



## Labour Leader of City of York Council Report to Full Council – March 2014

It has been over three months since my last council report during which time I'm pleased that the council has set its budget for 2014-15. A great deal of time was spent on this and I want to thank officers for the time they gave to support all Groups in this process.

### **Unemployment**

There has been two month's worth of data published since the last meeting of Full Council. The first saw the number of York people claiming JSA falling for the ninth consecutive month. The reduction was 62. This brought the number of claimants down to 2133. The following month as expected there was an increase of 56. This usually happens in January when some seasonal jobs come to the end of their contract. This increase brought the number of claimants to 2189. The figures for both December and January are the best they've been since 2008.

York's percentage of working age population claiming JSA has remained at 1.6% for the last few months. York was at 1.5% in February 2008 when the financial collapse began.

### **York's Economy**

I welcome the news that York's economy has bounced back since the global financial crisis began. The value of York's economy is now £4.3bn a year - surpassing its previous peak in 2007. This record turnaround has been helped through the council prioritising economic growth and working in partnership with the private sector.

York's GVA has grown 6.9% since the economic "low" of 2008, compared with an England-wide average of 6.4% and a Yorkshire and Humber average of 2.7%.

### **Terry's**

I welcome work beginning on the Terry's site to construct new homes. I am also pleased to welcome the 20% affordable housing included in the scheme.

## **European Award**

The Financial Times' FDI magazine has given us an award in recognition of York being in the top ten small European cities for foreign investment and economic infrastructure strategy.

This demonstrates clear progress since we launched York's economic strategy in 2012. This included a target of being in the top 10 European cities for economic growth by 2015. I am pleased this has been achieved a year early.

## **NYYER LEP Infrastructure Board**

The Infrastructure Board met last week where I was able to express how important it is that improvements are made to the outer ring road in York.

The Board agreed to put forward a growth bid to Government backing funding towards improving the outer ring road from both NYYER LEP and existing plans through Leeds City Region LEP.

I made representations to the Infrastructure Board to get this agreed.

We welcome news that NYYER LEP backs our ambitions for housing numbers in the draft Local Plan and that this has been unanimously backed by Leaders in North Yorkshire and the East Riding.

## **New Homes**

I welcome planning permission being given to 102 new homes in Strensall and 195 homes on Hungate. These decisions show York is the number one place to invest in Yorkshire and that this city is serious about the building of new homes.

## **Stonebow House**

The council is pursuing the purchase of the remaining freehold not currently owned by the council. This will give us a greater stake in any future redevelopment that may occur upon the site. Any new development must be sensitive to existing business operators - primarily the music venues.

## **Askham Bryan Expansion**

I am pleased to see Askham Bryan College expanding to create 120 jobs with an increase of some 1,600 students. I hope this scheme is not blocked by Eric Pickles because the land is draft Greenbelt, given the strong case in favour of expansion.

I hope despite the anti-growth sentiment of opposition councillors that all group leaders can write collectively to Eric Pickles outlining our collective support.

## **Christmas Trading**

I welcome the news in The Press that Christmas footfall figures had increased 7.2% on the previous year and that retailers saw an increase in takings.

Nick Brown of Browns has said visitor numbers were up along with turnover. He said Christmas 2013 had been the best Christmas since the recession began. Adam Sinclair of Mulberry Hall also reported an encouraging Christmas with an increase in takings. York Retail Forum Chair Frank Wood said his business was up 10% on last year.

I hope retailers enjoy an even better Christmas this year.

## **HS2 Rail College**

You will have seen that we have started a process of bidding for York to be the home of an HS2 Rail College following a Government announcement that this will be required as part of plans for HS2. We welcome the enthusiastic backing of The Press, business people and residents alike. I hope we can count on the support of all group leaders.

## **Askham Grange**

I wrote to the new Justice Minister on his appointment about this prison and I was given a meeting with him. Councillor Aspden and the Lord Mayor were also in attendance.

The Minister has given me assurances that prison provision will not be diminished and all 100 employees will be offered new employment within 60mins travel time. The Minister agreed to send me this confirmation in writing.

## **Community Conversations**

I have now had three of these meetings and I would like to thank the councillors of Haxby and Wigginton, Westfield and Hull Road for their support in these meetings. They have been invaluable in understanding some of the different issues communities have. I have received positive feedback about these meetings - including from opposition councillors and I look forward to visiting every community in York over the course of the year.

## **Sponsored Sleep Out**

I would like to thank all councillors who took part in the SASH sleep out recently at Homestead Park and I would also like to thank councillors who have sponsored us to sleep out overnight. The money raised will help prevent youth homelessness in York. It is not too late to donate; it can be done at [www.yorksleeppout.co.uk](http://www.yorksleeppout.co.uk).

## **Rent Capping**

Below is the article I wrote for The Press as to why I am in favour of the introduction of rent controls. I said I would include in my council report to begin the debate in the council chamber about this important issue. I welcome each group leader explaining whether their group's are in favour of rent capping or not.

Hugh Bayley MP recently asked the Liberal Democrat Minister for Pensions at Parliamentary question time about the cost of English housing benefit over the last ten years.

The answer was very revealing. The cost to the taxpayer has increased from £11 billion a year to £21 billion – an increase of 95 per cent.

My own research shows in York the cost over the same period has increased from £23.4m year to £45.3m – an increase of 93 per cent.

Housing benefit is now claimed by 11,269 York residents – the majority of whom are in work. So why have we had this large increase? Economics.

If demand rises and there is not an increase in supply, the price rises. In York the lack of significant new homes being built, exacerbated by student housing becoming more lucrative for landlords, means the price of homes to both rent and buy has grown astronomically.

The housing charity Shelter has published a report indicating that York has the least affordable rents in Yorkshire & Humber, more on a par with the south east of England.

In the last eight years, York's housing benefit cost in the private rented sector has increased by 135.7 per cent. This is largely taxpayers' money being given to landlords to pay for high rents.

The largest increase in the proportion of York residents claiming housing benefit has been in the private rented sector – 100.6 per cent or 1,501 people.

There are now more residents claiming housing benefit in the private rented sector than in housing association accommodation and this has been the case since the last general election.

York's average rents are £75.35 a week for council tenants, £90 for Housing Association and £177.46 in private rented.

The UK housing market is broken and people in cities such as York are being priced out of their own city.

This is unacceptable. Surely it is about time we had a sensible debate in this country about introducing rent capping to get this benefit bill down, rather than attacking the recipients of housing benefit?

The financial saving could be used to pump prime the construction of new homes and I know some house builders would welcome this. For some residents, rent caps may even put money back in their pockets – helping the economic recovery.

Other cities across Europe have rent caps and the UK could introduce them based on median average income of residents in council areas. This could be set by an independent body or by the Government using a nationally set formula.

The Conservative and Liberal Democrat answer to the rising housing benefit bill is to instead target the most vulnerable in our society with the bedroom tax – this allegedly saves £320 million a year out of an annual cost of £21 billion and rising.

Locally, the Conservatives and Liberal Democrats both oppose significant home building which would repair the housing market by increasing supply.

They are on the side of the privileged few whilst York Labour is on the side of the hardworking who want to own or rent their own home.

**Councillor James Alexander**  
**18<sup>th</sup> March, 2014**