

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

8 March 2017

Report of the Corporate Director of Economy and Place

**2016/17 Finance & Performance Monitor 3 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 December 2016 as reported to Executive on 9<sup>th</sup> February 2017.

**Analysis**

Finance

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

|                          | Budget<br>£'000 | Outturn<br>£'000 | Variance<br>£'000 |
|--------------------------|-----------------|------------------|-------------------|
| <b>Economy and Place</b> |                 |                  |                   |
| Transport                | 6,089           | 6,159            | 70                |
| Fleet                    | -344            | -232             | 112               |
| Highways                 | 2,756           | 2,756            | 0                 |
| Parking Operations       | 1,119           | 1,119            | 0                 |
| Parking Income           | -6,783          | -6,683           | 100               |
| Planning Services        | 380             | 885              | 505               |
| Economic Development     | 1,163           | 1,052            | -111              |

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 (+£70k)

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. These are offset by additional charges to various transport grants (£130k).

#### 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 (+£100k)

6. There is a forecast shortfall from parking income of £100k out of a total budgeted income of £6.9m, representing a 1.4% 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. The overall parking account is forecasting an improved position from Monitor 2 as both November and December income levels were above forecast.

#### Planning Services (+£505k)

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 9 months the average planning fee in 2016/17 has continued to be 30% lower than last year (£547). Fees will continue to be monitored during the year but very few major fees are expected until progress is made with the Local Plan. There have been a number of planning inquiries during the year resulting in additional legal costs of £37k. The additional costs of administration (£15k) are offset by the income from supporting Selby DC planning department (£47k).

## Economic Development (-£111k)

8. A freeze on vacancies across Economic Development and a rationalisation of corporate subscriptions has led to savings in this area.

### **Performance Update**

9. The 2016/17 scorecard for Economic Development and Transport is attached at Annex 1. Other key performance information is included in the following paragraphs.
10. A report providing an update on the Local Plan following public consultation was taken to Executive on 7<sup>th</sup> December. It was agreed that more detailed work was required to consider the additional issues arising out of the Consultation; to produce a report in response to the DCLG releasing updated National Household Projections figures in July 2016 and to report on the implications of the MoD announcing in November its intention to dispose of three of their sites in York by 2031. The Local Plan Working Group will receive reports in due course.
11. **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 £496.00 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 (£)



12. Figures from the Office for National Statistics showed there were 530 JSA claimants in York in December which is a decrease of 30 from last month and a reduction of 80 from December 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 1.5% and 1.2% respectively in December 2016. The recent figures also highlight a fall of 30 in the youth unemployment count since December 2015. The youth unemployment figure of 0.2% is lower than both the regional and national figures, which stand at 1.3% and 0.9% respectively.
13. Data released by the Department of Work and Pensions is published 6 months in arrears - the latest data relates to May 2016. The total number of working age Benefit Claimants continues to fall (a reduction of 120 to 8,990 from 9,110 in February 2016). This represents 6.5% of the working age population which is lower than the regional and national figures which are 13.1% and 11.5% respectively. The reduction is predominantly due to a decrease in the number of Out of Work Benefit Claimants (an 8.7% reduction to 6,910 from 7,000 in February 2016).
14. In December, at the North of England Transport Awards, York's Park & Ride scheme received the Contribution to Sustainable Transport Award and First York was recognised for its wider commitment to providing greener travel for the region, with its fleet of electric vehicles, helping to reduce CO2 emissions in the city.
15. To make bus travel even more attractive and further boost bus passenger numbers, the 'York by bus' smartcard was launched in November which allows bus users to buy before they board from one of the city's new ticketing kiosks and travel on up to 50 bus routes.

### **Implications**

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

### **Risk Management**

17. 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

18. 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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### Chief Officers responsible for the report:

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**Report  
Approved**



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## Annex

Annex 1 – Scrutiny Performance Scorecard