

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

1st October 2014

Report of the Director of City & Environmental Services

2014/15 Finance & Performance Monitor 1 Report

Summary

1. This report provides details of the 2014/15 forecast outturn position for both finance and performance in City & Environmental Services and Housing Services.

Analysis

Finance – forecast outturn overview General Fund

2. The current outturn position within the City & Environmental Directorate (excluding Highways, Waste & Fleet) is a projected overspend of £740k on a total net budget of £3,170k. Economic Development has a budget of £799k and is expected to outturn on budget. The Housing General Fund has a budget of £891k and is expected to overspend by £19k. Service Plan Variations by service plan are shown below:

	Net Budget £'000	Projected Outturn £'000	Variance £'000
City & Environmental Services			
Strategic Planning & Transport	-500	-100	+400
City Development & Sustainability	393	733	+540
Director's Group	3277	3277	0
Total	3,170	3,910	+740
Economic Development	799	799	0
Housing Services			
Housing General Fund	891	910	+19

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 (£+400k)

4. Car Parking income is forecast to be £400k below budget as income during the early part of the year is lower than the same period last year. Further monitoring will be carried out during the year to assess both the impact of the free parking initiative introduced in late June and the charges for Minster Badges.

Planning and Sustainable Development (£+540k)

5. Income from planning applications and building control are much lower than expected as developers delay submitting planning applications pending the publication of the Local Plan (£335k). There is also like to be a small public inquiry at Strensall (£15k).
6. Income from land charges is expected to £70k higher than budget. This is offset by the cost of the legal decision for all authorities to refund personal search agencies for fees charged between 2005 to 2010. For York this is estimated to be £200k.
7. Income in Design & Sustainability is expected to be £75k below budget.

Economic Development (£nil)

8. The current forecast is that Economic Development will outturn on budget.

Housing Services (£+19k)

9. The review of the Housing Services General Fund budgets indicates at monitor 1 that the service will be £19k over budget. This is due to installation of water meters at Travellers sites (£28k) offset by miscellaneous savings (£9k).

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

10. The budgeted working balance at 31st March 2015 on the HRA is £12,680k and this first review indicates that it will outturn on budget.

Performance

Create Jobs & Grow the Economy

11. **New Businesses.** York has seen a number of new businesses locate in the city in the last period including Anaplan, a fast-growing IT firm moving into new offices at the Bonding Warehouse and Parsons Brinckerhoff, a global engineering consultancy setting up a new Yorkshire & Humber office in the city.
12. **Deliver a successful Tour de France Event.** On 6th July, York hosted the start of the 2nd day of the Grand Depart of the Tour de France 2014. 29,000 people watched at York racecourse and over 100,000 lined the streets to cheer the 200 riders as they passed the city's historic landmarks. The Tour de France is televised in 190 countries reaching 3.5 billion people and the event is estimated to be worth £100m for the region. The race was preceded by a 100 day festival of art and culture across Yorkshire as well as a festival of business in the week before.
13. Detailed local reports from the TdF Hub 2014 will be written during the summer and a full report on the event will go to Cabinet in the autumn.
14. **Address skills gaps in the city.** The 100 Apprentices in 100 days 2014 Campaign outstripped 2011 outcome, with 164 pledges for new Apprenticeships (up from 105) from 104 businesses (up from 80). Other successes include the Apprenticeship Brokerage service for SMEs, Apprenticeship Talent Pool (pilot), and the Apprenticeship Recruitment Event.
15. **Improving access to better quality, full-time, well paid jobs.** In the year to March 2014, the number of the working age population in Full Time Employment in York decreased by 2.2% to 65.9%. Nationally and regionally saw an increase of 0.3% to 74.1% and 72.9% respectively. This has meant a decrease of 800 full time jobs for males and 700 jobs for females. We have the second highest proportion of part time female workers in the country, and are working to understand the issue and its implications.

16. Job Seekers Allowance claimants are at pre-recession levels of 1.3% (end June), compared to 3.4% regionally, and Youth unemployment is at its lowest since 2006. Projects such as the May Jobs Fair (1,000 attendees) and the Head Start programme for longer-term unemployed 18-24s (30 participants/10 job outcomes) have been a success.
17. **Focus on Tour de Bio.** Over the Tour de France weekend, partners across York welcomed major industrial biotechnology and agri-tech businesses and investors from across the UK and Europe for a series of events. Companies such as Unilver and GlaxoSmithKline discussed opportunities around the Bioeconomy in York and the wider region, with around 70 attending an event at the Ron Cooke Hub on the Friday before the Tour.
18. The centrepiece of the weekend was a ceremony for the signing of a memorandum of understanding between BioVale, a Bioeconomy cluster for Yorkshire & Humber and the Northern France based cluster, IAR. IAR and BioVale agreed to work together on a number of fronts including promoting cooperation and information exchange between SMEs and universities, supporting businesses breaking into emerging markets, and research and development collaboration on high-tech projects, particularly conversion of biomass and renewable raw materials into value-added biobased products.
19. Tony Duncan, CEO of Circa Group, an Australian business which has recently expanded to York, said "It was stunning - and perfect combination of functions....and sport."
20. **Continue work to ensure good growth.** We are continuing to make 'Good Growth' a key priority for the city. Employers in the city have already made significant progress on the Living Wage. The existing group of employers signed up to paying the Living Wage includes City of York Council, Joseph Rowntree Foundation, Aviva, York St John University, York CVS and the York Citizen's Advice Bureau. This has expanded to include large businesses such as Nestle and smaller businesses including the Golden Ball pub.
21. **Open a refurbished Newgate city centre market.** The (£1.5m) project is expected to take 16 weeks and followed months of consultation earlier this year. The refurbished Newgate Market is expected to be open for business and the stalls back in their usual place in time for St Nicholas' Fair which starts on Thursday November 27.

