

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

13<sup>th</sup> March 2012

**Report of the Director of City Strategy**

**2011/12 Finance and Performance Monitor 3 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 underspend of £-146k on a total net budget of £9,402k. The Housing General Fund has a budget of £1,173k and is currently forecast to overspend by £49k. Service Plan Variations by service plan are shown below:

	Net Budget £'000	Projected Outturn £'000	Variance £'000
<b>City Strategy Directorate</b>			
Strategic Planning & Transport	4,911	4,292	-619
Planning & Sust. Development	1,724	1,910	+186
Director's Group	274	239	-35
Economic Development	2,244	2,189	-55
Property	512	573	+61
Service Review	-263	87	+350
Reduced Pay		-34	-34
<b>Total</b>	<b>9,402</b>	<b>9,256</b>	<b>-146</b>
<b>Housing Services</b>			
Housing General Fund	1,173	1,222	+49

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 (£-619k)

4. Car Parking income is forecast to be £111k above budget. There is expected to be a saving of £220k saving in concessionary fares and £70k saving in Dial & Ride and taxicard usage.
5. There is an underspend of £78k on employee costs within school crossing patrols and transport planning where a number of posts were unfilled during the year, £65k saving in road safety and a further £55k saving from vacancies in the drainage section.
6. A review of Local Development Framework funding has resulted in a net saving of £20k.

#### Planning and Sustainable Development (£+186k)

7. The economic downturn has continued to have a significant impact income within the Planning Service. The planning income projected shortfall is £100k due to the numbers of major scheme applications. Income from building control is projected to be a further £110k below budget. Income from local searches is expected to be £40k below budget due to low activity in the housing market, also offset by £34k staff savings. There is a further £30k saving in the Major Development project team.

#### Director's Group (£-35k)

8. Savings from vacant posts £40k and an expected additional £45k Yorwaste dividend are offset by £50k additional cost of the waste PFI project.

#### Economic Development (£-55k)

9. There is a savings of £23k from a vacancy and £32k additional income from City Centre and markets.

#### Property Services (£+61k)

10. There is an additional £56k staff cost in relation to the facilities management review. Elsewhere, commercial property income is

expected to be £60k above budget but this is offset by £65k cost of properties held for resale.

#### Directorate Service Review (£+350k)

11. 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 £350k in 2011/12. The full year savings are anticipated to be made in 2012/13.

#### Pay Reduction

12. Staff are taking one day as unpaid leave, saving £34k.

#### Housing Services (£+49k)

13. The review of the Housing Services General Fund budgets indicates that the service will be £49k over budget, which is an improvement from the forecast overspend of £190k reported in the last review. There is a forecast overspend of £165k on building maintenance, £51k overspend on repairs to travellers sites offset by one-off mitigation of £167k elsewhere within housing services.

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

14. The working balance budget on the HRA is £9,252k and this first review indicates a net underspend of £216k, leaving a projected working balance of £9,468k. The variances include:
  - Overspends totalling £45k, the main area being a higher than forecast void level within the council housing stock.
  - Underspends totalling £261k, 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.

