

**Report of the Corporate Director Health, Housing and Adult Social Care**

**Finance and Performance Outturn 2018/19**

**Summary**

1. This report provides a year end analysis of the overall finance and performance position. This is the final report of the financial year and assesses performance against budgets, including progress in delivering the Council's savings programme.
2. This report is based upon the strategic indicators included in the Performance Framework for the Council Plan (2015-19) which was launched in July 2016, grouped by priority theme. For 2019/20 Q2, the report will be based upon a new Performance Framework and a new basket of strategic indicators, grouped by the key priority themes included in the new Council Plan (2019-2023) once approved by Executive. This will mean a wider range of performance information is reported to the committee.

**Recommendations**

3. The Committee is asked to:
  - 1) Note the continued effective financial management across Housing & Community Safety
  - 2) Note the performance information

Reason: to ensure significant financial issues can be appropriately dealt with.

**Financial Outturn**

**Housing & Community Safety**

4. The outturn position for Health, Housing & Adult Social Care was a net overspend of £946k. An element of this budget relates to Housing & Community Safety General Fund which reported an under spend of £91k at year end.

## Housing and Community Safety General Fund

5. The table below provides a more detailed breakdown of the outturn for services within Housing and Community Safety General Fund Budget.

Service Area	Budget £'000's	Outturn £'000's	Variance £'000's
Building Maintenance	-204	-204	0
Housing Options and Homelessness	1,810	1,714	-96
Private Sector Housing	153	132	-21
Housing Strategy and Enabling	79	118	+39
Travellers Sites	-15	-16	-1
Miscellaneous Housing	-81	-113	-32
Yorhomes Social Letting Agency	0	0	0
Community Safety	665	685	+20
Total Housing and Community Safety (General Fund)	2,407	2,316	-91

6. Housing Options and Homelessness - The Rough Sleepers Initiative Grant of £194k has been utilised to implement new initiatives and provide support to reduce rough sleeping across the city. This programme of works has seen an increase in resources and support from local charities to deliver new schemes of work. The grant has been fully utilised however there has been an underspend within the service of £96k made up of short term vacancies and over achievement on income, an increase of £36k since monitor 3.
7. Private Sector Housing successfully increased their income from DFG & loan fees to reduce the budget pressure following the withdrawal of the Landlord Accreditation Scheme and Selby from the Empty Homes joint service, to produce an underspend of £21k compared to a nil variance at monitor 3.
8. The Housing Strategy team have incurred costs relating to a long-standing legal dispute between the council and a housing developer, resulting in legal costs of £36k, £16k higher than the forecast at monitor 3. In addition, there has been a small shortfall in income of £3k.
9. Within Miscellaneous Housing the Housing Association Management fee came in £6k higher than forecast and the support service and recharges between general fund and HRA were £26k below budget giving an overall underspend of £32k which was not forecast at monitor 3.
10. The Community Safety team are fully staffed resulting in a forecast overspend of £20k due to not meeting the assumed salary budget vacancy factor, no change since monitor 3.

## Housing Revenue Account

11. The outturn position for the Housing Revenue Account for 2018/19 is an underspend of £1,549k, £1,448k higher than that reported at monitor 3. The main reason for the change relates to the revenue contribution set aside to fund capital expenditure which has slipped into 2019/20 as well as other changes in capital financing and underspends on recharges. The table below provides more detail on this position.

Activity area	2018/19 Net Budget	Outturn 2018/19	Variance
	£'000	£'000	£'000
Repairs & Maintenance	6,179	6,276	+97
General Management	6,422	5,961	-461
Special Services	2,202	2,276	+74
Other Expenditure	25,064	23,789	-1,275
Dwelling rents	-31,040	-30,813	+227
Non Dwelling Rents	-358	-467	-109
Charges for Services	-1,318	-1,267	+51
Other Income	-678	-831	-153
<b>Total</b>	<b>6,473</b>	<b>4,924</b>	<b>-1,549</b>

12. The Housing Revenue Account budget for 2018/19 was a net cost of £6,473k as £10m was transferred to the investment reserve to support the new council house build programme. Overall, the account continues to be financially strong and the outturn shows an underspend of £1,549k.
13. The working balance will reduce from £29.4m at 31 March 2018 to £24.5m at 31 March 2019. This compares to the balance forecast within the latest business plan of £23.0m.
14. Repairs & Maintenance has overspent by £97k, compared to a forecast underspend of £180k at monitor 3. There was an overspend of £600k on general repairs offset by an underspend of £503k on projects and other smaller schemes. The capital modernisation programme has not been fully delivered in 2018/19 and as a consequence of a delay in the retender of the tenants choice contract, a higher than forecast number of repairs have been charged through revenue relating to bathrooms and kitchens, in addition, 108 more void properties have been processed in 2018/19 than in 2017/18. An acceleration in gas servicing works has improved the compliance of gas servicing and more

electrical tests were completed than forecast, improving the safety of our homes.

