

## Notice of meeting of

### Executive

<b>To:</b>	Councillors Waller (Chair), Steve Galloway, Sue Galloway, Moore, Reid, Runciman and Vassie
<b>Date:</b>	Tuesday, 7 October 2008
<b>Time:</b>	2.00 pm
<b>Venue:</b>	The Guildhall, York

### AGENDA

#### Notice to Members - Calling In:

Members are reminded that, should they wish to call in any item on this agenda, notice must be given to Democracy Support Group by:

**10:00 am on Monday 6 October 2008**, if an item is called in *before* a decision is taken, *or*

**4:00 pm on Thursday 9 October 2008**, if an item is called in *after* a decision has been taken.

Items called in will be considered by the Scrutiny Management Committee.

#### 1. **Declarations of Interest**

At this point, Members are asked to declare any personal or prejudicial interest they may have in the business on this agenda.

## **2. Exclusion of Press and Public**

To consider the exclusion of the press and public from the meeting during consideration of the following:

Annex B to Agenda Item 11 (Capital Programme – Monitor One) on the grounds that it contains information relating to the financial and business affairs of any particular person (including the authority holding that information). This information is classed as exempt under paragraph 3 of Schedule 12A to Section 100A of the Local Government Act 1972 (as revised by The Local Government (Access to Information) (Variation) Order 2006).

## **3. Minutes (Pages 3 - 12)**

To approve and sign the minutes of the meeting of the Executive held on 23 September 2008.

## **4. Public Participation**

At this point in the meeting, members of the public who registered their wish to speak regarding an item on the agenda or an issue within the Executive's remit can do so. The deadline for registering is **5:00 pm on Monday 6 October 2008**.

## **5. Executive Forward Plan (Pages 13 - 14)**

To receive details of those items that are listed on the Executive Forward Plan for the next two meetings.

## **6. Attendance Management Update (Pages 15 - 22)**

This report provides an update on the implementation of the new Attendance at Work policy, procedures and guidelines, and indicates progress on a number of strategic approaches to maximise attendance and further the reductions in sick absence levels throughout the Council.

## **7. Adopted Regional Spatial Strategy and Partial Review (Pages 23 - 38)**

This report describes the background to the development of the recently adopted Regional Spatial Strategy (RSS), summarises its key points and highlights key issues for York. The report then outlines the purpose and key timescales for the Partial Review of

the RSS which has now commenced to address the challenges coming out of the Housing Green Paper. The report seeks approval of the response made by officers to the Call for Evidence, which is the first stage of the review process.

**8. Transformation of Community Transport Services** (Pages 39 - 52)

This report updates the Executive on progress to date on the transformation partnership to improve City of York Council community transport provision, improve service quality and make significant efficiency savings.

**9. Corporate Customer Strategy** (Pages 53 - 124)

This report sets out the draft Corporate Customer Strategy for shaping by Members.

**10. First Performance and Financial Monitor - 2008/09** (Pages 125 - 190)

This report provides details of the headline performance issues from the performance monitor period for 2008/09. It also builds on this to present the latest projection of the Council's revenue income and expenditure for the current year.

**11. Capital Programme - Monitor One** (Pages 191 - 210)

This report informs Members of the likely outturn position of 2008/09 Capital Programme based on the spend profile and information to August 2008. It informs the Executive of any under or overspends and seeks approval for any resulting changes to the programme, details any slippage and seeks approval for the associated funding to be slipped to or from the financial years to reflect this, and outlines the funding position of the capital programme, taking account of the current capital receipts forecasts for the three year capital programme.

**12. Urgent Business - Consultation response to the Home Office green paper on the future of Policing** (Pages 211 - 218)

Any other business which the Chair considers urgent under the Local Government Act 1972.

The Chair has agreed to consider under this item a report which seeks approval for a proposed response to the Government Green Paper *From the Neighbourhood to the National: Policing our Communities Together*. The report was published with this agenda on 6 October 2008. The matter is urgent because the deadline for responses to the Green Paper is 10 October 2008.

Democracy Officer:

Name: Fiona Young

Contact details:

- Telephone – (01904) 551027
- E-mail – [fiona.young@york.gov.uk](mailto:fiona.young@york.gov.uk)

For more information about any of the following please contact the Democracy Officer responsible for servicing this meeting:

- Registering to speak
- Business of the meeting
- Any special arrangements
- Copies of reports

Contact details are set out above.

## About City of York Council Meetings

### Would you like to speak at this meeting?

If you would, you will need to:

- register by contacting the Democracy Officer (whose name and contact details can be found on the agenda for the meeting) **no later than 5.00 pm** on the last working day before the meeting;
- ensure that what you want to say speak relates to an item of business on the agenda or an issue which the committee has power to consider (speak to the Democracy Officer for advice on this);
- find out about the rules for public speaking from the Democracy Officer.

**A leaflet on public participation is available on the Council's website or from Democratic Services by telephoning York (01904) 551088**

### Further information about what's being discussed at this meeting

All the reports which Members will be considering are available for viewing online on the Council's website. Alternatively, copies of individual reports or the full agenda are available from Democratic Services. Contact the Democracy Officer whose name and contact details are given on the agenda for the meeting. **Please note a small charge may be made for full copies of the agenda requested to cover administration costs.**

### Access Arrangements

We will make every effort to make the meeting accessible to you. The meeting will usually be held in a wheelchair accessible venue with an induction hearing loop. We can provide the agenda or reports in large print, electronically (computer disk or by email), in Braille or on audio tape. Some formats will take longer than others so please give as much notice as possible (at least 48 hours for Braille or audio tape).

If you have any further access requirements such as parking close-by or a sign language interpreter then please let us know. Contact the Democracy Officer whose name and contact details are given on the order of business for the meeting.

Every effort will also be made to make information available in another language, either by providing translated information or an interpreter providing sufficient advance notice is given. Telephone York (01904) 551550 for this service.

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### **Holding the Executive to Account**

The majority of councillors are not appointed to the Executive (38 out of 47). Any 3 non-Executive councillors can 'call-in' an item of business from a published Executive (or Executive Member Advisory Panel (EMAP)) agenda. The Executive will still discuss the 'called in' business on the published date and will set out its views for consideration by a specially convened Scrutiny Management Committee (SMC). That SMC meeting will then make its recommendations to the next scheduled Executive meeting in the following week, where a final decision on the 'called-in' business will be made.

### **Scrutiny Committees**

The purpose of all scrutiny and ad-hoc scrutiny committees appointed by the Council is to:

- Monitor the performance and effectiveness of services;
- Review existing policies and assist in the development of new ones, as necessary; and
- Monitor best value continuous service improvement plans

### **Who Gets Agenda and Reports for our Meetings?**

- Councillors get copies of all agenda and reports for the committees to which they are appointed by the Council;
- Relevant Council Officers get copies of relevant agenda and reports for the committees which they report to;
- Public libraries get copies of **all** public agenda/reports.

City of York Council

Committee Minutes

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MEETING	EXECUTIVE
DATE	23 SEPTEMBER 2008
PRESENT	COUNCILLORS WALLER (CHAIR), STEVE GALLOWAY, SUE GALLOWAY, REID, RUNCIMAN AND VASSIE
APOLOGIES	COUNCILLOR JAMIESON-BALL
IN ATTENDANCE	COUNCILLOR MOORE

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**70. DECLARATIONS OF INTEREST**

Members were invited to declare at this point in the meeting any personal or prejudicial interests they might have in the business on the agenda.

No interests were declared.

**71. MINUTES**

RESOLVED: That the minutes of the Executive meeting held on 9 September 2008 be approved and signed by the Chair as a correct record.

**72. PUBLIC PARTICIPATION**

It was reported that there had been no registrations to speak at the meeting under the Council's Public Participation Scheme.

**73. EXECUTIVE FORWARD PLAN**

Members received and noted details of those items that were currently listed on the Executive Forward Plan for the next two meetings of the Executive.

**74. JOINT STRATEGIC NEEDS ASSESSMENT FOR YORK**

Members received a report which introduced the Joint Strategic Needs Assessment (JSNA) for York, which was intended to summarise what was known about health and wellbeing across the City and make recommendations for future action. It asked them to accept the findings in the report, make recommendations for inclusion in future versions of the JSNA and agree how those recommendations which related to City of York Council should be taken forward.

The report presented the following options for the future implementation of the recommendations in the JSNA:

- Option 1 – To support the inclusion of those recommendations that relate to the work of the Council in future versions of the Corporate Strategy and Directorate Plans;
- Option 2 – To ask the Healthy City Board, as a sub-board of the Without Walls Local Strategic Partnership, to ensure that the recommendations are implemented.

The Executive Member for Housing & Adult Social Services announced the establishment of a £10k fund aimed at promoting independence and wellbeing for York residents. Groups would be able to apply during the course of the next year for grants of up to £1k which may be used, for instance, to establish new day clubs, to set up leisure activities aimed at older people or to provide minor health related activities. After the initial funding it would be expected that the activity would be self supporting.

- RESOLVED:
- (i) That the findings of the Joint Strategic Needs Assessment be endorsed;
  - (ii) That Option 1, the inclusion of those recommendations that relate to the work of the Council in future versions of the Corporate Strategy and Directorate Plans, be approved.<sup>1</sup>

REASON: To ensure priorities are embedded within Council business.

Action Required

1 - To include the recommendations in the Corporate Strategy and Directorate Plans. SB

**75. CYCLING CITY STRATEGY**

Members received a report which asked them to approve a draft strategy and action plan for submission to Cycling England, following the success of the Council's bid for cycling city status and associated grant funding.

Officers clarified that the first sentence of paragraph 17 of the report should read, "The Council is looking to be an exemplar for cycling in England, rather than continental cities providing examples of best practice".

The Executive Member for City Strategy explained that, at this stage in the project, the Council would be giving car users a "blank sheet of paper" opportunity to explain what would encourage them to switch to cycling, and announced that this consultation page was now available on the Council's website and would be followed up later with a more structured, door to door questionnaire.

Members highlighted that the initiatives included in the project had to be deliverable within the resources and timescales available, and also noted



the need to continually monitor and assess the effectiveness of existing green travel plans in the city.

Members thanked officers for their work on the strategy and action plan.

- RESOLVED:
- (i) That the submission to Cycling England of the strategy and action plan contained within the report be approved;<sup>1</sup>
  - (ii) That, in order to get the initiative off to a good start, officers be instructed to prioritise improvements for 2008/09 that can be achieved quickly (eg: cycle margin upgrades, cycle path illumination studs, increased numbers of cycle stands);<sup>2</sup>
  - (iii) That officers be requested to monitor and report back on the effectiveness of existing green travel plans in the city.<sup>3</sup>

REASON: To ensure the project is formally agreed and to enable the grant funding to be accessed, thus allowing progress to continue on the project.

Action Required

- 1 - To submit the strategy and action plan; SL
- 2 - To prioritise improvements that can be achieved quickly; SL
- 3 - To report back on the effectiveness of existing green travel plans. SL

**76. OUTER RING ROAD IMPROVEMENT OPTIONS**

Members received a report which presented the results of a study of the projected performance of the Outer Ring Road, provided options for improvements to be included in a proposed Access York Phase 2 bid to the Regional Transport Board (RTB) and sought approval in principle to submit a bid to the RTB.

The report presented the following options for improving the Outer Ring Road:

Option	Description
Do Nothing	Current 2008 Layout
Option A (Do Minimum)	Do Minimum (Planned at grade improvements to A59 & Hopgrove + minor works at Wetherby Road, 3 new Park & Ride sites)
Option B1	Selected at grade improvements (all junctions from Wetherby Rd to Clifton Moor + Haxby Road)
Option B2	Selected at grade improvements (all junctions from Wetherby Road to Strensall Road)

Option B3	At grade improvements at all junctions (Copmanthorpe to Hopgrove (HA Scheme))
Option C1	Selected at grade improvements (all junctions from Wetherby Rd to Strensall Rd) + dual carriageway Wetherby Rd to Clifton Moor
Option C2	At grade improvements at all junctions + dual carriageway Wetherby Rd to Clifton Moor
Option D	Grade separated junctions from A59 to A19 + at grade improvements at all other junctions + dual carriageway Wetherby Rd to Clifton Moor.
Option E	Grade separated junctions from A59 to A19 + at grade improvements at all other junctions + dual carriageway Wetherby Rd to Haxby Rd.
Option F	Grade separated junctions from A59 to Haxby Rd + at grade improvements at all other junctions + dual carriageway Wetherby Rd to Haxby Rd.
Option G	Grade separated junctions from Wetherby Rd to Haxby Rd + at grade improvements at all other junctions + dual carriageway entire length
Option H	Grade separated junctions and dual carriageway to entire length
Option I	Relief road Wetherby Road to Hopgrove. Access to relief road at Wetherby Rd, A59, A19, Wigginton Rd, Hopgrove only

The report also detailed a range of citywide measures to encourage travellers to transfer to more sustainable modes of transport, which would be included in the bid to the RTB:

- Reallocation of road space to cyclists and pedestrians, particularly at junctions to remove pinch points on the cycle network in accordance with the principles of the Cycling City status, and generally improve the walking environment;
- Provision of bus priorities on remaining routes e.g. A19 Shipton Road;
- Expansion of the bus stop infrastructure programme;
- Provision of sections of an Orbital bus route (including interchanges);
- Orbital Cycle Route adjacent to Ring Road (Strensall Rd to Wigginton Rd);
- Improved/additional pedestrian/cycle crossings over the Ouse;
- Access restrictions to certain areas/routes such as Ouse Bridge;
- Extension to the 'footstreets';
- Expansion of 'virtual bus priority' using Bus Location and Information Sub-System;
- Further development of demand management measures such as the use of car parking charges;
- Development of the Urban Traffic Management Control system to lock-in benefits of reduced traffic;
- Other improvements to ease the flow of public transport.

Members noted that the report concluded that the dualling of the whole of the northern ring road was neither affordable under present rules nor would be likely to receive regional and national endorsement when compared to other bids for transport funding. They also noted that the

report concluded that it was imperative that major improvements were made particularly to the Wetherby Road to the A19 section of the ring road, in order to facilitate the economic growth that the York North West development would bring to the city.

- RESOLVED:
- (i) That the submission of an Access York Phase 2 bid for funding to the Regional Transport Board based upon a package of citywide measures and the Option B2 improvements to the Outer Ring Road (at grade improvements to all roundabouts from Wetherby Road to Strensall Road), for a total outturn cost of approximately £42m, be approved;<sup>1</sup>
  - (ii) That the requirement for preparatory costs of approximately £500k and a local contribution of approximately £5m if the scheme was approved by the Regional Transport Board and the Department for Transport be noted.
- REASON:
- (i) To enable funding to be obtained for improving the transport provision in York;
  - (ii) To enable the commitment to be include in future budgetary considerations.

Action Required

1 - To submit the bid.

SL

**77. MEDIUM TERM FINANCIAL STRATEGY 2009/10 TO 2011/12**

Members received a report which set out the Council's financial position for the next three years and potential options for bridging the gap between the expected budgetary position and the funding available, and sought endorsement of a number of longer term improvements to the financial planning and budget process to help to secure the Council's financial position in the future.

Paragraph 5 of the report set out the following fundamental principles of the future approach to the financial strategy and financial planning:

- It must be long term (a five year period for example), with a focus upon the strategic business objectives of the Council;
- It must be ongoing, the process of setting one years budget should begin almost immediately after the previous one has been set;
- There needs to be clear Member involvement;
- It must seek to redistribute resources to ensure alignment of priorities;
- It needs to be prudent and flexible to changes in circumstances;
- Clear targets need to be established over a number of years, with these subject to review;

- The strategy needs to be understood within the organisation and owned by senior managers;
- It needs to be informed by good information and understanding of the issues facing the Council;
- The strategy should incorporate an ongoing Corporate Efficiency Programme;

Paragraph 18 of the report discussed the need to kick start the efficiency programme and ensure it received the attention and focus required to deliver the savings. The Corporate Efficiency Programme would be led by the Director of Resources, but would require Corporate ownership throughout the organisation. Specifically it was proposed to:

- Create an officer Corporate Efficiency Board (CEB) who would oversee the delivery of the various projects supported by a dedicated team of officers;
- Procure an external performance partner to conduct a scoping exercise to identify areas where large efficiencies could be made, then look to implement a series of efficiency reviews. The procurement process would focus on the prospective partners' risk and reward model with the objective of having no risk to the Council and agreeing a rebate of fees if the efficiencies were not delivered. This approach had been used with the performance partners who were undertaking the review of client transport;
- Authorise the CEB to be responsible for the allocation of the £1m efficiency fund (subject to Council approval of the £1m being transferred from reserves).

Paragraph 23 set out the proposed approach to balancing the budget, which included:

- Controlling growth so that only the truly unavoidable was funded;
- Critically evaluating directorate requests for the reprioritisation of resources so that the Council's scarce resources were focussed in those areas that had the highest impact on its priorities;
- Requiring all Assistant Directors to identify potential efficiency savings within their areas;
- Requiring all Directors to identify potential efficiency savings or service reductions across their areas of responsibility;
- Bringing the achievement of additional income more clearly into the budget process;
- Identifying invest to save opportunities;
- Delivering on a programme of strategic efficiency reviews and strategic procurements based on that agreed by the Executive in September 2007;
- Utilising reserves and time limited funding to support one off initiatives.

- RESOLVED:
- (i) That the fundamental principles of the future approach to the financial strategy and financial planning, as highlighted in paragraph 5 of the report, be endorsed;<sup>1</sup>
  - (ii) That the approach to addressing the efficiency agenda, and specifically the procurement of a

performance partner to develop the process, supported by an officer board who will manage the £1m invest to save efficiency fund and manage the process, as set out in paragraph 18 of the report, be endorsed;<sup>2</sup>

- (iii) That the proposed approach to balancing the budget be formally adopted and the relevant savings targets be noted.<sup>3</sup>

REASON: To help to secure the Council's financial position in the future.

Action Required

- |  |    |
|--|----|
| 1 - To implement the future approach to financial strategy and financial planning; | SA |
| 2 - To procure a performance partner and establish an officer board;               | SA |
| 3 - To implement the approach to balancing the budget.                             | SA |

**78. WASTE MANAGEMENT STRATEGY 2008/2014 - REFRESH**

Members received a report which provided an update on the Waste Strategy approved by the Executive in October 2007, considered the impact of the Waste Strategy for England 2007, and recommended the adoption of a 50% recycling target for the City and action plans to achieve this.

The report highlighted the following areas for further development to make significant progress against Landfill Allowance Trading Scheme (LATS) and Household Waste recycling Act 2003 targets:

- Improving performance, quality and efficiency of existing services;
- Household Waste Recycling Centres permit scheme;
- Introduction of public space recycling facilities;
- Kitchen waste;
- Interim waste treatment to comply with LATS;
- Trading LATS permits in the market;
- Consideration of enforcement and policy issues.

Members highlighted the need to investigate ways to recycle other materials or expand doorstep collections to include materials, which could only be recycled at Household Waste Recycling Sites.

Members thanked officers for their work producing the report and the other related reports on the agenda, and recognised the significant part the citizens of York had played in increasing recycling rates.

RESOLVED: (i) That a target for Household Waste Recycling of 50% to be achieved by December 2010 be

approved and, in order to achieve this, the following also be approved (subject to budget approval):

- a) A three phase roll out of Kerbside Collections across the City;<sup>1</sup>
  - b) Measures to improve performance on existing recycling schemes, as detailed in the report;<sup>2</sup>
  - c) A policy of Alternate Week Collections across all households in the City by December 2010;<sup>3</sup>
- (ii) That further reports be received on the other issues raised in the report, namely:
- a) Feasibility of introducing food waste collection services – by April 2009;<sup>4</sup>
  - b) Alternative arrangements to meet landfill targets beyond 2010 – by April 2009;<sup>5</sup>
  - c) Measures to improve sustainability in local business waste management – by April 2009;<sup>6</sup>
  - d) Updates on progress on implementation of resolution (i) above – by April 2009;<sup>7</sup>
  - e) The feasibility of expanding the range of materials collected, such as a wider range of plastics and introducing enhanced doorstep collections of materials such as batteries and CDs – by April 2009.<sup>8</sup>

REASON:

- (i) In order to achieve compliance with the Household Waste Recycling Act 2003, improve service quality and meet the Landfill Targets for 2009/10, and minimize exceedence of the landfill target beyond that date;
- (ii) To determine additional actions needed to comply with Landfill Diversion Targets until the PFI solution is delivered, and to monitor costs.

Action Required

- 1 - To implement the roll out of kerbside collections across the city; KS
- 2 - To implement the measures to improve performance on existing recycling schemes; KS
- 3 - To implement the policy of Alternate Week Collections KS

across all households in the city;  
4 - To provide a further report; KS  
5 - To provide a further report; KS  
6 - To provide a further report; KS  
7 - To provide a further report; KS  
8 - To provide a further report. KS

**79. WASTE MINIMISATION STRATEGY AND ACTION PLAN 2008-2011**

Members received a report which sought approval for a comprehensive waste minimisation strategy and action plan for the period 2008 to 2011.

The report presented the options of setting targets for waste growth of -1%, 0%, 1% or 2%. A 1% target was proposed.

Members noted that food waste was one area where the choices that residents made could have a real impact on the amount of waste produced. The Love Food Hate Waste campaign showed that up to £500 per year could be saved by taking small steps to reducing food waste, while unavoidable food waste such as vegetable peelings could be reduced easily through home composting.

RESOLVED: (i) That the Waste Minimisation Strategy and Action Plan 2008-11 be approved<sup>1</sup> and that an annual update be received by the Executive.<sup>2</sup>

REASON: To contribute towards more sustainable waste management practice and reduce the City's reliance on landfill.

Action Required

1 - To implement the strategy and action plan; KS  
2 - To provide an annual update. KS

**80. HOUSEHOLD WASTE RECYCLING CENTRES - PERMITS AND CONTROLS**

Members received a report which asked them to consider introducing a permits scheme to help control trailers and the size of vehicles using the Council's Household Waste Recycling Centres, in order to reduce the level of illegal trade waste disposal and limit the amount of construction and demolition waste that can be disposed of at the sites.

The report presented the following options for consideration:

- Option 1 – A permit scheme for vehicles and trailers;
- Option 2 – Limiting the quantity of construction and demolition waste;
- Option 3 – To do nothing.

Members noted that it would also be important that the new permit scheme was well publicised with information provided through “Your Ward”, the Christmas collection arrangements leaflets and flyers to existing users of the sites.

RESOLVED: (i) That Option 1, the Household Waste Recycling Centres Vehicles and Trailers Permit Scheme Policy, be approved;<sup>1</sup>

(ii) That Option 2, the Household Waste Recycling Centres Construction and Demolition Waste Policy, be approved.<sup>2</sup>

REASON: (i) To allow the implementation of the permit scheme at all Household Waste Recycling Centres in York;

(ii) To allow the implementation of restrictions on the amount of construction and demolition waste entering all three Household Waste Recycling Centres in York.

Action Required

1 - To implement the policy;

KS

2 - To implement the policy.

KS

A Waller, Chair

[The meeting started at 2.00 pm and finished at 3.10 pm].



**EXECUTIVE FORWARD PLAN**

<b>Table 1: Items scheduled on the Forward Plan for the Executive Meeting on 21 October 2008</b>		
<b>Title &amp; Description</b>	<b>Author</b>	<b>Portfolio Holder</b>
<p><b>Edmund Wilson Pool, Thanet Road</b></p> <p><i>Members are asked to select a preferred developer to purchase the Edmund Wilson Pool site, for a food store development, following a market testing campaign. Any sale of the site will be subject to the developer obtaining a satisfactory planning permission for its development and the closure of the pool. The Edmund Wilson Pool is due to close in October 2009 when a new pool opens at York High School.</i></p>	John Urwin	Executive Leader
<p><b>Strategic Risk Register, Annual Risk Management Report &amp; Update on Risk Management Strategy</b></p> <p><i>To inform Members of identified strategic risks and actions taken to mitigate them. It is a regulatory requirement to report these to Members.</i></p>	David Walker	Executive Member for Corporate Services
<p><b>Thriving City Report Back</b></p> <p><i>Purpose of report: Members received a report "Future of York as a Thriving City" in July. This further report will update Members on actions that have been/will be undertaken in response to the recommendations in that report. There are potentially a city-wide range of beneficiaries from the business and individual focused measures covered. Some issues are already being addressed and others need to be implemented quickly to help counter the effects of the economic downturn.</i></p> <p><i>Members are asked to: Endorse the actions taken and comment further on proposals identified within.</i></p>	Simon Hornsby	Executive Member for City Strategy
<p><b>Accommodation Project – Site Options Appraisal</b></p> <p><i>Purpose of report: Is to present a range of options and recommendations in support of the provision of a new Council Headquarters following the</i></p>	Maria Wood	Executive Member for City Strategy

<p><i>withdrawal of the recent planning application for Hungate.</i></p> <p><i>Members are asked to: Approve a reduced number of site options to be taken forward for a more detailed feasibility study.</i></p>		
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**Table 2: Items scheduled on the Forward Plan for the Executive Meeting on 4 November 2008**

<b>Title &amp; Description</b>	<b>Author</b>	<b>Portfolio Holder</b>
<p><b>Child Poverty in York</b></p> <p><i>Purpose of report: In response to a recommendation at Full Council meeting in June 2008.</i></p> <p><i>Members are asked to: Note the current analysis of levels of child poverty in the city and targeted efforts to reduce it locally.</i></p>	Pete Dwyer	Executive Member for Children & Young People's Services
<p><b>Meals Provision in Elderly Persons' Homes</b></p> <p><i>Purpose of report: To inform Members of the proposal to change the meals service within Elderly Persons Homes with effect from 1st April 2009. This will affect residents of elderly persons homes.</i></p> <p><i>Members are asked to: Approve the recommendations in the report to change the provision of and procurement of meals and catering within EPHs.</i></p>	Val Sutton	Executive Member for Housing and Adult Social Services

**Table 3: Items slipped on the Forward Plan with the agreement of the Group Leaders**

<b>Title &amp; Description</b>	<b>Author</b>	<b>Portfolio Holder</b>	<b>Original Date</b>	<b>Revised Date</b>	<b>Reason for Slippage</b>
<b>None</b>					



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**Executive**7<sup>th</sup> October 2008

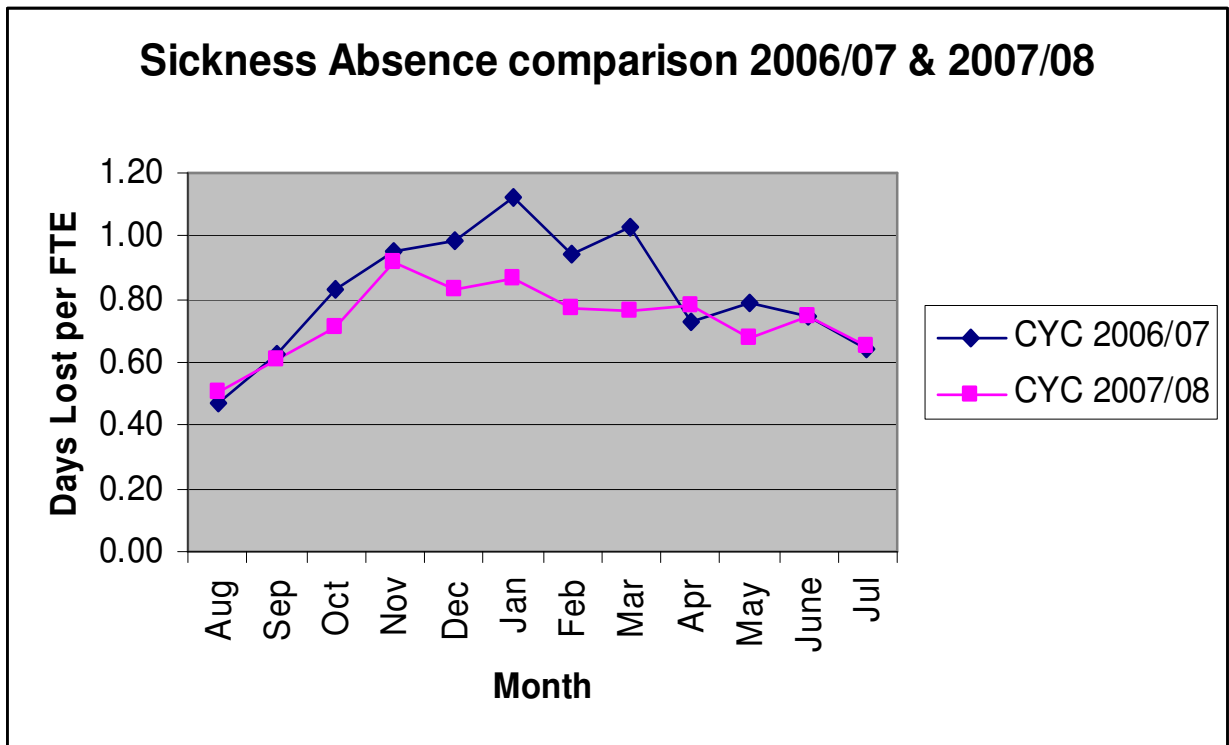
Report of the Head of HR Services

**Attendance Management Update****Summary**

1. This report provides:
  - i. an update on the implementation of the new Attendance at Work policy, procedures and guidelines;
  - ii. indicates progress on a number of strategic approaches to maximise attendance and further the reductions in sick absence levels throughout the Council.

**Background**

2. On the 1<sup>st</sup> October 2007 the new Attendance at Work Policy came into effect which provided staff and managers with detailed guidance and support on sick absence management.
3. Since 1<sup>st</sup> October 2007 there have been significant improvements in sickness absence across the Council with an overall reduction from 12.9 days per FTE in 2006/07 to 9.54 days per full time equivalent (FTE) in 2007/08. This reduction is equivalent to a savings of over £1million for the Council on last year's sickness absence costs, not taking into account savings in overtime and temporary staff to cover for absent employees.
4. A comparison of days lost to sickness absence using the most recently available figures (see graph below) shows significant improvements to sickness levels were made upon the introduction of the new policy, procedure and guidance. However the improvement is showing early signs of levelling off and there is a risk that sickness levels will 'bounce'. As such it is critical that momentum and the focus on attendance is maintained. Equally it is critical that the Council moves on to taking a holistic approach to attendance and enabling attendance as well as managing sickness absence when it occurs.



5. Following an Internal Audit report in early 2006 which found the Council's controls of sickness absence to be weak, a significant amount of work has been undertaken and the follow up audit has found that recommendations made under the headings of:
- policies and procedures – were fully implemented as was clarity on roles and responsibilities and staff training;
  - reporting and management information and analysis of causes and reasons for absence – not yet fully implemented, although relevant Delphi updates and a corporate management information reporting tool is being tested and will be implemented as a matter of priority. The HR Corporate Development Team is taking the lead in producing this suite of information according to the correct schedule, and disseminating management information down to the appropriate managers.
  - compliance monitoring – implemented through the provision of information to Directorate Management Teams.

### **External Auditor's Letter**

6. The external auditor's recommendation to seek out and adopt best practice arrangements for managing and minimising sickness absence is being carried out. Another recommendation, to raise the profile of data quality across the council and improve arrangements to produce accurate reliable data to ensure that council decisions are based on up to date and accurate data, is in the process of being implemented in relation to sickness absence. The external auditor recognised the council's introduction of the Attendance at Work policy as one of a range of robust actions to enhance our capacity for further improvement, writing:

“You have responded well to the issues we raised in the original review, and you are taking steps to develop a more proactive approach to sickness absence through your Attendance at Work policy.”

### **Implementation of the new Policy, Procedure and Guidelines**

7. Since November 2007, 16 half day Attendance Management Workshops were held, co-ordinated and resourced centrally by corporate HR and were attended by 227 managers. They provided ‘soft’ skills training for managers on attendance management interventions have taken place.
8. Two half day training sessions with 20 HR Administrators within directorates have also taken place to provide them with greater clarification on their roles and responsibilities, training on ways to improve sick absence data collection, inputting and processing etc in order to ensure they are fully conversant with the attendance management policy. This training aimed to support consistency in approach across the council to ensure the quality of data collection and, therefore, of reporting.
9. Whilst the new policy is completely functional, the implementation of the front-end collection and entry of sickness absence data, ‘reports and go live’ of the amended Delphi system to capture new data required, and reporting has, however, taken longer than expected, and as yet is not yet fully operational.
10. The way in which Delphi holds sickness absence data has meant that a significant amount of system development has been required in order to extract the information and present it in a meaningful and useful manner. This has recently been completed and it is expected that the first batch of reports will be dispatched in October.

### **Next Steps – Maximising Attendance**

11. In order to further improve levels of sickness absence in the Council, the HR Corporate Development Team is facilitating shared learning and coordinating cross directorate initiatives as well as leading on the following strategic actions.

#### Management Training

12. Research into managing sickness absence indicates that the key to sustainable reduction is through well trained, informed, and confident managers. Corporate training is therefore going to be provided to expand and develop managers’ skills in dealing with sickness absence casework.

#### Health and Well-being Promotion Activities

13. Health promotion, policies and benefits, such as healthy eating, back care, smoking cessation and fitness, maximise the physical, psychological and social health of all employees, promote ownership of the cause and solution of ill-health issues by staff, and positively impact on both the culture and reduction of sickness absence levels. A multi-disciplinary, cross-directorate team has

been created to scope and plan a phased implementation of new health and well-being initiatives.

#### Occupational Health Service (OHS)

14. A major part of the maximising attendance provision will be through the Council's contracted occupational health service, York Hospitals NHS Foundation Trust. The new contract replaces both those services previously provided by National Britannia, and those supplied by the Tuke Centre for counseling services.
15. The new contract offers the Council annual savings of approx 15% on the core services of management referrals, pre employment screening, health surveillance and stress counseling, in addition to savings on additional services such as flu vaccinations and physiotherapy, staff training and health and well-being promotion.
16. These savings will be reinvested into more proactive health and wellbeing measures. These services include physiotherapy/ osteopathy, influenza and Hepatitis B jabs, specialist DSE and Workplace Assessments, ergonomics, post incident debriefing, one to one "Passport to Health" health promotion, "Healthy Lifestyles" workshops for groups amongst others.
17. The OHS service is working with the Council on introducing health and well-being initiatives in the directorate/ teams with high sickness absence levels: for example in Neighbourhood Services work is being undertaken to fast track osteopathic assessments, health promotion, no smoking packages and a health fair open day

#### Rehabilitation Programmes

18. Research shows only 50% of staff who are absent for 6 months or more are ever likely to return to work, and only 25% of those absent for 12 months or more. These absences are best dealt with by stronger management interventions such as targeted rehabilitation programmes.
19. Rehabilitation and treatment is an important component in absence management. These programmes involve intensive and fast tracked access to physiotherapy, counselling, medical intervention with a dedicated occupational health specialist and caseworker. The aim is to restore function, with the ability and confidence to return to work as soon as possible, reducing the amount of time on sick leave and reducing the risk of further periods of absence.
20. While primary prevention is better than cure, rehabilitation programmes and proactive and targeted sickness absence management in combination with health enhancement to promote resilience; engagement and Work-Life balance at the same time as sorting out any institutional barriers can significantly improve sickness absence levels, increase ongoing attendance and improve the culture of attendance.

21. A working group has been established to conduct a scoping exercise to consider which staff should be targeted for this approach based on the most 'costly' long-term sickness absence cases.

#### Work/life balance

22. Work/life balance policies improve employee engagement and motivation in an organisation, as well as supporting the psychological contract we have with our employees. It has also been proven to have positive impacts on lowering absenteeism, improving morale and job satisfaction as creating an adaptable workforce. The Council's current work/life balance provisions are currently being reviewed with a view to extending and re-marketing them thereby making it easier for staff to attend work and to use the correct provisions for unavoidable absence instead of sickness absence as a default.
23. The Council already has in existence various work-life balance schemes, which help employees to meet certain personal or family commitments. It is HR's intention to review these provisions and seek to extend them where possible, encouraging staff to use these instead of sickness absence as a default, and make them available to all employees to prevent divisiveness and promote fairness.

#### **Consultation**

24. The attendance at work project is being developed collaboratively with HR Management Team and discussions have recently been held at the HR Joint Consultative Committee concerning the establishment of a joint working group to ensure trade union involvement in the initiatives.

#### **Options**

25. This paper is an update for information only.

#### **Analysis**

26. Whilst the significant improvement in the Council's sickness absence levels is encouraging, further work is required in order to achieve further reductions and ensure that absence levels do not 'bounce'. It is anticipated that by taking an approach which seeks to manage sickness absence and also maximise attendance, the Council will be able to achieve significant and sustained improvements in attendance levels whilst also modernising working practices and enabling a more flexible and responsive workforce.
27. Attendance management has been included as an item for addressing within the Single Improvement Plan (SIP), which was approved by Members in June 2008. For 2008/09, progress against the SIP will be monitored via the corporate monitoring cycle, which provides reports to Members on a quarterly basis. In addition, sickness will continue to appear as an item for monitoring within the monthly performance 'Dashboard' which is monitored by CMT.

## Corporate Priorities

28. The City of York's own strategies promote this approach through our:
- Corporate value – supporting and developing people and encouraging improvement in everything we do.
  - Direction statement – working across boundaries to benefit the people of York.
  - Corporate priority - Improve the health and life styles of the people who live in York; seeking to promote healthy lifestyles and physical activity
  - Key action – to develop the council's role as an employer in improving the health and well-being of employees

## Implications

29. **Financial** - contained within the body of the report.

**Human Resources (HR)** - contained within the body of the report.

**Equalities** - contained within the body of the report

**Legal** - no implications.

**Crime and Disorder** - no implications.

**Information Technology (IT)** - no implications.

**Property** - no implications.

**Other** - no implications.

## Risk Management

30. The risk score for this issue is 20, placing the issue in the high category. Implementation of initiatives in this report will reduce the risk to medium in the short term and low in the long term.

## Recommendations

31. Executive is asked to:

- 1) Note the work being undertaken in this area.

Reason: In order to achieve significant and sustained improvements in attendance levels.



**Contact Details**

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**Chief Officer Responsible for the report:**

Heather Rice  
Director of People and Improvement

**Report Approved**

**Date** *September 2008*

**Specialist Implications Officer(s):**

**Wards Affected:** *List wards or tick box to indicate all*

**All**

**For further information please contact the author of the report**

**Background Papers:**

Attendance Management Policy, Procedure and Guidelines – available in the Council's HR Manual

**Annexes:** None

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**Executive**7<sup>th</sup> October 2008

Report of the Director of City Strategy

**Adopted Regional Spatial Strategy and Partial Review****Summary**

1. This report describes the background to the development of the recently adopted Regional Spatial Strategy (RSS), summarises its key points and highlights key issues for York. The report then outlines the purpose and key timescales for the Partial Review of the RSS which has now commenced to address the challenges coming out of the Housing Green Paper. The report seeks approval of the response made by officers to the Call for Evidence, which is the first stage of the review process.

**Background**

2. The Yorkshire and Humber Plan (the Regional Spatial Strategy or RSS) was published in May this year. The RSS sets out the broad development strategy for the Region and covers topics such as housing, economic development, transport, the environment and regeneration. It forms part of the statutory Development Plan for York and our Local Development Framework (LDF) will need to be in 'general conformity' with it. This report summarises the key elements of the recently adopted plan and highlights some key issues for York. A full copy of the adopted RSS is available to view in the members library and on-line at [www.goyh.gov.uk/goyh/plan/regplan/?a=42496](http://www.goyh.gov.uk/goyh/plan/regplan/?a=42496)
3. The Assembly have now started work on a Partial Review of the adopted RSS. It will look at how the region can accommodate housing growth coming from the Government's Housing Green Paper, published in summer 2007. The review, entitled 'The Housing Challenge, Yorkshire and Humber Plan - Update 2009' will test the scale of growth and explore locations for and infrastructure needed to accommodate this growth.
4. To start the process the regional assembly issued a Call for Evidence asking for strategic ideas on how we can best accommodate growth in different parts of the Region. The consultation ran from the 30<sup>th</sup> May until the 11<sup>th</sup> July 2008. Given the constrained timescales officers submitted a response based on comments previously agreed by the Executive and submitted as part of the recently adopted RSS consultation process. The response submitted to the

Call for Evidence is attached as Annex A to this report. Members are asked to note and comment on the response submitted. Further copies and information about the Call for Evidence consultation documents and the Partial review can be found on the Yorkshire and Humber Assembly website: <http://www.yhassembly.gov.uk/Our%20Work/Regional%20Planning/Regional%20Spatial%20Strategy%20Partial%20Review/>

## **Background**

5. Work on the Regional Spatial Strategy, which is led by the regional assembly, started in 2005. Officers and key members have been actively engaged in its production from the outset given its importance as part of the statutory Development Plan for York. We submitted comments through the Executive at Issues and Options stage, at Draft Plan stage, appeared at the Examination in Public and responded to the Proposed Changes published by the Secretary of State following the examination. The adopted RSS overall provides a sound approach to development in the region and many of the issues we raised during the preparation and formal consultation processes were incorporated into the final plan. There are however some outstanding issues we have as highlighted in paragraph 7 of this report.

## **Summary of key points in the adopted RSS**

6. The key elements of the adopted RSS are:
  - Confirmation of higher housing growth to deliver over 22,000 homes each year in the region from now until 2026. The figure in the draft RSS (2005) was approximately 16,000 new dwellings per year. This rise was based on higher population, household and economic growth projections since the draft plan was published.
  - Confirmation of expected job growth of around 29,000 per year and policies to support economic development in city and town centres and other locations. The figure in the draft RSS was 19,000 new jobs per year.
  - Detailed policies for seven 'sub areas': Leeds City Region; South Yorkshire; Humber Estuary; York; Vales and Tees Links; the Coast; and Rural North Yorkshire. These reflect functional areas in terms of economic, housing and other functions rather than just focussing on traditional local authority boundaries. We supported the idea of a 'York sub area' that stretched beyond our administrative boundaries.
  - Development to be focussed on the 'Regional Cities' of, Hull, Leeds, Sheffield and now Bradford; and eleven 'Sub Regional Centres' - Barnsley, Doncaster, Rotherham, Halifax, Huddersfield, Wakefield, Scunthorpe, Grimsby, Harrogate, Scarborough and York. It allows for limited growth in the 3 rural areas of Craven, Hambleton and Ryedale.
  - The Plan proposes around 5000 more affordable homes, and a better mix of housing including more homes for families and for the elderly.

- A target to reduce greenhouse gas emissions in the region by 20%-25% by 2016 from 1990 levels with further reductions thereafter, and policies to increase energy efficiency and renewable energy.
- A robust strategy to manage flood risk, based on protecting cities and towns and the transport network, ensuring new development is in lowest risk areas, and improving flood storage and land management.
- The plans sets out a sustainable waste management strategy and to protect and improve water supply, water quality, woodlands, agricultural land, biodiversity, historic environment, and the region's diverse areas that protects landscape, biodiversity and other aspects of the environment.
- Its sets out priorities for transport management and investment, and a focus on making best use of existing infrastructure and to deliver a coordinated approach to development and infrastructure improvements.
- The Green Belts in the region are to remain unchanged. However West Yorkshire may need to consider how best to accommodate planned growth in the Leeds City Region and York has a requirement to set its detailed Green Belt boundaries.

## Key Issues for York

7. The key issues for York are:

- **York identified as a Sub Regional Centre** - we had asked for it to be considered as a regional centre alongside Leeds, Sheffield, Hull and Bradford to reflect its key regional role. Bradford has been re-designated as a Regional Centre but not York. The other sub regional centres are Barnsley, Doncaster, Rotherham, Halifax, Huddersfield, Wakefield, Scunthorpe, Grimsby, Harrogate, and Scarborough.
- **Green Belt** – Policy YH9 – states that the detailed inner boundaries of the Green Belt around York should be defined to “establish long term development limits that safeguard the special character and setting of the city. The boundaries must take account of the levels of growth set out in RSS and must also endure *beyond the Plan period.*” (my emphasis in italics). The Plan runs to 2026. The Assembly had asked for the wording to be “endure well beyond the Plan period.” If we assume 20 years from adoption of the LDF (20 years has been seen used in the past as a reasonable view of ‘permanence’ in Green Belt terms) then that would take us to 2030. In terms of the LDF process the time period the Green Belt boundaries should endure to will influence how much land we need to exclude from the Green Belt to ‘reserve’ for longer term development.
- **Housing numbers** – York is now required to deliver 640 new homes per year from 2004-2008 and then 850 homes per year from 2008 to 2026. This equates to 17,860 new dwellings to 2026. In the draft RSS the figures were 640 homes per year from 2004 to 2016 and 620 homes per year from 2016 to 2021. The adopted RSS housing requirements for York

represent a significant uplift compared to the draft plan figures. We will have to 'reserve' land for future development beyond 2026 (the period of adopted RSS) to set a Green Belt boundary that endures 'beyond the plan period' (see 'Green Belt' above).

- **Affordable Housing** – Policy H4 confirms that we should be seeking over 40% affordable housing in the North Yorkshire districts (including York) as they are seen as areas of high affordable housing need. The plan recommends that this is reviewed in more detail in the light of emerging housing market assessments. York's Housing Market Assessment (2007) concludes that 50% is justifiable based on need. Through the LDF process and the Affordable Housing Policy Review requested by the Leaders we are reviewing our approach including the issue of an appropriate percentage and should be able to report back to members in late Autumn.
- **Employment numbers** – Adopted RSS identifies potential annual job growth for York is 2130 jobs per annum from 2006. That would be 42,600 additional jobs to 2026. This is way above our own projections of 1060 additional jobs per annum which were based on detailed projections done for our Employment Land Review (ELR) stage 1 study (SQW, 2007). This figure has been confirmed as reasonable by the consultants (Entec) who are doing the second stage of our Employment Land Review, which will be published in the autumn. The Plan does urge caution in using the figures beyond 2016 and says that local employment land reviews should "take account of the potential job growth set out in RSS....along with more detailed local forecasts." The detailed local forecasts for York from the SQW study will provide us with a strong basis when we discuss 'conformity' issues with the Assembly, to ensure they accept our case.
- **Employment land** - identifies a need for 90 hectares of additional land for industry and storage/distribution (i.e. B1(b), B1(c), B2 and B8 uses). This is way above our own projections of need from the SQW Stage 1 ELR. The second stage of the Employment Land Review (Entec), to be published in the Autumn, will further review these needs and advise accordingly.
- **York Sub Area policy** – Policy Y1 provides a good context for developing York's LDF. Key messages are: to focus most development on the City of York; safeguard its historic setting and environmental capacity; recognises importance of Science City, York Northwest and the expansion of the University; develop York as a key node for public transport for the sub-area; implement stronger demand management; improve access between York and Scarborough/east coast; recognition of York as a key driver of the Leeds City Region economy; spread the benefits of York's economic success wider in the sub area including to Malton and Selby.

