

Report of the Corporate Director of Economy and Place

2022/23 Finance and Performance Monitor Q2

Summary

1. This report provides details of the Q2 2022-23 monitoring position for both finance and performance across Housing & Community Safety. The paper incorporates data to September 2022, which was reported to Executive on 22 November 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 Analysis Q2 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	5,024	-3,680	1,344	0
Private Sector Housing	1,259	-1,071	189	0
Community Safety	756	-81	675	0
Housing and Com. Safety (Gen Fund)	21,541	19,853	1,688	0

5. The Housing and Community Safety service are forecasting a nil variance at quarter 2 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. There are pressures arising from increased energy costs at the two general fund hostels however it is considered that these can be offset from savings arising from staffing vacancies and maximising the use of external funding.

Housing Revenue Account

7. The Housing Revenue Account is forecasting an overspend of c £2m in 2022/23 compared to the original budget. 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	8,870	600
General Management	6,843	6,613	-230
Special Services	3,391	4,341	950
Other Expenditure	17,857	17,724	-133
Dwelling rents	-33,244	-32,692	552
Non-Dwelling Rents	-456	-422	34
Charges for Services	-1,854	-1,617	237
Other Income	-460	-460	0
Total	347	2,357	+2,010

8. The Housing Revenue Account budget for 2022/23 is a deficit of £347k. The rising cost of utilities is having a significant impact on the HRA budgets as well as other inflationary rises such as the pay award and the cost of materials and repairs, with the overall forecast being £2m above the budget.
9. The cost of repairs to council housing stock has risen since the start of the year due to these inflationary increases in materials, sub-contractor costs and fuel rises. In addition, the agreed pay award has contributed to the increased labour costs of the in-house workforce. As the level of these increases are higher than was forecast when the budget was set, the Repairs Team are expecting a pressure on the cost of maintaining our housing stock of around c£600k in 2022/23. The team are working to increase the number of jobs that are completed on the first visit to improve

efficiencies and reduce sub-contractor spend in order to mitigate this increase.

10. Rental income for general needs properties is forecast to be £552k below budget due to the number of void properties across the portfolio. A third of these properties are long term voids, such as Glen Lodge and Bell Farm, where the properties are awaiting large scale capital works. The number of voids outside this category has decreased from 140 in June to 110 in October 2022, meaning more voids are being returned to re-let, than the number of empty properties received, each week.
11. The cost of gas and electric have increased far higher than the original forecast creating a pressure of c£800k above budget and the pay award is forecast to be a further £170k above the budget, meaning overall the HRA is forecasting a deficit position of £2.357m.
12. When taking out one-off expenditure items relating to revenue contributions to capital, the HRA is forecasting an operational loss of £600k in the year which is unsustainable in the long term. This will need to be addressed as part of the 2023/24 budget process. The Government have also completed a consultation on whether to cap rent increases in 2023/24 and 2024/25 to protect residents against the potential cost of rent increases. Whilst this could be seen as good news for residents (particularly those not in receipt of benefits), if the measure is not supported from government funding, this will put significant pressure on the HRA going forward as costs increase quicker than income. This will lead to savings being required from the HRA in future years.
13. The HRA working balance position as of 31 March 2022 was £29.57m. The HRA projected outturn position means the working balance will reduce to £27.2m on 31 March 2023. This compares to the balance forecast within the latest business plan of £29.15m. The current HRA debt totals £149m.
14. 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

15. 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.

16. 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.
17. 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.
18. 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)	402 (2021/22)	337 (at Q2 2022/23)	➡	Bi-annual	Not available	2022/23 data available in June 2023
Net Housing Consents - (YTD)	327 (2021/22)	467 (at Q2 2022/23)	➡	Bi-annual	Not available	2022/23 data available in June 2023
Number of homeless households with dependent children in temporary accommodation - (Snapshot)	10 (2020/21)	28 (2021/22)	⬆️ Bad	Quarterly	Not available	Q1 2022/23 data available in November 2022
Average number of days to re-let empty properties (excluding temporary accommodation) - (YTD)	94.67 (Q1 2022/23)	77.65 (Q2 2022/23)	➡	Monthly	Not available	Q3 2022/23 data available in January 2023
Energy efficiency - Average SAP rating for all Council Homes	70.60 (2020/21)	70.60 (2021/22)	➡	Annual	Not available	2022/23 data available in September 2023
Number of new affordable homes delivered in York	35 (Q1 2022/23)	3 (Q2 2022/23)	⬇️ Bad	Quarterly	Not available	Q3 2022/23 data available in January 2023
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 2023
Superfast broadband availability	94.13% (2020/21)	95.53% (2021/22)	➡	Annual	National Data 2021/22 95.86%	2022/23 data available in September 2023

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

19. Between 1 April 2022 and 30 September 2022 there were a total of 337 net housing completions. This represents a near return to pre-pandemic levels of housing completions and the figures are similar to those achieved in both 2018 and 2019 for the same 6-month monitoring period. However, this year's figures are heavily influenced by the completion of 232 student flats at Frederick House, Fulford Road and with labour and materials shortages still being experienced by housebuilders, these factors continue to affect housing delivery rates throughout the authority area.
20. Some of the main features of the housing completions have been;
 - 232 student cluster flats were completed at Frederick House, Fulford Road in time for the new academic year;
 - 107 homes were completed on housing sites;
 - A total of 319 new build homes were completed whilst 3 homes were demolished;
 - Individual sites that saw the construction of five or less dwellings contributed an additional 42 homes, and
 - Development sites at the Germany Beck site in Fulford (40) and the Former Lowfield School site (16) were the most significant individual sites that provided housing completions, whilst the first completions at the Former Civil Service Club, Boroughbridge Road (4) also took place.

