rate	38.25	40.00	4.58%
Foss Bank - Annual	Standard rate	870.00	900.00	3.45%
	Discount vehicle rate	400.00	415.00	3.75%
Surface - Monthly	Standard rate	77.50	80.00	3.23%
	Discount vehicle rate	33.00	34.00	3.03%
Surface - Annual	Standard rate	855.00	885.00	3.51%
	Discount vehicle rate	356.00	370.00	3.93%

## Note

Standard Car Parks exclude use of Castle, Bootham Row, Piccadilly and Esplanade

\* discount available for vehicles 2.7m or less in length or a low emission vehicle within

Ultra Low Emission Definition

\* ie 10 or more purchased at the same time

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## Proposed Parking Tariffs from April 2020

### a) Off-Street Car Parks

Note			Daytime Charges (0800 - 18:00)							Evening Note 4	24 hour	
			< 30 Mins	Upto 1 hr	1-2 Hours	2-3 Hours	3-4 Hours	4-5 Hours	Over 5 hours	6.00pm to 08.00am	Charge using mobile phone	
Short Stay	1	Discounted	Mob Phone	N/A	£2.40	£4.80	£7.20	£9.60	£12.00	£2.40 per addnl hour	free	
		Standard		N/A	£2.70	£5.40	£8.10	£10.80	£13.50	£2.70 per addnl hour	£3.00	
		Standard		N/A	£2.60	£5.20	£7.80	£10.40	£13.00	£2.60 per addnl hour	£3.00	
Standard Stay	2/4	Discounted	Mob Phone	N/A	£1.80	£3.60	£5.40	£7.20	£9.00	£13.50	free	£14.50
		Standard		N/A	£2.40	£4.80	£7.20	£9.60	£12.00	£13.50	£3.00	£14.50
		Standard		N/A	£2.30	£4.60	£6.90	£9.20	£11.50	£13.50	£3.00	£14.50
Foss Bank	3			£1.50 per hour								
			Mob Phone	£1.40 per hour								
Bishopthorpe Rd	3			N/A	£0.50	£1.20	£3.00	Maximum stay of 3 hours			free	
East Parade	3			£0.40	£0.80	£4.80	£7.20	Parking for over 2 hours is only allowed after 3pm.			free	
Moor Lane	5	Discounted		£3.50 all day charge							n/a	
		Standard		£4.00 all day charge							n/a	

**Note 1** - Bootham Row, Castle, Esplanade and Piccadilly (Piccadilly closes at 6:30pm and so there is no evening charge)

**Note 2** - Marygate, Monk Bar, Nunnery Lane, St. Georges, Union Terrace. The £13.00 ( over 5 hours fee) allows parking until 8am the next day.

**Note 3** - There are no discounts or evening charges at Foss Bank, Bishopthorpe Road or East Parade. The charges only apply until 18:00 except at Foss Bank where they apply until 20:00.

**Note 4** - Evening parking charges for Regular Discount User Permit Holders on Fridays and Saturdays in Standard Stay Car Parks to commence at 5pm

**Note 5** - Flat charge to cover full day

**b) Coach Parking**

	Peak (1/4/20 - 31/12/20)			Off Peak (1/01/21 - 31/3/21)	
	<1 Hour	<3 Hours	Over 3 hrs	<1 Hour	Over 1 Hr
Union Terrace and St George's Field Coach Parks	£7.00	£11.60	£14.00	£7.00	£10.00

**c) On Street Parking**

				Daytime Charges				Evening	Streets Included
				< 30mins	<1 Hour	1-2 Hours	2-3 Hours	6.00pm to 08.00am	
Standard Rate	6	Discounted	Mob Phone	N/A	£2.40	£4.80	£7.20	free	Carmelite St, Lawrence Street, Lord Mayor's Walk, North Street, Palmer Lane, Piccadilly, Skeldergate, Tanner's Moat, Toft Green, Walmgate.
		Standard		N/A	£2.40	£4.80	£7.20	£3.00	
		Standard			£2.30	£4.60	£6.90	£3.00	
Micklegate	6 & 7	Discounted		£0.50	£1.00	£4.80	£7.20	free	
	6 & 7	Standard		£0.50	£1.00	£4.80	£7.20	£3.00	
Priory Street	6 & 7	Discounted		N/A	£2.40	£4.80	£7.20	free	
	6 & 7	Standard		N/A	£2.40	£4.80	£7.20	£3.00	
City Centre Footstreets		Discounted						free	Fossgate, Piccadilly, St Deny's Road, The Stonebow, Walmgate.
		Standard						£3.00	
Respark Shared Use Areas		Non-Permit Holders		N/A	£1.00			Charges Apply 8am - 8pm	Bishophill Senior, Clifton, Cromwell Rd, Cumberland St, Garden St, George St, Huntington Rd, Lawrence St, Lead Mill Lane, Lower Friargate, Lower Priory St, Lowther St, Margaret St, Marygate, Park Grove, Penleys Grove St, Queen Anne's Rd, The Crescent, The Mount, Townend St, Union Terrace, Walmgate.

**Note 6** - There is no discount available on-street except that parking after 6pm is free at discounted rate. Parking for over 2 Hours is only allowed after 3pm

**Note 7** - No charges on Sundays between 8am and 1pm in Micklegate and Priory Street

**d) On-Street Parking for large vehicles**

	< 2 Hours	2- 5 Hours	5-12 Hrs	Market Traders with Permit
Foss Islands Road	£4.30	£6.50	£10.80	£2.30

## Adult Social Care fees and charges

	2019/20	2020/21		Explanation
	Charge £	Proposed Charge £	Percentage Change %	
<b>Residential Care</b>				
Older Person's Homes (per week)	713.55	727.80	2.0%	Customers are financially assessed and only pay what they can afford. The charge has been increased by the estimated pay award for 2020/21 as staffing costs form the largest element of the cost of operating a home.
22 The Avenue (Mental Health residential care) - emergency respite (per week)	853.48	870.55	2.0%	Customers attending 22 The Avenue on an emergency basis are financially assessed under fairer charging and only pay as much as they can afford. The increase in charge reflects the likely increase in staffing costs in 2020/21.
22 The Avenue (Mental Health residential care) - planned placement (per week)	200.97	186.48	-7.2%	Customers residing at 22 The Avenue on a planned basis are able to claim Housing Benefit. The charge has been reduced for 2020/21 to bring it more into line with the charges for Peasholme Hostel, a similar type of service. The major element of the weekly charge is rent. A satellite site is currently being opened at Evelyn Crescent. Once this is established, the level of fees for the service will be reviewed and a report outlining the proposed new charges will be taken to HHASC DMT.
<b>Community Support</b>				
Home care support in CYC Extra care schemes (per hr)	18.12	19.93	10.0%	Charge reflects the estimated average external home care hourly rate for 2020/21. Although this is a large year on year increase reflecting the current market price, customers are financially assessed and only pay what they can afford.
Home care support provided by the overnight team (per hr)	27.18	29.90	10.0%	The principle is that overnight care is charged at one and a half times the average hourly home care day rate above.
Day Support provided in CYC small day services (per hr)	15.47	16.94	9.5%	Charge reflects the estimated average external day support hourly rate for 2020/21.

## Adult Social Care fees and charges

	2019/20	2020/21		Explanation
	Charge	Proposed Charge	Percentage Change	
<b>Income Services Team charges</b>				
Full fee payers administration charge (per annum)	501.00	512.00	2.2%	Customers who can afford to pay the full cost of their care but choose to have it organised by the Local Authority can now be charged for this service under the Care Act 2014. The charge comprises a £460 annual set up charge and an ongoing £52 administration charge.
Additional reconciliation charge for full fee payers (per reconciliation)	6.40	6.55	2.3%	Income Services can charge full fee payers for any reconciliations of their account they request above the annual reconciliation.
<b>Deferred Payment Agreements additional costs:</b>				
Deferred Payment set up charge (one off) - made up of the following as a minimum:	753.50	797.00	5.8%	The Care Act permits customers to defer payment for the cost of their care. The local authority can recover their costs for setting up this arrangement. The majority of the cost is staffing and for Income Services has been increased in line with the proposed local authority pay increase for 2020/21. Additional legal disbursements will be charged in line with charges levied by the Land Registry for registration of charge, which is dependent upon whether the property is already registered, and the valuation of the property. These costs will be passed to the customer at the rate charged.
Legal Costs	450.00	475.00	5.6%	
Income Services Administration Charge - set-up	153.50	172.00	12.1%	
Initial Professional Valuation	150.00	150.00	0.0%	
Letter of Undertaking	100.00	110.00	10.0%	A letter of undertaking may be accepted in place of a DPA if there is an imminent sale of the property. As a form of security the Solicitors promise on behalf of their client that the outstanding care fees and associated costs will be paid from the proceeds of sale.

## Adult Social Care fees and charges

	2019/20	2020/21		Explanation
	Charge	Proposed Charge	Percentage Change	
Monthly invoice generation and distribution	1.00	1.05	5.0%	The Care Act allows local authorities to recover the costs of activities associated with administering deferred payments.
Monthly management, monitoring and application of interest	2.50	2.55	2.0%	
Half yearly statement of account	2.50	2.55	2.0%	
Legal team costs de-registration and file closure	30.00	30.00	0.0%	
Final account preparation and account closure	8.00	8.20	2.5%	
Revaluation Costs	subject to actual cost of valuation			
<b>Court of Protection</b>				
Appointment of Deputy Fee	745.00	745.00	0.0%	Cost of administering financial affairs for those who the authority has responsibility for under the Court of Protection. The majority of these rates are set by the Office of the Public Guardian and the authority cannot charge more than this.
Year 1 Management Fee	775.00	775.00	0.0%	
Year 2 Management Fee	650.00	650.00	0.0%	
Year 3 Management Fee	650.00	650.00	0.0%	
Property Sale Fee	300.00	300.00	0.0%	
Estate Administration Fee	360.60	367.75	2.0%	
Annual Report Fee	216.00	216.00	0.0%	
Assets less than £16k	3.5%	3.5%	0.0%	
Basic HMRC Return	70.00	70.00	0.0%	
Complex HMRC Return	140.00	140.00	0.0%	
Travel rates ph	40.00	40.00	0.0%	
Corporate Appointee Charge	3.5% or £5.50 per week	3.5% or £5.60 per week		

## Adult Social Care fees and charges

	2019/20	2020/21		Explanation
	Charge	Proposed Charge	Percentage Change	
<b>Be Independent</b>				Charges increased by the estimated pay award for 2020/21
Monthly Charges excluding VAT where applicable				
Friends & Family Service	18.00	18.40	2.2%	
Friends & Family Service Additional Person	9.00	9.20	2.2%	
Premium Response Service	35.00	35.70	2.0%	
Premium Plus Response Service	48.00	49.00	2.1%	
Second Resident Charge	17.00	17.30	1.8%	
1 additional safety sensor	2.50	2.50	0.0%	
Further additional sensors (50p per additional sensor up to 4 in total)	0.50	0.50	0.0%	
Hardwire top -up	12.50	12.75	2.0%	
SIM GSM Connection	8.33	8.50	2.0%	
One Off Charges excluding VAT where applicable				
Installation Charge	30.00	30.60	2.0%	
Key Safe Installation	45.83	46.67	1.8%	
Key Safe Charge police approved	66.67	67.92	1.9%	
Stand Alone				
Just Checking Monitoring Kit	65.00	66.30	2.0%	
Canary - Charge	38.40	39.20	2.1%	
Stand Alone (not monitored by Be Independent)	18.00	18.40	2.2%	
Damaged/Lost Equipment Charges				
Replacement Pendant	35.00	35.70	2.0%	
Smoke Detector	50.00	51.00	2.0%	
Carbon Monoxide Detector	99.00	101.00	2.0%	

REGISTRAR OF BIRTHS, DEATHS AND MARRIAGES	1st Jan 2019	1st Apr 2020		
	Charge (inc VAT if applicable)	Proposed Charge (inc VAT if applicable)	Increase	% Increase over 2019
	£	£	£	
<b>Certificates</b>				
Copy certificate - issued within 10 days 2nd class	11.00	11.00	0.00	0.00
Copy certificate - collect/post 1st class next working day	35.00	35.00	0.00	0.00
Signed for postage	2.00	2.00	0.00	0.00
Overseas postage - per order (New)		10.00		
Certificates issued at time of registration	11.00	11.00	0.00	0.00
<b>Notice of marriage</b>	35.00	35.00	0.00	0.00
Saturday room booking for Notice (Per Person) (New)	13.00	13.00	0.00	0.00
<b>Certification of a venue for marriage ceremonies (valid for three years)</b>				
Large Venue (Capacity over 200)	3,250.00	3,331.00	81.00	2.49
Medium Venue (Capacity over 75)	1,500.00	1,538.00	38.00	2.53
Small Venue (Capacity 75 or less)	1,000.00	1,025.00	25.00	2.50
<b>Civil Funeral</b>	175.00	175.00	0.00	0.00
<b>Civil Partnerships</b>				
<b>Attendance of Registration Staff at Approved premises</b>				
Large marriage room at Register Office Mon-Thurs	256.00	262.00	6.00	2.34
Large marriage room at Register Office Fri-Sat	348.00	357.00	9.00	2.59
Small room at Register Office Mon - Thurs	149.00	153.00	4.00	2.68
Small room at Register Office Fri - Sat	205.00	210.00	5.00	2.44
Approved Premises (venues) Mon-Thurs	530.00	543.00	13.00	2.45
Approved Premises (venues) Fri - Sat	615.00	630.00	15.00	2.44
Approved Premises (venues) Sun / Bank Holidays	665.00	682.00	17.00	2.56
Statutory Register Office CP	57.00	57.00	0.00	0.00
<b>Marriage</b>				
<b>Attendance of Registration Staff at Approved premises</b>				
Large marriage room at Register Office Mon-Thurs	256.00	262.00	6.00	2.34
Large marriage room at Register Office Fri-Sat	348.00	357.00	9.00	2.59
Small room at Register Office Mon - Thurs	149.00	153.00	4.00	2.68
Small room at Register Office Fri - Sat	205.00	210.00	5.00	2.44
Approved Premises (venues) Mon-Thurs	530.00	543.00	13.00	2.45
Approved Premises (venues) Fri - Sat	615.00	630.00	15.00	2.44
Approved Premises (venues) Sun / Bank Holidays	665.00	682.00	17.00	2.56
Statutory Register Office Wedding	57.00	57.00	0.00	0.00
<b>Pre-ceremony Consultation (New)</b>		40.00	0.00	
Converting a civil partnership into a marriage (1 stage procedure)	45.00	45.00	0.00	0.00
Converting a civil partnership into a marriage (2 stage procedure: stage 1)	27.00	27.00	0.00	0.00
Converting a civil partnership into a marriage: ceremony at the York Register Office (2 stage procedure: stage 2)		TBA		
Converting a civil partnership into a marriage: ceremony at an approved venue (2 stage procedure: stage 2)		TBA		
<b>Citizenship Ceremonies (Private)</b>	148.00	152.00	4.00	2.70
<b>ESS (European Settlement Scheme) Verification</b>	14.00	14.00	0.00	0.00
ESS (European Settlement Scheme) Verification - York Residents	14.00	0.00	(14.00)	(100.00)
<b>Proof of life (commences April 2020)</b>	n/a	0.00		
<b>GRO fees*</b>				
Correction by Superintendent Registrar (SR)	75.00	75.00	0.00	0.00
Correction by Registrar General (GRO)	90.00	90.00	0.00	0.00
Consideration of divorce/dissolution docs outside British Isles by SR	50.00	50.00	0.00	0.00
Consideration of divorce/dissolution docs outside British Isles by GRO	75.00	75.00	0.00	0.00
Consideration of reducing the 28 day waiting period	60.00	60.00	0.00	0.00
Addition of forename within 12 months of registration	40.00	40.00	0.00	0.00
Registrar General's Licence	15.00	15.00	0.00	0.00
<b>Baby Naming Ceremonies</b>				
At Register Office	236.00	242.00	6.00	2.54
Approved Premises (venues)	261.00	268.00	7.00	2.68
<b>Renewal of Vows</b>				
At Register Office	236.00	242.00	6.00	2.54
Approved Premises (venues)	261.00	268.00	7.00	2.68
<b>Change of name deed (New)</b>		TBA		
<b>Additional copy of deed (New)</b>		TBA		
<b>Sale of Goods and Miscellaneous Charges :-</b>				
Baby Folders (suggested donation)	2.00	2.00	0.00	0.00
Commemorative Script (New)		35.00	0.00	
Certificate box (New)		10.00	0.00	

\* Collected in part on behalf of the General Register Office (GRO)

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BEREAVEMENT SERVICES	1st Jan 2019	1st Apr 2020	
	Charge (Inc VAT if applicable)	Proposed Charge (Inc VAT if applicable)	Increase
	£	£	£
<b>CREMATORIUM</b>			
<b>CREMATIONS (VAT EXEMPT)</b>			
Adult (including medical referee fee)	895.00	920.00	25.00
Still Born	0.00	0.00	0.00
Up to Six Months	0.00	0.00	0.00
Six Months to Sixteen Years	0.00	0.00	0.00
<b>INTERMENT (VAT EXEMPT)</b>			
Interment of Ashes	49.00	50.00	1.00
<b>SCATTERING OF ASHES (VAT EXEMPT)</b>			
Ashes received from external sources	82.00	85.00	3.00
Ashes forward to other places	0.00		0.00
Additional Service Time	110.00	120.00	10.00
<b>EXHUMATIONS</b>			
Exhumation fee	195.00	200.00	5.00
<b>BEARING SERVICE</b>	25.00	26.00	1.00
<b>FUNERAL SERVICE</b>	175.00	175.00	0.00
<b>RECORDINGS</b>			
CD recording	48.00	50.00	2.00
DVD recording	60.00	62.00	2.00
Webcast	60.00	62.00	2.00
<b>MEMORIALS AND PLAQUES</b>			
<b>PLAQUES</b>			
60 letter inscription 10 years	390.00	399.00	9.00
60 letter inscription 20 years	540.00	553.00	13.00
Display for a further 5 years	122.00	122.00	0.00
<b>MEMORIALS</b>			
Memorial Plaque with Rose tree 10 yrs	447.00	458.00	11.00
Memorial Plaque with rose tree 20 yr	592.00	600.00	8.00
Memorial seat with plaque (10 yrs)	1,262.00	1,290.00	28.00
Memorial seat plaque renewal (5yrs)	212.00	217.00	5.00
Granite Seat (10 yrs) - new fee	1,346.00	1,379.00	33.00
Granite vase Block 10years	645.00	661.00	16.00
Granite vase Block 20years	1,048.00	1,074.00	26.00
Vase Block Plaque	175.00	179.00	4.00
Bronze rose memorial plaque on stake (10 yr)	545.00	558.00	13.00
Bronze rose memorial plaque on stake (20 yr)	689.00	706.00	17.00
Circular bench memorial plaque (10 yrs)	464.00	475.00	11.00
Circular bench memorial plaque (20 yrs)	642.00	658.00	16.00
Babies garden memorial plaque (10yrs)	359.00	365.00	6.00
Memorial Disc	446.00	458.00	12.00
Granite Shaped Planter	529.00	540.00	11.00
Summer House Memorial Plaque	421.00	430.00	9.00
<b>URNS</b>			
Cardboard Box	15.50	16.00	0.50
Polytainer	18.00	19.00	1.00
Baby Urn	36.50	37.00	0.50
Urn	49.50	50.00	0.50
Casket	70.50	71.00	0.50
<b>NICHES</b>			

BEREAVEMENT SERVICES	1st Jan 2019	1st Apr 2020	
	Charge (Inc VAT if applicable)	Proposed Charge (Inc VAT if applicable)	Increase
Niche 10 years	800.00	820.00	20.00
Niche 20 years	1,350.00	1,380.00	30.00
Sanctum 2000 (Average Charge)	1,085.00	1,110.00	25.00
Second Plaque on Sanctum 2000	408.00	408.00	0.00
Inscription (second Plaque/Renewals)	351.00	360.00	9.00
Additional inscription p/letter over 80 letters	4.50	4.50	0.00
<b>BOOK OF REMEMBRANCE</b>			
2 line entry	86.00	88.00	2.00
5 line entry	133.00	136.00	3.00
5 line entry with floral emblem	185.00	189.00	4.00
5 line entry with badge, bird, crest & shield	212.00	218.00	6.00
8 line entry	164.00	168.00	4.00
8 line entry with floral emblem	223.00	228.00	5.00
8 line entry with badge, bird, crest & shield	253.00	259.00	6.00
8 line entry with coat of arms	295.00	300.00	5.00
<b>FOLDED BOOK OF REMEMBRANCE CARDS</b>			
5 line entry with floral emblem	143.00	146.00	3.00
5 line entry with badge, bird, crest & shield	180.00	185.00	5.00
8 line entry with floral emblem	198.00	202.00	4.00
8 line entry with badge, bird, crest & shield	217.00	222.00	5.00
8 line entry with coat of arms	263.00	268.00	5.00
Regimental Badge Etc			
<b>MEMORIAL CARDS</b>			
2 line card	59.00	60.00	1.00
5 line card	77.00	78.00	1.00
8 line card	91.00	93.00	2.00
Regimental Badge			
<b><u>DRINGHOUSES CEMETERY</u></b>			
<b>INTERMENT (VAT EXEMPT)</b>			
Adult ( 4ft 6" grave)	825.00	846.00	21.00
Child up to 12 years	0.00	0.00	0.00
Interment of Ashes	238.00	250.00	12.00
Exhumation (negotiated at cost)			
Exhumation of Cremated Remains	at cost 195.00	200.00	5.00
<b>MEMORIALS</b>			
Headstones	163.00	166.00	3.00
Add Inscription	89.00	90.00	1.00
Marking out grave	22.00	23.00	1.00
Removal of grave memorial by stonemason prior to interment	98.00	100.00	2.00
Cremation plot with exclusive Right of Burial for period of 50 yrs.	442.00	453.00	11.00

# City of York Council



## Budget Consultation 2020/21

### SUMMARY

The online Budget Consultation 2020/21 opened on 15/11/2019 and closed on 31/12/2019. Additionally, a short version of the survey was sent to households inside the Our City publication, with a closing date of 12/01/2020.

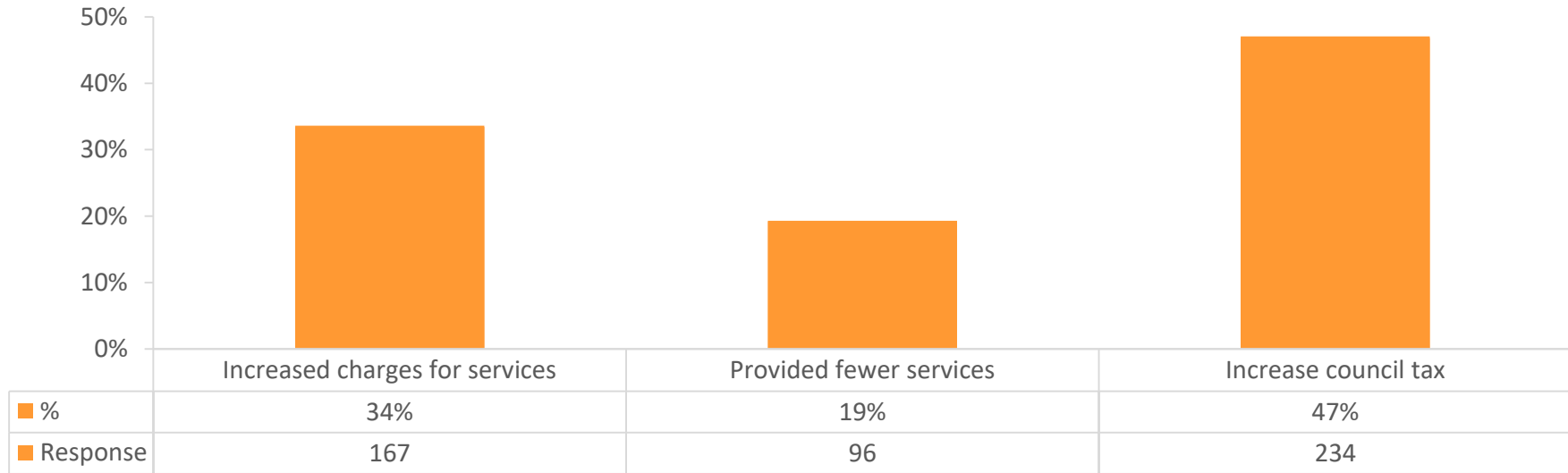
A total of 825 residents and businesses participated.

The consultation gave the residents and businesses of York the opportunity to put forward their views to help the council make decisions and deliver the budget for 2020/21.

The consultation results and the raw data will be made available on the council open data platform [www.yorkopendata.org](http://www.yorkopendata.org).

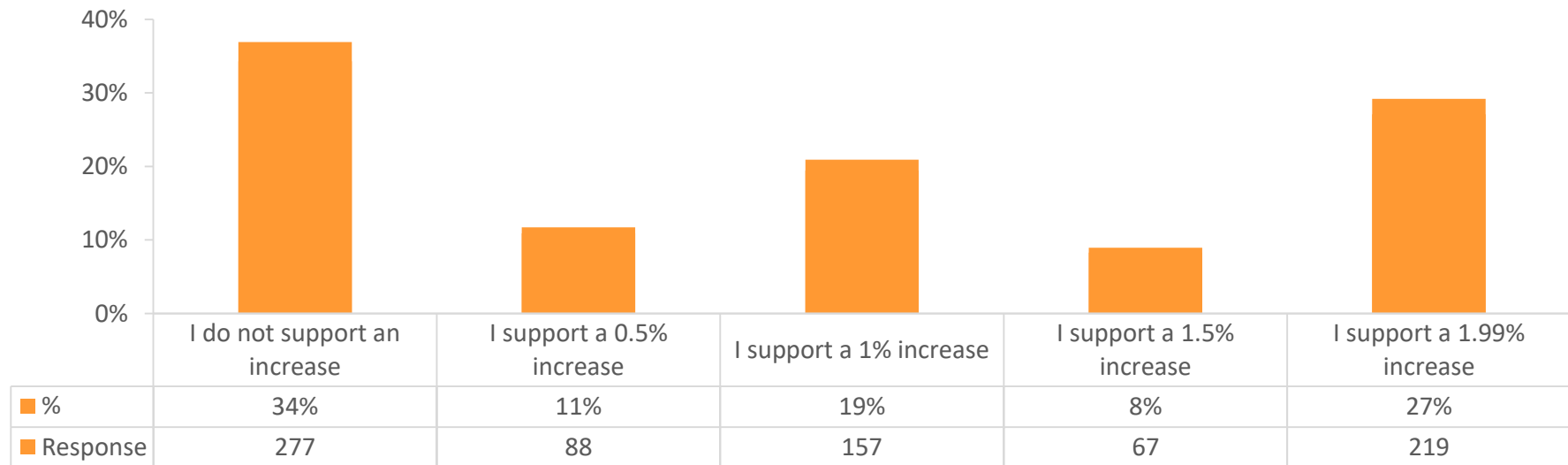
**Council Tax**

**In order to balance the budget, would you rather we; (please tick as many as apply)**



(n=415)

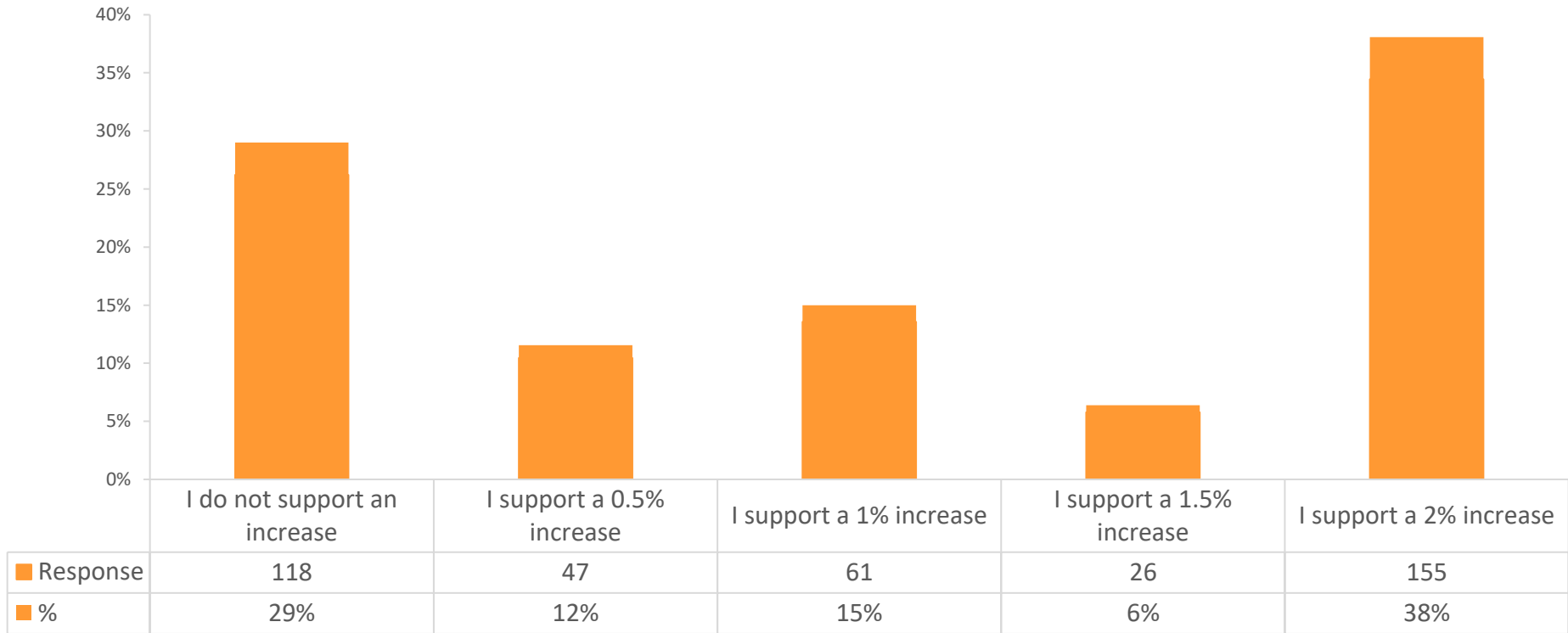
**Do you support an increase in council tax to balance the budget and if so by how much?**



(n=808)

**Social Care Precept**

**Do you support an increase in funding for adult social care by social care precept and if so by how much?**



(n=407)

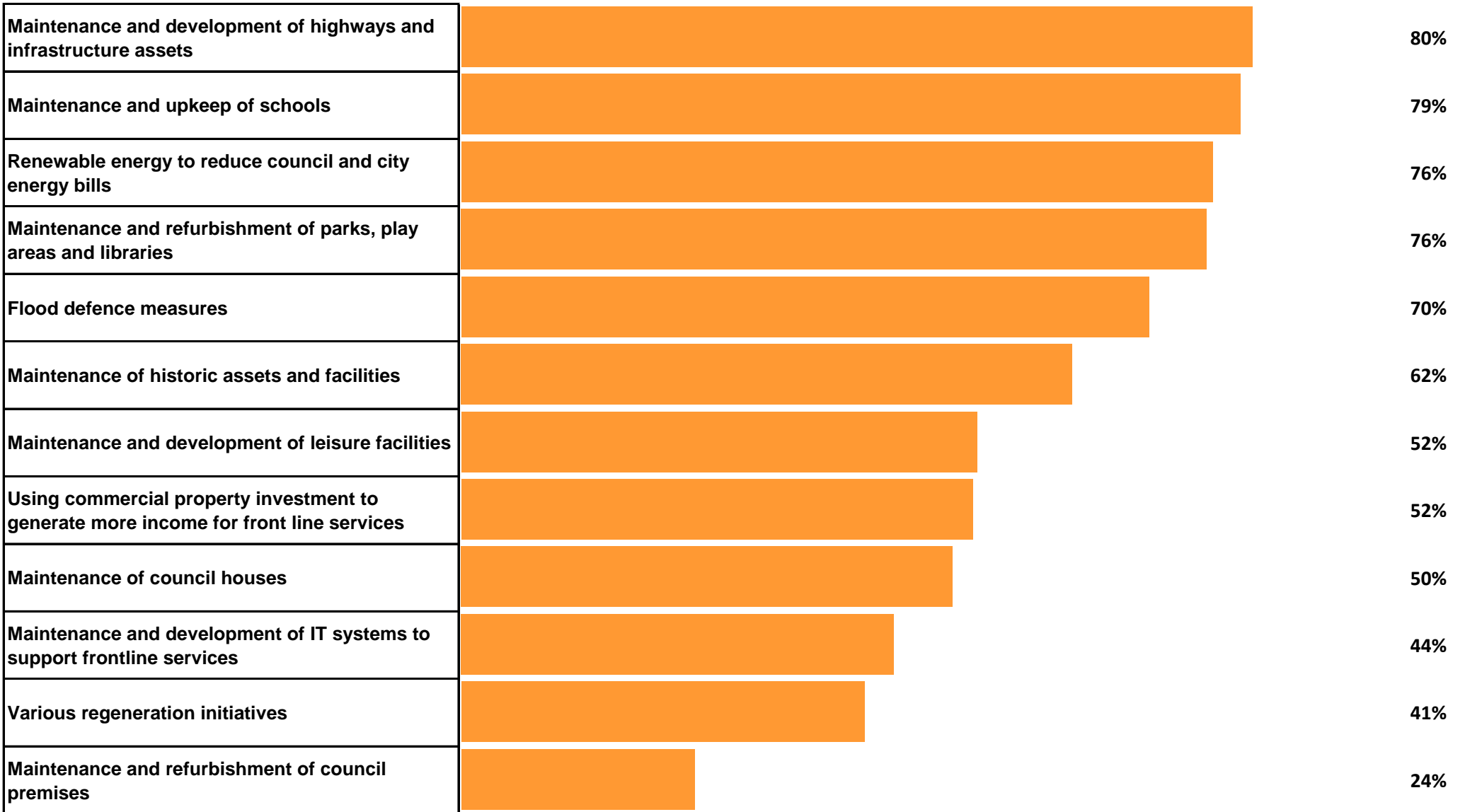
**Capital Investment**

**To what extent do you agree or disagree that we should prioritise the following areas for investment?**

	Disagree	Disagree (%)	Agree	Agree (%)	Neither	Neither (%)
Maintenance of council houses	119	24.29%	244	49.80%	127	25.92%
Maintenance and development of highways and infrastructure assets	46	9.31%	396	80.16%	52	10.53%
Maintenance and refurbishment of council premises	185	38.07%	115	23.66%	186	38.27%
Maintenance of historic assets and facilities	71	14.46%	304	61.91%	116	23.63%
Maintenance and refurbishment of parks, play areas and libraries	46	9.37%	371	75.56%	74	15.07%
Maintenance and development of leisure facilities	96	19.75%	254	52.26%	136	27.98%
Maintenance and upkeep of schools	36	7.29%	390	78.95%	68	13.77%
Maintenance and development of IT systems to support frontline services	101	20.70%	214	43.85%	173	35.45%
Using commercial property investment to generate more income for front line services	94	19.50%	250	51.87%	138	28.63%
Various regeneration initiatives	89	18.86%	193	40.89%	190	40.25%
Flood defence measures	53	10.84%	341	69.73%	95	19.43%
Renewable energy to reduce council and city energy bills	61	12.42%	374	76.17%	56	11.41%

**Capital Investment**

**Areas respondents agree should be priorities for investment**



Answering this survey:

Ward	Responses
As a resident	778
On behalf of a business	30
On behalf of a public sector organisation	5
On behalf of a charity that covers the York area	3
On behalf of a community group in York	0
Other (please specify)	9
Total	825

Overall response to survey by ward

Ward	Responses	Responses (%)
Acomb Ward	26	3.15%
Bishopthorpe Ward	9	1.09%
Clifton Ward	21	2.55%
Copmanthorpe Ward	<5	-
Dringhouses & Woodthorpe Ward	25	3.03%
Fishergate Ward	16	1.94%
Fulford & Heslington Ward	10	1.21%
Guildhall Ward	38	4.61%
Haxby & Wigginton Ward	20	2.42%
Heworth Ward	20	2.42%
Heworth Without Ward	11	1.33%
Holgate Ward	29	3.52%
Hull Road Ward	8	0.97%
Huntington & New Earswick Ward	17	2.06%
Micklegate Ward	35	4.24%
Osbaldwick & Derwent Ward	15	1.82%
Rawcliffe & Clifton Without Ward	19	2.30%
Rural West York Ward	8	0.97%
Strensall Ward	13	1.58%
Westfield Ward	33	4.00%
Wheldrake Ward	10	1.21%
Unknown	442	53.58%

Results can be split by ward but due to low numbers may not be statistically significant



**Demographics**

**Age**

Answer choices	Responses	Percentage of total response
Under 16	0	-
16-24	7	3%
25-39	56	27%
40-55	71	34%
56-59	18	9%
60-64	19	9%
65+	36	17%
Prefer not to say	26	-
Total	233	

**Carer**

Answer Choices	Responses	Percentage of total response
Yes	21	10%
No	188	90%
Prefer not to say	24	-
Total	233	

**Disability**

Answer choices	Responses	Percentage of total response
Yes	32	16%
No	172	84%
Prefer not to say	30	-
Total	234	

**Disability type (select all that apply)**

Answer choices	Responses	Percentage of total response
Physical impairment	10	4%
Sensory impairment	6	3%
Mental health condition	12	5%
Learning disability	<5	-
Long-standing illness or health condition	21	9%
Total	32	

**Served in the Armed Forces**

Answer Choices	Responses	Percentage of total response
Yes	12	6%
No	193	94%
Prefer not to say	28	-
Total	233	

**Gender**

Answer choices	Responses	Percentage of total response
Male	103	55%
Female	81	44%
Gender variant / Non binary	2	1%
Prefer not to say	47	-
Total	233	

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**Annex 5 2020/21 HRA Growth Proposals**

Portfolio	Council Priority	Growth Proposal	2020/21 £001	2021/22 £000	Total £000
<b>Housing Revenue Account Growth</b>					
Housing & Safer Neighbourhoods	Creating homes and world class infrastructure	<b>Building Repairs - Electrical Testing Programme</b> To commence a five year testing programme of electrical installations of domestic properties in line with ESR code of practice.	475	236	711
Housing & Safer Neighbourhoods	Creating homes and world class infrastructure	<b>Building Repairs - Water Hygiene Testing</b> To carry out annual risk assessments for legionella in all CYC domestic properties.	60	20	80
Housing & Safer Neighbourhoods	Creating homes and world class infrastructure	<b>Building Repairs - Budget Pressure</b> Additional budgetary provision to reflect current levels of housing reactive repairs	500		500
Housing & Safer Neighbourhoods	Creating homes and world class infrastructure	<b>Building Repairs - PIV Servicing</b> To provide a maintenance budget to cover the cost of servicing units installed in properties to reduce damp.	100	50	150
Housing & Safer Neighbourhoods	Creating homes and world class infrastructure	<b>Building Repairs - Apprenticeship Programme</b> This budget allows for the recruitment and retention of 15 apprentices over a five year period across Building Maintenance Service	67	33	100
Housing & Safer Neighbourhoods	An open and effective council	<b>Training Budget Increase</b> To help deliver the culture change across Housing Management Services to empower staff to best meet tenants' needs.	30		30
Housing & Safer Neighbourhoods	Creating homes and world class infrastructure	<b>Occupational Therapy Post 50% HRA funding</b> Improve the adaptations service to council tenants - speed up process / advice in house which would greatly improve outcomes for people with disability and help link services supporting these people.	17	8	25
Housing & Safer Neighbourhoods	Creating homes and world class infrastructure	<b>Additional staff capacity to support key priorities</b> Increase capacity across housing management to support key priorities including * Opportunities for estate regeneration working with communities to develop plans and identify funding streams * Policy support for improving energy efficiency in our housing stock and developing innovative models of social rented housing delivery * Improving the care of estates.	60	32	92
Housing & Safer Neighbourhoods	An open and effective council	<b>Housing ICT staff</b> Additional posts to ensure that the investment in the new Housing ICT system delivers the maximum improvements in terms of efficiency and improved services across the board for tenants.	95	45	140

<b>1,404</b>	<b>424</b>	<b>1,828</b>
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**Annex 6 2020/21 HRA Savings Proposals**

<b>Ref</b>	<b>Portfolio</b>	<b>Proposal Description</b>	<b>2020/21 Impact £000</b>	<b>2021/22 Impact £001</b>	<b>Total Saving Impact £'000</b>
HRA1	Housing & Safer Neighbourhoods	<b>Building Repairs - Technological Efficiencies</b> Use of smart mobile technology to increase workforce productivity	(73)	(36)	(109)
HRA2	Housing & Safer Neighbourhoods	<b>Building Repairs - Reduction in Sub-Contractor Spending</b> Reduce the need for sub-contractors using in-house staff to deliver repairs	(200)		(200)
HRA3	Housing & Safer Neighbourhoods	<b>Building Repairs - Reduction in Void Repair Costs</b> Targeted savings on time taken and cost incurred on making repairs to void properties	(100)		(100)
HRA4	Housing & Safer Neighbourhoods	<b>Building Repairs - Other Properties</b> Following the significant refurbishment of supported housing scheme the day to day revenue budget can be reduced	(20)		(20)
HRA5	Housing & Safer Neighbourhoods	<b>Housing Management - James House</b> the new Hostel facility will provide additional rental income along with reduced running costs from consolidated provision of service	(50)		(50)
HRA6	Housing & Safer Neighbourhoods	<b>Housing Management - Miscellaneous</b> Savings arising form additional lease property income and Right to buy admin charges	(10)		(10)
HRA7	Housing & Safer Neighbourhoods	<b>Community Safety</b> Deletion of part time vacant post in the Anti Social Behaviour hub funded from the HRA	(18)		(18)

(471)	(36)	(507)
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The 'Better Decision Making' tool has been designed to help you consider the impact of your proposal on the health and wellbeing of communities, the environment, and local economy. It draws upon the priorities set out in our Council Plan and will help us to provide inclusive and discrimination-free services by considering the equalities and human rights implications of the decisions we make. The purpose of this tool is to avoid decisions being made in isolation, and to encourage evidence-based decision making that carefully balances social, economic and environmental factors, helping us to become a more responsive and resilient organisation.

The Better Decision Making tool should be used when proposing new projects, services, policies or strategies, or significant amendments to them. The tool should be completed at the earliest opportunity, ideally when you are just beginning to develop a proposal. However, it can be completed at any stage of the decision-making process. If the tool is completed just prior to the Executive, it can still help to guide future courses of action as the proposal is implemented.

**The Better Decision Making tool must be attached as an annex to Executive reports. A brief summary of your findings should be reported in the One Planet Council / Equalities section of the report itself.**

Guidance to help you complete the assessment can be obtained by hovering over the relevant question.