- **Leeds City Region policies** – Policy LCR1 now has clear references to the role and importance of York. It also now identifies York Northwest as a key regeneration priority. But we do have a concern that in terms of settlement hierarchy York now plays a ‘second tier’ role compared to the Regional cities of Bradford and Leeds. We need to ensure that this does not adversely affect our economic, retail and other key roles in the region. Policy LCR2 deals with Regionally Significant Investment Priorities. York Northwest is now included as one of 8 priorities. It was not at Proposed Changes. This is a significant ‘win’ as it should help to prioritise investment of public sector resources.
- **Regional Transport priorities** – unchanged much from Proposed Changes document. One specific to York – B5 “Improved accessibility to York city centre and investment opportunities of sub-area significance in the York sub area.” We argued it should be a higher “A” priority but it remains a “B” priority in the published plan. We had argued that improving the outer ring road should be identified as a specific transport priority but this was not included in adopted RSS. However we have been successful in submitting a Phase 1 of the Access York major scheme bid which includes some investment to improve the outer ring road alongside new and improved park and ride sites.
- **Green Infrastructure** – there is a new policy requiring local authorities to develop Green Infrastructure policies and approaches in their LDF’s. We are already developing a Green Infrastructure Strategy for York to address this requirement, with support from Natural England.

## **Partial Review of RSS - the Housing Challenge**

8. The Regional Assembly have now embarked upon a Partial Review of RSS to seek to achieve the higher housing numbers that have come from the Housing Green Paper. The timescales are much tighter than that for preparing the recently adopted RSS. It needs to be adopted by 2010.
9. The recently adopted RSS is seeking to accommodate 22,000 new homes per year. The regional assembly will be set a range of figures to test through the RSS Review process by the Secretary of State. This will be informed by advice given by the National Housing and Planning Advice Unit (NHPAU) who have said that the region should provide between 23,800 and 26,400 new dwellings per year to 2026. This equates to a 9-18% increase on the recently adopted RSS.
10. The context for the RSS Review is therefore a likely requirement for even higher levels of housing growth across the region. It is looking at three key issues:
  - **level** of housing growth - to be higher than the recently adopted RSS
  - **location** – what broad locations ?

- **infrastructure** – what are the requirements to deliver this increased level of housing ?
11. The Assembly are proposing to carry out this Partial Review by looking at the potential in each of the seven 'sub areas'. The issue of York's role as part of two sub areas – the Leeds City Region and the York sub area is therefore critical – and York's capacity to accept higher levels of growth are therefore important issues that will have to be addressed through this review process.

### **Timescales**

12. The RSS Review process includes the following key stages:
- Develop the 'evidence base' To September 2008  
(This includes the Call for Evidence by July 2008)
  - Consultation on Strategic Options Nov/Dec 2008
  - Prepare Draft RSS Review document Jan/March 2008
  - Regional Planning Board Approve April 2009
  - Submit to Government May 2009
  - Examination in Public Feb 2010
  - Adoption of Revised RSS Late 2010
13. There has been significant concern by local authorities across the region at the higher levels of housing to be tested. This has been strong in the Leeds City Region where a significant proportion of the region's housing and job growth will be located and which has already taken a significant uplift compared to figures in the draft RSS published in late 2005. The idea of planning for even higher levels of housing growth given the increasingly difficult conditions in the economy and housing sectors has been a particularly strong view coming forward.
14. To progress the Review the regional assembly have already commissioned a range of studies around transport opportunities and constraints, critical infrastructure needed, flood risk and the impact of climate change.
15. As part of this 'evidence gathering' stage they also prepared a Call for Evidence document asking for strategic ideas on how best to accommodate growth in different parts of the Region. We have submitted a response to this Call for Evidence which is attached at Annex A to this report. Given the very tight timescales for responding our submission was based on responses previously agreed by the Executive and submitted as part of the recently



adopted RSS consultation process. It highlights key concerns about capacity and infrastructure in achieving higher levels of growth and suggests that growth should be looked at in the context of the whole York sub area rather than just a focus on the City of York. Members are asked to note and comment on the response we submitted.

## **Consultation**

16. Given the very short timescales to respond to the Call for Evidence it was not possible to carry out consultation or seek member approval of our proposed response. We therefore based our response on the key issues agreed by the Executive in response to previous consultations on the recently adopted RSS.
17. There will be a formal period of public consultation by the Assembly in November and December when they consult on Strategic Options. This will give an opportunity for the Council and other key stakeholders in the city to respond to the emerging ideas on how additional growth can be accommodated.

## **Options**

18. Members have the following options to consider in relation to the officer response to the 'call for Evidence' as part of the Partial Review of the RSS.

**Option 1:** To approve the response submitted by City of York Council officers

**Option 2:** To seek amendments to the response which can then be forwarded on to the Regional Assembly

## **Corporate Priorities**

19. The recently adopted RSS and its Partial Review are important in the context of many of the corporate objectives of this council., and in particular in relation to the Corporate Strategy 2007/11: Corporate Priorities for Improvement :
  - Decrease the tonnage of biodegradable waste and recyclable products going to landfill
  - Increase the use of public and other environmentally friendly modes of transport
  - Improve the actual and perceived condition and appearance of city's streets, housing estates and publicly accessible spaces
  - Improve the quality and availability of decent affordable homes in the city

- Improve the economic prosperity of the people of York with a focus on minimising income differentials

## Implications

20. The following implications have been assessed:

- **Financial** - None
- **Human Resources (HR)** - None
- **Equalities** - None
- **Legal** - None
- **Crime and Disorder** - None
- **Information Technology (IT)** - None
- **Property** – None
- **Other** – None

## Risk Management

21. In compliance with the Council's risk management strategy, there are no risks associated with the recommendations of this report.

## Recommendations

22. That the Executive:

- i) Approve the officer response to the Call for Evidence as part of the Partial Review of RSS, as set out in Annex A to this report, subject to any changes recommended by the Executive.

Reason: So that the response that had to be submitted to the Yorkshire and Humber assembly for consideration by the 11<sup>th</sup> July 2008 can be endorsed.

- ii) That any amendments or further comments be forwarded to the Regional Assembly

Reason: So that any changes recommended as a result of discussions at the meeting can be fed into the RSS Partial Review process.

**Contact Details**

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**Chief Officer Responsible for the report:**  
Bill Woolley  
Director of City Strategy

**Report Approved**  **Date** 23/9/08

**Specialist Implications Officer(s):**  
N/A

**Wards Affected:** All

**For further information please contact the author of the report**

**Background Papers**

- Partial Review of RSS - Call for Evidence – (May 2008)
- Adopted RSS (May 2008)
- RSS Proposed Changes (October 2007)
- Examination in Public – Report of the Panel (March 2007)
- Draft RSS for consultation (Dec 2005)

**Annexes**

Annex A: officer response to the Call for Evidence as part of the Partial Review of the RSS. (July 2008).

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**Annex A: officer response to the Call for Evidence as part of the Partial Review of the RSS (July 2008).**

## **The Housing Challenge**

### **The Yorkshire and Humber Plan – 2009 Update**

#### **Call for Evidence**

#### **4.1 Thinking about the four strategic approaches for accommodating growth, please tell us about your preferred approach**

The City of York Council supports the current strategy in the recently adopted RSS (Your Approach 1 – Maintaining the Current Strategy). We support the approach as set out in Leeds City Region and York sub areas and we accepted the higher housing numbers (850 pa) subject to a number of caveats (see response to 6.1 below). The current strategy concentrates development on the main towns and cities in the region but in the case of the York sub area also recognises the strong functional linkages York has with its surrounding hinterland and in particular Malton and Selby, with York providing employment opportunities for people across North Yorkshire and the East Ridings. Seeing York within a wider 'sub area' is the correct approach.

The other three options put forward are not necessarily incompatible with the current RSS strategy and the correct strategy may be a combination of these strategic approaches. It depends on the particular circumstances of each location and sub area and the level of growth to be accommodated.

For instance, Approach 4 (Growth Points and Growth Areas) could, in the case of the Leeds City Region New Growth Points submission, help to prioritise re-use of brownfield land such as York Northwest.

Approach 2 (Major Urban Expansions) involves significantly growing some existing settlements. This may be appropriate in some parts of the region and would have the benefits of continuing the focus on existing towns and cities. However in some cities, such as York, where environmental constraints are great (see evidence base documents submitted alongside this) and there is a need to protect the historic character and setting of the city (with one of its features being its compactness) then this approach is unlikely to be appropriate. Our two recent major urban extensions at Derwenthorpe and Germany Beck add up to 1200 units. The example of 10,000 homes at Cambridge East is clearly of an altogether different scale. If something of that scale was required for the York sub area then a different spatial approach to major urban expansions would need to be considered. Our SHLAA and Employment Land Reviews (which will be completed in September) will give an idea of how much housing can be accommodated in the urban area on previously developed or previously used/allocated employment land.

Approach 3 (New Settlements). There may be scope for an appropriately located new settlement somewhere in the region. The Leeds City Region leaders have clearly rejected the idea of a new settlement in Selby but there is a proposal in South Yorkshire. The idea of a tightly drawn Green Belt boundary that protects the character and setting of York was one recommended by the Inspector who presided over the public inquiry into the York Green Belt Local Plan. This was to be supported by a new settlement beyond the York Green Belt but that was never taken forward. Depending on the scale of development the York sub area had to take this could be an option, although a stronger role for Selby and Malton, which are well connected to York in public transport terms, may be more suitable.

### **5.1 Are there particular areas or locations in the Region where this strategic approach should be applied ?**

The spatial approach/es to be taken depend on the particular characteristics of a sub area, the key opportunities and constraints facing each key settlement within it , and the scale of growth to be accommodated. For example limited urban extensions may be accommodated without impacting on the character and setting of York. But significant urban expansion of York, of the scale given in the Cambridge example, could not be accommodated taking into account known environmental constraints and the need to protect the character and setting of York through its Green Belt.

### **6.1 More information about how the region might best accommodate growth.**

In our response to the Proposed Changes to the recently adopted RSS we expressed concerns about the ability of the City to absorb the additional numbers (up from 640 to 850 per annum in the proposed changes) but recognised the higher household projections since the Draft RSS (in 2005) and the market demand/need identified in our recent Strategic Housing Market Assessment (2007). However we said that additional growth must be conditional on two key things:-

- 1) A recognition of the important role that brownfield Windfalls will play in future housing land provision. They have been a key element of our provision in York over the last 10 years and some account must be allowed for them over the longer period of the RSS to 2026. Without this it will lead to unnecessary release of greenfield land, counter to the Core Policies of the RSS.
- 2) Substantial assistance with infrastructure costs being made available through national and regional sources. Without this extra funding, then the significantly increased growth will lead to serious traffic congestion in what is already a physically constrained historic city. The step change in growth needs to be matched by a step change in infrastructure provision to support it, otherwise sustainable development will not be achieved.

The City of York Council's views on these two key issues are equally, if not more important, when applied to the higher housing figures now being considered at the

regional level through the 2009 Update of RSS. How windfalls and infrastructure are treated in the Update are critical considerations if the strategy is to be deliverable and in a way that does not undermine the current focus on urban regeneration and effective use of brownfield land.

A proper understanding of the opportunities and constraints in each area should be used to inform the sub area approaches. We have a significant evidence base of documents prepared to support the draft Local Plan and York LDF. I attach a list of relevant documents for your information (see Annex 1). We would encourage joint working at the earliest opportunity, particularly in relation to how housing growth in the York sub area is to be considered, and the transport and infrastructure implications of different options.

Given the current state of the housing market the 2009 Update should give careful consideration to not just the numbers but deliverability issues including affordable housing, phasing and brownfield first.

Finally it is important that any assumptions about housing growth are based on realistic assumptions about economic growth. We objected to the 2130 per annum figure for York in adopted RSS and the policy does talk about the importance of taking local employment land reviews and forecasts into account. Our own ELR modelling shows 1060 new jobs per annum to be more realistic and would still deliver sustained economic growth. It is important these are used when considering different housing growth scenarios for the 2009 Update.



## Annex 1

**York LDF – Key Documents**

- York LDF documents of particular relevance to the RSS 2009 Update

	<b>LDF documents</b>	<b>Relevant Officer contact at CYC</b>
•	Core Strategy Issues and Options documents 1 and 2	Martin Grainger
•	Allocations DPD – Issues and Options Report	Martin Grainger
•	York Northwest AAP Issues and Options Report	Sue Houghton
	City Centre AAP Issues and Options Report	Derek Gauld
	SA Scoping Reports and SA Statements for each of the above documents	Rachel Macefield
	<b>Evidence Base documents</b>	
•	Employment Land Review (stage 1) – SQW July 2007	Martin Grainger
•	Employment Land Review (stage 2) – Entec (due Sept 2008)	Ann Ward
•	Strategic Housing Market Assessment - Fordham (2007)	Derek Gauld/Sally Cawthorn
•	Strategic Housing Land Availability Study - stage 1 (CYC – 2007)	Rachel Macefield
•	Strategic Housing Land Availability Study - stage 2 (CYC - due Oct 2008)	Rachel Macefield
	PPG17 Open Space, Sport and Recreation Study – PMP (due July 2008)	John Roberts
	Biodiversity Audit CYC (due 2008)	Martin Grainger/Rebecca Harrison
•	Strategic Flood Risk Assessment	Anna Woodall / Mike Tavener
	York Retail Study (Grimleys, 2008)	Rachel Macefield
	Eco – Footprint work with the Stockholm Environment Institute	Martin Grainger/Rachel Macefield
•	Green Belt Appraisal (CYC, 2003)	Martin Grainger
•	York Landscape Appraisal (ECUS, 1996)	Martin Grainger
•	Sub regional Planning and Transport Study (Halcrow, due August 2008)	Gail Goodall

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**Executive**7<sup>th</sup> October 2008**Report of the Director of Housing and Adult Social Services****Transformation of Community Transport Services****Purpose of Report**

1. The purpose of this report is to update the Executive on progress to date on the transformation partnership to improve City of York Council community transport provision, improve service quality and make significant efficiency savings.
2. The report confirms that the project has so far proven very successful achieving combined costs reductions for Learning, Culture and Children's Services (LCCS) and Housing and Adult Social Services (HASS) transport budgets of £216,654 in the first year. Projected savings and planned costs reductions indicates that the Partnership is well on course and expected to produce in excess of the £1,200,000 in gross cumulative savings which were targeted over the life of the partnership.
3. It is worth noting that in establishing the financial baseline position it has become evident that transport budgets have been overspending by c£281,000 and due to a lack of investment in the service to address customer growth and realistic inflation positions this situation would have continued to deteriorate year on year. The actions taken by the partnership will effectively turn an overspending inefficient service into an integrated transport provision that has control over expenditure and which will produce cashable efficiencies which can be diverted elsewhere within the authority.

**Background**

4. The partnership between City of York Council (CYC) and Northgate Kendric Ash (NKA) spans a 30 month period running from April 2007 – October 2009. The project has been running for 16 months at the time of this report. An initial report was made to the Executive on 4<sup>th</sup> December 2007 which outlined the progress of the review and the key areas being addressed as part it.

**Area covered by the partnership**

5. The partnership covers the delivery of both contracted and internally provided transport in the following areas:

- a. Mainstream Home to school transport (primary and secondary)
- b. Special Educational Needs Transport
- c. Transport for 'looked after' children, 'share and care' and children in respite care.
- d. Transport for adults with learning and physical disabilities

### **Operational Arrangements**

6. The Northgate Kendric Ash (NKA) model is one based on providing additional capacity whilst managing change. In this instance this has included NKA providing a core change management team, of up to 6 staff members, working on site working alongside CYC employees. This additional capacity has centred on:
  - providing additional management capacity and support
  - the provision of specialist procurement capacity with particular focus on taxi and bus contractual arrangements,
  - reviewing the internal fleet capacity and optimising utilisation,
  - the creation of an integrated transport function with a clear identity and strong working relationships across Council departments, with external partners as well as developing a robust performance culture within the transport team.
7. On a day-to-day basis an NKA service manager continues to work within the council structure and is acting as the manager of the new integrated HASS/LCCS transport team – York Transport Provision. Managers from both HASS and LCCS support him in management terms on a daily and operational basis and a team approach ensures that other NKA personnel are on site, as and when required. From a project perspective he meets regularly (on a fortnightly) basis with the Director of Housing and Adult Social Services to discuss any pressing corporate issues, which might need support and action.
8. The medium-term aim now is to recruit a permanent member of staff to the position of service manager. This is discussed in more detail later in this report.

### **Key Work streams**

9. **Passenger Transport Framework Agreement.** This was the key piece of work as it sets out the standards required by suppliers and gets them to give their best price. The Official Journal of the European Union (OJEU) procurement process was conducted May – September 2007 with the Framework agreement in place by 01/09/07. 33 preferred suppliers were selected to be part of the framework partnership - a reduction of suppliers from 60. A 'price per mile' approach has been adopted which has, to date, secured 20% savings on new routes. As reported in December 2007, the majority of savings will materialize in 2008 with the re-issuing of Special Educational Needs transport for Applefields/Hobmoor Oaks Schools. New routing arrangements and utilisation of the TRAPEZE scheduling system will significantly reduce the number of vehicles required to transport children to and from school. The initial routing/scheduling exercise

indicates that there will be a reduction of 8 vehicles required. Based on the current average costs of £90 per vehicle per day (over a 190 day annual term requirement) this represents a cost reduction of £136,800 per annum. Operationally we also have tighter control over performance and quality issues through the agreed quality standards. There have been regular reviews with providers and regular customer surveys and feedback, which have fed into annual reviews with providers, which took place in June. The customer satisfaction rate in November 2007 was 95%.

10. **Home to School transport.** A fresh approach was adopted to procuring school routes. Rather than individually tendering single school routes we are aligning all contracts on a school-by-school basis and then re-tendering all routes on a whole school basis. The first school to go through the process was Tadcaster Grammar School in July 2007. The initial results of the process have been extremely promising. Financially the process has resulted in a £15,000 a year saving on a like for like provision. The successful company is K&J Travel.
11. From a qualitative perspective, re-routing has reduced the number of vehicles being used and accessing the school car park. The control and management of the contract is much improved as we are now dealing with one point of contact rather than four. During the process bidding companies were asked to provide costed options to include seatbelts, CCTV and more environmentally friendly vehicles. However, given the additional costs for CCTV and the fully seat-belted provision (c£30,000) to provide these facilities it was decided to award the contract based on a like for like option.
12. Feedback from the School is that the new arrangements are very successful. Management arrangements between the Council, the supplier and school are much easier to control and there is a regular dialogue between all three partners to deal with any issues arising. Two customer satisfaction surveys have been completed and the results have shown an average of a 65% positive response rate.
13. Procurement activity this year has included the re-tendering of home to school bus for Fulford and Manor Secondary Schools as well as Primary School routes to Archbishop of York's Primary, Bishopthorpe Infants, Poppleton Ousebank Primary School, St Mary's and St Wilfrid's RC Primary Schools. The results of the procurement exercise have produced a projected annual saving of £64,000.
14. Members will recall that as part of the Scrutiny report on Home to School Transport (considered by the Executive on 25/4/08) a recommendation was made concerning the installation of seatbelts, CCTV and the use of environmentally friendly engines. The Executive instructed officers to address this issue as part of this review and accepted that it may be necessary to phase in new contract requirements over a period of time to allow for any necessary conversions to be undertaken and for funding sources to be found.

Experience from the initial tendering exercises is that these improvements will be delivered as part of the new contractual framework and that some will become standardized rather than being 'add ons' that have to be paid for separately.

15. The Scrutiny Committee were particularly concerned about transport to primary schools and made a recommendation that all school transport to primary schools should be fitted with seatbelts as a stipulated requirement. This has been included as part of the procurement exercise.
16. **Applefields School.** A collaborative project between Applefields Special Educational Needs (SEN) School and the Council to utilize existing school transport to carry pupils to and from school started in September 2007. This has involved the recruitment of 2 drivers and escorts employed on a term time only basis who use two of the existing school minibuses to transport 11 pupils. The school identified the pupils as those children who were most able to accept a change of this nature and who live near each other. The results have been very positive. It has meant that contracts that had previously been awarded to private taxi operators are now being delivered jointly by the School and Council. Prior to the new arrangements commencing all parents/children met and were introduced to the new drivers and escorts. The effort and time to meet with parents/children was very well received and ensured a smooth transition from previous arrangements. Feedback from both parents/carers and the Head Teacher has been very positive and it is intended to continue the project for the next school year.
17. **Internal Fleet Utilisation.** A project to utilize the use of internal fleet vehicles and staff to transport workstep clients to Brunswick Organic Nurseries, Greenworks, Community Base, Pine Trees, Pastimes has been a key focus in the first 12 months . This project has resulted in contracts that had previously been awarded to private taxi operators are now being delivered by the internal HASS fleet. The net cost reduction of this project has been c£43,000.
18. As a result of registering the ten fleet vehicles with the Department for Transport Bus Service Operators Grant Section (BSOG), the internal fleet vehicles are eligible for an annual fuel duty rebate for all fuel used to transport the current client base. The annual rebate is c£15,000. In addition, the authority has been able to retrospectively claim for the fuel duty rebate for the period 2002 –2007. The total income received as a result of registering the vehicles with BSOG has been £95,181.
19. More recently, the transport team has worked closely with HASS staff members to provide new transport arrangements for clients as a result of the closure of the Huntington Road Day Centre. The move to a more individualized, tailored care package for clients will have a fundamental effect on the way in which the internal fleet is organized and deployed in the future. The requirement for large fleet buses carrying groups of clients to single 'drop off' destinations no longer

exists. There is a need to move the provision to a smaller, more flexible resource, which is capable of working across clients groups (including; mainstream school children and SEN children). Indeed as a result of these recent changes it has been possible to reduce the number of fleet vehicles. The future organisational structure, resource requirement and establishment is a key piece of work for the next phase of the project.

20. **Pool cars.** The project has sourced replacement of 25 pool cars for HASS and LCCS services. By sourcing the replacement vehicles via the Sector Leasing Framework a cost saving of c £21,000 has been achieved. However, whilst this is a cost saving against the budgets there is no actual cashable saving for 2007/8 due to the original budgets not being adequately resourced.. In addition by introducing new management and servicing arrangements for the pool cars a further reduction of £20,000 of servicing costs can be achieved in 2008/9.
21. **Carbon Management.** The project is a core component of the Corporate Carbon Management Program. Initial baseline information collated throughout September has indicated that both the internal fleet and contracted transport contribute to a total SEN/HASS annual mileage of c900,000 miles. The partnership, through improved utilization of the internal fleet, the reduction of taxi usage, use of the 'walking escort scheme', the stipulation for more environmentally friendly engines and/or reduced Co2 emissions in all procurement exercises, has targeted an overall reduction in Co2 emissions of 20% for the life of the project. From the projects outlined above a total of 25 taxi contracts (32,475 miles per annum) have been terminated – resulting in a reduction of 8.5 tonnes of Co2.

### **Outstanding issues**

22. **Dial & Ride.** We are currently working in partnership with the Dial & Ride service to make more use of the vehicles and become part of an integrated community transport service. A consultation exercise was conducted in January/February/March 2008 with service users to determine current views of the service and what improvements can be made. A new timetable has now been finalized which will enable the utilization of Dial and Ride vehicles for home to school transport from September 2008.
23. **Eligibility Criteria.** A proposed eligibility 'test'/decision tree has been drawn up in consultation with managers/staff which, once agreed, can be used by staff to determine the most appropriate mode of transport for clients based both on need and capability. (A copy of the eligibility test is attached at Appendix A). The important point to note is that this is not designed to prohibit clients from accessing transport, it is a methodology to ascertain the client requirement and then to guide staff to provide the most effective and appropriate mode of transport. It is specifically designed to move away from the default position of

allocating taxis and looks to maximise alternative modes of transport where appropriate.

24. Agreeing a transport related eligibility criteria for HASS and LCCS clients is a key task and if the proposed eligibility test is adopted it is hoped that the level of spend incurred as a result of discretionary transport approvals will be reduced. It is anticipated that £25,000 (gross) could be saved annually if the criteria is adopted and monitored effectively.
25. **Regional aspects.** It is worth noting that this project was initially grant funded by Local Government Yorkshire and the Humber (LGYH) and whilst the main focus has been looking at improving CYC passenger transport, co-operation between regional partners (i.e. East Riding of Yorkshire Council (ERYC) and Yorkshire Ambulance Service (YAS)) is an important component of the overall project. A collaborative transport group with regional Community Transport representatives from CYC, ERYC, YAS, York Wheels and Goole Community Transport meet on a 3 monthly basis to consider ways in which community transport can be utilized and how organisations can work together in partnership. Key areas of activity to date have been; identifying better ways of working with the potential Criminal Records Bureau portability requirements for drivers and escorts between neighboring authorities, establishing agreed regional common training requirements/standards for community transport drivers and escorts and sharing other areas of best practice including the ability to claim BSOG as previously mentioned in the paper.
26. More recently the partnership has commissioned two reviews. The first of these was to benchmark vehicle servicing/maintenance arrangements between CYC, ERYC and YAS. This review has identified potential joint procurement initiatives which will deliver savings for each partner organization. The second review focused on the potential of establishing a shared call / operations centre for all community transport and this has again identified an number of potential, sizeable efficiencies which might be shared across the partner organizations. It is hoped that the findings of both these reviews will be shared with the three Chief Executives shortly.
27. **Future organisational home for the transport team.** Ensuring that the transport team/operation is sustainable post the end of the project is a key success measure for both Northgate Kendric Ash and CYC. It is important that transport is housed/located in the most appropriate directorate, which will accurately reflect and support the Council's transport requirements and activities. The initial view of the Strategic Steering group is that the integrated transport team should be located within LCCS as it represents the largest budget and area of spend. A initial organizational structure and job description for the transport manager have been drafted and are currently being reviewed both by the Strategic Steering Group and LCCS.



## Consultation

28. Contact with unions, staff, service providers, customers and families remain a core element of the project. Consultations have been undertaken with staff, unions, service providers, customers and families prior to any proposed changes and feedback is continually sought.
29. Visits have been made to the homes of all children and families, where requested, affected by the SEN changes in 2008.
30. As explained customer satisfaction surveys have been sent to all parents with children transported to/from Applefields and Tadcaster Schools. We will continue to conduct satisfaction survey and include all schools which have new arrangements in place for 2008. Copies of the survey results are attached at Appendix B.

## Quality

31. As well as looking at the most efficient methods of procuring and managing the services, the provision of a safe and quality service for our clients is an overriding priority. Throughout the year there have been regular review meetings with taxi operators and frequent visits to schools to ensure that contractors and suppliers are carrying out their duties in accordance with the contractual arrangements and the quality standards required of our partners. There have been two occasions where quality standards have been breached. The end result has been the termination of the agreement between one supplier and the Council.

## Financial Position

32. The outturn position for 2006/7 indicated that the combined transport budgets covered by this review were overspent by c£281,000. This is the baseline position against which performance from the partnership was measured. The key areas of overspend were;
- |                            |   |           |
|----------------------------|---|-----------|
| a. Discretionary Transport | - | c£60,000  |
| b. Looked After Children   | - | c£15,000  |
| c. SEN Transport           | - | c£95,000  |
| d. HASS Taxis              | - | c£111,000 |

## NKA performance from 1<sup>st</sup> April 2007

33. Detailed below are the key activity areas addressed and actual savings achieved by the project since April 2007 combined with projections for 2008/9 and 2009/10.

Activity Area	2007/08 Savings	2008/09 Projected Savings	2009/10 Projected Savings
Taxi Procurement	£36,278	£249,633	£287,763
Home to School Transport	£15,031	£66,890	£101,355
SEN School Transport Applefields School	£5,097	£7,281	£7,281
BON/Greenworks	£37,116	£74,012	£74,012

Pastimes/Pinetrees	£3,594	£30,912	£30,912
New Horizons Transport	£2,697	£3,176	£3,176
Eligibility Reviews			£25,000
Independent Travel Project			£40,000
Fleet review		£6,000	£6,000
Section 19 Fuel rebates	£95,181	£15,000	£15,000
Early Years Children			£5,000
Pool cars	£21,000	£20,000	£20,000
Walking escort	£660		
Cost of Transport Manager			(£44,600)
<b>Annual Base Savings</b>	<b>£216,654</b>	<b>£472,904</b>	<b>£570,899</b>
<b>NKA Contractual Targets</b>	<b>£130,000</b>	<b>£451,000</b>	<b>£521,000</b>

## Financial Summary

34. Projected annualised savings and costs against baseline for the project are shown in the table below. The start point is the combined overspend of all the transport budgets covered by this review and then for each year the cashable savings achieved or estimated are shown as are the project costs. Cost pressures, such as fuel inflation, have been added where these are expected to be higher than budget. Each year shows an improvement in the financial position resulting in the service being in surplus by 2009/10.

	Baseline Position	Savings	Project Costs	Non Budgeted Cost pressures	Net Saving /deficit
2007/08	(£281,000)	£216,654	(£235,000)	(£28,788)	(£328,134)
2008/09	(£328,134)	£472,904	(£244,000)	(£37,612)	(£136,842)
2009/10	(£136,842)	£570,899	(£122,000)	(£29,412)	£282,645
<b>2010/11 onwards</b>		<b>£570,899</b>	-		

35. The savings profile indicates that in Year 1 of the project base savings before costs of £216,654 have been achieved. In Year 2 base savings before costs will be £472,904 and in Year 3 the total savings will be increased to £570,899. Cumulatively, over the life of the partnership this represents in excess of £1.2m of gross cost savings before project costs.

36. It is worth noting that a transformation project of this nature creates fairly lengthy lead times for the improvements to impact and embed themselves across the services. This is reflected in the savings profile with the majority of savings being generated in Years 2/3.

## Corporate Priorities

37. The project reflects many of the council objectives and priorities, and many of the actions related to council objectives and initiatives. Specific links can be made to the following:

### Outward facing

- Improve the life chances of the most disadvantaged and disaffected children, young people and families in the city

- Improve the health and lifestyles of the people who live in York, in particular among groups whose levels of health are the poorest.
- Improve the use of public and other environmentally friendly modes of transport

**Improving our organisational effectiveness**

- Improve efficiency and reduce waste to free up more resources
- Improve our focus on the needs of customers and residents in designing and providing services
- Improve the way the Council and its partners work together to deliver better services for the people who live in York

**38. Other Implications**

**Human Resources (HR)**

None arising specifically from this report.

**Equalities**

None arising specifically from this report.

**Legal**

There are no immediate implications to report.

**Crime and Disorder**

There are no immediate implications to report.

**Information Technology (IT)**

None arising specifically from this report.

**Property**

None arising specifically from this report.

**Other**

None

**Risk Management**

39. This is embedded within the project framework and is reported to the Strategic and Operational boards as necessary.

**Recommendations**

40. That the Executive notes the latest update on this project as was requested by the Executive when the project first commenced.

41. That the Executive endorses and formally adopts the restated eligibility criteria referred to at paragraph 23 above and set out at Appendix A. This is to ensure that the policy is adhered to when deciding requests for transport.

42. That the Executive requests a further report be brought back to the Executive in July 2009 to update progress and report on the outcomes prior to the termination of the project in September 2009.

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**Report Approved**

**Date**

**Specialist Implications Officer(s)**

None

**Wards Affected:** *List wards or tick box to indicate all*

**All**

**For further information please contact the author of the report  
List of Annex's**

**Annex A – Restated eligibility criteria**

**Annex B – Customer satisfaction survey results**

**Background Papers: None**

**CRITERIA FOR THE PROVISION OF TRANSPORT  
HASS**

The provision/funding for transport should **only** be considered if the client has needs categorised in accordance with the Council's eligibility criteria and FACS.

The provision/funding of transport is designated a **desirable** service and is **not** therefore guaranteed as part of a care package.

Transport is provided to enable clients to access a range of community activities/respite and where parents/carers are unable to provide transport under their volition.

Transport should **not** be offered as an incentive to take up a care package.

The transport team will provide the most appropriate and cost effective mode of transport available when responding to requests for transport as detailed in the OUTCOMES column below.

<b>Desirable Standards</b> (what services do we provide transport for)	<b>Criteria/Test</b> (The following considerations need to be taken into account and if the criteria below can be applied then alternative transport arrangements should be made)	<b>Outcomes</b> (if transport is granted the transport team will make the following considerations)
<ul style="list-style-type: none"> <li>▪ Ability to access day services/activities</li> <li>▪ Ability to access recognised care management assessed respite services</li> </ul>	<ul style="list-style-type: none"> <li>▪ If customer/customer's family have a mobility vehicle then the customer/customer's family/carer should be encouraged to use the vehicle and where appropriate transport should <b>NOT</b> be provided/funded</li> <li>▪ Where care packages are commissioned directly by the authority and when the customer is in receipt of higher rate mobility allowance/a mobility vehicle, then the care package should be designed to fully utilise the allowance/mobility vehicle</li> <li>▪ If there is an appropriate public transport route(s) which the customer has the ability to use individually or be chaperoned on then transport should <b>NOT</b> be provided/funded</li> <li>▪ If customer is able to undertake independent travel training then the client should be placed on the relevant managed training package (YILTS). A full review of progress will take place after an appropriate period.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Consider utilising the internal fleet vehicles</li> <li>▪ Is there another taxi already travelling to the destination and can the client travel with other passengers</li> <li>▪ Is the use of a pool car appropriate/available</li> <li>▪ Is the journey under 1 mile and is it appropriate to employ a 'walking escort'/chaperone</li> </ul>
Review to be conducted after	3 months      6 months      9 months      12 months	

## Criteria for the provision of discretionary transport for the Learning, Culture and Children's Services Directorate

Statutory Standards (what services do we provide transport for)	Criteria/Test (when should transport be granted as part of the overall service provision)	Outcomes (if transport is granted the following considerations should be made)		
<ul style="list-style-type: none"> <li>• Ability to access mainstream or special School</li> <li>• Ability to attend an alternative education establishment to access appropriate education e.g. PRU</li> <li>• Ability to access respite/sharing care services</li> <li>• Ability to attend contact visits</li> <li>• Ability to attend an educational establishment which offers post 16 education</li> <li>• Ability to attend an appropriate activity/setting to support the child/young persons emotional/social wellbeing</li> </ul>	<ul style="list-style-type: none"> <li>• Does the child have a special educational need and how does this impact on the child's ability to attend the school or appropriate educational establishment</li> <li>• For a child attending their appropriate (catchment) school do they live more than 2 miles from the school (primary) or 3 miles (secondary)</li> <li>• What is the age of the pupil and how does this impact upon the health and safety risk versus the need to promote inclusion and independence</li> <li>• Is the pupil appropriate to undertake independent travel training</li> <li>• What is the parents/carers situation and what is their ability to assist in transporting the young person.</li> <li>• What importance is placed on providing continuity at the time of the request, and what are the implications on the young person</li> </ul>	<ul style="list-style-type: none"> <li>• Consider utilising the internal fleet vehicles</li> <li>• Provide a seat on an existing contracted vehicle</li> <li>• Provide a travel pass for use on public transport</li> <li>• Access to the YILTS training package if appropriate</li> <li>• Does the council centre have the use of a pool car</li> <li>• Is it appropriate to provide a walking escort</li> <li>• Provide mileage expenses for the parent/carer to use their own vehicle</li> <li>• Refund travel expenses according to the cheapest available public transport equivalent</li> <li>• Provide voucher to purchase bike and access to appropriate training.</li> </ul>		
Review to be conducted after	3 months	6 months	9 months	12 months

**Customer Feedback – Summary Feedback****Appendix B**

Home to School Transport – School Buses for Tadcaster Grammar School

<b>Question Answered</b>	<b>Response %</b>
Does the bus arrive on time	83% - Yes 17% - No
Is the bus clean	87% - Yes 13% - No
Is the driver friendly	56% - Yes 41% - Usually 3% - No
Is there trouble on the bus	33% - No 55% - Now and again 12% - Yes

Home to School Transport – Taxi Provision for Applefields School

<b>Question Answered</b>	<b>Response %</b>
Does the taxi arrive on time	100% - Yes
Is the taxi clean	100% - Yes
Is the driver/escort friendly	93% - Yes 7% - Usually
Is there trouble on the taxi	90% - No 10% - Now and again

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**Executive**7<sup>th</sup> October 2008

Report of the Assistant Director of Resources - Easy@york Programme Director

**Corporate Customer Strategy****Summary**

1. This report sets out the draft Corporate Customer Strategy for shaping by Members. It sets out a proposed Vision for how we will deliver customer focussed, efficient services to customers, improving upon work we have already commenced, to transform our services to customers, to design services around their needs and to embed customer focus within the regular mechanisms of service design, resource planning and performance management.
2. Members' views will be incorporated into the draft before it is then consulted upon with a range of customer groups over the Autumn. The final strategy will then come back to Executive for agreement in December 2008.
3. A revised Customer Complaints and Feedback Policy is also attached at Annex 1 for agreement by Members.

**Background**

4. In 2002, CYC undertook a best value review of Access to Services which eventually resulted in the establishment of the easy@york Programme. This programme developed a Customer Access Strategy which set out our vision for improved customer services through joining up services and offering improved channels and hours of access. The strap line was "The Customer is never in the wrong place."
5. At the time, the strategic focus was primarily upon access. Since then the Customer Service agenda within local Government has matured and become more all encompassing. We have also delivered a large proportion of our Customer Access objectives. It is therefore appropriate to update our Customer Strategy and restate our vision for the future of Customer Services in York.
6. The Strategy is comprehensive and ambitious but it is also achievable. CYC are well positioned to build on the work of easy@york and to exploit the opportunities for improvement offered by our move to a new Headquarters. We have the potential to achieve excellence in the field of customer services, to meet and exceed the expectations of customers.

7. The Strategy as drafted reflects our detailed ambitions and seeks to capture the ways we will deliver the vision. This is by necessity quite complex and the document is not a customer facing document. If Members agree the content of the strategy then it is recommended that a summarised, customer friendly version be developed to express the vision we foresee and the commitments we will make, in a format that Customers can readily grasp and relate to. There are many examples of how this has been achieved within the Council. A recent example of excellence is the Homelessness Strategy which is both rich in meaning, visually attractive and accessible to customers.
8. The delivery plan for the Strategy is still in development. If Members agree the content of the strategy then further work will be undertaken to
  - Define programmes of work to integrate the strategy into service planning, budget setting and performance management arrangements
  - Establish robust Performance management standards and targets for Customer Service delivery
  - Consult Customers
9. This will then be brought back to Executive in December for final agreement.

### **Customer Complaints and Feedback Policy**

10. The current Complaints policy is outdated and does not reflect the importance of using customer feedback, be that positive or negative, to identify failure, express customer requirements and shape future service delivery. Over the last year, a working group has developed a revised policy to reflect the importance of handling customer feedback and complaints well, attempting to resolve problems and provide customer satisfaction whilst routinely capturing feedback and using it constructively to improve services for the future.
11. The revised policy has been rigorously assessed and developed by a cross Directorate staff group who are currently responsible for managing complaints and feedback.
12. Members are asked to agree this policy so that it can be implemented. The implementation will be supported by the development of e-forms to ensure all feedback is captured in a consistent way and progress can be easily tracked. This work will be undertaken as part of the easy@york programme.

### **Corporate Priorities**

13. The Corporate Strategy contains a Customer value, to deliver what our customers want. The Customer Strategy is an articulation of what we mean and what we will do to deliver this element of the corporate Strategy.

### **Financial Implications**

14. There are no specific financial implications of this draft strategy, though building a comprehensive delivery plan may involve further requests for

funding which will be brought forward as part of the annual budget cycle or as specific reports for member decision.

## Implications

15. The implications of Phase 2 of the easy programme are: -
- **Financial** - None at this stage
  - **Human Resources (HR)** - Any changes to staff terms and conditions arising from increasing access to services would need to be separately discussed with Unions
  - **Equalities** – the Equalities team have been involved in the development of this strategy and a desktop EIA is being completed. Full EIA assessment will take place in November. Work is required to integrate the customer strategy into the Equalities Delivery Plan
  - **Legal** – No implications
  - **Crime and Disorder** – no implications
  - **Information Technology (IT)** – All incorporated into the Easy@york programme, the new headquarters project or individual IT development projects already agreed. Expansion of EDMS and Mobile working may need further consideration
  - **Risk Management** – no implications at this stage as this is a draft strategy

## Consultation

16. We will use a mix of methods to engage and consult with customer on the content of this strategy, including postal surveys, face-to-face interviews, on-line surveys, focus groups, workshop and phone surveys. Our planned activities for engaging and consulting on the Customer Services Strategy include: -

Participate in the Equalities Impact Assessment (EIA) fair	November 2008
Question in <b>Place Survey</b> on customers preferred method of contacting the council by type of request	Results due early 2009
Workshops/discussion groups with service areas	Ongoing
Phone survey(s)	October/ November 2008
Mail survey e.g. Talkabout	October / November 2008
Workshop(s)/discussion group(s) with customers/residents (especially targeting those hard to reach sections of our community)	October/ November 2008
Putting the Customer First Engagement Group	Autumn 2008

**Recommendations**

- 17. Members are asked to agree the Corporate Customer Complaints and Feedback Policy
- 18. Members are asked to provide feedback on the content of the Draft Corporate Strategy
- 19. Members are asked to agree that the Draft Strategy be used to consult and engage customers as per the plan set out in para 14
- 20. Members are asked to agree the working up of the delivery plan as set out in section 8 of the Strategy.
- 21. Members are asked to agree that a final report will be brought back to Executive in December 2008

Reason: To allow the new Corporate Feedback and complaints policy to be implemented and to allow the draft strategy to go forward for consultation with customers.

**Contact Details**

**Author:**

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**Chief Officer Responsible for the report:**

*Chief Officer's name* Tracey Carter  
*Title* Assistant Director of Resources -

**Report Approved**

**Date** 23<sup>rd</sup> Sept 08

**Wards Affected:** *List wards or tick box to indicate all*

**All**

**For further information please contact the author of the report**

**Background Papers:**

None

**Annexes**

Customer Strategy

Revised Customer complaints and feedback policy.....Annex 1

Proposed Customer First standards and behaviours.....Annex 2

Customer First measures and targets.....Annex 3

NI14 roll-out plan.....Annex 4

Customer Excellence Standards .....Annex 5



# **Customer Service Strategy**

## **2008 to 2013**

# **1 Introduction**

One of City of York Council's core values in its current Corporate Strategy is to 'deliver what our customers want'.

The objective of the draft Customer Strategy contained in this document is to:

- explain what we mean by this customer value
- demonstrate what we are committed to delivering for our customers
- communicate a clear vision to guide the development of improved Customer Service across all Council services
- set out design principles to drive the transformation and improvement of services
- set a high level delivery plan for the implementation of the Customer Strategy

The council's customers may be internal or external, but ultimately all our services are delivered for the benefit of the people of York. Our customers are those people for whom we work to commission, contract, deliver, and enable services. They may be local citizens, or people coming in to the area to work or visit. They may be direct service users, employees of the council, employees of other organisations, elected members or partners.

This document is for:

- Customers
- Staff
- Council Members
- Partner organisations

All of the above groups will be consulted on the Customer Service Strategy and their views and feedback reflected in the final version.

The Strategy will set the framework for the physical, organisational and business process design that will be developed to identify and respond to customers needs and deliver high quality customer-focused service across all Council services in the Customer Centre at the Council's new HQ.

The Strategy will be a living document and during its lifetime it will be refreshed to reflect progress towards the objectives and respond to new requirements.

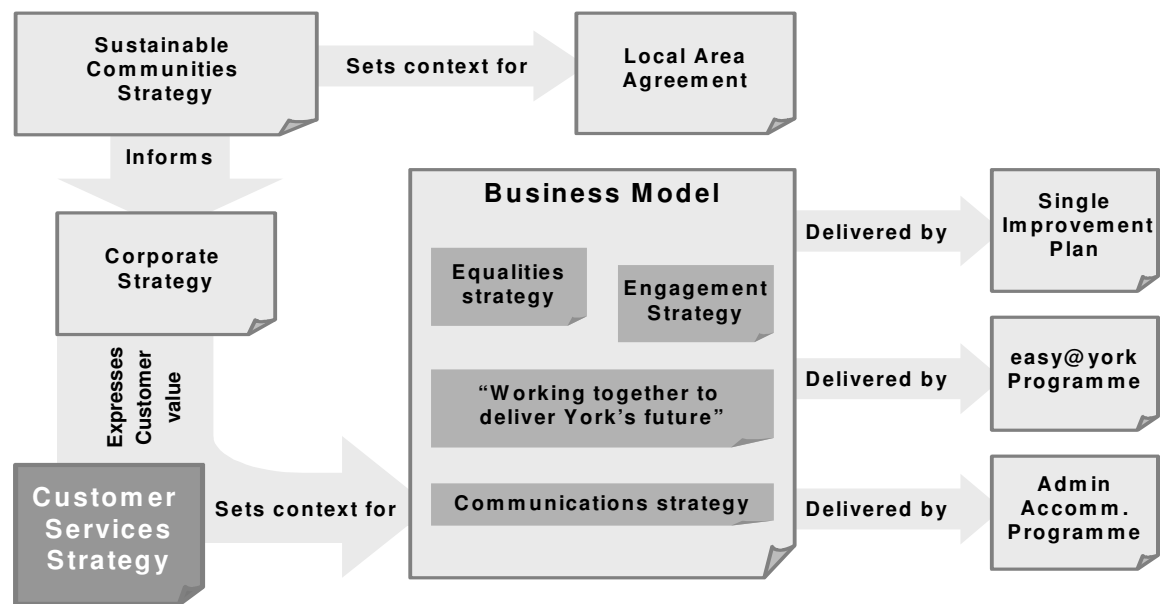
**Contents**

<b>1 Introduction.....</b>	<b>2</b>
<b>2 Where are we now?.....</b>	<b>4</b>
2.1 <i>Where does the strategy fit within the Council's corporate strategy framework? .....</i>	<i>4</i>
2.2 <i>What is Customer Service like now?.....</i>	<i>5</i>
<b>3 What are the drivers for change? .....</b>	<b>7</b>
<b>4 Our Customer Service Vision .....</b>	<b>10</b>
<b>5 Delivering the Vision.....</b>	<b>11</b>
5.1 <i>The Building Blocks .....</i>	<i>11</i>
5.2 <i>Design Principles.....</i>	<i>12</i>
5.2.1 <i>Design principles - Accessibility .....</i>	<i>12</i>
5.2.2 <i>Design principles: High quality and efficient services .....</i>	<i>13</i>
5.2.3 <i>Design principles: Effectively Managed Services .....</i>	<i>14</i>
5.2.4 <i>Design principles: Services designed for you.....</i>	<i>16</i>
5.3 <i>Customer Service Values .....</i>	<i>17</i>
<b>6 What will Customer Service be like in the future? – A Blueprint.....</b>	<b>19</b>
6.1 <i>What the council will look and feel like to customers.....</i>	<i>19</i>
6.2 <i>What the council will look and feel like from the inside .....</i>	<i>20</i>
6.3 <i>Organisational design.....</i>	<i>21</i>
<b>7 How we will deliver change.....</b>	<b>23</b>
7.1 <i>Organisational and staff development.....</i>	<i>23</i>
7.2 <i>Service design and delivery .....</i>	<i>23</i>
7.2.1 <i>How we will deliver change: Transitional Initiatives .....</i>	<i>24</i>
7.2.2 <i>How we will deliver change: Transformational initiatives.....</i>	<i>24</i>
7.2.3 <i>How we will deliver change: Ongoing Service Improvement.....</i>	<i>25</i>
<b>8 The Delivery Plan: what we will deliver, when .....</b>	<b>26</b>
Revised Customer complaints and feedback policy.....	Annex 1
Proposed Customer First standards and behaviours.....	Annex 2
Customer First measures and targets.....	Annex 3
NI14 roll-out plan.....	Annex 4
Customer Excellence Standards .....	Annex 5

## 2 Where are we now?

### 2.1 Where does the strategy fit within the Council's corporate strategy framework?

**This may need revising when the Corporate Strategy is revised in the next few months**



The refreshed Corporate Strategy 2007–2011 sets out the council's vision and provides us with clarity about where we want to go as a Council and the changes we will make to the way we deliver services. Having this clear sense of direction is important for setting out our intentions and ensuring we remain in control of steering change towards them. The corporate Vision consists of two elements:

- The Values that we hold as a council and that will underpin change
- The Direction Statements which show where we are going

Our Values show what we believe in and also set out the priorities for improving our internal business. They focus on four key things which are central to what we are trying to achieve across the whole organisation. Each of the values has a chief officer champion responsible for delivering a programme of improvement.

