



**Notice of a public meeting of
Executive**

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

Date: Monday, 7 February 2022

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 Wednesday, 9 February 2022.**

*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 3 - 22)
To approve and sign the minutes of the last Executive meeting, held on 13 January 2022.

- 3. Public Participation**
At this point in the meeting members of the public who have registered to speak can do so. Members of the public may speak on agenda items or on matters within the remit of the committee.

Please note that our registration deadlines have changed to 2 working days before the meeting, in order to facilitate the management of public participation at remote meetings. The deadline for registering at this meeting is 5:00pm on Thursday, 3 February 2022.

To register to speak please visit www.york.gov.uk/AttendCouncilMeetings to fill in an online registration form. If you have any questions about the registration form or the meeting, please contact Democratic Services. Contact details can be found at the foot of this agenda.

Webcasting of Remote Public Meetings

Please note that, subject to available resources, this remote public meeting will be webcast including any registered public speakers who have given their permission. The remote public meeting can be viewed live and on demand at www.york.gov.uk/webcasts.

During coronavirus, we've made some changes to how we're running council meetings. See our coronavirus updates (www.york.gov.uk/COVIDDemocracy) for more information on meetings and decisions.

- 4. Forward Plan** (Pages 23 - 24)
To receive details of those items that are listed on the Forward Plan for the next two Executive meetings.
- 5. 2021/22 Finance and Performance Monitor 3** (Pages 25 - 66)
The Chief Operating Officer to present a report which provides details of the council's overall finance and performance position for the period 1 April 2021 to 31 December 2021, together with an overview of any emerging issues.

- 6. Capital Programme 2021/22 Monitor 3** (Pages 67 - 82)
The Chief Finance Officer to present a report which sets out the projected out-turn position on the capital programme for 2021/22 and asks Executive to recommend to Council the adjustments detailed in the report and in Annex A.
- 7. Financial Strategy 2022/23 to 2026/27** (Pages 83 - 234)
The Chief Finance Officer to present a report which asks Executive to recommend to Council the financial strategy for 2022/23 to 2026/27, including detailed revenue budget proposals for 2022/23.
- 8. Capital Budget 2022/23 to 2026/27** (Pages 235 - 266)
The Chief Finance Officer to present a report which sets out the Capital Strategy for 2022/23 to 2026/27; in particular, proposals to prioritise investment in the economy, housing and transport and to invest to save, and asks Executive to recommend the revised capital programme to Council.
- 9. Capital Financing and Investment Strategy** (Pages 267 - 276)
The Chief Finance Officer to present a report which asks Executive to recommend the 2022-23 capital and investment strategy to Council for approval, in accordance with the Prudential Code 2017.
- 10. Treasury Management Strategy Statement and Prudential Indicators for 2022/23 to 2026/27** (Pages 277 - 310)
The Chief Finance Officer to present a report which asks Executive to recommend to Council the treasury management strategy and prudential indicators for the 2022/23 financial year.
- 11. Urgent Business**
Any other business which the Chair considers urgent under the Local Government Act 1972.

Democratic Services officer:

Name: Fiona Young

Contact details:

- Telephone – (01904) 552030
- E-mail – 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**

Coronavirus protocols for attending Committee Meetings at West Offices

If you are attending a meeting in West Offices, you must observe the following protocols.

Good ventilation is a key control point, therefore all windows have been opened to allow adequate ventilation, they must be left as set prior to the start of the meeting.

If you're displaying possible coronavirus symptoms (or anyone in your household is displaying symptoms), you should follow government guidance. You are advised not to attend your meeting at West Offices.

Testing

The Council encourages regular testing of all Officers and Members and also any members of the public in attendance at a Committee Meeting. Any members of the public attending a meeting are advised to take a test within 24 hours of attending a meeting, the result of the test should be negative, in order to attend.

Test kits can be obtained by clicking on either link: [Find where to get rapid lateral flow tests - NHS \(test-and-trace.nhs.uk\)](https://www.nhs.uk/conditions/coronavirus/coronavirus-test-kits/), or, [Order coronavirus \(COVID-19\) rapid lateral flow tests - GOV.UK \(www.gov.uk\)](https://www.gov.uk/order-coronavirus-rapid-lateral-flow-tests).

Alternatively, if you call 119 between the hours of 7am and 11pm, you can order a testing kit over the telephone.

Guidelines for attending Meetings at West Offices

- Please do not arrive more than 10 minutes before the meeting is due to start.
- You may wish to wear a face covering to help protect those also attending.
- You are encouraged to wear a face covering when entering West Offices.
- Visitors to enter West Offices by the customer entrance and Officers/Councillors to enter using the staff entrance only.
- Ensure your ID / visitors pass and lanyard is clearly visible at all time and worn around the neck.
- Regular handwashing for 20 seconds is recommended.
- Please use the touchless hand sanitiser units on entry and exit to the building and hand sanitiser within the Meeting room.
- Bring your own drink if required.
- Only use the designated toilets next to the Meeting room.

Developing symptoms whilst in West Offices

If you develop coronavirus symptoms during a Meeting, you should:

- Make your way home immediately
- Avoid the use of public transport where possible
- Follow government guidance in relation to self-isolation.

You should also:

- Advise the Meeting organiser so they can arrange to assess and carry out additional cleaning
- Do not remain in the building any longer than necessary
- Do not visit any other areas of the building before you leave

If you receive a positive test result, or if you develop any symptoms before the meeting is due to take place, **you should not attend the meeting.**

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City of York Council

Committee Minutes

Meeting	Executive
Date	13 January 2022
Present	Councillors Aspden (Chair), Ayre, Craghill, Cuthbertson, D'Agorne, Runciman, Smalley, Waller and Widdowson
In Attendance	Councillor Kilbane

74. 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.

No additional interests were declared, but for the sake of transparency the following statements were made:

- a) In respect of Agenda Item 7 (Minute 80 refers), Cllr Ayre stated he was employed by Healthwatch Bradford, but had had no involvement with developments in Humber Coast & Vale.
- b) In respect of Items 8 and 9 (Minutes 81 and 82 refer), Cllr Craghill stated that she was a Ward Member for Guildhall.
- c) In respect of Item 12 (Minute 85 refers):
 - Cllr Waller stated that he was a Ward Member for Westfield, where Acomb Library was situated;
 - Cllr Smalley stated that he was a Ward Member for Rawcliffe & Clifton Without and a member of Clifton Without parish council;
 - Cllr Cuthbertson stated that he was a Ward Member for Haxby, a member of a York Explore users group and a user of Haxby and Wigginton library.

75. Exclusion of Press and Public

Resolved: That the press and public be excluded from the meeting during consideration of Annex Annexes C, J, K and L to Agenda Item 12 (Future Libraries Investment Programme) on the grounds that they contain information relating to the financial or business affairs of particular persons (including the

authority holding that information). 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).

76. Minutes

Resolved: That the Chief Operating Officer be recommended to approve the minutes of the Executive meetings held on 18 November 2021 and 9 December 2021, to be signed by the Chair at a later date.

77. Public Participation

It was reported that 10 people were registered to speak at the meeting under the Council's Public Participation Scheme.

Alexandra Howell spoke on Agenda Item 8 (City Centre Access – Security Measures), asking what the council was doing to ensure that city centre residents could continue to access their own properties once the measures were in place.

Flick Williams spoke on Item 8, stating that the decision to prevent Blue Badge access to the city centre was a political one and that the anti-terror measures were inconsistent and incoherent.

Anne Norton spoke on Item 8 on behalf of York Disability Rights Forum, expressing concern that staff at city centre barriers had refused access to a wheelchair user and that the Equalities Impact Assessment attached to the report was incomplete.

Jane Burton spoke on Item 8 on behalf of York Accessibility Action, urging Members to reverse their decision in respect of Blue Badge holders in York as other cities, such as Bath, had done.

Tracy Ostle spoke on Item 9 (The Groves – The Future of the Low Traffic Neighbourhood Trial), highlighting the problems caused by blocking off Amber Street/Earle Street, including pollution, damage and prevention of access by emergency services.

Angela Reynard-Pearce spoke on Item 12 (Future Libraries Investment Programme), stressing the importance of retaining the hedge at Fairway on the former CWJS site in order to reduce CO² emissions and pollution.

Anne Leonard spoke on Item 12, suggesting that part of the CWJS site be developed as housing for elderly people who could access the library as a social hub, with an area retained for wildlife and trees.

Andy Dearden spoke on Item 12, stating that the proposals to protect the environment on the CWJS site were too weak and urging the council to engage with local residents on the site layout.

Sarah Garbacz spoke on Item 12 as the COO of York Explore, welcoming the significant investment in libraries, which would allow Explore to deliver their vision within communities, and noting that 90% of consultees supported the Programme.

Anne Stamp spoke on Item 12 as Service Manager for SNAPPY, expressing her delight that SNAPPY would be a co-location partner at Clifton Library and what this would offer the children they supported.

*Written representations had been received from the following and circulated to Members before the meeting:

- Steve Westwood on Item 8, suggesting alternative traffic measures in the city centre;
- York Cycle Campaign on Item 8, suggesting opportunities for additional cycle parking;
- Diane Roworth on Item 8, on behalf of York Sight Loss Council and Reverse the Ban;
- Cllr Fitzgerald, on Item 9, commenting as a Ward Member for Guildhall;
- Andy Dearden and other local residents on Item 12, supplementing the comments made at the meeting.

**Note: At the request of the Chair, the written representations have on this occasion been published online as a supplement to the meeting agenda.*

78. 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.

79. Coronavirus Update Including Support to Businesses

The Chief Operating Officer and the Assistant Director of Customer & Digital Services presented an update report on the Council's response to the recent wave of Covid-19, largely related to the Omicron variant been designated a variant of concern by the World Health Organisation in November 2019, and on new government funding for Business Support Grants.

It was reported at the meeting that the rate of new Covid cases in York had now fallen from a high of around 1,700 per 100k population to around 1,300, which was below the national and regional averages. 84.2% of residents aged 16+ had received two vaccine doses, 59.8% of those aged 12-15 had received their first dose, and 64.3% of those aged 18+ had had a booster dose. Although hospital were rising, the severity of the illness appeared lower than previous waves. Despite a significant increase in council staff testing positive for the virus, no reductions in service were currently expected. 2% of staff were currently off work with Covid. By comparison, 7% were off sick in total.

Information on the four new support grants for business announced by government on 30 December was set out in paragraphs 13-21 of the report. Further details regarding administration of the funding had since been received, and officers made amendments to the recommendations in paragraph 4 in the light of these.

The Chair noted that the situation remained difficult and confirmed that the council would continue its support to partners and businesses in the city. He welcomed the additional grants but said clarity was needed from government on longer term funding.

Resolved: (i) That the coronavirus update contained in paragraphs 5 to 12 of the report be noted.

- (ii) That the Chief Operating Officer be recommended to:
 - a) approve the delegation for business support schemes set out in paragraph 21 for the Additional Restrictions Grant and the Covid Additional Relief Fund; and
 - b) approve the distribution of the Hospitality & Leisure Grant in accordance with the Government's prescribed scheme.

Reason: To provide urgent financial support to the city's businesses to help them through the ongoing pandemic specifically in relation to the recent Omicron variant.

- (iii) That it be noted that the Arts Council England are responsible for the distribution of the Cultural Recovery Fund on application.

80. National Reforms to the NHS and Impact on the Council

The Consultant in Public Health presented a report which summarised progress on the national reforms to the NHS, health and care, and developments locally to plan for the changes due to come into force in April 2022. This followed a report to Executive at an earlier stage of the process, on 18 March 2021.

The changes would involve the replacement of Clinical Commissioning Groups (CCGs) by Integrated Care Systems (ICSs). Humber Coast and Vale (HCV) had been designated an ICS in 2020. Once formally established, it was proposed that it be re-named, with its two arms being known as 'NHS Humber and North Yorkshire Integrated Care Board' and 'Humber and North Yorkshire Health and Care Partnership'. In October, HCV had consulted on the draft constitution attached as Annex A to the report. This set out proposed arrangements for commissioning and planning of health and social care, based on six places (of which York was one) and four sector-based collaboratives, as well as the Board and Partnership.

Implications for York and the council of the place-based partnership, the future role of the Health and Wellbeing Board, and the future of current commissioning arrangements with the CCG were considered in paragraphs 14-29 of the report.

Members welcomed the report, while stressing the importance of ensuring that all places within the HCV area had a direct influence on the ICS. The Chair also stated his commitment to work with Health Scrutiny to secure the best outcome for York.

Resolved: (i) That the developments be noted, including the proposed structure and arrangements for the NHS and care within the region from the next financial year.

Reason: As both a provider and commissioner of health and care services, and as a partner within the York health and care system, the council has a duty to participate in and influence the direction of the reforms to the NHS and care.

(ii) That the draft constitution of the proposed NHS Humber and North Yorkshire ICB and Humber and North Yorkshire ICP, included in Annex A, be noted.

Reason: The council will have direct and indirect involvement in the new structures, and Executive Members should be involved in shaping the York 'place' within health and care.

(iii) That the Chief Operating Officer be recommended, along with the Leader of the Council and the Chair of the Health & Wellbeing Board, to write to the ICS, NHS England and other affected local authorities in the region to highlight York's concerns; this letter to make clear that:

- as per NHS guidance, the place boards (such as York) should be the statutory sub-committees or joint committees of the Integrated Care Board (ICB) to which delegation is passed, and any further delegation to other regional partnerships (such as York and North Yorkshire) must be agreed from Place and not from ICB;
- each Place should be represented on the Integrated Care System (ICS) Board and ICS Partnership;

- the recently announced pause be used as an opportunity to engage residents and groups with consultation.

Reason: In view of the importance of the topic and issues raised in the report.

81. **City Centre Access - Security Measures**

The Director of Transport, Environment & Planning presented a report which sought approval to progress the installation of permanent physical hostile vehicle mitigation measures in the city centre, in accordance with the traffic regulations approved by Executive on police advice at the meeting on 18 November 2021.

Government proposals for local authorities to have a 'Duty to Protect' were likely to increase councils' responsibility to respond to counter-terrorism advice to protect publicly accessible locations. Approval was sought to install the physical measures illustrated in Annex B to the report in the locations shown in Annex A. An additional review had been carried out on the remaining exemptions to vehicle access to the footstreets and a revised exemptions list, which would be subject to consultation, was attached at Annex D. A new waiver system was proposed, whereby only vehicles essential to city centre safety would be granted a time limited waiver.

In response to comments made under Public Participation, Members acknowledged the effect of the footstreet restrictions on Blue Badge holders but noted that the focus of this report was on the location of physical measures to keep people safe, and not a change to Blue Badge access. Officers confirmed that wheelchairs, including motorised ones, were exempt from restrictions and that the incident which had occurred during the Christmas market was an isolated one.

Resolved: (i) That the locations of static and sliding bollards as detailed in Annex A be noted, and that the Chief Operating Officer (COO) be recommended to delegate authority to the Director of Transport, Highways and Environment, in consultation with the Executive Member for Transport, to approve any minor amendments to the exact locations.

Reason: To give security rated effect to the traffic restrictions in the Traffic Regulation Order changes approved by Executive in August 2019 and November 2021 and the statutory consultation which seeks to remove the remaining exemptions.

(ii) That the COO be recommended to approve an additional £500k from unallocated highways funding, to increase the Hostile Vehicle Measures capital budget to £1,832k.

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

(iii) That the COO be recommended to approve the undertaking of a procurement process to engage contractors to supply, install and maintain the permanent hostile vehicle mitigation measures, and to delegate authority to the Director Transport Highways and Environment, in consultation with the Director of Governance and Chief Finance Officer, to take such steps as are necessary to award and enter in to the resulting contracts.

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

(iv) That the COO be recommended to approve the statutory consultation for the advertisement of the revocation of the exemptions, as proposed in Annex D.

Reason: To allow a secure system to operate with minimal vehicular access permitted during the footstreets hours.

(v) That the COO be recommended to ask officers to report to the Executive Member for Transport, presenting an update on the statutory consultation to remove the remaining exemptions to access the footstreets and a summary of the operational protocols and procedures and associated risks, including confirmation of the ongoing revenue costs.

Reason: To enable the Executive Member to understand the procedures entailed in managing the scheme in line with the proposed changes to the Traffic Regulation Order.

(vi) That the COO be recommended to approve the continuation of the staffing of the current temporary city centre barriers, the cost of which is between £67k and £93k and is met from existing budgets.

Reason: To maintain the management of access to the city centre footstreets with temporary measures, including access for market vehicles whilst the footstreets hours are until 19:00 under the current temporary arrangement.

82. The Groves – The Future of the Low Traffic Neighbourhood Trial

The Director of Housing, Economy & Regeneration presented a report which set out the results of consultations on an 18 month Experimental Traffic Regulation Order (ETRO) in The Groves, along with an assessment of the impacts of the ETRO, and asked Executive make a permanent decision about the Low Traffic Neighbourhood and the adoption of The Groves Community Plan.

The Groves was an area that had long experienced problems with through traffic. Community engagement had led to the development of the Community Plan at Annex 2 to the report, which aimed to improve residents' health and wellbeing, including improvements to streets. York's Local Transport Plan also aimed to reduce the impact of traffic on public spaces. The Executive Member for Transport had approved the ETRO in June 2020 and the trial had commenced that September. Matters raised during consultation on the trial were discussed in the report. Objections received, both before and after scheme adjustments in November 2020, were contained in Annexes B, C and D. Details of support for the trial were provided in Annex F.

Four options were available, as detailed in paragraphs 55-61 of the report and summarised below:

Option 1 – conclude the experiment and return the road network to how it used to be. Not recommended, as it would not meet the objectives in the Local Transport Plan and Community Plan.

Option 2 – return the road network to how it used to be temporarily while an alternative scheme is developed. Not recommended due to the time and costs involved.

Option 3 – approve making the ETRO permanent with changes to the scheme and parking within The Groves, as set out in the report. This was the recommended option.

Option 4 – as Option 3, but without closing St John Street and St John's Crescent. Not recommended, as it would risk creating another cut through route, with implications for safety.

Members welcomed the proposals and the benefits they would bring in promoting active travel. In response to comments made under Public Participation and the written comments received, officers confirmed that the ambulance service no longer objected to the scheme.

Resolved: (i) That the Chief Operating Officer (COO) approve Option 3, making the ETRO permanent with the following changes to the scheme as set out in the report:

- changing the closure points to use bollards and signage improvements in and around The Groves;
- making permanent the changes that were made to a small number of parking spaces, which were removed or relocated to make room for turning points at the closures, and merging the existing resident parking zones permanently.

Reason: To provide quality alternative sustainable modes of transport in order to encourage behavioural change and maximise the use of walking, cycling and public transport and continue improving road safety; minimise the emission of harmful pollutants and traffic danger within the Groves; enhance public streets and spaces to improve the quality of life; minimise the impact of motorised traffic and encourage economic, social and cultural activity.

(ii) That the COO be recommended to ask officers to continue to monitor and review the impacts of the scheme and (as part of LTP4), consider further mitigations to be identified where required.

Reason: In line with Transport objectives, both existing LTP3 objectives and emerging LTP4 objectives and as is normal practice for newly established Low Traffic Neighbourhood schemes.

(iii) That the COO be recommended to delegate authority to the Director of Environment, Planning & Transport, in consultation with the Executive Member for Transport, to sign off the detailed design for the permanent closure points (bollard type and exact locations), and approve any further small changes to parking, signing and lining required to make the arrangements permanent.

Reason: To enable the closure points to be designed for the permanent scheme, with adequate signage for highway users within and around the Groves.

(iv) That the Groves Community Plan be noted as the outcome of the community consultation and that the COO be recommended to ask officers to explore options and opportunities for external funding to bring forward objectives identified in the Plan.

Reason: To improve the Groves area and deliver the benefits identified by the Groves Community Plan.

83. Provision of Affordable Homes on New Developments Scrutiny Review - Final Report

Cllrs Fenton and Pavlovic, as Chair and Vice Chair of the Housing & Safer Neighbourhoods Scrutiny Committee, presented the committee's final report on their review of the Provision of Affordable Homes on New Developments.

The report sought approval of the review's recommendations to Executive, as set out in paragraph 6 of the covering report and reproduced below:

Recommendation 1: When the First Homes initiative comes to be implemented in York, 75% of homes delivered through developer contributions as part of planning obligations agreed under section 106 should be for social rent.

Recommendation 2: For future iterations of the CYC Housing Delivery Programme, CYC actively considers sale to - or joint working with – RPs for potential housing development sites.

Recommendation 3: For future iterations of the CYC Housing Delivery Programme, officers consider how the programme can be structured and financed in a way that would deliver an increased proportion of affordable homes.

Recommendation 4: Officers review what steps could be taken to make it more likely that open space can be managed by CYC, particularly on CYC Housing Delivery Programme sites.

Recommendation 5: Officers consider improvements that can be made to the section 106 legal agreement template and steps that could be taken to reduce the risk of post-planning delays.

Recommendation 6: Officers consider how they might be able to more positively respond to approaches from developers and RPs for informal discussions at an early stage, prior to a scheme proposal being submitted.

The Executive Member for Housing & Safer Neighbourhoods commented on the review, confirming that she had been engaged in the process and was happy to approve the recommendations.

Resolved: That the Chief Operating Officer be recommended to approve the recommendations of the review, as set out in paragraph 6 of the covering report.

Reason: To conclude the scrutiny review in line with the council's scrutiny procedures and protocols.

84. Extension of Contract for Long-Acting Reversible Contraception (LARC)

The Nurse Consultant in Public Health presented a report which sought approval to award a contract to Nimbuscare Ltd for provision of LARC in Primary Care for a further two years after expiry of the current contract, pending the transition to the new Humber, Coast and Vale Integrated Care System Board.

The contract had been awarded to Nimbuscare from 1 April 2020 for a period of 12 months, then extended to 30 June 2022 by a waiver of the council's Contract Procedure Rules due to the pressures of the Covid-19 pandemic. In the light of these ongoing pressures, approval was now sought to directly award a further contract to Nimbuscare, as the simplest way for the council to deliver its statutory responsibilities in the current circumstances.

Three options were available, as detailed in paragraphs 17-22 of the report, and summarised below:

Option 1 – allow the existing contract to end on 30 June 2022. Not recommended, as it would prevent the council from meeting its contractual and statutory obligations.

Option 2 – commence a full re-procurement process before expiry of the contract on 30 June. Not recommended, due to pressure on council resources and the likelihood of not finding another provider.

Option 3 – award a new contract to Nimbuscare without running a full procurement exercise. This was the recommended option. Full details of the legal implications of this option were set out in the report. The potential risk of a legal challenge had been assessed as low.

Resolved: (i) That the Chief Operating Officer (COO) be recommended to approve Option 3, and agree to the direct award of a further contract to Nimbuscare Ltd for provision of LARC in Primary Care for a further two (2) years when the current contract expires on 30 June 2022 without proceeding with a full tender exercise.

Reason: To ensure that the council delivers the joint commissioning responsibilities set out in the Section 75 agreement with the CCG and to ensure that that the statutory public health responsibilities for access to sexual health and contraception are met.

(ii) That the COO be recommended to require that the provision of LARC for contraception purposes will be open to all persons who meet the clinical criteria and that the contract will reflect this and the council's policies.

Reason: To ensure equality of access to services.

85. **Future Libraries Investment Programme**

The Strategic Services Manager presented a report which provided an update on the Future Libraries Investment Programme and asked Executive to approve the new budget for the Programme, along with a number of property disposals, leases and other matters related to the Programme.

In April 2019, Explore had been awarded a new 15 year contract to operate the council's library estate. Since the last report to Executive on 26 October 2019 (Minute 56 of that meeting refers):

- Haxby & Wigginton (H&W) Library had come within the scope of the Programme;
- the Clifton Without Junior School (CWJS) site had been selected for a new Clifton Library Learning Centre;
- Feasibility studies had been completed for H&W and Clifton Library sites in respect of development size and costs;
- An Explore revenue business model had been completed;
- Public consultations on H&W and Clifton Libraries had begun.

The Programme was now ready to move forward to the construction delivery phases for H&W and Clifton Libraries, and to public consultation on Acomb Library. Full details were set out in the report and its annexes.

In commending the proposals to Members, the Executive Member for Culture, Leisure & Communities responded to the comments made under Public Participation on this item and the written submissions, and proposed an amendment to the recommendations to address the issues raised regarding the hedgerow on the former CWJS site.

Resolved:

In relation to Project Finances (as detailed in Table 1)

- (i) That the Chief Operating Officer (COO) be recommended to approve the new overall Programme Capital Budget of £7.701m, including:
 - Additional borrowing of £1m to fund the Programme, subject to approval by Budget Council in February 2022.

- Allocation of £0.3m from the council's Climate Change budget to the new overall Programme Capital Budget.
- Allocation of £0.8m from the Education (Basic Needs and SEND programmes) to the new overall Programme Capital Budget.
- The ring fencing an re-investment in the new overall Programme Capital Budget of all future land sale income from the disposal of the existing Clifton Library site and housing land disposal as part of the CWJS site, assumed at the date of this report to be £400k for the existing Clifton Library site and £375k for the CWJS development housing land disposal.

In relation to Property Matters

- (ii) That the COO be recommended to approve the open market disposal (by freehold sale or long lease) of the existing Clifton Library site, as shown edged red on the plan at Annex E. Such land not be disposed of until the CWJS development is complete.
- (iii) That the COO be recommended to approve, with effect from 1 August 2022, the appropriation of the former Clifton Without Junior School (CWJS) site, as shown red on the plan at Annex G, from being held for the purpose of school / education, to:
 - Library and ancillary social / community purposes in respect of that part of the site shown edged in green on Annex G;
 - Housing purposes in respect of that part of the site shown edged in blue on Annex G.(the 8 year restriction period imposed by Paragraphs 4 and 6 of Schedule 1 of the Academies Act 2010 ("AA 2010") requiring that the consent of the Secretary of State for Education is obtained for the disposal or appropriation/change in use of land which was used wholly or mainly for the purposes of a school/academy will expire by the end of July 2022 as any use for education purposes (non-sport/non playing-field use) ceased by 18 July 2014 according to confirmation received from Hope Sentamu Learning Trust).

- (iv) That the COO be recommended to approve the principle of disposal (by freehold sale or long lease) of that part of the former CWJS site shown edged in red on the boundary plan at Annex I for the purpose of affordable housing provision, including negotiation of the terms of, and entering into, any legal documentation including the requirements set out in paragraph 36 of the report, which shall be amended to read as follows:
- *The purchaser of the site will be required to adhere to all statutory permissions governing the development of the site, including planning considerations such as ecology (which shall include an objective to retain the majority of the Fairway hedgerow), Tree Protection Orders, landscaping, all other ecology issues and character of the scheme.*
- (v) That the COO be recommended to approve the disposal by an open market sale (by freehold sale or long lease) of the vacant former Haxby Library site, as shown edged in red on the plan at Annex D, including negotiation of the terms of, and entering into, any necessary legal documentation. Capital income from such sale returning to be classed as a corporate capital receipt.
- (vi) That the COO be recommended to approve the entry into a Settlement Agreement with Hope Sentamu Learning Trust (HSLT) regarding the former CWJS site, on the proposed terms set out in paragraphs 38-40 of the report.
- (vii) That the COO be recommended to approve the entry into an Agreement for Surrender and Leases with both Haxby & Wigginton Youth & Community Association (HWYCA) and Explore regarding a proposed new co-located library and community centre at Oaken Grove in Haxby whereby:
- a. The council will agree to apply for planning permission for the proposed development.
 - b. If and when planning permission is granted on satisfactory terms:
 - HWYCA will surrender its current lease of the site back to the council;

- the council's chosen contractor will carry out the necessary construction works, on completion of which:
 - the council will grant HWYCA a replacement Head Lease of the redeveloped site on similar terms to HWYCA's existing lease (at nil Premium and peppercorn rent for a Term expiring on 31 December 2102);
 - HWYCA will grant the council a long sublease of the 'library exclusive areas' (with a communal right to use the 'shared used areas') for a Term expiring circa 25 December 2102 at nil Premium and peppercorn rent until the 34th anniversary of the lease date ('the Rent Commencement Date') (after the Rent Commencement Date the rent payable by the council to HWYCA would increase to open market rent, which would after that point be subject to upwards only review every 5 years but the council can terminate the lease at any point after the Rent Commencement Date by giving at least 6 months' prior written notice to HWYCA);
 - the council will in turn grant Explore a sublease of the 'library exclusive areas' (with a communal right to use the 'shared used areas') at nil Premium and at peppercorn rent for a Term/period expiring on 31 March 2034 (with option for grant of further lease if the libraries service contract between the council and Explore is extended).

(viii) That the COO be recommended to delegate authority to the Director of Housing, Economy & Regeneration, in consultation with the Director of Governance and the Executive Member for Culture, Leisure & Communities, to negotiate the terms of and enter into any and all legal agreements necessary to implement the property transactions referred to above including, but not limited

to, the leases with HWYCA and Explore relating to the site at Oaken Grove in Haxby consequent upon the proposed Agreement for Surrender and Leases.

In relation to all other matters in respect of the Programme

- (ix) That the COO be recommended to approve the principle of future development at the current Explore Centre at Acomb and associated public consultation.
- (x) With regard to the CWJS Development, that the COO be recommended to grant approval for the council to undertake works within the adjoining Vale of York Academy site (which is leased by the council to HSLT) to create a new access path for students, safe vehicle access to the school parking with safe delivery and drop off points, and relocation of a school garage that sits across the land boundary.
- (xi) That the COO be recommended to delegate authority to the Director of Customer & Communities, in conjunction with the Director of Governance and in consultation with the Executive Member for Culture, Leisure & Communities, to develop and submit planning applications in 2022 for both H&W and Clifton library developments.
- (xii) That, following successful planning approvals, the COO be recommended to delegate authority to the Director of Customer & Communities, in consultation with the Director of Governance and the Chief Finance Officer, to procure the building contractors to deliver the construction of H&W and Clifton library developments and enter into the relevant necessary contracts.
- (xiii) That the current anticipated Programme timetables for delivery, as set out in the report at tables 3-5, be acknowledged.

Reason: To progress with the Programme, entering into all necessary legal agreements, to deliver new libraries for Haxby & Wigginton and Clifton, and start the public conversation with regard to planned future development at the current Explore Centre in Acomb.

Cllr K Aspden, Chair

[The meeting started at 5.33 pm and finished at 8.11 pm].

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Forward Plan: Executive Meeting: 7 February 2022

Table 1: Items scheduled on the Forward Plan for the Executive Meeting on 17 March 2022

Title and Description	Author	Portfolio Holder
<p>York Minster Precinct Neighbourhood Plan – Examiner’s Report and Decision Session</p> <p>Purpose of Report To inform Members of the recommendations made in the Examiner’s Report, to explain the Council’s response to these, and to gain approval of the subsequent Decision Statement to allow the Neighbourhood Plan to proceed to Referendum.</p> <p>Executive will be asked to: approve the proposed modifications recommended in the Examiner’s Report and the Council’s Decision Statement to allow the York Minster Precinct Neighbourhood Plan to proceed to Referendum.</p>	<p>Sophie Thompson-Hall</p>	<p>Executive Member for Economy & Strategic Planning</p>

Table 2: Items scheduled on the Forward Plan for the Executive Meeting on 21 April 2022

Title and Description	Author	Portfolio Holder
<p>Enhanced Partnership for Buses</p> <p>Purpose of Report To request approval for the York Enhanced Partnership Plan and Scheme, a binding statutory partnership agreement between the council and bus operators which will:</p> <ul style="list-style-type: none"> - replace the existing voluntary York Quality Bus Partnership; - act as the delivery scheme for the council’s Bus Service Improvement Plan; and - enable the council and York’s local bus operators to continue to receive central government grant funding for bus services beyond March 2022. <p>Executive will be asked to: approve the final text of the York Enhanced Partnership Plan and Scheme, enabling it to take legal effect from 31 March 2022.</p>	<p>Sam Fryers</p>	<p>Executive Member for Transport</p>

Table 3: Items Slipped on the Forward Plan - none

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Executive**7 February 2022**

Report of the Chief Operating Officer
Portfolio of the Executive Member for Finance and Performance

2021/22 Finance and Performance Monitor 3**Summary**

- 1 To present details of the overall finance and performance position for the period covering 1 April 2021 to 31 December 2021, 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.
- 2 This report highlights a number of known pressures that need to be carefully managed throughout the year, with mitigation strategies being in place and regularly monitored across all directorates. Through ongoing monitoring and identification of mitigation alongside a review of reserves and other funding, the Council will continue to make every effort to reduce this forecast position but it is possible that it will not be reduced to the point that the outturn will be within the approved budget. The Council has £6.9m of general reserves that would need to be called on if this were the case.
- 3 As outlined in reports to Executive throughout the previous year, the COVID-19 pandemic continues to have a significant impact on the Council's financial position and adversely affect performance against a number of indicators.
- 4 Despite the additional funding provided by Government in both 2020/21 and the current year, an ongoing impact is to be expected due to a range of issues, including the longer term impacts on individual residents leading to an increase in the cost of care. In addition, a potential loss of both Council Tax and Business Rates income is to be expected as some businesses struggle to recover, resulting in an increase in unemployment which in turn may leave some residents unable to pay Council Tax. However, performance in collecting income continues to be positive and schemes are in place to support those who are unable to pay.

- 5 We continue to see significant and ongoing pressure across both children's and adults social care budgets in particular and an increase in social care costs directly as a result of the pandemic.
- 6 During December the Omicron variant began to spread across the UK and the resulting increase in cases demonstrated again that the pandemic is far from over, especially in the local health sector. At the time of writing (early January) York Hospital is continuing to experience unprecedented demand and GPs are seeing a spike in appointments. The increased complexity of adult social care cases and a tired workforce, combined with significant pressures in the NHS and within the community, is creating pressures in the adult social care sector that need to be addressed to prevent them impacting on City of York Council's own adult social care service. These issues are not unique to York but is a national situation that is being seen in most areas across the country.
- 7 Whilst the council's overall financial health provides a strong platform upon which to meet these financial challenges and good progress has been made with the achievement of savings in the year, the forecast outlined in this report remains a matter of serious concern. The ongoing pressures within social care are being addressed in the 2022/23 budget setting process as set out elsewhere on this agenda.
- 8 With an unprecedented level of uncertainty in both the national and local economy it is therefore prudent to continue to plan on the basis of the current financial picture and begin to put in place mitigation and cost control strategies to bring the forecast expenditure down to within the current approved budgets.

Recommendations

- 9 Executive is asked to:
- note the finance and performance information and the actions needed to manage the financial position
 - agree the financial support for Make It York as outlined in paragraphs 24 and 25
 - agree the funding for Anti Racist City working group outlined in paragraph 23

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

Financial Summary

- 10 The gross financial pressures facing the council are projected at £10m. Whilst this is a significant overspend, a great deal of work has been done to identify mitigation and further action needed to bring current spending

under control. It is therefore considered that this can be brought down to £4.5m by the end of the financial year through a number of measures.

- 11 There are underlying budget pressures across both adult and children's social care. As previously reported, adult social care is operating in an extremely challenging environment and as a result additional funding of £4.5m was allocated to the service in the 2020/21 budget.
- 12 On 7 September 2021, government set out its new plan for adult social care reform in England. This included a lifetime cap on the amount anyone will need to spend on their personal care, alongside a more generous means-test for local authority financial support. However, much of the detail has still to be announced, including how the funding for these reforms will be allocated to individual councils. The provisional local government finance settlement was announced on the 16 December and further details on this and the impact for this Council are included in the budget setting report elsewhere on this agenda.
- 13 This report highlights a number of known pressures that need to be actively monitored and managed, with mitigating actions agreed and regularly monitored across all directorates. Through ongoing monitoring and identification of mitigation alongside a review of earmarked reserves, the Council will continue to make every effort to reduce this forecast position but it is considered unlikely that it will be reduced to the point that the outturn will be within the approved budget. It is clearly vital that the Council's statutory duties, particularly in relation to social care for both adults and children, continue to be delivered and therefore, should it be required, it would be appropriate for the Council's £6.9m of general reserves to be used in light of the unprecedented financial situation caused by the pandemic.
- 14 A cost control board has been created specifically to look at all adult and children's social care packages, SEND support costs and the effectiveness of our commissioning and review functions. The Board will track spend on a weekly basis to ensure savings and mitigation plans are on track. If any plans are not on trajectory then recovery plans will be required and where necessary escalated to CMT. Schemes of delegation have also been reviewed across the People Directorate to ensure decision making is clear and at the correct level to challenge and manage costs.
- 15 Work is also underway with health colleagues to ensure we have effective joint care pathways, commissioning and brokerage processes in place which maximises any additional central government funding and opportunities which arise from the integration and place agenda.

- 16 All areas of the Council are currently considering where further efficiencies and reductions in spend can be achieved in order to support the overall financial position.
- 17 These actions demonstrate that the council is maintaining both sound financial management, and delivering priority services to high standards, during a period of significant challenge for local government. In particular, key statutory services continue to perform well, having seen investment in recent years. Whilst the Council's track record of delivering savings and the robust financial management provides a sound platform to continue to be able to deal with these future challenges there remains a significant risk to ongoing service delivery and achievement of Council priorities that needs to be managed effectively.

Financial Analysis

- 18 The Council's net budget is £127m. Following on from previous years, the challenge of delivering savings continues with £4m to be achieved in order to reach a balanced budget. Forecasts indicate the Council is facing net financial pressures of £4,597k (after mitigation) and an overview of this forecast, on a directorate by directorate basis, is outlined in Table 1 below. The main variations, including the financial impact of COVID-19, and any mitigating actions that are proposed are summarised in Annex 1.

	21/22 net budget	21/22 M2 net forecast (after mitigation)	21/22 M3 Forecast Variation	Further Mitigation target	21/22 Monitor 3 net forecast variation
	£'000	£'000	£'000	£'000	£'000
People	69,592	+8,508	10,238	-1,500	8,738
Place	21,772	-53	-341		-341
Customers & Communities, Public Health & Corporate Services	22,182	0	0	0	0
Central budgets	18,344	-800	-800	0	-800
Sub Total		+7,655	9,097	-1,500	7,597
Contingency	-500	-500	-500	0	-500
Use of COVID grants		-2,000	-2,000	0	-2,000

Use of earmarked reserves		-500	-500	0	-500
Total including contingency	131,390	+4,655	+6,097	-1,500	4,597

Table 1: Finance overview

Reserves and Contingency

- 19 The February 2021 budget report to Full Council stated that the minimum level for the General Fund reserve should be £6.4m (equating to 5% of the net budget). At the beginning of 2021/22 the reserve stood at £6.9m and, as part of the budget report, approval was given to maintain this level of reserve in 2021/22 thus giving some headroom above the minimum level to take account of the continued risks facing the council, in particular the scale of future reductions on top of those already made. In addition, the budget report outlined significant risks associated with major capital projects, reduction in New Homes Bonus and health budgets. The report also contained a strong recommendation that revenue reserves should be increased over the next couple of years, in recognition of the current risks the council faces.
- 20 Should the mitigation outlined in annex 1 not deliver the required level of savings in the current financial year then this reserve is available to support the year end position. However, in light of the ongoing financial challenges being faced by all councils as a result of the pandemic it is now more important than ever to ensure the Council has sufficient reserves. Therefore, should it be the case that we need to draw down from this general reserve in 2021/22, growth will need to be included in a future years budget to ensure that reserves can be maintained at an appropriate level.
- 21 In addition to the general reserve of £6.9m there are a range of other earmarked reserves where funds are held for a specific purpose. These reserves are always subject to an annual review but during this year these funds have been reviewed on a quarterly basis and where appropriate to do so will be released to support the in year position. It is estimated that £500k can be released this year. Whilst this is a prudent approach that will ensure the financial resilience of the Council it is not a substitute for resolving the underlying overspends but instead allows time to develop future savings proposals in a planned way.
- 22 As in previous years a contingency budget of £500k is in place and this is currently assumed to be available to offset the pressures outlined in this report.

- 23 At Full Council held on October 2021 members approved a motion to establish an independent inter-sectional working group to deliver an evidence-based action plan to tackle systemic racism in York. Executive Members are asked to support a drawdown of £5k from Brexit funds to support the initial establishment of the group in light of evidenced increased hate crime in the city resulting from Brexit. This will then be supplemented in the Financial Strategy paper also on this agenda with further one-off growth in 2022/23 recommended to support this work going forward.

Make It York

- 24 At its meeting on 22 November 2021, Shareholder Committee agreed to refer a request to Executive from Make It York regarding further financial assistance as follows:
- relief on the business rates paid in respect of the Museum Street shop (a cost to the council of £6.4k based on the days it was closed over 2020/21 and 2021/22);
 - a reduction in the revenue stream required from MIY commensurate with the reduction in cashflow experienced by the company in April when the Shambles market was closed (a cost to the council of £14.3k); and
 - support with the cost of counter terrorism measures required during the Christmas Market (a cost to the council of £78.9k).
- 25 This total support of £99.6k can be funded from the Welcome Back Fund, General Covid Support Grant and the Additional Restrictions Grant.

Loans

- 26 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 4.25% is being charged. All repayments are up to date.

Other

- 27 For information the council has recently tendered for Microsoft licenses under a Microsoft Enterprise Agreement which was awarded by officer decision at the end of January to place an order by 31st January required

to secure renewal ahead of the end of the current contract in February. This was essential to avoid a 25% price increase on 1st March 2022. This designated routine procurement was conducted via a Crown Commercial Services Framework and the contract term is 3 years at a cost of £500k per annum.

Performance – Service Delivery

- 28 In spite of the many challenges that the organisation and City has faced over the last eighteen months, performance across the wider organisation, not just the Council plan indicators, has continued to remain high and continues to compare favourably when benchmarked against other areas with similar characteristics to York. Whilst Covid and the actions taken to tackle the global pandemic have in places affected performance in the short-term, the general pattern for data and information monitored by the Council is that levels of resident and customer satisfaction, timeliness and responsiveness, as well as various directorate and service based indicators, have remained positive.
- 29 The Executive for the Council Plan (2019-23) agreed a core set of strategic 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. Some indicators are not measured on a quarterly basis and the DoT (Direction of Travel) is calculated on the latest three results whether they are annual or quarterly. It is likely that due to impacts of COVID, a number of the Council Plan indicators will see a significant change both in terms of their numbers and their direction of travel in future reporting periods. The majority of the performance measures within the Council Plan have a lag between the data being available, and the current reporting period and therefore impacts will not be immediately seen, and may occur over several years as new data becomes available.
- 30 A summary of the strategic indicators that have an **improving** direction of travel based on the latest, new, available data are shown below and further details around all of the core indicator set can be seen in Annex 2.
- **Parliament Street Footfall** - Footfall in Parliament Street during Q3 2021-22 totalled just under 2 million, which is broadly similar to figures seen during Q3 2019-20 (pre-pandemic) which totalled 2.1 million. This shows that the figures are heading in a much more positive direction and it is hopeful that this pattern will continue over the coming months.
 - **Library visits** - Libraries fully re-opened during April 2021 and figures for Q3 2021-22 show that there were 163,099 visits, which is similar to the

167,342 visits during Q2. This is a continued positive direction of travel compared to Q3 2020-21, although these figures are still below the pre-pandemic figures.

- **% of 4C's Complaints responded to 'in-time'** - In Q3 2021-22 there were 376 complaints dealt with as either a grade 1 or grade 2 complaint under the corporate 4Cs and 94.8% were responded to within their required timescales. This is a further improvement for in time performance compared to the last reporting quarter and the Corporate Governance team will continue to work with managers and services across the council to maintain this improvement.
- **FOI and EIR - % in time** - In Q3 2021-22, the council received 392 FOIs (Freedom of Information Act requests) and EIRs (Environmental Information Regulation requests) and 26 SARs (subject access to records request). We achieved an 84.30% in-time compliance for FOIs and EIRs and 86.70% for SARs. This shows an improvement in the timeliness of FOI/EIR and SAR responses since the last reporting quarter. The Corporate Governance team will continue to monitor the in time performance in these areas and work with managers and service areas to continue to make sustained improvements.

31 Strategic indicators that have a worsening direction of travel, mainly due to direct adverse effect from COVID-19 are;

- **Net Housing Consents** - Between April 2021 and September 2021, there were 108 net housing consents. Compared to previous updates this represents a significant drop in the level of housing consents. However, several sites benefitted from a resolution to grant planning permission subject to the completion of legal agreements and are likely to add to overall consent levels before the end of the full 12-month monitoring period.
- **The average number of days to re-let empty Council properties (excluding temporary accommodation)** – Average days were 72 days at the end of Q3 2021-22. This is similar to the position at the end of April 2021, although an increase from 59 days at the end of Q1 2021-22. The effects of the pandemic and Brexit continue to impact performance on re-letting council properties. Whilst dealing with pent up demand following national lockdowns, additional covid related challenges have slowed progress including new safety checks and staffing availability through both staff illness/isolation and vacancy controls. Lack of availability and increased costs of materials and 3rd party labour as a result of Brexit have further impeded the service. Brexit has also affected recruitment in some areas. An 'Impacts of Brexit and Covid' report which outlines the key issues and action plan

to address them was submitted to the Housing & Community Safety Policy & Scrutiny Committee in October:

<http://modgov.york.gov.uk/ieListDocuments.aspx?CIId=963&MIId=13035>

Annexes

- 32 Annex 1 shows the quarterly financial summaries for each of the Council directorates.
- 33 Annex 2 shows performance updates covering the core set of strategic indicators which are used to monitor the progress against the Council Plan.
- 34 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 under the "performance scorecards" section.

Consultation

- 35 Not applicable.

Options

- 36 Not applicable.

Council Plan

- 37 The information and issues included in this report demonstrate progress on achieving the priorities set out in the Council Plan.

Implications

- 38 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

- 39 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

Authors:	Chief Officer Responsible for the report:		
Debbie Mitchell Chief Finance Officer Ext 4161	Ian Floyd Chief Operating Officer		
Ian Cunningham Head of Business Intelligence Ext 5749	Report Approved	✓	Date 25/1/22
Wards Affected: All			✓
For further information please contact the authors of the report			

Glossary of Abbreviations used in the report:

CMT	Corporate Management Team
MIY	Make It York
NHS	National Health Service
SEND	Special Educational Needs and Disabilities

Annex 1 – Directorate Financial Summaries

People

- 1 Within the People directorate a net overspend of £8.7m is forecast. The reasons for this variation are explained in the following paragraphs.

