



Notice of a public meeting of

Economy & Place Scrutiny Committee

To: Councillors Pavlovic (Chair), Steward (Vice-Chair),

D'Agorne, Gates, Hunter, Mason and D Myers

Date: Tuesday, 19 March 2019

Time: 5.30 pm

Venue: The Thornton Room - Ground Floor, West Offices (G039)

AGENDA

1. Declarations of Interest

At this point, Members are asked to declare:

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

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

2. Minutes (Pages 1 - 4)

To approve and sign the minutes of the Economy and Place Scrutiny Committee meeting held on 16 January 2019.

3. Public Participation

It is at this point in the meeting that members of the public who have registered to speak can do so. The deadline for registering is **5.00pm** on **Monday 18 March 2019**. Members of the public can speak on agenda items or matters within the remit of the Committee. To register to speak please contact the Democracy

Officer for the meeting, on the details at the foot of the agenda.

Filming, Recording or Webcasting Meetings

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http://www.york.gov.uk/download/downloads/id/11406/protocol_f or_webcasting_filming_and_recording_of_council_meetings_201 60809.pdf

4. CYC Flood Defences

(Pages 5 - 18)

This report presents an update on the work of the Environment Agency to renew existing and provide new flood defences across the city, following the flooding in December 2015. Members are asked to provide feedback on progress to date.

5. 3rd Quarter Finance and Performance (Pages 19 - 30) Monitor

This report provides details of the 2018/19 forecast outturn position for both finance and performance across services within the Economy and Place Directorate. The paper incorporates data to December 2018 as reported to Executive on 14th February 2019.

6. Discretionary Business Rates Discounts (Pages 31 - 42) Policy

This report provides the committee with information relating to Business rates in the city and how the Council can impact them.

7. Arts and Culture Implementation Update (Pages 43 - 52)
This report provides Members with an update on the implementation of the approved recommendations arising from previously completed scrutiny review into the Impact of the Arts and Culture Sectors on the Economy of York.

8. Urgent Business

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

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

- Registering to speak
- Business of the meeting
- Any special arrangements
- Copies of reports and
- For receiving reports in other formats

Contact details are set out above.

This information can be provided in your own language.

我們也用您們的語言提供這個信息 (Cantonese)

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

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

Bu bilgiyi kendi dilinizde almanız mümkündür. (Turkish)

(Urdu) یه معلومات آب کی اپنی زبان (بولی) میں بھی مہیا کی جاسکتی بیں۔

T (01904) 551550



City of York Council	Committee Minutes
Meeting	Economy & Place Scrutiny Committee
Date	16 January 2019
Present	Councillors Pavlovic (Chair), Steward (Vice-Chair), Hunter, Mason and D Myers
Apologies	Councillors D'Agorne and Gates

30. Declarations of Interest

At this point in the meeting, Members were 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.

Cllr Mason declared a non-prejudicial interest as he is a Director of Make it York.

31. Minutes

Members requested the following change to minute 29 (Work Plan 2017/18)

 It was noted that January's meeting of the Economy and Place Scrutiny and Policy Committees would be re-arranged so that the Policy Scrutiny Committee could meet on the 16 January and the Scrutiny Policy Committee on the 29 January.

Resolved: That subject to the above changes, the minutes of the previous meeting held on the 28 November 2018 be approved and signed by the Chair as a correct record.

32. Public Participation

It was reported that there had been no registrations to speak under the Council's Public Participation Scheme.

33. Finance & Performance Monitor 2

Members received the second finance and performance report of 2018/19 for the Economy and Place Directorate.

Officers introduced the item and explained that there was a projected overspend of £322k. Officers highlighted the following financial issues:

- Waste collection sickness higher than budget, temporary staff needed
- Fleet workshop following a review of the workshop

In response to Member questions, officers made the following points:

- That the main staffing issue faced by waste services was a shortage of LGV drivers. It was noted that the service has kept drivers on over the winter period to help with mandatory training and recruitment however further challenges will be experienced in April, when the green waste service resumes.
- That there would be situations were co-mingling (the mixing of recyclates) would occur, particularly when there are vehicle breakdowns, planned servicing or on particularly narrow streets in which a specialised vehicles have restricted access. However, Officers noted that it can often seem as though waste staff are 'co-mingling' when they are using a 'slave bin' to collect large amounts of one type of recyclate in the same receptacle.
- That there would always be an element of agency staff reliance within waste services due to the necessity of the roles and the service, should a staff member be off work.
- That the recycling statistics included in the report included green waste and therefore the recycling statistics will always be stronger in quarters one and two
- That there is an important balance to be struck between the quality of recycling and the guarantee that the product will be recycled eventually after being sold.

Members requested that more detail be included in the reports, particularly with regard to the mitigations of overspends. Members noted that without this, there was very little to scrutinise.

Officers informed the committee that the increase in revenue from visitors using alternative car parks to castle car park, as a result of the Rose Theatre placement, was in addition to the compensation paid by the Rose Theatre to the Council for loss of income at the car park. It was noted that as a result of this, the Rose Theatre organisers would be reducing their payment to the Council when it returns in 2019.

Resolved: That the report be noted and acknowledged by

Members.

Reason: To update the Scrutiny Committee of the latest

finance and performance position

34. Economic Health of York City Centre Draft Final Report

Members received the draft final report of the Scrutiny review into the economic health of the City Centre.

Members received an update from the Economic Growth Team on research into other Loyalty Schemes, this document is attached as a supplement to the agenda.

Members discussed the recommendations in the report and discussed the following points:

- Whether The Council was the correct body/organisation to provide the £10k funding to Indie York
- The impact of the proposed loyalty scheme
- The increase in the number of bars and restaurants in York
- The changing nature of York's City Centre
- The Future High Streets Fund including a discussion with officers highlighting the potential funding available and the bidding process.

Members reviewed the recommendations and amended recommendations (ii), (iii) and (vi) to read as follows:

- (ii) Consider making a bid to the £675 million Future High Streets Fund to secure funding to help York respond and adapt to changes facing city centres.
- (iii) Prepare a long-term strategy to make its high streets and the city centre fit for the future, taking into account relevant aspects of the Grimsey report and the view of all key stakeholders.
- (vi) Works with Indie York and traders to develop a city-wide loyalty scheme to make it easier for businesses to reward customers with an attractive discount offer for shopping locally while encouraging business growth and customer retention across a city-wide customer engagement platform.

It was therefore:

Page 4

Resolved: That subject to the changes to recommendations (ii),

(iii) and (vi), Members agreed with this report progressing to the meeting of Economy and Place

on 28 January 2019.

Reason: To progress this scrutiny review in accordance with

scrutiny protocols and procedures

35. Work Plan 2018/19

Members considered the Work Plan for the final meeting of the municipal year.

Members discussed a potential report on business rates in the City and it was agreed that this report would come to the committee on 19 March 2019.

Cllr M Pavlovic, Chair [The meeting started at 5.30 pm and finished at 7.15 pm].



Economy & Place Scrutiny CommitteeReport of the Director of Economy & Place

19 March 2019

CYC Flood Defences Action Plan – Biannual Update

Summary

 This report presents an update on the work of the Environment Agency to renew existing and provide new flood defences across the city, following the flooding in December 2015. Members are asked to provide feedback on progress to date.

Background

- 2. The flooding in late December 2015 followed an intense period of rainfall across November and December due to the impacts of Storms Desmond and Eva. Record river levels were observed in many river catchments across the north of England. More than 4000 homes and 2000 businesses flooded across Yorkshire with 453 properties and 174 businesses flooded in York.
- 3. Funding was allocated to the Environment Agency (EA) following the floods to renew existing and provide new flood defences across the city, £17m was allocated to the Foss Barrier improvements and £45m to the wider flood defences across the city.

Progress Update

- 4. A range of interventions have been identified by the Environment Agency and these are in various stages of feasibility, design and pre-planning, the first schemes have been submitted for planning and construction will commence in the next few months. City of York Council continues to work in partnership with the EA on all schemes.
- 5. An update on progress has been supplied by the Environment Agency; this can be seen in Annex 1.

Consultation

- 6. Public consultation on the York Five Year Plan was held in late November 2016 and quarterly newsletters have been developed by the EA to further inform on progress. Biannual updates are received by this Scrutiny Committee and quarterly updates are given to the Executive Member for the Environment Decision Sessions.
- 7. Detailed public consultation events have been held in a range of communities following feasibility and further refinement of the preferred options. Details of the programme of consultation are included in Annex 1.
- 8. Ongoing liaison will continue between the Executive Member for Environment and the CYC Flood Risk Manager, and future briefings to the Economy & Place Scrutiny Committee will be made to ensure key outputs and decisions are supported by CYC and to provide formal opportunities for members and the public to consult. Further recommendations will be made for agreement at these sessions.

Options

9. The principal options open to members are to comment on and review the work undertaken to date and the future work identified to date and the representations made by the Environment Agency.

Council Plan

10. Improved provision of flood defences supports a prosperous city for all through safer communities for residents, businesses and visitors, a wide range of consultation events will ensure this is in line with the needs and expectations of local communities.