15. There was an underspend across General Management of £461k, an improvement of £392k since monitor 3. This was primarily due to lower than forecast corporate support recharges (£166k) and underspends arising from vacancies and charges to capital projects (£195k) in both the Housing Operations and Building Services Teams. Delays in undertaking stock condition surveys has meant funding identified for this work (£100k) is carrying forward into 2019/20.
16. Slippage of capital expenditure has resulted in the expected contribution to the capital programme from the revenue budget being reduced by £1m and these funds will be carried forward to 2019/20 to fund the slippage. The bad debt levels have reduced, resulting in an underspend of £264k.
17. Rental income was £227k lower than budgeted. This is due to a higher number of voids at Ordnance Lane pending the opening of James House. In addition, tenants have moved out of Lincoln Court pending the commencement of capital refurbishment.
18. There are a number of ongoing implications of the outturn position into 2019/20. It is necessary to reprofile the revenue contributions funding the capital programme slippage of £1,032k into 2019/20 and also the funding set aside for the stock condition surveys of £100k.
19. The Housing ICT programme has been set up to replace over 27 housing and building services into one single modern ICT solution. This has now moved into the "Do" phase. A long term partnership has been initiated by signing contract with Capita PLC for the delivery of a new cloud based ICT system that will transform the way housing and building services offer services to customers, enabled by modern ICT. Whilst this is a capital project the costs relating to the backfilling of in-house experts is a revenue cost, which is required to ensure the success of such a large project. These costs are estimated to be £340k. Executive agreed that £340k of the year end underspend is set aside to support this key implementation stage of the project, on a one off basis.

## Performance – Service Delivery

Performance – Overview			2015/16	2016/17	2017/18	2018/19	DoT	Frequency	Benchmarks
Service Delivery	A Focus on Frontline Services	Number of Incidents of ASB within the city centre ARZ	2,305	2,175	1934	2059	→	Quarterly	Not Available
	A Council That Listens to Residents	% of panel who agree that they can influence decisions in their local area	NC	25.65%	26.87%	28.95%	→	Quarterly	National Community Life Survey 17/18: 26%
		% of panel satisfied with their local area as a place to live	NC	89.84%	89.94%	88.61%	→	Quarterly	National Community Life Survey 17/18: 77%
		% of panel satisfied with the way the Council runs things	NC	65.54%	62.13%	57.33%	↓ Bad	Quarterly	National LG Inform 18/19: 60%
A Prosperous City for All	Net Additional Homes Provided - (YTD)	1,121	977	1296	291 (Apr-Sep 18)	→	Half Yearly	Not Available	

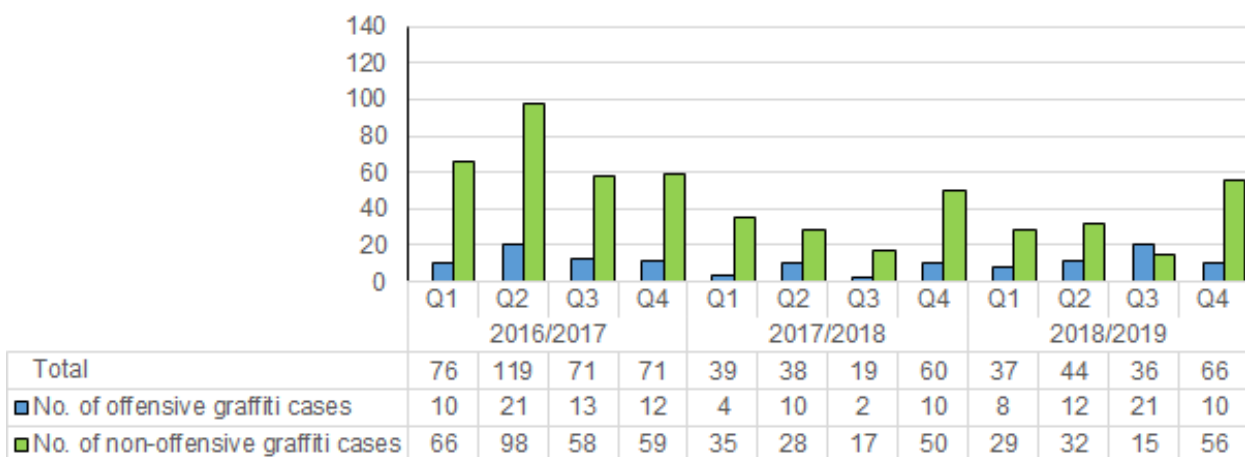
The DoT (Direction of Travel) is calculated on the last three data points whether they are annual or quarterly.