The customer value 'delivering what our customers want' is the first of these values. The Customer Service strategy further articulates the council's vision for customer service and the customer values that will underpin change. Together with the corporate strategy, these set the context for other customer-related strategies in the Business Model.



Implementation of the Customer Service Strategy will be through:

- Embedding a customer focused approach into all the strands of the Single Improvement Plan and into service planning and performance management
- Delivering specific customer improvements through priority service projects including the new Headquarters project and the easy@york programme.

## **2.2 What is Customer Service like now?**

City of York Council has a long track record of good customer services. Its performance record speaks for itself in that it delivers a wide range of top quality services to the people of York. For many years we have applied and monitored our Customer First Standards, designed to ensure that all services focus on the end point of their services – their customers.

In 2003 The Council launched an extremely successful programme of Customer Service transformation - easy@york which has established the York Customer Centre (YCC), which provides a single first point of telephone contact for all Council services and delivers a full service for

- Revenues
- Benefits
- Street Services such as refuse and cleansing
- Planning

The Service has recently been accredited under the national “Putting the Customer First “ initiative. The Programme has already delivered major improvements in the customer experience,

- More joined up services
- More channels of access – e.g web
- More efficient and cost effective services
- Faster services
- More consistent services

Other service areas are also providing excellent customer services and initiatives such as; - - *need to insert list of innovative initiatives and service excellence e.g*

*Neighbourhood Pride Unit – ward budgets*

*Personalisation of social care*

*Environmental Health, Trading Standards & licensing – Charter mark from Cabinet Office*

The Easy@york Programme was driven by customer research and consultation - addressing many of the problems they identified and involving customers in designing new services. The Programme developed a Customer Access Strategy which set out how the Council would seek to offer

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more choice of access, and join services up in the customers' eyes. The strap line for this strategy was "The Customer is never in the wrong place". This was an effective driver for change but many aspects of this strategy have now been delivered and its focus primarily on access no longer sums up the larger objectives that the organisation has for delivering excellent customer services. We need to join together our Customer Access Strategy and our corporate Customer standards into one strategy that supports the delivery of the customer value in the corporate strategy. A new Customer Strategy is required for the Council which sets out our vision for delivering excellence to our customers.

Though standards in York are generally high we still have the following challenges and there are still major improvements that can be made. :-

- We do not understand enough about the specific profile and makeup of our localities and communities
- Some services are not designed with the customer as the primary focus
- We are still partially shaped by our organisational structure rather than customer need
- Though customers are satisfied with individual services, satisfaction with the Council as a whole needs to improve. This suggests that we are seen as less than the sum of our parts.
- Some services can be made more efficient and removing failure and making services more direct for the customer to access will reduce cost
- We have a primary point of phone contact (the York Customer Centre or YCC) but only certain services are handled in depth
- Increasing volume of web transactions which betrays latent demand for this method of accessing services. The web could be exploited by more services in the future
- Improved web site but some content wanted by customers is still not available
- We have multiple points of face-to-face contact around the City centre. Customers still have to be signposted between sites and there are some accessibility issues
- We do not use text messaging as a contact channel
- We have a lot of email contact which is unstructured, inefficient and difficult to track and report
- Our handling of white mail is fragmented and we have not yet implemented corporate Electronic Document Management System (EDMS)
- A full choice of channels is only available for services that have been redesigned by easy@york
- We have made good efficiencies where we have transformed services but this is partial – many services have not been reviewed in the light of changing customer requirements and patterns of behaviour
- We still have customer information in many places – we have no single view of the customer
- Limited hours of phone or Face to face contact

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- It is likely that we will be relocating into a single headquarters where face-to-face contact will have to be joined up, as we cannot run individual receptions for each service. It would be inefficient and entirely inadequate for our customers.

With these challenges in mind we have developed a new Customer Strategy that will set out our vision for Customer Service delivery in City of York Council in the future. To develop this strategy we have looked at national drivers and trends, local customer research, best practice as applied in other leading authorities and we have learnt from our own success and weaknesses.

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## **3 What are the drivers for change?**

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### **Customer Expectations**

The expectations of customers are increasing. Customers want to access services at times that are most convenient to them, as well as in places and in ways that most suit their needs. They expect the council to use technology to make things easier and quicker, to join services up where relevant and to deliver value for money. They expect council services to be delivered in physically accessible, modern, fit-for purpose buildings with professional, polite and friendly staff. They want the Council to respond quickly, get it right first time, treat them as individuals and not make them jump through hoops.

### **Local Drivers**

The Council is committed in the Corporate Strategy to deliver 'what customers want' and this value demonstrates our belief that customer service should be a priority focus that drives the improvement of services across the Council.

The improvement in customer service that has been achieved to date (described above in *Where are we now?*) was reflected in the 2008 Resident's Opinion Survey by a 17% increase in overall customer satisfaction with the Council in the last two years. But with 65% of customers satisfied overall we still have room for improvement to meet our customers' expectations and we must ensure that our services address the needs of *all* sections of the community.

To fulfil our community leadership role effectively, the council needs to further strengthen its relationships with customers and communities and create more opportunities to engage and involve local communities in the way we develop and deliver our services. This is the way we will ensure that we offer the right services in the best way possible.

The council's reputation in the local community and nationally depends on our ability to do this whilst ensuring that we are increasing the efficiency of our

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organisation and processes in order to deliver the value for money services that our citizens deserve.

**National and External drivers**

There are a plethora of National Agendas that reference customer satisfaction, consultation and feedback as future targets. These national initiatives increasingly recognise the importance of improving customer services.

- From April 2009 the Comprehensive Area Assessment (CAA) will provide:
  - a catalyst for better local outcomes, more effective partnership working, more responsive services and better value for money;
  - a source of independent assurance for citizens, service users and taxpayers;
  - an independent evidence base for central government on progress against national priorities; and
  - a means of focusing, rationalising and co-ordinating inspection.

CAA will have two main elements, which will inform each other (under consultation until 20<sup>th</sup> October 2008):

- an area assessment that looks at how well local public services are delivering better results for local people in local priorities, such as health, economic prospects and community safety, and how likely they are to improve in the future; and
  - organisational assessments of individual public bodies. For councils, these will combine use of resources and managing performance themes into a combined assessment of organisational effectiveness.
- 
- The Local Government Reputation Project which addresses the current poor perception of local government.
  - The Efficiency/Value for Money Agenda which drives councils to deliver improvements in service delivery both internally and externally
  - The Choice Agenda which advocates the need for high quality public services that are flexible, accountable and personalised.
  - The drive towards e-enablement of public services which should allow better access to services at lower cost
  - The Varney Report which sets the direction and objectives required to deliver world class services
  - Strong and Prosperous Communities which significantly strengthens the requirement on councils to offer choice and consult and engage with residents to deliver improved services.

- Technology – new technologies enable all organisations to deliver and manage customer contact more effectively. They provide opportunities for transformation that were never before possible. Customers are becoming increasingly skilled and aware of the potential of technology and are now demanding a wider range of access channels and service standards. Their rising expectations are being fired by the effective use of technology in all sectors of society.

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## **4 Our Customer Service Vision**

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The Council's corporate customer value is to 'deliver what our customers want'. We believe that to deliver what our customers want we must promise that:

### **“Our services will be:**

- **Easy to access**
  - **High quality and efficient**
  - **Effectively managed**
  - **Designed for you** ”

#### **Easy to Access**

- All of our customers will be able to easily access the services they need through a choice of channels and at a time that is convenient to them

#### **High Quality and efficient**

- Our customers will experience services which are delivered consistently, of high quality, efficient and ensure equality of outcomes

#### **Effectively Managed**

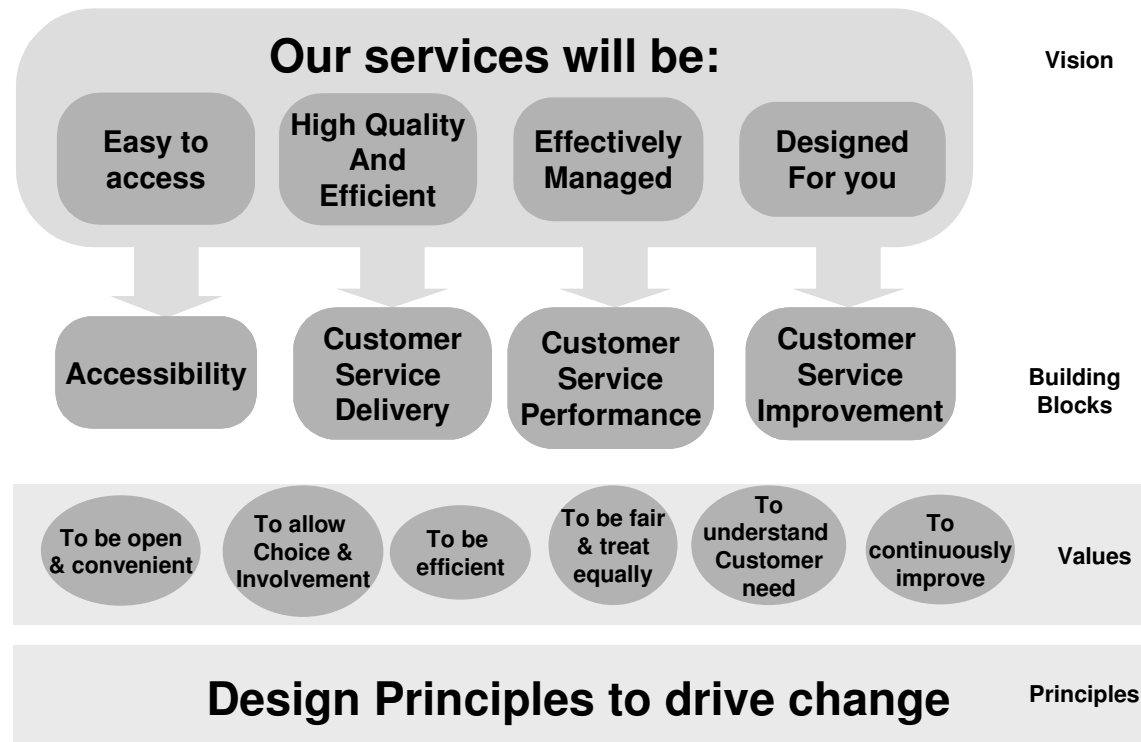
- Our customers will know what service standards to expect; the standards will reflect what matters to our customers; and we will actively manage performance to achieve these standards so that our customers get what they are promised

#### **Designed for you**

- We will engage with our customers and involve them in the design of services, use customer insight and business intelligence to achieve transformational and continuous service improvement

## 5 Delivering the Vision

These objectives map in to four building blocks which will be delivered by applying a set of design principles to the way on which we deliver and develop our services. Running across these building blocks are a series of core values that services will strive to apply at all times. The diagram below shows how these four layers inter-relate.



### 5.1 The Building Blocks

To support the delivery of the Customer Service Vision we have identified the four building blocks of the strategy. These will all be underpinned by a series of design principles which will be used to shape services for the future.

The 4 building blocks are:

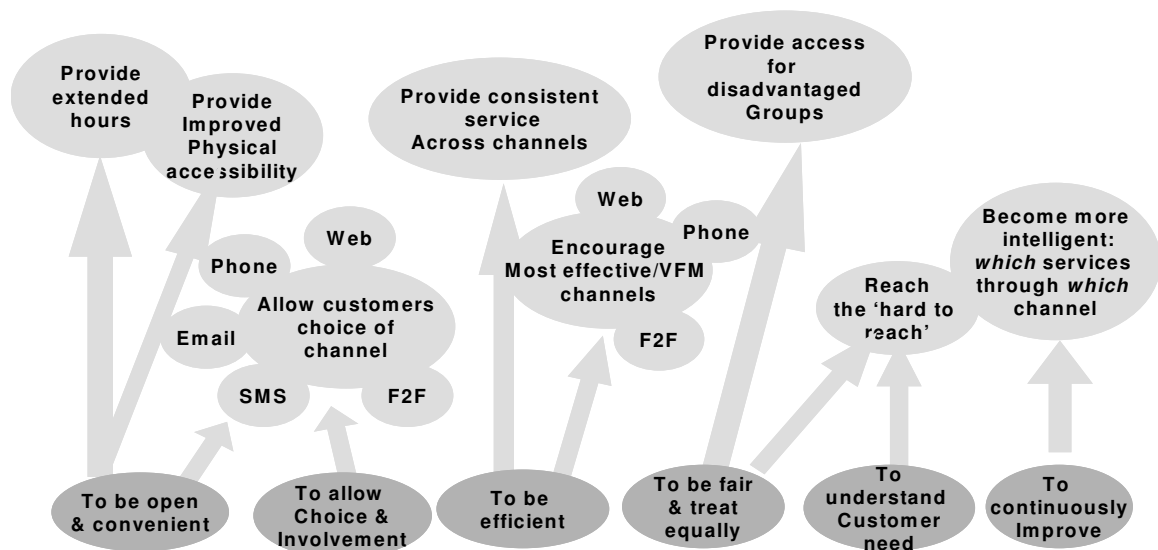
- Accessibility – how we make sure all customers can access the services they need
- Delivery – how we make sure that the services we deliver are consistent, high quality, efficient and ensure equality of outcomes
- Performance – how we make sure that customers know what service standards to expect, that the standards reflect what matters to our customers and how we monitor and manage this performance
- Improvement – how we make sure that we use customer insight and business intelligence to achieve service transformation and continuous service improvement

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## 5.2 Design Principles

The customer service design principles will be used as the design template when re-engineering customer service delivery both in transformational change programmes such as easy@york and also in ongoing service improvement delivered through the annual service planning mechanism.

### 5.2.1 Design principles - Accessibility



Services will be designed to ensure that:

*Customers have a choice of access channels appropriate to the service and to their needs:*

- The availability of all appropriate channels including phone, web, email, face to face, mail and SMS will be considered when designing services.

- Offer a mix of conventional and electronic channels

Channel access meets accessibility and diversity standards

- The physical design of the new Customer Centre will be fully accessible and DDA compliant.
- The website will satisfy W3C accessibility guidelines
- Customer information will be made available in different languages and formats

Channels will be available at times to suit our customers

- Extended opening hours for face to face and or phone channels will be developed in line with the demand from our customers to access services outside the existing core hours.
- A balance will be achieved between customer demand and cost effectiveness

*The customer experience is consistent regardless of channel*

- They get the same information and service regardless of channel and can use a mix of channels for the same request.



*The use of value for money channels will be encouraged and promoted*

- The availability of services through new channels (eg a new transaction on the website) will be promoted so customers know this service is available
- Staff in the YCC will support customers in the use of self-service facilities

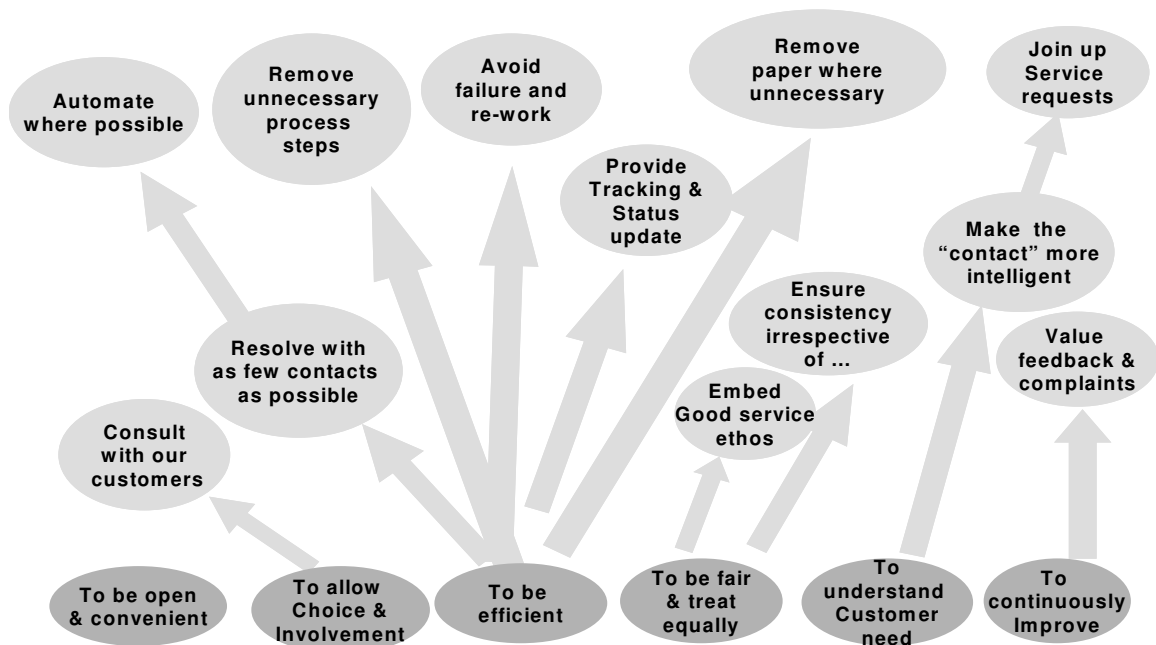
*Intelligent use of channels to improve services*

- Decide which channels are most effective for the service – no blanket assumptions. Sometimes face-to-face is the most efficient. Sometimes we need to take the service to our customer.

*The needs of hard to reach and disadvantaged groups in the community are considered*

- Make services available through partner organisations, third sector and community groups to increase accessibility
- Run proactive campaigns to promote services and target excluded groups
- Use of libraries and schools

## 5.2.2 Design principles: High quality and efficient services



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*We will consult customers in the design of services*

- When new service processes are being designed and build ongoing customer satisfaction consultation into processes so that we can actively seek input from customers about what works for them and whether we are delivering on our promises.

*We will value feedback and complaints*

- As a way to learn how we can continuously improve our services.
- A revised customer feedback policy has been developed (see Annex 1) and will be incorporated into all new process designs

*We will design services to be efficient by:*

- Automating processes where possible
- Resolving customers requests in as few contacts as possible
- Removing unnecessary steps from processes
- Making sure we get it right first time - avoiding failure and rework
- Remove paper from processes where it is unnecessary
- Provide self-service tracking for customers and service updates so that customer don't have to call us to find out what is happening

*We will ensure that services are delivered fairly and equally:*

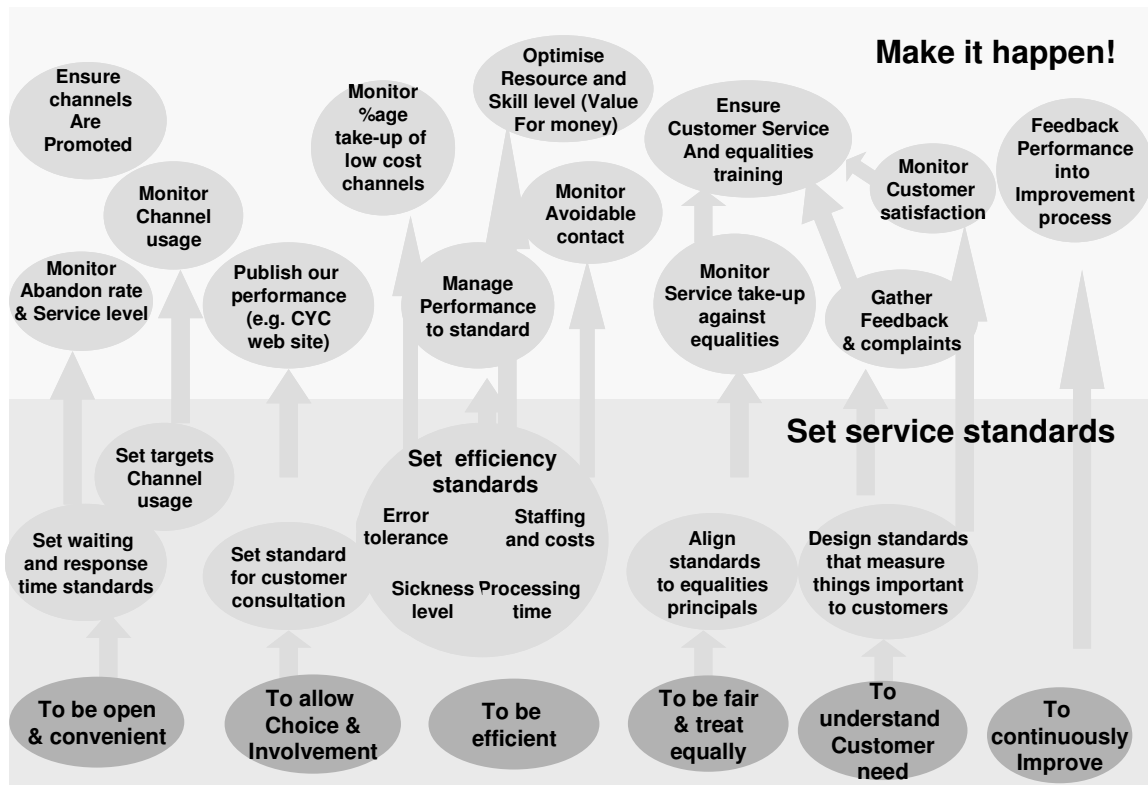
- By embedding a customer service ethos through staff training and publishing our customer service standards (See Annex 2)
- By collecting equalities monitoring data from our customers

*We will look for opportunities to join up our services*

- In a way which corresponds to customers' needs

### **5.2.3 Design principles: Effectively Managed Services**

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What customers want most from the Council is for us to deliver on our promises. To do this we need to effectively manage the performance of our services.

*We will set service standards that measure what our customers value*

- So that when we report our performance it means something to them
- Draft measures and targets have been developed (see Annex 3)

*We will set standards for customer consultation across services*

- That ensure customers have a consistent opportunity to be involved in service design and comment on service delivery

*We will publish our performance so customers can see how we are doing*

- On the website, in the council's publications and in the Customer Centre

*We will set efficiency standards*

- That enable us to manage processing times, errors, costs and staff absence, to maximise the efficiency of service delivery

*We will feed back our performance into the improvement process*

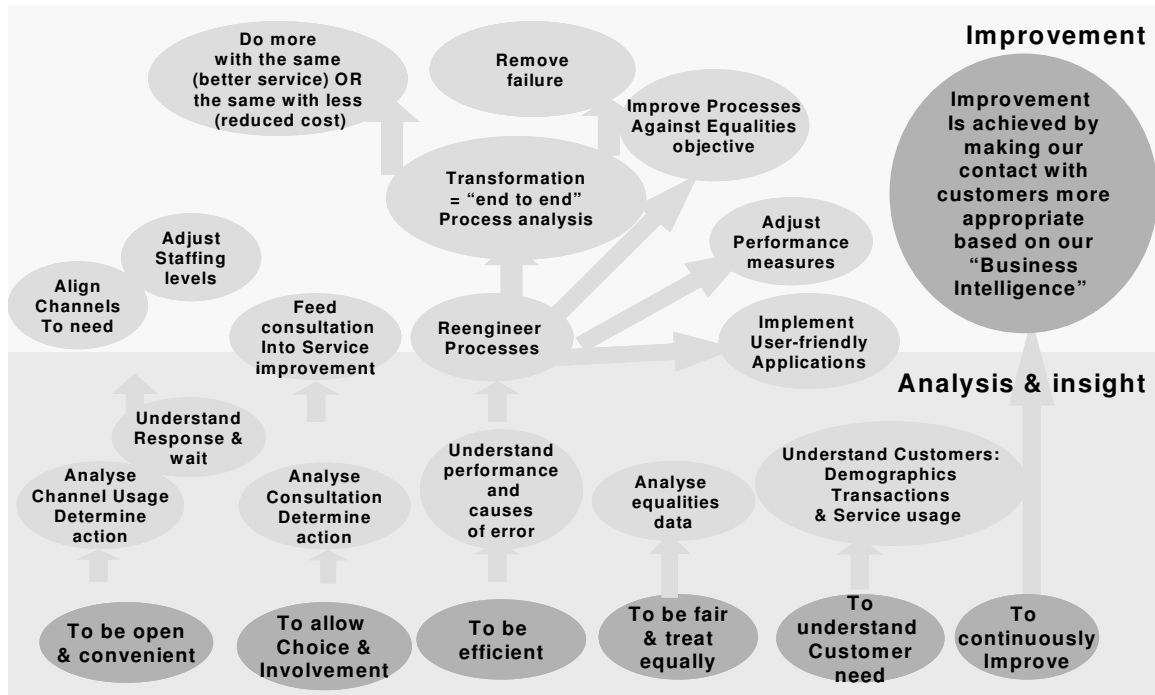
- In order to continuously improve

*We will implement NI14 as an improvement tool (see Annex 4)*

- By identifying avoidable customer contact this indicator can help us target improvements in our performance where they are most needed.

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## 5.2.4 Design principles: Services designed for you



No matter how well we are doing our customers will always want us to do better. Therefore a process for continuous improvement of services is a key building block for the delivery of our customer services vision. We believe in getting the best out of resources, in eliminating wasteful duplication or inefficient practices and processes and that technology should be used to support and enhance customer access and service delivery.

There are 2 stages in the improvement process: Analysis & Insight, and Improvement.

### ***Analysis & Insight***

We need to understand how and why our services are performing as they are and what the improvement opportunities are. We have a lot of data already but we do not have the capability to combine data to create a better understanding of our customers and our localities or the impacts of our service delivery. We need to build a business intelligence platform that will give us a single customer view and enable us to analyse channel usage, service performance, customer satisfaction, customer behaviour, customer profile and geographical data.

We also need to develop our approach to customer segmentation, which gives valuable insight into how to provide the best service for all our customers by focusing on their needs, motivations and choices. It will help services to move away from the idea that *'one size fits all'* for customers.

***Improvement***

The approach to improvement may be continuous or transformational depending on the degree of change required.

Both types of improvement will need to refer to the Customer Strategy design principles and take the following into account:

***Re-engineering of processes***

- To effectively transform processes you have to look at them end to end to identify and remove failure

***Improvement in processes and accessibility to meet equalities objectives***

- Processes must have appropriate choices of access and delivery methods to be effective for all sectors of the community

***Use Business Intelligence***

- What do our customers like?
- What is going wrong?
- What do we do well?
- What do our customers want?

***Efficiency choices***

- To provide better services – do more with less
- To reduce cost – do the same for less

***Technology choices***

- To implement user-friendly technology to support the process
- Make the most of our existing investment in technology – how can we make better use of existing systems?
- Will mobilising the process improve it?
- Automation - establish business rules and enable the technology to apply them

**5.3 Customer Service Values**

The design principles above will drive the change in our customer services consistently in the direction of our vision. We also need to ensure that we apply a set of customer service values to the 4 building blocks of the vision so that we are consistent in our approach. These values are: -

- **Openness and convenience**

We must make our services accessible and provide them in locations, at times and in ways, which ensure social inclusion and are convenient to our customers

We must clearly promote all of our services to ensure that those who are entitled or in need are made aware of services they may benefit from and are enabled to access them.

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- **Choice and involvement**

We want customers to have a choice of how, when and where they contact us. We are here to serve them.

We want to consult customers on their experience of our services and engage them in the design of services.

- **Efficiency**

Efficiency is important to us and to our customers. By striving for greater cost-effectiveness in the design and delivery of our services we can deliver better, or more services to our customers for the same cost. And by always pursuing better value for money we can maintain a rate of Council Tax which is as low as possible for all our citizens.

- **Fairness and equality of outcomes**

We recognise that our customers are not all the same. York has a diverse population and our customers have different and changing needs, circumstances and expectations and it is our responsibility to design and deliver services that are capable of responding to all of our customers as individuals. We want to ensure that the same service outcomes are available to all so that there is fairness and consistency inherent in our service delivery. All customers will be treated with respect, dignity and understanding, regardless of disability, race, faith, age, gender or sexual orientation.

- **Understanding customer need**

We need to provide relevant services by tailoring them to meet specific customer needs

- **Continuous improvement**

We will design and deliver high quality, reliable, flexible and responsive services which continuously strive to improve

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## 6 What will Customer Service be like in the future? – A Blueprint

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To bring the vision of customer services in York to life, the following section tries to set out how City of York Council might look when this strategy is delivered. It gives a view from a customer perspective and from an employee perspective and it tries to set a general direction of travel for the evolving design of the organisation. This, of course, will be shaped in more detail as we begin to design and implement our services in our new headquarters. This will provide a blueprint for the organisation to strive towards as it transforms and improves customer service delivery.



### 6.1 What the council will look and feel like to customers

The following statements represent a vision of the customer experience we want to deliver in future.

#### Accessibility

- I can get through to the council quickly by phone or go to one place for all services.
- I can get into the new Customer Centre in my wheelchair
- I have a choice of “paperless contact” – all documents can be emailed to me or are on the web.
- I can do most of my business with the council on the website.
- The Council is open at times that are convenient to me
- The council sends me a text to remind me what time my appointment is.
- I know what services the council offers and how to get in contact

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### **Delivery**

- Staff are always polite and try to help. They make things as simple as possible for me.
- Staff in the Customer Centre can deal with most things, or they can call in an “expert” there and then.
- Services and staff are consistent however I get in touch. I visited the Customer Centre and they knew that I had phoned and they had an electronic copy of a letter I sent in
- I can speak to one person and they can sort everything out for me quickly.
- I received a ‘Welcome to York’ pack which joined up the services I need

### **Performance**

- I don’t have to wait long to be seen or get an answer on the phone
- I know when my service request will be completed and can track progress on the web site
- I can see how well the Council is doing on the website
- I have never had to chase things up or complain
- The information I get is always up to date

### **Improvement**

- The web site and phone access has improved in the last 3 years
- The new Customer Centre is modern , comfortable and easy to use
- I was consulted on what I wanted to see in the new Centre
- I know that my feedback has been used to redesign services.



## **6.2 What the council will look and feel like from the inside**

### **6.2.1.1 Accessibility**

- More customers are using the website and the phone – this is quicker for the customer and costs us less
- More integrated web transactions saves staff time entering data into systems



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- Selected services promoted through SMS – less customers miss their appointments
- Outbound customer contact by email (where chosen) instead of letter – savings on paper and postage - greener, faster and less cost
- New Customer Centre meets physical accessibility criteria
- Staff can spend more time with vulnerable customers because most routine queries are done quickly on the phone or by customers using self-service

**Delivery**

- Multi-skilled, motivated, trained and empowered staff getting it right first time or fixing it first time – reduced cost, better service and promotes a better perception and reputation
- Re-engineered process for many services leading to low failure demand and error – reduced cost
- Automation where possible – reduced cost and convenience for the customer
- Flexible, mobile workforce –
- Accommodation designed to deliver excellent customer service

**Performance**

- Performance standards are aligned to what matters to customers in York
- We set clear targets for processing time in high volume services
- We understand the cost of transactions per channel
- We have a better understanding of Service and Staff performance
- We know the diversity profile and service take-up of our customers

**Improvement**

- We recognise complaints and feedback as a positive means to identify where we can make improvements
- We use customer insight to redesign services and have a Business Intelligence platform that provides a vehicle for continuous improvement
- We have mechanisms in place to ensure ongoing programme of transformational change and service improvement

## **6.3 Organisational design**

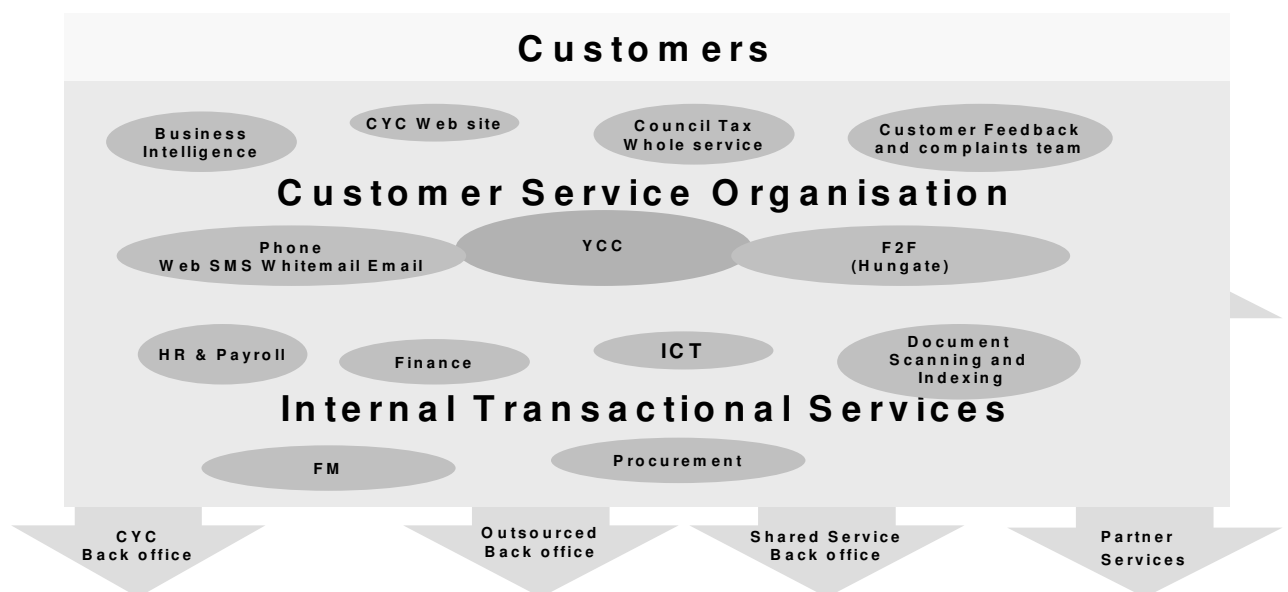
In order to deliver high performing, customer focussed services our business processes will change. This will also require our organisational structures to change. It is impossible to design these in advance but here we set out a direction of travel. We will move to an organisational structure that enables excellence in customer services where the following may apply: -

- There will be a single Customer Services Team with responsibility (over time) for:
  - Customer Service standards and monitoring adherence to the Customer Services Strategy

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- Running the York Customer Centre, which will manage customer contact across all channels, face to face, telephone, and web and email
- Customer complaints & feedback
- The development of Business Intelligence regarding our customers, their demographics and usage of our services.
- The Council Web site
- Delivery of whole services where appropriate (e.g. Revenues and Benefits Service)
- Specialist services will interface closely with the York Customer centre to ensure seamless delivery of end to end services
- All services will be structured around customer need
- The Council presents itself as one council. Silos of independent service delivery will no longer exist.
- The joins between front and back office will be completely invisible to the customer
- There will be strong lateral links between related services that enable us to deliver joined up services to customers
- The performance management of services will extend over both front and back office and may often relate to the work of more than one directorate
- Support services are structured in a way that enables seamless joined up working
- We will retain responsibility for our contact with customers irrespective of who delivers the service to them
- We will be able to share customer contact channels with partner organisations when this is appropriate

The following model shows how this mixed economy of delivery might work and how service boundaries between front and back office and between different delivery agencies might work.



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## **7 How we will deliver change**

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### **7.1 Organisational and staff development**

To realise our Customer Service Vision we need to further develop our organisation so that it is capable of delivering excellent and efficient services which are responsive to the needs and views of all residents. We need to achieve an ingrained culture of excellent customer service and access across the entire organisation.

The Council's most valuable resource in delivering excellent customer service is our staff. We depend on our committed and motivated workforce to put customer service first. To enable our staff to do this they must be involved at every level in the development and delivery of improved services and properly equipped to do the job.

We need to raise our expectations of managers to drive this forward in a way which delegates decision-making to the lowest possible level and empowers staff to pursue excellence. The introduction of leadership and management standards (LAMS) has begun our progress in this direction.

Staff will need to have access to high quality training, coaching and mentoring, systems, data and information if they are to be to deliver consistently the excellent standards of customer service to which we aspire.

This means that staff:

- Will be treated with respect, dignity and understanding
- Will be well-trained, well-managed and well-led
- Will be involved in the design of customer services
- Will be empowered to deliver high quality, responsive and efficient services to our customers

### **7.2 Service design and delivery**

We have three methods or 'vehicles' that we can use to help us move towards our customer service values and implement our customer service design principles to deliver improved customer service:

1. Transitional Initiatives that we can ask all services to undertake now in order to align with the strategy.
2. Transformational initiatives – these are mainly undertaken by the Easy programme.

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3. The approach to ongoing service planning and monitoring, assessment and improvement undertaken by the services.

### **7.2.1 How we will deliver change: Transitional Initiatives**

We cannot implement our entire Vision across the whole Council at the same time. We need to identify a programme of transitional initiatives which will be implemented in all services over the next 5 years to align the Council's Customer Service with our Vision.

These initiatives are ones that can be implemented within our existing organisational structure and in our existing accommodation. They need to address:

- the embedding of a customer service culture
- the adoption of new customer service standards and measures
- a new approach to customer feedback

The purpose of the transitional initiatives is to move the whole organisation to a state of business-readiness for the transition to our new HQ building where we will be delivering Customer Service physically in one location to one set of standards.

Some transitional activities are already identified, agreed and planned. These are set out in section 8.

Following approval of the Customer Service Strategy a full programme of transitional initiatives will need to be identified and planned alongside the main transformational activities in the Delivery Plan to align customer service delivery standards across the whole council. This would include a programme of staff training.

The Customer Champion will lead the development and implementation of this plan.

### **7.2.2 How we will deliver change: Transformational initiatives**

Transformational initiatives are those that review customer service areas and conduct a fundamental review of:

- Organisation structures, roles and skill sets
- Process and procedure
- Supporting technology, applications and the data that underpins the applications

In York this level of transformation has been successfully delivered by Phase 1 of the easy@york programme and Phase 2 of the programme will be

City of York Council – Customer Service Strategy - Sept 2008

*DRAFT*

responsible for the majority of the transformational initiatives in the Delivery Plan.

The easy programme designs more efficient business processes and procedures, opens up new access channels, designs and develops the supporting technology, designs and creates new organisational structures and supports the business through the successful implementation and embedding of these into the transformed business.

In Phase 2 easy is working alongside the New Headquarters project to achieve the transformation of 'Face to Face' access for customers. This will be realised by the inclusion of a single Customer Centre for all council services in the design of the new HQ building.

Currently the delivery plan for the easy@york programme extends to 2010/11 to coincide with the Council's move to its new HQ and for developing the delivery of Face to Face customer service for all Council services in the new Customer Centre. A further phase of the easy@york programme and potentially other transformational programmes will be required to deliver the full Vision.

The new HQ programme has responsibility for designing and delivering the new premises for the Customer Centre. Other transformational initiatives that support the delivery of the Vision are:

- The EDMS project which will allow all mail to be stored and managed electronically thus enabling greater automation and integration of processes
- The flexible working programme which will mobilise processes and create a new organisational culture enabling the flexible use of our workforce to meet our customers' needs.

### **7.2.3 How we will deliver change: Ongoing Service Improvement**

The Council reviews the services it delivers every year in an annual planning cycle that is associated with the process for setting the following year's budget.

In this process each service area sets out a plan for what it will deliver particularly in term of the improvements that will be achieved.

It is proposed that in order to embed the Customer Value in the corporate culture, the Vision, Values and Design principles set out in this strategy are considered in this annual planning cycle and that services have a set of standards to refer to when deciding what customer service improvements they need to make.

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The proposed set of standards to form the basis of this service improvement checklist is the Cabinet Office customer Excellence Standards which are attached in Annex 5.

We want to join with our partners to act as One City in order to deliver the excellent services that our communities needs. We believe that partnerships are fundamental to delivering excellent services; that by working together we can make better use of resources and expertise; and that we will provide better access to services by working together to join up services at a local level and to remove service, geographical and professional barriers.

This means that we will:

- Work with partners towards achieving seamless customer service delivery that will signpost all York public services regardless of the service that has been accessed by the customer
- Build strong partnerships with business, community and voluntary organisations as well as other statutory agencies to achieve the best outcomes for our customers

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## 8 The Delivery Plan: what we will deliver, when

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At this stage it is not possible to set out a fully worked up delivery plan. Further work is needed to pull together the key strands of activity to deliver this strategy. However, there are significant blocks of work already identified and resourced and work is ongoing to develop the additional elements, with a view to achieving this plan largely within existing resources.

The Delivery plan will be split into the three strands set out in section 7 of this strategy and a high level view of the actions and timelines is set out below.

### Transitional Activities

What	When
NI14: Record the cause of contact for selected services with a view to determining "Is this contact avoidable?" •Decide which services •Agree a reporting mechanism •Use NI14 to demonstrate service improvement in areas that have been reengineered (through Easy), and to indicate areas that need review	From Oct 2008
Implement the 2008 'Customer feedback and complaints policy'	From Jan 2009
Review customer data - what & where – Link to work of Equalities team &	To be planned

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performance team	
Adopt new Customer First standards and behaviours	From Jan 2009 following approval of Customer Strategy?
Adopt new Customer First measures and targets	From Jan 2009 following approval of Customer Strategy?

### **Transformational Activities**

Customer Service transformation is the primary function of the **Easy@york programme**. Phase 2 will deliver end-to-end redesign and integrated customer service delivery for: -

Adult and Children's Social Services Advice Information and referral function  
Neighbourhood Services – revisit phase 1 work to increase scope and depth of services currently delivered including Highways

Parking

Housing Management and repairs

Licensing

E-recruitment and internal HR transactions

Face to face contact point for all other services.

Mobile working to send jobs directly to the person doing the job

Easy@york phase 2 has a clear focus upon integrating our face to face contact from multiple reception points into one purpose built Customer Centre which will enable us to achieve the vision set out in this strategy. This means that the easy programme must work closely with the **New Headquarters project** to deliver high quality customer services in an effective setting.

Work is ongoing to design the new Customer Contact Centre, to deliver as many services as possible at this first point of contact and, for those services that are not yet redesigned, to ensure that services who have a large volume of customer contact are located close by. Projects are also ongoing to deliver the full potential of technology and ensure effective communication between front and back office services, seamless handover of customer requests and transparent tracking of transactions. Work is ongoing on these projects to identify the full extent of the resource requirement.

These are namely: -

**An Electronic Document Management System (EDMS)** - This new system is currently being implemented and will enable paper documents to be stored electronically and retrieved/moved around the organisation far more efficiently than paper. Workflow technology will enable us to push documents and transactions to each team/individual so that work is completed quickly and efficiently and progress can be reported at any time. A full roll out programme has yet to be worked up and resources may be needed to backscan historic or working documents.

**Mobile working** – A technology platform is being implemented that will enable secure mobile access to IT systems and data. This will provide an opportunity to deliver services to customers in their own homes and to deploy work to staff based in the field. Further work is needed to create an HR Policy framework and to pilot different mobile workstyles that might in future be used in the new Headquarters.

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### **Service Improvement Activities**

The desired outcome is to embed the Customer Strategy with its Vision, building blocks, design principles and values, into ongoing service delivery. In order to achieve this we need to build it into: -

- Directorate and service planning processes
- The council's corporate strategy - especially the organisational effectiveness and Inclusive City themes
- The council's corporate performance management framework.
- All 12 actions of the Single Improvement Plan
- The Equalities Delivery Plan

All of these are currently under review and the work to integrate the Customer Strategy into them will be undertaken in the next few months.

A full delivery plan will be worked up and delivered alongside the final version of the Customer Strategy in December 2008.

### **Engagement and Consultation Approach**

We will work with the council's research team and the Easy Programme's marketing and communication function, and adopt approaches from the Corporate Engagement Strategy framework, which is currently being developed.

We will use the following methods to engage and consult with customers and residents; directorates and service areas; staff and unions: -

- Place Survey
- Talkabout Survey
- Phone survey
- Facilitated workshops/discussion forums
- Equalities Impact Assessments





**Draft**  
**Corporate Customer**  
**Feedback**

**Policy and Procedures**

**CORPORATE CUSTOMER FEEDBACK POLICY AND PROCEDURE****INDEX**

<b>Content</b>	<b>Page No</b>
<b>Part 1 Policy</b>	
<b>General Principles</b>	<b>2</b>
<b>Making a complaint</b>	<b>3</b>
<b>Feedback</b>	<b>4</b>
<b>Part 2 Procedures</b>	
<b>Dealing with complaints</b>	<b>5</b>
<b>Corporate complaints monitoring</b>	<b>6</b>
<b>Dealing with unreasonably persistent complainants</b>	<b>7</b>
<b>Ombudsman Complaints procedure</b>	<b>8</b>
<b>Making a complaint about the conduct of a councillor</b>	<b>9</b>
<b>Performance measures</b>	<b>10</b>
<b>Quality Monitoring</b>	<b>11</b>
<b>Guidance Notes</b>	<b>12</b>
<ul style="list-style-type: none"> <li>▪ <b>Good investigate practice</b></li> <li>▪ <b>Dealing with unreasonably persistent complaints</b></li> </ul>	
<b>Appendices</b>	<b>15</b>

# Part 1 - Policy

## 1. General Principles

City of York Council is committed to excellent customer service and to securing customer satisfaction in the way it responds to complaints and feedback from any of its service users. The Council will ensure it delivers a better service to its customers by monitoring and measuring complaints, feedback, suggestions and comments. It will follow a standard procedure to achieve greater consistency in how it deals with complaints and feedback.