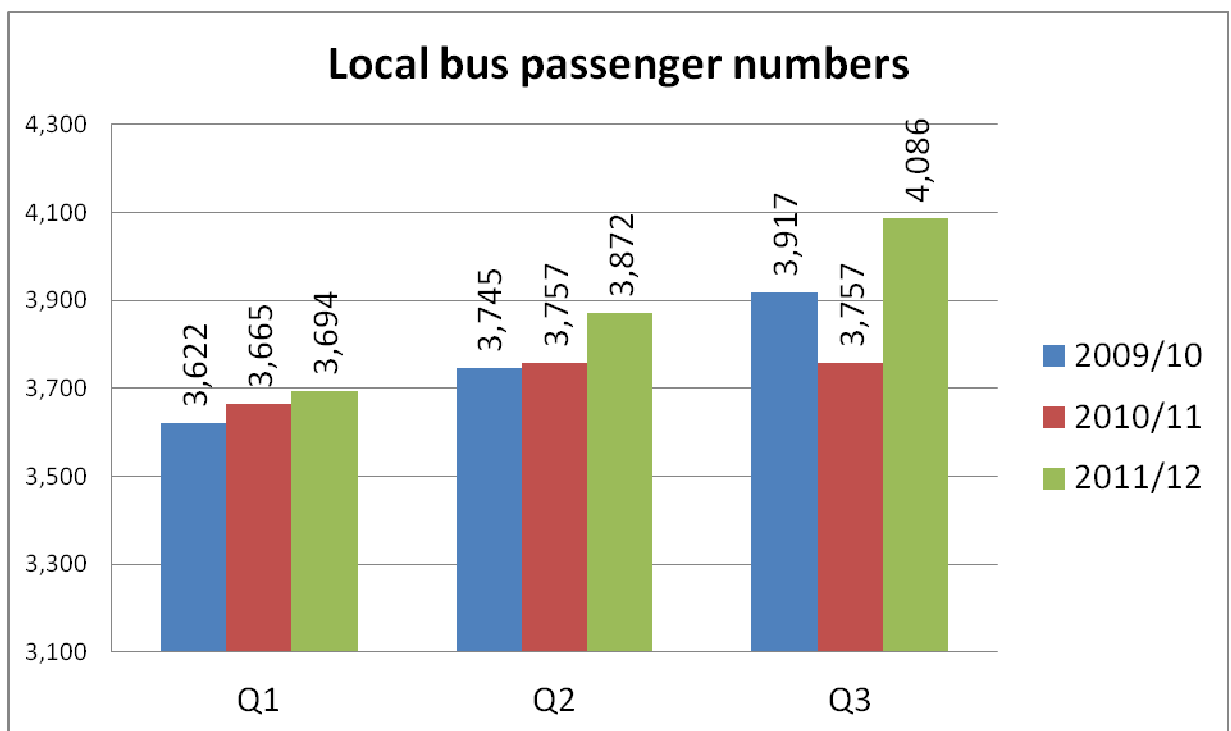
#### Performance – Monitor 3 Overview

#### Priority: Get York moving

15. Key Performance Headlines

- *Transport:* The number of passengers using Park & Ride services continues to increase and those using other bus transport has also now increased
- *Footstreets:* A vision for a car free city centre and the extension of areas and hours for foot streets has now been presented to Local Development Framework working group. Feasibility studies have now begun to develop the car-free centre proposals and extensions of the area and hours for footstreets.
- *Pedestrians & Cycling:* The programme for the Local Sustainable Transport Fund (LSTF) is currently being planned and will start from April to develop and improve York's Cycling and Pedestrian network. The Intelligent Travel York programme was launched to the general public in January.

16. *Transport:* Bus passenger numbers have increased by 9% in Q3 compared to the same period last year (4,086,429 compared to 3,757,029 in 2010/11). As a result, it is now expected that passenger numbers will meet the annual target of 15million. Park & Ride passenger numbers have also increased in Q3, by 11% when compared to Q2 (1,125,152 compared to 1,012,578).



17. *Parking:* The number of people using car parks is forecast to increase by 3% this year. From April to November this year 1,098,883 people used car parks.

Priority: Protect the environment

18. Key Performance Headlines

- Sustainable Development: New homes build on previously developed land continues to decrease this year, although part of the decrease can be attributed in definition for 'garden infill' development which is now regarded as Greenfield.

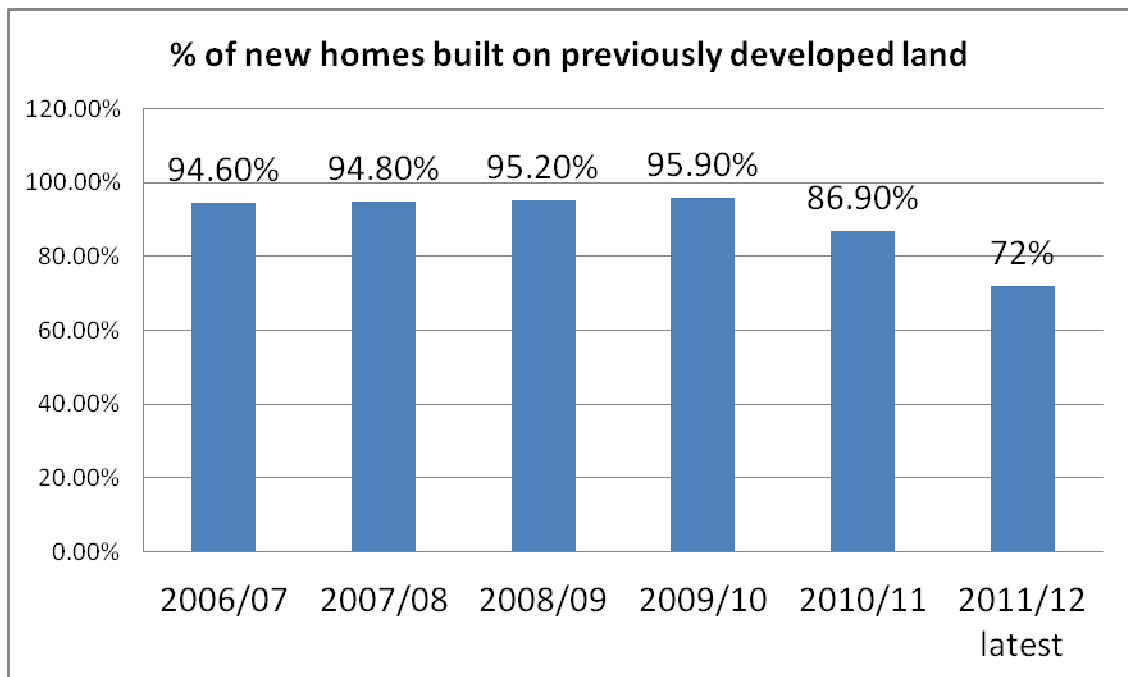
19. Key Progress Headlines:

- Carbon Footprint: Consultation has taken place with the core team on refreshing the council's carbon management programme and the findings have been presented to the Sustainable Development Board. This programme will drive the achievement of carbon reduction targets for the council and city.
- Tree Strategy: Consultation on the Tree Strategy has been completed to inform Treemendous Project Plan, which will plant 50,000 trees in York.

20. *Reducing CO<sup>2</sup>*: Latest data for CO<sub>2</sub> per head of York's population shows a further decrease to 5.4 tonnes (2009), compared to 6.0 tonnes in 2008.

	2006	2007	2008	2009
York's CO <sub>2</sub> per head of population (tonnes)	6.8	6.2	6.0	5.4

21. Sustainable Development: Latest data for new build housing completions on previously developed land in 2011/12 shows a perhaps unsurprising further reduction to 72% (compared to 92% for the same period last year (April to December 2010)). This was partly due to an amendment to Planning Policy Statement 3: Housing (PPS3) in June 2010 regarding the definition of 'garden infill' development which is now regarded as Greenfield.



Priority: Create jobs and grow the economy

22. Key performance headlines

- *Cities Outlook Report 2012: The city is performing well in the current climate.*
- *Skills:* The report also highlights York's highly skilled workforce, with the city ranked seventh for workers skilled to NVQ4 or above and joint sixth for the lowest number of unqualified people.
- *Business start-ups:* Positive increase in business start-ups in 2011, which places York in a strong position for the largest increase in the region.

