

GLAECONOMICS

Annual Report 2004



Transport
for London

MAYOR OF LONDON

LONDON
DEVELOPMENT
AGENCY



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Foreword

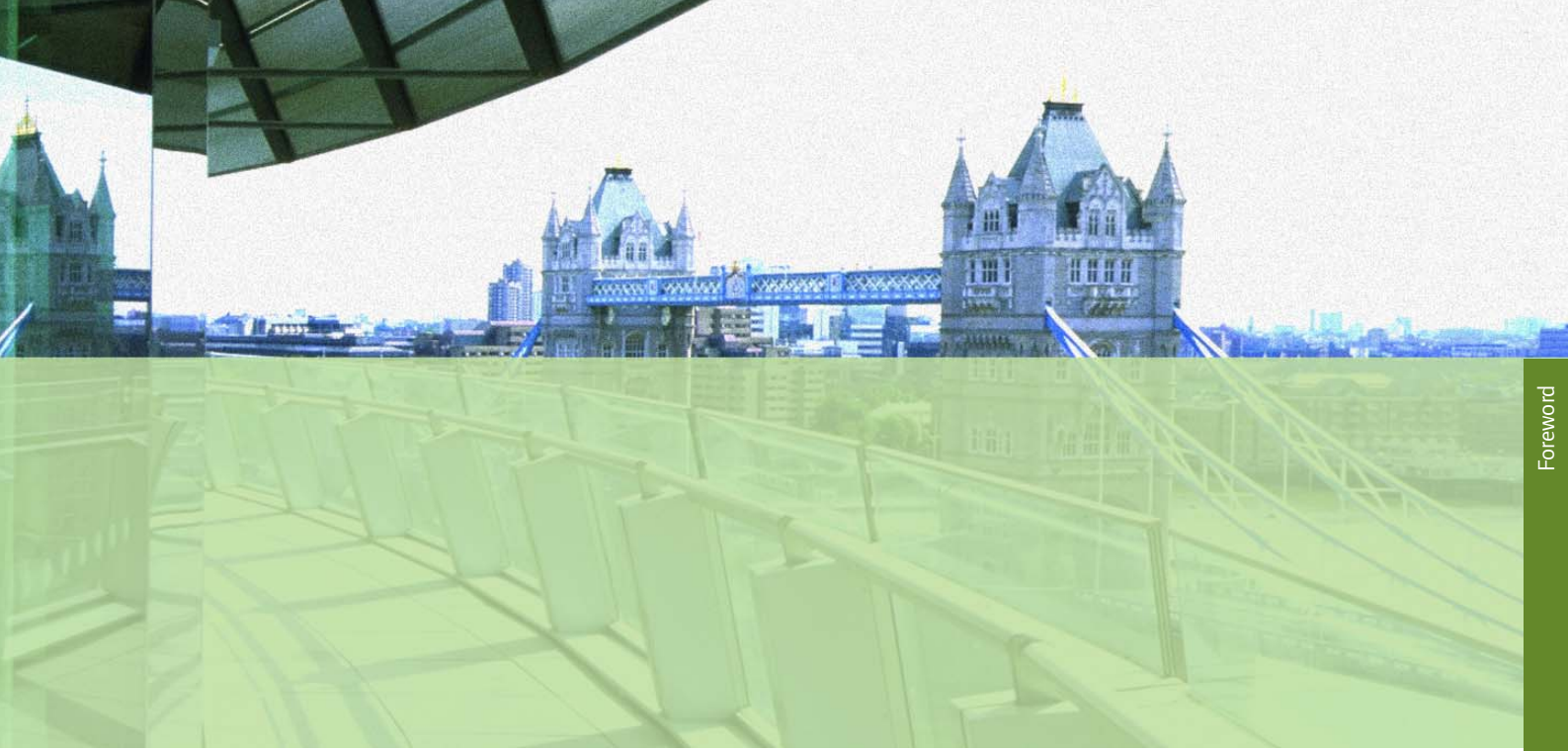


Ken Livingstone
Mayor of London

I am delighted to introduce GLA Economics' second annual report. It describes another year of producing high quality analysis and commentary supporting policy development and service delivery by the Greater London Authority (GLA) group. GLA Economics has continued to provide the robust, credible economic evaluation and commentary needed to support the GLA group's policymaking, investment decisions and service delivery. By providing a resource for the whole of the GLA group, a unified view across the group is established as a basis for policymaking, helping make sure that the dangers of duplication are reduced and that resources can be used more efficiently. This year has seen a review of GLA Economics' usefulness by its funding organisations; it was unanimously agreed that the unit had met its objectives and had proved its value.

Over the past year, there has been a mounting level of interest in regional issues and ways of addressing regional economic disparities. GLA Economics has made a significant contribution to this debate. It has taken a leading role in making London's case as part of the Spending Review 2004, compiling a detailed

submission showing why investment in London is critical to national prosperity and to achieving many national government policy objectives. It also contributed to government reviews of regional economic data and the House of Commons Treasury Select Committee's inquiry into ways of narrowing regional differences.



Recent ministerial announcements have shown the value of this work.

GLA Economics has continued to publish detailed reports on particular sectors and aspects of London's economy. *Spending Time: London's Leisure Economy* brought together for the first time information about this increasingly important sector which employs 300,000 Londoners and is integrally linked to London's success as a global business and tourism centre.

A major report on the economic contribution of London's higher education institutions, *World City, World Knowledge*, highlighted the value of university education for individuals and the London economy as a whole. The report pointed to evidence of a widening difference in the take-up of a university education between people from richer and poorer backgrounds. There will be more reports of this kind.

Work is under way on a major study looking at London's retail trade, which is important both as a sector in its own right and for its wider influence on London's economy. I expect this will raise many issues that will engage those involved in planning, transport and other policy areas, in City Hall and beyond.

In addition to these reports, the monthly *London's Economy Today* e-newsletter is now well established as a prime source for information about the state of the capital's economy.

The unit has continued to provide valued support to teams across the GLA group involved in major projects like Crossrail and the Thames Gateway Bridge. It has also helped the London Development Agency in revising my Economic Development Strategy. Over the next year, ways will be found to make sure the unit works even more closely with its funders and other stakeholders.

As this annual report makes clear, GLA Economics has made an indispensable contribution to the everyday work of the GLA group feeding into numerous key areas of policymaking. Looking forward, the job of providing good, careful and accurate analysis, data and appraisal is likely to be increasingly important. I am pleased with the progress made to date, and look forward to the unit building on its firm foundations.

Ken Livingstone
Mayor of London



Bridget Rosewell
GLA Economics

GLA Economics' second annual report shows how much has been achieved over the past year.

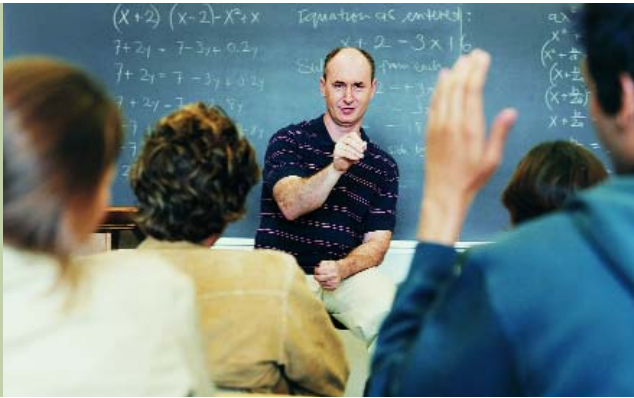
This was a year in which the unit reached its full staff complement and began to establish regular publications and extend its analytical capability across the whole range of GLA group activities.

In the period reviewed here, further studies of individual sectors were undertaken and a new sector, retail, begun. We continued to develop our monthly publication, *London's Economy Today*, and refined other publications that provide regular forecasts of London's economy and a consensus analysis of the work of others.