Implications

11. Financial – Funding is allocated directly to the EA, the additional funding of £45M is available to be directed towards key flood risk projects in the city in the short term. The extent of required works may require wider funding and Defra funding bids will be developed. There are likely to be contribution requirements as part of this wider work and submissions have been made to secure these.

- 12. **Property** The Site Investigation programme will include sites under CYC ownership and/or control, consultation will be carried out with Estates teams and all relevant agreements will be put in place.
- 13. Human Resources (HR) No implications

One Planet Council/Equalities - No implications

Legal - No implications

Crime and Disorder – No implications

Information Technology (IT) – No implications

Risk Management

14. No known risks are identified at this time, detailed risk management work will be developed as the business case and detailed design works commence.

Recommendations

15. Members are asked to note the update report and the evidence presented by the Environment Agency in the session, feedback is sought from Members on all content.

Contact Details:

Author: Chief Officer Responsible for the report:

Steve Wragg Neil Ferris

Flood Risk Manager Director of Economy & Place

Highways

01904 553401 Report Approved Date

Wards Affected: All 🗸

6/03/19

For further information please contact the author of the report

Background Papers: None

Annexes: Annex 1 - E&P Scrutiny Flood Defences Action Plan March 19



ANNEX 1 Page 9



York Flood Alleviation Scheme

March 2019

Update for March's Executive Decision Session

This is an update of the progression made on the flood alleviation work in York. In this update we have provided:

- Summary of city wide flood alleviation activities
- Update on each flood cell
- Engagement plan for the next few months
- Programme information table
- A map of the York FAS Flood cell outlines

Summary of city wide flood alleviation activities

Process and Planning

The Outline Business Case was approved by the Large Project Review Group at the beginning of January, a Full Business Case will now be required for each cell as we progress with the scheme.

Planning permissions have been submitted for both B10 – Clifton and Rawcliffe and B4 – Memorial Gardens and North Street. These are currently live on the CYC planning portal with the expectation to go to Planning Committee on the 18th April regarding flood cell B10.

Engagement activity

We continue to engage across York.

- The Hub provides residents with a central location where they can come to ask questions about our work, view plans, and provide feedback. The opening times are 10:00 to 16:00 on Monday, Wednesday and Thursday each week.
- Our quarterly newsletter, next due March 2019.
- Citizen Space an online portal that allows residents to view all engagement material and provide feedback. (https://consult.environment-agency.gov.uk/yorkshire/yorkfas/)

Our area (flood cell) specific engagement continues and is outlined in the next section. Our engagement plan for the next few months is also included as part of this document. We are expecting to see a large increase in community engagement over the next few months as developments take place in each cell. We don't however have known dates and places at the time of writing this report.

Update on progress of each flood cell

This section provides an update on each of the areas (flood cells) being taken forward as part of York Flood Alleviation Scheme.



Flood Cell	Detail	Current/Next Activity
B4 - Scarborough to Ouse Bridge (Right Bank)	 Planning application was submitted on the 7th of January with a Determination Deadline of 5th March. We are looking to increase the height of the Lendal Bridge flood gate (by 300mm) and existing flood walls and flood gates at North Street gardens (by 380mm). This work includes widening of the flood gate adjacent to the Hub. A new flood wall will be constructed around Memorial Gardens with demountable defences and a small embankment to tie it into the existing line of defence. The road between Westgate Apartments and the Post Office building will continue to be sandbagged in a flood event 	 We are meeting with CYC Estates and their Arboriculture lead on 20 Feb to discuss tree mitigation and replantation costs. Leeman Rd overnight closures 18 Feb to 2 Mar to conduct Trial pits. We are expected to start on-site construction by May 2019.
B7 - Queen's Staith and Skeldergate	A combination of gates and demountable barriers have been considered for this flood cell Surface water outfalls and a sewer pipe cross the proposed demountable defence line. Without a significant amount of work being done on these assets by Yorkshire Water, there is a risk that they could provide a flow route for flood water in an event.	 We held a meeting with YW to discuss the results of the surveys on their assets. YW still need to confirm number of outfalls and costing for preventing fluvial flooding.
B8 - Clementhorpe and South Bank	 Clementhorpe We have been engaging with residents on the new proposals for the flood cell following the results of phase 1 ground investigations. Our revised proposal is as follows: Raising of the 4 corners of the boundary wall at Postern Close and Postern House 1.85m bi-fold flood gate on Clementhorpe New 1.85m flood wall in front of Waterfront House with structural glass panel inserts. An extra step will be added to the existing steps between Waterfront House and Dukes Wharf. Road raising and extension to existing wall at Dukes Wharf Lower Ebor Street flood wall has been raised by Roomzzz and an extension will be completed by Roomzzz on our behalf to the north 	 Phase 2 ground investigations: 4-14 March Planning application submitted: early March Public meeting: 6 March Detailed design Construction commencement: summer 2019



	corner of the site. Increase the height of existing flood wall at the Caravan Park by 0.3m and embankments by raising with piles and wall (by 0.4m) and build a new embankment to the rear of the site. The road access by Vine Street will be raised by 0.4m. Anne Street/Rowntree Park entrance: Curb raising to follow existing fence line around the top side of the park. Shallow embankment of 0.3m with a new pedestrian access ramp Engagement has been focused on those properties directly affected by the scheme and its construction. A wider community event will take place at Clementhorpe Community Centre on 6 March between 3pm and 7:30pm. South Bank We are offering property flood resilience to 50 properties at risk of flooding. We wrote to residents in December 2018, explaining our proposals for PFR and asked if they would like to take part. As the response to our invitation was only 32%, further engagement work is required to ensure we hear from all eligible residents. At present, 12 properties have confirmed that they would like to partake in the PFR scheme. We would welcome support from CYC and local ward councillors to engage with individuals. We are currently working through the tender process to secure a supplier for PFR, to deliver both the South Bank and New Walk PFR schemes. Whilst the delivery programme will be confirmed by the successful supplier, our draft programme is as follows: June – supplier appointed July – product selection commences (working with individual residents) Aug onwards – products ordered and installation begins	 Complete tender process and appoint supplier (June 19) Confirm with residents take up for the scheme (June 19) Confirm programme for delivery with new suppliers
B9 - Fulford	We have agreed with CYC that we will take a holistic approach to this flood cell. The current assumption is that CYC will now lead on delivery and funding of a potential solution.	Support CYC to deliver this cell.
B10 - Clifton & Rawcliffe	Planning application was submitted on the 2 nd of January with a Determination Deadline of 25th April. • We are looking to raise and extend the existing Clifton Ings Barrier	We are in discussions with BAM (our contractor) to review the cost of delivering this scheme and are looking at Value Engineering Opportunities.



	 Bank and install a permanent pumping station at Blue Beck This will better protect 140 properties Construction will take place in two parts over two seasons. In this time, access to the Ings will be limited and, in some cases, completely restricted. 	We are expecting to go to Planning Committee on the 18th April.
B11 - Coppins Farm to Scarborough Bridge (Left Bank)	 We are proposing to raise the existing flood wall on Almery Terrace and to raise and extend the embankment in the grounds of St Peter's School Following engagement with St Peter's School, the section of embankment through the school grounds will follow the Northeast alignment. Having spoken to Almery Terrace residents about the options for raising the flood wall in their gardens, we are looking to use glass panels. 	 We are expecting to start construction in July Burdyke pumping station will be removed from the scheme because the benefits are understood to be low.
B12 - Scarborough Bridge to Lendal Bridge (Left Bank)	We are proposing to raise the existing Earlsborough Terrace flood wall, the Marygate flood wall and gate and the embankment which runs through Museum Gardens • The alignment of the embankment in Museum Gardens has been confirmed with York Museums Trust	 We are aiming to start construction in September. We are still considering the widening of the Scarborough Bridge gate, with possibility of funding from the Scarborough Bridge works Detailed design drawings expected early March
B15 - King's Staith to Skeldergate Bridge	Our investigations have shown that a flood defence in this location would not be cost beneficial or have a negative impact on the riverside amenity and neighbouring businesses. • It is likely that the best solution for this cell will be PFR.	 If PFR surveys are carried out, they will need to be more detailed towards the lower end of King's Staith to find out how much seepage occurs. Work on Tower Gardens as part of Castle Gateway has now been streamlined so it is unlikely that road raising will be included in this project. Currently no suitable solution to prevent flow path onto Tower St.
B16 - New Walk	We are offering property flood resilience to 71 properties at risk of flooding. We wrote to residents in December 2018, explaining our proposals for PFR and asked if they would like to take part. As the response to our invitation was only 62%, further engagement work is required ensure we hear from all eligible residents. At present, 41 properties have confirmed that they would like to partake in the PFR scheme. We would welcome support from CYC and local ward councillors to engage with individuals.	 Complete tender process and appoint supplier (June 19) Confirm with residents take up for the scheme (June 19) Confirm programme for delivery with new suppliers.