SAFEGUARDING

- 2 The budgets reported in this section are the majority of adult social care spend including external care, council run provision and social work staffing. It includes social care costs of children and the teams that support those children.
- 3 In terms of Adult Social Care, the position has improved slightly from Q2 by £41k.
- 4 The residential and nursing budget is being influenced by the current discharge requirements. People are being discharged sooner and with a higher level of care and support needs than previously. There is funding available to support the first 4 weeks following discharge but after that time people are still requiring 24 hour care for a period of time or are prevented from returning home due to higher care needs or lack of home care capacity in the city. Discussions are taking place with Health to see if there is any resource across the system that can be redirected to address this growing pressure. Commissioners are also exploring alternative options of access to other regional care provider frameworks.
- 5 The projections in ASC also assume that a further £812k of savings will be made between now and the year end: non delivery of these savings will exacerbate the overspend.
- 6 External Care budgets are projected forward based on current customer numbers. There is a small contingency set aside in the Better Care Fund for additional costs over Winter should the total number of individuals increase beyond current levels. System wide discussions have considered what needs to be in place to be ready for the anticipated difficult Winter ahead and the Council has access to £273k of the Humber Coast & Vale Integrated Care System funding which will be used to secure additional discharge beds and home care.
- 7 It is clear that the impact of the pandemic is still being felt in the health and social care sector. Several factors are causing considerable pressures on the workforce and budget including but not limited to:

- The individuals approaching ASC have more complex needs giving the paucity of available services over the last 18 months
- A significant increase in the volume of referrals compared to pre-pandemic
- A lack of social workers resulting in high use of agency and attendant high costs
- A lack of care workers resulting in reduced market capacity at higher prices, particularly in the home care sector
- A rise in provider failure and packages being passed back to the council

ASC Older People (OP) and Physical & Sensory Impairment (P&SI) budgets

- 8 OP permanent residential and nursing is projected to overspend by £645k, a movement of £133k since Q2. This is largely due to an increase in the average cost per customer of an OP residential placement.
- 9 Placements in residential and nursing step up step down (SUSD) beds have increased over the last three months and this budget is now expected to overspend by £554k (compared to £249k at Q2). Customers are being discharged from hospital into discharge to assess beds more quickly than was previously the case, and are also staying in SUSD beds for longer. The lack of capacity in the home care market has made it harder to source the necessary care to meet the needs of these customers.
- 10 P&SI residential placements are expected to overspend by £205k due to having three more customers than in the budget, and in addition the average cost per customer is higher than budgeted for.
- 11 P&SI Supported Living schemes are projected to overspend by £566k in 2021/22. This is in line with previous years and is largely due to the cost per customer being around £7.5k p.a. higher than when the budget was last rebased. In addition there are currently three more customers than budgeted for. The main provider has built a new facility to replace / expand existing smaller facilities and the service is actively working with them to ensure the care provided is appropriate and proportionate to the customers' needs. The new facility comes on line in April 2022.
- 12 OP and P&SI Community Support budgets are expected to overspend by £372k in 2021/22. This is largely due to the average hourly rate for

homecare being higher than in the budget and there are also 16 more customers on exception contracts.

- 13 OP and P&SI Direct Payments budgets are projected to overspend by £295k. This is due to having 4 more customers utilising P&SI DPs and the average direct payment per OP customer is £4k higher than assumed in the budget.

ASC Learning Disabilities (LD) and Mental Health (MH) budgets

- 14 Learning disability residential budgets are projected to overspend by £178k (an increase of £305k since Q2). There are currently three more customers in working age residential placements than in the budget, and there has been a backdated increase of costs amounting to £80k for another customer.

- 15 LD Supported Living schemes are projected to underspend by £310k due to having 8 fewer customers in placement than was assumed in the budget. The underspend has reduced by £155k since Q2, largely due to the average cost per customer having increased in the third quarter.

- 16 LD CSB budgets are projected to overspend by £270k. This is largely due to the average cost of a homecare placement being higher than in the budget.

- 17 There is a projected overspend of £240k on the LD Social Work team. This is due to the use of temporary WWY posts which have now been extended to the end of the financial year.

- 18 The Safeguarding and Mental Health budgets are projected to overspend by £421k in total, broken down as follows:

• Residential Care	£170k
• Nursing Care	-£101k
• Community Support (incl Supported Living)	£36k
• Direct Payments	-£48k
• Safeguarding	£140k
• Social Work Team	£204k
• Other minor variations	£20k

- 19 The main overspends are on the MH Social Work and Safeguarding staffing budgets due to being over establishment on the Safeguarding Service Manager post, the use of agency staff to cover vacancies and additional unfunded WWY staff which have now been extended to the end of the financial year (£344k).

- 20 MH residential placements are projected to overspend by £170k largely due to an increase in working age customers being placed, including one backdated to the start of the year.
- 21 The MH budget pressures were more significant in 2020/21. Budget growth given in 2021/22 allowed us to rebase most of the external care budgets so the variances in MH are not as marked as last year. MH spend is, however, an area that is growing faster than the budget we have to support it so we will continue to see if there are better ways of supporting individuals.

Children's Specialist Services

- 22 Before detailing the variances to be reported it is important to highlight some of the key reasons for the current budgetary position for Childrens Social Care in York.
- 23 The number of Looked After Children in York has increased significantly in the past 2 and a half years. The Looked After Children population had been stable for a number of years, in the range 190-210 at any one time however on appointment the new Directorate Management Team identified unsafe drift and delay for some children in the system. This was subsequently identified by Ofsted and corrective action has led to significant recalibration in the system. Numbers of care orders and children on pre proceedings continues to be stable and those in need of child protection have now returned at or below our statistical neighbour average. This means the flow of children coming into the care system has significantly reduced. However, the complexity of needs of these children remains high and capacity in the system to meet need at this level nationally is a significant challenge which is subject to an independent care review.
- 24 At the time of this monitor the CYPIC number is 279. Within the next 3 years some 25% of these will leave local authority care. A Reducing Service Costs Board has been established in Specialist Services chaired by the Assistant Director which will review arrangements to reduce CYPIC numbers safely, the effectiveness and impact of the Edge of Care Service, current FGC activity and progress on foster care recruitment. In addition a Strategic Overview of Permanence Group has been established, chaired by the Assistant Director to monitor the new Permanence Strategy through tight oversight of children with a plan of permanence and ensuring rigorous use of trackers in order to prevent delay and manage demand in the system.

- 25 The placements budgets are predicted to overspend by a total of £3,639k. This includes variances of £1,227k on Fostering (including IFAs), £292k on adoption/SGO/CAO allowances and £2,435k on Out of City Placements together with a saving of £315k on the Hexagon Care contract, which ended in December 2021.
- 26 The fostering projection is based on all local foster carer positions being filled, so where a child reaches 18 or a foster placement ends, then it is assumed that this is filled. The IFA and Out of City Placement projections are based on all existing placements at the monitor date and take account of all placements expected to end during 2021/22, with no provision included for any new placements. The Out of City placements overspend being reported here is a significant increase (£1.5m) on previous years due to the recalibration of the proportion of these costs between the General Fund and the DSG.
- 27 Staffing budgets within the Permanency Teams are also predicted to overspend by £363k again due mainly to vacancies being filled by temporary staff.
- 28 Safeguarding Interventions are predicted to overspend by approximately £796k, mainly due to increases in the Court and Child Protection Teams who are dealing with the increase in cases. Legal fees are predicted to overspend by approximately £430k.
- 29 Staffing budgets with Children's Social Work Services are also predicted to overspend by approximately £298k (£291k in Q1). This is mainly due to temporary staffing across the service, which the directorate has worked hard to eliminate with permanent appointments.
- 30 Significant staffing overspends totalling £632k (£565k in Q1) are predicted in the MASH and Assessment teams mainly due to vacancies being covered by temporary and agency staffing.
- 31 Within Disabled Children's Services overspends on Short Breaks of £140k, Direct Payments of £353k and staffing of £162k are predicted
- 32 A number of other more minor variations make up the remaining projected net overspend.

COMMISSIONING AND PREVENTION

ASC commissioning and contracting budgets

- 33 There is likely to be some slippage on the Better Care Fund schemes of approx. £250k which can be redirected to support care packages in the Council.

ASC In house services Budgets

- 34 Be Independent is projected to overspend by £295k. There is still a budget gap of £130k relating to the financial position of the service when brought back into the Council, together with an ongoing historical overspend on recharges (£50k). In addition to this there is a projected underachievement of income on sales (£49k), a projected overspend IT systems (£46k), and other overspends across the budget. We are investigating whether some of these costs can be capitalised against existing capital budgets.
- 35 Yorkcraft is projected to overspend by £95k. This is largely due to a budget saving of £62k agreed in 2020/21, which has not been achieved. In addition based on actuals to date it is expected that there will be a shortfall of income in 2021/22. A project team currently looking at future directions for the Yorkcraft service who will also review how this saving can be made by the end of the year.
- 36 Small Day Services are projected to underspend by £223k. This is largely due to vacancies at Pine Trees, Community Base and the Community Support Assistants as some of the services have not been operating at full capacity due to Covid restrictions.
- 37 There is likely to be slippage of around £350k on the budget set aside to fund the staffing needed at Marjorie Waite Court due to difficulties recruiting currently.
- 38 There is currently projected to be an overspend of £230k on the Community Care team arising from Riccall Carers going into administration and the subsequent transfer of staff to the Council.

Education and Skills

- 39 Education Psychology is predicted to overspend by £74k, mainly due to an unbudgeted post costing £43k and unachieved vacancy factor of £29k.

- 40 The Home to School Transport budget was already in a historic overspend position of approximately £200k. 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. The main increase in numbers have been at post 16/19 where because of the city now being able to provide more specialist education provision for this group of students more locally, subsequently we have had to provide more transport to the likes of York College, Askham Bryan, Choose 2 and Blueberry Academy. The changes in legislation to allow EHCPs to ages 19-25, resulting in significantly more students accessing this option, has significantly increased our transport spend accordingly.
- 41 The overall overspend on Home to School transport is now predicted to be £283k. The main pressures are on SEN taxi transport budgets, but an additional pressure has been created due to the need for three additional buses as a result of increased numbers of children eligible for transport to Huntington and Fulford schools, offset by an increased allocation of Extended Rights for Free Travel grant for 2021/22.
- 42 Underspends are projected in both the Governance Service (£33k) due to increasing external income for services, and in Early Years (£30k) due to savings on non-staffing budgets and the effect of an increase in the 5% Early Years block contribution.

School Funding and Assets (including DSG)

- 43 The DSG position at 1st April 2021 is a deficit of £9.940m. Detailed work is ongoing to assess the 2021/22 position taking into account the savings already agreed as part of the budget process. At present the likely in-year deficit for 2021/22 is in the region of £3.5m, an improvement of approximately £1.5m on the final 2020/21 position. However this position will increase the overall deficit to approximately £13.5m at the end of 2021/22. Detailed work is ongoing to put in place a recovery plan to bring the position back to an in year balance.

Place

- 44 The Directorate is currently forecasting an underspend totalling £341k (including commercial portfolio). Close monitoring will continue to ensure that this position is maintained through the remainder of the financial year.
- 45 There is a continued shortfall in commercial waste income (£302k) as the service is still returning to normal operating levels. The government

income compensation scheme has continued for the first quarter of 2021/22 which requires councils to fund the first 5% of shortfalls and then will split the balance 75% government funding and 25% council funded. This compensation is assumed within the forecast. For the remainder of the year income levels will continue to be monitored as it is uncertain to what level income will recover.

- 46 Recyclate sales have been at levels at approximately 50% above budget due to high commodity prices and forecast to outturn £300k higher than budget. This is offset by additional costs from processing comingled waste £75k and recycling banks £45k.
- 47 Whilst Transport is forecast to outturn broadly in line with budget there are a number of pressures across the service. These include reduced income and increased staffing costs within highway regulation and IT costs relating to the implementation of the permitting system (£200k). There have been higher CCTV monitoring and maintenance costs (£100k). There are forecast savings as Concessionary Fares payments are lower than budget as passenger numbers remain lower than budget assumptions.
- 48 There was a shortfall of income in quarter 1 of £186k (-10%) due to lower revenues in April. This is being funded from a combination of Covid Grant and Sales Fees and Charges compensation. Parking levels recovered from mid-May as retail and hospitality venues reopened. Over the school summer holidays income was 30% above budget and has been approximately 20% above budget at other times. There has been reduced income from contract parking as city centre workers have changing working patterns. There has also been lower than budgeted Respark income as the new IT system is implemented.
- 49 For the remainder of the year whilst income from off street parking is assumed to be broadly in line with budget there are anticipated shortfalls from season ticket revenues and penalty charge notices. Preliminary forecasts are a surplus of £309k after taking into account the Government compensation scheme.
- 50 There is a forecast shortfall in planning fees of c 10% (£157k) which have not fully recovered to budgeted levels.
- 51 Within Housing, Economy & Regeneration the main forecast variance relates to the reimbursement of Business Rates paid for Alliance House (£530k). This underspend is offset by a forecast overspend on commissioning design and facilities management (£217k) which is a combination of additional costs and reduced income.

Housing Revenue Account

- 52 The Housing Revenue Account budget for 2021/22 was set as a net surplus of £741k. There were carry forwards of £2,819k agreed as part of the outturn report meaning the revised budget stands as a £1,599k deficit. Overall, the account continues to be financially strong and is forecasting a nil variance against this revised budget.
- 53 Repairs are forecasting to come in on budget this year as at quarter 3. The team continues to tackle the backlog of general repairs and the turnaround of voids is improving with the numbers reducing from 171 to 118 over the last two months following the appointment of two new contractors.
- 54 The bad debt provision budget remains at a prudent level and the adjustment to the provision at year end is forecast to be lower than budget by c£50k. The debt level is lower than forecast due to the delay in the Housing Delivery Programme and the interest rate is lower than that forecast in the business plan resulting in a projected underspend of £408k.
- 55 The HRA working balance position as at 31st March 2021 was £28.8m. The HRA projected outturn position means the working balance will reduce to £27.2m at 31st March 2022. This compares to the balance forecast within the latest business plan of £26.8m.
- 56 The working balance has been 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 Services, including Customers & Communities and Public Health

- 57 Overall the remaining Council services are expected to outturn within budget. There are a number of minor variations being managed and work will continue to try and identify additional savings to help the overall position.

Corporate Budgets

- 58 These budgets include Treasury Management and other corporately held funds. It is anticipated that overall a £800k underspend will be

achieved, predominantly as a result of reviewing capital financing assumptions.

Annex 2 – Performance – Council Plan Outcomes

- 1 This report concentrates on the indicators that make up the Council Plan performance framework and does not cover COVID-related activity.
- 2 It is likely that due to impacts of COVID, a number of the indicators will see a significant change both in terms of their numbers and their direction of travel in future reporting periods. The majority of the performance measures within the Council Plan have a lag between the data being available, and the current reporting period and therefore impacts will not be immediately seen, and may occur over several years as new data becomes available.
- 3 Within the updates on the Council Plan indicators, are a number of indicators which show the status of economic, community or corporate recovery since the start of the pandemic.

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	£257,034,251 (Q2 2021/22)	£256,318,986 (Q3 2021/22)	➡	Monthly	Not available	Q4 2021/22 data available in May 2022
Median earnings of residents - Gross Weekly Pay (£)	£572.60 (2020/21)	£597.90 (2021/22)	➡	Annual	National Data 2021/22: £613.10 Regional Data 2021/22: £568.50	2022/23 data available in November 2022
% of working age population qualified - to at least L2 and above	83% (2019/20)	83.6% (2020/21)	➡	Annual	National Data 2020/21: 78.20%	2021/22 data available in May 2022
% of working age population qualified - to at least L4 and above	49.10% (2019/20)	46.4% (2020/21)	➡	Annual	National Data 2020/21: 43.10% Regional Data 2020/21: 37.30%	2021/22 data available in May 2022
% of vacant city centre shops	9.40% (Q2 2021/22)	8.81% (Q3 2021/22)	➡	Monthly	National Data 2019/20 Q1 11.7%	Q4 2021/22 data available in May 2022
GVA per head (£)	29,274 (2018/19)	29,913 (2019/20)	➡	Annual	Regional Rank 2019/20: 2	2020/21 data available in July 2022
% of working age population in employment (16-64)	77.20% (Q1 2021/22)	79.50% (Q2 2021/22)	➡	Quarterly	National Data Q2 2021/22 74.60%	Q3 2021/22 data available in April 2022

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

Business Rates

- 4 The 2021-22 collection rate for Business Rates up to the end of December 2021 was 78.33% (6.17% below the target collection rate but 1.37% above the collection rate as at the same point in 2020-21). The 2021-22 collection rate for Council Tax up to the end of December 2021 was 81.74% (2.69% below the target collection rate and 0.55% below the collection rate as at the same point in 2020-21).

Median earnings of residents – Gross weekly pay

5 In April 2021, the median gross weekly earnings for full-time resident employees in York were £597.90, which is an increase of 4.4% from £572.60 in 2020. Nationally in 2021, gross weekly earnings for full-time employees increased most in the lower paying occupations such as process plant and machine operatives (9.1%) and elementary occupations (7.7%). Skilled trades also saw a large increase (9%) after having the largest decrease between 2019 and 2020 (negative 6.5%) but the highest paying occupations had the smallest increases between 2020 and 2021.

% of working age population qualified – to at least L2 and above

6 No update since the Q4 2020-21 Monitor as annual data.

% of working age population qualified – to at least L4 and above

7 No update since the Q4 2020-21 Monitor as annual data.

GVA (Gross Value Added) per head (£)

8 No update since the Q1 2021-22 Monitor as annual data.

% of vacant city centre shops compared to other cities

9 Whilst acknowledging that a number of city centre streets and prime commercial locations seem to be experiencing higher vacancy levels than York's average, overall at the end of December 2021, there were 56 vacant shops in the city centre, which equates to 8.8% of all city centre shops, and is lower than the national benchmark in Q2 2020-21 of 12.4%. Properties in York are owned by different commercial parties and CYC commercial properties have very low levels of vacancies. The York figure has not fluctuated a great deal in the past 10 years, with a high of 10.3% in 2017-18 and the national benchmark figure has remained stable too, with a high of 12.5% in Q1 2013-14.

10 This measure will continue to be monitored alongside looking at vacancy rates within secondary shopping centres, which are areas that the organisation has a long-term commitment towards investing in, in order to broaden the economic picture of the city. At the end of Q3 2021-22, the vacancy rates within secondary shopping centres were relatively low (7% at Clifton Moor, 0% in Haxby Village and 4% in Acomb High Street), apart from at Monks Cross where the vacancy rate was 16% (although this has reduced from 20% in Q2).

11 In the financial year up to the end of November 2021 (the latest available data), there were 407 new business start-ups in the City of York Council area, which is lower than in previous years. Nationally the number of new companies registered in the UK in 2020 rose significantly as small and local businesses emerged in response to the pandemic; this may indicate why the 2020-21 figures looked positive for York and why a lower number of registrations could be seen during 2021-22.

% of working age population in employment (16-64)

- 12 In Q2 2021-22 (the latest available data), 79.5% of the working age population were in employment, which is higher than the national and regional figures (74.6% and 73.3% respectively) and the York performance gives the city a ranking of first regionally. The figure for Q2 2021-22 in York is higher than in previous years.
- 13 At the end of December there were 11,608 people, in York, on Universal Credit which is an increase of 81% compared with February 2020 (pre-pandemic figures). However, there has been a decrease of -12% from April 2021. This trend should continue as restrictions continue to be lifted and the, nationally reported, staff vacancies in the service sector are filled.

Getting around sustainably

Getting around sustainably						
	Previous Data	Latest Data	DoT	Frequency	Benchmarks	Data Next Available
P&R Passenger Journeys	0.46m (Q1 2021/22)	0.71m (Q2 2021/22)	↑ Good	Quarterly	Not available	Q3 2021/22 data available in January 2022
Local bus passenger journeys originating in the authority area (excluding P&R)	1.46m (Q1 2021/22)	1.68m (Q2 2021/22)	↑ Good	Quarterly	Not available	Q3 2021/22 data available in January 2022
% of road and pathway network that are grade 4 (poor) or grade 5 (very poor) - roadways	22% (2020/21)	22% (2021/22)	→	Annual	Not available	2022/23 data available in November 2022
% of road and pathway network that are grade 4 (poor) or grade 5 (very poor) - pathways	3% (2020/21)	4% (2021/22)	→	Annual	Not available	2022/23 data available in November 2022
Area Wide Traffic Levels (07:00 - 19:00) (Excluding A64) from 2009/10 baseline (2.07m)	1.77m (2019/20)	1.34m (2020/21)	→	Annual	Not available	2021/22 data available in November 2022
Index of cycling activity (12 hour) from 2009 Baseline (31,587)	138.00% (2019)	113.00% (2020)	↓ Bad	Annual	Not available	2021 data available in February 2022
Index of pedestrians walking to and from the City Centre (12 hour in and out combined) from 2009/10 Baseline (37,278)	111.00% (2019/20)	103.00% (2020/21)	→	Annual	Not available	2021/22 data available in January 2022
% of customers arriving at York Station by sustainable modes of transport (cycling, walking, taxi or bus - excluding cars, Lift, Motorcycle, Train)	75.40% (2019)	Not collected due to COVID restrictions (2020)	N/a	Annual	Not available	2021 data available in January 2022

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

- 14 Passenger journeys for park and ride customers totalled 0.71m (provisional) for Q2 2021-22. This is a large increase on the 0.33m journeys made during the same period in 2020-21 showing signs of recovery, but lower than the 1.11m journeys made during the same period in 2019-20.

Local bus passenger journeys

- 15 Passenger journeys on local buses totalled 1.68m (provisional) for Q2 2021-22. This is a large increase on the 1.04m journeys made during the

same period in 2020-21, showing signs of recovery, but lower than the 2.74m journeys made during the same period in 2019-20.

% of ROAD and pathway network that are grade 4 (poor condition) or grade 5 (very poor condition) - Roadways / Pathways

- 16 In 2021-22, 22% of the road network was classed as in poor or very poor condition, which is the same as in 2020-21. In 2021-22, 4% of the pathway network was classed as in poor or very poor condition. This remains relatively low compared with previous years, with the highest being 6% in 2015-16.

Area Wide Traffic Levels (07:00 -19:00) (Excluding A64)

- 17 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 decreased to a provisional figure of 1.34 million in 2020-21. This decrease in numbers is set against a backdrop of a city with an increasing population. However, the covid pandemic has brought with it numerous national lockdowns and local restrictions so the decrease in traffic levels is to be expected. Figures for 2021-22 will be available later in 2022 and are also expected to be lower than historic figures, due to further restrictions and working from home orders.

Index of cycling activity (12 hour)

- 18 There has been no new data since the Q1 2021-22 Monitor as an annual data production. The historic data for 2020 cycling levels has been updated as some data points were not manually extracted from the cycle counters during the pandemic, as visits to counter sites could not be made, with data being estimated. This data has now been cleaned and anomalies removed prior to final re-calculation of results, leaving a final level of 113% of baseline compared to 138% the previous year. At the end of December 2020 there was a 48% decrease in the use of public transport (Google mobility data). The drop in cycling levels in 2020 is therefore at a lesser level than the drop in the use of other forms of transport activities, which may suggest that cycling levels as a proportion of overall trips may well have increased, although it is recognised this is not a like-for-like comparison.
- 19 In order to put the fall in cycling levels in wider context of reduced movement activity during the pandemic, where there has been a work-at-home order and major businesses and establishments such as university have had reduced on-site activity, community mobility data has been tracked regularly from Google to see how visits to places such as shops and transit stations are changing. Data is sourced through phone location history, where consented, and changes for each day are compared to a baseline value. At the end of December 2021, in York, retail and recreation activity is 11% lower than the baseline, there has been a 12% increase in grocery and pharmacy activity, and a 43% decrease in the use of Public Transport, and therefore York has performed better than the

national averages and comparison cities, with levels starting to return to pre-pandemic levels.

- 20 LTP4 is building on the work already undertaken on initiatives such as My City Centre and the Local Plan, and will complement the strategies being developed for York's Economic Recovery and Carbon Reduction / Climate Change by addressing transport accessibility in terms of travelling around the city using different modes of transport.

Index of pedestrians walking to and from the City Centre (12 hour in and out combined)

- 21 No update since the Q4 2020-21 Monitor as annual data.

% of customers arriving at York Station by sustainable modes of transport (cycling, walking, taxi or bus – excluding cars, lift, motorcycle or train)

- 22 No update since the Q4 2020-21 Monitor as annual 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	67.00% (Q1 2021/22)	65.00% (Q2 2021/22)	➡	Quarterly	National Data 2020/21 58%	Q3 2021/22 data available in March 2022
Delayed transfers of care from hospital which are attributable to adult social care, per 100,000 population (YTD Average)	6.6 (2018/19)	4.9 (2019/20)	N/a	NC	National Data 2019/20 3.2	Data collection for March 2020 onwards has been suspended due to COVID-19
Overall satisfaction of people who use services with their care and support	68.10% (2019/20)	72.30% (2020/21)	⬆ Good	Annual	National Data 2020/21 67.70%	2021/22 data available in November 2022
% of reception year children recorded as being obese (single year)	9.50% (2018/19)	7.60% (2019/20)	➡	Annual	National Data 2019/20 9.90%	2020/21 data available in January 2022
Slope index of inequality in life expectancy at birth - Female - (Three year period)	6.2 (2018/19)	6.2 (2019/20)	➡	Annual	Regional Rank 2019/20: 3	2020/21 data available in May 2022
Slope index of inequality in life expectancy at birth - Male - (Three year period)	8.4 (2018/19)	8.3 (2019/20)	➡	Annual	Regional Rank 2019/20: 3	2020/21 data available in May 2022
% of adults (aged 16+) that are physically active (150+ moderate intensity equivalent minutes per week, excl. gardening)	66.70% (Q2 2020/21)	63.00% (2020/21)	⬇ Bad	Bi-annual	National Data 2020/21 60.90%	2021/22 mid year data available in April 2022
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						

- 23 There has been a continuing high demand for adult social care during the past year, partly caused by the COVID-19 pandemic, although there have been variations in how likely these contacts are to receive care packages. Our Customer Contact Workers (CCWs) record the number of contacts received to ASC, whether made by email, telephone or other methods. During the third quarter of 2021-22, they received 4,144 contacts, which is an 18% reduction from the number received during the corresponding quarter in 2020-21 (5,080), although there have been some recording issues in recent months, so the “true” reduction is likely to be smaller. Around 27% of the contacts during the third quarter of 2021-22 were resolved using Information, Advice and Guidance (IAG), which is lower

than the percentage that were resolved using IAG during that quarter in 2020-21 (35%); this reflects the increasing complexity of issues that are dealt with by them, and a change in recording practice to record clients who 'only' received IAG; most clients will receive an element of IAG during their contact, regardless of the outcome of it.

- 24 The number of individuals in residential/nursing care placements fell sharply at the start of the 2020-21 financial year, mainly due to the Covid crisis, and then remained steady as the year progressed, but this number increased during the early months of 2021-22 before falling again in recent months. At the end of December 2021, this number was 563, compared to 550 at the end of December 2020. During the third quarter of 2021-22, the number of new admissions of people to residential/nursing care was 38, a decrease of 34% on the same period in 2020-21 (58).
- 25 There has been a continuing decline over the last year in the number receiving home care services, although it has slowed in recent months. At the end of December 2021, there were 601 people in receipt of a home care service; this is 19% lower than the corresponding figure at the end of December 2020 (743). This reflects the continuing difficulties ASC are encountering with obtaining home care services, as some providers have ceased trading in recent months.
- 26 In the third quarter of 2021-22, 125 clients were recorded as receiving a paid ASC service for the first time ("new starters"). This is a significant reduction from the number in the corresponding quarter during 2020-21 (183). There has also been a decrease in the number during the third quarter of 2021-22 (93) that have returned to ASC for a paid service compared with the number during the third quarter of 2020-21 (134). This suggests that we have improved our efforts in keeping the number of first-time entrants low, and that some success is evident by ensuring that fewer people re-enter ASC for additional spells of care.
- Proportion of adults in contact with secondary mental health services living independently**
- 27 The percentage of all adults in contact with secondary mental health services living independently, with or without support, has decreased over recent months; during 2021-22 Q2 (the latest figures available), 65% of them were doing so. The 2020-21 ASCOF results showed that York is in the upper quartile for performance with 73% of this group saying they live independently, compared with the England average of 58% and 60% in its statistical neighbour group.
- 28 During 2021-22 Q2 (the latest figures available), 19% of all clients in contact with secondary mental health services were in employment – a figure that has consistently been above the regional and national averages. The 2020-21 ASCOF results showed that York is the 3rd best

performing LA in the country on this measure, with 20% of all those in contact with secondary mental health services in employment, compared with the England average of 9% and 10% in its statistical neighbour group.

Overall satisfaction of people who use services with their care and support

29 No update since the Q2 2021-22 Monitor as annual data.

% of reception year children recorded as being obese (single year)

30 No update since the Q4 2020-21 Monitor as annual data.

Healthy Life expectancy at birth – Female/Male (slope index of inequality)

31 No update since the Q4 2020-21 Monitor as annual data.

% of adults (aged 16+) that are physically active (150+ moderate intensity equivalent minutes per week, excluding gardening)

32 The latest data from the Adult Active Lives Survey for the period from mid-May 2020 to mid-May 2021 was published in October 2021. The period covered by the survey includes three months of full national lockdowns, six months of significant restrictions and three months of limited restrictions. In York, 435 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 and regional averages. Positively:

- 63% of people in York did more than 150 minutes of physical activity per week compared with 60.9% nationally and 60% regionally. There has been no significant change in the York value from that 12 months earlier.
- 25.9% of people in York did fewer than 30 minutes per week compared with 27.5% nationally and 29% regionally. There has been no significant change in the York value from that 12 months earlier.

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)	15.50% (2017/18)	13.18% (2018/19)	➡	Annual	Not available	Data for 2019/20 will not be released due to COVID19
Voice of the Child - Service Usage and Life Opportunities	Narrative	Narrative	N/A	Quarterly	Not available	Q3 2021/22 narrative available in February 2022
% 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%	Data for 2019/20 and 2020/21 will not be released due to COVID19
Average Progress 8 score from KS2 to KS4	0.11 (2017/18)	0.22 (2018/19)	↑ Good	Annual	National Data 2018/19 0.01	Data for 2019/20 and 2020/21 will not be released due to COVID19
% 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%	Data for 2019/20 and 2020/21 will not be released due to COVID19
%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	33.20% (2017/18)	29.40% (2018/19)	➡	Annual	National Data 2018/19 27.00%	Data for 2019/20 and 2020/21 will not be released due to COVID19
% of Year 12-13 (academic age 16-17) NEET who possess less than a L2 qualification - (Snapshot)	80.60% (Q2 2021/22)	84.10% (Q3 2021/22)	➡	Monthly	Not available	Q4 2021/22 data available in May 2022
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						

- 33 The number of children in York's care increased to 278 at the end of Q3 2021-22, matching the outturn at the end of 2020-21. We know that the age distribution of children in our care has changed, with more school-aged children over the last 12 months. This has wide-ranging implications on areas such as placement sufficiency, permanence planning and the virtual school.
- 34 The number of children subject to a child protection plan declined over Q3 to 133 at the end of December, down from 161 at the end of Q2. This is much closer to the 2020-21 year-end figure of 129 and has returned to the expected safe range for York (per 10,000 population).
- 35 The number of referrals to children's social care at the end of Q3 was 1202, level with the same point in 2020-21 (1220). Referral volumes have shown an anticipated recovery from the turbulent year of 2020-21, but continue to be lower than in 2019/20.
- 36 The number of contacts to Early Help has reduced each quarter this year. There were 528 contacts in Q3, down from 599 and 661 in Q2 and Q2 respectively.

Voice of the Child

- 37 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 throughout this period. Between October and December 2021, the service received a total of 10 referrals for advocacy; 4 referrals for children and young people in care, 2 referrals for care leavers, 3 referrals for young people subject to a Child Protection Plan and 1 referral for young people aged 16 or 17 and homeless.

Secondary school persistent absence rate

- 38 The May 2020 pupil census was cancelled by the Department for Education due to COVID-19. National and local schools attendance data has not yet been released by DfE. It is anticipated that DfE will release a version of the standard attendance performance but the details are not known yet.

% of children who have achieved a Good level of Development (GLD) at Foundation Stage

- 39 There is no data for 2019-20 as the tests were cancelled due to the pandemic. We do not anticipate any data for 2020-21.

Education Progression (Average Progress 8 score from KS2 to KS4) and GCSE Results (% of pupils achieving 9-4 in English and Maths at KS4)

- 40 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.

- 41 In 2020 and 2021, due to COVID-19, all GCSE, AS and A level exams were cancelled and replaced by a combination of teacher assessment, mock exam results, course work and a standardised calculation.

- 42 The Department for Education did not release data for 2019-20 due to the way in which Key Stage 4 results were calculated. We do not anticipate any data for 2020-21.

% 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

- 43 The DfE did not release data for 2019-20 due to the way in which Key Stage 4 results were calculated due to COVID-19. We are not anticipating any data for 2020-21.

- 44 Reducing the attainment gap between disadvantaged pupils and their peers is a key priority in all phases of education across 0-19 years.

% of 16-17 year olds who are NEET who do not have a L2 qualification

- 45 The number of all 16-17 year olds in York who are NEET is below average and lower than expected at this point in the year. Historically, NEET figures follow the academic year, with increases over the summer months when some 16 year olds finish school without a plan for September.

- 46 We started the current academic year with only 31 16-17 year olds NEET, which is comparatively low. Q3 saw a continuing trend with lower than average numbers of NEET young people during the Autumn term.

- 47 At the end of December 2021, 84.1% of young people who were NEET did not have a Level 2 qualification. Again, this is against historical trend,

which has seen more than 90% of NEET without a L2 qualification at the end of November.

- 48 There have been several changes over the past 12 months that are thought to have contributed to the reduction in the 16-17 year old NEET population. The Danesgate (PRU) cohort of Year 11 leavers was considerably smaller in summer 2021 and was particularly successful with most pupils remaining in education, training or employment. Additionally, York College launched off-site provision for young people with SEMH (social, emotional or mental health) needs which meant more young people with these challenges were able to continue in learning after Year 11. Schools retain the responsibility for tracking and supporting young people who are at risk of, or already NEET and the recent reconfiguration of CYC services reflects this. Performance will need to be monitored into next year to see if these trends can be sustained.

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	46.34% (Prov) (Q1 2021/22)	47.35% (Prov) (Q2 2021/22)	➔	Quarterly	National Data 2020/21 42.30%	Q3 2021/22 data available in April 2022
Residual household waste per household (kg/household)	132.43kg (Prov) (Q1 2021/22)	134.96kg (Prov) (Q2 2021/22)	➔	Quarterly	National Data 2020/21 552.9kg	Q3 2021/22 data available in April 2022
Incidents - Flytipping /Cleansing(includes dog fouling,litter)/Graffiti - On Public/Private Land	578 (Q2 2021/22) (Flytipping)	411 (Q3 2021/22) (Flytipping)	➔	Monthly	Not available	Q4 2021/22 data available in May 2022
	518 (Q2 2021/22) Cleansing	436 (Q3 2021/22) Cleansing	➔	Monthly	Not available	Q4 2021/22 data available in May 2022
	78 (Q2 2021/22) Graffiti	129 (Q3 2021/22) Graffiti	➔	Monthly	Not available	Q4 2021/22 data available in May 2022
Citywide KPI on air quality (to be created during CP lifespan)	N/A	In development	N/A	TBC	Not available	Indicator to be created during Council Plan lifespan
Carbon emissions across the city (tonnes of carbon dioxide equivalent) - (Calendar Year)	NC	1,132,541.02 (2018)	➔	Annual	Not available	Indicator to be created during Council Plan lifespan
Level of CO2 emissions from council buildings and operations (tonnes of carbon dioxide equivalent)	NC	3,657.56 (2020/21)	➔	Annual	Not available	Indicator to be created during Council Plan lifespan
Flood Risk properties assessed at lower level than 2019 baseline	N/A	In development	N/A	TBC	Not available	Indicator to be created during Council Plan lifespan
Number of Trees Planted (CYC)	515 (2019/20)	271 (2020/21)	➔	Annual	Not available	2021/22 data available in April 2022
% of Talkabout panel who think that the council are doing well at improving green spaces	51.00% (Q1 2021/22)	43.26% (Q3 2021/22)	➔	Bi-annual	Not available	Q1 2022/23 data available in July 2022

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

- 49 The latest provisional data for the amount of household waste sent for reuse, recycling or composting was 47.4% during Q2 2021-22 (the latest available data), which is a slight decrease from 48.8% during the same period in 2020-21.

Residual household waste per household (kg/household)

- 50 The latest provisional residual waste (i.e. non-recyclable) per household data shows that figures have increased slightly during Q2 2021-22 (the latest available data) to 135.0kg of residual household waste per household.

Incidents - Fly tipping / Rubbish / Cleansing (includes dog fouling, litter and all other cleansing cases) / Graffiti – On Public/Private Land

- 51 The number of service calls received during Q3 2021-22 due to fly-tipping and cleansing (including dog fouling and litter) have reduced since Q2 2021-22 (fly-tipping from 578 to 411 and cleansing from 518 to 436).
- 52 The number of service calls received due to graffiti increased from 78 in Q2 2021-22 to 129 in Q3 2021-22, however, the figure for Q3 is still lower than the 157 calls received during Q4 2020-21. To help tackle graffiti on private property, CYC have entered into a trial with Virgin O2 to assist the cleansing and painting of their utilities boxes. Discussions are currently

underway with other utilities providers to extend the trial to their infrastructure, with a number of companies agreeing in principle to move to new arrangements when their existing contracts come to an end.

Air Quality

- 53 The Environment Bill was granted royal ascent in November 2021 and is now the Environment Act 2021. New legally binding standards around fine particulate matter (PM2.5) are expected through secondary legislation due in Autumn 2022. Measures in York's fourth Air Quality Action Plan (AQAP4), currently under development, will aim to tackle emissions of NOx (responsible for the current city centre Air Quality Management Area) and PM2.5, to help improve public health.
- 54 The council have encouraged 25% of York taxis (170 vehicles as of April 2021) to switch to low emission alternatives (petrol hybrid or electric), supported through our Low Emission Taxi Grant. Money is still available to taxi drivers who want to switch their vehicles, save fuel costs and save the environment.
- 55 A Clean Air Zone (CAZ) for buses was introduced in January 2020 where buses making 5 or more entrances to the CAZ per day are now required to be Ultra Low Emission Buses (ULEB) (Euro VI diesel or electric). A total of £1.65m has been allocated by City of York Council to 5 bus operators to help replace/retrofit 93 buses to CAZ compliant vehicles.
- 56 Since 2012, reductions in air quality have been significant, although there were still areas for improvement, with one bus stop area not yet meeting air quality guidelines. The reduction of traffic during the Covid-19 pandemic has provided a snapshot for how the air quality could be in the future although the true impacts of such measures may only be apparent in subsequent years when/if traffic levels and travel behaviour return to 'normal'.
- 57 The council are progressing work to understand the prevalence of solid fuel burning across the city, especially outside our current smoke control areas. The council have also commenced surveys of solid fuel sales in the city to ensure compliance with new regulations introduced in May 2021.

Trees Planted

- 58 During 2020-21, there were 271 trees planted, including 250 whips on Bootham Stray in February and larger trees in streets and parks in March. New trees are usually planted over late Winter due to the seasonal nature of the activity. Figures for 2021-22 will be available in April 2022.

% of Talkabout panel who think that the council and partners are doing well at improving green spaces

- 59 The second resident satisfaction survey taken biannually by the Talkabout panel took place during Q3. 544 members responded to the latest survey

which is a little lower than the 606 respondents in Q1 but remains a higher response rate than seen in previous years.

- 60 The results for Q3 2021-22 showed that 43% of respondents agreed the Council and its partners are doing well at improving green spaces. Agreement has reduced from 51% in Q1 to more common levels seen for this area. Whilst the Council would like this percentage to be higher, the question in the survey is around improving green spaces, rather than maintaining them.
- 61 When asked about improving the quality of streets/public spaces, 37% of survey respondents thought that the Council and its partners are doing well which is a decrease from 41% in Q1. During 2020/2021 the percentage of respondents who felt the council were doing well in this area peaked with 48% agreeing throughout the year. The current results have returned to similar levels seen in the year before the pandemic of around 33-35%. 70% agreed they were doing well at conserving York's heritage, although this has decreased from 76% in Q1 it this remains the top answer choice for this question with a consistently high percentage agreeing.

Creating homes and World-class infrastructure						
	Previous Data	Latest Data	DoT	Frequency	Benchmarks	Data Next Available
Net Additional Homes Provided - (YTD)	622 (2020/21)	160 (at Q2 2021/22)	➡	Bi-annual	Not available	2021/22 data available in June 2022
Net Housing Consents - (YTD)	1,133 (2020/21)	108 (at Q2 2021/22)	⬇ Bad	Bi-annual	Not available	2021/22 data available in June 2022
Number of homeless households with dependent children in temporary accommodation - (Snapshot)	10 (2020/21)	15 (Q1 2021/22)	⬆ Bad	Quarterly	Not available	Q2 2021/22 data available in February 2022
Average number of days to re-let empty properties (excluding temporary accommodation) - (YTD)	70.37 (Q2 2021/22)	71.96 (Q3 2021/22)	➡	Monthly	Not available	Q4 2021/22 data available in May 2022
Energy efficiency - Average SAP rating for all Council Homes	70.60 (2019/20)	70.60 (2020/21)	➡	Annual	Not available	2021/22 data available in November 2022
Number of new affordable homes delivered in York	18 (Q1 2021/22)	42 (Q2 2021/22)	➡	Quarterly	Not available	Q3 2021/22 data available in January 2022
Average broadband download speed (Mb/s)	56.1 (2019/20)	147.1 (2020/21)	➡	Annual	National Data 2020/21 68.92	2021/22 data available in June 2022
Superfast broadband availability	94.13% (2020/21)	95.53% (2021/22)	➡	Annual	National Data 2021/22 95.86%	2022/23 data available in September 2022

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

New Additional Homes Provided

62 Between April 2021 and September 2021 there were 160 net additional homes completed. This represents a lower level of completions than anticipated and can largely be attributed to the impact of the Covid-19 pandemic on working practices, labour force capacity and building material supply. The impact of the pandemic can be felt across all forms of housing and includes housing permissions. Of these additional homes:

- 99% were completed on housing sites;
- A total of 122 new build homes were completed whilst 1 home was demolished
- Changes of use to existing buildings for residential use and conversions to existing residential properties accounted for 24% of all homes completed
- Individual sites that saw the construction of five or less dwellings contributed an additional 35 homes (22%)
- Development sites including Germany Beck and the Former Lowfield School site all provided notable completions over the year.

Net Housing Consents

63 Between April 2021 and September 2021, there were 108 net housing consents. Of these consents, the main features were;

- 78.7% were granted on traditional housing sites;

- 21 senior living homes (19.4%) were approved at Beverley House in Clifton
- Sites granted approval for traditional housing included Duncombe Barracks, the Crescent and Heworth.

64 Compared to previous updates this represents a significant drop in the level of housing consents. However, a further 266 homes had the benefit of approval by Councillors through a resolution to grant planning permission subject to the completion of legal agreements and are likely to add to overall consent levels before the end of the full 12 month monitoring period. The sites and capacities included in this figure are:

- Plumbase – Waterloo House, Fawcett Street (83)
- Barnitts – 28A Colliergate (12)
- Cherry Tree House – 218 Fifth Avenue (48)
- Burnholme Community Hub – Mossdale Avenue (83)

65 Further, the former York City Football Club site in Bootham Crescent was approved for 93 new homes in August 2020 and is due to have a legal agreement signed off. It is anticipated that these will add to the end of year consents total.

Number of homeless households with dependent children in temporary accommodation

66 The number of homeless households with dependent children in temporary accommodation remains at a lower level to that seen in previous years. The latest available data shows that there were 15 households with dependent children in temporary accommodation at the end of Q1 2021-22 compared to 10 at the end of Q4 2020-21. It should be noted that these figures are snapshot figures. Q2 data will be available in February 2022.

Average number of days to re-let empty Council properties (excluding temporary accommodation)

67 The average number of days to re-let empty Council properties (excluding temporary accommodation) was 72 days at the end of Q3 2021-22. This is similar to the position at the end of April 2021, although an increase from 59 days at the end of Q1 2021-22.

68 The effects of the pandemic and Brexit continue to impact performance on re-letting council properties. Whilst dealing with pent up demand following national lockdowns, additional covid related challenges have slowed progress including new safety checks and staffing availability through both staff illness/isolation and vacancy controls. Lack of availability and increased costs of materials and 3rd party labour as a result of Brexit have further impeded the service. Brexit has also affected recruitment in some areas. An 'Impacts of Brexit and Covid' report which outlines the key issues and action plan to address them was submitted to the Housing & Community Safety Policy & Scrutiny Committee in October:

<http://modgov.york.gov.uk/ieListDocuments.aspx?CIId=963&MIId=13035>

Energy efficiency – Average SAP rating for all Council Homes

- 69 The provisional average SAP rating for all Council homes in 2020-21 is 70.6. The Housing Delivery and Asset Management directorate are currently developing an energy efficiency and retrofit strategy for council homes, a process which includes work with carbon reduction analysts, Parity Projects, to model energy performance, and identify the most cost-effective route to net-zero. One key output of this work will be a detailed analysis of multiple sources of energy performance data, which will then be used to update our current energy performance data which is primarily based on our stock condition survey of 2019. The introduction of a new housing management IT system in Q4 of 2021-22 will also enable energy performance data to be more easily captured, analysed, and reported. The SAP data will inform a £2m retrofit programme improving the energy efficiency of council housing stock. The programme will deliver energy saving measures within our council housing stock, focusing specifically on improving building fabric insulation and installing renewable energy technologies. The result will be more comfortable homes, lower energy bills and less CO2 emissions.

Number of new affordable homes delivered in York

- 70 The number of new affordable homes delivered in York remains high, with 60 delivered during the first six months of 2021-22 (a reduction on the 83 delivered during the same period in 2020-21 but a large increase on the 33 delivered during the same period in 2019-20).

Superfast broadband availability/Average broadband download speed (Mbs)

- 71 In 2021-22, 95.53% of properties in York had access to superfast broadband, which compares to 94.13% in 2020-21. This increase can be attributed to the Council's continued work with service providers to improve infrastructure.
- 72 The average broadband download speed in York in 2020-21 was 147.1Mb/s, which compares to 56.1 Mb/s in 2019-20. The national benchmark download speed is 68.92 Mb/s in 2020-21. This data is provided by an Ofcom panel of consumers so should be treated as an indication rather than actual figures. Data for 2021-22 will be available in June 2022.

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	84.00% (Q1 2021/22)	84.38% (Q3 2021/22)	➡	Bi-annual	Community Life Survey 2020/21 79%	Q1 2022/23 data available in July 2022
All Crime per 1000 population	17.3 (Q2 2021/22)	6.1 (November 2021)	➡	Monthly	National Data 2020/21 75.9	Q3 2021/22 data available in February 2022
Number of Incidents of ASB within the city centre ARZ	340 (Q2 2021/22)	94 (November 2021)	➡	Monthly	Not available	Q3 2021/22 data available in January 2022
Visits - All Libraries	167,342 (Q2 2021/22)	163,099 (Q3 2021/22)	↑ Good	Quarterly	Not available	Q4 2021/22 data available in May 2022
Visits - York Museums Trust (to be created during CP lifespan)	N/A	In development	N/A	TBC	Not available	Indicator to be created during Council Plan lifespan
% of Talkabout panel who agree that they can influence decisions in their local area	27.00% (Q1 2021/22)	24.26% (Q3 2021/22)	↓ Bad	Bi-annual	Community Life Survey 2020/21 27%	Q1 2022/23 data available in July 2022
% of Talkabout panel who give unpaid help to any group, club or organisation	56.00% (Q1 2021/22)	61.35% (Q3 2021/22)	➡	Bi-annual	Community Life Survey 2020/21 62%	Q1 2022/23 data available in July 2022
Parliament Street Footfall	2,064,986 (Q2 2021/22)	1,971,862 (Q3 2021/22)	↑ Good	Monthly	Not available	Q4 2021/22 data available in May 2022
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						

% of Talkabout panel satisfied with their local area as a place to live

- 73 Results from the Q3 2021-22 Talkabout survey showed that 85% of the panel were satisfied **with York** as a place to live, a decrease from 88% in Q1 and slightly lower than recent years. 84% were satisfied with **their local area** which has been consistent throughout the year. A slight decline in satisfaction with the local area can be seen over recent years but York continues to perform well against the latest national figures of 79% (Community Life Survey 2020-21) and 80% (Local Government Association Poll October 2021).

All Crime per 1000 population

- 74 Overall crime levels in York for 2021-22 up until the end of November indicate that crime levels have risen slightly since 2020-21 and are back to pre-pandemic levels, although levels are remaining stable throughout the year to date. Data for Q3 will be available at the end of February 2022.

