

Report of the Corporate Director of Economy and Place

2022/23 Finance and Performance Monitor 1

Summary

- 1 This report provides details of the Q1 2022-23 monitoring position for both finance and performance across Housing & Community Safety. The paper incorporates data to June 2022, which was reported to Executive on 18th August 2022.

Recommendations

- 2 The Committee is asked to note the financial and performance management position across Housing & Community Safety.
- 3 Reason: to ensure expenditure is kept within the approved budget and performance is effectively scrutinised.

Financial Monitor 1 2022-23

- 4 The table below provides a more detailed breakdown of the forecasts for services within Housing and Community Safety.

Service Area	Expend Budget £'000's	Income Budget £'000	Net Budget £'000	Projected Variance £'000's
Building Maintenance	14,502	-15,021	-519	0
Housing Options and Homelessness	5,004	-3,680	1,324	+90
Private Sector Housing	1,260	-1,071	189	0
Community Safety	755	-81	674	0
Housing and Com. Safety (Gen Fund)	21,521	19,853	1,668	+90

- 5 The Housing and Community Safety service are forecasting a small variance of £90k at quarter 1 on general fund.

- 6 Housing Options and Homelessness includes the front-line services provided to those in need of housing support, the provision of hostels at Peasholme and Howe Hill as well as homelessness initiatives. It is currently assumed the funding will be fully spent with the increasing energy costs at the hostels resulting in a small pressure of c£90k.

Housing Revenue Account

- 7 The Housing Revenue Account is forecasting a nil variance. The table below provides a more detailed breakdown along with commentary below.

Activity area	2022/23 Net Budget	Forecast 2022/23	Variance
	£'000	£'000	£'000
Repairs & Maintenance	8,270	8,270	0
General Management	7,313	7,043	-270
Special Services	3,391	3,391	0
Other Expenditure	17,387	17,107	-280
Dwelling rents	-33,244	-32,874	+370
Non-Dwelling Rents	-456	-456	0
Charges for Services	-1,854	-1,674	+180
Other Income	-460	-460	0
Total	347	347	+0

- 8 The Housing Revenue Account budget for 2022/23 was set as a net surplus of £1,917k. There were carry forwards of £2,264k agreed as part of the outturn report meaning the revised budget stands at £347k deficit. Overall, the account continues to be financially strong and is forecasting a nil variance against this revised budget.
- 9 Repairs are currently reporting a nil variance at quarter 1, however the impact of developing inflationary pressures with regard to materials, fuel, national wage negotiations, and increased usage of sub-contractors resulting from recruitment and retention challenges within the in-house trades teams, are being closely monitored.
- 10 There is a forecast shortfall in dwelling rental income of £370k due to the level of voids. Glen Lodge currently has around 30 empty properties pending the refurbishment works, this also has an impact on the service charges income. These pressures will be offset by the teams carrying vacant posts and the bad debt provision budget remains at a prudent

level. The adjustment to the provision at year end is forecast to be lower than budget by c£80k.

- 11 At the time of writing the Monitor 1 report the impact of utility (gas and electricity) inflation was not quantified. There will be significant costs arising at James House, Independent Living and Sheltered Housing properties. This will be incorporated into the Monitor 2 report but will lead to a cost pressure on the HRA.
- 12 The HRA working balance position as at 31st March 2022 was £29.57m. The HRA projected outturn position means the working balance will reduce to £29.2m at 31st March 2023. This compares to the balance forecast within the latest business plan of £29.15m.
- 13 The working balance has been increasing in order to start repaying the £121.5m debt that the HRA incurred as part of self-financing in 2012. The current business plan assumes that reserves are set aside to enable to the debt to be repaid over the period 2023/24 to 2042/43.

Performance – Service Delivery

- 14 In spite of the many challenges that the organisation and City has faced over the last two years, performance across the wider organisation, not just the Council plan indicators, has continued to remain high and continues to compare favourably when benchmarked against other areas with similar characteristics to York. Whilst Covid and the actions taken to tackle the global pandemic have in places affected performance in the short-term, the general pattern for data and information monitored by the Council is that levels of resident and customer satisfaction, timeliness and responsiveness, as well as various directorate and service based indicators, have remained positive.
- 15 It is likely that due to impacts of COVID, a number of the Council Plan indicators will continue to see a change both in terms of their numbers and their direction of travel in future reporting periods. The majority of the performance measures within the Council Plan have a lag between the data being available, and the current reporting period and therefore impacts will not be immediately seen, and may occur over several years as new data becomes available.
- 16 Over recent months, the cost of living has continued to rise, due in part to the following:
 - The Office for Budget Responsibility (OBR) forecast inflation to be above 7% until at least Q1 2023-24. For 2022-23, the OBR forecast inflation to average 8%, more than double its previous forecast of

3.7%. Inflation reached 9.1% in May 2022, which indicates that inflation for Q2 2022 will almost certainly surpass the forecast. In response to higher inflation, interest rates have been raised from a low of 0.1% to 1.25% in mid June 2022.