23. Key progress headlines

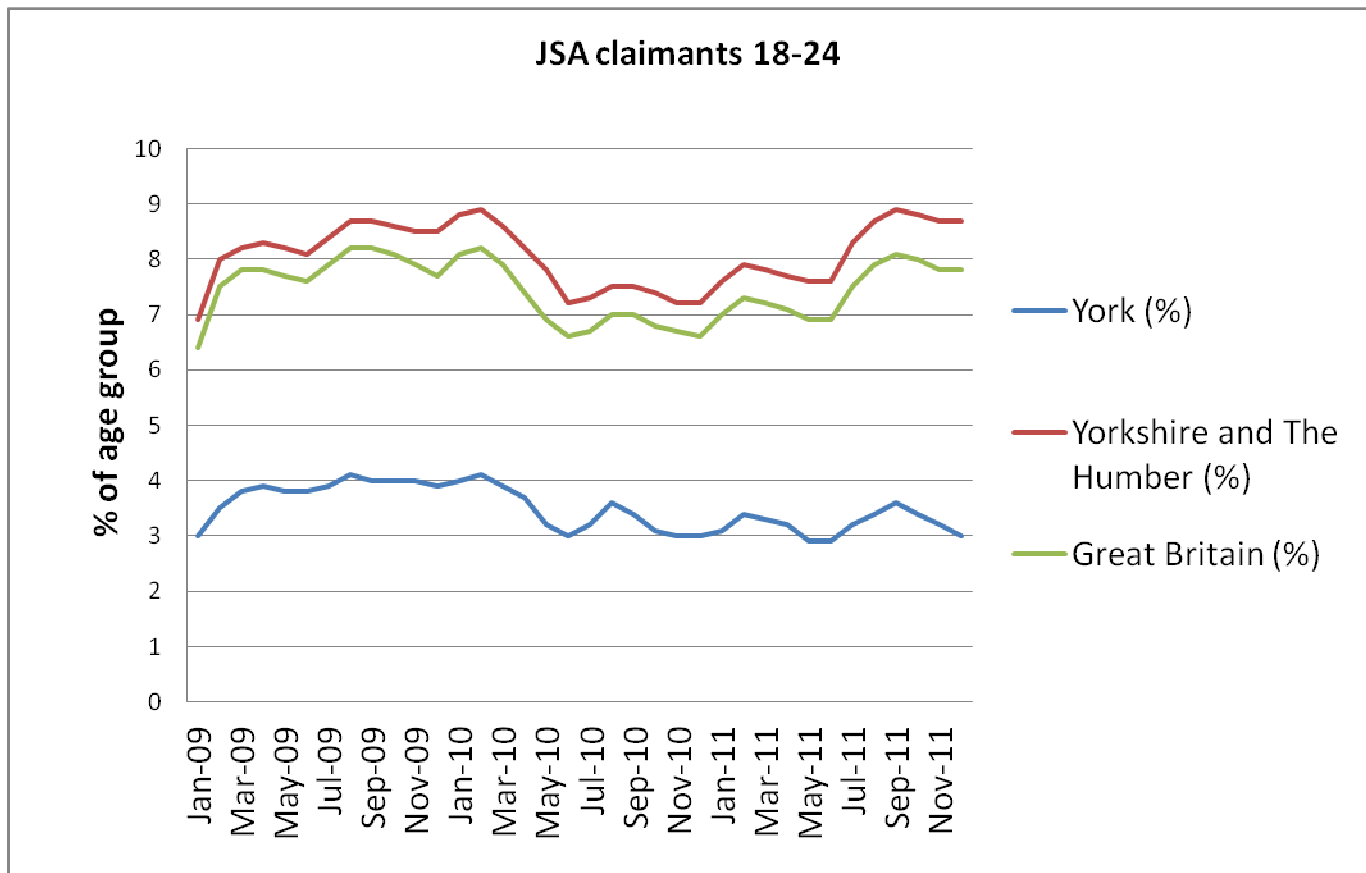
- *Apprentices:* As part of the 100 in 100 campaign, CYC committed to 36 Apprenticeships. The total number of pledges in December across the city from all employers was 199, which far exceeds the target of 100.
- *Economic Development:* A new Economic Development Plan has been completed and is currently out to consultation with the

business community. This will help support the local economy and position York on the global stage.

- *York Future Workforce Forum: YFWF* is working through the existing Economic Development Partnership and local employer networks to establish YFWF.

36 *Unemployment:* The number of people claiming Job Seekers Allowance in York increased slightly in Q3. This is inline with an increase for the region as a whole. Male JSA claimants remain higher than females at 3.3% and 1.5% respectively. The rate of females claiming JSA is increasing faster than males, but still remains one of the lowest in the region.

37 *Youth Unemployment:* The total number of JSA claimants between the ages of 18-24 as of December 2011 was 875. This is 3% of persons claiming JSA as a proportion of resident population of the same age. The 3% compares very favourably to that of the region (8.7%) and that of Great Britain (7.8%). Youth unemployment is higher in males with them accounting for 595 (68%) of the total 875 claimants.



38 *Earnings:* The average weekly pay for city residents was £492.30 for 2011; this has increased the gap from the region average to

