



**Notice of meeting of
Economic & City Development Overview & Scrutiny Committee**

To: Councillors Riches (Chair), Watt (Vice-Chair), Burton, Levene, Semlyen, Williams, Hyman and D'Agorne

Date: Tuesday, 27 September 2011

Time: 5.30 pm

Venue: The Guildhall, York

AGENDA

- 1. Declarations of Interest** (Pages 3 - 4)
At this point Members are asked to declare any personal or prejudicial interests they may have in the business on this agenda or any other general interests they might have within the remit of the committee which are not already included on the list of standing interests included within the agenda.
- 2. Minutes** (Pages 5 - 10)
To approve and sign the minutes of the last meeting of the Economic & City Development Overview & Scrutiny Committee held on 12 July 2011.
- 3. Public Participation**
It is at this point in the meeting that members of the public who have registered their wish to speak can do so. The deadline for registering is by 5pm the working day before the meeting, in this case **5pm on Monday 26 September**. To register please contact the Democracy Officer for the meeting, on the details at the foot of this agenda.

4. Update on Local Enterprise Partnerships (Pages 11 - 32) (LEPS)

This report provides an update on LEP progress and highlights the approach taken to the setting of priorities. It also provides some helpful background information on the York and North Yorkshire LEP.

There will be a short presentation from James Farrar, Chief Operating Officer, York & North Yorkshire LEP entitled 'Progress with the LEP & Benefits for York'

The report and presentation will be helpful to the Committee should it wish to provide a view prior to the Cabinet considering its future membership of the York/ North Yorkshire LEP.

5. 2011/12 Finance and Performance Monitor (Pages 33 - 42) 1 Report

This report provides details of the 2011/12 forecast outturn position for both finance and performance in City Strategy and Housing Services.

6. Report from the Cabinet Member for City Strategy on the Year Ahead (Pages 43 - 46)

The Cabinet Member for City Strategy will update Members of the Committee on the priorities within his portfolio area.

7. Presentation on Proposed Scrutiny Topic: (Pages 47 - 50) Reducing the Carbon Footprint in Privately Rented Accommodation (e.g. Heslington, Hull Road & Fishergate Wards)

Officers will give a short presentation on the above proposed scrutiny topic. The Committee are then asked to complete the attached Topic Assessment Form (One Page Strategy) to set out clear aims and objectives for the review. The Topic Assessment Form and the questions asked within it acts as a guideline to help identify issues that need to be considered as part of any review.'

8. Work Plan 2011-12

(Pages 51 - 52)

Members will consider the Committee's workplan for the 2011-12 civic year.

9. Urgent Business

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

Democracy Officer:

Name- Judith Cumming

Telephone No. – 01904 551078

E-mail- judith.cumming@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

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Holding the Cabinet to Account

The majority of councillors are not appointed to the Cabinet (39 out of 47). Any 3 non-Cabinet councillors can 'call-in' an item of business from a published Cabinet (or Cabinet Member Decision Session) agenda. The Cabinet 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 Cabinet 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

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**MEETING OF ECONOMIC AND CITY DEVELOPMENT
OVERVIEW & SCRUTINY COMMITTEE**

Agenda item 1: Declarations of interest

The following Members declared standing personal interests.

Councillor D'Agorne- Employee of York College

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City of York Council

Committee Minutes

MEETING	ECONOMIC & CITY DEVELOPMENT OVERVIEW & SCRUTINY COMMITTEE
DATE	12 JULY 2011
PRESENT	COUNCILLORS RICHES (CHAIR), WATT (VICE-CHAIR), BURTON, LEVENE, SEMLYEN, WILLIAMS (EXCEPT MINUTE ITEM 14), HYMAN AND D'AGORNE
IN ATTENDANCE	COUNCILLOR ALEXANDER

7. **DECLARATIONS OF INTEREST**

Members were invited to declare at this point in the meeting any personal or prejudicial interests, other than the standing declarations, that they might have in the business on the agenda.

Councillor Levene declared a personal non prejudicial interest in Agenda Item 4 (Report from the Cabinet Leader on Priorities and the Year Ahead) due to his employment by Social Enterprise, Yorkshire and Humber.

No other interests were declared.

8. **MINUTES**

RESOLVED: That the minutes of the Economic and City Development Overview and Scrutiny Committee held on 21 June 2011 be approved and signed by the Chair as a correct record.

9. **PUBLIC PARTICIPATION**

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

10. REPORT FROM THE CABINET LEADER ON PRIORITIES AND THE YEAR AHEAD

Members received a written report from the Cabinet Leader on his priorities for the year ahead.

The Cabinet Leader outlined his priorities in the following areas;

- Jobs and Economic Growth
- Local Enterprise Partnerships
- Shared Services
- York's Fairness Commission

The Chair thanked the Cabinet Leader for his attendance.

11. UPDATE ON THE IMPLEMENTATION OF RECOMMENDATIONS ARISING FROM THE NEWGATE MARKET SCRUTINY REVIEW

Members received an update report appraising them of the implementation of recommendations that had arisen from the Newgate Market Scrutiny Review, which the Committee had conducted between December 2009 and December 2010.

Officers reported that the market's profits had exceeded previously set targets and that progress was being made to implement the recommendations. It was noted that there were more long term recommendations still to progress.

In response to a question from Members about developments at the back of the market, Officers said that consideration was being given to using space at the rear of the market for storing city centre equipment. Members were also informed that an al fresco café would soon open in this area.

Some Members questioned Officers, in reference to recommendation 1(i), on page 17 of the agenda, if a separate option for food waste recycling initiative through composting could be introduced.

Officers suggested that a food waste recycling initiative could be considered in the future but that the current focus was on recycling of cardboard from the stalls.

Members felt that all the recommendations presented in the update report could not be signed off as completed, and that they wished to consider a further update report at their meeting in January 2012.

- RESOLVED:
- (i) That the report be noted.
 - (ii) That none of the recommendations from the Newgate Market Scrutiny Review be signed off as a complete.
 - (iii) That a further update report be considered by the Committee at their meeting on 24 January 2012.

REASON: To raise awareness of those recommendations which have still to be implemented.

12. SIXTH MONTHLY UPDATE REPORT ON MAJOR DEVELOPMENTS WITHIN THE CITY OF YORK COUNCIL

Members received a sixth monthly update report on major developments within the City.

In response to a question about the planning application for the Community Stadium, Members were informed that the application was due for submission imminently.

RESOLVED: That the report be noted.

REASON: To keep the Committee updated on the progress of major development schemes in York.

13. SIXTH MONTHLY UPDATE REPORT ON MAJOR TRANSPORT INITIATIVES AND ISSUES ARISING FROM THEM

Members received a sixth monthly update report on major transport initiatives.

Questions from Members to Officers related to;

- The length of time taken for the scheme to improve capacity at the A1237/A19 Rawcliffe roundabout and the subsequent delays that this caused to traffic.
- The start date for pedestrian and cycling improvements for Fishergate Gyratory scheme. The decision for which would be made by the Cabinet Member for City Strategy at his Decision Session on 26 July.
- The second phase of the scheme to improve the layout of Blossom Street for cyclists, bus services and pedestrians being extended to Holgate Road, and the funding for this.

Officers informed Members that, in relation to the A1237/A19 Rawcliffe Roundabout, several problems had been encountered which had delayed the completion of the improvements. These problems included ground conditions, a leak in the gas management system, temporary roads being put in and that alterations were made a late stage.

RESOLVED: That the report be noted.

REASON: To keep the Committee updated on the progress of major transport initiatives in York.

14. **WORK PLAN 2011-12**

Members considered a report which presented them with the Committee's work plan for the forthcoming year.

RESOLVED: That the report be noted and the following items be added to the work plan;

- That an update report on the progress of the implementation of recommendations from the Newgate Market Scrutiny Review be considered at the Committee's meeting on 24 January 2012.¹
- That the Cabinet Member for Health, Housing and Adult Services be invited to address the Committee at a future

meeting on the housing aspect of her portfolio.²

- That an invitation be extended to a representative, Chair and Lead Officer from the York and North Yorkshire Local Enterprise Partnership (LEP) to attend a future meeting of the Committee.³

REASON: To keep the Committee's work plan up to date.

Action Required

1. To add to the Committee's work plan. TW
2. To invite the Cabinet Member for Health, TW
Housing and Adult Services to a future meeting and TW
to add this to the Committee's work plan.
3. To invite the Chair and Lead Officer of the York
and North Yorkshire LEP to a future meeting and to
add this to the Committee's work plan.

Cllr J Riches, Chair

[The meeting started at 5.35 pm and finished at 7.20 pm].

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**Economic and City Development Overview
and Scrutiny Committee**

27 September 2011

Report of the Chief Executive

Progress Report – Local Enterprise Partnership**Summary**

1. This report provides an update on LEP progress and highlights the approach taken to the setting of priorities. It also provides some helpful background information on the York and North Yorkshire LEP prior to a presentation from LEP officers on progress and potential benefits to the York economy. The report and presentation will be helpful to the Committee should it wish to provide a view prior to the Cabinet considering its future membership of the York/ North Yorkshire LEP.

Background

2. The City Development Overview and Scrutiny Committee has taken a strong interest in the development of Local Enterprise Partnerships (LEPs), particularly since York is a member of both the Leeds City Region and the York and North Yorkshire (with the East Riding of Yorkshire) LEPs. The role of this Committee is not specifically to scrutinise the work of the LEPs, but to take an overview on the Council's contribution to the LEPs and its significance to the York economy.
3. **Progress.** There has been progress with both LEPs. Both have now established their Boards, with the Leader of the Council included on both Boards. An earlier progress paper in April 2011 to the Committee dealt with governance issues and it was agreed that it would be useful if an update was provided as the LEPs

developed and set out their priorities. This was considered particularly important for the York and North Yorkshire LEP since a decision had previously been taken to review our membership of this LEP following the setting of its priorities, and Overview and Scrutiny welcomed the opportunity to present its views on this issue prior to the Cabinet taking a decision.

4. **Leeds City Region.** The Leeds City Region launched its strategic plan “Realising the Potential” and a high profile summit on 8 September. The Plan sets out a vision for the City Region of “a world-leading dynamic and sustainable low carbon economy with a high quality of life for everyone”. A copy of the plan is attached to this report as annex A which describes four strategic priorities:

- **Unlocking the growth potential of business and enterprise;**
- **Enabling a flexible, skilled workforce;**
- **Facilitating a low carbon economy; and,**
- **Creating the environment for growth.**

5. The Plan will be supported by the development of action plans plus a business case which will present to government the tools the LEP requires to deliver the strategic priorities. The City of York Council has recognised that its economic ambitions are principally served through collaboration with this LEP.