City of York Council will collect information on complaints and feedback so that it knows which areas of service customers are most satisfied /dissatisfied with. This enables a closer look at whether to change aspects of the service and/or offer training and support to staff dealing with complaints about particular issues.

City Of York Council will demonstrate that it listens to its customers' views and feeds them into service development. Gathering information on complaints and checking responses to them is one way we will do this.

City Of York Council wishes to be responsive to complaints made by members of the public; it views complaints as a valuable form of feedback. Therefore, a formal Corporate Customer Feedback Policy and Procedure will ensure that a complaint is fully investigated in a systematic and comprehensive manner.

Complainants should be advised about this. Fundamentally, all complaints will be dealt with in accordance with this policy.

City Of York Council will ensure that its feedback and complaints system:

- is easily accessible and understandable;
- is acknowledged and published as a model for developing good practice;
- ensures a thorough and fair investigation within set time-scales;
- provides an effective response and appropriate redress;
- is confidential;
- provides feedback to management so that areas of dissatisfaction can be improved;
- keeps complainants informed of progress;
- is fully understood by all staff.

## 2. Making a Complaint

In order to be as flexible as possible and subject to the Council's procedures for dealing with unreasonably persistent complaints, the Council is prepared to accept a complaint from a member of public or anyone acting on behalf of a customer with the proper authority and consent, in the following formats

- in person at any Council office.
- by telephone.
- by letter.
- by email
- through a City Of York councillor.
- through our website. [www.york.gov.uk](http://www.york.gov.uk)

A complaint is

*Any expression of dissatisfaction, however made, from a member of the public about the level or nature of a council service or policy, or the way in which the council's staff carry out their duties*

A complaint is not

*A request for a service that is made for the first time. For example, if a customer complains that a streetlight is not working we will treat it as a service request that we aim to fulfil by repairing it within the service level agreement. If we then fail to repair it, and the customer is still unhappy, it should then be defined and treated as a complaint*

This policy does not relate to those services where there is a statutory or other legislative requirement e.g.

- Adult Social Services
- Children's Social Care Services
- School Admissions
- Planning Objections
- Revenues and Benefits
- Freedom of Information requests

However this policy and procedures will also be used if we receive a complaint regarding one of our contractors or a partner organisation, which delivers services on our behalf.

### **3. Feedback e.g. Suggestions, Compliments and Comments**

The Council recognises that it is important to ensure feedback is also recognised and used to inform service design/delivery and reviews. It is equally important to feed back feedback regarding the service to relevant service managers and to ensure this feedback is passed on to staff.

In order to assist this process, the Council has developed the same method as for dealing with complaints, to collect, record and pass on feedback on a regular basis to the management team, staff and councillors. This will help to ensure the good work of staff is recognised and praised accordingly.

## Part 2 - The Procedures

### 4. Dealing with Complaints

It is important that members of the public are aware that the procedure only relates to genuine complaints. Equally it is not a system for appealing against a decision of the Council, providing these decisions are correctly arrived at.

The procedure is specifically designed to check that, in relation to a genuine complaint, everything that should have been done has been done and that the Council's procedures and policies have been upheld.

The identity of the person making a complaint should be made known only to those who need to consider the complaint, it should not be revealed to any other person or made public by the Council. Care should be taken to maintain confidentiality where particular circumstances demand (for example, information about third parties). It may not be possible to preserve confidentiality in some circumstances, for example where relevant legislation applies or allegations are made which involve the conduct of third parties.

Each directorate has a *Directorate Feedback Co-ordinator (DFC)* who is the channel for their directorate's feedback from customers and a key contact for them. They will receive comments, compliments, complaints and suggestions through a number of channels and need to be informed of any you get. The York Customer Centre (YCC) will be a major channel as staff there receive 'phone calls, emails and forms completed on the web for all types of feedback. They will determine which directorate it relates to and quickly transfer all the details with a unique reference number to the right customer feedback co-ordinator.

The DFC is the communications, monitoring and reporting hub for the directorate's customer feedback. They will:

- ensure the right person in the right service gets the feedback
- monitor anything that needs a response to time or quality standards
- have their name and contact details on all responses to complaints so the customer can come back to a single point of contact for further action should they need to
- produce the customer feedback analysis and reports for their DMT, Annual Report to Scrutiny and / or Audit and Governance Committees
- respond to complaints on behalf of chief officers when required
- be the contact point for letters or investigations passed to the directorate from our Local Government Ombudsman (LGO) Link Officer – this is our Head of Civic, Democratic and Legal Services.

'Front-line' staff that provide the service can generally deal with many complaints quickly and satisfactorily. The member of staff who receives the complaint either by telephone, face to face, by letter or email or through the website should ensure that all steps are taken to resolve the complaint at the first point of contact

However if the complainant is not happy with the outcome at that point, it needs to be escalated into a Stage 1 complaint.

### **Stage 1**

At this stage the line manager of the service will deal with a complaint and the complainant should be advised of the outcome within 10 working days and what they can do if they remain dissatisfied at the end of Stage 1

### **Stage 2**

At the second stage, complaints are best set out in writing (letter, fax or email or on a feedback / complaint form. Assistance will be given upon request if the complainant is unable to complete the form). At this second stage the senior manager /head of the service to which the complaint relates will reconsider the complaint and will inform the complainant of the outcome within 20 working days. Again, complainants should be told what they could do if they remain dissatisfied at the end of stage 2.

### **Stage 3**

At the third stage, the complaint is considered by the Director of the service or a member of staff independent of the service acting on the Director's behalf. At this stage the complainant can expect a full response within 20 working days or advised of any delay and when they can expect a full response. The complainant should also be made aware that if they are still dissatisfied with the outcome they might take their complaint to the LGO, who will carry out an independent investigation of the complaint.

At the end of all stages you need to complete the *Action Plan Following Feedback* form in order to learn from customer complaints.

## **5. Corporate Complaints Monitoring**

The Head of Civic, Democratic and Legal Services will corporately monitor complaints through the Directorate Feedback Co-ordinators

It is important that complaints monitoring is effective. Consequently, a comprehensive monitoring system has been put in place.

- Upon receipt of the complaint at stage 2 or in the event the complainant has bypassed stage 1, the DFC will acknowledge the complaint within 5 working days. This will then be sent to the relevant senior manager of the service, who is required to action the complaint. A date is given for the final response, which will be 20 working days from the date of receipt of the complaint. If, for some exceptional reason, the 20 working day deadline cannot be met, a holding response will be sent to the complainant stating a revised date when a response can be sent and giving an explanation as to the cause of the delay. The acknowledgement letter will indicate who is dealing with the complaint and the date by which a response can be expected.

- Once a complaint has been resolved or closed, then a Customer Satisfaction/ Experience and Equalities and Diversities Monitoring Form will be sent to the complainant with a pre-paid envelope for their return. Information contained within the responses will be collated to feed back to DMTs, Annual Report to Scrutiny and / or Audit and Governance Committees; the Equalities Leadership Group and other relevant groups, where lessons learnt from complaints will be considered/shared.
- A Customer Satisfaction Local Performance Indicator as part of our renewed Customer First Measures and Targets will be adopted for the forthcoming and subsequent years.
- In addition to the leaflet entitled "*Let us know*" guidance notes will also be produced for the information of staff, to ensure a consistent corporate approach across the Authority. In addition, the details of the Council's procedures will be contained on the Council's website.
- The Council will respond to complaints in a positive manner and where it is clear that it has been at fault and caused injustice, appropriate compensation will be authorised by the Chief Executive consistent with the principles adopted by the LGO, even if the complaint has not been referred to the Ombudsman.
- Where a complaint has been referred to the LGO, the Council will always use its best endeavours to meet the deadline set for responses and will maintain a positive, professional working relationship with the LGO Office.

## **6. Dealing with Unreasonably Persistent Complainants Procedure**

This procedure should be initiated only after a discussion with relevant officers has confirmed that all other avenues have been explored and procedures exhausted. The Head of Service for which the complaint has been received, will initiate a discussion or meeting with the Director, directorate feedback co-ordinator and Head of Legal Services to consider the matter. There is a need to carry out an assessment process balancing the rights of the individual, the statutory requirements regarding the service and the Council's responsibilities towards its staff.

### **Options for dealing with unreasonably persistent complainants**

Where complainants have been identified as unreasonably persistent, in accordance with the criteria above, the Head of Service will implement such action and will notify complainants, in writing, of the reasons why they have been classified as such and the action to be taken. This notification may be copied for the information of others involved, eg Advocate, Councillor or Member of Parliament. A record must be kept for future reference of the reasons why a complainant has been classified as unreasonably persistent.



The meeting called by the Head of Service will also consist of:

- Trying to resolve matters before invoking this policy. This might be accomplished by drawing up a signed agreement with the complainant, which sets out a code of behaviour for the parties involved if the Council is to continue processing the complaint. If these terms are contravened, consideration would then be given to implementing other action.
- Declining contact with the complainant either in person, by telephone, by fax, by letter or any combination of these, provided that one form of contact is maintained.
- Notifying the complainant in writing that the Council has responded fully to the points raised and has tried to resolve the complaint, but there is nothing more to add and continuing contact on the matter will serve no useful purpose. The complainants should also be notified that the correspondence is at an end and that further letters received will not be acknowledged nor answered on the matter.
- Informing the complainant that in extreme circumstances the matter will be referred to the Council's solicitors and/or the Police.
- Temporarily suspending all contact with the complainant or investigation of a complaint whilst seeking legal advice.
- Seeking advice at any time from the Health and Safety Officer and/or the Head of Legal Services.

These measures should be limited in order from the least serious to the most.

### **Withdrawing unreasonably persistent complainant status**

From time to time each directorate feedback co-ordinator will review the list of unreasonably persistent complainants and, where possible and reasonable, withdraw this status, subject to discussion with the relevant Head of Service.

## **7. Ombudsman Complaint Procedure**

The Local Government Ombudsmen (LGO) is an independent, impartial and free service, which investigates complaints about councils and certain other bodies. They investigate complaints about most council matters including housing, planning, education and social services and about how the council has done something. But they cannot question what a council has done simply because someone does not agree with it.

This is the procedure that the Ombudsman adheres to:

- On receipt of a complaint to the Ombudsman, a letter will be sent to the Authority advising us of the complaint with a 28-day response target.
- If no response is provided to the Ombudsman within this target, they will contact the our Link Officer (who is our Head of Legal) who will then contact the relevant Head of Service for a progress report on the complaint.

- If there is still no response at this stage it will be filed for a further 14 days.
- If the Ombudsman has still not received a response after 14 days, a letter will be written to the Chief Executive. This will advise the Chief Executive that the Head of Service and Case Officer for the complaint will be required to report with all files relevant to the case for an interview at the Ombudsman's offices in York.

From 1st April 2008, there are new contact details for contacting the LGO to make a complaint or for advice on making a complaint. The Advice Team is available Monday to Friday from 8.30am to 5.00pm

Tel: 0845 602 1983 or 024 7682 1960 (calls may be recorded for training and quality purposes)

Fax: 024 7682 0001

Text: "Call Back" to 0762 480 4323

Send to: The Local Government Ombudsman  
PO Box 4771  
Coventry  
CV4 0EH

## **8. Making a complaint about the conduct of a councillor**

From 8 May 2008 the responsibility for considering complaints that a councillor may have breached the Code of Conduct moved to the standards committees of local authorities.

The Code of Conduct sets out the rules governing the behaviour of councillors in local authorities across the country and is included in Part 5 of the Council's Constitution.

### **What this means**

After 8 May 2008, complaints about the conduct of a City of York Councillor or a councillor from one of our parish councils, must be submitted in writing to:

Chair of the Assessment Sub-Committee,  
The Standards Committee, C/O the Monitoring Officer  
City of York Council,  
Guildhall,  
York YO1 9QN.

Fax: 01904 551047

Email: [Quentin.baker@york.gov.uk](mailto:Quentin.baker@york.gov.uk)

### **How to get a complaints form**

You can download or print off a Making a complaint about the conduct of a councillor form by following the links below:

[Printable form \(new window PDF 54KB\)](#) for completion by hand that can be submitted by fax or post on completion.

[Electronic form \(new window Word 117KB\)](#) that can be submitted by email, fax or post on completion.

Follow this link for [help with opening and downloading Word and PDF files.](#)

Complaint forms are also available at the Council's main reception desk.

### **What happens next?**

The assessment sub-committee can only deal with complaints about the behaviour of a councillor. It will not deal with complaints about things that are not covered by the Code of Conduct. Any complaints must be clear as to why the complainant thinks that a councillor has not followed the Code of Conduct.

We aim to make an initial assessment of the complaint within 20 working days of receipt. If the decision is to take no further action, complainants will have the right to ask for that initial decision to be reviewed.

For further information, or to discuss these changes, please contact the Council's Monitoring Officer, Quentin Baker, on 01904 551004 or email to [Quentin.baker@york.gov.uk](mailto:Quentin.baker@york.gov.uk)

## **9. Performance Measures**

The Council will monitor the effectiveness of this policy and procedures by collating all relevant information and statistics and will use these when it undertakes reviews of this policy and service delivery.

The Council will hold information on its Customer Relationship Management (CRM) system where available – in service areas where CRM is not available, a system will be introduced which is consistent with CRM and across the council.

This will comprise:

- the number of complaints received,
- how quickly they were dealt with and
- whether they were resolved to the satisfaction of the complainant.
- equalities and diversities monitoring data

It will use the information to:

- Identify areas of dissatisfaction with services;
- Highlight areas for service improvement;
- Monitor the success of service improvements based on the number of complaints subsequently received;

- Produce a quarterly and annual statistical report.
- Support the Council's Equalities Strategy, Engagement Strategy and Customer Services Strategy

This information will be reported to the Scrutiny and Audit and Governance Committees, Annual Report, etc.

The following performance information will also be collected:

- Number of complaints received
- Number of Ombudsman maladministration cases (Annually).

<b>Targets</b>	<b>Year 1</b>	<b>Year 2</b>	<b>Year 3</b>
Complaints dealt with within target time	85%	90%	95%
Complainants found the complaint process easy to understand	85%	90%	95%
Written correspondence (letter, fax or e-mail) responded to within 20 days	85%	90%	95%
Number of Ombudsman maladministration claims	0	0	0

## 10. Quality Monitoring

When a response is required from the relevant Head of Service to an Ombudsman complaint, through our Link Officer, which is the Head of Civic, Democratic and Legal Services, the following quality monitoring will take place.

- A copy of the reply will be sent to the LGO Link Officer and DFC prior to sending to the complainant.
- The LGO Link Officer and/or the DFC will quality check the complaint to ensure that all points raised by the Ombudsman have been covered and then send the response out to the complainant.
- In the instance that not all points are covered they will be returned to the relevant Head of Service advising that more information is needed.

One of the ways to judge whether our feedback system works is to conduct customer satisfaction studies. To do this we will send out *Customer Satisfaction surveys* when responding to a customer with the outcome of their complaint and/or to closed complaints

chosen at random from their service area. This will also include an Equalities and Diversities Monitoring questionnaire. (For more information on this please see City Of York Council's Equalities Strategy).

## 11. Guidance Notes

### Good investigative practice

The majority of complaints are likely to be capable of being dealt with speedily and simply. Where, however, a more substantial inquiry is required, the following guidance may be helpful for investigating officers.

Check if there are any previous complaints from this person. Contact the complainant to arrange a meeting (or time for a telephone conversation) and:

- clarify the complaint;
- set out in writing for the complainant your understanding of the complaint;
- clarify the outcome sought;
- check whether the complainant needs support of any kind, or has poor sight or hearing, or a language difficulty, and check what help the complainant needs so as to be able to understand the discussion properly;
- check that the complainant has a copy of the Council's complaints leaflet.

### Dealing with unreasonably persistent complaints

Unreasonably persistent complainants can cause undue stress for staff and place a strain on the Council's time and resources. All staff should try to respond with patience and sympathy to the needs of all complainants but there are times when there is nothing further which can be reasonably done to assist them or to rectify a real or perceived problem.

In determining arrangements for handling such complaints, staff are presented with two key considerations:

- Ensure that the complaints procedure has been **correctly implemented so far as possible and that no material element of a complaint is overlooked or inadequately addressed** and to appreciate that even unreasonably persistent complainants may have aspects which contain some substance. The need to ensure an equitable approach is crucial.
- Identify the stage at which a complaint has become unreasonably persistent. Implementation of this policy would only occur in **exceptional circumstances**.

It is emphasised that this procedure should only be used as a last resort and after all reasonable measures have been taken to try to resolve complaints following the general procedure, or another avenue, such as the Local Government Ombudsman.

Judgement and discretion must be used in applying the criteria to identify potential habitual or vexatious complainants and in deciding action to be taken in specific cases. The procedure should only be implemented following careful consideration by, and with the authorisation of, the relevant Head of Service and after liaising with the DFC.

## Definition of unreasonably persistent complainants

Complainants (and/or anyone acting on their behalf) may be deemed to be unreasonably persistent complainants where previous or current contact with them shows that they meet **two or more** of the following criteria:

Where complainants:

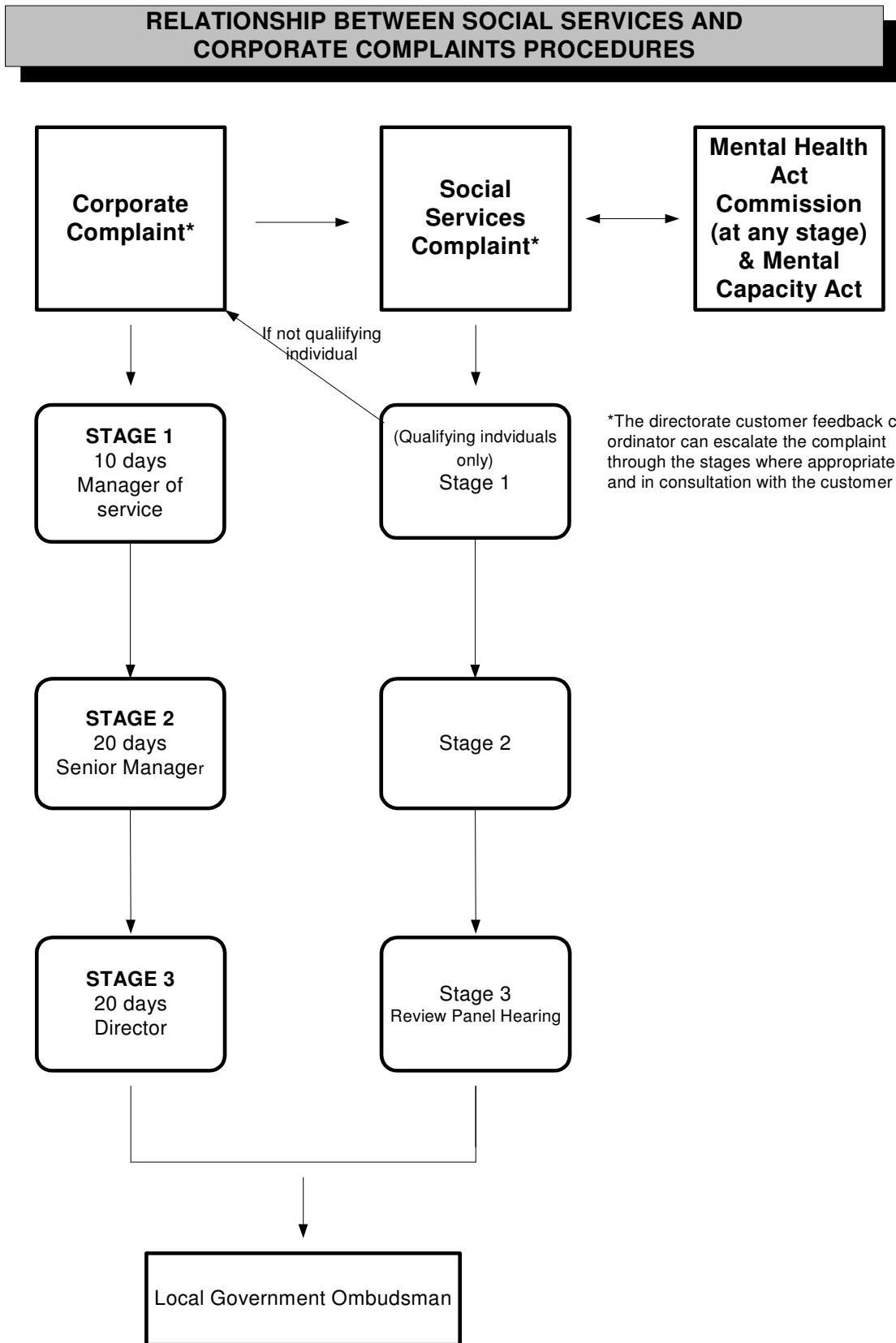
- **Persist in pursuing a complaint** where the complaints procedures have been fully and properly implemented and exhausted.
- **Change the emphasis** of a complaint or **continually raise additional issues or seek to prolong contact by continually raising further concerns or questions** upon receipt of a response whilst the complaint is being addressed. (Care must be taken not to discard new issues, which are significantly different from the original complaint. These might need to be addressed as separate complaints).
- **Are unwilling to accept documented evidence** as being factual in spite of correspondence specifically answering their questions or **do not accept that facts can sometimes be difficult to verify** when a long period of time has elapsed.
- **Do not clearly identify the precise issues** which they wish to be investigated, despite reasonable efforts to help them specify their concerns, **and/or where the concerns identified are not within the remit** of the Council to investigate.
- **Focus on a trivial matter** to the extent that this is out of proportion to its significance and continue to focus on this point. (It is recognised that determining what is a 'trivial' matter can be subjective and careful judgement must be used in applying this criteria).
- **Have threatened or used actual physical violence** towards staff at any time – this may in itself cause personal contact with the complainant and/or their representatives to be discontinued and the complaint will, thereafter, only be pursued through written communication. All such incidents should be documented.
- Have **harassed** or been personally **abusive or verbally aggressive** on more than one occasion towards staff dealing with their complaint. (Staff must recognise that complainants may sometimes act out of character at times of stress, anxiety, or distress and should make reasonable allowances for this. They should document all incidents of harassment. You may need to consult other Council policies and where there have been threats, violence and/or harassment.) E.g.
  - Staff Warning Register
  - Whistle blowing
  - Staff Conduct
  - Disciplinary and Grievance
- Have, in the course of addressing a complaint, had an **excessive number of contacts** with the Council placing unreasonable demands on staff. (A contact is defined as those methods of communication set out in section 2. Discretion must be used in determining the precise number of "excessive contacts" applicable under

this section, using judgement based on the specific circumstances of each individual case).

- Are known to have **recorded** meetings or face-to-face/telephone **conversations without** the prior knowledge and consent of other parties involved.
- **Display unreasonable demands or expectations and fail to accept that these may be unreasonable** (e.g. insist on responses to complaints or enquiries being provided more urgently than is reasonable or normal recognised practice).

Appendix 1

Example of the relationship between our corporate policy and a statutory/legal requirement





## Appendix 2

<b>CITY OF YORK COUNCIL</b> <b>Monitoring the Customer Feedback Procedure</b>
--

**1. How did you find out how to make a comment or complaint?**

- |  |   |
|--|---|
| Member of council staff <input type="checkbox"/> | Professional not employed by the council eg doctor <input type="checkbox"/> |
| Leaflet <input type="checkbox"/>                 | Council's website <input type="checkbox"/>                                  |
| Friend / relative <input type="checkbox"/>       | Advocate <input type="checkbox"/>   |
| Other _____                                      |   |

**2. How easy was it to make the comment or complaint?**

- Very easy  Fairly easy  Neither / nor  Fairly difficult  Very difficult

**3. Was your complaint answered by the date you were given?**

- Yes  **Go to Q5**      No  **Continue**

**4. If your complaint was not answered in time, were you happy with the way staff kept you up to date with what was happening?**

- Yes       No

**5. Were you given a contact name and telephone number in case you had any further queries?**

- Yes       No

**6. Were staff helpful?**

- Yes       No

**7. If you needed support to help you make your comment or complaint, did we arrange this for you?**

- Yes       No       **Not applicable**

If you have any further comments please send on a separate sheet

Thank you for taking the time to complete this questionnaire.

On the back of this questionnaire there is an Equalities Monitoring form which helps us to check that everyone is getting the same standard of service.

**EQUALITIES AND DIVERSITY FORM**

Filling in this form is **anonymous and optional**. City of York Council and its partners need to know that services we provide reach all the people in our area. The information you provide will be used to help us and our partners make sure that we provide appropriate services for everyone, irrespective of individual differences like age, gender, disability, race, religion and belief, and sexual orientation. Our partners include the NHS, the community and voluntary sector and the emergency services. It is our policy and also a Government requirement to ask these questions so that we can improve life in the city for all.

<b>Gender</b> : <input type="checkbox"/> Male <input type="checkbox"/> Female <input type="checkbox"/> Transgender			
<b>Age Group</b>			
<input type="checkbox"/> under 16	<input type="checkbox"/> 16-19	<input type="checkbox"/> 20-24	<input type="checkbox"/> 25-29
<input type="checkbox"/> 30-44	<input type="checkbox"/> 45-59	<input type="checkbox"/> 60-64	<input type="checkbox"/> 65-74
<input type="checkbox"/> 75-84	<input type="checkbox"/> 85-89	<input type="checkbox"/> 90& over	
<b>Ethnic Origin</b> (please indicate by a tick in the appropriate box)			
<b>White</b>	<b>Mixed</b>	<b>Black or Black British</b>	
<input type="checkbox"/> British	<input type="checkbox"/> White and Black Caribbean	<input type="checkbox"/> Caribbean	
<input type="checkbox"/> Irish	<input type="checkbox"/> White and Black African	<input type="checkbox"/> African	
<input type="checkbox"/> Any other White background	<input type="checkbox"/> White and Asian	<input type="checkbox"/> Any other Black background	
	<input type="checkbox"/> Any other mixed background		
<b>Asian or Asian British</b>	<b>Other Ethnic groups</b>		
<input type="checkbox"/> Indian	<input type="checkbox"/> Chinese		
<input type="checkbox"/> Pakistani	<input type="checkbox"/> Any other ethnic group	<input type="checkbox"/> I do not wish to disclose my ethnic group	
<input type="checkbox"/> Bangladeshi			
<input type="checkbox"/> Any other Asian background			
<b>Are you a disabled person?</b>			
<input type="checkbox"/> I do not wish to disclose whether or not I have a disability			
<input type="checkbox"/> Yes	<input type="checkbox"/> No		
<b>Sexual orientation</b>			
<input type="checkbox"/>	I do not wish to disclose my sexual orientation		
<input type="checkbox"/>	Lesbian		
<input type="checkbox"/>	Gay		
<input type="checkbox"/>	Bisexual		
<input type="checkbox"/>	Heterosexual		
<b>Religious Belief</b> If you are comfortable giving us this information it will help us check everyone is getting the same standard of service:			
<input type="checkbox"/>	I do not wish to disclose my religion/belief		
<input type="checkbox"/>	Atheism	<input type="checkbox"/>	Buddhism
<input type="checkbox"/>	Christianity	<input type="checkbox"/>	Hinduism
<input type="checkbox"/>	Islam	<input type="checkbox"/>	Judaism
<input type="checkbox"/>	Sikhism	<input type="checkbox"/>	Other

**Action Plan following feedback****Reference Number:****Name of responding manager:****What stage was the complaint at (if appropriate):****Brief description of feedback/ complaint:**

**Was the complaint:** (This relates to whether you agreed, partly agreed, or disagreed with what the customer said had happened or not happened. The complaint will only be not pursued if the customer decided they no longer had a complaint before any work you completed). Please indicate by highlighting in bold if emailing or circling if posting.

Upheld

Partly Upheld

Not Upheld

Not Pursued

**What lessons have been learnt through this feedback:****What action will be taken as a result of this feedback:****By when:****By Who:****Date action completed:**

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**Customer Care Standards - draft**

We will be friendly and helpful.

We will listen to you and deal with your enquiry efficiently, quickly and correctly.

We will communicate with you in plain English, using terms that are clear and easy to understand.

If you need to discuss a sensitive or confidential issue, we can arrange a private room for you.

All Council leaflets and information can be made available in other languages, large print, audiotape, or Braille, as appropriate.

We can arrange an interpreter for you, through the Language Line service, if English is not your first language, or if you use British Sign Language.

We welcome and encourage your feedback and will try and resolve any complaints on the spot.

We will wear a name badge so you know to whom you are speaking. If we have to pass your enquiry to a colleague, we will tell you who is now dealing with your enquiry.

In addition, in order to keep you informed about our decisions and performance against set standards, we will:

- Publish \*\*\*% of minutes of public meetings within \*\*\* days.
- Publish information about our performance against set targets on our web site every quarter.
- Publish our performance in delivering the Local Area Agreement.

**Equal Opportunities**

Our standard is:

- We deliver a service that recognises that our customers have different and diverse needs. We will adopt a flexible approach to these needs and tailor our services to ensure equality of service.
- We will ensure that the services we provide and those, which we purchase from other organisations, do not discriminate unfairly against any section of the community.

We will achieve this by: -

- Operating in line with current equalities policies and procedures and facilitating relevant training and briefings.
- Arranging for an interpreter as quickly as possible.
- Arranging for a signer as quickly as possible.
- Making customers aware that staff of either gender are available to speak to them and that home visits are available for customers.
- Ensuring good physical accessibility for disabled customers.
- Actively encourage customers to comment on our services and to make suggestions for improvement.
- Providing a non-smoking environment.

## Customer First measures and targets

### 1. Introduction

**1.1** Customer First measures and targets are important for our customers, potential customers, residents, employees and management of the council. They help to define what a customer can expect and to remind management and employees of the challenge and obligations that they face.

**1.2** Customer service needs to be owned and driven at a corporate level to ensure that the customer's experience is consistently good across all services and access channels. Customer service is more than a website and a contact centre. It is about how the organisation operates and more importantly, how it views, understands and responds to its customers, so that it can better anticipate and plan the delivery of services around them.

**1.3** At present we do not measure customer satisfaction effectively across the council and only measure and report on a fraction of the main elements of the key drivers of satisfaction. This results in no added value to our customers and residents and missed opportunities to improve our business efficiency and effectiveness.

**1.4** However setting measures and targets is of no use if performance against them cannot be measured as well as the cost of data collection needs to be balanced against the ideal service definition.

**1.5** We also need to communicate performance against our published standards to our customers and employees on a timely basis.

#### *Anonymous Quote*

*"You don't hear things that are bad about your company unless you ask. It is easy to hear glad tidings but you have to scratch to get the bad news"*

### 2. Defining Customer First measures and targets

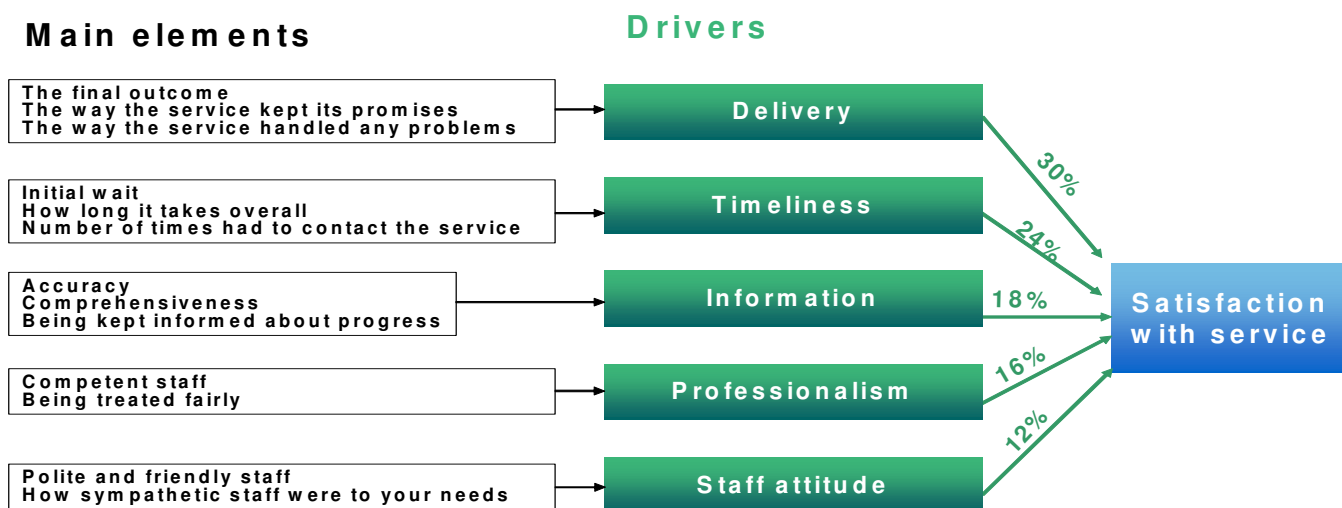
**2.1** Each measure needs to be defined precisely before they can be considered as a true service measure. To do this it is important to understand what elements are most important in determining customer satisfaction and detailed research has been conducted to identify the key drivers of satisfaction across public services.

**2.2** Detailed research conducted by Mori, Institute of Customer Services, BSI Code of Practice for Customer Service amongst others have all identified a powerful set of five factors that drive satisfaction across public services. In order of impact, they are:

1. **Delivery** - the service delivers the *outcome* it promised and manages to deal with any *problems* that may arise.
2. **Timeliness** – the service responds *immediately* to the initial customer contact and deals with the issue at the heart of it *quickly* and without *passing* it on between staff.
3. **Professionalism** – staff are *competent* and treat customers *fairly*.
4. **Information** - the information given out to customers is *accurate* and *comprehensive* and they are kept informed about *progress*.
5. **Staff attitude** - staff are *friendly, polite* and *sympathetic* to customers' needs

2.3 Additional drivers are – **physical environment** and **access**

Key drivers of satisfaction



*This model explains 67% of the variation in satisfaction*

Source: MORI

2.4 Further research was conducted through our Talkabout panel in February 2008 in order to understand what is important to local residents.

2.5 A total of 1492 completed questionnaires were returned, giving a response rate of 66%. A sample of this size is accurate to + / - 3% at a 95% confidence level. The main aim was to assess: -

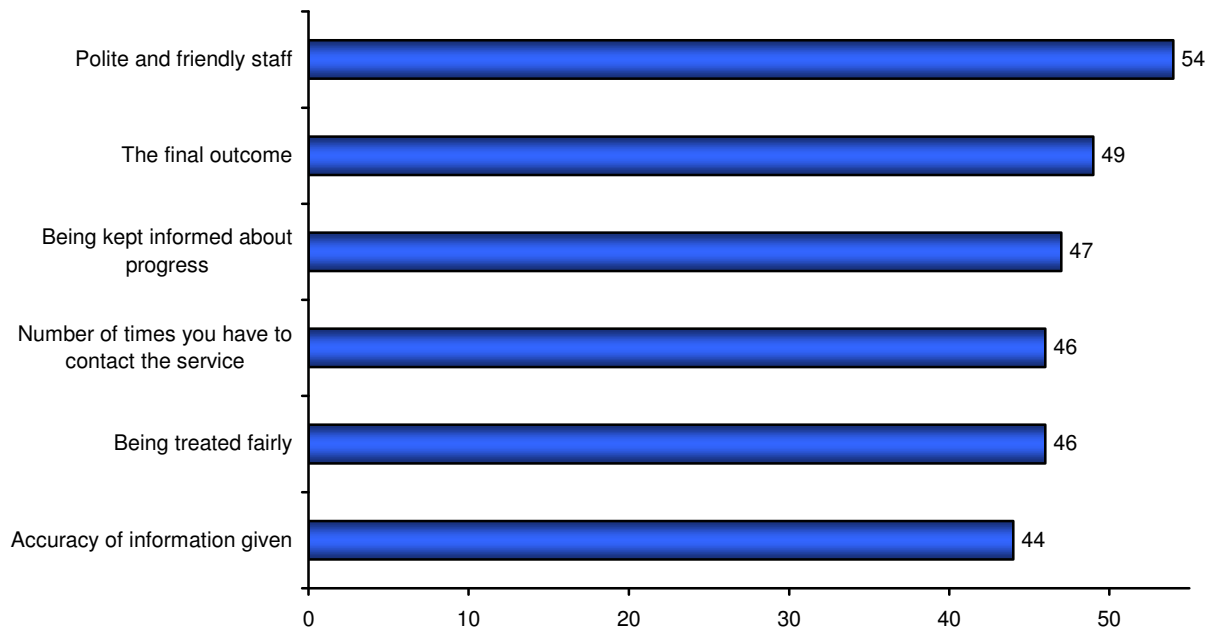
- which factors are important to residents when contacting the council
- opinions of how the council should measures or publicise the handling of different aspects of complaints
- the maximum time residents would expect to wait for service in a council reception
- the maximum rings residents would expect to hear when phoning the council
- the maximum time residents would expect to wait for an outcome of a complaint they had raised with the council

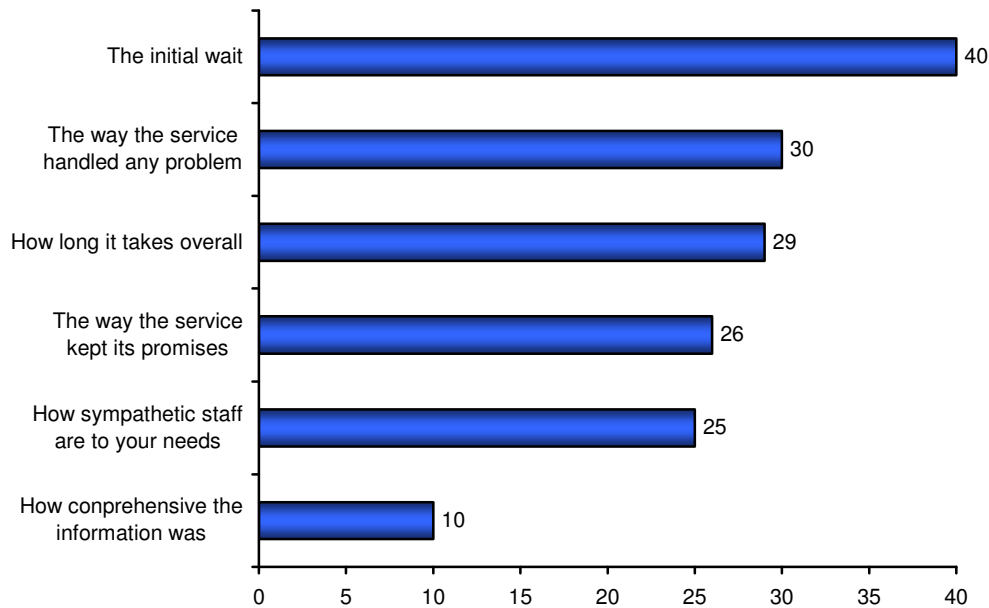


## 2.6 The results showed: -

- The factor of most importance when contacting the council with a complaint, comment or suggestion is how polite and friendly staff are (54%). Of least importance to panellists was how comprehensive the information was, with one in ten (10%) saying this.
- 92% of respondents agreed that the council should measure how many times a person had to contact the council before the problem was resolved, which was the highest satisfaction level of all the statements related to complaints.
- There was least agreement with the statement that the council should publicise how it performs against its performance targets (68%). Although this statement received the least satisfaction, less than one in ten (8%) respondents actually disagreed.
- When asked how long panellists would expect to wait in a council reception nearly two-fifths (39%) of respondents would expect to wait a maximum of five minutes. A further 37% would expect to wait no longer than ten minutes. 5% of respondents are not prepared to wait.
- Around three-fifths (62%) of panellists would expect to hear five to ten rings before their call was answered, when phoning the council. Only 1% would expect to hear over twenty rings before their call was answered.
- Panellists were asked how long they would expect to wait for the decision or outcome of a complaint they raised with the council. Just under a third (30%) would expect to wait ten days. 28% said they would expect to wait under ten days, with 26% they would wait fifteen days.

## 2.7 Factors of most importance when contacting the council





### 3. External Drivers

**3.1** A key delivery mechanism of Transformational Government and a central recommendation of the Varney Report (recommendation 24) was to establish the Contact Council which has responsibility for customer contact across government.

**3.2** In the mid- to long- term the Contact Council will focus on setting and implementing the strategy for delivering modern customer contact for public services. In the short term the Contact Council is concentrating on implementing the Varney recommendations and establishing best practice performance indicators in contact centres.

**3.3** This set of performance indicators (known as the Performance Management Framework or PMF) was compiled with input from departments, agencies, local authorities and the police and published in May 2007.

**3.4** A further recommendation – number 27 – is *“to establish best practice performance indicators and benchmarks in public sector”, this document sets out a set of performance indicators for use in all publicly funded contact centres”*.

### 4. Objectives

**4.1** The key objectives of establishing revised Customer First measure and targets across the council are to: -

- Make performance measurement more consistent and comparable across the council;
- Identify areas of excellence and opportunities to share good practice and areas to target additional focus;

- Improve senior level visibility of customer service performance and to improve decision making;
- Focus performance improvement in the areas most in need;
- Establish peer awareness of performance and performance trends;
- Provide a common language for experience sharing and learning amongst council managers;
- Improve understanding of cost to serve and drive better value for money
- Align Customer First to the Contact Council PMF requirements and to help achieve accreditation to a customer service excellence award
- To measure customer satisfaction effectively across the council.

## **5. Existing Customer First measures and targets**

- 95% of letters dealt with within 10 days
- 100% of customers seen within 10 minutes
- 100% of those customers who need further help seen within 10 minutes
- 95% of calls answered within 20 seconds
- 95% of stage 2 complaints dealt with within 10 days
- 95% of stage 3 complaints dealt with within 10 days

## **6. Proposed Customer First measures and targets**

**6.1** In order to propose robust, challenging but achievable targets in this area further analysis and modelling work needs to take place to identify

- a. What is desirable set of targets
- b. What we would need to do to achieve these targets
- c. What customers think of the targets
- d. Whether these targets should be generic or service specific

**6. 2** The proposed measures below are taken from our work on phase 1 of easy@york and best practice in other authorities

### Customer Contacts

- Total number of contacts across all channels across the council
- Total number of contacts via each channel
  - Face to face
  - Phone
  - Email
  - Web
  - Letter
- Total % of contacts assessed as avoidable

### Telephone Contact

- Number of calls received – total and by process

- Number of calls resolved at first point of contact
- Number of calls assessed as avoidable
- % of calls resolved at first point of contact
- % of calls assessed as avoidable
- Number of calls abandoned
- % of calls abandoned
- Average speed of answer
- Service Level %
- Satisfaction rating of the service
- Number of calls transferred to Council wide (signpost)

### Face to Face Contact

- Number of customers – total and by process
- Number of customer requests resolved at first point of contact
- Number of customer requests assessed as avoidable
- % of requests resolved at first point of contact
- % of requests assessed as avoidable
- Number of customers visiting
- Average waiting times
- Average transaction times
- Number of customers making multiple requests
- Satisfaction rating of the service.

### Web Site and Self Service Facilities

- Number of transactions - total and by process
- Number of transactions resolved at first point of contact
- Number of transactions assessed as avoidable
- % of transactions resolved at first point of contact
- % of transactions assessed as avoidable
- number of transactions for multiple requests
- Satisfaction rating of the service

### Cost Comparator / Cost Benefit Analysis

- Service costs
- Staffing costs
- IT investment
- Premises / Asset costs
- Measures of Success

### Customer satisfaction/experience

- Percentage of contacts made to the Council customer contact centre that are dealt with at the first point of contact
- Reduction in average waiting time for calls to be answered
- Reduction in Abandoned call rate
- Increasing number of service transactions on the Council's website
- Number of visitors to the Council's website
- Percentage of Council Services providing Electronic Service Delivery
- Number of services delivered by fully interactive electronic government

- Annual percentage satisfaction in the customer survey with contacting the Council and using the council's website
- Reduction in the number of people needing to contact the council by visiting an office or telephoning (where the cause is attributed to the Easy Programme/ Customer Strategy e.g. separate processes have been joined up therefore reducing the need for a form or additional contact or providing web or telephone process reduces office visits)

Efficiency benefits

- Annual audit of savings in process time and economies of scale by modernising customer services – see above
- Reduction in office capacity required due to changes in working practices e.g. increased use of mobile working, home working

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**Performance Framework - National Indicator 14**  
**– minimising the proportion of customer contact that is of low or no value to the customer**

1. The 2006 white paper *Strong and Prosperous Communities* set out the blueprint for the new Performance Framework which aims to reduce the performance burden on local government and shift the emphasis away from detailed process type performance indicators towards more customer outcome based measurement.
2. In April 2008 a new single set of national indicators was introduced which replaced the existing statutory indicators e.g. best value and removed the requirement for local authorities to produce BVPPs (best value performance plans). Although not a replacement for performance plans, the Local Area Agreement (LAA) with its locally agreed targets (as agreed by the Local Strategic Partnership LSP) from the list of national indicators will become a main focal point for data quality audits and external assessment.
3. NI 14 is one of the 198 indicators against which we will be assessed within the new performance management framework agreed between Communities and Local Government and the Local Government Association. It also relates to the requirement in the central government Service Transformation Agreement to minimise the proportion of customer contact that is of low or no value to the customer.
4. Following publication of the Guidance for this indicator in July 2008, there is a requirement to have recording and reporting mechanisms in place by October 2008 with the first report due April 2009. The definition for this indicator includes a list of key service areas, which we will be required to report on. However the Audit Commission, Cabinet Office, and IDeA through their work with the pilot local authorities, understand that we may not be able to record and report for all service areas from October 2008 but we will be required to evidence how we have chosen service areas to record/report in and also that we have a plan to include all areas within the CSR07 period.
5. NI 14 aims to reduce avoidable contact between the community and the council - examples of which include calls from citizens to chase progress on service requests or to report a missed service etc. It means we will need to: -
  - a. understand how our customers currently contact us across the different channels;
  - b. recognise when customers are able to access information and services at the first point of contact;
  - c. identify when customers are forced to make several contacts to get what they need.

6. The benefits that can be achieved by implementing NI 14 broadly reflects the Audit Commission's new use of resources assessment for 2008/09, which considers how well organisations, are managing and using their resources to deliver value for money and better and sustainable outcomes for local people.