	We are currently working through the tender process to secure a supplier for PFR, to deliver both the New Walk and South Bank PFR schemes. Whilst the delivery programme will be confirmed by the successful supplier, our draft programme is as follows: • June – supplier appointed • July – product selection commences (working with individual residents) • Aug onwards – products ordered and installation begins	
C1 - Bishopthorpe	To provide a 1 in 100 Standard of Protection in this flood cell we have proposed installing a new floodwall and flood gate. The YW sewer on Chantry Lane requires a manual penstock and manhole size increasing to facilitate this and a new manhole on Chantry Lane to facilitate pumping during a flood. We submitted proposals to the YW developer services team on Dec 5 th and are still awaiting response.	At a meeting with Yorkshire Water on the 8 th February, YW confirmed that we can install a manual penstock on their sewer and undertake manhole works. YW will make a small contribution to the cost and maintain the new penstock. Outstanding action on YW Developer Services to provide response to our proposals on 5 th Dec.
C2 - Acaster Malbis	The 6 properties at risk of flooding in this area will come under the new framework for Property Flood Resilience.	 These properties will be included in the rollout of the PFR scheme.
C3 - Naburn	Our investigations are in the process of being completed. The benefit cost of the initial proposed solution is low and therefore may not receive Government funding.	 Engage with the local community to explain our findings and what we are able to offer to reduce flood risk.
Foss barrier	In addition to the extensive upgrade to the pumping station we are upgrading the barrier gate and need to address raising the flood walls around St Georges Field Car Park. My Castle Gateway are proposing a new Multi Storey Car Park on this site and are submitting plans which includes a raised access road to maintain access during a flood event.	 Install a taller barrier gate (10.85m) expected completion Autumn 2019. Raise height of flood wall around St Georges Field car park Work with the My Castle Gateway project to ensure the access road forms an integral part of the flood defence and coordinate any wall raising.
F4/F5 - Tang Hall Beck and Osbaldwick Beck	We are investigating the feasibility of opening up part of Osbaldwick Culvert that runs through St Nicholas Fields and building a flood wall at the end of Hull Rd Park. There is still much that needs to be resolved around this work and details at this stage are unavailable.	 We will arrange engagement with St Nicks to discuss impact on the nature reserve. Ongoing talks with YW regarding sewer diversions.
F9 - South Beck	The Options Appraisal Report for this cell is being reviewed to assess the viability of implementing a scheme for this area.	Details to come when available followed by engagement with the local community.



F8 - Groves to Haley's Terrace	To reduce the risk of flooding to properties in cells F8, F10 and F11 we are proposing to build a Flood Storage Area near Strensall. We are now starting the detailed design which is expected to take around 5 months.	 On-going modelling work to ascertain extent of flooding in order to calculate and agree compensation strategy with affected landowners.
F10 - Haley's Terrace to Link Road		
F11 - Link Road to Ring Road		
F12 - Westfield Beck	The Options Appraisal Report for this cell is being reviewed to assess the viability of implementing a scheme for this area.	Details to come when available followed by engagement with the local community.



York FAS Three Month Engagement Plan

This is a dynamic engagement plan for the York Flood Alleviation Scheme. Please note that specified dates and time periods are subject to change as the scheme progresses. Alongside cell-specific engagement activities, we will also be engaging via a quarterly newsletter and by providing information at our Community Flood Hub which is situated on Wellington Row and open 10am to 4pm Mon, Wed and Thurs.

Hub displays

Feb March		April	May	June	
Clifton Ings Planning Submission			Clementhorpe Planning	g Sumission	
North Street Planning	Adapting ¹	to Climate	Property Flood	Flood Resilient	Habitat Creation
Submission	Change	in York	Resilience	Gardens	and Improvement

Planned activities

	March			
	Quarte	ly City Wide Newsletter sent out to mailing list, available at the Hub and on Citizen Space		
Clementhorpe	6th	Clementhorpe community drop-in event		
York FAS Advisory Group	20th	Quarterly York FAS Advisory Group Meeting at Foss House		
		April		
		CYC Election period – engagement limited		
Foss Society AGM	17th	Presentation on the Foss Flood Alleviation Scheme at Strensall Village Hall		
	May			
	CYC election period – engagement limited			



Page 16

Programme Information Table

Flood Cell	Approved Scheme Cost (£,000)	Full Business Case	Planning Permission	Construction Start	Estimated Construction Period
B4 - Scarborough to Ouse Bridge (Right Bank)	Not yet approved	Planned submission Mar 2019	Planning application was submitted on 7 th Jan. Determination Deadline 5 th March 2019	Planned May 2019	6 months
B7 - Queen's Staith and Skeldergate	Still	in feasibility sta	age. Information wi	ill be provided when	available.
B8 - Clementhorpe	Not yet approved	Planned submission Apr 2019	Planned submission March 2019	Planned Summer 2019	18 months
South Bank	Not yet Approved	Planned submission Apr 2019	Not required	Planned installation start Aug 2019	
B9 - Fulford		CYC	C to lead on delive	ry and funding	
B10 - Clifton & Rawcliffe	Not yet approved	Planned submission Apr 2019	Planning application was submitted on 2 nd Jan. Determination Deadline 25 th Apr 2019	Planned Summer 2019	18 months
B11 - Coppins Farm to Scarborough Bridge (Left Bank)	Not yet approved	Planned submission Apr 2019		Planned Jul 2019	
B12 - Scarborough Bridge to Lendal Bridge (Left Bank)	Not yet approved	Planned submission Jun 2019		Planned Sep 2019	
B15 - King's Staith to Skeldergate Bridge	Still in feasibility stage. Information will be provided when available.				

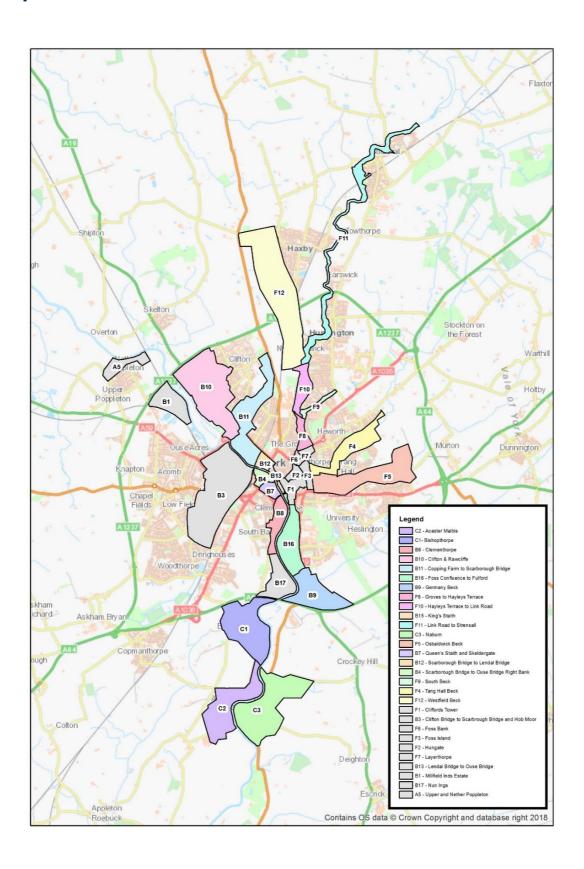


ANNEX 1 Page 17

ANNEX 1			. ago . i		
B16 - New Walk	Not yet approved	Planned submission Apr 2019	Not required	Planned installation start Aug 2019	
C1 - Bishopthorpe	Not yet approved	Planned submission Apr 2019	Planned submission May/Jun 2019		
C2 - Acaster Malbis	Still	in feasibility sta	age. Information wi	III be provided wher	n available.
C3 - Naburn	Still	in feasibility sta	age. Information wi	ill be provided wher	n available.
F4 - Tang Hall Beck	Still	in feasibility sta	age. Information wi	III be provided wher	n available.
F5 - Osbaldwick Beck	Still	in feasibility sta	age. Information wi	ill be provided wher	n available.
F8 - Groves to Haley's Terrace	Not yet approved	Planned submission Feb 2020	Planned submission Dec 2019	Planned April 2020	18 months
F9 - South Beck	Still	in feasibility sta	age. Information wi	ill be provided wher	n available.
F10 - Haley's Terrace to Link Road	Not yet approved	Planned submission Feb 2020	Planned submission Dec 2019	Planned April 2020	18 months
F11 - Link Road to Ring Road	Not yet approved	Planned submission Feb 2020	Planned submission Dec 2019	Planned April 2020	18 months
F12 - Westfield Beck	Still	in feasibility sta	age. Information wi	III be provided wher	available.

ANNEX 1 Page 18

Map of the York Flood Alleviation Scheme Flood Cell Outlines







Economy and Place Scrutiny Committee

19th March 2019

Report of the Corporate Director of Economy and Place.

2018/19 Finance & Performance Monitor 3 Report

Summary

1. This report provides details of the 2018/19 forecast outturn position for both finance and performance across services within the Economy and Place Directorate. The paper incorporates data to December 2018 as reported to Executive on 14th February 2019.