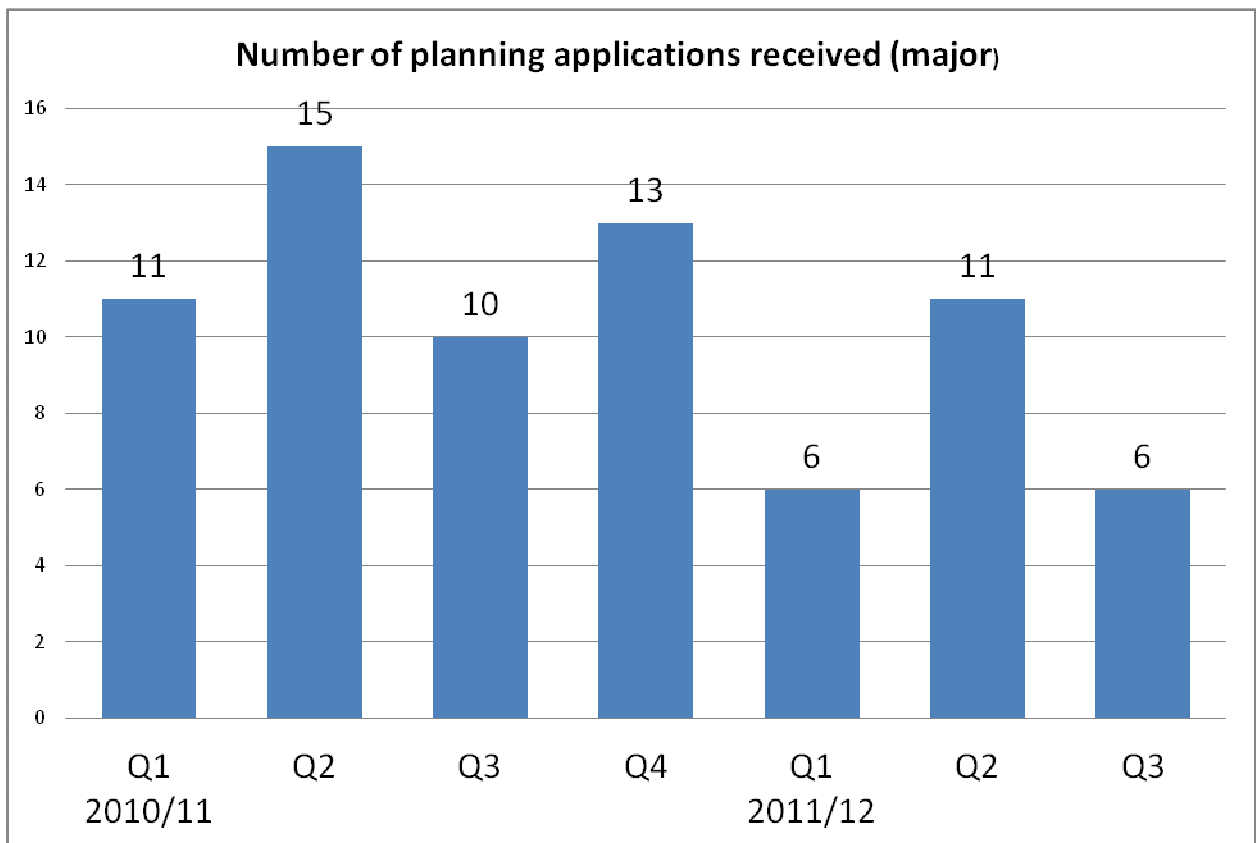
5.4% above from 4%. York is still below the national average but the gap has narrowed to 2.2% in comparison to 4.2% in 2010.

- 39 *Business Start-ups*: In 2011 there has been a 9.9% increase in small business start-ups in the city. This places York third in the region for the largest increase since 2010.

33Local Authorities	% Change from 2010
1. Kirklees	+11.4%
2. Selby	+11.2%
3. York	+9.9%
4. Calderdale	+3.2%
5. Leeds	+2.9%
6. Craven	+2.9%
7. Ryedale	+2.4%
8. Hambleton	+1.8%
9. East Riding of Yorkshire	+1.6%
10. Bradford	+1.4%
11. Harrogate	0.0%
12. Richmondshire	0.0%
13. Barnsley	-2.8%
14. Wakefield	-2.6%
15. Scarborough	-1.2%

- 40 *Planning Services*: The number of major planning applications processed within the required timescales has increased compare to last year (78% for April-December, compared to 73% in 2010/11). The number of minor applications processed within 8 weeks has reduced slightly to 75% (from 79% 2010/11). Processing times have been improving as a result of process improvements, however recent structural changes, as well as the signing of legal agreements on long outstanding major applications such as Terry's, Nestle and Hungate (triggering the issue of the formal decisions), may result in a temporary decrease in performance stats towards the end of the financial year.



