

**Council**

**23 March 2023**

**Report of the Deputy Leader**

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**2023/24 Council Budget**

For many too many of our residents and small businesses the financial pressures brought about by the current Cost of Living crisis will be uppermost in their minds but it also remains a concerning time for local government, as demonstrated by the recent budget setting process.

Over a decade of Government funding cuts have left local councils short changed, especially those like York close to the bottom of the spend per head of population. Despite the rhetoric of some Ministers that baseline spending for local government has increased, this is rather the re-allocation of existing funding, potential one-off grants, and the assumption of Council Tax increases we are forced to make. Once again, our budget will move forward without a multi-year settlement and no long-term certainty around funding streams.

Despite these challenges, our 2023/24 Council Budget WILL work to protect crucial services as far as possible and maintain progress against key priority areas, such as developing our carbon reduction action plan and Transport Strategy, decarbonising our housing stock, investing in social work, and delivering new affordable homes. Beyond the £19 million added to the revenue budget, a further £1 million will be specifically targeted to support our local communities during these difficult times. This will include:

- £250,000 to support residents in the current Cost of Living Crisis;
- £100,000 to support recovery of residents facing substance misuse problems;
- £100,000 to promote better mental health and wellbeing and provide support to those residents with autism;

- £100,000 to incentivise the use of public transport locally to ensure the local bus network can recover from the effects of covid/ cost of living on local travel;
- And £50,000 to continue the existing winter maintenance of key cycle and pedestrian routes

The recently agreed Budget also continues to the £480 million Capital Programme, driving regeneration, and supporting city's economic recovery from carbon reduction schemes to school upgrades and building zero carbon affordable homes. There is much to welcome in the capital programme, and I am pleased that these proposals continue those vital schemes.

### **Devolution:**

Following the debate and vote at Full Council, work will continue to progress the devolution deal, with the aim of creating the mayoral combined authority later in 2023 in preparation for Mayoral elections in May 2024

At a time where public sector funding is so scarce, the deal includes over half a billion for York and North Yorkshire - over the next 30 years. This funding would be transferred to us by central government and crucially, it is only available through this deal.

The metro mayor model is not the format we would have chosen but the reality is that if we want to secure that investment in our city, and really scale up our ability to support residents, tackle the climate emergency, and deliver new homes - this was clearly the only deal on the table. Now that the new combined authority is taking shape we have an opportunity to build a constructive relationship with our colleagues in North Yorkshire, to ensure York's priorities and best interests are cemented in the development of that new organisation. As we have seen recently with Active Travel England moving into West Offices, we have an excellent opportunity to host the Combined Authority in York and I would very much support this as a way to cement close working relationships with N Yorkshire colleagues.

## **10 Year Vision for Transport and Consultation:**

As I'm sure many people will have seen, the Executive has approved the Draft Local Transport Strategy for consultation, following the work of officers and a cross-party working group of councillors. The document is very much the starting point for examining the implications and suggests a range of interventions which could be used to tackle congestion and pollution and transform York transport network over the next decade.

This work follows the Our Big Conversation consultation in 2021, which sought the views of residents, businesses, and communities on what they want York to look like in 10 years. The document has also been developing using the data analysis and modelling undertaken for the Local Plan Examination in Public in 2022, and for the Climate Change Strategy.

The draft strategy is based around 5 major challenges. These are:

- Reaching net zero carbon emissions by 2030 (with personal transport being one of the three biggest sources of emissions)
- Strengthening the economy post-COVID-19
- Improving the health and wellbeing of residents (with active travel being a key opportunity for daily exercise)
- Accommodating the housing development set out in the Local Plan
- Addressing the existing transport challenges in York, notably congestion, road danger and pollution.

This draft strategy will tie in with the more detailed strategies for walking and cycling in our emerging LCWIP, the Bus Service Improvement Plan and the Climate Change Strategy to achieve a reduction of 71% in York's transport carbon emissions.

Over the coming months, the council will embark on a citywide conversation to hear ideas and suggestions from residents, businesses, commuters, and communities on the Draft Local Transport Strategy. The 'Big Transport Conversation' will be delivered over several stages, starting with a series of webinars to discuss initial ideas which could be added to the plan. Later this year, the council will carry out a detailed consultation, including holding stakeholder roundtables to progress the strategy.

The first four 4 webinars, with speakers from the council, York Civic Trust, other local authorities and city transport and travel partners will take place shortly. These webinars are the start of this important citywide conversation. These are helping to frame some key themes that offer 'quick wins' by boosting alternatives to car travel and acknowledging the fact that just 20% reduction in the number of journeys by car would deliver a significant benefit for all road users.

Together, we can rise to the challenge of achieving carbon net zero by 2030, encourage more active travel by making it a safer and more attractive option and deliver a transport plan which sets out a range of measures to reduce the city's carbon footprint and make sure our environment is protected for future generations to enjoy. Whilst York was recently announced as being amongst only 122 cities across the world to be awarded an A rating for climate action leadership by the Carbon Disclosure Project, we know we have a lot of work to do across the city to achieve our ambitions.

Of course, such a big challenge requires the city to work together, sharing ideas and solutions that can help people move around the city more easily whether walking, scooting, cycling, travelling by bus or in a car or van. We will provide a wide range of options over the coming months to give everyone the opportunity to have a say, starting with these webinars, so I would encourage everyone to get involved in this important conversation.

### **Bus services**

Important work has been progressing with the establishment of the Enhanced Partnership to take forward our Bus Service Improvement plan, despite the challenges of driver shortages, reduced patronage and difficulties securing parts that is facing all bus operators around the country. The stakeholder forum has now had two meetings and agreed a process for regular interaction with the Partnership Board members.