One of the unit's major achievements was preparing the *Case for London* report as an input into the Spending Review 2004 debate. In circumstances where it was clear that spending would be tight, we knew it was important to make the best case for London. As well as commissioning external consultants to look at issues surrounding the labour market,

investment, transport, public sector costs and costs of living comparisons, we also drafted and edited the final report. We are proud of this work as it was completed to a tight timescale and was well received.

Throughout the year, we have been developing links into other areas of work to help provide necessary analysis. We have worked with GLA's



environment teams to help model the impact of the economy on environmental change and we have worked with the housing teams by providing input into the Barker Review and in analysing the housing market.

Considerable time went into working with the London Development Agency to prepare analysis for the *Economic Development Strategy*, which went out to public consultation in January 2004. Further work is planned with the London Development Agency to revise the strategy in the light of the comments received. We are also working closely with colleagues from Transport for London on various projects such as studies for Crossrail, the Thames Gateway Bridge, the impact of the congestion charge on retailers and budget planning assumptions.

We have enjoyed increased external contact with regular

meetings with a variety of organisations and different parts of government. We held our first major conference and are starting a series of seminars and workshops about particular issues.

I would like to take this opportunity of thanking the unit's staff for their contribution to the team over this year. The standard of analysis that the team produces is high and the ability to work together means that deadlines can be met effectively. But it is not just about analysis; the team's ability to produce publications and manage its suppliers depends also on the staff who perform the functions of knowledge management, publications management and administration.

We have also formed some good working relationships over this year with people in all parts of the GLA group and

indeed outside the GLA group as well. I would also like to thank them for helping the unit to become an established part of economics in London.

Bridget Rosewell
Consultant Chief Economist
GLA Economics



Introduction

The Mayor of London formally established GLA Economics in May 2002 after approval was granted at the Business Management and Appointments Committee in January 2002. The unit is tasked with providing information and high quality analysis about economic issues facing London. The Greater London Authority (GLA), Transport for London (TfL) and the London Development Agency (LDA) jointly fund GLA Economics.

Economic analysis is useful on a number of fronts. On one level, we need to monitor and project what is happening in the London economy to inform the plans and policies of the GLA group. On another, we use economic analysis to establish the costs and benefits of different policies and the economic contribution that investment in London makes both to London and the rest of the United Kingdom (UK).

This is the second annual report of the unit, covering the period from April 2003 to March 2004. The service level agreement governing the unit required a review of the unit's value and effectiveness in its first two years of operation. The review

resulted in the funding organisations agreeing that GLA Economics had provided a valuable service and had delivered on its set objectives. This report reflects the conclusions of this review.

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Direction

A steering group, consisting of representatives from the funding organisations, oversees GLA Economics' work. This group decides the unit's work program and priorities. It has adopted the following mission statement and objectives for GLA Economics:



Mission statement

‘To provide economic analysis and a firm statistical, factual and forecasting basis for policy decision making by the GLA and the GLA group.’

Unit objectives

- To collate and validate economic and related data.
 - To analyse key variables and portray trends, drivers and the composition of London’s economy.
 - To provide a short and medium-term forecast for London’s economy and a review of independent London forecasts.
 - To target relevant audiences for the unit’s work and disseminate the information as widely as possible.
- To establish working relationships within the GLA and GLA group with academic partners, government organisations and other appropriate partners that have a special research and business focus on aspects of the London economy.
 - To provide analysis to inform policy development in the functional bodies.



GLA Economics

The unit's staff in 2003/04 were:

Consultant Chief Economist	
1 Knowledge Manager	3 Senior Economist
1 Marketing and Publications Manager	5 Economists
1 Administrative Officer	1 Trainee Economist

Bridget Rosewell of Volterra Consulting Ltd. was appointed consultant chief economist, following a tendering exercise in May 2002, to provide support during the establishment of the unit and to obtain data and provide analysis over this initial period. A significant part of the first year of GLA Economics' life was dedicated to recruiting staff. By July 2003 all of the professional economist posts had been filled and a knowledge

manager recruited. Temporary staff then filled the roles of the administrative officer and marketing and publications manager. GLA Economics is also pleased to welcome a PhD student from the University College of London. The PhD student is sponsored by GLA Economics to research a series of different urban models based on complexity theory with a strong economic emphasis.



omics Staff

In the coming year

Discussions are currently underway between the LDA and GLA Economics to create a satellite unit of GLA Economics to be based at the LDA. This will enhance the working relationship between the two groups, allow the LDA better access to economic skills and foster a clearer understanding of the priorities of the LDA by GLA Economics. The proposed satellite unit will be an integral part of the GLA Economics team and have access to a wide range of data and resources to enable them to complete their analysis.

GLA Economics will appoint an additional trainee economist who will begin work in September 2004. The trainee economist will be responsible for maintaining the datasets that GLA Economics uses and will provide ad-hoc analysis and chart creation for the unit's economists.

The contract of the consultant chief economist will end in summer 2004 and will be put out to tender to companies on the GLA Economics Framework Agreement.



Work Streams

The work of GLA Economics is diverse. This section outlines the major work streams of GLA Economics during 2003/04.

The economy

Monitoring the state of London's economy

Policy makers need a timely interpretation of the latest economic developments in London's economy to inform their decision-making processes. GLA Economics collates a wide range of economic indicators covering London, the UK and, new for 2003/04, international comparators.

Since August 2002, GLA Economics has been releasing a monthly e-newsletter called *London's Economy Today*. This e-newsletter features the most up-to-date information available on the state of London's economy and each issue has an interpretation of the latest economic developments. As bus and tube usage figures are a sensitive measure of economic activity and, in particular,

employment activity in the city, they are included in each edition. Discussion articles are also included each month to give a preview to the latest research findings from GLA Economics.

Following a survey of our readers during September 2003, the design of *London's Economy Today* has been revamped to make it visually more appealing and easier to read. The production process has also been streamlined freeing up time for the economists to carry out research in other areas. Subscription rates to the e-newsletter have steadily increased and the e-newsletter is now emailed to over 1700 addresses per month.

Headlines from London's Economy Today include:

Budget 2004:

An initial analysis

Congestion charging and retail – one year on

A prosperous new year?

London's manufacturing today

Where do you live? London's housing submarkets

The causes of recent poor sales performance in central London.



London's economic outlook: The GLA's medium-term planning projections

Following feedback from the steering group, it was agreed that the GLA forecasting documents should be merged and released every six months to tie in with the business planning cycle of the GLA group. The forecasting reports are now released under the series title of *London's economic outlook*. The reports include a consensus forecast summarising a range of independent forecasters as well as projections produced by Experian Business Strategies using GLA Economics' assumptions.

GLA Economics played an important role at the public examination of the draft *London Plan* in February–April 2003. GLA Economics was particularly successful with defending the economic projections and analysis underlying the plan and providing sector and sub-regional information. In July 2003, a senior economist from GLA Economics presented

at the Local Government Information Unit Conference entitled *One City - Two World Regions: A shared agenda*. This presentation discussed forecasting and mapping tools.

Core cities work

This research stream is about realising the economic potential of England's core cities (Bristol, Liverpool, Manchester, Leeds, Nottingham, Newcastle, Birmingham and London) by identifying their competitive advantages. GLA Economics is represented on the steering board for this research that is jointly commissioned by Manchester City Council and the Greater London Authority. The research has been conducted by Oxford Brookes University working with the University of Cambridge, Experian Business Strategies, University College London and The Work Foundation. It is anticipated that the report highlighting the findings of this research will be made available in the coming year.

International city comparisons

The two main reasons for conducting international city comparisons are to ensure that there is consistency between the data used and to benchmark performance.

GLA Economics in conjunction with the LDA has developed a database of economic and social indicators for 27 of Europe's major cities drawing on data from Eurostat and private sector data suppliers.

GLA Economics has also undertaken research to develop an understanding of London's role as a world city, with a particular focus on identifying London's greatest export opportunities and the implications of the rapid economic growth of Asia.