Financial Value

- Measuring and understanding the causes of avoidable contact provides an evidence base for improvement initiatives which can unlock a range of relatively straightforward service improvements
- By reducing avoidable contact, there is potential to release resources/capacity from both the front line and back office
- These benefits may be cashable or we can choose to take the benefits in the form of increased capacity in the workforce

Organisational value

- Measuring avoidable contact provides a major learning opportunity for us in providing insight
- Training and developing staff to record/report NI 14 can result in staff being more engaged and empowered
- Can help demonstrate to other parts of the council the contribution made by the York Customer Centre and encourage a whole council approach to improvement

Customer Value

- Can help identify improvements in processes and systems that will have the greatest impact on the way in which customers experience services
- Will save customers time and effort in contacting the council
- Improve the customers experience of end to end service delivery and recorded customer satisfaction
- Improvements in communications, access channels and service design that benefits those customers who find it most difficult to deal with complex bureaucracies

Political Value

- Enhance the reputation and trustworthiness of the council with the local community
- Improve communications to ensure we better reach people who are eligible for services and benefits



**7. Timeline for implementation of NI 14 recording and reporting**

<b>When</b>	<b>What</b>
July 2008	<ul style="list-style-type: none"><li>• Easy Programme Board approval for implementation/action plan</li><li>• Update Performance Officer Group</li></ul>
August 2008	<ul style="list-style-type: none"><li>• CMT approval for implementation plan, inclusion into corporate dashboard, reporting schedule</li><li>• Complete EIA and follow up actions arising where required</li></ul>
September 2008	<ul style="list-style-type: none"><li>• Raise council wide awareness</li><li>• Publicise</li><li>• Training for managers/staff in Year 1 service areas</li></ul>
October 2008	<ul style="list-style-type: none"><li>• Councils expected to have mechanisms in place for data collection to begin</li></ul>
November 2008	<ul style="list-style-type: none"><li>• review recording and reporting mechanisms and amend where needed</li></ul>
1 <sup>st</sup> April 2009	<ul style="list-style-type: none"><li>• complete report for Oct 08 to March 09;</li><li>• include in Corporate Performance Management annual report</li><li>• report to Cabinet Office/IDeA/esd toolkit data interchange hub/Audit Commission</li></ul>

## 8. Timeline for rollout across service areas

	<b>NI 14 definition key service area</b>	<b>Part of Easy Programme</b>
Year 1 (October 2008 to March 2009)	Highways (conditions of roads, street lighting)	Yes
	Housing (benefit claims, council tax benefit)	Yes
	Street Scene – waste collection and street cleaning, including recycling, street furniture and fly tipping)	Yes
	Environmental Health Services (pest control)	Yes
Year 2 April 2009 to March 2010	Childrens Services (school admissions, free school meals, youth services )	Advice & Information / Referral only
	Housing (repairs allocations and lettings process for social housing)	Yes
	General council tax enquiries	Yes
	Planning Services	Yes but further work required
	Adult Social Services	Advice & Information / Referral only
	Parking Permits and Parking Control Notices	Yes
Year 3 April 2010 to March 2011	Childrens Services (school admissions, free school meals, youth services )	No
	Trading Standards	No
	Electoral register	No

## **Customer Service Excellence – ongoing service improvements**

The council proposes to be judged on how well it is progressing by assessing progress against the Governments Customer Service Excellence standard. A summary of these is shown below: -

### **Criterion 1 – Customer Insight**

#### **1. Customer Identification**

- We have an in-depth understanding of the characteristics of our current and potential customer groups based on recent and reliable information
- We have developed customer insight about our customer groups to better understand their needs and preferences
- We make particular efforts to identify hard to reach and disadvantaged groups and individuals and have developed our services in response to their specific needs.

#### **2. Engagement and Consultation**

- We have a strategy for engaging and involving customers using a range of methods appropriate to the needs of identified customer groups.
- We have made the consultation of customers integral to continually improving our service and we advise customers of the results and action taken.
- We regularly review our strategies and opportunities for consulting and engaging with customers to ensure that the methods used are effective and provide reliable and representative results.

#### **3. Customer Satisfaction**

- We use reliable and accurate methods to measure customer satisfaction on a regular basis
- We analyse and publicise satisfaction levels for the full range of customers for all main areas of our service and we have improved services as a result.
- We include in our measurement of satisfaction specific questions relating to key areas including those on deliver, timeliness, information, access and the quality of customer service, as well as specific questions, which are informed by customer insight.
- We set challenging and stretching targets for customer satisfaction and our levels are improving.
- We have made positive changes to services as a result of analysing customer experience, including improved customer journeys.

## **Criterion 2 - The culture of the organisation**

### **1. Leadership, Policy and Culture**

- There is corporate commitment to putting the customer at the heart of service delivery and leaders in our organisation actively support this and advocate for customers.
- We use customer insight to inform policy and strategy and to prioritise service improvement activity.
- We have policies and procedures that support the right of all customers to expect excellent levels of service.
- We ensure that all customers and customer groups are treated fairly and this is confirmed by feedback and the measurement of customer experience.
- We protect customers' privacy both in face-to-face discussions and in the transfer and storage of customer information.
- We empower and encourage all employees to actively promote and participate in the customer-focused culture of our organisation.

### **2. Staff professionalism and attitude**

- We can demonstrate our commitment to developing and delivering customer focused services through our recruitment, training and development policies for staff.
- Our staff are polite and friendly to customers and have an understanding of customer needs.
- We prioritise customer focus at all levels of our organisation and evaluate individual and team commitment through the performance management system.
- We can demonstrate how customer facing staffs insight and experience are incorporated into internal processes, policy development and service planning.
- We value the contribution our staff make to delivering customer focused services, and leaders, managers and staff demonstrate these behaviours.

## **Criterion 3 – Information and Access**

### **1. Range of information**

- We make information available about the full range of services we provided available to our customers and potential customers, including how and when people can contact us, how our services are run and who is in charge.
- Where there is a charge for services, we tell our customer how much they will have to pay.

## **2. Quality of information**

- We provide our customers with the information they need in ways that meet their needs and preferences, using a variety of appropriate channels.
- We take reasonable steps to make sure our customers have received and understood the information we provide.
- We have improved the range content and quality of verbal, published and web based information we provide to ensure it is relevant and meets the needs of customers.
- We can demonstrate that information we provide to our customers is accurate and complete, and that, when this is not the case we advise customers when they will receive the information they requested.

## **3. Access**

- We make our services easily accessible to all customers through the provision of a range of alternative channels.
- We evaluate how customers interact with the organisation through access channels and we use this information to identify possible service improvements and offer better choices.
- We ensure that where customers can visit our premises in person, facilities are as clean and comfortable as possible.

## **4. Co-operative working with other providers, partners and communities**

- We have made arrangements with other providers and partners to offer and supply coordinated services and these arrangements have demonstrable benefits for our customers.
- We have developed coordinated working arrangements with our partners that ensure customers have clear lines of accountability for quality of service.
- We interact within wider communities and we can demonstrate the ways in which we support those communities.

## **Criterion 4 – Delivery**

### **1. Delivery Standards**

- We have challenging standards for our main services, which take account of our responsibility for delivering national and statutory standards and targets.
- We monitor and meet our standards and key departmental and performance targets, and we tell our customers about our performance.
- We consult and involve customers, citizens, partners and staff on the setting, reviewing and raising of our local standards.

## **2. Achieved delivery and outcomes**

- We agree with our customers at the outset what they can expect from the service we provide.
- We can demonstrate that we deliver the service we promised to individual customers and that outcomes are positive for the majority of our customers.
- We can demonstrate that we benchmark our performance against that of similar or complementary organisations and have used that information to improve our service.
- We have developed and learned from best practice identified within and outside our organisation, and we publish our examples externally where appropriate.

## **3. Deal effectively with problems**

- We identify any dips in performance against our standards and explain these to customers together with action we are taking to put things right and prevent further recurrence.
- We have an easy to use complaints procedure, which includes a commitment to deal with problems fully and solve them wherever possible within a reasonable time limit.
- We give staff training and guidance to handle complaints and to investigate them objectively and we can demonstrate that we empower staff to put things right.
- We learn from any mistakes we make by identifying patterns in formal and informal complaints and comments from customers and use this information to improve services and publicise where action taken.
- We regularly review and improve our complaints procedure taking account of the views of customers, complainants and staff.
- We ensure that the outcome of the complaints process for customers (whose complaint is upheld) is satisfactory for them

## **Criterion 5 – Timeliness and quality of service**

### **1. Standards for timeliness and quality**

- We set appropriate and measurable standards for the timeliness of response for all forms of customer contact including phone calls, letters, e-communications and personal callers.
- We set comprehensive standards for all aspects of the quality of customer service to be expected in all dealings with our organisation.

### **2. Timely outcomes**

- We advise customers and potential customers about our promises on timeliness and quality of customer service.

- We identify individual customer needs at the first point of contact with us and ensure that an appropriate person who can address the reason for contact deals with the customer.
- We promptly share customer information with colleagues and partners within our organisation whenever appropriate and can demonstrate how this has reduced unnecessary contact for customers.
- Where service is not completed at the first point of contact we discuss with the customer the next steps and indicate the likely overall time to achieve outcomes.
- We respond to initial enquiries promptly, and if there is a delay we advise the customer and take action to rectify the problem.

**3. Achieved timely delivery**

- We monitor our performance against standards for timeliness and quality of customer service and we take action if problems are identified.
- We are meeting our current standards for timeliness and quality of customer service and we publicise our performance against these standards.
- Our performance in relation to timeliness and quality of customer service compares well with that of similar organisations.

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## Executive

7 October 2008

### Report of the Director of Resources

## First Performance and Financial Monitor - 2008/09

### Purpose of the Report

- 1 This report provides details of the headline performance issues from the performance monitor period for 2008/09. It also builds on this to present the latest projection of the Council's revenue income and expenditure for the current year.

### Background

- 2 This year's first monitor session examines a number of different areas of performance, considered under two categories:
  - A corporate health check for the Council (i.e. financial performance, staff performance, CPA and Customer First statistics)
  - Key performance issues of corporate significance from directorates.
- 3 A number of these issues will be discussed at a special corporate performance monitor session in October, which will be jointly attended by the Executive members and the Council management Team. Any actions agreed at this session will be disseminated to directorates and any specific service managers.

### Summary of performance headlines from Monitor 1

- 4 Significant progress has been made across the council. The main performance headline for this quarter are:
  - The July Talk About survey showed **65%** of panellist were satisfied with the council, which is significant improvement on the score of 2 years ago of 48%.
  - Customer First statistics show the council is currently performing near to or exceeding **4 of our 6** very high corporate standard targets.
  - Staff sickness levels have shown continued improvement, up **19%** from the same period last year.
  - Staff turnover levels are **41%** lower than last year (1.5% compared to 2.6%, April to July).
  - The number of health and safety incidents is significantly reduced from this time last year. **10** fewer incidents between April and July 08 than the same period last year.
- 5 Improvements have been made to many indicators across directorates, in particular:
  - The proportion of recycled waste continues to improve from last year (currently **45%** compared to 43% in 07/08). This builds on significant improvement over the past 5 years, when recycling rates stood at just 15.5% in 2003/04.

- Significant reductions have been made in fixed term exclusions in the primary sector (36, from a target of 60). Also, any young person in 'out of school' provision has seen the number of days offered increase from **2.24 to 4 days** within 2 years.
- Care leavers in suitable accommodation and in employment, education or training has doubled (**100%** compared to 50% last year).
- The number of LAC (Looked After Children) cases reviewed have increased (**91%** compared to 82%) and the number of initial/core assessments completed for Children In Need within timescales have all made significant improvements.
- Processing times for housing and council tax benefit claims has reduced further to **16 days** compared to 19 days in 07/08.

6 The main areas of concern include:

- Turnover growth in the city is low at **11.4%** compared to last year and below target of 20%.
- The impact of the credit crunch on new house building is matter of concern, given that the affordable homes programme is so closely linked to new developments.
- The % of initial care assessments for adults completed within the designated timescale has continued to reduce, but an action plan is in place to reverse the trend.

### **Summary of financial headlines from Monitor 1**

7 Table 1 (paragraph 37) summarises the information presented to the individual EMAPs. It shows that service areas are projecting an overspend of £1,092k, although applications have been made for £512k to be released from the contingency to fund some of the overspending pressures. Central budgets are forecast to overspend by £134k. Offsetting these an underspend of £1,136k is being projected on Treasury Management activity due to the improved position on interest rates and the ability to defer borrowing (see paragraph 43).

8 The implications of service pressures within the directorates is shown on Table 1 at a cost of £4,863k on the non Dedicated Schools Grant (DSG) functions. The recurring overspends and reduced costs/additional income will be considered while preparing the budget proposals for 2009/10.

9 There is an overspend of £173k on the DSG functions. Under the terms and conditions of the DSG any in-year underspend must be carried forward to be added to next year's DSG allocation, any overspend can only either be funded from the general fund or carried forward and deducted from the following financial year's DSG. The proposal is to take the latter course of action should the overspend occur.

10 The overspend on general fund services includes three principle elements:

- increased service expenditure pressures (either increased expenditure or reduced income) +£4,863k;
- reduced service costs (either reduced expenditure or increased income) - £3,771k;

- variations in central budgets controlled by the Executive -£1.514m, including utilising £512k from the contingency to fund service expenditure pressures

- 11 While the projected out-turn is close to the budget this is due to a number of one-off occurrences which mask the true financial position of the authority. In overall terms the council faces a number of on-going budget pressures and future budget rounds will need to identify appropriate actions to control and mitigate them. The use of reserves to plug such gaps is unsustainable as it merely offsets problems and can lead to a continuing deterioration in the Council's underlying financial position. The Council's policy of only using one-off resources to meet one-off spending pressures is designed to explicitly negate such a risk.
- 12 The HRA out-turn working balance is expected to be £7,482k, £51k more than the current budget. The trading activity of Neighbourhood Services is reporting a shortfall against the budget of £63k, but are continuing to look for action that can be taken to improve the position. This forecast loss is shown in Annex 10 as a charge against the Trading Activities Reserve.
- 13 The level of total reserves reported at Annex 10 is currently projected to be £10,409k at 31 March 2009. However, any overspend will reduce the overall level of reserves, and requests to carry resources forward from underspends during the year will also reduce the future level. The minimum threshold level recommended during the 2008/09 budget process is £5,361k.
- 14 In addition the report also provides:
- An update on the achievements of growth items and efficiency savings incorporated into the 2008/09 budget.
  - Requests for virements and supplementary estimates.

#### Staff performance – corporate overview

- 15 Corporate sickness absence levels have continued to improve significantly since the end of last year. There has been a 20% improvement to 2.93 days lost per full time employee (FTE) in April to July 08 compared to the same period last year. (See Annex 1 for a full breakdown).
- 16 HASS have shown significant reductions and due to the large number of employees in HASS, this has an impact on the overall corporate figure. The 6& reduction in LCCS also significantly impacts on the corporate figure, due to employing almost 60% of CYC employees.

Directorate	2007/08 Outturn	Staff sickness (Apr – July 07)	Staff sickness (Apr – July 08)	Change	% of CYC Staff
<b>Corporate Figure</b>	<b>9.54 days</b>	<b>3.62</b>	<b>2.93</b>	<b>-19%</b>	<b>100%</b>
Chief Executive	7.82 days	1.86	2.27	+22%	2%
Neighbourhood Services	15.53 days	6.22	4.58	-26%	12%
City Strategy	8.98 days	3.17	2.91	-8%	6%
Resources	10.99 days	2.27	2.89	+6%	6%
HASS	13.61 days	5.92	3.60	-39%	15%
LCCS	7.06 days	2.6	2.44	-6%	57%

- 17 Chief Executives and Resources are the only directorates not showing an improvement, however they only account for 8% of employees. Chief Executives performed well last year and due to the relatively low number of employees their performance can tend to fluctuate.

### Stress

- 18 The number of stress days taken as a proportion of the overall number of days lost has increased slightly since the end of last year (19% compared to 16%). The most significant rise coming in Resources (26% compared to 17%) and the most significant improvement comes in HASS (13% compared to 16%).

### Turnover

- 19 Staff turnover levels are low across the council for April to July 08, except Chief Executives who are showing a high level at 7.5% compared the same period last year (3.3%) and to the corporate figure of 1.5%. However due to this being a small directorate the numbers tend to fluctuate.
- 20 The figures for the first 4 months of 2008 (1.5%) are lower than at this point last year (2.6%). Pay and grading may have a significant impact once the ballot has been confirmed. Also, the 2nd school term is most significant for education staff turnover.

Directorate	Staff Turnover Apr – July 2007/08	Staff Turnover Apr – July 2008/09
<b>Corporate Figure</b>	<b>2.6% (204/7794)</b>	<b>1.5% (118/7897)</b>
Chief Executive	3.3% (5/151)	7.5% (12/161)
Neighbourhood Services	4.1% (39/960)	2.0% (19/934)
City Strategy	2.5% (10/403)	2.0% (8/401.5)
Resources	3.2% (12/370)	1.4% (5/364)
HASS	3.6% (45/1257)	2.1% (25/1206.5)
LCCS	2.0% (93/4653)	1.0% (49/4830)

\* As from April this year the indicator only counts voluntary leavers and does not count retirements, redundancy, dismissal, transfers and 85 yr rule retirement.

### **Equalities**

- 21 The number of people employed by the council that are an ethnic minority has remained stable since the end of last year at 3.46%. Chief Executives has the highest % of ethnic minorities at 6.8% (11 people) while City Strategy remain the lowest at 2.2%(9 people). The number of people employed with a disability has slipped slightly from the end of 07/08 (152 compared to 158).
- 22 Significant progress was made in the first quarter of the year in equality and diversity.
- 23 Highlights include:
- The Single Corporate Equality Scheme for 2008/9 was finalised and published.
  - A programme of strategic Equality Impact Assessments 2008 is progressing as planned.
  - Over 1,500 staff received equalities training.
  - The engagement of equality communities in the Social Inclusion Working Group was enhanced as a number of Expert Witnesses joined the Group
  - Briefing sessions for senior managers took place involving the Audit Commission and the Commission for Equality and Human Rights.

- CYC working with IDEA led a regional consultation workshop about the new Local Government Equality Framework, which will replace the Equality Standard in April 2009.

### Health and Safety

- 24 The number of major RIDDOR incidents remains stable, when comparing the first 4 months of 08 with the same period last year (2 incidents).
- 25 The number of minor incidents for April to July this year (15) has improved significantly since the same period last year (25). This has been help by a large reduction in HASS with 5 fewer incidents. However, it is possible there was some initial over recording due to staff training on the new policy last year.
- 26 A new 'near miss' reporting booklet has been developed for all staff to allow them to report (anonymously if desired) hazards, near misses, and breaches of H&S practice. We have started to receive reports using this route, but more work is needed to raise use among front line staff who are best placed to report potentially hazardous incidents. We'll have a clear picture of how this reporting is working at the next monitor session.

#### 'Major Injuries' to Employees reported by Directorate (April to July 08)

Directorate	06/07 Total	07/08 Total	Apr 07	May 07	June 07	July 07	Apr 08	May 08	June 08	July 08
Chief Executives	0	0	0	0	0	0	0	0	0	0
Resources	0	0	0	0	0	0	0	0	0	0
City Strategy	0	0	0	0	0	0	0	0	0	0
HASS	1	0	0	0	0	0	0	0	0	0
LCCS	3	5	2	0	0	0	1	0	1	0
Neighbourhood Services	1	2	0	0	0	0	0	0	0	0
<b>TOTALS</b>	<b>5</b>	<b>7</b>	<b>2</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1</b>	<b>0</b>	<b>1</b>	<b>0</b>

#### 'Over 3 Days' to Employees reported by Directorate (April to July 08)

Directorate	06/07 Total	07/08 Total	Apr 07	May 07	June 07	July 07	Apr 08	May 08	June 08	July 08
Chief Executives	0	0	0	0	0	0	0	0	0	0
Resources	0	0	0	0	0	0	0	0	0	0
City Strategy	4	0	0	0	0	0	0	0	0	0
HASS	18	17	1	2	4	2	2	1	0	1
LCCS	13	13	1	0	2	0	0	1	0	0
Neighbourhood Services	23	26	2	5	4	2	1	4	2	3
<b>TOTALS</b>	<b>58</b>	<b>56</b>	<b>4</b>	<b>7</b>	<b>10</b>	<b>4</b>	<b>3</b>	<b>6</b>	<b>2</b>	<b>4</b>

*Certain categories of incidents are reported to the Health and Safety Executive (HSE) under the Reporting of Injuries, Diseases and Dangerous Occurrences Regulations, 1995 (RIDDOR). 'Major Injuries' and 'Over 3 Days' are two of these categories and both are in respect of incidents involving employees. It is anticipated that these tables will be updated each month.*

**Comprehensive Performance Assessment (CPA)**

- 27 The council is currently rated as a 'good' (3 stars out of 4) council, which is 'improving well' under the government's Comprehensive Performance Assessment (CPA). We will receive one more formal CPA result in December 2008 (based on 2007/08 performance and the recent corporate assessment), before CPA is replaced with the Comprehensive Area Assessment (CAA), introduced as part of the government's new performance framework.
- 28 The Use of Resources Self Assessment has been submitted and we remain hopeful of gaining a score of 3. This is an extremely important result and must be maintained if we are to keep an overall CPA score of 3 (good). Scoring a 2 on both UoR and the corporate assessment would see the council's overall CPA score moving down to a 2, regardless of improvements to service block scores.
- 29 HASS are also in the final stages of a CSCI inspection of Adult Social Care, which contributes significantly to our overall CPA score as a level 1 assessment. Latest indications are that we could move down from a 3 to a 2, although HASS are working with the inspectors to iron out particular areas of contention. If this assessment did achieve a 2 it would bring our overall CPA score down to 2 stars, as achieving a 2 on both corporate assessment and level service assessments means we can only score 2 stars overall.

Category		Last Year (based on 2005/06 results)	Now (based on 2006/07 results)	Change
Corporate Assessment		3	3*	→
Direction of Travel		'Improving adequately'	'Improving Well'	↑
Level 1	Children & Young People	4	4	→
	Adult Social Care	3	3	→
	Use of Resources	2	3	↑
Level 2	Benefits	3	3	→
	Culture	2	2	→
	Environment	3	3	→
	Housing	2	3	↑
<b>Council Rating</b>		<b>3 star</b>	<b>3 star</b>	<b>→</b>

\* based on 2002 corporate assessment result

**CPA to CAA**

- 30 The second round of consultation on the government's Comprehensive Area Assessment (CAA) has now been published. A paper on what this means for the council, in terms of the transition from CPA to CAA, is being considered by CMT on the 1<sup>st</sup> of October. This will identify the high-risk areas that we need to address now to ensure we receive a good score in the first CAA inspection in 2009.

### Customer First Statistics

- 31 The table below sets out our performance on customer first standards for monitor 1 this year compared to 2007/08 monitor 1. The council currently performing near to or exceeding 4 of our 6 very high corporate standard targets.

	letters	Stage 2 complaints	stage 3 complaints	visitors to reception	visitors needing further help	phone answering
<b>standard</b>	95%	95%	95%	100%	100%	95%
<b>2007/08 Monitor 1</b>	94%	100%	100%	99%	98%	91%
<b>2008/09 monitor 1</b>	94%	100%	100%	99%	94%	93%
<b>Trend</b>	→	→	→	→	↘	↗

- 32 The full results for 2008/09 Monitor 1 (including data on individual directorates) is set out in Annex 2. The main headlines however are as follows:

- Letters: All directorates apart from two, are exceeding the corporate standard of 95%. Neighbourhood Services achieved 80% compared with 88% for the same period in 2007/08 and City Strategy achieved 91% compared to 97% last year. However, both these directorates receive a smaller number of letters compared to other directorates making up only 5% between them.
- Visitors: The proportion of visitors requiring further help and seen within 10 minutes has dropped slightly below the required council standard to 94%. This is partially down to Neighbourhood Services with their levels having dropped from 100% (07/08 monitor 1) to 71% (08/09 monitor 1).
- Phone Calls: Phone calls answered within 20 seconds has seen a slight improvement mainly down to significant improvement within the customer contact centre. They have improved from 85% (07/08 monitor 1) to 94% (08/09 Monitor 1). Considering they handle 25% of the calls received then this can only continue to have a positive impact upon achieving our corporate target of 95%.

### LPSA 2

- 33 There has been little change since the position at the year end performance report seen by Executive Members on the 30th of June. Based on the data and projections now available, the amount of reward grant it is estimated we will achieve is approximately £2,345,714, which represents 60 % of the overall available grant, approximately 5% above that predicted last year. There is a potential growth of £157,401 - £262,335 from the last 2 measures relating to surveys of sport and active leisure.

## **Financial performance**

### **The General Fund**

- 34 The General Fund net expenditure budget for 2008/09 was originally set at £113,771k, (£110,471k after the use of balances and reserves). There has been a transfer between the profit expected from trading activities of Neighbourhood Services and general fund services due to the allocation of savings, etc., within the directorate. This together with utilising reserves to fund other expenditure pressures approved by Members, up to and including decisions taken on 9 September 2008, increases the net expenditure budget to £115,958k, and the details are shown at Annex 3.
- 35 A comprehensive breakdown of the projected position on the General Fund is shown in Table 1. Key parts of this are explained in paragraphs 62 to 75 and more detailed information is available in individual EMAP reports. An analysis of the key items which comprise current under and overspends for the Treasury Management activity is shown at Annex 4 and those for central services are in Annex 5.
- 36 Full details of the causes of the service variations were outlined in the individual EMAP reports and the overall financial position is summarised in Table 1 on the next page.
- 37 As can be seen from Table 1 the increased spending pressures in service areas amount to £4,863k. Wherever possible Departmental Management Teams/EMAPs have identified savings and action that can be taken to reduce the net effect of these pressures. These total £3,771k, producing a net overspend on services in the year of £1,092k. There is also a projected overspend on some centrally controlled budgets amounting to £735k, however these increased net costs have been more than matched by projected savings that have arisen due to the improved position on interest rates and the ability to defer borrowing (see paragraph 43). However, the 'savings' on both departmental and central budgets are to a large extent one-off and mask the true financial pressures facing the Council, which will need to be addressed as part of future budget processes.



**Table 1 - Summary of Budgets and Variations**

	Currently Approved Budget			Net Budget £000	Variances				Projected Out-turn £000
	Gross Exp.	Notional Interest	Income		Over-spends Identified	Under-spends Identified	Out-turn to Net Budget		
	£000	£000	£000		£000	£000	£000	%	
<u>Service Area</u>									
Children's Services (non DSG)	65,279	5,338	(41,730)	28,887	+799	-170	+629	2.2	29,516
Leisure and Culture	11,709	1,102	(4,164)	8,647	+216	-159	+57	0.7	8,704
Economic Development	5,574	180	(3,412)	2,342	+54	-31	+23	1.0	2,365
City Strategy	33,495	3,403	(19,521)	17,377	+1,117	-889	+228	1.3	17,605
Neighbourhood Services	21,958	434	(6,838)	15,554	+300	-86	+214	1.4	15,768
Chief Executive's Department	9,754	-	(4,840)	4,914	+401	-296	+105	2.1	5,019
Property	7,858	2,460	(8,723)	1,595	+203	-15	+188	11.8	1,783
Resources	60,066	128	(55,283)	4,911	+372	-673	-301	6.1	4,610
Housing General Fund	11,170	84	(9,850)	1,404	+67	-139	-72	5.1	1,332
Adult Social Services	59,451	778	(22,182)	38,047	+1,334	-1,313	+21	-	38,068
<b>Total of Service Areas</b>	<b>286,314</b>	<b>13,907</b>	<b>(176,543)</b>	<b>123,678</b>	<b>+4,863</b>	<b>-3,771</b>	<b>+1,092</b>	<b>0.9</b>	<b>124,770</b>
<u>Centrally Held Budgets</u>									
Notional Interest	-	(13,907)	-	(13,907)	-	-	-	-	(13,907)
Contribution from Cap Fin Acct	-	-	(7,585)	(7,585)	-	-	-	-	(7,585)
Treasury Management	11,213	-	(4,276)	6,937	+293	-1,429	-1,136	16.4	5,801
Other Central Budgets	6,779	-	(691)	6,088	+442	-308	+134	2.2	6,222
General Contingency <sup>1</sup>	747	-	-	747	-	-512	-512	68.5	235
Non availability of Trading Profit									
<b>Non DSG General Fund Total</b>	<b>305,053</b>	<b>-</b>	<b>(189,095)</b>	<b>115,958</b>	<b>+5,598</b>	<b>-6,020</b>	<b>-422</b>	<b>0.4</b>	<b>115,536</b>
Children's Services (DSG)	86,389	-	(86,389)	-	+573	-400	+173	####	173
<b>General Fund Total</b>	<b>391,442</b>	<b>-</b>	<b>(275,484)</b>	<b>115,958</b>	<b>+6,171</b>	<b>-6,420</b>	<b>-249</b>	<b>0.2</b>	<b>115,709</b>

<sup>1</sup> The projection is based on the assumption that all bids from EMAPs are successful

- 38 The 2008/09 budget included £10,000k for expenditure on growth items and £5,956k of budget/efficiency savings and with very few exceptions they are all being achieved. Where problems are being encountered these were highlighted in relevant EMAP reports. The growth items are set out in Annex 6, with the majority on target to be delivered. The exceptions are:
- a. Children's Services - the cost of the social care legal fees are expected to exceed the budget provided, and a request has been made for additional resources to be released from contingency.
  - b. Leisure and Culture - the budget to cover the closure at Oaklands is dependent on the timing of the capital works, which have not yet been confirmed.
  - c. City Strategy - increased costs of concessionary travel are being monitored, but on the basis of the first quarter there may be a small saving.
  - d. City Strategy - the budgeted reduced income from land charges and building control are suffering from additional pressure of £410k due to the economic downturn.
  - e. City Strategy - waste strategy procurement development budget spent, but a further £200k may be needed as the project progresses to final stages.
  - f. Resources - audit commission fee increases are anticipated to be less than expected, so this budget may underspend.
- 39 The variations reported on budget/efficiency savings items are set out in Annex 7 and include:
- a. Children's Services - all are expected to be on target except for the projected increases in income from the Music Service is not being achieved and a request has been made for additional resources to be released from contingency.
  - b. Leisure and Culture - the park attendants restructure has been delayed, and the impact of this is being reassessed, the other proposals are on target to be delivered.
  - c. Resources - with three exceptions all are expected to be delivered. The three items that may be at risk are: the saving from increased recovery of housing benefit overpayments, although the position is under constant scrutiny and the position is improving; there have been some delays in the opening of Arclight so the full saving will not be delivered in this financial year; increased income from annual rent reviews on commercial property is experiencing pressure due to the current economic climate.
  - d. Adult Social Services - all are on target except for the saving from the implementation of the cross border protocol, where several high cost cases have been disputed meaning that the saving is unlikely to be achieved.
  - e. Children's Services (DSG budgets) - there are two variances reported, Out of City placements where the saving will not be achieved but this is more than compensated for by SEN recoupment where savings in excess of the budget are being projected.
  - f. Neighbourhood Services traded activities - there are two areas where the saving will not be achieved, there has been a delay in deleting a post but the value of the savings are being found elsewhere. The second area relates to increased income from trade waste fees, where there has been a drop in customer numbers. There is a shortfall projected in the income, partly offset by a saving in the cost of waste disposal. This position will continue to be monitored.

### **Centrally Held Budgets**

- 40 These are budgets where the reporting responsibility has been reserved to the full Executive, and so any movement on them must be considered as part of this report.

#### Notional Interest Income

- 41 This budget matches the notional interest charged to the service revenue accounts. The notional interest charge must be excluded from the service expenditure when presenting the overall Council's Statement of Accounts. In order to show Members the effect of this the two sides of the notional interest are shown in Table 1.

#### Contribution from Capital Finance Account

- 42 This budget represents the use of money held in the Capital Financing Account to match the depreciation charged to the service accounts. This is in accordance with the Accounting Code of Practice.

#### Treasury Management

- 43 The Capital and Treasury Management part of Strategic Finance are currently predicting that treasury management will produce a surplus (underspend) of £1,136k. This is mainly due to two key events: a delay in borrowing due to the high cost of borrowing which has been made possible by strong cash-flows (£506k) and an overall increase in interest rates throughout the year is projected to contribute additional interest income (£803k). Annex 4 shows the key variances that contribute to this surplus.

- 44 The projections are based on the best advice, but money markets are volatile and cash balances change rapidly so these predictions should be treated with caution. Each 0.25% change in interest rates will mean a change in the return on investments of approximately £50k per annum. It is worth noting that the current structure of Council borrowing and investments means that high interest rates are, at present, beneficial to the Council.

- 45 The recent turmoil in the money markets has resulted in higher than expected returns on the Council's investments by taking advantage of the high rates offered by institutions. The Council is restricted to the type of institutions that it can invest with, the level of that investment and period over which it can place an investment. The restrictions are based on the credit ratings from the credit rating agencies and interpreted by Sector, our Treasury Management Advisors.

- 46 A review of the prudential indicators which govern the treasury management activity is included at Annex 12.

#### Other Central Budgets

- 47 These budgets cover a variety of funding held centrally and details are shown at Annex 5. The majority of the budgets are for contractual purposes and will be fully required. However there is projected to be an overspend on the cost of the staff park and ride passes, due mainly to a budget saving taken not being deliverable. One other area giving concern is the budget set-aside to meet rising fuel costs. During the 2008/09 budget process the market price was slightly below the existing contract prices. Despite this a small sum was included for possible price increases when the contracts expired. The Council's gas contract has already been renegotiated, but the electricity one is due to expire at the end of October. Current projections are that costs could increase by substantial sums at this time (depending

on how the market rate moves) and the projection includes a sum of £250k for the part-year effect of new contract prices. This will be monitored very carefully over the coming weeks, and a more accurate position will be reported to Members as part of the second monitor report.

- 48 The projection on redundancies and pensions currently shows an underspend of £161k. This estimate has been prepared using information on all known redundancy situations for the remainder of the year, most of which have arisen from 2008/09 budget savings and anticipated retirements under the Council's early retirement policy. Table 2 below gives the details. At this stage of the year it is too early to say whether the underspend will be maintained.

**Table 2 - Details of Redundancies and Early Retirement Costs**

	£(000)	£(000)
Annual charges for prior year retirements		784
Local Government Pension Scheme		
Redundancy payments	97	
Redundancy retirements	110	
Early retirements	17	224
Schools		
Redundancy payments	116	
Redundancy retirements	18	
Early retirements	11	145
Administration charge		32
<b>TOTAL</b>		<b>1,185</b>

- 49 Members were promised an update in all monitoring reports of the value of NNDR rate refunds following successful appeals. The refunds received to date, after deducting all fees due to the Council's agents and the fee expected to be paid to property services, is £18k. It is projected that this may increase to £90k by 31 March 2009, and the latter figure has been included in Annex 10.
- 50 At the time of writing this report the position on implementation of the new pay and grading system is uncertain. The initial ballot of trade union members has resulted in a rejection of the offer and therefore immediate implementation by backdating to 1st April 2008 is currently not an option. Further negotiations with the trade unions are planned with a view to having a further ballot in the near future, if this results in a 'yes' vote implementation in the current financial year is still a possibility, however if there is a second 'no' vote then the scheme cannot be introduced until well into 2009/10. In terms of financial implications the costs of implementing the scheme remain uncertain until a clear way forward is determined both in terms of project team costs and the base costs of implementing the model itself. Further updates will be brought before members when the position becomes clear.

### **General Contingency and Supplementary Estimate Requests**

- 51 Contingency funding amounting to £800k was set aside in the budget process. As detailed in Annex 8 supplementary estimates approved to 9 September 2008 amount to £138k leaving £662k. There have been seven requests for supplementary requests included in the EMAP reports, also shown in Annex 8, totalling £512k. If these are all approved there will be £217k for the remainder of the year. Further details of the requests are shown in paragraphs 65.4 (a, c and d), 67.3, 69.4 (c) and 75.3. In considering these requests due regard must be given to other areas of pressure, which were identified during the budget process as

potentially needing funding from the contingency and where there is still a possibility that additional funding may be needed. Annex 8 includes these items and the likely future requirements for additional funding in these areas. The annex shows that if all of these potential demands do materialise the amount now projected to be called down from the contingency fund will total £412k, which will lead to an overspend of £262k. As set out in paragraph 71.4 there may also be a request for £275k to meet costs identified as a potential liability during the 2007/08 budget process.

### **Virements Requested**

- 52 The Council's financial regulations require that any virements between service plan heads of more than £250k are agreed by the Executive as part of the budget monitoring report. There have been no requests referred from the EMAP meetings.

### **Reserves and Balances**

- 53 Annex 10 shows the position on the General Fund reserve which, it is anticipated, will reduce from £11,427k at the start of the financial year to £7,557k by the end of the current financial year. Once other reserves are taken into account the level of reserves for CPA purposes is forecast to stand at £10,409k. It should be noted that while this is above the minimum threshold of £5,361k future potential demands have been identified which will reduce the available resources to around £2,577k by the end of 2010/11. At the same time there could be a further need to utilise some of these balances depending upon the outcome of current litigation and tribunals, which is not included in the projections.
- 54 There have been no requests to utilise reserves to fund additional one-off costs in the first monitoring reports.
- 55 Members are reminded that balances are not normally used to fund recurring expenditure and any further large approvals against these balances will reduce the scope for Members to utilise reserves to fund current year overspends or new investment in future years. Using balances to fund recurring expenditure creates funding problems in future years, as the resources will no longer exist, but the expenditure will.

### **Monitoring Level of Debts**

- 56 There are three main areas of income to the Council where it is important that Members are kept informed of the level of the debt, the movement from the beginning of the year, and the likely position at the end of the year. In all cases the Council makes provision for non-collection of the debt, and the level of this is also monitored. The three areas are housing rents, collection fund (both council tax and business rates) and sundry debts.
- 57 Table 3 sets out a summary of the information on these sources of income, with some further explanatory notes below.

**Table 3 - Information on the Main Income Sources to the Council**

	Housing Rents	Council Tax	NNDR	Sundry Debts
Arrears at 31 March 2008		£5,806k	£3,492k	£4,096k
current tenants	£605k			
previous tenants	£876k			
Provision for bad/ doubtful debts at 31 March 2008	£1,259k	£3,101k	£1,667k	£575k
Value of debts written off so far in 2008/09	£40k	£16k	£344k	See section below
Current value of prior year arrears	See section below	£4,526k	£2,187k	See section below
% collected to end of June	See section below	9.36%	22.29%	See section below
Target % to be collected by end of June		10.5%	N/A	N/A
Estimated accounts to be raised in 2008/09	£24,473k	£77,832k	£85,171k	See section below
Accounts raised to end of June 2008	£6,629k	£847k	£1,018k	£12,267k
% collected to end of June	See section below	29.71%	30.97%	See section below
Target % to be collected by end of June	88%	29.75%	31.59%	See section below
Target % to be collected in year	88.1%	97.5%	99.0%	96%
Arrears of in-year debt at end of June	See section below	£2,710k	£6,147k	£736k

58 Housing Rents

58.1 As rents are a weekly charge, arrears are not separately identified into account years. It is therefore not possible to show the current position on collecting prior year arrears.

58.2 Percentage of rent collected - the data is calculated annually at the year-end. In 2007/08 97.9% was collected; the target for 2008/09 is 98.2%.

58.3 Rent arrears as a proportion of the rent roll - year to date 2.74% (2.27% was the 2007/08 out-turn and the target for 2008/09 is 1.92%). These figures include the arrears figures for former tenants.

58.4 Rent income lost through voids - year to date 0.27% (1.07% was the 2007/08 outturn and the target for 2008/09 is 1.9%).

58.5 The rent arrears at 31 March 2008 were £42k less than at 31 March 2007.

59 Collection Fund (Council Tax and NNDR)

59.1 Council tax collection is currently on target. The debt position will vary slightly over the summer and into the autumn as we review, and where necessary cancel, entitlement to discounts and exemptions.

59.2 The Council raises accounts for and collects the income due on NNDR on behalf of the government. The collection of Business Rates is behind the expected position due to primary reasons: a software issue meant that recovery proceedings (issuing instalment reminders) did not commence as early as we have intended - this resumed in June, and we may be seeing the first effects of the change in legislation on empty property relief. The law now requires us to bill properties that would previously have been subject to a 100% exemption.

60 Sundry Debts

60.1 This section includes the miscellaneous debt raised and collected by the Council. It includes such varied income sources as commercial property rental, housing repairs, commercial waste collection, pest control and other fees and charges.

60.2 Unlike the other income the total to be raised is not dependant on annual sums due in the same way that housing rents, council tax and NNDR are, and so will vary from year to year, there is therefore no estimated value for the value of accounts expected to be raised. A debt recovery officer has been appointed to ensure that debt is recovered as expediently as possible, and all debt is pursued if collection is possible regardless of its age.

Cost to the Council of the Level of Arrears

61 It is difficult to put a precise figure on the cost of arrears as at any time there are both arrears and prepayments, or refunds due, on all types of income. Also, with annual billing for council tax and NNDR for example, the level of debt recorded is not necessarily due for immediate payment. However, simply using the expected recoverable level of arrears at 31 March 2008 and a notional cost of borrowing at 6.5% would give an annual cost of £538k.

**Key Performance Issues from Directorates**

62 Directorates produced a balanced scorecard showing

- progress on delivering the key actions to support our corporate priorities and imperatives, or any other high profile actions the directorate is delivering.
- headlines on key performance indicators that are corporately significant (i.e. they support corporate priorities, LPSA, CPA, etc).
- headlines on resources management (i.e. budget and staff management)

63 The full scorecards will be available on the council's intranet prior to the Monitor Session on the 14<sup>th</sup> October. The key points however are:

Learning Culture & Children's Services

64 *Service improvement and key actions:*

- 64.1 Exam Results - The performance of pupils this year at Key Stages 1, 2 and 3 and the GCSE examinations will be fully reported at the next monitor. There have been some well publicised national delays in the complete release of all results. The limited provisional unvalidated results and the comparative national results released to date are encouraging.
- 64.2 Fixed Term Exclusions – there has been a reduced number of fixed term exclusions in the primary sector (36, from a target of 60) and significant reductions in permanent exclusions in primary, secondary and special school sector.
- 64.3 Education Otherwise - The number of days (4 compared to 3.6 last year and 2.24 in 06/07) being provided for pupils on the Education Otherwise roll continues to increase. With the additional alternative provision being offered from September and the reduction in exclusions this number should increase.
- 64.4 Care Leavers ETE – the % of care leavers in suitable education, training and employment has improved (100% for monitor 1 compared to 50% last year)
- 64.5 Attendance - Draft attendance returns for the first two terms show that in secondary schools total absence was 7.06% (comprising 5.84% authorised and 1.22% unauthorised). The whole year figures for 2006/07 of 7.62% absence show that this is an improvement. Primary figures for the same period were 4.34% (4.02% authorised and 0.32 unauthorised). The whole year figures for 2006/07 show that this is an improvement in primary attendance from 4.63%.
- 64.6 Physical Activity - Work has been undertaken to design an awareness raising campaign around the benefits of taking at least 5 x 30 minutes of activity per week. The aim is that all York citizens will be aware of this message by the end of the year.
- 64.7 Children's Centres – all the planned children's centre development remains generally on timescale. By April 2008 all 8 centres in the city achieved "designation" status. The recent quarter has seen the opening of new children's centres at New Earswick (incorporating a new library learning centre) and the Avenues Children Centre in Tang Hall.
- 64.8 Vulnerable Families - A 2 year old pathfinder has allowed 500 previously unengaged vulnerable families to access voluntary and informal learning whilst the children access registered childcare across all settings.
- 64.9 Looked After Population - the LAC population in the city continues to pressurise existing resources and as a result creates financial pressures through the greater use of independent fostering agency placements. CYC has successfully bid to be part of 'Staying Put' a government pilot programme to enable Looked After Children (LAC) to stay on in their foster placements beyond the age of 18.
- 64.10 LAC assessments – the % of looked after children cases which were review within timescales is currently performing well compared to last year (91.2% compared to 82%).



64.11 Children In Needs – the % of initial and core assessments completed within timescales has improved since last year. Initial assessments completed within 7 days are up to 81.1% from 65.8% and Core Assessments are up to 96.7% from 89%.

65 *Resource management:*

65.1 Sickness: LCCS sickness levels continue to fall and have remain the best performance across the council.

65.2 The majority of the Children's Services budget is funded from the ring-fenced Dedicated Schools Grant (DSG). The current projection is that this area will overspend by £173k. The major variations are:

- a. Out of City Placements (Education) +£248k. The major impact is from 3 new and unexpected residential placements at a total estimated annual cost of £548k pa (£263k in 2008/09). It is proposed to fund this with a budget virement from the Inter Authority Recoupment budget.
- b. Inter Authority Special School Recoupment -£280k. Changes to the way in which charges for Inter Authority Recoupment can be calculated mean that a greater level of overheads can now be included in the charge for each pupil. York is currently a net provider of places in maintained special schools and (despite a budget saving being taken in 2008/09) this has resulted in a net underspend on the overall recoupment budget. It is proposed to vire this underspend to help cover deficits in other DSG funded budget areas.
- c. Behaviour Support Service +£164k. Additional costs of supply teachers and teaching assistants partly offset by increased income transferred from schools for excluded pupils. It is proposed to part fund this with a budget virement of Area Based Grant income from the Education Development Service. Members should also note that, as reported at the July EMAP meeting, a full review of the service is currently being undertaken, with a further report due to be presented later this term.
- d. Education Development Service -£100k. Additional Standards Fund income has been carried forward from 2007/08. This in turn has freed up some of the non ring-fenced Area Based Grant in 2008/09. It is proposed to vire this budget to help fund the overspend projected within the Behaviour Support Service.
- e. Dedicated Schools Grant Income +£108k. Actual pupil numbers were 20.6 fte (0.1%) less than estimated reducing the DSG by £78k. In addition the carry forward from 2007/08 was £30k less than expected.

65.3 Under the terms and conditions of the DSG any end of year overspend either has to be funded by a contribution from the council's General Fund budget or carried forward and funded from the following financial year's DSG. The current presumption is that the projected net overspend of £174k would be carried forward to 2009/10 and become a first call against the DSG in that year.