Analysis - Finance

2. A summary of the services within Economy and Place is shown below and further detail is provided in Annex 1:

		Forecast	Variance
	Budget	Outturn	01000
	£'000	£'000	£'000
Economy and Place			
Transport	5,641	5,641	D
Fleet	240	110	-350
Highways	2,972	2,882	90
Parking Operations	1,235	1,260	-25
Parking Income	7,009	7,384	375
Waste	11,246	11,421	-175
Public Realm	2,539	2,539)
Emergency Planning	110	110)
Development Management	289	289)
Forward Planning	579	579)
Building Control & Land Charges	416	378	-38
Environmental Management	326	326)
Environmental Health & Licensing	593	588	5
Asset and Property Management	3,096	3,096)
Economic Development	567	198	69
Management and Support	309	309)
Mitigation		49	49
TOTAL	16,567	6,567)

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

- 3. Overall a net nil variation is forecast, although there are some cost pressures being managed within this overall forecast. The following paragraphs outline the main variations.
- 4. Income from council car parks to November 2018 stands at 3.2% above latest projections. Income in April and May was below budget (-4.6%) partly due to the early Easter holidays however income between June and September was significantly higher than budgeted (8%) primarily due to good weather and increased attractions within the city centre. Income in November was 5% above budget as the city centre continues to attract visitors. Overall there is a forecast of £175k surplus at the council car parks. There has also been an increase in sales from both Respark and season tickets with forecast income £200k higher than budget.
- 5. Within waste collection, additional recruitment over and above the establishment has taken place to minimise the impact sickness levels have on waste and recycling collections. There is a forecast overspend on salaries (6%) and is the primary reason for the waste collection forecast overspend of £200k. This forecast has reduced since monitor 2 due to additional resources agreed by Executive. Commercial waste income, as in previous years, is predicted to be £100k short at year end. Waste tonnages are broadly in line with expectations and following reconciliations of tonnages with North Yorkshire relating to commissioning, there is a forecast underspend within waste disposal of £100k.
- 6. A review of maintenance and safety arrangements, alongside the management and administration of fleet, has resulted in additional expenditure being incurred to ensure the continuing operation of a compliant service in line with the standards as directed by operating licence requirements, H&S (PUWER) and duty of care to transport users. This has resulted in a projected overspend of £350k primarily on additional staffing resources brought in to deliver the service more effectively. The introduction of more preventive maintenance will deliver a more efficient fleet which will, over time, bring costs down.
- 7. Elsewhere within the directorate there are underspends forecast in Highways (£90k) due to increased amounts of work undertaken within the service and economic growth (£69k) from the early delivery of future savings.

8. The overspend within the directorate has reduced over the year through mitigation delivered and investment by the Executive. These will continue to be explored with the aim that the overall position will be brought in on budget. All agreed budget savings have been delivered.

Analysis - Performance

- The 2018/19 scorecard for Economy and Place is attached at Annex
 Other key performance information is included in the following paragraphs.
- 10. In the Q3 18/19 Talkabout survey, panellists responded positively to one area indicating they believe the council are doing well in conserving York's heritage. Responses continued to reflect that panellists thought the council and partners could do more to reduce air pollution, improve the quality of streets/public spaces and encourage the use of low emission vehicles. The Low Emission Strategy (LES), introduced in 2012, has proved particularly effective at tackling emissions from service vehicles such as buses, taxis and Heavy Goods Vehicles which contribute to poor air quality in York. Work to improve the air quality includes the introduction of more electric Park & Ride buses, the continued roll-out of the new taxi licensing policy that specifies minimum emission standards for new or replacement taxis and the delivery of the Strategic Electric Vehicle fast charge network in the city.
- 11. The amount of landfill waste, in Q1 2018/19, has increased to 14,026 tonnes from 12,190 tonnes during the same period in 2017/18. This will decrease, going forward, as the Allerton Waste Recovery Park diverts York's waste from landfill (Harewood Whin landfill site has now closed) to use it, instead, to generate electricity.
- 12. Residual waste per household has increased to 155kg per household (140kg in Q1 2017/18) but this should also start to decrease from the initiation of the voluntary pledge, by supermarkets, to eradicate single-use plastics from packaging and any remaining plastic in use will have to be totally recyclable by 2025. Co-mingling recycling (recyclable waste that is mixed together instead of being separated) is due to either narrow streets in the City in which the correct vehicle could not access, or due to buildings and residences in the city that have not yet been asked to separate their waste. Work to reduce the tonnes per month of co-mingled recycling is continuing. St Nick's provide a weekly city centre recycling collection to c.2420 and there

has been a positive effect on residents' behaviour from the 'rejection' of various items in the recycling process. A communications campaign has been proposed to improve knowledge of what items can and cannot be recycled in York, particularly relating to plastics.

- 13. 57% of household waste was recycled in Q1 2018/19 which is a big improvement from 49% in the same period in 2017/18. It is worth noting that recycling rates are usually higher in the first half of the year and therefore could fall in subsequent quarters.
- 14. In April 2018, the median gross weekly earnings for full-time resident employees in York were £512.60, a decrease of 1.4% (before inflation) from £519.30 in 2017. Since the economic downturn of 2008 to 2009, growth (before inflation), has been fairly steady, averaging approximately 1.1% per year up to 2017. Nationally the increase was 1.5% and regionally, 1.3% over the same period. To improve wages, the big challenge is to make more high quality jobs those that contribute more to the economy available to people living in York and during 2017 there were 5,000 additional jobs created. The majority of these jobs were in the professional, scientific, technical businesses and food and drink sectors.
- 15. The JSA figures should be viewed in the context of the number of people receiving Universal Credit in York increasing from 4,599 in October to 4,795 in November. Figures from the Office for National Statistics showed that there were 180 JSA claimants in York in November 2018 which is the same as in the previous month but a decrease of 130 from November 2017. The claimant count for York represents 0.1% of the working population, which is lower than both the regional and national figures of 1.1% and 0.8% respectively in November 2018.
- 16. Recent figures also highlight a fall of 15 in the youth unemployment count since November 2017. The youth unemployment figure of 0% is lower than both the regional and national figures of 1% and 0.6% respectively.
- 17. Data released by the Department of Work and Pensions is published 6 months in arrears and the latest data relates to May 2018. The total number of claimants for either Income Support or Employment Support Allowance in York is 5,170, which is a decrease of 200 from February 2018. The claimant count represents 3.7% of the working population which is lower than both the regional and national figures of 7.7% and 6.9% respectively. Although these figures are the lowest in the region, due to the changes in the benefits system some of the

data is transitional. The introduction of Universal Credit, for example, means that some people are still in the process of transitioning over. The Council provides a dedicated Universal Credit support service offering assistance with making a claim, managing a claim, support relating to monthly budgeting and any concerns over money resulting from a claim. Up to November 2018, 4,795 residents have moved onto Universal Credit.

Implications

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

Risk Management

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

Recommendations

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

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

Author: Chief Officers responsible for the report:

Patrick Looker Finance Manager

Tel: 551633

Neil Ferris

Corporate Director of Economy and Place

Report Approved X

Annex

Annex 1 – Financial Performance

Annex 2 – Scrutiny Performance Scorecard



Variances for Economy and Place

Household Waste Recycling Centres

Transport

Public Realm

Parking Services

Parking Income

Environment

Emergency Planning

Management & Support

Total Transport, Highways &

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0

-250

381

-25

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0

0

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85

25

-375

736

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2,539

1,260

-7,384

17,848

110

269

	0					
	Gross	0	Nat Declarat			
	Expenditure	Gross Income	Net Budget	Forecast		
Service area	Budget 18/19	Budget 18/19	18/19	Outturn	Variance	Monitor 2
	£'000's	£'000's	£'000's	£'000's	£'000's	£'000's
Transport, Highways & Envi	ronment					
Transport, Highways & Envi Highways	<u>ronment</u> 7,147	-4,175	2,972	2,882	-90	
Highways			2,972 -240	2,882 110	-90 350	
Transport, Highways & Envi Highways Fleet Waste Collection	7,147	-93	· ·		350	17
Highways Fleet Waste Collection	7,147 -147	-93 -624	-240	110	350 200	17 36
Highways Fleet	7,147 -147 3,899	-93 -624 -2,772	-240 3,275	110 3,475	350 200	17 36

-244

-871

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Economy & Place 2018/2019

No of Indicators = 29 | Direction of Travel (DoT) shows the trend of how an indicator is performing against its Polarity over time. Produced by the Business Intelligence Hub March 2019