Number of Incidents of ASB within the city centre (Alcohol Restriction Zone)

- 75 Incidents of anti-social behaviour have remained stable during 2021-22 up until the end of September, with the Q2 figure of 340 slightly lower than the same period in 2020-21. The figure of 94 for November is lower than seen in previous years, and combined with October suggests Q3 will also be lower than previous years.

Visits - All Libraries

- 76 Libraries fully re-opened during April 2021 and figures for Q3 2021-22 show that there were 163,099 visits, which is similar to the 167,342 visits during Q2. There is still a positive direction of travel compared to Q3 2020-21, although these figures are still below the pre-pandemic Q3 figures of around 240,000 visits each quarter.

% of Talkabout panel who agree that they can influence decisions in their local area

77 Results from the Q3 2021-22 Talkabout survey found that 24% of panellists agreed that they could influence decisions in their local area which is below the latest national figure of 27% (Community Life Survey 2020-21). The percentage agreeing has been between 27-30% over the past three years with the highest amount agreeing in Q1 2020-21.

% of Talkabout panel who give unpaid help to any group, club or organisation

78 Results from the Q3 2021-22 Talkabout survey found that 61% of panellists had given unpaid help to any group, club or organisation within the last 12 months. The percentage giving help had dipped in Q1 to 56% likely due to the many national restrictions in place during the 12 months leading up to that date. Although the latest figure is a little off the 65-67% giving help prior to the pandemic it is positive that this area seems to be recovering and is similar to the latest national figure of 62% taken from the government's Community Life Survey 2020-21.

Parliament Street Footfall

79 Footfall in Parliament Street during Q3 2021-22 totalled just under 2 million, which is broadly similar to figures seen during Q3 2019-20 (pre-pandemic) which totalled 2.1 million. This shows that the figures are heading in a much more positive direction and it is hopeful that this pattern will continue over the coming months.

An open and effective Council

An open and effective Council						
	Previous Data	Latest Data	DoT	Frequency	Benchmarks	Data Next Available
Forecast Budget Overtum (£000s Overspent / -Underspent) - CYC	£7,655 (excluding contingency) (Q2 2021/22)	£7,597 (excluding contingency) (Q3 2021/22)	➡	Quarterly	Not available	Q4 2021/22 data available in May 2022
Average Sickness Days per FTE - CYC (Excluding Schools) - (Rolling 12 Month)	9.28 (Q2 2021/22)	9.75 (November 2021)	➡	Monthly	CIPD Public Sector 2020/21 8	Q3 2021/22 data available in February 2022
Customer Services Waiting Times - Phone / Footfall / Webchat	00:01:20 (Phone) (Q2 2021/22)	00:01:28 (Phone) (Q3 2021/22)	➡	Monthly	Not available	Q4 2021/22 data available in May 2022
	84.40% (Footfall) (Q2 2021/22)	74.60% (Footfall) (Q3 2021/22)	➡	Monthly	Not available	Q4 2021/22 data available in May 2022
	55.00% (Webchat) (Q2 2021/22)	82.00% (Webchat) (Q3 2021/22)	➡	Monthly	Not available	Q4 2021/22 data available in May 2022
Number of days taken to process Housing Benefit new claims and change events (DWP measure)	3.46 (Q1 2021/22)	5.16 (August 2021)	⬆ Bad	Monthly	Not available	Q2 2021/22 data available in January 2022
% of 4Cs complaints (grade 1 and 2) responded to 'In Time'	84.60% (Q2 2021/22)	94.80% (Q3 2021/22)	⬆ Good	Monthly	Not available	Q4 2021/22 data available in May 2022
% of 4Cs complaints (grade 1 only) responded to 'In Time'	78.20% (Q2 2021/22)	93.30% (Q3 2021/22)	⬆ Good	Monthly	Not available	Q4 2021/22 data available in May 2022
CYC Apprenticeships	19 (Q2 2021/22)	19 (Q3 2021/22)	➡	Quarterly	Not available	Q4 2021/22 data available in May 2022
FOI & EIR - % In time - YTD	74.10% (Q2 2021/22)	75.30% (Q3 2021/22)	➡	Quarterly	Not available	Q4 2021/22 data available in May 2022

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All historic data is available via the Open Data Platform

Average Sickness Days per FTE - CYC (Excluding Schools)

80 At the end of November 2021, the average number of sickness days per FTE (rolling 12 months) has decreased to 9.75 days compared to 10.22 at the end of November 2020. Although the reduction since last year is positive, the reduction has levelled off and there has been a small increase in sickness days in the last few months due to pressures in frontline services.

Customer Services Waiting Times (Phone / Footfall / Webchat etc)

81 Customer Service is the main point of contact for residents and business visitors. Similar to previous years, throughout Q3 demand gradually reduced. The number of calls received decreased to 44,603 (61,568 in Q2 2021-22), with 78% answered (34,790). 31.6% of calls were answered within 20 seconds. As well as an increase in calls, which covered the initial launch of the new Parking System, the service is carrying a number of vacancies and a rolling programme of recruitment activity has been introduced in response. In addition, approximately 248 people contacted Customer Service for support due to the impact of COVID-19.

82 During Q3, 452 customers booked an appointment with Customer Service at West Offices and a further 2,537 'dropped by' and received support. This figure includes Probation Services, Registrars and Blue Badge assessments. The majority of people 'dropping in' can access services without having to come to West Offices. In addition to speaking to customers over the phone, the customer service team also responded to 12,174 e-mails (a decrease from 16,484 in the previous quarter). Customers are continuing to opt to access services using alternative means:

- 6,573 customers made payments using the auto payments facility
- 13,447 people used the auto operator
- 58% of issues available to report online were reported by customers on-line
- There were just around 1.8 million pages of the CYC website reviewed (in Q3 1,797,477 pages reviewed)
- Web chat is now available for Council Tax customers, with 1,762 customers using the chat service during Q3, 82% of customers waited no more than 20 seconds for their chat to be answered and 86% said they were satisfied with the service.

Number of days to process Benefit claims (currently Housing Benefit)

83 The average number of days taken to process a new Housing Benefit claim, or a change in circumstance, has increased, being just over five days during August 2021 (compared to under two days during March 2021). The team has also had to additionally administer covid grants to families for food and energy and administer the covid Test and Trace Isolation Grant process. York performance is consistent with the most recent national average of 5.1 days (2019-20).

84 Significant work is being completed by the benefits team on processing covid grants and dealing with changes to peoples circumstances, meaning staff have been diverted into these areas. Since the end of the last quarter, there have been further changes to the welfare support for residents during 2021-22. The local covid support grant that replaced the winter grant scheme until the end of September 2021 has now been replaced by the Household Support Fund (HSF) to the end of March 2022. The isolation grant scheme continues to March 2022 along with the CTS hardship scheme. The YFAS fund aimed at keeping residents in the community along with emergency payments continues to operate as normal. Support provided during 2021-22 to date includes:

- Over 6,250 CTS customers helped with council tax (£75) with a total value to date of £469k in 2021-22
- 2,846 Local Covid Support Grants to families totalling £390 (scheme now closed)
- 2,119 Isolation Grants totalling £1,059k (since 2020 to date)
- YFAS Payments totalling £172k to date in 2021-22
- Discretionary Housing Payments totalling £141k to date in 2021-22
- Mobile and internet access for digitally vulnerable residents totalling £2,650k to date in 2021-22
- HSF – 3,148 families to receive payments before Christmas with a total scheme commitment to date of £745k

% of 4C's Complaints responded to 'In Time' / % of Grade 1 4C's Complaints responded to 'In Time'

85 In Q3 2021/22 there were 376 complaints dealt with as either a grade 1 or grade 2 complaint under the corporate 4Cs and 94.8% were responded to within their required timescales. This is a further improvement for in time performance compared to the last reporting quarter and the Corporate Governance team will continue to work with managers and services across the council to maintain this improvement.

CYC Apprenticeships

86 When looking at the number of CYC stand-alone apprenticeships only, which excludes those within schools or being completed alongside existing roles, there were 19 at the end of December 2021 which is an increase from 13 at the end of June. Whilst the financial impact of the pandemic on the Local Authority's budget has greatly reduced its ability to create new roles, apprenticeships remain an integral part of the organisation's strategy to support succession planning and upskilling of the existing workforce. Employers are reporting an insufficient supply of applicants to fill apprenticeship vacancies which has also been the council's experience, with some of its recent 14 apprenticeship vacancies having been re-advertised due to a low number of applications. Despite the challenges, at 30 September 2021, there were a total of 53 forms of

apprenticeships active across the council and local authority maintained schools. 17 of these apprenticeships commenced within the last six months, compared to nine within the same period in 2020. More than half (10) of the 17 starts were new apprentice recruits. It has been agreed that a comprehensive report on apprenticeships be available every six months. The latest Apprenticeships Update, covering April – September 2021 activity, was submitted in October:

<http://modgov.york.gov.uk/ieListDocuments.aspx?CId=735&MId=12758>

FOI & EIR - % In time

- 87 In Q3 2021-22, the council received 392 FOIs (Freedom of Information Act requests) and EIRs (Environmental Information Regulation requests) and 26 SARs (subject access to records request). We achieved an 84.30% in-time compliance for FOIs and EIRs and 86.70% for SARs. This shows an improvement in the timeliness of FOI/EIR and SAR responses since the last reporting quarter. The Corporate Governance team will continue to monitor the in time performance in these areas and work with managers and service areas to continue to make sustained improvements.

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Executive**7 February 2022**

Report of the Chief Finance Officer
Portfolio of the Executive Member for Finance and Performance

Capital Programme – Monitor 3 2021/22**Summary**

- 1 The purpose of this report is to set out the projected outturn position for 2021/22 including any under/over spends and adjustments, along with requests to re-profile budgets to/from current and future years.
- 2 The 2021/22 capital programme approved by Council on 25 February 2021 and updated for amendments reported to Executive in the 2020/21 outturn report resulted in an approved capital budget of £143.262m.

Recommendations

- 3 Executive is asked to:
 - Recommend to Full Council the adjustments resulting in a decrease in the 2021/22 budget of £15.678m as detailed in the report and contained in Annex A.
 - Note the 2021/22 revised budget of £127.584m as set out in paragraph 6 and Table 1.
 - Note the restated capital programme for 2021/22 – 2025/26 as set Reason: to enable the effective management and monitoring of the Council's capital programme.

Consultation

- 4 The capital programme was developed under the capital budget process and agreed by Council on 25 February 2021. 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

- 5 A decrease of £15.678m is detailed in this monitor resulting in a revised capital programme for 2021/22 of £127.584m. There is an increase of £4.520m in 2021/22 and a re-profiling of budgets to future years totalling £15.678m. The majority of this re-profiling is due to delays in schemes such as Highways, Flood Alleviation schemes, Fleet Replacement & Acquisition schemes to match latest expected expenditure profiles and re-profiling of Basic Need grant funding.
- 6 Table 1 outlines the variances reported against each portfolio area and a summary of the key exceptions and implications on the capital programme are highlighted in the paragraphs that follow.

Department	Current Approved Budget £m	Projected Outturn £m	Adjustment £m	Reprofile £m	Total Variance £m	Paragraph Ref
Children's services	13.092	9.442	-	(3.650)	(3.650)	7 – 13
Adult Social Care	2.297	2.107	-	(0.190)	-	-
Housing & Community Safety	42.649	47.674	5.025	-	5.025	14 - 17
Transport, Highways & Environment	56.765	43.267	(0.505)	(12.993)	(13.498)	18 – 31
Property Services	16.760	16.008	-	(0.752)	(0.752)	32
Community Stadium & Other Major Projects	2.066	2.066	-	-	-	-
FM & Buildings	1.911	0.431	(0.965)	(0.515)	(1.480)	33 – 36
ICT	2.475	3.598	-	1.123	1.123	37 - 42
Customer & Corporate Services	2.209	2.209	-	-	-	-
Communities, Culture & Public Realm	3.038	0.617	-	(2.421)	(2.421)	43
Climate Change	-	0.165	0.965	(0.800)	0.165	36
Total	143.262	127.584	4.520	(20.198)	(15.678)	

Table 1 Capital Programme Forecast Outturn 2021/22

Analysis

Children, Education & Communities

- 7 Amendments to this area of the capital programme have resulted in a reduction of £3.650m in 2021/22.

Scheme	Amendment	21/22 £m	22/23 £m	23/24 £m	Further Details – Paragraph ref
Basic Need	Re-profile	(0.500)	(2.500)	3.000	9
Fulford School Expansion Phase 1 and 2	Re-profile	(1.500)	(0.500)	2.000	10
Schools essential building work	Re-profile	(0.300)	0.300	-	11
Schools essential mechanical & electrical work	Re-profile	(0.350)	0.350	-	11
Children in Care Residential Commissioning Plan	Re-profile	(1.000)	1.000	-	12

- 8 The total approved budget within the Children's Services and Education Capital Programme for 2021/22 is £13.092m. Only a small number of budget reprofiling requests are detailed in this monitor.
- 9 The current approved budget for the main Basic Need scheme in the programme is £997k. As little further work is expected to be committed in 2021/22 from this budget it is proposed to re-profile a further £0.5m into 2022/23. This leaves an amount of £0.497m in the budget for 2021/22, to deal with any additional urgent requirements before the year-end, for example if additional resources are required to supplement the SEND expansion of Facilities scheme as a result of the Inclusion Review
- 10 The major expansion scheme at Fulford School has been delayed due to the requirement to ensure all planning conditions were fulfilled before the contractor is able to begin on site. The main contract work is now scheduled to begin in January 2022, therefore the spend profile needs to be further adjusted throughout the life of the scheme. It is proposed to re-profile an amount of £1.5m from 2021/22 into 2022/23, then re-profile £2m into 2023/24 to better reflect the latest expected spend profile.

- 11 As reported at monitor 2, a significant number of schemes were carried out over the summer of 2021 within the School Condition and Maintenance programme, including many schemes postponed from 2020 due to the Covid pandemic. Within the overall condition and maintenance programme a further amount of reprofiling across the various schemes totalling £650k into 2022/23 is now requested due to further underspends and to deal with retention payments.
- 12 Investment within the scheme in the programme for the development and acquisition of residential accommodation for children is still being developed, therefore it is unlikely that there will be significant spend in 2021/22. At this stage it is recommended that an amount of £1m of the £1.358m is reprofiled into 2022/23.
- 13 Work is currently underway at two properties within the scheme for investment in adaptations in Foster Carers homes.

Housing & Community Safety

- 14 Amendments to this area of the capital programme have resulted in an increase of £5.025m in 2021/22.

Scheme	Amendment	21/22 £m	Further Details – Paragraph ref
Home Upgrade grant	Adjustment	2.383	15
Local Authority Homes – New Build Project	Adjustment	(0.500)	16
LA Homes – Hospital Fields/ Ordnance Lane	Adjustment	2.429	17
Tang Hall Site enabling works	Adjustment	0.119	17
Chalnor Road site enabling works	Adjustment	0.094	17

- 15 A further £2.383m has been awarded for energy efficiency work in homes through the Sustainable Warmth Competition. The funding is to upgrade homes both on and off the mains gas grid for low-income households heated by mains gas.
- 16 Executive on 14th October 2021 agreed to allocate an additional £500k from the Housing Delivery Programme capital programme budget in order to

undertake detailed design work at the Ordnance Lane and Hospital Fields Road site in conjunction with the submission of the planning application and completing the financial business case for this site.

- 17 The Housing Delivery Team have also secured £2.64m in Brownfield Land Release Funds to assist with addressing abnormal costs and undertake enabling works at Ordnance Lane (£2.429m), Tang Hall site (£119k) and Chaloner Garages (£94k)

Transport, Highways & Environment

- 18 Amendments to this area of the capital programme have resulted in a reduction of £13.498m in 2021/22.

Scheme	Amendment	21/22 £m	22/23 £m	23/24 £m	24/25 £m	25/26 £m	Further Details – Paragraph ref
Highways Schemes	Adjustment	(0.500)	-	-	-	-	19 – 20
Highways Schemes	Re-profile	(0.595)	0.595	-	-	-	21
Drainage Investigation and Renewal	Re-profile	(0.200)	0.200	-	-	-	22
Built Environment Fund – Hostile Vehicle Mitigation	Adjustment	0.500	-	-	-	-	25
Built Environment Fund – Hostile Vehicle Mitigation	Re-profile	(1.632)	1.632	-	-	-	25
Replacement Vehicles & Plant	Re-profile	(3.306)	3.306	-	-	-	23
Fleet Acquisition	Re-profile	(1.930)	1.930	-	-	-	-
Local Transport Plant (LTP)	Re-profile	(1.818)	1.818	-	-	-	24
Electric Charging Infrastructure	Re-profile	(0.900)	0.900	-	-	-	26
York City Walls Restoration Programme	Adjustment	(0.305)	0.305	-	-	-	27

WYTF – Castle Gateway Development	Re-profile	(0.155)	0.155	-	-	-	31
WYTF – Castle Gateway Development	Adjustment	-	1.940	1.347	0.908	0.050	31
WYTF – Station Frontage	Re-profile	(1.922)	(11.934)	9.546	4.310	-	28
City Fibre Network	Adjustment	(0.410)	-	-	-	-	29
Traffic Control/reduction	Re-profile	(0.230)	0.230	-	-	-	30

- 19 Within the highways capital scheme there was £1,640k of unallocated funding that was added to the 2021/22 programme after the annual highway maintenance report, of schemes to be delivered, was agreed. This was due to additional DfT funding provided over and above that assumed in the budget process. This has been used to fund the purchase of land near Haxby relating to the Haxby Station Project (Executive 30th Sept 2021) and £500k to cover the Hostile Vehicle Measures (Executive 13th January 2022). The adjustment in the table above 500k between highways schemes and Built Environment Fund reflects this agreed amendment and also slippage of the majority of the Hostile Vehicle Mitigation scheme which is currently anticipated to be delivered in 2022/23.
- 20 The remaining £890k is proposed to be used to deliver various highway schemes across cycle margin repairs, concrete road joint repairs and rubber replacement speed cushions (£600k) highways works at Danesgate (£190k), street lighting safety improvements (£65k) and £35k relating to unadopted roads condition surveys.
- 21 The programme assumes £7.7m of spend across Highway schemes over the year. There is a small amount of slippage of £595k identified where various footway and carriageway schemes are being reprofiled until 2022/23 to optimise with works in the same areas and to allow design complexities to be resolved.
- 22 There is a delay to the drainage scheme on Kent Street which requires design issues to be resolved and to allow for the appropriate road space to be booked. This is therefore programmed for delivery in 2022/23.
- 23 There is slippage across the vehicle replacement programme as there are significant lead in times for many of the vehicles ordered and they will not be delivered before 31st March 2022.

- 24 A number of transport schemes have been completed, including upgrades to traffic signals at eight locations through the TSAR programme, improvements to car park signage, installation of new pay-on-exit systems at Marygate and Coppergate car parks, installation of a trial one-way system on Navigation Road, measures to improve safety at Clifton Green Primary School and at Hempland Lane/ Hempland Avenue, improvements to Speed Management measures at Elvington Lane and Sim Balk Lane, and an extension of the existing 20mph limit at Osbaldwick. A number of other schemes are being prepared for implementation in early 2022, and feasibility and design work is being progressed to develop schemes for implementation in 2022/23. Construction work on the Monks Cross Hyper Hub is complete, but the final electrical connection has been delayed due to historical legal issues, which are being addressed by the council's legal team, with the aim opening the site early in 2022 once the final connection to the grid is completed. The Poppleton Bar Hyper Hub is close to completion. Commissioning of the chargers, batteries, and electrical equipment will be carried out in December, and the site should be opened to the public by the end of January 2022.
- 25 It is proposed that the additional DfT funding of £500k for TSAR schemes is being reprofiled as it is programmed to be spent in 2022/23 once feasibility and design for schemes has been undertaken. There is also reprofiling of schemes in the active travel programme these schemes with new project managers being appointed will allow the schemes to progress in 2022/23.
- 26 The electric charging infrastructure scheme at Hazel Court has been reprofiled as scheme delivery will not be fully complete in 2021/22. The infrastructure will be ready for the delivery of the first phase of Building Services electric vehicles in mid 2022/23.
- 27 There are two bar walls schemes around Bootham Bar where scheme delivery will now take place in 2022/23 once the planning stage has been completed.
- 28 The station frontage scheme has been reprofiled to match the latest delivery timescales as updated to Executive in November 2021.
- 29 The city fibre scheme has progressed to completion and this funding allocation is not required to complete the scheme
- 30 The traffic control scheme at Victoria Bar is on hold following requests to extend the scope of the scheme to review the wider area and the need to consider the proposals to reduce car levels in the city centre. It is proposed

to reprofile the funding to 2022/23 to allow a scheme to be developed that could incorporate all of these proposals and include the wider aims of the council's fourth Local Transport Plan.

- 31 To rationalise the funding arrangements for the Outer Ring Road and Castle Gateway schemes it is proposed to switch funding sources between the two schemes. There is no overall change to the funding allocation for each scheme. It is proposed to transfer £3.5m of indicative WY+TF funding to the Outer Ring Road scheme and in return transfer £3.5m of CYC resources from the Outer Ring Road scheme to the Castle Gateway scheme. These changes will be subject to approval by the West Yorkshire Combined Authority.

Property Services

- 32 Amendments to this area of the capital programme have resulted in a decrease of £752k in 2021/22

Scheme	Amendment	21/22 £m	22/23 £m	Further Details – Paragraph ref
Holgate Park Land – York Central Land and Clearance	Re-profile	(0.397)	0.397	-
Community Asset Transfer	Re-profile	(0.175)	0.175	-
Shambles Modernisation - Power	Re-profile	(0.180)	0.180	-
Castle Gateway (Picadilly Regeneration)	Adjustment	-	3.500	31

Guildhall

- 33 The delivery of the Guildhall project has continued through Q3 with further project milestones being achieved: the new floor to the Guildhall; the final internal finishes to the Victorian Block; the completion of most services ahead of the commissioning stage. The complexity of the project and the challenges co-ordinating the different elements; new build, conservation work, and renewal of services on the tight site, compounded by some further Covid / supply chain disruption has seen the completion date slip further into early March 2022.
- 34 Members are aware of the previously reported delays relating to; structural defects requiring further underpinning and piling work, high river levels, archaeology and further drainage work. The most recent delay has been that in securing the new electricity supply, which has only just been made

available as a result of a series of issues as follows; firstly in securing the necessary wayleave agreements from adjoining owners, and then with the meter installation. The project team continue to work closely with the contractor and the University to manage and mitigate the impact of these delays.

- 35 The full extent of delay to the works is likely to be circa 52 weeks and the additional costs associated with this and the additional works necessary to complete the project to the required standard are proportionate.
- 36 A full report setting out the outturn position for the contract and the additional costs involved will be brought forward and presented when these have been agreed with the contractor in accordance with the terms of the contract. At this time the project team remain focussed on completing the project, which is progressing well towards completion. Plans are being put in place to provide opportunities for the building to be opened up on completion, so that the extent of the transformation and the value of the investment can be fully appreciated.

FM & Buildings

- 37 Amendments to this area of the capital programme have resulted in a decrease of £1.315m in 2021/22

Scheme	Amendment	21/22 £m	22/23 £m	Further Details – Paragraph ref
Removal of Asbestos	Re-profile	(0.137)	0.137	38
Crematorium Waiting Room	Re-profile	(0.242)	0.242	39
Climate Change Schemes incl Northern Forest	Re-profile	(0.800)	0.800	40
Climate Change Schemes incl Northern Forest	Adjustment	(0.965)	-	40

- 38 No schemes have been identified for the removal Asbestos scheme this financial year and therefore it is recommended that the remainder of the budget is slipped into 2022/23.
- 39 Contract terms have now been agreed with the preferred supplier of the Crematorium Waiting Room and a contract will be awarded shortly. However

as the supplier needs to submit a planning application ahead of manufacturing the waiting room structure, the works will be paid in 2023/23 and slippage of the budget is proposed.

- 40 The York Community Woodland will now be delivered through the Council's preferred partner, Forestry England, who will be responsible for the creation and management of the woodland. They will also access external capital funding to do so. As a result, the financial commitments for the Council in this financial year have reduced significantly. Slippage of £800k is proposed at Monitor 3. This scheme has also been moved into the Climate Change area from FM & Buildings in line with the Council structure.

Customer & Corporate Services - IT

- 41 The ICT capital programme has a budget of £2,475k for 2021/22
- 42 During the year, the procurement process to secure a new Managed Service provider has concluded and the phased work programme to implement the significant infrastructure technology refresh has been initiated and is underway. The first phase includes the upgrade and replacement of our WIFI platform which is essential to enable and support the Working as One programme, and was a key requirement of the tender process
- 43 Our new MSA provider has taken early positive action to secure the required equipment and resources which means that we are able to deliver significant elements of this important refresh within this financial year. This will require an early drawdown of identified and planned capital from the 5 year ICT Development Plan rolling programme of work and total capital expenditure in 21/22 is now forecast to be £3.598m
- 44 The Working as One programme has develop and provided ICT solutions to support all staff working flexibly and at home due to the pandemic and will continue to support new ways of working over the coming months
- 45 A new parking applications has been procured and delivered and the iTrent HR and payroll system has been re-procured for a further 3 years
- 46 Work also continues to further develop and expand the cities digital connectivity landscape that is providing the city's residents, communities and businesses access to enhanced broadband services both within our more rural communities and suburban areas through the multiple programmes that the service is working within

Communities, Culture & Public Realm

47 Executive received an update on the Future Libraries Investment Programme in January 2022 which detailed the investment planned at Libraries in Haxby, Clifton and Acomb. The amendments to the programme in this report reflects the phased investment and amendments to the Children's Services budgets and Carbon reduction budgets that are contributing to the scheme costs.

Summary

48 As a result of the changes highlighted above the revised 5 year capital programme is summarised in Table 2.

Gross Capital Programme	2021/22	2022/23	2023/24	2024/25	2025/26	Total
	£m	£m	£m	£m	£m	£m
Childrens services	9.442	19.899	5.000	-	-	34.341
Adult Social Care	2.107	0.738	0.750	0.682	0.705	4.982
Housing & Community Safety	47.674	48.694	42.318	33.544	32.104	204.334
Transport, Highways & Environment	43.276	38.979	46.881	42.618	14.290	186.035
Property Services	16.008	4.830	38.749	0.250	0.250	60.087
Community Stadium	2.066	-	-	-	-	2.066
FM & Buildings	0.431	0.665	-	-	-	1.096
ICT	3.598	1.067	2.070	2.070	2.920	11.725
Customer & Corporate Services	2.209	0.400	0.200	0.200	0.200	3.209
Communities, Culture & Public Realm	0.617	1.950	3.700	0.726	-	6.993
Climate Change	0.165	1.100	0.400	0.250	0.250	2.165
Revised Programme	127.584	118.322	140.068	80.340	50.719	517.033

**Table 2 Revised 5 Year Capital Programme
Funding the 2021/22 – 2025/26 Capital Programme**

49 The revised 2021/22 capital programme of £127.584m is funded from £41.946m of external funding and £85.638m of internal funding. Table 3 shows the projected call on resources going forward.

	2021/22	2022/23	2023/24	2024/25	2025/26	Total
	£m	£m	£m	£m	£m	£m
Gross Capital Programme	127.584	118.322	140.068	80.340	50.719	517.033
Funded by:						
External Funding	41.946	37.010	47.339	34.584	9.105	169.984
Council Controlled Resources	85.638	81.312	92.729	45.030	41.614	347.049
Total Funding	127.584	118.322	140.068	80.340	50.719	517.033

Table 3 – 2021/22 –2025/26 Capital Programme Financing

50 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

51 In financing the overall capital programme the Chief Finance Officer will use the optimum mix of funding sources available to achieve the best financial position for the Council. Therefore an option for any new capital receipts would be to use these to replace assumed borrowing, thereby reducing the Councils' borrowing levels and associated revenue costs.

Council Plan

52 The information contained in this report demonstrates progress in achieving the priorities set out in the Council Plan.

Implications

53 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

54 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.

Contact Details

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	Report Approved	√	Date 26/1/22
Wards Affected: All			
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Specialist Implications:
<i>Legal – Not Applicable</i>
<i>Property – Not Applicable</i>
<i>Information Technology – Not Applicable</i>

Annexes

Annex A – Capital Programme 2021/22 to 2025/26

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	2021/22	2022/23	2023/24	2024/25	2025/26	Total Capital Programme 2021/22- 2025/26 £000
	£000	£000	£000	£000	£000	£000
CHILDRENS SERVICES						
Basic Need	497	9,987	3,000	0	0	13,484
Fulford School Expansion 2020 Phase 1 and 2	1,303	3,000	2,000	0	0	6,303
DfE Maintenance	2,934	0	0	0	0	2,934
Schools Essential Building Work	950	1,608	0	0	0	2,558
Schools Essential Mechanical & Electrical Work	962	1,589	0	0	0	2,551
Danesgate Extension 2022	0	1,900	0	0	0	1,900
Children in Care Residential Commissioning Plan	358	1,000	0	0	0	1,358
Expansion and Improvement of Facilities for Pupils with SEND	339	300	0	0	0	639
Applefields Extension Work 2021 and 2022	250	515	0	0	0	765
Improving School Accessibility	682	0	0	0	0	682
Southbank Expansion	311	0	0	0	0	311
Centre of Excellence for Disabled Children (Lincoln Court)	241	0	0	0	0	241
NDS Devolved Capital	231	0	0	0	0	231
Family Drug & Alcohol Assess/Recovery Facility	100	0	0	0	0	100
Adaptions to Foster Carer Homes	100	0	0	0	0	100
Healthy Pupils Capital Fund	93	0	0	0	0	93
Archbishop Holgate's School Expansion	91	0	0	0	0	91
Children & Young Peoples services & Building based provision review	0	0	0	0	0	0
ADULT SOCIAL CARE						
Telecare Equipment and Infrastructure	276	259	267	275	283	1,360
Disabled Support Grant	268	240	250	260	270	1,288
Major Items of Disability Equipment	160	139	143	147	152	741
OPA-Community Space at Marjorie WaiteCourt	557	0	0	0	0	557
OPA-Ashfield Estate Sports Pitches	393	0	0	0	0	393
Proof of Concept for robotics & AI within social care	10	100	90	0	0	200
OPA-Haxby Hall	170	0	0	0	0	170
OPA Residual Enabling Work	141	0	0	0	0	141
OPA - the Centre@Burnholme including enabling works	73	0	0	0	0	73
OPA-Burnholme Sports Facilities	59	0	0	0	0	59
HOUSING & COMMUNITY SAFETY (HRA & GF)						
Local Authority Homes - New Build Project	500	11,900	18,343	20,000	18,829	69,572
Major Repairs & Modernisation of Local Authority Homes	10,866	9,915	8,462	8,769	8,720	46,732
LA Homes - Burnholme	3,182	11,000	7,345	600	0	22,127
Lowfield Housing	10,230	3,900	700	0	0	14,830
Disabled Facilities Grant (Gfund)	2,119	2,106	2,236	2,375	2,375	11,211
Duncombe Barracks	1,589	5,500	1,862	0	0	8,951
Local Authority Homes - Phase 2	1,679	2,303	1,200	0	0	5,182
Home Upgrade Grant (G/fund)	5,043	0	0	0	0	5,043
Local Authority Homes - Project Team	683	680	830	1,000	1,370	4,563
LA Homes - Hospital Fields/Ordnance Lane	3,521	0	0	0	0	3,521
Assistance to Older & Disabled People	728	610	620	630	640	3,228
Shared Ownership Scheme	3,062	0	0	0	0	3,062
LA Homes Energy Efficiency Programme	1,500	250	250	0	0	2,000
Extension to Marjorie Waite Court	1,107	200	0	0	0	1,307
Housing Environmental Improvement Programme	363	170	170	170	170	1,043
IT Infrastructure	600	0	0	0	0	600
Water Mains Upgrade	60	110	300	0	0	470
James House	183	0	0	0	0	183
Lincoln Court Independent Living Scheme	127	0	0	0	0	127
Willow House Housing Development	120	0	0	0	0	120
Tang Hall Library Site Enabling Works (G/fund)	119	0	0	0	0	119
Empty Homes (Gfund)	50	50	0	0	0	100
Chaloner Road Site Enabling Works	94	0	0	0	0	94
Extension to Glen Lodge	88	0	0	0	0	88
Local Authority Homes - Phase 1	61	0	0	0	0	61
TRANSPORT, HIGHWAYS & ENVIRONMENT						
York Outer Ring Road - Dualling	3,107	3,422	23,330	29,084	3,640	62,583
Highway Schemes	7,679	8,892	7,377	5,780	7,280	37,008
WYTF - Station Frontage	2,941	5,479	11,377	4,310	0	24,107
Local Transport Plan (LTP) *	4,332	3,388	1,570	1,570	1,570	12,430
Highways - Tadcaster Road	4,840	0	0	0	0	4,840
WYTF - Castle Gateway Development	200	2,095	1,347	908	50	4,600
Drainage Investigation & Renewal	631	1,050	700	700	900	3,981
Waste Vehicle Replacement	3,695	0	0	0	0	3,695
Replacement Vehicles & Plant	207	3,306	0	0	0	3,513
Flood Alleviation Schemes including Germany Beck	2,300	1,000	0	0	0	3,300
Replacement of Unsound Lighting Columns	618	644	644	66	550	2,522
York City Walls Restoration Programme	987	681	336	0	300	2,304
Fleet Acquisition	221	1,930	0	0	0	2,151
Highways & Transport - Ward Committees	1,730	250	0	0	0	1,980
Built Environment Fund - Hostile Vehicle Mitigation	197	1,632	0	0	0	1,829
Electric charging Infrastructure	900	900	0	0	0	1,800
Smarter Travel Evolution Programme	1,500	0	0	0	0	1,500
Flood Scheme Contributions	0	1,500	0	0	0	1,500
TCF - Tadcaster Road Improvements	150	1,280	0	0	0	1,430
Essential Bridge Maintenance	0	1,100	0	0	0	1,100
Hyper Hubs	1,003	0	0	0	0	1,003
Highways Drainage Works	274	200	200	200	0	874
Haxby Station	650	0	0	0	0	650
Special Bridge Maintenance (Struct maint)	515	0	0	0	0	515
Fordlands Road Flood Defences	486	0	0	0	0	486
Clean Air Zone	463	0	0	0	0	463
National Cycle Network 65 Targeted Repairs	378	0	0	0	0	378

EV Charging Asset Replacement	374	0	0	0	0	374
Fleet & Workshop Compliance	338	0	0	0	0	338
Flood Defences	317	0	0	0	0	317
Better Play Areas	272	0	0	0	0	272
Litter Bin Replacement Programme	241	0	0	0	0	241
Traffic control/ reduction and public realm improvements in Bishophill/ Mi	0	230	0	0	0	230
Knavesmire Culverts	227	0	0	0	0	227
Better Bus Area Fund	217	0	0	0	0	217
Flood Sign Renewal and Rainfall monitoring	200	0	0	0	0	200
Scarborough Bridge	178	0	0	0	0	178
CCTV Asset Renewal	157	0	0	0	0	157
River Bank repairs	149	0	0	0	0	149
Stonegate Natural Stone Renewal	123	0	0	0	0	123
Rowntree Park Lodge	121	0	0	0	0	121
Non Illuminated Structural asset renewal	116	0	0	0	0	116
Access Barrier Review	100	0	0	0	0	100
Wheeled Bins in Back Lane and Terraced Areas	61	0	0	0	0	61
Car Park Improvements	38	0	0	0	0	38
Hazel Court conversion of storage area to operational hub	17	0	0	0	0	17
Public Realm footpaths	16	0	0	0	0	16
Pothole spotter trial	1	0	0	0	0	1
City Fibre Network	0	0	0	0	0	0
Wayfinding	0	0	0	0	0	0
PROPERTY SERVICES						
York Central Infrastructure	4,136	300	38,476	0	0	42,912
Guildhall	7,791	0	0	0	0	7,791
Castle Gateway (Picadilly Regeneration)	2,828	3,500	0	0	0	6,328
Asset Maintenance + Critical H&S Repairs	356	250	250	250	250	1,356
Holgate Park Land – York Central Land and Clearance	0	397	0	0	0	397
LCR Revolving Investment Fund	300	0	0	0	0	300
29 Castlegate	270	0	0	0	0	270
Commercial Property Acquisition incl Swinegate	196	0	0	0	0	196
Shambles Modernisation - Power	0	180	0	0	0	180
Community Asset Transfer	0	175	0	0	0	175
York Central	75	0	0	0	0	75
Air Quality Monitoring (Gfund)	23	28	23	0	0	74
Built Environment Fund - Shopping Area Improvements	17	0	0	0	0	17
Shambles Health & Safety	16	0	0	0	0	16
FM & BUILDINGS						
Crematorium Waiting Room	0	242	0	0	0	242
Removal of Asbestos	0	237	0	0	0	237
West Offices - Major repairs	237	0	0	0	0	237
Hazel Court welfare facilities	0	96	0	0	0	96
Photovoltaic Energy Programme	94	0	0	0	0	94
Fire Safety Regulations - Adaptations	27	50	0	0	0	77
Registry office Phase 2 Refurbishment	33	40	0	0	0	73
Mansion House Restoration	24	0	0	0	0	24
Replacement of 2 Cremators	16	0	0	0	0	16
STADIUM & MAJOR PROJECTS						
Community Stadium	2,066	0	0	0	0	2,066
ICT						
IT Development plan	3,598	947	2,070	2,070	2,920	11,605
IT Superconnected Cities	0	120	0	0	0	120
CUSTOMER & CORPORATE SERVICES						
Project Support Fund	407	400	200	200	200	1,407
Covid Recovery Fund	1,000	0	0	0	0	1,000
Capital Contingency	802	0	0	0	0	802
COMMUNITIES, CULTURE & PUBLIC REALM						
Libraries as Centres of Learning and Opportunity for all: Acomb & Clifton	325	1,950	3,700	726	0	6,701
Westfield Multi Use Games Area	200	0	0	0	0	200
Energise Roof	58	0	0	0	0	58
Explore Central Library Urgent Roof repairs	34	0	0	0	0	34
Haxby Library Reprovision	0	0	0	0	0	0
CLIMATE CHANGE						
Climate Change schemes including Northern Forest	165	1,100	400	250	250	2,165
GROSS EXPENDITURE BY DEPARTMENT						
PEOPLE DIRECTORATE						
CHILDRENS SERVICES	9,442	19,899	5,000	0	0	34,341
ADULT SOCIAL CARE	2,107	738	750	682	705	4,982
PLACE DIRECTORATE						
HOUSING & COMMUNITY SAFETY (HRA & GF)	47,674	48,694	42,318	33,544	32,104	204,334
TRANSPORT, HIGHWAYS & ENVIRONMENT	43,267	38,979	46,881	42,618	14,290	186,035
PROPERTY SERVICES	16,008	4,830	38,749	250	250	60,087
FM & BUILDINGS	431	665	0	0	0	1,096
CHIEF OPERATING OFFICER						
STADIUM & MAJOR PROJECTS	2,066	0	0	0	0	2,066
ICT	3,598	1,067	2,070	2,070	2,920	11,725
CUSTOMER & CORPORATE SERVICES	2,209	400	200	200	200	3,209
COMMUNITIES, CULTURE & PUBLIC REALM	617	1,950	3,700	726	0	6,993
CLIMATE CHANGE	165	1,100	400	250	250	2,165
TOTAL BY DEPARTMENT	127,584	118,322	140,068	80,340	50,719	517,033
TOTAL GROSS EXPENDITURE	127,584	118,322	140,068	80,340	50,719	517,033
TOTAL EXTERNAL FUNDING	41,946	37,010	47,339	34,584	9,105	169,984
TOTAL INTERNAL FUNDING	85,638	81,312	92,729	45,756	41,614	347,049



Executive**7 February 2022**

Report of the Chief Finance Officer (s151 Officer)
Portfolio of the Executive Member for Finance and Performance

Financial Strategy 2022/23 to 2026/27**Summary**

1. This report presents the financial strategy 2022/23 to 2026/27, including detailed revenue budget proposals for 2022/23, 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 2022/23 with savings proposals totalling £6.4m, equivalent to 4.7% 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. Overall £16.135m in additional revenue funding will be added to the Council's 2022/23 budget to meet continuing pressures on adult social care and children's services, to support the Council's response to the Covid-19 pandemic and maintain progress on the objectives outlined in the Council Plan. Specific examples of revenue investment include;
 - Good Health & Wellbeing – revenue investment in 2022/23 of £4.5m in health and adult social care in addition to the £1m one off support agreed last year, 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 - revenue investment in 2022/23 of over £4.7m, in addition to the £1m one off investment agreed last year to support children and young people across the city, including further funding for social care staff.
 - An additional £50k to support residents with the lowest incomes by extension of the winter fuel voucher scheme.
 - An additional £30k to support winter gritting.

- An additional £20k one off funding to support the resourcing need and work of the independent, inter-sectional Anti-Racist Working Group, to support the council motion 'Making York an Anti-Racist and Inclusive City' which was approved by Full Council on 21st October 2021.
 - An additional £30k to support the Executive decision in November 2021 to approve the creation of an Access Officer post to support the Strategic Review of City Centre Access and associated Action Plan to help deliver the agreed mitigation measures to improve access for blue badge holders.
 - Creating homes and world class infrastructure - revenue investment in 2022/23 of £1.6m to fund the prior year capital programme to continue the on-going work of the Housing Delivery Programme, York Central, Castle Gateway, Highways investment, vehicle replacement, The Guildhall, Station Frontage and other crucial major projects.
 - Getting around sustainably - revenue investment in 2022/23 of a further £150k one off funding to deliver the development of the Local Transport Plan subject to city wide consultation on the strategy that will help to move the city towards zero carbon by 2030 and underpin our commitment to tackling congestion and traffic pollution in York.
3. The budget proposals outlined ensure that additional investment is made into both People and Place directorates with more than £2.8m savings being made across corporate back office functions in other directorates. Ensuring that there is the capacity to invest in council priorities and accelerate recovery from the pandemic has been a critical part of the budget deliberations, including protecting the council's capacity to take forward its climate change ambitions.
4. Given the continued financial challenges due to the pandemic, the Council is addressing this by continuing to invest £1.1million in the Covid-19 Recovery Fund which was created as a one off last year. This will allow provision of the following measures, alongside a contingency amount for any further impact where we may need to react quickly to changing circumstances:
- £200k to support Covid-19 recovery efforts in local communities across the city
 - £100k will be invested to give holiday hunger support to children
 - £100k will be used to support education catch-up. To develop reintegration pathways for children who have become disengaged

from school – this will include training for all schools on trauma informed practice with specific outcomes linked to the review and development of school attendance policies and develop an attendance champions network across all schools.

- £50k to support York's bid for Great British Railways, Places for Growth and Devolution
- £50k to provide sustainable travel incentives to support recovery and build back confidence in public transport
- £150k will be used to assist households via the York Financial Assistance Fund, helping residents on the lowest incomes mitigate the financial impact of the pandemic
- £100k additional growth to extend mental health support (total budget including 21/22 allocation of £300k)
- £50k to continue to support local businesses during recovery

5. The Council continues to face unprecedented financial challenges due to the impact of the Covid-19 pandemic and demand for Council services has increased. This has generated an in-year financial pressure totalling £9.1m for the Council (mitigated to £4.5m), as noted to Executive in the latest Financial and Performance Monitor, which is also on the agenda for this meeting.
6. As a consequence of the Covid-19 pandemic, the Council must maintain a stable and resilient financial position for the next financial year in the midst of this unprecedented level of uncertainty and economic challenge.
7. It should also be recognised that, like all local authorities in England, funding from central Government grants have significantly reduced over the past decade. For example, in 2011, City of York Council received £56m from the Revenue Support Grant. Now in 2021, the Council receives only £540k of this grant which is rolled into the Council's share of Business Rates.
8. In October 2021, the Chancellor announced the Government's 3-year Spending Review. In response to the Spending Review, the Council's submission outlined the need for long-term funding certainty to address the immediate funding challenges local authorities are facing across the country; the need for more funding to support people into jobs, particularly in sectors critical for the UK's sustainable recovery; and highlighted the case to replace business rates with a model which provides a 21st century system to support innovation alongside supporting our high streets.

9. Other key issues included in the budget proposals are as follows;
- A proposed basic council tax increase of 1.99 % in 2022/23.
 - In addition an increase of 1% in line with the government's social care precept, equating to additional income of £980k, which provides support for social care
 - Revenue savings of £6.4m in 2022/23
 - Ensuring a financially prudent budget by addressing known budget pressures, including likely pay awards and inflationary pressures
 - A net revenue budget of £135.384m, which will be funded by:
 - i. Council tax income of £102.043m
 - ii. Retained business rates of £33.341m
10. Due to the uncertainty of the financial situation, and the need to invest in recovery, the Council has reviewed the level of capital investment needed. The Council's main focus is to build back better from the pandemic. This budget continues the Council's transformational £570m capital programme, to drive regeneration and accelerate the city's economic recovery.
11. The Capital Budget report sets out proposals for reprioritisation of investment. These continue the council's approach to prioritise investment in the economy, housing, transport, and to invest to save including energy efficiency. Some of the key capital projects include;
- £43m to progress the York Central scheme
 - £25m to progress the Station Frontage Scheme
 - £66m to improve the city's road network infrastructure and accelerate the delivery of flood defences, in conjunction with local and regional flood defence funding
 - £15m on the fleet replacement programme
 - £11m to progress regeneration schemes in the city, including Castle Gateway and the Guildhall
 - £63m to further develop the York Outer Ring Road, including cycling and walking improvements in the vicinity of the ring road
 - £126m to deliver more housing across the city, including affordable housing

12. The following table shows the 2022/23 budget position after taking account of the expenditure and funding changes outlined throughout the report. Further detail is provided at annex 1.

Summary	2022/23 £'000
Total investment (Table 3)	16,135
Total net funding changes (Table 4)	-3,623
Total changes in council tax (Table 5)	-3,992
Total changes in business rates income (Table 6)	0
Total savings and income generation (Table 7)	-7,870
New homes bonus funding (Table 8)	-650
Budget gap	0

Table 1 – Budget position summary

Recommendations

13. Members are asked to consider the appropriate levels of council tax that they wish to see levied by the City of York Council for 2022/23. 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
14. 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 £135.384m
 - A council tax requirement of £102.043m
 - The revenue growth proposals as outlined in the body of the report

- The 2022/23 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) savings proposals set out in annex 6 and the HRA 2022/23 budget set out in annex 7
- The dedicated schools grant proposals outlined from paragraph 194
- The use of £650k New Homes Bonus to fund one off investment, as outlined in paragraph 118

Reason: To ensure a legally balanced budget is set

15. The effect of approving the income and expenditure proposals included in the recommendations would result in a 2.99% increase in the City of York element of the council tax, 1% 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 17 February 2022.
16. Members are asked to approve the charge of a 300% premium on Council Tax for properties empty for over 10 years, as described in paragraph 130
17. Members are asked to approve the average rent increase, based on national formulas linked to RPI and CPI, of 4.1% to be applied to all rents for 2022/23, with the exception of shared ownership tenants, as described in paragraphs 188 and 190.
18. Members are asked to approve the average rent increase, based on national formulas linked to RPI and CPI, of 5.4% to be applied for shared ownership tenants that have held an equity share in their property for more than 12 months as at 1st April 2022, on the portion of the property owned by City of York Council, as described in paragraph 191.

