

# **York Economic Strategy: Draft Economic Evidence Base**

# We will cover:

- Economic strategy – what is it & why now?
- Beyond productivity – a new basis for strategy
- How are we going to build our new strategy?



# Why do we need a new Economic Strategy?

- Economic strategy – statement of city priorities, allowing all stakeholders to push together
- Current strategy runs 2016-2020
- Continued sense across the city that not all are benefitting
- Supporting York's recovery from Covid-19 and guiding future prosperity

# Build Back Better: Government Priorities

- “Levelling up” agenda – addressing inequality and creating opportunities for all
- Lifetime skills guarantee – investing in post-16 and adult education
- UK as a science powerhouse – investing in R&D, developing and attracting top talent and scaling up innovation
- A green industrial revolution – achieving net zero by 2050 whilst creating and supporting up to 250,000 jobs

# Local Industrial Strategies (LIS)?

- LEP review underway
- LISs now considered defunct and to be replaced by local growth plans (national Plan for Growth)
- Levelling Up means improving everyday life, boosting local growth and jobs
- Placed-based approaches are well aligned to this new direction of travel
- Good news for York and North Yorkshire!

# Our Approach

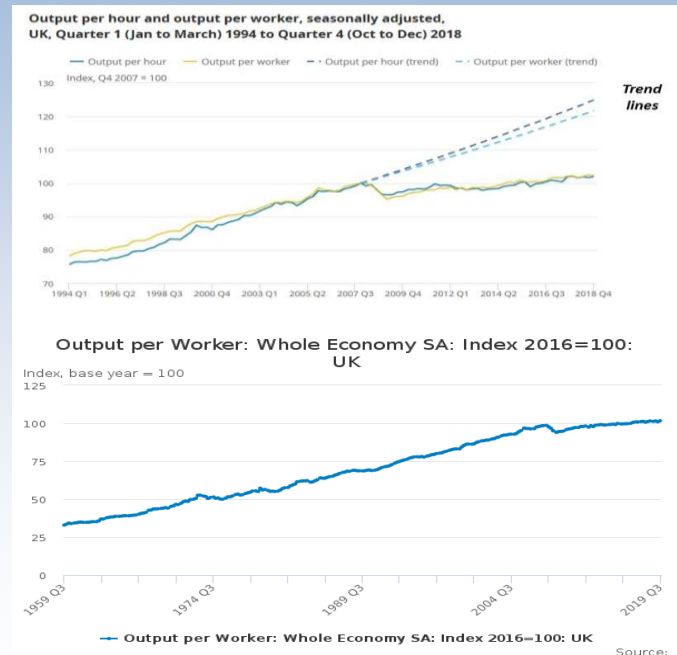
- A twin track approach:
  - Developing high paid jobs in key sectors
  - A clear approach to inclusive growth across York
- Cross cutting themes:
  - 21<sup>st</sup> century jobs
  - A green economic recovery
- Engagement activity that places businesses and residents at the heart of conversations

# Covid-19 – Economic Impacts

- Full economic impact of Covid-19 still unknown
- Oxford Economics forecasts for York predict a 8.5% drop in GVA for 2020, with GVA exceeding pre-pandemic levels in 2021
- Full impact on jobs difficult to tell due to Government support (furlough, business grants, loans etc.)

# The productivity challenge(s)

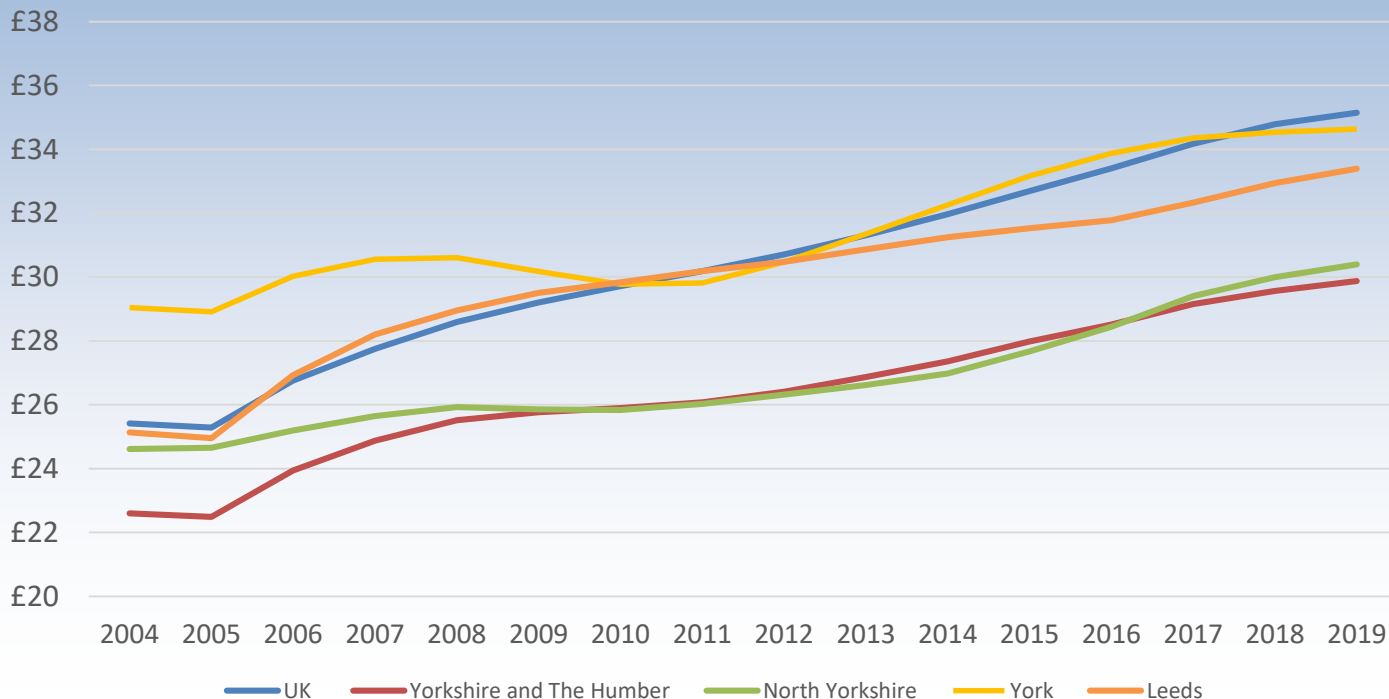
- UK productivity stalled in 2008
- Productivity growth underpins wage growth
- For low-wage cities, growing jobs, skills and productivity is vital – “more jobs, better jobs”