Long-term employment projections

Long-term employment projections are essential to the GLA group for planning transport, housing and other services to meet the needs of Londoners. The long-term employment projections to 2016, that underpin the Mayor's *London Plan*, prepared for GLA Economics by Volterra Consulting Ltd, uses a methodology based on long-term trends in output and productivity. There are several alternate methodologies that can be used to project long-term employment data. GLA Economics has applied an alternative methodology based on population projections to produce projections for London's employment to 2041.

Monitoring ethnic minority-owned businesses

The release of the LDA and Business Link for London's *Annual London Business Survey* has enabled GLA Economics to conduct a series

of short pieces looking at the economic contribution of different ethnic minorities to London. Availability of census data also improved our understanding of the economic contribution of different ethnic minorities to London. The topics covered included the contribution of Asian-owned businesses to the tourism industry and the contribution of Irish-owned businesses to London's economy. Working with the African and Caribbean Business Network, GLA Economics will be providing an analysis of their contributions to London's economy. This report will be released in late 2004.

Commuting patterns

GLA Economics is working with the Corporation of London, LDA, TfL, the Association of London Government, the South East of England Regional Assembly and the East of England Regional Assembly to look at changes in commuting patterns. The project's aims are:

- To establish a common methodology and database for estimating commuting flows into, out of and within London and its neighbouring regions of South East England and East of England. This will include an assessment of data from the *Labour Force Survey*, *Annual Business Inquiry*, *Census of Population* and transport monitoring sources.
- To identify the commuting implications for 2016 and 2021 of certain policy, development and transport scenarios.
- To use the methodology to monitor future commuting flows based on the established 2001 situation.

This research has been contracted to Cambridge Econometrics, WSP and the London School of Economics and will begin once the Office for National Statistics has released workplace related census data variables. The



final report is anticipated for autumn 2004.

Indicators for London

GLA Economics, in conjunction with the Corporation of London, hosted a seminar in May 2003 to discuss ways to improve the quality and timeliness of official statistics for London's output. This seminar helped to increase awareness of the problems in measuring regional output and to better understand the assumptions that private suppliers use in estimating regional output measures.

The London Retail Consortium with KPMG launched the London Retail Sales Monitor in December 2003. This indicator measures changes in the actual value of retail sales from a sample of retailers.¹ It is no longer necessary for GLA Economics to continue to develop an indicator that measures retail spend.

In the coming year

GLA Economics will continue to closely monitor the state of London's economy and its relationship with the rest of the UK, Europe and the global economy. GLA Economics will also continue to release its six monthly *London's economic outlook reports*.

There are large structural changes taking place in the world economy. GLA Economics will be working with partner organisations including the London First Centre and LDA to continue analysing financial flows of inward investment. There will also be a research stream that will seek to analyse the relationships between the London and world economies.

GLA Economics has already started work on comparing London with other major UK and European cities. This will be updated annually and is being extended to North America and then other major international cities. There are

also plans to increase the number of indicators monitored for each city.

GLA Economics has commissioned Volterra Consulting Ltd. to update both the London and the borough forecasts of future employment growth and update the *London Plan* projections on the basis of two years' additional data. It is also intended that further work will be commissioned to enable these projections to be broken down to below the borough level.

GLA Economics is also developing estimates of London's goods and services exports to the rest of the world.

GLA Economics will be releasing a report with the African and Caribbean Business Network that looks at the economic contribution of African and Caribbean owned businesses to London.

It is intended that the first report about women in London's economy will be released in

¹ For further information about the London Retail Sales Monitor visit www.brc.org.uk



autumn 2004 and will feed into a major conference about this topic.

Influencing government

GLA Economics plays a key role in the GLA's influencing strategy with the national government. This includes increasing the government's understanding and appreciation of London's uniqueness within the UK. In economic terms, London acts as the major international gateway for both investment and visitors. In social terms London, especially inner London, exhibits great disparities with concentrations of both rich and poor.

Case for London

GLA Economics were the lead authors for the GLA's submission to the 2004 Spending Review which will determine the level and distribution of public expenditure for the years 2005/06 to 2007/08. *The Case for London* aims to secure more government funding for London. It demonstrates that greater

investment in the capital is vital, because:

- London is a powerful driver of the UK economy and needs investment to reinforce and develop this role for the future.
- London contributes £9-15 billion more to the national government in taxes than it receives in spending, and investment in London is needed to maintain this contribution.
- The capital has the highest child poverty rate and some of the worst housing, public health and homelessness in the UK.
- London is set to grow by 800,000 people in the next 12 years, and this must be managed in a sustainable way.

GLA Economics commissioned a range of independent consultants to help provide the evidence base for the analysis within this submission. The

commissioned reports covered transport accessibility, London's labour market, how the UK benefits from foreign investment in London and a cost of living comparison between London, Edinburgh and Manchester.

Input into the Allsopp Review

The terms of reference for the *Allsopp Review* were to consider the information requirements for monetary and wider economic policymaking with a specific remit to assess the demand for and provision of regional information and whether the changing structure of the UK economy is being adequately reflected in the 'nature, frequency and timeliness of official economic statistics'.

GLA Economics provided a submission to the *Allsopp Review* that prioritised our improvements to regional economic information. GLA Economics suggested that immediate priority be given to the construction of annual real Gross Value Added (GVA)



figures. It was also proposed that the GVA figures should be estimated on an output basis rather than the current income basis of calculation. Where improved methods of estimating regional statistics are adopted, GLA Economics requests that they are applied to previous years of data or previous methods run in tandem and to all regions to enable inter-regional and time series analysis to be undertaken. GLA Economics also calls for more timely regional statistics i.e. within six months of the end of the year to which they pertain. The importance of producing statistics on the appropriate basis - workplace for economic statistics and residence for social statistics - was also stressed. For London, this is a particularly important issue as large numbers of people commute between the south east or eastern regions and London.

The *Allsopp Review* has accepted our basic analysis of the problem and in particular

the immediate priority for GLA Economics of the creation of annual baseline GVA figures using the production method has been recommended by the review². The Office for National Statistics has begun to implement the recommendations from the *Allsopp Review*.

GLA Economics has also been in discussions with the Office for National Statistics about the availability of employment statistics and micro data for London.

Input into the Barker Review

The *Barker Review* was charged by the government to consider 'the role of competition, capacity, technology and finance of the house-building industry; and the interaction of these factors with the planning system and the government's sustainable development objectives'. The main aim of the review was to examine ways of boosting the supply of housing while addressing the problem of affordability.

GLA Economics assisted the GLA Housing and Homelessness team with the GLA submission to the *Barker Review*. GLA Economics analysed the factors influencing demand and supply of housing and carried out an analysis of the size of firms in the house-building industry.

GLA Economics analysis showed that London's labour market has a high turnover of jobs and large amounts of migration. London therefore requires greater amounts of private rented accommodation to cater for the transient nature of London's labour market.

² C Allsopp, *Review of Statistics for Economic Policymaking – First Report to the Chancellor of the Exchequer, the Governor of the Bank of England and the National Statistician*, HM Treasury, December 2003.



In the coming year

GLA Economics will be responding to a HM Treasury and Department of Trade and Industry public consultation period on productivity indicators including those at the regional level.

The government sets targets that each of its departments should aim to achieve. The government's regional *Public Service Agreement target* is couched in terms of reducing regional differences in the trend growth of output per capita. GLA Economics have a number of concerns about this precise formulation and will be researching the best way of measuring regional disparities especially given current data constraints.

Sector studies

Sector studies play a key part in monitoring changes in London's economy and planning how to provide for these changes. GLA Economics has built up an understanding of the creative and cultural industries in London, how the tourism sector impacts on London's economy and has gone some way to better understand London's complex housing market.

London's leisure economy

Leisure is a vital component of London's success. Londoners spend more than £150 a month on leisure and the sector injects £9.5 billion into London's economy each year.