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

19. 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 wide range of significant pressures. The additional pressure on Council finances due to Covid-19 has added to the uncertainty, just like the many thousands of businesses and organisations across the country. Demand for services has increased, at the same time income has significantly fallen.
20. Analysis from the Local Government Association (LGA) suggests that Councils in England will face a funding gap of more than £5 billion by 2024 to maintain services at current levels. It is also suggested that this figure could double amid the huge economic and societal uncertainty caused by the Covid-19 pandemic. As part of this work, the LGA recommends to Government that £10 billion is needed to not only plug this gap, but meet growing demand pressures and improve services for communities.
21. The Spending Review 2021 was announced on 27 October 2021 to cover the 3 years from 2022/23 to 2024/25. At the national level the headlines were:
 - Local government will receive an additional £4.8bn in “core” grant funding over the next 3 years (roughly an additional £1.6bn in each year). The increase in grant funding is front-loaded, with almost all the increase in grant in 2022-23, and very little increase in the two later years.
 - Separately, local government will receive £3.6bn in grant funding through the settlement for social care reforms. The sector will receive £200m in 2022-23, £1.4bn in 2023-24 and £2.0bn in 2024-25.
 - The government allocated £5.4bn to fund the social care reforms that it announced on 7 September 2021. £3.6bn will be allocated through the settlement, and the remaining £1.7bn will be allocated separately by the Department of Health and Social Care “to improve the wider social care system”.
22. Details of the specific authority funding allocations were announced in the provisional settlement in December 2021, which was a one-year allocation only, which further adds to uncertainty and makes long-term financial planning more complex.

23. It is expected that the final settlement will be announced in February, but it is unlikely to differ significantly from the provisional figures.
24. Significant uncertainty remains due to the financial effect of Covid-19 on council tax and business rates income. In addition, there remains ongoing uncertainty around long standing issues which have been delayed due to Covid-19; the ongoing 'fair funding' review, the withdrawal of New Homes Bonus (NHB) funding, the ongoing review of business rates retention and details of the business rates baseline reset, which may be delayed until perhaps 2025/26.
25. No new funding has been announced for ongoing Covid-19 pressures. Michael Gove MP appeared at the Levelling Up, Housing and Communities select committee on 8 November 2021 and has indicated that the 75% rates retention scheme is unlikely to go ahead. All this uncertainty increases the risks facing the Council.
26. However, this risk is mitigated by the continued inclusion of a Covid contingency. The contingency was created as one off in 2021/22 and the Council have reinvested £1.1m in 2022/23. Without this contingency fund the budget would not, in the view of the Chief Finance Officer, be sufficiently robust to meet the challenges ahead, nor would it properly cover potential costs for the year ahead.
27. Due to historical and outdated data held by the government, York has received significantly less funding when compared to many other local authorities. Therefore in simplistic terms, when funding allocations are distributed by central government York will receive less than a historical (and potentially out of date) high spending authority. In 2021/22, core spending power in York sat at £706 per head, - the second lowest in the country compared to councils such as Kensington and Chelsea who receive £1,305 per head. If York were to receive even the average amount of spend the city would benefit from an extra £16.5m each year The Fair Funding Review remit was set to tackle this inequity, so the further postponement increases the Council's financial challenges in the medium term. York is one of 20 authorities raising this issue with Michael Gove MP before the provisional settlement announcement in December via the F20 Group.
28. In relation to council tax, as City of York Council is a unitary authority with statutory social care responsibilities, the proposals in this report are predicated on a basic council tax increase in 2022/23 of 1.99 %, plus an additional increase of 1% 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

29. Despite the Covid-19 funding provided by central government, an ongoing impact in future years is still expected due to a range of issues. As the city continues to recover, it is anticipated there will be significant pressures as a result of the longer term impacts on individual residents and increase in the cost of adult social care.
30. There are serious underlying budget pressures across both adult and children's social care. Both adult and children's social care is operating in an extremely challenging environment. Despite the allocation of £4.3m to the People directorate in the 2021/22 budget. The gross financial pressures facing the council in 2021/22 are projected at £9.1m but after mitigation and further action it is considered that this can be brought down to a net position of £4.5m.
31. In addition, as residents and businesses respond to the economic impacts of the pandemic, it is anticipated there will be a reduction in both Council Tax and Business Rates receipts. In response to this shortfall, the Council has had to make some difficult decisions to identify some £6.4m of savings and efficiencies to ensure crucial council services can continue to support local residents and businesses.
32. Focussing our resources on protecting the most vulnerable during the pandemic has meant actions needed to deliver savings and manage some of the underlying budget pressures being experienced in social care have not been prioritised. We are also seeing an increase in social care costs directly as a result of the pandemic. These are national issues that are not unique to York and the combination of increased costs and delays in achieving savings is having a detrimental impact on all local authorities. For example, Manchester City Council has recently reported a £153m budget shortfall over the next three years.
33. Partner organisations in the city are also experiencing unprecedented financial challenges and it is clear that the pandemic will have lasting financial implications both on the Council and many other organisations operating in the city. Whilst the Council continues to make every effort to manage the situation and protect critical front line service delivery, through identifying efficiencies and more robust control of costs, the Government funding will not fully compensate the Council and this represents a risk to the delivery of the Council Plan and the ongoing delivery of essential services.
34. The pandemic has caused significant changes to the way the economy operates globally, nationally and locally. The long term impacts on retail,

office working and tourism are all subject to a great deal of speculation. York is well placed to manage these challenges, with a highly educated workforce and excellent infrastructure, however the impact on Council revenue and service demands is highly unpredictable. With this unprecedented level of uncertainty in both the national and local economy it is therefore prudent to continue to plan on the basis of the current financial picture and begin to put in place mitigation and cost control strategies to bring expenditure down to within approved budgets.

35. Putting aside the impact of Covid-19, demand for council services continues to increase, with an ageing population with increased complex needs in respect of social 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. At the time of writing, York Hospital is continuing to experience unprecedented demand and GPs are seeing a spike in appointments and we still await further detail and certainty regarding long-term funding for social care.
36. In addition, inflation is driving costs up and there is continued pressure on many of the council's income budgets, all of which highlights the need to include a realistic and prudent contingency fund.

Local issues and challenges – Adult social care

37. 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.
38. 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.
39. The additional funding received in 2022/23 and areas of investment in relation to adult social care is summarised in the table below.

	2022/23
	£'000
Additional social care grant	2,423
Social care precept	980
Total Additional Social Care Income	3,403
Invested in:	
Pay and pension	900

Price inflation	1,850
Demographic Pressures	650
Children preparing for Adulthood	600
Investment to ensure budget sustainability/ ASC reform	500
Total Invested	4,500

Table 2 – Adult social care additional funding and investment

40. The budget proposals include £4.5m growth allocated in 2022/23 (in addition the £1m one off growth agreed last year) to support front line services, fund ongoing pressures resulting from Covid, and support the local provider market. Cumulative growth from 2019/20 to 2021/22 was £12.8m. It will help rebalance the system to support a greater proportion of people at home with the right level of care, including investment in short term intensive reabling support and the Social Work and occupational therapy pathways and practice to make best use of this.
41. In addition to the £4.5 million growth that is proposed for Adult Social Care in the 2022/23 budget, a reduction in £568k of savings as set out in the Decision Session Report, in Adult Social Care is also proposed, primarily in Residential and Nursing Package and Care, Yorkcraft and Supported Living. In making this reduction to savings, it will reduce the potential impact on residents who access these services, and it will also allow for the relevant services to make efficiencies and necessary changes in a greater period of time, thus giving the service the best chance to achieve their savings targets.
42. CYC have worked with the Wilberforce Trust to remodel the Supported Living provision for those with Physical & Sensory Impairments. The new scheme is due to open in April 2022 and will adopt a more reabling model whereby individuals access intermediate care with the intention of reducing ongoing support and enabling them to live as independently as possible.
43. This budget ensures investment in services based in the community that are easily accessible to residents. Such measures include a drop-in mental health support hub, which will be established to provide the low-level mental health support people tell us they need, particularly following the effects of the lockdown and the pandemic. After consultation with residents, there will be more and better use of technology. Many residents of all ages are now familiar with using technology and it can be utilised to support the health of individuals as well as keeping people in touch with each other.

44. We have also recently opened an extension to the council run Independent Living Community at Marjorie Waite court. As the scheme matures, this service will provide customers with a real alternative to residential care whereby they can maintain their independence within their own tenancy and community. The service can cater for those living with dementia and also has facility to accept customers being discharged from hospital, again working with them to ensure they regain and maintain the skills and ability to live in their own homes without the need for formal care.
45. As part of the council's commitment to ensure people receive the right care at the right time a whole system redesign of reablement and intermediate care is underway. This review will help support additional early intervention and prevention services across localities as well as integration with some health services.
46. We are also working with external providers, to ensure safe services and consistency in care delivery and our care act responsibility through market management and oversight
47. Following the publication of our Learning Disability Strategy we are working with partners to further develop a care framework and an all age approach to short breaks and day opportunities.
48. Local authorities continue to face significant financial pressures due to the ongoing impact of the pandemic. The number of people seeking help from adult social care, the number who go on to receive support and the amount and cost of support they receive all continues to increase.
49. A national challenge in delivering care services is the paucity of staff working in the care industry; both in delivering personal care but also the resource needed to assess individual needs. £500m has been earmarked nationally from the Health & Social Care Levy to address workforce concerns but the pressure will remain in the short term.
50. The Council is committed to effective management of the budget in the knowledge that resources are finite and need to be used in the most effective way to support the wellbeing of some of our most vulnerable residents. Our approach combines rigorous systems and governance to control spending with a strategic approach to a more sustainable way of supporting residents' wellbeing.
51. These budget proposals include further significant investment in Social Care, increasing overall spend by £1.1m to ensure that essential statutory services are protected. Where savings are proposed, these are focused on improving services by ensuring people receive the right care that meets

their needs, that as many people as possible are able to receive support and that support is available as early as possible.

52. The Council continues to work closely with colleagues in the NHS, given the dissolution of clinical commissioning groups and the introduction of Integrated Care Systems on 1st April 2022. We continue to focus on those with the most complex needs, reducing reliance on residential and nursing care to ensure more people are able to remain in their own homes for longer through short term intensive support, independent living communities and extra care housing.

Local issues and challenges – Children’s social care

53. 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.
54. The Financial and Performance monitor 3 report, elsewhere on this agenda, sets out in more detail the current financial pressures in relation to children’s social care.
55. This budget includes the continuation of £1.4m growth allocated in 2021/22 to support front line services, fund on-going pressures resulting from Covid, support continuous improvement in children’s social care services and manage the recalibration of costs between the Dedicated Schools Grant and the General Fund. In addition to the £4.7m growth in 2022/23 there was one off investment of £1m agreed last year for 2022/23.
56. Social Care services in York are in a period of change and re calibration as part of our continuous improvement journey. Therefore the budget focuses on targeting resources more effectively in areas where there is greatest need. For example, more appropriate homes for the growing number of children in our care and stronger community and early help services to support families before the need for care, or to be reunited when care has been required. We will also put additional resources of £1m into increasing capacity in key children’s social care and SEND staffing areas where there is significant pressure.
57. Besides covering wage settlements which are required under agreements made at national level, the £4.7m of budgeted growth expenditure includes the recalibration of costs between the Dedicated Schools Grant and the General Fund. It also includes continued investment to ensure that vulnerable children and young people are supported through the ambitious

programme which is currently being delivered to improve the quality and impact of children's services and social care. Additionally, this growth is targeted at supporting children and young people to cope with pressures created by the impact of Covid.

58. This budget proposes £100k investment from the Covid Recovery Grant to support the Education Futures Plan. A key priority of this work is to improve school attendance, particularly for children known to social care, those with special needs and children eligible for free school meals. The focus of the work will be to develop reintegration pathways for children who have become disengaged from school – this will include training for all schools on trauma informed practice with specific outcomes linked to the review and development of school attendance policies. It will also develop an attendance champion's network across all schools.
59. Funding has been maintained to support fostering and adoption services. By protecting core capacity, the services will provide enhanced support to ensure children and young people receive care closer to home. Investment in extra work with the City of York Safeguarding Children's Partnership will support a city-wide response, providing early intervention to identify need and keep children and young people safe without the need for higher levels of intervention.
60. The Council is also committed to work with partners to review services in a number of areas to ensure we are having the maximum possible positive impact from joint investment.
61. In addition, the capital programme includes investment in excess of £22m in school infrastructure, including significant improvements and expansions at Fulford School, Applefields Special School and the Danesgate Community to meet increases in secondary school pupil numbers. The Applefields and Danesgate schemes also ensure there will be sufficient and suitable special school places to provide for children and young people with special educational needs and/or disabilities. A further part of the capital programme includes further investment to support foster carers by adapting home environments to allow children and young people to maintain their independence; it will also be used to provide additional 24/7 care home support within the city.
62. The Dedicated Schools Grant (DSG) is a ring fenced grant that must be used in support of the schools budget. In consultation with the York Schools' Forum, the local authority makes decisions about the delegation of funds to schools and on the spending of funds held centrally, most of

which is used for making provision for children and young people with special educational needs and disabilities.

63. Nationally, DSG's are projecting an overspend and LAs are in overall deficit. York is facing similar pressures and, while calling on government to provide a fairer funding settlement in the interim, a 3 year recovery plan is needed to address the current pressures. Significant mitigations will therefore be required to bring the in-year pressure back down to a balanced position and to start to make inroads into the cumulative deficit. This will be considered further with input from Members and the Schools Forum, and the development of the recovery plan will be reported to the Executive. It is vital for the success of this process that the national SEND Review initiated by the Government in September 2019 be determined as soon as possible.
64. The DSG and School Funding is covered in further detail later in the report.

Council priorities

65. 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

66. 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.
67. The plan was formally approved by Council on 31 October 2019 following consultation with residents, businesses and staff.
68. 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.

Principles that have shaped the budget process

69. The Council's Financial Strategy includes significant investment to stabilise our finances to protect against the economic effects of Covid-19 and continues to invest in priority areas as outlined in the Council Plan, including adult social care and support for children, frontline services and the city's economic recovery.
70. Recognising the unprecedented economic challenge of the pandemic and support needed for local residents, we are including growth of £9.2 million on adult social care and support for children, whilst investing additional funding to protect frontline services and to accelerate our economic recovery.
71. To enable this investment, the Council has put forward back office efficiencies of £2,777k as savings to ensure financial prudence and that the Council is prepared to respond to future challenges and deliver services to residents and businesses more effectively.
72. 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 included an assessment of options, risks, and links with Council priorities. 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. This approach will help to protect the needs of the most vulnerable people in York.

73. Anticipating that the council would be self-funded from council tax and business rates by 2022/23, 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.
74. 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.
75. 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 tackling climate change. 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.

Consultation

76. 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.
77. The budget consultation launched in October and closed on 8 December 2021.
78. This year there were 369 responses, a decrease compared to 2,251 last year.
79. 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.
80. The consultation was promoted to residents through various channels via Our City publication, social media, local media, forum groups, newsletters,

published on the council's consultation page, and promoted in Council Buildings such as Libraries and Leisure Centres.

81. The survey was promoted;

- Within the business community via existing business network links and distribution groups including York Business Week, 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.
- To equalities groups via the equalities network.
- Our City was delivered to all households from 24 October.

82. Paper responses are sent back at no cost to residents via Freepost to West Offices.

83. A trial focus group was consulted in early November which allowed a more in-depth discussion with participants. Further focus groups are expected to take place before the final Executive decision in February 2022.

84. The key messages from the consultation were;

- To balance the budget, 51% of respondents were in favour of an increase in council tax, rather than an increase in charges (41%) or a reduction in service provision (23%)
- 69% supported some form of increase in basic council tax, and of those supporting an increase 49% favoured the maximum increase of 1.99%.
- 65% supported a maximum increase in the social care precept.
- Respondents were asked if they agreed with various areas for priority investment. The area most thought was a priority was the maintenance and upkeep of schools, followed by providing financial support for those that need it most and also to maintain and refurbish parks, play areas and libraries.

85. These consultation results have been used to inform the budget, as evidenced below;

- The budget proposal increases the basic council tax by 1.99% and social care precept by the maximum allowable (1%) as favoured by

the majority of respondents. This decision was taken to address the significant budget pressures which the council faces, particularly in children's and adult social care, as set out in the report.

- The continued investment in the Covid Recovery Fund will ensure investment the York Financial Assistance Scheme, which provides financial support to those that need it most.
- The council is investing £7.7m in the city's libraries in a programme of city-wide improvement which includes a new £5 million library learning centre for Clifton, a new permanent library for Haxby and Wigginton and capital investment in the Acomb Library learning centre.

86. The consultation responses to questions are summarised in Annex 4. Feedback from the Budget Consultation Focus Group and all views and data gathered during the consultation will in due course be published on the York's open data platform www.yorkopendata.org

Executive Member decision session consultation

87. Following the consultation, five decision session meetings were held for all portfolios (some of these were joint decision sessions) in the week commencing 13 February.
88. 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 Executive meeting. Two elected members registered to speak to share their views, which were taken into consideration by Executive Members in advance of the finalisation of these budget proposals.

Budget analysis

89. The budget setting process has taken into account the following issues, (which are considered in more detail in following paragraphs);
- i. Consideration of the 2021/22 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.

2021/22 position

90. As part of the budget approved in February 2021, 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, with the inclusion of £4.4m recurring and £1m one off growth. At a time of significant financial challenges, this was a major investment to ensure the council were able to provide sufficient funding for the cost of care, supporting social care staff and enabling residents to stay in their homes longer.
91. 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.
92. Some areas identified as pressures in 2021/22 will require additional funding in the future and these include investments relating 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.

Additional Investment

93. The following bullet points set out the areas where additional investment is being made;
 - Revenue funding for the prior year capital programme **£1,600k**
 - New Homes Bonus (NHB) funded revenue budgets **£1,070k** – As mentioned in previous budget reports, with the expectation that NHB funding will reduce in future years it is prudent to phase out any ongoing revenue funded from NHB. The total funding is currently around £2.2m and this is the contribution towards reducing that figure.

- Health and Adult social care - **£3,600k** to cover contractual price increases and demographic pressures, including the cost of adults as they transition from children's services within 2022/23. Including an increase for officer pay and pension costs (included in the £3,935k figure below) a total investment of £4,502k has been made in the health and adult social care service, as set earlier in the report
- Children's Services - **£4,000k** to cover contractual price increases and demographic pressures, including looked after children costs within 2022/23. Including an increase for officer pay and pension costs (included in the £3,935k figure below) a total investment of £4,713k has been made in the Children's Services, as set earlier in the report
- Contractual price increases **£1,695k** - to cover unavoidable contractual price increases in other service areas, mainly ICT, insurance, transport and waste.
- Pay and Pension costs - **£3,935k** is included for pay and pension costs in 2022/23. This covers anticipated pay inflation and a 1.25% increase in National Insurance contributions.

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

- Fuel Poverty **£50k** – one off funding to support residents with the lowest incomes by extension of the winter fuel voucher scheme.
- Winter Gritting **£30k** – one off funding to support the winter gritting budget.
- Anti-Racist Working Group **£20k** - one off funding to support the resourcing need and work of the independent, inter-sectional Anti-Racist Working Group, to support the council motion 'Making York an Anti-Racist and Inclusive City' which was approved by Full Council on 21st October 2021.
- City Centre Access Officer **£30k** - to support the Executive decision in November 2021 to approve the creation of an Access Officer post to support the Strategic Review of City Centre Access and associated Action Plan to help deliver the agreed mitigation measures to improve access for blue badge holders.

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

One off Investment

96. In addition to the ongoing expenditure pressures set out above one off growth totalling **£650k** is included.

- Transport Plan refresh **£150k** - to deliver the development of the Local Transport Plan subject to city wide consultation on the strategy that will help to move the city towards zero carbon by 2030 and underpin our commitment to tackling congestion and traffic pollution in York.
- Increase General Reserve **£500k** – to ensure that there is sufficient general reserve contingency. This is covered in further detail later in the report.

97. The one off growth items above are funded from £650k one off new homes bonus grant provided by central government.

Investment Summary

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

Investment	2022/23 £'000
Recurring investment	
- Revenue funding for prior year capital schemes	1,600
- New Homes Bonus replacement funding	1,070
- Health and Adult social care prices and demographic	3,600
- Children's Services prices and demographic	4,000
- Other Prices contingency	1,150
- Pay and pension	3,935
- Fuel Poverty	50
- Winter Gritting	30
- Anti Racist Working Group	20
- City Centre Access	30
One off investment	
- Increase General Reserve	500
- Transport plan refresh	150
Total Investment	16,135

Table 3 – Summary of investment

Specific Grant Funding Changes

99. Table 4 shows the net change in specific grants, totalling £3.6m. The council will receive additional grant of £2,423k in 2022/23 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.
100. The Council received a new one off grant Services Grant of £1.83m. This is a new one-off grant (£822m) that is distributed to every authority using the 2013-14 settlement funding assessment (SFA). It is likely to be replaced by the more radical changes to funding distribution that are promised for 2023/24.
101. The Council received Education Services Grant (ESG) of £679k in 2020/21. This was replaced by the School Improvement and Monitoring Grant in 2021/22, and the amount was reduced to £267k. This was not factored into the 2021/22 budget and the shortfall was offset by underspends within Corporate Finance. The expected value of the School Improvement and Monitoring Grant in 2022/23 will reduce by a further £218k to £49k. The third line of Table 4 shows the overall reduction of Education related grants of £630k since 2020/21.

	2021/22
Funding Changes	£'000
- Increase in ASC specific grants	-2,423
- Services Grant - new specific grant	-1,830
- Reduction in Education related specific grant	630
Net Funding Changes	-3,623

Table 4 – Grant funding changes

Council Tax Funding Changes

102. Table 5 shows the net changes to council tax funding.
103. The first line in Table 5 shows the 2.99% increase in council tax which will generate additional income of £2.930m on the existing taxbase.
104. A further £1.062m 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 2022/23, this has grown by approximately 708 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.

105. The third line is the reversal of the collection fund surplus from the prior year. There was no surplus in 2020/21.

106. The council tax collection fund surplus or deficit for the year 2021/22 is estimated on 15 January 2022, based on current year actual figures. The surplus or deficit is a result of a change 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 2020/21.

107. In summary the Table 5 shows an estimated £3.992m additional income from council tax in 2022/23.

Council tax	2022/23 £'000
- Increase in charge	-2,930
- Increase in taxbase	-1,062
- Reversal of collection fund surplus 2020/21	0
- Collection fund surplus/deficit 2021/22	0
Net council tax changes	-3,992

Table 5 – Council Tax funding changes

Business rates income and Revenue Support Grant (RSG)

108. Table 6 shows there is no change in the level of business rates. Further details on business rates income and assumptions are included later in the report.

109. In 2021/22 City of York Council were part of a 50% business rates pool with Leeds City Region and this is set to continue in 2022/23. This is covered in further detail later in the report.

Business rates and RSG income	2022/23 £'000
- Business Rates increase/reduction	0
Change in income	0

Table 6 – Change in business rates Income

Savings proposals and Expenditure Reduction

110. Directorates have identified £6.47m to contribute towards the 2022/23 savings target. £1.9m of the 2022/23 savings are the full year effect of prior year savings previously agreed by Executive. These proposals, outlined in annex 2, include increases in income, reductions in administration costs and removal of vacant posts.
111. There is an additional full year impact of £720k in 2023/24 in relation to these savings proposals, as outlined in annex 2.
112. In addition to directorate savings proposals of £6.47m, there is an additional saving of £1.4m due to the reduction of the Covid-19 recovery fund. A one off fund of £2.5m was established in 2021/22 and the reduction of this fund to £1.1m generates a saving of £1.4m.
113. Table 7 summarises the 2022/23 savings to be delivered by each directorate, corporate services and reduction in the Covid-19 fund.

Savings	2022/23 £'000
- People	-2,102
- Place	-1,403
- Customers and Communities	-663
- Governance	-169
- Finance and HR	-133
- Corporate	-2,000
Total savings changes	-6,470
Reduction to Covid contingency	-1,400
Total expenditure reductions	-7,870

Table 7 –2022/23 Expenditure Reduction

New homes bonus (NHB) grant

114. 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.
115. In the September 2019 settlement the government announced a reduction in legacy payments and a phasing out of the NHB funding by 2023/24. It

is unclear if the government intend to replace NHB funding when new funding arrangements are announced for 2023/24.

116. As mentioned earlier in the report, with the expectation that NHB funding will phase out next year it is prudent to phase out any ongoing revenue funded from NHB. The total funding is currently around £2.2m and this growth of £1.070m is the contribution towards reducing that figure. Future allocations will be considered in future budgets once there is a better understanding of any potential replacement funding.

117. The total NHB funding available in 2022/23 is £1.838m.

118. The budget proposals include one off investment of £650k which will be funded from NHB.

New Homes Bonus	£'000
- Available 2022/23	-1,838
- Previous Council decisions	
February 2016 budget - recurring	1,349
July 2015 budget amendments - recurring	1,259
February 2019 budget - recurring	50
- 18/19 Allocation to phase out NHB funding	-400
- 22/23 Allocation to phase out NHB funding	-1,070
- Allocated in this budget (one off)	650
NHB remaining	0

Table 8 – New homes bonus funding

Net Budget Composition

119. Taking into account funding changes summarised in Tables 4, 5 and 6, Table 9 below summarises the funding available from council tax and business rates for 2022/23.

	2022/23 £'000
Council Tax	102,043
Business Rates	33,341
Total Net Budget	135,384

Table 9 – Net budget composition for 2022/23

Fees and charges

120. Whilst the Council recognise that the challenges of Covid-19 remain for businesses and residents, it has been necessary to increase some fees and charges for 2022/23 to achieve a balanced budget.
121. Detailed proposals for any changes to fees and charges are attached at annex 3. The proposals have taken account of such factors as 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.
122. The proposals include a general increase in parking charges of 10p per hour (reflecting increased bus fares so as not to undercut competitiveness of park and ride services) and the introduction of a new evening parking charge for Minster Badge holders of £1. One of the impacts of the pandemic has been a significant reduction in payment by cash across the car park estate and it is recommended to undertake consultation over how we can phase out the option of cash payments (to make savings on machine maintenance and cash collections). There is also a proposal to introduce parking charges at targeted city centre streets which currently have no parking restrictions. These will be primarily introduced to encourage people to use off street car parks or other forms of sustainable travel.

Council Tax

123. The existing components of the current (2021/22) band D council tax for a CYC resident are shown in Table 10 below. It should be noted that these figures exclude parish precepts which are an additional charge in some areas.

	£
City of York Council - Basic	1,286.92
City of York Council – Social Care Precept	165.44
North Yorkshire Police	271.06
North Yorkshire Fire and Rescue	74.14
TOTAL	1,797.56

Table 10 - Make Up of 2021/22 Council Tax

124. 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

125. The council tax referendum limit has remained at 2% (excluding social care precept) for 2022/23. The threshold is not guaranteed to continue beyond 2022/23. 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 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.

126. 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 £280k. 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 2022/23. In addition there are the costs of rebilling which is estimated at £50k.

Social care precept

127. 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 1% on social care precept.

128. As referred to earlier in this report, the recommendation made in these papers is that from April 2022 the City of York element of the council tax will increase by 2.99%, 1% of the increase relating to the social care precept.

129.A 1% social care precept increase generates additional income of approximately £980k 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.

Empty Homes Premium

130. In November 2012 the Government announced that from 1st April 2013 council's could charge a Council Tax premium for domestic properties that have been unoccupied and unfurnished 2 years or more as follows:

- Empty 2-5 years: 100%
- Empty 5-10 years: 200%

131. Member's approval was gained in 2012 to charge the above from 1st April 2013, which has been levied and available for customers to see on CYC Council Tax web-pages.

132. In 2020 Parliament expanded this charge to allow councils to charge a premium of 300% for properties empty for over 10 years. In York it is estimated that this would apply to approximately 10-15 properties, and would yield additional annual Council Tax income circa £21k. Included in the recommendations of this report, is a proposal to levy this additional charge tier from 1st April 2022 of 300% for properties empty for longer than 10 years.

Precepts

133. 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 17 February.

134. Table 11 demonstrates both the cash and percentage increase in 2021/22 for these which resulted in a total band D council tax for a York property of £1,797.56.

	2020/21	2021/22		
	Charge (£)	Increase (£)	Increase (%)	Council Tax (£)
CYC	1,383.33	69.03	4.99%	1,452.36
Police	265.77	5.29	1.99%	271.06
Fire	72.69	1.45	1.99%	74.14
Total	1,721.79	75.77	4.40%	1,797.56

Table 11 – 2021/22 Council Tax Figures for City of York Area

135. 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)

136. The business rate multiplier will be frozen in 2022/23 and will remain at 49.9p.

137. The council is projecting retained business rates/RSG income in 2022/23 of £33.341m, the same level as 2021/22.

138. As a prudent measure, there are no growth assumptions in relation to business rates income for 2022/23. If business rates perform better than budgeted this will enable the Council to build up a reserve in light of the significant risks the Council may face after a business rates reset. This is covered in further detail later in the report.

Business Rates Pooling

139. City of York Council is currently a member of the Leeds City Region (LCR) Business Rates Pool, and this will continue in 2022/23.

Reserves and Contingency

General reserves and contingency

140. Table 12 shows the position on the general fund reserve which, it is anticipated, will be £6.941m by the end of 2021/22. However, as noted earlier in the report and on a separate report on this agenda a number of known pressures are forecast for 2021/22. The Council will continue to make every effort to reduce this forecast position but it is considered unlikely that it will be reduced to the point that the outturn will be within the

approved budget, and therefore it is expected that Council general reserves will need to be called on.

141. These budget proposals include one off growth to reinstate the General Reserve back to the 2020/21 level, by an increase of £500k. The projected reserves at the end of 2022/23 are based on the assumption that Members agree no usage of reserves in 2022/23 as part of the final recommendations to Council.
142. 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 an increase of £400k to a level of £6.8m is an appropriate figure. However in light of the risks facing the council, in relation to Covid-19, 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 the Council should make every effort to maintain some headroom above the minimum level. Should the general reserve be required in 2021/22, further consideration of reserves will be made during the early part of 2022/23 and any increase needed will be considered as part of a future budget process. Reserves are covered in further detail within the s151 statutory statement at the end of the report.

	2021/22 Projected Out-turn £'000	2022/23 Budget £'000
General reserve at start of year	6,941	6,941
Increase to General Reserve (one off growth)		500
In Year use of reserves	0	0
General reserve at end of year	6,941	7,441
Prudent minimum reserves	6,400	6,800
Headroom (+)/Shortfall (-) in reserves	541	641

Table 12 – Projected general reserves

143. In addition to general fund reserves and the Covid Recovery Fund, the budget includes a £500k general contingency. In recent years this has always been required.
144. As mentioned earlier in the report, due to significant risks associated with Covid-19, 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.

Waste Reserve

145. It is anticipated that there will be three further phases of the Local Plan Examination in 2022/23 which will result in significant expenditure both in supporting the enquiries as well as costs that will be incurred dealing with updating plans and potential further consultation which is a normal part of an Examination process. It is estimated that these costs could be up to £500k depending on the length and complexity of the issues that arise from the examinations. It is proposed that a contribution of £500k from the Waste Reserve is made to cover these anticipated costs. Currently there is c £2m in the Waste reserve which is set aside to cover ongoing section 106 contributions and also potential one-off liabilities arising from the Long Term Waste facility at Allerton Park of which there are none predicted at this time therefore the £500k contribution to the Local Plan will not impact on any of the Allerton Park arrangements.

Venture fund

146. The balance on the venture fund reserve is anticipated to be £4.529m at the end of 2021/22.

147. 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, £131k to Mental Health and £200k to Burnholme Community Centre. After taking into account these commitments, the forecast year end balances on the venture fund is included below in Table 13.

	Forecast Year end Venture Fund Balance
	£'000
2021/22	4,529
2022/23	4,526
2023/24	1,541
2024/25	1,759
2025/26	1,979
2026/27	2,200

Table 13 – Venture Fund Balance

148. The Council have notionally ring fenced any remaining balance in the Venture Fund for a letter of credit on behalf of York Museum Trust (YMT) up to a maximum of £1.95m, although it is not expected that amount would be required. Since this is notional and the amount is still uncertain it has not yet been reflected in Table 13 above. The council has also agreed to a loan of up to £300k to Make it York if required to support its cashflow that would be funded from the Venture Fund. For this reason and in recognition of the future commitments described above, the use of Venture Fund is not recommended in 2022/23.

Medium term planning

Medium Term Outlook

149. The Government published the provisional settlement on 16 December 2021. It is a one year settlement only and there are no projected or indicative figures for the remainder of the spending review period (2023/24 and 2024/25). More fundamental changes in local government have been clearly signalled for 2023/24 so this one year settlement is really a rollover settlement with the focus very much on stability.

150. Local Government received £1.5bn in additional funding, with only 40% allocated to social care, a smaller share than had been expected. Inflation has been applied to the Better Care Fund and £636m added to the Adult Social Care Support Grant.

151. The remainder of the £1.5bn has largely been allocated through the new 2022/23 Services Grant. One unexpected item was the inclusion of a further one off payment for New Homes Bonus. However, as we have yet to build in the growth needed to cover the shortfall in NHB, we are no better off. We have a reduction of £0.5m instead of an expected (and unfunded) reduction of £1.6m. It will be essential to include the full amount of growth in the 2023/24 budget.

152. According to the settlement, work will start in the coming months to work out with the sector how to update funding distribution and 'challenges and opportunities facing the sector'. These changes in funding could be significant, and will make forecasting for 2023/24 and beyond very difficult. Some or all of the fair funding review could be resurrected, and a business rates baseline reset seems likely. Damping or transitional support should help to soften any losses in funding.

153. Within the resources allocated via the settlement, local authorities will have to fund any additional costs arising from the increase in National

Insurance Contributions (1.25% increase from April 2022). In 2022/23, the cost of the increase in NICs is funded by the new Services Grant. The cost of the NICs increases will be funded from redistributed grants from 2023/24. No new funding for NICs increases will be announced in future years.

154. There is still not much information about specific grants outside the settlement including:

- Homelessness
- Public health
- Troubled families
- Highways maintenance (capital)

Business Rates and Funding Reform

155. As highlighted in previous Financial Strategy reports, the government will phase out Revenue Support Grant (RSG), to be replaced by a system which allows local government to retain business rates growth.

156. Whilst devolution of business rates presents opportunities for the council, there are also associated risks with business rates appeals and the business rates reset.

157. There has been an expectation for the last 3 years that business rates and funding reform would be implemented in the following year. This has already been postponed due to the government's focus on Brexit, and the Covid-19 pandemic has further set back progress on this.

158. The business rates review will consider an increase in the retention rate for councils from 50% although seems increasingly less likely, the process for business rates revaluations and the business rates reset. It might also lead to more fundamental change in the way that businesses are taxed. It is expected that this may finally come into effect in 2023/24.

159. The Government has indicated that they are minded to have a full business rates baseline reset. 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).

160. The Fair Funding Review focuses on the cost drivers for individual authorities. 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.

161. As a prudent measure, there are no growth assumptions in relation to business rates income for 2022/23, to enable the Council to build up a reserve in the event that the FFR and business rates reset is not favourable for York.

Social care funding

162. The Government announced in 'Building Back Better' that it would be introducing new social care reforms. The reforms will be funded by the Health and Social Care Levy (1.25% increase in National Insurance Contributions). From the levy, £5.4bn will be used to fund the social care reforms, of which:

- £3.6bn will be distributed to local authorities via the settlement (£0.2bn in 2022-23, £1.4bn in 2023/24, and £2.0bn in 2024/25)
- £1.7bn will be held back by DHSC to fund various elements of the reforms (some of this funding is likely to be directed through local authorities)

163. The first tranche of funding was distributed in the 2022/23 settlement. £162m will be distributed in 2022/23 via the settlement for the cost of 'market sustainability' and 'fair cost of care', with a further £600m in each of 2023/24 and 2024/25. A total of £1.4bn will be used to fund 'fair cost of care' over 3 years.

164. The £162m in 2022/23 'is designed to ensure local authorities can prepare their markets for reform and move towards paying providers a fair cost of care'. Authorities should use the funding to 'conduct a cost of care exercise', 'engage with local providers', and 'strengthen capacity to plan for, and execute, greater market oversight'. The new responsibilities, and the bulk of the costs for local government, will start in October 2023.

165. Further funding is going to be distributed to local authorities through the settlement to fund the cost of other elements of the social care reforms (e.g. cap and means test). There is an estimated £800m in 2023/24 and £1.4bn in 2024/25, although these amounts are likely to change as further estimates of cost become known. Separately, DHSC has held back £1.7bn out of the £5.4bn increase in funding.

166. There remain many questions about the funding for social care reform, and how this fits in with the amounts that have been distributed through

the settlement. It is fair to say that there is still much to be worked out by DHSC, not least how much the reforms will cost local authorities. So there is going to be continued uncertainty around both the cost of these reforms and how the funding will be determined and distributed. As a result, there is a very significant financial risk to local authorities with social care responsibilities.

Medium term strategy and approach to savings

167. 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 14, sets out the headline figures for the Council's medium term financial forecast to 2025/26.

168. It is difficult to predict beyond this timescale with the absence of multi-year settlements and the current uncertainties due to Covid-19.

	2023/24	2024/25	2025/26
	£'000	£'000	£'000
GROWTH			
Pay and price inflation	6,000	6,800	7,600
Demographic (mainly social care) and overspend pressures	4,300	4,300	4,300
Capital Programme	1,600	1,600	1,600
Other	1,100		
Total growth	13,000	12,700	13,500
RESOURCES			
Council Tax at 3.99%	4,000	4,800	5,600
Business Rates Growth	0	0	0
Total resources	4,000	4,800	5,600
FUNDING GAP	9,000	7,900	7,900

Table 14 – Medium Term Forecast to 2025/26

169. These figures are based on the assumption that funding for adult social care continues in a similar manner and the pay award will be approximately 2%. Clearly there are a number of factors that could change these figures, and uncertainty will remain until the announcement of future settlements in Autumn 2022, but they provide the broad basis on which the Council will need to consider decisions over coming years. The longer

term impact of Covid-19 on council tax and business rates collection and the pressures on budgets are still difficult to judge at this stage.

170. The funding gap figure in Table 14 represents the amount of savings that are required each year to balance the budget.
171. 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.
172. There are three very major pressures facing the Council. These relate to social care, Covid-19 and the impact of the capital programme.
173. The impact of the capital programme will have an effect on the revenue budget in terms of cost of borrowing. 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 £1.6m every year.
174. The current pressures on the social care budget are expected to continue in the medium term and are reflected in the figures in Table 14.
175. 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.
176. Due to the impact of Covid-19 there is no growth in business rates assumed. As identified earlier in the report there are further 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.
177. Based on the current assumptions above, based on a 3.99% increase in future year's Council tax, there remains a funding gap of between £7.9m and £9m each year, over the next 3 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.
178. Specific details of future year's savings proposals will be covered in future budget reports. Looking beyond 2022/23 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

179. 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.

180. It is also important to ensure that the HRA does operate efficiently and a number of savings totalling £268k, have been identified. Details of these savings are shown in Annex 6.

181. The HRA budget, taking into account the pay award, inflation and savings for 2022/23 are detailed at Annex 7.

182. Elsewhere in the capital programme, additional investment has been identified for further aids and adaptations across the housing estate to support tenants to remain in their homes, further investment in energy efficiency measures to reduce the carbon footprint of council housing and additional funding to improve the external environment of our housing estates through the Housing Environmental Improvement Programme (HEIP).

183. The impact of the recommendations within the financial strategy have been modelled and the 30 year business plan is shown as Annex 8. The impact of the growth and savings have been broadly neutral over the years. The headlines of the plan are that

- Maximum debt will increase from £146m to £154m as the Housing Delivery Programme develops sites
- The HRA self-financing debt (£121.55m) will be fully repaid by the end of the plan
- The minimum HRA year end balance can be maintained at over £15m

184. 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 2022/23

185. 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.

186. 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 at least a further five years. The 30 year modelling assumes future CPI at 2%, although current CPI is 3.1%.

187. The expected effect on rent levels over the next 3 years is shown in table 15 below.

Year	Estimated Average Rent Per week	Estimated Average Increase per week
2021/22	£80.80	£0.97
2022/23	£84.11	£3.31
2023/24	£86.63	£2.52

Table 15 – HRA Rent changes

188. All rents that do not fall within the definition of “social housing rents” for the purposes of the Welfare Reform and Work Bill 2015 will have the previous policy applied of increasing by CPI + 1% which will be an increase of 4.1%. This will include garages as well as any specialist supported housing that is exempt from the rent reduction legislation.

189. 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.

190. The current RPI (December 2021 rate) is higher than CPI+1% (September 2021 rate), as such CPI +1% at 4.1% will be used to increase the Gypsy, Roma and Traveller Community site rents in 2022/23.

191. The rent increase for Shared Ownership tenants is governed by the RPI rate as at September 2021 which was 4.9%. In line with the lease agreement, rent on the portion of the property owned by City of York Council, will be increased by RPI +0.5%, being 5.4%. The rent increases

only applies to those tenants that have held an equity share in their property for more than 12 months as at 1st April 2022.

192. In addition rising energy costs need to be factored in to service charges across housing stock and temporary accommodation. The Council passes on costs for communal areas or where heating is supplied to individual flats. The costs of energy are expected to increase significantly in the next financial year and it is proposed that additional costs are passed on to tenants otherwise the wider HRA would have to fund the increase. The additional costs will be paid for by Housing Benefit or Universal Credit entitlement for those qualifying in full or in part.
193. Housing Management Officers will work with residents picking up this increase from other income sources to minimise the impact as usual. Wider work is ongoing to improve the Council's offer around cost of living increases, including fuel poverty, and how we can support residents with increasing fuel costs financially, through promoting energy efficiency, switching where applicable and advice around maximising income and budgeting.

Dedicated Schools Grant (DSG) and the Schools Budget

194. The DSG is ring-fenced for funding the provision of education or childcare for 3 to 16 year olds in all settings and high needs pupils up to age 25. As such it covers funding delegated to individual local authority (LA) maintained schools, academies and private, voluntary and independent (PVI) providers through the Local Management of Schools (LMS) & Early Years Single Funding (EYSF) formulae, plus funding for other pupil provision which is retained centrally by the LA to support such things as Special Educational Needs and some specific central education services.
195. The overall DSG is allocated to LAs via four sub blocks; schools, high needs, early years and central school services. The funding that LAs receive in each block is now determined by specific national funding formulae (NFF). These arrangements are continued for 2022/23 but with some changes to the schools NFF, and a continuing reduction in the funding allocated to the LA for centrally retained budgets.
196. The total DSG allocation for 2022/23 is estimated at £152.280m, an increase of £3.266m (2.2%) from 2020/21 and broken down as follows:

DSG Funding Block	Adjusted 2021/22 £m	2022/23 £m	Increase	
			£m	%

Schools Block	112.597	114.850	2.253	2.0%
Early Years Block	11.067	10.750	(0.317)	(2.9)%
High Needs Block	22.584	24.305	1.721	7.6%
Central School Services Block	2.766	2.375	(0.391)	(14.1)%
Total DSG	149.014	152.280	3.266	2.2%

Table 16 – DSG Allocation

Schools Block

197. The vast majority of the Schools Block DSG (£114.507m) is used to fund the local funding formula for mainstream schools (maintained and academies). This equates to an increase of £2.301m (2.1%) in the total resources available to allocate to schools in the city through the school funding formula.
198. 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. For 2022/23, in consultation with the Schools Forum, the LA is again proposing to follow the NFF for schools.
199. The funding factors used in the 2022/23 Schools NFF remain the same, except for the sparsity factor which is discussed below. The individual NFF factor values increase by the following amounts:
- 3% to the basic entitlement, free school meals at any time in the last 6 years (FSM6), income deprivation affecting children index (IDACI), lower prior attainment (LPA), English as an additional language (EAL) and the lump sum.
 - 2% to the floor, the minimum per pupil levels and free school meals (FSM).
 - 0% on the premises factors, except for PFI which has increased by RPIX.
 - £10,000 to the maximum sparsity values.
200. Following a national consultation, the DfE have made two changes to the sparsity factor. School sparsity distances are now based on road distances, instead of straight-line distances, and a sparsity distance taper has been introduced, in addition to the existing year group size taper. Prior to these changes no York schools have benefited from sparsity funding. However, under the revised criteria five of York's smallest rural schools

will trigger this funding in 2022/23, with additional allocations ranging from £16k to £55k per school.

201. At a national level, school funding through the NFF is increasing by 3.2% overall in 2022/23 and by 2.8% per pupil. However the average increase for York schools is estimated at 2.5% per pupil as a significant number of schools are either already receiving protection through the funding floor or the minimum per pupil amounts, which only increase by 2% in 2022/23.
202. The remaining £0.342m of the Schools Block DSG is allocated to the pupil 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. The amount of growth funding allocated to the LA by the DfE continues to fall, from £0.800m in 2018/19 to £0.391m in 2021/22 and a further significant reduction, down by £0.049m (12%) in 2022/23.
203. The level of funding required to be allocated to schools under the current local growth criteria and formulae is difficult to predict with any certainty each year. In recent years the fund has been overspent and this is likely to continue as the DSG allocation from government reduces. As a result, and in consultation with the Schools Forum, all allocations made from the growth fund are being capped under a cash limited budget. This means that if the total of all allocations to schools in a particular year, calculated via the relevant formulae, exceeds the budget available then all allocations would be reduced pro-rata.

Early Years Block

204. York's government funding rates for 2022/23 through the Early Years block have increased by 17p per hour from the 2021/22 rates to £4.61 per hour for 3 & 4 year olds (+3.8%) and by 22p per hour to £5.57 per hour for 2 year olds (+3.9%). In line with this the LA is proposing to increase all elements of the Early Years Single Funding Formula rates for York providers in 2022/23 in proportion to the increase in government funding. In addition, under the formula the DfE established in 2017 to support stand alone nursery schools, the provisional additional amount to be received for St Paul's Nursery has increased by £14k to £84k.

2022/23 EYSFF Funding Rates

	Base Rate £/hour	Deprivation Rate £/hour	Nursery School Lump Sum £
3 & 4 Year Olds	4.29	0.43	84,368
2 Year Olds	5.57	Nil	Nil

Table 17 – EYSFF Funding Rates

High Needs Block

205. The high needs block DSG increases by £1.721m (7.6%) in 2022/23. As has been previously reported, the high needs budget is already under significant pressure due to increased demand from rising numbers of SEND pupils and the higher complexity of individual pupils' needs. For 2021/22 there is a projected net outturn overspend on the high needs budget of £3.5m, contributing to an estimated deficit carry forward DSG balance of £13.5m into 2022/23.
206. Projections for 2022/23 show that based on the increased DSG funding, current levels of demand and expected inflationary pay and contract price increases and without any significant mitigating action, the in-year overspend would reduce to £3m. Significant mitigations will therefore be required to bring the in-year pressure back down to a balanced position and to start to make inroads into the cumulative deficit.
207. Overspends at this level are clearly unsustainable and significant financial savings are 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 the deficit carry forward of DSG into 2021/22 of £10m has triggered a formal request from the DfE for the LA to submit a deficit recovery plan. Officers, with the assistance of DfE officials, are currently working on this plan which will need formal Member sign-off before submission.

Central School Services Block

208. 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 (historic commitments), there is a significant net reduction of £0.391m (14.1%) in 2022/23. This follows similar reductions in the previous two financial years. This net reduction is made up of a £0.003m (4.4%) increase in the allocation for the on-going responsibilities that the

LA continues to have for all schools, and a £0.394m (20%) reduction in the allocation for historic commitments.

209. For 2022/23 this means allocations of £0.799m for LA on-going responsibilities and £1.576m for historic commitments. As historic commitments currently total £1.963m in 2021/22 the LA will need to identify budget reductions totalling £0.386m for 2022/23. The LA will be consulting with the Schools Forum at its meeting on 8 February on how best to manage this reduction.

Schools Supplementary Grant

210. The autumn 2021 spending review confirmed £1.6 billion of additional funding nationally for schools and high needs, for 2022/23, above the previous settlement for that year.

211. In 2022/23, schools will be allocated £1.2 billion of this additional funding, to provide support for the costs of the Health and Social Care Levy and wider cost pressures. This funding will be allocated through the schools supplementary grant 2022/23.