Please complete all fields. If you wish to enter multiple paragraphs in any of the boxes, hold down 'Alt' before hitting 'Enter'.

#### Introduction

<b>Service submitting the proposal:</b>	Corporate Finance
<b>Name of person completing the assessment:</b>	Sarah Kirby/ Janie Berry
<b>Job title:</b>	Principal Accountant/ Director of Governance and Monitoring Officer
<b>Directorate:</b>	Customer and Corporate Services
<b>Date Completed:</b>	01/12/2019
<b>Date Approved (form to be checked by head of service):</b>	

#### Section 1: What is the proposal?

1.1	<b>Name of the service, project, programme, policy or strategy being assessed?</b> Financial Strategy 2020/21 to 2024/25
1.2	<b>What are the main aims of the proposal?</b> The Strategy sets out the revenue and capital expenditure plans for the period 2020/21 to 2024/25. The revenue budget includes proposals for 2020/21 and sets out savings/ efficiencies of £4m in order to set a legally balanced budget.
1.3	<b>What are the key outcomes?</b> 1. Confirm the council tax increase for 2020/21 2. Identify revenue savings for 2020/21 3. Ensure a financially prudent budget is set, addressing known pressures, including pay awards and inflationary pressures 4. confirm changes (increase/decrease) to fees and charges 5. Confirm the HRA budget and HRA rents 6. Confirm capital expenditure plans for 2020/21 to 2024/25

#### Section 2: Evidence

2.1	<b>What data / evidence is available to support the proposal and understand its likely impact?</b> (e.g. hate crime figures, obesity levels, recycling statistics) There were 825 respondents to the budget consultation referred to below in 2.2. Individual savings proposals are too numerous to comment on but are based on service specific customer data. Each individual saving proposal will undergo an assessment of the impact based on details bespoke to that specific service area/ identified saving
	<b>What public / stakeholder consultation has been undertaken and what were the findings?</b>

2.2	<p>The budget consultation was launched on 15 November and closed on 31 December for paper surveys and 12 January for online surveys. Further details are included in the main body of the budget report. All views and data gathered during the consultation will be published on the York open data platform <a href="http://www.yorkopendata.org">www.yorkopendata.org</a> and the summary will also be appended to the financial strategy report. During January 2020, a series of Executive Member decision sessions were held and served as an additional opportunity for members of the public to raise concern, comment and observations in respect of the various budget proposals.</p>
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2.3	<p><b>Are there any other initiatives that may produce a combined impact with this proposal?</b> (e.g. will the same individuals / communities of identity also be impacted by a different project or policy?)</p> <p>The Capital Strategy 2020/21 to 2024/25 report proposals will produce a combined impact with the Financial Strategy and therefore both are covered within this assessment.</p>
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**Section 3: Impact on One Planet principles**

Please summarise any potential positive and negative impacts that may arise from your proposal on residents or staff. This section relates to the impact of your proposal on the ten One Planet principles.

For 'Impact', please select from the options in the drop-down menu.

If you wish to enter multiple paragraphs in any of the boxes, hold down 'Alt' before hitting 'Enter'.

**Equity and Local Economy**

Does your proposal?		Impact	What are the impacts and how do you know?
3.1	<b>Impact positively on the business community in York?</b>	Positive	The Council has a statutory duty to consult with businesses on the council's budget. The survey was launched on 15 November and closed on 12 January. This was undertaken as part of the consultation referred to in the Financial Strategy report the council's priority is to support economic growth to increase business rates and create jobs. The Capital Strategy includes major capital schemes that will benefit the economy and are expected to have a positive impact.
3.2	<b>Provide additional employment or training opportunities in the city?</b>	Positive	As above.
3.3	<b>Help improve the lives of individuals from disadvantaged backgrounds or underrepresented groups?</b>	Mixed	All directorates were asked to consider the long term implications of a 2% per annum reduction in their controllable spend over the 4 year period 2020/21 to 2023/24. This included assessment of options, risks and links with priorities to ensure that savings proposals would minimise any impact to disadvantaged or under represented groups. Significant growth is included in the budget for Adult Social Care and one off investments for improvements to the services for children and young people. Service areas will be required to develop more detailed assessments on the likely impact on individuals from these groups.

**Health & Happiness**

Does your proposal?		Impact	What are the impacts and how do you know?
3.4	<b>Improve the physical health or emotional wellbeing of residents or staff?</b>	Neutral	Although savings proposals are included in relation to some adult social care and children's services. Many of these proposals are expected to be achieved through realignment of the budget (ie take advantage of grants or underspends) with no impact on service provision or by new operating models and therefore are not likely to have a negative impact. However these service areas will remain alive to any risk of impact in their areas should the need arise, will address this via the completion of an impact assessment.

3.5	<b>Help reduce health inequalities?</b>	Positive	The changes within the new operating model for adult social care seek to reduce dependencies on social care support through the provision of information and advice and earlier intervention to support, maintain or regain independence for those who are able. These changes are designed to improve outcomes for customers including those with one or more protected characteristic (particularly age and disability) and are expected to have a positive impact. For those who require ongoing support, the offer will be made more flexible and tailored to their needs. The service will be required to complete a more detailed impact assessment as the changes in the operating model are progressed.
3.6	<b>Encourage residents to be more responsible for their own health?</b>	Neutral	There are no savings proposals in relation to the public health budget. However all services will assess the impact on resident's health as part of their respective savings proposals.
3.7	<b>Reduce crime or fear of crime?</b>	Positive	There are no specific proposals included within the Financial Strategy which are likely to impact in this area. Growth has been included for a community engagement officer, purple flag accreditation and a safe and inclusive communities fund within ward committees, which are expected to have a positive impact.
3.8	<b>Help to give children and young people a good start in life?</b>	Positive	As stated in 3.4 the savings proposals are unlikely to have a negative impact. Growth is included in the budget to reduce the attainment gap, which are expected to have a positive impact on young people and promote equality of opportunity for those growing up in the city. As noted earlier, services will remain alive to any risk of impact in their areas should the need arise, will address this via the completion of an impact assessment.

#### Culture & Community

Does your proposal?		Impact	What are the impacts and how do you know?
3.9	<b>Help bring communities together?</b>	Positive	Growth in relation to a community engagement officer, purple flag attainment and a safe and inclusive communities fund is anticipated to have a positive impact in this area.
3.10	<b>Improve access to services for residents, especially those most in need?</b>	Positive	As already mentioned, the changes within the new operating model for adult social care seek to reduce dependencies on social care support through the provision of information and advice and earlier intervention to support, maintain or regain independence for those who are able. This is anticipated to have a positive impact.
3.11	<b>Improve the cultural offerings of York?</b>	Positive	Additional capital funding for the York Theatre Royal and one off investment in 'summer school' to deliver cultural education opportunities is anticipated to have a positive impact
3.12	<b>Encourage residents to be more socially responsible?</b>	Unsure	The significant investment in the climate change delivery programme will include programmes to encourage residents to be more socially responsible in relation to climate change.

#### Zero Carbon and Sustainable Water

Does your proposal?		Impact	What are the impacts and how do you know?
3.13	<b>Minimise the amount of energy we use and / or reduce the amount of energy we pay for? E.g. through the use of low or zero carbon sources of energy?</b>	Positive	The capital scheme includes an energy efficiency fund, the purpose of which is to complement existing/ new capital schemes, to enable the schemes to deliver higher environmental benefits. Significant revenue investment in the climate change delivery programme and it is anticipated to see a positive impact in this area.

3.14	<b>Minimise the amount of water we use and/or reduce the amount of water we pay for?</b>	Positive	See 3.13
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**Zero Waste**

Does your proposal?		Impact	What are the impacts and how do you know?
3.15	<b>Reduce waste and the amount of money we pay to dispose of waste by maximising reuse and/or recycling of materials?</b>	Positive	See 3.13. In addition additional growth in waste services including a review of waste collection, plastics and food waste.

**Sustainable Transport**

Does your proposal?		Impact	What are the impacts and how do you know?
3.16	<b>Encourage the use of sustainable transport, such as walking, cycling, ultra low emission vehicles and public transport?</b>	Positive	The Capital Strategy includes increased investment in sustainable transport schemes such as electric bus scheme, increase in electric vehicle charging points, Haxby Station and the national cycle network. One off growth is included to deliver a transport plan refresh which will consider how to maximise the use of sustainable transport in conjunction with the climate change delivery programme. Individual schemes will undergo an individual impact assessment.
3.17	<b>Help improve the quality of the air we breathe?</b>	Positive	As mentioned above there are sustainable transport schemes included in the budget which will have positive benefits on air quality but the overall impact on air quality is unknown as this will depend on other factors such as potential increase in traffic or congestion. However taken together with the significant investment in the climate change delivery programme it is anticipated this will result in positive outcomes.

**Sustainable Materials**

Does your proposal?		Impact	What are the impacts and how do you know?
3.18	<b>Minimise the environmental impact of the goods and services used?</b>	Unsure	The significant investment in the climate change delivery programme will consider what can be put in place to achieve this.

**Local and Sustainable Food**

Does your proposal?		Impact	What are the impacts and how do you know?
3.19	<b>Maximise opportunities to support local and sustainable food initiatives?</b>	Unsure	The significant investment in the climate change delivery programme will consider what can be put in place to achieve this.

**Land Use and Wildlife**

Does your proposal?		Impact	What are the impacts and how do you know?
3.20	<b>Maximise opportunities to conserve or enhance the natural environment?</b>	Unsure	There are no specific proposals included within the Financial Strategy which are likely to impact in this area. However capital schemes (eg Castle Gateway, York Central) are likely to have an impact in this area and all capital schemes within the capital strategy will be subject to significant programmes of work including the assessment of impact on new and future users. The significant investment in the climate change delivery programme will also consider what can be put into place to achieve this

3.21	<b>Improve the quality of the built environment?</b>	Unsure	As above
3.22	<b>Preserve the character and setting of the historic city of York?</b>	Unsure	As above
3.23	<b>Enable residents to enjoy public spaces?</b>	Unsure	As above
3.40	<b>Additional space to comment on the impacts</b>		

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**Section 4: Impact on Equalities and Human Rights**

Please summarise any potential positive and negative impacts that may arise from your proposal on staff or residents. This section relates to the impact of your proposal on **advancing equalities and human rights** and should build on the impacts you identified in the previous section.

For 'Impact', please select from the options in the drop-down menu.  
If you wish to enter multiple paragraphs in any of the boxes, hold down 'Alt' before hitting 'Enter'

**Equalities**

Will the proposal **adversely impact** upon 'communities of identity'?  
Will it **help advance equality** or **foster good relations** between people in '**communities of identity**'?

		Impact	What are the impacts and how do you know?
4.1	Age	Mixed	<p>Older People: A redesign of how the Council operates within Adult Social Care could impact on customers and staff. This are expected to have a positive impact as resources are targeted to priority areas. As the project progresses a specific assessment will continue to take place.</p> <p>Continued investment in Adult Social Care, Telecare, Extra Care Sheltered Housing and Disability Support are expected to have a positive impact on older people.</p> <p>Any increase in fees and charges could adversely impact on older people and their standard of living.</p> <p>Financial assessments are completed for Adult Social Care customers to ensure that people only contribute what they can afford.</p> <p>Young People: Any reduction in the level of home to school transport could have a negative impact on young people. Additional investment in 'summer school' and improvements to the children and young people service are expected to have a positive impact.</p> <p>As these projects progress assessments will continue to take place. There will be further detailed impact assessments by the respective service areas and it is expected that these will give further clarity based on evidence available as to likely impacts.</p>
4.2	Disability	Mixed	<p>A redesign of how the Council operates within Adult Social Care could impact on customers and staff. This are expected to have a positive impact as resources are targeted to priority areas. As the project progresses a specific assessment will continue to take place.</p> <p>Continued investment in Adult Social Care , Telecare, Extra Care Sheltered Housing and Disability Support are expected to have a positive impact on disabled people.</p> <p>Any increase in fees and charges could adversely impact on disabled people and their standard of living. Financial assessments are completed for Adult Social Care customers to ensure that people only contribute an amount they can afford.</p>
4.3	Gender	Mixed	<p>Customer data shows that a higher proportion of females use social care services, and that a higher proportion of carers are also female. Some of these carers will be council staff. Therefore proposed investment is expected to have a positive impact. However, this also means that females will be more adversely affected by any savings in these areas. The impacts identified under 'older people' will apply.</p>
4.4	Gender Reassignment	Neutral	It is not expected that there will be any impact.
4.5	Marriage and civil partnership	Neutral	It is not expected that there will be any impact.
4.6	Pregnancy and maternity	Neutral	It is not expected that there will be any impact.

4.7	<b>Race</b>	Neutral	It is not expected that there will be any impact.
4.8	<b>Religion or belief</b>	Neutral	It is not expected that there will be any impact.
4.9	<b>Sexual orientation</b>	Neutral	It is not expected that there will be any impact.
4.10	<b>Carer</b>	Mixed	A redesign of how the Council operates within Adult Social Care could impact on customers and staff. This should have a positive impact as resources are targeted to priority areas. As the project progresses a specific assessment will continue to take place. Continued investment in Adult Social Care , Telecare, Extra Care Sheltered Housing and Disability Support should have a positive impact on disabled people. Any increase in fees and charges could adversely impact on disabled people and their standard of living. Financial assessments are completed for Adult Social Care customers to ensure that people only contribute an amount they can afford.
4.11	<b>Lowest income groups</b>	Mixed	Although there are increases in council fees and charges, the Financial Strategy includes a provision for a York living wage to council staff and investment to assist care leavers with council tax payments
4.12	<b>Veterans, Armed forces community</b>	Neutral	It is not expected that there will be any impact.

<b>Human Rights</b>
Consider how a human rights approach is evident in the proposal

		Impact	What are the impacts and how do you know?
4.13	<b>Right to education</b>	Neutral	It is not expected that there will be any impact.
4.14	<b>Right not to be subjected to torture, degrading treatment or punishment</b>	Neutral	It is not expected that there will be any impact.
4.15	<b>Right to a fair and public hearing</b>	Neutral	It is not expected that there will be any impact.
4.16	<b>Right to respect for private and family life, home and correspondence</b>	Neutral	It is not expected that there will be any impact.
4.17	<b>Freedom of expression</b>	Neutral	It is not expected that there will be any impact.
4.18	<b>Right not to be subject to discrimination</b>	Neutral	It is not expected that there will be any impact.
4.19	<b>Other Rights</b>	Neutral	It is not expected that there will be any impact.

4.20	<b>Additional space to comment on the impacts</b>



**Section 4: Impact on Equalities and Human Rights**

Please summarise any potential positive and negative impacts that may arise from your proposal on staff or residents. This section relates to the impact of your proposal on **advancing equalities and human rights** and should build on the impacts you identified in the previous section.

For 'Impact', please select from the options in the drop-down menu.  
If you wish to enter multiple paragraphs in any of the boxes, hold down 'Alt' before hitting 'Enter'

**Equalities**

Will the proposal **adversely impact** upon 'communities of identity'?  
Will it **help advance equality** or **foster good relations** between people in '**communities of identity**'?

		Impact	What are the impacts and how do you know?
4.1	Age	Mixed	<p>Older People: A redesign of how the Council operates within Adult Social Care could impact on customers and staff. This are expected to have a positive impact as resources are targeted to priority areas. As the project progresses a specific assessment will continue to take place.</p> <p>Continued investment in Adult Social Care, Telecare, Extra Care Sheltered Housing and Disability Support are expected to have a positive impact on older people.</p> <p>Any increase in fees and charges could adversely impact on older people and their standard of living.</p> <p>Financial assessments are completed for Adult Social Care customers to ensure that people only contribute what they can afford.</p> <p>Young People: Any reduction in the level of home to school transport could have a negative impact on young people. Additional investment in 'summer school' and improvements to the children and young people service are expected to have a positive impact.</p> <p>As these projects progress assessments will continue to take place. There will be further detailed impact assessments by the respective service areas and it is expected that these will give further clarity based on evidence available as to likely impacts.</p>
4.2	Disability	Mixed	<p>A redesign of how the Council operates within Adult Social Care could impact on customers and staff. This are expected to have a positive impact as resources are targeted to priority areas. As the project progresses a specific assessment will continue to take place.</p> <p>Continued investment in Adult Social Care , Telecare, Extra Care Sheltered Housing and Disability Support are expected to have a positive impact on disabled people.</p> <p>Any increase in fees and charges could adversely impact on disabled people and their standard of living. Financial assessments are completed for Adult Social Care customers to ensure that people only contribute an amount they can afford.</p>
4.3	Gender	Mixed	<p>Customer data shows that a higher proportion of females use social care services, and that a higher proportion of carers are also female. Some of these carers will be council staff. Therefore proposed investment is expected to have a positive impact. However, this also means that females will be more adversely affected by any savings in these areas. The impacts identified under 'older people' will apply.</p>
4.4	Gender Reassignment	Neutral	It is not expected that there will be any impact.
4.5	Marriage and civil partnership	Neutral	It is not expected that there will be any impact.
4.6	Pregnancy and maternity	Neutral	It is not expected that there will be any impact.

4.7	<b>Race</b>	Neutral	It is not expected that there will be any impact.
4.8	<b>Religion or belief</b>	Neutral	It is not expected that there will be any impact.
4.9	<b>Sexual orientation</b>	Neutral	It is not expected that there will be any impact.
4.10	<b>Carer</b>	Mixed	A redesign of how the Council operates within Adult Social Care could impact on customers and staff. This should have a positive impact as resources are targeted to priority areas. As the project progresses a specific assessment will continue to take place. Continued investment in Adult Social Care , Telecare, Extra Care Sheltered Housing and Disability Support should have a positive impact on disabled people. Any increase in fees and charges could adversely impact on disabled people and their standard of living. Financial assessments are completed for Adult Social Care customers to ensure that people only contribute an amount they can afford.
4.11	<b>Lowest income groups</b>	Mixed	Although there are increases in council fees and charges, the Financial Strategy includes a provision for a York living wage to council staff and investment to assist care leavers with council tax payments
4.12	<b>Veterans, Armed forces community</b>	Neutral	It is not expected that there will be any impact.

Human Rights	
Consider how a human rights approach is evident in the proposal	

	Impact	What are the impacts and how do you know?
4.13	<b>Right to education</b>	Neutral It is not expected that there will be any impact.
4.14	<b>Right not to be subjected to torture, degrading treatment or punishment</b>	Neutral It is not expected that there will be any impact.
4.15	<b>Right to a fair and public hearing</b>	Neutral It is not expected that there will be any impact.
4.16	<b>Right to respect for private and family life, home and correspondence</b>	Neutral It is not expected that there will be any impact.
4.17	<b>Freedom of expression</b>	Neutral It is not expected that there will be any impact.
4.18	<b>Right not to be subject to discrimination</b>	Neutral It is not expected that there will be any impact.
4.19	<b>Other Rights</b>	Neutral It is not expected that there will be any impact.

4.20	<b>Additional space to comment on the impacts</b>





## RISK ASSESSMENT

Risk	Likelihood	Seriousness	How we will manage the risk
Budgets across the Council are overspent due to external pressures eg increased clients in adult care (KCR 1, 3 and 4)	Medium	High	<ul style="list-style-type: none"> <li>• regular monitoring with corrective action</li> <li>• robust financial management/prudent budget setting</li> </ul>
Budgets across the Council are overspent due to mitigations not being delivered as outlined in monitoring reports (KCR1)	Medium	High	<ul style="list-style-type: none"> <li>• regular monitoring with corrective action</li> </ul>
All Savings are not achieved, or delayed, due to reduced management and support services capacity to deliver (KCR1)	High	High	<ul style="list-style-type: none"> <li>• regular budget monitoring focused on high risk areas to identify issues at an early stage</li> <li>• where savings are not achieved ensure alternative savings identified</li> <li>• regular monitoring with corrective action at DMTs</li> <li>• effective project management</li> </ul>
Delays in implementing new operating models mean that savings are not delivered in the timescales forecast (KCR 1)	High	Medium	<ul style="list-style-type: none"> <li>• regular monitoring with corrective action at relevant DMTs and CMT</li> <li>• effective project management</li> </ul>

Underperformance of Better Care Fund schemes results in additional costs for Adult Social Care. (KCR 3)	High	High	<ul style="list-style-type: none"> <li>• regular monitoring with corrective action</li> <li>• effective project management</li> </ul>
Continued pressure on income and grant budgets (KCR1)	Medium	Medium	<ul style="list-style-type: none"> <li>• regular budget monitoring to identify trends</li> </ul>
Potential for reserves to go below minimum levels due to budgets being exceeded (KCR1)	Low	High	<ul style="list-style-type: none"> <li>• ensure minimum levels are maintained</li> <li>• robust financial management/prudent budget setting</li> </ul>
Costs of redundancy/retirement as a result of service changes exceed budget (KCR1)	Low	Medium	<ul style="list-style-type: none"> <li>• provision made for costs of retirement/redundancy in budgets</li> </ul>
Capital costs may have to be charged to revenue, should a scheme not progress to completion. (KCR7)	Medium	High	<ul style="list-style-type: none"> <li>• ensure adequate levels of reserves maintained</li> <li>• effective project management</li> </ul>
Increased costs of borrowing due to increase in the capital programme (KCR7)	Medium	High	<ul style="list-style-type: none"> <li>• ensure adequate levels of reserves maintained</li> <li>• robust financial management/prudent budget setting</li> </ul>

Short or medium term cashflow impact due to increase in the capital programme (KCR7)	Medium	High	<ul style="list-style-type: none"> <li>• ensure adequate levels of reserves maintained</li> </ul>
Implications of Brexit (KCR 13)	Medium	Medium	<ul style="list-style-type: none"> <li>• Regular monitoring</li> </ul>

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## Executive

13 February 2020

Report of the Corporate Finance & Commercial Procurement Manager  
(Interim S151 officer)  
Portfolio of the Executive Member for Finance and Performance

## Capital Budget 2020/21 to 2024/25

### Summary

1. The Council Plan for 2019-23 was formally approved by Full Council on Thursday 31 October 2019 following consultation with residents, businesses and staff, based on our statutory responsibilities and the priorities of our administration. The plan is built around eight key outcomes.
2. This report sets out the Capital Strategy for 2020/21 to 2024/25, and in particular sets out new capital schemes. Over £55m will be added to the Council's Capital Budget to support the objectives outlined in the new Council Plan, including £6.6m on procuring greener waste vehicles, £3m to develop the Northern Forest, £2.682m to progress the Castle Gateway scheme and £12.8m on highways schemes. Specific examples of capital investment include:
  - **Good Health & Wellbeing** – additional capital investment of over £4m, including £200k to trial the use of robotics to improve the quality of social care and to support adult social services, and over £3m on a range of schemes including assistance to older & disabled people schemes, disabled facilities grants, telecare equipment, and major items of disability equipment to support vulnerable residents.
  - **A Better start for Children and Young People** – capital investment of £600k to improve school buildings across the city, focussing on accessibility, and make adaptations to foster carer homes in the city.

- **Safe Communities and Culture for all** – capital investment of over £2m including £1m towards city centre access measures, £314k on CCTV asset replacement, additional investment of £500k toward the York Theatre Royal improving their accessibility and the sustainability of their premises and an additional £25k will contribute to the refurbishment of the National Centre for Early Music.
  - **A Greener and Cleaner City** – capital investment of over £12m to develop new initiatives to reduce carbon emissions, including over £6m to procure greener waste vehicles, £3m for the development of the Northern Forest, and £250k to fit carbon reduction technology on Council assets.
  - **Getting around sustainably** - capital investment of nearly £22m including over £20m for a range of highways schemes including repairs and improvement to the highways network, the creation of a reactive pothole repair team, investment in gully repair and drainage works and further investment in the Bar Walls, £230k to look at options for traffic control/ reduction and public realm improvements in the Bishophill/ Micklegate area, and £635k to install new electric vehicle charging stations around the city.
  - **Creating homes and world class infrastructure** – capital investment of over £10m, including over £7 million to increase the scale of modernisation works to Council housing stock and £2.682m to progress the Castle Gateway scheme.
  - **An Open and effective Council** - capital investment of over £4.3m to support the Council's digital programme and support change in a range of front line services.
  - **Well Paid Jobs and an Inclusive economy** – capital investment of £260k in 29 Castlegate to repair and restore a Council owned asset that has been vacant to allow it to be brought back into use. This will provide local businesses with the opportunity to undertake some work on the Council's behalf.
3. Further details on the schemes referred to above can be found in the body of this report.
  4. As set out within this report and the Revenue Strategy report also on this agenda, the budget reflects significant investment in a number of critical

areas, with a focus on frontline services such as highways, housing, schools, drainage and street lighting, alongside investment in developing the economy of York through major regeneration schemes. This report sets out **£55.730m of new investment over the 5 year period**, of which £5.470m is externally funded, £9.605m is met from the Housing Revenue Account, with **£40.655m** to be funded by Council borrowing.

5. It should be noted that a number of other major schemes not considered in detail within this report will be brought forward as individual reports to members, including York Central, the Guildhall, Castle Gateway, the Community Stadium, York Station frontage and York outer ring road and dualling as set out at paragraphs 111 – 123.

## Recommendations

6. The Executive is requested to recommend that Council:
  - Agree to the revised capital programme of **£559.617m** that reflects a net overall increase of **£55.730m** (as set out in paragraph 89 table 12 and in Annex A). Key elements of this include:
    - New schemes funded by prudential borrowing totalling £14.645m as set out in tables 3 and summarised in table 12
    - New schemes funded by a combination of both prudential borrowing and external funds of £695k as set out in table 4 and summarised in table 12;
    - Extension of prudential borrowing funded Rolling Programme schemes totalling £12.485m as set out in table 5 and summarised in table 12;
    - Extension of externally funded Rolling Programme schemes totalling £5.300m as set out in table 6 and summarised in table 12;
    - An increase in HRA funded schemes totalling £9.605m funded from a combination HRA balances/Right to Buy receipts as set out in table 7 and summarised in table 12
  - Note the total increase in Council borrowing as a result of new schemes being recommended for approval is £40.655m the details of which are considered within this report and the financial strategy report

- Approve the full restated programme as summarised in Annex B totalling **£559.617m** covering financial years 2020/21 to 2024/25 as set out in table 13 and Annex B

## Background

7. The current 2019/20 – 2023/24 capital programme was approved by Council on 28 February 2019. Since then a number of amendments have taken place as reported to the Executive up to and including the 2019/20 Capital Monitor 3 report also on this agenda. The changes made as a result of the above reports have resulted in a current approved capital programme for 2019/20 – 2023/24 of £625.343m, financed by £263.103m of external funding and Council controlled resources of £362.240m. Table 1 illustrates the current approved capital programme profile from 2019/20 – 2023/24 as of capital monitor 3 2019/20.

	19/20	20/21	21/22	22/23	23/24	Total
	£m	£m	£m	£m	£m	£m
<b>Gross Capital Programme</b>	<b>121.456</b>	<b>139.815</b>	<b>173.759</b>	<b>128.560</b>	<b>61.753</b>	<b>625.343</b>
Funded by:						
External Funding	37.836	38.663	96.667	67.601	22.336	<b>263.103</b>
Council Controlled Resources	83.620	101.152	77.092	60.959	39.417	<b>362.240</b>
<b>Total Funding</b>	<b>121.456</b>	<b>139.815</b>	<b>173.759</b>	<b>128.560</b>	<b>61.753</b>	<b>625.343</b>

**Table 1 – Funding Position of approved 2019/20 – 2023/24 Capital programme**

8. The majority of external funding is comprised of Government Grants, including those from the Department for Transport and Department for Education and Skills. Council controlled resources comprise of Housing Revenue Account (HRA) funds, prudential borrowing and capital receipts. There are some specific earmarked receipts that are critical, in particular in relation to the older persons programme. Additionally Members decided to ultimately finance the purchase of property at Hospital Fields Road and Swinegate from capital receipts. Therefore all future capital receipts are



assumed to be used for this purpose in the medium term. This strategy will deliver significant revenue savings, and reduce the need for service savings within the revenue budget.

## Options

9. This report sets out the new capital investment proposals for the 5 year period covering 2020/21 to 2024/25. Members can choose to approve or reject the recommendations made to Council as a result of the amendments contained in this report. It should be noted that it is a statutory requirement for the council to set a capital budget for the forthcoming year (2020/21) per Local Government Act 2003 (revised).

## Summary of Proposed Capital Investment

10. The capital budget process invited proposals from the departments asking to submit requests for the Councils main capital priorities. Of the 41 proposals going forward 34 are asking for direct council funding, this is comprised of 15 proposals for extensions to existing schemes and 19 proposals for new schemes.
11. In total, proposals have been made that would increase the existing 2020/21 – 24/25 Capital Programme by **£55.730m**. The proposals are comprised as follows:
  - General Fund schemes requiring financing by Council borrowing **£40.655m**
  - General Fund Schemes financed by external funds **£5.470m**
  - Housing Revenue Account schemes financed by HRA funds **£9.605m**

## Key scheme proposals

12. The table below summarises the key proposals that result in an increase to the capital programme of **£55.730m** split by type. Further details of the individual schemes can be found later in the report at the following references:

Type	Total Value	Further Details
	<b>£000</b>	
<b>New Schemes – Prudentially Borrowed</b>	14,645	Table 3
<b>New Schemes – Match Funded (Element of both External &amp; CYC funding)</b>	695	Table 4
<b>Rolling Programme – Prudentially Borrowed</b>	25,485	Table 5
<b>Rolling Programme – Externally Funded</b>	5,300	Table 6
<b>Housing Revenue Account (HRA) Schemes – Funded by HRA resources</b>	9,605	Table 7
<b>Total Increase in Capital Programme</b>	<b>55,730</b>	

***Table 2 – Summary of New Proposals and Increase in Capital Programme***

13. Overall this report proposes new capital schemes totalling **£55.730m** which result in a net increase to the Capital Programme of the same amount. Details of all schemes can be seen in the accompanying annex that sets out the purpose of each scheme and is summarised on table 12.

## Detailed Consideration of Proposed Investment, and Financial Implications

### New Schemes – Prudential Borrowing

14. As part of this year's capital budget process a number of proposals have been received that require discretionary prudential borrowing. These are set out in **table 3** below.

<b>Scheme Type / Description</b>	<b>Total Value</b>	<b>Financial Year</b>
	<b>£000</b>	
<b>Proof of concept for robotics &amp; Artificial Intelligence (AI) within Social Care</b>	200	20/21 – 21/22
<b>Options for Traffic Control/ Reduction and Public Realm improvements in Bishophill/ Micklegate area</b>	230	20/21
<b>Adaptions to Foster Carer Homes</b>	100	20/21
<b>Improving School Accessibility</b>	500	20/21
<b>Registry Office Phase 2 Refurbishment</b>	80	20/21
<b>Waste Vehicle Replacement</b>	6,600	20/21 – 23/24
<b>EV Charging Asset Replacement</b>	635	20/21
<b>A19 Flood Alleviation Enhancement</b>	48	20/21
<b>Flood Sign Renewal and Rainfall Monitoring</b>	200	20/21

<b>Northern Forest</b>	3,000	20/21 – 23/24
<b>Castle Gateway</b>	2,682	20/21
<b>29 Castlegate</b>	270	20/21
<b>Hazel Court Welfare Facilities</b>	100	20/21
<b>New Proposals Requiring Prudential Borrowing</b>	<b>14,645</b>	

***Table 3 – Summary of New Proposals Requiring Prudential Borrowing Funding***

15. An overview of each new scheme being proposed is set out in the following paragraphs:
16. **Proof of Concept for Robotics & Artificial Intelligence (AI) within Social Care (Total £200k - £100k each year 20/21 - 21/22)** – Robotics has been suggested as a way to help improve the quality of social care in the UK and to manage increasing pressures on services. Robotics is a broad field covering different aspects of the use of robots that can operate with varying levels of autonomy and machine learning technologies. Using robotics could reduce social care costs by enabling residents to stay in their homes longer, preventing hospitalisation through falls and reducing staffing costs by automating a greater number of tasks.
17. This bid proposes an 18-month proof of concept for a select number of robotics within adult social care. A number of Internet of Things (IoT) trials are happening across the council, and York has the opportunity to become a leading provider in this area with sensors and robotics within adult social care.

18. This is subject to a further report being brought back to the relevant Executive Member later in the year setting out the detailed proposals of the scheme
19. **Options for Traffic Control/ Reduction and Public Realm Improvements in Bishophill/ Mickelgate area (£230k in 20/21) -** Feasibility work has already been undertaken to determine the best solution for this location. Options considered include installing a like-for-like replacement of rising bollards; removal of restrictions and improvements to public realm; and a partial closure with varied access restrictions. The final solution will be subject to a decision by the Executive Member for Transport. These funds will cover the capital costs of undertaking the civil construction, technology installation, archaeological related tasks, as well as the project management costs associated with implementation. If the chosen solution includes a technology element (rising bollards) there will be a requirement to procure a maintenance contract to ensure continued operation for the life of the asset.
20. **Adaptions to Foster Carer Homes (£100k 20/21) –** This scheme relates to “connected carers” where relatives take on care for a child within their extended family. This funding will allow any necessary adaptations to be made to a home to enable a child or young person to be accommodated with family members instead of being placed in a foster or other care home.
21. **Improving School Accessibility (£500k 20/21) –** This scheme is designed to address accessibility issues in York maintained schools that are operating in historic buildings and are unable to meet their responsibilities under the Equality Act, 2010. If left unaddressed the local authority is likely to be subject to discrimination claims from the families of children with special educational needs and/or disabilities who may be unable to access the school of their choice
22. This is subject to a further report being brought back to Executive later in the year setting out the detailed proposals of the scheme
23. **Register Office Phase 2 refurbishment (£80k 20/21) –** Phase 1 of the refurbishment was completed in March 2018 but has left some areas unmodernised. Changes were made to make better use of the space to

accommodate staff and to improve facilities for our customers who use the Register Office for ceremonies and to register life events.

24. The larger of our ceremony rooms was unchanged and is now looking tired compared to the refurbished rooms. The toilet facilities have not been updated, do not reflect the high standard expected from a respected ceremony venue and have prompted several negative comments. A number of repairs have had to be carried out leaving the facilities temporarily unavailable on occasion. In addition, the facilities in the interview rooms where families attend to register births, deaths and give notice of marriage were only partially updated.
25. The repository, for which the service has a statutory duty to store records safely and securely, holds civil registers dating back to 1837. These records need to be accessed daily in order to produce copy certificates of births, deaths and Marriages. The repository is running out of space and the shelving is starting to collapse in places. Changes to marriage legislation which will be introduced at the end of 2019 mean that registers from all York churches and chapels will need to be collected and stored in the same repository. This will increase the problem but could be solved with a new, built for purpose racking system, making optimum use of the available space.
26. **Waste Vehicle Replacement (£6.600m 20/21)** – The purpose of this scheme is to highlight the need for renewal of the refuse collection vehicle within the waste service ensuring the service has a sustainable fleet that maximises value for money and remains environmentally and energy efficient.
27. It is proposed that at least three of the replacement vehicles purchased are electric powered. The technology for electric vehicles in refuse collection is still in its infancy and therefore there is too great a risk in upgrading the whole fleet to electric. The performance of the electric vehicles will be monitored carefully in advance of future purchases. The investment includes upgrade to facilities at Hazel Court to provide charging point infrastructure for the vehicles.
28. This is subject to a further report being brought back to Executive later in the year setting out the detailed proposals of the scheme

29. **Electric Vehicle Charging Asset Replacement (£635k 20/21)** – The Council's electric vehicle charging asset is life-expired and has therefore become unreliable and difficult to maintain. This scheme involves replacing life-expired charging points with new installations at the same location. It is proposed to replace the existing electric vehicles charging points at the following locations:
- Askham Bar Park and Ride
  - Bootham Row Car Park
  - Grimston Bar Park and Ride
  - Monks Cross Park and Ride
  - Nunnery Lane Car Park
  - Poppleton Bar Park and Ride
  - Rawcliffe Bar Park and Ride
  - York Designer Outlet
30. A total of 17 charging points will be replaced at these 8 locations. The new charging points will not only be more reliable and maintainable, but they will feature modern connectivity options, increasing the availability of the charging points to more users. £235k is the sum required to replace these assets, including installation of technology, updating back office systems, refreshing appropriate signage, project management costs, and other associated costs.
31. In addition to the replacement of life expired assets, an amount of £150k is sought to enable the expansion of charging provision at Grimston Bar Park and Ride site. This sum would cover the infrastructure required to power new charging points at this location.
32. A further £250k is sought to expand charging provision at locations yet to be identified through the upcoming 'Electric Vehicle Charging Strategy'. This sum would enable early implementation of charging points in key areas to support the delivery of this strategy in its first year. It is envisaged that further funding will be sought from a variety of sources to support the upcoming strategy beyond 2020/21. Assigning this funding enables an immediate start to achieving the goals of this strategy in 2020/21.
33. This is subject to a further report being brought back to the relevant Executive Member later in the year setting out the detailed proposals of the scheme

34. **A19 Flood Alleviation Enhancement (£48k 20/21)** – It is proposed to purchase a dedicated pump to manage surface water flooding issues on the A19 to complement the flood alleviation works delivered in the area. The Council has worked closely with developers to develop flood alleviation works on the A19 at Germany Beck Fulford. The works have been delivered by the developer through the arrangement of retaining walls and highway features developed during the works to construct the access road into the housing development
35. **Flood Sign Renewal and Rainfall Monitoring (£200k 20/21)** –The council have statutory responsibilities under the Flood and Water Management Act 2010 as a Lead Local Flood Authority and the Civil Contingencies Act 2004 in preparing for, responding to, recovering from, and investigating flooding incidents. The 2015 independent York Flood Inquiry and the section 19 investigation for the August 2018 surface water incident emphasised the need for improving how the Council investigates flooding incidents, responds to and warns and informs the public about flooding
36. With the frequency of storm events and higher river levels likely to become more frequent due to climate change, the funding would support Council officers in Highways, Flood Risk Management, and Emergency Planning to fulfil statutory duties. The capital bid would be used to procure:
- a selection of electronic flood signs and refresh existing permanent signs along the River Ouse
  - a technological product to support monitoring, responding to, and investigating rainfall incidents e.g. a rain gauge network or radar based web browser system
37. This would allow the Council to be able to more effectively deliver statutory responsibilities by:
- providing a more visually stimulating network of flood signs to warn the risk of river flooding to residents and road users within the city centre and villages
  - decreasing the amount of time spent by operational staff deploying flood signs and the likelihood of health and safety related injuries
  - utilising real time rainfall flood forecasting to understand surface water impacts to residents, businesses, and transport and cycle routes



- a potentially increased ability to prioritise where and when to respond to surface water incidents
  - being able to more effectively investigate surface water incidents
  - assessing climate change impacts to York through recording monthly rainfall totals within the Council's boundary
38. This is subject to a further report being brought back to Executive later in the year setting out the detailed proposals of the scheme
39. **Northern Forest (Total £3,000k - £600k each year 20/21 – 24/25)** – This bid is to enable purchase or utilise pieces of land, already in the council's ownership, that are suitable for planting trees. The budget would cover the cost of planting new trees and replacing diseased trees as the council's contribution to the White Rose Forest initiative. The White Rose Forest has 3 aspirations:
- Leadership for sustainable economic development,
  - Social wellbeing
  - Facing Climate change.
40. A York tree planting programme has the opportunity to contribute to all three Aspirations through large scale planting, investment in new street trees and responding to the changing environment e.g. Ash dieback.
41. **Castle Gateway (£2,682k in 20/21)** - The Castle Gateway masterplan will transform a large area of the city centre that has endured three decades of failed private sector proposals. Approved by the council's Executive in April 2018, the regeneration will create new high quality public realm and event spaces, significantly improve the setting of our heritage assets, improve cycle and pedestrian routes throughout the area, and reduce and consolidate car parking in to a modern multi-storey car park (MSCP) outside of the inner-ring road. A report considered by Executive in January 2020 recommended investment to fund the next stage of design at both the multi story car park and Castle Mills housing scheme and associated procurement. The financial implications from that Executive decision are incorporated within this report.

42. **Early Years Support Schemes (£30k in 20/21)** - The purpose of this scheme is to support infrastructure and equipment purchase in early years settings.
43. **29 Castlegate (£270k in 20/21)** - The project to renovate 29 Castlegate will restore a substantial council owned period property that has been vacant and is in need of repair to make use of such. The condition of the building both internally and externally is deteriorating whilst unoccupied. The premises is located adjacent to the Coppergate Centre in the city centre, close to occupiers such as Topshop and Fenwicks, as well as tourist attractions including Clifford's Tower.
44. Given the scale of investment, this will be subject to a further report to Executive or relevant Executive Member setting out the proposals, including consideration of the benefits and disadvantages of different uses of the building, including commercially and/ or for the community.
45. Utilising the property fully will serve to enhance the surrounding streetscape, bringing new business into the property/ area. The council's construction and design team estimate to carry out a refurbishment of the property to bring it to a lettable condition which would provide alterations to the office space to provide an optimal layout in the market would cost £170k, whilst a further £100k may be needed for structural works, although further investigation and monitoring needs to be undertaken. They also estimate that to bring the property into basic use a budget of £120k would be needed and again a further £100k, should be allowed for structural repairs.
46. **Hazel Court Welfare Facilities (£100k in 20/21)** – This bid is in response to staff feedback around existing welfare facilities at Hazel Court and provides a long term solution, where previous work has not resolved the issue. The scheme will reconfigure existing internal accommodation to improve the staff welfare facilities within the Amenity Block by the provision of additional showers, drying and changing space for both frontline and office based staff. This will align the facilities available to staff at Hazel Court more closely to those based at West offices. This will improve wellbeing by encouraging staff to use sustainable travel options in all seasons.

### **New Schemes – Match Funded**

47. As part of this year's capital budget process a number of proposals which would be funded both externally and with a Council contribution. These are set out in **table 4** below.