				Previou	ıs Years		2018/2019					
			Collection Frequency	2015/2016	2016/2017	2017/2018	Q1	Q2	Q3	Q4	Polarity	DOT
	GT01	Grant Thornton Vibrant Economy Index - Overall Rank (Rank out of 324)	Annual	-	48	50	-	-	-	-	Neutral	⋖ ► Neutral
	GT02	Grant Thornton Vibrant Economy Index - Prosperity (Rank out of 324)	Annual	-	107	172	-	-	-	-	Neutral	⋖ ► Neutral
	GT03	Grant Thornton Vibrant Economy Index - Dynamism & Opportunity (Rank out of 324)	Annual	-	23	22	-		-	-	Neutral	◀▶ Neutral
Economy	GT04	Grant Thornton Vibrant Economy Index - Inclusion & Equality (Rank out of 324)	Annual	-	123	116	-	-	-	-	Neutral	⋖ ► Neutral
omy	GT05	Grant Thornton Vibrant Economy Index - Health, Wellbeing & Happiness (Rank out of 324)	Annual	-	80	69	-	-	-	-	Neutral	⋖ ► Neutral
	GT06	Grant Thornton Vibrant Economy Index - Resilience & Sustainability (Rank out of 324)	Annual	-	54	34	-	-	-	-	Neutral	⋖ ► Neutral
	GT07	Grant Thornton Vibrant Economy Index - Community, Trust and Belonging (Rank out of 324)	Annual	-	97	77	-	-	-	-	Neutral	⋖ ► Neutral
	CES13	New Homes Built on Previously Developed Land (%) - (YTD)	Quarterly	86.25%	82.33%	91.09%	NC	86.13%	NC	-	Up is Good	▼ Red
		% of major applications determined within 13 Weeks (NPI157a)	Quarterly	81.00%	87.00%	89.00%	100.00%	69.00%	-	-	Up is Good	⋖ ► Neutral
	CES905	Benchmark - National Data	Quarterly	81.00%	87.00%	86.00%	87.00%	88.00%	-	-		
		Benchmark - Regional Data	Quarterly	81.00%	92.00%	88.00%	89.00%	88.00%	-	-		
		% of minor applications determined within 8 Weeks (NPI157b)	Quarterly	73.00%	81.00%	76.00%	76.00%	71.00%	-	-	Up is Good	▼ Red
	CES910	Benchmark - National Data	Quarterly	75.00%	85.00%	85.00%	84.00%	85.00%	-	-		
Plar		Benchmark - Regional Data	Quarterly	77.00%	86.00%	85.00%	85.00%	84.00%	-	-		
Planning and Building Control		% of other applications determined within 8 Weeks (NPI157c)	Quarterly	81.00%	91.00%	92.00%	84.00%	77.00%	-	-	Up is Good	▼ Red
d Build	CES911	Benchmark - National Data	Quarterly	84.00%	90.00%	90.00%	90.00%	90.00%	-	-		
ding C		Benchmark - Regional Data	Quarterly	88.00%	93.00%	93.00%	90.00%	90.00%	-	-		
ontrol		Average House Price	Monthly	£210,085	£241,042	£240,743	£247,644	£252,171	£254,412	-	Neutral	⋖ ► Neutral



Economy & Place 2018/2019

No of Indicators = 29 | Direction of Travel (DoT) shows the trend of how an indicator is performing against its Polarity over time. Produced by the Business Intelligence Hub March 2019

				Previou	s Years			2018	/2019			
			Collection Frequency	2015/2016	2016/2017	2017/2018	Q1	Q2	Q3	Q4	Polarity	DOT
	CJGE121a	Benchmark - National Data	Monthly	£189,901	£227,449	£235,782	£239,921	£244,354	£242,922	-		
	CJGE121a	Benchmark - Regional Data	Monthly	£121,841	£149,606	£155,251	£160,727	£162,009	£165,119	-		
		Regional Rank (Rank out of 15)	Monthly	1	1	1	1	1	1	-		
	HM01	Gross Additional Homes Provided - (YTD)	Quarterly	1,171	996	1,336	NC	310	NC	-	Up is Good	▼ Red
	HM03	Net Additional Homes Provided - (YTD)	Quarterly	1,121	977	1,296	NC	291	NC	-	Up is Good	▼ Red
	HM07	Net Housing Consents - (YTD)	Quarterly	680	451	1,104	NC	1,447	NC	-	Up is Good	Green
		Large Project - Local Plan	Quarterly	Amber	Amber	Amber	Amber	Amber	Amber	-	Neutral	⋖ ► Neutral
70	0000401	Large Project - York Central	Quarterly	Amber	Amber	Amber	Amber	Amber	Amber	-	Neutral	⋖ ▶ Neutral
Projects - Large		Large Project - Castle Gateway	Quarterly	Amber	Amber	Amber	Amber	Amber	Amber	-	Neutral	⋖ ▶ Neutral
s - Larç	CORP10L	Large Project - Guildhall	Quarterly	Green	Green	Red	Amber	Amber	Amber	-	Neutral	⋖ ▶ Neutral
ge		Large Project - Outer Ring Road (A1237)	Quarterly	N/A	Amber	Amber	Amber	Amber	Amber	-	Neutral	⋖ ▶ Neutral
		Large Project - Allerton Park (NYCC Managed)	Quarterly	-	Green	Green	Amber	Amber	Amber	-	Neutral	⋖ ► Neutral
ק ק	PP06	% of food premises that are classified as broadly compliant	Quarterly	94.00%	94.25%	93.80%	96.00%	94.00%	92.00%	-	Up is Good	⋖ ▶ Neutral
Public Realm	CSPEC1	Calls for Service - Flytipping - Rubbish	Monthly	1,711	2,276	2,151	496	545	437	-	Up is Bad	⋖ ▶ Neutral
		% of panel satisfied with their local area as a place to live	Quarterly	NC	89.84%	89.94%	88.09%	NC	88.61%	NC	Up is Good	⋖ ► Neutral
	TA D04	Benchmark - Community Life Survey	Annual	80.00%	78.00%	77.00%	-	-	-	-		
Res	TAP01	Benchmark - LG Inform	Annual	82.57%	87.00%	88.70%	-	-	78.00%	-		
Resident a		% of panel dissatisfied with their local area as a place to live	Quarterly	NC	6.18%	6.29%	7.80%	NC	8.02%	NC	Up is Bad	⋖ ► Neutral



Economy & Place 2018/2019

No of Indicators = 29 | Direction of Travel (DoT) shows the trend of how an indicator is performing against its Polarity over time. Produced by the Business Intelligence Hub March 2019

				Previou	s Years		2018/2019					
			Collection Frequency	2015/2016	2016/2017	2017/2018	Q1	Q2	Q3	Q4	Polarity	DOT
nd Corporate	TAP30	% of panel who think that the council and partners are doing well at improving green spaces	Quarterly	NC	42.80%	37.09%	45.22%	NC	38.03%	NC	Up is Good	◀▶ Neutral
rate Surveys	TAI 30	% of panel who think that the council and partners are not doing well at improving green spaces	Quarterly	NC	40.77%	45.12%	41.19%	NC	49.22%	NC	Up is Bad	⋖ ► Neutral
veys	TAP32	% of panel who think that the council and partners are doing well at improving the quality of streets/public spaces	Quarterly	NC	47.40%	38.26%	35.59%	NC	33.70%	NC	Up is Good	⋖ ▶ Neutral
		% of panel who think that the council and partners are not doing well at improving the quality of streets/public spaces	Quarterly	NC	44.00%	52.61%	57.84%	NC	59.91%	NC	Up is Bad	⋖ ► Neutral
		Household waste recycled / composted - (YTD)	Quarterly	42.80%	44.00%	43.00%	57.00%	-	-	-	Up is Good	⋖ ▶ Neutral
	CES36	Benchmark - National Data	Annual	43.00%	43.70%	(Avail Dec 18)	-	-	-	-		
Waste	CESSO	Benchmark - Regional Data	Annual	42.20%	42.90%	(Avail Dec 18)	-	-	-	-		
		Regional Rank (Rank out of 15)	Annual	8	9	(Avail Dec 18)	-	-	-	-		
	CES48	Missed bins per 100,000 collections - (YTD) (COLI3)	Monthly	45.75	54.64	57.06	46.73	-	-	-	Up is Bad	▲ Red

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Economy & Place Scrutiny Committee

19th March 2019

Report of the Head of Economic Growth

The economic impact of Business Rates for York and its city centre Summary

- Business Rates or more correctly National Non-Domestic Rates (NNDR) – are frequently cited as a major obstacle to the profitability for city centre retail businesses. They are seen by many as an outdated property-based tax, with frequent calls for local authorities to provide relief from business rates for businesses.
- Over recent years, national government funding for local authorities has changed significantly, with local business rates retention being introduced while the Revenue Support Grant has been withdrawn. Rates have become a significant element of City of York Council's income. For the 2019/20 revenue budget, £33m of retained business rates represents 26% of Council income.
- 3. Business rates are not well understood. They are set nationally and collected locally, leading to confusion in business owners' minds about who is responsible for the size of their bills. This in turn leads to frequent calls for Councils to reduce the burden of rates bills for businesses.
- 4. This paper sets out to provide:
 - a. A guide to NNDR and how the system for charging and collecting them works
 - Details of the contribution that retained business rates now make to Council budgets
 - c. The flexibilities that City of York Council has in terms of providing relief on those rates, our current policies and take-up levels
 - d. An analysis of the specific impacts for the city centre

