
Meeting of Executive Members for City Strategy and Advisory Panel

7 June 2006

Report of the Director of City Strategy

2005/06 Planning & Transport Finance & Performance Outturn Report

Purpose of Report

- 1 This report presents two sets of data from the City Strategy Directorate
 - a) the outturn figures for revenue expenditure and capital expenditure for the Planning and Transport portfolio,
 - b) outturn (2005/06) performance against target for a number of key indicators that are made up of:
 - Best Value Performance Indicators owned by Planning and Transport
 - Customer First targets (letter answering)
 - Staff Management Targets (sickness absence)

Background

- 2 This is the first outturn report to combine financial and service performance information to be brought to City Strategy EMAP. This is a key improvement emerging from the Transforming York project. It should be noted that the figures are provisional and may be adjusted. However, significant changes are not anticipated to be made.
- 3 The performance data included is that which is reported as part of the Council plan each year.

Management Summary

Financial Overview

- 4 The provisional revenue outturn for the Planning & Transport portfolio was £11,940k against a budget of £11,975k an underspend against core budgets of £35k and represents 0.1% compared to the portfolio's gross budget. It should be noted that the above budget includes an additional allocation of £21k to fund the initial costs of the Heslington East Public Inquiry which is funded from a £500k budget allocation in 2006/07. The

public inquiry budget is therefore reduced to £479k in 2006/07 The overall position is summarised below

	P&T
	£000
Latest Budget	11,975
Provisional Outturn	<u>11,940</u>
Gross Underspend	<u>-35</u>
% Of Latest Gross Budget	<u>-0.1%</u>

- 5 The Executive Member has received three monitoring reports during the year and has been kept informed of expenditure and income trends for the portfolio. The last report was presented to the Planning & Transport EMAP on 28th February 2006 covering the period upto 31st January 2006. This showed a projected outturn of £12,055k compared to a budget of £12,112k , a net underspend of £57k. Members will note therefore that the provisional outturn underspend is at a similar level to that projected.

The financial position shown by service plan is shown below

	Expend Budget £000	Income Budget £000	Net Budget £000	Projected Outturn £000	Var'n £000	% of gross exp
City Development & Transport	24,079	12,993	11,086	10,929	-157	-0.7
Planning	3,530	2,841	668	903	+214	6.1
Emergency Planning	141	0	141	112	-29	-20.4
Licensing and Regulation	183	183	0	0	0	0
Resource & Business Manag't	3,843	3,784	59	-4	-63	-1.6
PLANNING & TRANSPORT	<u>31,776</u>	<u>19,801</u>	<u>11,975</u>	<u>11,940</u>	<u>-35</u>	<u>-0.1</u>

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

- 6 At the third monitoring report (P&T 28th February 2006) an underspend of £57k was projected (0.2% of gross expenditure). Given the small projected underspend no specific action was recommended however it was stated that budgets would be closely monitored with the intention of managing overall expenditure within budget.
- 7 The overall outturn position shows a provisional £35k underspend. Details of the major variances are shown in the sections below whilst

overall budget summary is shown in detail in Annex 1 and further details of the variations are shown in Annex 2.

Performance Overview

- 8 There are some marked improvements in service performance compared to 2004/05, particularly in relation to:
- planning application indicators BVPI 109a, b and c
 - BVPI 102 Local bus services (passenger journeys per year)
 - BV205 The percentage score against the Quality of Service Checklist (development control)
 - all enquiries at reception are dealt with within 10 minutes, and this has consistently been the case since 2002/03
- 9 Key area where the directorate failed to achieve the target in:
- COLI 33 the percentage of street lamps not working as planned
- 10 Set out below is more detailed information on performance in each service plan area.

City Development & Transport

Financial Overview

- 11 The provisional outturn shows an underspend within the City Development and Transport Service Plan of £-157k, or -0.7% of the gross expenditure budget. A detailed analysis of the revenue budget variances is shown in Annex 1. The key reasons for the underspend are:
- Parking Income shortfall of £126k. This is an improved position from the £263k reported at Monitor 2.
 - Saving on parking expenditure £-204k
 - Staffing savings across the service plan area £-185k
 - Additional costs of Local Transport Plan £75k
 - Additional public transport support costs £63k
 - Additional costs incurred developing Local Development Framework £38k
 - Savings on Concessionary Fares £-61k
 - Highways Maintenance underspend £-33k
 - Other net overspends £24k

Car Parking

- 12 The table below shows detail of income from Car Parking to 31st March 2006 compared to the budget and the 2004/05 outturn.