65.4 The general fund areas of Children's Services are projecting an overspend of £629k after mitigating action has been taken to hold back expenditure or redirect resources amounting to £170k. The major areas contributing to the overspend are:

- a. Fostering & Independent Fostering Agency (IFA) fees +£177k. The current projection is for an overspend on the overall fostering budget of £277k. The Looked After Children population continues to increase, from 166 at the end of 2007/08 to 194 at the end of the first quarter of 2008/09. Management action has already been taken to try and reduce the impact of this on the General Fund by persuading the Schools Forum to allow an additional £100k to be charged to the Schools Budget (and hence the DSG) reducing the General Fund overspend to £177k. In addition the local fostering programme continues to be developed, which should over time help to reduce dependence on the more expensive IFAs. It is also proposed that the Executive be asked to release the sum of £80k that has been provided in the Corporate Contingency budget which would, if approved, further reduce the overspend to £97k.
- b. Out of City Placements (Care) +£185k. The major impact is from 3 new and unexpected residential placements at a total estimated annual cost of £124k pa (£96k in 2008/09) and two short-term children's home placements costing over £40k in 2008/09.
- c. Children's Care Legal Fees +£170k. Due to a higher than usual number of complex (i.e. expensive) court cases involving York children, together with a general increase in the cost of cases resulting from a national trend for courts to call in more expert witnesses. In addition there is the new impact of changes to public law charges imposed by central government (estimated at £90k for the year). It is proposed that the Executive be asked to release the sum of £142k that has been provided in the Corporate Contingency budget which would, if approved, reduce the overspend to £28k.
- d. Music Service Income +£85k. A projected underachievement of income in the Music Service due to a lower than budgeted number of pupils currently taking music lessons, together with a 5% increase in the income target this year. It is proposed that the Executive be asked to release the sum of £40k that has been provided in the Corporate Contingency budget which would, if approved, reduce the shortfall to £45k.

65.5 If all of the requests to the Executive for release of contingency funding totalling £262k are agreed then the net projected General Fund overspend will be reduced to £367k. Officers will continue to work to identify further savings to bridge the remaining budget gap, including reviewing savings options that are being developed as part of the 2009/10 budget process to identify any that could be implemented prior to 1 April 2009.

65.6 Based on the actuals to date and other information on future expenditure plans and income generation, an assessment has been made by budget managers of the Leisure and Culture portfolio of the likely net outturn for each service plan and cost centre. At this stage in the year there is no reason to suggest that most budgets will not come in at or about the level of the current approved budget. There are though a number of exceptions to this and these variations were summarised in the Annex presented to the EMAP. A net overspend of £57k (0.7%) is currently being projected. Officers will continue to work to identify further savings to bridge the remaining £57k budget gap before the end of the financial year, including reviewing savings options that are being developed as part of the 2009/10 budget process to see if any could be implemented prior to 1 April 2009.

- 65.7 The individual service plan financial monitoring sheets showed that a number of services are initially projecting overspends for 2008/09. For Parks & Open Spaces (+£64k) the service manager has proposed action that should bring the service budget back into line by the end of the financial year. For Libraries & Heritage significant deficits in core budgets have been offset by additional one-off income raised from book sales. Unfortunately, for Sports & Active Leisure the scale of the problem (+£55k), and the nature of the service, means that the service itself has not yet been able to identify savings to contain the projected overspend.
- 65.8 As previously reported to Members a number of valuable obsolete stock items have been sold at auction and raised £95k. The intention is to use this income to support the first phase of redeveloping the central library into a library-learning centre. However, at this stage of the year there is projected to be a significant (£78k) shortfall against the core library income budgets. Furthermore the overall library service budget (excluding the £95k from book sales) is projecting a deficit of £87k and the whole Leisure, Culture & Social Inclusion portfolio is projecting a deficit of £152k (again excluding the £95k from book sales).
- 65.9 As it is the duty of the director and executive member to ensure expenditure is contained within budget for the year, then these projections suggest that there could be very little scope to contribute to the refurbishment project in 2008/09. However, in setting the overall council budget for 2008/09 a sum of £44k was set-aside in the Corporate Contingency budget against a possible shortfall in library income and at some point it may be appropriate to ask the Executive to consider releasing that contingency. In the meantime, given the overall deficit position being reported, no expenditure will be committed against the central library refurbishment project. This position can then be reviewed at the time of the second monitoring report in December.

### City Strategy

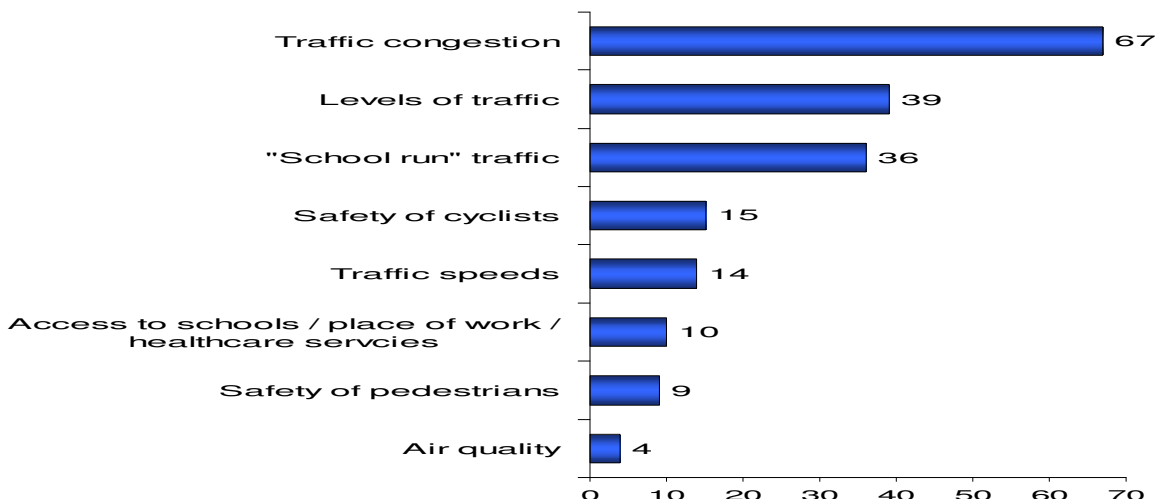
#### 66 *Service improvement and key actions:*

- 66.1 Unemployment: York's unemployment (rate below the regional rate) performed at 1.44% for Q1 2008/09 and has only slightly missed the set target of 1.5% and the 2007/08 quarter 1 figure of 1.5%. York's unemployment rate (below the national rate) is on target but is slightly less than the equivalent period in 2007/08. Both indicators depend on the relative levels of unemployment between York and either the region or nationally. For Quarter 1 regional and national performance has been better than in previous month. The picture may alter as the economic slowdown progresses, when the resilience of jobs in a less buoyant economic climate will be tested. Recent announcements of job losses, particularly in the construction sector, are likely to mean that York has been more adversely affected by recent changing economic circumstances compared to national and regional averages.
- 66.2 Turnover Growth – the balance of firms where turnover has grown rather than fallen is currently performing at 11.4%, which is well below the target of 20% and 2007/08 quarter 1 performance of 21.8%. This indicator relates to the recent sales or turnover performance in York firms. This is part of a continuing trend as consumption by households and firms is under pressure. The council continues to lead on work to identify actions, which will sustain the city through the economic slowdown. These will focus on seeking to assure business and identifying what can be done to support the least well off in York. The work accordingly links with the

Westfield pilot and will be informed by consultation with the Business Forum and organisations in the city concerned with tackling poverty. A report back to the Executive is due on 21st October.

- 66.3 Previously Developed Land - The % of new homes built on previously developed land shows performance of 95.83% for the first quarter of 2008/09 exceeding the government target (65%) due to the large number of homes built on brown field sites. Despite such a good performance if it is compared to quarter 1 2007/08 the percentage of new homes built on previously developed land has fallen slightly which may reflect the consent that has been given for development on several Greenfield sites. It is anticipated that this indicator may not achieve the same levels as in previous years.
  
- 66.4 York Stadium - York City football club have now decided to approach the Football Foundation about rolling up the interest on their loan which if successful would make a council loan unnecessary. The Executive on the 9th September therefore resolved to appoint a project manager as soon as possible to work on the delivery of a community stadium by 2012. Work will now focus on community consultation, site identification and investigating and establishing a business case, all of which will be incorporated within a project plan.
  
- 66.5 Street Lights - The average time taken to repair a street lighting fault (in calendar days where the response time is under the control of the local authority) has performed significantly better than both the target of 5 days and the quarter 1 07/08 figure. The new systems implemented in both night repairing and night scouting has resulted in fast response times. That coupled with routine maintenance has seen a very good result.
  
- 66.6 Park and Ride – passenger numbers have increased by 4% comparing the first 3 months of 08/09 with 07/08 (781,319 compared to 751,732).
  
- 66.7 Major Transport Issues - Two-thirds (67%) of the July Talk About Survey identified traffic congestion as a major transport issue in York today. Two-fifths (39%) also stated that levels of traffic are a major issue, whilst 36% also said “School run” traffic. (This survey asked for 2 major traffic concerns). Panellists living in Area E (Bishophthorpe, Wheldrake, Fishergate, Fulford & Heslington) were significantly more likely to identify traffic congestion as a major transport issue (80%).

*July Talk About Survey - Major Transport Issues*



66.8 Admin Accommodation project - A council headquarters update report was presented to the Executive on 9th September, which identified 4 site options to be taken forward for a more detailed appraisal using a range of criteria relating to 'availability', 'deliverability', 'accessibility', 'suitability' and 'affordability'. The outcomes of this work will be presented to the 21st October Executive recommending a reduced number of single or multi site solutions to be taken forward for a full feasibility study.

67 *Resource management:*

67.1 Sickness: Staff absence for City Strategy is 2.91 days per FTE for the first 4 months of this year which is an improvement compared to the same period in 2007/08, (3.17 days).

67.2 Current projections are that the City Strategy directorate will overspend by £228k which represents 0.6% of the gross expenditure. The primary reason for the level of the projected overspend is due to the impact of the economic slowdown on the directorate's income budgets. Projected shortfalls in building control, land charges and Parking income total £566k which can all be partly attributed to economic factors outside the control of the directorate. The other major pressure within the directorate is the shortfall of income from Penalty Charge Notices which is a continuation of a trend for three years.

67.3 The directorate identified the downturn of penalty charge notices as a pressure within the contingency when the budget was set. The level identified in the contingency was £180k compared to the projected shortfall of £220k. The Executive Member has agreed to request that the Executive approve the release of the contingency to support the City Strategy budget. If that is approved a forecast budget deficit will remain totalling £48k.

67.4 There were further areas that the directorate had identified possible requests from the contingency – additional flooding costs (£60k), Dial & Ride service (£46k), warping expenditure (£15k) and Concessionary Fares £200k. Based on the forecasts in this report there is no requirement to bid for any of these items. However in the case of dealing with flooding emergencies and warping these costs are predominantly incurred in the second half of the year.

67.5 Other main expenditure/income variations include reduced expenditure on staffing across the service (£112k), reduced expenditure on concessionary fares and tokens (£180k), increased income from development control (£100k) and the planning delivery grant (£132). In addition the cost of the Council's contribution to the joint waste project is expected to be £200k higher than budget, although this is partially offset by an additional divided payment from Yorwaste of £155k.

67.6 It should be noted that a number of the more high risk budget areas above which the directorate has little control over such as parking income, land charges income, building control income and concessionary fares are based on three to four months of actual data. They will need to be monitored very closely to ensure that if variations change remedial action in other areas of the budget can be recommended in future monitoring reports.

67.7 In the Economic Development area Markets income continues to be a problem. The Executive agreed to a supplementary estimate of £20k to reduce the target in 2008/09 however a forecast of £54k deficit is still anticipated. The popularity of open markets is in significant decline nationally and, in spite of a range of new initiatives designed to increase trading, a loss continues to be made. Further initiatives are being considered. This shortfall has been partly offset within the Markets area by miscellaneous income (£-4k) and a restructure of the staffing arrangements for the markets which is to be effective from October 2008 (£-10k). In addition there are other small savings totalling £17k.

### Neighbourhood Services

68 *Service improvement and key actions:*

68.1 Street Cleanliness – an initial survey has reported above target levels of litter (10% of the areas surveyed were unacceptable) and graffiti (8% of areas surveyed were unacceptable). However, we have maintained a high level of performance against target on removal of graffiti and fly-tipping. The average time to remove obscene graffiti has reduced significantly in the first quarter of 08/09 to 1.05 days compared with 1.46 days at the end of 07/08.

a. New Graffiti Website – a new website produced by the safer York Partnership aims to reduce graffiti by building up a catalogue of known graffiti tags around the city. This is a proactive way of dealing with a multi agency shared problem and is only accessible to registered users. It could have significant effect on public perception of crime and disorder by reducing the number of tags and allowing a more joined up approach with regards to catching the person responsible. For more information contact Ian Cunningham at the Safer York Partnership.

68.2 Recycled Waste – York has continued to increase the proportion of waste recycled and composted with a 2008/09 forecast of 45.07% (43.37% in 07/08).

a. A kerbside recycling scheme begins in the Groves area from October 2008. The pilot will allow the Council to learn about containers, access, storage and vehicle issues which can benefit a later roll out to similar properties in other parts of the city.

b. School recycling is now embedded collecting 6 times the amount of waste compared to before the scheme was introduced. 70% of Council office buildings now have recycling in place.

68.3 Missed Bins – York has continued to reduce the incidences of missed bins to 48.8 per 100,000 (50.6 in 07/08), and put 98% of those right by the next working day (79% in 07/08).

68.4 Talk About Survey (July):

a. Satisfaction with the local area - results have remained consistent with the February 2008 results, with four-fifths (81%) of panellists saying that they were satisfied with their local area or neighbourhood. This is the highest level of satisfaction between November 2003 to date.

b. Safe Place to live – July results show 64% of panellists think York is a safe place to live compared to 55% last year.

- c. Anti Social Behaviour - survey asked panellist how concerned they were about anti social behaviour. Half (50%) of the panel are concerned about young people hanging around their local area. This is a decrease of 8% since 2007 (59%). A further 45% are concerned about vandalism in their local area, whilst around a third (31%) are concerned about drunks and drug addicts. Concern with drunks and drug addicts has decreased by 8% since 2007 (39%).

69 *Resource management:*

- 69.1 Staff Sickness – sickness levels have continued to improve with a forecast for 2008/09 to be a loss of between 14 and 14.5 days per fte (15.5 in 07/08. NS have developed a series of staff welfare initiatives aimed at proactively reducing the need for sickness absence.
- 69.2 Health and Safety – A new approach to on-site inspections has been introduced. This provides greater clarity over the respective roles of H&S staff and managers. This is in line with the new corporate role for H&S staff and will ensure more proactive work is done with staff in the field. Work continues on training and communications issues.

*General Fund Services*

- 69.3 Current projections for the general fund portfolio show an overspend of £214k which represents a variation of 1.4% on the net expenditure budget. If the contingency request is approved this would reduce the general fund overspend to £164k or 1.1% of the net expenditure budget.
- 69.4 Details of the variances were reported to the EMAP, with the significant variances on the General Fund Account being:
  - a. Overall, there is an overspend on fuel of £47k based on current prices.
  - b. Unbudgeted expenditure is forecast relating to security at Towthorpe HWRC due to a series of break ins at the end of the last financial year. Year to date costs amount to £20k and assuming that security is required for the remainder of the year this could total £84k.
  - c. There is an overspend on bin replacements of £62k. There could be further pressure on this budget as prices have increased considerably over the last few months (for example 240 litre bins have increased by 28%) and may continue to rise due to the cost of raw materials and excess demand across Europe. It is requested that £50k is released from contingency for the current increase in costs.
  - d. An overspend on graffiti removal of £32k. This relates to removal of graffiti from public land. The total budget for this service is £46k and the forecast spend is £78k based on a straight line profile from a year to date spend of £19k. However, this overspend is expected to reduce once the work of the newly created Environmental Maintenance Team commences since one of the functions of this team is to assist with graffiti removal. One off funding in this financial year for the creation of this team was agreed at EMAP in June 2008 so the team has not been operational for a full financial year. If the team is successful and Members wish to continue the service beyond 2008/09 funding

will be required either from top slicing the York Pride budget or bidding for additional growth.

- e. Legal fees are forecasting to overspend by £46k, relating to the cost of the Elvington Air Field appeal. The forecast takes a prudent approach and assumes that these costs will not be recovered. If the appeal is successful we could be awarded costs in the region of £100k.

### *Trading Activity*

69.5 Current projections for the trading activities show an overspend of £63k. Details of the variances were reported to the EMAP, with the significant variances on the trading activities being:

- a. The Drainage section are forecasting a positive variance/underspend of £177k due to an increase in customer base although this is offset by a £100k under recovery on the Highway Account.
- b. Commercial Waste are forecasting an under recovery of £90k due to a reduction in customer base.
- c. Neighbourhood Pride Service are forecasting an overspend in fuel of £50k.
- d. Overall, within the trading accounts there is an overspend on fuel of £91k, based on current prices.

### Housing and Adult Social Services

70 *Service improvement and key actions:*

70.1 Credit Crunch - The impact of the "credit crunch" on new house building is a matter of great concern given that the affordable homes programme is so closely linked to new developments. Despite this 47 homes have been secured so far this year and there are some interesting new developments nearing completion – such as the 'Passiv' houses in the Monkton Road area that showcase high insulation and low heating requirements.

70.2 Assessment completions: There are concerns about the performance in terms of the completion of assessments for new customers. 45% of assessments have been completed in April to June 08 compared to 72% in 07/08. This is a newly defined indicator and is determined by performance in high volume areas such as occupational therapy, Intake (the team that deals with new social care referrals in the community) and the Hospital based team. A detailed action plan has been drawn up to further analyse the data and to improve performance in the remainder of the year.

70.3 Independent living – the number of people supported to live independently through Social Services has improved from last year (1,433 compared to 1,370) and is currently higher than the target (1,440). It is anticipated that further customers using telecare and prevention services during the year will improve performance further beyond the target.

70.4 Self directed support - There has been a continued increase in the number of customers using self-directed support (e.g. direct payments or individual budgets)



and the related issue of Personalisation will be a major theme for adult social services in the coming year. More needs to be done in relation to take-up by some groups e.g. people with mental health problems and older people.

- 70.5 Rent arrears - Performance on housing landlord services continues to show steady improvement in terms of reducing rent arrears and the time taken for both urgent (92% completed in time compared to target of 90%) and non-urgent repairs. The already excellent performance on turn round times on empty homes also continues to improve. The planning applications for the redevelopment of the Discus Bungalow sites have been submitted.
- 70.6 Homelessness - The new Peasholme Centre building at Fishergate is due for completion in Spring 2009, and a multi agency plan is being developed for the Resettlement Service. The new Arc Light centre is due for completion by August. Work has been ongoing to ensure that the new service complements work of other projects to maximise the success of the resettlement process.
- 70.7 Housing Repairs – York has continued to improve performance on housing repairs. 91.9% of urgent repairs were completed within government time limits (90% in 07/08). The average time to complete a non-urgent repair fell to 6.96 days (7.97 days in 07/08).

71 *Resource management:*

- 71.1 Staff Sickness - sickness absence continue to reduce with the aim of bringing the days lost per full time employee into single figures within the next 2 years. This would be a reduction of more than 50% on the figures in 2006/7. Work continues on preventing stress in partnership with the Health and Safety Executive and the trade unions. The second phase of the Framework implementation – covering financial processes for residential care – has gone ‘live’.

*General Fund Services*

- 71.2 The overall departmental position is a projected net general fund underspend of £51k (overspend of £21k on adult social services, a variation of less than 0.1%, offset by underspend of £72k on housing general fund services, a variation of 5%). The key areas brought to the attention of the EMAP were:
- a. Of the growth and savings included within the budget all are currently on target with the exception of one saving within Learning Disability Services. The implementation of cross border protocols whereby customers classified as ordinary resident in other local authorities become that authority’s responsibility. York was originally forecast to pass £150k net expenditure onto other local authorities but several high cost cases have been disputed by the receiving authority resulting in there being a nil effect from implementing this protocol.
  - b. Income has been generated through continuing health care determinations following introduction of the revised national policy and the approach approved by Members in 2007. Overall there are approximately 80 people who have been subject to an application or have been subject to a continuing care assessment over the period since October 2007, when the revised national policy was implemented. The evidence to date suggests that the investment in dedicated care management has ensured that sufficient income has been achieved to

cover the cost of the posts and required savings, approved during the budget setting. This reflects 38 determinations resulting in full continuing healthcare funding being awarded and seventeen joint funding packages of care agreed with the Primary Care Trust. The anticipated continuing health care funding is reflected in the first budget monitor.

- c. Within the application of the policy, the Learning Disabilities team have, been extremely successful in applying for Continuing Health Care funding. £534k was received in 07/08 but the forecast for 08/09 is £892k, an increase of £358k, which more than offsets the income and savings targets described earlier and brings the service back within budget.
- d. Members should note that there are continued pressures in Learning Disabilities due to the increase in both the number of customers (young people coming into adult services and older people living longer) and the complexity of their needs. This trend is set to continue for the foreseeable future and is a part of a national pattern (an 11% increase in the number of adults in England with a learning disability is expected in the period 2001 to 2021).

71.3 Large (over £100k) under/overspends were identified within the service areas include overspends on direct payments and transportation of customers within the Learning Disabilities area offset by underspends on complex cases and residential and nursing. Within the budgets for Older People and Physical Disability overspends for community support, Intake and North Social Work team (due to the use of agency staff) and EPH pay and repair and maintenance costs were partially offset by underspends on the cost of In House Home Care and additional income within the EPH area.

71.4 As part of the 2007/08 budget report a possible contingency item for £275k was identified in respect of the repayment of customer contributions towards health care costs. A legal opinion is currently being sought with regard to the council's liability in this matter and the outcome will be reported to the Executive as soon as the outcome is known.

*Housing Revenue Account (HRA)*

71.5 The original 2008/09 budget reported to members on 14th January 2008 had a working balance of £6,960k. After a number of budget adjustments, including the allocation of recharges and insurances, the balance on the HRA is now estimated to be £7,431k. This increase is mainly due to the higher than forecast balance brought forward into 2008/09 from 2007/08. This review indicates a net underspend of £51k which, together with the budgeted balance of £7,431k, now gives a total estimated balance on the HRA of £7,482k. The variances reported to the EMAP included overspends totalling £480k the main area being repairs and maintenance, principally plumbing and roofing, amounting to £352k. There were also underspends totalling £531k. These included increased rent income due to a reduction in right to buy sales and lower voids, reductions due to staff vacancies and £200k additional income from interest earned due to having a higher than forecast working balance.

71.6 Members are reminded that it is illegal to budget for a deficit on the HRA and that the HRA is 'ring-fenced' so that any deficit cannot be made up by contributions from the general fund, nor can any surpluses be used to aid general fund services. Further, the District Auditor has highlighted that the HRA is vulnerable to changes in

income and expenditure and without a surplus it is less able to meet unforeseen contingencies. He has recommended that the HRA be kept under review and that adequate cover against unforeseen contingencies is maintained.

Resources directorate

72 *Service improvement and key actions:*

- 72.1 Benefit Claims - The processing times for benefits claims continues to improve and the service is achieving a standard above the national average with claims for housing and council tax benefit now taking on average 16 days to process as compared to 19 days last year.
- 72.2 Council Tax - collection rates are on track despite a further increase in the performance target to 97.5%.
- 72.3 Replacement of our Financial Management System (FMS) - This month Civica Consultants have been supporting workshops with senior managers and system users to analyse the level and impact of business change that will result from replacing the system. Work has also been ongoing to raise the profile of the project with management teams and corporate leaders, highlighting the opportunities for improvement that the new system will provide and the degree of change that it will bring about. Members will be aware that there has been a significant turnover of senior staff within the Resources Directorate who were key stakeholders and this has had an inevitable impact on the project. The Director of Resources is now in post and is reviewing the project management arrangements and implementation plans to ensure a successful implementation.
- 72.4 YCC - are answering more telephone calls, more quickly (94% within 20 seconds) whilst maintaining call quality. Over the quarter, the rate of abandoned calls was just 1%, the call centre industry norm is 5%. A total of 21,924 service requests were logged. All this has been achieved during a period of internal change with a full restructure of the benefits service in progress and revised team structures and reporting lines being implemented for the Council Tax back office and YCC.

73 *Resource management:*

- 73.1 The forecast financial position at this stage, an underspend of £113k comprising an underspend on Resources of £301k and an overspend of £188k on Property Services, is relatively satisfactory although there are a number of issues that need to be drawn to Members attention. The forecast underspend is due primarily to savings identified within Information Technology and Telecommunications (IT&T) service plan area partly due to efficiency improvements but also due to funded projects being cancelled. The forecast overspend in Property Services is a concern however in previous years increased workload in the second half of the year have led to the outturn being closer to budget. Details of all major variances were presented to the EMAP and summarised below:
- a. Director - A projected underspend of £25k representing the temporary vacancy of the Directors post.
  - b. Public Services - An overspend of £30k is forecast. This takes into account additional costs incurred due to the embargo on staff changes and delays in Job

Evaluation, while implementing the benefits restructure. A provision for the corporate saving target of £85k is also included in this service. The additional costs are being offset by a improvement in benefits overpayments where work has been focussed on reducing fraudulent claims.

- c. Financial Services - The overspend of £26k primarily reflects the additional costs associated with the interim arrangements for covering the Head of Finance position.
- d. Audit and Risk Management - The service shows an anticipated underspend of £63k, which reflects several minor variances
- e. IT&T - This forecast underspend of £260k is made up of a number of factors including project slippage of £57k, a cancelled project, and a £100k saving as a result of work being completed in-house.
- f. Easy & York Project is projecting a small underspend of £9k, which reflects the position for both phases of the Easy Programme.
- g. Property - There is a projected overspend of £188k. This is due to forecast a shortfall of £66k within the Strategic Business and Design section as well as shortfall of income within the Commercial Property portfolio £51k and administration accommodation portfolio £86k.

#### Chief Executive's

#### 74 *Service improvement and key actions:*

- 74.1 Satisfaction with the Council - 65% of July talk about survey panellists are satisfied to some degree with the way the council runs things. Satisfaction has therefore remained stable since the previous survey (60%) and since the same period last year (59%). However since the same period 2 years ago there has been significant improvement (48%).
- 74.2 Pay & Grading review - At the time of writing this report the position on implementation of the new pay and grading system is uncertain. The initial ballot of trade union members has resulted in a rejection of the offer and therefore immediate implementation by backdating to 1st April 2008 is currently not an option. Further negotiations with the trade unions are planned with a view to having a further ballot in the near future, if this results in a 'yes' vote implementation in the current financial year is still a possibility, however if there is a second 'no' vote then the scheme cannot be introduced until well into 2009/10. In terms of financial implications the costs of implementing the scheme remain uncertain until a clear way forward is determined both in terms of project team costs and the base costs of implementing the model itself. Further updates will be brought before members when the position becomes clear.

#### 75 *Resource management:*

- 75.1 Health and Safety - The number of accidents reported to the Health and Safety Executive (HSE) under the Reporting of Injuries, Diseases and Dangerous Occurrences (RIDDOR) regulations during April – June 2008 was 13. This is in comparison to 23 in the same quarter in 2007/8, but it is possible that over-reporting took place then as a result of staff training on the then new policy. However, it is also a welcome reduction from the 2006/7 total of 16.

- 75.2 Expenditure is currently projected to out-turn with an overspend of £105k (0.95% of the gross expenditure budget). The key variations reported to EMAP are:
- a. Cost of unbudgeted Head of Human Resources (£+85k), although this was approved on the basis that it would be funded from within the directorate. The restructure within the Performance Improvement Team has allowed a virement of £65k to be actioned. The remaining £20k being funded by an increase in the assumed recruitment pool.
  - b. Consultancy costs supporting the Health and Safety function prior to the appointment of a new manager £67k
  - c. Projected surplus from the recruitment pool (£-90k)
  - d. Non forecast achievement from letting advertising on council boundary signs (£+20k)
  - e. Continued forecast shortfall from the Print Unit (£+50k).
  - f. Additional cost of Member Allowances following the decision to allow access to the superannuation scheme (£+20k)
  - g. Staffing savings resulting in vacancies within democracy and committee services (£-61k)
- 75.3 Included in the overspend is a projected cost of £20k in allowing Members access to the superannuation scheme. A provision of £50k was identified in the budget to fund this however was placed into the contingency subject to determining how many members would join the scheme. To date 11 Members have joined the scheme which and at this level the cost to the council is £20k. EMAP have requested that a supplementary estimate of £20k is granted to fund this pressure. If the request is granted the projected overspend reduces to £85k. It should be noted at the comparable report in 2007/08 a budget overspend of £91k.
- 75.4 The Directorate Management Team have looked to consider how the budgeted overspend can be brought back into balance. All of the members of the Management Team have been tasked to bring forward proposals that will provide savings for the Directorate without impacting on key deliverables. The actions proposed include to review all vacancies to determine whether posts need to be filled, look to bring shortfall income forecasts in Marketing and Communications closer to budget. The Head of Marketing and Communications is optimistic that the possibility of additional work and a revised price structure at the print unit will lead to improved profitability.
- 75.5 It is considered that by taking the above action the forecast overspend should be reduced. The budget will continue to be monitored closely and the result of the management action will be reported back to the EMAP as part of the second monitoring report in December.

### **Consultation**

- 76 CMT & Executive members will consider this report in a joint monitor session on the 14<sup>th</sup> of October. The key actions and recommendations from that session will be disseminated to the relevant service areas via their director.

### **Analysis**

77 All the analysis of service performance, progress on key actions and the financial position of the Council is included in the body of the report.

### **Corporate priorities**

78 The proposals included in this report are designed to demonstrate progress on achieving the Council's corporate strategy and the priorities set out in it. It also provides evidence of the co-operation between CMT and the Executive in working together to drive forward prioritised improvement and address performance, delivery or financial issues of corporate concern.

### **Implications**

79 The implications are:

- Financial - the financial implications are dealt with in the body of the report.
- Human Resources - there are no specific human resource implications to this report, but it does contain important information on staff management and welfare.
- Equalities - there are no equality implications to this report
- Legal - there are no legal implications to this report
- Crime and Disorder - there are no specific crime and disorder implications to this report, but it does provide the Executive with crucial performance information to inform future resource allocation.
- Information Technology - there are no information technology implications to this report
- Property - there are no property implications to this report
- Other - there are no other implications to this report

### **Risk Management**

80 The overall theme of this report supports strategic risk management across the Council. It provides Executive members with customised performance and budget information, based on high priority (or high-risk) areas of service delivery and performance. Any resource redirection or corporate attention will itself be based on the concept of managing risk.

81 The budget setting process always entails a degree of risk as managers attempt to assess known and uncertain future events. As with any budget the key to mitigating risk is prompt monitoring of income and expenditure and appropriate management control. As such regular updated figures and revised corrective actions will be monitored via Directorate Management Teams, Corporate Management Team and the monitor reports during the year.

82 The detailed analysis of directorate spending pressures are addressed within the individual EMAP reports and then summarised within this joint monitor. However, in terms of effective risk management there is also a need to ensure that the council remains clearly focussed upon those items which could have a significant and lasting impact on the financial standing of the council. To help address such risks, the budget planning process includes the identification of events that may need funding from the council's contingency budgets. These items, and allocations to date, are detailed at Annexes 8 and 9.

- 83 In order to help the Executive clearly address the main threats facing the council the significant events identified to date have been split into two categories. In this context those items which could, if not successfully managed, have an impact on the financial standing of the council as a whole have been included here as Red Risks, whilst those which could have a significant impact on an individual portfolio have been reported as Amber Risks.

	Para.	Value £'000	Identified in Contingency £'000
<b>Red Risk</b>			
Fuel inflation - both general fund for heating, etc., and trading activity for vehicles	47 69.5	390	0
Job Evaluation	50		0
<b>TOTAL</b>			
<b>Amber Risk</b>			
Land charges and building control income	38d	410	0
Waste strategy procurement	38e	200	0
Commercial property income	39c	60	0
Cross border protocol	39d	150	50
Out of City placements	39e	248	0
Trade waste fees	39f	65	0
<b>TOTAL</b>			

- 84 The Executive also needs to note the reliance that this monitoring report places upon underspends on corporate budgets, especially treasury management. If the council is to maintain a balanced position in the medium to long term then there remains a need for services to identify and address the underlying causes of departmental overspends. This requirement will be a key aspect of the 2009/10 budget process.

### Recommendations

- 85 Members are asked to:

- a) note the performance issues identified in this report.

*Reason:* So that corrective action on these performance issues can be addressed by Directorates and EMAPs.

- b) Consider the applications for supplementary estimate requests of £512k to be funded from the contingency fund, as set out in paragraph 51 and Annex 8, and decide whether, or at what level, to grant approval.

*Reason:* In accordance with the Executive's Constitutional powers to make decisions on the level and granting of supplementary estimates.

- c) Members are requested to note the movements in the Prudential Indicators as set out in Annex 12.

*Reason:* To ensure the continued performance of the Council's Treasury Management function.

**Contact Details**

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Pauline Stuchfield, Head of Audit & Risk Management  
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**Specialist Implications Officer(s)** None

**Wards Affected:** *List wards or tick box to indicate all*

**All**

√

**Background Working Papers**

Reports to individual EMAP meetings

**Annexes**

Annex 1 - Staff Performance

Annex 2 - Customer First Statistics

Annex 3 - General Fund Net Expenditure Budget

Annex 4 - Variations on Treasury Management Activity

Annex 5 - Details of Other Centrally Held Budgets

Annex 6 - Growth Schemes in 2008/09

Annex 7 - Savings Proposals in 2008/09

Annex 8 - Position on General Contingency

Annex 9 - Position on Contingency Items to be funded from Reserves

Annex 10 - Reserves Position and Forecast

Annex 11 - Venture Fund

Annex 12 - Review of Prudential Indicators



Annex 1 - Staff Performance result for April 08 - July 08 (4 Months)

DISABILITY

DIRECTORATES	NO. DISABLED	HEADCOUNT	% DISABLED
Chief Exec	5	161	3.11%
Nhoods	10	934	1.07%
Strategy	20	401.5	4.98%
Resources	10	364	2.75%
HASS	60	1206.5	4.97%
LCCS	47	4830	0.97%
<b>CYC</b>	<b>152</b>	<b>7897</b>	<b>1.92%</b>

ETHNIC MINORITY INCLUDING WHITE OTHER

DIRECTORATES	NO. ETHNIC MIN.	HEADCOUNT	%ETHNIC MIN.
Chief Exec	11	161	6.83%
Nhoods	29	934	3.10%
Strategy	9	401.5	2.24%
Resources	18	364	4.95%
HASS	44	1206.5	3.65%
LCCS	162	4830	3.35%
<b>CYC</b>	<b>273</b>	<b>7897</b>	<b>3.46%</b>

ALL SICKNESSES

Directorate	FTE days absent	FTE employees	Days lost/FTE
Chief Exec	303.25	133.71	2.27
Nhoods	3019	659.67	4.58
Strategy	1002.07	343.93	2.91
Resources	958.34	331.39	2.89
HASS	2977.12	827.01	3.60
LCCS	7546.14	3094.35	2.44
<b>CYC</b>	<b>15805.92</b>	<b>5390.06</b>	<b>2.93</b>

LONG TERM SICKNESS

Directorate	FTE days absent	FTE employees	Days lost/FTE
Chief Exec	117.72	133.71	0.88
Nhoods	1739.34	659.67	2.64
Strategy	528.85	343.93	1.54
Resources	438	331.39	1.32
HASS	1231.16	827.01	1.49
LCCS	3971.86	3094.35	1.28
<b>CYC</b>	<b>8026.93</b>	<b>5390.06</b>	<b>1.49</b>

ETHNIC MINORITY EXCLUDING WHITE OTHER

DIRECTORATES	NO. ETHNIC MIN.	HEADCOUNT	%ETHNIC MIN.
Chief Exec	2	161	1.24%
Nhoods	17	934	1.82%
Strategy	4	401.5	1.00%
Resources	10	364	2.75%
HASS	23	1206.5	1.91%
LCCS	77	4830	1.59%
<b>CYC</b>	<b>133</b>	<b>7897</b>	<b>1.68%</b>

% STAFF TURNOVER

DIRECTORATES	LEAVERS	HEADCOUNT	% TURNOVER
Chief Exec	12	161	7.45%
Nhoods	19	934	2.03%
Strategy	8	401.5	1.99%
Resources	5	364	1.37%
HASS	25	1206.5	2.07%
LCCS	49	4830	1.01%
<b>CYC</b>	<b>118</b>	<b>7897</b>	<b>1.49%</b>

STRESS/ANXIETY/DEPRESSION

Directorate	Stress days absent	FTE employees	Days lost/FTE
Chief Exec	1	133.71	0.01
Nhoods	589.09	659.67	0.89
Strategy	207.21	343.93	0.60
Resources	249.41	331.39	0.75
HASS	386.41	827.01	0.47
LCCS	1546.05	3094.35	0.50
<b>CYC</b>	<b>2979.17</b>	<b>5390.06</b>	<b>0.55</b>

SHORT TERM SICKNESS

Directorate	FTE days absent	FTE employees	Days lost/FTE
Chief Exec	185.53	133.71	1.39
Nhoods	1279.66	659.67	1.94
Strategy	473.22	343.93	1.38
Resources	520.34	331.39	1.57
HASS	1745.96	827.01	2.11
LCCS	3574.28	3094.35	1.16
<b>CYC</b>	<b>7778.99</b>	<b>5390.06</b>	<b>1.44</b>

2008/09

Days Lost per FTE	CYC	CHEX	N'HOOD	STRATEGY	RESOURCES	HASS	LCCS
Apr-08	0.68	0.68	0.84	0.53	0.84	0.98	0.56
Apr 08-May 08	1.45	1.19	2.35	1.03	1.42	1.77	1.23
Apr 08-Jun 08	2.15	1.76	3.45	1.50	2.04	2.50	1.88
Apr 08-Jul 08	2.93	2.27	4.58	2.91	2.89	3.60	2.44

2007/08

Days Lost per FTE	CYC	CHEX	N'HOOD	STRATEGY	RESOURCES	HASS	LCCS
Apr-07	0.93	0.3	1.36	1.01	0.63	1.39	0.76
Apr 07-May 07	1.93	0.6	3.04	1.82	1.46	3	1.5
Apr 07-Jun 07	2.82	1.32	4.48	2.52	2.01	4.5	2.14
<b>Apr 07-Jul 07</b>	<b>3.62</b>	<b>1.86</b>	<b>6.22</b>	<b>3.17</b>	<b>2.72</b>	<b>5.92</b>	<b>2.6</b>
Apr 07-Aug 07	4.27	2.29	7.44	3.78	3.3	7.18	2.93
Apr 07-Sep 07	4.95	2.82	8.65	4.28	4.23	8.521	3.33
Apr 07-Oct 07	5.82	4.14	10.07	5.02	5.31	10.15	3.84
Apr 07-Nov 07	6.77	4.96	11.46	5.91	6.37	11.7	4.54
Apr 07-Dec 07	7.72	5.76	12.66	6.66	7.55	13.26	5.26
Apr 07-Jan 08	8.61	6.96	13.80	7.55	8.76	15.05	5.81
Apr 07-Feb 08	9.46	7.4	14.52	8.77	9.81	16.41	6.41
Apr 07-Mar 08	9.54	7.82	15.53	8.89	10.99	12.5	7.09

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## Annex 2 - Customer First Statistics

Target = 95%	Monitor 1 7/08	Monitor 1 for 2008/09		Change from 2007/08	Target achieved ?
		Total	% answered		

### Letters dealt with within 10 days

Chief Executive's	97%	1,451	98%	improved	✓
City Strategy	97%	308	91%	declined	✗
HASS	89%	2,704	96%	improved	✓
LCCS	97%	1,623	98%	improved	✓
Neighbourhood Services	88%	77	80%	declined	✗
Resources	96%	2,210	99%	improved	✓
York Customer Centre	n/a	n/a	n/a	n/a	n/a
<b>Total for Council</b>	<b>94%</b>	<b>8,373</b>	<b>94%</b>	<b>stable</b>	<b>✗</b>

### Stage 2 Complaints dealt with within 10 days Target = 95%

Chief Executive's	n/a	0	n/a	n/a	n/a
City Strategy	n/a	0	n/a	n/a	n/a
HASS	100%	3	100%	stable	✓
LCCS	n/a	0	n/a	n/a	n/a
Neighbourhood Services	n/a	1	100%	improved	n/a
Resources	100%	0	n/a	stable	n/a
York Customer Centre	n/a	n/a	n/a	n/a	n/a
<b>Total for Council</b>	<b>100%</b>	<b>4</b>	<b>100%</b>	<b>stable</b>	<b>✓</b>

### Stage 3 Complaints dealt with within 10 days Target = 95%

Chief Executive's	n/a	0	n/a	n/a	n/a
City Strategy	n/a	0	n/a	n/a	n/a
HASS	100%	2	100%	stable	✓
LCCS	n/a	0	n/a	n/a	n/a
Neighbourhood Services	n/a	0	n/a	n/a	n/a
Resources	n/a	0	n/a	n/a	n/a
York Customer Centre	n/a	n/a	n/a	n/a	n/a
<b>Total for Council</b>	<b>100%</b>	<b>2</b>	<b>100%</b>	<b>stable</b>	<b>✓</b>

Target = 100%	Monitor 1 07/08	Monitor 1 for 2008/09		Change from 2007/08	Target achieved?
		Total visitors	% seen		

### Visitors seen within 10 minutes

Chief Executive's	100%	749	100%	stable	✓
City Strategy	100%	8102	100%	stable	✓
HASS	96%	8,010	96%	stable	✗
LCCS	100%	12,867	100%	stable	✓
Neighbourhood Services	100%	1,488	100%	stable	✓
Resources	99%	11,631	97%	declined	✗
York Customer Centre	n/a	n/a	n/a	stable	✗
<b>Total for Council</b>	<b>99%</b>	<b>42,847</b>	<b>99%</b>	<b>stable</b>	<b>✗</b>

### Those needing further help seen within 10 minutes Target = 100%

Chief Executive's	100%	436	100%	stable	✓
City Strategy	100%	1223	100%	stable	✓
HASS	91%	506	96%	improved	✗
LCCS	100%	9,675	100%	stable	✓
Neighbourhood Services	100%	894	71%	declined	✗
Resources	100%	234	100%	stable	✓
York Customer Centre	n/a	n/a	n/a	n/a	n/a
<b>Total for Council</b>	<b>98%</b>	<b>12,968</b>	<b>94%</b>	<b>declined</b>	<b>✗</b>

### Phone calls answered within 20 seconds

Chief Executive's	90%	15,490	92%	improved	✓
City Strategy	96%	46,905	95%	declined	✓
HASS	95%	76,646	95%	stable	✓
LCCS	93%	61,092	93%	stable	✗
Neighbourhood Services	82%	37,389	87%	improved	✗
Resources	97%	58,766	98%	improved	✓
York Customer Centre	85%	93,626	94%	improved	✗
<b>Total for Council</b>	<b>91%</b>	<b>389,914</b>	<b>93%</b>	<b>improved</b>	<b>✗</b>

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## General Fund Net Expenditure Budget

	2008/09	
	£000	£000
Net Expenditure Budget		110,471
Use of Balances (agreed at Budget Council)		1,992
Use of Trading Services profits (agreed at Budget Council)		1,308
<b>Starting Service Net Expenditure Budget</b>		<b>113,771</b>
Use of General Fund Balances Agreed During Year		
Future of Archives Service (Exec 11 Mar 08)	30	
Regional Transport (Exec 22 April 08)	164	
Inclusion (Exec 6 May 08 - £55k over 18 months)	18	
Community Stadium (Urgency 21 May 08 - for four year costs from LABGI)	200	
Scrutiny Function (Exec 16 May 08; Scrutiny 16 June 08)	3	
Carry Forward of Budgets from 2007/08 (Exec 30 June 08)	1,513	
Toilets on Race Days (Exec calling-in 8 July 08)	6	
Subsidised Bus Services (Exec 29 July 07 max cost)	40	1,974
Use of Trading Services Profits Adjusted During Year		
Adjustment between trading and general fund services re allocation of savings, etc. on Neighbourhood Services	213	213
<b>Revised Service Net Expenditure Budget</b>		<b>115,958</b>

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## Variations on Treasury Management Activity

	Net Budget £000	Projected Out-turn £000	Variance £000
<u>Delay in Borrowing</u> £13.8m of high coupon rate debt (4.875%) was repaid at the start of June with a view to refinancing this requirement at a lower rate. Currently this debt has not been replaced therefore the associated interest payments are not being incurred. In addition the debt will be replaced at a rate of sub 4.45%. This should result in an under spend of interest payments	4,998	4,492	-506
<u>Provision to repay debt</u> There is an overall overspend in this area comprised of two separate factors one of which is an under spend. The projected under spend is due to closing CFR for 2007/08 being lower than anticipated, cash backed resources were utilised to reduce the MRP cost by the Council. The overspend is driven by the inclusion of vehicles through the ABRO/DSG agreement being deemed to be finance leases. This has resulted in the Council needing to set aside a provision to reduce the liability now showing on the Council balance sheet	4,121	4,361	+240
<u>Increase in Interest Receivable</u> Average balances have been lower than originally anticipated attributable in the main to the debt restructure as highlighted above. The overall level in interest rates throughout the year has seen cash balances earn a higher return than originally projected. The driver for this has been the prolonged dislocation of money market rates against the Bank of England Base Rate. At the time of setting the budget the Base Rate was expected to be at 5.25%, it is currently at 5% but due to the ongoing liquidity crisis interest rates payable on the markets have sat up to 1% higher than this.	(2,187)	(2,990)	-803
<u>BCCI Dividend</u> A £40k dividend payment from the liquidators of the collapsed Bank of Credit and Commerce International (BCCI) is expected to be received by the end of the calendar year, taking the total amount of debt recovered by the Council above 90%.	0	(40)	-40
<u>Discount Received</u> The restructuring of the £13.8m debt has resulted in a discount being achieved on the prematurely repaid debt.	0	(80)	-80
<u>Miscellaneous</u> Other net small variances	5	58	+53
<b>Total</b>	<b>6,937</b>	<b>5,801</b>	<b>-1,136</b>

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## Detail of Other Centrally Held Budgets

These are budgets that are required to meet financial liabilities of a corporate nature or to create capacity to meet expenditure demands that occur periodically (for example a 53 week pay year).