Background

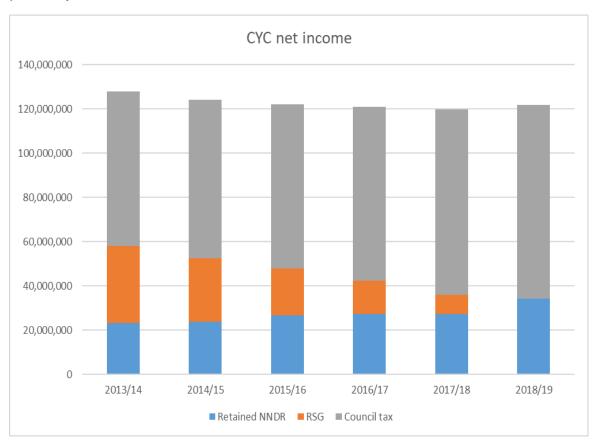
How Business Rates work

- 5. Non-domestic properties, such as shops, offices, warehouses, car parks, advertising hoardings, and mobile phone masts, are assigned a rateable value by the Government's Valuation Office Agency. These values are the estimated annual rent payable for the property as of a fixed date, currently 1st April 2015. Businesses can appeal to the Valuation Office Agency (VOA) if they believe their rateable value has been incorrectly determined (see https://www.gov.uk/correct-your-business-rates).
- 6. As part of the annual Budget announcement, the Chancellor of the Exchequer publishes business rates multipliers for small and standard businesses. Small business multipliers apply to premises with a rateable value of less than £51,000, with the standard multiplier being used for premises above that value. The current multipliers for 2018/19 are 48.0p for small businesses and 49.3p as the standard figure.
- 7. The rates bill is calculated by multiplying together the rateable value and the appropriate multiplier. So a small business in premises with a rateable value of £20,000 would see an annual rates bill of 20,000 x 0.48 = £9,600. This bill, set nationally by the VOA and the Budget, is sent out and collected by the local authority.
- 8. There are numerous rates reliefs available either through national schemes or through local discretion. These are summarised below at paragraph 13. Where applicable, these discounts are applied prior to sending out annual rates bills in February or March. Rates are collected over 10 months for most businesses, and over 12 months for some large accounts.

Business rates retention as a local government funding stream

- 9. Business rates have their origin as a method of taxation in the Poor Laws of 1572 and 1601, with tax on local property funding the support of the "aged, decayed, and impotent" poor in each parish. They are an ancient tax, originally collected to fund local social infrastructure in Tudor England.
- 10. There were two types of rates those on domestic and non-domestic properties. Domestic rates remained in use as a form of local taxation until they were replaced with the Community Charge in 1988, and subsequently with Council Tax in 1993.

- 11. The Local Government Finance Act 2012 introduced changes in the funding arrangements for local authorities, with the phasing out of Revenue Support Grant, and its replacement with a new scheme to share NNDR receipts between central and local government.
- 12. For York, Revenue Support Grant (RSG) has now disappeared as an income stream, with retained rates now accounting for 28% of our revenue budget. The chart below shows how this has changed over the past 6 years since the introduction of the scheme.



Rates relief

- 13. There are several ways in which companies and organisations occupying properties with a NNDR liability can receive relief on those rates. Some derive from national regulations for example Charitable rates relief, and Small Business Rates Relief. Others are available at local discretion.
- 14. Because NNDR receipts are shared equally with central government, the costs of providing relief on existing properties are also shared in the same proportion with central government. So providing £100,000 of rates relief costs the Council £50,000, and this money is lost from the net income budget which supports our revenue expenditure.

- 15. Through national provisions, Charities and amateur sports clubs can apply for 80% rates relief on premises which are used for charitable purposes. This 80% can be increased to 100% at local discretion, and we have an application process in York which provides this relief on an annual basis through the Executive. Not-for-profit organisations which are not charities can also apply for discretionary relief on their rates liability.
- 16. In rural settlements with a population below 3,000, there is national mandatory relief for a range of key local businesses where they are the only such facility. This covers premises which are the only post office, petrol station, pub, general store or cold food shop and are below rateable value thresholds, and provides 50% relief. Discretionary relief can be applied for from local authorities to provide some or all of the remaining 50%.
- 17. For 2018/19, CYC Executive have agreed the following discretionary reliefs for charities, not-for-profit organisations, community amateur sports clubs and rural businesses:

Category	DDR cost	CYC share
Not-for-profit	£15,283	£7,642
Charities	£59,297	£29,649
CASCs	£8,619	£4,310
Rural discretionary	£51,001	£25,001
Total cost	£134,200	£66,602

- 18. Also through national arrangements, but of a temporary nature, small businesses are entitled to a sliding scale of relief on their NNDR liabilities so long as the rateable value of their premises is £15,000 or less and they occupy only one set of premises. For example, this ensures that the small business tenants at the EcoBusiness Centre on Clifton Moor have no rates liability.
- 19. The Government has announced a new relief scheme for retail properties that have a rateable value of less than £51,000. Under the scheme, eligible ratepayers will receive a discount of one third of their daily chargeable amount. This relief will take effect between financial years 2019/20 and 2020/21.
- 20. Again, through national regulations, empty properties are exempt from NNDR for the first 3 months of vacancy, but then attract the full rates liability. There are some exceptions and extensions:

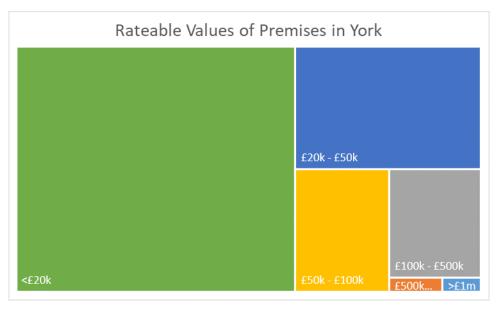
- a. Industrial buildings such as warehouses are exempt for a further 3 months
- b. Listed Buildings are fully exempt whilst empty
- Buildings belonging to charities and sports clubs are exempt whilst empty so long as the next use will be mostly charitable or mostly as a sports club
- d. Buildings with a rateable value of £2,900 or less are exempt whilst empty

Building owners can also seek exemption from rates for empty buildings which are not inhabitable by appealing to the Valuation Office Agency. For example, the former BHS store on Coney Street is currently exempt.

- 21. Hardship relief is available at the discretion of local councils in England, with the provisos that the occupier would be in hardship without that relief, and that providing relief is in the interests of local people.
- 22. Section 69 of The Localism Act 2011 introduced the provision for local authorities to allow relief, or a discount, from business rates from 1st April 2012 to any organisation it deemed appropriate, provided that it was in the interests of local council tax payers to do so. Prior to this Act the provision extended only to not for profit organisations.
- 23. In York, the Council has a Discretionary Business Rates Relief Policy, last amended in August 2014. This includes a set of rates reliefs covering 4 strategic ambitions:
 - a. Supporting young business in our economic growth sectors
 - b. Bringing empty Listed Buildings back into use
 - c. Significant business relocations to York
 - d. Business Development Districts
- 24. With the exception of the creation of a Business Development District in Acomb, these reliefs have not been widely used. A review of the policy, including consideration of the application and approval process, is planned for later this year.

Business Rates in York

25. Details of NNDR charges, including the occupier, property information, and reliefs applied, are published on the York Open Data Platform at www.yorkopendata.org. There are over 5,800 rateable premises in York, with a combined net charge of over £104m per annum. The highest rateable value of £7m is for the University of York, although the University is a charity and receives 80% relief on its liability. The distribution by rateable value is summarised in the following diagram.



- 26. Looking at the total net charge paid, the largest contributors of NNDR in York are the supermarkets. The Tesco superstore at Clifton Moor has the highest net charge at £1.55m, and 7 of the top 10 charges are for superstores, including those at Vangarde. The top 3 non-retail rates bills are for Nestle (£1.4m), Defra (£930k) and CYC's West Offices (£730k).
- 27. Hotels are also significant rates payers, with The Grand having a net charge of £680k, The Principal paying £547k and the StayCity Aparthotel on Paragon Street contributing £343k. Within the city centre, the highest charges are paid by Marks and Spencer for their Parliament Street store (£527k), Primark (£366k) and Boots (£355k).
- 28. While the top 100 payers contribute a total of £37m over a third of the total rates paid in York the bottom 50% of rates bills contribute less than £3m in total. As the diagram above shows, well over half of all premises in York liable for rates have a rateable value below £20k. The occupiers of these buildings are predominantly eligible for small business rates relief, and the reality is that most businesses in York have a rates bill of less than £5,000
- 29. In York city centre, the rateable values are somewhat higher, due to the predominance of retail premises and the high cost of property. The

- 1,395 liable properties with a YO1 postcode contribute £32m of the total net charge for York of £104m.
- 30. Within the city centre, it is Parliament Street, Coney Street and the streets in between those which have the highest rateable values. Appendix 1 provides a street-by-street listing showing the highest and lowest RVs, the total for the street and the mean value. The importance of the core retail streets is clear from these figures.
- 31. Looking more specifically, in the Shambles, the average net rates charged are £7,840 per premises. For Goodramgate, where premises are typically larger but the location not so prestigious, the average rates are around £10,600 per property. In Coney Street, the average rates bill rises to £45,500.