22. **City of Media Arts.** York has submitted an application to become a UNESCO City of Media Arts and to join the global Creative Cities Network.
23. This permanent, non-competitive title would bestow international recognition as a place of exceptional media arts practices and experiences. York is due to hear the official decision by 30 November 2014.

Build Stronger Communities

24. **Deliver a community stadium including a county standard athletics facility.** In May 2014 two final bids were submitted for the Design Build Operate and Maintain (DBOM) contract for the community stadium and city leisure facilities. These are being evaluated and a preferred bidder confirmed. A report will then go to Cabinet in September on progress with procurement and scheme details.
25. **Support community groups to take greater ownership of the management and operation of parks and green spaces.** During Q1 the Smarter York team have worked on 49 community schemes including: the community running West Bank Park summer fair; the Poppy Road WW1 Memorial planting; Heworth Tennis Club taking on the management of Glen Gardens tennis courts for 25 years; refurbishment of the King George V playing field play area with Dodsworth Area Residents Association and the Anti dog fouling signage campaign with Carr Junior, Tang Hall and Osbaldwick schools.
26. **Through the 'Rewiring' programme the Council will develop community hubs where we can work in partnership with local communities at a neighbourhood level.** Greater consultation and engagement with residents and communities is a strong thread running through the council's new way of working. To ensure the resident is at the heart of everything we do, an Approach to Community Engagement has been developed together with a variety of resources to help develop skills and confidence. The new process will be consolidated through a training programme available to staff.
27. The Council plans to provide residents and communities with a number of different resources to help build resilience and

independence. In addition, councillors and ward teams will be supported to help them be champions of the new way of working.

28. **Raise standards in the private rented sector.** The council's Landlord Accreditation Scheme, YorProperty, goes from strength to strength. As at 28th July 2014, 97 landlords, managers and letting agents had signed up to the scheme. In total 386 properties have been registered.
29. **Consult on the draft local plan that sets out how York's housing needs will be met up to 2030.** The Further Sites consultation closed on 16th July. The comments received as part of this consultation will help inform future recommendations on the portfolio of sites for inclusion in the final draft Local Plan. There will be a further opportunity to comment on the whole of the final Plan later in the year before it is submitted to the Secretary of State to be examined by an independent inspector.

Get York Moving

30. **Successfully deliver traffic management for the Tour de France.** The transport team successfully managed the road closure and public transport implications of the Tour de France with over 20 people working on the day.
31. **Complete the Haxby Road to Clifton Moor Cycle Route.** The Haxby/Clifton cycle route is complete but is awaiting completion of a bridge over the railway line. It is anticipated the route will open in early 2015.
32. **Parking.** Pay on Exit parking payment has been introduced at Marygate Car Park on a trial basis. The Minster Card offering discounted parking for residents was launched at the beginning of July with the 2 month transition period coming to an end on 31 August. Free parking was introduced in the majority of Council Car Parks on Thursday, Friday and Saturday mornings from 19 June.
33. **Complete the Access York Project which increases the capacity of the service by 30%.** Two new Park and Ride sites were opened on 8 June 2014 to improve the existing service and boost capacity. Askham Bar, a new 1,100-space site replaced the current site and Poppleton Bar, a new 600-space site caters for passengers travelling to York via the A59 and other areas west of the city. The Poppleton Bar Park and Ride service has become

York's first all-electric Park and Ride route. Funding for the £22.7m project was approx. 70% DfT and 30% Council.

34. The upgraded A59/A1237 roundabout has been fully opened at peak times since early July with traffic management in place at off peak times.
35. **Traffic.** A decision to make a payment to settle disputed Penalty Charge Notices imposed on travellers who contravened the Lendal Bridge traffic restriction has been made by Cabinet. A process for applying for payment is currently being finalised.
36. **Focus on Cycling.** The women only cycling project, Bike Belles, is exceeding all expectations. To the end of June there have been a total of 1,546 engagements with women including 19 events such as led rides, maintenance classes and other social meetings. So far, 21 Bike Belles champions have been recruited from key businesses in York and there are almost 1,000 followers on Twitter and Facebook. As part of the TdF Legacy the Council is looking to roll out the project across the Yorkshire & Humber region.
37. The 2014 Business Cycling Challenge took place during the 3 weeks leading up to the Tour de France Grand Depart. The 2014 challenge exceeded the numbers involved in the 2013 challenge with 81 businesses taking part. The challenge has engaged with 131 organisations and 5,172 people resulting in 73,883 cycle rides covering 587,165 miles.
38. In July the Department for Transport announced the council's bid for funding to continue the iTravel York programme to 2016 had been successful. The maximum £1m was awarded, meaning work can continue on the TdF Legacy objective to encourage 'more people to cycle more often'.
39. **Bus travel.** Composite timetable information has been posted at all stops in the city centre. The timetables provide a common style for all bus operators' services and each timetable contains Near Field Communication (NFC) and QR code tags to access real time bus information when activated by a smart phone.
40. York has been established as a 'Better Bus Area' (BBA). One of five BBAs across England and the only one not identified as one of England's 'core cities', the BBA brings £130k of revenue funding for 2014/15 for York's 9 bus operators and CYC to deliver improvements to the bus network and to increase bus patronage.

The partnership has allocated some of the funding to the provision of additional early evening journeys to improve York's more frequent commercially operated bus routes.

41. York's Quality Bus Partnership was fully engaged in the delivery of a successful Tour de France. Operators worked closely with the Council's transport team to ensure that the bus services operated to plan.

Implications

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

Risk Management

43. 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

44. 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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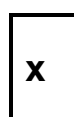
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**Report
Approved**



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2014