	Income to 31 st March 2004/05 £'000	Income to 31 st March 2005/06 £'000	2005/06 Budget £'000	Variance to budget £'000	%
Short Stay	2,084	1,999	2,264	265	11.7
Standard Stay	3,351	3,360	3,339	-21	-0.6
On Street	416	437	412	-25	-6.1
Respark Income / Season Tickets	660	691	652	-39	-5.9
Total	6,511	6,487	6,667	180	2.7

- 13 The table shows that the outturn shortfall was £180k compared to budget (2.7%). This compares to a projected shortfall of £263k at Monitor 3. There has been an improvement therefore of £83k in the last two months of the year. Members will note that whilst income from the short stay car parks is below that assumed in the budget, income at standard stay car parks and on-street parking was higher than budget. The primary reason for the shortfall appears to be migration from City Centre car parks to Park & Ride where numbers have significantly increased over the past year (up by 14% in the financial year). However income from car parks improved during a busy Christmas period and this continued through the first three months of the calendar year. Part of the increase is due to the closure of the private car park at Dundas Street.
- 14 There was also additional income from Penalty Charge Notices £25k (against a budget of £762k (3.2%)), staff parking £16k and other miscellaneous income £13k. Total income from the parking account was therefore £126k below budget.
- 15 Significant savings of £204k were achieved on parking expenditure. There was a freeze on the improvement budget (£-34k), operating savings from Shambles Car Park (£-41k), savings on operating leases coming to an end (£-46k) as well as savings on bank charges and legal fees (£-36k). Careful management of office expenses and IT also provided savings (£-38k). There was a further £9k saving from the final repayment of the Decriminalised Parking Venture Fund Loan during the year.

- 16 In summary therefore the improved shortfall through the year in conjunction with operational savings led to an overall underspend in the parking account of £78k.

Highway Maintenance

- 17 There was an overall underspend of £33k on highway maintenance however this included a transfer of £219k to capital that was agreed following the first monitoring report. The real overspend therefore was £186k.
- 18 The reason for the overspend was due to additional costs of both street lighting energy and maintenance. The energy budget shows an overspend of £170k due to energy price increase of 58% compared to 2004/05 costs. Whilst budgets were increased due to forecast energy rises these did not cover the actual extent of the increase. Unfortunately the extent of this overspend was only identified in March upon receipt of the bills from the energy company. There were overspends on the maintenance budget due to vandalism in the western part of the city where a large number of street lights were pulled down or severely damaged (£+42k). There was also vandalism at the Millennium bridge where every deck light was damaged beyond repair. To ensure the bridge could be safely used in the dark it was necessary to repair at a cost of £19k. A higher than normal level of knockdowns and structural failures across the city involving approximately a further 30 further street lights resulted in further expenditure of £27k. There were also costs of £75k associated with the need to complete the inventory of lighting stock in the city to enable the Council to negotiate a better price for its energy in the future. This has been a significant exercise and unfortunately it was not possible to self fund these costs in 2005/06. To reduce future impact of these price increases it is proposed to use the results of the inventory to tender for a lower energy charge.
- 19 There were also a number of savings in the Highway Maintenance budget that offset the above overspends predominantly on footway repairs and gully emptying.

Performance Overview

- 20 Performance indicators on the City Development & Transport service plans are attached as Annex 3.
- 21 There are a number of key indicators on these service plans that are not reported here. This is because they are reported to the Environment and Sustainability EMAP.
- 22 Performance indicators showing areas of concern and success are reported on an exception basis below.