Conclusions

- 32. National Non Domestic Rates play an increasingly important role in providing income to City of York Council, representing 28% of the net revenue budget income in the current year.
- 33. The largest payers of rates in York are, as might be expected, the largest commercial premises, with superstores representing 5 of the 6 highest net charges. Outside of the city centre, many businesses face much more modest rates charges.
- 34. There are a wide range of rates reliefs available, some set nationally, others applied with local discretion. Over 2,000 small businesses are entirely exempt from rates, and the bottom 50% of rates payers pay an average of £1,000 per annum.
- 35. While review of the rates system is often mooted, and the impact on city centre businesses is highlighted as a key challenge for sustainability, the reality is that rates fall predominantly on large businesses. Typical small businesses see a rates bill in York of less than £5,000, while the supermarkets pay substantial sums. Tesco Stores Ltd alone has a total rates bill in York in excess of £3m.

Recommendation

36. Members are asked to note and comment on the information provided in this report.

Reason: To inform Members of the economic impact of business rates in York.

Contact	Details
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	Report Approved 🔽	Date 11/03/2019
Wards Affected:		All 🔨

For further information please contact the author of the report

Annexes:

Annex A: List of rateable values by street for YO1 postcodes

Abbreviations

CYC - City of York Council

NNDR - National Non-Domestic Rates

RSG - Revenue Support Grant

VOA – Valuation Office Agency

Summary RV totals in the YO1 area by street				
Street	Maximum RV	Min RV	Average RV	TOTAL value of all
Coney Street	£675,000	£100	£133,321	£8,665,850
Parliament Street	£1,070,000	£100	£123,982	£4,339,385
Davygate	£635,000	£100	£152,026	£3,800,650
Piccadilly	£690,000	£850	£51,109	£2,759,900
Station Rise	£1,380,000	£100	£448,950	£2,693,700
Stonegate	£164,000	£100	£54,234	£2,549,000
Peasholme Green	£1,780,000	£370	£304,671	£2,437,370
High Ousegate	£295,000	£3,750	£107,762	£2,263,000
Low Petergate	£164,000	£100	£44,724	£2,236,210
Micklegate	£223,000	£100	£24,445	£1,955,560
Goodramgate	£151,600	£100	£28,989	£1,652,350
Toft Green	£935,000	£550	£66,076	£1,651,900
Tower Street	£677,000	£3,500	£105,850	£1,587,750
St. Mary's Square	£620,000	£13,250	£281,850	£1,409,250
Spurriergate	£370,000	£100	£106,196	£1,274,350
Walmgate	£313,000	£370	£21,900	£1,270,190
Lendal	£166,500	£100	£59,617	£1,251,950
Wellington Row	£1,120,000	£900	£376,067	£1,128,200
Market Street	£235,000	£100	£74,207	£1,113,100
St. Helen's Square	£282,500	£100	£118,733	£1,068,600
Coppergate Walk	£345,000	£2,175	£73,370	£1,027,175
Skeldergate	£250,000	£1,000	£36,230	£978,200
North Street	£594,000	£550	£64,664	£905,300
Rougier Street	£130,000	£100	£41,205	£824,100
Colliergate	£317,500	£550	£47,856	£813,550
Low Ousegate	£238,000	£19,500	£47,500	£807,500
Clifford Street	£165,000	£550	£32,607	£782,575
Blake Street	£206,000	£100	£29,463	£766,035
Church Street	£95,500	£16,750	£44,618	£758,500
Little Stonegate	£150,000	£100	£74,135	£741,350
Tanner Row	£275,000	£590	£62,217	£684,390
High Petergate	£118,000	£700	£21,597	£669,500
Feasegate	£98,000	£14,750	£54,667	£656,000
Museum Street	£136,000	£1,000	£20,815	£645,250
Fossgate	£119,000	£23,464	£23,464	£633,520
Shambles	£73,000	£100	£14,930	£612,140
Pavement	£189,000	£100	£44,481	£578,250
George Hudson Street	£118,800	£8,800	£51,741	£569,150
Swinegate	£89,000	£100	£31,242	£562,350
The Stonebow	£199,000	£100	£33,813	£541,000
New Street	£115,000	£1,650	£33,913	£508,700
Kings Square	£142,000	£100	£54,733	£492,600
St. Sampson's Square	£131,000	£31,000	£68,679	£480,750
St. Saviourgate	£128,000	£2,075	£36,810	£478,525
Bridge Street	£131,000	£100	£34,558	£414,700
Castlegate	£53,000	£3,750	£23,088	£369,400

Summary RV totals in th	e YO1 area by stree	et		
Back Swinegate	£142,000	£5,200	£44,500	£356,000
Church Lane	£310,000	£310,000	£310,000	£310,000
Cumberland Street	£102,500	£14,500	£54,660	£273,300
Garden Place	£207,000	£58,500	£132,750	£265,500
Swinegate Court East	£105,500	£6,300	£29,444	£265,000
King Street	£95,000	£6,500	£21,638	£259,650
St. Leonard's Place	£75,500	£100	£25,825	£258,250
Library Square	£125,000	£125,000	£125,000	£250,000
Grape Lane	£137,500	£100	£27,100	£243,900
Merchant Exchange/	£185,000	£32,000	£108,500	£217,000
Skeldergate				
Newgate	£110,000	£100	£22,722	£204,500
Priory Street	£154,000	£14,500	£65,250	£195,750
George Street	£96,000	£15,500	£48,563	£194,250
Kings Staith	£110,000	£16,500	£62,167	£186,500
Exhibition Square	£157,000	£12,000	£61,167	£183,500
Navigation Road	£61,000	£3,800	£28,958	£173,750
Aldwark	£172,000	£2,425	£48,696	£172,000
Kings Court	£108,000	£1,500	£15,584	£171,425
Minster Gates	£48,250	£100	£22,964	£160,750
Nessgate	£76,000	£100	£26,183	£157,100
College Street	£51,000	£8,300	£30,660	£153,300
Terry Avenue	£113,000	£30,250	£71,625	£143,250
Dean Gate	£60,000	£100	£21,625	£129,750
Duncombe Place	£63,000	£100	£24,790	£123,950
Tanner's Moat	£68,700	£38,750	£53,725	£107,450
Coppergate	£65,000	£4,350	£32,117	£96,350
Jubbergate	£55,000	£100	£29,867	£89,600
St. Patrick Pool	£44,400	£6,200	£22,300	£89,200
Lower Friargate	£53,000	£1,975	£26,575	£79,725
Merchantgate	£37,750	£520	£5,439	£65,270
West Esplanade	£44,750	£12,000	£28,375	£56,750
Hungate	£35,250	£19,750	£27,500	£55,000
Cromwell Road	£28,800	£20,750	£24,775	£49,550
Trinity Lane	£24,500	£2,900	£11,825	£47,300
St. Martin's Lane	£16,500	£860	£3,437	£37,810
Ogleforth	£28,250	£2,475	£11,508	£34,525
Lendal Bridge	£17,250	£100	£6,420	£32,100
Minster Yard	£15,750	£100	£7,925	£31,700
Finkle Street	£22,500	£22,500	£22,500	£22,500
Fetter Lane	£21,750	£21,750	£21,750	£21,750
Mill Street	£21,500	£21,500	£21,500	£21,500
Coffee Yard	£11,750	£9,600	£10,675	£21,350
Peckitt Street	£20,500	£20,500	£20,500	£20,500
Barleycorn Yard	£10,250	£2,600	£6,383	£19,150
Whip-Ma-Whop-Ma Gate	£5,900	£1,150	£4,350	£17,400
South Esplanade	£6,100	£3,000	£4,263	£17,050

ANNEX A

Summary RV totals in the YO1 area by street				
Turks Head Court	£15,750	£15,750	£15,750	£15,750
Silver Street	£9,800	£5,100	£7,450	£14,900
Stonegate Walk	£13,500	£13,500	£13,500	£13,500
Popeshead Court	£7,000	£5,900	£6,450	£12,900
St. Denys Road	£11,000	£11,000	£11,000	£11,000
Chapter House Street	£7,800	£7,800	£7,800	£7,800
Monk Bar	£4,000	£4,000	£4,000	£4,000
Buckingham Street	£3,800	£3,800	£3,800	£3,800
Granary Court	£3,050	£3,050	£3,050	£3,050
Museum Gardens	£2,250	£100	£369	£2,950
Bedern	£2,750	£2,750	£2,750	£2,750
Bar Lane	£1,425	£375	£813	£2,440
Paver Lane	£2,250	£2,250	£2,250	£2,250
Rosemary Place	£1,125	£1,125	£1,125	£1,125
All totals	£1,780,000	£100	£53,786	£70,588,895





Economy and Place Scrutiny Committee

19 March 2019

Report of the Assistant Director – Legal & Governance

Update of Implementation of Recommendations from the previously completed Impact of the Arts and Culture Sectors on the Economy of York Scrutiny Review.

Summary

- 1. This report provides Members with an update (Annex 1) on the implementation of the approved recommendations arising from previously completed scrutiny review into the Impact of the Arts and Culture Sectors on the Economy of York.
- 2. Members are asked to sign off all recommendations now considered to be fully implemented and are asked to agree to receive a further update in 6 months' time on any outstanding recommendations.