# York is a highly productive city

Productivity per hour worked

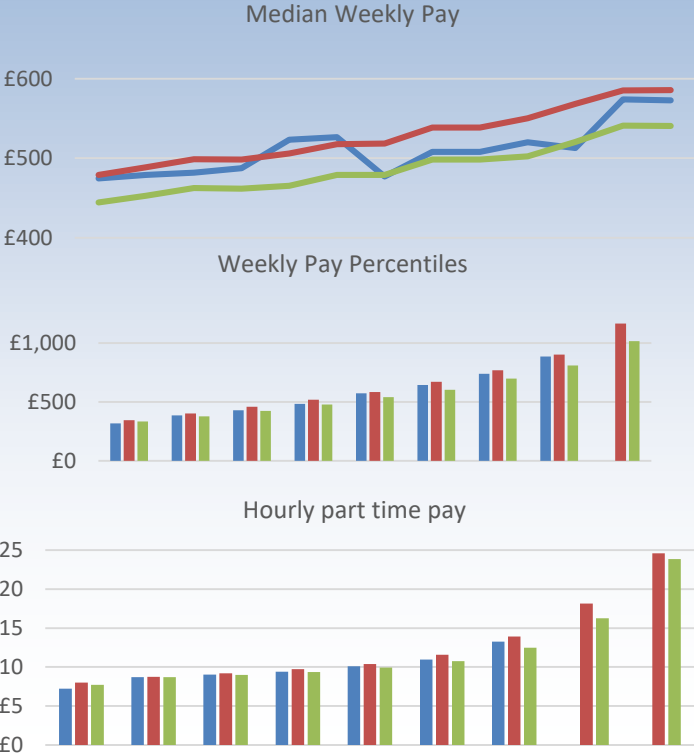


ONS: Subregional Productivity July 2021 Release – GVA (B) per hour worked (£); ITL2 and ITL3 sub regions, 2004 – 2019

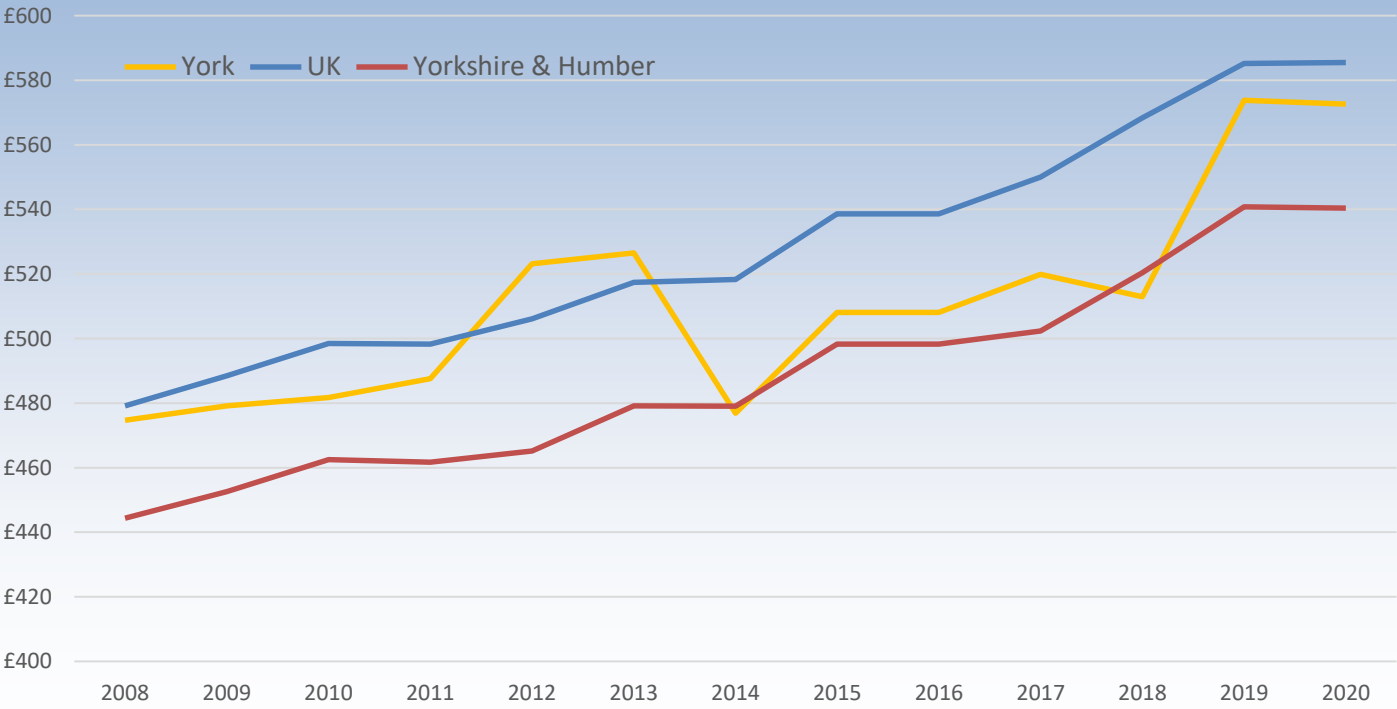
To be updated: TBC

# York is not a low wage city

- Median full time pay close to national levels
- At nearly all percentiles, York is above our neighbours
- Also true for hourly rates of part time staff
- See following charts for more information