212. In addition to the schools supplementary grant, local authorities have been allocated £325 million additional high needs funding for 2022/23, on top of the dedicated schools grant high needs block allocations, calculated under the national funding formula.

213. York's allocation for the high needs element of the supplementary grant has been set at £0.876m for 2022/23. However, the allocations for schools will not be published by the DfE until spring 2022.

Scrutiny

214. In accordance with constitutional practice Customer & Corporate Services Scrutiny Management Committee considered at its meeting on 13 December 2021 what level of budget is appropriate in the coming year to support scrutiny reviews. The committee take into account existing levels of spend in 2021/22 and the councils overall financial position. In the light of those considerations the committee has decided to maintain the current funding level of £5k.

Equalities

215. 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.

216. 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.

217. 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.

218. 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.

219. 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.
220. 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.
221. 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
222. 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.
223. 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.
224. 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.

225. In addition to the numerous EIA documents on the individual savings and the overall budget, the Council has used the Better Decision Making Tool to provide a high level overview and this is available at annex 5.

Specialist Implications

226. This report has the following implications;

Financial

227. The financial implications are contained within the body of the report. Due to the continued, significant uncertainty in both national and local government finances and the resulting increase in risk, a specific £1.1m Covid contingency is included within the budget proposals to mitigate this risk and ensure the proposals outlined deliver a robust, balanced budget. This is also covered in the risk management section of this report.

Human Resources (HR)

228. The savings proposals contained within the overall budget will require the reduction of some posts in 2022/23.

229. As implementation plans to achieve these post reductions are produced the specific staffing implications will be clear and staff consulted on the proposals. The type of change affecting staff in 2022/23 is likely to be a mixture of post reductions and working for redesigned services.

230. 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.

231. 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

232. The council is required to set a council tax for 2022/23 before 11 March 2022. 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 2022, 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.
233. 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.
234. 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.
235. 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.
236. 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.

237. 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.

238. 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.

239. 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 Chief Finance Officer in order to balance the budget, they must find equivalent savings elsewhere.

240. The Chief Finance Officer 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.

241. 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.

242. 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.

243. 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 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

244. 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

245. 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

246. 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 December

247. 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.

248. 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 2021/22 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

249. 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.

250. 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

251. The report outlines the key risks to the 2022/23 budget and these are considered further in the following paragraphs.

252. The Covid-19 pandemic has been the cause of unprecedented challenges and financial uncertainty which has had a significant impact on the Council's financial position. This is likely to continue to be an ongoing area of risk as the longer term impact both on businesses and on residents is still unknown and therefore I again consider the inclusion of a Covid contingency an essential aspect of the budget proposals.

253. Rising inflation, in particular in relation to energy costs, is an area of concern with CPI expected to reach almost 7% by April 2022. This will impact on all our residents. In addition, given the Council's significant capital programme, rising costs are to be expected and may result in some schemes being delayed or costing more than estimated. The Council is also experiencing difficulties in recruiting to some front line services given the high number of vacancies across the economy. This may again result in difficulties in achieving some Council Plan priorities.

254. 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.

255. 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.

256. The current pressures being experienced within both adults and children's services are of concern and the ongoing action being taken 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.
257. 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 the budget.
258. 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.
259. The Government announced in "Building Back Better" that it would be introducing new social care reforms funded by a Health and Social Care Levy. There remain many questions about the funding for social care reform, and how this fits in with the amounts that have been distributed through the settlement. It is fair to say that there is still much to be worked out by DHSC, not least how much the reforms will cost local authorities. So there is going to be continued uncertainty around both the cost of these reforms and how the funding will be determined and distributed. As a result, there is a very significant financial risk to local authorities with social care responsibilities.
260. Finally, there remains again the potential for significant changes to the system of local government finance in coming years. The Government published the provisional settlement on 16 December 2021. It is a one year settlement only and there are no projected or indicative figures for the remainder of the spending review period (2023/24 and 2024/25). More fundamental changes in local government have been clearly signalled for 2023/24.

261. These changes in funding could be significant, and will make forecasting for 2023/24 and beyond very difficult. Some or all of the fair funding review could be resurrected, and a business rates baseline reset seems likely. The government originally launched the Fair Funding Review in 2016 and the review has been postponed numerous times. As yet, there are not details as to when the review may be revisited. This policy is likely to change the needs assessments of local authorities and therefore the distribution of funding between different councils, adding to the uncertainty in the years ahead.

Reserves

262. 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.

263. 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. Based on the range of factors and risks outlined in this report it is my view that the general reserve should be a figure of £6.8m.

264. 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.

265. The outturn report for 2020/21 required the use of general reserves to balance. As part of the 2022/23 budget provision has been made to increase reserves back to their previous level by the inclusion of one off growth of £500k. This ensures reserves are maintained at an appropriate level given the risks outlined above.

266. The proposed 2022/23 budget does not use the general reserve to balance however, given the financial pressures currently being

experienced within social care, it is expected that the general reserve will again need to be called on in 2021/22. As the budget proposals include a £1m Covid Recovery Fund to deal with the ongoing impact of the pandemic, and one off growth of £500k to return the general reserve to its previous level, it is my view that the level of reserves still remain sufficient to deal with any further risks.

Summary

267. The ongoing uncertainty created by Covid-19 means it continues to be incredibly difficult to forecast with any real certainty. Rising inflation, potential changes to local government finance signalled in the provisional settlement and the likely financial challenges of adult social care reform all have the opportunity to have a significant financial impact on the council.
268. For future budget planning, further action will be needed to continue 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 to support and accelerate recovery from the pandemic. Therefore, the major financial challenge facing the council in coming years remains the need to secure further savings and for cost pressures, particularly those resulting from the pandemic, 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. Whilst the council currently has strong financial health in terms of its overall level of unallocated reserves, a period of uncertainty is to be expected and for future budgets consideration will need to be given to increasing reserves should they be used in the short term.
269. 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

270. An assessment of risks is completed as part of the annual budget setting exercise and will be reported in the February report to Executive. These

risks are managed effectively through regular reporting and corrective action being taken where necessary and appropriate.

271. The budget proposals include a Covid contingency sum to allow the Council to respond quickly during the early part of the new financial year and mitigate against any new risks as a result of the changing situation in relation to the pandemic.

272. As the Council's Section 151 Officer, the Chief Finance Officer has a statutory responsibility for ensuring that the Council makes arrangements for the proper administration of its financial affairs. Section 114 of the Local Government Finance Act 1988 requires a report to all Council members to be made by the s151 officer, in consultation with the Monitoring Officer, if there is or is likely to be an unbalanced budget.

Contact Details

Author:

Sarah Kirby
Principal Accountant
(Corporate Finance)

Chief Officer Responsible for the report:

Debbie Mitchell
Chief Finance Officer
(s151 Officer)

**Report
Approved**



Date 26/1/22

Specialist Implications Officer(s)

Legal – Janie Berry
HR – Helen Whiting

Wards Affected: List wards or tick box to indicate all

All

For further information please contact the authors of the report

Background Papers:

Financial Strategy 2022/23 to 2026/27 Equality Impact Assessment (EIA)
Executive Member Budget Decision Session reports;

- Joint Decision Session - Executive Members for Environment and Climate Change, Transport and Economy & Strategic Planning 15 December 2021
- Decision Session - Executive Members for Children, Young People & Education And Culture 14 December 2021
- Joint Decision Session - Executive Leader (incorporating Policy, Strategy and Partnerships) and Executive Member for Finance & Performance 13 December 2021
- Decision Session – Executive Member for Health and Adult Social Care 15 December 2021

- Joint Decision Session - Executive Member for Housing & Safer Neighbourhoods, Culture, Leisure & Communities 16 December 2021

Budget Consultation available at www.yorkopendata.org

Annexes:

- 1 – 2022/23 Budget Summary
- 2 – 2022/23 Savings Proposals
- 3 – Fees & Charges
- 4 – Summary Consultation Results
- 5 – Better Decision Making Tool
- 6 – HRA 2022/23 Savings Proposals
- 7 – HRA 2022/23 Budget
- 8 – HRA 2022/23 30 Year Business Plan
- 9 – Risk Analysis

Abbreviations used in this report:

- ASC – Adult Social Care
- DSG – Dedicated Schools Grant
- EYSFF – Early years single funding formula
- FTE – Full time equivalent
- HRA - Housing Revenue Account
- KCR – Key Corporate Risk
- LCR – Leeds City Region
- NHB – New Homes Bonus
- NWY – North and West Yorkshire
- RSG – Revenue Support Grant

Annex 1 Summary of 2022/23 Budget**2022/23
£000's****Expenditure****Net Expenditure Brought Forward****131,392****Expenditure Pressures**

Additional Investment:

- Revenue funding for prior year capital programme	1,600
- New Homes Bonus Replacement Funding	1,070
- People: Pay, Prices and Demographic	9,215
- Other: Pay and Prices	3,470

Priority Investment

- Fuel Poverty	50
- Winter Gritting	30
- Anti Racist Working Group	20
- City Centre Access	30
	15,485

One off Investment

- Increase General Reserve	500
- Transport Plan refresh	150
	650

Total Expenditure Pressures**16,135**

Expenditure Reductions:

- People	(2,102)
- Place	(1,403)
- Customers and Communities	(663)
- Governance	(169)
- Finance and HR	(133)
- Corporate Savings	(2,000)
	(6,470)
- Reduce Covid Recovery Reserve	(1,400)
	(7,870)

Total Expenditure Reductions**(7,870)****Changes in Income**

- Net increases in specific grants	(3,623)
	(3,623)

Total Changes in Income**(3,623)****One off Income (funding one off investment)**

- New Homes Bonus	(650)
	(650)

Revised Projected Budget Requirement**135,384****Funding****Funding Streams:**

- Council Tax	(102,043)
- Business rates	(33,341)
Total Funding	(135,384)

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Annex 2 2022/23 Savings Proposals**People**

Ref	Proposal Description	2022/23 Impact £000	2023/24 Impact £000	Total Saving Impact £000
PEO01	Home To School Transport Alongside contract efficiencies, explore a policy change which encourages the use of personal transport budgets by the majority and provides targeted support for families on low incomes following an assessment of need.	150	100	250
PEO02	Home To School Transport Undertake a consultation to identify possible changes to the universal provision of discretionary transport to mainstream Children and Young people. Savings would be phased over 5 academic years. It is not proposed to remove transport from pupils currently receiving it.	18	31	49
PEO03	Support Services and School Governance Increased income from traded services for schools as part of a move to full cost recovery.	12		12
PEO04	Troubled Families Anticipated additional grant in excess of the amount currently assumed in the base budget.	25		25
PEO05	Education and Skills/ Learning and Work Advisor Team Staffing This is the full year effect of a prior year review of the Education & Skills/Learning and Work Advisor staffing teams to create an all inclusive all age Education Services Team and minimising duplication.	185		185
PEO06	Advocacy Seek to consolidate advocacy services for Adults and Children's Service arrangement into single advocacy service for the City. Incorporate new LPS Standards which become effective in 2022. Alternative funding provided through Covid-19 Reserve, therefore saving can be made with no reduction in service provision	21		21
PEO07	Mental Health Alternative funding provided through Covid-19 Reserve, therefore saving can be made while providing overall increase in service provision	31		31
PEO08	Adult Social Care Customer Income Increase in ASC fees and charges resulting in increased customer contributions. All customers are financially assessed and only contribute what they can afford to pay.	224		224
PEO09	Direct Payments Review Direct Payment packages to ensure they are of an appropriate level	240		240
PEO10	Provider Services Redesign of in house care services increasing prevention early help through reablement and reducing external residential and care at home increases.	110		110
PEO11	Residential and Nursing Packages Review Working Age Learning Disability Residential and Nursing packages to bring in to line with our statistical neighbours	90	93	183
PEO12	Yorkcraft Review Yorkcraft business model. Undertake a review of opportunities on how Yorkcraft delivers a supported employment offer with a view to reducing its reliance on Council Base budget support	31	31	62
PEO13	Independent Living Schemes Embed a telecare practitioner in the Adult Commissioning Team to work alongside a social worker to target a reduction in the cost of Independent Living Scheme placements through increased use of technology to support customers' needs.	20		20
PEO14	Supported Living Continuation of prior year saving to ensure that people in Supported Living Schemes are receiving the appropriate level of support in conjunction with a review to bring supported living costs in line with our statistical neighbouring authorities.	320	310	630
PEO15	Residential and Nursing Care Explore opportunities to commission residential and nursing care differently in order to bring the cost more in line with our statistical neighbours.	130	130	260
PEO16	Community Support Work to enhance community capacity and individual strengths and combat isolation will build resilience and reduce pressures on frontline services.	194		194
PEO17	Use of Technology in Adult Social Care Enhance and develop the offer to residents around using technological and digital solutions to achieve better outcomes.	194		194

Ref	Proposal Description	2022/23 Impact £000	2023/24 Impact £000	Total Saving Impact £000
PEO18	Reablement Review the service and service specification to increase the amount of time spent on providing care.	85		85
PEO19	Commissioning & Contracts Review Community Wellbeing contracts to access whether they could be provided differently whilst meeting current levels of demand	22		22
Total Savings - People		2,102	695	2,797

Place

PLA01	Carbon Reduction Review of central team delivery budget whilst protecting current staffing and a substantial corporate delivery capacity	100		100
PLA02	Transport Reduction in one fte across the Transport Planning and Parking Services teams	25	25	50
PLA03	Household Waste Recycling Centres (HWRC) Increase in fees for trade waste, bulky waste and HWRC Charges	5		5
PLA04	Parking Income A number of proposals including a) 10p per hour increase Addnl £90k b) £1 Minster Badge Evening Charge £25k c) Extend Respark Zones £10k d) Consult on withdrawal of cash payment option leading to cash collection savings £90k e) Introduce parking charges at targeted city centre roads £20k	235		235
PLA05	Concessionary Fares There is a forecast saving from reduced numbers of passenger journeys by Concessionary Pass holders which are funded by the council.	250		250
PLA06	West Yorkshire Transport Fund The levy for the fund is lower than budget and therefore the budget can be reduced. It will need to increase in future years as the schemes progress.	99		99
PLA07	Commercial Waste Introduce new charge to owners of holiday lets. The proposed charge is £180 per annum. Full year impact of saving agreed in 2021/22	25		25
PLA08	Highway Regulation Increase in fees Highway Development and Network Management fees and charges	15		15
PLA09	Public Protection Increase in fees and charges	5		5
PLA10	Private Sector Housing Review of staffing levels to reduce posts charged to General Fund by 0.5fte	19		19
PLA11	Hostel Rents Inflationary increase in Hostel rents, which is mainly covered by Housing Benefit	15		15
PLA12	Homelessness Support Maximising additional external grant funding streams	10		10
PLA13	Housing ICT Deletion of Jigsaw case service software and installation of new software will deliver savings	9		9
PLA14	Strategy and Enabling Saving arising from the reduction in management staffing resource across the function with associated supplies and services budget. Full year saving agreed in 2021/22	7		7
PLA15	Licensing Proposed general increase in fees and charges	5		5
PLA16	Traveller Sites Inflationary Increase in Traveller rents as governed by Mobile Homes Act	4		4
PLA17	Supporting People Reduction in charge from the General Fund to Housing Revenue Account	200		200
PLA18	Administrative Accommodation Review of administrative accommodation in light of reducing workforce and more agile working patterns leading to reduced need for desk space.	375		375
Total Savings - Place		1,403	25	1,428

Customers and Communities

C&C01	Communities Team Delete budget for room hire and publicity	3		3
C&C02	York Learning 50% target to reduce CYC subsidy for York Learning service by increased income generation targets	65		65

Ref	Proposal Description	2022/23 Impact £000	2023/24 Impact £000	Total Saving Impact £000
C&C03	Business Support & Payroll The saving will be delivered by an efficiency review the structure, following a supervisory level restructure that took place in 2021/22.	225		225
C&C04	ICT The saving will be achieved from renegotiated contracts and services, a reduction in the use of costly legacy systems and also any agreed reduction of ICT services.	200		200
C&C05	Printing Review of print activities to reduce printing costs council wide	50		50
C&C06	Customers Services Income Additional non-statutory Income generation opportunities; particularly from growth in the use of the in-house funeral celebrant service.	10		10
C&C07	Bereavement Services Additional income anticipated from below inflationary fee increase	50		50
C&C08	Registrars Additional income anticipated from below inflationary fee increase	10		10
C&C09	Financial Inclusion Steering Group The FISG Budget has been increased from £100k to £150k using the Covid Recovery Grant, and therefore, this saving can be taken without any loss of service.	50		50
Total Savings - Customers and Communities		663	0	663

Governance

GOV01	Business Intelligence 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;	96		96
GOV02	Internal Audit Reduction in the fee paid to Veritau; additional income target from teckal company.	20		20
GOV03	Corporate Policy, Strategy & Partnerships Reduction of establishment by a vacant G8 post	28		28
GOV04	Legal Services Savings will be delivered from staffing efficiencies and reduced external legal fees	15		15
GOV05	Democratic Services Increase further use of online agendas and papers for Member meetings	10		10
Total Savings - Customers and Communities		169	0	169

Finance and HR

FIN01	Finance & Procurement A review of the capital programme finance support will be completed to enable appropriate costs to be recharged in future years.	50		50
HR01	Health & Safety 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
HR02	Training Further reduction in the consolidated training budget, moving more training online.	30		30
HR03	HR Grade 10-12 reductions from vacant posts in the structure.	45		45
Total Savings - Finance and HR		133	0	133

Corporate

CORP01	Treasury Management Review of MRP policy	2,000		2,000
Total Savings - Corporate		2,000	0	2,000

TOTAL SAVINGS	6,470	720	7,190
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STANDARD CHARGES FOR SHORT BREAKS CARE HOMES

With the completion of the Beehive in 2020 any charges to other LA's for placements will be agreed at the specific based on the support required

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FOSTER CARE ALLOWANCES
From 1st April 2022

Weekly Child Allowance (including Delegated Authority)

Age	National Weekly Allowance 2021/22 £	Delegated Authority 2021/22 £	Total Weekly Allowance 2021/22 £	National Weekly Allowance 2022/23 £	Delegated Authority 2022/23 £	Total Weekly Allowance 2022/23 £	Weekly Increase £
0-4	£138.04		£138.04	£140.84		£140.84	£2.80
5-10	£152.04	£14.42	£166.46	£155.12	£14.42	£169.54	£3.08
11-15	£173.04	£16.35	£189.39	£176.54	£16.35	£192.89	£3.50
16-17	£202.02	£17.31	£219.33	£206.08	£17.31	£223.39	£4.06

2022/23 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		Weekly Increase £
		2 £	3+ £	
Level 1	65.08	32.54	65.08	£0.00
		50%	100%	
Level 2	173.55	43.39	86.78	£0.00
		25%	50%	
Level 3	496.61	99.32	198.64	£0.00
		20%	40%	

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

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ADDITIONAL FOSTER CARERS ALLOWANCES
PAYABLE FROM 1st APRIL 2022

See Annex 3c supplement

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Placement Review: Fees and Allowances 2022/23



Contents:

- 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)
- 8: School Trips (pg6)
- 9: Nursery Fees (pg6)
- 10: Pocket Money (pg 6)
- 11: Health Care (pg7)
- 12: Household Related Costs (pg7)
- 13: Transport (pg8)
- 14: Public Transport and Bus Passes (pg8)
- 15: Foster Carer Fees (pg9)
- 16: Long Service Awards (pg10)
- 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	Proposed Weekly 2022/23 Allowance	Annual Delegated Authority Allowance (paid weekly)
0-4	£140.84	On request
5-10	£155.12	£750 per child per year
11-15	£176.54	£850 per child per year
16-17	£206.08	£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 additional 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 taking 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	Proposed Birthday Allowance 2022/23	Proposed Christmas/ Allowance 2022/23	Festival
0-4	£140.84	£140.84	
5-10	£155.12	£155.12	
11-15	£176.54	£176.54	
16-17	£206.08	£206.08	

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 2022/23	Holiday allowance week 2 2022/23	Holiday allowance week 3 2022/23
0-4	£140.84	£140.84	£140.84
5-10	£155.12	£155.12	£155.12
11-15	£176.54	£176.54	£176.54
16-17	£206.08	£206.08	£206.08

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	£65.08	£32.54	£65.08
Level 2	£173.55	£43.39	£86.78
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 takes 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 2022

Age	Weekly Allowance 2021/22 £	Weekly Allowance 2022/23 £	Weekly Increase £
0-4	£138.04	£140.84	£2.80
5-10	£152.04	£155.12	£3.08
11-15	£173.04	£176.54	£3.50
16-17	£202.02	£206.08	£4.06

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

2022/23 Includes a 2% uplift on the national weekly allowance payment, we will pay the national weekly minimum amount when these are set by central

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SHORT BREAKS ALLOWANCES**PAYABLE FROM 1st APRIL 2022**

Time Band	Standard Sharing Care Current Weekly Allowance 2021/22 £	Standard Sharing Care Updated Weekly Allowance 2022/23 £	Allowance paid to carer of child with additional health needs (i.e.std allow. + 70% enhancement) Proposed Weekly Allowance 2022/23 £	Allowance paid to carer of child with more complex care needs (i.e.std allow. + 60% enhancement) Proposed Weekly Allowance 2022/23 £	Weekly Increase £
0-4 hours	18.13	18.13	30.81 (i.e. 18.13 + 12.68)	29.00 (i.e. 18.13 + 10.87)	£0.00
4-8 hours	27.13	27.13	46.12 (i.e. 27.13 + 18.99)	43.41 (i.e. 27.13 + 16.28)	£0.00
8-12 hours	36.19	36.19	61.52 (i.e. 36.19 + 25.33)	57.90 (i.e. 36.19 + 21.71)	£0.00
12-24 hours	54.24	54.24	92.21 (i.e. 54.24 + 37.97)	86.79 (i.e. 54.24 + 32.55)	£0.00

Contract Care Scheme

	Weekly Allowance 2021/22 £	Weekly Allowance 2022/23 £	Weekly Increase £
Contract Carers	368.28	368.28	£0.00

These charges may change following a review

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ENVIRONMENTAL HEALTH	2021/22	2022/23	
	Charge (Before VAT)	Charge (Before VAT)	Increase (Before VAT)
	£	£	£
<u>HEALTH & SAFETY</u>			
<u>SKIN PIERCERS</u>			
a) Tattooists	193.00	0.00	n/a
b) Skin Piercers	193.00	0.00	n/a
c) Premises	193.00	0.00	n/a
High/Medium risk activities (cosmetic piercing & tattooing)	0.00	196.00	n/a
Low risk activities (Acupuncture/ Semi-permanent skin colouring/Ear piercing/Electrolysis/ Micro-blading)	0.00	124.00	n/a
Adding a high/medium risk activity to registration	0.00	196.00	n/a
Adding a low risk activity to registration	0.00	124.00	n/a
Change of name on registration	0.00	40.00	n/a
<u>FOOD & SAFETY UNIT</u>			
Export Certificate - Paper Certificate	71.20	72.12	0.92
Export Certificate - Electronic Certificate	50.36	51.00	0.64
<u>ANIMAL HEALTH</u>			
Animal Boarding / Dog Breeding / Pet Shop:			
- grant (yearly)	330.00	330.00	0.00
- renewal (2 year licence)	520.00	520.00	0.00
- renewal (3 year licence)	567.00	567.00	0.00
- request for re-inspection for re-rating purposes	104.00	105.00	1.00
Additional Activity (1 year)	164.00	164.00	0.00
Additional Activity (2 years)	273.00	273.00	0.00
Additional Activity (3 years)	273.00	273.00	0.00
Home Boarding / Day Creche:			
- grant (yearly)	216.00	216.00	0.00
- renewal (2 year licence)	348.00	348.00	0.00
- renewal (3 year licence)	395.00	395.00	0.00
- request for re-inspection for re-rating purposes	74.00	74.00	0.00
Additional Activity (1 year)	55.00	58.00	3.00
Additional Activity (2 years)	109.00	115.00	6.00
Additional Activity (3 years)	109.00	115.00	6.00
Home Boarding Franchises:			
- grant (yearly)	122.00	122.00	0.00
- renewal (2 year licence)	176.00	176.00	0.00
- renewal (3 year licence)	229.00	229.00	0.00
Riding Establishments ~ 1-10 horses (excluding vet fees):			
- grant (yearly) - with inspection	330.00	330.00	0.00
- grant (yearly) - without inspection	187.00	187.00	0.00
- renewal (2 year licence) - with inspection	500.00	512.00	12.00
- renewal (2 year licence) - without inspection	365.00	371.00	6.00
- renewal (3 year licence) - with inspection	567.00	567.00	0.00
- renewal (3 year licence) - without inspection	424.00	424.00	0.00
- request for re-inspection for re-rating purposes	104.00	105.00	1.00
Riding Establishments ~ 11-20 horses (excluding vet fees):			
- grant (yearly) - with inspection	416.00	416.00	0.00

- grant (yearly) - without inspection	216.00	216.00	0.00
- renewal (2 year licence) - with inspection	635.00	640.00	5.00
- renewal (2 year licence) - without inspection	445.00	445.00	0.00
- renewal (3 year licence) - with inspection	709.00	709.00	0.00
- renewal (3 year licence) - without inspection	509.00	509.00	0.00
- request for re-inspection for re-rating purposes	130.00	130.00	0.00
Riding Establishments ~ 21 or more horses (excluding vet fees):			
- grant (yearly) - with inspection	502.00	502.00	0.00
- grant (yearly) - without inspection	245.00	245.00	0.00
- renewal (2 year licence) - with inspection	719.00	749.00	30.00
- renewal (2 year licence) - without inspection	475.00	505.00	30.00
- renewal (3 year licence) - with inspection	852.00	852.00	0.00
- renewal (3 year licence) - without inspection	595.00	595.00	0.00
- request for re-inspection for re-rating purposes	162.00	163.00	1.00
Performing /Exhibition of Animals:			
- Grant and renewal (3 yr licence)	355.00	355.00	0.00
- Request for re-inspection for re-rating purposes	72.00	73.00	1.00
Dangerous Wild Animals - valid for 2 years (excluding vet fees)	278.00	278.00	0.00
Zoos Licence Grant (4 year licence)	335.00	317.00	-18.00
Zoos Licence Renewal (6 year licence)	415.00	423.00	8.00

PUBLIC PROTECTION (Excluding Licensing)	2021/22	2022/23	
	Charge (Before VAT)	Charge (Before VAT)	Increase (Before VAT)
	£	£	£
FEEES FOR THE TESTING AND VERIFICATION OF WEIGHING AND MEASURING INSTRUMENTS			
Standard Hourly Charge	71.20	72.12	0.92
<u>Consultancy and Court Cases (per hour)</u>			
Officer (Grade 8)	58.52	59.38	0.86
Officer (Grade 9)	64.34	65.22	0.88
Officer (Grade 10)	71.20	72.12	0.92
Officer (Grade 11)	80.02	80.97	0.95
Officer (Grade 12)	88.58	89.57	0.99
Officer (Grade 13)	New	100.58	n/a

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REGULATORY SERVICES (Licensing)	2021/22	2022/23	
	Charge (Before VAT)	Charge (Before VAT)	Increase (Before VAT)
	£	£	£
<u>GAMBLING ACT</u>			
a) Bingo			
Grant	2,800.00	2,800.00	0.00
Variation	1,400.00	1,400.00	0.00
Transfer	960.00	960.00	0.00
Reinstatement & Conversion of Provisional Statement	960.00	960.00	0.00
Provisional Statement	2,800.00	2,800.00	0.00
Annual Charge	840.00	840.00	0.00
b) Family Entertainment Centre			
Grant	1,600.00	1,600.00	0.00
Variation	800.00	800.00	0.00
Transfer	760.00	760.00	0.00
Reinstatement & Conversion of Provisional Statement	760.00	760.00	0.00
Provisional Statement	1,600.00	1,600.00	0.00
Annual Charge	635.00	635.00	0.00
c) Adult Gaming Centre			
Grant	1,600.00	1,600.00	0.00
Variation	800.00	800.00	0.00
Transfer	960.00	960.00	0.00
Reinstatement & Conversion of Provisional Statement	960.00	960.00	0.00
Provisional Statement	1,600.00	1,600.00	0.00
Annual Charge	840.00	840.00	0.00
d) Betting (Track)			
Grant	2,000.00	2,000.00	0.00
Variation	1,000.00	1,000.00	0.00
Transfer	760.00	760.00	0.00
Reinstatement & Conversion of Provisional Statement	760.00	760.00	0.00
Provisional Statement	2,000.00	2,000.00	0.00
Annual Charge	840.00	840.00	0.00
e) Betting Prmises (Bookmakers)			
Grant	2,400.00	2,400.00	0.00
Variation	1,200.00	1,200.00	0.00
Transfer	960.00	960.00	0.00
Reinstatement & Conversion of Provisional Statement	960.00	960.00	0.00
Provisional Statement	2,400.00	2,400.00	0.00
Annual Charge	515.00	515.00	0.00
<u>STREET TRADING CONSENTS</u>			
INSIDE CITY WALLS			
Ice Cream - various locations	Fees assessed by individual location		
Food - various locations			
Non Food - various locations			
Artists	2,150.00	2,200.00	50.00
Buskers 1 day	20.50	21.00	0.50
Buskers 10 days	102.00	105.00	3.00
Buskers 1 month	202.00	205.00	3.00
OUTSIDE CITY WALLS			
Ice Cream	1,720.00	1,750.00	30.00
Food	1,615.00	1,640.00	25.00
Non Food	770.00	780.00	10.00
OCCASIONAL			
Food	56.00	58.00	2.00
Non Food	41.00	42.00	1.00
Charities	15.00	15.00	0.00
<u>CAR BOOT SALES (commercial)</u>			
Less than 15 traders	75.00	76.00	1.00
15 - 50 traders	148.00	150.00	2.00
50 - 100 traders	300.00	305.00	5.00
More than 100 traders	410.00	420.00	10.00
*if the operator is paying rent for using private land the fees are reduced by half			
Charities	15.00	15.00	0.00

REGULATORY SERVICES (Licensing)	2021/22	2022/23	
	Charge (Before VAT)	Charge (Before VAT)	Increase (Before VAT)
	£	£	£
<u>SEX ESTABLISHMENTS *</u>			
Grant sex shop/cinema - application fee	862.00	900.00	38.00
Grant sex shop/cinema licence fee - grant	476.00	479.00	3.00
Grant sexual entertainment venue - application fee	1,255.00	1,303.00	48.00
Grant sex entertainment venue licence fee - grant	599.00	602.00	3.00
Renewal sex shop/cinema *	762.00	790.00	28.00
Renewal sexual entertainment venue *	1,196.00	1,227.00	31.00
Trans/Vary sex shop/cinema	862.00	900.00	38.00
Trans/Vary sexual entertainment venue	1,255.00	1,303.00	48.00
<u>Scrap Metal Dealers - renewable 3 yearly</u>			
Grant / renewal site licence	480.00	480.00	0.00
Grant / renewal site licence (2 sites)	662.00	662.00	0.00
Grant / renewal site licence (3 sites)	799.00	469.00	-330.00
Grant / renewal collectors licence	328.00	342.00	14.00
Variation	152.00	153.00	1.00
Variation change of name / address	88.00	88.00	0.00
<u>Miscellaneous</u>			
Hypnotism Licence	73.00	75.00	2.00
Film Classification	90.00	93.00	3.00
Replacement Charitable Collection Permit	11.00	12.00	1.00
<u>Consultancy and Court Cases (per hour) - Licensing</u>			
Officer (Grade 5)	47.89	48.20	0.31
Officer (Grade 6)	51.16	51.48	0.32
Officer (Grade 7)	54.12	54.45	0.33
Officer (Grade 8)	58.11	58.46	0.35
Officer (Grade 9)	63.93	64.31	0.38
Officer (Grade 10)	70.79	71.20	0.41
Officer (Grade 11)	New	80.06	n/a

TAXI LICENSING	2021/22	2022/23	
	Charge	Charge	Increase
	£	£	£
<u>PRIVATE HIRE LICENCE FEES</u>			
Driver's licence - new application (3 Year Licence) application fee	154.00	161.00	7.00
Driver's licence - new application (3 Year Licence) grant fee	154.00	161.00	7.00
Driver's licence - renewal (3 Year Licence) and (applications over 3 months late charged at new app fee)	232.00	239.00	7.00
Vehicle licence - new application	216.00	216.00	0.00
Vehicle licence - renewal (applications over 3 months late charged at new app fee)	189.00	189.00	0.00
Vehicle licence - new plate renewal (change every 3 years)			
Vehicle inspection (including admin fee)	70.50	70.50	0.00
Vehicle re-test (including admin fee)	35.25	35.25	0.00
Change of vehicle fee	40.00	43.00	3.00
Drivers badge - replacement charge	15.00	16.00	1.00
Internal vehicle plate - replacement charge	10.00	10.50	0.50
Vehicle plates - cost to new apps (includes internal plate)	48.00	49.00	1.00
Vehicle plates - replacement charge (set of 2)	40.00	41.00	1.00
Operator's licence - 1 - 10 vehicles (5 Year Licence)	181.00	173.00	-8.00
11 - 50 vehicles (5 year licence)	317.00	315.00	-2.00
51 - 90 vehicles (5 year licence)	454.00	458.00	4.00
90+ vehicles (5 Year Licence)	522.00	530.00	8.00
change of company name	31.00	27.00	-4.00
Vehicle licence transfer fee	29.00	32.00	3.00
Plates and signage exemption	50.00	53.00	3.00
Duplicate licence fee	17.00	17.00	0.00
Change of name or address	17.00	18.00	1.00
Administration charge for various activities including bounced cheques	31.00	31.00	0.00
HACKNEY CARRIAGE LICENCE FEES			
Driver's licence - new application (3 Year Licence) - application fee	154.00	161.00	7.00
Driver's licence - new application (3 Year Licence) - grant fee	154.00	161.00	7.00
Driver's licence - renewal (3 Year Licence)	232.00	239.00	7.00
Vehicle licence - new application	227.00	232.00	5.00
Vehicle licence - renewal (applications over 3 months late charged at new app fee)	195.00	195.00	0.00
Horse drawn hackney carriage vehicle licence	181.00	186.00	5.00
Vehicle inspection (including admin fee)	70.50	70.50	0.00
Vehicle re-test (including admin fee)	35.25	35.25	0.00
Change of vehicle fee	40.00	43.00	3.00
Driver's badge - replacement charge	15.00	16.00	1.00
Internal vehicle plate - replacement charge	10.00	10.50	0.50
Vehicle plate - replacement charge	32.00	33.00	1.00
Vehicle Crest	16.00	17.00	1.00
Vehicle licence transfer fee	29.00	32.00	3.00
Duplicate licence fee	17.00	17.00	0.00
Change of name or address	17.00	18.00	1.00
Administration charge for various activities including bounced cheques	31.00	31.00	0.00

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Housing & Community Safety Fees & Charges 2022-23

HOUSING - HRA		2021/22	2022/23	Proposed
		Charge	Charge	Increase
		£	£	£
Garages				
Normal	Council tenant	7.89	8.21	0.32
	Private **	9.47	9.86	0.39
High Demand	Council tenant	9.49	9.88	0.39
	Private (local connection) **	22.17	23.08	0.91
	Private (no local connection) **	27.88	29.02	1.14
Low Demand	All tenures	3.98	4.14	0.16

** Charges include VAT

HOUSING - GENERAL FUND		2021/22	2022/23	Proposed
		Charge	Charge	Increase
		£	£	£
Houses in Multiple Occupation Fees & Charges				
New Licence Applications*				
	Band A	1,150	1,195	45.00
	Band B	1,340	1,395	55.00
	Band C	1,465	1,525	60.00
	Band D	1,650	1,715	65.00
Licence Renewals				
	Band A	835	870	35.00
	Band B	895	930	35.00
	Band C	930	965	35.00
	Band D	1,025	1,065	40.00
Other HMO Charges				
	Penalty fee**	220	250	30.00
	Letters of Advice	110	115	5.00
	Immigration Inspection	165	170	5.00
	Copy of Register	500	550	50.00

Notes

*Discount of £75 for HMO licence holders with a relevant HMO

**Penalty fee where the Council identifies that a HMO should be licensed

Mobile Homes Licensing (Mobile Homes Act 2013)				
	New Licence Application	790	810	20.00
	Transfer of Licence (no variations)	270	277	7.00
	Variation to Licence	575	590	15.00
	Annual Inspection - 50 units or more	575	590	15.00
	Annual Inspection - 49 units or fewer	450	462	12.00
	Fit and Proper Person test mobile homes	427	440	13.00
Landlord Training Fees				
	1 x 3 hour Landlord Training course per person (Not related to HMO qualification)	105	110	5.00
	2 x 3 hour Landlord Training course per person (Not related to HMO qualification)	130	135	5.00
	New online training course (Not related to HMO qualification)	75	75	

HOUSING - GENERAL FUND		2021/22	2022/23	Proposed
		Charge	Charge	Increase
		£	£	£
Charging for Notices				
Housing Notices	Officer's hourly rate up to maximum of £300			
Works in default	Officer's Hourly rate			
Hourly Rates	Grade 8	58.52	59.38	0.86
	Grade 9	64.34	65.22	0.88
	Grade 10	71.20	72.12	0.92
	Grade 11	80.02	80.97	0.95
	Grade 12	88.58	89.57	0.99
	Grade 13	New		100.58

Administration of Private Sector grants/loans			
Home Safety Loan (Includes VAT)	200	200	0.00
DFG (as % of eligible works)***	0	0	0.00
Home Appreciation Loan (as % of eligible works)	12%	12%	0.00
Energy Repayment Loan (as % of eligible works)	12%	12%	0.00
Empty Property Loans (as % of eligible works)	12%	12%	0.00
** charge inclusive of VAT			
*** The charging mechanism for this grant has changed to a recharge directly to the capital grant			
Yorkshire Handyperson Service			
Hourly rate (includes VAT)	23.00	24.00	1.00

COMMUNITY SAFETY	2021/22 Charge	2022/23 Charge	Proposed Increase
	£	£	£
Fixed Penalty Notices			
Littering Fine	100	100	0.00
Littering Fine early payment	75	75	0.00
Reclaim Fee (Statutory fee)	60	60	0.00
Kennels Fees - Statute only allows the local authority to	10	10	0.00
Failure to comply with a Community Protection Notice	100	100	0.00
Failure to comply with a Community Protection Notice (early	75	75	0.00
Breach of Public Space Protection Order	100	100	0.00
Breach of Public Space Protection Order (early payment)	75	75	0.00
Advertising 2 or more vehicles for sale on the highway	100	100	0.00
Advertising 2 or more vehicles for sale on the highway (early	75	75	0.00
payment)			
Repairing a motor vehicle on the highway for commercial	100	100	0.00
Repairing a motor vehicle on the highway for commercial			
gain (early payment)	75	75	0.00
Failure to produce evidence of authority to transport			
commercial waste	300	300	0.00
Failure to produce evidence of authority to transport	180	180	0.00
Dog Fouling (no early payment discount)	75	75	0.00
Small-scale fly-tipping (less than a small van load)	400	400	0.00
Small-scale fly-tipping (less than a small van load) - early	240	240	0.00
Failure to provide an authorised officer with written waste	400	400	0.00
Failure to provide an authorised officer with written waste			
information (early payment)	240	240	0.00
Failure to comply with the requirement to provide adequate			
waste receptacles (no early payment discount)	100	100	0.00
Inappropriate presentation of domestic waste	60	60	0.00
Failure to comply with domestic waste duty of care			
requirement	250	250	0.00
Failure to comply with domestic waste duty of care	150	150	0.00

* Early payment requires penalty notice to be paid within 10 days

TRANSPORT	2021/22	2022/23	
	Charge	Proposed Charge	Proposed Increase
	(exc VAT) £	(exc VAT) £	£
Bus Stop			
Installation & removal of temporary bus stop	99.00	99.00	0.00
Removal of permanent bus stop during work	184.00	184.00	0.00
Damage to bus stop or unauthorised removal	184.00	184.00	0.00
Road Safety*			
Local Authority School Children: (cost per child)			
Pre Basic Cycle Training Level 1	4.20	4.20	0.00
Basic Cycle Training Level 2	18.00	18.00	0.00
Cycle Training Level 1 and 2 combined	21.00	21.00	0.00
Advanced Cycle Training Level 3	9.00	9.00	0.00
Adults (cost per person):			
1:1 adult training (first hour)	33.50	33.50	0.00
1:1 adult training (90 minutes)	50.00	50.00	0.00
Pedestrian Training:			
School training by class (2 x 1.5hr class)	100.00	100.00	0.00
*Road Safety training charges only levied if costs cannot be covered by grant funding			
Replacement charge for YOzone card & ENCTS cards	10.00	10.00	0.00
Monks Cross parking charge	5.00	5.00	0.00
Highways Section 278 and Section 38 - Design checking and site supervision fees (minimum fee £2,500)	10% of scheme costs+£500*	10% of scheme costs+£500*	0.00
White Bar Markings			
Application and Initial Placement	130.00	135.00	5.00
Refreshment (to new and existing)	85.00	88.00	3.00
Scaffold & Hoarding licences			
Initial consent and 1 month permission	150.00	155.00	5.00
Each additional month or part thereof	75.00	78.00	3.00
Late notification fee (less than 5 working days)	45.00	47.00	2.00
Failure to comply with terms of licence	90.00	94.00	4.00
Retrospective Application /Additional fee for dealing with unlicensed scaffold/hoarding	300.00	310.00	10.00
Skip/ Container/ Building Materials licence for 14 days	55.00	57.00	2.00
Late notification fee (less than 3 working days)	40.00	42.00	2.00
Failure to comply with terms of licence	55.00	57.00	2.00
Additional fee for dealing with unlicensed skips/ scaffolding	200.00	210.00	10.00
Cherry picker licence - up to 1 day	80.00	83.00	3.00
Cherry picker licence - more than 1 day	150.00	156.00	6.00
Crane - up to 1 week	150.00	156.00	6.00
Crane - per additional week	150.00	156.00	6.00
Retrospective Application /Additional fee for dealing with unlicensed cherry picker/crane	300.00	315.00	15.00
*excludes costs associated with specialist areas e.g. highway structures, street lighting, traffic signals (full cost			
Vehicle Crossing Fees (Assessment & Inspection Fee)	180.00	185.00	5.00
Refused Application Admin Charge	48.00	50.00	2.00
Shared crossings - Assessment & Inspection Fee (charged once)	180.00	185.00	5.00
Shared crossings - Admin charge for other dwelling(s) (charged per dwelling)	48.00	50.00	2.00
Change to Permanent Traffic Regulation Order - removal from Res Park zone	3,000.00	3,000.00	0.00
Change to Permanent Traffic Regulation Order - other changes	6,000.00	6,000.00	0.00
Road Closures, dependant on scale (exc VAT and advertising (Non-Commercial/ Charitable Events may be exempt or reduced,	2,000.00	2,000.00	0.00
Temporary Waiting Restrictions (exc cost of work, coning & advertising)	200.00	208.00	8.00
Authority to contravene Moving Traffic Order	50.00	52.00	2.00
Annual Parking Waiver	90.00	94.00	4.00
Waiver to contravene a Parking Order			
1 day	25.00	26.00	1.00
2 - 7 days	59.00	61.00	2.00
8 - 14 days	118.00	122.00	4.00

TRANSPORT	2021/22	2022/23	
	Charge (exc VAT) £	Proposed Charge (exc VAT) £	Proposed Increase £
Standard Collision Requests			
Accident Request - up to 5 years			
Single Junction and/or up to 200m	89.00	93.00	4.00
Single Junction and/or up to 600m	121.00	126.00	5.00
Roundabouts up to 6 arms and 200m	163.00	170.00	7.00
Roundabouts up to 6 arms and 1.6km	215.00	223.00	8.00
Up to 16km e.g. A1237	278.00	290.00	12.00
Up to 32km e.g. A64	353.00	367.00	14.00
Whole of York	417.00	435.00	18.00
Extra Plan by vehicle type or pedestrian	77.00	80.00	3.00
Accident Request - up to 10 years			
Single Junction and/or up to 200m	139.00	144.00	5.00
Single Junction and/or up to 600m	215.00	223.00	8.00
Roundabouts up to 6 arms and 200m	278.00	290.00	12.00
Roundabouts up to 6 arms and 1.6km	353.00	367.00	14.00
Up to 16km e.g. A1237	417.00	435.00	18.00
Up to 32km e.g. A64	491.00	510.00	19.00
Whole of York	555.00	575.00	20.00
Extra Plan by vehicle type or pedestrian	139.00	144.00	5.00
Traffic Survey Data			
Automatic traffic count data (ATC): per site for 1 years	114.00	118.00	4.00
Classified count data	50% of the survey cost	50% of the survey cost	0.00

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WASTE SERVICES	2021/22	2022/23	
	Charge (inc VAT if applicable)	Proposed Charge (inc VAT if applicable)	Proposed Increase
	£	£	£
Charges for Replacement Bins/Containers			
180L	45.00	46.00	1.00
240L	50.00	51.00	1.00
360L	56.00	58.00	2.00
Recycling box	0.00	0.00	0.00
Garden Waste* (additional bin collection charge)	40.00	41.00	1.00
*Proposed Charge applies for 2022 season commencing 7th March 2022			
Bulky Household Collections			
10 items	23.00	24.00	1.00
White Goods - Fridges/Freezers only (domestic collections)	14.00	15.00	1.00
Bonded Asbestos Collections for quantities up to 200 kg, including assessment visit (incs VAT)	108.00	111.00	3.00
Bonded Asbestos Collections greater than 200 kg, price quoted on application (excluding VAT)	n/a	n/a	n/a
Hazel Court - Household Waste Recycling Centre			
Material Charges:			
Brick/rubble per bag	2.50	3.00	0.50
Bonded Asbestos per sheet (less than 1.8m by 0.6m)	7.00	7.50	0.50
Bonded Asbestos per sheet (more than 1.8m by 0.6m)	15.00	15.50	0.50
Bonded Asbestos per bag (able to be lifted by one person)	7.00	7.50	0.50
Plasterboard per bag	7.00	7.50	0.50
Gas bottles up to 10Kg	9.00	9.50	0.50
Gas bottles up to 20Kg	15.00	15.50	0.50
Gas bottles large (over 20kg) or specialised	42.00	43.00	1.00
Trade Waste Charges			
Waste to be charged per tonne or part thereof :-			
Residual Waste to Landfill per tonne	165.00	170.00	5.00
Minimum Charge	85.00	88.00	3.00
Recycling or Waste for Composting per tonne	85.00	88.00	3.00
Minimum Charge	43.00	45.00	2.00
Minimum percentage of waste be recycable to qualify for charge for recycling or waste for composting rate = 85%			
Commercial Waste			
Commercial Collection	Set by the Head of Environmental Services in consultation with the Chief Finance Officer 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) 2021/22 £	Proposed (excluding VAT) 2022/23 £	Increase (excluding VAT) 2022/23 £
Householder Enquiry (ie house extensions, garages/sheds, etc)	72.00	75.00	3.00
Other Commercial Development (to establish if "development" or whether "permitted development" or not)	72.00	75.00	3.00

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) 2021/22 £	Proposed (excluding VAT) 2022/23 £	Increase (excluding VAT) 2022/23 £
Householder (see note 4)	72.00	75.00	3.00
Advertisements (see note 4)	72.00	75.00	3.00
Commercial - where no new floorspace (see note 4)	106.00	110.00	4.00
Change of Use - with no building works (see note 4)	106.00	110.00	4.00
Telecommunications (see note 4)	146.00	152.00	6.00
Other (See note 3 & 4)	146.00	152.00	6.00
Small Scale Commercial Development (Incl shops offices, other commercial uses)			
* Upto 500m2	369.00	384.00	15.00
* 500-999m2	738.00	768.00	30.00
Small Scale Residential			
* less than 4 Dwellings - fee per dwelling	146.00	152.00	6.00
* 4-9 Dwellings	738.00	768.00	30.00