PI Description	04/05 outturn	05/06 target	05/06 actual	04/05 vs 05/06	Actual vs. Target
BVPI 106 – The percentage of new homes built on previously developed land	98%	65%	96.39 %	✘	✓
COLI 33 - % of streetlamps not working as planned	0.77%	0.55%	0.78%	✘	✘
BVPI 215a – The average time taken to repair a street lighting fault, where the response time is under the control of the local authority	New PI	2 days	1.06 days	-	✓
BVPI 215b – The average time taken to repair a street lighting fault, where the response time is under the control of the DNO	New PI	35 working days	18.6 working days ¹	-	✓
BVPI 102 - Local bus services (passenger journeys per year)	15 million	12.46 million	16.99 million	✓	✓
BVPI 165 – Percentage of pedestrian crossings with facilities for disabled people	99%	100%	100%	✓	✓
LTP A3(i) - Park & Ride usage - total passengers	2.35 million	2.18 million	2.68 million	✓	✓

23 For BVPI 106 (% of new homes built on previously developed land) the performance of 96.39% for 2005/06 year end exceeds the government set target (65%) due to the large number of homes built on brown field sites that have come forward in recent years. In comparison with 2004/05 data this indicator is performing in the top quartile in comparison with other authorities and above the 2004/05 national average of 73.69%. In future years the percentage of new homes built on previously developed land may achieve levels closer to the 65% target set in Planning Policy Guidance 3 (March 2000) should greenfield sites allocated for housing gain consent for development. This indicator is to be included on the indicators for the Environment CPA2 scorecard.

24 COLI 33 (% of street lights not working as planned) end of year performance is 0.78% and therefore has not met its of 0.55%. Vandalism is significantly contributing to the performance of this indicator, for example, 70 columns were pulled down between October 2005 and March 2006 alone. A further contribution to the increase in percentage is the difference in the numbers of streetlighting columns between 2004/05 (18,666) and 2005/04 (17,335). The new inventory has shown that the Council has fewer street lighting columns (1,331) than previously thought.

¹ Please note that there is currently no information available for quarter 1 2005/06. Consequently this figure is based on quarter 2, quarter 3 and quarter 4 data only.

Therefore each single fault equates to a higher percentage. The number of faults for the last two years are 4514 (2004/05) and 4547 (2005/06). As can be see there is only a small increase of 33 in the number of faults.

- 25 Two BVPIs were introduced by the ODPM for 2005/06 regarding street lighting. These are BVPI 215a and 215b (The average time taken to repair a street lighting fault, where the response time is under the control of the a) local authority b) DNO (Distribution Network Operator)). Targets have been set according to the expected levels of performance set out in the contracts regarding repairs to street lighting faults. Both indicators have exceeded the targets set for them.
- 26 BV102 Local bus services (passenger journeys per year) 2005/06 year end performance of 16.99 million exceeds the target set of 12.46 million and 2004/05 performance of 14.34 million. Performance can be attributed to improved and increased bus services, bus reliability, an enhanced bus infrastructure and better waiting facilities.
- 27 BV165 percentage of pedestrian crossings with facilities for disabled people has achieved its 2005/06 target of 100%. This is an improvement upon the 2004/05 year end figure of 99%. Compared to national 2004/05 year end data, this indicator is in the top quartile and is performing above the national average of 87%.
- 28 LTP A3i Park and Ride usage has a 2005/06 year end figure of 2.68million total passengers. This exceeds 2004/05 performance of 2.35 million and the 2005/06 target of 2.18 million.
- 29 The Customer First figures show that City Development and Transport answered 98% of 1473 letters in 2005/06 within the Councils 10 days standard. This exceeds the corporate target of 95%.
- 30 2005/06 year end sickness absence for City Development & Transport is 13.06 days per FTE. Performance misses the corporate 2005/06 year end target of 12 days per FTE.

Planning and Sustainable Development

Financial Overview

- 31 The provisional outturn identifies an overspend within the Planning and Sustainable Development service plan area of £214k, or 6.1% of the gross expenditure budget. A detailed analysis of the revenue budget variances is shown in Annex 1. The key reasons for the underspend are:
 - £105k shortfall in planning income. There has been a reduction of 271 in the number of applications during the financial year compared to 2004/05.
 - £45k additional expenditure on Development Control expenditure. This has been incurred by employing additional temporary staff and consultants as part of the Development Control Improvement Plan plus additional operating costs.

- £126k shortfall in Land Charges income. The slowdown in the housing market has continued into 2005/06 and as a result the number of applications received in the section is lower than that required to balance the budget. Included in this is a £18k additional cost of electronic searches.
- £-12k additional Building Control Income. The buoyancy in the market has continued resulting in additional income.
- £-57k second tranche of Planning Delivery Grant.
- Other net overspends £7k

32 The final overspend of £214k compares to a projected overspend of £201k at Monitor 3. The primary reason for the shortfall is the lower than anticipated income from Development Control and Land Charges. Whilst fee levels for Development Control increased from 1st April 2005 the reduction in applications and the low level of major applications (attracting the biggest fee) is impacting the budget.