6. **York and North Yorkshire LEP.** Since the previous progress report the East Riding of Yorkshire Council has joined this LEP. The LEP has taken a different approach to the Leeds City Region. It has not produced a strategy document but has declared its three objectives as (not in any particular priority order);

- **York as an economic driver;**
- **A sustainable and growing rural economy; and,**
- **Delivering coastal regeneration.**

7. To support these objectives 7 task groups have been set up to identify key deliverable activities. These task groups are:

- **Agriculture & Food** – to create growth through growing the supply chain;
- **Visitor Economy** – provide clarity and improve the offer through joint working and collaboration between partners;
- **Rural Broadband** – to help rural YNY maximise its broadband potential;
- **Support for growth of small businesses** - to improve the success and sustainability of new and small businesses;
- **Networking** - to have the best networked businesses and most effective networkers;
- **Skills** - to ensure skills provision is focused on present and future business needs and to meet gaps in provision; and,
- **Coastal Regeneration** - to support coastal regeneration and the development of a Yorkshire Coast Enterprise Zone.

8. All task groups have either met, or have a meeting planned.

There is an understanding with the LEP that many of York's ambitions will be advanced principally through the work of the City of York Council and the LCR LEP, and this includes our work to promote the York Central project, enhancing infrastructure provision and accessibility, promoting high growth business and inward investment. However, for some of these areas the York and North Yorkshire LEP could have a strong supporting role particularly when it involves adding an additional voice that is seeking to influence government and other potential investors. For example, the LEP has recently provided written support for the Council's bid for resources from the Department for Transport for the Access York initiative, and LEP support will be helpful as we seek to respond to current government draft proposals setting out options for the new Tax Increment Finance approach that would assist major regeneration schemes.

9. Further details of the progress of this LEP, and its potential significance to the York economy, will be outlined in a presentation by James Farrar, the LEPs principal officer.

10. **Comments.** It is now over a year since the Secretary of States for BIS and DCLG invited bids for the setting up of LEPs. Whilst progress has been slower than anticipated the process surrounding a new bureaucracy is substantial. It has involved agreeing the geography and membership, putting in place a Board and supporting structures, setting priorities and agreeing an approach for taking forward the priorities. York, with an involvement in two separate LEPs, is well placed to compare and contrast the very different approaches adopted in the two LEPs to which we belong. Success for LEPs will depend on a range of ingredients. LEPs will need to harness the resources of other organisations and working in collaboration if it is to achieve delivery of its priorities. The best LEPs will also achieve results by influencing government over city region priorities, in particular infrastructure provision, and also influencing local organisations to agree a single prioritised plan for its area. However, there is a general view that LEPS will only succeed if they acquire new responsibilities devolved from government. Recently Philip Hammond, Secretary of State for Transport, has paved the way by discussing the possibility of devolving the Department's major scheme budgets to LEPs. The work of the LCR LEP (para 5) in making a case for the devolvement of responsibilities will be critical.

Consultation

11.No specific consultation has taken place on the contents of this paper, but Members of the Council, in particular the Leader, and senior officers, in particular the Chief Executive, have been continuously involved in LEP meetings and discussions.

Options

12. Options are not relevant to this report.

Analysis

13. Not relevant

Corporate Priorities

14. The work of both the Leeds City Region LEP and the York/ North Yorkshire LEP supports the economic objectives and priorities of both the Sustainable Community Strategy and the Corporate Strategy.

Implications

Financial

15. *Not applicable.*

Human Resources

16. *Not applicable.*

Equalities

17. Not applicable.

Legal

18. Not applicable

Crime and Disorder

19. Not applicable.

Information Technology (IT)

20. Not applicable

Risk Management

21. Not applicable

Recommendation

22. That the Overview and Scrutiny Committee:

- a) Note the content of this report;
- b) Discuss and advise on progress associated with the Leeds City Region and the York/ North Yorkshire LEP; and

- c) Consider whether it wishes to provide advice prior to a decision being taken on the City of York's Council membership of the York/ North Yorkshire LEP.

Reason: This report provides the basis of meeting earlier Overview and Scrutiny Committee request to keep up to date with LEP progress and to have an opportunity to comment prior to a decision on the City of York's Council membership of the York/ North Yorkshire LEP.

Contact Details

Author:

Steve Dann
Regional Policy Officer
Office of the Chief Executive
Tel: 552031

Chief Officer Responsible for the report:

Tracey Carter
Assistant Director; office of the Chief Executive
Tel: 553419



Date 15.9.2011

Specialist Implications Officer(s)

None

Wards Affected:

All

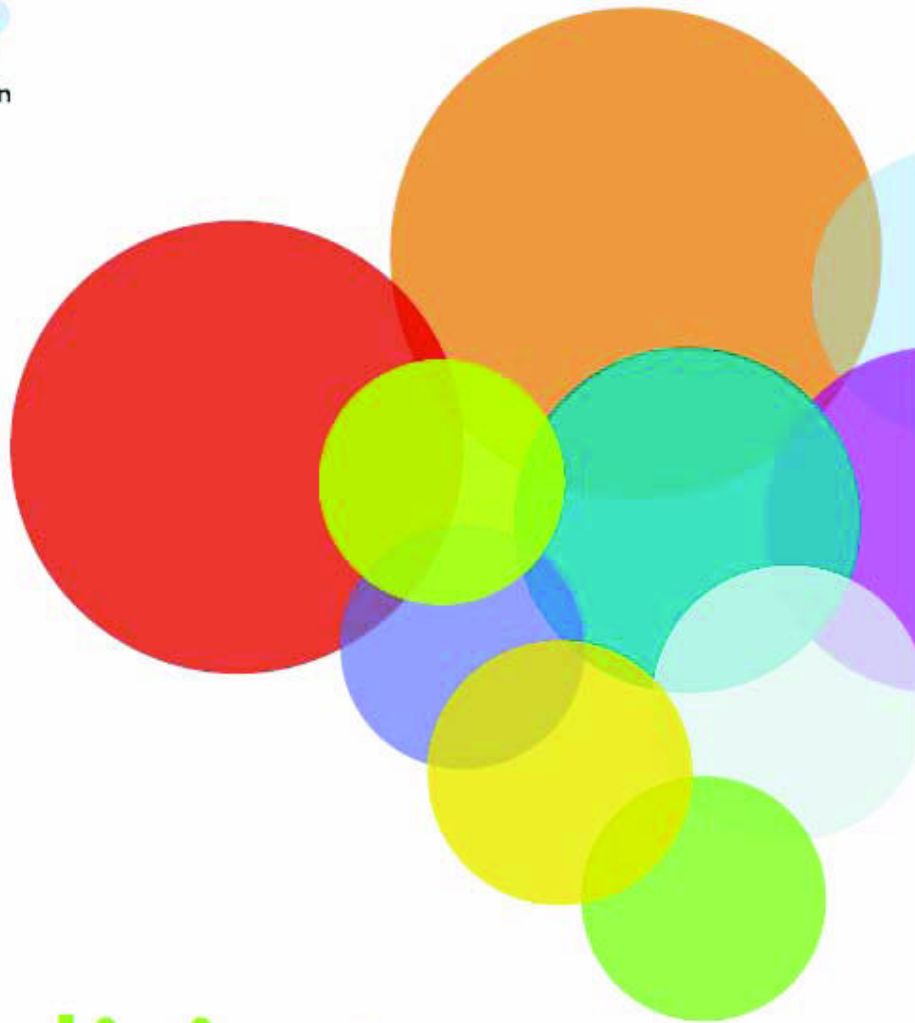
For further information please contact the author of the report

Background Papers:

None.

Annexes

- A. Realising the Potential. The Leeds City Region Local Enterprise Partnership Plan.



Realising The Potential

The Leeds City Region Local
Enterprise Partnership Plan

THE LEP PLAN: REALISING THE POTENTIAL**FOREWORD BY LEP CHAIR**

The **world has fundamentally changed**—economically and politically—and the imperative for growing the economy has become more critical than ever. Local businesses and governments alike are facing increasing competition for investment, whilst public grants and spending for supporting business and economic growth have been reduced.

However, in the Leeds City Region economy, we have all the potential to not only weather these changes but to thrive as a globally competitive city region.



Realising this potential is what the LCR LEP Board has been formed to make happen, and what the Plan that follows is all about.

Formed earlier this year, the **LCR LEP Board brings together the private and public sectors in a unique partnership** to drive economic growth in a new way of working. The Plan that follows sets out our ambitions, and the targets to which we will be working with partners across this, the largest city region economy outside London.

Far from an end in itself, the Plan is the **beginning of a conversation** with business and partners across the city region – a conversation about not only the local enterprise partnership itself, but the future of our economy in the Leeds City Region

Whilst these challenges are significant, they bring **opportunity to think differently, more efficiently and more collaboratively** than ever before—this is what the Local Enterprise Partnership is about.

If the LEP is successful, it will help businesses and the workforce in the city region to realise their full potential—and collectively, the full potential of the city region economy.

A handwritten signature in black ink, appearing to read 'Neil McLean'. The signature is written in a cursive, flowing style with a long horizontal stroke at the end.

Neil McLean
Chair, Leeds City Region Local Enterprise Partnership Board

CONTEXT

We currently face extraordinary and unprecedented economic and political change. In the wake of a recession and financial crisis, uncertainty in global markets remains and the international economy is fragile. Competition both between firms and local economies is increasing significantly.

In responding to the changing economic conditions, political landscapes too have changed fundamentally, with a shift across developed countries and the UK in particular away from a public sector-dominated debate and agenda for economic growth, to a greater role for the private sector.

Indeed, fiscal consolidation nationally has demanded a wholesale rebalancing of the economy from:

- public sector to a greater role for the private sector,
- the dominance of the Southeast to a need for greater prosperity in the rest of the country, and
- a perceived over-reliance on finance to a greater role for manufacturing in the UK economy of the future.

Finally, the increasing need to move to a low carbon economy, whilst offering opportunities for business, presents challenges of its own.

It is within this context that the Leeds City Region is now competing in a national and global marketplace for economic activity. In such an internationally integrated economy, places around the world are competing both to attract new investment and skilled workers, and to grow indigenous business and workforces that are the fundamental foundations of prosperity.