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) 2021/22 £	Proposed (excluding VAT) 2022/23 £	Increase (excluding VAT) 2022/23 £
Major new residential			
Student accommodation developments (10 or more students)			
* 10-25 Dwellings	1,288.00	1,340.00	52.00
* 26-199 Dwellings - additional fee per dwelling	51.00	53.00	2.00
Small Scale Commercial Development (inc shops, offices, other commercial uses)			
* 1,000 m2 to 3,000m2	2,225.00	2,314.00	89.00

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**

Proposed Development Type	Current Fee (excluding VAT) 2021/22 £	Proposed (excluding VAT) 2022/23 £	Increase (excluding VAT) 2022/23 £
* 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 £51.00 per dwelling	Minimum fee of £53.00 per dwelling	2.00
* 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 £4,000	Fee to be negotiated with a minimum fee of £4,160	160.00

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

Category	Current Fee (excluding VAT) 2021/22 £	Proposed (excluding VAT) 2022/23 £	Increase (excluding VAT) 2022/23 £
Section 106 Confirmation Letter (Simple) (ie does not require site visit or document retrieval)	27.50	29.17	1.67
Section 106 Confirmation Letter (Complex) (ie requires site visit and/or document retrieval)	92.50	96.67	4.17
Decision Notices for applications decided before January 2006	16.67	17.50	0.83
Copies of S106 Agreements	48.50	50.00	1.50

Note 1 - All fees above are subject to VAT

Section D - Building Control

Category	Current Fee (excluding VAT) 2021/22 £	Proposed (excluding VAT) 2022/23 £	Increase (excluding VAT) 2022/23 £
Letter of confirmation } Completion Certificates } Approvals }	42.08	43.75	1.67

Note 1 - All fees above are subject to VAT

DEVELOPMENT MANAGEMENT**Section E - Land Charges**

Category	Current Fee (excluding VAT) 2021/22 £	Proposed (excluding VAT) 2022/23 £	Increase (excluding VAT) 2022/23 £
Basic search - over the counter	103.00	107.00	4.00
Basic search - electronic	103.00	107.00	4.00
Business search	201.00	209.00	8.00
Optional enquiries	57.00	59.00	2.00
Additional enquiries	31.00	33.00	2.00

Section F - Naming & Numbering

Category	Current Fee 2021/22 £	Proposed 2022/23 £	Increase 2022/23 £
Renaming of property	50.00	52.00	2.00
Naming of new property	100.00	104.00	4.00
New developments up to 10 units	250.00	260.00	10.00
New developments over 10 units (per additional unit)	50.00	52.00	2.00
Confirmation of address	50.00	52.00	2.00

Section G - Commons Registration

Category	Current Fee 2021/22 £	Proposed 2022/23 £	Increase 2022/23 £
Processing & Registration under section 15A(1) of the Commons Act 2006	370.00	385.00	15.00
Processing & Registration of the Highway Statement & Highway Declaration under section 31(6) of the Highways Act 1980 (Other fees are available on request)	329.00	342.00	13.00
Tree Preservation Orders	47.00	49.00	2.00

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PARKING SERVICES		2021/22	2021/22	2021/22	2022/23		2022/23		2022/23	
		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	£0.00	49.98	£0.00	139.00	£0.00
	Quarterly charge *	30.50	15.25	42.00	30.50	£0.00	15.25	£0.00	42.00	£0.00
	-Second	192.50	96.25	267.70	200.00	£7.50	100.00	£3.75	280.00	£12.30
	Quarterly charge	58.75	29.40	80.90	60.00	£1.25	30.00	£0.60	81.00	£0.10
	-Third	390.00	195.00	542.40	400.00	£10.00	200.00	£5.00	560.00	£17.60
	Quarterly charge	102.00	51.00	140.50	110.00	£8.00	55.00	£4.00	150.00	£9.50
	-Fourth	800.00			800.00	£0.00				
	Quarterly charge	205.00			205.00	£0.00				
Visitor	-Standard	1.25			1.25	£0.00				
	-Concessionary	0.30			0.30	£0.00				
Special Control Permit	-Standard *	115.00	57.50	146.00	115.00	£0.00	57.50	£0.00	146.00	£0.00
	Quarterly charge *	33.80	16.90	44.00	33.80	£0.00	16.90	£0.00	44.00	£0.00
Special Additional Permit	-Standard *	115.00	57.50	146.00	115.00	£0.00	57.50	£0.00	146.00	£0.00
	Quarterly charge	33.80	16.90	45.00	33.80	£0.00	16.90	£0.00	45.00	£0.00
Business Permit *		440.00	220.00		440.00	£0.00	220.00	£0.00		
Guest House Authorisation Card	-Standard *	440.00	220.00		440.00	£0.00	220.00			
	Quarterly charge	115.00			115.00	£0.00	57.50			
Multiple Occupancy Permit *	-Standard *	175.00	87.50		175.00	£0.00	87.50	£0.00		
	Quarterly charge *	48.00	22.50		48.00	£0.00	22.50	£0.00		
Landlord's Permit *	-Standard *	175.00	87.50	216.00	175.00	£0.00	87.50	£0.00	216.00	£0.00
	Quarterly charge *				48.00	£48.00				
Community Permit *		57.00	28.50	67.20	57.00	£0.00	28.50	£0.00	67.20	£0.00
Day use Community Permit	- Standard	1.35	0.68		1.35	£0.00	0.68	£0.00		
	- Charities	0.30	0.15		0.30	£0.00	0.15			
Authorisation Card without Permit		3.20			3.20	£0.00				
Property Renovation Permit	- Quarterly *	125.00	62.50		125.00	£0.00	62.50	£0.00		
	- Daily *	3.40	1.70		3.40	£0.00	1.70	£0.00		
Commercial Permit *		640.00	320.00		640.00	£0.00	320.00	£0.00		
	- Quarterly	157.50	78.75		157.50	£0.00	78.75	£0.00		
Commercial Permit (Specific Zone) *		162.50	81.25		162.50	£0.00	81.25	£0.00		
	- Quarterly	42.25	21.13		42.25	£0.00	21.13	£0.00		
Penalty Charge Notice (PCN) Full (Higher/ Lower)		70.00 / 50.00			70.00 / 50.00					
PCN Discounted (Higher/ Lower)		35.00 / 25.00			35.00 / 25.00					
PCN Enforced (Higher/ Lower)		105.00 / 75.00			105.00 / 75.00					
Vehicle Removal Charge		115.00			115.00	£0.00				
Vehicle Storage Charge	Daily	13.20			13.20	£0.00				
Vehicle Disposal Charge		27.00			27.00	£0.00				
Admin Fee		50.00			50.00	£0.00				
Replacement Permit Respark	First Replacement	25.00			25.00	£0.00				
	Second Replacement	187.50			187.50	£0.00				
Regular User Discount Permit (2 Year)		30.00			30.00	£0.00				

* 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

		2021/22 Current Charge £	2022/23	
			Proposed Charge £	Increase £
Annual Season Ticket*	Standard Car Parks	1,260.00	1,300.00	40.00
	Discount vehicle rate	630.00	650.00	20.00
Monthly Season Tickets				
Standard Stay car parks	Standard rate	168.00	175.00	7.00
	Discount vehicle rate	84.00	87.50	3.50
Weekly Season Tickets				
Preferential phone rate only				
Standard Stay car parks	Standard rate	68.50	72.00	3.50
	Discount vehicle rate	34.25	36.00	1.75
Contract Parking (Bulk) *				
Foss Bank - Annual		610.00	620.00	10.00
Hotel Scratchards				
Standard Stay Car Parks	Per Book of 30	300.00	330.00	30.00
Contract Parking (City Centre Resident 24 hour)				
Foss Bank - Monthly	Standard rate	87.00	90.00	3.00
	Discount vehicle rate	40.00	45.00	5.00
Foss Bank - Annual	Standard rate	900.00	940.00	40.00
	Discount vehicle rate	415.00	435.00	20.00
Surface - Monthly	Standard rate	80.00	85.00	5.00
	Discount vehicle rate	34.00	36.00	2.00
Surface - Annual	Standard rate	885.00	920.00	35.00
	Discount vehicle rate	370.00	385.00	15.00

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 2022

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	£2.50	£5.00	£7.50	£10.00	£12.50	£2.40 per addnl hour	£1.00	
		Standard		N/A	£2.80	£5.60	£8.40	£11.20	£14.00	£2.70 per addnl hour	£3.00	
		Standard		N/A	£2.70	£5.40	£8.10	£10.80	£13.50	£2.60 per addnl hour	£3.00	
Standard Stay	2/4	Discounted	Mob Phone	N/A	£1.90	£3.80	£5.70	£7.60	£9.50	£15.00	£1.00	£15.50
		Standard		N/A	£2.50	£5.00	£7.50	£10.00	£12.50	£15.00	£3.00	£15.50
		Standard		N/A	£2.40	£4.80	£7.20	£9.60	£12.00	£15.00	£3.00	£15.50
Foss Bank	3			£1.70 per hour								
			Mob Phone	£1.60 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	£5.00	£7.50	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

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 (1/4/21 - 31/12/21)			Off Peak (1/01/22 - 31/3/22)	
	<1 Hour	<3 Hours	Over 3 hrs	<1 Hour	Over 1 Hr
Union Terrace and St George's Field Coach Parks	£7.00	£12.00	£15.00	£7.00	£12.00

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	£2.50	£5.00	£7.50	£1.00	Carmelite St, Lawrence Street, Lord Mayor's Walk, North Street, Palmer Lane, Piccadilly, Skeldergate, Tanner's Moat, Toft Green, Walmgate.
		Standard		N/A	£2.50	£5.00	£7.50	£3.00	
		Standard		N/A	£2.40	£4.80	£7.20	£3.00	
Micklegate	6 & 7	Discounted	Mob Phone	£0.50	£1.00	£5.00	£7.50	£1.00	
		Standard		£0.50	£1.00	£5.00	£7.50	£3.00	
		Standard		£0.50	£1.00	£4.60	£6.90	£3.00	
Priory Street	6 & 7	Discounted	Mob Phone	N/A	£2.50	£5.00	£7.50	£1.00	
		Standard		N/A	£2.50	£5.00	£7.50	£3.00	
		Standard		N/A	£2.40	£4.80	£7.20	£3.00	
City Centre Footstreets		Discounted						£1.00	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

Note 8 - Charges to apply between 9am and 6pm

d) On-Street Parking for large vehicles

	< 2 Hours	2- 5 Hours	5-12 Hrs	Market Traders with Permit
Foss Islands Road	£4.40	£6.80	£11.30	£2.40

Adult Social Care fees and charges

	2020/21	2022/23		Explanation
	Actual Charge	Proposed Charge	Proposed Increase	
	£	£	£	
Residential Care				
Older Person's Homes (per week)	742.36	742.36	0.00	The Business Transfer agreement with Yorkare Ltd specifies that there will be no increase in self funder's charges before April 2023.
22 The Avenue & 38 Evelyn Crescent (Mental Health residential care) -emergency respite (per week)	881.59	911.57	29.98	Customers attending 22 The Avenue & 38 Evelyn Crescent on an emergency basis are financially assessed under fairer charging and only pay as much as they can afford.
22 The Avenue & 38 Evelyn Crescent (Mental Health residential care) - planned placement (per week)	190.89	196.91	6.02	Customers residing at 22 The Avenue & 38 Evelyn Crescent on a planned basis are able to claim Housing Benefit. The major element of the weekly charge is rent which will increase by 4.1% in 2022/23
Community Support				
Home care support in CYC Extra care schemes (per hr)	20.71	21.45	0.74	Charge reflects the estimated average external home care hourly rate for 2022/23. Customers are financially assessed and only pay what they can afford.
Home care support provided by the overnight team (per hr)	31.07	32.18	1.11	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)	16.81	17.53	0.72	Charge reflects the estimated average external day support hourly rate for 2022/23

Adult Social Care fees and charges

	2020/21	2022/23		Explanation
	Actual Charge	Proposed Charge	Proposed Increase	
Income Services Team charges				
Full fee payers administration charge (per annum)	522.00	530.00	8.00	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 £475 annual set up charge and an ongoing £55 administration charge.
Additional reconciliation charge for full fee payers (per reconciliation)	6.70	6.85	0.15	Income Services can charge full fee payers for any reconciliations of their account they request above the annual reconciliation.
Deferred Payment Agreements additional costs:				
Deferred Payment set up charge (one off) - made up of the following as a minimum:	800.00	824.14	24.14	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. 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	475.00	484.14	9.14	
Income Services Administration Charge - set-up	175.00	180.00	5.00	
Initial Professional Valuation	150.00	160.00	10.00	
Letter of Undertaking	110.00	112.19	2.19	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

	2020/21	2022/23		Explanation
	Actual Charge	Proposed Charge	Proposed Increase	
Monthly invoice generation and distribution	1.10	1.15	0.05	The Care Act allows local authorities to recover the costs of activities associated with administering deferred payments.
Monthly management, monitoring and application of interest	2.60	2.65	0.05	
Half yearly statement of account	2.60	2.65	0.05	
Legal team costs de-registration and file closure	30.00	30.60	0.60	
Final account preparation and account closure	8.50	8.75	0.25	
Revaluation Costs	subject to actual cost of valuation			
Court of Protection				
Appointment of Deputy Fee	745.00	745.00	0.00	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	0.00	
Year 2 Management Fee	650.00	650.00	0.00	
Year 3 Management Fee	650.00	650.00	0.00	
Property Sale Fee	300.00	300.00	0.00	
Estate Administration Fee	367.75	367.75	0.00	
Annual Report Fee	216.00	216.00	0.00	
Assets less than £16k	3.5%	3.5%	0.00	
Basic HMRC Return	70.00	70.00	0.00	
Complex HMRC Return	140.00	140.00	0.00	
Travel rates ph	40.00	40.00	0.00	
Corporate Appointee Charge	3.5% or £5.60 per week	3.5% or £5.65 per week		

Adult Social Care fees and charges

	2020/21	2022/23		Explanation
	Actual Charge	Proposed Charge	Proposed Increase	
Be Independent				Be Independent is currently being promoted in order to strengthen it's position as part of CYC's early intervention and prevention services. Increasing charges at this time will actively discourage the residents of York from using the service.
Monthly Charges excluding VAT where applicable				
Friends & Family Service	18.40	18.40	0.00	
Friends & Family Service Additional Person	9.20	9.20	0.00	
Premium Response Service	35.70	35.70	0.00	
Premium Plus Response Service	49.00	49.00	0.00	
Second Resident Charge	17.30	17.30	0.00	
1 additional safety sensor	2.50	2.50	0.00	
Further additional sensors (50p per additional sensor up to 4 in total)	0.50	0.50	0.00	
Hardwire top -up	12.75	12.75	0.00	
SIM GSM Connection	8.50	8.50	0.00	
One Off Charges excluding VAT where applicable				
Installation Charge	30.60	30.60	0.00	
Key Safe Installation	46.67	46.67	0.00	
Key Safe Charge police approved	67.92	67.92	0.00	
Stand Alone				
Just Checking Monitoring Kit	66.30	66.30	0.00	
Canary - Charge	39.20	39.20	0.00	
Stand Alone (not monitored by Be Independent)	18.40	18.40	0.00	
Damaged/Lost Equipment Charges				
Replacement Pendant	35.70	35.70	0.00	
Smoke Detector	51.00	51.00	0.00	
Carbon Monoxide Detector	101.00	101.00	0.00	

REGISTRAR OF BIRTHS, DEATHS AND MARRIAGES	1st Apr 2021	1st Apr 2022	
	Charge (inc VAT if applicable) £	Proposed Charge (inc VAT if applicable) £	Increase £
Certificates			
Copy certificate - issued within 10 days 2nd class	11.00	11.00	0.00
Copy certificate - collect/post 1st class next working day	35.00	35.00	0.00
Signed for postage	2.00	2.00	0.00
Overseas postage - per order	10.00	10.00	0.00
Certificates issued at time of registration	11.00	11.00	0.00
Notice of marriage	35.00	35.00	0.00
Saturday room booking for Notice (Per Person)	13.00	13.00	0.00
Certification of a venue for marriage ceremonies (valid for three years)			
Large Venue (Capacity over 200)	3,331.00	3,414.00	83.00
Medium Venue (Capacity over 75)	1,538.00	1,576.00	38.00
Small Venue (Capacity 75 or less)	1,025.00	1,051.00	26.00
Civil Funeral	175.00	180.00	5.00
Civil Partnerships			
Attendance of Registration Staff at Approved premises			
Large marriage room at Register Office Mon-Thurs	262.00	269.00	7.00
Large marriage room at Register Office Fri-Sat	357.00	366.00	9.00
Small room at Register Office Mon - Thurs	153.00	157.00	4.00
Small room at Register Office Fri - Sat	210.00	215.00	5.00
Approved Premises (venues) Mon-Thurs	543.00	557.00	14.00
Approved Premises (venues) Fri - Sat	630.00	646.00	16.00
Approved Premises (venues) Sun / Bank Holidays	682.00	699.00	17.00
Statutory Register Office CP	46.00	46.00	0.00
Marriage			
Attendance of Registration Staff at Approved premises			
Large marriage room at Register Office Mon-Thurs	262.00	269.00	7.00
Large marriage room at Register Office Fri-Sat	357.00	366.00	9.00
Small room at Register Office Mon - Thurs	153.00	157.00	4.00
Small room at Register Office Fri - Sat	210.00	215.00	5.00
Approved Premises (venues) Mon-Thurs	543.00	557.00	14.00
Approved Premises (venues) Fri - Sat	630.00	646.00	16.00
Approved Premises (venues) Sun / Bank Holidays	682.00	699.00	17.00
Statutory Register Office Wedding	46.00	46.00	0.00
Pre-ceremony Consultation (New)	40.00	40.00	0.00
Converting a civil partnership into a marriage (1 stage procedure)	45.00	45.00	0.00
Converting a civil partnership into a marriage (2 stage procedure: stage 1)	27.00	27.00	0.00
Converting a civil partnership into a marriage: ceremony at the York Register Office (2 stage procedure: stage 2)	TBA	295.00	
Converting a civil partnership into a marriage: ceremony at an approved venue (2 stage procedure: stage 2)	TBA	380.00	
Citizenship Ceremonies (Private)	152.00	156.00	4.00
GRO fees*			
Correction by Superintendent Registrar (SR)	75.00	75.00	0.00
Correction by Registrar General (GRO)	90.00	90.00	0.00
Consideration of divorce/dissolution docs outside British Isles by SR	50.00	50.00	0.00
Consideration of divorce/dissolution docs outside British Isles by GRO	75.00	75.00	0.00
Consideration of reducing the 28 day waiting period	60.00	60.00	0.00
Addition of forename within 12 months of registration	40.00	40.00	0.00
Registrar General's Licence	15.00	15.00	0.00
Baby Naming Ceremonies			
At Register Office	242.00	295.00	53.00
Approved Premises (venues)	268.00	380.00	112.00
Renewal of Vows			
At Register Office	242.00	295.00	53.00
Approved Premises (venues)	268.00	380.00	112.00
Change of name deed	TBA	TBA	
Additional copy of deed	TBA	TBA	
Proof of Life (New)		25.00	
Sale of Goods and Miscellaneous Charges :-			
Baby Folders (suggested donation)	2.00	2.00	0.00
Commemorative Script (New)	35.00	36.00	1.00
Certificate box (New)	10.00	10.00	0.00

* Collected in part on behalf of the General Register Office (GRO)

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BEREAVEMENT SERVICES	1st Apr 2020	1st April 2022	
	Charge (Inc VAT if applicable)	Proposed Charge (Inc VAT if applicable)	Increase
	£	£	£
CREMATORIUM			
CREMATIONS (VAT EXEMPT)			
Adult (including medical referee fee)*	920.00	943.00	23.00
Drop off only	550.00	564.00	14.00
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
INTERMENT (VAT EXEMPT)			
Interment of Ashes	50.00	51.00	1.00
SCATTERING OF ASHES (VAT EXEMPT)			
Ashes received from external sources	85.00	88.00	3.00
Ashes forward to other places	0.00	0.00	0.00
Additional Service Time	120.00	125.00	5.00
EXHUMATIONS			
Exhumation fee	200.00	205.00	5.00
BEARING SERVICE	26.00	30.00	4.00
FUNERAL SERVICE	175.00	180.00	5.00
RECORDINGS & WEBCASTINGS			
RECORDINGS			
CD recording	50.00	50.00	0.00
DVD recording	62.00	62.00	0.00
WEBCASTINGS			
Live	30.00	31.00	1.00
Live plus 28 days and downloadable	45.00	46.00	1.00
Keepsake Copy (DVD/Blue-Ray/USB stick)	50.00	51.00	1.00
VISUAL TRIBUTES			
Single Photo	0.00	0.00	0.00
Slideshow	38.00	39.00	1.00
Professional Tribute	70.00	72.00	2.00
Family made	18.00	18.00	0.00
Keepsake Copy of Visual Tribute (DVD/Blue-Ray/USB stick)	25.00	26.00	1.00
Downloadable copy of Visual Tribute	10.00	10.00	0.00
VISUAL EXTRAS			
Additional Keepsake copies	25.00	26.00	1.00
Extra 25 photos	21.00	22.00	1.00
Extra Work	21.00	22.00	1.00
MEMORIALS AND PLAQUES			
PLAQUES			
60 letter inscription 10 years	399.00	408.00	9.00
60 letter inscription 20 years	553.00	566.00	13.00
Display for a further 5 years	122.00	122.00	0.00

BEREAVEMENT SERVICES	1st Apr 2020	1st April 2022	
	Charge (Inc VAT if applicable)	Proposed Charge (Inc VAT if applicable)	Increase
MEMORIALS			
Memorial Plaque with Rose tree 10 yrs	458.00	469.00	11.00
Memorial Plaque with rose tree 20 yr	600.00	615.00	15.00
Memorial seat with plaque (10 yrs)	1,290.00	1322.00	32.00
Memorial seat plaque renewal (5yrs)	217.00	223.00	6.00
Granite Seat (10 yrs) - new fee	1,379.00	1413.00	34.00
Granite vase Block 10years	661.00	677.00	16.00
Granite vase Block 20years	1,074.00	1110.00	36.00
Vase Block Plaque	179.00	183.00	4.00
Bronze rose memorial plaque on stake (10 yr)	558.00	570.00	12.00
Bronze rose memorial plaque on stake (20 yr)	706.00	723.00	17.00
Circular bench memorial plaque (10 yrs)	475.00	486.00	11.00
Circular bench memorial plaque (20 yrs)	658.00	674.00	16.00
Babies garden memorial plaque (10yrs)	365.00	365.00	0.00
Memorial Disc	458.00	470.00	12.00
Granite Shaped Planter	540.00	555.00	15.00
Summer House Memorial Plaque	430.00	440.00	10.00
URNS			
Cardboard Box	16.00	17.00	1.00
Polytainer	19.00	20.00	1.00
Baby Urn	37.00	38.00	1.00
Urn	50.00	52.00	2.00
Casket	71.00	73.00	2.00
NICHES			
Niche 10 years	820.00	820.00	0.00
Niche 20 years	1,380.00	1380.00	0.00
Sanctum 2000 (Average Charge)	1,110.00	1138.00	28.00
Second Plaque on Sanctum 2000	408.00	408.00	0.00
Inscription (second Plaque/Renewals)	360.00	420.00	60.00
Additional inscription p/letter over 80 letters	4.50	4.50	0.00
BOOK OF REMEMBRANCE			
2 line entry	88.00	90.00	2.00
5 line entry	136.00	140.00	4.00
5 line entry with floral emblem	189.00	193.00	4.00
5 line entry with badge, bird, crest & shield	218.00	223.00	5.00
8 line entry	168.00	172.00	4.00
8 line entry with floral emblem	228.00	233.00	5.00
8 line entry with badge, bird, crest & shield	259.00	265.00	6.00
8 line entry with coat of arms	300.00	307.00	7.00
FOLDED BOOK OF REMEMBRANCE CARDS			
5 line entry with floral emblem	146.00	149.00	3.00
5 line entry with badge, bird, crest & shield	185.00	189.00	4.00
8 line entry with floral emblem	202.00	207.00	5.00
8 line entry with badge, bird, crest & shield	222.00	227.00	5.00
8 line entry with coat of arms	268.00	275.00	7.00
Regimental Badge Etc			
MEMORIAL CARDS			
2 line card	60.00	62.00	2.00
5 line card	78.00	80.00	2.00
8 line card	93.00	95.00	2.00
Regimental Badge			

BEREAVEMENT SERVICES	1st Apr 2020	1st April 2022	
	Charge (Inc VAT if applicable)	Proposed Charge (Inc VAT if applicable)	Increase
<u>DRINGHOUSES CEMETERY</u>			
INTERMENT (VAT EXEMPT)			
Adult (4ft 6" grave)	846.00	867.00	21.00
Child up to 12 years	0.00	0.00	0.00
Interment of Ashes	250.00	260.00	10.00
Exhumation (negotiated at cost)			
Exhumation of Cremated Remains	200.00	205.00	5.00
MEMORIALS			
Headstones	166.00	170.00	4.00
Add Inscription	90.00	93.00	3.00
Marking out grave	23.00	24.00	1.00
Removal of grave memorial by stonemason prior to interment	100.00	105.00	5.00
Cremation plot with exclusive Right of Burial for period of 50 yrs.	453.00	464.00	11.00

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MANSION HOUSE	1st Apr 2021	1st Apr 2022	
	Charge (inc VAT if applicable)	Proposed Charge (inc VAT if applicable)	Increase
	£	£	£
Admission charges			
Adult	6.50	6.50	0.00
Concessions	5.00	5.00	0.00
Child (under 16; babes in arm go free)	3.50	3.50	0.00
Family (2 adults and 2 children)	17.00	17.00	0.00
York resident - 50% Discount			
Resident annual tickets	Paused	Paused	
Adult	n/a	n/a	
Concessions	n/a	n/a	
1 Child (free with adult)	n/a	n/a	
Family	n/a	n/a	
Non resident annual tickets	Paused	Paused	
Adult	n/a	n/a	
Concessions	n/a	n/a	
Child (free with adult)	n/a	n/a	
Family	n/a	n/a	
Tours - Guide provided			
Adult	6.00	6.00	0.00
After hours	10.00	10.00	0.00
Group Rate: Self-Guided			
Groups of 10 or more (with a max group size TBD): Cost per adult	5.00	5.00	
As above: Cost per child	2.00	2.00	
As above: Cost per concession	4.00	4.00	
Educational visits			
1 hours tour	3.50	3.50	0.00
1.5 hours	3.50	3.50	0.00
2 hour tour	3.50	3.50	0.00
Weddings			
Ceremony only	350.00	360.00	10.00
Reception only (3.5 hours)	490.00	500.00	10.00
Ceremony and reception (7 hours)	950.00	975.00	25.00
Full House hire			
Half day (3.5 hours)	490.00	500.00	10.00
Full day (7 hours)	950.00	975.00	25.00
Single room hire			
Half day (3.5 hours)	300.00	310.00	10.00
Full day (7 hours)	550.00	565.00	15.00
Ancillary costs	Variable	Variable	
Filming (full day)	800.00	825.00	25.00
Catering charge - per person	12.00	12.00	0.00
Delegate rate - per person	25.00	25.00	
Mansion House own events	Variable	Variable	

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City of York Council

Budget Consultation 2022/23

Final Report

Dec 2021

The online Budget Consultation 2022/23 opened on 18/10/2021 and closes on 8/12/2021. Additionally, a paper version of the survey was sent to households inside the CYC Our City publication, also with a closing date of 8/12/2021.

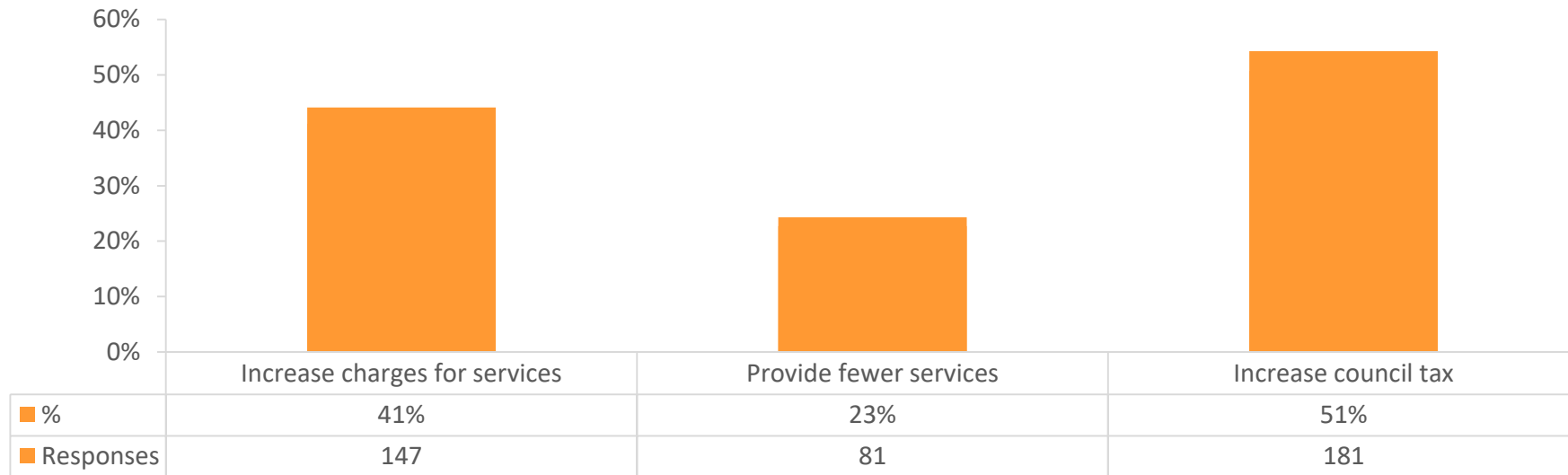
The consultation gives residents and businesses of York the opportunity to put forward their views to help the council make decisions and deliver the budget for 2022/23.

A total of 369 residents and businesses participated in the consultation. 281 respondents completed the survey online and 88 had returned a paper copy.

The consultation results and the raw data will be made available on the council open data platform www.yorkopendata.org.

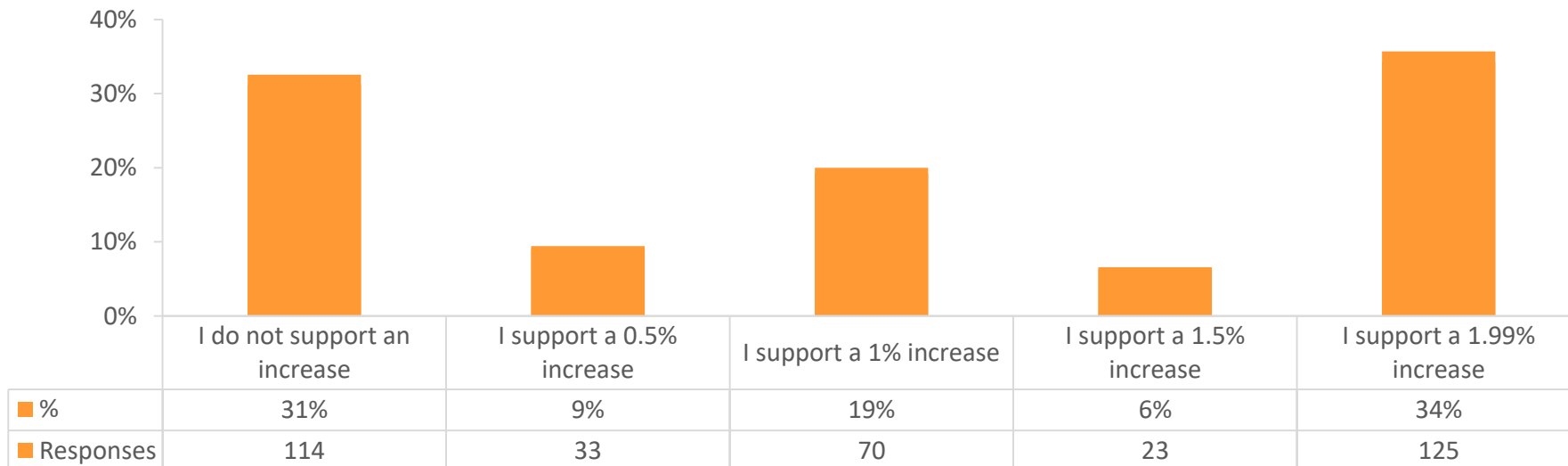
Council Tax

To accelerate recovery and balance the budget, would you rather we; Please select all that apply



(n=357)

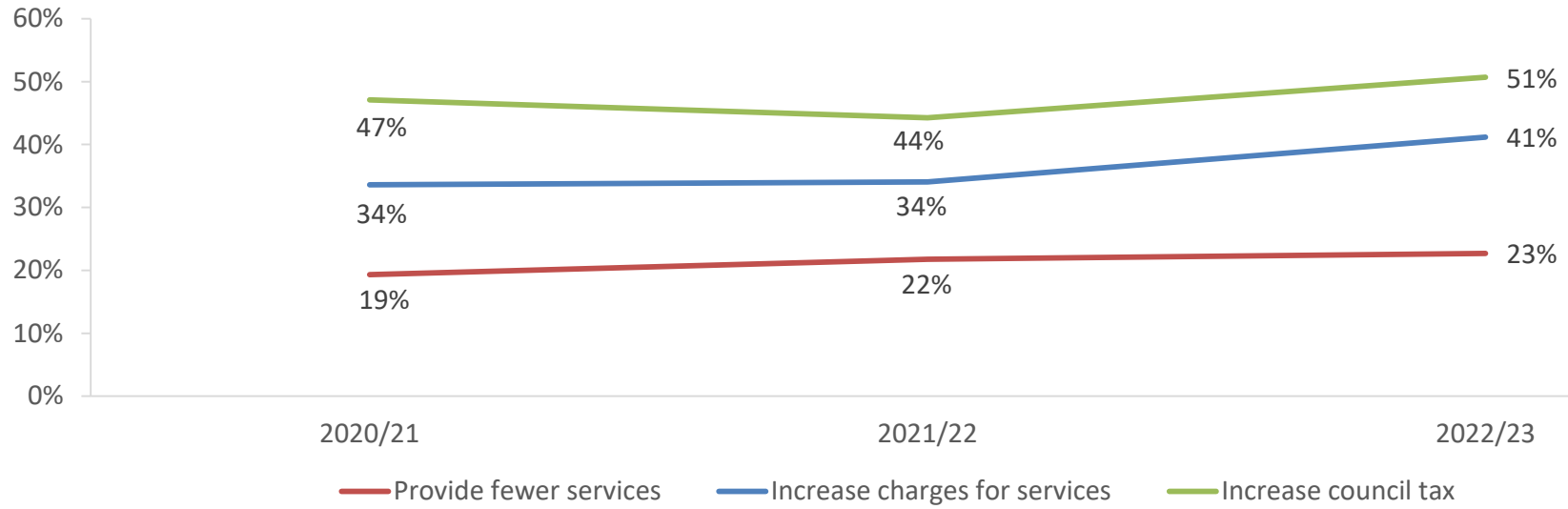
Do you support an increase in council tax to balance the budget and if so by how much?



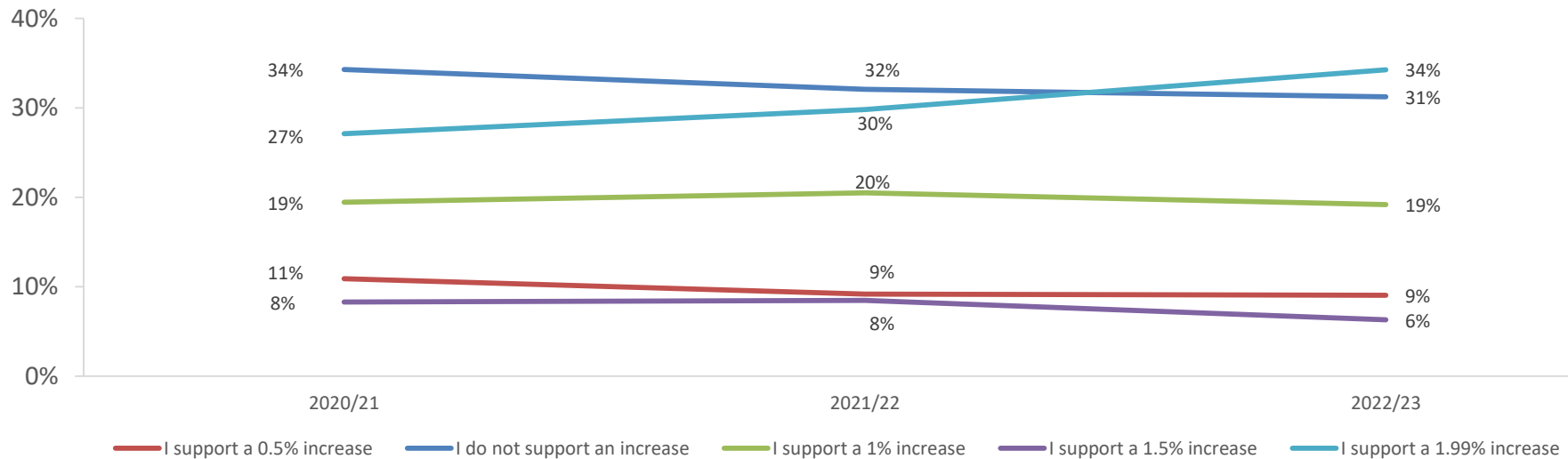
(n=365)

Council Tax - Three year trend

To accelerate recovery and balance the budget, would you rather we; Please select all that apply

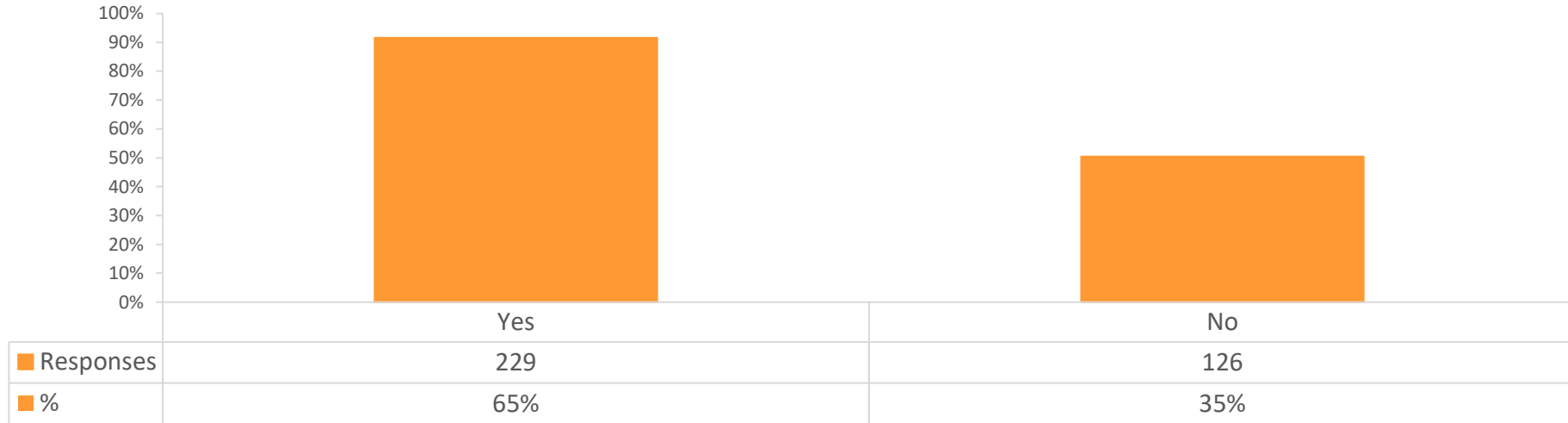


Do you support an increase in council tax to balance the budget and if so by how much?

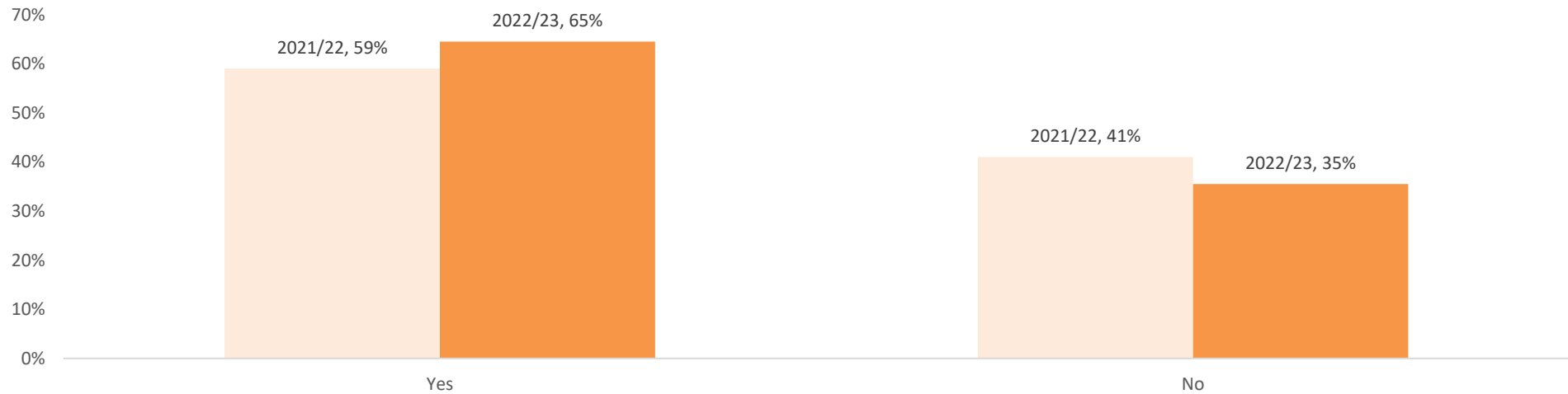


Social Care Precept

Do you support taking the full social care precept of 3%?



Previous responses compared to current responses



Budget Priorities

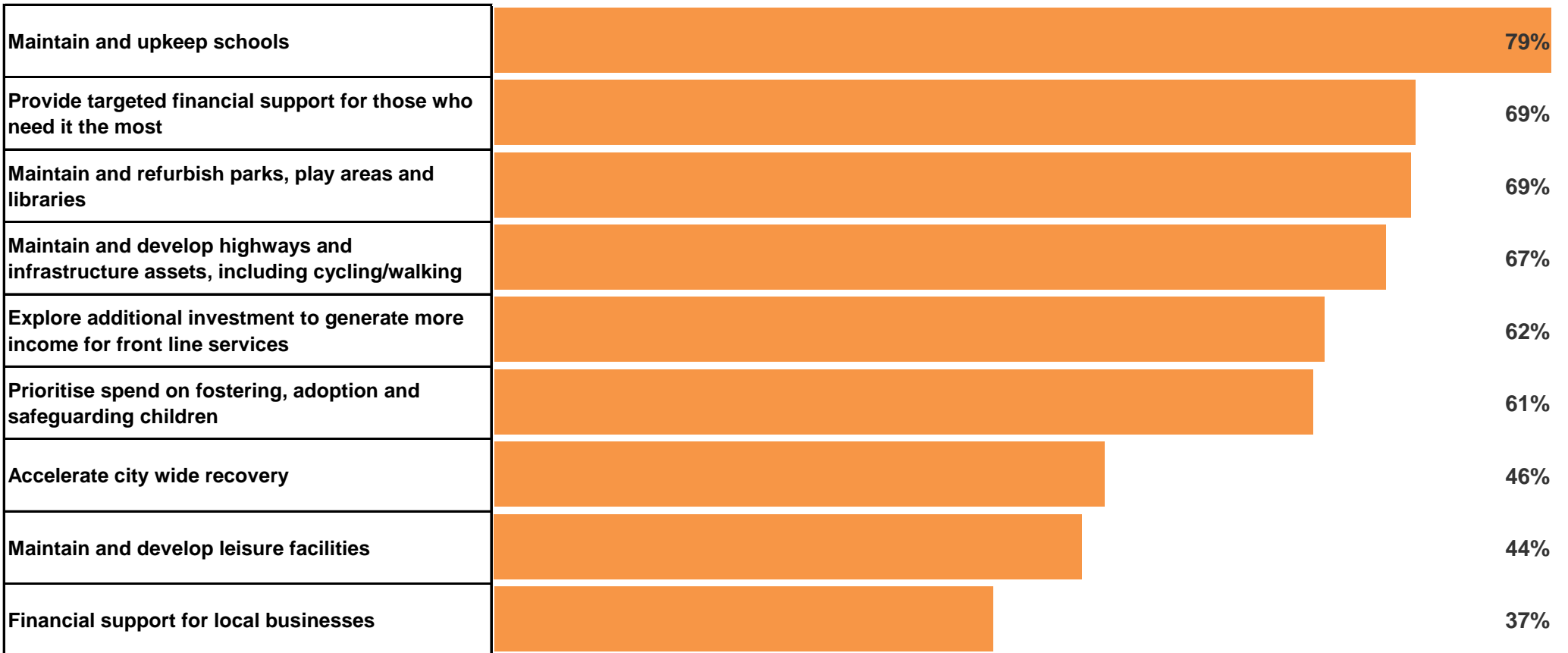
Do you agree or disagree that we should prioritise:

	Disagree	Disagree (%)	Agree	Agree (%)	Neither	Neither (%)
Accelerate city wide recovery	57	16%	162	46%	135	38%
Financial support for local businesses	99	28%	132	37%	122	35%
Provide targeted financial support for those who need it the most	39	11%	248	69%	72	20%
Maintain and develop highways and infrastructure assets, including cycling/walking	43	12%	240	67%	76	21%
Maintain and refurbish parks, play areas and libraries	34	10%	246	69%	78	22%
Maintain and develop leisure facilities	61	17%	156	44%	137	39%
Maintain and upkeep schools	20	6%	283	79%	54	15%
Explore additional investment to generate more income for front line services	55	15%	221	62%	79	22%
Prioritise spend on fostering, adoption and safeguarding children	42	12%	218	61%	95	27%

Budget Priorities

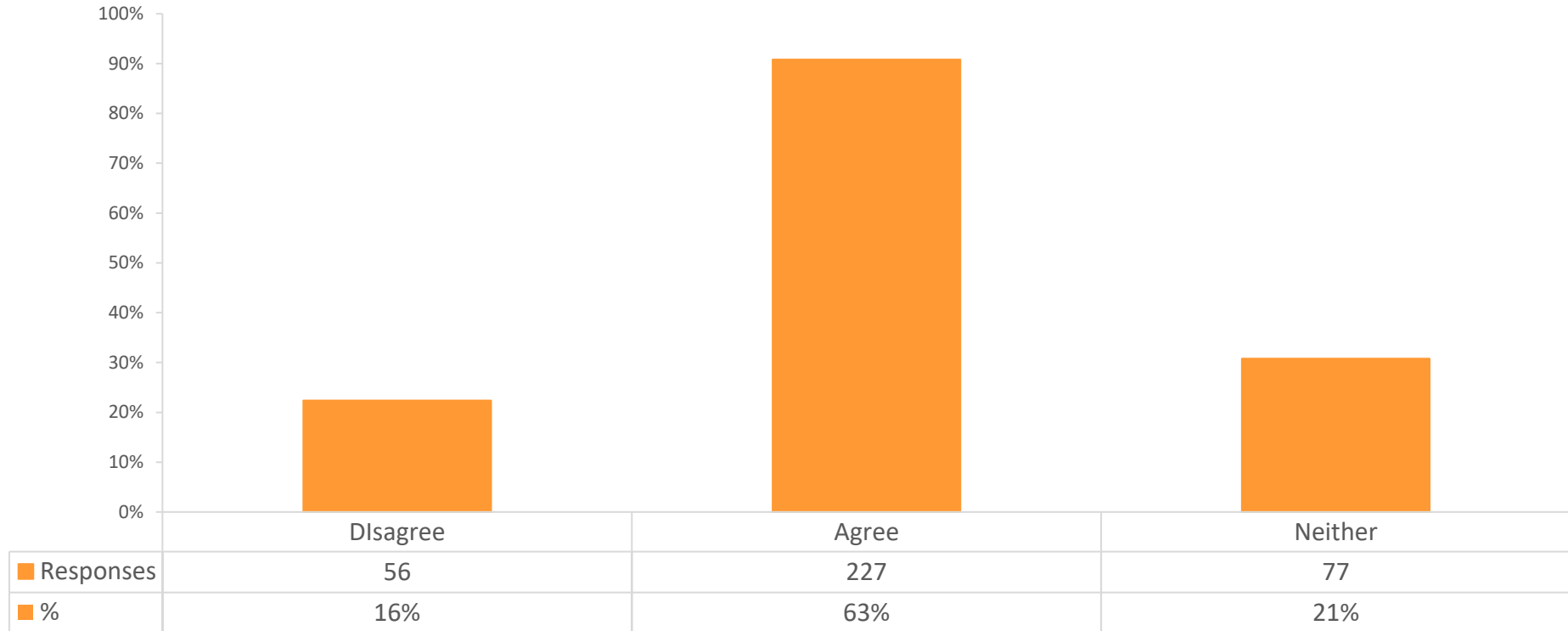
Areas respondents agree should be prioritised

Priorities remain in a similar order to the previous survey with schools at the top and financial support for businesses at the bottom. Maintain and refurbish parks, play areas and libraries has moved up the list with 17% more agreeing this is a priority from last year.