<b>Scheme Type / Description</b>	<b>Total External element</b>	<b>Total CYC element</b>	<b>Financial Year</b>
	<b>£000</b>	<b>£000</b>	
<b>York Theatre Royal</b>	-	500	20/21
<b>National Centre for Early Music</b>	170	25	20/21
<b>Total New Match Funded Proposals</b>	<b>170</b>	<b>525</b>	

***Table 4 – Summary of new proposals funded by both external and CYC funding***

48. **York Theatre Royal (£500k CYC funded)** – In 2016 the Council wrapped up its funding for the following 4 year period in a capital grant. The Theatre used this as a contribution to its refurbishment scheme and, in particular, to develop new revenue schemes. This has been very successful and facilitated a reduced requirement for support over the next 4 year period. This capital grant will build on the previous support, increasing the theatre's accessibility, environmental sustainability and financial resilience, improving the theatre's long-term sustainability. An update report will be brought to the relevant Executive Member in March.
49. **National Centre for Early Music (£195k total 20/21, £170k externally funded, £25k CYC funded)** – This bid is to support the National Centre for Early Music (NCEM) in taking forward a refurbishment of this important cultural venue. It will provide match funding that will lever in more substantial funding from the Arts Council England and other sources. The refurbishment will address the sustainability of the centre, reducing energy consumption, as well as updating IT systems in order to provide more effective controls for heating and lighting. The refurbishment will

also provide improved access for disabled people. Finally, it will provide improved customer facilities, including upgraded catering / hospitality facilities, so that NCEM can continue to increase commercial income and thereby improve its financial sustainability

### **Rolling Programme Schemes – Prudential Borrowing**

50. The 2019/20 – 2023/24 capital programme contained a number of rolling programme schemes that require funding on an ongoing basis. This report extends the rolling capital programme to 2024/25 and also proposals have been received to increase the level of currently approved rolling programme schemes by adding additional years across a number of financial years, these schemes are set out in the table below:

<b>Scheme Type / Description</b>	<b>Total Value</b>	<b>Financial Year</b>
	<b>£000</b>	
<b>Fleet Equipment &amp; Compliance – Hazel Court Weighbridge</b>	50	20/21
<b>Fleet Equipment &amp; Compliance – Vehicle Lift</b>	42	20/21
<b>Highways Schemes</b>	12,830	20/21 – 24/25
<b>Drainage</b>	200	24/25
<b>Gully Repair Engineering Works</b>	3,500	24/25
<b>Bar Walls – Presentation, Lighting &amp; Safety</b>	264	20/21 – 23/24
<b>Bar Walls – Presentation &amp; Safety Station Ave Arch Eastbound</b>	500	20/21 – 21/22
<b>Replacement of Unsound Lighting Columns</b>	888	20/21 – 24/25

<b>CCTV Asset Replacement</b>	314	20/21 – 21/22
<b>Asset Maintenance</b>	370	20/21 – 24/25
<b>Carbon Reduction – Energy Efficiency</b>	250	24/25
<b>Disabled Facilities Grant</b>	475	24/25
<b>Disability Support Budget</b>	260	24/25
<b>Major Items of Disability Equipment</b>	147	24/25
<b>Telecare Equipment</b>	275	24/25
<b>ICT Rolling Programme</b>	3,670	20/21 – 24/25
<b>Project Support Fund</b>	200	24/25
<b>Contingency</b>	250	20/21
<b>City Centre Access Measures</b>	1,000	20/21
<b>Total Rolling Programme Schemes</b>	<b>25,485</b>	

***Table 5 – Summary of Rolling Programme Proposals Requiring Prudential Borrowing Funding***

51. All of the £25.485m of rolling programme scheme bids will require revenue growth to fund (to support the prudential borrowing), the revenue implications are contained in the Financial Strategy 2020/21 – 2024/25 report also on this agenda.

52. An overview of each scheme being proposed is set out in the following paragraphs:
53. **Fleet Equipment & Compliance – Hazel Court Weighbridge (£50k 2020/21)** – This scheme is to provide a weighbridge which would allow drivers to weigh their vehicles when entering or leaving Hazel Court, in order to ensure that drivers can remain compliant when driving on the public highway.
54. It would also assist the workshops in the repair of vehicles in the way of calibrations which would mean faster vehicle repair times and less downtime as currently we are having to go off site to complete these calibrations.
55. There is also potential to bring in revenue to the council as this can be offered as a service to other organisations
56. **Fleet Equipment & Compliance – Vehicle lift (£42k 2020/21)** – This scheme is for the supply of an additional fixed asset vehicle lift capable of lifting laden refuse vehicle, this would double existing capacity in the workshops to allow for busy periods where multiple HGV MOT preparations are ongoing at the same time, as well as routine 6/7 week inspections. This would also serve to assist business continuity in the event of mechanical equipment breakdowns.
57. It would also enhance the mechanics capabilities to inspect the vehicles when prepping them for an MOT and create the same environment that a DVSA tester would do when testing the vehicles giving us the best possible chance to gain a first time pass. It would also create a more robust environment for vehicles to be safety inspected which again is a statutory obligation as promised to the Traffic Commissioner as part of being a large goods operator. Finally, vehicle downtime would reduce as mechanics would not have to share or wait for vehicle lifts in busy periods
58. **Highways Schemes (Total £12.830m, 2020/21-24/25)** – The purpose of this budget is to deliver a range of additional highway schemes including carriageway, footway and traffic signal renewal targeted to deliver wholesale repair and renewal of areas of the network to prevent further deterioration in condition. The scheme will present an opportunity to address highway maintenance needs in a planned and proactive way and

address the current bias towards reactive response and repair, this updates and addresses the network maintenance requirements evidenced by the TAMP lifecycle analysis. With this investment the total investment for highways for the next 5 years equates to £25,780k.

59. As part of the additional investment it is proposed to employ a further Reactive Pothole Team at a cost of c £275k to increase the number of potholes that can be repaired. This is subject to a further report being brought back to the Executive Member later in the year setting out the detailed proposals of this scheme
60. **Drainage (£200k 2024/25)** – To continue funding the restoration of the Council’s drainage infrastructure supporting the findings of the Surface Water Management Plan. This funding reflects the amount of work that can realistically be done using the available resources within the Council where there is extensive local knowledge
61. **Gully Repair Engineering Works (Total £3.500m, 2020/21–24/25)** – A rolling programme of capital funded drainage survey and investigation works has led to significant improvements of the cities highway gullies and has provided detailed information to identify the condition of the assets and their long term maintenance needs.
62. It is calculated that more than £8m of investment will be needed over 12 years to address all defective assets on a priority/needs based approach, and the funding included is based on two additional works gangs and materials
63. **Bar Walls – Presentation, Lighting & Safety (Total £264k, 2020/21-23/24)** - This bid would fund a scheme to improve the presentation and security of the City Walls and engage wall users in the conservation needs of the nationally-significant ancient monument. The scheme will restore the system of locks on the City Walls, trial systems of pest management in the Bars and restore the historic decorative schemes of the armorials and heraldry at the Bars.
64. In addition, this scheme will deliver a visual language and tone of voice, designed in the spirit of the Council and the City Walls, to act as a catalyst for rationalising existing signage and to engage wall users (and potential wall users) with the City Walls and the work the Council does to care for them and open them to the public.

65. A plan has been developed to upgrade the existing Bar Walls floodlighting system to a sustainable and sympathetic, LED colour changing system. The proposed floodlighting system is bespoke and will be designed to complement to architectural and historic significances of the walls. The colour-changing nature of the system means that the Bar Walls could be lit in particular colours to celebrate or commemorate historic events or important days.
66. This is subject to a further report being brought back to Executive later in the year setting out the detailed proposals of the scheme
67. **Bar Walls – Presentation & Station Avenue Arch Eastbound (Total £500k, 2020/21–21/22)** – In Year 1 this bid would fund investigation works to understand the deterioration of stonework at Station Avenue Arch (road arch eastbound) and to develop and deliver a programme of repairs and restoration. There is potential for the steelwork built within the arch to be corroding, causing an unsafe structure. There is no current allocation within the Bar Walls budget to deliver this project.
68. In Year 2, an estimated bid for funds has been made based on the following assumptions; to be confirmed following the Year 1 investigation works: The steel can remain in situ and does not require wholesale replacement. Ad hoc stone removal/replacement, to allow for the replacement stone to be correctly bonded to the structure; taking up of the stone flags across the bridge and applying a waterproofing solution to the steelwork to prevent any further corrosion. Works may also include (subject to further investigation), a form of cathodic protection system to protect the existing steel.
69. This is subject to a further report being brought back to Executive later in the year setting out the detailed proposals of the scheme
70. **Replacement of Unsound Lighting Columns (Total £888k, 2020/21 – 24/25)** – Street lighting columns all have manufacturer’s recommended serviceable life in years at date of manufacture both concrete and steel.
71. City of York council have approx 19,000 street lights of various heights and construction of which approx 14,000 are steel and 1700 concrete. The majority of the steel are age expired and all concrete are expired.



Some of the steel have previously been repaired, which makes them unable to be structurally tested at points of the column which are prone to deteriorate (i.e underground). Steel sign posts as per street lighting columns all have manufacturers recommended serviceable life in years at date of manufacture.

72. The scheme is to continue to reduce energy costs, improve the carbon footprint and upgrade the older technology lighting to achieve energy savings on an annual basis through installation of new steel columns with a 35 year life expectancy and fitted with an energy efficient LED lantern
73. **CCTV Asset Replacement (Total £314k, 2020/21–21/22)** – This scheme is for the replacement of life-expired CCTV assets, such that the public space surveillance operation can continue to function effectively.
74. Although a comprehensive maintenance contract is in place, all assets still have a limited life span and require replacing at their end of life. Such assets become unmaintainable and fail to operate. Without functioning CCTV systems, the Council cannot effectively deliver services to its residents and customers, including North Yorkshire Police.
75. 57 CCTV assets have been identified as being life-expired and in need of imminent replacement. This scheme involves a 3 year programme to replace these assets with a modern cost-effective solution. This funding will allow for their replacement in locations where the asset is still deemed to be required
76. **Asset Maintenance (Total £370k, 2020/21–24/25)** – There is currently a rolling programme capital scheme for health and safety repairs of £220k per annum with 4 years left to run. The previous year's allocations have been spent and the Council has a number of properties which have been identified as being retained for service delivery and/or delivering Council objectives, either directly or indirectly, through the Corporate and Community Asset Strategies and also individual service reviews.
77. A significant number of these properties have urgent health and safety repairs which will need to be carried out in the coming years to make them sustainable for future service delivery. The budget will also be used to cover the Council's responsibility for closed churchyards.

78. There will also need to be substantial other work to a proportion of these properties to refurbish or improve them to meet the service requirements but these works will be the subject of separate capital schemes as and when necessary. This scheme therefore is to increase the approved annual rolling programme by £30k and to extend it for a further year (£250k) to help fund these critical repairs to the retained buildings
79. **Carbon Reduction Energy Efficiency (£250k 2024/25)** – This scheme is intended to complement other new or existing capital schemes in order to enable those schemes to deliver higher environmental benefits than may otherwise be the case. These schemes could include building of new homes, carbon reductions schemes benefitting existing property assets or specific projects such as Castle Gateway.
80. **Disabled Facilities Grant (£475k 2024/25)** – This bid is to continue to allow the payment of mandatory disabled facilities grants (DFGs ) in line with statutory requirements (The Housing Grants, Regeneration and Construction Act 1996) and the Councils policies last reviewed in July 2017. The DFG rolling programme enables older and disabled persons to remain safely in their own home and maximise their independence. The funding also ensures the delivery of the falls prevention service aimed at providing early intervention in the residents home looking to reduce the risk of falling by assessing the home, the environment and the person. Both programmes directly contribute towards the Better Care Fund objectives by preventing, reducing and delaying the need for NHS and Adult Social Care Services.
81. **Disability Support budget (£260k 2024/25)** – This extension request is to continue to provide assistance for disabled vulnerable customers who need financial help. The help comes through the form of grants and top up loans to help disabled vulnerable adults and parents with disabled children to provide cost effective adaptations in their homes to ensure that they continue to live and maintain their independence. The help covers the shortfall between the cost of the eligible work and the mandatory disabled facilities grant, or to purchase a more suitable home where it is more cost effective than to adapt the current home and the relocation expenses. Given the increasing number of older people and the increasing life expectancy of children with complex needs there is a need to increase funding year on year.

82. The funding directly contributes the priorities of the Better Care Fund and the Council by preventing, reducing and delaying the need for NHS and Adult Social Care Services.
83. **Major Items of Disability Equipment (£260k 2024/25)** – This bid is to extend the current scheme whereby equipment is provided to vulnerable individuals which enables them to remain in their own homes and live in the community. Timely supply of equipment is an essential component of prevention and enabling people to continue to live safely in their own homes. It also contributes to successful community reablement and is a key component of hospital discharge packages. The Audit Commission report “Fully Equipped 2002: Assisting Independence” evidences that saving in ongoing care of £30k was made on a £14k investment in equipment, approximately a 2:1 return.
84. Keeping people at home, in their communities is crucial for the individual's long term wellbeing but also the financial sustainability of the authority as long term formal care is significantly more expensive than the one off investment in equipment
85. **Telecare equipment (£275k 2024/25)** – This scheme is to extend the current scheme funding Telecare equipment into 23/24. Keeping people at home, in their communities is crucial for the individual's long-term wellbeing but also the financial sustainability of the authority as long term formal care is significantly more expensive than the one off investment in equipment.
86. Under this scheme sensors will continue to be installed in vulnerable customers' homes to deal with specific assessed risks. The sensors will be linked to our Community Alarm system and trigger alerts automatically given a programmed set of circumstances, ensuring speedy response from the warden service. These pieces of equipment provide customers with peace of mind and 24 hour monitoring of their circumstances. In some cases, the provision of telecare equipment can prevent a move to residential care and can provide monitoring so that smaller care packages can be commissioned. Telecare allows more people to be looked after at a lower cost and several studies have shown its cost effectiveness.
87. **ICT Rolling Programme (Total £3.670m, 2020/21-24/25)** – Since the establishment of the ICT 5 year development plan, the demands for digital services across the Council's frontline services has increased

significantly. In addition the general cost of digital services, applications and ICT infrastructure has increased and so this bid reflects a review of these increased costs over the next 5 years. All of this is in line with the planned ICT schemes over the next 5 years. The increase in the capital bids from years 2021/22 onwards by £350k reflects this increased demand. The final year in the bid 2024/25 is the next year in the ICT rolling programme and is in line with previous years.

88. This bid also includes £100k per annum in year 1 & 2 to fund improvements to records management
89. **City Centre Access Measures (£1.000m 2024/25)** – There is a report elsewhere on the Agenda “City Centre Access – Phase 1 Proposals (Update)” which highlights the need for additional investment of £1,000k to install static and sliding bollards within the City Centre and in the adopted highway at the racecourse to minimise the likelihood of a hostile vehicle attack on the city.
90. **Project Support Fund (£200k 2024/25)** – To extend the existing funding into 2024/25 to allow the continuation of the capacity to provide professional advice (primarily legal but also including finance and asset management) to support the Capital programme, and in particular major complex regeneration/building schemes including York Central, Castle Gateway, York Outer ring road and the Older Persons Accommodation Programme to support the successful delivery of bringing new assets into operation.
91. **Capital Contingency (£250k 2020/21)** – The continuation of a prudent single year capital contingency to address any unexpected capital pressures in year. The current balance remaining in the capital contingency fund for 2019/20 as detailed in the Capital Monitor 3 report also on this Agenda is £552k.

### **Rolling programme - Externally Funded + HRA Funded**

92. In addition to part funded rolling programme schemes, Schemes that are fully externally funded are proposed as part of this budget process. This table shows the level of external funding that is increasing existing schemes and which year the change takes effect in:

<b>Scheme Type / Description</b>	<b>External Funding Value</b>	<b>Financial Year</b>
	<b>£000</b>	
<b><u>Existing General Fund Schemes</u></b> <b><u>New External Funding</u></b>		
Highways Resurfacing & Reconstruction	1,830	24/25
Local Transport Plan - Integrated Transport	1,570	24/25
Disabled Facilities Grant	1,900	24/25
<b><u>Total Existing General Fund Schemes</u></b> <b><u>New External Funding</u></b>	<b>5,300</b>	

***Table 6 – Summary of New External Funding***

93. The funding for the schemes set out above have been updated to reflect the indicative funding settlements in 2024/25.
94. The latest **Housing Revenue Account (HRA)** Business plan 2019 to 2049 report contains an overview of the HRA Business plan for the next 30 years and provides detail of the key priorities for the next five years, including the use of the investment fund to support the delivery of more affordable new homes.
95. Table 7 updates the capital investment strategy and shows the overall movement (growth) against the existing approved expenditure plans.

Scheme Type / Description	Total Scheme Value	HRA/ Reserve Funding Value	Financial Year
	£000	£000	
<b><u>New Investment for the HRA</u></b>			
Major Repairs & Modernisation of Local Authority Homes	7,541	7,541	24/25
Private Water Supply	(336)	(336)	20/21 – 24/25
Assistance to Older and Disabled People	1,230	1,230	20/21 - 24/25
Housing Environmental Improvement Programme	170	170	24/25
Improved Insulation in Local Authority Homes	1,000	1,000	20/21 – 23/24
<b><u>New Investment for the HRA Total</u></b>	<b>9,605</b>	<b>9,605</b>	

***Table 7 – Summary of HRA investment***

96. The key investment areas are shown in table 8 and show new investment of £9.605m that will see key schemes delivered including:
97. **Major Repairs & Modernisation of Local Authority Homes (£7.541m growth in 2024/25)** - The focus of this area of investment is about ensuring the integrity external fabric of dwellings is maintained in terms of weather resistance, coupled with modernising key internal components of kitchens, bathrooms, heating and electrical wiring. This benefits tenants in a number of way (eg: having modern facilities, improved safety and security, reduced energy costs etc) whilst ensuring the Council meets the Decent Homes standard. A breakdown of the type and value of works for 2020/21 is provided below.

	<b>2020/21 budget £'000</b>	<b>Description of works 2020/21</b>
Tenants Choice	3,041	Replacement kitchen, bathroom and rewire to 238 properties.
Modernisation of Void properties	1,604	Major repairs and modernisation of 90 void properties
Heating/Boilers	946	Replacement heating systems to 443 domestic properties per year.
Roof Replacements	362	Replacement roofs and removal of asbestos-containing fascias / soffits to 84 properties
External Doors	296	Replacement of 442 external & lobby doors
Window Replacements	349	Replacement of windows in 124 properties
Standing Water Project	1,200	Structural damp remediation works to c60 properties, with a further 240 properties requiring treatment over the life of the 5 year proposal
Structural and external works	181	Various programmes of repair to the external structure of dwellings, guttering & down pipes, soffits & fascias to 82 properties
Fire Remedials	544	Remedial works arising from Fire Risk Assessments – provision for work on c88 properties
Asbestos Removal	165	Remedial works following asbestos surveys
Bell Farm Bathroom Ext	820	Major works to existing defective pre-fabricated bathrooms that were added on in the 1970's. Several options being considered including a demolish/rebuild of the bathroom.
Other	980	Various projects including one- off kitchen and bathroom refurbishments, soundproofing, upgrading communal corridor lighting and entry door access, remedial work following electrical testing programme, security upgrades, electric storage heater replacements.

**Table 8 – Breakdown of Major Repairs & Modernisation of LA Homes  
2020/21 Budget**

98. The intention of these projects are to ensure the Council continues to upgrade the overall standard of the housing stock and in doing so meet/exceed customer expectations whilst ensuring legislative requirements are satisfied
99. **Improved Energy Efficiency in Local Authority Homes (£1,000k 2021/22 - 23/24)** – Ongoing work to support the ‘Energy Accelerator Programme’ to maximise energy efficiency performance in Local Authority homes.
100. **Assistance to Older and Disabled People (£1,230k 20/21 – 24/25)** – This will see continued investment in undertaking adaptations to properties following needs assessment of tenants and their dependants who have some sort of disability, ensuring they can remain in their property and lead as near normal life as possible.
101. **Housing Environmental Improvement Programme (£170k 2024/25) -** The Housing Environment Improvement Programme gives the opportunity to link with other funding streams to deliver schemes which have an impact for all residents and realise economies of scale. Improvements include providing solutions for car parking, secure external storage facilities for tenants of flats, improving security by providing fencing and /or gates with keypads, improving external environments through landscaping. Tenants can suggest improvements through their Ward Councillor, Residents Association, Housing Management Officer or Community Involvement Officer, all suggestions are discussed and agreed through the Ward Team.
102. **ICT Infrastructure (No budget change – Total £450k 2020/21)** The ICT infrastructure improvements programme totals £2m over the period 2017/18 to 2021/22. A major review of the current systems has been undertaken and the current Housing systems is to be replaced by an integrated Housing and Building Services management system which incorporates housing management, asset management and building repairs.
103. The Housing ICT Programme is now fully underway with implementation, the new system has started to be configured to the way that the Council wants it to work. Work is nearly complete on the business change and empowerment action plan to support the ICT changes.



104. **Local Authority Homes – New Build Project Phase 2 (No budget change - £121.819m 2020/21- 24/25)** In January 2018 Executive agreed to a New Home Building Programme on council owned sites totalling £153.9m. Work is progressing well, a construction contract has been let with Wates to develop the new homes, open space and infrastructure at Lowfield Green. Work is underway and the first homes will be complete and occupied later this year. The development is anticipated to take 2 years to complete.
105. Public engagement and design work is progressing at the next three sites to be brought forward from the Housing Delivery Programme. These are at Burnholme, Duncombe Barracks, and Ordnance Lane/ Hospital Fields Road. It is anticipated that planning applications will be submitted on these three sites this summer. An agreed budget to develop these sites will be sought from the existing allocated new house building budget within the HRA. Construction will start on these sites in 2021.
106. There are 8 sites currently within the Housing Delivery Programme, the others being Clifton Without School, the former Askham Bar Park and Ride site, the former Manor School site and the former Woolnough House site. These are regularly reviewed to ensure they are the right sites to achieve our housing objectives and whether there are opportunities for bringing new sites into the Programme

### **Funding Position – Council Prudential Borrowing**

107. The budget proposals in terms of Council prudential borrowing adds to existing rolling programme schemes totalling £25.485m (of which £25.485m impacts Council Tax), and adds new schemes totalling £15.170m (of which £15.170m, impacts on Council Tax). This results in a total increase in the level of debt (the underlying need to borrow for capital investment purposes only) of £40.655 over the 5 year programme. Table 9 shows the financial impact on a year by year basis and over the 5 year period

	<b>20/21 £000</b>	<b>21/22 £000</b>	<b>22/23 £000</b>	<b>23/24 £000</b>	<b>24/25 £000</b>	<b>Total £000</b>
Rolling Programme	4.111	2.967	2.392	5.602	10.413	<b>25.485</b>
New Schemes	12.670	0.700	0.600	0.600	0.600	<b>15.170</b>
<b>Net Increase in PB</b>	<b>16.781</b>	<b>3.667</b>	<b>2.992</b>	<b>6.202</b>	<b>11.013</b>	<b>40.655</b>

***Table 11 – Net Funding Position of Prudential Borrowing Schemes***

108. The revenue costs of the new schemes funded by prudential borrowing is estimated at £2.836m over the 5 year budget period, assuming borrowing of £40.655m. Actual borrowing may be taken during 2020/21, although the costs are not incurred in revenue until the year following any capital expenditure. The Financial strategy report elsewhere on the agenda includes the revenue growth for previous year's capital investment.

## Summary of Analysis

109. This table summarises the additions and amendments made as part of this report (outside of re-profiling) split by rolling programme schemes and new schemes (by funding type) showing an overall increase in the capital programme of **£56.230m** of which £24.654m relates to the extension of the programme to 2024/25..

	<b>20/21 £m</b>	<b>21/22 £m</b>	<b>22/23 £m</b>	<b>23/24 £m</b>	<b>24/25 £m</b>	<b>Total £m</b>
<b>1) New CYC Schemes</b> Funded by CYC Pru Brw (table 3)	12.145	0.700	0.600	0.600	0.600	<b>14.645</b>
<b>2) New Match funded CYC Schemes</b> Part funded by CYC part funded by External sources (table 4)	0.695	-	-	-	-	<b>0.695</b>
<b>4) Rolling Programme Schemes</b> Funded by CYC Pru Brrow (table 6)	4.111	2.967	2.392	5.602	10.413	<b>25.485</b>
<b>5) Existing Schemes</b> Funded Externally by External Grant (table 7)	-	-	-	-	5.300	<b>5.300</b>
<b>6) HRA Schemes</b> (table 8) Funded by HRA	(0.296)	0.435	0.725	0.400	8.341	<b>9.605</b>
<b>Total Net Increase to Capital Programme</b>	<b>16.655</b>	<b>4.102</b>	<b>3.717</b>	<b>6.602</b>	<b>24.654</b>	<b>55.730</b>

**Table 12 – Summary of Expenditure and Funding Movements  
20/21 – 24/25**

110. The outcome of the proposals outlined above if accepted are illustrated in the next table which sets out the proposed capital budget for each directorate over the next 5 years and in detail in Annex A.

<b>Gross Capital Programme</b>	<b>2020/21</b>	<b>2021/22</b>	<b>2022/23</b>	<b>2023/24</b>	<b>2024/25</b>	<b>Total</b>
	<b>£m</b>	<b>£m</b>	<b>£m</b>	<b>£m</b>	<b>£m</b>	<b>£m</b>
Children, Education & Communities	26.059	10.500	2.000	-	-	<b>38.559</b>
Health, Housing & Adult Social Care – Adult Social Care	2.190	1.496	0.638	0,660	0.682	<b>5.666</b>
Health, Housing & Adult Social Care – Housing & Community Safety	48.196	51.489	40.007	36.790	10.716	<b>187.198</b>
Economy & Place – Transport, Highways and Environment	38.000	30.692	34.792	27.185	9.536	<b>140.205</b>
Economy & Place – Regeneration & Asset Management	38.283	81.114	52.220	1.100	1.100	<b>173.817</b>
Corporate Schemes	1.487	0.250	0.200	0.200	0.200	<b>2.337</b>
IT development plan	2.255	2.320	2.420	2.420	2.420	<b>11.835</b>
<b>Total Capital Programme</b>	<b>156.470</b>	<b>177.861</b>	<b>132.377</b>	<b>68.355</b>	<b>24.654</b>	<b>559.617</b>

**Table 13 – Proposed Capital Programme 2020/21 – 2024/25**

### **Other Major Capital Projects**

111. There are a range of other major schemes either already within the Capital programme, or which may come forward in the future, which will come through as individual reports during the year. Some of the key issues are referred to below, to give members a full picture of the scale of the Capital programme and some of the issues that will need to be considered during 2020.
112. **York Central** – The York Central project made significant progress in 2019. In February the West Yorkshire Combined Authority approved the Full Business Case for York Central Access funding (£37.3m with £23.5m for York Central delivery). In March Planning Committee resolved to grant Outline Planning Consent for the development. In July following the positive planning decision and in the absence of a HIF announcement Executive agreed a further £750k of project development with the benefit of £335k in support from Homes England. In September, following an OJEU compliant procurement, the preferred construction partner was announced for the Phase1 Infrastructure and structured Early Contractor Involvement (ECI) in design and delivery was undertaken. In October with a decision on HIF still awaited Executive committed further funding to continue project design and development into 2020 to ensure greater delivery readiness. A total of £2.275m was committed with £1.58m from the YNYER LEP. The planning decision notice was issued on signature of the s106 agreement in December.
113. A HIF announcement is now expected and with the outcome of the ECI and further Design work complete the Reserved Matters Planning application for the phase 1 infrastructure could be made in March 2020. If the full funding package is secured the phase 1 infrastructure works contract could commence in Autumn 2020. This will be the subject of approval by Executive.
114. **Guildhall** – In February 2019 Executive approved the delivery of a comprehensive scheme to refurbish and redevelop the Guildhall. A once in a generation investment to safeguard the future of this historic city asset. The £20m scheme was approved on the basis of a comprehensive re-tender exercise. Following a period of contractual clarification to further de-risk delivery Vinci Construction were formally contracted and took possession of the site in September. The project has made good

progress to date and the construction work is expected to complete in March 2021

115. **Castle Gateway** – In January 2020 Executive approved the delivery strategy for phase one of the Castle Gateway regeneration. This phase includes many of the key public benefits of the transformative masterplan, including a new footbridge and pedestrian and cycle routes; a riverside public park at the rear of the Castle Museum; new apartments and commercial spaces at Castle Mills and 17-21 Piccadilly; and a multi-storey car park at St George's Field which will allow Castle Car Park to be replaced with new high quality public realm in phase two.
116. The council will act as developer for phase one to maximise the financial return from the new developments to pay for the wider public benefits, which will result in the lowest long term cost to the council. Whilst this approach requires short term borrowing of £46m during the construction period, this investment will be largely repaid through the sales of the new apartments and income from commercial spaces. Once complete the estimated project viability gap that the council will need to fund is £3.3m.
117. It should be noted that at this stage funding has only been allocated to engage a contractor and undertake the next stage of detailed design, and the full budget for delivery will only be committed once actual construction prices have been finalised and approved. A future report will be taken to Executive in the summer of 2020 to consider the business case for phase two of the Castle Gateway, which includes the new public realm to replace Castle Car Park.
118. **Community Stadium** – The Community Stadium Complex is now in its final on site fit out, testing and commissioning phase before opening to the public during the year.
119. The adjacent commercial development to the Stadium is also well advanced, with the IMAX Cineworld opening to the public in December 2019, and confirmed lettings for Hollywood Bowl, Adventure Mini Golf Centre, Zizzi's and TGI Friday restaurants. The commercial development, together with the Council leisure facilities, representing a significant new leisure offering for residents in 2020
120. **York Outer Ring Road and Dualling** – Elsewhere on the agenda is a report updating Members on the proposal to amalgamate the Dualling

scheme and Junction Improvement schemes on the York Outer Ring Road.

121. **York Station Frontage Scheme** - The current highway access arrangements to the front (east) of York railway station provide a number of transport conflicts and a confused arrival experience. This creates the impression of vehicle dominance.
122. The York Station Front proposal is to reconfigure the area to the front of the station. A planning application for the full masterplan was submitted in March 2019. The scheme comprises:
  - Removal of the existing “Queen Street Bridge”, which is now no longer required, this will enable the reorganisation of the highway and relocation of bus-stops to improve the public realm;
  - Removal of the “Parcel Square” area of the station to enable the relocation of taxis out of the station portico;
  - Relocation of short stay parking to the south of the station;
  - Provision of new public realm spaces in Tea Room Square and around the Medieval City Walls to enable a more attractive and pleasing environment to arrive depart or even linger.
123. Depending on the level of intervention delivered the scheme is projected to cost up to £35m. A number of potential funding sources have been identified. £11million has been secured from the West Yorkshire Plus Transport Fund (WY+TF) as part of the York Central Access scheme. A bid has been submitted through the West Yorkshire Combined Authority to the Transforming Cities Fund for the majority of the remainder. An initial allocation of £200k has been approved by WYCA for the further development of the schemes included in the TCF bid. Other funding streams are being actively progressed

## **Council Plan**

124. The Capital Budget process ensures that all bids received for capital funding address the aspirations of the Council Plan with each proposal addressing at least one corporate priority. The capital schemes put forward for consideration are derived from the service and area asset management plans which look at the capital needs and requirements of

the service. All schemes that have progressed through for further consideration in this report have demonstrated through the Capital budget process that they directly contribute toward the achievement of the Council Plan, as referred to in paragraph 2.

## **Implications**

### **Financial Implications**

125. The financial implications are considered in the main body of the report.

### **Human Resources Implications**

126. There are no HR implications as a result of this report.

### **Equalities Implications**

127. An Equalities Impact Assessment (EIA) has been completed on the overall impact of the budget proposals and this is available as an annex to the Financial Strategy report elsewhere on this agenda. This assessment has been developed as a result of individual impact assessments for services which are undergoing changes. The impact assessment examines the benefits of recommended growth and capital investment alongside the risks associated with any savings proposals to ensure any negative impact for a particular group, sector or community is eliminated or counterbalanced. Where a screening of the potential implications has identified it appropriate, a full EIA will be completed for individual proposals. In addition, all capital schemes have considered any potential equalities implications prior to being included in this report.

### **Legal Implications**

128. The Council is legally required to set a balanced 3 year capital programme but to assist with Medium Term Financial Planning sets a 5 year programme. In addition schemes within the capital programme will themselves will be in receipt of legal advice where necessary throughout the year.

### **Crime and Disorder**

129. There are no crime and disorder implications as a result of this report.



### **Information Technology**

130. The information technology implications are contained in the main body of this report.

### **Property**

131. The property implications of this paper are included in the main body of the report which covers the funding of the capital programme from the disposal of Council assets.

### **Risk Management**

132. There are a number of risks inherent in the delivery of a large scale capital programme. To mitigate against these risks the capital programme is regularly monitored as part of the corporate monitoring process, and the project management framework. This is supplemented by internal and external audit reviews of major projects. In addition, the Major Projects all have regular monthly Board meetings to plan, monitor and review their capital schemes to ensure that all capital risks to the Council are monitored and where possible minimised.
133. Additional risk exists in relation to existing schemes in the Capital programme whereby costs are incurred in developing a project, however no asset is achieved. Such costs may then need to be written off to the revenue account. The risks in relation to this are referred to separately in the Revenue Budget Report also on this Agenda.

<b>Author:</b>	<b>Chief Officer Responsible for the report:</b>		
Emma Audrain Technical Accountant Corporate Finance emma.audrain@york.gov.uk	Debbie Mitchell Head of Corporate Finance & Commercial Procurement		
	<b>Report Approved</b>		<b>Date</b>
<b>Wards Affected: All</b>			
<b>For further information please contact the author of the report</b>			

<b>Specialist Implications:</b>
<b>Legal – Not Applicable</b>
<b>Property – Not Applicable</b>
<b>Information Technology – Not Applicable</b>

**Wards Affected:**

All

**For further information please contact the author of the report**

Annexes

Annex A – Growth Summary 2020/21 – 2024/25

Annex B – Capital Programme 2020/21 – 2024/25

Growth Only

Table 1

NEW SCHEMES - CYC FUNDED	
Good Health Wellbeing	Proof of Concept for robotics & AI within social care
Getting around Sustainably	Options for traffic control/ reduction and public realm improvements in Bishophill/ Mickelgate
A better start for children and Young people	Adaptions to Foster Carer Homes
A better start for children and Young people	Improving School Accessibility
An Open & Effective Council	Registry office Phase 2 Refurbishment
A Greener and Cleaner City	Waste Vehicle Replacement
Getting around Sustainably	EV Charging Asset Replacement
Getting around Sustainably	A19 Flood Alleviation enhancement
Getting around Sustainably	Flood Sign Renewal and Rainfall monitoring
A Greener and Cleaner City	Northern Forest
Creating Homes & World class Infrastructure	Castle Gateway
Well Paid Jobs & an inclusive economy	29 Castlegate
An Open & Effective Council	Hazel Court Welfare facilities
<b>TOTAL - Funded by CYC Prudential Borrowing</b>	

Incremental Revenue Growth required

Growth above existing approved budget					
2020/21	21/22	22/23	23/24	24/25	Total
£000	£000	£000	£000	£000	£000
100	100	-	-	-	200
230	-	-	-	-	230
100	-	-	-	-	100
500	-	-	-	-	500
80	-	-	-	-	80
6,600	-	-	-	-	6,600
635	-	-	-	-	635
48	-	-	-	-	48
200	-	-	-	-	200
600	600	600	600	600	3,000
2,682	-	-	-	-	2,682
270	-	-	-	-	270
100	-	-	-	-	100
<b>12,145</b>	<b>700</b>	<b>600</b>	<b>600</b>	<b>600</b>	<b>14,645</b>
<b>850</b>	<b>49</b>	<b>42</b>	<b>42</b>	<b>42</b>	<b>1,025</b>

Table 2

NEW SCHEMES - Both CYC Funded & Externally Funded	
Safe Communities & Culture for all	York Theatre Royal (CYC ELEMENT) (External Element will go directly to York Theatre Royal)
Safe Communities & Culture for all	National Centre for Early Music (CYC ELEMENT)
Safe Communities & Culture for all	National Centre for Early Music (EXTERNALLY FUNDED)
<b>TOTAL - CYC Borrowing &amp; External</b>	

Incremental Revenue Growth required

2020/21	21/22	22/23	23/24	24/25	Total
£000	£000	£000	£000	£000	£000
500	-	-	-	-	500
25	-	-	-	-	25
170	-	-	-	-	170
<b>695</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>695</b>
<b>37</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>37</b>

Table 3

ROLLING PROGRAMME SCHEMES - Amendments CYC FUNDED	
Getting around sustainably	Fleet Equipment & Compliance - part a) Hazel Court Weigh Bridge
Getting around sustainably	Fleet Equipment & Compliance - part b) Vehicle lift
Getting around sustainably	Highways Schemes - part a)
Getting around sustainably	Drainage
Getting around sustainably	Gully repair engineering works
Getting around sustainably	Bar Walls - Part a) Presentation, lighting & Safety
Getting around sustainably	Bar Walls - Part b) Presentation & Safety Station Ave Arch Eastbound
A Greener & Cleaner City	Replacement of Unsound lighting columns
Safe Communities & Culture for all	CCTV Asset replacement
Creating Homes & World Class Infrastructure	Asset Maintenance
A Greener & Cleaner City	Carbon Reduction - Energy Efficiency
Good Health & Wellbeing	Disabled Facilities Grant
Good Health & Wellbeing	Disability Support budget
Good Health & Wellbeing	Major items of disability equipment
Good Health & Wellbeing	Telecare equipment
An Open & Effective Council	ICT Rolling Programme
An Open & Effective Council	Project Support Fund
An Open & Effective Council	Contingency
Safe Communities & Culture for all	City Centre Access Measures
<b>TOTAL - Funded by CYC Prudential Borrowing</b>	

Incremental Revenue Growth required

2020/21	21/22	22/23	23/24	24/25	Total
£000	£000	£000	£000	£000	£000
50	-	-	-	-	50
42	-	-	-	-	42
1,000	1,070	1,170	4,420	5,170	12,830
-	-	-	-	200	200
700	700	700	700	700	3,500
76	76	76	36	-	264
250	250	-	-	-	500
456	234	66	66	66	888
157	157	-	-	-	314
30	30	30	30	250	370
-	-	-	-	250	250
-	-	-	-	475	475
-	-	-	-	260	260
-	-	-	-	147	147
-	-	-	-	275	275
100	450	350	350	2,420	3,670
-	-	-	-	200	200
250	-	-	-	-	250
1,000	-	-	-	-	1,000
<b>4,111</b>	<b>2,967</b>	<b>2,392</b>	<b>5,602</b>	<b>10,413</b>	<b>25,485</b>
<b>288</b>	<b>208</b>	<b>167</b>	<b>392</b>	<b>729</b>	<b>1784</b>

Table 4

ROLLING PROGRAMME SCHEMES - Amendments EXTERNALLY FUNDED	
Getting around sustainably	Highways Schemes - part b)
Getting around sustainably	LTP Transport

2020/21	21/22	22/23	23/24	24/25	Total
£000	£000	£000	£000	£000	£000
-	-	-	-	1,830	1,830
-	-	-	-	1,570	1,570

Good Health & Wellbeing	Disabled Facilities Grant
	<b>TOTAL - Funded Externally</b>

-	-	-	-	1,900	1,900
-	-	-	-	5,300	5,300

Table 5

Council Plan Priority	HRA Schemes
Creating Homes & World class Infrastructure	Major Repairs & Modernisation of Council Stock
Creating Homes & World class Infrastructure	Private Water supply pipe renewal
Good Health & Wellbeing	Assistance to Older & Disabled people
An Open & Effective Council	IT Infrastructure
Safe Communities & Culture for all	Housing Environment Improvement Programme
A Greener & Cleaner City	Improved Insulation in Local Authority Homes
	<b>TOTAL - HRA Funded</b>

2020/21	21/22	22/23	23/24	24/25	Total	£000
£000	£000	£000	£000	£000		
-	-	-	-	7,541		7,541
(696)	35	325	-	-		336
150	150	150	150	630		1,230
-	-	-	-	-		-
-	-	-	-	170		170
250	250	250	250	-		1,000
(296)	435	725	400	8,341		9,605

Table 6 Summary of funding

Funding Split	
Total CYC Prudential Borrowing	
Other Internal Funding	
Total External Funding	
Total HRA Funding	
<b>Overall Increase in Capital Programme</b>	

2020/21	21/22	22/23	23/24	24/25	Total	£000
£000	£000	£000	£000	£000		
16,781	3,667	2,992	6,202	11,013		40,655
-	-	-	-	-		-
170	-	-	-	5,300		5,470
(296)	435	725	400	8,341		9,605
16,655	4,102	3,717	6,602	24,654		55,730

Table 7 overall revenue impact

<b>Revenue Impact (felt following year)</b>
Incremental Revenue Growth of CYC Prudential Borrowing
<b>Overall Revenue Impact (Cost to CYC)</b>

20/21	21/22	22/23	23/24	24/25	Total Revenue impact of CRAM bids £000
CRAM Growth	CRAM Growth	CRAM Growth	CRAM Growth	CRAM Growth	
1,175	257	209	434	771	2,846
1,175	257	209	434	771	2,846

<b>Total Revenue impact of CRAM bids £000</b>
2,846
2,846

\* To Note -

The revenue costs in 20/21 will be lower as no actual borrowing is likely to be taken in 20/21 - the impact will fall the following year in 21/22. The figure shown is the full year implications which ultimately be a cost in future years.