	Gross Exp. £000	Projected Out-turn £000	Variance £000
<u>Pensions - Costs of Early Retirements</u> This is the cost of decisions made to allow staff to take early retirement in prior years, together with the implications of the '85-year' rule for both the Local Government Pension Scheme and the Teachers' Pension Scheme. The increased costs are due to new retirements under the latter.	697	844	+147
<u>Redundancy Payments</u> At the moment redundancy payments are expected to lower than the budget provided, but the saving is needed to compensate for the additional costs of retirements shown above.	649	341	-308
<u>Park &amp; Ride - provision for staff passes costs</u> The 2006/07 budget included a saving to reduce the expenditure by £45k, but this has been superceded by the pay and grading review, and it is unlikely that the saving can now be delivered.	55	100	+45
<u>Reserve for 53 week pay year</u> Every five or six years there is a 53 week pay year. This money is set aside each year to meet these occasional costs to ensure that there is no additional expenditure pressure when they occur.	30	30	-
<u>LABGI Grant</u> This represents the transfer to the General Fund Balance of the additional income received in the year.	691	691	-
<u>Capital Programme running costs</u> This is to fund the revenue consequences of specified capital schemes. When the development 'goes live' the money will be transferred to the service budget.	-	-	-
<u>Specific Contingency for Rental Income losses</u> This money is set aside to compensate the revenue accounts where there is a loss of rental income due to an asset being sold to generate a capital receipt to support the capital programme. Currently it is not expected that the full sum will be required this year, but it will depend on the timing of disposals.	46	46	-
<u>Specific contingencies set up as part of the budget process</u> This is mainly the provision made for the costs of the job evaluation exercise. Any money not needed for the in-year costs of the project will be transferred to reserves to meet the future costs of decisions made. Other items are for the review of procurement and shared services and for departmental costs needs for IT plans.	4,004	4,004	-
<u>Other central provisions</u> This includes specific contingency items set aside in the budget process which have not yet been allocated (e.g. fuel and nndr bill inflation, nndr bill for new depot, rent reviews) and provision for bad and doubtful debts.	607	857	+250
<b>Total</b>	<b>6,779</b>	<b>6,913</b>	<b>+134</b>

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## Growth Schemes in 2008/09

## Children's Services - non DSG

Brief Description	Net Cost 2008/09 £(000)	One- off	Comments
Soulbury Staff Performance Awards (SPA Points)	28		On target, meeting expected profile
School Workforce Census	7		On target, meeting expected profile
CRB Clearances	15		On target, meeting expected profile
SACRE - 5 Year Curriculum Review	5	✓	On target, meeting expected profile
Youth Service Premises Costs	15		On target, meeting expected profile
Home to School Transport	150	✓	On target, meeting expected profile
ICT Support Services	57	✓	On target, meeting expected profile
Children's Social Care (Legal Fees)	100	✓	Insufficient budget to deal with the pressure - contingency release requested
Children's Services Grant	459		On target, meeting expected profile

**Growth Total** 836

## Leisure and Culture

Brief Description	Net Cost 2008/09 £(000)	One- off	Comments
Edmund Wilson Gym	66	✓	On target, meeting expected profile
Oaklands closure	80	✓	Unclear as detailed timing of the capital works has yet to be confirmed
York Mystery Plays	20	✓	On target, meeting expected profile
Review of Leisure/Cultural Services	50	✓	On target, meeting expected profile

**Growth Total** 216

## Economic Development

Brief Description	Net Cost 2008/09 £(000)	One- off	Comments
Leeds City Region Secretariat	23	✓	Achieved, contribution paid
Inflationary increase to voluntary Sector Grants	20		On target
Council funded christmas lights	30		Planned to spend shortly

**Growth Total** 73

## Growth Schemes in 2008/09

## City Strategy

Brief Description	Net Cost 2008/09 £(000)	One- off	Comments
Increase inspection frequency at Oulston Reservoir	8		Inspections increased
Increase in IDB / RFDC Contributions	41		Achieved - increased levies paid
Shortfall on current Concessionary Travel arrangements	440		Budget allocated, on the basis of the first quarters information the budget may be slightly underspend
Changes and 2007/08 Adjustments to Concessionary Fares Arrangements	1,100		
Deregulation of Land Charges - need to reduce surplus	150		Achieved, but economic downturn resulted in further £210k shortfall
Building Control - need to reduce surplus	50		Achieved, but economic downturn resulted in further £200k shortfall
Withdrawal of evening parking charges - Minster Badge	75		Achieved, charges withdrawn
Waste Strategy - Procurement Development	200	✓	Achieved, but expect to spend another £200k this year as project progresses to final stages
York North West (British Sugar)	75	✓	On target
Withdrawal of Planning Delivery Grant	310		Achieved
Advance Purchase of Land Options for Waste Treatment Facilities	31	✓	On target
Cost of principal bridge inspections	80		Inspection work commissioned
Downturn in Section 38 Income	40	✓	Achieved
City Walls - review of maintenance requirement and tourists.	5	✓	On target
Inflation in cost of highways and street operations maintenance	110		On target
LDF Development Costs	227	✓	On target
Highways Drainage survey and repair	200	✓	Key sites identified and work commissioned
Increase to highways revenue maintenance budget	294		On target
Review of Subsidised/Commercial Transport	44		Work commissioned

Growth Total 3,480

## Growth Schemes in 2008/09

## Neighbourhood Services

Brief Description	Net Cost 2008/09 £(000)	One- off	Comments
HWRC Site Management & Transportation Contract	20		On target, meeting expected budget
Asbestos Processing	10		On target, meeting expected budget
Sim Hills Former Landfill Site	12		On target, meeting expected budget
Landfill Tax	450		On target, meeting expected budget
New statutory duty to accept stray dogs 24/7	25		On target, meeting expected budget
Draw on additional RSG for new duties	25		On target, meeting expected budget
Reduced income from sales of bins to developers	43		On target, meeting expected budget
Additional recycling collection round due to growth in property no's	133		On target, meeting expected budget
End of Waste Performance Revenue Grant (WPRG)	203		On target, meeting expected budget
End of WPRG - revenue costs previously capitalised	50		On target, meeting expected budget
Award of Air Quality Monitoring Stations Maintenance contract	32		On target, meeting expected budget
End of CRED funding for St Nicholas Fields SLA	20	✓	On target, meeting expected budget
End of LPSA funding for costs of Kerbsider Vehicles	207		On target, meeting expected budget
Replacement of Grass Cutting machinery for H&S reasons	25	✓	On target, meeting expected budget
Replacing ward committee capital budgets with revenue	202	✓	On target, meeting expected budget
Waste Minimisation	50	✓	On target, meeting expected budget
Make permanent temporary licensing officer post	19		On target, meeting expected budget
Pilot the extension of recycling to terraced properties	80		On target, meeting expected budget
End of LPSA funding available for Out of Hours Noise Service	50		On target, meeting expected budget
Improve recycling levels	30		On target, meeting expected budget

**Growth Total** 1,686

## Chief Executive's Department

Brief Description	Net Cost 2008/09 £(000)	One- off	Comments
Impact of revised political arrangements on Members Allowances	10		Implemented
Appointment of new Chief Executive	35		Implemented
Political Assistants for Conservative Group	15		Implemented
Members Allowances - possible outcome of review	44		Implemented
Organisational Effectiveness Programme	85		Budget allocated - includes allocations to Resources Directorate

**Growth Total** 189

## Growth Schemes in 2008/09

## Resources Directorate

Brief Description	Net Cost 2008/09 £(000)	One- off	Comments
Audit Commission Fee increases	37		District Audit fees are anticipated to be less than expected resulting in most of this growth budget not being required.
Reduction in Housing Benefit Admin Grant	86		On Target, meeting expected profile
HB Venture Fund. Final three years of planned repayments	25	✓	On Target, meeting expected profile
Delphi replacement project costs	85	✓	Scope of project being determind
Review of Commercial Property	50	✓	Scope of project being determind
Review of Strategic Procurement/Shared Services	25	✓	Scope of project being determind

**Growth Total** 308

## Housing General Fund and Adult Social Services

Brief Description	Net Cost 2008/09 £(000)	One- off	Comments
Supporting People retraction	720		On target, meeting expected profile
Increased home care contract costs due to changes in statutory leave entitlement	23		On target, meeting expected profile
Increased number of LD complex cases & transitions	400		On target, meeting expected profile
Maintenance of equipment	35		On target, meeting expected profile
Transfer of Access Grant into RSG	1,635		On target, meeting expected profile
Transfer of Delayed Discharges grant into RSG	302		On target, meeting expected profile
Residential & nursing fee increase	50		On target, meeting expected profile

**Growth Total** 3,165

## Corporate Budgets

Brief Description	Net Cost 2008/09 £(000)	One- off	Comments
Loss of YPO Dividend	137	✓	On target, meeting expected profile

**Growth Total** 137

**Overall General Fund Services Total** 10,090

## Growth Schemes in 2008/09

## Children's Services - DSG

Brief Description	Net Cost 2008/09 £(000)	One- off	Comments
Children In Need - Education Support Worker Post	24		On target, meeting expected profile
Dedicated Schools Grant Overhead Allocation	50		On target, meeting expected profile
Home to School Transport	100		On target, meeting expected profile
Soulbury Staff Performance Awards	30		On target, meeting expected profile

**Growth Total** 204

## Housing Revenue Account

Brief Description	Net Cost 2008/09 £(000)	One- off	Comments
Provision of Legionella testing and reporting	30		On target, meeting expected profile
Increase costs in Annual Gas Servicing Contract	250		On target, meeting expected profile

**Growth Total** 280

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## Savings Proposals in 2008/09

## Children's Services - non DSG

Brief Description	Saving 2008/09 £(000)	One- off	Comments
Planning Officers Salary Recharge To Capital	-25		On target, meeting expected profile
SEN Transport Schools Budget DSG Charge	-100		On target, meeting expected profile
Projected increases in fees and charges	-160		All on target, except for Music Service income for which a release from the contingency fund has been made
Children & Families Planning Officer	-19		On target, meeting expected profile
Family Support Staffing Reduction	-24		On target, meeting expected profile
Children In Need - Delete Education Support Worker Post	-24		On target, meeting expected profile
Youth Service Schools Counselling - Cease Service	-23		On target, meeting expected profile
Children's Rights Service - Non Staffing Efficiencies	-13		On target, meeting expected profile
Interest On School Negative Cash Balances	-25		On target, meeting expected profile
School Fire Insurance Fund Contribution	-10		On target, meeting expected profile
Office Moves Budget Deletion	-15		On target, meeting expected profile
School Development Grant Reprioritisation	-33		On target, meeting expected profile
11 Plus Administration Team - Delete 0.5 Clerical Post	-9		On target, meeting expected profile
Governor Training Sessions Reduction to 19	-2		On target, meeting expected profile
Looked After Children IT Management System	-7		On target, meeting expected profile
Welfare Service Training Budget Reduction	-2		On target, meeting expected profile
Access Funding For SELECT Programme	-3		On target, meeting expected profile
Lifelong Learning Partnership - Cut Grant	-8		On target, meeting expected profile
Youth Service Training - 12% Budget Cut	-7		On target, meeting expected profile
Trade Union Duties - 5% Cut	-3		On target, meeting expected profile
MIS Post Reduction to Term Time Only	-3		On target, meeting expected profile
MIS Reduce External Consultancy Budget	-2		On target, meeting expected profile
Access Service - Conference Expenses Budget Cut	-2		On target, meeting expected profile
Access Service - Staffing Savings	-6		On target, meeting expected profile
Access Service - Reduce External Consultancy Budget	-6		On target, meeting expected profile
Welfare Officer - Delete Vacant Post	-5		On target, meeting expected profile
Welfare Officer - Reduce Post to Term Time Only	-3		On target, meeting expected profile
Teacher Line Contribution - Cease	-1		On target, meeting expected profile
Access Service - Printing Budget Reduction	-2		On target, meeting expected profile
Increase Directorate staff vacancy factor by 0.5%	-48		On target, meeting expected profile
Increased Overhead Charges to the Schools Budget	-50		On target, meeting expected profile
Burton Stone Lane Flexible Learning Centre Closure	-4		On target, meeting expected profile

Savings Total -644

## Savings Proposals in 2008/09

## Leisure and Culture

Brief Description	Saving 2008/09 £(000)	One- off	Comments
Projected increases in fees and charges	-101		On target, but see para 65.8 re library income
Parks Development Fund	-15		On target, meeting expected profile
Sports Facilities Maintenance Budget Reduction	-10		On target, meeting expected profile
Edmund Wilson Creche reduced hours	-16		On target, meeting expected profile
Increased income from Yearsley	-10		On target, meeting expected profile
Park Attendants Restructure	-30		Restructure has been delayed - impact on the saving is being reassessed
Swinegate Admin Support - Introduce Voicemail	-4		On target, meeting expected profile
Library Stock Procurement Model	-7		On target, meeting expected profile
Edmund Wilson Health & Beauty Suite - Cease Service	-2		On target, meeting expected profile
Archive One Day Closure	-16		On target, meeting expected profile
School Swimming Support - Cease Service	-2		On target, meeting expected profile

**Savings Total** -213

## Economic Development

Brief Description	Saving 2008/09 £(000)	One- off	Comments
Adjust contribution to Science City York	-50	✓	Achieved
Reduction in contribution to Future Prospects	-20	✓	Achieved

**Savings Total** -70

## City Strategy

Brief Description	Saving 2008/09 £(000)	One- off	Comments
Increase RESPARK permit charges by 5%	-10		Achieved, permits increased
Anticipated increase in Development Control Fees	-165		Fees increased
Charge for Planning input into Secton106	-45		New fees charged
Review of structure of management support arrangements in City Strategy	-25		On target
Reduction in Street Lighting Budget	-40		Achieved through new contract
Improvements in efficiencies across R&BM	-10		On target
Internal efficiencies and new Housing & Planning Delivery Grant	-145		Achieved
Increase Standard Stay Car Parking Charges by 10p	-250		New fees charged
Reduce value of bus tokens	-51		Achieved
Council wide management savings	-85		Achieved AD post deleted

**Savings Total** -826

## Savings Proposals in 2008/09

## Neighbourhood Services

Brief Description	Saving 2008/09 £(000)	One- off	Comments
Increase charges for trade waste at Hazel Court	-15		On target, meeting expected budget
Absorb new enforcement duties within EHTS by reprioritising work within the department	-25		On target, meeting expected budget
Waste Processing Costs	-130		On target, meeting expected budget
Trade Waste Fees - increase charges by 10%	-15		On target, meeting expected budget
Reduce staffing in the Animal Health Unit by 0.5 fte	-10		On target, meeting expected budget
Reduce the number of staff in the Waste Strategy Unit	-17		On target, meeting expected budget
Reduce budget for abandoned vehicles	-10		On target, meeting expected budget
Reduce to 1 toilet attendant at all times at Union Terrace Toilets	-18		On target, meeting expected budget
Increase crematorium and cemetery fees by 5%	-60		On target, meeting expected budget
New income stream for licensing related to Gambling Act 2005	-25		On target, meeting expected budget
Reduce target hardening budget	-10		On target, meeting expected budget
Delete 0.5 FTE admin post from the department structure	-12		On target, meeting expected budget
Reduce staffing budget for the Neighbourhood Management Unit pending a review of the structure	-23		On target, meeting expected budget
Increase pest control fees above 5% target	-4		On target, meeting expected budget
Reduction in support officer and general costs	-4		On target, meeting expected budget
Income from enforcement penalties	-5		On target, meeting expected budget
Reduce food sampling budget	-6		On target, meeting expected budget
Do not renew the leases of the 3 remaining cars in the department	-6		On target, meeting expected budget
Crematorium new income stream for internment of cremated remains	-4		On target, meeting expected budget
Increase discretionary licensing fees by 5%	-9		On target, meeting expected budget
Reduce expenditure in licensing	-4		On target, meeting expected budget
Reduce gumbusting carried out by targeting priority areas	-17		On target, meeting expected budget
Increase entry charge to Union Terrace Toilets from 20p to 30p	-10		On target, meeting expected budget
Council wide management savings	-30		On target, meeting expected budget

Savings Total -469

## Savings Proposals in 2008/09

## Chief Executive's Department

Brief Description	Saving 2008/09 £(000)	One- off	Comments
Delete 1fte HR Post re merger of Corporate Teams	-25		Implemented
Restructure of Electoral Services	-24		Implemented
Delete Legal Consultants Budget	-21		Implemented
Restructure within Policy Improvements and Equalities	-20		Restructure awaiting completion but reduction of base budget actioned
Downgrade vacant research officer to Research Assistant.	-11		Implemented
Admin Accom Saving - vacate King's Court	-34	✓	Implemented
Set income target for Recruitment Pool Budget	-20		Implemented
Reduction in Talkabout Budget	-8		Implemented
Delete 0.5fte admin support to AD Head of CD&L Services	-9		Implemented
Increase in Guildhall Income	-7		Implemented
BVPP	-5		Implemented
Delete Redundancy Counselling Budget	-9		Implemented
Reduction of exhibition display trailer maintenance budget.	-4		Implemented
Saving from various office expenses and general budgets.	-6		Implemented
Reduction in the Market Research Budget £2k (from £10k)	-2		Implemented
Reduction in hours of media and publications officer to 4 days	-8		Implemented
Subscriptions Budget	-8		Implemented
Flexible Benefits	-5		Implemented
Service Running Costs	-6		Implemented
Additional income from Legal Services	-5		Implemented
Admin Restructure	-8		Implemented
Legal Services - Books Budget	-6		Implemented
Scrutiny - Misc Budgets	-2		Implemented
Savings from structure of Executive and Shadow	-44		Implemented

Savings Total -297

## Savings Proposals in 2008/09

## Resources Directorate

Brief Description	Saving 2008/09 £(000)	One- off	Comments
Increased Recovery of Housing Benefit Overpayments.	-20		Early indications suggested this saving may be at risk, although the position is improving.
Request to increase the level of court costs relating to non payment of Council Tax and Business Rates.	-40		On target, meeting expected profile
Improved performance in the benefits service could result in an increase in subsidy income payments.	-46		On target, meeting expected profile
Review of Benefits and overpayments budgets	-100		On target, meeting expected profile
Lease Drop Outs	-168		On target, meeting expected profile
IT&T - Reduction in Staff Resources	-28		On target, meeting expected profile
Additional Income within IT&T for expanding use of network	-15		On target, meeting expected profile
Reduce resources within Internal Audit / Fraud by one fte	-24		On target, meeting expected profile
Venture Fund Loan Repayment	-251		On target, meeting expected profile
Strategic Finance - Service Budget Savings	-17		On target, meeting expected profile
Working with Arclight to support them to become a registered social landlord	-20		Some delays in the opening of Arclight mean that the estimated saving in the current year will be £13k
Savings arising from Projects being cancelled or completed under budget	-57		On target, meeting expected profile
Price increases for commercial property (annual rent review)	-60		Some pressure on this target due to the economic climate
Review of Overhead budgets within IT&T	-4		On target, meeting expected profile
Review Admin Budgets	-5		On target, meeting expected profile
Savings on insurance costs	-35		On target, meeting expected profile
Council wide management savings	-85		Overall this saving will be achieved from within Resources although the final Management structure is still to be finalised

**Savings Total** -975

## Housing General Fund

Brief Description	Saving 2008/09 £(000)	One- off	Comments
Additional income from HMO licencing (non recurring)	-19	✓	On target, meeting expected profile
Capitalisation of staffing from private sector RHB funding	-13		On target, meeting expected profile

**Savings Total** -32

## Savings Proposals in 2008/09

## Adult Social Services

Brief Description	Saving 2008/09 £(000)	One- off	Comments
Reduction in residential and nursing care placements	-85		On target, meeting expected profile
Reduction in residential and nursing costs following implementation of cross border protocol	-150		Several high cost cases have been disputed, and saving will not be achieved.
Home Care - reduction in home support hours	-22		On target, meeting expected profile
Home Care - create city wide enabling & intermediate care team	-127		On target, meeting expected profile
Home Care - amalgamation of High Dependency and EMI services	-167		On target, meeting expected profile
Administration	-32		On target, meeting expected profile
Day Centre efficiencies	-17		On target, meeting expected profile
Increased continuing care income	-75		On target, meeting expected profile
Improved attendance management	-30		On target, meeting expected profile
Inflationary Fee Increases	-195		On target, meeting expected profile
Increase charge for day care	-29		On target, meeting expected profile
Finance process improvement	-40		On target, meeting expected profile
Receptionist	-21		On target, meeting expected profile
Relocation costs	-14		On target, meeting expected profile
IT project team	-38		On target, meeting expected profile
Reduction in agency staff budget	-7		On target, meeting expected profile
Printing of leaflets	-5		On target, meeting expected profile
Increased vacancy factor	-8		On target, meeting expected profile
Reduction in mediation service	-35		On target, meeting expected profile

Savings Total -1,097

## Treasury Management

Brief Description	Saving 2008/09 £(000)	One- off	Comments
Additional financing for borrowing (capital programme)	-273		
Interest earned on cash balances	-510		

Savings Total -783

## Savings Proposals in 2008/09

## Corporate Services

Brief Description	Saving 2008/09 £(000)	One- off	Comments
Remove contingency for capital programme running costs	-350		Taken as a budget cut
Under utilisation of 2007/08 contingency fund	-200		Taken as a budget cut

**Savings Total** -550

**Overall General Fund Services Total** -5,956

## Children's Services - DSG

Brief Description	Saving 2008/09 £(000)	One- off	Comments
SEN Recoupment	-91		Saving of £280k projected
Out Of City Placements	-90		Not achieved, but covered by a virement from SEN recoupment
Childminding Service Grants	-1		On target, meeting expected profile
Early Years Business Support Team Training	-1		On target, meeting expected profile
Early Years Team Away Days	-1		On target, meeting expected profile
Early Years Policy & Planning Budget Reduction	-4		On target, meeting expected profile
Multicultural Service Management Restructure	-14		On target, meeting expected profile
Children's Information Service Staffing Reduction	-5		On target, meeting expected profile

**Savings Total** -207

## Housing Revenue Account

Brief Description	Saving 2008/09 £(000)	One- off	Comments
Reduced Bad Debt Provision	-60		On target, meeting expected profile
Reduced revenue contribution to capital	-33		On target, meeting expected profile
Additional income from Tees Valley properties	-15		On target, meeting expected profile

**Savings Total** -108

## Savings Proposals in 2008/09

## Neighbourhood Services - Traded Activities

Brief Description	Saving 2008/09 £(000)	One- off	Comments
Remove fleet admin assistant post	-20		Deletion of post was delayed, the target will be partly achieved with the shortfall funded from alternative one-off savings
Trade Waste Fees - increase charges by 10%	-235		Increase in Commercial Waste fees will not be fully achieved due to a drop in customer numbers. Currently there is a forecast shortfall in income of £105k, which is partly offset by a saving in waste disposal of £40k.
Reduce the frequency of hiring vehicles	-37		On target, meeting expected budget
Make charge for the canteen assistant to the canteen Committee	-11		On target, meeting expected budget
Reduce staffing in the department by 0.5 FTE	-9		On target, meeting expected budget
Cease FTA/CTA subscription	-1		On target, meeting expected budget

**Savings Total** -313



## Position on General Contingency

Amount Included in Budget Papers £000	Portfolio Area		Recurring (R) One-off (N)	Already Approved £000	Request This Report £000	Budget Probably Needed £000	Budget Total £000
		<b>Original Allocation</b>					<b>800.0</b>
		<b>Releases Approved to date</b>					
20.0	Econ. Dev.	Reduction in Markets income (Exec 30/6/08)	R	20.0			-20.0
14.0	Chief Exec.	Scrutiny activities (Exec 6/5/8)	R	14.0			-14.0
37.0	Chief Exec.	Equality Officer - £55k post for 18 months, only part year costs in 2008/09 (Exec 6/5/08)	R	18.0			-18.0
38.0	Res.	IT Development Plan (Exec 29/7/08)	R	18.8			-18.8
	Neigh. Servs.	Waste - additional feasibility (Exec 9/9/08)	N	35.0			-35.0
	Chief Exec.	Multiple Deprivation action (Exec 9/9/08)	N	32.3			-32.3
		<b>Requests in this report</b>					
-	Neigh. Servs.	Replacement Bins			50.0		-50.0
80.0	LCCS	Children's Social Care (legal fees)	R		80.0		-80.0
70.0	LCCS	Children's Social Care (fostering and legal fees)	R		70.0		-70.0
72.0	LCCS	Increased charges from Justices department	R		72.0		-72.0
40.0	LCCS	Music Income shortfall	R		40.0		-40.0
180.0	City Strat.	Parking - downturn in PCN Income	R		180.0		-180.0
50.0	Chief Exec.	Members Allowances - potential superannuation costs	R		20.0		-20.0
		<b>Balance Remaining</b>					<b>149.9</b>
		<b>Items identified during budget setting</b>					
750.0	City Strat.	Highways PFI	R			-	-
60.0	City Strat.	Dealing with flooding emergencies	R			60.0	-60.0
46.0	City Strat.	Continuance of current Dial & Ride Service	R			-	-
15.0	City Strat.	Warping - increased pressure on budget	R			15.0	-15.0
200.0	City Strat.	Concessionary Travel - above expected use of passes	R			200.0	-200.0
43.0	HASS	A & I loss of income from health	R			43.0	-43.0
50.0	HASS	Cross-border charging	R			50.0	-50.0
44.0	LCCS	Library Service income shortfall	R			44.0	-44.0
100.0	Neigh. Servs.	Landfill Tax	R			-	-
		<b>Total Approved</b>		<b>138.1</b>			
		<b>Total Requested for Approval in Report</b>			<b>512.0</b>		
		<b>Total included in identified potential pressure areas during the estimate process that may still be needed</b>				<b>412.0</b>	
		<b>Potential Balance on Contingency</b>					<b>-262.1</b>

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## Position on Contingency Items to be Funded from Reserves

Amount Included in Budget Papers £000	Portfolio Area		Recurring (R) One-off (N)	Already Approved £000	Request This Report £000	Budget Probably Needed £000	Budget Total £000
		<b>Original Allocation</b>					<b>164.0</b>
		<b>Releases Approved to date</b>					
164.0	City Strat.	Development of Access York - funded from reserves, not contingency fund	N	164.0			-164.0
		<b>Requests in this report</b>					
		Not yet checked					
		<b>Balance Remaining</b>					-
		<b>Items identified during budget setting</b>					
		<b>Total Approved</b>		<b>164.0</b>			
		<b>Total Requested for Approval in Report</b>				-	
		<b>Total included in identified potential pressure areas during the estimate process that may still be needed</b>				-	
		<b>Potential Balance on Funding from Reserves</b>					-

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## Reserves Position and Forecast

	2008/09 £000	2009/10 £000	2010/11 £000
<b>General Fund Reserve</b>			
Balance at 1 April	(11,427)	(7,557)	(7,222)
<b>Less:</b> Already Committed To Annual Budget	1,992	1,088	278
Carry Forward Underspend from Previous Years	1,513	-	-
Agreed spend from prior year underspend	1,000	-	-
Supplementary Estimates (see Annex 4)	461	37	-
<b>Revised General Fund Reserve</b>	<b>(6,461)</b>	<b>(6,432)</b>	<b>(6,944)</b>
<b>Add:</b> <u>Other Adjustments</u>			
NDR Rebates	(90)	(50)	(50)
Additional LABGI grant (£200k used as a supp. est. source)	(691)	-	-
LPSA2 Reward Grant	(15)	(740)	-
Transfer funds from insurance reserve	(300)	-	-
	<b>(1,096)</b>	<b>(790)</b>	<b>(50)</b>
Net Underspend on General Fund	-	-	-
<b>Expected General Fund Reserve as at 31 March</b>	<b>(7,557)</b>	<b>(7,222)</b>	<b>(6,994)</b>
<b>Trading Activities Reserve</b>			
Balance at 1 April	(439)	(276)	(276)
<b>Plus:</b> Payments into Reserve	-	-	-
<b>Less:</b> Use of Reserve	100	-	-
Forecast loss in year	63	-	-
<b>Estimated Trading Activities Reserve at 31 March</b>	<b>(276)</b>	<b>(276)</b>	<b>(276)</b>
<b>Venture Fund</b>			
Balance at 1 April	(2,729)	(2,576)	(1,746)
<b>Plus:</b> Repayments	(430)	(170)	(47)
<b>Less:</b> Advances	583	1,000	800
<b>Estimated Venture Fund Balance as at 31 March</b>	<b>(2,576)</b>	<b>(1,746)</b>	<b>(993)</b>
<b>Total Revenue Reserves as at 31 March</b>	<b>(10,409)</b>	<b>(9,244)</b>	<b>(8,263)</b>
<b>Estimated Minimum Reserves Threshold</b>	<b>5,361</b>	<b>5,521</b>	<b>5,686</b>
<b>Headroom In Reserves</b>	<b>(5,048)</b>	<b>(3,723)</b>	<b>(2,577)</b>

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## Venture Fund

The table below shows the venture fund transactions that have taken place during the year and summarises the outstanding loans.

	£000	£000
<b>Venture Balance B/fwd from 2007/08</b>		<b>2,729</b>
<u>Less Advances expected to be made in 2008/09</u>		
LPSA 2	-487	
Assets in Good Repair	-96	-583
<u>Plus Repayments expected in 2008/09</u>		
Mobile Classrooms	41	
Temporary Classroom Units	49	
Westfield Primary	15	
Staff Cycle Parking Scheme	10	
Amy Johnson Way	245	
Silver Street Toilets	18	
Oaklands Partnership	21	
LPSA 2	0	
Interest	31	430
<b>Projected Balance as at 31st March 2009</b>		<b><u>2,576</u></b>
Less Advances expected to be made in 2009/10	-1,000	
Plus Repayments expected in 2009/10	170	
<b>Expected Balance as at 31st March 2010</b>		<b><u>1,746</u></b>
Less Advances expected to be made in 2010/11	-800	
Plus Repayments expected in 2010/11	47	
<b>Expected Balance as at 31st March 2011</b>		<b><u>993</u></b>
<u>Loans Outstanding as at 31 March 2008</u>		
Mobile Classrooms	84	
Temporary Classroom Units	102	
Westfield Primary	32	
Amy Johnson Way	245	
Staff Cycling	21	
Oaklands Partnership	93	
06/07 Capital Prog Shortfall	5	
LPSA 2	723	
Silver Street Structural Repairs	105	
	<u>1,410</u>	
<b>Advances Approved by Members, but not yet Advanced:</b>		
Assets in Good Repair	96	
LPSA2	487	
	<u>583</u>	

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PRUDENTIAL INDICATORS			2008/09 actual	2009/10 estimate	2010/11 estimate
1)	<b>Capital Expenditure</b> To allow the authority to plan for capital financing as a result of the capital programme. To enable the monitoring of capital budgets to ensure they remain within budget.	Non - HRA HRA TOTAL	£'000 56,742 7,188 63,930	£'000 77,302 6,902 84,204	£'000 33,098 7,020 40,118
2)	<b>Ratio of financing costs to net revenue stream</b> This indicator estimates the cost of borrowing in relation to the net cost of Council services to be met from government grant and council tax payers. In the case of the HRA the net revenue stream is the income from Rents and Subsidy.	Non - HRA HRA	4.90% 2.56%	7.39% 3.20%	8.45% 3.09%
3)	<b>Incremental impact of capital investment decisions - Council Tax</b> Shows the actual impact of capital investment decisions on council tax. The impact on council tax is a fundamental indicator of affordability for the Council to consider when setting forward plans. The figure relates to how much of the increase in council tax is used in financing the capital programme and any related revenue implications that flow from it.	Increase in Council Tax (Band D) per annum	£ p 8.52	£ p 21.21	£ p 29.62
4)	<b>Incremental impact of capital investment decisions - Hsg Rents</b> Shows the actual impact of capital investment decisions on HRA rent. For CYC, the HRA 2006/07 planned capital spend is based on the government's approved borrowing limit so there is no impact on HRA rents.	Increase in average housing rent per week	£ p 0.00	£ p 0.00	£ p 0.00
5)	<b>Capital Financing Requirement as at 31 March</b> Indicates the Council's underlying need to borrow money for capital purposes. The majority of the capital programme is funded through government support, government grant or the use of capital receipts. The use of borrowing increases the CFR.	Non - HRA HRA TOTAL	£'000 89,993 12,077 102,070	£'000 122,513 13,077 135,590	£'000 127,580 14,077 141,657
6a)	<b>Authorised Limit for external debt -</b> The authorised limit is a level set above the operational boundary in acceptance that the operational boundary may well be breached because of cash flows. It represents an absolute maximum level of debt that could be sustained for only a short period of time. The Council sets an operational boundary for its total external debt, gross of investments, separately identifying borrowing from other long term liabilities for 3 financial years.	borrowing other long term liabilities TOTAL	£'000 129,000 0 129,000	£'000 167,000 0 167,000	£'000 189,000 0 189,000
6b)	<b>Operational Boundary for external debt -</b> The operational boundary is a measure of the most likely, prudent, level of debt. It takes account of risk management and analysis to arrive at the maximum level of debt projected as part of this prudent assessment. It is a means by which the authority manages its external debt to ensure that it remains within the self imposed authority limit. It is a direct link between the Council's plans for expenditure; our estimates of the capital financing requirement; and estimated operational cashflow for the year.	borrowing other long term liabilities TOTAL	£'000 119,000 0 119,000	£'000 147,000 0 147,000	£'000 159,000 0 159,000

PRUDENTIAL INDICATORS			2008/09 actual	2009/10 estimate	2010/11 estimate
7)	<b>Adoption of the CIPFA Code of Practice for Treasury Management in Public Services</b> Ensuring Treasury Management Practices remain in line with the SORP.	Treasury Management Policy Statement	✓		
		12 Treasury Management Practices	✓		
		Policy Placed Before Council	✓		
		Annual Review Undertaken	✓		
8a)	<b>Upper limit for fixed interest rate exposure</b> The Council sets limits to its exposures to the effects of changes in interest rates for 3 years. The Council should not be overly exposed to fluctuations in fixed interest rates which can have an adverse impact on the revenue budget.	Net interest re fixed rate borrowing / investments	150%	150%	150%
		Actual Net interest re fixed rate borrowing / investments	168%	n/a	n/a
8b)	<b>Upper limit for variable rate exposure</b> The Council sets limits to its exposures to the effects of changes in interest rates for 3 years. The Council should not be overly exposed to fluctuations in variable interest rates which can have an adverse impact on the revenue budget.	Net interest re variable rate borrowing / investments	20%	20%	20%
		Actual Net interest re variable rate borrowing / investments	n/a	n/a	n/a
			£'000	£'000	£'000
9)	<b>Upper limit for total principal sums invested for over 364 days</b> To minimise the impact of debt maturity on the cash flow of the Council. Over exposure to debt maturity in any one year could mean that the Council has insufficient liquidity to meet its repayment liabilities, and as a result could be exposed to risk of interest rate fluctuations in the future where loans are maturing. The Council therefore sets limits whereby long term loans mature in different periods thus spreading the risk.	Current Investments over 364 days	10,000	10,000	10,000
			9,000	n/a	n/a
10)	<b>Maturity structure of new fixed rate borrowing during 2008/09</b> The Council sets an upper limit for each forward financial year period for the level of investments that mature in over 364 days. These limits reduce the liquidity and interest rate risk associated with investing for more than one year. The limits are set as a percentage of the average balances of the investment portfolio.		Upper Limit	Actual	Actual £
		under 12 months	10%	0%	0
		12 months and within 24 months	10%	4%	4,000,000
		24 months and within 5 years	25%	7%	7,000,000
		5 years and within 10 years	25%	0%	0
		10 years and above	90%	88%	82,564,956



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**Executive**

**7 October 2008**

## **Report of the Director of Resources**

### **CAPITAL PROGRAMME – MONITOR ONE**

#### **Report Summary**

1. The purpose of this report is to:
  - Inform Members of the likely outturn position of 2008/09 Capital Programme based on the spend profile and information to August 2008 reflecting the capital monitor one reports taken to Executive Member with Advisory Panel (EMAP) meetings for each department;
  - Inform the Executive of any under or overspends and seek approval for any resulting changes to the programme;
  - Inform the Executive of any slippage and seek approval for the associated funding to be slipped to or from the financial years to reflect this;
  - To inform Members of the funding position of the capital programme, taking account of the current capital receipts forecasts for the three year capital programme.
2. The 2008/09 – 2010/11 capital programme was approved by Council on 21<sup>st</sup> February 2008. Since then a number of amendments have taken place as reported to the Executive in the 2007/08 Capital Outturn paper. These changes have resulted in a current approved capital programme for 2008/09 of £75.942m, financed by £52.375m of external funding, leaving a cost to the Council of £23.567m to be financed from capital receipts. Table 1 illustrates the movements from the start budget to the current approved position.

	<b>Gross Budget £m</b>	<b>External Funding £m</b>	<b>Cost to CYC £m</b>
Original Budget Approved by Council at 21 Feb 2008	<b>86.152</b>	<b>63.087</b>	<b>23.065</b>
Slippage Carried Forward to 09/10 & 10/11 from 07/08 outturn report	(10.997)	(11.526)	0.529
Additions from 07/08 outturn report	0.787	0.814	(0.027)
<b>Current Approved Capital Programme</b>	<b>75.942</b>	<b>52.375</b>	<b>23.567</b>

**Table 1 Current Approved Capital Programme**

### **Consultation**

3. The capital programme was developed under the Capital Resource Allocation Model (CRAM) framework and agreed by Council on 21 February 2008. Whilst the capital programme as a whole is not consulted on, the individual scheme proposals and associated capital receipt sales do follow a consultation process with local Councillors and residents in the locality of the individual schemes.

### **Summary of Key Issues**

4. There is an overall decrease of £12.012m in the 2008/09 capital programme, mainly because of the delays encountered with regard to the Administrative Accommodation project. This results in a revised capital programme budget of £63.930m, £21.905m higher than 2007/08 capital outturn.
5. In year capital receipts, are forecast to be down against the target by £3.983m, this is primarily because of timing issues with the majority of the slippage expected early in 2009/10. It should however be noted that a significant single capital receipt is currently projecting to under achieve its budgeted disposal value of £1.2m. This underachievement along with other minor variations leaves the Council in a weak capital funding position prior to applying the reclassified PFI funds.
6. Against the current approved budget of £75.942m, there is a predicted outturn of £63.930, a net decrease of £12.012m made up of:
  - Additional schemes costing £218k.
  - The re-profiling of budgets from 2008/09 to future years of £12.230m.

Table 2 outlines the variances reported against each portfolio area.

<b>Department</b>	<b>Current Approved Budget £m</b>	<b>Projected Outturn £m</b>	<b>Variance £m</b>	<b>Paragraphs</b>
Children's Services	33.347	33.217	(0.130)	10
City Strategy	8.196	8.439	0.243	11
Economic Development	0.158	0.158	0.000	12
Housing	8.953	8.817	(0.136)	13-14
Leisure and Culture	5.643	5.389	(0.254)	15-17
Neighbourhood Services	0.541	0.944	0.403	18-19
Resources	18.773	6.534	(12.239)	20-21
Social Services	0.331	0.332	0.001	22
Hazel court	0.000	0.100	0.100	23
<b>Total</b>	<b>75.942</b>	<b>63.930</b>	<b>(12.012)</b>	

**Table 2 Capital Programme Forecast Outturn 2008/09**

7. To the end of August there was £18.865m of capital spend representing 25% of the approved budget, compared to 23% for the same period in 2007/08.
8. The main highlights of this report are:
- a. The completion and handover of Carr Integrated Children's Centre, completion of the New Earswick Centre, completion of St Lawrence's Centre with an official opening date in September and the progression of the Haxby Road Centre with completion expected in autumn.
  - b. The progression of the £3.5m Manor School scheme with work totalling £3m due to take place this year.
  - c. The progression of the York High school development with handover of the £12.6m school due to take place in December of this year ready for use by spring 2009.
  - d. Work is under way on the £29.5m Joseph Rowntree One School Pathfinder following the approval of the final business case by Partnership for Schools in July. The project is expected to complete by February 2010.
  - e. Building work has commenced on the new pool on the York High site. Spend of nearly £4.5m is due in year on the York High Pool.
  - f. Schemes within the City Strategy are on schedule to achieve their programme of works by the end of the year. This includes expenditure of £5.9m on the Local Transport Plan (LTP) and £1.5m on highways resurfacing and reconstruction.
  - g. The upgrading of 570 heating systems along with the insulation of 62 homes totalling £1.356m
  - h. Work on over 300 properties within the tenants choice modernisation scheme totalling £3.680m along with £854k spent on re-roofing and installation of new windows under modernisation schemes.

## Analysis

9. The Executive Member with Advisory Panels (EMAP's) met during September to report on the performance of each portfolio. A summary of the key exceptions and implications on the capital programme are highlighted below.

### **Education and Children's Services (EMAP – 4 September 2008)**

10. The current approved capital programme for Education and Children's services for 2008/09 is £33.347m following the adjustments made at 2007/08 outturn. As a result of changes made at the first monitor, the 2008/09 capital programme will decrease by £0.130m to £33.217m. Table 3 gives a summary of the changes on a scheme by scheme basis.

<b>Gross Education and Children's Capital Programme</b>	<b>2008/09</b>	<b>2009/10</b>	<b>2010/11</b>	<b>Total</b>
	<b>£m</b>	<b>£m</b>	<b>£m</b>	<b>£m</b>
Current Approved Capital Programme	<b>33.347</b>	<b>31.670</b>	<b>20.653</b>	<b>85.670</b>
<u>Adjustments:</u>				
Youth Capital Fund	0.070	0.070	0.070	0.210
<u>Reprofiling:</u>				
NDS Modernisation	(0.200)	0.200		0.000
<b>Revised Capital Programme</b>	<b>33.217</b>	<b>31.940</b>	<b>20.723</b>	<b>85.880</b>

**Table 3 Education and Children's Services Capital Programme 2008-11**

### **City Strategy (EMAP – 8 September 2008)**

11. The current approved capital programme for City Strategy is £8.196m following the adjustments made at 2007/08 outturn. As a result of changes contained in the Monitor 1 EMAP report the capital programme will increase by £243k to £8.439k. Table 4 gives a summary of the changes on a scheme by scheme basis.

<b>Gross City Strategy Capital Programme</b>	<b>2008/09</b>	<b>2009/10</b>	<b>2010/11</b>	<b>Total</b>
	<b>£m</b>	<b>£m</b>	<b>£m</b>	<b>£m</b>
Current Approved Capital Programme	<b>8.196</b>	<b>6.566</b>	<b>6.050</b>	<b>20.812</b>
<u>Adjustments:</u>				
Developers Contributions	0.243			0.243
<b>Revised Capital Programme</b>	<b>8.439</b>	<b>6.566</b>	<b>6.050</b>	<b>21.055</b>

**Table 4 City Strategy Capital Programme 2008-11**

**Economic Development (EMAP – 8 September)**

12. The approved capital programme for Economic Development is £0.158m following the adjustments made at 2007/08 outturn. No changes are anticipated as part of this monitor. Table 5 confirms the current budget.

<b>Gross Economic Development Capital Programme</b>	<b>2008/09 £m</b>	<b>2009/10 £m</b>	<b>2009/10 £m</b>	<b>Total £m</b>
Current Approved Capital Programme	<b>0.158</b>	<b>0.00</b>	<b>0.000</b>	<b>0.158</b>

**Table 5 Economic Development Capital Programme 2008 -11**

**Housing (EMAP – 8 September 2008)**

13. The approved capital programme for Housing services is £8.953m following the adjustments made at 2007/08 outturn. As a result of changes made in this monitor, the capital programme has been decreased by £136k to £8.817m. Table 6 gives a summary of the changes on a scheme by scheme basis.

<b>Gross Housing Capital Programme</b>	<b>2008/09 £m</b>	<b>2009/10 £m</b>	<b>2010/11 £m</b>	<b>Total £m</b>
Current Approved Capital Programme	<b>8.953</b>	<b>8.451</b>	<b>8.619</b>	<b>26.023</b>
<b>Adjustments:</b>				
Repairs to Local Authority Properties	(0.078)			(0.078)
MRA schemes	(0.058)			(0.058)
<b>Revised Capital Programme</b>	<b>8.817</b>	<b>8.451</b>	<b>8.619</b>	<b>25.887</b>

**Table 6 Housing Capital Programme 2008 - 2011**

14. With regard to funding the Housing programme the Disabled Facilities Grant scheme relies upon £274k of Right to Buy receipts from the sale of Council dwellings. So far this financial year there has been no RTB sales. It is projected that a level of £120k of RTB receipts should be achieved by the end of the year however this does leave a shortfall of £154k which will need to be met from capital receipts or the programme reduced.

**Leisure and Culture (EMAP – 2 September 2008)**

15. The approved capital programme for Leisure and Culture services is £5.643m following the adjustments made at 2007/08 outturn. As a result changes made in this monitor, the capital programme will be decreased by £0.254m to £5.389m. Table 7 gives a summary of the changes on a scheme by scheme basis.

<b>Gross Leisure and Culture Capital Programme</b>	<b>2008/09</b>	<b>2009/10</b>	<b>2010/11</b>	<b>Total</b>
	<b>£m</b>	<b>£m</b>	<b>£m</b>	<b>£m</b>
Capital Programme as 07/08 outturn	<b>5.643</b>	<b>2.942</b>	<b>1.100</b>	<b>9.685</b>
<u>Adjustments:</u>				
Museum Service Heritage Lottery Bid	(0.255)			(0.255)
War Memorial Gardens	(0.020)			(0.020)
York Pools Strategy outturn PB		0.471		0.471
York Pools Strategy	0.012	0.022		0.034
<u>Reprofiling:</u>				
War Memorial Gardens	(0.010)	0.010		0.000
York Pools Strategy	0.019	(0.019)		0.000
<b>Revised Capital Programme</b>	<b>5.389</b>	<b>3.426</b>	<b>1.100</b>	<b>9.915</b>

**Table 7 Leisure and Culture Capital Programme 2008 - 11**

16. The first key change is the removal of £255k from the Museum Service Heritage Lottery Bid scheme. Accounting rules no longer permit the advancement of loans of this nature from Prudential Borrowing. The loan has instead been advanced from Leisure and Culture reserves.
17. The second key change is the inclusion in the programme of the additional £471k with regard to the Oakland's Pool funding shortfall as resolved in the 07/08 outturn report.

**Neighbourhood Services (EMAP – 4 September 2008)**

18. The approved capital programme for Neighbourhood services is £541k following the adjustments made at 2007/08 outturn. As a result of this monitor, the capital programme will increase by £403k to £944k. Table 8 gives a summary of the changes on a scheme by scheme basis.