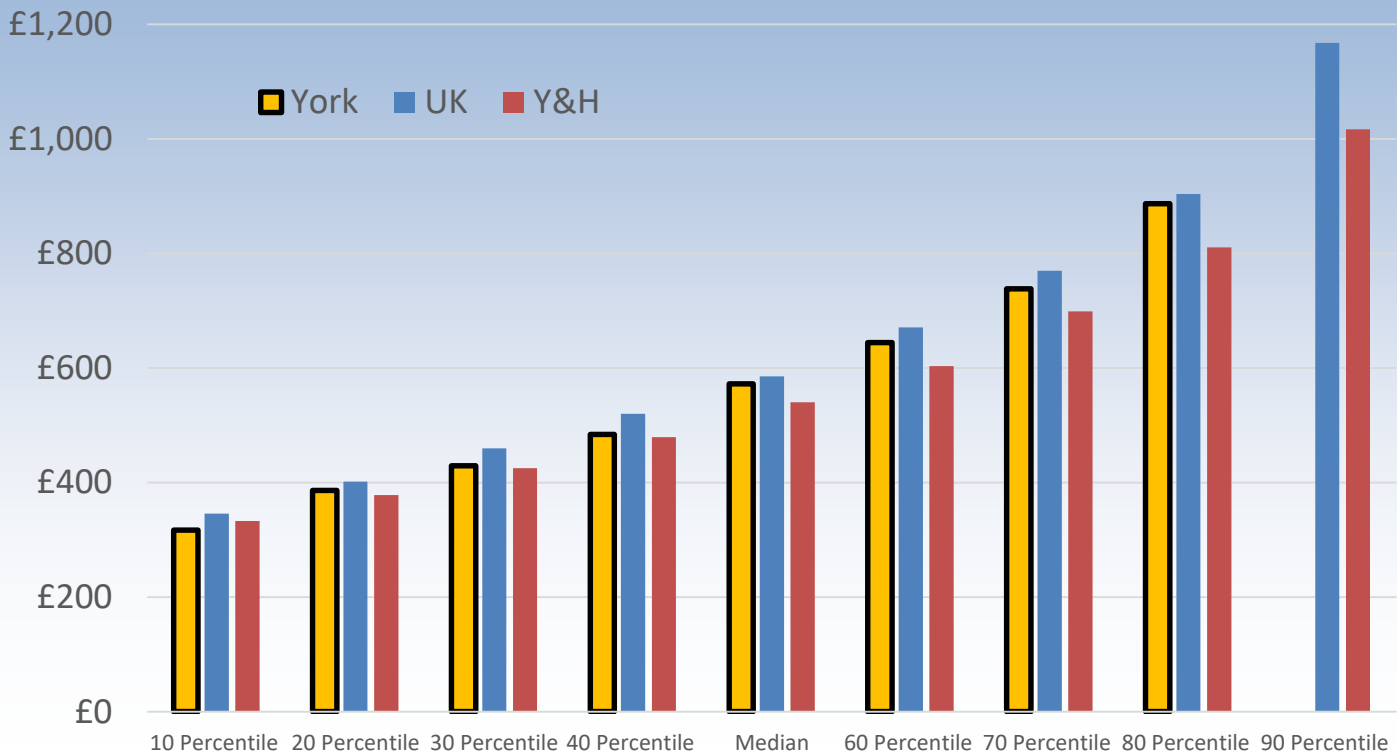


# Full time weekly pay in York is close to the national median



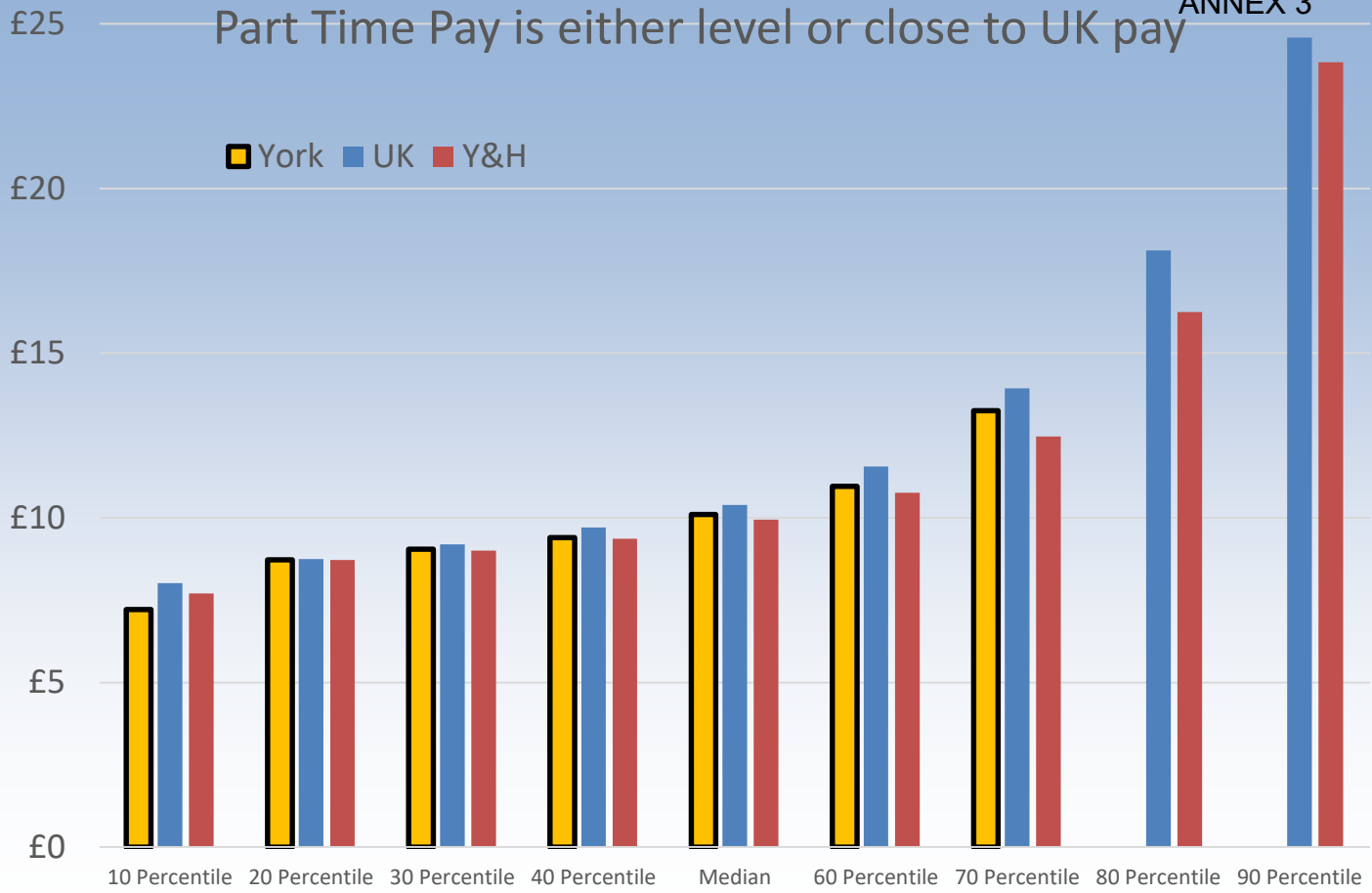
ONS: Annual Survey of Hours and Earnings – 2020 Figures – Median Full Time Weekly Pay (Gross) – York Residents  
To be updated: November 2021