THE AMBITION

The LCR Local Enterprise Partnership's (LEP) long-term vision is for a Leeds City Region (LCR) that is '***A world-leading dynamic and sustainable low carbon economy that balances economic growth with a high quality of life for everyone.***'

OVERVIEW OF THE PLAN

To achieve this vision, the LEP has put together a 5-year strategic plan, outlining priorities, delivery mechanisms and outcomes. Whilst 'quick wins' and short term results are important, the Plan is about setting a strategy and framework for the economy and then facilitating and supporting activity consistently aligned to delivering the identified outcomes.

The LEP will take a **cross-sector, balanced approach to retaining and attracting investment and talent, building on the unique combination of economic, cultural and physical assets of the city region and working to unlock the potential** of our business base and workforce. The result will be a more flexible, adaptable and inclusive

economy, which enables and empowers businesses,¹ and individuals with the information, infrastructure and support required to capitalise on and to drive changes in markets.

In doing so, the LEP will seek to: achieve GVA growth; enhance support and develop market opportunities where the growth potential is greatest; shape these opportunities to increase job creation across the wider economy; whilst working to decrease our carbon emissions.

The LEP will work in partnership with the eleven LCR Local Authorities to ensure that we join up our approach – the LEP directing its efforts to facilitate growth, with the Local Authorities focussing on developing an environment that welcomes and supports this growth.

We will be working in **partnership** with business, universities, colleges, skills and support providers and the third sector, ensuring that partners can shape and input to the strategy and are empowered to deliver.

We will work closely with Government departments and agencies including the Department for Business Innovation and Skills (BIS), the Department for Communities and Local Government (CLG) and UK Trade and Investment (UKTI) to ensure the full potential for the city region's growth can be realised.

In doing so, the Partnership will deliver a **new approach to achieving economic growth**, moving away from what has previously been a largely public sector-funded, top-down model of supporting growth to a more cross-sector, bottom-up approach.

THE CITY REGION ECONOMY: OUR DIVERSITY IS OUR STRENGTH

With a population of over 3 million, the Leeds City Region is the largest city region in the country outside London. Producing approximately 5% of national GVA annually (at £52 billion) and over half the Yorkshire and Humber's GVA and employment, our city region is truly an economic powerhouse of the North. It is the largest employment centre both for financial and business services and manufacturing outside the capital, and has one of the largest concentrations of higher education institutions in Europe (with 8 in total, where 36% of the research is world class, and 10% is world-leading).

The **city region is a indeed leading economy in the North of England**; when comparing the skills levels² and business survival rates³ of northern city regions, the LCR stands out favourably. In addition, the City Region's employment levels have grown at the fastest rate of any city region in the North from 1998 to 2008.⁴ Within the city region boundaries, there are areas of particularly strong performance in enterprise and private sector employment growth (Bradford, recently named the most enterprising district in the region, and Leeds with its strong private sector growth in recent years) and areas of

¹ Please note that throughout this plan social enterprise is included in the definition of "the business base" and "private sector"

² Annual Population Survey 2009, NOMIS.

³ Office for National Statistics, Business Demography (2009) Enterprise Births, Deaths and Survival Rates (released 1 December 2010).

⁴ Business Register and Employment Survey 2009, NOMIS; Annual Business Inquiry 1998-2008, NOMIS.

Annex A

particularly high level skills (York being ranked fourth nationally in high level skills as a proportion of overall workforce of all cities).

The diversity of the city region's employment, business and knowledge bases makes the LCR one of the most resilient economies in the North of England.⁵ This diversity of economy is complemented by the diversity of place that the city region uniquely offers as **one of the most polycentric of its kind in the UK**.

The city region has a **distinctive mix of urban and rural areas** in close proximity with attractive open space both within and between settlements—with Leeds the largest settlement and regional city, Bradford as a regional city, and a number of predominant sub-regional cities and towns, such as Barnsley, Halifax, Harrogate, Huddersfield, Wakefield and York. The rural areas of the city region are serviced by a range of market towns and service centres.

The city region's cities, towns and service centres all link to varying degrees with the urban core of the LCR and play distinctive but complementary roles in the operation of the local economy. There is extensive evidence of the rising interdependency of settlements across the city region which is helping not only to facilitate their economic growth but also the growth and competitiveness of the city region as a whole. Enhancing the individual and complementary roles of different 'places' is therefore critical to the overall prosperity and wellbeing of the city region.

It is within this network of diverse and distinctive places that a critical mass of businesses and research expertise within distinctive sectoral communities have developed. These clusters **have fostered enterprise and innovation in particular industries**, creating the potential for international competitive advantage in the following sectors:



- **life sciences and related industries** (particularly **biosciences** and **healthcare/medical technologies**), with significant clusters of activity in the medical tech industries across the north and west of the city region, a centre of excellence in regenerative medicine centred in Leeds but extending across the wider city region and significant biosciences expertise centred in York
- **low carbon industries** (particularly **environmental technologies** and **biorenewables**), with a centre of excellence being developed around York in biorenewables; a growing supply chain of manufacturing to support a range of renewable energy technologies in and around Kirkstall and the west of the city region; and the energy industrial base in Selby and Wakefield.
- **digital technologies** (particularly in **telehealth** and **IT**), extending from the cluster of strengths in the Airedale Corridor and wider industrial base in digital and media technologies in the west of the city region, through to the hubs of digital expertise and enterprise in Leeds, Huddersfield and York.

⁵ Ekosgen (2011). Index of Economic Resilience.

In addition, the city region is home to nationally and regionally significant hubs of activity in the following industries:

- **financial and businesses services** that complements the global financial services hub of London;
- **manufacturing** across a diverse range of sub-sectors, particularly centred in Bradford, Kirklees, Leeds and Wakefield, but extending across the west and south of the city region; and
- a network of strong local clusters of activity in the **creative and cultural industries**, which provide an important source of employment and inimitable character to the city region's many distinctive places.

The city region's unique location and quality of place offer significant advantages in other sectors including a strong **tourism/leisure industry** and, owing to the LCR's location at the heart of national railway and motorway networks, an attractive location for the **logistics** industry.

In addition to this diverse range of industry, the city region is home to a diversity of business models—with a higher than average proportion of **social enterprise** and a strong and vibrant third sector that helps to underpin economic growth.

THE CHALLENGES

However, the city region economy is **not achieving its full potential**.

Although the LCR business base is the largest outside of London **the city region on the whole lags the national average and international competitors** on measures of the density, growth and quality of economic activity. Whilst skill levels and employment rates are well above the national average in some parts of the city region, there remain areas where the attainment of qualifications are below average, leading to a lack of upward mobility for some city region communities.

Despite having the largest business base outside London and some local areas of strong enterprise growth, other areas of the city region lag well behind the national average, which in turn weighs down the overall LCR average for start-up, survival and business growth rates.

Whilst these issues can limit the overall performance of the city region economy, **they are even more challenging to areas with a greater dependence on the public sector**. Recent and current reductions in public sector spending present challenges for the overall economic performance of the area, leaving a number of areas largely dependent on the strength of the private sector to preserve the resilience of the area.

Although some firms and universities in the city region have significant links with international trading partners, **the city region economy lacks the international connectivity which is commensurate with its assets, both in terms of inward investment and in terms of the trade links** of businesses in the area. Recent business survey data shows that only 8% of firms in the city region export outside the UK, and only 6% outside the EU.⁶ Further, in those areas where the city region is understood to have

⁶ Yorkshire Cities (2011). LCR Business Survey.

its greatest niche strengths (i.e. services, healthcare and medical devices), the region lags UK competitors in its share of UK trade.⁷

In addition, despite its world-class assets, the city region has **not effectively managed to attract new investment to the region** in recent years. A recent report by fDi Intelligence, part of the *Financial Times*, found that West Yorkshire ranked 15th in the country for inward investment, putting the area behind Birmingham, Manchester, Tees Valley and Newcastle. Comparatively, the city region does not have the national or international profile that it should have and that a number of competitor cities or city regions already possess.

The city region is also struggling to secure the public and private investment needed to improve the quality of some of our cities and towns, with major redevelopment schemes stalled as investors have become much more risk averse. Public sector investment in housing in Yorkshire and Humber has consistently seen the lowest allocation per capita of any region. In the three financial years from 2006 to 2009 the region received only 20% per capita of the allocation to London and only 55% of the average allocation.

On other measures of public investment, the city region also lags the national average. The north of England has consistently received a much lower level of investment in transport when compared to London. In 2005/6 Yorkshire and Humber received £190 per head of population, whereas London received £589. By 2009/10 whilst the comparative substantial differentiation remained these figures had grown with Yorkshire and Humber receiving £272, compared to £802 in London.

In addition, although our cities and towns are developing their complementary roles and interdependencies, some of them face real challenges in attracting private investment to support their regeneration. This challenge is apparent in both large and small places and some of it is a legacy of previous economic roles such as coal mining and textiles.

These challenges suggest that the city region will struggle at its current performance levels to reach the international competitiveness to which it aspires, but also highlight the ability to make substantial and beneficial changes.

THE FUTURE OF THE CITY REGION ECONOMY

With current trajectories of global competition and a reduction in central government funding to support the development of Northern economies, the **potential trajectory of economic growth in the city region is likely to be behind the national average without positive action.**

Based on Experian forecasting, the current growth trajectory shows the city region growing at an average of 2.2% per annum compared with a UK average of 2.3% over the period to 2030, suggesting that city regional GVA and productivity will continue to lag behind the UK average, and employment growth will grow at a similar rate to the UK forecast growth rate at around an average of 0.5% per annum.⁸ Such an outcome would see the gap between the region and the best performing parts of the UK continue to widen over the next twenty years.

⁷ LCR Economic Drivers and Innovation Panel (2011). LCR Growth Industries.

⁸ Experian (2011). [The Future of the Yorkshire and Humber Economy](#).

Further, without intervention, carbon emissions up to 2030 will remain roughly at the same level as they were in 2009. This outcome contrasts with national ambitions to reduce emissions by 34% by 2020.

However, should the city region effectively support a transition to a stronger private sector, the growth trajectory is forecast to increase up to an average of 2.6% GVA growth per year in the period up to 2030. This scenario not only depends on growth in the private sector, but a flourishing of new industries, including advanced manufacturing. With effective intervention, the city region is likely to see not only faster output growth but also improved employment growth, achieving an average of 0.6% annual growth rate in the period up to 2030.

