

Economy and Place Scrutiny Committee

28 November 2017

Report of the Corporate Director of Economy and Place.

2017/18 Finance & Performance Monitor 2 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 October 2017 as reported to Executive on 15th November 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	6,614	+181
Fleet	-248	-231	+17
Highways	3,073	3,079	+6
Parking Operations	1,190	1,317	+127
Parking Income	-6,932	-6,990	-58
Waste	9,370	9,265	-105
Public Realm	2,510	2,692	+182
Emergency Planning	108	108	0
Development Management	-238	2	+240
Forward Planning	527	527	0
Building Control & Land Charges	-407	-387	+20
Environmental Management	472	466	-6
Environmental Health & Licensing	627	627	0
Asset and Property Management	-2,449	-2,551	-102
Economic Development	833	687	-146
Management and Support	868	878	+10
TOTAL	15,737	16,103	+366

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

3. A net overspend of £366k is forecast primarily due to cost pressures within waste services and shortfalls in income from planning and Automatic Number Plate Recognition (ANPR) enforcement.
4. Parking income as at September 2017 is 3% higher than 2016/17 and current forecasting suggests a £58k overachievement of income. This is offset by a forecast shortfall in Penalty Charge Notice (PCN) income (£64k), backdated car park electricity costs (£21k), one off costs associated with the coin upgrade (£26k) and other additional operational costs (£23k).
5. There is a forecast underspend across waste services of £105k. 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 staffing and transport costs within waste collection. Sickness levels remain high and this is resulting in additional costs of temporary staffing.
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 of £115k 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 (£37k).
7. There is a forecast overspend on public realm operations of £182k due to various operational overspends including staffing (£24k), transport (£55k) and supplies (£52k).
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, including staff vacancies (£66k) and the early achievement of future year savings (£80k) 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. The amount of landfill waste, in Q1 2017/18, has remained stable at 12,190 tonnes along with the residual waste per household at 140kg per household (141kg in 2016/17). 49% of household waste was recycled in Q1 (the same as Q1 2016/17) although rates are usually higher in the first half of the year and could fall in subsequent quarters.
12. In 2016/17, the council collected an estimated 800 tonnes of materials from around 50 recycling banks across the city. The council wants to gain residents views on how they currently use these sites and how they can be provided in the future. Residents have been asked to complete a short online survey which looks at the number of sites, where they are located, the range of materials recycled and their general appearance.
13. The Council, in partnership with West Yorkshire Combined Authority's CityConnect programme and Network Rail, undertook a consultation in July with residents, commuters and visitors allowing people to view plans and discuss the proposal to build a new shared use bridge over the River Ouse. To help provide better accessibility, connectivity and more capacity, the new bridge could replace the current crossing adjacent to Scarborough Bridge and the new bridge would improve the connectivity of the National Cycle Network.
14. The current Pre-Publication draft Local Plan consultation presents the draft Local Plan for the city as well as the portfolio of site allocations to meet the city's developing needs. The consultation presents an updated evidence base to underpin the planning policies and site allocations and will run for six weeks

during September and October. Hard copies of the document set have been distributed to all York libraries and consultation documents can be viewed at the customer centre. York residents will all receive a special edition of 'Our City', the council's newsletter which includes plans and proposals. All responses received will be taken into consideration when drafting the next stage of the Local Plan. The results of this consultation will be presented in the next Monitor.

15. Community forums for a number of the major planning projects have been setup in order to discuss, listen and communicate with residents the plans and progress of these schemes.
16. During a vote in August, 91.3% of local people said that they wanted the council to use the Upper and Nether Poppleton Neighbourhood Plan to help decide planning applications. The plan was developed by a team of local volunteers with the support of the two parish councils of Nether and Upper Poppleton. Residents, businesses, landowners and developers were consulted over the last three years and statutory bodies such as Historic England, Natural England and the Environment Agency were also involved.
17. The latest Talkabout survey was sent to residents on the 4th October to gain their views on a variety of resident satisfaction measures across all areas of council business. The results of this survey will be reported in the Q3 Finance and Performance Monitor. The latest national figure is 78% (Community Life Survey 2016/17) and in York, 93% of respondents to the Talkabout survey in April were 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. 95 90% of respondents to the April Talkabout survey agreed that it was important to feel they belong to their local area and 78% (up from 75%) agreed that they did belong. This score is favourable compared to the National benchmark scores of 62% in the Community Life Survey 2016/17 and 69% from LG Inform.
 - There were 79% of respondents, a decrease from 81%, who agreed that York is a good place for children and young people to grow up.
 - 75%, an increase from 70%, agreed that York is a place where people from different backgrounds get on well together.