# York's Full Time weekly pay is stronger than the Y&H region and close to UK levels



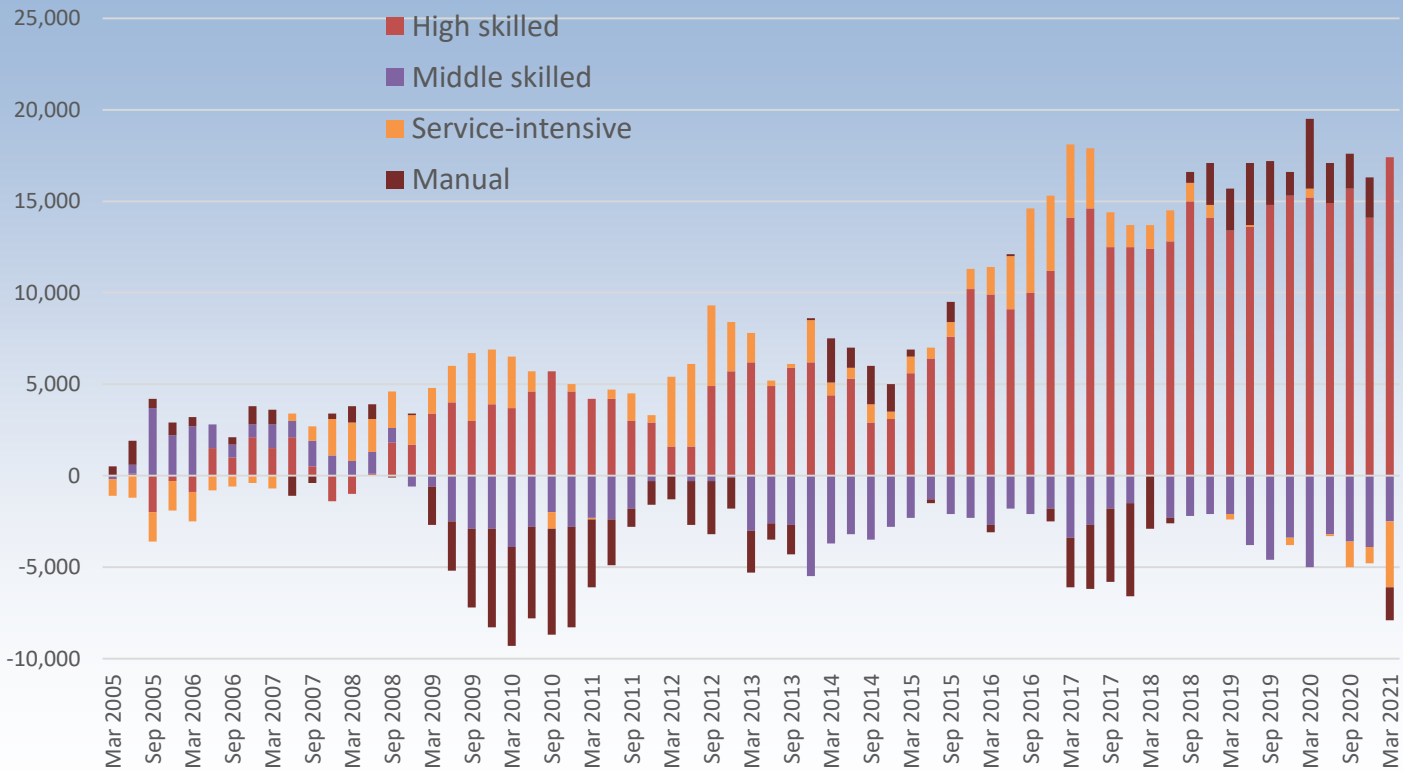
ONS: Annual Survey of Hours and Earnings – 2020 Figures – Full Time Weekly Pay (Gross) – York Residents  
To be updated: November 2021

# Part Time Pay is either level or close to UK pay



ONS: Annual Survey of Hours and Earnings – 2020 Figures – Part-Time Weekly Pay (Gross) – York Residents  
To be updated: November 2021

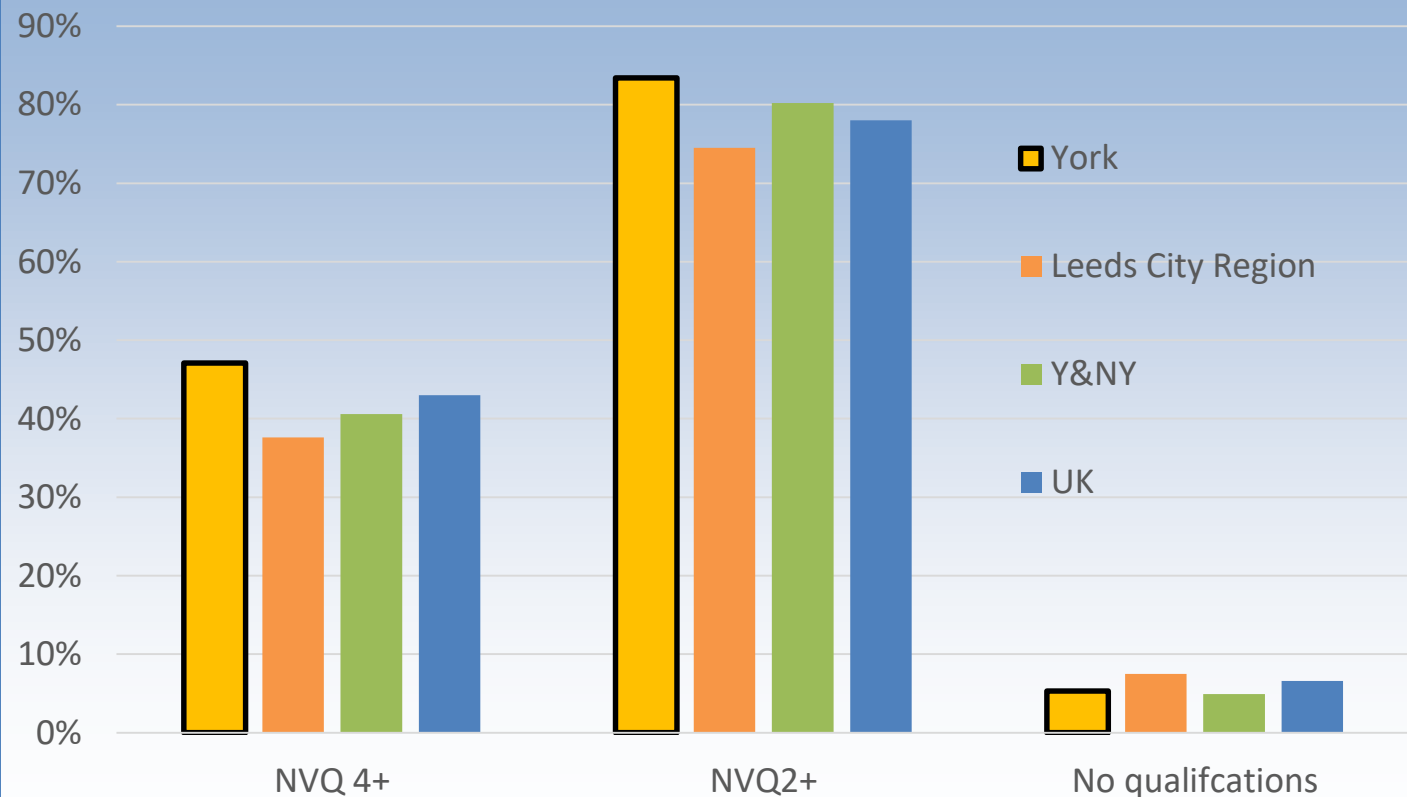
# 17,000 high skilled jobs created since 2005



ONS: Annual Population Survey employment by SOC Code (2010)