	2020/21 Budget £000	2020/21 Revised Budget £000	2020/21 Budget £000	2021/22 Revised Budget £000	2020/21 Budget £000	2022/23 Revised Budget £000	2020/21 Budget £000	2023/24 Revised Budget £000	2020/21 Budget £000	2024/25 Revised Budget £000	Gross Capital Programme To be Funded 19/20 - 23/24 £000
Registrars		0		0		0		0		0	0
Photovoltaic Energy Programme		100		0		0		0		0	100
West Offices - Major repairs		237		0		0		0		0	237
Crematorium Waiting Room		250		0		0		0		0	250
Replacement of 2 Cremators		18		0		0		0		0	18
Registry office Phase 2 Refurbishment	80	80	0	0	0	0	0	0	0	0	80
Hazel Court welfare facilities	100	100		0		0		0		0	
<b>Capital Contingency</b>											
Capital Contingency	250	250		0		0		0		0	250
		0		0		0		0		0	0
<b>CUSTOMER &amp; CORPORATE SERVICES - IT</b>											
IT Development plan	100	2,135	450	2,320	350	2,420	350	2,420	2,420	2,420	11,715
IT Superconnected Cities		120		0		0		0		0	120
<b>GROSS EXPENDITURE BY DEPARTMENT</b>											
CEC - CHILDREN, EDUCATION & COMMUNITIES	1,295	26,059	0	10,500	0	2,000	0	0	0	0	38,559
HH&ASC - ADULT SOCIAL CARE & ADULT SERVICES COMMISSIONING	100	2,190	100	1,496	0	638	0	660	682	682	5,666
HH&ASC - HOUSING & COMMUNITY SAFETY	-296	48,196	435	51,489	725	40,007	400	36,790	10,716	10,716	187,198
ECONOMY & PLACE - TRANSPORT, HIGHWAYS & ENVIRONMENT	11,444	38,000	2,487	30,692	2,012	34,792	5,222	27,185	9,536	9,536	140,205
ECONOMY & PLACE - REGENERATION & ASSET MANAGEMENT	3,582	38,283	630	81,114	630	52,220	630	1,100	1,100	1,100	173,817
CUSTOMER & CORPORATE SERVICES - COMMUNITY STADIUM	0	0	0	0	0	0	0	0	0	0	0
CUSTOMER & CORPORATE SERVICES	430	1,487	0	250	0	200	0	200	200	200	2,337
CUSTOMER & CORPORATE SERVICES - IT	100	2,255	450	2,320	350	2,420	350	2,420	2,420	2,420	11,835
<b>TOTAL BY DEPARTMENT</b>	<b>16,655</b>	<b>156,470</b>	<b>4,102</b>	<b>177,861</b>	<b>3,717</b>	<b>132,277</b>	<b>6,602</b>	<b>68,355</b>	<b>24,654</b>	<b>24,654</b>	<b>559,617</b>
<b>TOTAL GROSS EXPENDITURE</b>	<b>16,655</b>	<b>156,470</b>	<b>4,102</b>	<b>177,861</b>	<b>3,717</b>	<b>132,277</b>	<b>6,602</b>	<b>68,355</b>	<b>24,654</b>	<b>24,654</b>	<b>559,617</b>
<b>TOTAL EXTERNAL FUNDING</b>	<b>170</b>	<b>38,833</b>	<b>0</b>	<b>96,667</b>	<b>0</b>	<b>67,601</b>	<b>0</b>	<b>22,336</b>	<b>5,300</b>	<b>5,300</b>	<b>230,737</b>
<b>TOTAL INTERNAL FUNDING</b>	<b>16,485</b>	<b>117,637</b>	<b>4,102</b>	<b>81,194</b>	<b>3,717</b>	<b>64,676</b>	<b>6,602</b>	<b>46,019</b>	<b>19,354</b>	<b>19,354</b>	<b>328,880</b>

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**Agenda Item**

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**Executive****13 February 2020**

Report of the Head of Corporate Finance & Commercial Procurement (interim s151 officer)

**Capital Financing & Investment Strategy****Summary**

1. This is a statutory report which is required following a Government review of the Prudential Code. It is intended to give a high level overview of how capital expenditure and capital financing contribute to the provision of services, along with an overview of how associated risk is managed.

**Recommendation**

2. Executive are asked to recommend to Full Council approval of the capital and investment strategy at annex a.

Reason: To meet our statutory obligation to comply with the Prudential Code 2017.

**Background and analysis**

3. The revised Prudential Code 2017 introduced a new requirement for all councils to approve an annual strategy, partly in response to the increasing commercialisation within local government. The guidance requires that annual capital and investment strategies are approved by Full Council.
4. The strategy provides an overarching policy framework for the councils capital programme and will be part of the suite of budget reports considered each year by Executive and Full Council. This report should therefore be considered alongside the Treasury Management Strategy Statement and the revenue and capital budget reports elsewhere on this agenda. The strategy will be developed and expanded as appropriate in future years, to meet the changing requirements of the council.
5. The strategy sets out the councils approach to business case development and risk appetite. Much of this is already well established and has featured in previous financial strategy reports, reports on property investment and asset related reports. Members should note that it includes specific sections on:
  - The need to seek to attract external funding wherever possible and to adopt partnership approaches

- The importance of schemes that deliver long term economic growth, with the impact on business rates being a relevant factor in the assessment of schemes
- Arrangements for asset management and property investments
- The need to incorporate One Planet Council principles and consider energy efficiency implications in the assessment of schemes
- The Housing Revenue Account

## **Consultation**

6. The capital financing and investment strategy is influenced by the capital and revenue spending decisions made by the Council. Both the revenue and capital budgets have been through a process of consultation, details of which are outlined in the budget reports elsewhere on this agenda.

## **Options**

7. It is a statutory requirement that the council has regard to the Prudential Code and therefore that this strategy is approved by Executive and Full Council.

## **Council Plan**

8. The strategy provides a framework by which major investment decisions will be made and sets a framework for all aspects of the council's capital and investment expenditure including prioritisation, planning, funding and monitoring. This will ensure resources are appropriately invested in the council's priorities, values and imperatives as set out in the Council Plan.

## **Implications**

### **Financial**

9. The revenue implications of the capital strategy are set out in the capital and revenue budget reports to be considered by Executive on 13th February 2020.

### **Legal Implications**

10. The Local Government Act 2003 and statutory guidance issued under that Act, the Local Authorities (Capital; Finance and Accounting) (England) Regulations 2003 (SI 2003/3146), specifies that the Council is required to have regard to the Prudential Code.

### **Other Implications**

11. There are no HR, Equalities, crime and disorder, information technology or other implications as a result of this report

### **Risk Management**

12. Capital expenditure and financing is a high-risk area because of the volume and level of large money transactions. As a result of this the Local Government Act 2003, supporting regulations and the Prudential Code 2017 are all adhered to as required.

<b>Contact Details</b>	
<b>Author</b>	<b>Chief Officer responsible for the report</b>
Debbie Mitchell Corporate Finance & Commercial Procurement Manager Ext 4161	Debbie Mitchell Corporate Finance & Commercial Procurement Manager
	Report approved 30 <sup>th</sup> January 2020
<b>Wards affected</b>	All

### **Annexes**

Annex A – Capital Financing & Investment Strategy

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## City of York Council Capital Financing and Investment Strategy 2020/21

### Introduction and Summary

The capital financing and investment strategy forms a key part of the council's overall financial planning framework and provides a mechanism by which capital expenditure and investment decisions are aligned over the term of the medium term financial strategy. It also provides a framework by which major investment decisions will be made and sets a framework for all aspects of the council's capital and investment expenditure including prioritisation, planning, funding and monitoring. It is linked to, and should be read in conjunction with, the medium term financial strategy (MTFS), annual revenue and capital budget reports and treasury management strategy statement (TMSS).

### Objectives

This strategy will:

- Provide a framework for investment decisions
- Outline how we prioritise investment and capital decisions
- Identify how we will use our resources effectively and efficiently to deliver the council plan
- Set out how the council identifies and prioritises funding requirements
- Set out the council appetite for risk
- Consider how resources can be maximised to generate investment
- Ensure there is an overall balance of risk and rate of return
- Stress the importance of carrying out robust sensitivity analysis and due diligence
- Ensure effective arrangements for the management of expenditure including the requirement to carry out an assessment of outcomes and deliverability whilst ensuring value for money is achieved
- Reinforce the overriding requirement for security, liquidity and yield on all council investments
- Ensure that all decisions take into consideration climate change, carbon reduction and sustainability issues

### Risk appetite

With regard to investments and commercial activity the council acknowledges that risk will always exist and will take some measure of risk in order to realise investment gain. The council will balance risk and return in order to achieve our objectives and priorities, as set out in the Council Plan. Through robust due diligence any decision made will consider risks and mitigation to ensure full understanding of the risk associated with each investment. The council will seek to minimise exposure to risks that are not rewarded with additional income. Capital is managed corporately on an ongoing basis to ensure that there is sufficient liquidity in the short and medium term to meet expenditure incurred. The council is exposed to numerous risks including:

- Financial related to investment, cash flow, market volatility, etc.
- macroeconomic related to growth or decline of the national economy
- Counter party related to investments with institutions
- Operational
- Strategic
- Reputational
- Governance

Our risk appetite is supported by:

- Risk management strategy and framework
- Code of corporate governance
- Regular reporting of risk

Key areas where risk is considered further include:

- Capital programme
- Medium term financial strategy
- Performance management
- Treasury management
- Council owned subsidiaries
- Internal and external audit

### Governance

All new programmes will be appraised using all about projects framework. A strategic business case will be prepared and will include any investment required, sources of funding, outcomes to be delivered, risk assessments, due diligence, repayment mechanisms, revenue impact and full lifetime costings. The proposal must also include details of any impact on revenue and in particular the delivery of previously agreed budget savings. If the strategic business case is approved, these estimates will be further refined and verified in an outline business case and ultimately a full business case.

All schemes being considered should, wherever possible, look for external funding and have explored if there is a suitable partnership approach to draw in other sources of funding to maximise the benefit to the tax payer and work with partners to secure the best possible outcomes for residents.

The council priorities are set out in the Council Plan. All expenditure proposals should identify how they will help to achieve these objectives.

A robust, formal due diligence process must be followed and details included in the full business case. This should include, as a minimum, consideration of the following:

- An assessment of the risks in the short and long term and how these risks can be mitigated
- Sensitivity analysis over the short and long term
- An impact assessment of the expenditure or investment being considered
- An overview of the evidence on which the proposal is based (eg evidence of demand, etc.)

The council will undertake regular monitoring of all investments and any issues will be included in the finance and performance monitoring reports to Executive. If an investment is underperforming, appropriate action will be taken to ensure the investment is not held longer than necessary.

The annual strategy will be approved by Executive and Full Council as part of the annual budget setting process. Any changes or updates will be reported in a mid-year review.

Quarterly capital monitoring reports will continue to be considered by Executive and will reflect any changes in resource allocation, rescheduling of delivery (slippage) and any new programmes

of work agreed. These reports will also monitor delivery of capital receipts and overall funding of the programme.

### Capital and Investment Priorities

Capital expenditure must be affordable, prudent and sustainable. New expenditure proposals must be balanced against the need to maintain the potential and economic benefit of existing assets. Asset management plans need to reflect the costs of maintaining the existing asset base and not simply focus on acquiring new assets for investment purposes. The annual capital budget report identifies the 5 year planned programme of expenditure and how this is funded. Regular reports are presented to Executive to monitor progress, agree slippage and any other reprofiling of spend and approve any transfer of resources between service areas.

The council will continue to seek and deliver projects that generate longer term economic growth alongside the financial benefits. In order to maximise the financial benefits of the 100% business rate retention scheme, the impact of business rates should be considered as a key factor in the assessment and prioritisation of capital investment.

### Capital Funding

The capital programme is funded from a range of different sources including:

- Prudential borrowing – the introduction of the Prudential Code in 2004 allowed the council to take on unsupported borrowing. This borrowing is subject to the requirements of the Prudential Code which means the council must ensure this borrowing is affordable and prudent.
- External Grants – this includes disabled facilities grants and various government grants for highways repair
- Section 106 and external contributions – some schemes in the capital programme are funded by contributions from private sector developers and partners.
- Revenue funding – revenue resources can be used to fund capital schemes
- Capital receipts – receipts arise from the sale of surplus assets.

Further details are included in the annual capital budget report.

### Debt, borrowing and treasury management

The council produces a separate treasury management strategy statement, which is approved by Full Council as part of the annual budget setting process.

### Pension fund guarantees

The council has entered in to a number of long term contracts for services that have involved the transfer of council staff to a new service provider. Employee's rights are protected under the provision in the Transfer of Undertakings (Protection of Employment) Regulations 2006, commonly referred to as TUPE. As a result, the council has given subsumption pension guarantees to a number of organisations.

### Knowledge and Skills

The capital financing and investment strategy and the treasury management strategy are managed by a team of professionally qualified staff, with extensive local government experience. They all attend courses on a regular basis to keep abreast of new developments.

Internal training is offered to members of the Audit & Governance committee on an annual basis to ensure they have the necessary knowledge and understanding.

Where the council does have the knowledge and / or skills required use is made of external advisers that are specialists in their field. The council currently employs Link Asset Services as treasury management advisers.

### Asset Management Strategy

The council has a range of property assets held for the following reasons:

- Operational – supporting core business and service delivery
- Investment – to provide a financial return to the council
- Regeneration / Commercial – enabling strategic place shaping and economic growth

In September 2017 the council agreed a refreshed and updated asset management strategy covering the period 2017 to 2022. This sets out how we will use our assets to deliver policy goals, operate our estate efficiently and generate maximum income to support delivery of council services.

### Property Investment

The way the council funds the purchase of property will be determined on a case by case basis, depending on the overall economic conditions and depending on other capital expenditure being incurred. If the purchase is funded by borrowing, then the rental income generated must exceed the cost of repaying the borrowing each year. Any surplus will be used to support the council's overall budget position, enabling the council to continue to provide essential services for residents. Our investments in commercial property to date have been relatively modest in the context of percentage of total budget but any future proposals to invest in property will need to be mindful of the extent to which they increase the percentage of our total income invested in this area.

The reasons for buying and owning property are (in order of importance):

1. Economic development and regeneration in York
2. To generate income in order to provide services for local people
3. Opportunity

Property price and return on investment will depend on the type, location and current condition of the asset as well as the strength of the lease / covenant arrangements of the current tenant. The council will only purchase property within its boundary. The council should seek the best returns available, whilst carrying an acceptable level of risk. The rate of return must be better than the returns available from alternative, more secure investments (eg money market funds). The annual return must also exceed the cost of PWLB borrowing.

The council will take a balanced approach in order to minimise risk. This will include ensuring not all investment income is derived from one asset category or only one type of investment, such as commercial property. In future the council will consider whether a limit should be set on the amount invested in any one area to ensure it is not vulnerable to sudden changes in market conditions. When considering rate of return, a review will be carried out so that the value of investments is also considered over the life of the asset rather than focussing on short term returns only. Future reviews of this strategy will also include issues such as when to exit underperforming investments.

The asset management strategy:

- sets out what the council seeks to achieve when purchasing any property



- identifies any possible risks
- clarifies the legal powers used to acquire any property
- identifies the criteria for acquiring and owning assets
- outlines the process for acquiring assets

At 1st April 2019 income from property assets, excluding operational assets was £5.8 million, which represents a return of 6.75%. This excludes properties which are used solely or partially as operational assets, residential assets, assets which are leased in and any assets which are held for development and minor agreements.

#### Property disposal and capital receipts

The asset management strategy will continue to identify surplus or under used property. Surplus properties will be used to generate revenue where possible or will be disposed of to generate a capital receipt. Capital receipts are corporate resources and will be used to support the councils key aims and priorities rather than being allocated to specific schemes. This could include repayment of existing debt, mitigating future requirements to borrow and financing transitional costs of change. Any decisions will be taken by Executive in line with the constitution.

#### Climate change, carbon reduction and sustainability

Along with many other organisations across the country, the council has declared a climate emergency and set a target to become net carbon neutral by 2030.

In addition, the council continues to be committed to achieving our ambition to be a more sustainable, resilient and collaborative organisation. With a challenging financial climate and increasing demand for our services, our aspirations to be a Greener and Cleaner city are an essential part of making the most of the resources we have and helping us to prepare for the future. Our Council Plan commits us to putting climate change and sustainability at the heart of everything we do, delivering a sustainable environment and addressing the climate emergency

Capital investment will therefore need to demonstrate that it meets these aims of the Council Plan and energy efficiency implications should be considered in the assessment of proposed schemes, along with potential savings being identified. The council will also consider suitable cost saving opportunities in relation to energy efficiency and sustainability. The development of a climate change plan is ongoing and any implications of this will be incorporated into future versions of this strategy.

#### Housing Revenue Account (HRA)

The (HRA) is a ring-fenced account which ensures that council housing does not subsidise, or is itself subsidised, by other local services. HRA capital expenditure is therefore recorded separately within the accounts. The abolition of the HRA Debt Cap on 29th October 2018 represents a significant change in the council's ability to resource new council housing, major repairs and improvements to the existing housing stock and regeneration. A report on proposals for New Council Building in January 2019 recommended investment of £153.9m in building over 600 new houses of which 250 would be classed as affordable. This investment will be funded through a combination of utilising additional debt headroom to fund the appropriation of land from the general fund, proceeds from market sales and equity sales of shared ownership units alongside HRA resources such as Right to Buy Receipts and investment reserve.

In addition the HRA continues to significantly invest in the structural maintenance of existing stock within its capital programme. Investment over the period 2020/21 to 2024/25 in this area totals c £44m.

The 30 year HRA Business Plan financial forecast sets out the financial implications of delivering the overall plan and providing assurance that the HRA will remain financially viable. The forecast shows that debt will increase to £166m following the appropriation of general fund sites for development however this will reduce to £26m at the end of the period.. This demonstrates the financial strength of the HRA business plan. The HRA business plan is a key part of the council's long term financial planning, and sets out how we will deliver and finance services to tenants, and investment in their homes, over a 30-year period.



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**Executive****13 February 2020**

Report of the Head of Corporate Finance & Commercial Procurement (interim s151 officer)

Portfolio of the Executive Member for Finance & Performance

**Treasury Management Strategy Statement and Prudential Indicators for 2020/21 to 2024/25****Report Summary**

1. The purpose of this report is to seek the recommendation of Executive to Full Council for the approval of the treasury management strategy and prudential indicators for the 2020/21 financial year.

**Recommendations**

2. Executive are asked to recommend that Council approve:
  - The proposed treasury management strategy for 2020/21 including the annual investment strategy and the minimum revenue provision policy statement;
  - The proposed addition of ethical, social and governance as a 4<sup>th</sup> criteria for investments after security, liquidity and yield as set out in paragraphs 78 to 82 of this report
  - The prudential indicators for 2020/21 to 2024/25 in the main body of the report;
  - The specified and non-specified investments schedule (annex B)
  - The scheme of delegation and the role of the section 151 officer (annex D)

Reason: To enable the continued effective operation of the treasury management function and ensure that all council borrowing is prudent, affordable and sustainable.

**Background**

3. The council is required to operate a balanced budget, which broadly means that cash raised during the year will meet cash expenditure. The first function of the treasury management operation is to ensure that this cash flow is adequately planned, with cash being available when it is needed. Surplus monies are invested in low risk counterparties or instruments commensurate

with the council's low risk appetite, providing adequate liquidity initially before considering investment return.

4. The second main function of the treasury management service is funding of the council's capital programme. The capital programme provides a guide to the borrowing need of the council, essentially the longer term cash flow planning, to ensure that the council can meet its capital spending obligations. This management of longer term cash may involve arranging long or short term loans, or using longer term cash flow surpluses. On occasion any debt previously drawn may be restructured to meet council risk or cost objectives.
5. The contribution the treasury management function makes to the council is critical, as the balance of debt and investment operations ensure liquidity or the ability to meet spending commitments as they fall due, either on day-to-day revenue or for larger capital projects. The treasury operations will see a balance of the interest costs of debt and the investment income arising from cash deposits affecting the available budget. Since cash balances generally result from reserves and balances, it is paramount to ensure adequate security of the sums invested, as a loss of principal will in effect result in a loss to the General Fund Balance.
6. Whilst any commercial initiatives or loans to third parties will impact on the treasury function, these activities are generally classed as non-treasury activities, (arising usually from capital expenditure), and are separate from the day to day treasury management activities.
7. CIPFA (Chartered Institute of Public Finance and Accountancy) defines treasury management as:

*“The management of the local authority's investments and cash flows, its banking, money market and capital market transactions; the effective control of the risks associated with those activities; and the pursuit of optimum performance consistent with those risks. ”*

### **Reporting requirements – Capital Strategy**

8. The CIPFA revised 2017 Prudential and Treasury Management Codes require all local authorities to prepare an additional report, a capital strategy report, which will provide the following:
  - a high-level long term overview of how capital expenditure, capital financing and treasury management activity contribute to the provision of services
  - an overview of how the associated risk is managed
  - the implications for future financial sustainability

9. The aim of this capital strategy is to ensure that all elected members on the full council fully understand the overall long-term policy objectives and resulting capital strategy requirements, governance procedures and risk appetite.
10. This capital strategy is reported separately from the Treasury Management Strategy Statement; non-treasury investments will be reported through the former. This ensures the separation of the core treasury function under security, liquidity and yield principles, and the policy and commercialism investments usually driven by expenditure on an asset. The capital strategy will show:
  - The corporate governance arrangements for these types of activities;
  - Any service objectives relating to the investments;
  - The debt related to the activity and the associated interest costs;
  - The payback period (MRP policy);
  - The risks associated with each activity.
11. Where a physical asset is being bought, details of market research, advisers used, ongoing costs and investment requirements will be disclosed, including the ability to sell the asset and realise the investment cash.
12. Where the Council has borrowed to fund any non-treasury investment, there should also be an explanation of why borrowing was required and why the MHCLG Investment Guidance and CIPFA Prudential Code have not been adhered to.
13. If any non-treasury investment sustains a loss during the final accounts and audit process, the strategy and revenue implications will be reported through the same procedure as the capital strategy.

### **Reporting requirements – Treasury Management**

14. The council is currently required to receive and approve, as a minimum, three main reports each year, which incorporate a variety of policies, estimates and actuals. The three reports are:
  - **Treasury management strategy statement and prudential indicators report** (this report) – which covers the capital plans including prudential indicators, the minimum revenue provision policy, the treasury management strategy and the annual investment strategy;
  - **Mid year treasury management report** – updates members as to whether the treasury activities are meeting the strategy, whether any policies require revision, amending prudential indicators if necessary;

- **Annual treasury report** – updates on treasury activity/ operations for the year and compares actual prudential indicators with estimates in the strategy.

15. These reports are required to be scrutinised before being recommended to the council. This scrutiny role is undertaken by Audit & Governance Committee.

16. The CIPFA code requires the responsible officer to ensure that members with responsibility for treasury management receive adequate training in treasury management. This especially applies to members responsible for scrutiny. The training needs of treasury management officers is also periodically reviewed.

### **Treasury management strategy for 2020/21**

17. The treasury management strategy for 2020/21 covers two main areas:

#### Capital issues

- the capital programme and prudential indicators;
- minimum revenue provision (MRP) policy.

#### Treasury management issues

- prudential indicators which will limit the treasury management risk and activities of the Council;
- the current treasury position;
- prospects for interest rates;
- the borrowing strategy;
- policy on borrowing in advance of need;
- debt rescheduling;
- creditworthiness policy;
- investment strategy;
- policy on use of external service providers;
- scheme of delegation and the role of the S151 officer

18. These elements cover the statutory and regulatory requirements of the Local Government Act 2003, the CIPFA Prudential Code, the Ministry of Housing, Communities and Local Government (MHCLG) Minimum Revenue Provision (MRP) Guidance, the CIPFA Treasury Management Code and the MHCLG Investment Guidance.

## Treasury management consultants

19. The council uses Link Asset Services, Treasury solutions as its external treasury management advisors.
20. The council recognises that responsibility for treasury management decisions remains with the organisation at all times and will ensure that undue reliance is not placed upon our external service providers. All decisions will be undertaken with regards to all available information, including, but not solely, our treasury advisers.
21. It also recognises that there is value in employing external providers of treasury management services in order to acquire access to specialist skills and resources. The council will ensure that the terms of their appointment and the methods by which their value will be assessed are properly agreed and documented, and subjected to regular review.

## The capital prudential indicators 2020/21 – 2024/25

22. The council's capital expenditure plans are the key driver of treasury management activity and are the subject of a separate report on this agenda. The output of the capital programme is reflected in the capital prudential indicators, which are designed to assist member's overview of the council's capital programme to ensure that the capital expenditure plans are affordable, sustainable and prudent.
23. The capital prudential indicators along with the treasury management prudential indicators are included throughout the report:
- PI 1: Capital expenditure
  - PI 2: Capital financing requirement
  - PI 3: Ratio of financing cost to net revenue stream
  - PI 4: External debt
  - PI 5a: Authorised limit for external debt
  - PI 5b: Operational boundary for external debt
  - PI 6: Maturity structure of debt
  - PI 7: Surplus funds invested >364 days
24. **Prudential indicator 1 - capital expenditure.** This prudential Indicator is a summary of the council's capital expenditure plans forming part of this budget cycle. 2019/20 is included as a comparator. Detailed information on the individual schemes is provided in the capital monitor 3 and capital strategy report.

Capital Expenditure	2019/20 Estimate £m	2020/21 Estimate £m	2021/22 Estimate £m	2022/23 Estimate £m	2023/24 Estimate £m	2024/25 Estimate £m
General fund (Non HRA)	85.7	110.4	128.6	94.4	33.8	16.3

Housing revenue account	35.8	46.3	49.5	37.9	34.6	8.3
<b>Total</b>	<b>121.5</b>	<b>156.7</b>	<b>178.1</b>	<b>132.3</b>	<b>68.4</b>	<b>24.6</b>

Table 1: Capital expenditure

25. Table 1 details the capital expenditure of the council, based on the capital programme strategy report, excluding other long term liabilities, such as PFI and leasing arrangements which already include borrowing instruments. There are no new PFI schemes forecast to be entered into in 2020/21.
26. Further details on this capital expenditure, and how it is funded, are included within the Capital Programme report elsewhere on this agenda.
27. **Prudential indicator 2 - the capital financing requirement (CFR) (council's borrowing need);** the second prudential indicator is the council's capital financing requirement (CFR). The CFR is simply the total historic outstanding capital expenditure which has not yet been paid for from either revenue or capital resources. It is essentially a measure of the council's underlying borrowing need. Any capital expenditure above, which has not immediately been paid for, will increase the CFR.
28. The CFR does not increase indefinitely, because the minimum revenue provision (MRP) is a statutory annual revenue charge which broadly reduces the indebtedness in line with each assets life, and so charges the economic consumption of capital assets as they are used.
29. The CFR includes any other long term liabilities (e.g. PFI schemes, finance leases). Whilst these increase the CFR, and therefore the council's overall borrowing requirement, these types of scheme include a borrowing facility and so the council is not required to separately borrow for these schemes. As set out in paragraph 47 table 5 the projected level of debt is significantly below the CFR over the 5 year period.
30. Table 2 below, shows the capital financing requirement, excluding other long term liabilities:

<b>Capital Financing Requirement</b>	<b>2019/20 Estimate £m</b>	<b>2020/21 Estimate £m</b>	<b>2021/22 Estimate £m</b>	<b>2022/23 Estimate £m</b>	<b>2023/24 Estimate £m</b>	<b>2024/25 Estimate £m</b>
Non Housing	<b>244.7</b>	<b>304.0</b>	<b>320.1</b>	<b>331.0</b>	<b>326.5</b>	<b>320.9</b>
Housing	<b>146.4</b>	<b>146.4</b>	<b>146.4</b>	<b>146.4</b>	<b>146.4</b>	<b>146.4</b>
Other Long Term Borrowing*	<b>46.3</b>	<b>49.2</b>	<b>48.0</b>	<b>46.8</b>	<b>45.7</b>	<b>44.7</b>
<b>Total CFR</b>	<b>437.4</b>	<b>499.6</b>	<b>514.5</b>	<b>524.2</b>	<b>518.6</b>	<b>512.0</b>

\*Other Long Term is for PFI/PPP & Leases



Table 2: Capital financing requirement (CFR)

**Minimum revenue provision (MRP) policy statement**

31. The council is required to pay off an element of the accumulated general fund capital expenditure each year (the CFR) through a revenue charge (the minimum revenue provision - MRP), although it is also allowed to undertake additional voluntary payments if required (voluntary revenue provision - VRP).
32. MHCLG regulations require full council to approve an MRP statement in advance of each year. A variety of options are provided to councils, so long as there is prudent provision. Full Council is recommended to approved the following MRP statement:
33. For capital expenditure incurred before 1 April 2008 the MRP policy will be:
- **Asset life method (local approach)** - MRP will be based on the average life of the overall asset base of 33 years. This will be calculated as 3% on a fixed, straight line basis.
34. This provides for a 3% reduction in the borrowing need (CFR) each year.
35. From 1 April 2008 for all borrowing (including PFI and finance leases) the MRP policy will be:
- **Asset life method** – MRP will be based on the estimated life of the assets, in accordance with the regulations (this option must be applied for any expenditure capitalised under a Capitalisation Direction);
36. This option provides for a reduction in the borrowing need over approximately the asset's life. The asset life is an absolute maximum and wherever possible debt is repaid over a shorter period. Estimated asset life periods will be determined under delegated powers. With all debts, the longer the repayment period the higher the amount of interest incurred over the period of the loan and accordingly it is deemed prudent to reduce the period over which the repayments are made.
37. There is no requirement on the HRA to make a minimum revenue provision but there is a requirement for a charge for depreciation to be made (although there are transitional arrangements in place).
38. Repayments included in annual PFI or finance leases are also applied as MRP.

**Affordability prudential indicators**

39. The prudential indicators mentioned so far in the report cover the overall capital programme and the control of borrowing through the capital financing requirement (CFR), but within this framework prudential indicators

are required to assess the affordability of capital investment plans. These provide an indication of the impact of the capital programme investment plans on the council's overall finances.

**40. Prudential indicator 3 - ratio of financing costs to net revenue stream.**

This indicator identifies the trend in the cost of capital (borrowing and other long-term obligation costs net of investment income) and compares it to the council's net revenue stream.

<b>Financing Costs</b>	<b>2019/20 Estimate %</b>	<b>2020/21 Estimate %</b>	<b>2021/22 Estimate %</b>	<b>2022/23 Estimate %</b>	<b>2023/24 Estimate %</b>	<b>2024/25 Estimate %</b>
Non-HRA	<b>12.27</b>	<b>15.86</b>	<b>20.48</b>	<b>21.14</b>	<b>21.83</b>	<b>22.64</b>
HRA	<b>11.80</b>	<b>11.59</b>	<b>11.29</b>	<b>10.98</b>	<b>10.67</b>	<b>10.40</b>
Total Ratio	<b>12.17</b>	<b>14.98</b>	<b>18.54</b>	<b>18.95</b>	<b>19.37</b>	<b>19.89</b>

Table 3: Ratio of financing costs to net revenue stream

41. The estimates of financing costs include current commitments and the proposals in the capital budget report considered elsewhere on this agenda.

42. The capital prudential indicators set out above ensure that the council's capital expenditure plans are affordable, sustainable and prudent. The treasury management function ensures that cash is available to meet the council's requirements in accordance with the Local Government Act 2003 and relevant professional codes

43. The treasury management function involves both the forecasting of the cash flow and, where capital plans require, the organisation of appropriate borrowing facilities. The strategy covers the prudential / treasury indicators, the current and projected debt positions and the annual investment strategy.

**Current portfolio position**

44. The council's treasury portfolio position at 31<sup>st</sup> December 2019 is detailed below in table 4:

<b>Institution Type</b>	<b>Principal</b>	<b>Average Rate</b>
Public Works Loan Board PWLB (55) – Money borrowed from the Debt Management Office (Treasury Agency)	£229.1m	3.63%

<u>Market Loans</u> LOBO Loans (1) – Lender Option Borrower Option	£5.0m	3.88%
<u>West Yorkshire Combined Authority</u> WYCA (4) – Zero interest loans the purpose of which are to help to fund York Central infrastructure projects	£2.4m	0.00%
<b>Total Gross Borrowing (GF &amp; HRA)</b>	<b>£236.5m</b>	<b>3.61%</b>
<b>Total Investments</b>	<b>£28.5m</b>	<b>0.73%</b>

Table 4: Current position at 31<sup>st</sup> December 2019

45. The council had £236.5m of fixed interest rate debt, of which £139.0m was HRA and £97.4m general fund. The cash balance available for investment was £28.5m. As the capital programme has progressed the level of cash available for investment is gradually decreasing as expected as the Council is using previously held balances to fund the programme.
46. Within the prudential indicators, there are a number of key indicators to ensure that the council operates its activities within well defined limits, thereby managing risk and reducing the impact of any adverse movement in interest rates. One of these is that the council needs to ensure that its total gross debt does not, except in the short term, exceed the total of the capital financing requirement (CFR) in the preceding year plus the estimates of any additional CFR for 2020/21 and the following two financial years. This allows the flexibility to borrow in advance of need but ensures that borrowing is not undertaken for revenue purposes.
47. **Prudential indicator 4 – external debt** Table 5 shows that the estimated gross debt position of the council does not exceed the underlying capital borrowing need. The Director of Customer & Corporate Services (s151 officer) confirms that the council complies with this prudential indicator and does not envisage difficulties for the future.

	2019/20 Estimate £m	2020/21 Estimate £m	2021/22 Estimate £m	2022/23 Estimate £m	2023/24 Estimate £m	2024/25 Estimate £m
<b>Gross projected debt</b>	<b>312.8</b>	<b>382.7</b>	<b>412.5</b>	<b>438.6</b>	<b>450.3</b>	<b>460.2</b>
<b>Total CFR</b>	<b>437.4</b>	<b>499.6</b>	<b>514.5</b>	<b>524.2</b>	<b>518.6</b>	<b>512.0</b>
<b>Under/(over) borrowed</b>	<b>Under</b>	<b>Under</b>	<b>Under</b>	<b>Under</b>	<b>Under</b>	<b>Under</b>

Table 5: External debt &lt; capital financing requirement

48. Table 5 shows a gap between actual and estimated borrowing and the CFR (driven by the use of internal funds to finance capital expenditure). The decision as to whether to continue to do this will take into account current assumptions on borrowing rates and levels of internal reserves and balances held by the council. The figures above show a decrease in the gap between CFR and external debt as borrowing is taken to support capital expenditure, however this will be determined by the s151 officer and the figure above is a current broad assumption. Actual borrowing will be determined by the circumstances that prevail at the time on borrowing rates and levels of cash balances.

### Prudential indicators: limits on authority to borrow

49. **Prudential indicator 5A – authorised borrowing limit** - It is a statutory duty under Section 3 (1) of the Local Government Act 2003 and supporting regulations, for the council to determine and keep under review how much it can afford to borrow. This amount is termed the “authorised borrowing limit”, and represents a control on the maximum level of debt. This is a limit beyond which external debt is prohibited, and this limit needs to be set or revised by the full council. It reflects the level of external debt, which, while not desired, could be afforded in a short term period of 12 months, but is not sustainable in the longer term.

Authorised Limit	2019/20 Estimate £m	2020/21 Estimate £m	2021/22 Estimate £m	2022/23 Estimate £m	2023/24 Estimate £m	2024/25 Estimate £m
Gross projected debt	312.8	382.7	412.5	438.6	450.3	460.2
Total CFR	437.4	499.6	514.5	524.2	518.6	512.0
Operational Boundary	463.2 (£463.2m set at 19/20 Strategy)	509.6	524.5	534.2	528.6	522.0
Other long term liabilities	30.0	30.0	30.0	30.0	30.0	30.00
<b>Total</b>	<b>493.2</b> (£493.2m Set at 19/20 Strategy)	<b>539.6</b>	<b>554.5</b>	<b>564.2</b>	<b>558.6</b>	<b>552.0</b>

Table 6: Authorised borrowing limit

50. **Prudential indicator 5B – operational boundary.** In addition to the “authorised borrowing limit”, the operational boundary is the maximum level

of debt allowed for on an ongoing operational purpose. In most cases, this would be a similar figure to the CFR, but may be lower or higher depending on the levels of actual debt.

Operational Boundary	2019/20 Estimate £m	2020/21 Estimate £m	2021/22 Estimate £m	2022/23 Estimate £m	2023/24 Estimate £m	2024/25 Estimate £m
Gross projected debt	312.8	382.7	412.5	438.6	450.3	460.2
Total CFR	437.4	499.6	514.5	524.2	518.6	512.0
Short term liquidity	10.0	10.0	10.0	10.0	10.0	10.0
<b>Total</b>	<b>463.2</b>  (£463.2m set at 19/20 Strategy)	<b>509.6</b>	<b>524.5</b>	<b>534.2</b>	<b>528.6</b>	<b>522.0</b>

Table 7: Operational boundary

### Prospects for interest rates

51. Current interest rates and the future direction of both long term and short term interest rates have a major influence on the overall treasury management strategy and affects both investment and borrowing decisions. To facilitate treasury management officers in making informed investment and borrowing decisions, the council has appointed Link Asset Services as its treasury adviser. Part of their service is to assist the council in formulating a view on interest rates. Table 9 below gives Link's central view:

	Bank rate %	PWLB borrowing rates % (including certainty rate adjustment)		
		5 year	25 year	50 year
Mar 2020	0.75	2.40	3.30	3.20
Dec 2020	0.75	2.50	3.50	3.40
Mar 2021	1.00	2.60	3.60	3.50
Dec 2021	1.00	2.90	3.80	3.70
Mar 2022	1.00	2.90	3.90	3.80
Dec 2022	1.25	3.20	4.10	4.00
Mar 2023	1.25	3.20	4.10	4.00

Table 9 – Link's interest rate forecast

52. The above forecasts have been based on an assumption that there is an agreed deal on Brexit, including agreement on the terms of trade between the UK and EU, at some point in time. The result of the general election has removed much uncertainty around this major assumption. However, it does not remove uncertainty around whether agreement can be reached with the

EU on a trade deal within the short time to December 2020, as the prime minister has pledged.

53. It has been little surprise that the Monetary Policy Committee (MPC) has left Bank Rate unchanged at 0.75% so far in 2019 due to the ongoing uncertainty over Brexit and the outcome of the general election. In its meeting on 7 November, the MPC became more dovish due to increased concerns over the outlook for the domestic economy if Brexit uncertainties were to become more entrenched, and for weak global economic growth: if those uncertainties were to materialise, then the MPC were likely to cut Bank Rate. However, if they were both to dissipate, then rates would need to rise at a “gradual pace and to a limited extent”. Brexit uncertainty has had a dampening effect on UK GDP growth in 2019, especially around mid-year. There is still some residual risk that the MPC could cut Bank Rate as the UK economy is still likely to only grow weakly in 2020 due to continuing uncertainty over whether there could effectively be a no deal Brexit in December 2020 if agreement on a trade deal is not reached with the EU. Until that major uncertainty is removed, or the period for agreeing a deal is extended, it is unlikely that the MPC would raise Bank Rate.
54. The overall longer run future trend is for gilt yields, and consequently PWLB rates, to rise, albeit gently. From time to time, gilt yields, and therefore PWLB rates, can be subject to exceptional levels of volatility due to geo-political, sovereign debt crisis, emerging market developments and sharp changes in investor sentiment. Such volatility could occur at any time during the forecast period.
55. In addition, PWLB rates are subject to ad hoc decisions by H.M. Treasury to change the margin over gilt yields charged in PWLB rates: such changes could be up or down. It is not clear that if gilt yields were to rise back up again by over 100bps within the next year or so, whether H M Treasury would remove the extra 100 bps margin implemented on 9.10.19.
56. Economic and interest rate forecasting remains difficult with so many influences weighing on UK gilt yields and PWLB rates. The above forecasts, (and MPC decisions), will be liable to further amendment depending on how economic data and developments in financial markets transpire over the next year. Geopolitical developments, especially in the EU, could also have a major impact. Forecasts for average investment earnings beyond the three-year time horizon will be heavily dependent on economic and political developments.

### **Investment and borrowing rates**

57. Investment returns are likely to remain low during 2020/21 with little increase in the following two years.
58. Borrowing interest rates were on a major falling trend during the first half of 2019/20 but then increased by 100bps on 9<sup>th</sup> October 2019. The policy of

avoiding new borrowing by running down spare cash balances has served well over the last few years. However, this needs to be carefully reviewed to avoid incurring higher borrowing costs in the future when authorities may not be able to avoid new borrowing to finance capital expenditure and/or the refinancing of maturing debt.

59. There will remain a cost of carry to any new long-term borrowing that causes a temporary increase in cash balances as this position will, most likely, incur a revenue cost – the difference between borrowing costs and investment returns.

### **Borrowing strategy**

60. The borrowing strategy takes into account the borrowing requirement, the current economic and market environments and is also influenced by the interest rate forecast. The council is currently maintaining an under-borrowed position. This means that the capital borrowing need (the capital financing requirement), has not been fully funded with loan debt as cash supporting the council's reserves, balances and cash flow has been used as a temporary measure. This strategy remains prudent as investment returns are low and counterparty risk is still an issue that needs to be considered. Consideration will also be given to the maturity profile of the debt portfolio so the council is not exposed to the concentration of debt being in any one year.
61. Against this background and the risks within the economic forecast, caution will be adopted with the treasury operations. The section 151 officer will monitor interest rates in financial markets and adopt a pragmatic approach to changing circumstances:
- if it was felt that there was a significant risk of a sharp fall in long and short term rates, e.g. due to a marked increase of risks around relapse into recession or of risks of deflation, then long term borrowings will be postponed, and potential rescheduling from fixed rate funding into short term borrowing will be considered.
  - if it was felt that there was a significant risk of a much sharper rise in long and short term rates than that currently forecast, perhaps arising from a greater than expected increase in world economic activity or a sudden increase in inflation risks, then the portfolio position will be re-appraised with the likely action that fixed rate funding will be drawn whilst interest rates are lower than they are projected to be in the next few years.
62. The HRA strategy for borrowing will be the same as the borrowing strategy described above for the whole council. The HRA Business Plan will guide and influence the overall HRA borrowing strategy.
63. All decisions will be reported to the appropriate decision making body (Executive and Audit and Governance Committee) at the next available opportunity.

## Prudential Indicator 6 – Maturity of borrowing

64. Officers will monitor the balance between variable and fixed interest rates for borrowing and investments to ensure the council is not exposed to adverse fluctuations in fixed or variable interest rate movements. This is likely to reflect higher fixed interest rate borrowing if the borrowing need is high or fixed interest rates are likely to increase, a higher variable rate exposure if fixed interest rates are expected to fall. Conversely if shorter term interest rates are likely to fall, investments may be fixed earlier, or kept shorter if short term investment rates are expected to rise.
65. The balance between variable rate debt and variable rate investments will be monitored as part of the overall treasury function in the context of the overall financial instruments structure and any under or over borrowing positions. The council does not currently have any variable rate debt.
66. The upper and lower limits for the maturity structure of fixed rate borrowing are set out below (with actual split for the current financial year included for comparison). This gross limit is set to reduce the council's exposure to large fixed rate sums falling due for refinancing in a confined number of years.

<b>Maturity structure of borrowing</b>				
	<b>Lower</b>	<b>Upper</b>	<b>2019/20 Debt (%)</b>	<b>2019/20 Debt (£)</b>
Under 12 months	0%	30%	6%	£15.0m
12 months to 2 years	0%	30%	2%	£4.0m
2 years to 5 years	0%	40%	8%	£18.9m
5 years to 10 years	0%	40%	30%	£71.6m
10 years and above	30%	90%	54%	£126.9m
<b>Total Borrowing</b>			<b>100%</b>	<b>£236.4m</b>

Table 10: Maturity structure of borrowing at 31<sup>st</sup> December 2019

## Policy on borrowing in advance of need

67. The Council will not borrow more than or in advance of its needs purely in order to profit from the investment of the extra sums borrowed. Any decision to borrow in advance will be within forward approved Capital Financing Requirement estimates, and will be considered carefully to ensure that value for money can be demonstrated and that the Council can ensure the security of such funds..
68. Borrowing in advance will be made within the constraints of the CIPFA Prudential Code that:
- It will be limited to no more than 50% of the expected increase in borrowing need (CFR) over the three year planning period; and
  - The authority would not look to borrow more than 36 months in advance of need



69. Risks associated with any borrowing in advance activity will be subject to prior appraisal and subsequent reporting through the mid-year or annual reporting mechanism.