18. According to research by MoneySupermarket.com, York has recently been named as one of the top ten places in the country to raise a family. The MoneySupermarket Better Family Living Index 2017, analysed factors including school rankings, house prices, job opportunities, and average salary.
19. The York BID has been working with York Civic Trust to identify and restore street signs and street furniture in the city centre. The service includes decorating areas of York with high visitor traffic, making street identification more legible and improving the overall appearance. A new scheme will also look to redesign the city's way finding and signage to implement a consistent system.
20. The median earnings of residents in the city for 2017 will be available in November and will be reported in the Q3 Finance and Performance Monitor. 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 were 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.
21. Figures from the Office for National Statistics showed there were 410 JSA claimants in York in September 2017 which is a decrease of 95 from the previous month and a decrease of 120 from September 2016. The claimant count for York represents 0.3% of the working population, which is lower than both the regional and national figures of 1.4% and 1.1% respectively in September 2017. The recent figures also highlight a fall of 10 in the youth unemployment count since September 2016. The youth unemployment figure of 0.1% is lower than both the regional and national figures of 1.1% and 0.8% respectively.
22. Data released by the Department of Work and Pensions is published 6 months in arrears and the latest data relates to February 2017. The total number of claimants for either Income Support or Employment Support Allowance in York is 6,350 which is a slight increase of 20 from November 2016. The claimant count represents 4.6% of the working population which is lower than both the regional and national figures of 8.3% and 7.4% respectively. Although these figures are the lowest in the region, due to the changes in the benefits system some of the data is transitional. The introduction of Universal Credit, for

example, means that some people are still in the process of transitioning over.

23. At the end of Q2 York's housing market is currently looking healthy with 1,036 net additional homes completed. Of these additional homes, 61.5% are a result of off campus privately managed student accommodation schemes which comprised the privately managed developments at St Josephs' Convent Lawrence Street, St Lawrence WMC and 2-14 George Hudson Street. The remaining 35.8% of net additional homes resulted from traditional housing sites of which phase II of the Hungate Development Site provided a total of 195 completions.
24. There were also 928 net housing consents granted of which 91.9% were the result of traditional housing consents which represents a return to higher level of residential approvals following a decline experienced during 2016/17. Of these consents approvals, an increase to the Hungate Development Site capacity, The Cocoa Works, Haxby Road and York Barbican, Paragon Street account for the major part of the overall approvals.
25. 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 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.
26. The Local Plan sets out the blueprint for new residential and commercial developments in York. The document has recently been revised to include strengthened requirements in relation to the use of sustainable materials and zero and low carbon energy sources. This draft Local Plan is currently subject to public consultation. Subject to its approval, these new policies will significantly help to reduce carbon emissions across the city.
27. 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.
28. In August, York became the first UK city outside London to trial a new fully electric double decker bus. The zero-emission and fully electric bus has the capacity to carry 99 passengers and has a range of nearly 150 miles from one overnight charge. The trial follows the

announcement that improvements will be made to the park and ride scheme, with new greener buses introduced to improve fuel emissions city wide, making it one of the most sustainable and efficient in the country.

29. The City of York's Sightseeing Bus fleet, operated by Transdev, is currently being converted from diesel to electric operation with all six set to be converted this year.

Implications

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

Risk Management

31. 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

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

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

Author:

Patrick Looker
Finance Manager
Tel: 551633

Chief Officers responsible for the report:

Neil Ferris
Corporate Director of Economy and Place

Report Approved



17th November 2017

Annex

Annex 1 – Scrutiny Performance Scorecard