

**Economic Development and Transport Policy
and Scrutiny Committee**

18th January 2017

Report of the Director of Economy and Place

**2016/17 Finance & Performance Monitor 2 Report – Economic
Development and Transport**

Summary

1. This report provides details of the 2016/17 forecast outturn position for both finance and performance across services within the Economy and Place Directorate. The paper incorporates data to September 2016 as reported to Executive on 24th November 2016.

Analysis

Finance

2. The services that relate to Economic Development and Transport Policy and Scrutiny committee are shown below:

	Budget £'000	Outturn £'000	Variance £'000
Economy and Place			
Transport	5,949	6,069	120
Fleet	-344	-232	112
Highways	2,737	2,707	-30
Parking Income	-6,783	-6,633	150
Planning Services	351	951	600
Economic Development	1,156	1,106	-50
Parking	1,119	1,119	0

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.

Transport (+£120k)

4. There is an anticipated shortfall of £100k unachieved Automatic Number Plate Recognition (ANPR) income relating to the scheme at Coppergate and anticipated increased costs of £100k for the risk and reward payment for Poppleton Bar Park and Ride.

Fleet (+£112k)

5. There is a £112k unachieved legacy saving from council transport costs for which a delivery plan still needs to be finalised. The Fleet Board has recently been reinstated and that will be a key target for the group to resolve.

Parking Income (+£150k)

6. There is a forecast shortfall from parking income of £150k out of a total budgeted income of £6.9m, representing a 2.2% variation. The main shortfall is at St George's Field where the Environment Agency is using an area of the car park as part of works being undertaken to upgrade the Foss barrier. Compensation for the loss of income arising from the loss of spaces is still to be agreed.

Planning Services (+£600k)

7. A £545k 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 major application can achieve significant fees, however the actual fee paid is dependent on the number of dwellings and scale of site. In addition the government has reduced the planning fees in some areas, e.g. conversion of offices into residential units, and this has resulted in a £47k reduction in fees. For the first 6 months the average planning fee in 2016/17 (£387) is nearly 30% lower than last year (£547). Fees will continue to be monitored during the year. The additional costs of administration (£23k) are offset by the income from supporting Selby DC planning department (£23k). It is expected that there will be shortfall of £45k in Environmental Management income and officers are looking at other ways of mitigating this shortfall.

Performance Update

8. The 2016/17 scorecard for Economic Development and Transport is attached at Annex 1. Other key performance information is included in the following paragraphs.
9. Public consultation on the Local Plan Preferred Sites document and the supporting evidence which draws upon previous work undertaken for the Local Plan ended on 12th September. There were over 2,000 representations made and officers are currently working on analysing the comments and feedback received from residents and other stakeholders and will report back in due course.
10. **Median earnings of residents – Gross Weekly Pay (£) - this measure gives an understanding if wage levels have risen within the city, a key corner-stone in the cities economic strategy**

In 2016 the median gross weekly earnings for residents of York were £509.60 which was an increase of 2.82% from £495.60 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. We are aware that York still fails to meet its full potential in terms of wage levels and part of the reason for this is the availability of space for high quality employments. The recently agreed economic strategy includes a number of areas to assist these issues including developing York Central, delivering the local plan and promoting university led growth.

Median earnings of residents - Gross Weekly Pay (£)



11. Figures from the Office for National Statistics showed there were 530 claimants in York in September a fall of 20 from last month and of 190 from September 2015. The claimant count for York represents 0.4 per cent of the working population, which is lower than both the regional and national figures which stand at 1.6% and 1.3% respectively in September 2016. The recent figures also highlight a fall of 57.14 per cent fall in the youth unemployment count since September 2015. The youth

unemployment figure of 0.1% falls below both regional and national figures, which stand at 1.3% and 1.1% respectively.

12. Data released by the Department of Work and Pensions is published 6 months in arrears - the latest data relates to February 2016. The total number of working age Benefit Claimants continues to fall (a reduction of 7.7% to 9,110 from 9,870 in February 2015). This represents 6.7% of the working age population which is lower than the regional and national figures which are 13.4% and 11.8% respectively. The reduction is predominantly due to a decrease in the number of Out of Work Benefit Claimants (an 8.7% reduction to 7,000 from 7,670 in February 2015) and a slight decrease in the ESA and Incapacity Benefit Claimants (a 1.1% reduction to 5,440 from 5,500 in February 2015).
13. Results from the Business Register and Employment Survey (BRES) for 2015 have been released which show that there has been a 2.2% decrease (from 2014) in the number in employment to 105,900 with the split between the private and public sector employment 81.7% and 18.3% respectively (81.5% and 18.5% in 2014).

Implications

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

Risk Management

15. 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

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

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

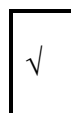
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**Report
Approved**



Date

9th January 2017

Annex

Annex 1 – Scrutiny Performance Scorecard