### **Debt rescheduling**

70. Rescheduling of current borrowing in our debt portfolio is unlikely to occur as the 100bps increase in PWLB rates only applied to new borrowing rates and not to premature debt repayment rates.

71. If rescheduling was done, it will be reported to the Executive / Audit & Governance Committee at the earliest meeting following its action.

### **Municipal Bond Agency**

72. The establishment of the UK Municipal Bonds Agency was led by the Local Government Association (LGA) following the 2010 Autumn Statement which resulted in higher PWLB rates, greatly increasing the cost of new borrowing and refinancing. The purpose of the Agency is to deliver cheaper capital finance to local authorities. It will do so via periodic bond issues and by facilitating greater inter-authority lending. The Agency is wholly owned by 56 local authorities and the LGA. The council is a shareholder in the Agency with a total investment of £40k and will make use of this new source of borrowing as and when appropriate.

### **Annual investment strategy**

#### **Investment policy – management of risk**

73. The MHCLG and CIPFA have extended the meaning of ‘investments’ to include both financial and non-financial investments. This report deals solely with financial investments, (as managed by the treasury management team). Non-financial investments, essentially the purchase of income yielding assets, are covered in the Capital Strategy, (a separate report).

74. The Council’s investment policy has regard to the following:

- MHCLG’s Guidance on Local Government Investments (“the Guidance”)
- CIPFA Treasury Management in Public Services Code of Practice and Cross Sectoral Guidance Notes 2017 (“the Code”)
- CIPFA Treasury Management Guidance Notes 2018

75. The Council’s investment priorities will be security first, portfolio liquidity second and then yield, (return).

76. The above guidance from the MHCLG and CIPFA place a high priority on the management of risk. This authority has adopted a prudent approach to managing risk and defines its risk appetite by the following means:

- i. Minimum acceptable credit criteria are applied in order to generate a list of highly creditworthy counterparties. This also enables diversification

and thus avoidance of concentration risk. The key ratings used to monitor counterparties are the short term and long-term ratings.

- ii. Other information: ratings will not be the sole determinant of the quality of an institution; it is important to continually assess and monitor the financial sector on both a micro and macro basis and in relation to the economic and political environments in which institutions operate. The assessment will also take account of information that reflects the opinion of the markets. To achieve this consideration the Council will engage with its advisors to maintain a monitor on market pricing such as “credit default swaps” and overlay that information on top of the credit ratings.
- iii. Other information sources used will include the financial press, share price and other such information pertaining to the banking sector in order to establish the most robust scrutiny process on the suitability of potential investment counterparties.
- iv. This authority has defined the list of types of investment instruments that the treasury management team are authorised to use. There are two lists in annex B under the categories of ‘specified’ and ‘non-specified’ investments.
  - Specified investments are those with a high level of credit quality and subject to a maturity limit of one year.
  - Non-specified investments are those with less high credit quality, may be for periods in excess of one year, and/or are more complex instruments which require greater consideration by members and officers before being authorised for use.
- v. Lending limits, (amounts and maturity), for each counterparty will be set through applying the matrix
- vi. tables in annex B.
- vii. Transaction limits are set for each type of investment.
- viii. Investments will only be placed with counterparties from countries with a specified minimum sovereign rating, (see annex C).
- ix. This authority has engaged external consultants, (see paragraphs 19 to 21), to provide expert advice on how to optimise an appropriate balance of security, liquidity and yield, given the risk appetite of this authority in the context of the expected level of cash balances and need for liquidity throughout the year.
- x. All investments will be denominated in sterling.
- xi. As a result of the change in accounting standards for 2018/19 under IFRS 9, this authority will consider the implications of investment instruments which could result in an adverse movement in the value of the amount invested and resultant charges at the end of the year to the General Fund. (In November 2018, the Ministry of Housing,

Communities and Local Government, (MHCLG), concluded a consultation for a temporary override to allow English local authorities time to adjust their portfolio of all pooled investments by announcing a statutory override to delay implementation of IFRS 9 for five years commencing from 1.4.18.)

77. However, this authority will also pursue value for money in treasury management and will monitor the yield from investment income against appropriate benchmarks for investment performance, (see paragraph 93). Regular monitoring of investment performance will be carried out during the year.

### **Responsible investments**

78. This is a topic of increasing interest. However, investment guidance, both statutory and from CIPFA, makes clear that all investments must adopt SLY principles – security, liquidity and yield: any other ethical issues must play a subordinate role to those priorities.

79. Link Asset Services is looking at ways in which they can incorporate these factors into their creditworthiness assessment service, but with a lack of consistency, as well as coverage, they continue to review the options and will update as progress is made.

80. The Council has determined that the FTSE4Good index is a suitable measure to enable the inclusion of these measures within our investment criteria. The majority of the the banks and building societies we invest with directly are included in the top 50 UK companies listed on this index. However, there is currently no index that covers money market funds, or any non UK banks, so the index does not fully cover all our counterparties.

81. To be included in the FTSE4Good Index, companies must, for example, support human rights, have good relationships with the various stakeholders, make progress to become environmentally sustainable, ensure good labour standards not only for their own company but for companies that supply them as well, and fight bribery and corruption. An independent committee of experts develop the criteria and regularly update and review conformity to their Ethical, Social and Governance (ESG) standards.

82. Companies automatically excluded from the index series are tobacco companies, manufacturers of nuclear weapon systems, manufacturers of whole weapons systems, utilities involved in producing electricity from nuclear power, and businesses involved in the mining or processing of uranium. Oil and gas companies are not dismissed out-of-hand; instead, they are evaluated based on their efforts to reduce production of fossil fuels and evolve their business into more environmentally-friendly operations.

83. In future a 4<sup>th</sup> criteria to consider the FTSE4Good index, or any suitable alternative responsible investment index to be decided by the s151 officer,

will be applied to all investments to ensure that the issues outlined above are considered and this report asks members to approve this formal amendment to the Treasury Strategy.

### **Creditworthiness policy**

84. This council applies the creditworthiness service provided by Link Asset Services. This service employs a sophisticated modeling approach with credit ratings from the three main credit rating agencies - Fitch, Moody's and Standard and Poor's. The credit ratings of counterparties are supplemented with the following overlays:

- credit watches and credit outlooks from credit rating agencies
- CDS spreads to give early warning of likely changes in credit ratings
- sovereign ratings to select counterparties from only the most creditworthy countries

85. This approach combines credit ratings, credit watches, credit outlooks in a weighted scoring system which is then combined with an overlay of CDS (credit default swap) spreads for which the end product is a series of colour code bands, which indicate the relative creditworthiness of counterparties. These colour codes are also used by the council to determine the duration for investments. The council will therefore use counterparties within the following durational bands:

- Yellow\* 5 years
- Purple 2 years
- Blue 1 year (only applies to nationalised or part nationalised UK Banks)
- Orange 1 year
- Red 6 months
- Green 100 days
- No colour not to be used

*\*The yellow category is for UK Government debt or its equivalent (government backed securities) AAA rated funds*

86. The Link Asset Services creditworthiness model uses a wider array of information than just primary ratings and by using a risk weighted scoring system, does not give undue weighting to just one agency's ratings.

87. Typically the minimum credit ratings criteria the council use will be a short term rating (Fitch or equivalent) of F1 and Long Term rating A-. There may be occasions when the counterparty ratings from one rating agency are marginally lower than these ratings but may still be used. In these

instances consideration will be given to the whole range of ratings available, or other topical market information, to support their use.

88. All credit ratings are monitored on a daily basis. The council is alerted to changes to ratings of all three agencies through its use of the Link Asset Services creditworthiness service:

- If a downgrade results in the counterparty/investment scheme no longer meeting the council's minimum criteria, its further use as a new investment will be withdrawn immediately.
- In addition to the use of credit ratings the council will be advised of information in movements in credit default swap against the iTraxx benchmark and other market data on a weekly basis. Extreme market movements may result in downgrade of an institution or removal from the council's lending list.

89. Although sole reliance is not placed on the use of this external service, as the council uses market data and market information, information on government support for banks and the credit ratings of that supporting government, the suitability of each counterparty is based heavily on advice from Link.

90. Whilst the council has determined that it will not limit investments to UK banks, it will only use approved counterparties from countries with a minimum sovereign credit rating of AA- from Fitch (or equivalent from other agencies if Fitch does not provide). The list of countries that qualify using this credit criteria as at the date of this report are shown in annex C. This list will be added to or deducted from by officers should ratings change in accordance with this policy.

### **Investment strategy**

91. Investments will be made with reference to the core balance and cash flow requirements and the outlook for short-term interest rates (i.e. rates for investments up to 12 months). Greater returns are usually obtainable by investing for longer periods. While most cash balances are required in order to manage ups and downs of cash flow, where cash sums can be identified that could be invested for longer periods, the value to be obtained from longer term investments will be carefully assessed.

92. On the assumption that the UK and EU agree a Brexit deal, including the terms of trade, by the end of 2020 or soon after, then Bank rate is forecast to increase slowly over the next few years to reach 1% by quarter 1 2023. Bank rate forecasts for financial year ends (March) are:

2020/21	0.75%
2021/22	1.00%
2022/23	1.25%

93. For its cash flow generated balances, the council will seek to utilise a combination of business reserve accounts (call accounts), short notice accounts, short dated fixed term deposits and money market funds. In addition, the council will look for investment opportunities in longer dated term deals with specific counterparties that offer enhanced rates for local authority investment. All investment will be undertaken in accordance with the creditworthiness policy set out above.
94. The council will use an investment benchmark to assess the performance of its investment portfolio of 7 day LIBID rate. These benchmarks are simple guides to maximum risk, so they may be breached from time to time depending on movements in interest rates and counter party criteria. The purpose of the benchmark is that officers will monitor the current and trend position and amend the operational strategy to manage risk as conditions change.
95. **Prudential indicator 7** - total principal investment funds invested for greater than 364 days. This limits is set with regards to the council's liquidity requirements and are based on the availability of funds after each year-end. A maximum principal sum to be invested for greater than 364 days is £15m.

	2019/20 Estimate £m	2020/21 Estimate £m	2021/22 Estimate £m	2022/23 Estimate £m	2023/24 Estimate £m	2024/25 Estimate £m
<b>Maximum limit per year for Investments &gt; 364 days</b>	15.0	15.0	15.0	15.0	15.0	15.0

Table 11: Investments over 364 days

96. At the end of the financial year, the council will report on its investment activity as part of its annual treasury report. It should be noted that the Investment policy, creditworthiness policy and investment strategy are applicable to the council's overall surplus funds and are also applicable to the HRA.

### Consultation and options

97. The treasury management function of any business is a highly technical area, where decisions are often taken at very short notice in reaction to the financial markets. Therefore, to enable effective treasury management, all operational decisions are delegated by the council to the Director of Customer & Corporate Services, who operates within the framework set out in this strategy and through the treasury management policies and practices. In order to inform sound treasury management operations the council works with its treasury management advisers, Link Asset Services.

Link Asset Services offers the council a comprehensive information and advisory service that facilitates the council in maximising its investment returns and minimise the costs of its debts.

98. Treasury management strategy and activity is influenced by the capital investment and revenue spending decisions made by the council. Both the revenue and capital budgets have been through a corporate process of consultation and consideration by the elected politicians. The revenue budget and capital budget proposals are included within this agenda.
99. At a strategic level, there are a number of treasury management options available that depend on the council's stance on interest rate movements. The report sets out the council's stance and recommends the setting of key trigger points for borrowing and investing over the forthcoming financial year.

### **Council Plan**

100. The treasury management strategy statement and prudential indicators are aimed at ensuring the council maximises its return on investments and minimises the cost of its debts whilst operating in a financial environment that safeguards the councils funds. This will allow more resources to be freed up to invest in the council's priorities, values and imperatives, as set out in the Council Plan.

### **Implications**

#### **Financial**

101. The financial implications of the treasury strategy are set out in the Financial Strategy Capital Strategy reports also on this agenda.

#### **Human Resources (HR)**

102. There are no HR implications as a result of this report

#### **Equalities**

103. There are no equalities implications as a result of this report

#### **Legal Implications**

104. Treasury management activities have to conform to the Local Government Act 2003, the Local Authorities (Capital; Finance and Accounting) (England) Regulations 2003 (SI 2003/3146), which specifies that the council is required to have regard to the CIPFA Prudential Code and the CIPFA Treasury Management Code of Practice and also the Local Authorities (Capital Finance and Accounting) (England) (Amendment)

Regulations 2008 (SI 2008/414), which clarifies the requirements of the Minimum Revenue Provision guidance.

### Other implications

105. There are no crime and disorder, information technology or property implications as a result of this report

### Risk management

106. The treasury management function is a high-risk area because of the volume and level of large money transactions. As a result of this the Local Government Act 2003 (as amended), supporting regulations, the CIPFA Prudential Code and the CIPFA Treasury Management in the Public Services Code of Practice (the code) are all adhered to as required.

<b>Report authors:</b>	<b>Chief officer responsible for the report:</b>			
Debbie Mitchell Head of Corporate Finance & Commercial Procurement Tel: 01904 554161	Debbie Mitchell Head of Corporate Finance & Commercial Procurement			
Emma Audrain Principal Accountant	<b>Report Approved</b>	√	<b>Date</b>	30 <sup>th</sup> January 2020
Tony Clark Accounting Technician				
<b>Wards Affected: Not Applicable</b>				

**For further information please contact the author of the report**

### Background papers

none

### Annexes

Annex A – Interest rate forecast

Annex B – Specified and non-specified investments categories schedule

Annex C – Approved countries for investments

Annex D – Scheme of delegation and the role of the section 151 officer



**Link Asset Services Interest Rate View**

PWLB rates and forecast shown below have taken into account the 20 basis point certainty rate reduction effective as of the 1st November 2012.

<b>Bank Rate</b>														
	NOW	Mar-20	Jun-20	Sep-20	Dec-20	Mar-21	Jun-21	Sep-21	Dec-21	Mar-22	Jun-22	Sep-22	Dec-22	Mar-23
Link Asset Services	0.75%	0.75%	0.75%	0.75%	0.75%	1.00%	1.00%	1.00%	1.00%	1.00%	1.25%	1.25%	1.25%	1.25%
Capital Economics	0.75%	0.75%	0.75%	0.75%	0.75%	-	-	-	1.00%	-	-	-	-	-
<b>5yr PWLB Rate</b>														
	NOW	Mar-20	Jun-20	Sep-20	Dec-20	Mar-21	Jun-21	Sep-21	Dec-21	Mar-22	Jun-22	Sep-22	Dec-22	Mar-23
Link Asset Services	2.34%	2.40%	2.40%	2.50%	2.50%	2.60%	2.70%	2.80%	2.90%	2.90%	3.00%	3.10%	3.20%	3.20%
Capital Economics	2.34%	2.40%	2.50%	2.50%	2.60%	-	-	-	2.80%	-	-	-	-	-
<b>10yr PWLB Rate</b>														
	NOW	Mar-20	Jun-20	Sep-20	Dec-20	Mar-21	Jun-21	Sep-21	Dec-21	Mar-22	Jun-22	Sep-22	Dec-22	Mar-23
Link Asset Services	2.55%	2.70%	2.70%	2.70%	2.80%	2.90%	3.00%	3.10%	3.20%	3.20%	3.30%	3.30%	3.40%	3.50%
Capital Economics	2.55%	2.60%	2.70%	2.80%	2.80%	-	-	-	3.10%	-	-	-	-	-
<b>25yr PWLB Rate</b>														
	NOW	Mar-20	Jun-20	Sep-20	Dec-20	Mar-21	Jun-21	Sep-21	Dec-21	Mar-22	Jun-22	Sep-22	Dec-22	Mar-23
Link Asset Services	3.07%	3.30%	3.40%	3.40%	3.50%	3.60%	3.70%	3.70%	3.80%	3.90%	4.00%	4.00%	4.10%	4.10%
Capital Economics	3.07%	3.00%	3.10%	3.20%	3.20%	-	-	-	3.40%	-	-	-	-	-
<b>50yr PWLB Rate</b>														
	NOW	Mar-20	Jun-20	Sep-20	Dec-20	Mar-21	Jun-21	Sep-21	Dec-21	Mar-22	Jun-22	Sep-22	Dec-22	Mar-23
Link Asset Services	2.90%	3.20%	3.30%	3.30%	3.40%	3.50%	3.60%	3.60%	3.70%	3.80%	3.90%	3.90%	4.00%	4.00%
Capital Economics	2.90%	3.00%	3.10%	3.20%	3.20%	-	-	-	3.50%	-	-	-	-	-

**Specified and non-specified investments categories****Annex B**

A variety of investment instruments will be used, subject to the credit quality of the institution, to place the council's surplus funds. The criteria, time limits and monetary limits applying to institutions or investment vehicles are listed in the tables below.

Investments are split into two categories of specified investments and non-specified Investments. Specified investments are relatively high security and high liquidity investments, which must be sterling denominated and with a maturity of no more than a year. Non-specified investments are those investments with a maturity period of greater than one year or are still regarded as prudent but may require more detailed scrutiny and assessment procedures.

**Accounting treatment of investments.** The accounting treatment may differ from the underlying cash transactions arising from investment decisions made by this council. To ensure that the council is protected from any adverse revenue impact, which may arise from these differences, treasury officers will review the accounting implications of new transactions before they are undertaken.

**Specified investments:**

Counterparty type	Minimum 'high' credit criteria/colour band	Maximum investment limit per counterparty institution	Maximum maturity period
DMADF – UK Government	UK sovereign rating	£15m	6 months
UK Government Treasury Bills	UK sovereign rating	£15m	1 year
UK Government Gilts	UK sovereign rating	£15m	1 year
Term deposits - local authorities	UK sovereign rating	£15m	1 year
Part-nationalised UK Banks	Blue	£15m	1 year
Term Deposits - UK Banks and Building Societies	Orange Red Green	£15m £15m £8m	1 year 6 months 100 days
Term Deposits - Non-UK Banks (with a sovereign rating of AA-)	Orange	£15m	1 year
Certificates of Deposits issued by Banks and Building Societies	Orange/Blue	£15m	1 year
Collective investment schemes structured as open ended investment companies (OEICs) as below:-			

1. Money Market Funds CNAV	AAA	£15m	Liquid
2. Money Market Funds LVNAV	AAA	£15m	Liquid
3. Money Market Funds VNAV	AAA	£15m	Liquid
4. Ultra-Short Dated Bond Funds	AAA	£15m	Liquid
5. Bond Funds	AAA	£15m	Liquid

**CNAV – constant net asset value****LVNAV – low volatility net asset value****VNAV – variable net asset value****NON-SPECIFIED INVESTMENTS:**

A maximum of 100% can be held in aggregate in non-specified investment

## 1. Maturities of ANY period

Counterparty type	Minimum credit criteria	Maximum investment limit per counterparty institution	Maximum Maturity Period
Fixed term deposits with variable rate and variable maturities: - Structured deposits	Orange Blue Red Green	£15m £15m £15m £8m	1 Year 1 year 6 months 100 days
Certificates of Deposits issued by Banks and Building Societies	Red Green	£15m £8m	6 months 100 days
Floating Rate Notes	Long-term AAA	£15m	1 year
Property Funds: <i>the use of these investments may constitute capital expenditure</i>	AAA-rated	£15m	5 years

## 2. Maturities in excess of 1 year

Term Deposits– local authorities	UK Sovereign Rating	£15m	> 1 year
Term deposits – Banks and Building Societies	Yellow Purple	£15m £15m	5 years 2 years
Certificates of Deposits issued by Banks and Building Societies not covered by UK Government guarantee	Yellow Purple	£15m £15m	5 years 2 years
UK Government Gilts	UK sovereign rating	£15m	> 1 year

Collective investment schemes structured as open ended investment companies (OEICs) as below:-			
1. Bond Funds	Long-term AAA	£15m	> 1 year
2. Gilt funds	Long-term AAA	£15m	> 1 year

**Approved countries for investments****Annex C**

This list is based on those countries which have sovereign ratings of AA- or higher, (based on the lowest available rating from Fitch, Moody's and S&P) and also, (except - at the time of writing - for Hong Kong, Norway and Luxembourg), have banks operating in sterling markets which have credit ratings of green or above in the Link Asset Services credit worthiness service.

**This list is as at 03/01/20**

## AAA

- . Australia
- . Canada
- . Denmark
- . Germany
- . Luxembourg
- . Netherlands
- . Norway
- . Singapore
- . Sweden
- . Switzerland

## AA+

- . Finland
- . United States of America

## AA

- . Abu Dhabi (United Arab Emirates)
- . Hong Kong
- . France
- . United Kingdom

## AA-

- . Belgium
- . Qatar

**Treasury management scheme of delegation****Annex D****(i) Executive / Full Council**

- receiving and reviewing reports on treasury management policies, practices and activities
- approval of annual strategy and annual outturn

**(ii) Executive**

- approval of/amendments to the organisation's adopted clauses, treasury management policy statement and treasury management practices
- budget consideration and approval
- approval of the division of responsibilities

**(iii) Audit & Governance Committee**

- receiving and reviewing reports on treasury management policies, practices and activities
- reviewing the annual strategy, annual outturn and mid year review.

**(iv) Director of Customer and Corporate Services (section 151 officer)**

- reviewing the treasury management policy and procedures and making recommendations to the responsible body.
- all operational decisions are delegated by the council to the Director of Customer & Corporate Services, who operates within the framework set out in this strategy and through the treasury management policies and practices
- Approving the selection of external service providers and agreeing terms of contract in accordance with the delegations in financial regulations.

**The treasury management role of the section 151 officer**

- recommending clauses, treasury management policy/practices for approval, reviewing the same regularly, and monitoring compliance
- all operational decisions delegated by the council to the Director of Customer & Corporate Services (s151 officer), who operates within the framework set out in this strategy and through the treasury management policies and practices
- submitting regular treasury management policy reports
- submitting budgets and budget variations
- receiving and reviewing management information reports
- reviewing the performance of the treasury management function
- ensuring the adequacy of treasury management resources and skills, and the effective division of responsibilities within the treasury management function
- ensuring the adequacy of internal audit, and liaising with external audit
- recommending the appointment of external service providers.

- preparation of a capital strategy to include capital expenditure, capital financing, non-financial investments and treasury management, with a long term timeframe
- ensuring that the capital strategy is prudent, sustainable, affordable and prudent in the long term and provides value for money
- ensuring that due diligence has been carried out on all treasury and non-financial investments and is in accordance with the risk appetite of the authority
- ensure that the authority has appropriate legal powers to undertake expenditure on non-financial assets and their financing
- ensuring the proportionality of all investments so that the authority does not undertake a level of investing which exposes the authority to an excessive level of risk compared to its financial resources
- ensuring that an adequate governance process is in place for the approval, monitoring and ongoing risk management of all non-financial investments and long term liabilities
- provision to members of a schedule of all non-treasury investments including material investments in subsidiaries, joint ventures, loans and financial guarantees
- ensuring that members are adequately informed and understand the risk exposures taken on by an authority
- ensuring that the authority has adequate expertise, either in house or externally provided, to carry out the above
- creation of Treasury Management Practices which specifically deal with how non treasury investments will be carried out and managed, to include the following: -
  - *Risk management, including investment and risk management criteria for any material non-treasury investment portfolios;*
  - *Performance measurement and management, including methodology and criteria for assessing the performance and success of non-treasury investments;*
  - *Decision making, governance and organisation, including a statement of the governance requirements for decision making in relation to non-treasury investments; and arrangements to ensure that appropriate professional due diligence is carried out to support decision making;*
  - *Reporting and management information, including where and how often monitoring reports are taken;*
  - *Training and qualifications, including how the relevant knowledge and skills in relation to non-treasury investments will be arranged.*

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**Executive****13 February 2020**

Report of the Corporate Finance & Commercial Procurement Manager  
(Interim S151 officer)

Portfolio of the Executive Member for Finance and Performance

**Capital Programme – Monitor 3 2019/20****Summary**

- 1 The purpose of this report is to set out the projected outturn position for 2019/20 including any under/over spends and adjustments, along with requests to re-profile budgets to/from current and future years.
- 2 The 2019/20 capital programme approved by Council on 28 February 2019, updated for amendments reported to Executive and Council in the 2018/19 outturn report resulted in an approved capital budget of £121.456m.
- 3 Whilst the content of this report focuses on reporting amendments to budgets in year and re-profiling to future years, it should be recognised that there have been a number of significant achievements delivered through the Capital programme during 2019/20 including work beginning on the restoration of the Guildhall, the appointment of a contractor to build 104 new homes at Lowfield and the Community stadium now in its final site fit out, testing and commissioning phase before opening to the public during the year.

**Recommendations**

- 4 Executive is asked to:
  - Recommend to Full Council the adjustments resulting in a decrease in the 2019/20 budget of £15.414m as detailed in the report and contained in Annex A.
  - Note the 2019/20 revised budget of £121.456m as set out in paragraph 6 and Table 1.

- Note the restated capital programme for 2019/20 – 2023/24 as set out in paragraph 17, Table 2 and detailed in Annex A.
- Approve the appropriation of land from the general fund to HRA for the Burnholme site at a market value of £3m
- Approve the transfer of budget of £2.9m from the Local Authority (LA) Homes New Build and £200k from LA Homes project team schemes in 20/21 to Hospital Fields Road/ Ordnance lane, Burnholme, and Duncombe Barracks as set out at paragraph 21.
- Note the allocation of £774k of funds within the overall Maintenance programme towards a maintenance scheme at Huntington School in 2020/21 as set out at paragraph 14.

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

### **Consultation**

- 5 The capital programme was developed under the capital budget process and agreed by Council on 28 February 2019. Whilst the capital programme as a whole is not consulted on, the individual scheme proposals and associated capital receipt sales do follow a consultation process with local Councillors and residents in the locality of the individual schemes.

### **Summary of Key Issues**

- 6 A decrease of £15.414m is detailed in this monitor resulting in a revised capital programme of £121.456m. There is an increase of £3.299m in 2019/20 and an £18.713m decrease in 2019/20 due to re-profiling of budgets to future years. The majority of this re-profiling is due to a review of the WYTF York Outer Ring Road; Station frontage, Smarter travel evolution & Guildhall schemes to reflect a more appropriate and accurate scheduling of when the costs are likely to be incurred. Progress has been made across a number of key areas of the capital programme, including work beginning on the restoration of the Guildhall and the appointment of a contractor build 140 new homes at Lowfield.

7 Table 1 outlines the variances reported against each portfolio area.

<b>Department</b>	<b>Current Approved Budget £m</b>	<b>Projected Outturn £m</b>	<b>Increase (decrease) £m</b>	<b>Reprofile £m</b>	<b>Total Variance £m</b>	<b>Paragraph Ref</b>
Children, Education & Communities	14.377	12.284	-	<b>(2.093)</b>	<b>(2.093)</b>	10-16
Health, Housing & Adult Social Care – Adult Social Care	5.254	5.321	-	<b>0.067</b>	<b>0.067</b>	17-21
Health, Housing & Adult Social Care – Housing & Community Safety	39.258	37.758	<b>0.477</b>	<b>(1.977)</b>	<b>(1.500)</b>	22-26
Economy & Place – Transport, Highways & Environment	41.268	31.559	<b>(0.028)</b>	<b>(9.681)</b>	<b>(9.709)</b>	27-34
Economy & Place – Regeneration & Asset Management	18.606	17.666	<b>2.850</b>	<b>(3.790)</b>	<b>(0.940)</b>	35-40
Community Stadium	10.143	10.143	-	-	-	-
Customer & Corporate services	2.999	2.260	-	<b>(0.739)</b>	<b>(0.739)</b>	41-45
IT Development Plan	4.965	4.465	-	<b>(0.500)</b>	<b>(0.500)</b>	46
<b>Total</b>	<b>136.870</b>	<b>121.456</b>	<b>3.299</b>	<b>(18.713)</b>	<b>(15.414)</b>	

**Table 1 Capital Programme Forecast Outturn 2019/20**

### **Analysis**

8 A summary of the key exceptions and implications on the capital programme are highlighted below.

## Children, Education & Communities

- 9 Amendments to this area of the capital programme have resulted in a net decrease to the capital programme of £2.093m 2019/20 at monitor 3. Further details on variance schemes can be found below.

<b>Scheme</b>	<b>Amendment</b>	<b>Amount 19/20 £m</b>	<b>Amount 20/21 £m</b>	<b>Further Details – Paragraph ref</b>
Basic Need	Re-profile	<b>(1.000)</b>	<b>1.000</b>	11-13
Basic Need	Adjustment	<b>(0.506)</b>	-	11-13
Archbishop Holgate's School Expansion	Adjustment	<b>0.500</b>		12
Family Drug & Alcohol Assess/ Recovery facility	Re-profile	<b>(0.100)</b>	<b>0.100</b>	15
Centre of Excellence for Disabled Children (Lincoln Court)	Re-profile	<b>(0.900)</b>	<b>0.900</b>	16

- 10 A significant programme of maintenance and condition works has been carried out in schools over the summer holiday period with remaining works completed in the October half-term.
- 11 Following approval at the Executive on 24th October 2019 the major scheme for the expansion of Archbishop Holgate's School is now shown separately in the programme. This scheme totals £4.4m and is scheduled to begin in spring 2020.
- 12 An amount of £1m of the £1.683m remaining in the main Basic Need budget now requires re-profiling into 2020/21. This will form part of the resource for the major scheme at Fulford School which has already had a draft budget of £6m earmarked by the Executive whilst a potential scheme is developed.
- 13 The Centre of Excellence is currently still progressing to the timetable previously reported, with the main build due to be completed in January 2020 and opening scheduled for May 2020. The scheduling of remaining works following the completion of the main build now requires that £900k be re-profiled into 2020/21 as this is when these works will be completed, prior to opening.

- 14 There are currently no plans to spend the budget within the Family Drug and Alcohol Resource Centre in 2019/20 therefore the budget of £100k has been transferred into 2020/21.
- 15 Within the overall Maintenance Programme a specific scheme is planned at Huntington School in 2020/21. This scheme, at a budgeted cost of £774k, will refurbish four of eight science labs to improve the educational experience for staff and pupils, and will also address urgent electrical and gas issues. Energy efficiency will be improved as a result of the updated electrical wiring which will be brought into line with current building regulations

### **Adult Social Care**

- 16 Amendments made as part of this report have resulted in a net reduction in the capital programme of £67k in 2019/20.
- 17 The Ashfield sports pitches scheme is on track to spend on budget. The majority of the pitches have been seeded although some more seeding will take place in March 2020 having been delayed by the recent inclement weather. Work will start on the pavilion in January 2020 and the development is still scheduled to be in use by September 2020 in time for the 2020/21 football season.
- 18 The contract for the Burnholme sports centre is now complete. The Council took hand over of the building on 2<sup>nd</sup> December 2019 with minor snagging work being completed throughout December.
- 19 GLL are currently on site installing the gym kit and other infrastructure. The sports centre is due to open to the public on 8<sup>th</sup> January and is forecast to be delivered on budget.
- 20 The Lowfields enabling works have continued with funds of £67k being brought forward into 2019/20 due to more enabling works being completed than originally anticipated in 2019/20.

**Housing & Community Safety**

21 Amendments to this area of the capital programme have resulted in a net nil adjustment for 2019/20 at monitor 3. Further details on variance schemes can be found below.

<b>Scheme</b>	<b>Amendment</b>	<b>Amount 19/20 £m</b>	<b>Amount 20/21 £m</b>	<b>Amount 21/22 £m</b>	<b>Amount 22/23 £m</b>	<b>Further Details – Paragraph ref</b>
Local Authority Homes – New Build Project	Adjustment	-	<b>(2.900)</b>	-	-	23
Local Authority Homes – New Build Project	Re-profile	-	<b>(20.000)</b>	<b>5.000</b>	<b>20.000</b>	23
Local Authority Homes – Project team	Adjustment	-	<b>(0.200)</b>	-	-	23
Local Authority Homes – Hospital Fields/ Ordnance Lane	Adjustment	-	<b>1.300</b>	-	-	23
Local Authority Homes - Burnholme	Adjustment	-	<b>1.400</b>	-	-	23
Duncombe Barracks	Adjustment	-	<b>0.400</b>	-	-	23
Shared Ownership Scheme	Adjustment	<b>0.477</b>	-	-	-	24
Shared Ownership Scheme	Re-profile	<b>(0.477)</b>	<b>0.477</b>	-	-	24
Lowfield Housing	Re-profile	<b>(1.500)</b>	<b>1.500</b>	-	-	26

22 The Housing Delivery Team are working on the design of three sites, Burnholme, Hospital Field Road/Ordnance Lane(HFR/OL) and Duncombe. The programme has adopted a rise in design quality including passivhaus and net zero carbon as well as more land efficient sites. Additional funding is required to move these sites through planning to a level of design which will allow tender documents to be prepared for contract. Approval is requested to move budget in 2020/21 from the New

Build Project (£2,900k) and the Project Team budgets (£200k) to these three schemes (£1,400k Burnholme, £1,300k HFR/OL and £400k Duncombe) to allow this work to be completed. Funds of £20m within the LA Homes New Build Project scheme have also been re-profiled from 2020/21 to future years in order to align the budget with projected start date on future sites.

- 23 Within the Shared Ownership scheme - 4 properties have been bought and sold in quarter 3 (up to first week in December), in total 10 properties have been bought this year and 14 sold. The sales in this quarter of £477k are to be reinvested in the programme, therefore approval is requested to increase the budget by this level.
- 24 There has been significant progress on site at Marjorie Waite Court with 2 of the bungalows being completed for use as site accommodation, the new plant room is completed ready for the switchover and the superstructure of the main block of apartments is now at first floor level. There is however an estimated delay of approximately 23 weeks which has been caused by a delay in Northern Powergrid getting the necessary legal agreements to make the new electrical connection to the development, this has been outside of both CYC's and Hobson Porter's Control. However Hobson & Porter have re-programmed works to ensure that the delay is minimised and work has continued on site, the cost of this delay is currently being negotiated
- 25 Within the Lowfield Housing scheme, The main contractor, Wates Construction, started work on site on 2nd December 2019. Show homes are due to be ready in late Summer 2020 and first occupations expected late 2020. Funds of £1.5m have been re-profiled from 2019/20 to 20/21 in line with contract costs.

## Transport, Highways & Environment

26 There have been a number of amendments to this area as part of this report resulting in a net decrease to the capital programme in 19/20 of £9.681m. Key variances are summarised in the table below, referenced to further narrative.

Scheme	Amendment	Amount 19/20 £m	Amount 20/21 £m	Amount 21/22 £m	Amount 22/23 £m	Amount 22/23 £m	Further Details – Paragraph ref
Special Bridge Maintenance	Re-profile	<b>(0.630)</b>	<b>0.630</b>	-	-	-	28
Hyper Hubs	Re-profile	<b>(0.836)</b>	<b>0.836</b>	-	-	-	29
WYTF – York Outer Ring Road	Re-profile	<b>(3.510)</b>	<b>(10.690)</b>	<b>1.120</b>	<b>10.000</b>	<b>3.080</b>	30-31
WYTF – York Outer Ring Road	Adjustment	-	-	<b>5.000</b>	-	-	30-31
WYTF – Station Frontage	Re-profile	<b>(1.330)</b>	<b>1.330</b>	-	-	-	32
Smarter Travel Evolution programme	Re-profile	<b>(1.985)</b>	<b>1.985</b>	-	-	-	33
Clean Air Zone	Re-profile	<b>(1.390)</b>	<b>1.390</b>	-	-	-	34

27 A programme of bridge improvement work is now being developed following the programme of bridge inspections, but due to the length of time needed for the inspections process, the majority of the work will be carried out in 2020/21. It is proposed to reduce the allocation for this scheme to £300k in 2019/20 to fund the planned work on Blue Bridge and Castle Mills Bridge, which will start on site in March, and transfer the remaining funding of £630k into 2020/21 for the completion of these two schemes and the next schemes identified through the inspection programme.

28 Planning approval was granted for the proposals to install solar panel canopies and chargers for electric vehicles at Monks Cross and Poppleton Park & Ride sites in autumn 2019. Following a tender process, the contract for the work will be awarded in early 2020, and construction is expected to start in February/ March 2020 with completion in August 2020. As the majority of the construction work will be carried out in 2020/21, it is proposed



to reduce the allocation for this scheme in 19/20 to £600k and slip the remaining funding to 2020/21 for the completion of the scheme.

- 29 As previously reported to the Executive in September, progress on the Outer Ring Road roundabout improvements scheme has been delayed in 2019/20 due to the issues in acquiring land for the Monks Cross roundabout scheme. Due to these delays, it is proposed to reduce the allocation for this scheme in 2019/20 to £1,750k to allow the development of the Clifton Moor roundabout scheme to continue. It is proposed to slip the remaining West Yorkshire Transport Fund grant funding to 2020/21 for the implementation of the Monks Cross and Clifton Moor roundabout schemes, and further development work on the remaining roundabout upgrades
- 30 As agreed by Council in October 2019 an additional £5m of prudential borrowing is to be provided in order to fund the 'enhanced option' to upgrade the Clifton Moor junction'
- 31 It is proposed to re-profile the allocation for the Station Frontage scheme and slip £1,330k of West Yorkshire Transport Fund grant funding from 2019/20 to 2020/21, as the planning approval process has taken longer than originally expected - amendments to the planning application are due to be submitted in January 2020. This will allow work to gain planning approval and Full Business Case agreement from the West Yorkshire Combined Authority to be progressed in 2019/20, with delivery of the full scheme expected to start in 2020/21. The York Station Frontage scheme has been included in the Leeds City Region Transforming Cities Fund bid to the Department for Transport. In advance of the outcome of the bid being announced additional funding has been allocated by the West Yorkshire Combined Authority to develop scheme further.
- 32 There have been some delays to the Smarter Travel Evolution Programme (STEP) in 2019/20 due to the length of time required for procurement of some of the measures, due to the new technology required for the programme of work. The work in 2019/20 to collect traffic data required for the new transport model will continue, but the majority of the work to develop the new transport model and upgrade communications infrastructure at traffic signals will now be carried out in 2020/21. It is proposed to slip £1.9m grant funding to 2020/21 to allow preparatory work to continue in 2019/20 and complete the programme of work in 2020/21.
- 33 Following the approval of the Clean Air Zone proposals for the city centre, an application process was set up to allow bus companies to bid for funding

to convert their buses to Euro VI standards. All funding is now committed to operators following an allocation exercise undertaken in October/ November 2019, but due to the length of time needed to carry out the conversion work, the spend in 2019/20 will be lower than originally expected. It is proposed to reduce the allocation for 2019/20 to £250k and slip the remaining funding to 2020/21 for payment of the remaining grants once conversion work is completed.

### **Regeneration & Asset Management**

34 A number of amendments have been made as part of this report resulting in a net decrease to the capital programme of £854k in 2019/20. Key variances are summarised in the table below, referenced to further narrative.

<b>Scheme</b>	<b>Amendment</b>	<b>Amount 19/20 £m</b>	<b>Amount 20/21 £m</b>	<b>Amount 21/22 £m</b>	<b>Amount 22/23 £m</b>	<b>Further Details – Paragraph ref</b>
Community Asset Transfer	Re-profile	<b>(0.175)</b>	<b>0.175</b>	-	-	36
One Planet Council – Energy Efficiency	Re-profile	<b>(0.440)</b>	<b>0.440</b>	-	-	37
Shambles Modernisation - Power	Re-profile	<b>(0.180)</b>	<b>0.180</b>	-	-	-
Commercial Property Acquisition	Adjustment	<b>2.850</b>	-	-	-	38
Guildhall	Re-profile	<b>(2.936)</b>	<b>2.936</b>	-	-	39
York Central Infrastructure	Re-profile	-	<b>(103.615)</b>	<b>53.473</b>	<b>50.142</b>	40

35 Within the Community Asset Transfer scheme there are a number of assets where improvements are required. However, schemes are slow in being brought forward. The scheme at Clementhorpe Community Centre is not expected until the Summer therefore funds of £175k have been transferred from 19/20 into 20/21.

36 Expenditure on the One Plane Council – Energy Efficiency scheme has been delayed whilst officers put together a coordinated strategy, using both

capital and revenue budgets, to consult and implement initiatives to reduce or offset carbon with the ambition of being carbon neutral by 2030, Funds of £440k have therefore been transferred from 19/20 into 20/21

- 37 At their Full Council meeting on 19<sup>th</sup> December 2019 Members formally approved the purchase of the freehold of a city centre property, following an Executive report on 28 November 2019. The property, 25-27 Coney Street, was purchased in December 2019 and will be added to the commercial property portfolio. It is a property with an existing tenant, but which has future development potential. The purchase will be funded by departmental borrowing which will be paid out of rental income
- 38 Following the delay in finalising the contract with Vinci the expenditure profile for the Guildhall scheme has been adjusted to reflect the revised cashflows. The work is underway and the work is expected to be complete by Spring 2021
- 39 The expenditure on York Central has been re-profiled to reflect the fact the Council is still awaiting an announcement on HIF funding. If the full funding package is secured the phase 1 infrastructure works contract could commence in Autumn 2020. This would be the subject of approval by Executive.

### **Customer & Corporate Services**

- 40 A number of amendments have been made as part of this report resulting in a net decrease to the capital programme of £739k in 2019/20. Key variances are summarised in the table below, referenced to further narrative.

<b>Scheme</b>	<b>Amendment</b>	<b>Amount 19/20 £m</b>	<b>Amount 20/21 £m</b>	<b>Further Details – Paragraph ref</b>
Removal of Asbestos	Re-profile	<b>(0.120)</b>	<b>0.120</b>	42
PhotoVoltaic Energy programme	Re-profile	<b>(0.100)</b>	<b>0.100</b>	43
Crematorium Waiting room	Re-profile	<b>(0.200)</b>	<b>0.200</b>	44
West Offices – Major repairs	Re-profile	<b>(0.237)</b>	<b>0.237</b>	45

- 41 Within the removal of asbestos scheme, investigative works are underway at 22 the Avenues, which could result in further costs in 19/20. A project at

Rowntree Park Lodge has been deferred awaiting further consultation; therefore majority of budget has been transferred into 2020/21.

- 42 Tenders have been invited to expand the PhotoVoltaic (PV) panelling at Hazel Court. Work is expected to progress during 2019/20, continuing in 20/21 therefore funds of £100k have been transferred into 20/21 to continue the works.
- 43 The project to replace the two cremators has proceeded as planned and work is expected to complete by March 2020. With some operational adjustments, the Crematorium has continued to operate and meet demand during the period of the works. In terms of the project to redevelop the waiting room, detailed plans are now being drawn up and planning permission will be sought at the start of the new year, with a view to work starting in March 2020. As a result, budget of £225k has been transferred into 2020/21 to allow this work to continue.
- 44 There are no capital works planned for West Offices during 2019/20 therefore the total remaining budget of £237k has been transferred into 2020/21.