Performance Overview

33 The indicators on the Planning and Sustainable Development service plan are attached as Annex 4. Where appropriate indicators are reported below in more detail.

PI Description	04/05 outturn	05/06 target	05/06 actual	04/05 vs. 05/06l	Actual vs. Target
BVPI 109a % of major planning applications determined within 13 weeks	38.46%	57.00%	62.90%	✓	✓
BVPI 109b % of minor planning applications determined within 8 weeks	61.12%	65.00%	67.27%	✓	✓
BVPI 109c % of other planning applications determined within 8 weeks	81.65%	80.00%	84.37%	✓	✓
BV205: Percentage score against Quality of Service Checklist (development control)	78%	78%	94%	✓	✓

34 The 2005/06 year end performance figure for BVPI 109a (major applications) of 62.90% represents 39 out of 62 applications being determined within 13 weeks. The indicator has achieved 62.90%, which betters the set target of 57% and the 2004/05 outturn of 38.46%. In relation to the national 2004/05 outturns, York are performing above the average of 57.64%

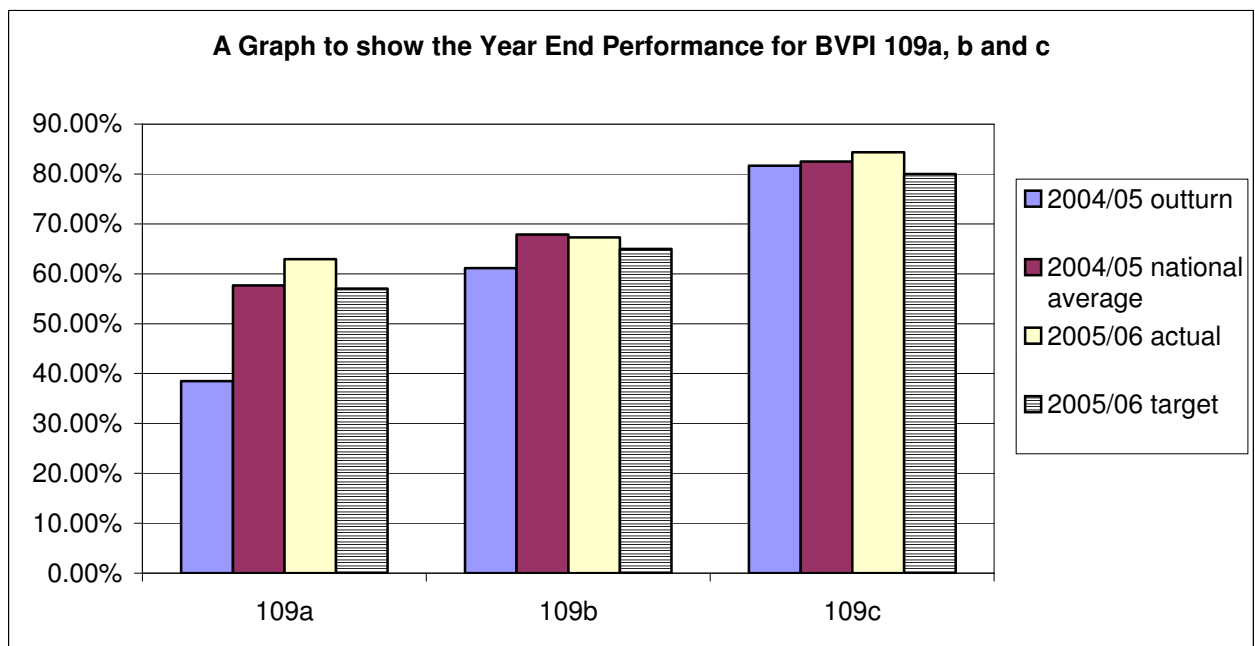
35 BVPI 109b (minor applications) 2005/06 year end figure of 67.27% meets the set target of 65% and represents 374 out 556 applications that were determined within 8 weeks. The 2005/06 performance betters the 2004/05 outturn of 61.12% and is just under the national 2004/05

average of 67.85%. Though 109b has met the set target it was anticipated that a higher level of performance would be achieved for 2005/06. This can be attributed to several factors:

- staffing turnover and vacancies amongst more experienced officers who would deal with more complex minor applications
- remaining experienced staff were focused on ensuring all new major applications were dealt with in time, given this category was a main area of concern
- requirements for negotiations to provide affordable housing and open space contributions (under the 4th set of Changes to the local plan, introduced in April 2005), combined with the ongoing need to take all housing applications over one dwelling to Committee, meant many minor applications were delayed.