Public Health and recovery from the pandemic

Do you agree or disagree that we should continue to prioritise spending on public health and recovery from the pandemic?



(n=360)

75% agreed the council should prioritise the public health response to the pandemic, including support for mental health in the previous survey.

Overall response to survey by ward (please note that ward data was only collected from online responses)

Ward	Responses	Responses (%)
Acomb Ward	11	3%
Bishopthorpe Ward	6	2%
Clifton Ward	15	4%
Copmanthorpe Ward	10	3%
Dringhouses & Woodthorpe Ward	16	4%
Fishergate Ward	11	3%
Fulford & Heslington Ward	4	1%
Guildhall Ward	14	4%
Haxby & Wigginton Ward	16	4%
Heworth Ward	18	5%
Heworth Without Ward	4	1%
Holgate Ward	14	4%
Hull Road Ward	9	2%
Huntington & New Earswick Ward	10	3%
Micklegate Ward	26	7%
Osbalwick & Derwent Ward	16	4%
Rawcliffe & Clifton Without Ward	12	3%
Rural West York Ward	13	4%
Strensall Ward	10	3%
Westfield Ward	12	3%
Wheldrake Ward	5	1%
Unknown	117	32%
Total	369	

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
Prefer not to say	25	10%
Under 16	0	0%
16-24	3	1%
25-39	46	17%
40-55	59	22%
56-59	20	8%
60-64	25	10%
65+	85	32%
Total	263	

Carer

Answer Choices	Responses	Percentage of total response
Prefer not to say	26	10%
Yes	27	10%
No	209	80%
Total	262	

Do you have any physical or mental health conditions or illnesses lasting or expected to last 12 months or more?

Answer choices	Responses	Percentage of total response
Prefer not to say	31	12%
Yes	45	17%
No	188	71%
Total	264	

Gender

Answer choices	Responses	Percentage of total response
Prefer not to say	31	12%
Male	130	49%
Female	101	38%
Gender variant / Non binary	1	0%
Total	263	

Served in the Armed Forces

Answer Choices	Responses	Percentage of total response
Prefer not to say	20	8%
Yes	20	8%
No	222	85%
Total	262	

Do any of your conditions or illnesses reduce your ability to carry out day-to-day activities?

Answer choices	Responses	Percentage of total response
A lot	11	17%
A little	24	36%
Not at all	31	47%
Total	66	

*Please note that demographic questions were only included on the online form

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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

Service submitting the proposal:	Corporate Finance
Name of person completing the assessment:	Sarah Kirby/ Janie Berry
Job title:	Principal Accountant/ Director of Governance and Monitoring Officer
Directorate:	Finance/ Governance
Date Completed:	01/12/2021
Date Approved (form to be checked by head of service):	

Section 1: What is the proposal?

1.1	Name of the service, project, programme, policy or strategy being assessed? Financial Strategy 2022/23 to 2026/27
1.2	What are the main aims of the proposal? The Strategy sets out the revenue and capital expenditure plans for the period 2022/23 to 2026/27. The revenue budget includes proposals for 2022/23 and sets out savings/ efficiencies of £7m in order to set a legally balanced budget.
1.3	What are the key outcomes? 1. Confirm the council tax increase for 2022/23 2. Identify revenue savings for 2022/23 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 2022/23 to 2026/27

Section 2: Evidence

2.1	What data / evidence is available to support the proposal and understand its likely impact? (e.g. hate crime figures, obesity levels, recycling statistics) There were 369 respondents to the budget consultation and there was a trial focus group, as 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
	What public / stakeholder consultation has been undertaken and what were the findings?

2.2	<p>The budget consultation was launched in October and closed on 8 December. 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 www.yorkopendata.org and the summary will also be appended to the financial strategy report. During December 2021, a series of Executive Member decision sessions were held and served as an additional opportunity for members of the public to raise concerns, comment and observations in respect of the various budget proposals. A trial focus group was held which permitted a more detailed discussion with participants.</p>
2.3	<p>Are there any other initiatives that may produce a combined impact with this proposal? (e.g. will the same individuals / communities of identity also be impacted by a different project or policy?)</p> <p>The Capital Strategy 2022/23 to 2026/27 report proposals will produce a combined impact with the Financial Strategy and therefore both are covered within this assessment.</p>

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	Impact positively on the business community in York?	Positive	The Council has a statutory duty to consult with businesses on the council's budget. The survey was launched in October and closed on 8 December. 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	Provide additional employment or training opportunities in the city?	Positive	As above.
3.3	Help improve the lives of individuals from disadvantaged backgrounds or underrepresented groups?	Mixed	For the 2022/23 budget a saving target of £7m was required. 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 Children's and Adult Social Care. In addition one off funding is provided through the Covid fund to assist residents on the lowest income. Service areas have produced individual 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	Improve the physical health or emotional wellbeing of residents or staff?	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	Help reduce health inequalities?	Positive	The changes within the 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	Encourage residents to be more responsible for their own health?	Neutral	All services have assessed the impact on resident's health as part of their respective savings proposals.
3.7	Reduce crime or fear of crime?	Neutral	There are no specific proposals included within the Financial Strategy which are likely to impact in this area.
3.8	Help to give children and young people a good start in life?	Positive	As stated in 3.4 the savings proposals are unlikely to have a negative impact and significant growth has been included to address pressures in Children's social care. 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	Help bring communities together?	Positive	The continuation of the Covid-19 recovery fund, specifically aimed at community cohesion and supporting the most vulnerable is anticipated to have a positive impact in this area.
3.10	Improve access to services for residents, especially those most in need?	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	Improve the cultural offerings of York?	Neutral	Despite the significant pressures due to Covid-19, savings have not been taken from this service area.
3.12	Encourage residents to be more socially responsible?	Positive	The continued 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	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?	Positive	The capital scheme includes an energy efficiency fund, the purpose of which is to compliment 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	Minimise the amount of water we use and/or reduce the amount of water we pay for?	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	Reduce waste and the amount of money we pay to dispose of waste by maximising reuse and/or recycling of materials?	Positive	See 3.13.

Sustainable Transport

Does your proposal?		Impact	What are the impacts and how do you know?
3.16	Encourage the use of sustainable transport, such as walking, cycling, ultra low emission vehicles and public transport?	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	Help improve the quality of the air we breathe?	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	Minimise the environmental impact of the goods and services used?	Unsure	The significant investment in the climate change delivery programme will consider what can be put in place to achieve this.

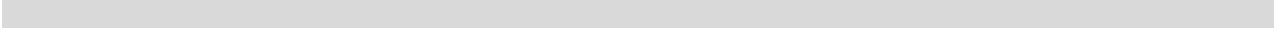
Local and Sustainable Food

Does your proposal?		Impact	What are the impacts and how do you know?
3.19	Maximise opportunities to support local and sustainable food initiatives?	Unsure	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	Maximise opportunities to conserve or enhance the natural environment?	Positive	Ongoing 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	Improve the quality of the built environment?	Positive	As above
3.22	Preserve the character and setting of the historic city of York?	Positive	As above
3.23	Enable residents to enjoy public spaces?	Positive	As above
3.40	Additional space to comment on the impacts		



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. Continued investment in Adult Social Care, Telecare, Extra Care Sheltered Housing and Disability Support are expected to have a positive impact on older people. Any increase in fees and charges could adversely impact on older people and their standard of living. Financial assessments are completed for Adult Social Care customers to ensure that people only contribute what they can afford.</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. Continued investment in Adult Social Care , Telecare, Extra Care Sheltered Housing and Disability Support are expected to 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.</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	Race	Neutral	It is not expected that there will be any impact.
4.8	Religion or belief	Neutral	It is not expected that there will be any impact.
4.9	Sexual orientation	Neutral	It is not expected that there will be any impact.
4.10	Carer	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. Additional support is provided to carers through the Covid-19 recovery fund.
4.11	Lowest income groups	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 additional investment in the York Financial Assistance Scheme
4.12	Veterans, Armed forces community	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	Right to education	Neutral It is not expected that there will be any impact.
4.14	Right not to be subjected to torture, degrading treatment or punishment	Neutral It is not expected that there will be any impact.
4.15	Right to a fair and public hearing	Neutral It is not expected that there will be any impact.
4.16	Right to respect for private and family life, home and correspondence	Neutral It is not expected that there will be any impact.
4.17	Freedom of expression	Neutral It is not expected that there will be any impact.
4.18	Right not to be subject to discrimination	Neutral It is not expected that there will be any impact.
4.19	Other Rights	Neutral It is not expected that there will be any impact.

4.20 Additional space to comment on the impacts

Section 5: Planning for Improvement

5.1	What have you changed in order to improve the impact of the proposal on the One Planet principles? (please consider the questions you marked either mixed or negative, as well as any additional positive impacts that may be achievable)
	<p>Due to the financial constraints of reduced government funding, there is no option but to implement savings or efficiencies. The Financial Strategy will impact on all residents and has carefully considered the local demand for services whilst also ensuring the budget is set is prudent, protects vulnerable people and has capacity to invest. The Strategy could have a negative impact on individuals from disadvantaged backgrounds or under represented groups. This negative impact can be mitigated by investment targeted to those same communities. At this stage there is an impact assessment for each saving proposal and these will continue to be reviewed as work towards acheiving the saving progresses. The key approaches to achieving savings whilst avoiding impacts on communities of identity include:</p> <ul style="list-style-type: none"> * Ensuring that savings are made from back office functions and universal services * Protecting statutory devices and other key services for vulnerable residents * Increasing community involvement in service design 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 * Focusing growth where it is expected to have a positive effect on older and disabled people and their carers * Integrated working with health * Focusing growth where it is expected to have a positive effect on older or disabled people and their carers <p>Specific positive impacts within the Financial Strategy include investment in key priority front line services, (including growth in adult and children's services) and significant investment in the climate change delivery programme.</p>

5.2	What have you changed in order to improve the impact of the proposal on equalities and human rights? (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	Going forward, what further evidence or consultation is needed to ensure the proposal delivers its intended benefits? e.g. consultation with specific vulnerable groups, additional data)
	As above

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
See response to 5.3	Capital Scheme Managers	Ongoing

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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.

Annex 6 2022/23 HRA Savings Proposals

Ref	Portfolio	Proposal Description	2022/23 Impact £000	2023/24 Impact £000	Total Saving Impact £000
HRA01	Housing & Safer Neighbourhoods	Building Repairs Remove the provision of and maintenance of focal fires.	13	0	13
HRA02	Housing & Safer Neighbourhoods	Community Based Garden Assistance Scheme Local community based alternatives for this scheme have been identified to reduce the overall cost to the HRA	25	0	25
HRA03	Housing & Safer Neighbourhoods	Housing Management Service Ongoing savings from restructure of Housing Management Service (full saving agreed in 2021/22 budget)	30	30	60
HRA04	Housing & Safer Neighbourhoods	Financing Costs Lower than budgeted interest rates on HRA debt has resulted in reduced financing costs	200	0	200
HRA05	Housing & Safer Neighbourhoods	Housing Services - Efficiencies from ICT Programme The additional investment in ICT across service will support the delivery of additional efficiencies across Building Services and Housing Management. These will be delivered over a 2-3 year period with a target of £250-£300k per annum. This will be updated in 2023-24 budget	0	250	250
Total Savings - Housing Revenue Account			268	280	548

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BUDGET 2021/22 £'000	Expenditure:	BUDGET 2022/23 £'000
	Repairs & Maintenance	
6,580	Jobs General	6,762
1,314	Projects	1,325
30	Estate Improvements	30
36	Decoration Allowance	36
30	Rechargeable Repairs	30
7,990		8,183
	General Management	
44	Tenant Support and Information	44
2,414	Recharges	2,525
174	Housing Leadership Team	259
2,997	Landlord Services	2,711
1,319	Building Services	1,388
131	Housing Delivery Project	46
61	HRA Training	61
7,140		7,034
	Special Services	
1,034	Sheltered Housing	1,088
88	Energy Costs	93
750	Temporary Accommodation	789
418	Grounds Maintenance	435
297	Caretaking Costs	313
28	Cleaning Costs	29
47	Lifts	70
6	Contribution to Energy Efficiency	6
2,668		2,823
	Rents etc.	
118	Rent & Rates	124
270	Insurance	272
1	RTB Legal Fees	1
389		397
	Provision for Bad and Doubtful Debts	
468	Council Housing	482
468		482
	Capital Charges	
8,449	Depreciation	8,663
57	Debt Management	59
8,506		8,722
27,161	TOTAL EXPENDITURE	27,641

BUDGET 2021/22		BUDGET 2022/23
	Income:	
	Rents	
-30,998	Council Housing	-32,256
-606	Temporary Accommodation	-624
-128	Shared Ownership	-170
-31,732		-33,050
	Non Dwellings Rents	
-334	Council Garages	-342
-95	General Rents	-62
-429		-404
	Charges for Services and Facilities	
-74	Fees & Charges - Council Housing	-76
-84	- Legal Fees	-84
-1,044	- Sheltered Housing	-1,074
-1	- Temporary Accommodation	-1
-126	Leaseholder Admin Charge	-132
-1,329		-1,367
	Contribution Towards Expenditure	
-12	- Sheltered Housing	-12
-25	- Rechargeable Repairs	-25
-10	- Affordable Homes	-10
0	- Housing Estates	-20
-47		-67
	Supporting People Income	
-313	- Temporary Accommodation	-113
-313		-113
-33,850	TOTAL INCOME	-35,001
-6,689	NET COST OF SERVICE	-7,360
4,846	Loan Interest Paid	4,648
-211	Revenue Cash Interest Received	-280
3,718	Capital Expenditure financed from Revenue	1,140
-65	Capital Receipt Allowable Disposal Costs	-65
0	Contribution to/(from) MRR	0
0	Contribution to/(from) Earmarked Reserves	0
1,599	(SURPLUS) / DEFICIT IN YEAR	-1,917
-28,832	(SURPLUS) / DEFICIT BROUGHT FORWARD	-27,233
1,599	(SURPLUS) / DEFICIT IN YEAR	-1,917
-27,233	(SURPLUS) / DEFICIT CARRIED FORWARD	-29,150

HOUSING REVENUE ACCOUNT PROJECTIONS
City of York Council

Year	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	2035.36	2036.37
£'000	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
INCOME:																
Rental Income	31,536	32,841	33,607	34,387	34,887	35,403	35,972	36,515	36,984	37,458	37,935	38,417	38,903	39,393	39,888	40,386
Void Losses	-282	-289	-296	-303	-307	-312	-317	-322	-326	-330	-334	-339	-343	-347	-352	-356
Service Charges	1,355	1,382	1,410	1,438	1,467	1,496	1,526	1,556	1,588	1,619	1,652	1,685	1,718	1,753	1,788	1,824
Non-Dwelling Income	452	405	554	614	705	780	936	955	974	993	1,013	1,034	1,054	1,075	1,097	1,119
Grants & Other Income	415	245	245	245	245	245	245	245	245	245	245	245	245	245	245	245
Total Income	33,476	34,584	35,520	36,381	36,997	37,613	38,363	38,950	39,465	39,986	40,511	41,042	41,578	42,120	42,666	43,218
EXPENDITURE:																
General Management	-6,694	-6,974	-6,957	-7,104	-7,249	-7,395	-7,543	-7,693	-7,847	-8,004	-8,164	-8,328	-8,494	-8,664	-8,837	-9,014
Special Management	-2,337	-2,426	-2,474	-2,524	-2,574	-2,626	-2,678	-2,732	-2,786	-2,842	-2,899	-2,957	-3,016	-3,076	-3,138	-3,201
Other Management	-353	-360	-368	-375	-382	-390	-398	-406	-414	-422	-431	-439	-448	-457	-466	-475
Rent Rebates	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Bad Debt Provision	-469	-482	-493	-505	-512	-520	-528	-536	-543	-550	-557	-564	-571	-579	-586	-593
Responsive & Cyclical Repairs	-8,346	-8,183	-8,314	-8,480	-8,650	-8,823	-8,999	-9,179	-9,363	-9,550	-9,741	-9,936	-10,135	-10,337	-10,544	-10,755
Total Revenue Expenditure	-18,200	-18,424	-18,606	-18,987	-19,367	-19,753	-20,146	-20,547	-20,954	-21,369	-21,792	-22,224	-22,664	-23,114	-23,572	-24,039
Interest Paid & Administration	-4,861	-4,709	-4,947	-4,926	-4,847	-4,748	-4,603	-4,490	-4,378	-4,249	-4,121	-3,992	-3,863	-3,735	-3,590	-3,445
Interest Received	215	282	291	265	206	165	154	154	156	154	153	153	154	156	154	152
Depreciation	-8,468	-8,633	-8,761	-8,905	-9,065	-9,216	-9,407	-9,552	-9,678	-9,806	-9,935	-10,065	-10,196	-10,329	-10,462	-10,597
Net Operating Income	2,162	3,100	3,496	3,828	3,923	4,061	4,361	4,516	4,612	4,716	4,817	4,914	5,008	5,098	5,196	5,289
APPROPRIATIONS:																
FRS 17 /Other HRA Reserve Adj	-43	-43	-44	-45	-46	-47	-48	-49	-50	-51	-52	-53	-54	-55	-56	-57
HRA CFR Revenue Provision	0	0	-1,900	-8,400	-9,500	-5,000	-4,000	-3,000	-4,000	-4,000	-4,000	-4,000	-4,000	-4,000	-5,000	-4,000
Revenue Contribution to Capital	-3,718	-1,140	-1,340	-800	-810	-820	-820	-820	-820	-820	-820	-820	-820	-820	-820	-820
Total Appropriations	-3,761	-1,183	-3,284	-9,245	-10,356	-5,867	-4,868	-3,869	-4,870	-4,871	-4,872	-4,873	-4,874	-4,875	-5,876	-4,877
ANNUAL CASHFLOW	-1,599	1,917	212	-5,417	-6,433	-1,806	-507	647	-258	-155	-55	41	134	223	-681	411
Opening Balance	28,832	27,233	29,149	29,362	23,944	17,512	15,706	15,198	15,845	15,587	15,432	15,376	15,418	15,552	15,775	15,095
Closing Balance	27,233	29,149	29,362	23,944	17,512	15,706	15,198	15,845	15,587	15,432	15,376	15,418	15,552	15,775	15,095	15,506

HOUSING REVENUE ACCOUNT PROJE
City of York Council

Year	2037.38	2038.39	2039.40	2040.41	2041.42	2042.43	2043.44	2044.45	2045.46	2046.47	2047.48	2048.49	2049.50	2050.51	2050.51
£'000	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31
INCOME:															
Rental Income	40,889	41,395	41,906	42,420	42,938	43,461	43,987	44,516	45,050	45,587	46,127	46,671	47,219	47,770	47,936
Void Losses	-360	-365	-369	-374	-379	-383	-388	-393	-397	-402	-407	-412	-416	-421	-428
Service Charges	1,860	1,897	1,935	1,974	2,013	2,054	2,095	2,137	2,179	2,223	2,267	2,313	2,359	2,406	2,406
Non-Dwelling Income	1,141	1,164	1,187	1,211	1,235	1,260	1,285	1,311	1,337	1,364	1,391	1,419	1,447	1,476	1,476
Grants & Other Income	245	245	245	245	245	248	248	248	248	248	248	248	248	248	417
Total Income	43,775	44,337	44,904	45,476	46,054	46,639	47,227	47,819	48,417	49,019	49,627	50,239	50,857	51,479	51,807
EXPENDITURE:															
General Management	-9,194	-9,378	-9,566	-9,757	-9,952	-10,151	-10,354	-10,561	-10,773	-10,988	-11,208	-11,432	-11,661	-11,894	-11,153
Special Management	-3,265	-3,330	-3,397	-3,465	-3,534	-3,605	-3,677	-3,750	-3,825	-3,902	-3,980	-4,059	-4,141	-4,223	-4,151
Other Management	-485	-495	-505	-515	-525	-535	-546	-557	-568	-580	-591	-603	-615	-627	-627
Rent Rebates	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Bad Debt Provision	-601	-608	-616	-623	-631	-639	-646	-654	-662	-670	-678	-686	-694	-702	-714
Responsive & Cyclical Repairs	-10,970	-11,190	-11,413	-11,642	-11,874	-12,112	-12,354	-12,601	-12,853	-13,110	-13,373	-13,640	-13,913	-14,191	-13,361
Total Revenue Expenditure	-24,515	-25,001	-25,496	-26,001	-26,516	-27,042	-27,578	-28,124	-28,681	-29,250	-29,829	-30,420	-31,023	-31,638	-30,007
Interest Paid & Administration	-3,301	-3,156	-3,011	-2,867	-2,722	-2,561	-2,401	-2,240	-2,079	-1,919	-1,758	-1,404	-714	-104	-104
Interest Received	152	152	153	155	158	156	155	155	155	156	158	154	152	0	237
Depreciation	-10,734	-10,871	-11,010	-11,149	-11,290	-11,433	-11,576	-11,720	-11,866	-12,013	-12,161	-12,556	-12,807	-13,063	-13,021
Net Operating Income	5,377	5,461	5,540	5,614	5,683	5,759	5,828	5,890	5,946	5,994	6,036	6,013	6,465	6,674	8,912
APPROPRIATIONS:															
FRS 17 /Other HRA Reserve Adj	-59	-60	-61	-62	-63	-65	-66	-67	-69	-70	-70	-70	-70	-70	-37
HRA CFR Revenue Provision	-5,000	-4,000	-5,000	-4,000	-5,000	-5,000	-5,000	-5,000	-5,000	-5,000	-5,000	-6,000	-5,000	-37,634	-1,134
Revenue Contribution to Capital	-820	-820	-820	-820	-820	-820	-820	-820	-820	-820	-820	-820	-820	-820	-820
Total Appropriations	-5,879	-4,880	-5,881	-4,882	-5,883	-5,885	-5,886	-5,887	-5,889	-5,890	-5,890	-6,890	-5,890	-38,524	-1,991
ANNUAL CASHFLOW	-501	581	-341	732	-201	-125	-58	3	57	105	147	-877	575	-31,850	6,921
Opening Balance	15,506	15,004	15,586	15,245	15,977	15,777	15,651	15,593	15,596	15,653	15,757	15,904	15,026	15,602	20,370
Closing Balance	15,004	15,586	15,245	15,977	15,777	15,651	15,593	15,596	15,653	15,757	15,904	15,026	15,602	-16,249	27,290

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) and Covid-19	Medium/ High	High	<ul style="list-style-type: none"> • regular monitoring with corrective action • robust financial management/prudent budget setting
Budgets across the Council are overspent due to mitigations not being delivered as outlined in monitoring reports (KCR1)	Medium/ High	High	<ul style="list-style-type: none"> • regular monitoring with corrective action
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"> • regular budget monitoring focused on high risk areas to identify issues at an early stage • where savings are not achieved ensure alternative savings identified • regular monitoring with corrective action at DMTs • effective project management
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"> • regular monitoring with corrective action at relevant DMTs and CMT • effective project management

Underperformance of Better Care Fund schemes results in additional costs for Adult Social Care. (KCR 3)	High	High	<ul style="list-style-type: none"> • regular monitoring with corrective action • effective project management
Continued pressure on income and grant budgets (KCR1)	Medium/ High	Medium	<ul style="list-style-type: none"> • regular budget monitoring to identify trends
Potential for reserves to go below minimum levels due to budgets being exceeded (KCR1)	Medium/ High	High	<ul style="list-style-type: none"> • ensure minimum levels are maintained • robust financial management/prudent budget setting
Costs of redundancy/retirement as a result of service changes exceed budget (KCR1)	Low	Medium	<ul style="list-style-type: none"> • provision made for costs of retirement/redundancy in budgets
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"> • ensure adequate levels of reserves maintained • effective project management
Increased costs of borrowing due to increase in the capital programme (KCR7)	Medium	High	<ul style="list-style-type: none"> • ensure adequate levels of reserves maintained • robust financial management/prudent budget setting

Short or medium term cashflow impact due to increase in the capital programme (KCR7)	Medium	High	<ul style="list-style-type: none">• ensure adequate levels of reserves maintained
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Executive

7 February 2022

Report of the Chief Finance Officer
Portfolio of the Executive Member for Finance and Performance

Capital Budget 2022/23 to 2026/27

Summary

1. This report sets out the capital programme for 2022/23 to 2026/27, and in particular sets out proposals to continue the Council's approach to prioritise investment in the economy, housing, transport and to invest to save including energy efficiency.
2. Schemes funded by borrowing have an associated revenue impact. In order to minimise the additional growth required in future years and, mindful of the Council's current financial position in light of both the ongoing pressures in social care and the uncertainty regarding the COVID-19 pandemic, the Council has reviewed the level of capital investment needed. The Council's main focus is to build back better from the pandemic. The schemes outlined in this report continue the transformational capital programme to drive regeneration and accelerate the city's economic recovery.
3. As part of this budget process over £70m of new capital funding will be added to the 5 year capital programme to continue to support the objectives outlined in the Council Plan, including a further £8.8m on highways schemes, £11.5m on fleet infrastructure and vehicles to deliver as many electric vehicles as possible and £16.3m on Haxby Station. A summary of this new funding can be found at Annex A, and specific examples of capital investment include:
 - **Good Health & Wellbeing** – additional capital investment of over £3m on a range of schemes employing the latest technology to enable people to live in their own homes for longer, including over £3m on assistance to older & disabled people schemes, disabled facilities grants, telecare equipment, and major items of disability equipment to support vulnerable residents.

- **Safe Communities and Culture for all** – capital investment of £1.3m to fund the Future libraries schemes.
 - **A Greener and Cleaner City** – capital investment of over £12m to develop new initiatives to reduce carbon emissions, including £11m to support the Council’s Fleet replacement policy and £800k on Castle Mills Lock..
 - **Getting around sustainably** - capital investment of over £29m including over £16m for Haxby Station, £8.8m for repairs and improvement to the highways network, and investment in the Bar Walls, Street Lighting and Drainage across the city.
 - **Creating homes and world class infrastructure** – capital investment of nearly £10m, including over £9 million to increase the scale of modernisation works to Council housing stock.
 - **An Open and effective Council** - capital investment of over £5m 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 over £5m in Schools Maintenance and Devolved Capital, and improving Schools accessibility.
4. Further details on the schemes referred to above can be found in the body of this report.
 5. As set out within this report and the Financial Strategy report also on this agenda, the budget reflects significant investment in a number of critical areas, with a focus on meeting the continuing pressures on adult social care and children’s services and to support the Council’s response to the Covid-19 pandemic and maintain progress on the objectives outlined in the Council Plan. This report sets out **£70.176m of new investment over the 5 year period**, of which £22.475m is externally funded, £10.090m is met from the Housing Revenue Account, with **£37.611m** to be funded by Council borrowing.
 6. 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, Castle Gateway, York Station frontage and York outer ring road and dualling as set out at paragraphs 73 – 82.

Recommendations

7. The Executive is requested to recommend that Council:
- Agree to the revised capital programme of **£459.625m** that reflects a net overall increase of **£70.176m** (as set out in table 2 and in Annex A). Key elements of this include:
 - New schemes funded by prudential borrowing totalling £1.9m as set out in tables 3;
 - New schemes funded by a combination of both prudential borrowing and external funds of £16.300m as set out in table 4
 - Extension of prudential borrowing funded Rolling Programme schemes totalling £31.411m as set out in table 5 and summarised in table 5;
 - Extension of externally funded Rolling Programme schemes totalling £10.475m as set out in table 8;
 - An increase in HRA funded schemes totalling £10.090m funded from a combination HRA balances/Right to Buy receipts as set out in table 9;
 - Note the total increase in Council borrowing as a result of new schemes being recommended for approval is £37.611m 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 **£459.625m** covering financial years 2022/23 to 2026/27 as set out in table 13 and Annex B

Background

8. The current 2021/22 – 2025/26 capital programme was approved by Council on 25 February 2021. Since then a number of amendments have taken place as reported to the Executive up to and including the 2021/22 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 2021/22 – 2025/26 of £517.033m, financed by £169.984m of external funding and Council controlled resources of £347.049m. Table 1 illustrates the current approved capital programme profile from 2021/22 – 2025/26 as of capital monitor 3 2021/22.

	21/22	22/23	23/24	24/25	25/26	Total
	£m	£m	£m	£m	£m	£m
Gross Capital Programme	127.584	118.322	140.068	80.340	50.719	517.033
Funded by:						
External Funding	41.946	37.010	47.339	34.584	9.105	169.984
Council Controlled Resources	85.638	81.312	92.729	45.756	41.614	347.049
Total Funding	127.584	118.322	140.068	80.340	50.719	517.033

Table 1 – Funding Position of approved 2021/22 – 2025/26 Capital programme per Monitor 3

9. 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.

Options

10. This report sets out the new capital investment proposals for the 5 year period covering 2022/23 to 2026/27. 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 per Local Government Act 2003 (revised).

Summary of Proposed Capital Investment

11. The capital budget process invited proposals from the departments asking to submit requests for the Councils main capital priorities. Of the 26 proposals going forward 20 are asking for direct council funding, this is comprised of 16 proposals for extensions to existing schemes and 4 proposals for new schemes.

12. In total, proposals have been made that would increase the existing 2022/23 – 26/27 Capital Programme by **£70.176m**. The proposals are comprised as follows:

- General Fund schemes requiring financing by Council borrowing **£37.611m**
- General Fund Schemes financed by external funds **£22.475m**
- Housing Revenue Account schemes financed by HRA funds **£10.090m**

Key scheme proposals

13. The table below summarises the key proposals that result in an increase to the capital programme of £67.176m 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
	£m	
New Schemes – Prudentially Borrowed	1.900	Table 3
New Schemes – Match Funded (Element of both External & CYC funding)	16.300	Table 5
Rolling Programme – Prudentially Borrowed	31.411	Table 7
Rolling Programme – Externally Funded	10.475	Table 9
Housing Revenue Account (HRA) Schemes – Funded by HRA resources	10.090	Table 10
Total Increase in Capital Programme	70.176	

Table 2 – Summary of New Proposals and Increase in Capital Programme

14. Overall this report proposes new capital schemes totalling **£61.176m** 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 13.

Detailed Consideration of Proposed Investment and Financial Implications

New Schemes – Prudential Borrowing

15. 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.

Scheme Type / Description	Total Value	Financial Year
	£m	
Explore – self issue ticket machines (Departmental Pru borrowing)	0.100	22/23
Future Libraries	1.000	23/24
Castle Mills Lock	0.800	22/23 & 23/24
New Proposals Requiring Prudential Borrowing	1.900	

Table 3 – Summary of New Proposals Requiring Prudential Borrowing Funding

16. An overview of each new scheme being proposed is set out in the following paragraphs:
17. **Explore – self issue ticket machines (£100k in 22/23)** – York Explore intend to purchase self-issue machines for all remaining libraries that currently do not have such facilities. The overall cost to purchase these machines is approximately £150k. York Explore are able to fund the first £50k from reserves and are requesting that the council finance the remaining £100k via a capital grant. The intention is that this be funded by departmental

prudential borrowing, the cost of which will be charged to Explore, probably over a 5 year period via a deduction from the annual contract sum

18. **Future Libraries (£1.000m in 22/23)** – The future library investment programme is seeking additional capital borrowing to deliver a new Clifton Library on the former Clifton Without Junior School site, deliver a gateway library for Haxby & Wiggington and further improve the Acomb Library Learning Centre. Development of the Clifton site will provide greater community benefits than just a community library, including the provision of affordable homes and an opportunity for co-location of third sector community partners as well as learning providers

19. **Castle Mills Lock (Total £800k, £600k in 22/23 & £200k in 23/24)** – When our canals and rivers were built there was no standard template for lock gates. They were constructed using a variety of techniques and designed to navigate the local landscapes. As a result our lock gates are bespoke so when we're building new lock gates, each one has to be sized up and built to the exact specifications for each lock. An average lock gate lasts for about 25 years. Castle Mills Lock were last renewed in 1986 making them 35 years old and 10 years exceedance of their expected serviceable life. Further to the lock gates is the access bridge to the site which is nearing the serviceable life. the bridge requires replacing with an indicative cost circa 200k
 - The purpose for the gates – To maintain the River Foss water level and allow boat access to the Foss from the Foss Basin.
 - The legal obligation for the gates – To allow Public Navigation under the Foss Navigation Act
 - The benefit for having lock gates – To allow Public access to the Foss Navigation
 - The requirement for new gates and the infrastructure benefits which can be realised by this investment – To replace existing deteriorating gates and to continue Public access to the Foss Navigation and prevent sudden loss of the River Foss water level.
 - The lead in time and programme installation duration (earliest programme start date and duration of works) – Earliest start April 2022 with approx duration of 3/5 months depending on weather and manufacturing availability.

A recent event highlighted the importance of the lock gates which provide essential sustainability to life within the River Foss the river levels on the Foss are dependent on the performance of the lock gates creating a seal.

Low River levels have a direct impact on the oxygen levels in the river and the mortality levels of the fish which live in the river.

New Schemes – Match Funded

20. The table below sets out proposals which would be funded both externally and with a Council contribution.

Scheme Type / Description	Total External element	Total CYC element	Financial Year
	£m	£m	
Haxby Station	12.000	4.300	22/23 – 25/26
Total New Match Funded Proposals	12.000	4.300	

Table 4 – Summary of new proposals funded by both external and CYC funding

21. **Haxby Station** (£16.300m Total - £4.300m CYC funding, £12.000m externally funded) – Haxby Station is a proposed new unmanned (two-platform) station located in the town of Haxby (on the York-Scarborough line), to serve the nearby suburban and semi-rural areas. A station at Haxby would be an extra stop between the existing railway stations at York and Malton (and indeed, there was a station at Haxby until 1930). A new station here has a potentially large catchment which includes residents from the town, neighbouring villages and suburban areas to the north and east of York. There are over 20,000 residents within 3km of the proposed station location.
22. Following submission of a New Stations Fund bid in 2020, confirmation was received at the end of that year that a provisional £400k award from DfT would be made to develop the scheme further, with a view to being able to confirm full funding award in the short-term (subject to meeting certain criteria i.e. line speed certainties; construction costs). Work on honing these items is underway with Network Rail. DfT timescales are that a station needs to be complete/operational by March 2024. The DfT requests 25% local match funding.

Rolling Programme Schemes – Prudential Borrowing

23. The 2021/22 – 2025/26 capital programme contained a number of rolling programme schemes that require funding on an ongoing basis. This report extends the rolling capital programme to 2026/27 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:

Scheme Type / Description	Total Value	Financial Year
	£m	
Highways Schemes	6.570	24/25 & 26/27
Access Barrier Review	0.100	26/27
Improving School Accessibility - Extension	0.600	22/23 & 23/24
Bar Walls	0.300	24/25
Drainage	0.900	26/27
Street Lighting	1.118	24/25 - 26/27
Fleet Replacement – CPB	7.751	22/23 – 26/27
Fleet Replacement - DPB	3.799	22/23 – 26/27
Asset Maintenance	0.250	26/27
Disabled Facilities Grant	0.475	26/27
Disability Support Budget	0.280	26/27
Major Items of Disability Equipment	0.157	26/27
Telecare Equipment	0.291	26/27
ICT Rolling Programme	5.420	22/23 – 26/27
Project Support Fund	0.200	26/27
Contingency	3.200	22/23

Total Rolling Programme Schemes	31.411	
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Table 5 – Summary of Rolling Programme Proposals Requiring Prudential Borrowing Funding

24. All of the £31.411m 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 2022/23 – 2026/27 report also on this agenda.
25. An overview of each scheme being proposed is set out in the following paragraphs:
26. **Highways Schemes (£1.500m in 24/25, £5.070m in 26/27- Total £6.570m 25/26)** – The total annual rolling budget requirement for an optimum structural maintenance regime is circa £10m representing current costing. Outputs from the Councils highway inspection and deterioration data (Gaist) will be used to target additional highways R&R funding to address emerging highway asset defects, proactive works will slow the deterioration of the cities highway network across footways and carriageways. The current rate of highway depreciation is greater than the funding the service is receiving annually, the highways asset management team are therefore requesting capital funding required to slow the rate of depreciation across the network. This additional funding will reduce the rate of depreciation across the highway network.
27. **Access Barrier Review (£100k 2022/23)** – This scheme which is reviewing the design and placement of access barriers across the Councils walking and cycling networks has an existing budget of £100k in 21/22. Further funds are required in 22/23 to complete the work. The value is estimated at this stage as the first stage of work is not yet complete
28. **Improving School Accessibility - Extension (£300k 2022/23 & £300k 23/24. Total £600k)** – The scheme is designed to further 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. This funding is to expand the scheme already in the programme.

29. The scheme ensures that children and young people with SEND are able to access their choice of mainstream school unrestricted by accessibility issues presented by some school buildings. This will help to reduce requests for out of area specialist placements.
30. **Bar Walls (£300k 2026/27)** - The monitoring programme continues to identify locations where urgent repair and restoration works are required. The team have been working with structural engineers, employed to monitor the extent of the risk the direction and movement of the Bar Walls and Bar's in various locations across the monument. With the rolling programme approach we have taken we are now on an evidence-based programme for managing repair and restoration on York City Walls. Urgent repair and restoration works continue to be monitored and inspected to target identified structural failures within the Bar Walls and Tower Buildings. It includes schemes which have continuing monitoring to assess the level of movement.
31. York City Walls are a key symbol of the City and protecting the integrity of this asset for users and for the image of the City is a critical objective. Monitoring and inspections have identified the priority locations on York City Walls where there is a clear and urgent need for restoration works. These schemes will address service and Council Plan objectives of creating jobs and protecting the Environment. All schemes will require scheduled monument consent from Historic England
32. **Drainage (£900k 26/27)** – 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
33. **Street Lighting (Total £1.118m, £512k 24/25, £28k 25/26, £578k 26/27)** – Street lighting columns all have manufacturer's recommended serviceable life in years at date of manufacture both concrete and steel.
34. 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.

35. This additional funding will 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.
36. **Fleet Replacement (Total £11.550m)**

	22/23 £000	23/24 £000	24/25 £000	25/26 £000	26/27 £000	Total £000
New request for CYC Borrowing	1,548	1,135	1,835	102	3,131	7,751
New request for Dep Borrowing	1,231	1,548	946	59	15	3,799
Total	2,779	2,683	2,781	161	3,146	11,550

Table 6 – Fleet Replacement

37. A Vehicle policy has been developed and agreed by members to manage the replacement of vehicle and plant assets. The main purpose of this policy is to deliver electric vehicles to council's light commercial fleet and a select few HGV fleet assets with the aim to be carbon neutral by 2030 and to ensure that the investment made into the fleet (electric and fossil fuelled) and the charging infrastructure achieves an environmentally friendly fleet that is utilised and applied in the most effective way.
38. The purpose of this funding is to highlight the need for renewal of the expired CYC fleet within all services areas ensuring that all services have vehicles that maximises value for money and remains environmentally and energy efficient using electric vehicles where possible with the end goal to have a full electrified fleet and be carbon neutral by 2030 that will maintain service delivery for the council. This bid will allow the fleet replacements become part of the overall councils capital programme and ensure a continuous cycle of vehicles fit for purpose
39. **Asset Maintenance (£250k 2026/27)** –There is currently a rolling programme capital scheme for health and safety repairs of £250k 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.

40. 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.
41. There will also need to be substantial other work required 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 bids as and when necessary. This bid therefore is to extend the approved annual rolling programme for a further year to help fund these critical repairs to the retained buildings.
42. **Disabled Facilities Grant (£475k 2026/27)** – This funding 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.
43. **Disability Support budget (£280k 2026/27)** – This funding 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.

44. 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.
45. **Major Items of Disability Equipment (£157k 2026/27)** – This funding 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 re-ablement and is a key component of hospital discharge packages.
46. 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
47. **Telecare equipment (£291k 2026/27)** – This scheme is to extend the current scheme funding Telecare equipment into 26/27. 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.
48. 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.
49. **ICT Rolling Programme (Total £5.420m)**

	22/23 £000	23/24 £000	24/25 £000	25/26 £000	26/27 £000	Total £000
Capital Budget Process Request	850	750	750	250	2,820	5,420
<i>Existing Budget in Capital Programme</i>	2,070	2,070	2,070	2,920	-	9,130

<i>New Scheme Total</i>	<i>2,920</i>	<i>2,820</i>	<i>2,820</i>	<i>3,170</i>	<i>2,820</i>	<i>14,550</i>
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Table 7 – ICT Rolling Programme

50. This scheme funds the design, development, procurement and deployment of evolving digital customer centric technologies to help improve and personalise the customer experience by supporting the delivery of the organisational transformation, the evolving Digital Service Programme and CYC's continual improvement programme. The scheme also supports the customer strategy and enables the delivery of accessible and effective council services for its residents, businesses and the city.
51. It also funds the maintenance, development and compliancy requirements of the key corporate enabling and supporting ICT infrastructure and application estate that is required to underpin the delivery, sustainability and security of these programme supporting technologies whilst also maintaining the organisations business as usual critical ICT services to staff and citizens.
52. In addition, each of the years in the bid has an allocation to fund technology refreshes required as part of the new Network Managed Service Agreement (MSA) and to provide for a centralised Laptop refresh programme supporting new hybrid ways of working and the Working as One programme /return to work post covid to identify both the connectivity and supporting technology platforms to enable and sustain the mobilisation of a flexible workforce and flexible building estate across CYC. Years 25/26 and 26/27 identify the minimum capital requirements necessary to continue these services.
53. **Project Support Fund (£200k 2026/27)** – To extend the existing funding into 2026/27 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 to support the successful delivery of bringing new assets into operation.
54. **Contingency Funds (£3.200m 2022/23)** – Included within the capital programme is a contingency of £800k which is available to reallocate to other capital schemes if there are unexpected cost increases which cannot be managed within the programme. The pandemic has led to a number of projects that have either suffered delays such as the Guildhall or been put on

hold as the council reprioritised resources to support the pandemic response such as some of the Transport capital programme. The higher level of inflation that is currently being experienced is also leading to cost pressures as schemes cost more than originally assumed when bids were completed. The current capital programme for 2022/23 totals £126m of which £87m is funded from council resources. In order to increase resilience to the programme it is proposed that the capital contingency is merged with the £1m Covid Contingency and increased by £3.2m. The use of the contingency will need to be approved by Executive

Rolling programme - Externally Funded + HRA Funded

55. 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:

Scheme Type / Description	External Funding Value	Financial Year
	£m	
<u>Existing General Fund Schemes</u> <u>New External Funding</u>		
Highways schemes	2.210	26/27
Local Transport Plan - Integrated Transport	1.570	26/27
Disabled Facilities Grant	2.090	26/27
Schools/ Education - Maintenance	3.500	22/23 – 26/27
Schools/ Education - Devolved Capital	1.105	22/23 – 26/27

<u>Total Existing General Fund Schemes New External Funding</u>	10.475	
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Table 8 – Summary of New External Funding

56. The funding for the schemes set out above have been updated to reflect the indicative funding settlements in 2026/27.
57. The latest Housing Revenue Account (HRA) Business plan 2021 to 2051 contained 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.
58. Table 9 updates the capital investment strategy and shows the overall movement (growth) against the existing approved expenditure plans

Scheme Type / Description	Total Scheme Value HRA Funded	Financial Year
	£m	
<u>New Investment for the HRA</u>		
Major Repairs & Modernisation of Local Authority Homes	9.270	26/27
Assistance to Older and Disabled People	0.650	26/27
Housing Environmental Improvement Programme	0.170	26/27
<u>New Investment for the HRA Total</u>	10.090	

Table 9 – Summary of HRA investment

59. The key investment areas are shown in table 8 and show new investment of £10.090m that will see key schemes delivered including:

60. Major Repairs & Modernisation of LA Homes (£9,270k growth in 26/27) -

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 ways (eg: having modern facilities, improved safety and security, reduced energy costs etc) whilst ensuring the Council meets the Decent Homes standard. The repairs and modernisation budget for 2022/23 is £9,915k and a breakdown of the type and value of works are provided below

	2022/23 budget £m	Description of works 2022/23
Tenants Choice	2.660	Replacement kitchen, bathroom and rewire to 380 properties.
Modernisation of Void properties	1.216	Major repairs and modernisation of 70 void properties
Heating/Boilers	1.003	Replacement heating systems to 443 domestic properties per year.
Roof Replacements	0.340	Replacement roofs and removal of asbestos-containing fascias / soffits to 45 properties
External Doors	0.155	Replacement of 250 external & lobby doors
Window Replacements	1.231	Replacement of windows in 367 properties
Standing Water Project	1.500	Sub-floor standing water remediation works to 60 properties, with a further 120 properties requiring treatment over the life of the 5 year proposal
Structural and external works	0.265	Various programmes of repair to the external structure of dwellings, guttering & down pipes, soffits & fascias to 45 properties
Fire Remedial Works	0.500	Remedial works arising from Fire Risk Assessments
Asbestos Removal	0.110	Remedial works following asbestos surveys
Other	0.935	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.
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Table 10 – Breakdown of Major Repairs & Modernisation of LA Homes 2022/23 Budget

61. 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.
62. **Assistance to Older and Disabled People (£650k 26/27)** – 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
63. **Housing Environmental Improvement Programme (£170k 26/27)** - 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
64. **Local Authority Homes – New Build Project Phase 2 - (No budget change - £120,484k 22/23- 26/27)**
65. The Housing Delivery Programme has continued to make significant progress throughout 2021. Lowfield Green has seen the completion of 49 homes along with over an acre of green space and a new children’s play area. All homes for market sales were reserved prior to completion and new residents have commented on the fantastic quality of their new homes. The majority of the homes completed in 2021 were either bungalows or flats for over 55’s, therefore many of Lowfield Green’s new residents have moved from larger family housing which did not fit their changing needs, to new level access accommodation meaning they can live more independently in their homes.

66. Duncombe Barracks and Burnholme both successfully received planning approval in 2021. These sites will deliver the next 118 homes in the programme. These homes will be built with the aspiration to reflect the standard set out in the Housing Delivery Design Manual of Passivhaus certified and net zero carbon. A minimum of 40% of these homes will be affordable housing. The procurement of a contractor for these two projects is underway and a start on site in late Spring 2022 is anticipated.
67. Ordnance Lane was submitted to planning in December 2021 after a thorough process of community engagement. This ground-breaking project will also aspire to deliver Passivhaus certified, zero carbon homes, as well as incorporating intergenerational living and commercial spaces to create a balanced and sustainable community. This site was successful in receiving over £2m in One Public Estate funding in October 2021 and this will be used to progress enabling works in 2022.
68. Community engagement work has been ongoing at Willow House with an aim to review how the redevelopment of the site could be incorporated into wider regeneration and benefits for the Walmgate community. Early design work has also started on York Central to look at the possibilities for the development of this site.

