

**Report of the Director for Customer & Business Support Services**

**2013-14 Finance and Performance Year End Report**

**Purpose**

1. This report outlines the 2013/14 finance and performance outturn for the services falling under the responsibility of the Corporate and Scrutiny Management Committee.

**Financial Analysis**

2. The Council's overall net General Fund budget for 2013-14 is £127,778k and the net budget for the areas covered by this report is £8,035k. The draft outturn shows an under spend on these areas of £322k, which is a £222k improvement from the Monitor 3 report. The main areas of underspend relate to vacant posts in procurement and finance, along with a range of other minor underspends.

**Performance Analysis**

3. The performance delivery is analysed against the key delivery priorities of the Council Plan and the cross-cutting organisational priority themes. This report therefore covers
  - Create jobs and grow the economy
  - Core competencies

**Jobs & the Economy**

4. The value of York's economy grew to £4.31 billion in 2012, up from £4.17 billion in 2011. Percentage growth between 2008 and 2012 and 2011 and 2012 outstripped that of national and regional growth. York's economic growth was the third highest growth in the region in the last recorded year.
5. In 2012, York's economy supported 117,000 jobs, the same as 2011. York is the second least affected city for job loss in the region with Leeds losing 2.2% of total jobs between 2011 and 2012.

6. The number of people out of work has fallen over the last year to better than pre-recession levels for Job Seekers Allowance Claimants, and the proportion of the population on Out-of-Work benefits is at the lowest point since 2001. This represents just 1.3% of the working age population. The region stands at 3.4% and GB at 2.6%. However, the proportion of York's population in 2013 in full-time employment, 65.8%, was near historic lows while the region has 74.0%.
7. York has the 10th highest proportion of its working age population in part-time employment out of 378 Local Authorities which has an impact on productivity in the city. Youth Unemployment (Job Seekers Allowance Claimants aged 18-24) has decreased by 50% in the last year, one of the lowest proportions on record and has returned to pre-recession levels.
8. Developers of Terry's, Henry Boot and David Wilson Homes are now working with the council to deliver approved schemes agreed in December 2013. The first homes are expected to go on sale later this year. Planning for the Hiscox offices has been approved bringing 500 jobs to the city. The Nestle site is being actively marketed and the council is working with partners to bring forward development. The Hungate plans approved in January 2014 are progressing and work will commence this summer on the development of 195 new apartments, including 31 affordable homes. The British Sugar site is progressing and following a public exhibition in November 2013 a planning submission is expected later this year. The Council is currently working closely with Network Rail to develop York Central. Funding has been identified to facilitate access to the site and development of new housing is anticipated in 2015. An application for housing and retail on the White Swan Hotel site was approved in December 2012 and work has begun, including improvements to the public realm as part of the Reinvigorate York initiative.

### **The Digital Economy**

9. Sky and Talk Talk have joined forces with CityFibre to create a new company to deliver ultra-fast broadband in the city. It will build a city wide pure fibre network with broadband speed of 1 gigabit direct to homes and businesses. This will transform the city's digital connectivity making York the most digitally connected city in the country.

### **Living Wage**

10. As part of the largest living wage alliance York is the first council in the region to pay a 'Living Wage', working to encourage public and private employers in the city to pay the same so we can become a Living Wage city.

## **The Skills Economy**

11. York achieved its best ever GCSE results in 2013 with 67% of pupils achieving 5+A\* - C including English and Maths. This places York as one of the top (16th out of 152) Local Authorities in England and demonstrates high quality teaching in York's secondary schools. In primary schools, the assessment process changed in 2013 and, based on a new set of performance indicators, York results for the most part are in line with or above national figures.

## **Core competences**

### **Rewiring Public Services Programme**

12. Local Government is undergoing radical change. Resident demand for services and community expectation continues to increase. Council finances have reduced nationally by an average of 33% and so in order to balance these interests radical change is required. The council needs to:
  - Be more flexible and responsive to changing needs.
  - Listen and constantly learn.
  - Adapt to changing environments and pressures
  - Support the most vulnerable.
  - Be modern in the way we use ICT, data and processes to enable greater efficiency and effectiveness.
  - Be an excellent communicator
13. The Rewiring Programme pulls together a series of projects and programmes, driven by engagement with residents, voluntary and community organisations and businesses, to establish what York, as a place, wants. Already together with its partners, the council has:
  - established new operating models including mutuals and wholly owned companies, but more can be done to understand the options in other areas of the council enabled residents to provide innovative solutions to challenges in the City and to collaborate and design services as a community (GeniUS Innovation application).
  - started working with Leeds Data Mill to better use real-time data which is allowing us to target our resources more effectively.
14. Increasingly we want communities to use this data and make decisions on the outcomes they want and how resources are used.

