

Economy and Place Scrutiny Committee

4 October 2017

Report of the Corporate Director of Economy and Place.

2017/18 Finance & Performance Monitor 1 Report

Summary

1. This report provides details of the 2017/18 forecast outturn position for both finance and performance across services within the Economy and Place Directorate. The paper incorporates data to July 2017 as reported to Executive on 31st August 2017.

Analysis

Finance

2. A summary of the services within Economy and Place is shown below:

	Budget £'000	Forecast Outturn £'000	Variance £'000
Economy and Place			
Transport	6,433	6,666	+233
Fleet	-248	-231	+17
Highways	3,073	3,079	+6
Parking Operations	1,190	1,263	+73
Parking Income	-6,932	-6,982	-50
Waste	9,370	9,267	-103
Public Realm	2,510	2,684	+174
Emergency Planning	108	108	0
Development Management	-238	2	+240
Forward Planning	571	571	0
Building Control & Land Charges	-407	-417	-10
Environmental Management	484	474	-10
Environmental Health & Licensing	627	627	0
Asset and Property Management	-2,449	-2,564	-115
Economic Development	884	814	-70
Management and Support	798	808	+10
TOTAL	15,774	16,169	+395

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

3. A net overspend of £395k is forecast primarily due to shortfalls in income from planning and Automatic Number Plate Recognition (ANPR) enforcement.
4. Parking income for the first three months is 8.4% higher than 2016/17, but this is primarily due to the timing of Easter, and early forecasting suggests a £50k overachievement of income. This is offset by a forecast shortfall in Penalty Charge Notice (PCN) income (£29k), backdated car park electricity costs of £21k and other additional operational costs (£23k).
5. There is a forecast underspend across waste services of £103k. This is primarily due to savings in waste disposal from the Teckal arrangement and waste PPP costs and increased income from the recycling rebate. This is offset by additional costs within waste collection whilst awaiting the delivery of new recycling vehicles and expected reduction in repair and hire costs once the vehicles no longer traverse the landfill site at Harewood Whin.
6. There are overspends of £266k on ANPR enforcement due to lower than anticipated net income from the scheme. The Coppergate ANPR Scheme implementation has had lower revenues than those seen previously and operational costs are not realising any economies of scale. There are also forecast overspends on CCTV as budgeted income to support the service has not yet been identified. These overspends are in part offset by mitigating savings from the West Yorkshire Transport Fund (WYTF) (£100k), additional income from Leeds City Region (£54k) and mitigating savings across road safety activities (£32k).
7. There is a forecast overspend on public realm operations of £174k due to various operational overspends including staffing (£36k), transport (£44k), repairs (£38k) and supplies (£40k).
8. A £240k shortfall in planning fee income is forecast due to a lower number of large planning fees. It is expected that as progress is made on the local plan then income from developers will increase. A number of other minor variations make up the directorate position.
9. A range of actions are being undertaken within the directorate to try to bring expenditure within the approved budget and reduce the

projected overspend as far as possible by the year end. Actions being progressed or considered include:

- Review of external funding streams to seek opportunities to maximise the impact on the revenue position
- Reviewing working patterns and the use of agency staff.
- Consideration of in year savings and revenue opportunities.

Performance Update

10. The 2017/18 scorecard for Economy and Place is attached at Annex 1. Other key performance information is included in the following paragraphs.
11. In 2016/17 there were over 5 million refuse and recycling collections with the recycling rate within the city increasing to 44% (43% 2015/16). Residual waste per household reduced to 553kg per household (565kg in 2015/16). 52% of respondents to the latest Talkabout survey thought that the Council and partners are doing well helping to reduce amount of household waste. Q1 in 2017/18 saw the successful roll out of Phase 1 of the Waste Services Review which saw the green waste and recycling service extended to include approximately 800 rural properties who didn't previously receive these collections.
12. The latest national figure is 78% (Community Life Survey 2016/17) and in York, 93% of respondents to the latest Talkabout survey are satisfied with York as a place to live and 91% with their local area. In another national survey (Department for Communities and Local Government, English Housing Survey) 88% of respondents were either very or fairly satisfied with their local area.
13. During December and February, City of York Council facilitated the BID to dress the historic Bar Wall entrances to the City with sparkling lights. This proved to be a major success, with at least 10,000 related interactions on social media and positive press coverage. The BID has appointed a new contractor for the Winter 2017 campaign with the intention of capitalising on the success of this year with plans for displays on a much larger scale.
14. 43% of the respondents to the Talkabout survey (which represents a decrease from 45% in the same period in 2016/17) think that the Council and partners are doing well at improving the quality of streets/public spaces. More panellists were positive about how well

the council was doing at improving green spaces and helping to reduce household waste.

15. In February approval was given to invest £2 million council capital funding into a 4 year programme of works to install 2,000 concrete and steel columns and fund structural maintenance checks for 12,000 light columns. All replacement columns with old sodium lights will be replaced with new white light LEDs. The rollout of LED lights is expected to save around 100k per annum in electricity usage and will help to further reduce environmental impacts.
16. In 2016 the median gross weekly earnings for residents of York were £509.60 which was an increase of 2.82% from £496.00 in 2015. The median earnings are higher than the Yorkshire & the Humber average of £498.30 but lower than the Great Britain average of £541.00. York is currently ranked 7/22 in the region (up from 8/22 in 2015) with Selby ranked the highest with the median gross weekly pay of £549.40 and Craven ranked the lowest with a gross weekly pay of £413.10. Figures for 2017 will be available in November.
17. Figures from the Office for National Statistics showed there were 560 JSA claimants in York in June 2017 which is a decrease of 55 from the previous month but an increase of 15 from June 2016. The claimant count for York represents 0.4% of the working population, which is lower than both the regional and national figures of 1.5% and 1.2% respectively in June 2017. The recent figures also highlight a rise of 5 in the youth unemployment count since June 2016. The youth unemployment figure of 0.2% is lower than both the regional and national figures of 1.2% and 0.9% respectively.
18. On 16 March 2017, the Executive approved the use of the One Planet Council framework, which set out the Council's ambition to put social, economic and environmental sustainability and resilience at the heart of its decision-making processes. Executive also agreed to the use of the 'Better Decision Making' tool which will embed the One Planet principles into the decision-making processes across the Council.
19. The Council and First York have extended their partnership delivering York's Park & Ride service with a new seven year contract commencing in early 2018. The new agreement will see fully electric buses operating on three of the six routes. A new electric double decker bus will be trialled to support the council in its aim to improve air quality by reducing emissions and encouraging car users to switch to bus travel.

20. The City of York's Sightseeing Bus fleet, operated by Transdev, is currently being converted from diesel to electric operation. Two of the buses will be in operation from the end of July with all six set to be converted this year.

Implications

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

Risk Management

22. 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

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

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

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Report Approved



21st Sept 2017

Annex

Annex 1 – Scrutiny Performance Scorecard