



Councillor James Alexander
Labour Leader of City of York Council
Report to Full Council – March 2013

Waste PFI

Despite the Government having already reassessed PFI credits after the general election, it has recently seen fit to remove PFI credits to the planned energy from waste (EfW) plants for North Yorkshire, West Yorkshire and Merseyside.

I was made aware by the Chief Executive of North Yorkshire County Council at Noon on the day the decision was announced. He said the Government would be announcing this move without any consultation at 1pm.

I telephoned DEFRA and asked to speak to a Minister or a Special Advisor. I was told none were available as they were all in the same meeting.

The decision was allegedly made because the Government now feels they can meet EU regulations for waste management without new EfW plants. Sadly this does not take into account the issue of regional requirements. For example, does it make sense to send our waste further afield for disposal or incineration because the UK as a whole fits the regulatory criteria? Moreover, who will pay for these additional costs? The decision of the Government has so far cost taxpayers in City of York and North Yorkshire County circa £6.5m.

The Government agreed to meet with me and a delegation of leaders to discuss the situation. The Minister has postponed this because he was not aware he had to be in Brussels on the day of our arranged meeting. But the meeting should take place within the next fortnight.

Furthermore, I have asked Anne McIntosh MP, Member of the DEFRA Parliamentary Committee to investigate the matter into how PFI credits for waste programmes are issued. She has refused this request.

In the next 5 years or so we will run out of landfill capacity in the City of York. It has taken 5 years so far to get to the point we have got to with the EfW plant plans.

The financial saving to City of York taxpayers with the plan going ahead would be at least £1m per annum.

The Government has been shambolic in its handling of this situation, and it appears to be a decision driven by its inability to get a handle on the national debt position, rather than the reason stated.

HS2

HS2 trains will stop at York as the connecting point to the East Coast Mainline. I am pleased at the lobbying efforts of City of York Council and both our local MPs. Not only does this announcement by the Government secure York's future as a railway city, it also helps us when trying to attract external investment for the York Central site.

The trains will travel on HS2 lines to Church Fenton and travel the final few miles at standard speeds into York station. This means HS2 will be coming to York, and we welcome this decision.

My colleagues and I will continue to pressure the Government to not only bring forward the investment required for HS2, but also to endeavour to build it in the north and south at the same time.

Government's Autumn Statement

The Autumn Statement increased cuts to local councils in 2014/15 from 5.6% to 7.6%. The reduction in total public expenditure is 0.6%. My colleagues and I wanted to discuss this matter at council on 13th December but opposition councillors would not support us having that debate. The consequence is that we did not manage to impress on Government a cross-party response to this increase in savings. Instead the council budget came forward with increased savings than those originally anticipated.

One of our two council motions affords us the opportunity to return to this important issue.

Full Council

I am pleased Group Leaders are actively discussing this issue as our procedures are currently inadequate. My Group colleagues and I are looking at this issue and other constitutional matters in great detail.

We need a more open and transparent democratic process than that which we currently have and we will not miss the opportunity to change this.

Bailiffs

I recently spent some time working alongside bailiffs who work on behalf of City of York Council. I wanted to understand the people who are being visited by bailiffs to make up my own mind over the Government's demonization of people in debt.

I can categorically state that this characterisation is not accurate. The people I met were genuine people who have found themselves in difficulty and are not scroungers. I fear for their futures as the Government further pursues draconian measures against poorer people.

The Government's tax cuts for millionaires will be cold comfort for these people, who will struggle to understand why the richest will see on average over £100,000 extra per year in their back pockets from next month. The Lib Dems' complicity in this decision highlights the party's abandonment of the most needy and least well off in society.

I am ensuring bailiffs who work on behalf of the council are plugged into our financial inclusion strategy, as despite working at the coal face, they weren't previously involved.

Living Wage

I am very proud City of York Council became the first Council in Yorkshire and the Humber to approve implementing the Living Wage. This was a key recommendation of the independent Fairness Commission.

House Building

I have been meeting with large house builders every few months facilitated by the Chamber of Commerce since becoming Leader of the Council. Along with other colleagues I have been meeting house builders on a one to one basis. I have had two meetings with the planning Minister Nick Boles MP over the issue and one with Jack Dromey MP, shadow Housing Minister.

It is clear both the economy and people's cost of living requires large scale expansion of house building of differing tenures. We have so far passed through Cabinet the Get York Building report which reduces affordable housing targets along with investment in converting council housing stock to deal with overcrowding. We have changed the thresholds on affordable housing to help small house builders. We will be building new council properties on small sites and will consider lending to get house building going. We will consider becoming a mortgage lender to help the demand side of housing.

Further announcements will be made to give a further boost to house building. This includes as part of the Local Plan which is on track.