### **Customer & Corporate Services - IT**

- 45 Funds of £500k have been transferred from 2019/20 into 2020/21 within the IT Development plan in relation to EDRMS delays. It is expected the scheme will outturn at £4.465m by the end of the year. Progress to date includes:
- Replacing our aged firewalls with future proof and more robust Cisco next generation firewall estate that will provide much superior e-protection services underpinning the councils "business as usual" services and its future Digital Service aspirations.
  - Migrated 95% of customers to the new Citrix farm providing access to a more up to date desktop and Microsoft office experience and combined with the replacement or upgrade of our thin clients we have enabled a much faster and effective logon experience.
  - Renewed our corporate anti-virus/security solution
  - Replaced our aging Smartphone device estate as part of continuing refresh policy to support agile working and also to improve the security of our mobile devices.
  - Worked with colleagues to identify and procure new Parking and Waste systems

- Worked with North Yorkshire County Council to implement their new Health & Safety system across the council.
- SX3 Housing Revenues and Benefits were successfully split into 2 separate systems in preparation for the new Housing system that we have worked with colleagues to procure.
- Upgraded all staff and public PC's at Explore locations to Windows 10 on new hardware
- Currently rolling out Wifi services to the Stadium and Coppergate
- delivered 1Gb superfast broadband connectivity to businesses on the Shambles as part of our work to support York's small and medium enterprises community.
- Undertaking Microsoft O365 trials as part of 2 year phased migration programme and have completed the install and configuration of Exchange on line and migrated test users to the new Office 365 email
- undertaken a Firmware upgrade of the entire Lenovo Miix estate
- moved all CMT and senior managers to flexible mobile working model (laptops/docking stations/mobile)
- upgraded 90% of Windows Server 2008R2 estate to 2012R2 or 2016 (circa 125 servers)
- upgraded all Public access PC's to Windows 10
- upgraded the CYC ICT estate to Office 2016
- upgraded the DMZ stack which is the subnetwork that contains and exposes CYC's external facing services to the Internet securely.
- implemented new domain management software
- making significant progress on the transfer of Lagan processes to Oracle CRM with only Waste processes remaining.
- produced a strategy and begun work to improve the Be Independent technologies.
- identified and deployed mobile devices for priority areas of Children's Social Care.
- Currently supporting the Future Focus Adult Social Care model of transformed assessments

## Summary

46 As a result of the changes highlighted above the revised 5 year capital programme is summarised in Table 2.

<b>Gross Capital Programme</b>	<b>2019/20</b>	<b>2020/21</b>	<b>2021/22</b>	<b>2022/23</b>	<b>2023/24</b>	<b>Total</b>
	<b>£m</b>	<b>£m</b>	<b>£m</b>	<b>£m</b>	<b>£m</b>	<b>£m</b>
Children, Education & Communities	12.284	24.764	10.500	2.000	-	<b>49.548</b>
Health, Housing & Adult Social Care – Adult Social Care	5.321	2.090	1.396	0.638	0.660	<b>10.105</b>
Health, Housing & Adult Social Care – Housing & Community Safety	37.758	46.992	51.054	39.282	36.390	<b>212.976</b>
Economy & Place – Transport, Highways & Environment	31.559	66.887	25.469	11.923	5.225	<b>141.063</b>
Economy & Place – Regeneration & Asset Management	17.666	135.380	27.011	1.448	0.470	<b>184.911</b>
Community Stadium	10.143	-	-	-	-	<b>10.143</b>
Customer & Corporate Services	2.260	1.057	0.250	0.200	0.200	<b>3.967</b>
IT Development Plan	4.465	2.155	1.870	2.070	2.070	<b>12.630</b>
<b>Revised Programme</b>	<b>121.456</b>	<b>283.761</b>	<b>117.550</b>	<b>57.561</b>	<b>45.015</b>	<b>625.343</b>

**Table 2 Revised 5 Year Capital Programme  
Funding the 2019/20 – 2023/24 Capital Programme**

47 The revised 2019/20 capital programme of £121.456m is funded from £37.836m of external funding and £83.620m of internal funding. Table 3 shows the projected call on resources going forward.

	2019/20	2020/21	2021/22	2022/23	2023/24	Total
	£m	£m	£m	£m	£m	£m
<b>Gross Capital Programme</b>	<b>121.456</b>	<b>283.761</b>	<b>117.550</b>	<b>57.561</b>	<b>45.015</b>	<b>625.343</b>
Funded by:						
External Funding	37.836	181.678	29.505	8.486	5.598	<b>263.103</b>
Council Controlled Resources	83.620	102.083	88.045	49.075	39.417	<b>362.240</b>
<b>Total Funding</b>	<b>121.456</b>	<b>283.761</b>	<b>117.550</b>	<b>57.561</b>	<b>45.015</b>	<b>625.343</b>

**Table 3 – 2019/20 –2023/24 Capital Programme Financing**

48 The Council controlled figure is comprised of a number of resources that the Council has ultimate control over. These include Right to Buy receipts, revenue contributions, supported (government awarded) borrowing, prudential (Council funded) borrowing, reserves (including Venture Fund) and capital receipts

49 During Executive meetings in October 2016 and July 2017, Members decided to ultimately finance the purchase of property at Hospital Fields Road and Swinegate from Capital receipts. Therefore it should be noted that all future capital receipts are assumed to be used for this purpose in the medium term. This strategy will deliver significant revenue savings, and reduce the need for savings within the revenue budget.

### **Council Plan**

50 The information contained in this report demonstrates progress in achieving the priorities set out in the Council Plan.

### **Implications**

51 This report has the following implications:

- **Financial** - are contained throughout the main body of the report
- **Human Resources (HR)** – There are no HR implications as a result of this report
- **One Planet Council/ Equalities** – The capital programme seeks to address key equalities issues that affect the Council and the public. Schemes that address equalities include the Disabilities Support

Grant, the Schools Access Initiative, the Community Equipment Loans Store (CELS) and the Disabilities Discrimination Act (DDA) Access Improvements. All individual schemes will be subject to Equalities Impact Assessments

- **Legal Implications** - Whilst this report itself does not have any legal implications, the schemes within the capital programme will themselves will be in receipt of legal advice where necessary
- **Crime and Disorder** - There are no crime and disorder implications as a result of this report.
- **Information Technology** – The information technology implications are contained within the main body of the report,
- **Property** - The property implications of this paper are included in the main body of the report which covers the funding of the capital programme from capital receipts.
- **Other** – There are no other implications

## **Risk Management**

52 There are a number of risks inherent in the delivery of a large scale capital programme. To mitigate against these risks the capital programme is regularly monitored as part of the corporate monitoring process, and the project management framework. This is supplemented by internal and external audit reviews of major projects. In addition, the Capital Asset Board meet monthly to plan, monitor and review major capital schemes to ensure that all capital risks to the Council are monitored and where possible minimised



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	<b>Report Approved</b>	x	<b>Date</b>
<b>Wards Affected:</b> <i>All</i>			
<i>For further information please contact the author of the report</i>			

**Specialist Implications:***Legal – Not Applicable**Property – Not Applicable**Information Technology – Not Applicable***Annexes**

Annex A – Capital Programme 2019/20 to 2023/24

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	2019/20	2019/20	2019/20	2019/20	2020/21	2019/20	2019/20	2021/22	2019/20	2022/23	2019/20
	Mon 3	Mon 3	Revised Mon 3	Mon 3	Revised Mon 3	Mon 3	Mon 3	Revised Mon 3	Mon 3	Revised Mon 3	Mon 3
	Adj	Reprofile	Budget	Reprofile	Budget	Adj	Reprofile	Budget	Reprofile	Budget	Reprofile
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
<b>CEC - CHILDREN, EDUCATION &amp; COMMUNITIES</b>											
NDS Devolved Capital			234		195			0		0	
DfE Maintenance			1,678		1,369			0		0	
Basic Need	-506	-1,000	683	1,000	15,487			8,500		0	
Archbishop Holgate's School Expansion	500		500		0			0		0	
St Mary's CE Primary School Additional Teaching Accommodation	6		229		0			0		0	
Westfield Primary School Kitchen and Dining Facilities Expansion			65		0			0		0	
Fulford School Expansion			10		0			0		0	
Family Drug & Alcohol Assess/Recovery Facility		-100	0	100	100			0		0	
Expansion and Improvement of Facilities for Pupils with SEND			762		460			0		0	
Children & Young Peoples services & Building based provision review			12		0			0		0	
Southbank Expansion			930		0			0		0	
Centre of Excellence for Disabled Children (Lincoln Court)		-900	4,198	900	1,174			0		0	
Healthy Pupils Capital Fund		-93	0	93	93			0		0	
Schools Essential Building Work			1,172		1,828			0		0	
Schools Essential Mechanical & Electrical Work			1,002		2,298			0		0	
Children in Care Residential Commissioning Plan			400		960			0		0	
<b>CEC - Communities</b>											
Haxby Library Reprovision			59		700			0		0	
Castle Museum Development Project			200		0			0		0	
Energise Roof			150		100			0		0	
Libraries as Centres of Learning and Opportunity for all: Acomb & Clifton			0		0			2,000		2,000	
<b>HH&amp;ASC - ADULT SOCIAL CARE &amp; ADULT SERVICES COMMISSIONING</b>											
Major Items of Disability Equipment			127		131			135		139	
Disabled Support Grant			210		220			230		240	
Telecare Equipment and Infrastructure			209		444			251		259	
OPA - the Centre@Burnholme including enabling works			193		0			0		0	
OPA-Burnholme Sports Facilities			1,508		45			780		0	
OPA-Haxby Hall			568		0			0		0	
OPA-Lowfields Enabling Work		67	1,075	-67	313			0		0	
OPA-Ashfield Estate Sports Pitches			913		437			0		0	
OPA-Community Space at Marjorie WaiteCourt			518		500			0		0	
<b>HH&amp;ASC - HOUSING &amp; COMMUNITY SAFETY</b>											
Major Repairs & Modernisation of Local Authority Homes			9,661		10,488			8,274		8,571	
Assistance to Older & Disabled People			630		440			450		460	
Local Authority Homes - Phase 1			1,798		0			0		0	
Local Authority Homes - Phase 2			866		2,339			2,000		0	
Local Authority Homes - New Build Project			200	-20,000	4,400		5,000	33,100	15,000	26,400	
Local Authority Homes - Project Team			870		800			1,050		1,050	
LA Homes - Hospital Fields/Ordnance Lane			350		1,300			0		0	
LA Homes - Burnholme			350		1,400			0		0	
Lowfield Housing		-1,500	3,000	1,500	19,100			4,000		500	
Duncombe Barracks			2,533		400			0		0	
Water Mains Upgrade			0		756			25		25	
Building Insulation Programme - Improving Energy Efficiency			1,168		0			0		0	
Disabled Facilities Grant (Gfund)			1,869		1,873			1,985		2,106	
IT Infrastructure			620		450			0		0	
Empty Homes (Gfund)			100		0			0		0	
Housing Environmental Improvement Programme			325		170			170		170	
James House			2,349		0			0		0	
Shared Ownership Scheme	477	-477	3,899	477	1,527			0		0	
Lincoln Court Independent Living Scheme			3,860		750			0		0	
Extension to Marjorie Waite Court			2,931		2,299			0		0	
Extension to Glen Lodge			379		0			0		0	
SCE - Government Grant			0		0			0		0	
- HCA Grant (govt Grant)			0		0			0		0	
- External Funding			0		0			0		0	
Capital Receipt Departmental			0		0			0		0	
- RTB receipts			33		0			0		0	
Revenue Contribution Corporate			0		0			0		0	
Revenue Contribution Corporate (PB)			0		0			0		0	
Corporate Prudential Borrowing			0		0			0		0	

	2019/20 Mon 3 Adj £000	2019/20 Mon 3 Reprofile £000	2019/20 Revised Mon 3 Budget £000	2019/20 Mon 3 Reprofile £000	2020/21 Revised Mon 3 Budget £000	2019/20 Mon 3 Adj £000	2019/20 Mon 3 Reprofile £000	2021/22 Revised Mon 3 Budget £000	2019/20 Mon 3 Reprofile £000	2022/23 Revised Mon 3 Budget £000	2019/20 Mon 3 Reprofile £000
Earmarked Reserve			346		0			0		0	
-Internal Funding			379		0			0		0	
<b>TOTAL GROSS EXPENDITURE</b>	<b>477</b>	<b>-1,977</b>	<b>37,758</b>	<b>-18,023</b>	<b>48,492</b>	<b>0</b>	<b>5,000</b>	<b>51,054</b>	<b>15,000</b>	<b>39,282</b>	<b>0</b>
<b>TOTAL EXTERNAL FUNDING</b>	<b>400</b>	<b>0</b>	<b>5,407</b>	<b>0</b>	<b>2,248</b>	<b>0</b>	<b>0</b>	<b>1,820</b>	<b>0</b>	<b>1,891</b>	<b>0</b>
<b>TOTAL INTERNAL FUNDING</b>	<b>77</b>	<b>-1,977</b>	<b>32,351</b>	<b>-18,023</b>	<b>46,244</b>	<b>0</b>	<b>5,000</b>	<b>49,234</b>	<b>15,000</b>	<b>37,391</b>	<b>0</b>
<b>ECONOMY &amp; PLACE - TRANSPORT, HIGHWAYS &amp; ENVIRONMENT</b>											
Highway Schemes			6,717		6,041			5,927		5,827	
Highways & Transport - Ward Committees			1,775		250			250		250	
Special Bridge Maintenance (Struct maint)		-630	300	630	830			0		0	
Replacement of Unsound Lighting Columns			578		122			344		578	
Highways Drainage Works			176		200			200		200	
Drainage Investigation & Renewal			160		250			0		0	
Highways, Road Adoption and Drainage Fund			125		0			0		0	
Pothole Spotter Trial			113		0			0		0	
Wheeled Bins in Back Lane and Terraced Areas			61		0			0		0	
Built Environment Fund			619		562			0		0	
Rowtree Park Lodge			122		0			0		0	
Better Play Areas			164		200			0		0	
Litter Bin Replacement Programme			302		0			0		0	
Knavesmire Culverts			238		0			0		0	
Better Bus Area Fund			512		0			0		0	
Local Transport Plan (LTP) *	-28		3,943		1,570			1,570		1,570	
Hyper Hubs		-836	664	836	1,536			0		0	
York City Walls - Repairs & Renewals (City Walls)			137		0	-90		0		0	
York City Walls Restoration Programme			550		390	90		390		300	
Flood Defences			317		0			0		0	
Scarborough Bridge			1,423		0			0		0	
Hungate and Peasholme Public Realm			175		0			0		0	
WYTF - YORR		-3,510	1,750	-10,690	3,600	5,000	1,120	13,620	10,000	11,198	3,000
WYTF - Station Frontage		-1,330	1,300	1,330	4,967			3,638		2,000	
WYTF - Dualling Study			24		0			0		0	
Potholes			142		184			0		0	
Silver Street & Coppergate Toilets			4		0			0		0	
Osbalwick Beck Maintenance			60		0			0		0	
Fordlands Road Flood Defences			500		0			0		0	
National Cycle Network 65 Targeted Repairs			448		0			0		0	
Non Illuminated Structural asset renewal			196		0			0		0	
Hazel Court conversion of storage area to operational hub			99		0			0		0	
CCTV Asset Renewal			176		0			0		0	
Public Realm footpaths			43		0			0		0	
Smarter Travel Evolution Programme		-1,985	550	1,985	1,985			0		0	
Electric Bus Scheme			3,300		0			0		0	
City Fibre Network			260		100			50		0	
Car Park Improvements			180		150			0		0	
Fleet & Workshop Compliance			125		100			100		0	
A1079 Drainage Improvements (A64 to Kexby Roundabout)			260		260			0		0	
Stonegate Natural Stone Renewal			495		0			0		0	
Flood Scheme Contributions			500		500			500		0	
Gully Repair Engineering works			700		0			0		0	
Clean Air Zone		-1,390	250	1,390	1,390			0		0	
Wayfinding			350		0			0		0	
River Bank repairs			176		0			0		0	
York Outer Ring Road - Dualling			500	-26,131	1,369		1,616	1,616	10,857	10,857	13,658
<b>ECONOMY &amp; PLACE - REGENERATION &amp; ASSET MANAGEMENT</b>											
LCR Revolving Investment Fund			0		300			0		0	
York Central Infrastructure			3,880	-103,615	20,000		53,473	80,000	50,142	51,120	
York Central			933		0			0		0	
Holgate Park Land – York Central Land and Clearance			397		0			0		0	
Asset Maintenance + Critical H&S Repairs			664		220			220		220	
Community Asset Transfer		-175	0	175	175			0		0	
One Planet Council - Energy Efficiency		-440	0	440	690			250		250	
Castle Gateway (Picadilly Regeneration)			1,921		0			0		0	

	2019/20 Mon 3 Adj £000	2019/20 Mon 3 Reprofile £000	2019/20 Revised Mon 3 Budget £000	2019/20 Mon 3 Reprofile £000	2020/21 Revised Mon 3 Budget £000	2019/20 Mon 3 Adj £000	2019/20 Mon 3 Reprofile £000	2021/22 Revised Mon 3 Budget £000	2019/20 Mon 3 Reprofile £000	2022/23 Revised Mon 3 Budget £000	2019/20 Mon 3 Reprofile £000
Guildhall		-2,936	5,000	2,936	12,803			0		0	
Critical Repairs and Contingency			0		274			0		0	
Commercial Property Acquisition incl Swinegate	2,850		4,774		0			0		0	
Shambles Health & Safety			46		0			0		0	
Built Environment Fund - Shopping Area Improvements			20		0			0		0	
Air Quality Monitoring (Gfund)		-59	6	52	59		7	14		0	
Shambles Modernisation - Food Court			25		0			0		0	
Shambles Modernisation - Power		-180	0	180	180			0		0	
<b>CUSTOMER &amp; CORPORATE SERVICES - COMMUNITY STADIUM</b>											
Community Stadium			10,143		0			0		0	
<b>CUSTOMER &amp; CORPORATE SERVICES</b>											
Fire Safety Regulations - Adaptations		-82	20	82	82			0		0	
Removal of Asbestos		-120	67	120	170			50		0	
Mansion House Restoration			257		0			0		0	
Project Support Fund			527		200			200		200	
Registrars			2		0			0		0	
Photovoltaic Energy Programme		-100	140	100	100			0		0	
West Offices - Major repairs		-237	0	237	237			0		0	
Crematorium Waiting Room		-200	0	200	250			0		0	
Replacement of 2 Cremators			695		18			0		0	
<b>Capital Contingency</b>											
Capital Contingency			552		0			0		0	
<b>CUSTOMER &amp; CORPORATE SERVICES - IT</b>											
IT Development plan		-500	4,465	500	2,035			1,870		2,070	
IT Superconnected Cities			0		120			0		0	
<b>GROSS EXPENDITURE BY DEPARTMENT</b>											
CEC - CHILDREN, EDUCATION & COMMUNITIES	0	-2,093	12,284	2,093	24,764	0	0	10,500	0	2,000	
HH&ASC - ADULT SOCIAL CARE & ADULT SERVICES COMMISSIONING	0	67	5,321	-67	2,090	0	0	1,396	0	638	
HH&ASC - HOUSING & COMMUNITY SAFETY	477	-1,977	37,758	-18,023	48,492	0	5,000	51,054	15,000	39,282	0
ECONOMY & PLACE - TRANSPORT, HIGHWAYS & ENVIRONMENT	-28	-9,681	31,559	-30,650	26,556	5,000	2,736	28,205	20,857	32,780	16,738
ECONOMY & PLACE - REGENERATION & ASSET MANAGEMENT	2,850	-3,790	17,666	-99,832	34,701	0	53,480	80,484	50,142	51,590	0
CUSTOMER & CORPORATE SERVICES - COMMUNITY STADIUM	0	0	10,143	0	0	0	0	0	0	0	0
CUSTOMER & CORPORATE SERVICES	0	-739	2,260	739	1,057	0	0	250	0	200	0
CUSTOMER & CORPORATE SERVICES - IT	0	-500	4,465	500	2,155	0	0	1,870	0	2,070	0
<b>TOTAL BY DEPARTMENT</b>	<b>3,299</b>	<b>-18,713</b>	<b>121,456</b>	<b>-145,240</b>	<b>139,815</b>	<b>5,000</b>	<b>61,216</b>	<b>173,759</b>	<b>85,999</b>	<b>128,560</b>	<b>16,738</b>
<b>TOTAL GROSS EXPENDITURE</b>	<b>3,299</b>	<b>-18,713</b>	<b>121,456</b>	<b>-145,240</b>	<b>139,815</b>	<b>5,000</b>	<b>61,216</b>	<b>173,759</b>	<b>85,999</b>	<b>128,560</b>	<b>16,738</b>
<b>TOTAL EXTERNAL FUNDING</b>	<b>372</b>	<b>-9,046</b>	<b>37,836</b>	<b>-133,976</b>	<b>38,663</b>	<b>0</b>	<b>67,169</b>	<b>96,667</b>	<b>59,115</b>	<b>67,601</b>	<b>16,738</b>
<b>TOTAL INTERNAL FUNDING</b>	<b>2,927</b>	<b>-9,667</b>	<b>83,620</b>	<b>-11,264</b>	<b>101,152</b>	<b>5,000</b>	<b>-5,953</b>	<b>77,092</b>	<b>26,884</b>	<b>60,959</b>	<b>0</b>

	2023/24 Revised Mon 3  Budget £000	Gross Capital Programme To be Funded  19/20 - 23/24 £000
<b>CEC - CHILDREN, EDUCATION &amp; COMMUNITIES</b>		
NDS Devolved Capital	0	429
DfE Maintenance	0	3,047
Basic Need	0	24,670
Archbishop Holgate's School Expansion	0	500
St Mary's CE Primary School Additional Teaching Accommodation	0	229
Westfield Primary School Kitchen and Dining Facilities Expansion	0	65
Fulford School Expansion	0	10
Family Drug & Alcohol Assess/Recovery Facility	0	100
Expansion and Improvement of Facilities for Pupils with SEND	0	1,222
Children & Young Peoples services & Building based provision review	0	12
Southbank Expansion	0	930
Centre of Excellence for Disabled Children (Lincoln Court)	0	5,372
Healthy Pupils Capital Fund	0	93
Schools Essential Building Work	0	3,000
Schools Essential Mechanical & Electrical Work	0	3,300
Children in Care Residential Commissioning Plan	0	1,360
<b>CEC - Communities</b>		
Haxby Library Reprovision	0	759
Castle Museum Development Project	0	200
Energise Roof	0	250
Libraries as Centres of Learning and Opportunity for all: Acomb & Clifton	0	4,000
<b>HH&amp;ASC - ADULT SOCIAL CARE &amp; ADULT SERVICES COMMISSIONING</b>		
Major Items of Disability Equipment	143	675
Disabled Support Grant	250	1,150
Telecare Equipment and Infrastructure	267	1,430
OPA - the Centre@Burnholme including enabling works	0	193
OPA-Burnholme Sports Facilities	0	2,333
OPA-Haxby Hall	0	568
OPA-Lowfields Enabling Work	0	1,388
OPA-Ashfield Estate Sports Pitches	0	1,350
OPA-Community Space at Marjorie WaiteCourt	0	1,018
<b>HH&amp;ASC - HOUSING &amp; COMMUNITY SAFETY</b>		
Major Repairs & Modernisation of Local Authority Homes	8,034	45,028
Assistance to Older & Disabled People	470	2,450
Local Authority Homes - Phase 1	0	1,798
Local Authority Homes - Phase 2	0	5,205
Local Authority Homes - New Build Project	23,750	87,850
Local Authority Homes - Project Team	1,730	5,500
LA Homes - Hospital Fields/Ordnance Lane	0	1,650
LA Homes - Burnholme	0	1,750
Lowfield Housing	0	26,600
Duncombe Barracks	0	2,933
Water Mains Upgrade	0	806
Building Insulation Programme - Improving Energy Efficiency	0	1,168
Disabled Facilities Grant (Gfund)	2,236	10,069
IT Infrastructure	0	1,070
Empty Homes (Gfund)	0	100
Housing Environmental Improvement Programme	170	1,005
James House	0	2,349
Shared Ownership Scheme	0	5,426
Lincoln Court Independent Living Scheme	0	4,610
Extension to Marjorie Waite Court	0	5,230
Extension to Glen Lodge	0	379
SCE - Government Grant	0	0
- HCA Grant (govt Grant)	0	0
- External Funding	0	0
Capital Receipt Departmental	0	0
- RTB receipts	0	33
Revenue Contribution Corporate	0	0
Revenue Contribution Corporate (PB)	0	0
Corporate Prudential Borrowing	0	0

	2023/24 Revised Mon 3  Budget £000	Gross Capital Programme To be Funded  19/20 - 23/24 £000
Earmarked Reserve	0	346
-Internal Funding	0	379
<b>TOTAL GROSS EXPENDITURE</b>	<b>36,390</b>	<b>212,976</b>
<b>TOTAL EXTERNAL FUNDING</b>	<b>2,201</b>	<b>13,567</b>
<b>TOTAL INTERNAL FUNDING</b>	<b>34,189</b>	<b>199,409</b>
<b><u>ECONOMY &amp; PLACE - TRANSPORT, HIGHWAYS &amp; ENVIRONMENT</u></b>		
Highway Schemes	2,577 #	27,089
Highways & Transport - Ward Committees	0	2,525
Special Bridge Maintenance (Struct maint)	0 0	1,130
Replacement of Unsound Lighting Columns	578 #	2,200
Highways Drainage Works	200 #	976
Drainage Investigation & Renewal	0 0	410
Highways, Road Adoption and Drainage Fund	0 0	125
Pothole Spotter Trial	0 0	113
Wheeled Bins in Back Lane and Terraced Areas	0 0	61
Built Environment Fund	0 0	1,181
Rowtree Park Lodge	0 0	122
Better Play Areas	0 0	364
Litter Bin Replacement Programme	0 0	302
Knavesmire Culverts	0 0	238
Better Bus Area Fund	0 0	512
Local Transport Plan (LTP) *	1,570 #	10,223
Hyper Hubs	0	2,200
York City Walls - Repairs & Renewals (City Walls)	0 0	137
York City Walls Restoration Programme	300 #	1,930
Flood Defences	0 0	317
Scarborough Bridge	0 0	1,423
Hungate and Peasholme Public Realm	0 0	175
WYTF - YORR	3,080 0	33,248
WYTF - Station Frontage	0 0	11,905
WYTF - Dualling Study	0 0	24
Potholes	0 0	326
Silver Street & Coppergate Toilets	0 0	4
Osbalwick Beck Maintenance	0 0	60
Fordlands Road Flood Defences	0 0	500
National Cycle Network 65 Targeted Repairs	0 0	448
Non Illuminated Structural asset renewal	0 0	196
Hazel Court conversion of storage area to operational hub	0 0	99
CCTV Asset Renewal	0 0	176
Public Realm footpaths	0 0	43
Smarter Travel Evolution Programme	0 0	2,535
Electric Bus Scheme	0 0	3,300
City Fibre Network	0 0	410
Car Park Improvements	0 0	330
Fleet & Workshop Compliance	0 0	325
A1079 Drainage Improvements (A64 to Kexby Roundabout)	0 0	520
Stonegate Natural Stone Renewal	0 0	495
Flood Scheme Contributions	0 0	1,500
Gully Repair Engineering works	0 0	700
Clean Air Zone	0 0	1,640
Wayfinding	0 0	350
River Bank repairs	0	176
York Outer Ring Road - Dualling	13,658 0	28,000
<b><u>ECONOMY &amp; PLACE - REGENERATION &amp; ASSET MANAGEMENT</u></b>		
LCR Revolving Investment Fund	0	300
York Central Infrastructure	0	155,000
York Central	0	933
Holgate Park Land – York Central Land and Clearance	0	397
Asset Maintenance + Critical H&S Repairs	220	1,544
Community Asset Transfer	0	175
One Planet Council - Energy Efficiency	250	1,440
Castle Gateway (Picadilly Regeneration)	0	1,921

	2023/24 Revised Mon 3  Budget £000	Gross Capital Programme To be Funded  19/20 - 23/24 £000
Guildhall	0	17,803
Critical Repairs and Contingency	0	274
Commercial Property Acquisition incl Swinegate	0	4,774
Shambles Health & Safety	0	46
Built Environment Fund - Shopping Area Improvements	0	20
Air Quality Monitoring (Gfund)	0	79
Shambles Modernisation - Food Court	0	25
Shambles Modernisation - Power	0	180
<b>CUSTOMER &amp; CORPORATE SERVICES - COMMUNITY STADIUM</b>		
Community Stadium	0	10,143
<b>CUSTOMER &amp; CORPORATE SERVICES</b>		
Fire Safety Regulations - Adaptations	0	102
Removal of Asbestos	0	287
Mansion House Restoration	0	257
Project Support Fund	200	1,327
Registrars	0	2
Photovoltaic Energy Programme	0	240
West Offices - Major repairs	0	237
Crematorium Waiting Room	0	250
Replacement of 2 Cremators	0	713
<b>Capital Contingency</b>		
Capital Contingency	0	552
<b>CUSTOMER &amp; CORPORATE SERVICES - IT</b>		
IT Development plan	2,070	12,510
IT Superconnected Cities	0	120
<b>GROSS EXPENDITURE BY DEPARTMENT</b>		
CEC - CHILDREN, EDUCATION & COMMUNITIES	0	49,548
HH&ASC - ADULT SOCIAL CARE & ADULT SERVICES COMMISSIONING	660	10,105
HH&ASC - HOUSING & COMMUNITY SAFETY	36,390	212,976
ECONOMY & PLACE - TRANSPORT, HIGHWAYS & ENVIRONMENT	21,963	141,063
ECONOMY & PLACE - REGENERATION & ASSET MANAGEMENT	470	184,911
CUSTOMER & CORPORATE SERVICES - COMMUNITY STADIUM	0	10,143
CUSTOMER & CORPORATE SERVICES	200	3,967
CUSTOMER & CORPORATE SERVICES - IT	2,070	12,630
<b>TOTAL BY DEPARTMENT</b>	<b>61,753</b>	<b>625,343</b>
<b>TOTAL GROSS EXPENDITURE</b>	<b>61,753</b>	<b>625,343</b>
<b>TOTAL EXTERNAL FUNDING</b>	<b>22,336</b>	<b>263,103</b>
<b>TOTAL INTERNAL FUNDING</b>	<b>39,417</b>	<b>362,240</b>





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**Executive****13 February 2020**

Report of the Deputy Chief Executive / Director of Customer & Corporate Services  
Portfolio of the Executive Member for Finance and Performance

**2019/20 Finance and Performance Monitor 3****Purpose of the Report**

- 1 To present details of the overall finance and performance position for the period covering 1 October 2019 to 31 December 2019, together with an overview of any emerging issues. This is the third report of the financial year and assesses performance against budgets, including progress in delivering the Council's savings programme.

**Recommendations**

- 2 Executive is asked to
  - note the finance and performance information

Reason: to ensure expenditure remains within the approved budget

**Financial Summary**

- 3 The financial pressures facing the council are projected at £2.3m after applying existing contingency, which is higher than previous years' forecasts at this stage in the financial year.
- 4 The report highlights that there continue to be pressures within both Children and Adult Social Care. This reflects the national situation where councils across the country are managing largely unavoidable demographic and cost pressures. Managing these pressures will continue to be a challenge as both the numbers of people and complexity of individual situations create demands across the sector. Health partners are similarly challenged facing unprecedented demand and financial pressures. Some of this pressure impacts on social care as the desire to discharge patients in a more timely fashion increases the social care costs needed to facilitate discharge.
- 5 In recent years the council has made significant investment in adult social care and the July 2019 budget amendment invested additional funds to ensure quality services for the most vulnerable adults, including new

approaches to using technology, increase community led support and embed strength based approaches.

- 6 Independent sector care provision is in high demand and is high cost, partly as a consequence of the high proportion of people (65%) who fully fund their care without recourse to the Council, or until their funds are exhausted. Care providers in York have very high occupancy rates compared with most other areas of the country, and they are able to sustain their business without relying on council funded placements. The high employment rate in York limits the health and care system's ability to attract a sustainable workforce into the sector, which in turn contributes to the scarcity of services in periods of additional pressure, such as winter.
- 7 Monthly meetings are taking place between the finance team and Adult Social Care budget managers to explore in detail the opportunities to reduce the over-spend. Finance is a standing item at the Assistant Director of Adult Social Care's Management team as we maintain the high profile of finance within the directorate. The corporate director has also instigated a monthly finance and performance "spotlight" meeting to focus intently on areas which are causing concern. The corporate director also meets weekly with the head of finance and assistant director of adult social care and has assumed personal oversight of the overall budget position on a weekly basis. Additionally the interim Head of Paid Service is meeting regularly with the Director, the S151 officer and other senior staff and a Financial Improvement Board has been recently set up.
- 8 In respect of Children's Services, following the audit and review work instigated by the new leadership team Children's Specialist Services are on a fast paced improvement journey. Improvement work has meant that these cases have been reviewed, re allocated to qualified social workers and a number of cases have been escalated to either a child protection plan or have become children in our care. External review has confirmed that decision making on these cases is now appropriate.
- 9 However this re calibration comes as a financial cost. Children in Care numbers have increased from an average of 200 to 240 (this is now on a par with national average of 64 children per 10,000). This has created an increase in both placement and staffing costs. The most recent Improvement Board considered issues in relation to the projected numbers and there is evidence that the number of children entering the care system has now begun to slow. The service re modelling put forward as part of the budget proposals for next year will strengthen edge of care and reunification capacity which should ensure these numbers continue to stabilise then reduce. However, it does have to be acknowledged that this would be against the national trend of growth and significant overspend in this area.

- 10 Work continues across all areas to seek to bring the overall pressures down, and it is hoped that this work will result in a significant reduction in the final outturn position. Through sound financial management the Council should be able to deal with the significant pressures affecting adults and children, whilst continuing to ensure high priority services are delivered. The financial strategy report outlines a range of issues going forward, and members attention is drawn to the specific sections on children's and adults services. Both areas are looking long term in terms of their financial planning, and in case of adult services in particular there are plans in terms of the investment of significant growth for 20/21 and beyond. Whilst there remain challenges in future years, the overall financial and performance position is one that provides a sound platform to continue to be able to deal with the future challenges.
- 11 Effective budget monitoring is vital and all managers will continue to receive monthly reports so that any variations can be quickly identified and corrective action taken. Work will also be done to centralise and strengthen controls in some areas, particularly around the commissioning of services and the authorisation to commit spend across the council.

### Financial Analysis

2018/19 outturn		2019/20 Forecast Variation Monitor 2	2019/20 Forecast Variation Monitor 3
£'000		£'000	£'000
+896	Children, Education & Communities	+518	+1,594
-282	Economy & Place	-137	-615
-428	Customer & Corporate Services	-300	-664
+946	Health, Housing & Adult Social Care	+2,372	+3,633
-1,285	Central budgets	-600	-1,143
153	Total	+1,853	+2,805
-648	Contingency	-500	-500
-801	Total including contingency	+1,353	+2,305

Table 1: Finance overview

- 12 The Council's net budget is £123.3m. Following on from previous years, the challenge of delivering savings continues with £4.3m to be achieved in order to reach a balanced budget. This latest forecast indicates the

Council is facing financial pressures of £2.3m. An overview of this forecast on a directorate by directorate basis is outlined in Table 1 above.

- 13 The position will continue to be monitored carefully to ensure that overall expenditure will be contained within the approved budget, minimising the use of contingency where possible. Annex 1 provides more details of the main variations and any mitigating actions that are proposed.

### **Contingency**

- 14 As in previous years a contingency budget of £500k is in place and given the financial pressures outlined in the report this will be required to deal with these pressures.

### **Loans**

- 15 Further to a scrutiny review, it was agreed that these quarterly monitoring reports would include a review of any outstanding loans over £100k. There are 2 loans in this category. Both loans are for £1m and made to Yorwaste, a company part owned by the Council. The first was made in June 2012 with a further loan made in June 2017 as agreed by Executive in November 2016. Interest is charged on both loans at 4% plus base rate meaning currently interest of 4.75% is being charged. All repayments are up to date.

### **Council Plan**

- 16 Following the adoption of the new Council Plan, progress against the commitments made within it will be included in each Finance and Performance monitor. Updates against each of the 78 commitments within the plan can be found in Annex 2. In summary:
- 17 Across the 8 outcomes of the Council Plan, there is progress made in all areas. At this point, whilst early in the Council Plan period, there are no specific areas of concern around delivery within the plan period.
- 18 Highlights include:
- **Well paid jobs and an inclusive economy** – a process has been agreed for the development of a new inclusive economic strategy, whilst the Guildhall redevelopment is in construction with a completion date mid-2021, providing flexible modern office space for small businesses.
  - **Getting around sustainably** – 21 new electric double-decker buses will begin serving Park and Ride routes, and the sustainable transport elements of the York Central S106 agreement have now been agreed.

- **Good Health and Wellbeing** - Our Local Area Coordinator (LAC) programme and Social Prescribing programmes continue to be at the forefront of national policy development. A Healthy Weight Declaration has been signed by Executive Members and the Director of Public Health.
  - **A Better Start for Children and Young People** - CYC and the CCG have supported York Mind with match funding to make a successful bid to the Department of Health and Social Care to expand the roll out of their Arts Award Programme, whilst the project 'Early Talk for York' is aiming to improve outcomes in speech, language and communication at age five in three primary schools.
  - **A Greener and Cleaner City** - a new team focusing purely on graffiti removal has been created, whilst work is underway on "Green and Blue Infrastructure" and "Carbon Reduction, Renewable Energy and Sustainable Design and Construction" supplementary planning documents to support the local plan.
  - **Creating homes and world-class infrastructure** - Significant progress on major schemes, with outline planning permission finalised for York Central, Guildhall redevelopment under construction and Community stadium commercial developments opening with IMAX Cineworld open to the public in December, representing a substantial new leisure offering for the city. Phase 1 of the public hearings into the examination of the Council's draft Local Plan took place in December.
  - **Safe Communities and culture for all** - A new Community Involvement Officer undertaking targeted work with minority groups to better understand their experiences and aspirations has begun to work across the city. The Council is also working with the York Cultural Education Partnership to develop a programme of activity to raise the profile and accessibility of the arts and culture offer with schools. This includes out of school activities and the development of a programme of cultural experiences through better connecting the cultural offer with schools.
  - **An open and effective Council** - Budget consultation has been undertaken over the autumn to identify views on Council Tax levels, Social Care Precept, Capital Investment and Council Plan priorities. An Organisational Development Programme is being developed with input across the council.
- 19 Officers are working to align Service Plans with the Council Plan outcomes to ensure delivery is focussed against these commitments.
- 20 Work is underway to promote the Council Plan within the council, giving it greater prominence as a guiding document for the council's work, and also with partners across the city. Both communication activities were put on hold due to the General Election.

## Performance – Service Delivery

- 21 The Executive for the Council Plan (2019-23) agreed a core set of indicators to help monitor the council priorities and these provide the structure for performance updates in this report. The indicators have been grouped around the eight outcome areas included in the Council Plan.
- 22 Some indicators are not measured on a quarterly basis. The DoT (Direction of Travel) is calculated on the latest three results whether they are annual or quarterly.
- 23 A summary of the core indicators that have a good or poor direction of travel based on the latest available data is shown below and further details around all of the core indicator set can be seen in Annex 3.
- 24 Updates on the performance in critical areas of Council business are:
- **Recycling** – The latest provisional data in Q2 2019/20 shows that the amount of household waste sent for reuse, recycling or composting has increased from the same period in 2018-19 (47% in Q2 2018-19 to 56% in Q2 2019-20). The amount of waste sent to Allerton Waste Recovery Park (in order to divert from landfill) and used for energy recovery in Q2 2019-20, has reduced slightly from the same period last year. Provisional Residual waste (i.e. non-recyclable) per household data suggests that there has been a large decrease in the last year which supports the increased recycling rate above.
  - **Sickness absence** – At the end of October 2019 the average number of sickness days per FTE (rolling 12 months) was 11.3 which is lower than at the end of October 2018 (11.9 days). Proposals for tackling absence were agreed by Executive on the future use of a dedicated external team to focus on attendance, support employees on their first day of absence and support managers in their proactive management of staff wellbeing during periods of absence. In addition, CYC are working with Public Health colleagues to deliver a Workplace Health and Wellbeing Strategy and the HR team will focus their wellbeing approach during 2020 on stress and mental health in the workplace.
  - **GCSE results** – 73.6% of York's 16 year olds leaving Secondary school in summer 2019 achieved a standard grade (9-4) in both English and Maths. This is an improvement on the previous year (69.6%) and above the National average (65.7%).
- 25 Indicators that have a good direction of travel based on the latest available data are:
- **Average Progress 8 score from KS2 to KS4** – the York figure has increased between 2017-18 and 2018-19 and is high compared to national benchmarks. York's results improved due to improved

performance in two secondary schools and also due to the successful implementation of the KS4 reforms by secondary schools in York.

- **Number of homeless households with dependent children in temporary accommodation** – Snapshot figures show that the number of homeless households with dependent children in temporary accommodation has decreased from 33 in 2016-17 to 24 in 2018-19. This shows the positive impact of the work to find stable and secure accommodation for the city's residents.
- **Visits – All libraries** – There has been an increase in visits to libraries in 2019-20 compared to the previous year (546,869 visits to all libraries in the first 6 months of 2018-19 increasing to 563,031 in the first 6 months of 2019-20).
- **Customer Service Waiting Times** – 85% of residents who visited West Offices in Q3 2019-20 were seen within the target waiting time of 10 minutes compared to 82% in 2018-19. This increase has a positive impact on the reputation of the service and the commitment of staff to provide a quality service to customers.
- **Net Housing Consents** – Figures up to Q3 2019-20 show that there were 2938 net housing consents which represents a significant increase in permissions compared to residential approvals experienced over the previous two monitoring years. A high number of consents represents a significant commitment to provide good quality accommodation, to meet the requirements of the Local Plan and the needs of residents.

26 Indicators that have a poor direction of travel based on the latest available data are:

- **All Crime per 1000 population** – Overall crime levels in York in 2018-19 have risen to 13,579 crimes compared to 11,958 in 2017-18 and this is due to a small increase in crime reports across a wide range of categories. The overall crime levels for Q1 and Q2 2019-20 (3,521 and 3,515) indicate that although crime levels have stabilised in recent quarters, they remain high.
- **Number of new affordable homes delivered in York** – The number of new affordable homes delivered in York during the full year of 2018-19 was 60, which is fewer than the 74 delivered in 2017-18 and the 91 delivered in 2016-17. There were 29 new affordable homes delivered during the first half of 2019-20, which indicates that the full year total for 2019-20 could be similar to the previous year.