Increasingly, people are spending their spare time and money on activities away from the home - dining, theatre and cinemas, drinking, playing and watching sport, gambling and visiting London's vast number of attractions. Leisure is also vital to London's tourism industry and business decisions

to locate here and attract and retain first-rate employees.

GLA Economics' research findings into London's leisure sector resulted in a report, *Spending Time: London's Leisure Economy*. It provides an economic analysis of this part of London's life that helps us to understand its importance to the economy and to Londoners. It is the first report of its kind, bringing together previously disparate research on the size and scale of London's leisure sector - restaurants, pubs and clubs, entertaining in theatres and cinemas, sports, gambling and visitor attractions.

The report estimates that a quarter of the UK leisure economy is in London and that it has grown by nearly 30 per cent from 1995 to 2001. Leisure activities employ nearly 300,000 people and provide highly skilled, entry level and part-time jobs, which are vitally important in giving the widest



possible range of job opportunities to Londoners.

This report helps to identify the opportunities and constraints that face the leisure sector and is a starting point for discussion on how to enhance London's reputation as one of the world's most dynamic economies.

A seminar was held in February 2004 at City Hall that provided updates to the findings presented in the report and provided a forum for discussing the key findings of the report.

London's higher education sector

Working in conjunction with the LDA and London Higher, GLA Economics is working to better understand the economic contribution of London's higher education sector. There are over 340,000 students in London, studying at 41 higher education institutions. The GLA Economics report *World City, World Knowledge* examines how higher education contributes to the

London and UK economies. It also estimates the value of investment in higher education in terms of the human capital it generates. Key findings include:

- London's higher education sector generated nearly £9 billion for the UK economy in 2001/02.
- The sector created between 66,700 and 75,500 full-time equivalent jobs in London, or nearly two per cent of London's jobs.
- The total economic gain from the higher earnings of London graduates is estimated to be around £11.7 billion per year over their working lives.

The report discusses the returns to higher education both to the individual and society as a whole. The report also presents evidence of a widening gap in participation between families from richer and poorer backgrounds.

Tourism sector

Tourism is an important and fast-growing sector of London's economy. Tourists spent around £15 billion in London in 2002 (equivalent to around five to six per cent of London's GVA). As tourism is a priority area for the Mayor, ensuring that policy is informed by an accurate understanding of the sector is key. It is also a sector that has faced extraordinary challenges in the last few years – the September 11 terrorist attacks and more recently the Iraq war. However, as tourism is defined by the consumer rather than the producer of goods and services the sector is not easily measured by official statistics. GLA Economics has been actively involved in reviewing existing statistical sources, developing additional sources such as those based on Underground data (see edition 18 of *London's Economy Today*) and evaluating how to develop better tourism statistics in the future. This includes local area economic impact assessments of tourism (at the



borough level) and examining the prospects of creating a Tourism Satellite Account for London.

Housing sector

GLA Economics commissioned a report to provide an overview of the London housing market from an economic perspective. This analysis of the London housing market reveals ample evidence of market failure. The report states that housing-related issues are among the most serious affecting the London economy and the lives of Londoners at present. Over recent years, demand for housing has been outstripping supply, and house prices have risen dramatically. In particular, there is a shortage of affordable housing for people on lower incomes, and social housing waiting lists are increasing. The report was released under the title *Market failure and the London housing market*.

Manufacturing sector

The London Production Industries Commission (PIC) has been established to 'develop a pan-London strategy to sustain and enhance the competitiveness of businesses in the production industries sector'. This is within the context of the review of the LDA's Economic Development Strategy which highlights production industries and the government's manufacturing strategy at a national level.

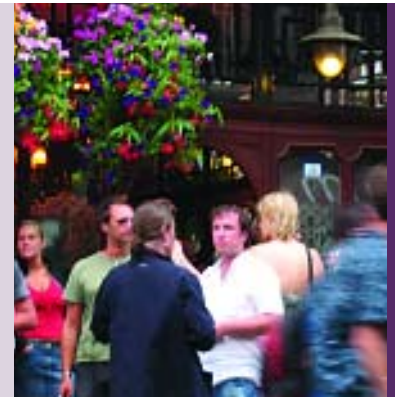
GLA Economics provided a statistical profile to the PIC that identified key statistics relating to production industries in London, analysed recent trends and benchmarked London's performance against other UK regions and international competitors. The findings showed that manufacturing is eight per cent of London's economy. Manufacturing in London is different from elsewhere in the UK: almost a third of manufacturing in London is in printing and publishing (this

includes journalists based in London) and there is a high concentration of people working in professional and administrative jobs in this sector. The study also showed that manufacturing employment and output is expected to continue to fall in London although at a much slower rate than in previous decades.

London's creative industries

GLA Economics liaises with and supports the LDA in its creative industries research programme. Further, in liaison with the LDA and the Department for Culture, Media and Sport (DCMS), GLA Economics has a continuing programme of work designed to establish common standards of evidence gathering for the creative and cultural industries and to improve the quality of data available to policy planners in the area.

GLA Economics worked closely with the DCMS in establishing its new *DCMS Evidence Toolkit*, an enhanced set of guidelines



for measuring economic activity in the creative industries, sport and tourism sectors on a common basis. The toolkit is due to be launched later this year.

In the coming year

Retail sector

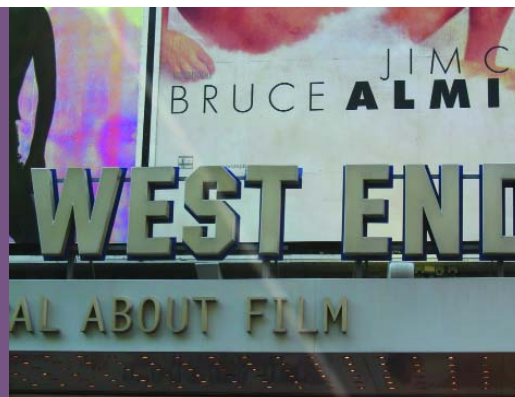
London's retail sector employs 380,000 Londoners, is integral to the capital's tourism offer, has a major impact on the wider economy and raises a number of important policy questions in areas like land use and transport planning. For all these reasons, GLA Economics has started work on a major retail sector report which will draw together the information and analysis needed to better inform policy decisions affecting this key sector, for example:

- How large a contribution does retail make to London's economy?
- How effective is competition in the London retail sector in bringing about greater choice, increased productivity and lower prices in all parts of the city?
- What affect do other sectors have on retail (for example the interaction between leisure

and retail and the interaction between tourism and retail – especially in the West End)?

- What affect has the congestion charge had on retailers in London?
- How can retailing contribute to the regeneration of areas in London?
- Which parts of London have a low level of accessibility to retail centres and what can be done to improve their position?
- What forces are likely to impact on retail in the future (e.g. internet and other technological changes)?

GLA Economics has established a steering board to oversee this core research area that includes representatives from the Department of Trade and Industry, Skillsmart, New West End Company, Office of Deputy Prime Minister, London Retail Consortium, London First, GLA, LDA and TfL. Work



began in early 2004 and is intended to continue for the rest of the year; the exact time frame will depend on whether further surveys of consumers and retailers are required. Findings will be made available in the form of a report.

The requirements of the West End will be evaluated in order to maintain the West End's attractiveness as a centre of overlapping activities including retail, tourism and leisure. The starting point of this is to determine the exact geographies of the West End's business district and to determine how its different activities interrelate with each other.

GLA Economics is working with the Mayor's office to estimate the economic impacts of changes in gambling legislation to London's economy. GLA Economics is assisting in providing the evidence base for policymaking for this emerging market.

Creative industries

Changes in London's creative and cultural industries will continue to be monitored.

London's Creative Sector: 2004 update report will be released in spring 2004 and will update and extend the previously released *Creativity: London's core business* report.