36 BV109c (other applications) has achieved a 2005/06 year end figure of 84.37% which exceeds the target of 80%. This represents 1366 out of 1619 applications were determined in 8 weeks. This indicator also exceeds the 2004/05 year end performance of 81.65% and the 2004/05 national average of 82.48%. It is a significant achievement to have met this target because the government raised it from 73% in 2004/05 to 80% in 2005/06. Performance was sustained and maintained through the year to ensure potential Planning Delivery Grant for the following year is maximized because there are greater rewards for those authorities exceeding the target by higher margins.

37 The performance of these three indicators is represented graphically in the chart below:



38 In planning, the recruitment and retention of temporary staff prior to more permanent staffing changes coming forward will give vital extra capacity in the second half of the assessment year (January 2006 - June 2006). This, along with other procedural changes, should see the development

Control raise performance out of Standards Authority status and maintain performance above the national targets as required by the ODPM.

- 39 BVPI205 (percentage score against Quality of Service Checklist) achieved 94% (scoring 17 out of a possible 18 points.) This exceeds the target of 78%, the 2004/05 national average of 78.8% and in relation to 2004/05 national outturns, the authority is performing in the top quartile.
- 40 The Customer First figures show that Planning and Sustainable Development answered 81% of 503 letters in 2005/06 within the Councils 10 days standard. This falls below the 95% target set by the Council. This reflects workload levels, staff resource issues and the need to prioritise planning application processing to meet ODPM targets.
- 41 2005/06 year end sickness absence for Planning and Sustainable Development is 9.19 days per FTE. Performance is better than the corporate 2005/06 year end target of 12 days per FTE.

Emergency Planning

Financial Overview

- 42 The provisional outturn shows an underspend of £29k within the Emergency Planning Service Plan area. The saving was primarily due to a staffing vacancy held in the section.

Performance Overview

- 43 Emergency Planning has no indicators with performance information to report on to date in 2005/06 except for staff absence. There are no issues relating to sickness absence for Emergency Planning.

Licensing & Regulation

Financial Overview

- 44 The Planning & Transport Portfolio includes the budget for Taxi Licensing which is managed within the Licensing and Bereavement Services service plan area. The account which is a ring-fenced trading account was in balance during the year.

Resource and Business Management

Financial Overview

- 45 The provisional outturn shows an underspend of £63k within the Resource & Business Management Service Plan area or 1.6% the gross expenditure budget. A detailed analysis of the revenue budget variances is shown in Annex 1.

- 46 The primary reason for this underspend is staff savings and an underspend on staff training budgets. There was also savings on printing and equipment costs.
- 47 It should be noted that Resource & Business Management also provided support to Economic Development (Leader) and Environment & Sustainability within the financial year.

Performance Overview

- 48 The performance indicators on the service plan for Resource and Business Management are attached as Annex 5. This service plan holds the cross cutting performance information for the directorate of Environment and Development Services; for example, indicators relating to Health and Safety, Human Resources, Customer First and Finance. These figures have been provided without in depth analysis for information (as in previous P&T EMAP reports).
- 49 The Customer First figures show that Resource and Business Management answered 100% of all letters in 2005/06 within the Councils 10 days standard. This betters the 95% target set by the Council.
- 50 2005/06 year end sickness absence for Resource and Business Management is 4.02 days per FTE. Performance is significantly better than the corporate 2005/06 year end target of 12 days per FTE.

Portfolio Capital Programme

- 51 The Planning & Transport capital programme is comprised of nearly 300 schemes and has a budget of £10,104k. The budget is funded from a number of sources including the Local Transport Plan, Government Grants, Developer contributions and CYC capital resources as detailed below.