## Annexes

27 Annex 1 shows the quarterly financial summaries for each of the Council directorates.

- 28 Annex 2 shows updates against the actions included in the Council Plan for 2019-23.
- 29 Annex 3 shows performance updates covering the core set of strategic indicators which are used to monitor the progress against the Council Plan.
- 30 All performance data (and approximately 1,000 further datasets) within this document is made available in machine-readable format through the Council's open data platform at [www.yorkopendata.org](http://www.yorkopendata.org) under the "performance scorecards" section.

### **Consultation**

- 31 Not applicable.

### **Options**

- 32 Not applicable.

### **Council Plan**

- 33 The information and issues included in this report demonstrate progress on achieving the priorities set out in the Council Plan.

### **Implications**

- 34 The implications are:
- **Financial** are contained throughout the main body of the report.
  - **Human Resources (HR)** There are no HR implications related to the recommendations
  - **One Planet Council / Equalities** Whilst there are no specific implications within this report, services undertaken by the council make due consideration of these implications as a matter of course.
  - **Legal** There are no legal implications related to the recommendations
  - **Crime and Disorder** There are no crime and disorder implications related to the recommendations
  - **Information Technology (IT)** There are no IT implications related to the recommendations
  - **Property** There are no property implications related to the recommendations
  - **Other** There are no other implications related to the recommendations



## Risk Management

- 35 An assessment of risks is completed as part of the annual budget setting exercise. These risks are managed effectively through regular reporting and corrective action being taken where necessary and appropriate.

## Contact Details

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<b>Wards Affected:</b> All			✓
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## Background Papers:

None

## Glossary of Abbreviations used in the report:

ARZ	Alcohol Restriction Zone	HIF	Housing Infrastructure Fund
ASB	Anti-social behaviour	HMO	Housing of Multiple Occupancy
CAMHS	Child and Adolescent Mental Health Service	HWBB	Health and Wellbeing Board
CAZ	Clean Air Zone	IAG	Information and Guidance
CCG	Clinical Commissioning Group	ICT	Information and Communication Technologies
CEP	Cultural Education Partnership	LAC	Local Area Co-ordinator

CVS	Centre for Voluntary Service	LGA	Local Government Association
CYC	City of York Council	LTP	Local Transport Plan
DCMS	Department of Digital, Culture, Media and Sport	NCMP	National Child Measurement Programme
DEFRA	Department for Environment, Food and Rural Affairs	NEET	Not in Employment, Education or Training
EHCP	Education and Health Care Plan	NHS	National Health Service
EIR	Environmental Information Regulations	SAP	Standard Assessment Procedure
EPC	Energy Performance Certificates	SEN	Special Educational Needs
ESIF	European Structural and Investment Funds	SLA	Service Level Agreement
FOI	Freedom of Information	STEP	Smart Travel Evolution Programmes
FSM	Free School Meals	TCF	Transforming Cities Fund
FTE	Full time equivalent	WYTF	West Yorkshire Transport Fund
GCSE	General Certificate of Secondary Education	YDH	York District Hospital
GLD	Good level of development	YMT	York Museums Trust
GVA	Gross Value Added	YYC	York Youth Council

## **Annex 1 – Directorate Financial Summaries**

### **Children, Education & Communities**

- 1 A net overspend of £1,594k is forecast primarily due to children's social care.
- 2 Based on the current numbers of Looked After Children (LAC) being maintained throughout the rest of the year there is a net projected overspend on placement and associated costs of £994k, including £360k on fostering, £204k on adoption allowances and £476k on Out of City Placements. There is also a net projected overspend of £457k within The Glen and disability short breaks budgets due to delays in implementing the new model of provision for children with the most complex needs.
- 3 Children's Social Care (CSC) staffing budgets are currently projecting a net overspend of £730k, mainly due to more expensive agency staff being used to cover important but hard to fill social worker posts and to provide additional capacity to manage the pace of improvement required. Whilst we are now having successful recruitment campaigns, in order to support new staff to effectively transition into post and maintain the required significant pace of change this additional resource will continue to be required.
- 4 Home to School Transport budgets are currently projected to overspend by a net £243k. The savings targets for the SEN element of home to school transport have not been achieved because of a growth in the number of pupils/students requiring transport and the specialist requirements of that transport.
- 5 Within the Dedicated Schools Grant (DSG) there is an estimated overspend on high needs costs of £1,977k, the main reasons being an increased number of specialist out of city placements (£1,191k), and an overspend of £761k on Danesgate alternative provision and post 16/19 placements. As a result of these and other minor variations there is now a projected deficit carry forward of DSG into 2020/21 of £2,710k which represents an increase of £1,883k.
- 6 A number of other more minor variations make up the overall directorate position.

- 7 The directorate management team are committed to doing all they can to try and contain expenditure with the approved budget and reduce the projected overspend as far as possible by the year end. Dealing with the budget pressures is a standing item at meetings with all options available to further mitigate the current projection being explored. This includes consideration of existing efficiency savings to identify if these can be stretched further or implemented early and continued restrictions on discretionary spending.

### **Economy & Place**

- 8 A net underspend of £615k is forecast primarily due higher than budgeted income from car parking offset by cost pressures within waste services and fleet.
- 9 In the medium term the council has ambitions to rebuild a Multi Storey car park at St George's Field and to close Castle car park. During construction this will reduce parking capacity and will impact upon revenue with a level of uncertainty about usage in the longer term. In the meantime, car park income continues to perform strongly with income levels to November 4% higher than the corresponding period in 2018/19 and 6% higher than budget. Assuming a continuation of this trend this will result in a positive budget variance of £400k. There is also a forecast surplus on Season Tickets and Resident Parking totalling £100k.
- 10 There is a forecast overspend (£300k) in waste collection. This is mainly due to the deployment of staff above budgeted levels in order to deliver the current service due to increase in property numbers and to ensure the council operates safe working practices. There are proposals as part of the 2020/21 budget to place additional resources into the Waste Service to mitigate this pressure and formalise the current round levels. There is also a forecast shortfall in income on commercial waste £75k.
- 11 A range of actions within the directorate has identified and will continue to seek mitigation to ensure the council overall remains within the approved budget including;
- Review of external funding streams to seek opportunities to maximise the impact on the revenue position
  - Proactively managing sickness levels across front line services to continue to reduce the need for agency staff.

- Consideration of in year savings and revenue opportunities
- Use of one off reserves to support the in-year budget.

### **Customer & Corporate Services**

- 12 Overall the directorate is expected to underspend by £664k. This is due to additional income within bereavement services of £98k and underspends of £205k within benefits predominantly due to additional grant being received along with some staffing vacancies. There are a number of minor variations being managed and work will continue to try and identify additional savings to help the overall position.

### **Health, Housing & Adult Social Care**

- 13 A net over spend of £3,633k is forecast for the directorate, mainly due to pressures within Adult Social Care. The majority of the overspend relates to the continuation of existing 2018/19 pressures that have been previously reported. Although significant growth was allocated to ASC in the 2019/20 budget, the majority of this was given to deal with new pressures such as 2019/20 contract price inflation and young adults transitioning from children's services.
- 14 Permanent residential care is forecast to overspend by £397k due to an increase in the number of placements. The Older Person's Accommodation programme has been successful in re-providing care for residents in eight out of our nine homes however the transition to a model more strongly focused on independent living has been slower than anticipated, and some of the new capacity is still in development.
- 15 We are implementing an ethos of "No Permanent Placements" whereby we do not discharge people direct to new permanent residential or nursing placements from hospital but work intensively with individuals in their own home or temporary settings with the ambition that they will return and remain independent in their community for the longer term. An example of this is an elderly person who was discharged from York hospital to a residential home in September. Rather than being admitted as a permanent resident, additional support was provided so that by December he was able to go home. Initially this was with 24 hour care in his own home for 2 weeks while a strengths based assessment was undertaken. The support has now reduced to 4 calls per day, supplemented by a

range of community help including telecare, the charitable sector and local area coordination.

- 16 The forecast overspend for Older People's nursing care is £531k, mainly due to an increase in the cost of this care. The council is working in partnership with North Yorkshire Council and the Independent Care Group to carry out an Actual Cost of Care (ACOC) exercise this spring, through an independent agency. This should improve transparency in the system and develop a shared view of appropriate fee levels for care.
- 17 As part of our shift towards supporting as many older and disabled people as possible in their own homes, we have increased the number of home care support hours per week by about 400. The cost of this is approximately £8k more per week now than was the case at the end of May. If this level of investment is sustained, the budget is forecast to overspend by £303k. Recent benchmarking work indicates that York provides higher than average levels of home care to individuals, and we recognise the needs for regular reviews of people's support needs and are now piloting intensive review in reablement to ensure we maximise their independence. Community led social work and asset based community development are critical to achieving our transformation goals.
- 18 PSI Supported Living schemes are forecast to overspend by £292k due to a small increase in customer numbers. The schemes are being reviewed alongside the learning disability schemes.
- 19 Learning disability residential budgets are forecast to overspend by £1,129k. The numbers placed have risen slightly above budget and the cost of placing each individual has risen by approx. £20k per annum. We have also made more 'spot purchased' temporary placements than budgeted.
- 20 There have also been several cases where customers have been reviewed by the CCG as no longer qualifying for 100% Continuing Health Care (CHC) funding, and responsibility being passed across from Health to ASC. The council has employed more specialist staff in response to this to ensure all people who are eligible receive the correct amount of CHC. An example of this is a person with dementia who moved to a new care home. The move to a more specialist home was recommended by NHS providers in order to avoid the need to detain the person in a mental health hospital.

Initially NHS commissioners turned down the request to fund the new provision but following further work between the council and NHS commissioners, this is now fully NHS funded. As an illustration, this type of placement would be likely to have cost the council £1500 per week if the initial decision had not been challenged successfully.

- 21 Supported Living for Learning Disabilities customers continues to be a pressure, with a forecast overspend of £640k, as at Qtr 3. We have an ongoing programme of work to address support costs which is having a positive impact on the budget. The initial projection for the LD Supported Living budget was to overspend by £1.1m, the review has, to date, realised efficiencies of £695k through closer management of voids, reduced support packages, increased use of technology and appropriate overnight support.
- 22 The Mental Health budgets are also becoming an area of increased pressure. Across all the budgets they are forecast to overspend by £828k. Overspends are as follows:
- |  |       |
|--|-------|
| • Residential Care                           | £275k |
| • Nursing Care                               | £116k |
| • Community Support (incl Supported Living)  | £229k |
| • Deprivation of Liberty Safeguarding (DoLS) | £118k |
| • Other minor variations                     | £90k  |
- 23 There is a national upward trend in people with mental health needs requiring support from social care. York is not exempt from this. Our focus on prevention and independent living is expected to contain some of the costs of care for the future.
- 24 There is an over-spend of £126k in the Personal Support Service (PSS). Work is being done to improve rota management and we are piloting a technology called Grandcare, which will enable us to review support going into customers' homes, with the intention of being able to reduce ongoing care packages.
- 25 In order to help mitigate some of the pressures set out above the directorate has developed an action plan. To date potential mitigations totalling £0.9m have been identified including reviewing direct payment contingency levels, investing in improved training and enhanced reviews around securing CHC income and releasing uncommitted resources from the older persons accommodation programme. Work is continuing to identify additional mitigations in order to increase the level of savings before the year end. The

mitigations already identified include the expected impact of initiatives funded from the additional resource allocated to ASC within the supplementary budget proposals agreed by Council on 17 July. In recent years, the Government has allocated additional one off funding during the year to meet the financial challenges within ASC. Should this happen again this year, it may significantly reduce the forecast position.

### **Housing Revenue Account**

- 26 The Housing Revenue Account budget for 2019/20 is a net cost of £489k. Overall, the account continues to be financially strong and is forecasting a small overspend of £85k. This is predominantly due to an increase in demand for reactive repairs and unanticipated water hygiene remedial work. This is offset by a forecast reduction in the bad debt provision of £250k and savings in capital charges of £219k.
- 27 The working balance as at 31 March 2019 was £24.5m. It was agreed in the outturn report that a total of £1,472k of the 2018/19 underspend would be carried forward to 2019/20 to fund capital financing, ICT project and stock condition survey work. Further, the July budget amendment agreed that £2m capital growth for investment in current local authority homes would be funded from the working balance. The forecast outturn takes both these issues into account and means that they working balance will reduce to £24m at 31 March 2020. This compares to the balance forecast within the latest business plan of £25.6m.
- 28 The working balance is increasing in order to start repaying the £121.5m debt that the HRA incurred as part of self-financing in 2012. The current business plan assumes that reserves are set aside to enable to the debt to be repaid over the period 2023/24 to 2042/43.

### **Corporate Budgets**

- 29 These budgets include Treasury Management and other corporately held funds. It is anticipated that overall a £1,143k underspend will be achieved, predominantly as a result of reviewing some assumptions on the cash flow position following a review of the profile of planned capital expenditure which will mean less interest being paid than previously anticipated. In addition, the Council was notified on the 20<sup>th</sup> November that it had been successful in claiming overpaid VAT



back from HMRC in relation to historic payments made in respect of leisure services and a final amount of £543k has been received.

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## **Annex 2 – Council Plan Outcomes – Action Updates**

### **Well paid jobs and an inclusive economy**

- 1 The Executive Member for Economy and Strategic Planning has agreed an outline process to develop an inclusive economic strategy, developed in partnership with residents and with the business community. To support the development of the strategy, a process similar to that used for the MyCastleGateway, MyYorkCentral and MyCityCentre consultations is proposed, building on the methodology used in that work. Beyond the publication of the strategy, those businesses, organisations and communities involved in its development will be invited to join a new Economic Partnership for York
- 2 The Financial Inclusion Policy is currently under review following last year's scrutiny work alongside a review of funding strategies. The council continues to support the home energy project, with a dedicated officer supporting people with energy efficiency measures.
- 3 Discussions are underway with Make It York, taking into consideration the initial thinking on the Economic Strategy. This will also require the input of the new Chair, Greg Dyke.
- 4 As part of Inclusive Growth funding, a proposal is being brought forward to create a dedicated officer to work alongside community hubs, to:
  - support the community groups running the hubs to work through issues and consider future developments to enhance their offer;
  - enable the existing hubs to further develop their support around learning, employment and entrepreneurship;
  - build connections with local businesses in order to raise awareness of what's going on locally and increase community engagement;
  - actively seek new volunteering opportunities on an area basis in order to increase the range of opportunities offering experience and skills development and in return support for local projects and businesses
  - trial at least two new hubs in wards not currently served.
- 5 A refreshed Business Friendly Council working group has been established, bringing together business-facing services in the

council. This group has fed into York Business Week and produced a leaflet summarising services supporting businesses.

- 6 A procurement event was held as part of York Business Week, and several supplier events recently have promoted opportunities for local supply chains, to promote opportunities for local businesses.
- 7 York's Secondary Heads and Principals Forum, working with York College, are proposing to pilot new alternative curriculum pathways for students at 14+ to help those identified as at risk of becoming NEET to make early steps towards employment. Work would initially focus on the Construction and Health & Social Care sectors, seeking to provide practical skills linked to clear economic opportunities and provide challenge to traditional workforce gender imbalances in those sectors.
- 8 York continues to engage fully with discussion across the region to secure devolution. The Government announced a forthcoming white paper on English Devolution which provide further clarity on national policy as local discussions continue. The Economic Growth team are working with both LEPs to ensure York is fully represented in Local Industrial Strategies.
- 9 The Guildhall redevelopment is in construction with a completion date mid 2021 which will provide flexible modern office space for small businesses. A Planning application has been submitted for commercial space as part of the Castle Mills scheme. Work has commenced to explore the use of CYC land on York Central to support small businesses, in line with the wider occupier strategy.

### **Getting around sustainably**

- 10 Briefs for a number of studies (on public transport in York, and measures to improve bus services on Fulford and Wiggington Roads) are in preparation. A bid to West Yorkshire Plus Transport Fund for measures to improve walk/ cycle/ bus access to Castle Gateway area has been submitted, contain a proposed allocation for considering ways to improve the routing of bus services in York city centre. A Local Cycling and Walking Infrastructure Plan is about to be developed as part of a refreshed Local Transport Plan. We have been working closely with York Civic Trust and partners to look at their transport strategy work.

- 11 CYC continues to play an active role in lobbying for improved rail connectivity for York. The Council has regular meetings with the rail industry, Department for Transport and HS2 and is an active participant in Transport for the North, West Yorkshire Combined Authority and East Coast Mainline Authorities group. Provision to re-establish a station in Haxby is contained within the Local Plan and we will work with stakeholders to develop any potential proposal that may come forward in the future.
- 12 A new Fleet Strategy is being developed and will be taken to Executive in March 2020. This suggests a range of actions to continue to move the council's vehicle fleet to low/zero carbon over the course of the Council Plan cycle.
- 13 A draft EV charging Strategy going to Executive in March 2020 that sets out our intentions to invest in the public charging network to increase the number of charge points, and the reliability of them. We are also making progress with HyperHubs. Having secured all of the necessary funding, we are about to issue the tender to get the first two sites built. We anticipate opening the 2 sites in September 2020, which will provide 16 charging bays (8 Rapid and 8 Ultra Rapid) constituting a significant addition to the network.
- 14 The council continues to working in partnership with bus operators to deliver York Clean Air Zone with grants already having been awarded. The CAZ will be bus only and will cover the area within and including the inner ring road. Air quality monitoring is ongoing across the city and shows a continuing downward trend in air pollution. Traffic pollution levels in Fulford Main St have fallen low enough to permit the removal of Air Quality Management Area designation. 21 new fully electric double decker buses to be delivered between December 2019 and March 2020 to serve 3 park and ride sites (Askham Bar, Grimston Bar, Designer Outlet).
- 15 The sustainable transport elements of the York Central S106 agreement have now been agreed and we are working with the developers to mobilise to implement the Framework Travel Plan once we have received positive funding announcements on HIF/ WYTF+/ TCF.
- 16 There is an ongoing workstream through the York Quality Bus Partnership to improve bus services. This includes a programme agreed with York District Hospital (YDH) to reduce delays on

Wigginton Road caused by traffic entering/ exiting the Hospital. This is a multi-agency approach including CYC Highways Regulation, public transport, YDH, bus operators and the I-travel team, promoting sustainable mode access to YDH, delivering travel behaviour change.

### **Good Health and Wellbeing**

- 17 CYC is a leading member of the Health and Wellbeing Board. The Board has reaffirmed its commitments to improving the wellbeing of local people. The All Age Learning Disability Strategy was launched in October by the multi-agency Learning Disability Partnership. Over the coming year, detailed action plans will be developed by four priority working groups. The Mental Health Partnership is leading the city's drive to implement the Trieste Model, enabling people to gain the support they need for their mental health and wellbeing at home, or in the least restrictive environment possible.
- 18 The People Helping People strategy continues to provide the overarching framework for social action in the city, promoting impact volunteering initiatives, connecting citizens to city challenges (for example our Community Health Champions programme which has recruited 75 volunteers and connected 1,340 to various initiatives ). York CVS have also developed a new Volunteering Directory complementing Live Well York. The Suicide Prevention Delivery Group is taking forward an action plan including looking at training for other agencies and individuals.
- 19 The council is promoting a 'good help' model and promoting the methodology of 'Radical Help', stimulating innovation and experimentation to find what truly works for people with diverse needs. The council is working closely with health partners and the voluntary and community sector to develop a whole system approach to prevention, anticipatory care, building community capacity and asset based community development. We are connecting social prescribing, local area coordination, community health champions and health navigation to the development of Primary Care Networks and Integrated Care Partnerships.
- 20 The Older Person's Housing assessment has been completed with the results used to help determine priorities. Progress has been made on Haxby Hall with a new contract to be signed in the New Year.

- 21 The Age Friendly York Programme was launched June 2019, with governance structure now agreed with reporting lines to the HWBB Ageing Well Partnership. Around 100 people will be involved in a 'Citizen Group' to advise on the development of the programme.
- 22 The Better Care Fund is continuing to support substance misuse services, and to develop new approaches for the people affected by these issues. Work continues to reduce rough sleeping in York with a reduction in the number of rough sleepers in the city from 9 to 7 over the last year and supported homeless people to access vaccinations. We are engaged in the Multiple Complex Needs Network.
- 23 York's Local Area Coordinator (LAC) programme and Social Prescribing programmes continue to be at the forefront of national policy development. The expansion of LAC remains a priority for Adult Social Care reflecting our asset based approach, alongside the expansion of Talking Points. These continue to reduce waiting times for social care referrals and are connecting people to local solutions and activities through the LAC's.
- 24 A draft Sport and Physical Activity Strategy has been received by the Health and Wellbeing Board. The council Sports Development and Physical Activity Service delivers events and activities targeted towards excluded groups, develops new opportunities in communities, and sustains sports clubs and groups around the city. A Healthy Weight Declaration has been signed by Executive Members and the Director of Public Health. Public Health are working with CYC's planning team to develop supplementary documents as part of the Local Plan.
- 25 An All Age Autism Strategy has been published in addition to a Mental Health Strategy for York, an All Age Learning Disabilities Strategy and a Carers Strategy.
- 26 The 'York Becoming a Good Help Place' city co-design event took place in September. The subsequent Good Help programme to be funded by the National Lottery will be confirmed in early 2020 and will enable a shared city narrative on Good Help and community of practice to evolve and specific Good Help service experiments to be identified. Building on the momentum of the September event, the YorOK Board has already adopted the principles and reference within the new Council Plan reflects collaborative city leadership.

- 27 Safeguarding remains the highest priority across services. Both Adults' and Children's Safeguarding Boards/Partnerships are reviewing their approaches to ensure all services across the city put the safety of our residents at the heart of their work.

### **A Better Start for Children and Young People**

- 28 Additional resources have been put in to the Communities Team to strengthen the work of communities, local organisations and agencies in support of families. The Resilient Communities Working Group are working on an options paper for the development of community hubs across the city.
- 29 An improvement plan and monthly board are in operation for Children's Social Care with LGA as critical friend. Peer review activity is also in place. No children allocated to a non-qualified social work worker (except the Transition Team for children moving across to adult services.) This is in the young person's best interests and is agreed practice for the service. Performance improvements include:
- CIN visit timeliness - target 80% - current performance 78.3% (last reported to Board 4th December 2019) ( was 69.78% in April)
  - Child Protection visit timeliness – target 95% - current performance 95.4%. (last reported to Board 4th December 2019) in April this was 47.09%.
  - Children in Care visit timeliness – target 95% - current performance 95%. (last reported to Board 4th December 2019)
  - In year monitoring shows 98% of all referral decisions in October were made within 1 working day. (last reported to Board 4th December 2019)
  - Overall Annex A accuracy score - target not to exceed 5% - October accuracy score 4.95% (last reported to Board 4th December 2019)
  - Single Assessments completed within 45 days – target 95% - current performance is at 74.9% (18/12) A lot of excellent work is



being done by front line social workers on improving assessment timeliness and ensuring quality assessment.

- 30 The reflective supervision model has now been rolled out to all managers and permanent posts being appointed to, further interviews taking place for middle managers and social work vacancies.
- 31 There has been an improvement in KS4 attainment and progress for disadvantaged children and young people in 2019. The York Schools and Academies Board has put in place resources to support improved secondary school attendance in 4 schools where the attendance of disadvantaged pupils is a concern. A city wide improving attendance workshop took place on 17th January, this will include opportunities to learn from best practice regionally and from schools in York.
- 32 An ESIF-funded project is focused on supporting young people aged 15-24 to move into employment and apprenticeships through providing 1:1 IAG, job coaching, employability skills and supporting confidence building. Registrations on the programme in the 18-24 age group are currently above target (112%). The Business Engagement Officer (Skills Team) is working with employers, mainly SMEs, to support them to offer routes to employment through work experience, taster sessions, apprenticeships and supported internships. The Skills team continues to support maintained schools and academies to get the most out of use of the apprenticeship levy. In 2019 Clifton Green Primary School was highly commended at the national apprenticeship awards and won the regional heat for its use of the levy. The Career Ready programme for sixth form students wanting to go in to employment or apprenticeships at 18 has recruited 60 young people. The Skills team are running a programme of sector specific recruitment events in 2020.
- 33 CYC and the CCG have supported York Mind with match funding to make a successful bid to the Department of Health and Social Care to expand the roll out of their Arts Award Programme. The project focuses on expansion of provision to a wider age group, expanding the variety of 'life skills' themes into sessions. The purpose is to support the mental health prevention and recovery agendas, and enhance integration between local authority and CAMHS provision.

- 34 The Early Talk for York Project is underway. The project 'Early Talk for York' is based around the intake into three primary schools to the west of the city aims to improve outcomes in speech, language and communication at age five. The project is a collaboration between partners across CYC, schools, early years settings and health, and aims to build capacity in the local area to support children and their families 0-5. To date the training programme is taking place and a speech and language therapist has been deployed to work specifically in the project area. The focused work from the family learning team and an online and physical marketing campaign to raise awareness of early childhood development has also been put in place. The project is designed to be 'proof of concept' with evaluation being conducted by Huntington Research School supported by local universities.
- 35 A new post of Head of Culture & Wellbeing has been established to drive the strategy forward. The appointee, who starts in January, will create launch activities, develop appropriate work plans for each strand, funding applications, etc. working to the Cultural Leaders Group. She will also put in place new, more representative partnership structures, to ensure buy-in from all stakeholders. CYC has worked with partners to appoint an independent chair of the York Cultural Education Partnership (CEP). This has led to a re- invigoration of the CEP which has been re-named REACH and the development of a new strategic plan. The Chair has started a programme of visits to schools and is working with CYC to develop a programme of activity to raise the profile and accessibility of the arts and culture offer with schools. This includes out of school activities and the development of a programme of cultural experiences through better connecting the cultural offer with schools.
- 36 Recruitment of foster carers is up 400% on last year and a new campaign will be launched in January. We continue to be one of the only Regional Adoption Agencies in the country that is sufficient.
- 37 A capital programme has been put in place for improving York's play areas including a process for a) carrying out a quality assessment of CYC and local councils' play areas, b) using the assessment to direct investment, and, c) allocating a fund to be used to contribute to larger scale investments in partnership with community groups.

## **A Greener and Cleaner City**

- 38 The new Climate Change Policy and Scrutiny Committee has met 4 times and is shaping its work plan. Work is underway to increase the staffing resource available to support this agenda.
- 39 The Council's budget process includes additional staff capacity to drive forward a Climate Change Delivery Programme to achieve the agreed target of zero carbon by 2030 for the city of York.
- 40 A decision to extend Graffiti removal to some private property has taken place and a new team focusing purely on graffiti removal has been created.
- 41 A study will be commissioned in early 2020 to look at the current waste collection methodology and the options for achieving provision of green bins to more houses, kerbside food waste collection and the range of plastics currently recycled
- 42 Work has been prioritised to concentrate on two Supplementary Planning Documents 'Green and Blue Infrastructure ' and 'Carbon Reduction, Renewable Energy and Sustainable Design and Construction'.
- 43 Café West is now using all Vegware inc. Coffee cups, lids etc. which is collected in the green bins then collected by Forge to be made into compost, launched in July and proving very successful to date
- 44 The current plans for flooding have been reviewed by the Emergency Planning Team with the teams that respond. We continue to work with the Environment Agency to ensure the city improves its mitigation and resilience to flooding.

## **Creating homes and world-class infrastructure**

- 45 Phase 1 of the public hearings into the examination of the Council's draft Local Plan took place at York Racecourse over four days ending on 18 December 2019. The views of the Planning Inspectors in relation to the soundness of the submitted plan and legal compliance are awaited before moving to Phase 2 hearings – perhaps in early summer 2020.
- 46 Significant Capital programme schemes include:

- **York Central:** Outline planning permission has been finalised, with a further Reserved Matters application for the first phase infrastructure in development pending government announcement on HIF funding. This will facilitate the early delivery of commercial space and homes on the site. Work is underway to explore provision of sustainable council housing on York Central and to develop CYC land on the site to support small businesses. The York Central design guide which is part of the outline planning permission sets out high sustainability standards for all future development.
- **Guildhall:** redevelopment is in construction with a completion date mid-2021.
- **Castle Gateway:** full business case will be considered by Executive in Jan 2020. February will see the Planning Committee consider the first two detailed planning applications to facilitate the removal of surface car parking from around Clifford's Tower and deliver the masterplan for the area.
- **Community Stadium:** The Community Stadium Complex is now in its final onsite fit out, testing and commissioning phase before opening to the public early in 2020. Stadium test events will be starting to take place over the coming weeks to gain the required Stadium safety certificates and licences. The adjacent commercial development to the Stadium is also well advanced, with the IMAX Cineworld opening to the public in December 2019, and confirmed lettings for Hollywood Bowl, Adventure Mini Golf Centre, Zizzi's and TGI Friday restaurants. The commercial development, together with the Council leisure facilities, representing a significant new leisure offering for residents in 2020.
- **Housing Delivery Programme:** is now on site at Lowfield Green with the first homes due to be delivered by the end of 2020. Planning applications for 3 further sites will be submitted by July 2020. Work is underway to extend the extra care /independent living schemes at Marjorie Waite Court and Lincoln Court with work due to complete late 2020/early 2021. Newbury Avenue bungalows due completion early 2020. Architects appointed and Shape Homes York set up to sell council-built homes with web site due to be launched. Feasibility studies progressing on Burnholme, Duncombe Barracks and Ordnance Lane /Hospital fields Road.

47 We are currently working with Leeds City Region Energy Accelerator to model energy efficiency retrofit improvements to a range of

archetypes of council housing stock to reach as close as possible to zero carbon. Additional capital in the budget this year is planned to fund a pilot to be used as a basis to roll out to rest of stock.

- 48 The older person's housing assessment has been completed and will help determine priorities. Progress has been made on Haxby Hall and a contract due to be signed in early 2020.
- 49 Work continues to reduce rough sleeping with a reduction in the number of rough sleepers in the city from 9 to 7 over the last year. The recently-appointed Rough Sleeper Housing Navigators are making a real difference to rough sleeping working alongside our already established services to continue to reduce rough sleeping further.
- 50 Free Wi-Fi now includes Coppergate and planned to be available in and around the Community Stadium. Through the Gigabit Voucher Scheme, full fibre connectivity has been successfully delivered to 40 businesses in The Shambles using £100k DCMS funding. There are plans to extend to around 20 more businesses nearby which have expressed an interest. A further £450k DCMS funding has been secured to deliver full fibre to Fossgate and Walmgate with a view to completion by summer 2020. Further roll out to Stonegate, Grape Lane and Low & High Petergate is planned to start in early 2020. CodeYork volunteers are being recruited with a view to start new after school clubs after February 2020 half term.

### **Safe Communities and culture for all**

- 51 The Council has invested addition £250k into a Safer Communities fund, alongside additional highways funding to boost ward funding. Walkabouts around wards have been introduced to identify priority projects with the communities. 2 new community involvement posts have been created to add more community development capacity, including one focussed on working with minority groups.
- 52 The People Helping People strategy continues to provide the overarching framework for social action in the city, promoting impact volunteering initiatives, connecting citizens to city challenges. For example our Community Health Champions programme has recruited 75 volunteers who are passionate about communities and are leading a variety of health, wellbeing and physical activity initiatives that have connected to 1340 beneficiaries. York CVS have

also developed a new Volunteering Directory complementing Live Well York.

- 53 At a city level, partners continue to support social prescribing, with the Ways to Wellbeing Service recruiting a further 5 Social Prescribing Link Workers, utilising funding within the new GP contract. This reflects the national roll out of social prescribing building on the national Loneliness Strategy - 'A Connected Society'. This complements the work of the majority of Ward Committees who had identified loneliness as a local priority and who we might support people living with dementia, through working with the York Dementia Action Alliance.
- 54 The MyCityCentre activities to involve the community and city businesses in developing solutions for the future of the city centre are being taken forward. A preferred engagement support provider has been identified and the engagement plan is currently being worked up. The project stakeholder group meets for the first time in January, with consultation to commence from February 2020. Work towards Purple Flag accreditation will begin in 2020.
- 55 A new community programme for Castle Gateway has been introduced which seeks to engage new audiences and communities. The Council is also working with the York Cultural Education Partnership to develop a programme of activity to raise the profile and accessibility of the arts and culture offer with schools. This includes out of school activities and the development of a programme of cultural experiences through better connecting the cultural offer with schools.
- 56 Having agreed an overall citywide cultural strategy, a new Head of Culture & Wellbeing post has been created to drive this work forward. This role will report to the Cultural Leaders Group and will start in January.
- 57 In line with the legislative requirements for a three year Community Safety Strategy, Safer York Partnership are in the process of identifying the new priorities that will be published in the 2020-23 Strategy. These will be discussed at partnership workshop to be held in January.
- 58 One of the ways the Council is taking a more active role in tackling discrimination across York is through a new Community Involvement

Officer undertaking targeted work with minority groups to better understand their experiences and aspirations. The Human Rights Board, of which the Council is part of, has been working on a research project around young people who are Not in Education Employment or Training (NEET), which has resulted in developing new vocational opportunities for those who could fall within that group in the future. There has been considerable work on the York Armed Forces Covenant, including a relaunched forum who are taking forward actions to support the needs of this community.

- 59 In beginning a fresh push around Community Hubs, we have defined and agreed our approach, what we expect from them and how they can be most effective, drawing on the learning from the last few years. A post has been appointed to drive the roll out of new hubs. We are also exploring accrediting and recognising community hubs which have been set up by other organisations or by communities themselves.

### **An open and effective Council**

- 60 The council has undertaken budget consultation over the autumn to identify views on Council Tax levels, Social Care Precept, Capital Investment and Council Plan priorities. This has informed budget proposals which will be presented to Executive Decision sessions in January.
- 61 Key stakeholder groups, including staff and Councillors, have been consulted to identify key themes to be addressed in an Organisational Development Programme. An action plan is currently being developed to address immediate issues and longer term focuses.
- 62 Ongoing work continues with a wide range of major and minor digital projects. Larger projects include the Transport based STEP programme, continued implementation of the Councils Customer Relationship Management System, replacement of Waste Management System and the procurement of the Managed Services ICT Infrastructure contract. User-centric design principles used within our key programmes of work to ensure they are built around the needs of residents.
- 63 Executive recently received an update on refreshing the council's approach to equalities. The council currently pays the real living

wage and further increases to this will be considered as part of the budget round.

- 64 Further work will build on our current Social Value Policy to ensure it is aligned with our climate change ambitions.



## Annex 3 – Performance – Council Plan Outcomes

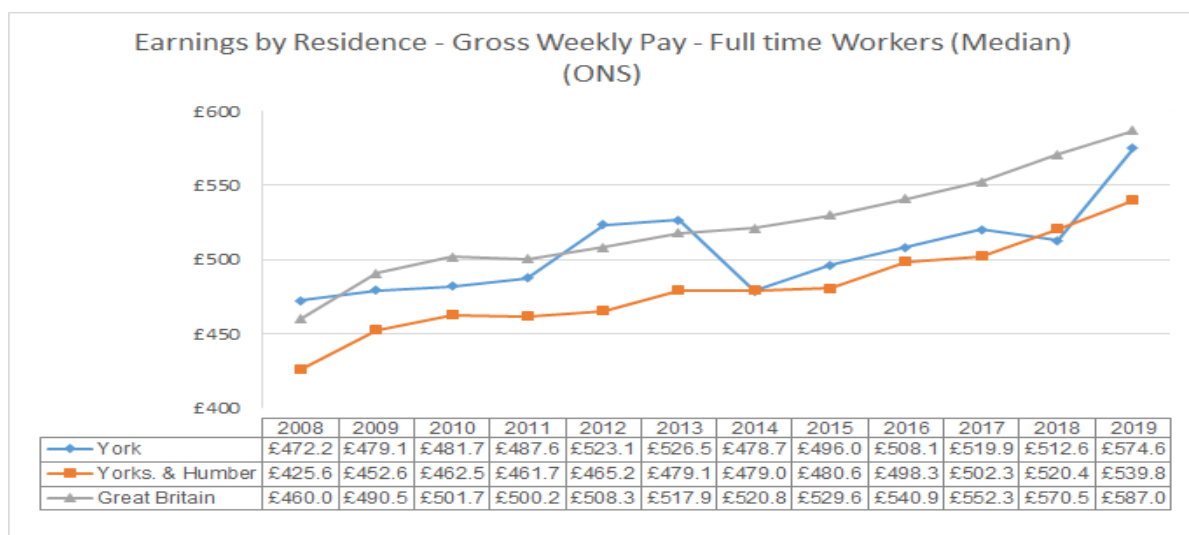
## Well paid jobs and an inclusive economy

Well paid jobs and an inclusive economy						
	Previous Data	Latest Data	DoT	Frequency	Benchmarks	Data Next Available
Business Rates - Rateable Value	£255,623,506 (Q1 2019/20)	£255,273,836 (Q2 2019/20)	➡	Quarterly	Not available	Q3 2019/20 data available in February 2020
Median earnings of residents - Gross Weekly Pay (£)	£512.90 (2018/19)	£574.60 (2019/20)	➡	Annual	National Data 2019/20: £587 Regional Data 2019/20: £539.8	2020/21 data available in October 2020
% of working age population qualified - to at least L2 and above	85.00% (2017/18)	83.20% (2018/19)	➡	Annual	National Data 2018/19: 74.90%	2019/20 data available in April 2020
% of working age population qualified - to at least L4 and above	48.90% (2017/18)	47.90% (2018/19)	➡	Annual	National Data 2018/19: 39.30% Regional Data 2018/19: 33.30%	2019/20 data available in April 2020
GVA per head (£)	24,006 (2016/17)	25,130 (2017/18)	⬆️ Good	Annual	Regional Rank 2017/18: 2	2018/19 data available in Feb 2020
% of vacant city centre shops (compared to other cities)	8.13% (Q1 2019/20)	6.70% (Q2 2019/20)	⬇️ Good	Monthly	National Data 2019/20 Q1 11.7%	Q3 2019/20 data available in February 2020
% of working age population in employment (16-64)	78.40% (2018/19)	78.80% (Q1 2019/20)	➡	Quarterly	National Data Q1 2019/20 75.60%	Q2 2019/20 data available in February 2020

The DoT (Direction of Travel) is calculated on the latest three data points whether they are annual or quarterly.  
All historic data is available via the Open Data Platform

## Median earnings of residents – Gross weekly pay

- 1 In April 2019, the estimated median gross weekly earnings for full-time resident employees in York were £574.6, which is an increase of 12% from £512.6 in 2018. In recent years, the increase in earnings has been fastest among the lowest paid occupations. However, taking inflation into account, real pay is still some way below its historic level. Nationally the increase was 2.9% and regionally, 3.4% over the same period.



## % of working age population qualified – to at least L2 and above

- 2 In 2018-19, 83.2% of the working age population were qualified to at least L2 and above (GCSE grades 9-4), which is higher than the national and regional figures (74.9% and 71.8% respectively) and above the target rate of 83%. This result ranks the city of York first regionally. The 2018-19

figure is a slight decrease from 2017-18 (85%) but higher than in the years prior to that. Data for 2019-20 will be available in April 2020.

**% of working age population qualified – to at least L4 and above**

- 3 In 2018-19, 47.9% of the working age population were qualified to at least L4 and above (certificate of higher education or equivalent), which is higher than the national and regional figures (39.3% and 33.3% respectively). This result also ranks the city of York first regionally. The 2018-19 figure is a slight decrease from 2017-18 (48.9%) but higher than in the years prior to that. Data for 2019-20 will be available in April 2020.

**GVA (Gross Value Added) per head (£)**

- 4 In 2017-8 (the latest available data), the GVA per head in York was £25,130 which was the second highest figure regionally. Apart from a slight dip in 2015-16, the GVA per head has been increasing annually since 2009-10 where it was £22,066 per head. Data for 2018-19 will be available in late January 2020.

**% of vacant city centre shops compared to other cities**

- 5 At the end of Q2 2019-20 (the latest available data), there were 43 vacant shops in the city centre which is a reduction from 53 at the end of Q2 2017-18. The number of vacant shops equates to 6.7% of all city centre shops, which is lower than the national benchmark in Q1 2019-20 of 11.7%. The York figure hasn't fluctuated a great deal in the past 10 years, with a high of 9.16% in 2016-17 and the national benchmark figure has remained fairly stable too, with a high of 12.3% in 2013-14. The challenges faced by York city centre are the same as those faced nationally due to changing consumer behaviour.

**% of working age population in employment (16-64)**

- 6 In Q1 2019-20, 78.8% of the working age population were in employment, which is higher than the national and regional figures (75.6% and 73.8% respectively). The York score gives the city a ranking of first regionally and represents a continued yearly upward trend. Q2 2019-20 data will be available in February 2020.

## Getting around sustainably

Getting around sustainably						
	Previous Data	Latest Data	DoT	Frequency	Benchmarks	Data Next Available
P&R Passenger Journeys - (YTD)	4.25m (2017/18)	4.24m (2018/19)	➡	Quarterly	Not available	2019/20 data available in July 2020
Local bus passenger journeys originating in the authority area (excluding P&R) - (YTD)	12m (2017/18)	12m (2018/19)	➡	Quarterly	Not available	2019/20 data available in July 2020
% of road and pathway network that are grade 4 (poor) or grade 5 (very poor) - roadways	24.00% (2017/18)	20.00% (2019/20)	↓ Good	Annual	Not available	2020/21 data available in October 2020
% of road and pathway network that are grade 4 (poor) or grade 5 (very poor) - pathways	3.00% (2018/19)	3.00% (2019/20)	➡	Annual	Not available	2020/21 data available in October 2020
Area Wide Traffic Levels (07:00 -19:00) (Excluding A64) from 2009/10 baseline (2.07m)	2.17m (2017/18)	2.15m (Prov) (2018/19)	➡	Annual	Not available	2019/20 data available in October 2020
Index of cycling activity (12 hour) from 2009 Baseline (31,587)	116.00% (2017)	120.00% (2018)	➡	Annual	Not available	2019 data available in July 2020
Index of pedestrians walking to and from the City Centre (12 hour in and out combined) from 2009/10 Baseline (37,278)	110.00% (2017/18)	126.00% (2018/19)	↑ Good	Annual	Not available	2019/20 data available in July 2020
% of customers arriving at York Station by sustainable modes of transport (cycling, walking, taxi or bus - excluding cars, Lift, Motorcycle, Train)	71.00% (2017)	73.00% (2018)	➡	Annual	Not available	2019 data available in October 2020

The DoT (Direction of Travel) is calculated on the latest three data points whether they are annual or quarterly.  
All historic data is available via the Open Data Platform

### P&R Passenger Journeys

- 7 In 2018-19 there were a total of 4.24 million Park and Ride passenger journeys into and out of the city. This is lower than in 2017-18 (4.25m) and the lowest in the previous 6 years (with a high of 4.61m in 2015-16).