Only with targeted and concerted intervention across the functional economy of the city region will this current growth trajectory be improved.

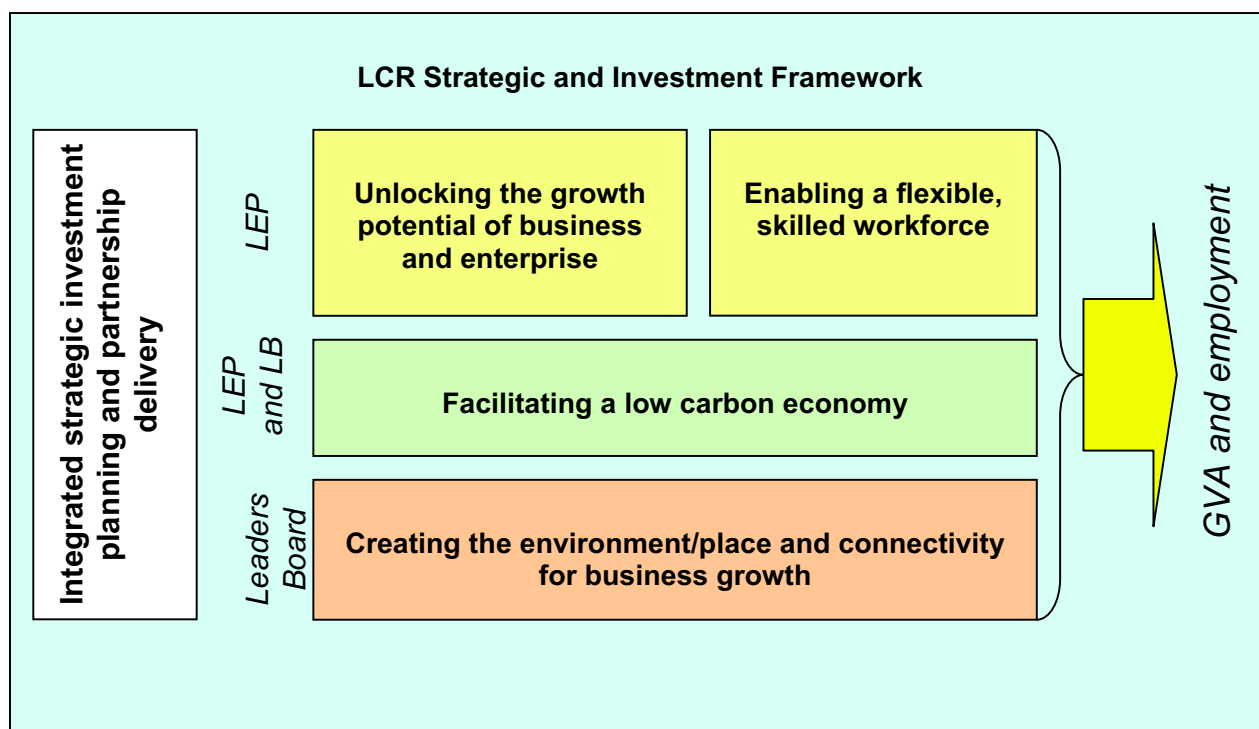
THE PLAN

The LEP will seek to achieve not only **GVA growth**, working to enhance market opportunities where the growth potential is greatest, but also an **increase in overall employment**, whilst working to facilitate a **decrease in carbon emissions**. Specifically, it will target:

- An absolute increase in GVA growth rate per annum, with the aim of achieving a minimum of 2.6% per year in the period up to 2030
- An absolute increase in employment rate in each area per annum, with the aim of returning to pre-recession employment rate for the city region by 2016, creating in the order of 60,000 jobs.
- A substantial and continued decrease in carbon emissions

As set out in this Plan, the LEP and Leaders Board together will unlock the growth potential of our economy by **providing the cross-sector leadership required and developing a framework for delivery with partners**--with the LEP directing its efforts to facilitating economic growth and the Leaders Board creating an environment that welcomes economic growth. This framework will enable partners not only to help shape the work of the LEP, but will empower them to deliver within that framework, playing their effective part in achieving the city region vision. Activity will be clearly aligned to achievement of the planned growth targets. It will also align with national priorities for sustainable economic growth and will build on local economic priorities.

The LEP's strategic priorities are simple and streamlined, and designed not to pick winners, but rather to build on the diversity of the city region economy to promote our key strengths, whilst tackling those barriers standing in the way of businesses and individuals realising their full potential.



THE PRIORITIES

Within this framework, the LEP proposes to undertake the following objectives and actions:

STRATEGIC PRIORITY 1: UNLOCKING THE GROWTH POTENTIAL OF BUSINESS AND ENTERPRISE

The LEP will work with partners and the local business community to make the LCR a great place for enterprise at all stages of the business life cycle—from start-up to growth and innovation. We will:

- Simplify and coordinate the pipeline of business support programmes/activities, including the creation of an LCR business website portal and facilitation of a “network of networks”
- Coordinate targeted support for innovative and high growth businesses, including local partnership delivery of the Business Coaching for Growth programme and a more coordinated knowledge transfer offer from the universities.
- Unlock the full potential and accelerate the development of key growth sectors, including:
 - **Life sciences and related industries**, including particularly healthcare and medical technologies
 - **Digital and creative industries**, including particularly telehealth, printable electronics and creative content
 - **Low carbon industries**, including particularly manufacturing of environmental technologies, renewable energy and green construction

Annex A

- **Advanced manufacturing**, including particularly industrial biotechnology and engineering
- **Financial and business services**, including personal finance particularly major building societies and the full range of service to business.
- Work with the private sector and other partners to support the potential of firms across all sectors to grow and adapt to changing and new markets, encouraging the private sector to provide support where possible but identifying innovative ways to fill gaps where market failures exist
- Enable business to capture a greater global market share through supporting the ability of business to export, either more widely across the UK where supply chains are national in nature or internationally where potential supply chains extend globally.
- Develop the city region offer and collective capacity for attracting indigenous and inward investment, including the development of a coordinated city region capacity for promoting the city region and responding to investor needs

STRATEGIC PRIORITY 2: ENABLING A FLEXIBLE, SKILLED WORKFORCE

The LEP will unlock the potential of the existing and future workforce of the city region economy through a demand-driven approach to providing skills and matching existing skills to job opportunities. It will do so by facilitating effective employer and public investment in skills to drive growth, innovation & enterprise in the LCR. We will:

- Improve skills and boost employment and productivity in growth sectors, working through the recently established LCR Skills Network to strengthen the link between employers' needs and skills provision
- Promote better information about growth sectors for learners, employers, colleges, universities and training providers to make more informed decisions, working with the careers sector where appropriate
- Increase employer and individual investment in skills across the city region, including campaigning to increase apprenticeships
- Enable those out of work to compete in the labour market by ensuring that they have the necessary (basic) skills, campaigning to boost employment across the city region and encouraging business to do the same
- Create an aspirational and innovative enterprise culture, using a variety of tools, including the promotion of successful role models to inspire individuals and employers to invest in enterprise and innovation

STRATEGIC PRIORITY 3: FACILITATING A LOW CARBON ECONOMY

As a private-public sector partnership, the LEP has a unique opportunity to provide united leadership on the low carbon agenda. The LEP will work with key partners to ensure that the city region can compete on a global scale in an increasingly low carbon economy – a market projected to be worth £4 trillion by 2015. We will:

- Decouple carbon emissions from economic growth within the city region, providing strong leadership and a long-term policy framework that will encourage a confident market and exploring innovative approaches to reducing energy demand

- Mitigate the impacts of unavoidable climate change, providing a resilient environment to aid investment, particularly using green infrastructure interventions, working with city region local authorities to deliver investment priorities identified in the LCR Green Infrastructure Strategy
- Identify and maximise the benefits to the city region arising from developing a low carbon economy, working to unlock the potential of city region businesses and workforce to capitalise on emerging green technologies and developing the case for an LCR-sited Green Investment Bank

STRATEGIC PRIORITY 4: CREATING THE ENVIRONMENT FOR GROWTH

The LEP will work with the Leaders Board to create the improved environment, including that required for development, and connectivity needed to realise the city region's economic growth ambitions. The Partnership will:

- Establish the **physical infrastructure to connect business and workforce to opportunities and to each other**, securing improvements to intra-city region and national/international connectivity by rail, road and air, for example, increased direct international and domestic air services, improved airport access, rail smart ticketing, the local rail growth package and in the longer term, High Speed Rail 2 investment;
- Facilitate provision of the **digital connectivity demanded by competitive businesses**, working to develop an ambitious but deliverable digital infrastructure plan for the city region and working with BDUK and telecoms providers to attract and coordinate investment accordingly
- Facilitate, through our spatial development plans, the delivery of **key investment in our cities and towns** that both directly supports business (e.g. the Enterprise Zone in the Aire Valley) and improves the overall attractiveness of the city region (e.g. the right mix of new housing and employment sites and making the most effective use of our cultural and environmental offer)
- Support the development of the **different and complementary roles** that our extensive network of cities and towns can play to support economic growth across the LCR, whilst **building on the area's significant rural assets** and capacity to attract investment on the back of a **strong tourism offer**. Some of our cities and towns are able to attract private investment, but others need help to unlock their potential. The Partnership can help develop a shared agenda for support through policies and investment to increase the chances of those cities and towns being able to attract the private investment they need.

DELIVERING THE STRATEGY: A FRAMEWORK FOR ACTION AND INVESTMENT

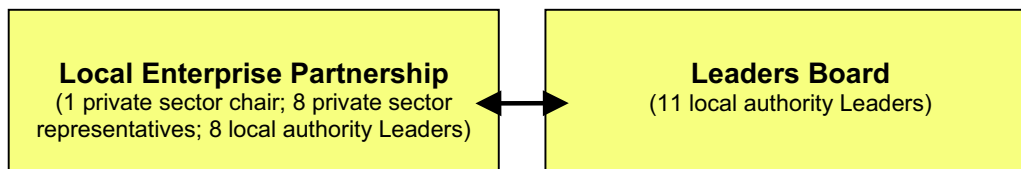
The creation of the LEP gives us the opportunity to adopt a new partnership based approach to economic growth focussed on the LEP's long term objectives of GVA increase, employment growth and low carbon reduction. As a strong cross-sector Board the LEP will deliver its strategic objectives through a variety of aligned roles including:

- facilitating better knowledge and information,
- providing leadership and direction to the coalition of partners,
- promoting the city region offer, opportunities and potential nationally and internationally,

Annex A

- coordinating a broad range of investment,
- supporting the acquisition of public sector funding where available,
- utilising any funding directly available to the LEP in the future to support and facilitate the delivery of its key objectives and strategies, and
- facilitating the delivery of projects and activities aligned to its objectives and strategies by appropriate delivery partners.