### **Customer Service**

15. This year has been dominated by a number of related priorities in the Customer and Administration Accommodation strategies relating to the

completion of the consolidation of Council offices and services, with the finalisation of the refurbishment of and moves to Hazel Court and West Offices. This incorporated a fully centralised Facilities Management operation and a single Customer Centre for access to all Council services in a single modern environment.

16. The new Customer Service centre at West Offices is the focal point of the building, replacing the original thirteen receptions across the city and bringing them all together in one convenient location in the heart of the city. This prompted an overhaul in the way face-to-face services were managed and delivered by the council. The objective was to create a friendly, professional and efficient environment to deliver seamless access to all council services. The centre would need to provide for a weekly footfall of 2,500 people visiting for pre-arranged one to one appointments, group meetings and ad hoc visits for information or face to face interactions. The objective for the council was to deliver on their Customer Strategy aim of “delivering the right service, at the right time, in the right way, at the right cost for our customer”. From 1st April 2013 – 31st March 2014 the Customer Centre provided a service to 124,541 customers/visitors.

### **Our workforce**

17. Our younger workforce is not representative of the York community where 15.5% of those in employment are aged 16 to 24. We have developed an integrated approach to internships, apprenticeships and work experience placements, with enhanced training allowances for apprentices and for student and graduate interns which reflect our commitment to the employment of greater numbers of young people.
18. Work to support the Council’s Workforce Strategy included:
  - embedding the Living Wage into its pay structures.
  - undertaking an Equal Pay Audit demonstrating fair pay and addressing any areas of concern by harmonising pay structures.
  - the completion of plans to centralise all Learning and Development funding and activity.
  - a review and strengthening of Health & Safety governance structures across the council.
  - the negotiation of a new Trade Union Engagement Framework to be launched in Summer 2014.

### **An open council**

19. Engagement with our communities is at the heart of the council’s Rewiring programme. The Community Conversations allow residents to meet

Councillors and Council staff to tell the council their concerns. As well as streaming council meetings the council also publishes all of its travel expenses online and produces a one page summary of consultations. We have begun working with the Leeds Data Mill project, so that data about the Council and its partners will become available online for residents so that they can make more informed decisions. It will also mean that the Council and its partners become more accountable and reduce the need for Freedom of Information (FOI) requests

### **ICT Services**

20. As the world turns digital, customer expectations around how they access services shift. Our ICT services are gearing-up to meet the challenge of the digital age, making best use of the Super Connected Cities programme and significant private sector investment to deliver an ICT infrastructure that supports the Council in meeting its priorities to deliver customer driven services across multiple channels.

### **Consultation**

21. There has been consultation with Trade Union groups on the ongoing implications of the council's financial situation and performance improvement issues.

### **Council Plan**

22. The information and issues included in this report demonstrate progress on achieving the priorities set out in the Council Plan.

### **Implications**

23. The financial implications are covered within the body of the report. There are no significant human resources, equalities, legal, crime and disorder, information technology, property or other implications arising from this report.

### **Risk Management**

24. The risk management processes embedded across the council continue to contribute to managing the risk issues associated with major projects and key areas of service delivery.

## Recommendations

25. As this report is for information only there are no specific recommendations.

*Reason: To update the Committee on the finance and performance position for 2013/14.*

<b>Authors:</b>	<b>Chief Officer Responsible for the report:</b>		
Jayne Venables Head of Performance	Kersten England Chief Executive		
Debbie Mitchell Corporate Finance Manager	Ian Floyd Director for Customer & Business Support Services		
	<b>Report Approved</b>	√	<b>Date</b> 2 July 2014
<b>Wards Affected:</b> <i>All</i>			
<b><i>For further information please contact the authors of the report</i></b>			

**Annexes** - None