### Local bus passenger journeys

- 8 In 2018-19 there were 12 million local bus passenger journeys that originated in the local authority area. This is the same number of journeys as in 2017-18 and there has been a steady increase over the previous 5 years (from 9.7m in 2012/13).

### % of ROAD and pathway network that are grade 4 (poor condition) or grade 5 (very poor condition) - Roadways / Pathways

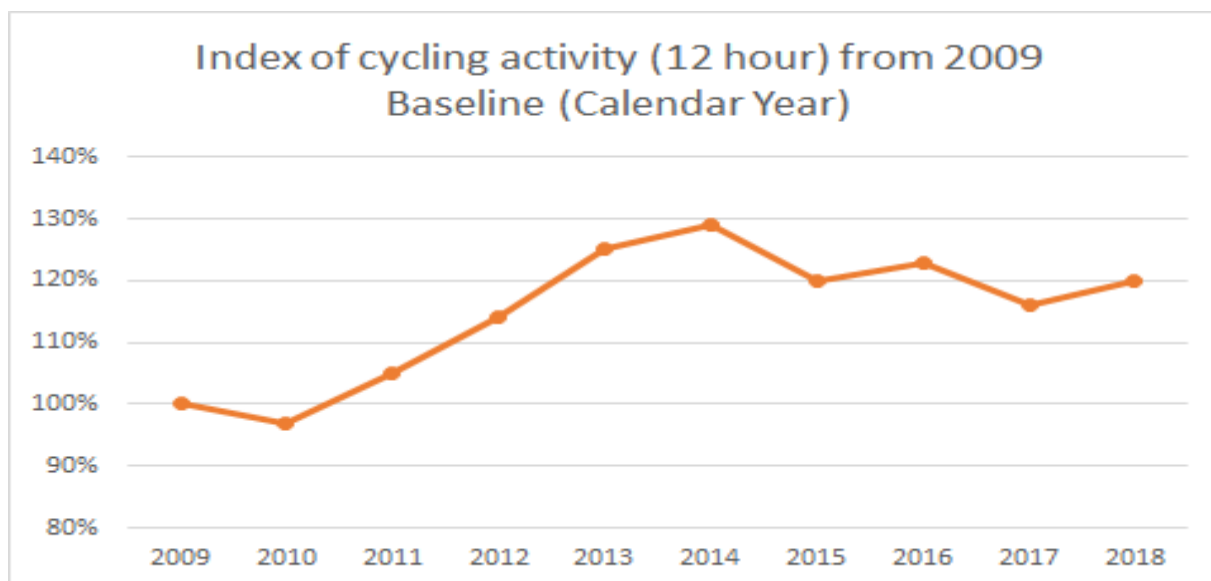
- 9 In 2019-20, 20% of the road network was classed as in poor or very poor condition. This is a slight decrease from 2018-19 and 2017-18 (23% and 24% respectively but still remains higher than in previous years (with a low of 13% in 2010/11). In 2019-20, 3% of the pathway network was classed as in poor or very poor condition. This remains relatively low compared with previous years with a high of 6% in 2015-16.

### Area Wide Traffic Levels (07:00 -19:00) (Excluding A64)

- 10 Between 2011-12 and 2016-17 the number of vehicles on the city's roads increased year on year to a high of 2.2 million. Since then the numbers have slowly decreased to a provisional figure of 2.15 million in 2018-19. This slight decrease in numbers is set against a backdrop of a city with an increasing population. Data for 2019-20 will be available in October 2020.

**Index of cycling activity (12 hour) / % of residents actively cycling and national comparisons**

- 11 From a baseline in 2009 (31,587), there has been a 20% increase in cycling activity in 2018. The highest level seen since the baseline was established was in 2014 where there was a 29% increase above the baseline. Data for 2019 will be available in July 2020.



- 12 Statistics around walking and cycling in England in 2018 were published during August 2019. The data is based on two main sources, The National Travel Survey and the Active Lives Survey. The picture for York residents is a positive one with a higher than average proportion engaging in both walking and cycling (the % of adults in York who walk five times per week (39.7%) is higher than regional and national averages (29.9% and 32%).

**Index of pedestrians walking to and from the City Centre (12 hour in and out combined)**

- 13 From a baseline in 2009-10 (37,278), there has been a 26% increase in the number of pedestrians walking to and from the city centre. This is 16% higher than in 2017. This is the highest increase seen since the baseline was established. Data for 2019-20 will be available in July 2020. Data is gathered annually over the course of one day and is a count of pedestrians crossing an inner cordon which is set just beyond the inner ring road and includes off-road routes such as riverside paths.

**% of customers arriving at York Station by sustainable modes of transport (cycling, walking, taxi or bus – excluding cars, lift, motorcycle or train)**

- 14 In 2018, 73% (provisional) of customers arrived at York station by sustainable modes of transport which is an increase from 71% in 2017 but lower than 75% in 2016. Data for 2019 will be available in October 2020. The data is gathered by an annual survey which takes place for a 5 hour period in 7 locations around the station. Member of the public are asked how they arrived at the station and the results are flow weighted to take into account the split of people arriving at each entrance.

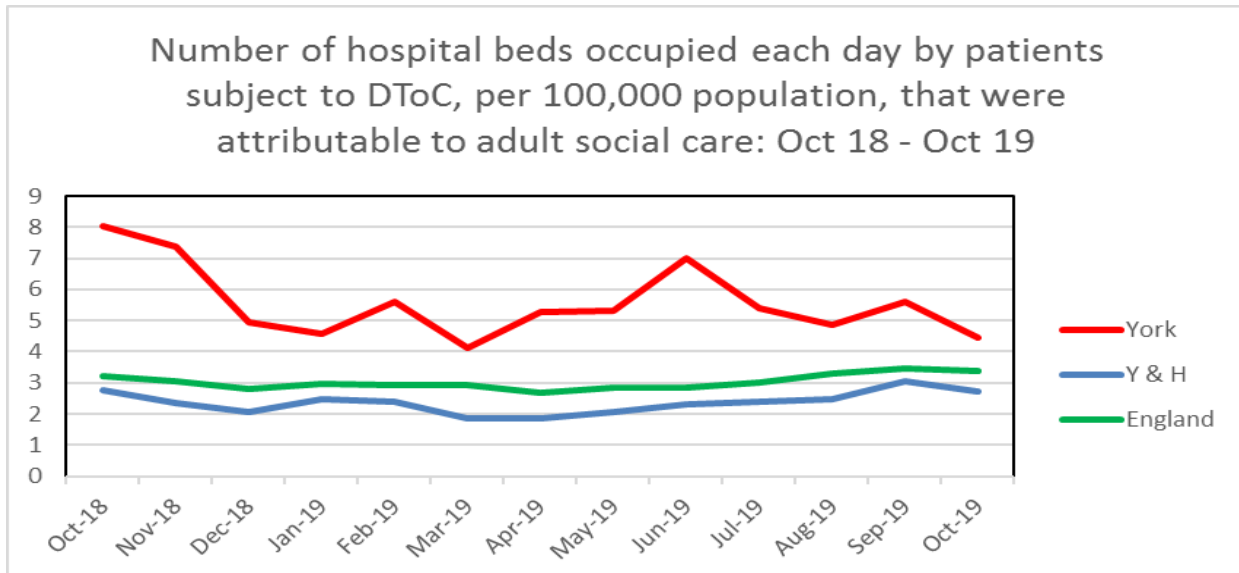
- 15 A programme of works is underway to update occupancy counters in three city centre car parks and procure a new system for managing payments and record occupancy in a further two car parks. Once the programme is complete and data is available, this will be published to York Open Data.

## Good Health and Wellbeing

Good Health and Wellbeing						
	Previous Data	Latest Data	DoT	Frequency	Benchmarks	Data Next Available
Proportion of adults in contact with secondary mental health services living independently, with or without support	80.00% (Q1 2019/20)	80.00% (Q2 2019/20)	→	Quarterly	National Data 2018/19 58.00%	Q3 2019/20 data available in March 2020
Delayed transfers of care from hospital which are attributable to adult social care, per 100,000 population (YTD Average)	5.9 (Q1 2019/20)	5.6 (Q2 2019/20)	→	Quarterly	National Data 2018/19 3.1	Q3 2019/20 data available in February 2020
Overall satisfaction of people who use services with their care and support	62.90% (2017/18)	63.80% (2018/19)	→	Annual	National Data 2018/19 64.30%	2019/20 data available in October 2020
% of reception year children recorded as being obese (single year)	9.28% (2017/18)	9.50% (2018/19)	↑ Bad	Annual	National Data 2018/19 9.50%	2019/20 data available in October 2020
Slope index of inequality in life expectancy at birth - Female - (Three year period)	4.2 (2016/17)	5.2 (2017/18)	→	Annual	Regional Rank 2017/18: 3	2018/19 data available in April 2020
Slope index of inequality in life expectancy at birth - Male - (Three year period)	7.7 (2016/17)	8.9 (2017/18)	↑ Bad	Annual	Regional Rank 2017/18: 2	2018/19 data available in April 2020
% of adults (aged 16+) that are physically active (150+ moderate intensity equivalent minutes per week, excl. gardening)	70.20% (2017/18)	74.90% (2018/19)	→	Annual	National Data 2018/19 63.20%	2019/20 data available in October 2020
The DoT (Direction of Travel) is calculated on the latest three data points whether they are annual or quarterly. All historic data is available via the Open Data Platform						

- Proportion of adults in contact with secondary mental health services living independently**
- 16 The percentage of all adults in contact with secondary mental health services living independently, with or without support, was 80% on average during Q2 2019-20, which represents a lower level compared with Q2 2018-19 (84%). During Q2 2019-20, an average 23% of all clients in contact with secondary mental health services were in employment, which represents a higher level compared with Q2 2018-19 (21%). There is a three month time lag between the end of each quarter and the data being published, so this is the latest available data.
- Delayed Transfers of Care from hospital which are attributable to adult social care, per 100,000 population**
- 17 There has been a downward trend in the number of days that patients are delayed leaving hospital that are “*attributable to adult social care*”. In the 12 months to the end of October 2019, which is the latest period for which information has been published by NHS England, there were on average 9 beds per day occupied by people subject to delayed transfers of care attributable to CYC’s adult social care. This is lower than in the previous 12 month period (13 beds occupied per day on average). Combined with the fact that patients are staying in hospital, on average, for shorter periods of time, this means that adult social care is getting better at supporting people to get where they want to be quickly, against a backdrop of increasing numbers of unplanned or emergency admissions.

- 18 The graph below shows the DToC rates per 100,000 population, which enables comparisons to be made regionally and nationally as local authorities have different population sizes. The graph illustrates the downward trend in the York rate over the last year, although it still remains above the Y & H region and national DToC rates.



#### Overall satisfaction of people who use services with their care and support

- 19 The latest (2018-19) Adult Social Care User Survey showed that 64% of those who responded stated that they were “extremely” or “very” satisfied with the care and support they received. This is a slight improvement from 2017-18, where 63% gave one of these answers. This rate is in line with the England average, and is slightly below the Y&H regional average (65%).

#### % of reception year children recorded as being obese (single year)

- 20 There was an above average participation rate in the National Child Measurement Programme (NCMP) in York during 2018-19: 97% of reception children and 98% of Year 6 children were measured, compared with 95% of reception children and 95% of Year 6 children nationally. The 2018-19 NCMP found that 9.5% of reception children in York were obese, which is not significantly different from the England average (9.7%), although the York figure has risen slightly from the 2017-18 level (9.3%). Of Year 6 children in York, 15.1% were found to be obese in 2018-19, which is significantly lower than the England average (20.1%) and represents a decrease of 2.3 percentage points from the 2017-18 level. There is a wide variation in obesity rates at ward level, and a strong correlation between obesity and deprivation at ward level.

#### Healthy Life expectancy at birth – Female/Male (slope index of inequality)

- 21 Average Life Expectancy and Healthy Life Expectancy for males in York (80.2 years and 65.3 years) is above the England average (79.6 years and 63.4 years). Average Life Expectancy and Healthy Life Expectancy

for females in York (83.5 years and 64.7 years) is also above the England average (83.1 years and 63.8 years).

- 22 The inequality in life expectancy for men in York is 8.9 years. This means there is around a 9 year difference in life expectancy between people living in the most and least deprived areas of the City. This inequality for men has been getting worse over the last few years. The inequality in life expectancy for women in York is 5.2 years. This means there is around a 5 year difference in life expectancy between people living in the most and least deprived areas of the City. This inequality for women has improved slightly over the last few years.

**% of adults (aged 16+) that are physically active (150+ moderate intensity equivalent minutes per week, excluding gardening)**

- 23 The latest data from the Adult Active Lives Survey for the period May 2018 to May 2019 was published in October 2019. In York, 487 people aged 16 and over took part in the survey, and they reported higher levels of physical activity, and lower levels of physical inactivity, compared with the national average. Positively:
- 74.9% of people in York did more than 150 minutes of physical activity per week compared with 63.2% nationally and 62.2% regionally. This is higher than in the previous survey (73.1%), held between November 2017 and November 2018.
  - 14.2% of people in York did fewer than 30 minutes per week compared with 24.8% nationally and 26.4% regionally. This figure is broadly the same as the 14.4% reported for the period November 2017 to November 2018.
- 24 The previous Active Lives survey showed that 84% of adults aged over 16 in York took part in sport and physical activity at least twice in the previous 28 days. This is above the national (77.5%) and regional (75.8%) averages. More up to date information relating to this was not published in the most recent survey.

## A Better Start for Children and Young People

A Better Start for Children and Young People						
	Previous Data	Latest Data	DoT	Frequency	Benchmarks	Data Next Available
Secondary school persistent absence rate (10% absence) (recorded over 6 terms) (relates to prev academic year to financial year shown)	12.90% (2016/17)	15.50% (2017/18)	➔	Annual	Not available	2018/19 data available in April 2020
Voice of the Child - Service Usage and Life Opportunities	Narrative	Narrative	N/A	Quarterly	Not available	Q4 2019/20 narrative available in May 2020
% of children who have achieved a Good Level of Development (GLD) at Foundation Stage - (Snapshot)	74.80% (2017/18)	75.60% (2018/19)	➔	Annual	National Data 2018/19 71.80%	2019/20 data available in October 2020
Average Progress 8 score from KS2 to KS4	0.11 (2017/18)	0.22 (2018/19)	↑ Good	Annual	National Data 2018/19 0.01	2019/20 data available in October 2020
% of pupils achieving 9-4 or above in English & Maths at KS4 (C or above before 2016/17)	69.60% (2017/18)	73.60% (2018/19)	➔	Annual	National Data 2018/19 65.70%	2019/20 data available in October 2020
%pt gap between disadvantaged pupils (eligible for FSM in the last 6 years, looked after and adopted from care) and their peers achieving 9-4 in English & Maths at KS4	30.30% (2016/17)	33.20% (2017/18)	➔	Annual	National Data 2017/18 27.00%	2018/19 data available in Feb 2020
% of Year 12-13 (academic age 16-17) NEET who possess less than a L2 qualification - (Snapshot)	95.90% (Q2 2019/20)	94.00% (Q3 2019/20)	↑ Bad	Quarterly	Not available	Q4 2019/20 data available in April 2020

The DoT (Direction of Travel) is calculated on the latest three data points whether they are annual or quarterly.  
All historic data is available via the Open Data Platform

### Secondary school persistent absence rate

- 25 Secondary school persistent absence is on a worsening trend and York is performing in the lower quartile for this measure. There is a correlation with disadvantage and special educational needs with the highest levels of persistent absence being seen in pupils who are eligible for pupil premium and/or have special educational needs. The York Schools and Academies Board has allocated funding to three schools to improve attendance and, following a half day focused workshop (January 2020) a regular partnership meeting of schools is being set up on this subject. Work is also taking place to scope alternative curriculum pathways which might better engage some young people and encourage them to attend. 2018/19 data will be released in April 2020.

### Voice of the Child

- 26 Children's Rights and Advocacy Service: Participation opportunities for young people in care and care leavers continue to be delivered via the Children in Care Council (CiCC) and Care Leavers Forum. This includes monthly 'Show Me That I Matter' panel meetings (13-17 yrs), monthly meetings of the Care Leavers Forum, 'I Still Matter', (17-21 yrs) and fortnightly 'Speak Up' youth club sessions (10-16yrs). The CiCC and Care Leavers Forum have met with the Director of Children's Services, Assistant Director and Elected Members to feedback on the work they have been doing and representatives have attended the Yorkshire and Humber Regional Children in Care Council. Activity over this quarter has included promotion around the Mind Your Language campaign (a resource to highlight young people's views in relation to some of the terminology used by professionals), consultation on the Preparing for



Independence Life Skills document and the Local offer for young people leaving care.

- 27 Advocacy casework for children and young people who are in care or leaving care, going through the child protection process or wanting to make a complaint has continued to be provided. During this quarter the service has received 21 new advocacy referrals; 13 of which were in relation to children and young people in care, 7 in relation to young people going through the child protection process and 1 in relation to a care leaver.
- 28 York Youth Council (YYC): Representatives from YYC continue to work alongside North Yorkshire Youth as the working group 'North Yorkshire Young Minds Combined'. YYC also took part in some consultation work with Health Watch, looking at young people's experiences of health services within York. In October, YYC received the local results from the Make your Mark ballot. The top issue that will be taken forward as the Youth Council's campaign for the year is 'Protecting the Environment'. York's Member of Youth Parliament attended the Annual Debate in the House of Commons in November 2019 to debate on which topic from the Make Your Mark ballot would be taken forward as the national campaign. This year the results were: 'Protecting the Environment' as the UK issue and 'put an end to knife crime' as the devolved issue.

**% of children who have achieved a Good level of Development (GLD) at Foundation Stage**

- 29 75.6% of York's 5 year olds achieved a Good Level of Development last year. This performance represents continuing improvement on already good performance in this area, as well as exceeding the national average. This is in part due to the improving outcomes for both disadvantaged and SEN support pupils. Provisional results show that the disadvantaged gap is expected to narrow in 2018-19, but is likely to remain wider than the National gap. Final data will be released in January 2020.

**Education Progression (Average Progress 8 score from KS2 to KS4) and GCSE Results (% of pupils achieving 9-4 in English and Maths at KS4)**

- 30 Progress 8 is a measure of the progress made by pupils between Key Stage 2 and Key Stage 4. A positive score represents progress above the average for all pupils and a negative score progress below the average for all pupils.
- 31 In 2019, the average Progress 8 score for Year 11 pupils was +0.22, which was an improvement on the already excellent performance in 2018. For the third year, York is in the top quartile for all Local Authorities for Progress 8.
- 32 73.6% of York's 16 year olds leaving Secondary school in summer 2019 achieved a standard grade (9-4) in both English and Maths. This is an

improvement on the previous year (69.6%) and above the National average (65.7%).

**% point gap between disadvantaged pupils (eligible for FSM in the last 6 years, looked after and adopted from care) and their peers achieving 9-4 in English and Maths at KS4**

- 33 Reducing the attainment gap between disadvantaged pupils and their peers is a key priority in all phases of education across 0-19 years. Unvalidated data for 2019 shows that disadvantaged pupils in York achieved better outcomes than disadvantaged pupils nationally on this measure and the other main attainment and progress measures, which is a significant improvement. Validated data will be published at the end of January 2020.

**% of 16-17 year olds who are NEET who do not have a L2 qualification**

- 34 The proportion of 16-17 year olds in York who are NEET remains at a similar level to historical trends and there is a correlation with disadvantage, with the majority of young people being from the wards with the highest levels of deprivation. At the end of December 2019, 94% of young people who were NEET did not have a Level 2 qualification.
- 35 Of the 16-17 year olds who are NEET, over 50% also have some form of special educational need. They are most likely to have required SEN Support at school, rather than have an Education & Health Care Plan (EHCP). Whilst young people with SEND are over-represented in the NEET cohort, it is known (both in York and nationally) that young people who are NEET often have multiple risk factors. Characteristics such as SEND, exclusions from school and deprivation are usually present in NEET cohorts and rarely in isolation. York also has a small cohort of young people who do not have L2 qualification level.
- 36 The young people who are both NEET and have SEND are less likely to have high levels of need (e.g. EHCP). This is supported by the destination data of Applefields Special School, who frequently see 100% of their Year 11s staying at the school for another two years.

## A Greener and Cleaner City

A Greener and Cleaner City						
	Previous Data	Latest Data	DoT	Frequency	Benchmarks	Data Next Available
Percentage of household waste sent for reuse, recycling or composting	56.30% (Prov) (Q1 2019/20)	56.14% (Prov) (Q2 2019-20)	➡	Quarterly	National Data 2018/19 35.10%	Q3 2019/20 data available in Apr 2020
Residual household waste per household (kg/household)	107kg (Prov) (Q1 2019/20)	104kg (Prov) (Q2 2019-20)	➡	Quarterly	National Data 2018/19 592.6kg	Q3 2019/20 data available in Apr 2020
Incidents - Flytipping /Cleansing(includes dog fouling,litter)/Graffiti - On Public/Private Land	587 (Q2 2019/20) Flytipping	360 (Q3 2019/20) Flytipping	➡	Quarterly	Not available	Q4 2019/20 data available in April 2020
	679 (Q2 2019/20) Cleansing	596 (Q3 2019/20) Cleansing	➡	Quarterly	Not available	Q4 2019/20 data available in April 2020
	70 (Q2 2019/20) Graffiti	78 (Q3 2019/20) Graffiti	➡	Quarterly	Not available	Q4 2019/20 data available in April 2020
Citywide KPI on air quality (to be created in late 19/20)	N/A	In development	N/A	TBC	Not available	Indicator to be created in late 2019/20
Carbon emissions across the city (to be created in late 19/20)	N/A	In development	N/A	TBC	Not available	Indicator to be created in late 2019/20
Level of CO2 emissions from council buildings and operations (Net emissions) (to be created in late 19/20)	N/A	In development	N/A	TBC	Not available	Indicator to be created in late 2019/20
Flood Risk properties assessed at lower level than 2019 baseline (to be created in late 19/20)	N/A	In development	N/A	TBC	Not available	Indicator to be created in late 2019/20
Number of Trees Planted (CYC) (to be created in late 19/20)	N/A	329 (Q3 2019/20)	➡	Quarterly	Not available	Q4 2019/20 data available in April 2020
% of Talkabout panel who think that the council are doing well at improving green spaces	37.92% (Q1 2019/20)	42.14% (Q3 2019/20)	⬆ Good	Quarterly	Not available	Q1 2020/21 data available in Jul 2020
The DoT (Direction of Travel) is calculated on the latest three data points whether they are annual or quarterly. All historic data is available via the Open Data Platform						

### Percentage of household waste sent for reuse, recycling or composting

37 The latest provisional data of 56% in Q2 2019/20 shows that the amount of household waste sent for reuse, recycling or composting has increased from 47% in the same period in 2018-19. It is worth noting that recycling rates are usually higher in the first half of the year and therefore could fall by the end of the year.

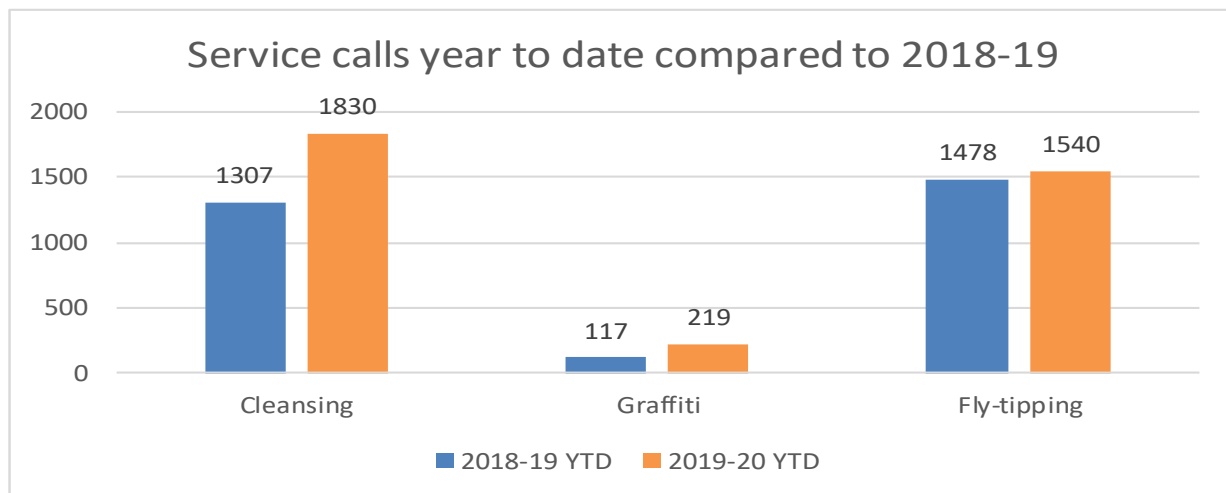
38 The amount of waste sent to Allerton Waste Recovery Park (in order to divert from landfill) and used for energy recovery in Q2 2019-20, has reduced slightly to 9,989 tonnes (10,479 tonnes during the same period last year).

### Residual household waste per household (kg/household)

39 Provisional Residual waste (i.e. non-recyclable) per household data suggests that there has been a large decrease to 104 kg/household in Q2 2019/20 (from 142 kg/household last year) which supports the increased recycling rate above. There has been also been a decrease in the collected household waste per person to 101 tonnes (from 115 last year).

#### Incidents - Fly tipping / Rubbish / Cleansing (includes dog fouling, litter and all other cleansing cases) / Graffiti – On Public/Private Land

- 40 The number of service calls received due to cleansing (including dog fouling and litter) and graffiti during Q3 2019-20 have both increased since the same period in 2018-19 (cleansing from 421 to 596 and graffiti from 36 to 78). The number of fly-tipping service calls has decreased from 437 to 360 for the same periods. When looking at calls received year to date, all have increased since 2018-19.



#### Air Quality

- 41 The Council's Public Protection team are working with DEFRA and the Atmospheric Chemistry Department at the University of York (UoY) to trial 5 air quality sensors at the existing Air Quality Monitoring Station on Fishergate in York for 2 years. This has been approved by DEFRA's consultants and the UoY have confirmed that data transfer from the devices will use the 4G network to a secure server at UoY. The trial is due to commence in January 2020 with a review in February.

#### Trees Planted

- 42 During Q3 2019-20 there were 329 trees planted by City of York Council, in conjunction with partners:
- 75 planted at Victoria Fields for Interfaith week in partnership with Tremendous
  - 250 planted at Rawcliffe Country Park for the Woodland Trust national tree planting day in partnership with York Tree Wardens and Tremendous
  - 4 planted at the River Foss (Monk bridge area) in partnership with the Woodland Trust and the River Foss Society

#### % of Talkabout panel who think that the council and partners are doing well at improving green spaces

- 43 In the latest (Q3 2019-20) Talkabout survey, 42% of respondents agreed that the council and partners are doing well at improving green spaces, an increase from 38% in Q1.

## Creating Homes and World-class infrastructure

Creating homes and World-class infrastructure						
	Previous Data	Latest Data	DoT	Frequency	Benchmarks	Data Next Available
Net Additional Homes Provided - (YTD)	449 (2018/19)	328 (Q2 2019/20)	➡	Quarterly	Not available	2019/20 data available in Jun 2020
Net Housing Consents - (YTD)	120 (Q2 2019/20)	2,938 (Q3 2019/20)	↑ Good	Quarterly	Not available	2019/20 data available in Jun 2020
Number of homeless households with dependent children in temporary accommodation - (Snapshot)	35 (Q3 2018/19)	24 (Q4 2018/19)	↓ Good	Quarterly	Not available	Q1 2019/20 data available in Feb 2020
Average number of days to re-let empty properties (excluding temporary accommodation) - (YTD)	38.27 (Q2 2019/20)	36.91 (Q3 2019/20)	↑ Bad	Quarterly	Not available	Q4 2019/20 data available in April 2020
Energy efficiency - Average SAP rating for all Council Homes	74.28 (2017/18)	70.60 (2018/19)	➡	Annual	Not available	2019/20 data available in Oct 2020
Number of new affordable homes delivered in York	24 (Q1 2019/20)	5 (Q2 2019/20)	↓ Bad	Quarterly	Not available	Q3 2019/20 data available in February 2020
Average broadband download speed (Mb/s)	44 (2018/19)	56.1 (2019/20)	➡	Annual	National Data 2019/20 58.48	2020/21 data available in Jan 2021
Superfast broadband availability	94.90% (2018/19)	93.81% (2019/20)	➡	Annual	National Data 2019/20 94.23%	2020/21 data available in Jan 2021

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### New Additional Homes Provided

44 During the first half of 2019-20 there were a total of 328 net additional homes completed (this compares to an average of 521 net additional homes for the first half of the previous 6 monitoring years). Of these additional homes:

- 88.1% were completed on housing sites.
- 6.4% were a result of off campus privately managed student accommodation schemes at The Coal Yard, 11 Mansfield Street
- 4.9% resulted from 'prior approval' i.e. sites benefitting from relaxed permitted development rights to allow conversion to residential use.
- Changes of use of existing buildings to residential use and conversions to existing residential properties accounted for 25.3% of all completions.
- Development sites including Block F, Hungate where the handover of the first 50 out of 101 apartments took place, the former Terry's Factory site, Derwenthorpe, conversion of Grove House, Penleys Grove Street and Germany Beck all provided notable completions over the year.

### Net Housing Consents

45 Unverified figures up to Q3 2019-20 show that there were 2938 net housing consents which represents a significant increase in permissions compared to residential approvals experienced over the previous two monitoring years. Of these consents the most significant approved sites included;

- 2500 consents on the York Central site.

- 266 homes on Former Civil Service Club & Agricultural Land, North of Boroughbridge Road.
- 22 apartments at the former Terry's Factory Clock Tower.
- 17 homes were consented for the former Del Monte site in Skelton.

**Number of homeless households with dependent children in temporary accommodation**

46 The number of homeless households with dependent children in temporary accommodation has decreased from 27 to 24 from 2017-18 to 2018-19. However, the number of homeless households in temporary accommodation in total has risen from 49 in 2017-18 to 66 in 2018-19. It should be noted that these figures are snapshot figures.

**Average number of days to re-let empty Council properties (excluding temporary accommodation)**

47 The average number of days to re-let empty Council properties (excluding temporary accommodation) increased at the start of 2019/20 to 43 days. At the end of Q3 we have started to see a reduction in the completion times to 36.91 days. The National data available for the average number of days to re-let empty properties (minus major works) is 23.95 days (2018/19 Housemark). There have been some challenges to performance over the last year including new structures being introduced, new contractors and increased demand. Officers have established progress meetings where performance is monitored and performance is also reported through to the AD of Housing and Community Safety. The new voids process has been established and performance is expected to improve further over the coming months as the new contracts for carrying out major works in empty homes settles in and the number of voids in progress is reduced.

**Energy efficiency – Average SAP rating for all Council Homes**

48 The provisional average SAP rating for all Council homes in 2018-19 is 70.6. Energy performance of the stock is assessed as part of a stock condition survey. The survey looked at 17% of all stock and the data was then cloned onto the remaining stock where it was of the same archetype and in the same street, or the next closest area. The survey is designed to provide 95% accuracy.

49 Historically, the SAP rating has been around 74 but these figures were based only on the average of those properties where an Energy Performance Certificate was in place and so the new methodology in 2018-19 is more statistically accurate. The change in ratings represents the fact that the increased sample of energy data following the stock condition survey has the effect of reducing the average, rather than reflecting a reduction in the actual energy performance of council homes.

**Number of new affordable homes delivered in York**

50 The number of new affordable homes delivered in York during the full year of 2018-19 was 60, which is fewer than the 74 delivered in 2017-18 and the 91 delivered in 2016-17. There were 24 new affordable homes

delivered during the first quarter of 2019-20 which indicates that the full year total for 2019-20 could be higher than the previous year.

#### Superfast broadband availability/Average broadband download speed (Mbs)

- 51 In 2019-20, 93.81% of properties in York had access to superfast broadband which compares to 94.23% nationally. The average broadband download speed in York in 2019-20 was 56.1 Mb/s which compares to 44 Mb/s in 2018-19. The national benchmark download speed is 58.48 Mb/s in 2019-20. This data is provided by an Ofcom panel of consumers so should be treated as an indication rather than actual figures.

### Safe Communities and culture for all

Safe Communities and culture for all						
	Previous Data	Latest Data	DoT	Frequency	Benchmarks	Data Next Available
% of Talkabout panel satisfied with their local area as a place to live	88.45% (Q1 2019/20)	84.47% (Q3 2019/20)	➡	Quarterly	Community Life Survey 2018/19 76.00%	Q1 2020/21 data available in Jul 2020
All Crime per 1000 population	16.9 (Q1 2019/20)	16.9 (Q2 2019/20)	⬆ Bad	Quarterly	National Data Q2 2019/20 23.1	Q3 2019/20 data available in February 2020
Number of Incidents of ASB within the city centre ARZ	462 (Q1 2019/20)	459 (Q2 2019/20)	➡	Quarterly	Not available	Q3 2019/20 data available in February 2020
Visits - All Libraries	264,094 (Q1 2019/20)	298,937 (Q2 2019/20)	⬆ Good	Quarterly	Not available	Q3 2019/20 data available in February 2020
Visits - York Museums Trust to be created in late 19/20	N/A	In development	N/A	TBC	Not available	Indicator to be created in late 2019/20
% of Talkabout panel who agree that they can influence decisions in their local area	27.37% (Q1 2019/20)	29.06% (Q3 2019/20)	➡	Quarterly	Community Life Survey 2018/19 25.39%	Q1 2020/21 data available in Jul 2020
% of Talkabout panel who give unpaid help to any group, club or organisation	64.98% (Q1 2019/20)	67.17% (Q3 2019/20)	➡	Quarterly	Community Life Survey 2018/19 62.41%	Q1 2020/21 data available in Jul 2020
Parliament Street Footfall	2,061,058 (Q1 2019/20)	2,278,319 (Q2 2019/20)	⬆ Good	Quarterly	Not available	Q3 2019/20 data available in February 2020

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#### % of Talkabout panel satisfied with their local area as a place to live

- 52 The most recent resident satisfaction survey was sent to residents during November 2019. Results from the Q3 2019-20 Talkabout survey showed that 88% of the panel were satisfied **with York** as a place to live and 84% **with their local area**. Although a decrease in satisfaction can be seen for local area responses, satisfaction for both questions continues to be significantly higher than the latest national figures of 76% (Community Life Survey 2018-19) and 80% (Local Government Association Poll June 2019). 80% of respondents feel that York is a safe city to live in and relatively free from crime and violence.
- 53 Where residents indicated that they were dissatisfied **with York** as a place to live, the most common concerns were the anti-social behaviour associated with tourism and the late night economy (hen and stag parties), high street shop closures and the job market. The MyCityCentre activities to involve the community and city businesses in developing

solutions for the future of the city centre are being taken forward and will look to address these perceptions from residents.

- 54 Where residents were dissatisfied **with their local area** as a place to live, road and pavement surfaces were the most common causes of concern. Public realm issues such as street cleansing, litter and vegetation were also mentioned frequently.

**All Crime per 1000 population**

- 55 Overall crime levels in York in 2018-19 have risen to 13,579 crimes compared to 11,958 in 2017-18 and this is due to a small increase in crime reports across a wide range of categories. The overall crime levels for Q1 and Q2 2019-20 (3,521 and 3,515) indicate that although crime levels have stabilised in recent quarters, they remain high.

- 56 Safer York Partnership is in the process of renewing its 3 year Community Safety Strategy to focus its multi-agency activity on those areas of crime which are most significantly impacting on the city. The strategic priorities are: City Centre Crime and ASB, Domestic Abuse, Counter Terrorism, High Risk Anti-social behaviour and Serious Organised Crime. Services across the council play a key role in contributing to this work through a number of multi-agency task groups focusing specifically on these priorities. In addition, services work in partnership with the police and other agencies to tackle lower crime and community safety issues at ward level.

**Number of Incidents of ASB within the city centre (Alcohol Restriction Zone)**

- 57 There were 2,059 incidents of anti-social behaviour within the city centre ARZ in 2018-19 which, apart from a slight increase from 2017-18, is lower than in the previous years. There were 459 incidents in Q2 2019-20 which is the lowest number in the second quarter of the year since 2012/13.

**Visits - All Libraries / YMT**

- 58 There were 298,937 visits to all York libraries in Q2 2019-20 which is an increase from 264,094 visits in Q1 2019-20.

**% of Talkabout panel who agree that they can influence decisions in their local area**

- 59 Results from the Q3 2019-20 Talkabout survey found that 29% of panellists agreed that they could influence decisions in their local area which is slightly higher than the latest national figure of 26% (Community Life Survey 2018-19) and a slight rise from Q1 figures. 91% of respondents think it's important that residents can influence decisions in their local area.

**% of Talkabout panel who give unpaid help to any group, club or organisation**

- 60 The results of the latest (Q3 2019-20) Talkabout survey showed that 67% of the respondents give unpaid help to a group, club or organisation which is comparable with the government's Community Life Survey 2018-19



which found that 62% of respondents reported any volunteering in the past 12 months. This figure has increased slightly since Q1.

#### Parliament Street Footfall & Secondary Centre Footfall

- 61 Provisional figures show that Parliament Street footfall up to 30<sup>th</sup> (not 31<sup>st</sup>) December 2019-20 has decreased by 4.7% since 2018-19. This reflects the national picture as Springboard BRC has reported an average decline of 3.6% over the same period along with a 3.2% decline regionally. The official Q3 figure will be available mid-January.
- 62 City of York Council is currently working with a 3rd party provider on the relocation of some of the footfall cameras to improve their performance. Until such work is completed some of the figures are estimates generated by the vendor's software.

### An open and effective Council

An open and effective Council						
	Previous Data	Latest Data	DoT	Frequency	Benchmarks	Data Next Available
Forecast Budget Outturn (£000s Overspent / -Underspent) - CYC	£1,853 (excluding contingency) (Q2 2019/20)	£4,118 (excluding contingency) (Q3 2019/20)	↑ Bad	Quarterly	Not available	Q4 2019/20 data available in May 2020
Average Sickness Days per FTE - CYC (Excluding Schools) - (Rolling 12 Month)	11.13 (Q2 2019/20)	11.28 (Oct 2019)	→	Quarterly	CIPD Public Sector 2018/19 8.5	Q3 2019/20 data available in Feb 2020
Customer Services Waiting Times - Phone / Footfall / Webchat	00:00:21 (Phone) (Q2 2019/20)	00:00:12 (Phone) (Q3 2019/20)	→	Quarterly	Not available	Q4 2019/20 data available in April 2020
	83.87% (Footfall) (Q2 2019/20)	84.72% (Footfall) (Q3 2019/20)	↑ Good	Quarterly	Not available	Q4 2019/20 data available in April 2020
	89.2% (Webchat) (Q2 2019/20)	90.00% (Webchat) (Q3 2019/20)	→	Quarterly	Not available	Q4 2019/20 data available in April 2020
Number of days to process Benefit claims (currently Housing benefit)	2.44 (Q1 2019/20)	3.01 (Q2 2019/20)	→	Quarterly	Not available	Q3 2019/20 data available in February 2020
% of complaints responded to within timescales (currently 5 days)	56.10% (Q1 2019/20)	77.00% (Q2 2019/20)	→	Quarterly	Not available	Q3 2019/20 data available in February 2020
CYC Apprenticeships	23 (Q2 2019/20)	23 (Q3 2019/20)	→	Quarterly	Not available	Q4 2019/20 data available in Apr 2020
FOI & EIR - % In time - (YTD)	80.40% (Q1 2019/20)	83.05% (Q2 2019/20)	→	Quarterly	Not available	Q3 2019/20 data available in February 2020

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#### Average Sickness Days per FTE - CYC (Excluding Schools)

- 63 At the end of October 2019 the average sickness days per FTE (rolling 12 months) was 11.3 days compared to 11.9 at the end of October 2018.

#### Customer Services Waiting Times (Phone / Footfall / Webchat etc)

- 64 Our customer centre is the main point of contact for residents and business visitors. During Q3, the number of calls decreased to 57,865 with 77% of calls answered within 20 seconds. The decrease in demand is due to seasonal highs experienced during Q2 likely caused by garden waste collections and the annual elections canvas. The number of residents who

came to West Offices reduced to 9,525. The average waiting time was 5 minutes and 85% of residents were seen within the target waiting time of 10 minutes. Customers are now opting to access services using alternative means:

- 2,009 customers made payments using the auto payments facility
- 60% of street lighting and 53% street cleansing issues were reported on-line
- Around 7,300,000 pages of the website were reviewed
- Web chat is now available for Council Tax customers, 630 customers used the chat service during Q3 with 90% of customers engaged within 20 seconds. The average wait time was 7 seconds.

#### Number of days to process Benefit claims (currently Housing Benefit)

65 Due to improvements in digital processes, performance in this area remains consistently strong in York with the average number of days taken to process a new Housing Benefit claim, or a change in circumstance, just over 3 days during Q2 2019-20 (the latest available data). York performance is also the best out of all other local authorities that we are benchmarked against (North and East Yorkshire, Lincolnshire and the Humber) and much higher than the national average of 9.4 days (2018-19 Q3).

#### % of complaints responded to within timescales

66 Following a decline in the percentage of complaints responded to within 5 days during 2017-18, the percentage meeting the SLA during 2018-19 steadily improved. In Q2 2019-20, the council responded to 77% of complaints within 5 days which maintains the improvement in performance (this compares to 49.4% in Q2 2018-19). Data for Q3 2019-20 will be available in February 2020.

#### CYC Apprenticeships

67 The number of CYC apprenticeships has remained fairly stable over the past few years, generally between 22 and 25 apprenticeships at any one time. Over the past year, the council has continued to actively recruit new apprentices into the organisation and has been more diverse with the types and levels of apprenticeships offered. This has included encouraging higher level apprenticeships and standards.

#### FOI & EIR - % In time

68 The latest available data (2019-20 Q2) shows that the council received 516 FOIs (Freedom of Information requests), EIRs (Environmental Information Regulations requests) and SARs (Subject Access to records requests). This compares to 589 received in Q1 2018-19. CYC achieved 83.05% in-time compliance for FOIs and EIRs in Q2 2019-20 which compares to 80.4% in-time compliance at the end of Q1 2019-20. This shows an improvement in performance for responding to requests within the timescales set out by legislation. Work continues within service areas

to sustain this improvement in performance in order to comply with the legislation. Data for Q3 2019-20 will be available in February 2020.

- 69 The themes of FOIs that are requested from the public on a regular basis are reviewed and as a result, new datasets are added to York Open Data so that requestors can be referred there to view new and historic data. An example of newly added data is Business Rates which was added in response to regular FOI requests.

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