To be updated: 12/10/2021

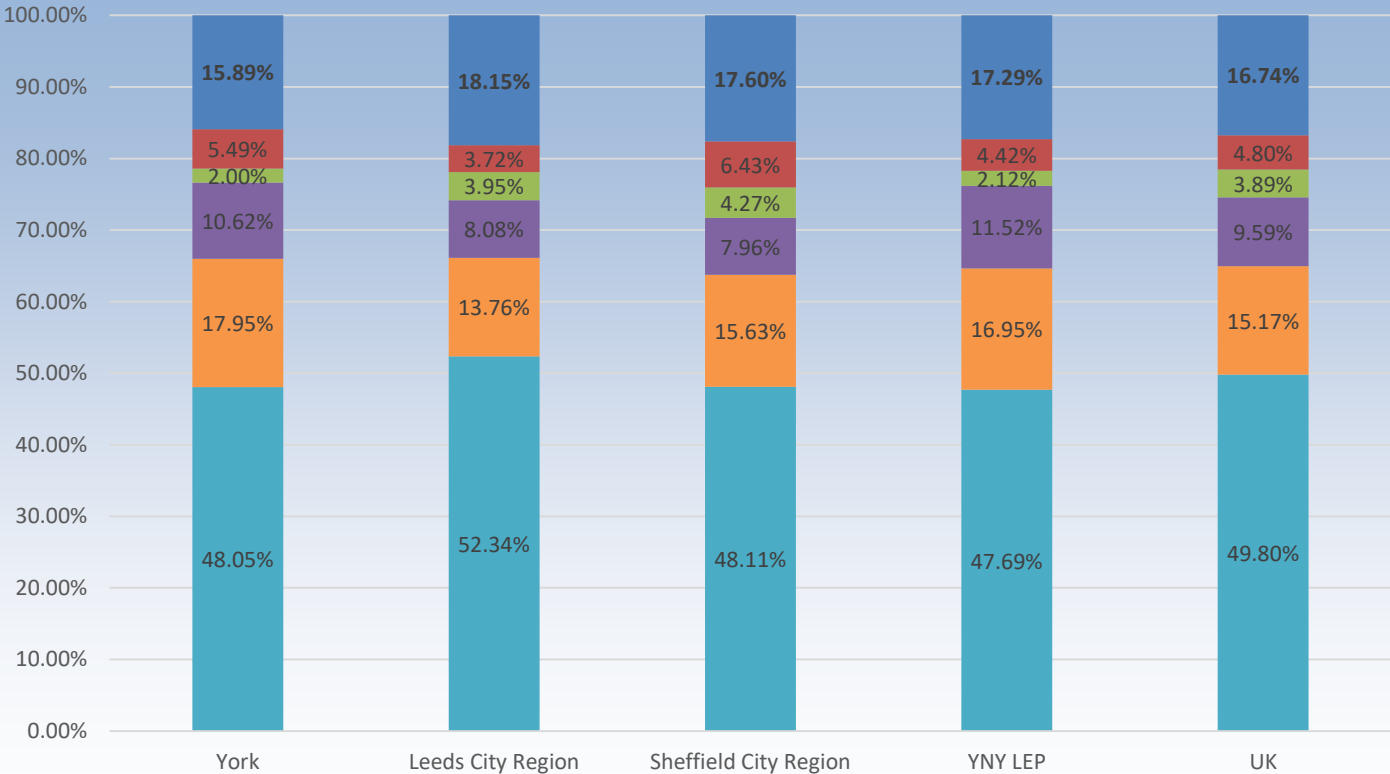
# York is a highly skilled city



ONS: Annual Population Survey – Jan 2020 – Dec 2020 – % of working age population (16-64)

To be updated: 12/10/2021

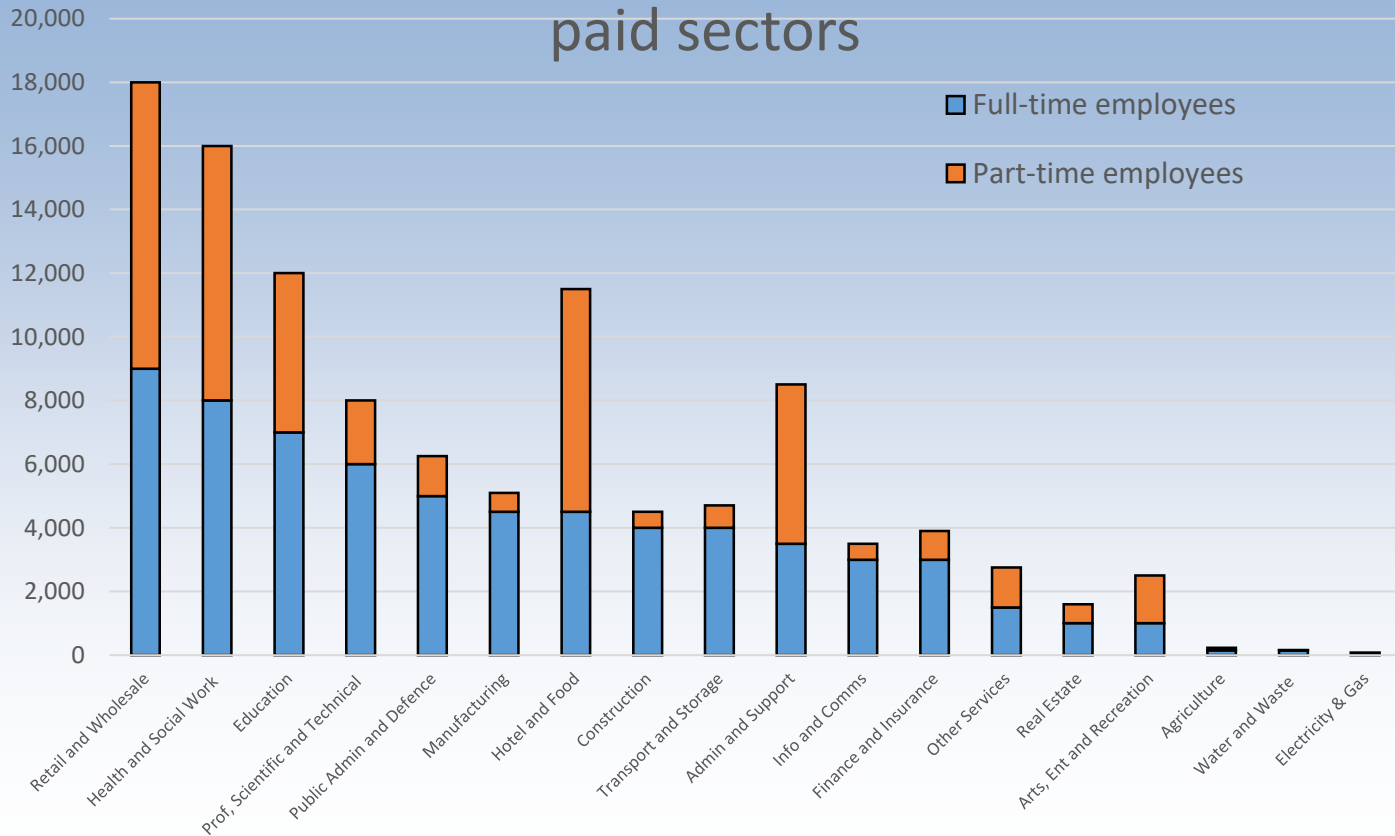
# York has high employment, unlike much of Yorkshire