Higher education sector

GLA Economics will contribute to a conference about the value of higher and further education to London that is planned for autumn 2004.

GLA Economics will continue to monitor manufacturing in the context of international trade.

Tourism sector

TfL have asked GLA Economics to provide them with tourism forecasts to help TfL plan for transport needs in London.



Environmental economics

Valuing greenness

Londoners' top four priorities are affordable housing; safety and crime; health services; and improved public transport³. The GLA Economics report *Valuing Greenness: Green spaces, house prices and Londoners' priorities* brings together the topics of environment and house prices. House prices are taken as an indicator of how attractive different parts of London are and the research examined if house prices are affected by the amount of open green space in the local area. It found that open green spaces have a more significant impact on house prices in outer parts of London. The amount of green space within a ward is the fifth most significant indicator in explaining the variation in average house prices. The first four indicators are level of income support, travel time to central London, average air quality and dwelling density.

London's ecological footprint

A location's ecological footprint is a measure of all resources needed to support human consumption. The *London's Ecological Footprint* report examines the pros and cons of ecological footprint methodology and ways that it can be used to calculate the environmental intensity of economic activities. It also contains a critical analysis of the *City Limits* report that looked at London's ecological footprint.

Economy-environment model

GLA Economics commissioned Enviro Consulting Ltd. to develop a model that would assess and quantify the impact of London's economic growth on the environment. The model projects the impact of population, tourism and economic growth on a range of environmental indicators such as air pollution, waste and greenhouse gases.

Economic instruments for reducing aviation emissions

Working with the GLA's environment team, GLA Economics has responded to a HM Treasury and Department for Transport consultation that looks into aviation emissions. GLA Economics evaluated which instruments could be used to measure these emissions and what impacts different measures will have on London's economy.

³ Annual London Survey, GLA 2003. Please visit www.london.gov.uk



In the coming year

GLA Economics intends to continue its research into environmental economics including the next steps for ecological footprints and finding more robust data for use in the environment-economy model.

A seminar to discuss the initial environment-economy model and to develop how it can best be used is scheduled for late spring 2004 at City Hall.

Environmental impact of four London specific sectors

This research will devise and specify a data collection and processing program that would provide a time series analysis of the environment-economy relationships of four economic sectors (food, commuting, tourism/international travel and, financial and business services) for London. The report will define the sectors and explain the methodology for their environmental impact. This research has

been contracted to Brook Lyndhurst Ltd.

Financial services sector's role in promoting new environmental business in London

This research will look at the role financial services can play to encourage 'green investment funds' and help investors, lenders and insurers internalise sustainability into their decision-making criteria. This research will look at the latest developments in the financial community and environmental policy to encourage business to be more sustainable in their activities and business investments.

Transport economics

Over the last decade London's rising population, strong economic growth and growing tourism have led to increasing pressures on its transport networks. Traffic congestion and under-resourced public transport are regularly identified by the public and businesses as London's most pressing problems. The Mayor's transport strategy outlines an integrated set of measures over a broad ten-year horizon that will reduce traffic in central London, cut its rate of growth in inner and outer London, and substantially increase the capacity and reliability of public transport in the city as a whole.⁴

GLA Economics assists TfL in the delivery of the Mayor's transport strategy by providing economic advice and input into the proposals for improving London's transport network.



Accessibility

Investing in London's transport system benefits both users and businesses. As well as improving people's quality of life, making the transport network more efficient will increase the economy's potential productivity by allowing businesses to benefit from being well-connected to labour and product markets. However, the relationship between transport investment and the economy is complex and poorly understood. As part of the *Case for London*, feeding into the Government's Spending Review 2004, GLA Economics commissioned Paul Buchanan and Partners to extend earlier GLA Economics work testing the relationship between accessibility and employment originally conducted in the context of the Thames Gateway Bridge (TGB). The report used a comprehensive data set covering the whole of London and found a very strong, statistically significant relationship between accessibility and jobs density, as

well as a somewhat weaker link between accessibility and population density. This approach has already been used in appraising the regeneration impact of the TGB and GLA Economics will continue to examine the nature of these relationships and what lessons there may be for the appraisal of infrastructure projects.

Total trip demand in central London

TfL asked GLA Economics to investigate the linkages between car trips and economic activity. The objective was to inform analysis of road space needs and projections of road space demand which are important when maximising the efficiency of the current network. Based on existing data sources, GLA Economics developed econometric models both for total trips and car trips. In line with the findings of many previous studies, the main reasons for total trips into central London during the morning peak were employment

and London GVA growth. For car trips the best predictors were the relative prices of other modes (e.g. buses and the Underground) and the average speed on the road network.

Crossrail

Crossrail is the biggest single investment currently proposed for London. Over the past year we have been working intensively with TfL and Crossrail Ltd. to present the case for this investment in the widest possible terms.

Work has been undertaken to establish the monetary value of output and of tax revenues as a consequence of this spending and we have been involved in presenting this work to business audiences, the Treasury and the Department for Transport. We estimate that Crossrail will create at least £19 billion worth of gross domestic product - more than enough to pay for it - and of that £7.6 billion will go to the Treasury, which provides a basis for

⁴The Mayor's Transport Strategy, GLA, July 2001. Please visit www.london.gov.uk



arguing the scale of contribution that should come from central funds.

We have also been involved in looking at other sources of funding. We sit on the steering group for research into the impact of transport investment - specifically the Jubilee line - on property values. We have also contributed to the analysis of funding streams for Crossrail from both businesses and the fare streams and have validated the assumptions made in the analysis.

Thames Gateway Bridge

GLA Economics has played a significant role in the TGB regeneration steering group. The group's key outcome has been the *Thames Gateway Bridge Regeneration Statement* (January 2004) that sets out the TGB's regeneration benefits and supports the planning applications to be submitted to Greenwich and Newham borough councils and other relevant powers and consent

processes. In particular, GLA Economics has been instrumental in extending the methodological robustness of demonstrating that there is a positive relationship between accessibility and employment density as well as accessibility and population density. Work on these relationships has been carried out for the Thames Gateway area in general (and specifically the four London boroughs of Barking and Dagenham, Bexley, Greenwich and Newham) and across London as a whole. The work on accessibility has played the key role in the regeneration statement.

Congestion charging

The Central London Congestion Charge began on the 17 February 2003. GLA Economics has worked closely with TfL in monitoring the economic and business impacts of the congestion charge. GLA Economics has also provided evidence that the economic effects of congestion charging

are not as large as some external business organisations claim and that other impacts due to terrorism, the downturn in the global economy, the closure of the Underground's Central line and fewer tourists visiting London have played a much larger role in the downturn (February 2003 - June 2003) experienced by the retail sector.

At present, GLA Economics is working on a comprehensive analysis of all the costs and benefits of congestion charging.

West London trams

GLA Economics has supported and will continue to support TfL with their work regarding the West London trams project.



In the coming year

GLA Economics will be meeting with the Department of Transport to discuss the findings and implications of the transport chapter included in the *Case for London*.

As well as continuing our work on Crossrail, TGB and congestion charging we will further investigate the economic impact and regeneration benefits of transport schemes, bringing together the work conducted on a number of previous schemes. There will be continuing discussions with relevant government departments about the suitability of techniques used for the assessment of major transport projects.

GLA Economics will also provide input into a study looking at commuter flows in London and the wider south east. We also plan to investigate the trend in leisure trips (or off-peak trips) over the last 30 years.

Development economics

Economic development strategy

GLA Economics has played a leading part in progressing the LDA's Economic Development Strategy (EDS) by advising on what should be included in the EDS, commenting on the consultation draft of the strategy, advising about suitable data for the strategy's evidence base and by acting as a facilitator at some of the strategy's consultation events.

In the coming year

We are also undertaking further research into areas of particular importance to the EDS including research into rates of business closures.

GLA Economics will help revise the draft EDS as a result of the consultation exercise, playing an active role in revising both the main body and the evidence base of the EDS.