In delivering the strategy, the LCR **LEP will work alongside the Leaders Board**, which itself has been in place since 2005 (see inset below), as part of a wider Leeds City Region Partnership—with the LEP directing its efforts to facilitating a more competitive business base and workforce, and the Leaders Board focusing its activity on creating the environment to support this competitiveness.

LCR Partnership: One Cross-Sector Partnership, Two Boards

Firm Foundations. The LCR Partnership

Since its original establishment six years ago, the LCR Partnership has worked across boundaries to promote a more prosperous city region economy.

Beginning with the original [Leeds City Region Development Programme](#) and subsequently with the [Multi Area Agreement](#) and [Pilot Programme](#), the Partnership has established strong foundations and achieved real progress in providing the environment and tools for the economy to grow. The below strategies and action plans provide firm foundations for city region local authorities and the LEP to work together to achieve a common vision:

- [Employment and Skills Strategy](#)
- [Innovation Capital Programme](#)
- [Housing and Regeneration Strategy and Investment Plan](#)
- [Transport Strategy](#)
- [Green Infrastructure Strategy](#)

The LEP Plan starts the process of revisiting these strategies and action plans in response to the new economic realities that have followed from the banking crisis in 2008. Further work will need to be done collectively by the LEP and the Leaders Board to ensure the priorities in these strategies continue to provide an environment conducive to growth. Until this further work is complete, these strategies remain relevant for the detailed analysis and firm basis they provide for the Partnership going forward.

Working with Leaders Board and partners to create an **integrated and aligned strategic approach to unlocking the growth potential of the city region** whilst providing the distinctive sense of place, connectivity and quality of life that is commensurate with these ambitions.

A single delivery and investment framework will be produced that empowers partners to work across sectors and spatial boundaries to achieve the vision.

Partnership delivery will be critical to achieving the city region's ambitions. In reviewing the Partnership's economic and spatial priorities, the LEP and Leaders Board will agree an integrated strategic and investment framework to align the efforts and investment of partners, thereby maximising the impact of activity that will achieve the biggest return on our investment.

BUSINESS CASE

The wider LCR Partnership will deliver a **business case** in Autumn 2011 which will set out to Government the tools we require—i.e. those freedoms and flexibilities we need from Government departments and the commitment needed from local partners to deliver our ambitions.

NEXT STEPS

Taking forward the LEP Plan will require concerted, meaningful actions, including the following critical next steps:

- The LEP will continue the dialogue with business and partners that commences with the LCR LEP Summit on the 9th September, extending a conversation with partners about the LEP's strategic priorities and specifically how we can effectively work together to deliver these priorities
- The LEP and Leaders Board together will revisit existing LCR Strategies, that were prepared before the recession to consider the implications for them of the new economic realities
- Following these, we will create a single integrated strategy, investment plan with a business case for Government outlining the tools we require to deliver successfully.

These activities will lead to the creation of a single LCR integrated strategic delivery and investment framework

WHAT'S ALREADY BEEN ACHIEVED

- £16m of RGF funding attracted in Round 1
- Support and/or endorsement of 40 projects for RGF Round 2, which if awarded have the potential to create over 20,000 jobs and leverage up to £500m of additional investment
- Securing of an Enterprise Zone, worth up to £528m and over 9,000 jobs to the LCR
- Over £263K of capacity and start-up funding secured
- A robust network for skills providers in place
- By building the economic business case and targeted lobbying activity with Core Cities, played a major role in the national campaign to deliver High Speed Rail to the North, as soon as possible.

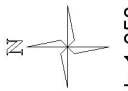
WHAT TO EXPECT...BY 2012

- A partnership between UKTI Investment Service and the LEP in promoting and attracting inward investment to the city region economy
- A clear coordinated offer for supporting incoming and existing investors
- A web portal and streamlined signposting to business support, sector networks and related services
- A *Skills Partnership Agreement* in place between the LEP and the LCR Skills Network of FE and HE institutions, skills and work programme providers.
- Sector initiatives to encourage more involvement of businesses in shaping skills provision and promoting career prospects for their industry
- Business-to-business campaign to increase the number of apprenticeships, provide opportunities to unemployed people and invest in the skills of the workforce.
- Established links with 14-19 education to promote awareness of economic opportunity to young people.
- Lobby for a devolved, joined-up *Community Budget* approach to reducing worklessness and deprivation, including high levels of youth unemployment

- The establishment of a Green Economy Panel, bringing in specialist support to advise the LEP Board on the low carbon transition
- A bid to Government for the location of the Green Investment Bank in the city region
- An analysis of the economic challenges and opportunities of the transition to low carbon within the LCR
- A delivery plan for 'Fresh Aire', one of the city region's investment priorities for green infrastructure
- An interim broadband plan as part of a wider approach to infrastructure
- An integrated strategic and investment framework for the LCR Partnership with refreshed transport, housing, regeneration and planning priorities
- A business case for our key asks/investment needs of Government and partners
- Early engagement of over 700 businesses and partners in the LEP's work through delivery of a major summit'

WHAT TO EXPECT...BY 2016

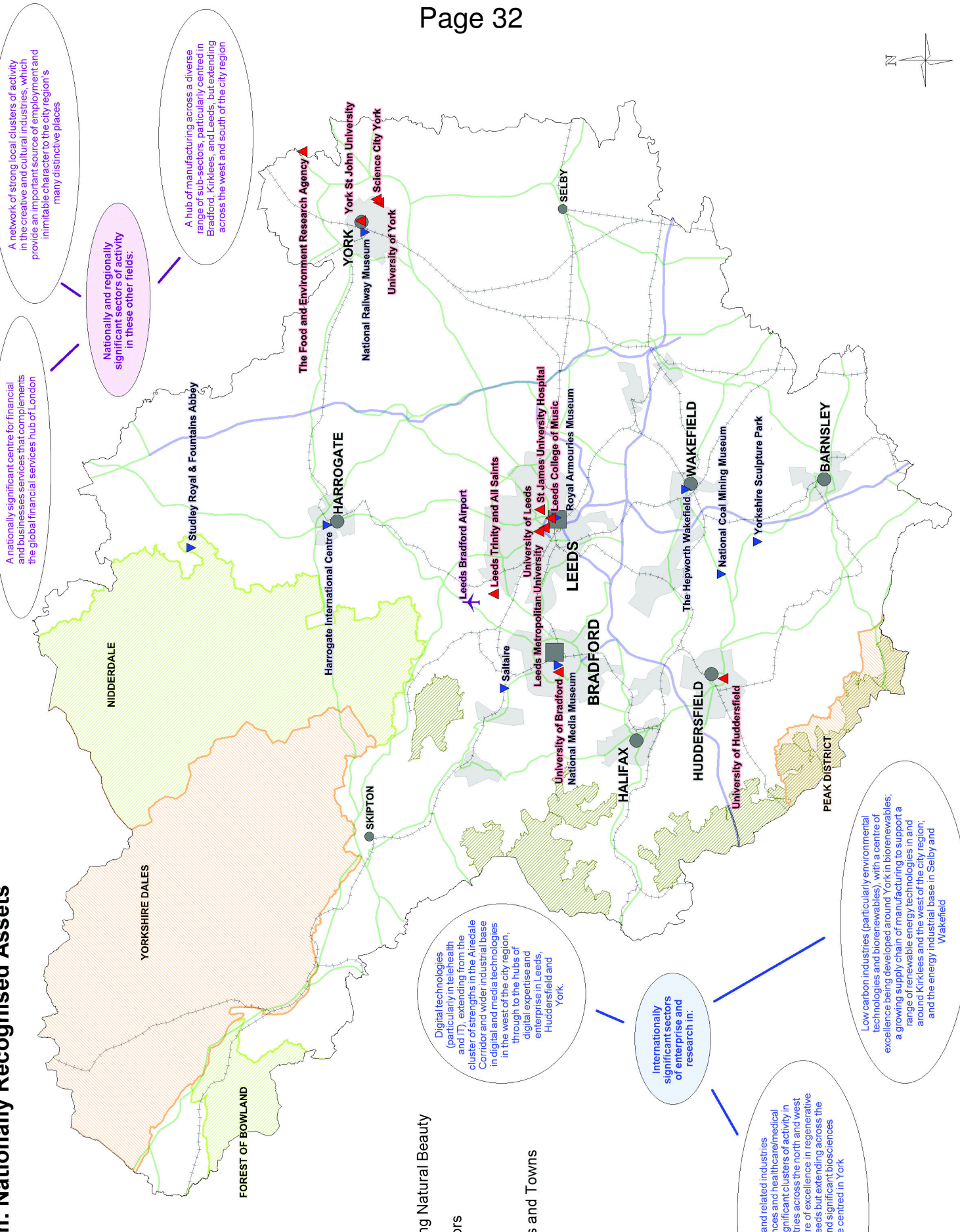
- Local delivery of Business Coaching for Growth, a new Government programme for supporting potential high growth business (in partnership with selected contractor)
- A proactive sales capacity in the city region to generate investment leads
- Effective alignment of skills provision and guidance for young people to meet the current and future needs of LCR employers, particularly in key growth sectors.
- Reduction in unemployment arising from strong community and business partnerships to prepare local unemployment people with the skills and attitudes needed by local employers to take up new jobs growth.
- Increase in the number of employers offering apprenticeships from 11% to over 20%.
- A formal LEP role in commissioning and endorsing government investment in LCR skills priorities supported by dedicated resources for the identification of employer skill needs.
- Secure a *LCR Skills Investment Fund* to foster innovation and course development in response to the emerging skills needs of businesses in key growth sectors.
- A Green Investment Bank in the Leeds City Region
- An investment programme to be delivered with funding generated by the LCR Enterprise Zone
- Completed development of the lower Aire Valley Enterprise zone
- Delivered support to facilitate development in the other 'candidate' enterprise zones across the city region



Leeds City Region: Nationally Recognised Assets



- Key**
- ▲ Innovation Assets
 - ▼ Cultural Assets
 - Environmental Assets
 - National Parks
 - Areas of Outstanding Natural Beauty
 - South Pennine Moors
 - Places
 - Regional Cities
 - Sub Regional Cities and Towns
 - Principal Towns
 - Communications
 - ✈ Airports
 - Motorways
 - Primary Roads
 - Railways
 - Urban Areas



A nationally significant centre for financial and business services that complements the global financial services hub of London

Nationally and regionally significant sectors of activity in these other fields:

A hub of manufacturing across a diverse range of sub-sectors, particularly centred in Bradford, Kirkstall, and Leeds, but extending across the west and south of the city region

Digital technologies (particularly in telehealth and IT), extending from the cluster of strengths in the Alredale Corridor and wider industrial base in digital and media technologies in the west of the city region, through to the hubs of digital expertise and enterprise in Leeds, Huddersfield and York.

