

Report of the Corporate Director of Economy and Place

**2018/19 Finance & Performance Monitor 2 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 September 2018 as reported to Executive on 29<sup>th</sup> November 2018.

**Analysis**

Finance

2. A summary of the services within Economy and Place is shown below:

	Budget £'000	Forecast Outturn £'000	Variance £'000
<b>Economy and Place</b>			
Transport	6,641	6,641	0
Fleet	-240	-70	+170
Highways	2,972	2,972	0
Parking Operations	1,235	1,235	0
Parking Income	-7,009	-7,259	-250
Waste	11,146	11,607	+461
Public Realm	2,539	2,539	0
Emergency Planning	110	110	0
Development Management	-289	-289	0
Forward Planning	579	579	0
Building Control & Land Charges	-416	-430	-14
Environmental Management	326	326	0
Environmental Health & Licensing	593	588	-5
Asset and Property Management	-3,096	-3,096	0
Economic Development	567	527	-40
Management and Support	809	809	0
<b>TOTAL</b>	<b>16,467</b>	<b>16,789</b>	<b>+322</b>

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

3. A net overspend of £322k is forecast primarily due to cost pressures within waste services and fleet.
4. Income from Council Car Parks to August 2018 stands at 3.5% above latest projections. Income in April and May was below budget (-4.6%) however income in June, July and August has been significantly higher than budgeted (9%) primarily due to good weather and increased attractions within the City Centre. The impact of the Rose Theatre in Castle Car Park has been positive with much of the assumed lost revenue from losing spaces at the car park being offset by additional income at nearby car parks. Overall there is a forecast of £150k surplus at the council car parks. In addition income from Respark and Season Tickets are above forecast leading to additional income of £100k.
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. This results in an overspend on salaries (10%) and is the primary reason for the waste collection forecast overspend of £365k. Commercial waste income, as in previous years, is predicted to be £96k short at year end.
6. An allocation of £125k from the waste reserve has also been agreed by the Executive to provide additional resilience within the waste service over the winter months by providing a budget so that staff can be retained over the period prior to the recommencement of garden waste collections in April.
7. 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. More efficient fleet will, over time, bring costs down. A number of other minor variations make up the directorate position.
8. A range of actions are being undertaken within the directorate to try to bring expenditure within the approved budget and reduce the projected overspend as far as possible by the year end. Actions being progressed or considered include:

- Review of external funding streams to seek opportunities to maximise the impact on the revenue position
- Proactively managing sickness levels across front line services to reduce the need for agency staff
- Consideration of in year savings and revenue opportunities.
- Increasing the efficiency of the use of vehicles within Fleet.

## Performance Update

9. The 2018/19 scorecard for Economy and Place is attached at Annex 1. Other key performance information is included in the following paragraphs.
10. Allerton Waste Recovery Park has been operational since the beginning of March 2018 and is delivering a long term, sustainable alternative to landfill for the treatment of residual waste. Not only does this mean that we no longer need to bury our waste in the ground but energy from waste facilities generates electricity and heat. The electricity can be used locally or fed into the national grid network. By burning waste to create this sort of power, rather than coal or oil, we are helping to save the earth's precious stores of these finite resources. Energy from waste can also increase recycling as the bottom ash can be processed into building materials and metals can be extracted.
11. Figures from the Office for National Statistics contained some positive news for York with employment, in 2017, growing by 5,000 more jobs than in the previous year. This 5% increase was the best in the region which averaged a 2% increase. The majority of these jobs were in the professional, scientific, technical businesses sectors and the food and drink sectors and were distributed across the city with Guildhall, Clifton and Rural West seeing the largest increases. 82 Figures from the Office for National Statistics also showed that;
  - There were 185 JSA claimants in York in September 2018 which is a decrease of 20 from the previous month and a decrease of 225 from September 2017.
  - The claimant count for York represents 0.1% of the working population, which is lower than both the regional and national figures of 1.2% and 0.9% respectively in September 2018.
  - Recent figures also highlight a fall of 30 in the youth unemployment count since September 2017. The youth unemployment figure of 0% is lower than both the regional and national figures of 1.2% and 0.8% respectively.

12. Data released by the Department of Work and Pensions is published 6 months in arrears and the latest data relates to February 2018. The total number of claimants for either Income Support or Employment Support Allowance in York is 5,370, which is a decrease of 250 from November 2017. The claimant count represents 3.9% of the working population which is lower than both the regional and national figures of 7.9% and 7% 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.

### **Implications**

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

### **Risk Management**

14. 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**

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

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

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#### **Chief Officers responsible for the report:**

Neil Ferris  
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**Report  
Approved**



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### **Annex**

Annex 1 – Scrutiny Performance Scorecard