Funding Position – Council Prudential Borrowing

69. The budget proposals in terms of Council prudential borrowing adds to existing rolling programme schemes totalling £31.411m and adds new schemes totalling £6.200m. This results in a total increase in the level of debt (the underlying need to borrow for capital investment purposes only) of £37.611m over the 5 year programme. Table 9 shows the financial impact on a year by year basis and over the 5 year period.

	22/23 £000	23/24 £000	24/25 £000	25/26 £000	26/27 £000	Total £000
Rolling Programme	7.229	3.733	5.843	0.439	14.167	31.411
New Schemes	1.300	4.300	0.600	-	-	6.200
Net Increase in PB	8.529	8.033	6.443	0.439	14.167	37.611

Table 11 – Net Funding Position of Prudential Borrowing Schemes

70. The revenue costs of the new schemes funded by prudential borrowing is estimated at £2.633m over the 5 year budget period, assuming borrowing of £37.611m. Actual borrowing may be taken during 2022/23, 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

71. 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 **£70.176m** of which £38.886m relates to the extension of the programme to future years

	22/23 £m	23/24 £m	24/25 £m	25/26 £m	26/27 £m	Total £m
1) New CYC Schemes Funded by CYC PB (table 3)	0.700	1.200	-	-	-	1.900
2) New Match funded CYC Schemes Part funded by CYC part funded by External sources (table 4)	2.100	12.100	2.100	-	-	16.300
4) Rolling Programme Schemes Funded by CYC Pru Borrow (table 6)	7.229	3.733	5.843	0.439	14.167	31.411
5) Existing Schemes Funded Externally by External Grant (table 7)	0.925	0.920	0.920	0.920	6.790	10.475
6) HRA Schemes (table 8) Funded by HRA	-	-	-	-	10.090	10.090
Total Net Increase to Capital Programme	10.954	17.953	8.863	1.359	31.047	70.176

Table 12 – Summary of new expenditure by funding type 22/23 – 26/27

72. 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.

Gross Capital Programme	2022/23	2023/24	2024/25	2025/26	2026/27	Total
	£m	£m	£m	£m	£m	£m
People – Children’s services	21.124	6.220	0.920	0.920	0.920	30.104
People – Adult Social Care	0.738	0.750	0.682	0.705	0.448	3.603
Place – Housing & Community Safety	48.694	42.318	33.544	32.104	12.655	169.315
Place – Transport, Highways and Environment	44.558	61.864	49.811	14.479	13.474	184.186
Place – Property Services	4.830	38.749	0.250	0.250	0.250	44.329
Public Health	-	-	-	-	-	-
Chief Operating Officer – Stadium & other major projects	-	-	-	-	-	-
Chief Operating Officer – FM & Buildings	0.665	-	-	-	-	0.665
Chief Operating Officer – ICT	1.917	2.820	2.820	3.170	2.820	13.547
Chief Operating Officer – Customer & Corporate Services	3.600	0.200	0.200	0.200	0.200	4.400
Chief Operating Officer – Communities & Neighbourhoods	2.050	4.700	0.726	-	-	7.476
Climate Change	1.100	0.400	0.250	0.250	-	2.000

Total Capital Programme	129.276	158.021	89.203	52.078	31.047	459.625
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Table 13 – Proposed Capital Programme 2022/23 – 2026/27

Other Major Capital Projects

73. 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 2022.
74. **York Central** – The project has now transitioned from the planning stages into delivery following the agreement of the reserved matters planning application for the first phase of infrastructure works in November 2020. This followed the agreement of £77.1m of funding from the Ministry of Housing Communities and Local Government (MHCLG) which was awarded directly to Homes England and Network Rail.
75. The decision by government to award this funding directly to the landowning bodies was a significant change and has reshaped the delivery arrangements for the infrastructure and the governance arrangements. CYC have recently completed the enabling works contract for the site including; site clearance, demolitions and further ground investigations for which the Council is being reimbursed. The landowning partners have confirmed their intention for Homes England to lead the delivery of the main Infrastructure Package IP2 and to enter into a construction contract with John Sisk Ltd, subject to ongoing due diligence. A decision is currently being ratified through the Homes England governance arrangements
76. **Guildhall** – Updates on the Guildhall project are included in the Capital Monitor 3 report elsewhere on the agenda. The scheme is due to complete in the coming months when the University /York Science Park Ltd will operate the serviced office and business club / events venue. The council will also be able to return to the Council Chamber for Council meetings.
77. **Castle Gateway** – Work has continued to progress the delivery of the Castle Gateway project. Following extensive consultation with the public and

stakeholders the design for the new public realm and event space to replace Castle Car Park and the Eye of York is complete and a planning application will be submitted in January 2022. This will enable a shovel ready project and will be prioritised for central government funding opportunities. Wates have been appointed as the contractor for Castle Mills to undertake the detailed design of the new apartments, bridge and riverside park, and to provide a fixed price for the construction phase. This is now due in spring 2022 resulting from delays in pricing due to the current volatility in the construction market. A review of council car parking was approved by Executive in November 2021 which reaffirmed the strategic importance of St George's Field as a parking location, and a full business case review of the proposed multi-storey car park will be brought back to the Executive in Spring 2022 to assess if it remains the best option to replace the lost parking that will result from the closure of Castle Car Park.

78. **York Outer Ring Road and Dualling** – During 2021/22, one of the main tasks which the project team have undertaken is to evaluate the public engagement process which took place in late 2020. There was a good response to this process and it demonstrated 79% support for the scheme proposals. However there were concerns from a range of groups and residents about the lack of pedestrian and cycle facilities at some locations. The project team worked on a series of revisions to address these concerns, conscious of maintaining the balance of the scope and the available budget. The evaluation of the public engagement process and accompanying scheme revisions were presented to Executive in September 2021. This report was accepted by Executive with the proviso that some minor adjustments be considered to address some further representations by members of the public. This iterative process would be commonly expected of a scheme of this magnitude.
79. Those final revisions have now been completed and subject to some specialist environmental work, the project team will be in a position to submit a planning application in early 2022. There has also been significant activity in other areas. Concurrent work has taken place attempting to purchase land for the scheme, detailed design and preparations for the final business case. 2022 will be a key year to achieve planning approval, land acquisition and submission of a Compulsory Purchase Order if it is required. Commencement of construction is still anticipated for mid 2023

80. **York Station Frontage Scheme** – In November 2020, Council Executive approval was received allowing authority to begin the delivery of a package of enabling works, purchase land and proceed to detailed scheme design. Executive approval of the five-phase project Delivery and Procurement Strategy produced together with project partners Network Rail and LNER was also received. In November 2021 the Executive approved CYC entering into a Development Agreement with LNER to deliver Package 3 – the station works
81. Land negotiations are currently progressing and the finalisation of deal with Canada Life for an area of land in front of George Stephenson House is expected in early 2022. Meanwhile orders have been placed with utility companies to deliver a scheme of diversionary works for services in Queen Street Bridge and the station frontage area to allow demolition of the bridge. This enabling package is valued at c£2m and is expected to begin on site in January 2022
82. Detailed design of the scheme is a detail design stage and a delivery contractor will be sought with an appointment expected in spring 2022. The second package of highway works will then follow the enabling works package in autumn 2022. The station works package (expected to be delivered by LNER under a development agreement with CYC) will begin in autumn 2022

Council Plan

83. 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

84. The financial implications are considered in the main body of the report.

Human Resources Implications

85. There are no HR implications as a result of this report.

Equalities Implications

86. 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

87. 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

88. There are no crime and disorder implications as a result of this report.

Information Technology

89. The information technology implications are contained in the main body of this report.

Property

90. 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

91. 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.
92. 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.

Author:	Chief Officer Responsible for the report:		
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	Report Approved	√	Date 27/1/22
Wards Affected: All			√

For further information please contact the author of the report

Specialist Implications:

Legal – Not Applicable

Property – Not Applicable

Information Technology – Not Applicable

Wards Affected:

All

For further information please contact the author of the report

Annexes

Annex A – Growth Summary 2022/23 – 2026/27

Annex B – Capital Programme 2022/23 – 2026/27

Capital Budget Process 2022/23 - 2026/27 - GROWTH

Table 1

<u>Directorate</u>	<u>Portfolio</u>	<u>New Schemes - CYC Funded</u>
COO	CCPR	Explore self issue machines - DPB
COO	CCPR	Future Libraries
Place	THE	Castle Mills Lock
TOTAL - Funded by CYC Prudential Borrowing		

Growth above existing approved budget					
5 year rolling programme					
22/23 £000	23/24 £000	24/25 £000	25/26 £000	26/27 £000	Total £000
100	-	-	-	-	100
-	1,000	-	-	-	1,000
600	200	-	-	-	800
700	1,200	-	-	-	1,900

Table 2

<u>Directorate</u>	<u>Portfolio</u>	<u>New Schemes - Both CYC Funded & Externally Funded</u>
Place	THE	Haxby Station - CYC Contribution (CPB)
Place	THE	Haxby Station - DfT (Ext)
TOTAL		

22/23 £000	23/24 £000	24/25 £000	25/26 £000	26/27 £000	Total £000
600	3,100	600	-	-	4,300
1,500	9,000	1,500	-	-	12,000
2,100	12,100	2,100	-	-	16,300

Table 3

<u>Directorate</u>	<u>Portfolio</u>	<u>Rolling Programme Schemes - Additional Years/Amendments</u>
Place	THE	Highways
Place	THE	Access Barrier Review
People	Childrens	Improving School Accessibility - Extension
Place	THE	Bar Walls
Place	THE	Drainage
Place	THE	Street Lighting
Place	THE	Fleet Replacement - CPB
Place	THE	Fleet Replacement - DPB
Place	FM & B	Asset Maintenance
People	ASC	Disability Support budget
People	ASC	Major items of disability equipment
People	ASC	Telecare equipment
Place	HSC	Disabled Facilities Grant
COO	COO	Project Support Fund
COO	COO	Contingency
COO	ICT	ICT
TOTAL - Funded by CYC Prudential Borrowing		

22/23 £000	23/24 £000	24/25 £000	25/26 £000	26/27 £000	Total £000
-	-	1,500	-	5,070	6,570
100	-	-	-	-	100
300	300	-	-	-	600
-	-	300	-	-	300
-	-	-	-	900	900
-	-	512	28	578	1,118
1,548	1,135	1,835	102	3,131	7,751
1,231	1,548	946	59	15	3,799
-	-	-	-	250	250
-	-	-	-	280	280
-	-	-	-	157	157
-	-	-	-	291	291
-	-	-	-	475	475
-	-	-	-	200	200
3,200	-	-	-	-	3,200
850	750	750	250	2,820	5,420
7,229	3,733	5,843	439	14,167	31,411

Table 4

<u>Directorate</u>	<u>Portfolio</u>	<u>Rolling Programme Schemes - Additional Years/Amendments Funded Externally (Government Grant)</u>
Place	THE	Highways
Place	THE	LTP DfT

22/23 £000	23/24 £000	24/25 £000	25/26 £000	26/27 £000	Total £000
-	-	-	-	2,210	2,210
-	-	-	-	1,570	1,570

Place	HSC	Disabled Facilities Grant
People	Childrens	Maintenance
People	Childrens	Devolved Capital
TOTAL - Funded Externally		

-	-	-	-	2,090	2,090
700	700	700	700	700	3,500
225	220	220	220	220	1,105
925	920	920	920	6,790	10,475

Table 5

Directorate	Portfolio	HRA Schemes
HRA	HRA	Assistance to Older & Disabled Persons
HRA	HRA	Major repairs and modernisation
HRA	HRA	Housing Environment Improvement Programme
TOTAL - HRA Funded		

£000	£000	£000	£000	£000	£000
-	-	-	-	650	650
-	-	-	-	9,270	9,270
-	-	-	-	170	170
-	-	-	-	10,090	10,090

Table 6

Funded Split
Total CYC Prudential Borrowing
Other Internal Funding
Total External Funding
Total HRA Funding
Overall Increase in Capital Programme

22/23	23/24	24/25	25/26	26/27	Total
£000	£000	£000	£000	£000	£000
8,529	8,033	6,443	439	14,167	37,611
-	-	-	-	-	-
2,425	9,920	2,420	920	6,790	22,475
-	-	-	-	10,090	10,090
10,954	17,953	8,863	1,359	31,047	70,176

Table 7

	23/24	24/25	25/26	26/27	27/28
Revenue Impact (following year)	£000	£000	£000	£000	£000
Incremental Revenue Growth of CYC Prudential Borrowing	597	562	451	31	992
Overall Revenue Impact (Cost to CYC)	597	562	451	31	992

	2022/23	2023/24	2024/25	2025/26	2026/27	Total Capital Programme 2022/23- 2026/27
	£000	£000	£000	£000	£000	£000
<u>CHILDRENS SERVICES</u>						
Basic Need	9,987	3,000	0	0	0	12,987
Fulford School Expansion 2020 Phase 1 and 2	3,000	2,000	0	0	0	5,000
DfE Maintenance	700	700	700	700	700	3,500
Schools Essential Building Work	1,608	0	0	0	0	1,608
Schools Essential Mechanical & Electrical Work	1,589	0	0	0	0	1,589
Danesgate Extension 2022	1,900	0	0	0	0	1,900
Children in Care Residential Commissioning Plan	1,000	0	0	0	0	1,000
Expansion and Improvement of Facilities for Pupils with SEND	300	0	0	0	0	300
Applefields Extension Work 2021 and 2022	515	0	0	0	0	515
Improving School Accessibility	300	300	0	0	0	600
NDS Devolved Capital	225	220	220	220	220	1,105
<u>ADULT SOCIAL CARE</u>						
Telecare Equipment and Infrastructure	259	267	275	283	291	1,375
Disabled Support Grant	240	250	260	270	280	1,300
Major Items of Disability Equipment	139	143	147	152	157	738
Proof of Concept for robotics & AI within social care	100	90	0	0	0	190
<u>HOUSING & COMMUNITY SAFETY (HRA & GF)</u>						
Local Authority Homes - New Build Project	11,900	18,343	20,000	18,829	0	69,072
Major Repairs & Modernisation of Local Authority Homes	9,915	8,462	8,769	8,720	9,270	45,136
LA Homes - Burnholme	11,000	7,345	600	0	0	18,945
Lowfield Housing	3,900	700	0	0	0	4,600
Disabled Facilities Grant (Gfund)	2,106	2,236	2,375	2,375	2,565	11,657
Duncombe Barracks	5,500	1,862	0	0	0	7,362
Local Authority Homes - Phase 2	2,303	1,200	0	0	0	3,503
Local Authority Homes - Project Team	680	830	1,000	1,370	0	3,880
Assistance to Older & Disabled People	610	620	630	640	650	3,150
LA Homes Energy Efficiency Programme	250	250	0	0	0	500
Extension to Marjorie Waite Court	200	0	0	0	0	200
Housing Environmental Improvement Programme	170	170	170	170	170	850
Water Mains Upgrade	110	300	0	0	0	410
Empty Homes (Gfund)	50	0	0	0	0	50
<u>TRANSPORT, HIGHWAYS & ENVIRONMENT</u>						
York Outer Ring Road - Dualling	3,422	23,330	29,084	3,640	0	59,476
Highway Schemes	8,892	7,377	7,280	7,280	7,280	38,109
WYTF - Station Frontage	5,479	11,377	4,310	0	0	21,166
Local Transport Plan (LTP) *	3,388	1,570	1,570	1,570	1,570	9,668
WYTF - Castle Gateway Development	2,095	1,347	908	50	0	4,400
Drainage Investigation & Renewal	1,050	700	700	900	900	4,250
Replacement Vehicles & Plant	3,306	0	0	0	0	3,306
Flood Alleviation Schemes including Germany Beck	1,000	0	0	0	0	1,000
Replacement of Unsound Lighting Columns	644	644	578	578	578	3,022
York City Walls Restoration Programme	681	336	300	300	0	1,617
Fleet Acquisition	4,709	2,683	2,781	161	3,146	13,480
Highways & Transport - Ward Committees	250	0	0	0	0	250
Built Environment Fund - Hostile Vehicle Mitigation	1,632	0	0	0	0	1,632
Electric charging Infrastructure	900	0	0	0	0	900
Flood Scheme Contributions	1,500	0	0	0	0	1,500
TCF - Tadcaster Road Improvements	1,280	0	0	0	0	1,280
Essential Bridge Maintenance	1,100	0	0	0	0	1,100
Highways Drainage Works	200	200	200	0	0	600
Traffic control/ reduction and public realm improvements in Bishophill/ Mi	230	0	0	0	0	230
Access Barrier Review	100	0	0	0	0	100
Castle Mills Lock	600	200	0	0	0	800
Haxby Station	2,100	12,100	2,100	0	0	16,300
<u>PROPERTY SERVICES</u>						
York Central Infrastructure	300	38,476	0	0	0	38,776
Castle Gateway (Picadilly Regeneration)	3,500	0	0	0	0	3,500
Asset Maintenance + Critical H&S Repairs	250	250	250	250	250	1,250
Holgate Park Land – York Central Land and Clearance	397	0	0	0	0	397
Shambles Modernisation - Power	180	0	0	0	0	180
Community Asset Transfer	175	0	0	0	0	175
Air Quality Monitoring (Gfund)	28	23	0	0	0	51
<u>FM & BUILDINGS</u>						
Crematorium Waiting Room	242	0	0	0	0	242
Removal of Asbestos	237	0	0	0	0	237
Hazel Court welfare facilities	96	0	0	0	0	96
Fire Safety Regulations - Adaptations	50	0	0	0	0	50
Registry office Phase 2 Refurbishment	40	0	0	0	0	40
<u>CHIEF OPERATING OFFICER</u>						

ICT						
IT Development plan	1,797	2,820	2,820	3,170	2,820	13,427
IT Superconnected Cities	120	0	0	0	0	120
CUSTOMER & CORPORATE SERVICES						
Project Support Fund	400	200	200	200	200	1,200
Capital Contingency	3,200	0	0	0	0	3,200
COMMUNITIES & NEIGHBOURHOODS						
Libraries as Centres of Learning and Opportunity for all: Acomb & Clifton	1,950	3,700	726	0	0	6,376
Explore Self Issue Ticket Machines	100	0	0	0	0	100
Future Libraries	0	1,000	0	0	0	1,000
CLIMATE CHANGE						
Climate Change schemes including Northern Forest	1,100	400	250	250	0	2,000
GROSS EXPENDITURE BY DEPARTMENT						
PEOPLE DIRECTORATE						
CHILDRENS SERVICES	21,124	6,220	920	920	920	30,104
ADULT SOCIAL CARE	738	750	682	705	728	3,603
PLACE DIRECTORATE						
HOUSING & COMMUNITY SAFETY (HRA & GF)	48,694	42,318	33,544	32,104	12,655	169,315
TRANSPORT, HIGHWAYS & ENVIRONMENT	44,558	61,864	49,811	14,479	13,474	184,186
PROPERTY SERVICES	4,830	38,749	250	250	250	44,329
FM & BUILDINGS	665	0	0	0	0	665
CHIEF OPERATING OFFICER						
ICT	1,917	2,820	2,820	3,170	2,820	13,547
CUSTOMER & CORPORATE SERVICES	3,600	200	200	200	200	4,400
COMMUNITIES, CULTURE & PUBLIC REALM	2,050	4,700	726	0	0	7,476
CLIMATE CHANGE	1,100	400	250	250	0	2,000
TOTAL BY DEPARTMENT	129,276	158,021	89,203	52,078	31,047	459,625
TOTAL GROSS EXPENDITURE	129,276	158,021	89,203	52,078	31,047	459,625
TOTAL EXTERNAL FUNDING	39,435	57,259	37,004	10,025	6,790	150,513
TOTAL INTERNAL FUNDING	89,841	100,762	52,199	42,053	24,257	309,112



Executive

7 February 2022

Report of the Chief Finance Officer

Portfolio of the Executive Member for Finance & Performance

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. On 20th December 2021 CIPFA published a revised Prudential Code with changes which may impact on future reports and the risk management framework. Members will be updated on how all these changes will impact our current approach and any changes required will be formally adopted within the 2023/24 suite of budget reports.
5. 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.

6. 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

7. The strategy remains unchanged from the previous year.

Consultation

8. 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

9. 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

10. 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

11. The revenue implications of the capital strategy are set out in the capital and revenue budget reports to be considered by Executive elsewhere on this agenda.

Legal Implications

12. 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

13. There are no HR, Equalities, crime and disorder, information technology or other implications as a result of this report

Risk Management

14. 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.

Contact Details	
Author	Chief Officer responsible for the report
Debbie Mitchell Chief Finance Officer Ext 4161	Debbie Mitchell Chief Finance Officer
	Report approved 25 January 2022
Wards affected	All

Annexes

Annex A – Capital Financing & Investment Strategy

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City of York Council Capital Financing and Investment Strategy 2022/23

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).

Impact of COVID-19

At the time of writing (January 2022) the UK is still dealing with the impact of the Coronavirus pandemic. The longer term impact of what has been a global pandemic on the economy, and therefore the Council's longer term capital strategy, is still unclear. The combination of uncertain markets along with the need to accelerate the city's economic recovery means that particular care is needed when making significant financial decisions. There should continue to be strict adherence to the Council's project management framework which has processes in place to effectively manage risk.

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 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 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 the Link Group 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 2021 income from property assets, excluding operational assets was c £6.0 million, which represents a return of 6.8%. 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 represented 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. Executive receive regular updates and approve individual site investments when required.

In addition the HRA continues to significantly invest in the structural maintenance of existing stock within its capital programme. Investment over the period 2022/23 to 2026/27 in this area totals c £45m.

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 £154m following the appropriation of general fund sites for development. The plan shows that the full self-financing debt of £121.55m will be fully repaid by 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.



Executive**7 February 2022**

Report of the Chief Finance Officer
Portfolio of the Executive Member for Finance & Performance

Treasury Management Strategy Statement and Prudential Indicators for 2022/23 to 2026/27

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 2022/23 financial year.

Recommendations

2. Executive are asked to recommend that Council approve:
 - The proposed treasury management strategy for 2022/23 including the annual investment strategy and the minimum revenue provision policy statement;
 - The prudential indicators for 2022/23 to 2026/27 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. On 20th December 2021 CIPFA published the revised Treasury Management Code and Prudential Code with changes which will impact on future Treasury Management Strategy Statement and Annual Investment Strategy reports and the risk management framework. The Council has to have regard to these codes of practice when it prepares the Treasury Management Strategy Statement and Annual Investment Strategy, and also related reports during the financial year, which are taken to Full Council for approval. Members will be updated on how all these changes will impact our current approach and any changes required will be formally adopted within the 2023/24 TMSS report.

4. 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.
5. 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.
6. 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.
7. 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.
8. 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

9. 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
10. 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.
11. 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.
12. 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.
13. 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 DLUHC Investment Guidance and CIPFA Prudential Code have not been adhered to.
14. 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

15. 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.

16. These reports are required to be scrutinised before being recommended to the council. This scrutiny role is undertaken by Audit & Governance Committee.

17. 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 2022/23

18. The treasury management strategy for 2022/23 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

19. These elements cover the statutory and regulatory requirements of the Local Government Act 2003, the CIPFA Prudential Code, the Department of Levelling Up, Housing and Communities (DLUHC - this was formerly the Ministry of Housing, Communities and Local Government (MHCLG)) Minimum Revenue Provision (MRP) Guidance, the CIPFA Treasury Management Code and the DLUHC Investment Guidance.

Treasury management consultants

20. The council uses the Link Group, Treasury solutions as its external treasury management advisors.
21. 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.
22. 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 2022/23 – 2026/27

23. 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.
24. 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
25. **Prudential indicator 1 - capital expenditure.** This prudential Indicator is a summary of the council's capital expenditure plans forming part of this budget cycle. 2020/21 is included as a comparator. Detailed information

on the individual schemes is provided in the capital monitor 3 and capital strategy report.

Capital Expenditure	2021/22 Estimate £m	2022/23 Estimate £m	2023/24 Estimate £m	2024/25 Estimate £m	2025/26 Estimate £m	2026/27 Estimate £m
General fund (Non HRA)	87.2	82.7	117.9	58.0	22.3	21.0
Housing revenue account	40.3	46.5	40.1	31.2	29.7	10.1
Total	127.5	129.2	158.0	89.2	52.0	31.1

Table 1: Capital expenditure

26. 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 2022/23. In December 2020, the CIPFA LASAAC Local Authority Accounting Code Board announced the deferral of the implementation of IFRS 16 Leases in the Code of Practice on Local Authority Accounting in the United Kingdom (the Code) until the 2022/23 financial year. This means that for existing leases which were previously off balance sheet, these will now be brought onto the balance sheet at 31st March 2023. The Prudential Indicators for Capital Financing Requirement and External debt make an estimate within Other long-term liabilities for this increase, as do the Authorised Limit and Operational Boundary.
27. Further details on this capital expenditure, and how it is funded, are included within the Capital Programme report elsewhere on this agenda.
28. **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.
29. 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.
30. The CFR includes any other long term liabilities (e.g. PFI schemes, finance leases currently, and leases on balance sheet from 1st April 2023 under IFRS 16). 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 48 table 5 the projected level of debt is significantly below the CFR over the 5 year period.

31. Table 2 below, shows the capital financing requirement, excluding other long term liabilities:

Capital Financing Requirement	2021/22 Estimate £m	2022/23 Estimate £m	2023/24 Estimate £m	2024/25 Estimate £m	2025/26 Estimate £m	2026/27 Estimate £m
Non Housing	288.7	323.1	371.4	375.3	370.2	366.4
Housing	146.4	146.4	146.4	146.4	150.0	150.0
Other Long Term Borrowing*	44.0	45.5	44.4	43.3	42.1	41.0
Total CFR	479.1	515.0	562.2	565.0	562.3	557.4

*Other Long Term is for PFI/PPP & Leases

Table 2: Capital financing requirement (CFR)

Minimum revenue provision (MRP) policy statement

32. In accordance with the Local Government Act 2003 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) as well as being allowed to undertake additional voluntary payments (voluntary revenue provision - VRP) should the Council wish to do so.

33. The Council is required to determine a level of MRP it considers to be prudent, whilst having regard to the current MRP Guidance issued in 2018. The overriding requirement of the Guidance is to set a prudent provision which ensures that debt is repaid over a period that is reasonably commensurate with that over which the capital expenditure provides benefits.

34. DLUHC regulations require full council to approve an MRP statement in advance of each year. The Policy may be revised during the year by full Council or the appropriate body of Members where required.

35. A review of the Council's MRP policy was recently undertaken by Link Group (Link). The objective of the review was to provide the Council with an independent check that the MRP Strategy and Policy are fit for both the current and future spending plans. It also provides the necessary

challenge to ensure that any potential options are not missed when considering the capital financing decisions for new capital expenditure ensuring that the provision remains prudent and compliant with statutory guidance.

36. The regulations allow the Authority to review its policy every year and set a policy that it considers prudent at that time. The impact of a revised MRP policy will be kept under regular review in order to ensure that the annual provision is prudent.

37. Full Council is recommended to approve the following MRP statement amendment for the 2021/22 financial year:

- Change the calculation of MRP for supported borrowing from a straight line method to an annuity basis over 30 years (the remaining average life of the overall asset base).
- Change the calculation of MRP for unsupported borrowing from to an asset life straight line basis to an asset life annuity basis using an annual weighted average calculation. Estimated asset life periods will be determined under delegated powers.

38. Full Council is recommended to approve the following MRP statement for the 2022/23 financial year:

- For supported borrowing MRP will be calculated using an Asset Life annuity basis on the remaining average life of the overall asset base.
- For all unsupported borrowing MRP will be calculated using an Asset Life annuity basis. Estimated asset life periods will be determined under delegated powers.
- MRP in respect of PFI contracts will be calculated by the amount that writes down the balance sheet liability unless the asset life is considerably longer than the PFI contract, where MRP will be calculated on an asset life basis.
- MRP in respect of finance leases will equal the repayment amount for the year.
- 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).

- The DLUHC MRP Guidance allows any charges made in excess of the statutory MRP, i.e. voluntary revenue provision (VRP) or overpayments, to be reclaimed in later years if deemed necessary or prudent. In order for these sums to be reclaimed for use in the budget, this policy must disclose the cumulative overpayment made each year.
- MRP will generally commence in the financial year following the one in which the expenditure was incurred. However, for long life assets, the authority will postpone the commencement of MRP until the financial year following the one in which the asset becomes operational
- The Council reserves the right to determine useful life periods and prudent MRP in exceptional circumstances where the recommendations of the guidance would not be appropriate.

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 net of investment income and excluding other long term liabilities) and compares it to the council's net revenue stream.

Financing Costs	2021/22 Estimate %	2022/23 Estimate %	2023/24 Estimate %	2024/25 Estimate %	2025/26 Estimate %	2026/27 Estimate %
Non-HRA	11.81	13.99	16.21	18.83	19.82	20.47
HRA	13.58	13.04	12.75	12.46	12.28	12.10
Total Ratio	12.16	13.80	15.52	17.53	18.27	18.72

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 31st December 2021 is detailed below in table 4:

Institution Type	Principal	Average Rate
<u>Public Works Loan Board</u> PWLB (61) – Money borrowed from the Debt Management Office (Treasury Agency)	£286.6m	3.28%
<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%
Total Gross Borrowing (GF & HRA)	£294.0m	3.26%
Total Investments	£38.7m	0.05%

Table 4: Current position at 31st December 2021

45. The council had £294.0m of fixed interest rate debt, of which £146.4m was HRA and £147.6m general fund. The cash balance available for investment was £38.7m. Over the long term as the capital programme progresses the level of cash available for investment is gradually

decreasing as expected as the Council is using previously held balances to fund the programme. The level of cash balances available is largely dependent on the timing of the Council's cash flow as a result of precept payments, receipt of grants, receipt of developers contributions, borrowing for capital purposes, payments to its suppliers of goods and services and spend progress on the Capital Programme. Cash held compared with this time last year has increased rather than decreased due to the timing of these cash flows and the cash balances are therefore only available on a temporary basis. Cash balances have been helped in 2021/22 by cash transactions between the Council and DLUHC in relation to business rates as set out in paragraph 14 of the Treasury Management Mid-Year Review and Prudential Indicators 2021/22 dated 18th November 2021.

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 2022/23 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 Chief Finance Officer (s151 officer) confirms that the council complies with this prudential indicator and does not envisage difficulties for the future.

	2021/22 Estimate £m	2022/23 Estimate £m	2023/24 Estimate £m	2024/25 Estimate £m	2025/26 Estimate £m	2026/27 Estimate £m
Gross projected debt*	390.0	437.5	498.4	517.3	532.1	544.9
Total CFR	479.1	515.0	562.2	565.0	562.3	557.4
Under/(over) borrowed	Under	Under	Under	Under	Under	Under

*Gross projected debt includes Other Long Term liabilities such as PFI/PPP & Leases

Table 5: External debt < 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	2021/22 Estimate £m	2022/23 Estimate £m	2023/24 Estimate £m	2024/25 Estimate £m	2025/26 Estimate £m	2026/27 Estimate £m
Gross projected debt	390.0	437.5	498.4	517.3	532.1	544.9
Total CFR	479.1	515.0	562.2	565.0	562.3	557.4
Operational Boundary	526.1	525.0	572.2	575.0	572.3	567.4
Other long term liabilities	30.0	30.0	30.0	30.0	30.00	30.00
Total	556.1	555.0	602.2	605.0	602.3	597.4
	(£556.1m set at 2021/22 Strategy)	(Based on current CFR projection)	(Based on current CFR projection)	(Based on current CFR projection)	(Based on current CFR projection)	(Based on current CFR projection)

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	2021/22 Estimate £m	2022/23 Estimate £m	2023/24 Estimate £m	2024/25 Estimate £m	2025/26 Estimate £m	2026/27 Estimate £m
Gross projected debt	390.0	437.5	498.4	517.3	532.1	544.9
Total CFR	479.1	515.0	562.2	565.0	562.3	557.4
Short term liquidity	47.0	10.0	10.0	10.0	10.0	10.0
Total	526.1	525.0	572.2	575.0	572.3	567.4
	(£526.1m set at 2021/22 Strategy)	(Based on current CFR projection)	(Based on current CFR projection)	(Based on current CFR projection)	(Based on current CFR projection)	(Based on current CFR projection)

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 the Link Group 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. These are forecasts for certainty rates, gilt yields plus 80 bps. (See also Annex A):

	Bank rate %	PWLB borrowing rates % (including certainty rate adjustment)		
		5 year	25 year	50 year
Dec 2021	0.25	1.40	1.80	1.50
Mar 2022	0.25	1.50	1.90	1.70
Dec 2022	0.50	1.60	2.10	1.90
Mar 2023	0.75	1.70	2.20	2.00
Dec 2023	0.75	1.80	2.30	2.10
Mar 2024	1.00	1.90	2.30	2.10
Dec 2024	1.00	2.00	2.50	2.30
Mar 2025	1.25	2.00	2.50	2.30

Table 9 – Link's interest rate forecast as at 20th December 2021

52. Over the last two years, the coronavirus outbreak has done huge economic damage to the UK and to economies around the world. After the Bank of England took emergency action in March 2020 to cut Bank Rate to 0.10%, it left Bank Rate unchanged at its subsequent meetings until raising it to 0.25% at its meeting on 16th December 2021. As shown in the forecast table above, the forecast for Bank Rate shows gradual increases until reaching 1.25% in March 2025.

Investment and borrowing rates

53. Investment returns are expected to improve in 2022/23. However, while markets are pricing in a series of Bank Rate hikes, actual economic circumstances may see the MPC fall short of these elevated expectations. Borrowing interest rates fell to historically very low rates as a result of the COVID crisis and the quantitative easing operations of the Bank of England, and still remain at historically low levels. The policy of avoiding new borrowing by running down spare cash balances to fund the capital programme has served well over the last few years, and as such it is likely that the Council will continue to see a low level of interest return on cash invested.
54. In March 2020, the Government started a consultation process for reviewing the margins over gilt rates for PWLB borrowing for different types of local authority capital expenditure. It also introduced different rates for borrowing for different types of capital expenditure.
55. On 25.11.20, the Chancellor announced the conclusion to the review of margins over gilt yields for PWLB rates; the standard and certainty margins were reduced by 1% but a prohibition was introduced to deny access to borrowing from the PWLB for any local authority which had purchase of assets for yield in its three year capital programme.
56. Link's long-term (beyond 10 years) forecast for Bank Rate is 2.00%. As some PWLB certainty rates are currently under 2.00%, there remains value in considering long term borrowing from the PWLB for capital expenditure. Where greater value can be obtained in borrowing for shorter maturity periods the Council will assess its risk appetite in conjunction with budgetary pressures to reduce total interest costs. Longer-term borrowing could also be undertaken for the purpose of certainty, where that is desirable, or for flattening the profile of a heavily unbalanced maturity profile.
57. While the Council will not be able to avoid borrowing to finance new capital expenditure, to replace maturing debt and the rundown of reserves, there will be a cost of carry, (the difference between higher borrowing costs and lower investment returns), to any new borrowing that causes a temporary increase in cash balances as this position will, most likely, incur a revenue cost

Borrowing strategy

58. 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.
59. 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.
60. 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.
61. All decisions will be reported to the appropriate decision making body (Executive and Audit & Governance Committee) at the next available opportunity.

Prudential Indicator 6 – Maturity of borrowing

62. 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.

63. 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.
64. 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.

Maturity structure of borrowing				
	Lower	Upper	2021/22 Debt (%)	2021/22 Debt (£)
Under 12 months	0%	30%	4%	£11.0m
12 months to 2 years	0%	30%	2%	£5.7m
2 years to 5 years	0%	40%	11%	£32.1m
5 years to 10 years	0%	40%	24%	£70.0m
10 years and above	30%	90%	59%	£175.2m
Total Borrowing			100%	£294.0m

Table 10: Maturity structure of borrowing at 31st December 2021

Policy on borrowing in advance of need

65. 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.
66. 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
67. 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

68. Debt rescheduling of current Public Works Loan Board (PWLB) borrowing in our debt portfolio is unlikely to occur as there is still a very

large difference between the premature repayment rates and new borrowing rates provided by the PWLB. The current low interest rate environment would mean the cost of prematurely repaying any PWLB loans would come with higher premium costs to exit any loans. It is unlikely that any debt rescheduling opportunities will occur in the year ahead but the debt portfolio will continue to be monitored for any opportunities that may prevail.

69. If rescheduling was done, it will be reported to the Executive / Audit & Governance Committee at the earliest meeting following its action.

Municipal Bond Agency

70. 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 will make use of this source of borrowing as and when appropriate.

Other borrowing sources

71. Currently the PWLB Certainty Rate is set at gilts + 80 basis points for both HRA and non-HRA borrowing. However, consideration may still need to be given to sourcing funding from other sources such as Local Authorities and Financial Institutions. Our advisors will keep us informed as to the relative merits of each of these alternative funding sources.

Annual investment strategy

Investment policy – management of risk

72. The Department of Levelling Up, Housing and Communities (DLUHC - this was formerly the Ministry of Housing, Communities and Local Government (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).

73. The Council's investment policy has regard to the following:

- DLUHC'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

74. The Council’s investment priorities will be security first, portfolio liquidity second and then yield (return), and finally Ethical, Social & Governance criteria using the FTSE4GOOD index, or any suitable alternative responsible investment index or information to be decided by the s151 officer, to ensure that Ethical, Social and Governance issues are considered as a fourth criteria.

75. The above guidance from the DLUHC 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 or have less than a year left to run to maturity if originally they were classified as being non-specified investments solely due to the maturity period exceeding 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 tables in annex B.
- vi. Transaction limits are set for each type of investment.
- vii. Investments will only be placed with counterparties from countries with a specified minimum sovereign rating, (see annex C).
- viii. This authority has engaged external consultants, (see paragraphs 20 to 22), 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.
- ix. All investments will be denominated in sterling.
- x. As a result of the change in accounting standards for 2022/23 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 ending 31.3.23.)

76. 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 88). Regular monitoring of investment performance will be carried out during the year.

Creditworthiness policy

77. This council applies the creditworthiness service provided by the Link Group. 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

78. This modelling approach combines credit ratings, credit watches, and 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
- Dark pink 5 years (for Ultra-Short Dated Bond Funds with a credit score of 1.25)
- Light pink 5 years (for Ultra-Short Dated Bond Funds with a credit score of 1.5)
- 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) and AAA rated funds*

79. The Link 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.

80. Typically the minimum credit ratings criteria the council use will be a short term rating (Fitch or equivalents) 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.

81. 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 Group 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 daily basis by Link. Extreme market movements may result in downgrade of an institution or removal from the councils lending list.

82. 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.
83. Whilst the council has determined that it will not limit investments to UK banks, due care will be taken to consider the country, group and sector exposure of the Council's investments. The Council has determined that it will only use approved counterparties from countries with a minimum sovereign rating of AA- (excluding the UK) from Fitch (or equivalent). 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

84. 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.
85. If it is thought that Bank Rate is likely to rise significantly within the time horizon being considered, then consideration will be given to keeping most investments short term or variable. Conversely, if it is thought that Bank Rate is likely to fall within that time period, consideration will be given to locking in higher rates currently obtainable, for longer periods. Due to the lower levels of cash being held by the Council, investment returns are likely to remain low.
86. For its cash flow generated balances, the council will seek to use a combination of business reserve instant access and notice accounts (call 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.
87. The council will use an investment benchmark to assess the performance of its investment portfolio of 7 day compounded SONIA (Sterling Overnight Index Average) rate. The benchmark is a simple guide with the purpose to allow officers to monitor the current and trend position and amend the operational strategy of investments while maintaining compliance with the investment priorities set out in paragraph 75.

88. **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.

	2021/22 Estimate £m	2022/23 Estimate £m	2023/24 Estimate £m	2024/25 Estimate £m	2025/26 Estimate £m	2026/27 Estimate £m
Maximum limit per year for Investments > 364 days	15.0	15.0	15.0	15.0	15.0	15.0

Table 11: Investments over 364 days

89. 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

90. 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 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 Chief Finance Officer, 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, the Link Group. Link 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.

91. 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.

Council Plan

92. 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

93. The financial implications of the treasury strategy are set out in the Financial Strategy and Capital Strategy reports also on this agenda.

Human Resources (HR)

94. There are no HR implications as a result of this report

Equalities

95. There are no equalities implications as a result of this report

Legal Implications

96. 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

97. There are no crime and disorder, information technology or property implications as a result of this report

Risk management

98. 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.

Report authors:	Chief officer responsible for the report:		
Debbie Mitchell Chief Finance Officer	Debbie Mitchell Chief Finance Officer		
Emma Audrain Principal Accountant	Report Approved	√	Date 27 January 2022
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Wards Affected: Not Applicable			

For further information please contact the author(s) 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

5.2 Annex A: Interest Rate Forecasts 2021 – 2025.

PWLB forecasts shown below have taken into account the 20 basis point certainty rate reduction effective as of the 1st November 2012.

The Link forecasts are as at 20.12.21 and will be updated after the MPC meeting on 3.2.22. The Capital Economics forecasts are as at 12.1.22.

Link Group Interest Ra 20.12.21													
	Mar-22	Jun-22	Sep-22	Dec-22	Mar-23	Jun-23	Sep-23	Dec-23	Mar-24	Jun-24	Sep-24	Dec-24	Mar-25
BANK RATE	0.25	0.50	0.50	0.50	0.75	0.75	0.75	0.75	1.00	1.00	1.00	1.00	1.25
3 month ave earnings	0.30	0.50	0.50	0.60	0.70	0.80	0.90	0.90	1.00	1.00	1.00	1.00	1.00
6 month ave earnings	0.50	0.60	0.60	0.70	0.80	0.90	1.00	1.00	1.10	1.10	1.10	1.10	1.10
12 month ave earnings	0.70	0.70	0.70	0.80	0.90	1.00	1.10	1.10	1.20	1.20	1.20	1.20	1.20
5 yr PWLB	1.50	1.50	1.60	1.60	1.70	1.80	1.80	1.80	1.90	1.90	1.90	2.00	2.00
10 yr PWLB	1.70	1.80	1.80	1.90	1.90	2.00	2.00	2.00	2.10	2.10	2.10	2.20	2.30
25 yr PWLB	1.90	2.00	2.10	2.10	2.20	2.20	2.20	2.30	2.30	2.40	2.40	2.50	2.50
50 yr PWLB	1.70	1.80	1.90	1.90	2.00	2.00	2.00	2.10	2.10	2.20	2.20	2.30	2.30
Bank Rate													
Link	0.25	0.50	0.50	0.50	0.75	0.75	0.75	0.75	1.00	1.00	1.00	1.00	1.25
Capital Economics	0.50	0.75	0.75	1.00	1.25	1.25	1.25	1.25	-	-	-	-	-
5yr PWLB Rate													
Link	1.50	1.50	1.60	1.60	1.70	1.80	1.80	1.80	1.90	1.90	1.90	2.00	2.00
Capital Economics	1.80	1.90	2.10	2.20	2.20	2.30	2.40	2.40	-	-	-	-	-
10yr PWLB Rate													
Link	1.70	1.80	1.80	1.90	1.90	2.00	2.00	2.00	2.10	2.10	2.10	2.20	2.30
Capital Economics	2.00	2.10	2.20	2.30	2.30	2.40	2.50	2.50	-	-	-	-	-
25yr PWLB Rate													
Link	1.90	2.00	2.10	2.10	2.20	2.20	2.20	2.30	2.30	2.40	2.40	2.50	2.50
Capital Economics	2.20	2.30	2.50	2.70	2.70	2.70	2.80	2.90	-	-	-	-	-
50yr PWLB Rate													
Link	1.70	1.80	1.90	1.90	2.00	2.00	2.00	2.10	2.10	2.20	2.20	2.30	2.30
Capital Economics	1.90	2.00	2.20	2.40	2.50	2.60	2.70	2.90	-	-	-	-	-

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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
<i>DMADF – UK Government</i>	<i>UK sovereign rating</i>	<i>£15m</i>	<i>6 months</i>
<i>UK Government Treasury Bills</i>	<i>UK sovereign rating</i>	<i>£15m</i>	<i>1 year</i>
<i>UK Government Gilts</i>	<i>UK sovereign rating</i>	<i>£15m</i>	<i>1 year</i>
<i>Term deposits - local authorities</i>	<i>UK sovereign rating</i>	<i>£15m</i>	<i>1 year</i>
<i>Part-nationalised UK Banks</i>	<i>Blue</i>	<i>£15m</i>	<i>1 year</i>
<i>Term Deposits - UK Banks and Building Societies</i>	<i>Orange</i> <i>Red</i> <i>Green</i>	<i>£15m</i> <i>£15m</i> <i>£8m</i>	<i>1 year</i> <i>6 months</i> <i>100 days</i>
<i>Term Deposits - Non-UK Banks (with a sovereign rating of AA-)</i>	<i>Orange</i>	<i>£15m</i>	<i>1 year</i>
<i>Certificates of Deposits issued by Banks and Building Societies</i>	<i>Orange/Blue</i>	<i>£15m</i>	<i>1 year</i>
<i>Collective investment schemes structured as open ended investment companies (OEICs) as below:-</i>			

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
<i>Fixed term deposits with variable rate and variable maturities: - Structured deposits</i>	<i>Orange Blue Red Green</i>	<i>£15m £15m £15m £8m</i>	<i>1 year 1 year 6 months 100 days</i>
<i>Certificates of Deposits issued by Banks and Building Societies</i>	<i>Red Green</i>	<i>£15m £8m</i>	<i>6 months 100 days</i>
<i>Floating Rate Notes</i>	<i>Long-term AAA</i>	<i>£15m</i>	<i>1 year</i>
<i>Property Funds: the use of these investments may constitute capital expenditure</i>	<i>AAA-rated</i>	<i>£15m</i>	<i>5 years</i>

2. Maturities in excess of 1 year

<i>Term Deposits– local authorities</i>	<i>UK Sovereign Rating</i>	<i>£15m</i>	<i>> 1 year</i>
<i>Term deposits – Banks and Building Societies</i>	<i>Yellow Purple</i>	<i>£15m £15m</i>	<i>5 years 2 years</i>
<i>Certificates of Deposits issued by Banks and Building Societies not covered by UK Government guarantee</i>	<i>Yellow Purple</i>	<i>£15m £15m</i>	<i>5 years 2 years</i>

<i>UK Government Gilts</i>	<i>UK sovereign rating</i>	<i>£15m</i>	<i>> 1 year</i>
<i>Collective investment schemes structured as open ended investment companies (OEICs) as below:-</i>			
<i>1. Bond Funds</i>	<i>Long-term AAA</i>	<i>£15m</i>	<i>> 1 year</i>
<i>2. Gilt funds</i>	<i>Long-term AAA</i>	<i>£15m</i>	<i>> 1 year</i>

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Approved countries for investments**Annex C**

This list is based on those countries which have sovereign ratings of AA- or higher, (we show the lowest 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 credit worthiness service.

This list is as at 22/12/21

Based on lowest available rating**AAA**

- Australia
- Denmark
- Germany
- Luxembourg
- Netherlands
- Norway
- Singapore
- Sweden
- Switzerland

AA+

- Canada
- Finland
- U.S.A.

AA

- Abu Dhabi (UAE)
- France

AA-

- Belgium
- Hong Kong
- Qatar
- U.K

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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) Chief Finance Officer (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 Chief Finance Officer, 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 Chief Finance Officer (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.*