Internationally significant sectors of enterprise and research in:

Life sciences and related industries (particularly biosciences and healthcare/medical technologies), with significant clusters of activity in the medical tech industries across the north and west of the city region, a centre of excellence in regenerative medicine centred in Leeds but extending across the wider city region and significant biosciences expertise centred in York

Low carbon industries (particularly environmental technologies and renewables), with a centre of excellence being developed around York in renewables; a growing supply chain of manufacturing to support a range of renewable energy technologies in and around Kirkstall and the west of the city region, and the energy industrial base in Selby and Wakefield



Economic and City Development Overview and Scrutiny Committee 27th September 2011

Report of the Director of City Strategy

2011/12 Finance and Performance Monitor 1 Report

Summary

1. This report provides details of the 2011/12 forecast outturn position for both finance and performance in City Strategy and Housing Services.

Analysis

Finance – forecast outturn overview General Fund

2. The current outturn position within the City Strategy Directorate is a projected overspend of £+326k on a total net budget of £9,318k. A further saving of £-495k relating to a review of facilities management is unlikely to be achieved in 2011/12. The Housing General Fund has a budget of £1,128k and is expected to overspend by £+394k. Service Plan Variations by service plan are shown below:

	Net Budget £'000	Projected Outturn £'000	Variance £'000
City Strategy Directorate			
Strategic Planning & Transport	5,298	4,841	-457
Planning & Sustainable Development	1,566	1,898	+322
Director's Group	36	36	0
Economic Development	2,286	2,251	-35
Property	584	640	+56
Service Review	-452	-72	+380
Total	9,318	9,594	+276
FM review	-495	0	+495

Housing Services			
Housing General Fund	1,128	1,522	+394

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

3. Details of the main variations by service plan are detailed in the following paragraphs.

Strategic Planning and Transport (£-457k)

4. Car Parking income is forecast to be £-155k above budget which is made up of £-148k short stay, £-4k standard stay, £+5k on-street and £-8k surplus on Respark and season tickets.
5. There is an underspend of £-45k on employee costs within School Crossing Patrols where a number of posts were unfilled in the first part of the year, and a further £-42k from a vacancies in drainage.
6. There is expected to be £-200k saving in concessionary fares and £-15k saving in public transport.

Planning and Sustainable Development (£+332k)

7. The economic downturn has continued to have a significant impact income within the Planning Service. The planning income projected shortfall is £+150k due to low numbers of major scheme applications. Income from building control is projected to be a further £+250k below budget but offset by £-78k staff savings. Income from local searches is expected to be £+48k below budget due to low activity in the housing market, also offset by £-38k staff savings.

Director's Group (£ nil)

8. Expenditure is expected to be contained within budget across the Director's group.

Economic Development (£-35k)

9. There is a savings of £-15k from a vacancy and £-20k additional income from Newgate and speciality markets.

Property Services (£+56k)

10. There is an additional £+56k staff cost in relation to the facilities management review. Elsewhere the service is currently anticipated to outturn on budget.
11. Directorate Service Review (£+380k)
12. The directorate had an overall savings target of £814k. It has not been possible to deliver the full year savings due to the time required to implement and also one off redundancy costs have led to a projected overspend of £380k in 2010/11. The full year savings are anticipated to be made in 2011/12.

Facilities Management Review (£+495k)

13. There is a corporate savings target from Facilities Management across all council buildings of £495k. This is a significant exercise and will take time to develop and implement with no anticipated savings in the current financial year. Officers are looking at proposals to achieve savings resulting from reduced occupation of office accommodation to mitigate the overspend.

Remedial Action

14. The Departmental Management Team have asked managers to review expenditure budgets and consider what actions can be undertaken to bring the budget back into a balanced position.

Housing Services (£+394k)

15. The review of the Housing Services General Fund budgets indicates that the service will be £+394k over budget. This is due to a forecast overspend on building maintenance of £120k compared to a budgeted surplus of £180k and £+94k overspend on repairs and maintenance at travellers sites.

Finance Housing Revenue Account (HRA) - Non General Fund account

16. The working balance budget on the HRA is £9,543k and this first review indicates a net underspend of £-82k, leaving a projected working balance of £9,625k. The variances include:

- Overspends totalling £+90k, the main area being a higher than forecast void level within the council housing stock.
- Underspends totalling £-172k, mainly due to a reduction in the negative subsidy payment due to a higher than forecast interest rate. There is also increased income from leaseholders and shops.

Performance – Monitor 1 Overview

Transport

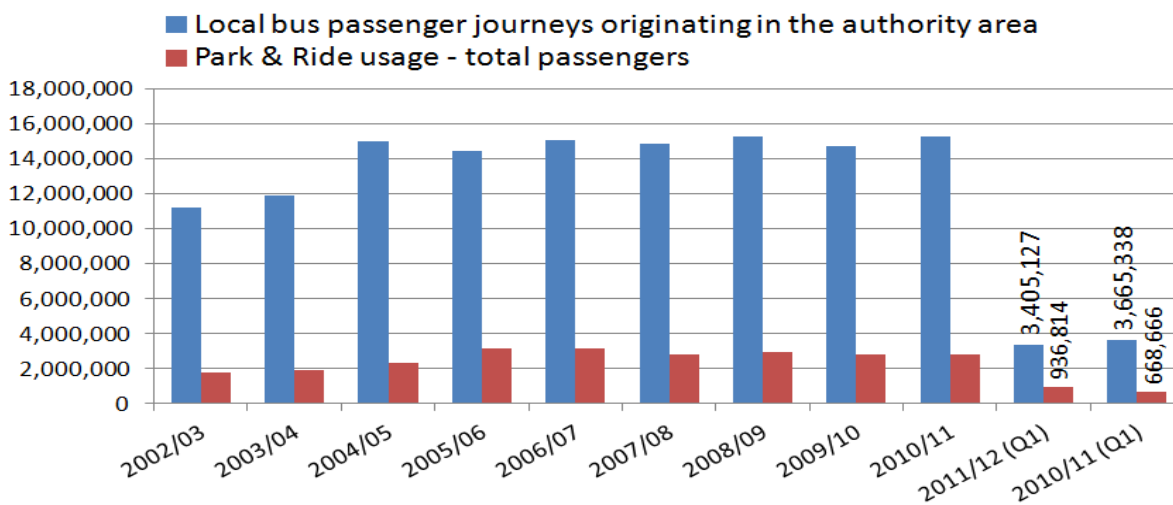
17. Bus passenger journeys usage has decreased by 7% compared to the same period last year, (3,405,127 compared to 3,665,338).

Conversely, the number of people using Park & Ride buses increased by 40% in Q1 compared to the same period last year. This is partly down to a change in the way data is collected and calculated, as First York now include the usage of smartcards which will affect comparisons with previous years.

Park & Ride data for Q1

April 2011	May 2011	June 2011	End of Qtr total
313,762	313,228	309,824	936,814
April 2010	May 2010	June 2010	End of Qtr total
225,535	224,155	218,976	668,666

Bus travel in York



18. The 2010-11 figures for bus punctuality and waiting times have recently been published and performance has improved (see table below). Last year's figures were produced using GPS tracking through ACIS 'Operator Reports', instead of the manual surveys used in previous years. Despite this improvement, York is still in the bottom quartile for comparative performance, but the 'Yournextbus' initiative, and provision of SMS texts and real time bus information to mobile phone users will help support local residents.

	2008/09	2009/10	2010/11
% bus services running on time	63.3%	67.7%	74%
Average waiting time for buses	1min 32 secs	1min 58 secs	1 min 22 secs

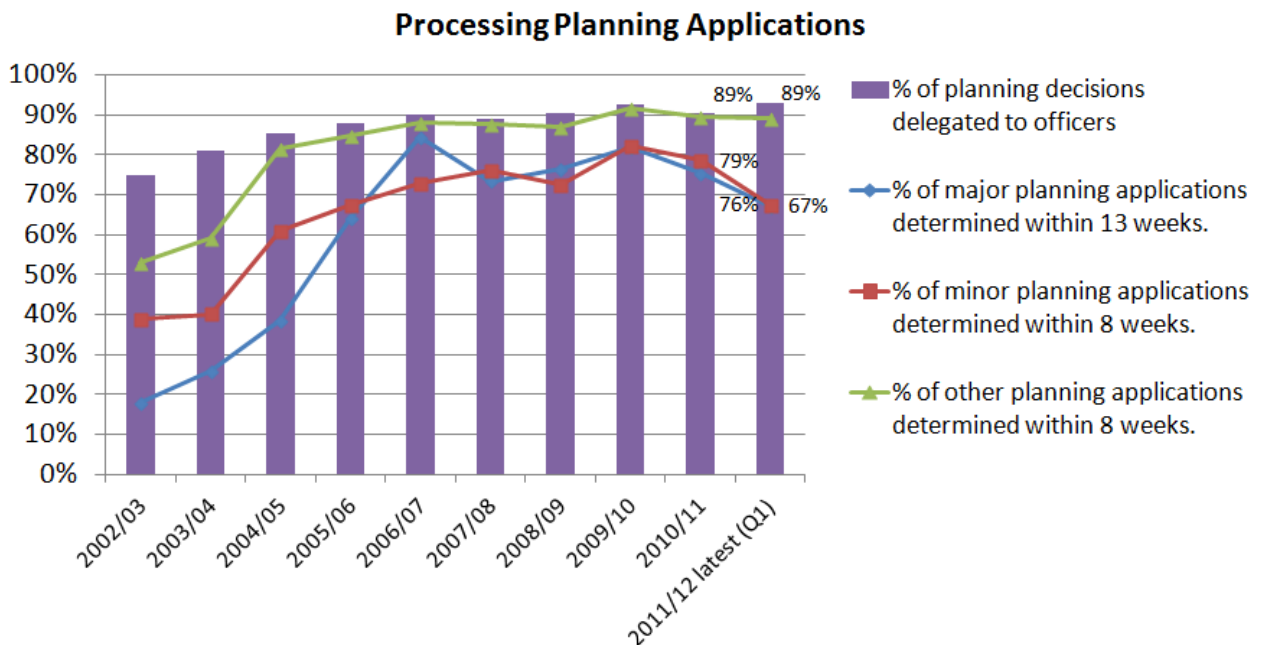
	Apr – Jul 2009	Apr-Jul 2010	% change
Askham Bar	173,898	181,510	+4.4%
Grimston Bar	155,723	145,510	-6.6%
Rawcliffe Bar	243,061	215,303	-11.4%
Designer Outlet	193,163	196,659	+1.8%
Monks Cross	166,733	171,669	+3.0%