### A Focus on Frontline Services

Number of Incidents of Anti-Social Behaviour within the city centre - this measure gives an understanding of the impacts of Anti-Social Behaviour on Leisure and Culture and therefore the "attractiveness" of the city

20. Data for 2018-19 indicates a small increase in anti-social behaviour within the city centre, following a gradually decreasing volume in the last three years. An example of this is a rise in the number of cases of offensive graffiti reported from 25 in 2017/2018 to 41 up to Q3 in 2018/2019.

#### Calls for Service - Graffiti



21. Overall crime levels in York in 2018-19 have risen to 13,579 crimes compared to 11,958 in 2017-18 and this is due to a small increase in crime reports across a wide range of categories.
22. The number of service calls received due to "flytipping" concerns reduced from 2,276 in 2016-17 to 2,151 in 2017-18. Final figures for 2018-19 show a further reduction in calls received to 1,995. Figures for 2018-19 show that whilst the

number of warning letters and formal cautions issued for fly tipping has reduced since the previous year, the number of prosecutions has increased.

23. In March 2019, the Neighbourhood Enforcement team was authorised to start issuing Fixed Penalty Notices for household duty of care offences. The Government has asked local authorities to set fine levels between £400 and £150 for this offence, with a minimum amount of £120 for early repayment. In York, the fine levels have been set at £250.00 with a reduced fee of £150 for early repayment within 10 days of issue. The introduction of these Fixed Penalty Notices contributes towards a range of initiatives developed by the Neighbourhood Enforcement team to combat fly-tipping.

### A Council That Listens to Residents

**% of residents who agree that they can influence decisions in their local area - this measure gives an understanding of residents' recognition about how we are listening and reacting to residents views**

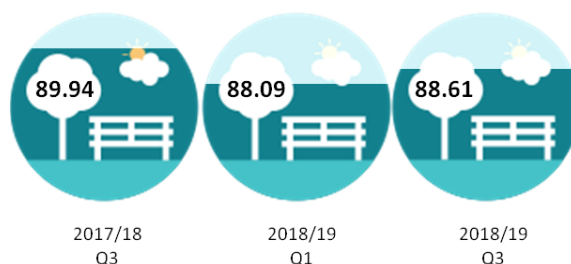
24. The results from the latest (Q3 18/19) Talkabout survey found that 29% of panellists agreed that they could influence decisions in their local area which is higher than the latest national figure of 26% (Community Life Survey 2017/18). 92% of respondents think it's important that residents can influence decisions in their local area.

**% of residents satisfied with their local area as a place to live - this measure gives an understanding of residents' views about the area and the quality of their ward / neighbourhood**

25. The next version of the Talkabout Survey will be sent to the panel during May 2019 and the results will be published in a future Monitor.

26. The results from the latest (Q3 18/19) Talkabout survey showed that 90% of the panel were satisfied **with York** as a place to live and 89% **with their local area**. Satisfaction levels for the local area continue to be significantly higher than the latest national figures of 77% (Community Life Survey 2017/18) and 78% (Local Government Association Poll October 18).

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



27. Where residents indicated that they were dissatisfied **with York** as a place to live, the most common reasons were crime and anti-social behaviour (mainly city centre drinking), economy and transport (largely traffic issues), value for money and residents not being at the heart of decision making. Where residents were dissatisfied **with their local area** as a place to live, the most common reasons were crime and anti-social behaviour, public realm and highways. Specifically these concerns were about: intimidating and noisy groups of hen and stag parties; the lack of a police presence; the standards of street cleansing (including littering levels) and the poor quality of road surfacing.