In response to notification intended termination of services from operators, short term bus service contracts have been let for the services 412, 12 and 13 services and the network thereby maintained until the end of this month. Longer term contracts for these services have been tendered and submissions received for all services for

commencement on 31 March 2023. As per the delegation officers have reviewed those tenders made decisions.

Separate from this work, City of York Council has been successful in securing funding to develop and enhance our local bus provision. Zero emissions bus grants of £11.3m have been awarded in the last 12 months. The council was also successful in attracting £17.5m funding through central government's National Bus Strategy, which has enabled the services mentioned about to be retained. Though the Local Plan process a series of network enhancements have been identified to support new developments in York. We have also begun the process of supporting York's Dial a Ride service, operated by York Wheels promoting the door to door offer using new minibuses funded by City of York Council. A successful engagement event in January has been undertaken as part of a study to introduce a city centre shuttle. 14. Improvements to York's bus network are also important elements of a number of major projects in York, particularly York Station Frontage, Castle Gateway and York Central. As reported to Executive last week in the project plan, we have identified £10.66m of capital projects and £6.7m of revenue spending to help upgrade our local bus network and offer.

### **Local Cycling and Walking Infrastructure Plan:**

York's Local Cycling and Walking Infrastructure Plan (LCWIP), which will identify the city's key walking and cycling networks to prioritise how improvements are delivered, will proceed to the next phase of consultation, following the local elections.

The LCWIP will be used to help identify and prioritise strategic network improvements for cyclists and pedestrians and will sit alongside the Bus Service Improvement Plan and the Local Transport Strategy – all of which will feed into the emerging LTP4.

The improvements outlined in the LCWIP will help encourage people to consider active travel as an alternative to driving for many short journeys in the city. This in turn will help to reduce congestion and improve air quality.

Two public consultation stages were planned as part of the LCWIP process. The first stage, on the proposed priority list for sections of cycle route and walking zones, was undertaken in mid-February with a range

of stakeholders, including councillors, parish councils and other groups in the city.

The second stage will be on the high-level concept proposals for each of the ten priority cycle links and the four key walking zones, and this will take place with a wider range of stakeholders following local elections, alongside the Local Transport Strategy consultation.

The consultants developing the LCWIP identified the list of some of the top priority cycle links and core walking zones for further high-level design work and to enable costings to be calculated, which can then be used in funding bids.

The list includes links north and south of the A1237 Outer Ring Road between Strensall and Huntington, a link between the large development sites at York Central and British Sugar, areas around the University of York and routes linking to the city centre and a route between the station and hospital. Walking zones will include enhancements to the Station Gateway and Castle Gateway proposals, better access to York Hospital and the two Universities.

### **Local Plan and CIL Consultation:**

A consultation on the final modifications of the Local Plan is now taking place, ahead of when the final plan is then submitted to the inspectorate for approval. The 6-week Local Plan Proposed Main Modifications Consultation will outline the minor modifications to the Local Plan requested by the inspector.

At the same time, key stakeholders, neighbouring authorities, residents, and businesses are being asked for their views on proposals to introduce a Community Infrastructure Levy.

This will result in significant investment in local communities where new developments are built in York. Schemes on which the money can be spent include transport infrastructure, flood defences, schools, hospitals and other health and social care facilities, open spaces, cultural and sports facilities, district heating schemes and other community safety facilities.

The Levy should allow greater flexibility and certainty than existing Section 106 agreements, because it is non-negotiable, meaning development costs can be more readily calculated.

With the Local Plan now entering its final stage, it's essential that we set the right approach to delivering the homes and business spaces set out in the plan. The Community Infrastructure Levy will enable us to deliver the right infrastructure for our local communities, alongside the new homes York needs to support the city's sustainable growth.

### **Further Funding for Net-Zero Projects:**

York has been awarded £65,000 to spend on building projects designed to help reduce carbon emissions and reach net-zero.

York was one of only 30 places in the country to receive the new funding, which is being awarded for innovative approaches to delivering net-zero. It is anticipated that the funding will be used this spring and summer on measures tailored to the specific needs and characteristics of buildings across the city, in partnership with Brightsparks, Energy Systems Catapult, University of York, and Abundance Investment.

The funding has come from Phase One of Innovate UK's Net Zero Living programme. Innovate UK, part of UK Research and Innovation, which will invest up to £2 million in innovation projects.

This is an exciting opportunity and further evidence that York is at the forefront of net-zero innovation and progress. I would like to thank our staff and partners who have brought this Net-Zero Living programme funding to York and I would encourage property owners in the newly identified action zones to work with us to take advantage of this boost to our net-zero ambitions.

### **Apprenticeships continue to increase:**

I would like to welcome the increased number of apprenticeships in York, which continues to increase following the pandemic, according to data for the 21/22 academic year.

This data shows that more than 1150 residents entered apprenticeships in 2021/2022, an increase of 15% on the previous year. Though the figure remains lower than pre-pandemic, the increasing uptake is

something to be welcomed, with the largest increase seen amongst 16–18-year-olds - 31% up on the previous year.

Apprenticeships, alongside other training and development schemes, continue to play an significant role in supporting the city's economic recovery, providing opportunities for those entering the workforce or those who need to reskill or upskill.

To date, York has a wide range of apprenticeships available in a variety of key sectors and levels, including early years, professional services, IT and digital, rail engineering and life sciences, and of course, at the Council. At the end of 2022, the council had 81 active apprentices working at the authority or in maintained schools.

These figures are a testament to the work that has been done by our teams, local businesses, and partners to strengthen the number of apprenticeships locally. This is incredibly important in helping the city's economic recovery and providing better employment chances for our residents.