- In the year to May 2022, domestic gas prices increased by 95% and domestic electricity prices by 54%, due in part to a return of global gas demand as pandemic restrictions are lifted and lower than normal production of natural gas.
- In a mid-June report, the Institute of Grocery Distribution anticipated annual food price inflation to be around 11% in 2022, peaking at 15% this summer.
- Benefits increased by 3.1% in April 2022, which is less than the current (and expected) level of inflation.

17 This crisis will have an impact on residents, particularly those from lower income families, and businesses in the city. A number of performance indicators across all eight council plan themes will be affected in the short term, with both financial and reputational impacts. These indicators will be monitored and reported on through performance management framework processes over the coming months.

18 The Executive for the Council Plan (2019-23) agreed a core set of strategic indicators to help monitor the council priorities and these provide the structure for performance updates in this report. The indicators have been grouped around the eight outcome areas included in the Council Plan. Some indicators are not measured on a quarterly basis and the DoT (Direction of Travel) is calculated on the latest three results whether they are annual or quarterly.

19 Relevant performance items around the Council plan topics “Creating homes and World-class infrastructure” and “Safe communities and culture for all” are reported below, as historically other topics in the Council plan are reported to the other various scrutiny setups.

Creating homes and World-class infrastructure						
	Previous Data	Latest Data	DoT	Frequency	Benchmarks	Data Next Available
Net Additional Homes Provided - (YTD)	622 (2020/21)	402 (2021/22)	➡	Bi-annual	Not available	2022/23 mid year data available in November 2022
Net Housing Consents - (YTD)	1,133 (2020/21)	327 (2021/22)	➡	Bi-annual	Not available	2022/23 mid year data available in November 2022
Number of homeless households with dependent children in temporary accommodation - (Snapshot)	31 (Q2 2021/22)	27 (Q3 2021/22)	⬆ Bad	Quarterly	Not available	Q4 2021/22 data available in August 2022
Average number of days to re-let empty properties (excluding temporary accommodation) - (YTD)	74.41 (2021/22)	94.67 (Q1 2022/23)	⬆ Bad	Monthly	Not available	Q2 2022/23 data available in October 2022
Energy efficiency - Average SAP rating for all Council Homes	70.60 (2019/20)	70.60 (2020/21)	➡	Annual	Not available	2021/22 data available in November 2022
Number of new affordable homes delivered in York	130 (2020/21)	224 (2021/22)	⬆ Good	Quarterly	Not available	Q1 2022/23 data available in August 2022
Average broadband download speed (Mb/s)	147.1 (2020/21)	159.3 (2021/22)	➡	Annual	National Data 2021/22 82.6	2022/23 data available in September 2022
Superfast broadband availability	94.13% (2020/21)	95.53% (2021/22)	➡	Annual	National Data 2021/22 95.86%	2022/23 data available in September 2022

The DoT (Direction of Travel) is calculated on the latest three data points whether they are annual or quarterly.
All historic data is available via the Open Data Platform

New Additional Homes Provided

20 Between 1st April 2021 and 31st March 2022 there were a total of 402 net housing completions. Some of the main developments have been;

- 403 homes were completed on traditional housing sites;
- 5 homes were lost through changes to other uses;
- Changes of use of existing buildings to residential use and conversions to existing residential properties accounted for 40 (10%) of all completions, and
- Development sites including the York St John University Playing Fields, Windmill Lane (69), Lowfield School site (68 – inclusive of one self-build plot) and the Germany Beck site in Fulford (65), all provided notable completions during the monitoring period, whilst 72 homes were completed on sites providing 5 homes or less.

Net Housing Consents

21 Housing approvals between 1st April 2021 and 31st March 2022 totalled 327 net additional homes. This total represents a fall compared to the high level of approvals achieved over the last four years where more than eleven hundred homes had been consented annually. However, during the full monitoring year a further 247 net new homes had the benefit of a resolution to grant permission subject to the signing of a legal agreement. 970 homes on land allocated for housing in the draft Local Plan are subject to an appeal decision later this summer. In contrast, a number of previously approved developments had overall totals reduced by 128 homes during the monitoring period that impacted on the overall figures.

22 The main features of the consents approved during the full 2021/22 monitoring period were;

- 307 of all net homes consented (93.9%) were granted on traditional (Use Class C3) housing sites;
- Notable housing schemes were approved at the Former York City Football Club, Bootham Crescent (93), Burnholme Community Hub (83) and Former Duncombe Barracks site (34);
- A further 104 student cluster flats at Mecca Bingo, 68 Fishergate, 83 homes at Eastfield Lane, Dunnington and 48 homes at Cherry Tree House, 218 Fifth Avenue had a resolution to grant planning permission subject to legal agreements prior to 31st March 2021. These are in addition to the 327 homes with full approval;
- An application on Land North of Monks Cross that is allocated within the draft Local Plan (ST8) for 970 homes went to appeal in January 2022 due to non-determination and a decision from the SoS is anticipated later this summer. Indications are that CYC Planning Committee would have approved this scheme if the Local Plan had been adopted.