Labour market economics

Women in London's economy

As a major research area for the GLA group, GLA Economics has begun building the evidence base about women in London's economy. This research will cover employment participation rates of women and reasons behind the lower participation of part-time females in London than elsewhere in the country. The analysis will consider:

- Why London has the largest gender pay gaps of all regions in the UK.
- The emerging opportunities for female workers.
- How female-owned businesses differ from male-owned businesses.

It is anticipated that a number of research reports will be released from this research area.

London's workforce employment series

GLA Economics believes it is important to review the quality and understand the differences between existing data sources such as the core data sets of employment. GLA Economics commissioned the University of Westminster to analyse the discrepancies that exist between the UK's official sources of employment data – the *Labour Force Survey* (survey of employees) and the *Annual Business Inquiry* (survey of employers). It was found that the official sources of employment data were insufficient for the GLA group's planning requirements so the GLA maintains its own set of data for measuring the number of jobs in London known as the GLA's workforce employment series. This data is available for the years 1971 to 2002 at a broad level and between 1981 and 2002 at a more detailed level.

Lone parents in London

GLA Economics jointly commissioned research with the Department for Work and Pensions at the University of Bristol to find out why lone parents in London are less likely to be in paid work than those living elsewhere in Britain. This report, which supports previous GLA research findings⁵, is an important contribution to aid national government policymaking. One of the report's key findings was to show that in London the percentage of all women with children (whether lone parents or not) in employment is significantly lower than elsewhere in the country.

Poverty and worklessness

Drawing on research from the GLA and external sources, our analysis of poverty and worklessness for the *Case for London* report indicated that London, especially inner London, shows great disparities with high proportions of both rich and poor. In 2001, London had four local authority districts where the



employment rate was below 60 per cent – Hackney, Haringey, Newham and Tower Hamlets.

GLA Economics noted three major differences between London and the UK relating to poverty and worklessness:

- High rates of child poverty resulting from especially high rates of worklessness amongst mothers including, but not just, lone mothers.
- Major differences in employment between ethnic groups. In 2001, 76 per cent of white Londoners were in employment while all minority groups had lower rates ranging from 67 per cent for people of Indian origins to 31 per cent for those of Bangladeshi origins.
- Significant disadvantages for people with low skills and few qualifications because of the London economy.

In the coming year

GLA Economics will continue to work with both other sections of the GLA and the GLA group, and with other organisations such as the Department for Work and Pensions and the Treasury, to further the collective understanding of the London labour market and how its particularities impact on the pattern of work, worklessness and poverty in London. This will allow us to contribute to the development of evidence based policy in this area for London.

Widening Audience

The work produced by GLA Economics is of value to a large number of stakeholders. In order to ensure that the work is accessible to different audiences, the unit uses a range of communication tools.

Widening the audience for GLA Economics' work

The Value of Cities conference

In October 2003, GLA Economics hosted its first international conference with well-known speakers from London, Paris, New York and Berlin. Chair of the LDA, Honor Chapman, opened the conference to over 100 delegates. In the afternoon, a series of workshops showcased GLA Economics research in transport and congestion charging, environment, changing industries, housing, work and social disadvantage. Delegates were mostly from London-based institutions, but also from other regions in England, Scotland, Ireland, Switzerland and France. Proximity, poverty and the public/private sector balance were the main themes emerging

from the day. Feedback from the conference was positive and Berlin offered to host a follow-up conference on the value of cities.

Seminar series

In February 2004 the first of a planned series of seminars was held at City Hall on London's leisure economy. People from London boroughs, universities, the private sector and a range of regional government organisations listened to an update of the findings from *Spending Time: London's Leisure Economy*, a GLA Economics report which analysed the sector using the latest official statistics.

The next seminar in April will discuss the GLA's economy-environment model. Seminars on transport accessibility, London's role in the international economy and the labour market

are planned for summer and autumn 2004.

Working group meetings

During 2003/04, GLA Economics continued to host bi-weekly meetings to which more than 60 people from within the GLA, TfL and LDA were invited. The meetings cover the latest on the global and local economies, new economic indicators and a short presentation from GLA Economics or an invited guest speaker.

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External presentations

The unit's consultant chief economist, Bridget Rosewell, chaired a seminar in Paris for the *European Forum of Local Authorities* and presented at a seminar on regional statistics and the *Allsopp Report*. Bridget makes frequent presentations on London's economy to London First, the Central London Partnership and other regional and national stakeholders.

GLA Economics presented at the Royal Statistical Society about monitoring the economic impact of congestion charging, and at the London School of Economics about the return of the city-state. The unit also presented at the *Mayor's Capital Woman 2004* conference during the *Women in the London economy* session. A presentation on the Spending Review 2004 submission was given at the *Hackney economy, enterprise and employment seminar*. GLA Economics has also received an invitation to present about London sectors at the *London-*

Paris Economic Development Conference in late 2004.

Mailing lists

The GLA Economics mailing list now reaches more than 2,000 people and continues to grow with an increasing number of international subscribers. The list increased substantially after *The Value of Cities* conference and the development of targeted mailing lists for the unit's major publications.

Media coverage

GLA Economics works in partnership with the GLA press team to ensure that the research of the unit is made more widely available. The work of GLA Economics has gained increasing coverage in both national and local media particularly around the research into London's leisure economy, the evidence base for *The Case for London* and the contribution of London's higher education institutions to London's economy.

Knowledge Management

GLA Economics has continued to develop systems and processes to enable the unit to produce their analysis and reports within the required time frames and budget. The process of procuring external services has been improved through the introduction of a framework agreement. Developments in ICT such as the extranet are enhancing the efficiency of the unit for internal and external audiences.

Framework agreement

The framework agreement for consultants and academics to provide economic, statistical and forecasting services for GLA Economics was established in August 2003. This agreement will initially last for three years.

Staff training

The majority of GLA Economics staff undertook an effective writing course to help them deliver their messages concisely and with clarity and impact. The marketing and publications manager reads through all GLA Economics publications to ensure that they are written in an accessible style for non-technical readers. Feedback on the style of our reports has been overwhelmingly positive. Key GLA Economics staff have

received training in STATA 8 to enable them to apply advanced statistical techniques to their subjects of interest. Appropriate team members have received training in the use of desktop publishing software that has enabled the unit to use this technology for improving the design of our publications.

Members of the unit have also attended presentation courses to provide them with hints and tips when presenting.

GLA Economics extranet

The GLA is in the process of implementing a content management system that will allow GLA Economics to have greater control in updating its web presence on the extranet, intranet and internet. In the

coming year, we expect to make much greater use of the extranet as a means of disseminating the data resources of GLA Economics.

Library resources

Both the physical library resources and electronic document resources of GLA Economics have been catalogued. The physical library is catalogued using the existing GLA research library system whereas the electronic documents are catalogued using Adobe Acrobat.



GIS as a corporate resource

The GLA are in the process of making Geographic Information Systems (GIS) available as a corporate tool. There are two distinct outcomes anticipated by this work. The first outcome is to make more widely available the data that the GLA holds from both bought sources and from their own knowledge bank. The second outcome is to enable staff to produce their own maps using intranet based GIS software. GLA Economics are represented on the steering board of this project as they are keen to improve access to *Ordnance Survey* data for their own purposes and to make better use of data available within the GLA.

Economic development and business support research mapping

The London Development Agency and Business Link for London jointly commissioned Ecotec Research and Consulting Ltd. to analyse what economic development and business support research activity is

happening in London and how this might be better coordinated, integrated and supported. GLA Economics is very active in commissioning, researching and disseminating information about the London economy and was asked to be on the board for this project. One of the main outcomes of this project was a bibliography of economic development and business support research reports that have emerged since 2001. The group has agreed that this database will be kept up to date and made available via the internet to all interested parties.