	Total £000s
LTP element	5,956
Government Grant	30
Developer and other contribs	1,398
CYC resources	2,720
Total	10,104

- 52 The detailed update on the outturn position is reported elsewhere on this agenda. However, brief details of the budget allocations and provisional outturn are set out below:

	<u>Monitor 3 Budget £000s</u>	<u>Provisional Outturn £000s</u>
Park and Ride Schemes	690	836
Public Transport Schemes	1,630	1,859
Traffic Management Schemes	287	372

Safety Schemes	597	480
School Schemes	463	632
Outer Ring Road Schemes	125	90
James St. Link Road	1,200	1,092
Pedestrian Schemes	287	285
Cycling Schemes	371	346
Travel Awareness	40	0
Residual Schemes	150	76
LTP Structural Maintenance	1,417	1,387
CYC Structural Maintenance	2,609	2,559
Royal Ascot Legacy	32	32
City Walls	206	225
Total	10,104	10,271

Replacement Foss Islands Depot	9,131	2,749
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- 53 The provisional outturn shows an overspend of £167k (1.7%) compared to budget. The LTP allocation from the government was fully utilised and the final overspend is funded from additional developer contributions.

	<u>Monitor 3</u> <u>Budget</u> <u>£000s</u>	<u>Provisional</u> <u>Outturn</u> <u>£000s</u>
Local Transport Plan	5,956	5,956
Government Grants	30	16
Developer Contributions	1,398	1,609
CYC Capital	2,720	2,690
Total	10,104	10,271

Conclusions

Financial Overview

- 54 The provisional outturn position for the portfolio shows an underspend of £35k for the financial year. This underspend has been achieved despite shortfalls in key income budgets primarily parking and development control and a significant increase in energy bills for street lighting.
- 55 It is important to consider the outturn position in terms of whether any variances highlighted are of a recurring nature that will effect 2006/07. The shortfall of parking income and the shortfall of Land Charges income have been addressed in the 2006/07 budget. The overspend on street lighting energy is being addressed by using the completed inventory to obtain a cheaper electricity price. There are concerns however that further increases in energy prices may mitigate any savings. The ongoing downturn in planning applications will also require detailed monitoring to ensure any continued shortfall in income can be managed within the City Strategy budget.
- 56 The capital programme was overspent by £167k which has been funded from additional developer contributions. Further details on the capital

outturn are shown in another report on the agenda.

Performance Overview

- 57 Performance on key Best Value Indicators is improving in particular in relation to planning. Customer first targets are generally being achieved or exceeded, with problem areas remaining in Planning and Sustainability letter answering.

Consultation

- 58 The report is primarily an information report for Members and therefore no consultation has been undertaken regarding the contents of the report.

Options

- 58 The report is primarily an information report for Members and therefore no specific options are provided to Members regarding the contents of the report.

Implications

Financial

- 59 The report provides details of the portfolio revenue and capital outturn and therefore implications are contained within the report

Human Resources

- 60 There are no significant human resources implications within the report.

Equalities

- 61 There are no significant equalities implications within the report.

Legal

- 62 There are no significant legal implications within the report.

Crime and Disorder

- 63 There are no significant crime and disorder implications within the report.

Information Technology

- 64 There are no significant Information Technology implications within the report.

Property

- 65 There are no significant property implications within the report.

Other

- 66 There are no other implications within the report.

Risk Management

- 67 The report is primarily a look back at finance and service performance and therefore there are no significant risks in the content of the report. Paragraph 55 considers issues following on from the outturn position where overspends may recur into future years.

Recommendation

- 68 That the Advisory Panel advise the Executive Member for City Strategy to approve the financial and performance position of the portfolio.

Reason – In accordance with budgetary and performance monitoring procedures

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Report Approved Date 24th May 2006

Bill Woolley
Director of City Strategy

Report Approved Date 24th May 2006

Wards Affected:

All

For further information please contact the author of the report

Background Documents:

2005/06 Budget Monitoring files held in City Strategy Finance
2005/06 Closedown Files held within City Strategy
Performance Management Framework held by Business and Policy Development

Attached Annexes

Annex 1 Expenditure by Service Plan
Annex 2 Service Variations against budget
Annex 3 City Development and Transport Performance Indicators
Annex 4 Planning & Sustainable Development Perf. Indicators
Annex 5 Resource & Business Management Performance Indicators