ONS: Annual Population Survey – Jan 2020 – Dec 2020 – % of working age population (16-64), To be updated: 12/10/2021

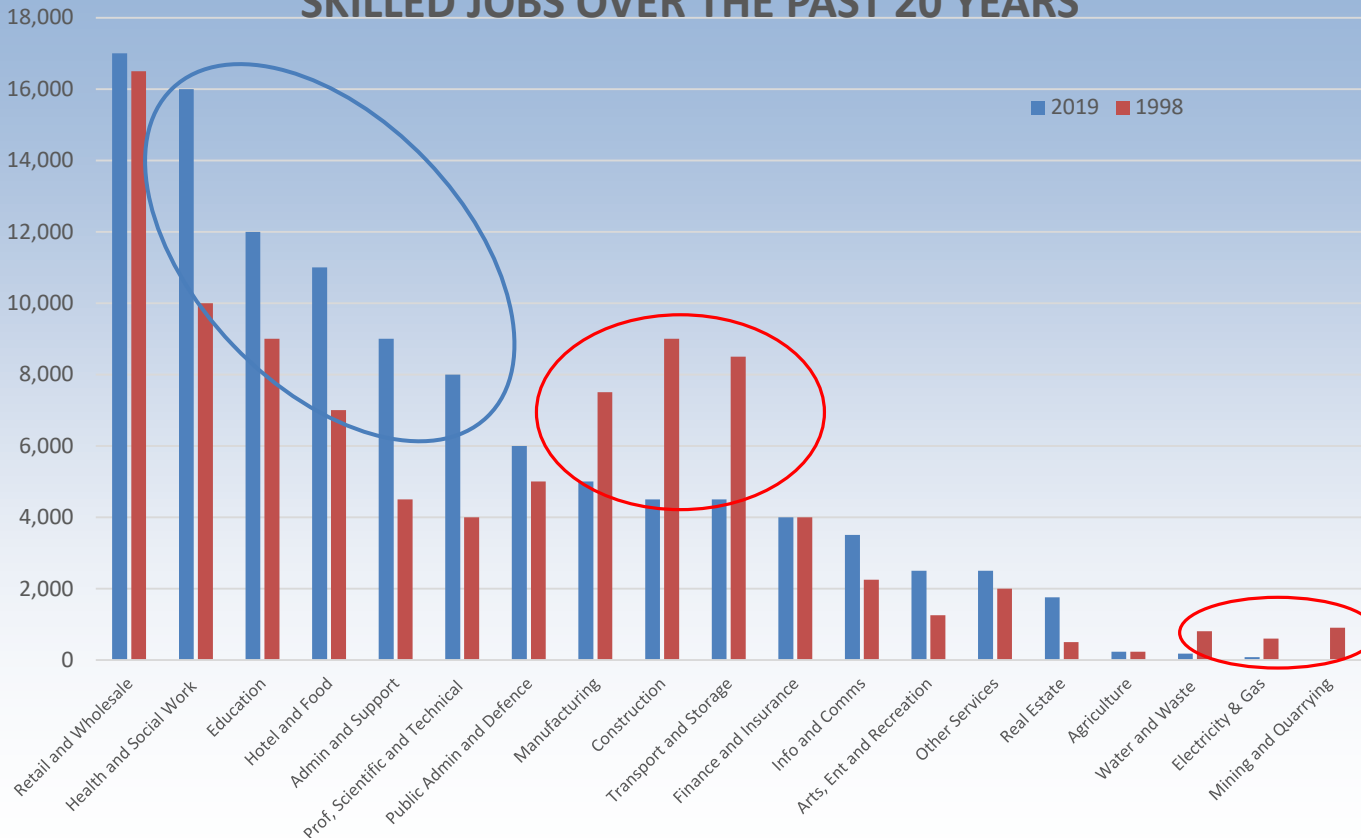


# But part time work is concentrated in lower paid sectors



ONS: Business Register and Employment Survey – Open Access – 2019 – Full Time & Part Time Employee Count in York  
To be updated: 19/10/2021

# AND WE HAVE LOST 13,000 WELL PAID LOW-MEDIUM SKILLED JOBS OVER THE PAST 20 YEARS ANNEX 3



ONS: Business Register and Employment Survey – Open Access – 2019 – Total Employee Count in York  
 To be updated: 19/10/2021

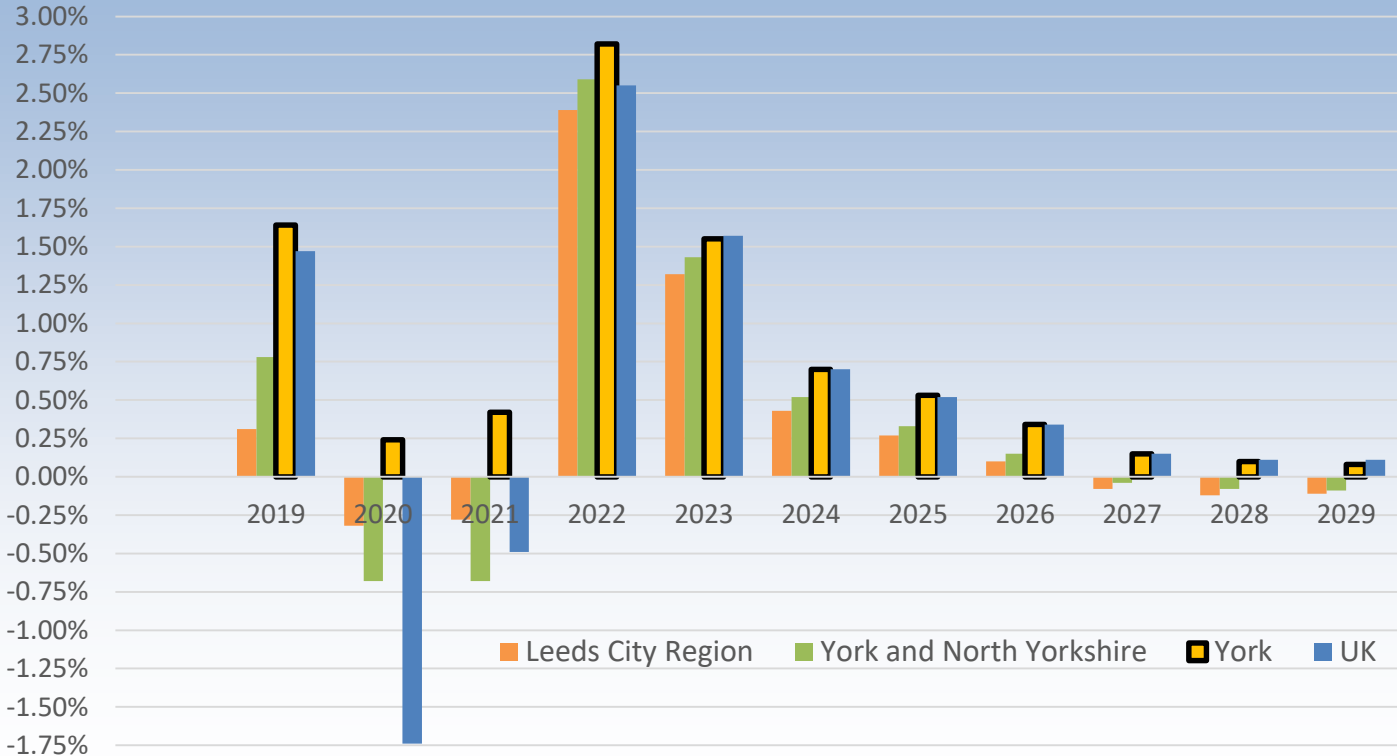
# Employment in York is forecast to continue to grow in the years ahead