<b>Gross Neighbourhood Services Capital Programme</b>	<b>2008/09</b>	<b>2009/10</b>	<b>2010/11</b>	<b>Total</b>
	<b>£m</b>	<b>£m</b>	<b>£m</b>	<b>£m</b>
Current Approved Capital Programme	<b>0.541</b>	<b>0.000</b>	<b>0.000</b>	<b>0.541</b>
<u>Additions:</u>				
Contaminated Land Investigation	0.039			0.039
Waste Infrastructure Capital Grant	0.360	0.361	0.133	0.854
Ward Committees	0.004			0.004
<b>Revised Capital Programme</b>	<b>0.944</b>	<b>0.361</b>	<b>0.133</b>	<b>1.438</b>

**Table 8 Neighbourhood Services 2008 – 2011**

19. The key change is an increase in the Waste Infrastructure Capital Grant (WICG). This is a new grant from DEFRA to enable local authorities to invest in front end waste infrastructure, notably recycling and composting and totals £854k over a three year period.



**Resources (EMAP – 9 September 2008)**

20. The approved capital programme for Resources is £18.773m following the adjustments made at 2007/08 outturn. As a result of this monitor, the 2008/09 capital programme decrease by £12.239 to £6.534m. Table 9 gives a summary of the changes on a scheme by scheme basis.

<b>Gross Resources Services Capital Programme</b>	<b>2008/09 £m</b>	<b>2009/10 £m</b>	<b>2010/11 £m</b>	<b>Total £m</b>
Current Approved Capital Programme	<b>18.773</b>	<b>17.616</b>	<b>3.213</b>	<b>39.602</b>
<b>Additions:</b>				
IT Equipment	(0.200)			-0.200
Admin Accom		3.500		3.500
<b>Reprofiling:</b>				
Admin Accom	(11.789)	11.789		0.000
Carbon Management	(0.250)	0.250		0.000
<b>Revised Capital Programme</b>	<b>6.534</b>	<b>33.155</b>	<b>3.213</b>	<b>42.902</b>

**Table 9 Resources Capital Programme 2008 –2011**

21. The key change is the re-profiling of the Administrative Accommodation scheme budget into 2009/10 as a result of the withdrawal of the planning application. The Hungate Council Headquarters Update report taken to the Executive on 9 September sets out the latest position and current status of the scheme. The additional £3.5m budget as approved by the Executive on the 17<sup>th</sup> June has been added into the 2009/10 financial year when it is projected this additional construction budget will be required.

**Social Services (EMAP – 8 September 2008)**

22. The approved capital programme for Social Services is £332k following the adjustments made at 2007/08 outturn. The capital programme for Social Services is projected to outturn at £332k. Table 10 states the budget for the current and two subsequent years.

<b>Gross Resources Services Capital Programme</b>	<b>2008/09 £m</b>	<b>2009/10 £m</b>	<b>2010/11 £m</b>	<b>Total £m</b>
Current Approved Capital Programme	<b>0.332</b>	<b>0.305</b>	<b>0.280</b>	<b>0.917</b>

**Table 10 Social Services Capital Programme 2008 – 2011**

## Hazel Court Depot

23. As part of the sale of Foss Islands Road Depot the eco- Depot at Hazel Court was built. It was first reported to the Executive as part of the 2007/08 outturn report that the final account has now been agreed and the Council was owed an additional £300k. The £300k was allocated to address the small funding shortfall identified when the 2008/09 to 2010/11 capital programme was set. Work outstanding at Hazel Court comprised of the wind turbine, landscaping and top surfacing requiring funds of £100k. The Council will have to meet the cost of the work from capital receipts thus placing pressure on the funding gap.

## Summary

24. As a result of the changes reported to the directorate EMAP meetings the revised three year capital programme is summarised in Table 11.

<b>Gross Capital Programme</b>	<b>2008/09 £m</b>	<b>2009/10 £m</b>	<b>2010/11 £m</b>	<b>Total £m</b>
<b>Current Programme</b>	<b>75.942</b>	<b>67.550</b>	<b>39.915</b>	<b>183.407</b>
<b>Adjustments :</b>				
Children's Services	0.070	0.070	0.070	0.210
City Strategy	0.243			0.243
Housing	(0.136)			(0.136)
Leisure and Culture	(0.263)	0.493		0.230
Neighbourhood Services	0.403	0.361	0.133	0.897
Resources	(0.200)	3.500		3.300
Hazel Court	0.100			0.100
<b>Reprofiling:</b>				
Children's Services	(0.200)	0.200		0.000
Leisure Services	0.009	(0.009)		0.000
Resources	(12.039)	12.039		0.000
<b>Revised Programme</b>	<b>63.930</b>	<b>84.204</b>	<b>40.118</b>	<b>188.252</b>

**Table 11 Revised Three Year Capital Programme**

## Funding the 2008/09 Capital Programme

25. The current capital programme is funded from a number of externally funded sources, along with capital receipts raised from the sale of surplus assets.

26. Following the adjustments made as part of this report, the revised capital programme is £63.930m. Funding from external sources and prudential borrowing is £45.845m, leaving a balance of £18.085m to be funded from capital receipts. Table 12 illustrates the funding breakdown of the capital programme with Confidential Annex B giving

details of individual properties, indicative values and timescales for sale.

	2008/09 £m	2009/10 £m	2010/11 £m	Total £m
Gross Capital Programme	63.930	84.204	40.118	188.252
Funded by				
Supported Borrowing	6.823	10.355	10.282	27.460
Grants and Contributions	34.939	35.102	24.326	94.367
Prudential Borrowing	4.083	27.815	1.918	33.816
Total External Funding	45.845	73.272	36.526	155.643
Funding to be Financed from Capital Receipts	18.085	10.932	3.592	32.609
Expected Capital Receipts	(9.084)	(10.841)	(6.927)	(26.852)
Receipts b/fwd (surplus)/deficit	(4.127)	4.875	4.966	<b>1.631</b>
Receipts c/fwd (surplus)/deficit	4.875	4.966	1.631	

**Table 12 – Capital Programme Funding and Receipts Position**

27. As part of the budget setting process, a list of asset sales were agreed by the Council for reinvestment in the capital programme. The budgeted receipts for 2008/09 was set at £13.067m, of which £0.076m has already being received. The latest capital receipt projections suggest that a further £9.008m will be achieved by the end of the financial year, which represents a £3.983m shortfall in year, which in the main are anticipated to be received in 2009/10. This has been partially offset by corresponding slippage on capital receipt funded spend however it does leave the funding of the programme in a deficit position prior to applying the reclassified PFI funding.
28. Following the adjustments made to the capital programme in this monitor it is anticipated that there will be a receipts deficit over the three year programme of £1.631m prior to applying the £4.032m resulting from the change in accounting rules. This compared to a surplus position of £0.198m as last reported to Members at 0708 outturn .
29. Three specific issues have contributed toward the worsening capital receipts of the Council. Two issues are with regard to non achievement of receipts and one is a cost pressure:
- The 08/09 Disabled Facilities Grant scheme within the Housing General Fund programme relies upon £274k of Right to Buy receipts from the sale of Council dwellings. So far this financial year there have been no RTB sales. It is projected that a level of £120k of RTB receipts should be achieved by the end of the year leaving a shortfall of £154k which will need to be met from capital receipts or the programme reduced. The capital funding position has assumed that the funding is awarded from capital receipts. If Members decide

not to fund the scheme the deficit of £1.631m would be reduced to £1.477m.

- b. A significant capital receipt earmarked for disposal is now projected to realise a value of £1.2m less than originally budgeted for. The reduction in value is associated with problems around planning on property.
- c. Work outstanding at Hazel Court comprising of a wind turbine, landscaping and top surfacing require funds of £100k. The wind turbine is essential in ensuring the Eco Depot meets its green credential targets and generates savings to repay the associated prudential borrowing used to fund the build. The Council will have to meet the cost of the work from capital receipts as no other funding is in place to finance the expenditure. It was first reported to the Executive as part of the 2007/08 outturn report that the final account has now been agreed and the Council was owed an additional £300k. This additional £300k helped to move the programme into a small surplus position at outturn 07/08. The capital funding position has assumed that the funding is awarded from capital receipts. If Members decide not to fund the work the capital receipts deficit of £1.631m would be reduced to £1.531m.

30. As highlighted above the deficit position of £1.631m is prior to applying the reclassified PFI funds of £4.032m. Table 13 illustrates the £4.032m being applied to the receipts brought forward figure in 2008/09 and demonstrates how this funding serves to put the Council back into a surplus position of £2.390m.

	2008/09	2009/10	2010/11	Total
Funding to be Financed from Capital Receipts	18.085	10.932	3.592	32.609
Expected Capital Receipts	(9.084)	(10.841)	(6.927)	(26.852)
Receipts b/fwd (surplus)/deficit	(8.159)	0.842	0.933	(2.402)
Receipts c/fwd (surplus)/deficit	0.842	0.933	(2.402)	

**Table 13 – Capital Programme Funding and Receipts Position inc reclassified PFI funds**

- 31. The capital programme continues to be reliant on a number of high value, high risk receipts, which if not achieved would require the Council to review its existing spending commitments. Monthly monitoring of capital receipts will identify any problems in receipt timing and will be reported accordingly to the Executive in the next monitoring report.
- 32. Consideration should be given to the creation of a contingency fund that could be used to address the shortfall in budgeted capital receipts

values. For example the £2.402m surplus position shown in table 13 could be held as a contingency to address future non attainment of receipt values thus reducing the associated funding risk that comes with relying upon capital asset disposals. Without a contingency the Council will continue to be exposed to fluctuations in receipt values that may in the future impact directly upon the delivery of the capital programme.

## **Corporate Priorities**

33. The capital programme is decided through a formal process, using a Capital Resource Allocation Model (CRAM). CRAM is a tool used for allocating the Council's scarce capital resources to schemes that meet corporate priorities.

## **Implications**

### **Financial Implications**

34. The financial implications are considered in the main body of the report.

### **Human Resources Implications**

35. There are no HR implications as a result of this report

### **Equalities Implications**

36. There are no equalities implications as a result of this report

### **Legal Implications**

37. There are no legal implications as a result of this report

### **Crime and Disorder**

38. There are no crime and disorder implications as a result of this report

### **Information Technology**

39. There are no information technology implications as a result of this report

### **Property**

40. The property implications of this paper are included in the main body of the report which covers the funding of the capital programme from capital receipts in paragraphs 27-31.

## **Risk Management**

41. The capital programme is regularly monitored as part of the corporate monitoring process. In addition to this the Corporate Capital Monitoring Group (CAPMOG) meets regularly to plan monitor and review major capital receipts to ensure that all capital risks to the Council are minimised.

## **Recommendations**

42. The Executive is requested to:

- Approve the 2008/09 revised budget of £63.930m as set out in paragraph 6 and Table 2.
- Approve the net slippage of £12.248m into future years and the additions of £217k in 08/09, £4.424m in 09/10 and £203k in 10/11.
- Approve the restated three year capital programme for 2008/09 – 2010/11 as set out in paragraph 24, Table 11 and as set out in detail in Annex A.
- Note the capital receipt projections for 2008/09 to 2010/11 as summarised in Table 12 and set out in Confidential Annex B.
- Note the use of the reclassified PFI funds to overcome the early years shortfall in funding.

43. The Executive is requested to recommend to Council:

- The funding of the shortfall on the Disabled Facilities Grant and additional works at Hazel Court from capital receipts.

Reason : to enable the effective management and monitoring of the Council's capital programme

**Contact Details**

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**Chief Officer Responsible for the report:**

Ian Floyd  
Director of Resources

**Report  
Approved**



**Date** 17/09/08

**Specialist Implications Officer(s)**

*N/a*

**Wards Affected:**

All

**For further information please contact the author of the report**

**Background Papers:**

2008/09 – 2010/11 Capital Budget Report  
Budget Control 2008  
Department EMAP Capital Monitoring Reports

**Annexes**

Annex A – Restated Capital Programme 2008/09 to 2010/11  
Confidential Annex B – Capital Receipt Projections 2008/09 to 2010/11

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Capital Budget - 2008/09 to 2010/11	2008/09	2008/09	2008/09	2009/10		2009/10	2008/09	2008/09	2010/11	Gross Capital Programme To be Funded (inc pre 08/09 expenditure) £000
	Mon 1 Adj	Mon 1 Slippage	Revised Budget	Mon 1 Adj	Mon 1 Slippage	Revised Budget	Mon 1 Adj	Mon 1 Slippage	Revised Budget	
	£000	£000	£000	£000	£000	£000	£000	£000	£000	
<b>Children's Services</b>										
<b>NDS Condition Funding</b>			0			0			0	2,764
NDS Modernisation			0			0			0	11
- External Funding	0	0	0	0	0	0	0	0	0	2,764
- Cost to City	0	0	0	0	0	0	0	0	0	0
<b>NDS Devolved Capital</b>			2,948			2,898			2,898	20,244
- External Funding	0	0	2,948	0	0	2,898	0	0	2,898	20,244
- Cost to City	0	0	0	0	0	0	0	0	0	0
<b>Fulford Secondary TCF Phase 1</b>			10			0			0	10
- External Funding	0	0	10	0	0	0	0	0	0	10
- Cost to City	0	0	0	0	0	0	0	0	0	0
<b>Fulford Secondary TCF Phase 2</b>			0			0			0	3,478
- External Funding	0	0	0	0	0	0	0	0	0	3,478
- Cost to City	0	0	0	0	0	0	0	0	0	0
<b>Harnessing Technology</b>			535			523			528	1,586
- External Funding	0	0	535	0	0	523	0	0	528	1,586
- Cost to City	0	0	0	0	0	0	0	0	0	0
<b>Targeted Capital Fund 14-19 Diploma</b>			515			2,000			5,500	11,657
- External Funding	0	0	515	0	0	2,000	0	0	5,500	10,414
- Cost to City	0	0	0	0	0	0	0	0	0	1,243
<b>Huntington School Improvements TCF</b>			105			0			0	5,674
- External Funding	0	0	54	0	0	0	0	0	0	4,169
- Cost to City	0	0	51	0	0	0	0	0	0	1,505
<b>NDS Modernisation</b>		-200	1,628		200	2,693			2,693	17,462
- External Funding	0	-200	1,628	0	200	2,693	0	0	2,693	17,462
- Cost to City	0	0	0	0	0	0	0	0	0	0
<b>Neighbourhood Nurseries Initiative</b>			0			0			0	3,643
- External Funding	0	0	0	0	0	0	0	0	0	3,209
- Cost to City	0	0	0	0	0	0	0	0	0	434
<b>Robert Wilkinson Basic Need (Phase 2)</b>			0			0			0	844
- External Funding	0	0	0	0	0	0	0	0	0	844
- Cost to City	0	0	0	0	0	0	0	0	0	0
<b>Robert Wilkinson Basic Need (Phase 1)</b>			0			0			0	27
- External Funding	0	0	0	0	0	0	0	0	0	27
- Cost to City	0	0	0	0	0	0	0	0	0	0
<b>Schools Access Initiative</b>			359			288			288	2,108
- External Funding	0	0	359	0	0	288	0	0	288	2,108
- Cost to City	0	0	0	0	0	0	0	0	0	0
<b>Skills Centre</b>			120			0			0	2,740
DfES Devolved capital Grant			0			0			0	50
- External Funding	0	0	120	0	0	0	0	0	0	2,740
- Cost to City	0	0	0	0	0	0	0	0	0	0
<b>Sure Start</b>			816			1,807			1,657	4,612
- External Funding	0	0	816	0	0	1,807	0	0	1,657	4,612
- Cost to City	0	0	0	0	0	0	0	0	0	0
<b>Specialist Schools Status</b>			0			0			0	300
- External Funding	0	0	0	0	0	0	0	0	0	300
- Cost to City	0	0	0	0	0	0	0	0	0	0
<b>Integrated Children's Centres</b>			2,041			0			0	4,871
- External Funding	0	0	1,490	0	0	0	0	0	0	4,320
- Cost to City	0	0	551	0	0	0	0	0	0	551
<b>Integrated Children's System Grant</b>			25			0			0	83
- External Funding	0	0	25	0	0	0	0	0	0	83
- Cost to City	0	0	0	0	0	0	0	0	0	0
<b>Westside Review - Oaklands / York High</b>			8,843			950			0	12,600
- External Funding	0	0	6,843	0	0	650	0	0	0	10,300
- Cost to City	0	0	2,000	0	0	300	0	0	0	2,300
<b>Westside Review - Manor</b>			2,961			0			0	3,500
- External Funding	0	0	0	0	0	0	0	0	0	0
- Cost to City	0	0	2,961	0	0	0	0	0	0	3,500
<b>Youth One Stop Shop</b>			0			0			0	312
- External Funding	0	0	0	0	0	0	0	0	0	312
- Cost to City	0	0	0	0	0	0	0	0	0	0
<b>Oaken Grove Community Centre</b>			0			0			0	236
- External Funding	0	0	0	0	0	0	0	0	0	0
- Cost to City	0	0	0	0	0	0	0	0	0	236
<b>Joseph Rowntree One School Pathfinder</b>			10,250			17,180			1,574	29,436
- External Funding	0	0	10,250	0	0	17,180	0	0	1,574	29,436
- Cost to City	0	0	0	0	0	0	0	0	0	0
<b>Extended Schools</b>			250			265			137	652
- External Funding	0	0	250	0	0	265	0	0	137	652
- Cost to City	0	0	0	0	0	0	0	0	0	236
<b>Primary School Strategic Programme</b>			0			3,000			5,378	8,378
- External Funding	0	0	0	0	0	3,000	0	0	5,378	8,378
- Cost to City	0	0	0	0	0	0	0	0	0	0
<b>Devolved Formal Capital</b>			0			0			0	0
DCSF Grant			0			0			0	0
- External Funding	0	0	0	0	0	0	0	0	0	0
- Cost to City	0	0	0	0	0	0	0	0	0	0
<b>Derwent MUGA</b>			641			0			0	763
- Cost to City	0	0	641	0	0	0	0	0	0	763
<b>Condition Led Projects</b>			0			0			0	0
NDS Modernisation			0			0			0	0
- External Funding	0	0	0	0	0	0	0	0	0	0
- Cost to City	0	0	0	0	0	0	0	0	0	0
<b>ICT Mobile Technology for Childrens Social Workers</b>			6			0			0	26
- External Funding	0	0	6	0	0	0	0	0	0	26
- Cost to City	0	0	0	0	0	0	0	0	0	0
<b>Connexions Building Works</b>			94			0			0	101
DCSF Grant			63			0			0	70
Contributions			0			0			0	0
- External Funding	0	0	63	0	0	0	0	0	0	70
- Cost to City	0	0	31	0	0	0	0	0	0	31
<b>Fulford School Science Labs and Classrooms</b>			1,000			266			0	1,266
- External Funding	0	0	1,000	0	0	266	0	0	0	1,266
- Cost to City	0	0	0	0	0	0	0	0	0	0
<b>Youth Capital Fund</b>	70		70	70		70	70		70	210
Government Grant	70		70	70		70	70		70	210
- External Funding	70	0	70	70	0	70	70	0	70	210
- Cost to City	0	0	0	0	0	0	0	0	0	0
<b>TOTAL GROSS EXPENDITURE</b>	70	-200	33,217	70	200	31,940	70	0	20,723	139,583
Less :External Funding	70	-200	26,982	70	200	31,640	70	0	20,723	129,020
<b>COST TO CITY OF YORK</b>	0	0	6,235	0	0	300	0	0	0	10,563
<b>City Strategy (Planning &amp; Transport)</b>										
<b>Highway Resurfacing &amp; Reconstruction (Struct Maint)</b>			1,483			1,000			750	5,712
- External Funding	0	0	0	0	0	0	0	0	0	250
- Cost to City	0	0	1,483	0	0	1,000	0	0	750	5,462
<b>Highway Repairs &amp; Renewals (Struct Maint)</b>			0			0			0	1,250
- External Funding	0	0	0	0	0	0	0	0	0	1,250
- Cost to City	0	0	0	0	0	0	0	0	0	0
<b>Local Transport Plan (LTP)</b>			6,397			5,356			5,091	29,532
- External Funding	0	0	6,397	0	0	5,356	0	0	5,091	29,532
- Cost to City	0	0	0	0	0	0	0	0	0	0
<b>York City Walls - Repairs &amp; Renewals (City Walls)</b>			86			67			67	316
- External Funding	0	0	0	0	0	0	0	0	0	0
- Cost to City	0	0	86	0	0	67	0	0	67	316
<b>Robin Hood's Tower Strengthening (City Walls)</b>			0			0			0	165
- External Funding	0	0	0	0	0	0	0	0	0	0
- Cost to City	0	0	0	0	0	0	0	0	0	165
<b>York City Walls - Health &amp; Safety (City Walls)</b>			60			0			0	100

Capital Budget - 2008/09 to 2010/11	2008/09	2008/09	2008	1/09		2009/10	2008/09	2008/09	2010/11	Gross Capital Programme To be Funded (inc pre 08/09 expenditure) £000
	Mon 1 Adj	Mon 1 Slippage	Revised Budget	Mon 1 Adj	Mon 1 Slippage	Revised Budget	Mon 1 Adj	Mon 1 Slippage	Revised Budget	
	£000	£000	£000	£000	£000	£000	£000	£000	£000	
- External Funding			0			0			0	0
- Cost to City	0	0	60	0	0	0	0	0	0	100
<b>Developer Contribution schemes (LTP Struct)</b>	<b>243</b>		<b>243</b>			<b>0</b>			<b>0</b>	<b>2,020</b>
Section 106 Contribution	243		243			0			0	2,013
- External Funding	243	0	243	0	0	0	0	0	0	7
- Cost to City	0	0	0	0	0	0	0	0	0	2,020
<b>Government Grants (LTP Struct)</b>			<b>0</b>			<b>0</b>			<b>0</b>	<b>43</b>
- External Funding			0			0			0	43
- Cost to City	0	0	0	0	0	0	0	0	0	0
<b>Special Bridge Maintenance (Struct maint)</b>			<b>100</b>			<b>100</b>			<b>100</b>	<b>363</b>
- External Funding			0			0			0	0
- Cost to City	0	0	100	0	0	100	0	0	100	363
<b>Road Safety</b>			<b>44</b>			<b>43</b>			<b>42</b>	<b>174</b>
- DFT Grant			44			43			42	174
- Cost to City	0	0	0	0	0	0	0	0	0	0
<b>Flood Pump - Elvington</b>			<b>1</b>			<b>0</b>			<b>0</b>	<b>142</b>
- External Funding			0			0			0	122
- Cost to City	0	0	1	0	0	0	0	0	0	20
<b>Oulston Reservoir</b>			<b>25</b>			<b>0</b>			<b>0</b>	<b>25</b>
- External Funding			0			0			0	0
- Cost to City	0	0	25	0	0	0	0	0	0	25
<b>Foss Islands Depot</b>			<b>0</b>			<b>0</b>			<b>0</b>	<b>9,681</b>
- Government Grant			0			0			0	681
- Prudential Borrowing			0			0			0	527
- External Funding	0	0	0	0	0	0	0	0	0	1,208
- Cost to City	0	0	0	0	0	0	0	0	0	8,473
<b>TOTAL GROSS EXPENDITURE</b>	<b>243</b>	<b>0</b>	<b>8,439</b>	<b>0</b>	<b>0</b>	<b>6,566</b>	<b>0</b>	<b>0</b>	<b>6,050</b>	<b>49,523</b>
Less :External Funding	243	0	6,684	0	0	5,399	0	0	5,133	34,599
<b>COST TO CITY OF YORK</b>	<b>0</b>	<b>0</b>	<b>1,755</b>	<b>0</b>	<b>0</b>	<b>1,167</b>	<b>0</b>	<b>0</b>	<b>917</b>	<b>14,924</b>
<b>City Strategy (Economic Development)</b>										
<b>ABB Site Regeneration</b>			<b>0</b>			<b>0</b>			<b>0</b>	<b>2</b>
- External Funding			0			0			0	0
- Cost to City	0	0	0	0	0	0	0	0	0	2
<b>Small Business Workshops</b>			<b>58</b>			<b>0</b>			<b>0</b>	<b>77</b>
- External Funding			0			0			0	0
- Cost to City	0	0	58	0	0	0	0	0	0	77
<b>Visitor/Tourist Information Centre</b>			<b>100</b>			<b>0</b>			<b>0</b>	<b>100</b>
- External Funding	0	0	0	0	0	0	0	0	0	0
- Cost to City	0	0	100	0	0	0	0	0	0	100
<b>TOTAL GROSS EXPENDITURE</b>	<b>0</b>	<b>0</b>	<b>158</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>179</b>
Less :External Funding	0	0	0	0	0	0	0	0	0	0
<b>COST TO CITY OF YORK</b>	<b>0</b>	<b>0</b>	<b>158</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>179</b>
<b>Neighbourhood Services (Environmental Services)</b>										
<b>Air Quality Monitoring</b>			<b>12</b>			<b>0</b>			<b>0</b>	<b>199</b>
- External Funding	0	0	12	0	0	0	0	0	0	199
- Cost to City	0	0	0	0	0	0	0	0	0	0
<b>Flood Pump</b>			<b>0</b>			<b>0</b>			<b>0</b>	<b>0</b>
- External Funding			0			0			0	0
- Cost to City	0	0	0	0	0	0	0	0	0	0
<b>Grey Bin Replacement</b>			<b>0</b>			<b>0</b>			<b>0</b>	<b>30</b>
- External Funding	0	0	0	0	0	0	0	0	0	30
- Cost to City	0	0	0	0	0	0	0	0	0	0
<b>Household Waste Sites (Hazel Court)</b>			<b>0</b>			<b>0</b>			<b>0</b>	<b>1,292</b>
- External Funding	0	0	0	0	0	0	0	0	0	917
- Cost to City	0	0	0	0	0	0	0	0	0	375
<b>Household Waste Sites (Towthorpe)</b>			<b>20</b>			<b>0</b>			<b>0</b>	<b>20</b>
- External Funding	0	0	0	0	0	0	0	0	0	0
- Cost to City	0	0	20	0	0	0	0	0	0	20
<b>Purchase of Recycling Containers</b>			<b>0</b>			<b>0</b>			<b>0</b>	<b>114</b>
- External Funding	0	0	0	0	0	0	0	0	0	114
- Cost to City	0	0	0	0	0	0	0	0	0	0
<b>Contaminated Land Investigation</b>	<b>39</b>		<b>42</b>			<b>0</b>			<b>0</b>	<b>72</b>
- External Funding	39	0	42	0	0	0	0	0	0	72
- Cost to City	0	0	0	0	0	0	0	0	0	0
<b>Waste Efficiency Performance Grant</b>			<b>0</b>			<b>0</b>			<b>0</b>	<b>203</b>
- External Funding	0	0	0	0	0	0	0	0	0	203
- Cost to City	0	0	0	0	0	0	0	0	0	0
<b>Waste Infrastructure Capital Grant (WICG)</b>	<b>360</b>		<b>360</b>	<b>361</b>		<b>361</b>	<b>133</b>		<b>133</b>	<b>854</b>
- Government Grant	360		360	361		361	133		133	854
- Cost to City	0	0	0	0	0	0	0	0	0	0
<b>Silver Street Toilets</b>			<b>338</b>			<b>0</b>			<b>0</b>	<b>350</b>
- External Funding	0	0	0	0	0	0	0	0	0	0
- Cost to City	0	0	338	0	0	0	0	0	0	350
<b>Ward Committees - Improvement Schemes</b>	<b>4</b>		<b>172</b>			<b>0</b>			<b>0</b>	<b>622</b>
- Cost to City	4	0	172	0	0	0	0	0	0	622
<b>TOTAL GROSS EXPENDITURE</b>	<b>403</b>	<b>0</b>	<b>944</b>	<b>361</b>	<b>0</b>	<b>361</b>	<b>133</b>	<b>0</b>	<b>133</b>	<b>3,756</b>
Less :External Funding	399	0	414	361	0	361	133	0	133	2,389
<b>COST TO CITY OF YORK</b>	<b>4</b>	<b>0</b>	<b>530</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1,367</b>
<b>Housing</b>										
<b>Modernisation of Local Authority Homes</b>			<b>276</b>			<b>275</b>			<b>83</b>	<b>3,813</b>
- SCE			0			0			0	1,000
- External Funding	0	0	276	0	0	275	0	0	83	3,000
- Cost to City	0	0	0	0	0	0	0	0	0	813
<b>Repairs to Local Authority Properties</b>	<b>-78</b>		<b>1,686</b>			<b>1,838</b>			<b>1,989</b>	<b>9,758</b>
- External Funding	-78	0	1,686	0	0	1,838	0	0	1,989	9,305
- Cost to City	0	0	0	0	0	0	0	0	0	453
<b>Assistance to Older &amp; Disabled People</b>			<b>323</b>			<b>325</b>			<b>327</b>	<b>1,999</b>
- External Funding	0	0	323	0	0	325	0	0	327	1,999
- Cost to City	0	0	0	0	0	0	0	0	0	0
<b>Housing Grants &amp; Associated Investment (Gfund)</b>	<b>24</b>		<b>874</b>			<b>900</b>			<b>950</b>	<b>6,271</b>
- External Funding	24	0	874	0	0	900	0	0	950	6,050
- Cost to City	0	0	0	0	0	0	0	0	0	221
<b>Howe Hill Homeless Hostel (Gfund)</b>			<b>130</b>			<b>0</b>			<b>0</b>	<b>1,314</b>
- External Funding	0	0	130	0	0	0	0	0	0	784
- Cost to City	0	0	0	0	0	0	0	0	0	530
<b>Commuted Sums (Cont to Affordable Hsg) (Gfund)</b>			<b>0</b>			<b>0</b>			<b>0</b>	<b>38</b>
- External Funding			0			0			0	38
- Cost to City	0	0	0	0	0	0	0	0	0	0
<b>Travellers (Gfund)</b>			<b>0</b>			<b>0</b>			<b>0</b>	<b>403</b>
- External Funding	0	0	0	0	0	0	0	0	0	301
- Cost to City	0	0	0	0	0	0	0	0	0	102
<b>Bungalow Buy Back</b>			<b>0</b>			<b>0</b>			<b>0</b>	<b>99</b>
- Revenue Contribution			0			0			0	99
- External Funding	0	0	0	0	0	0	0	0	0	99
- Cost to City	0	0	0	0	0	0	0	0	0	0
<b>MRA Schemes</b>	<b>-58</b>		<b>4,876</b>			<b>4,464</b>			<b>4,621</b>	<b>28,754</b>
- External Funding	-58	0	4,876	0	0	4,464	0	0	4,621	28,754
- Cost to City	0	0	0	0	0	0	0	0	0	0
<b>Arclight (Gfund)</b>			<b>0</b>			<b>0</b>			<b>0</b>	<b>1,887</b>
- External Funding	0	0	0	0	0	0	0	0	0	1,887
- Cost to City	0	0	0	0	0	0	0	0	0	0
<b>Disabled Facilities Grant (Gfund)</b>	<b>-24</b>		<b>625</b>			<b>649</b>			<b>649</b>	<b>2,540</b>
- Government Grant	-24		351			375			375	1,469
- External Funding	-178	0	471	0	0	649	0	0	649	2,345
- Cost to City	154	0	154	0	0	0	0	0	0	195
<b>Discus Bungalows</b>			<b>27</b>			<b>0</b>			<b>0</b>	<b>27</b>
- External Funding	0	0	27	0	0	0	0	0	0	27



Capital Budget - 2008/09 to 2010/11	2008/09	2008/09	2008	1/09		2009/10	2008/09	2008/09	2010/11	Gross Capital Programme To be Funded (inc pre 08/09 expenditure) £000
	Mon 1 Adj	Mon 1 Slippage	Revised Budget	Mon 1 Adj	Mon 1 Slippage	Revised Budget	Mon 1 Adj	Mon 1 Slippage	Revised Budget	
	£000	£000	£000	£000	£000	£000	£000	£000	£000	
- Cost to City	0	0	26	0	0	0	0	0	0	64
Improving the Care Home Env' for Older People			0			0			0	220
- External Funding			0			0			0	220
- Cost to City	0	0	0	0	0	0	0	0	0	0
Information Management Improvements	1		51			0			0	303
- External Funding	1		51			0			0	303
- Cost to City	0	0	0	0	0	0	0	0	0	0
Disabled Support Grant			100			100			100	604
- External Funding			0			0			0	100
- Cost to City	0	0	100	0	0	100	0	0	100	504
Morrell House			0			0			0	60
- External Funding			0			0			0	0
- Cost to City	0	0	0	0	0	0	0	0	0	60
Telecare Equipment			50			100			75	265
- External Funding			0			0			0	0
- Cost to City	0	0	50	0	0	100	0	0	75	265
<b>TOTAL GROSS EXPENDITURE</b>	<b>1</b>	<b>0</b>	<b>332</b>	<b>0</b>	<b>0</b>	<b>305</b>	<b>0</b>	<b>0</b>	<b>280</b>	<b>2,900</b>
Less :External Funding	1	0	51	0	0	0	0	0	0	703
<b>COST TO CITY OF YORK</b>	<b>0</b>	<b>0</b>	<b>281</b>	<b>0</b>	<b>0</b>	<b>305</b>	<b>0</b>	<b>0</b>	<b>280</b>	<b>2,197</b>
<b>Miscellaneous</b>										
Equal Pay Capitalisation			0			0			0	1,069
- Prudential Borrowing			0			0			0	1,069
- External Funding	0	0	0	0	0	0	0	0	0	1,069
- Cost to City	0	0	0	0	0	0	0	0	0	0
Fleet Finance Leases			0			0			0	1,202
- Prudential Borrowing			0			0			0	1,202
- External Funding	0	0	0	0	0	0	0	0	0	1,202
- Cost to City	0	0	0	0	0	0	0	0	0	0
Hazel Court Depot	100		100			0			0	100
- External Funding	0		0			0			0	0
- Cost to City	100	0	100	0	0	0	0	0	0	100
<b>TOTAL GROSS EXPENDITURE</b>	<b>100</b>	<b>0</b>	<b>100</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>2,371</b>
Less :External Funding	0	0	0	0	0	0	0	0	0	2,271
<b>COST TO CITY OF YORK</b>	<b>100</b>	<b>0</b>	<b>100</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>100</b>
<b>Gross Expenditure by Department</b>										
Children's Services	70	-200	33,217	70	200	31,940	70	0	20,723	139,583
City Strategy (P&T)	243	0	8,439	0	0	6,566	0	0	6,050	49,523
City Strategy (Econ Devt)	0	0	158	0	0	0	0	0	0	179
Housing	-136	0	8,817	0	0	8,451	0	0	8,619	56,903
Leisure & Heritage	-263	9	5,389	493	-9	3,426	0	0	1,100	16,278
Neighbourhood Services	403	0	944	361	0	361	133	0	133	3,756
Resources	-200	-12,039	6,534	3,500	12,039	33,155	0	0	3,213	53,051
Social Services	1	0	332	0	0	305	0	0	280	2,900
Miscellaneous	100	0	100	0	0	0	0	0	0	2,371
<b>Total by Department</b>	<b>218</b>	<b>-12,230</b>	<b>63,930</b>	<b>4,424</b>	<b>12,230</b>	<b>84,204</b>	<b>203</b>	<b>0</b>	<b>40,118</b>	<b>324,544</b>
<b>Total External Funds by Department</b>										
Children's Services	70	-200	26,982	70	200	31,640	70	0	20,723	129,020
City Strategy (P&T)	243	0	6,684	0	0	5,399	0	0	5,133	34,599
City Strategy (Econ Devt)	0	0	0	0	0	0	0	0	0	0
Housing	-290	0	8,663	0	0	8,451	0	0	8,619	54,589
Leisure & Heritage	-263	0	1,645	493	0	493	0	0	0	4,937
Neighbourhood Services	399	0	414	361	0	361	133	0	133	2,389
Resources	-200	-6,290	1,406	3,500	6,290	26,928	0	0	1,918	35,174
Social Services	1	0	51	0	0	0	0	0	0	703
Miscellaneous	0	0	0	0	0	0	0	0	0	2,271
<b>Total External Funds by Department</b>	<b>-40</b>	<b>-6,490</b>	<b>45,845</b>	<b>4,424</b>	<b>6,490</b>	<b>73,272</b>	<b>203</b>	<b>0</b>	<b>36,526</b>	<b>263,682</b>
<b>Total CYC Funding required by Department</b>										
Children's Services	0	0	6,235	0	0	300	0	0	0	10,563
City Strategy (P&T)	0	0	1,755	0	0	1,167	0	0	917	14,924
City Strategy (Econ Devt)	0	0	158	0	0	0	0	0	0	179
Housing	154	0	154	0	0	0	0	0	0	2,314
Leisure & Heritage	0	9	3,744	0	-9	2,933	0	0	1,100	11,341
Neighbourhood Services	4	0	530	0	0	0	0	0	0	1,367
Resources	0	-5,749	5,128	0	5,749	6,227	0	0	1,295	17,877
Social Services	0	0	281	0	0	305	0	0	280	2,197
Miscellaneous	100	0	100	0	0	0	0	0	0	100
<b>Total Capital Receipt Funding required</b>	<b>258</b>	<b>-5,740</b>	<b>18,085</b>	<b>0</b>	<b>5,740</b>	<b>10,932</b>	<b>0</b>	<b>0</b>	<b>3,592</b>	<b>60,862</b>
<b>Breakdown of External Funds per funding statement</b>										
Developers Contributions	243	0	1,406	0	0	500	0	0	668	4,860
Government Grant	470	-250	26,816	441	250	28,414	203	0	17,364	112,821
Major Repairs Allowance	-58	0	4,876	0	0	4,464	0	0	4,621	28,754
Capital Receipts in Lieu of SCA/GG	0	0	0	0	0	0	0	0	0	10,513
Non Government Grant	-20	0	6	0	0	0	0	0	0	1,663
Other Contributions	0	0	315	0	0	0	0	0	0	1,659
Prudential Borrowing	-455	-6,040	4,083	3,971	6,040	27,815	0	0	1,918	41,366
Revenue Contribution	-66	0	1,270	12	0	1,450	0	0	1,399	8,536
Right to Buy Receipt	-154	0	250	0	0	274	0	0	274	2,018
Supported Capital Expenditure	0	-200	6,823	0	200	10,355	0	0	10,282	51,385
Venture Fund	0	0	0	0	0	0	0	0	0	107
	<b>-40</b>	<b>-6,490</b>	<b>45,845</b>	<b>4,424</b>	<b>6,490</b>	<b>73,272</b>	<b>203</b>	<b>0</b>	<b>36,526</b>	<b>263,682</b>
	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total CYC Funding required</b>			<b>18,085</b>			<b>10,932</b>			<b>3,592</b>	<b>60,862</b>
<b>Forecast Capital Receipts</b>			<b>-9,084</b>			<b>-10,841</b>			<b>-6,927</b>	<b>-59,232</b>
<b>Deficit/(Surplus) b/fwd</b>			<b>-4,127</b>			<b>4,875</b>			<b>4,966</b>	<b>0</b>
<b>Deficit/(Surplus) c/fwd</b>			<b>4,875</b>			<b>4,966</b>			<b>1,631</b>	<b>1,631</b>

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**Executive**7<sup>th</sup> October 2008

Report of the Director of Neighbourhood Services

**Consultation response to the Home Office green paper on the future of Policing****Summary**

1. To approve a response to the Government Green paper "From the neighbourhood to the national: policing our communities together".

**Background**

2. In July 2008, the government released a green paper on policing and is currently consulting on the proposals within it. The green paper can be found on line at: [http://files.homeoffice.gov.uk/police/policing\\_green\\_paper.pdf](http://files.homeoffice.gov.uk/police/policing_green_paper.pdf). The consultation process is being conducted in accordance with the Government's code of practice on consultation, and responses are required by Friday 10<sup>th</sup> October.

**Consultation**

3. City of York Councillor representatives were invited by the North Yorkshire Police Authority to a meeting on proposed responses to the green paper at Northallerton on Thursday 25<sup>th</sup> September. The chair of the North Yorkshire Police Authority (NYPA) subsequently attended a Leaders and York NYPA members meeting in York on 29<sup>th</sup> September to seek the views of the City of York Council. The proposed response to the green paper is a consensus view of the members at that meeting, and is attached at Annex One. If approved, the response would be incorporated into a letter from the Leader of the Council on behalf of the City of York, and forwarded electronically.

**Options**

4. Members can approve, amend, or reject the proposed consultation response at Annex One.

**Analysis**

5. Not relevant.

## Corporate Priorities

6. The response supports the 2007-11 City of York Council corporate priority to *“Reduce the actual and perceived impact of violent, aggressive and nuisance behaviour on people in York”*.

## Implications

- **Financial:** There are no financial implications.
- **Human Resources (HR):** There are no HR implications.
- **Equalities:** There are no equalities implications.
- **Legal:** There are no legal implications.
- **Crime and Disorder:** This is a response to the green paper.
- **Information Technology (IT)** There are no IT implications.
- **Property** There are no property implications.
- **Other:** There are no other implications.

## Risk Management

7. There are no risks associated with this report.

## Recommendations

8. Members are asked to consider the response attached at Annex One.

Reason: To respond to the Government green paper within the relevant timescale.

## Contact Details

**Author:**  
Andy Hudson  
Assistant Director:  
Neighbourhoods & Community  
Safety

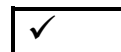
**Chief Officer Responsible for the report:**  
Terry Collins  
Director of Neighbourhood Services

**Report Approved**  **Date** 1<sup>st</sup> October 2008

Tel No. 551514

**Specialist Implications Officer(s):** None

**Wards Affected:** All





**For further information please contact the author of the report**

**Background Papers:**

Government green paper: “ From the neighbourhood to the national: policing our communities together

**Annexes**

Annex One: Proposed response to the Green paper

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**Proposed Consultation response to the Government green paper:  
“From the neighbourhood to the national: policing communities  
together**

The City of York Council has consulted its members and at a meeting of the Executive on 7<sup>th</sup> October, agreed the following response to the green paper: -

**CHAPTER 1: IMPROVING THE CONNECTION BETWEEN THE PUBLIC AND  
THE POLICE**

- The Council supports any proposals, which enhances neighbourhood policing, community consultation and partnership working. It is important however to allow authorities to develop individual frameworks for policing and engagement at a local level that suits local needs, and that frameworks are permitted to mature so as to become embedded and achieve results. York already has a joint community engagement strategy in place that supports neighbourhood policing and partnership consultation, and we have examples in place of good collaborative working between the Local Authority and Police Authority.
- The Councillor Call for Action could be a process to provide a challenge to a course of action by, or decision of, the Chief Constable. It must however, operate within the existing democratic process and should not restrict the role of the elected councillor to raise issues on behalf of their community under existing arrangements.
- The direct election of members of the public as a ‘crime and policing representative’ to sit on Police Authorities and to chair CDRPs is strongly rejected. There already exists a democratic process to elect local Councillors to represent the community, and then to sit as local authority representatives on the police authority. The election of a separate body of individuals is bureaucratic and it is questioned whether those individuals would be able to truly represent the locality, or indeed have the level of commitment to performance and/or detailed understanding of community safety to adequately fulfil this role.
- The proposal to use a proportion of BCU funding for participatory budgeting is rejected. The local use of BCU funding is already well managed. All decisions in North Yorkshire have been made in partnership with the two CDRPs. If this fund is given to the Crime and Policing Representative to administer, there is no guarantee that it would be utilised in the same way. BCU funding is used alongside SSCF and largely driven by intelligence led priority setting, which has supported local policing priorities. This proposal is in danger of using scare resources to support whoever can make a good case, rather than being allocated to a particular and well informed crime reduction strategy.

## CHAPTER 2: REDUCING BUREAUCRACY AND DEVELOPING TECHNOLOGIES

- The concept of reducing bureaucracy by the police is supported, as is the realignment of targets to ensure there is no longer conflict between police and other criminal justice targets
- The idea of tackling risk aversion is supported, and in particular may assist in issues like the sharing of police data between forces and their partners. This has been a specific issue with the sharing of the Council's staff risk register with the police.

## CHAPTER 3: DEFINING ROLES AND LEADERSHIP IN THE POLICE SERVICE

- The proposals to develop leadership and skills within the police service are welcomed. However, the Home Office should review the requirement to appoint a warranted officer as Chief constable. The skills required to head and manage a complex organisation with £100m plus budgets may be better placed within a Chief Executive role, thus allowing talented individuals from a variety of related backgrounds to apply. Such opportunities already exist in many other public sector organisations. The person specification of a Chief Executive can then be determined by the skills and experience needed for the role, rather than restricting applicants solely from within a policing background. Operational policing experience to assist the Chief Executive can be derived from high-ranking support officers at a deputy Chief Constable level.
- Consideration also needs to be given to the impact of frequent senior officer changes on both local and force wide issues. For example the implementation of completely new policing regimes can often leave partners operating in a continually changing policing environment. As the requirement of the police to engage with communities and partners becomes more important, then there needs to be more stability and continuity in terms of policing policies

## CHAPTER 4: FOCUSING ON DEVELOPMENT AND DEPLOYMENT

- The equality, diversity and human rights strategy for the police service is welcomed. The police force should endeavour to mirror the make up of the local community and encourage the attraction of applicants to the police service from members of the community and diverse backgrounds.

## CHAPTER 5: CO-ORDINATING CHANGE IN POLICING

- The role of the National Policing board is key to developing strategic consistency on issues of national policing importance. This is particularly relevant to the development of issues such as IT. In the past, adhoc IT solutions have been sought that differ both within and between forces. It is essential that there is a move toward better and more efficient access and exchange of data and intelligence between forces.
- It is agreed that there should be guidelines or principles to determine whether decisions should be taken nationally, regionally, or locally. But in line with the concept of Neighbourhood Policing, it is important that flexibility on practices is retained locally to ensure scope for responses to local needs

## CHAPTER 6: REINFORCING COLLABORATION BETWEEN FORCES

- Collaborative working between forces is essential in relation to protective services and dealing with critical incidents. A force such as NYP does not have the resource to deal with certain situations alone, and therefore having the capacity to draw on neighbouring forces which have significantly higher numbers of officers is essential.

## CHAPTER 7: IMPROVING PERFORMANCE IN POLICING

- The proposals to improve performance and efficiency in policing are welcomed. The fact that there are no specific consultation questions aligned to this chapter is taken as an oversight
- The move to perception based measures as an indicator of public confidence however is concerning as this is difficult to influence. Effort still needs to be placed on recording actions and outcomes on crime and disorder in order to be able to publicise performance to provide reassurance and hence influence perception
- The British Crime Survey question, along with other perception measures aligned to the LAA which feature in the Place survey is ambiguous. It is not possible to ask for perception on the police and partners within a single question, as respondents cannot then differentiate between satisfaction with the police, police and partners combined or single partners, or can they differentiate between the 'local' and 'national' situation which can be temporarily influenced by media reporting of specific cases.

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