Background

- 3. In late June 2016, as part of a discussion on potential topics for scrutiny review during the 2016/17 municipal year, the former Economic Development & Transport Policy & Scrutiny Committee (EDAT) expressed an interest in scrutinising the impact of the arts and culture sectors on York's economy.
- 4. After consideration of a feasibility report in July 2016, the Committee agreed to undertake the review and agreed to form a Task Group to carry out this work on the Committee's behalf. In September 2016 EDAT endorsed the review remit, which aimed to understand the value and impact of the arts and culture sectors on the economy of York and examine how they can further increase their impact on economic development and create additional high-value jobs in the city.
- 5. The review objectives were:

- i. To promote cultural amenities in the city for the purpose of attracting economic investment, leading to an increase in high-value jobs and the retention of high-quality employees.
- ii. To examine the City Council's role within these sectors and assess what further interventions the Council can undertake to support these sectors.
- iii. To identify ways to facilitate more and better joint working among cultural organisations.
- 6. In November 2017 the recommendations arising from the review were endorsed by the Economy and Place Policy Development Committee and the review final report was presented to the Executive in January 2018 when the recommendations were approved.
- 7. Following the review, the Executive agreed, in January 2018, that a cultural strategy for the city should be progressed. Under the Council's leadership this strategy was to be steered by the Cultural Leaders Group, and ultimately adopted by the Council on behalf of the city.

Consultation

8. To gather evidence in support of the review remit the Task Group met representatives from numerous city organisations, including York@Large; Make It York; York Museums Trust; York Archaeological Trust; York Theatre Royal, City of York Council, the Arts Council, the Guild of Media Arts, York Business Improvement District, Indie York; the National Centre for Early Music, Explore York Libraries and Archives, Borthwick Institute of Archives, York Minster, the National Railway Museum, the Yorkshire Air Museum and Welcome to Yorkshire.

Options

- 9. Members may choose to sign off any individual recommendation where implementation has now been completed, and can:
 - Request further updates and the attendance of the relevant officer at a future meeting to clarify any outstanding recommendations
 - ii. Agree no further updates are required

Council Plan

10. The scrutiny review supports A Prosperous City For All; A Focus on Frontline Services and A Council That Listens to Residents elements of the Council's Plan 2015-19.

Implications

 There are no known Financial, Human Resources, Equalities, Legal, ICT or other implications associated with the recommendations made in this report.

Risk Management

12. In compliance with the Council's risk management strategy, there are no known risks associated with this report.

Recommendations

- 13. Members are asked to note the contents of this report and Annex 1and:
 - Sign off any recommendations that have now been fully implemented.
 - ii. Agree whether a further update is required in 6 months time.

Reason: To raise awareness of those recommendations which are still to be fully implemented.

Contact Details

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Report Approved Date 6/03/2019

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Background Papers:

Impact of the Arts and Culture Sectors on the Economy of York Scrutiny Review Final Report and its annexes.

 $\frac{http://modgov.york.gov.uk/ieListDocuments.aspx?CId=941\&MId=10385\&Ver=4$

Annexes

Annex 1 – Update on implementation of the scrutiny review recommendations

Update on the implementation of recommendations from scrutiny review into the Impact of the Arts and Culture Sectors on the Economy of York

In order to advance the aim of York's Economic Strategy to 'Make a Fresh Loud Statement of Cultural & Visual Identity', and positively influence the Art Council's consideration of future funding bids, the Task Group set up to review the Impact of the Arts and Culture Sectors on the Economy of York agreed to make the following recommendations which were agreed by the Economy and Place Policy Development Committee in November 2017 and approved by Executive in January 2018.

Recommendation	Implementation as of March 2019
 i. The Council should demonstrate its commitment to the city's cultural sector by progressing the development and promotion of a clearly defined Cultural Strategy with the Cultural Leaders Group, with the Council showing leadership in its creation and adoption. This should include the provision of: 	To progress the city's Cultural Strategy the Executive made available a sum of £38k for Make It York, £20k to be used directly on preparation of the strategy and £18k to be used over 3 years to provide support to the Cultural Leaders Group. The strategy work has been delivered on budget.
 A one-off sum of £20k early in the new financial year, to support its development; 	
 An ongoing sum of £6k annually for secretarial services. 	
ii. The Council should support the Cultural Leaders Group in working as a cohesive unit to build and achieve wide acceptance of that Cultural Strategy	Following a review of the <i>Impact of Arts & Culture on the Economy</i> , the Executive agreed, in January 2018, that a cultural strategy for the city should be progressed. Under the Council's leadership this strategy was to be steered by

the Cultural Leaders Group, and ultimately adopted by the Council on behalf of the city.

iii. As part of renewing Make It York's Service Level Agreement, the Council should clarify the role of Make It York in supporting York's cultural sector and offer, and ensure it:

- Develops a narrative about York's ambitions with cultural partners;
- Improves its collaboration with Welcome to Yorkshire
- Facilitates greater collaboration and cooperation between the cultural sub-sectors in the city
- Co-ordinates future funding bids to the benefit of all cultural providers

Make It York Service Level Agreement extracts

Drive the development, refresh and implementation of a cultural strategy, to be steered by the Cultural Leaders Group and approved by the Council, which is consistent with and delivers on the objectives of the city's economic strategy

Support the sector through product development, facilitating the necessary partnership working to promote innovation and develop new initiatives

Work cooperatively in areas where the Council or commissioned partners remain the lead organisation responsible, but the remit is overlapping with business growth, tourism and culture

Work with both Leeds City Region and York, North Yorkshire & East Riding Local Enterprise Partnerships to ensure that delivery by both organisations includes York, participating in shared programmes and seeking to meet match funding requirements

A strategy to make a fresh loud statement of cultural and visual identity for York	To be guided by the Cultural Leaders Group and approved by the Council. MIY will provide leadership to the process as well as the "secretariat" to the Cultural Leaders Group to ensure that the process delivers against the agreed brief. In particular MIT will ensure that the strategy aims to achieve the buy-in of all sectors: cultural, business and third sector organisations, communities, citizens, key external stakeholder groups, scrutiny members
An evidence base to demonstrate cultural impact and excellence to inspire funders, policymakers and politicians to invest and engage in and	Cultural Leaders Group, Council, key external stakeholders and funders, especially Arts Council England. MIY will:
	An evidence base to demonstrate cultural impact and excellence to inspire funders, policymakers and politicians to

iv. The Council should work with York Business Improvement District to explore all means available of achieving improvements to the public realm in the city centre, particularly Parliament Street.	• develop income streams • provide city-wide leadership, working through the Cultural Leaders Group to deliver the strategy The Council budget approved in February 2019 allocated £100k –to invest in a 'My City Centre' consultation be held with key stakeholders (including residents, businesses, cycle/pedestrian groups and groups that represent people who have special access requirements) on the wider issues of accessibility, safety and traffic management in the city centre as recommended by Executive in September 2018 as part of the report on City Centre Access report
v. The Council should seek ways of protecting and utilising the city's stock of historic buildings to attract more growing business, rather than increasing residential use, by encouraging imaginative approaches to redevelopment through the Local Plan and master-planning frameworks, and through its Asset Management Strategy and the future development of its commercial portfolio.	 The Draft Local Plan recognises the critical importance of York City Centre as the economic, social and cultural heart of the area. It aims to strengthen the role of the city centre through, among other, things: ensuring development sustains, enhances and adds values to York's culture; developing an improved high quality affordable office space offer for small enterprises and start-ups in the

	 arts, creative, digital media and related industries; protecting and enhancing its unique historic and cultural assets; protecting and enhancing its existing office provision
It was also recommended that Make It York:	Make it York will:
vi. Concentrates its focus on higher quality events and festivals in the city centre to protect the York festival brand and maximise their GVA.	Drive the development and implementation of an events strategy in consultation with the culture and events sectors and the Business Improvement District to ensure that York has a vibrant, all-year-round programme
	Create a high-profile calendar of events ensuring that partners such as the BID are enabled to contribute to the full
	Programme high quality city centre festivals, activities and events
	Promote the events calendar through all appropriate means including through highly visible city-centre information
vii. Works with York Business Improvement District	The Council budget approved in February 2019 allocated
and other interested parties e.g. York Civic Trust, to devise a comprehensive 21 st century system	the match funding contribution from the Council so that York Business Improvement District can deliver the way

of way-finding within the city using all available methods and technologies incorporating smaller cultural providers into those way-finding opportunities to expand the city's promotion of its full cultural offer.	finding project following the successful trial in St Helen's Square.
It was further recommended that the Cultural Leaders Group:	The Cultural Strategy Vision 2019 – 2025 is that:
viii. Explores the suggestions for initiatives identified through the consultation for the review.	York brings together outstanding, internationally renowned heritage with a cutting-edge contemporary approach to creativity.
	By 2025 York will be internationally recognised for its unique interface between exceptional heritage and contemporary art.
	Through the Cultural Leaders Group the strategy will be further shaped by the initiative to attract increased investment in York by promoting our strengths and assets through the development of a shared vision for the city.