28. 78% of respondents thought that their local area was a good place for children and young people to grow up. Where residents disagreed that their local area was a good place for children to grow up, the main reasons were safety, available activities or services and available green spaces.
29. 92% of respondents agreed that it was important to feel part of their local area with 80% agreeing that they did belong. These results have both increased from the previous survey and the latter is higher than the National benchmark scores of 62% in the Community Life Survey 2017/18 and 78% from LG Inform.
30. When asked if they agree their local area is a place where people from different backgrounds get on well together a decrease can be seen from 75% in Q1 to 68% in Q3. This is below the national figure of 82% from the Community Life Survey 2017/18.

**% of residents satisfied with the way the Council runs things - this measure gives an understanding of residents' satisfaction with frontline service delivery and the Council's responsiveness to residents' views**

31. The latest (Q3 18/19) Talkabout survey showed that 57% of respondents were satisfied with the way the Council runs things which is a further reduction compared to previous survey results. Satisfaction levels continue to be similar to the LG Inform benchmark figure of 60% for October 2018. Where residents indicated that they were dissatisfied with the way the council runs things, the most common reasons were public realm and highways.
32. The Council aims to deliver financial sustainability whilst improving services and outcomes for York residents and 43% of respondents agree that the Council provides value for money which is similar to the LG Inform benchmark figure of 44% for October 2018.

## **A Prosperous City for All**

**Net Additional Homes Provided - this measure gives an understanding of how many new homes have been built in the city**

33. Data for the second half of 2018-19 will be available at the end of May. The first half of 2018-19 shows that, positively, there were 1,447 net housing consents granted which represents a continued high level of approvals. Of these approvals, 98.3% were for traditional housing sites which include the Former British Sugar Corporation Site, the Former Lowfield School Site and York St John University Playing Fields Site. Between April and September 2018 there were 291 net additional homes completed (this compares to a half yearly average of 550 additional homes completed during this period over the previous five years). Of these additional homes:
  - 67.4% were completed on housing sites.
  - 13.7% were a result of off campus privately managed student accommodation schemes which comprised the Former Herbert Todd & Son site in Percy's Lane and Abbeyfields Veterinary Centre in Clarence Street.

- 9.3% resulted from ‘prior approval’ i.e. sites benefitting from relaxed permitted development rights to allow conversion to residential use.
- 9.6% resulted from the development of over 55’s accommodation.

### **Planning Applications**

34. In the year to December 2018, the number of major planning applications processed within the required timescale (88%) has increased significantly from Q2, is above the 2017/18 year end figures, and is at the same level as the national and regional benchmarks. The number of applications has remained consistently at the same level (around 50 in the year to Dec 2018). In the year to December 2018, minor planning applications processed within the required timescale (77%) is at a similar level to previous years but is still below the national benchmark (85%). Whilst the number of applications has decreased slightly, the 83% performance in Q3 is a positive achievement.

### **Procurement**

35. During 2018-19, work continued on embedding social value principles in all procurements and finalising the Councils commissioning strategy, as well as introducing council wide contract management guidance and effectively managing relationships with our key suppliers.

### **Annexes**

36. All performance data (and approximately 1000 further datasets) within this document is made available in machine-readable format through the Council’s open data platform at [www.yorkopendata.org](http://www.yorkopendata.org) under the “performance scorecards” section.

### **Consultation**

37. Not applicable.

### **Options**

38. Not applicable.

### **Council Plan**

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

### **Implications**

40. The implications are:
- **Financial** are contained throughout the main body of the report.



- **Human Resources (HR)** There are no HR implications.
- **One Planet Council / Equalities** There are no One Planet Council or equalities implications.
- **Legal** There are no legal implications.
- **Crime and Disorder** There are no crime and disorder implications.
- **Information Technology (IT)** There are no IT implications.
- **Property** There are no property implications.
- **Other** There are no other implications.

### Risk Management

41. 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

<b>Authors:</b>	<b>Chief Officer Responsible for the report:</b>		
<b>Patrick Looker</b> <b>Finance Manager</b> Tel: 551633	Sharon Houlden Corporate Director of Health, Housing and Adult Social Care		
<b>Ian Cunningham</b> <b>Head of Business Intelligence</b> <i>Ext 5749</i>	✓	<b>Date</b>	12/07/2019
<b>Wards Affected:</b> All			✓
For further information please contact the authors of the report			

### Background Papers:

Annex A – Draft Housing and Community Safety Performance Scorecard Q4 2018/19