Net Housing Consents

21. Planning applications determined between 1 April 2022 and 30 September 2022 resulted in the approval of 467 net additional homes. Compared to last year's update covering the same equivalent monitoring period this represents a return to a level of consents needed to meet our housing requirement.
22. The main features of the consents approved were;
 - 261 of all net homes consented (55.9%) were granted on traditional (Use Class C3) housing sites;
 - Sites granted approval for traditional (Use Class C3) housing included Development Site Hospital Fields Road and Ordnance Lane (85), Os Field 2800 Eastfield Lane Dunnington (83), and Cherry Tree House 218 Fifth Avenue (48);
 - Approval was granted for two privately managed student accommodation developments that totalled 208 'cluster' flats at Mecca Bingo (68) Fishergate (104) and Alton Cars York Ltd 3 James Street (104) and represents 44.5% of all approvals over the monitoring period;

- A further 158 homes in Copmanthorpe were approved through a resolution to grant consent by councillors with the application being referred to the Secretary of State for determination;
- 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 Secretary of State is imminent. Indications are that CYC Planning Committee would have approved this scheme if the Local Plan had been adopted, and
- A further application for circa 300 homes at Huntington South Moor, New Lane also went to appeal in January and has been sent to the Secretary of State for consideration. CYC do not support this site for development.

Number of homeless households with dependent children in temporary accommodation

23. The latest available data shows that there were 28 homeless households with dependent children in temporary accommodation at the end of 2021-22 which is 57% of total households in temporary accommodation, an increase from 33% at the start of the year. The national figures for England consistently showed throughout 2021-22 that around 62% of households in temporary accommodation were households with children. With increasing costs of living and demand for new housing the figures may suggest York is catching up to the national picture in this area although still a little below the benchmark. 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 78 days at the end of Q2 2022-23. Although still high, this has reduced from 108 days at the end of May 2022.
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. The total number of void properties at the end of September 2022 was 89, which although still very high, has reduced from a peak of 152 at the end of Q2 2021-22.

Energy efficiency – Average SAP rating for all Council Homes

26. The provisional average SAP rating for all Council homes in 2021-22 is 70.6. This is primarily based on our stock condition survey of 2019. A large scale stock appraisal exercise is underway as part of development of an energy efficiency and retrofit strategy for council homes, a process which includes work with carbon reduction analysts, Parity Projects Portfolio, to model energy performance, and identify the most cost-effective route to net-zero. One key output of this work will be a detailed analysis of multiple sources of energy performance data, however further property surveys are needed in order to update the current estimate. It is also noted that the numerous sources that have been utilised to date in this exercise support this estimate.

Number of new affordable homes delivered in York

27. There were 224 new affordable homes delivered in York during 2021-22 which was a large increase on the 130 delivered during 2020-21.
28. During the first six months of 2022-23 there have been 38 new affordable homes delivered which is a large reduction from previous years. A further 120 affordable homes completions are currently expected during 2022-23, which would constitute a total of 158 in the year. It is important to note that significant change is possible in the final outturn where, for example, unanticipated site or market factors result in some delay to completion beyond the financial year end.
29. There is a significant future pipeline of affordable homes with planning permission in place across the council's own newbuild development programme and section 106 planning gain negotiated affordable housing. Inclusive of applications with a resolution to approve from Planning Committee, there are around 950 affordable homes identified in approved planning applications. The progress ranges from sites that are being built out currently to others with substantial infrastructure or remediation challenges to resolve prior to development. Over 350 of these have progressed through detailed planning, either as a Full application or Reserved Matters. The remainder are at Outline stage, with more uncertainty on timescales and final delivery levels, including the York Central affordable housing contribution.

Superfast broadband availability/Average broadband download speed (Mbs)

30. In 2021-22, 95.5% of properties in York had access to superfast broadband, which compares to 94.1% in 2020-21. This increase can be attributed to the Council's continued work with service providers to improve infrastructure.

31. 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	18 (Q1 2022/23)	6.5 (August 2022)	↑ Bad	Monthly	National Data 2021/22 86.3	Q2 2022/23 data available in November 2022
Number of Incidents of ASB within the city centre ARZ	245 (Q1 2022/23)	255 (Q2 2022-23)	↓ Good	Monthly	Not available	Q3 2022/23 data available in January 2023
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						

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

32. Talkabout panel surveys are run twice a year in Q1 and Q3 and therefore there is no update in this monitor. Previous data is shown within the table.

All Crime per 1000 population

33. Overall crime levels in York for 2021-22 showed that levels had risen slightly since 2020-21 and were back to pre-pandemic levels (67.4 in 2021-22 and 66 in 2019-20). Figures for 2022-23 up to the end of August suggest that overall crime levels are remaining fairly stable. Data for Q2 2022-23 will be available by the end of November 2022.

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

34. There were 1,276 incidents of anti-social behaviour within the city centre alcohol restriction zone during 2021-22, compared to 1,410 in 2020-21, and continues the year-on-year reduction seen since 2018-19. Figures for the first half of 2022-23 (500) indicate that this reduction is continuing.
35. Across the city as a whole, there were 1,351 calls for service recorded by North Yorkshire Police linked to anti-social behaviour during Q2 2022-23. This is lower than during the same reporting period in previous years (1,704 in Q2 2021-22 and 2,105 in Q2 2020-21).

Annexes

36. 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

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 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

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

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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
SAP	Standard Assessment Procedure