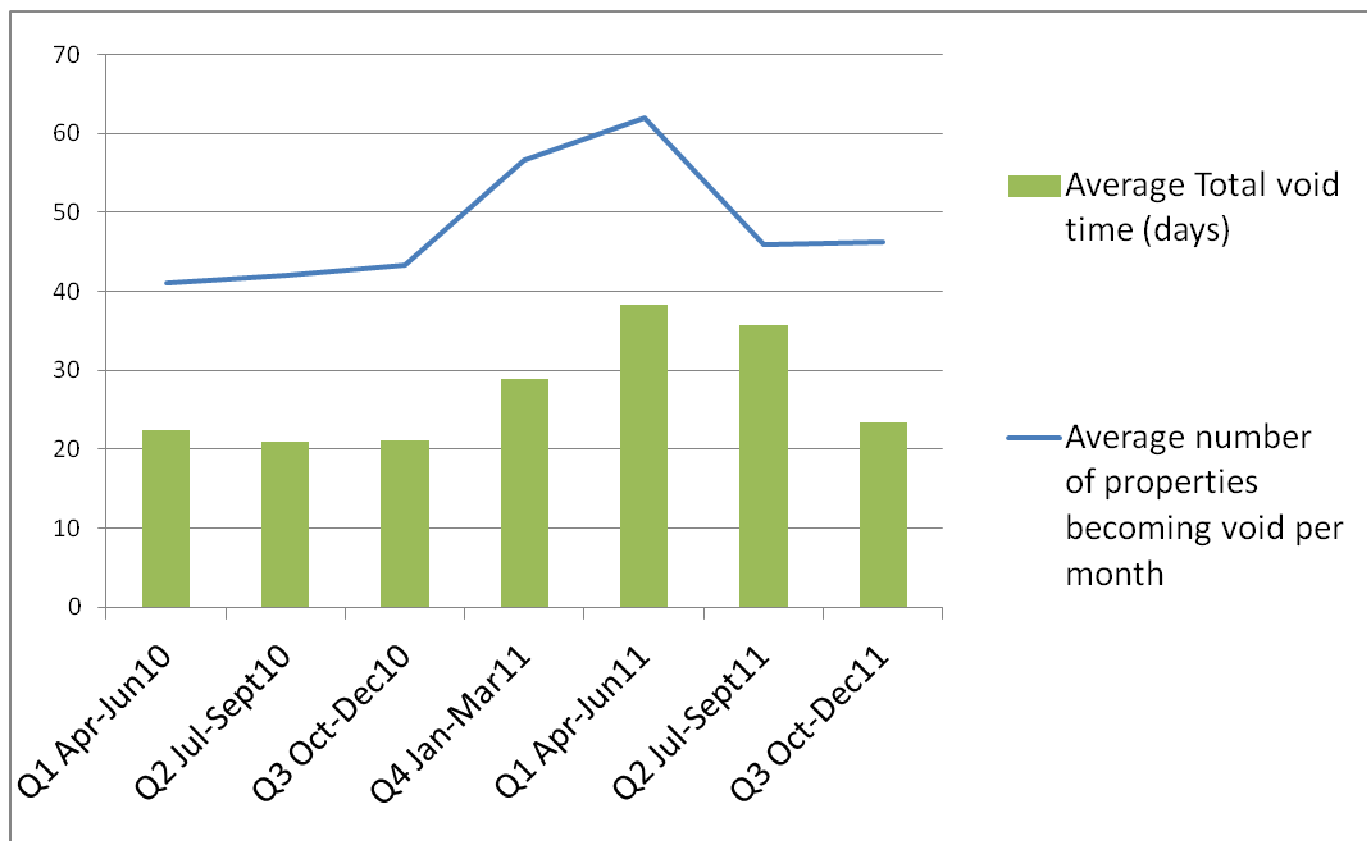


### Director's Group

- 41 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 Performance measures.

### Housing

- 42 The Empty Homes policy is also bringing back into use Private Sector empty properties.
- 43 After a significant rise in the re-let time for Council homes in the first half of the year, performance has now improved, and is on target for Q3 (December figures provisional). A 25% increase in the number of properties becoming void between Dec 10 and July 11 coincided with a reduction in resources (repairs operatives) to affect the speed properties were prepared for re-let. The detailed action plan in place since June has improved performance, and although the cumulative indicator is still showing the effect of poor performance early in the year, the monthly figures are now well within target.



### **Council Plan**

- 44 The information included in this report demonstrates progress on achieving the aims and priorities set out in the Council Plan.

### **Implications**

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

### **Risk Management**

- 46 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**

- 47 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

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**Specialist Implications Officer(s)** None

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

### Background Working Papers

**Third Performance and Financial Monitor for 2011/12 , Cabinet  
14th Feb 2012**

**Annexes**

**None**