Oxford Economics – Total Employment Forecast – Level values – 2019-2029 – Forecast based on data from 28/07/21

\*2019 are actual figures

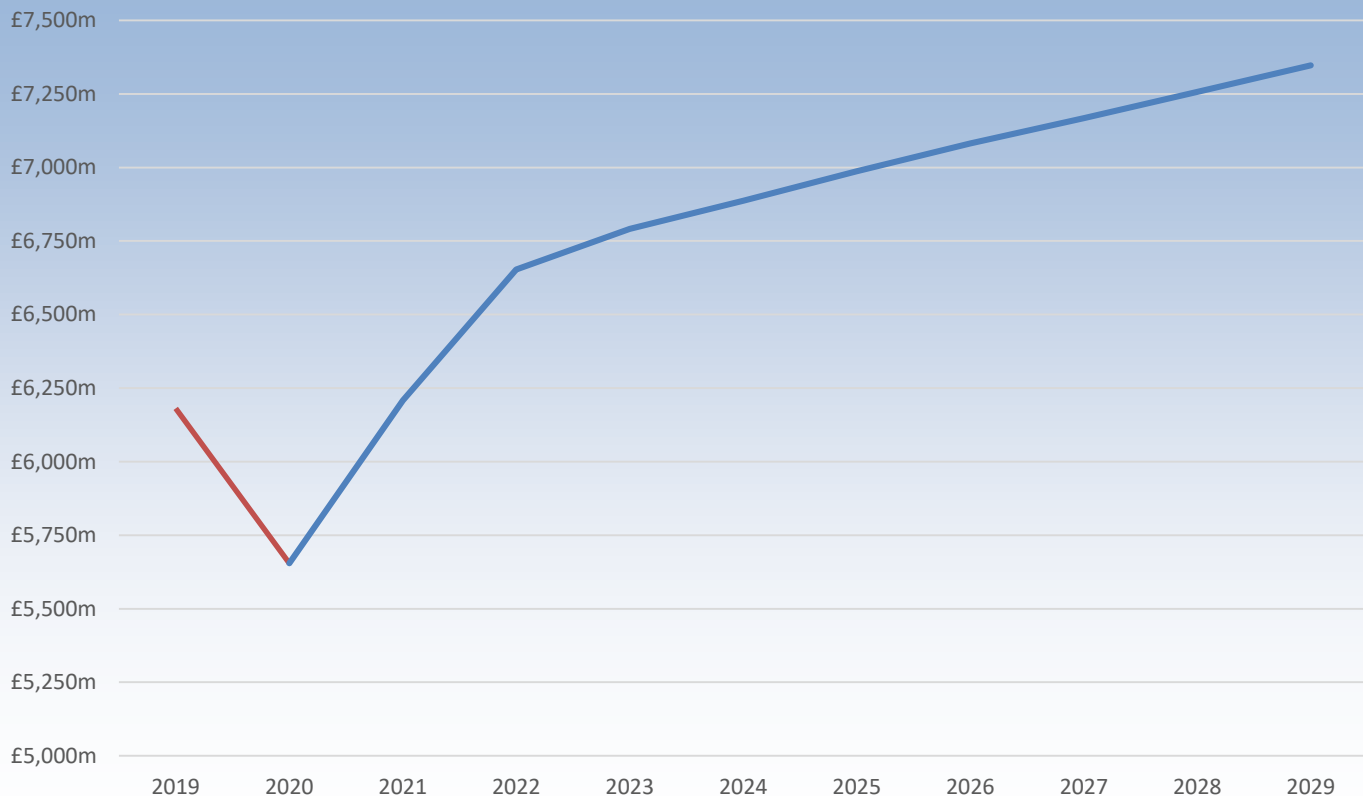
# Employment in York is forecast to continue to grow ANNEX 3 in the years ahead



Oxford Economics – Total Employment Forecast – % change Y-o-Y – 2019-2029 – Forecast based on data from 28/07/21

