

Economic Development and Transport Policy and Scrutiny Committee 19th January 2016

Report of the Director of City & Environmental Services and Director of Communities and Neighbourhoods.

2015/16 Finance & Performance Monitor 2 Report – Economic Development and Transport

Summary

1. This report provides details of the 2015/16 forecast outturn position for both finance and performance across services within City & Environmental Services and Communities and Neighbourhoods. The paper incorporates data to September 2015 as reported to Executive on 26th November 2015.

Analysis

Finance

2. The services that relate to Economic Development and Transport Policy and Scrutiny committee cross two Directorates (City and Environmental Services and Communities and Neighbourhoods). Service Plan Variations which relate to services within this scrutiny are shown below:

	Budget £'000	Forecast Outturn £'000	Variance £'000
City & Environmental Services			
Transport	6,489	6,658	+169
Fleet	-355	-191	+164
Highways	2,592	2,592	0
Parking Income	-6,720	-6,590	+130
Development Services, Planning and Regeneration	851	876	+25
Economic Development	156	136	-20
Communities and Neighbourhoods			
Parking	1,075	1,075	0

Note: “+” indicates an increase in expenditure or shortfall in income
“-” indicates a reduction in expenditure or increase in income

Details of the main variations by service plan are detailed in the following paragraphs.

Transport (+£169k)

3. The forecast overspend is mainly due to £100k unachieved ANPR income following the suspension of enforcement cameras at Coppergate and £42k additional costs, mainly staffing, across CCTV.

Fleet (+£164k)

4. There is a £112k saving within the travel management unit still to be allocated to service areas for which a delivery plan needs to be agreed. This saving is not expected to be achieved in 2015/16. In addition there is a forecast shortfall in vehicle workshop external income.

Parking Income (+£130k)

5. Income at Car Parks to 30th September 2015 was £91k below forecast which represents 3.17% of the budget. This is offset by increased income from RESPARK and Season Tickets. The year end forecast for the parking account is a projected shortfall of £130k. The largest year on year percentage reduction is from Marygate Car Park (15%) where the Pay on Exit Trial is occurring. This has been partly due to technical issues impacting income levels. Actual income will continue to be monitored closely.

Development Services, Planning and Regeneration (+£25k)

6. The early indications are that there will be £100k shortfall in building control income. This is offset by an expected increase in income from land charges of £75k.
7. Economic Development (-£20k)

It is anticipated that there will be various operational savings within economic development.

Performance

8. In September, City of York Council joined forces with Unipart Rail to become the first local authority in the UK to trial a new fuel additive, which is set to save the council up to £50,000 a year and significantly reduce toxic emissions from the council's vehicles. The scheme is being trialled on a range of vehicle types across its fleet, at no incremental cost to the council, which on average uses around 800,000 litres of diesel a year.
9. Employment continues to be strong in the City as the number of Job Seekers Allowance claimants continue to fall. The total number of working age Benefit Claimants continues to fall (7.5% reduction to 9,870 from 10,670 in 2013/14) but whilst this predominantly consists of the reduction in Out of Work Benefit Claimants (9.3% reduction to 7,670 from 8,460 in 2013/14) there has been an increase in the ESA and Incapacity Benefit Claimants (7.0% increase to 5,500 from 5,140 in 2013/14).
10. Figures from the Office for National Statistics showed there were 722 claimants in York in September a fall of 41 from last month and of 653 from September 2014. The figures showed the number of jobseekers in York had fallen for the seventh consecutive month and also highlighted a 67.2 per cent fall in the Youth unemployment count since September 2014. The claimant count represents 0.5 per cent of the working population and contrasts to the regional average which stands at 2.2 per cent. The figures are also much lower than the national average which stands at 1.6 percent.
11. Average wage levels remain a concern and the Council continues to focus on measures to promote high value jobs. On 18 September, City of York Council and the York, North Yorkshire and East Riding Local Enterprise Partnership submitted a bid to government for a new Enterprise Zone which could unlock over £100million to help deliver York's largest brownfield site, York Central. Estimates in the bid suggest this could help to create up to 6,600 jobs in the city, and over £1.1 billion value for the region's economy. The jobs created would be high-value office based jobs, helping to grow York's economy by an estimated 20 per cent and increase average wages in the city. This bid was successful and further details reported to Executive in December 2015.

Implications

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

Risk Management

13. 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

14. 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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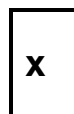
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**Report
Approved**



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