GLA research work

The GLA has a statutory obligation to consult the London boroughs at least once a year on its research plans. GLA Economics has sent representatives to these meetings to give an overview of the current work and planned work of the unit. In order to keep the audience of GLA Economics informed, we have introduced a research register

that gives a brief overview of areas of research that GLA Economics are involved with. Within the GLA, there is an organisational concern that information on research is not being disseminated widely enough across the GLA group and many potential synergies may not be being achieved by effective joint working across the GLA group. In order to improve this situation, an extranet site called 'Consult' is to be developed that will be used to record all information concerned with consultations and research at the GLA and the GLA group. GLA Economics has been asked to participate in this development and will have representation on the steering board.

GLA Econ

Publicatio

GLA Economics aims to share its research and analysis with as broad an audience as possible. This goal is assisted by publishing a variety of publications. GLA Economics publishes most of its reports on the GLA website:

http://www.london.gov.uk/mayor/economic_unit

Monthly newsletter

- *London's Economy Today* - a monthly e-bulletin featuring the most up to date information on the state of London's economy. For more information about London's Economy Today, please see page 8. To join the mailing list, please call 0207 983 4922 or email glaeconomics@london.gov.uk

Reports

- *The Case for London*, March 2004 – This report is the Mayor's submission to the government's Spending Review 2004. It shows that London is a powerful driver of the UK economy but needs further investment to sustain this role in the future.
- *Transport Accessibility: Case for London Technical Report 1*, February 2004 (commissioned work by Colin Buchanan and Partners) – This study investigates the relationship between accessibility and density of both population and employment. The analysis was undertaken using Colin Buchanan and Partners' ABRA model which represents all rail services and train station locations in London and all bus services and stop locations in South East London. A review was also undertaken of the extent to which teleworking could alter transport demand in the future.
- *London and Foreign Direct Inward Investment: Case for London Technical Report 2*, February 2004 (commissioned work by London Economics) – London Economics undertook a study on how London as a world city contributes to attract foreign direct inward investment into the United Kingdom, and the factors that may reduce London's attractiveness to foreign direct inward investment in the future. This report reviews recent trends in foreign direct inward investment into London, examines the impact and drivers of such investment and discusses some potential threats to sustaining recent trends.
- *Cost of Living Comparison Between London, Edinburgh and Manchester: Case for London Technical Report 3*, February 2004 (commissioned work by Oxford Economic

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Forecasting) – This report compares the cost of living in London with Edinburgh and Manchester, based on a number of prices in each location for a broad range of goods and services and taking into account housing and commuting costs. Based on the average composition of household spending across the UK, the cost of living in London is 17 per cent higher than in Edinburgh, and 23 per cent higher than in Manchester. The very high price of housing in London dominates the comparisons, but even when housing is excluded the cost of living in London is still ten per cent higher than in Edinburgh and seven per cent higher than in Manchester.

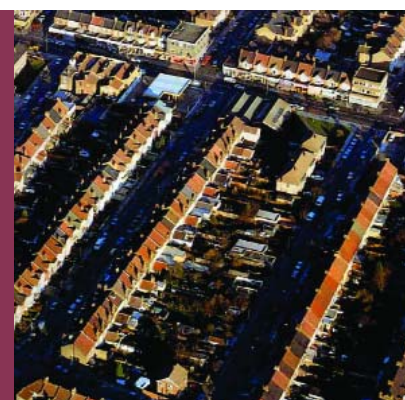
- *The London Labour Market: Case for London Technical Report 4*, February 2004 (commissioned work by NERA) – A comprehensive and up-to-date overview of London's labour market. The report found that employment

has increased overall in London over the late 1980s and 1990s following the decline since the mid-1940s. Growth in service industries has outweighed losses in manufacturing. The report also contains a set of borough labour market profiles presenting detailed labour market statistics on each borough.

- *London's Economic Outlook: The GLA's medium-term planning projections*, December 2003 – The GLA's third forecast predicts London's economy is on course for recovery. The forecast includes an assessment of the world and UK economic outlook and a look at the possible outcomes of the national government's Spending Review 2004.
- *Spending Time: London's Leisure Economy*, December 2003 – A new report from GLA Economics on how the way we choose to

spend our spare time drives London's economy. The report explores the importance of leisure to the economy and looks specifically at eating out, drinking, entertaining, gambling, sport and visiting attractions. The sector is worth £9.5 billion with Londoners spending around £150 a month on leisure.

- *The GLA's London Workforce Employment Series*, September 2003 – The GLA maintains its own set of data for measuring the number of jobs in London. Workforce employment data is an important resource that underpins many of the GLA group's planning decisions and impacts on other economic data such as estimates of London's economic output. This report is a guide to the GLA's data. It explains the sources, where they can be found, and why the GLA maintains its own series separate from the Office of National Statistics.



- *The GLA's Medium-Term Economic Projections, July 2003* – The GLA's second medium-term economic planning projections form the basis of the GLA group's planning decisions. London's economy has turned the corner but recovery is expected to take longer than previously anticipated.
- *Review of Independent Forecasts, June 2003* – This is GLA Economics' second review of independent forecasts prepared for London by major forecasting organisations. It includes average, worst-case and best-case scenarios for employment, GDP and consumer spending in London. The first review of independent forecasts was published as supplement to the pilot issue of *London's Economy Today* in August 2002.
- *Valuing Greenness: Green spaces, house prices and Londoners' priorities, June 2003* – The environment

- and quality of life is a topic of great interest in London, while house prices are a source of endless interest and speculation. This report by GLA Economics brings these two topics together, taking house prices as an indicator of how attractive different parts of London are and examining if house prices are affected by the amount of open green space in the local area.
- *London's Ecological Footprint, June 2003* (commissioned work by Brook Lyndhurst) – A location's ecological footprint is a measure of the land needed to support human activity in a particular area. This report examines ecological footprinting and its contribution to measuring our impact on the environment.
- *GLA Economics Annual Report, May 2003* – GLA Economics presented its first annual report on 31 May 2003. The report details progress made in the unit's

- first year and includes plans for 2004. It provides a valuable insight into the work of GLA Economics and the economic issues that will influence London's future growth and success.
- *Market Failure and the London Housing Market, May 2003* (commissioned work by Ian Harris) – GLA Economics' latest analysis of the London housing market reveals ample evidence of market failure. The report states that housing-related issues are among the most serious affecting the London economy and the lives of Londoners at present. Over recent years demand for housing has been outstripping supply and house prices have risen dramatically. In particular, there is a shortage of affordable housing for people on lower incomes while social housing waiting lists are increasing.



- *London's Economy Tomorrow*, April 2003 – This report examines London's prospects in the light of the GLA's short-term planning projections. The report provides the functional bodies of the GLA with a planning basis - employment, output and household demand - for the delivery of services and business plans over one to three years. This report places these projections in the context of current knowledge on the state of London's economy and assesses the associated upside and downside risks.

Working papers

This series has a more technical focus than other GLA Economics reports and includes development of methodology or applying an existing method to a new area.

- *Working Paper 3: Valuing greenness - Is there a segmented preference for housing attributes in London?*, June 2003 – This working

paper sets out two methodologies used to value open green spaces in London. The analysis provides the basis for the GLA Economics report, *Valuing Greenness: Green spaces, house prices and Londoners' priorities*.

- *Working Paper 4: Long-term employment projections for London – alternative methodology and results*, September 2003 – Long-term employment projections can be produced using different methods. The projections to 2016 that underpin the Mayor's draft *London Plan* are based on long-term trends in output and productivity. This working paper uses a common alternative approach, based on population and employment rate projections, to derive long-term employment estimates for London through to 2041.

- *Working Paper 5: Submission to the Allsopp Review*, October 2003 – This working paper was GLA Economics submission to the government's *Allsopp Review* and was about the statistical requirements for monetary and wider economic policymaking.