Planning and Sustainable Development

19. The number of major and minor planning applications processed within the required timescales has reduced in Q1 (-9% and -12% respectively). Last year, the decline in performance was due to an increase in the number of planning applications received - in particular, a much higher number of major applications (49 in total). However, in Q1 the planning service only received 6 applications. A number of the major applications were out of time due to Committee deferral or pending completion of Section 106 legal agreements by applicants (e.g. Terry's site). The smaller number of major

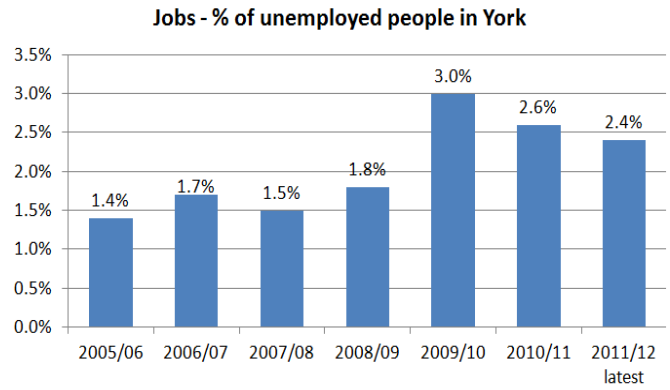
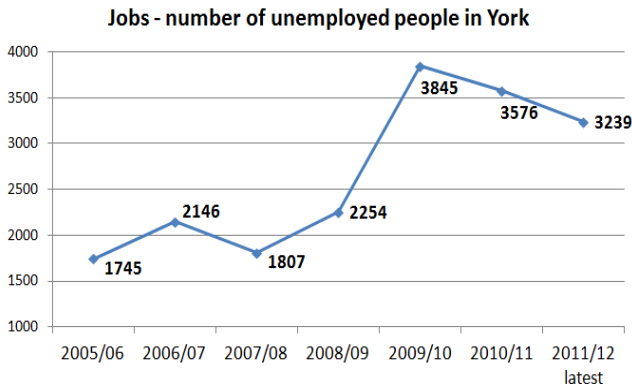
applications means that the impact of one or two going over the 13 week determination period is much greater. Restructuring and process change, including staffing reductions, has also resulted in greater pressure and less capacity to resolve cases within the time targets.

20. The number of applications received this year appears to be rising, with June and July seeing highest number of applications submitted since July 2008. Work to streamline existing working practices (e.g. through introduction of increased electronic working, optimising use of the Contact centre and changes to the planning pages on the website) is continuing and will allow more time to focus on dealing with cases.



Economic Development

21. The % of unemployed people in York is currently around 2.4%, well below levels experienced regionally and nationally (2.7% below the regional and 1.6% below the national average). The latest figures available show that around 606 less people unemployed since 2009-10, which bucks the rising trends elsewhere across the UK.



32. The number of people claiming Job Seekers Allowance in York could be seen as a more accurate indicator for unemployment, which increased slightly in July to 3334 (2.5% of the working age population) - an increase of 95 from the previous month and the first increase since February 2011. York's rate continues to be well below the Yorkshire and Humber regional and the UK average. Usual seasonal issues have influenced the increase from last month, when this time of year sees an increase in the number of College/School/University leavers who enter on to the claimant count register. This is also made worse by the fact that this age group is the most affected by the recent economic conditions. York however, has the second lowest rate of JSA claimants in the region for this age group.

People claiming Job Seekers Allowance (JSA)				
Date	York (No.)	York %	Y&H %	GB %
Feb-11	3,660	2.7	4.4	3.8
Mar-11	3,576	2.6	4.4	3.8
Apr-11	3,442	2.5	4.4	3.7
May-11	3,323	2.5	4.4	3.7
Jun-11	3,239	2.4	4.3	3.7
Jul-11	3,334	2.4	4.4	3.8

33. York's low unemployment could be due to the city having a fairly highly skilled workforce and becoming less deprived in comparison to other local Authorities (based on recently published IMD data).

York is currently 5th best in the Centre for Cities leagues table of 64 authorities for residents with Level 4 or above qualifications. However, York has a high percentage of people employed in the public sector compared to regional and national rates. We also have a lower business start up rate than other areas in the region and over the past few years, York has seen a 50% increase in number of children living in workless households.

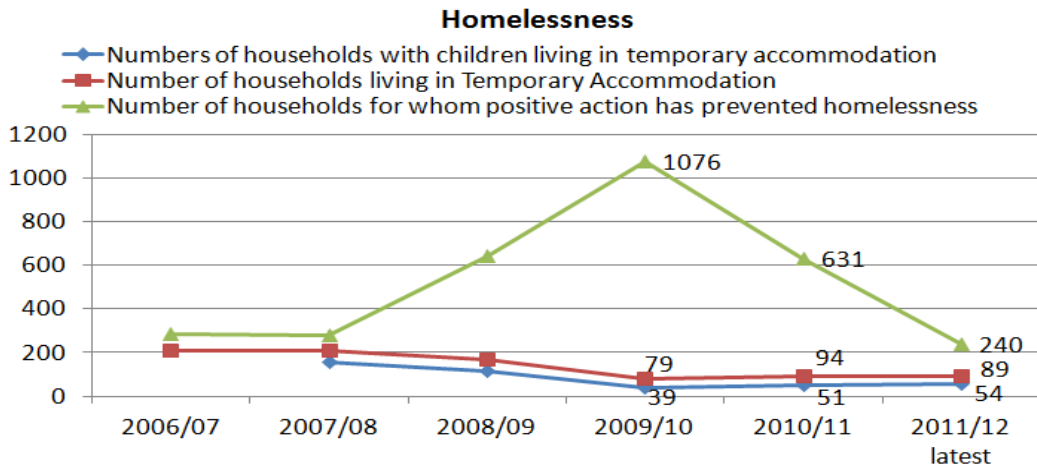
34. A number of factors and initiatives have influenced York's encouraging rates, and further work is underway to ensure this continues. One City is an initiative, which sees City of York Council taking measures to help residents and businesses through the recession. The main aim is to help individuals limit debt, and to support business growth and minimise job losses. Work currently taking place includes:
- advice and information to sign-post businesses to sources of support.
 - an external strategic assessment of the city's economic outlook and its ability to recover from the recession.
 - an enterprise fund/allowance scheme is offered on a match-funding basis. To date 20 businesses have been supported through the fund. The businesses supported so far range from mobile catering to computing companies.
 - the Business Forum working with 126 businesses to ensure that their needs are centrally involved in shaping the city's economic development policy; fostering opportunities for continuing commercial success and future growth opportunities.

Director's Group

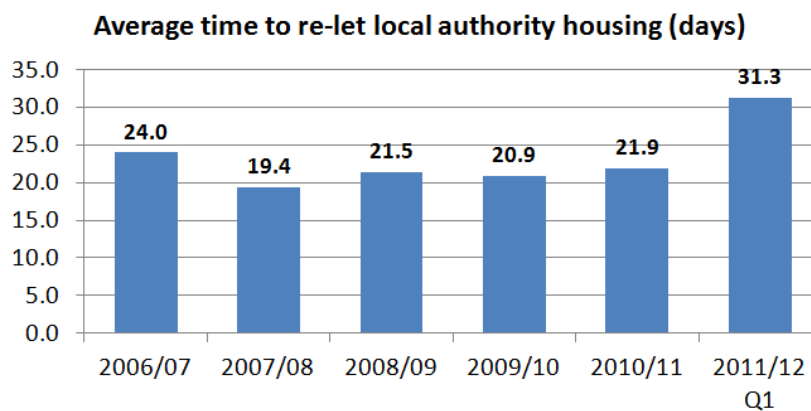
35. This service plan area holds the cross cutting performance information for the directorate of City Strategy; for example, indicators relating to Health and Safety, Human Resources, Customer First and Finance. Resource and Business Management is not responsible for any National Performance Indicators.

Housing

36. Number of households living in Temporary Accommodation has reduced to 89, after the slight increase experienced last year. Quarter 1 has been very busy for the Homelessness service and although the numbers have decreased, the number of families who have dependent children has risen slightly.



37. The average time taken to re-let local authority owned houses has been increasing month on month since December 2010. An increase in the number of voids in this period, coinciding with reduction in resources (repairs operatives), has affected void works and re-let times. CANS now have an action plan in place to address this, including planning and communication improvements between Housing managers and building maintenance to help adjust resourcing on void work and to streamline the inspection processes.



Corporate Priorities

38. The information included in this report demonstrates progress on achieving the Council's corporate strategy (2009-12) and the priorities set out in it.

Implications

39. There are no financial, human resources, equalities, legal, crime & disorder, information technology, property or other implications associated with this report.

Risk Management

40. The report provides Members with updates on finance and service performance and therefore there are no significant risks in the content of the report.

Recommendations

41. As this report is for information only, there are no recommendations.

Reason: To update the scrutiny committee of the latest finance and performance position.

Contact Details

Authors:

Patrick Looker
City Strategy Finance Manager
(01904) 551633

Chief Officers responsible for the report:

Bill Woolley
Director of City Strategy
(01904) 551330

Specialist Implications Officer(s) None

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

✓

Background Working Papers

First Performance and Financial Monitor for 2011/12 , Cabinet 6th Sept 2011

Annexes

None

Councillor Dave Merrett
Labour Cabinet Member for City Strategy

**Report to Economic & City
Development Overview & Scrutiny
Committee (ECDOSC) – September 2011**

I have written this report taking into account the remit of ECDOSC. I am happy to answer any questions on this report or any questions relevant to areas in my portfolio that fall within the remit of this Committee.