Unemployment

Latest figures show a small increase in JSA claimants, which is not unusual once seasonal employment has come to an end. But the figures for this time last year were higher, so some progress has been made.

Yet the number of people claiming JSA doesn't offer a complete picture. There are many women working part time who are unable to get the extra hours they want and often need. I hope that many of the jobs coming on stream in the future will help to tackle this gap in employment opportunities.

Equally concerning is the position of those at the beginning and in the later stages of their working lives. The number of long-term unemployed over 55 is rising faster than those aged 18 to 24. Both groups are vulnerable in an ever-competitive jobs market, and the council will work hard to provide each with the opportunities they deserve. It is crucially important that those willing and able to work are given the opportunity to do so.

Jobs and Growth

York and Bristol are the only two cities predicted to have economic growth higher than the national average over the coming years excluding London, which skews the data.

York has traditionally had an insular economy that protects the city against economic shocks. But this means the city does not grow as fast as the rest of the country when there is a period of economic expansion. The fact York is predicted economic growth higher than the national

average indicates our economy has fundamentally changed and that the city has a confidence it has not had for some time. This is something my colleagues and I will foster.

Heseltine Report

I welcome the Government's response to Lord Heseltine's report 'No Stone Unturned'.

Financial support will be given to councils pursuing combined authorities or inter-council collaboration. We will be bidding for a share of this £9.2m Transformational Challenge Award.

The Government will make local authorities responsible for 'Not in Education, Employment or Training' (NEET) counts. City of York Council already considers itself as responsible for this agenda and we are making significant progress in this area.

The Government has committed its support to mutuals in central and local government service provision.

The Government also commits to the importance of international marketing and trade missions. York has begun a process of internationalisation to further inward investment, export markets and international visitors. The Lord Mayor is currently in China on such a mission with my full support.

I am, however, disappointed that the Government has rejected both of Lord Heseltine's recommendations that the Government should urgently clarify its policy regarding airport capacity and give greater legal status to Chambers of Commerce (as has proven successful in other European nations).

Development Sites

The Council's delegation to the MIPIM conference has led to 30 inward investment leads. This includes interest from US investors who feel they would like to invest in the UK but are fearful London is overheating. In the north the greatest inward investment opportunities based on economic growth are York, Manchester and Leeds. I look forward to meeting these potential investors in York.

There is significant interest in many of our land sites that have been stalled for some significant time.

Bedroom Tax and Other Benefit Changes

I am receiving correspondence from residents who feel they cannot afford to pay the Bedroom Tax. Furthermore, I am receiving correspondence from residents who are struggling with a raft of benefit changes.

The current Government is the first since the war that has localised some benefits. This is a disastrous policy. It means in successful council areas there are fewer people who need additional support and people can afford the tax base needed to fund this support. In less successful areas more people require the help, but there are fewer people to fund the taxation for this. This will create a circle of decline and some cities will fail as they have done in the US.

The Government has got their priorities wrong if they believe giving a tax break to the rich whilst reducing income to the poor is the right thing to do. Both the Conservative and Liberal Democrat party should be ashamed of this course of action.

York is in a unique position in being successful but poorly funded by Government.

Local Enterprise Partnerships (LEPs)

The Leeds City Region Combined Authority has agreed to a request of Conservative Leaders for a joint authority scrutiny board to be set up chaired by a Conservative councillor. There will also, based on proportionality, be two Conservative councillors on the board of the combined authority. The proportionality will be reviewed with successive elections.

One place will be given to the Liberal Democrats. However it is anticipated that the Liberal Democrats may not qualify for such a place following local elections. This may then instead go to independents. Conservative councillors are pushing for a cut off threshold that would mean the third opposition position being given to the Conservatives rather than Liberal Democrats. I welcome stated Conservative commitment to the Combined Authority which was signed off by Nick Clegg MP. Councillor Robert Light, Conservative Group Leader at Kirklees Council has stated Conservative “commitment to the principle of combined authority working”.

In the Government’s response to the Heseltine report, the Government says it will appoint a senior Whitehall sponsor for each LEP. This will help LEPs and local authorities with inter-departmental working across Whitehall.

We are supporting Leeds City Region plans for the set up of an inward investment bank that will fund infrastructure projects. Initially this funding will be put towards housing schemes. York will be pitching for such funding but it will not come on stream until 2015. Therefore other investment is required in the short term.

We are pushing for York Central to be awarded preferential borrowing rates via York North Yorkshire and East Riding Local Enterprise Partnership. These powers were awarded to LEPs in the Autumn Statement.

Consideration is being given to extending the Leeds City Region City Deal. I am keen for the Combined Authority to take control of Job Centre Plus and some DWP activities to link the benefits system with employment in a more integrated way.

The Recent Budget

This takes place following submission of this report. However, I am happy to take any questions on the effect this will have on people in York.

Councillor James Alexander
19th March, 2013