- *Working Paper 6: Calculating London's Tax Export*, March 2004 – London contributes between £9-£15 billion more in taxes to the national government than it receives in spending. This working paper explains the methodology used by GLA Economics to calculate this difference between public expenditure and taxation in London – known as London's tax export – for *The Case for London – The Mayor of London's Submission to Spending Review 2004*.



Financial

Financial Summary 2003/04

The provisional net expenditure figure for
GLA Economics during financial year 2003/04 is: £193,480

The final net budget for 2003/04 is: £313,652

Therefore the net underspend for 2003/04 is: (£120,172)

The original gross expenditure budget for 2003/04 was £1,300,000

During the year TfL and LDA have been invoiced based on a budgeted
spend of £1,000,000, with the GLA contributing the remaining £300,000.

The split of the gross budget is shown below:

	Gross Budget	
TfL contribution =	£500,000	38.5%
LDA contribution =	£500,000	38.5%
GLA contribution =	£300,000	23.0%
	<u>£1,300,000</u>	

Report

The net budget increased during 2003/04 to £313,652 due to the Spending Review project, the 2003/04 pay award adjustment and a GLA Economics conference. There was not a significant under or overspend relating to the above items so no

further adjustments were required (i.e. the budget increased but so did expenditure resulting in a variance of zero).

In addition, £21,267 from TfL and the LDA was rolled forward from 2002/03 to part fund

schemes during 2003/04. However, the gross expenditure budget was increased by the same amount resulting in a variance of zero.

Based on the provisional final expenditure figure of £120,172 the overpayments made by LDA and TfL are:

2003/4	GLA Underspend	Percentage contribution underspent	Surplus	Percentage of budget underspent
TfL	-£120,172	38.46%	-£46,220	9.24%
LDA	-£120,172	38.46%	-£46,220	9.24%
Total			-£92,440	

It has been agreed that the monies owed would be carried over for use in financial year 2004/05. This means the unit is underspent by £27,731 for the 2003/04 financial year.

Financial Statement

	Actual	Adjustments	Total	Budget	Variance
Expenditure					
Employee Pay - Permanent	385,765		385,765	461,597	(75,832)
National Insurance - Permanent	34,927		34,927	43,851	(8,924)
Superannuation - Permanent	50,564		50,564	60,007	(9,443)
Allowances - Permanent	4,611		4,611	0	4,611
Employee Pay - Fixed Contract	6,512		6,512	0	6,512
Nat Insurance - Fixed Contract	3,955		3,955	0	3,955
Superannuation - Fixed Contract	2		2	0	2
Employee Costs - Agency Temps	29,575		29,575	0	29,575
Staff Costs - Pay	515,911	0	515,911	565,455	(49,544)
Travel Costs Reimbursed	800		800	1,000	(200)
Foreign Travel Costs	403		403	0	403
Subsistence	499		499	1,000	(501)
Hotels & Lodgings	1,923		1,923	1,000	923
Other Expenses Reimbursed	146		146	0	146
Training Course Expenses	9,114		9,114	15,000	(5,886)
Recruitment Agency Fees	6,575		6,575	0	6,575
Eye Examinations	20		20	0	20
Staff Costs - Non-Pay	19,480	0	19,480	18,000	1,480
Hire of Premises	1,750		1,750	4,500	(2,750)
Equipment Purchase/Hire	0		0	1,500	(1,500)
Premises Costs	1,750	0	1,750	6,000	(4,250)
Catering Charges	4,328		4,328	5,000	(672)
Publications Printing	37,858		37,858	28,717	9,141
Other Printing	(159)		(159)	0	(159)
Publications Artwork	34,561		34,561	35,000	(439)
Stationery & Consumables	1,235		1,235	1,000	235
Books, Publicatns & Informatn	868		868	1,000	(132)
Newspapers, Serials & Periodicals	100		100	0	100

Statement 2003/04

	Actual	Adjustments	Total	Budget	Variance
Bank Charges	395		395	0	395
Consultancy Fees	416,652		416,652	488,196	(71,544)
Other External Services	0		0	500	(500)
Data Purchase	67,774		67,774	50,000	17,774
Postage	2,794		2,794	500	2,294
Couriers	594		594	1,000	(406)
Telephones	11		11	0	11
IT Hardware - Purchase (Rev)	1,404		1,404	2,000	(596)
IT Software - Purchase (Rev)	28		28	24,000	(23,972)
IT Software - Licences	1,479		1,479	0	1,479
Conferences & Seminars	5,836		5,836	5,000	836
Marketing	3,645		3,645	0	3,645
Other Supplies & Servs Costs	0		0	2,750	(2,750)
Subscriptions to Organisations	50,198		50,198	50,000	198
Supplies & Services	629,598	0	629,598	694,663	(65,065)
Operational Buildings Charge	0	250,000	250,000	250,000	0
Service Charges	0	250,000	250,000	250,000	0
Total Expenditure	1,166,739	250,000	1,416,739	1,534,118	(117,379)
Income					
Fees & Charges	(1,021,267)	92,440	(928,827)	(1,021,467)	92,640
Other Funding	(192,588)		(192,588)	(184,000)	(8,588)
Miscellaneous Income	(9,404)		(9,404)	(15,000)	5,596
Total Income	(1,223,259)	92,440	(1,130,819)	(1,220,467)	89,648
Net Cost of Service	(56,520)	342,440	285,920	313,652	(27,731)

Note: These figures are provisional and are subject to change as the accounts will not be finalised until June 2004

Other formats and languages

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中文

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Hindi

यदि आप इस दस्तावेज़ की प्रति अपनी भाषा में चाहते हैं,
तो कृपया निम्नलिखित नम्बर पर फोन करें अथवा विधि
गमे पत्रा पर सम्पर्क करें।

Vietnamese

Tiếng Việt

Nếu bạn muốn bản sao của tài liệu này bằng
ngôn ngữ của bạn, hãy gọi điện theo số hotline
liên lạc với địa chỉ dưới đây.

Bengali

আপনি যদি আপনার ভাষায় এই নথির প্রতিলিপি
(কপি) চান, তা হলে নিচের ফোন নম্বর
বা ঠিকানার অনুগ্রহ করে যোগাযোগ করুন।

Greek

Αν θα θέλατε ένα αντίγραφο του
παρόντος εγγράφου στη γλώσσα
σας, παρακαλώ να τηλεφωνήσετε
στον αριθμό ή να επικοινωνήσετε
στην παρακάτω διεύθυνση.

Urdu

اگر آپ اس دستاویز کی نقل اپنی زبان میں چاہتے
ہیں، تو براہ کرم نیچے دیئے گئے نمبر پر فون کریں
یا دیئے گئے پتے پر رابطہ قائم کریں۔

Turkish

Bu broşürü Türkçe olarak edinmek
için lütfen aşağıdaki numaraya
telefon edin ya da adrese basvurun.

Arabic

إذا أردت نسخة من هذه الوثيقة بلغتك، الرجاء
الاتصال برقم الهاتف أو الكتابة إلى العنوان
أدناه:

Punjabi

ਜੇ ਤੁਹਾਡੇ ਇਸ ਦਸਤਾਵੇਜ਼ ਦੀ ਜ਼ਾਹੀ ਤੁਹਾਡੀ ਆਪਣੀ ਭਾਸ਼ਾ
ਜਿਹ ਵਧੀਦੀ ਹੈ. ਤਾਂ ਹੇਠ ਲਿਖੇ ਨੰਬਰ 'ਤੇ ਫੋਨ ਕਰੋ ਜਾਂ ਹੇਠ
ਲਿਖੇ ਪਤੇ 'ਤੇ ਦਸਤਾਵੇਜ਼ ਕਰੋ:

Gujarati

જો તમને આ દસ્તાવેજની નકલ તમારી ભાષામાં
જોઈતી હોય તો, કૃપા કરી આપેલ નંબર ઉપર
ફોન કરો અથવા નીચેના સરનામે સંપર્ક સાધો.



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