Getting York Moving

This is a key policy objective for this administration. The challenge is enormous, with major congestion and air quality issues facing the City. The three main focuses are on extending Park & Ride, transforming local bus services, and seeking to persuade people to switch to walking, cycling and public transport for more of their journeys so as to reduce traffic and congestion.

On the first, the Access York phase 1 bid to develop new Park & Ride sites, and associated highway and bus priorities was completed and submitted on schedule. The final bid was for two, rather than three sites in the light of the Government's and Transport Minister's (who we met to discuss this) guidance and advice to bidder's to reduce the scope and costs of the initial bids. We will look to see how we can deliver the third site separately in due course.

In terms of improving public transport, I have met a number of operators individually and outlined our vision for an integrated high quality local bus service to the existing Quality Bus partnership. Officers have been undertaking the necessary back ground work and having more detailed discussions with operators in terms of taking this forward over the next few years. Good progress is being made on an initial simple cross York multi-operator ticket. Short term there have been some challenges arising from the inherited budget cuts and social bus network support tenders, which I'd pay tribute to Andrew Bradley and bus operators in seeking to resolve. However there are some issues which need further work and change which will be brought back to my next but one decision session. One issue is the absence of any public consultation process on proposed bus changes and for customer feedback. Absence of consultation was raised at a recent QPB meeting and I gained a positive response from operators.

In terms of the third area, York did extremely well to get its full LSDF bid for £4.67 million for the next three and a half years, one of only two former cycling cities to get an award, and one of the few to get the full amount. The minister was extremely congratulatory, and specifically recognised York's pre-eminent efforts in this area under successive administrations and cross party commitment. The success of the bid, supplemented by the Labour commitment to rolling out complementary 20mph schemes in residential areas should give us a real opportunity to enhance the attractiveness and undertake the necessary marketing to persuade more residents to switch to walking, cycling and public transport for more of their journeys.

Ambitious about Jobs & the Economy & Protecting the Environment

The Local Development framework is the cornerstone of delivering development for the cities economy, housing for its residents both present and future, community facilities and green space to provide a good quality of life, and policies to ensure York's glorious built and green heritages and the setting of the City are all protected and enhanced. Getting the LDF in place is now even more pressing and crucial with the Government's massive proposed changes to the national Planning system and guidance, and the proposed default position of approving all new sustainable development in the absence of an up to date local plan. York is incredibly vulnerable if this guidance is implemented as of next April and no provision is made for a transitional period to allow us to go through the adoption process and get a plan in place. That was why Labour was right to quickly sort out the wholly inadequate housing allowances in the previous administration's draft LDF, leave aside the moral imperative of doing more to address the severe housing affordability problem.

Discussions are going on with developers in terms of bringing both new employment and housing sites to make the plans a reality, and reflecting the significantly less demanding S106 housing requirement policy now in place.

City Centre

Linked to both the above objectives, and the re-invigorate York agenda the Council Leader flagged in his report to you, is the progress being made on developing the City Centre Action Plan for the LDF. The City Centre Conservation Area appraisal has been published for consultation and responses are now being examined, and the City centre Access

study will be published shortly too. Work with Sir Ron Cooke in terms of developing a new public realm strategy is underway as is work on honouring our commitments to extending the footstreet area and hours.

Air Quality

I have had meetings with air quality team and they are working hard on revising the draft low emission strategy and identifying the measures that will turn the tide of deteriorating air quality and set us on course to eliminate the poor air quality hotspots both in and around the city centre, but increasingly in suburban locations too. An integrated approach with the transport work will be essential, and with operators of the heavier polluting vehicle fleets.

Tackling Climate Change

The Without Walls strategy on climate change which we have been helping them to develop is about to be published. My colleague, Tracy Simpson-Laing is taking forward the new solar PV schemes for a significant number of Council house properties, and a matching initiative has now been launched for private householders in 4 wards, and landlord properties are also being looked at - I discussed taking this forward with the York Private Landlord Association chair recently. Other opportunities on Council buildings are being examined.

I'm pleased to be taking forward so many exciting initiatives and helping this administration deliver Labour's manifesto promises to take York forward,

Dave Merrett

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**SCRUTINY TOPIC ASSESSMENT FORM FOR COUNCILLORS
'ONE PAGE STRATEGY'**

What is the broad topic area?

**Reducing the Carbon Footprint in the Privately Rented Sector
(Heslington, Hull Road & Fishergate Wards)**

What is the specific topic area?

i.e. what should be included & excluded from the topic? what are the driver behind the topic?

Ambitions for the review:

i.e. what is the review trying to achieve & why e.g. financial / efficiency savings and/or performance improvements? what will be different as a result of the review?

(For completion by the relevant Overview & Scrutiny Committee)

Does it have a potential impact on one or more sections of the population?

Yes No

Is it a corporate priority or concern to the council's partners?

Yes No

Will the review add value? and lead to effective outcomes?

Yes No

Will the review duplicate other work?

Yes No

Is it timely, and do we have the resources?

Yes No

If the answer is 'Yes' to all of the above questions, then the Committee may decide to proceed with the review. To decide how best to carry

out the review, the Committee will need to agree the following:

1) Who and how shall we consult?

i.e. who do we need to consult and why? is there already any feedback from customers and/or other consultation groups that we need to take account of?

2) Do we need any experts/specialists? (internal/external)

i.e. is the review dependent on specific teams, departments or external bodies? What impact will the review have on the work of any of these?

3) What other help do we need? E.g. training/development/resources

i.e. does this review relate to any other ongoing projects or depend on them for anything?

what information do we need and who will provide it? what do we need to undertake this review e.g. specific resources, events, meetings etc?

4) How long should it take?

i.e. does the timings of completion of the review need to coincide with any other ongoing or planned work

Economic & City Development Overview & Scrutiny Committee

Tue 27 Sept 2011

Item 7 – Reducing the Carbon Footprint in Privately Rented Accommodation (Heslington, Hull Rd. And Fishergate wards)

What is a Carbon Footprint ?

Total amount of CO2 emissions which result directly and indirectly from the individual use of goods and services. It is measured in tonnes of CO2 per person per year.

The average UK resident has a carbon footprint of 12.12 t of CO2

The carbon footprint of the average York resident is 12.58 tonnes per year

From The Carbon Footprint of York report by SEI 2009

- Households in Dringhouses Central in the ward of Dringhouses and Woodthorpe on average have the highest carbon footprint in York followed by Bishophill (Micklegate), Heworth Without (Heworth Without) , Wheldrake North East (Wheldrake) and Bishopthorpe North (Bishopthorpe).
- Households in Heslington on average have the lowest carbon footprint in York followed by Clifton North West (Clifton), Tang Hall (Hull Road), Westfield North West and Westfield Central (Westfield)
- Neighbourhoods with the highest carbon footprint tend to be in the city centre or in rural and commuter areas.
- Neighbourhoods with the lowest carbon footprint tend to the poorer areas of the city or those areas with a high concentration of students.
- Housing and Transport make up 60% of York's carbon footprint.
- Hull Road South East (Hull Road), Osbaldwick Rural and Osbaldwick (Osbaldwick) have the highest housing footprint.
- Fulford (Fulford), Heslington (Heslington) and Wheldrake Rural (Wheldrake) have the lowest housing footprint.

- ❑ Households in Osbaldwick, Osbaldwick Rural (Osbaldwick), Stockton on the Forest (Strensall), Heworth (Heworth) and the Hull Road (Hull Road) use more energy than other households in York.
- ❑ Households in Dringhouses Central (Dringhouses and Woodthorpe) have the highest transport carbon footprint.
- ❑ Residents in the neighbourhoods of York not only have diverse carbon footprints but also different attitudes to green issues.
- ❑ By scoring attitudes on a scale of one to ten it possible to provide each neighbourhood with an overall numerical value that reflects the level of 'greenness'. A score close to ten indicates strong greenness and close to one, weak greenness.
- ❑ Households in the Groves (Guildhall), Clifton Hospital Area (Clifton), Heslington (Heslington), Nicholas Fields (Hull Road) and Fishergate West (Fishergate) have a strong level of green attitudes
- ❑ Households in Westfield Central (Westfield), Clifton North West (Clifton), Westfield North West, Westfield East (Westfield) and Tang Hall (Hull Road) have a weak level of green attitudes.
- ❑ There is a tendency for those neighbourhoods which have a strong level of green attitudes to also have large carbon footprint.
- ❑ Heslington (Heslington) is the only neighbourhood which has both a strong level of green attitudes and a low carbon footprint.
- ❑ Households which have the highest potential for behavioural change are those which have a large carbon footprint, strong level of green attitudes and local infrastructure that makes green actions easy.
- ❑ The study recommended a targeted campaign should be conducted to encourage those neighbourhoods which have the highest potential for behavioural change to adopt greener lifestyles – to provide an effective way to achieve a reduction in overall household CO₂ emission in York.
- ❑ The York Green Neighbourhood Challenge tested this approach..

Success – reduction of carbon footprints by 11.5%

Now rolled out to Fulford area and hopefully Copmanthorpe with Ward Committee support.

Economic & City Development Overview & Scrutiny Committee Work Plan 2011/2012

Meeting Date	Work Programme
27 th Sept 2011	<ol style="list-style-type: none"> 1. Update on Local Enterprise Partnerships (LEPS) and a presentation from the Chief Operating Officer of the York and North Yorkshire LEP 2. Quarterly Financial & Performance Monitoring Reports 3. Report from the Cabinet Member for City Strategy on the year ahead 4. Presentation on Proposed Scrutiny Topic: Reducing the Carbon Footprint in the Privately Rented Sector (e.g. Heslington, Hull Road & Fishergate) 5. Workplan
13 th Dec 2011	<ol style="list-style-type: none"> 1. Quarterly Financial & Performance Monitoring Reports 2. Update on the implementation of recommendations arising from the Water End Councillor Call for Action 3. Workplan
24 Jan 2012	<ol style="list-style-type: none"> 1. Report from the Cabinet Member for Health, Housing & Adult Social Services) (Housing aspect of the portfolio) 2. Update on the implementation of recommendations arising from the Newgate market Scrutiny Review 3. Six Monthly Update Report on Major Developments within the City of York Council 4. Six Monthly Update Report on Major Transport Initiatives & Issues Arising from them 5. Workplan
13 March 2012	<ol style="list-style-type: none"> 1. Quarterly Financial & Performance Monitoring Reports 2. Workplan

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