Number of homeless households with dependent children in temporary accommodation

23 The latest available data shows that there are 27 homeless households with dependent children in temporary accommodation at the end of Q3 2021-22. This figure remains higher than normal, although it is a slight reduction from Q2, but it should be noted that these figures are snapshot figures and therefore may fluctuate between the snapshot dates.

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

24 The average number of days to re-let empty Council properties (excluding temporary accommodation) was 95 days at the end of Q1 2022-23.

25 The Building Services department continues to experience significant challenges associated with the national issues of significant competition for skilled tradespeople and the shortage of building materials. This is in addition to the service continuing to work through the pent up demand for the service following the full release of lockdown restrictions. At the start of the calendar year, an "Action Plan" was created to support improvement through these challenges and positive impacts are now being seen with the number of empty council homes reducing by 16 in the last four working weeks of the quarter, as well as a further 19 homes have had works completed and have been passed across for re-letting. The total number of void properties at the end of Q1 2022-23 was 94, which although still very high, has reduced from a peak of 152 at the end of Q2 2021-22. The effect of these actions will not be reflected in Q1 figures, but should be seen in an improvement in Q2 figures.

Energy efficiency – Average SAP rating for all Council Homes

26 No update since the Q3 2021-22 Monitor as annual data. Data for 2021-22 will be available in November 2022.

Number of new affordable homes delivered in York

27 The number of new affordable homes delivered in York remains high, with 224 delivered during 2021-22. This is a large increase on the 130 delivered during 2020-21.

Superfast broadband availability/Average broadband download speed (Mbs)

28 In 2021-22, 95.53% of properties in York had access to superfast broadband, which compares to 94.13% in 2020-21. This increase can be attributed to the Council’s continued work with service providers to improve infrastructure.

29 The average broadband download speed in York in 2021-22 was 159.3 Mb/s, which compares to 147.1 Mb/s in 2020-21 and 56.1 Mb/s in 2019-20. The national benchmark download speed is 82.6 Mb/s in 2021-22. This data is provided by an Ofcom panel of consumers so should be treated as an indication rather than actual figures.

Safe Communities and culture for all						
	Previous Data	Latest Data	DoT	Frequency	Benchmarks	Data Next Available
% of Talkabout panel satisfied with their local area as a place to live	84.38% (2021/22)	84.73% (Q1 2022/23)	➔	Bi-annual	Community Life Survey 2020/21 79%	Q3 2022/23 data available in January 2023
All Crime per 1000 population	52.4 (2020/21)	6.7 (May 2022)	➔	Monthly	National Data 2021/22 86.3	Q1 2022/23 data available in August 2022
Number of Incidents of ASB within the city centre ARZ	1,276 (2021/22)	78 (May 2022)	⬇ Good	Monthly	Not available	Q1 2022/23 data available in August 2022

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

30 Results from the Q1 2022-23 Talkabout survey showed that 83% of the panel were satisfied **with York** as a place to live, a decrease from 85% in Q3 and 88% in Q1 of 2021-22. 85% were satisfied with **their local area** which is consistent with results from Q1 and Q3 2021-22. A slight decline in satisfaction with the local area can be seen over recent years but York continues to perform well against the latest national figures of 79% (Community Life Survey 2020-21) and 78% (Local Government Association Poll February 2022).

All Crime per 1000 population

31 Overall crime levels in York for 2021-22 show that levels have risen slightly since 2020-21 and are back to pre-pandemic levels (67.4 in 2021-22 and 66 in 2019-20). Figures for April and May 2022 suggest that overall crime levels are remaining stable.

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

- 32 There were 1,276 incidents of anti-social behaviour during 2021-22, compared to 1,410 in 2020-21, and continues the year-on-year reduction seen since 2018-19. The figures of 82 and 78 for April and May 2022 suggest that this reduction may continue into 2022-23.

Annexes

- 33 All performance data (and approximately 1,000 further datasets) within this document is made available in machine-readable format through the Council's open data platform at www.yorkopendata.org under the "performance scorecards" section.

Consultation

- 34 Not applicable.

Options

- 35 Not applicable.

Council Plan

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

Implications

- 37 The implications are:
- **Financial** are contained throughout the main body of the report.
 - **Human Resources (HR)** There are no HR implications related to the recommendations
 - **One Planet Council / Equalities** Whilst there are no specific implications within this report, services undertaken by the council make due consideration of these implications as a matter of course.
 - **Legal** There are no legal implications related to the recommendations
 - **Crime and Disorder** There are no crime and disorder implications related to the recommendations
 - **Information Technology (IT)** There are no IT implications related to the recommendations
 - **Property** There are no property implications related to the recommendations
 - **Other** There are no other implications related to the recommendations

Risk Management

- 38 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

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Wards Affected: All		✓	
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Glossary of Abbreviations used in the report:

ASB	Anti Social Behaviour
CYC	City of York Council
HRA	Housing Revenue Account
OBR	Office for Budget Responsibility
SAP	Standard Assessment Procedure