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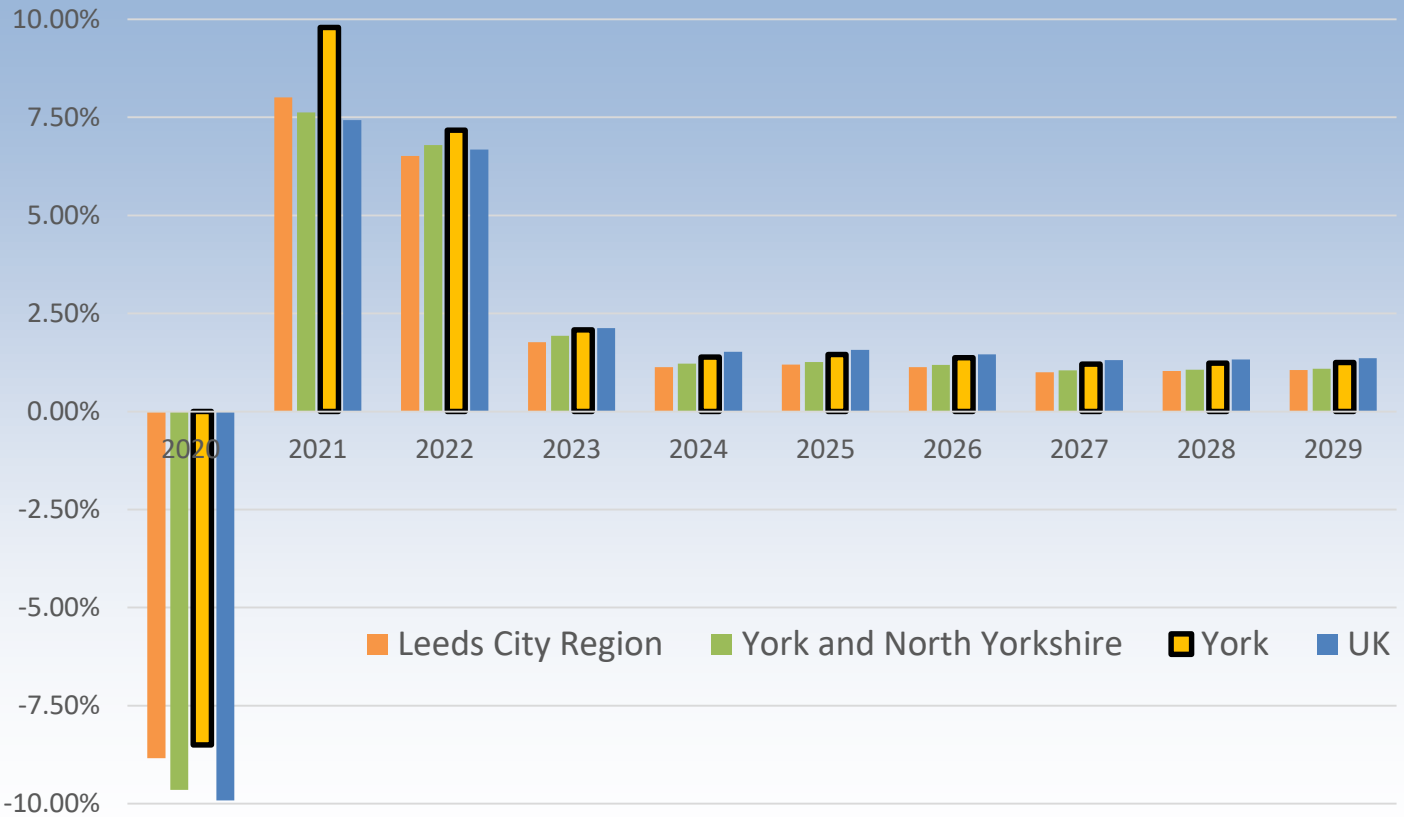
# And GVA will grow too



Oxford Economics – GVA Forecast – Level values – 2019-2029 – Forecast based on data from 28/07/21

\*2019 are actual figures

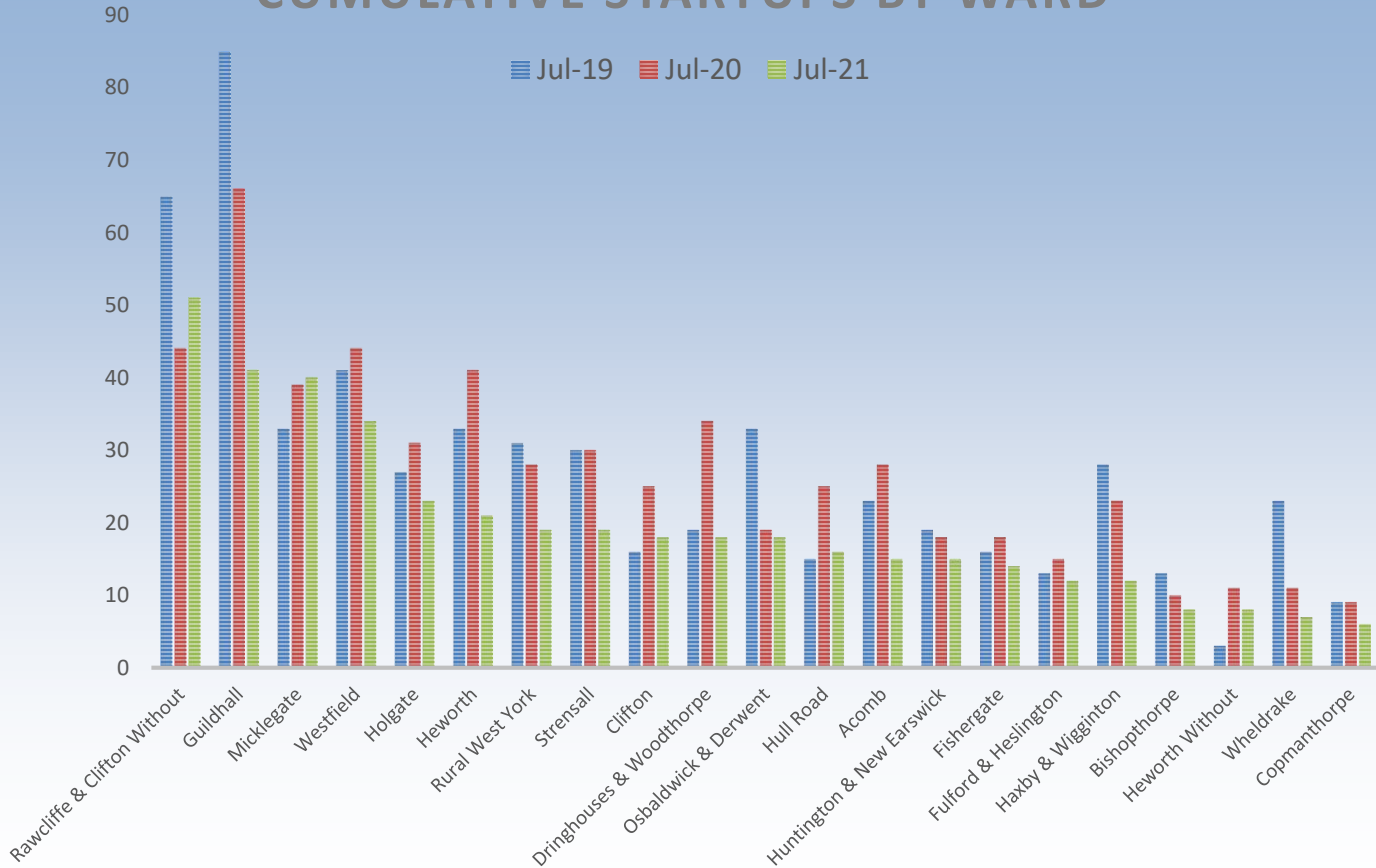
# GVA is forecasted to initially exceed national levels



Oxford Economics – GVA Forecast – % change Y-o-Y – 2019-2029 – Forecast based on data from 28/07/21  
\*2019 are actual figures

# CUMULATIVE STARTUPS BY WARD

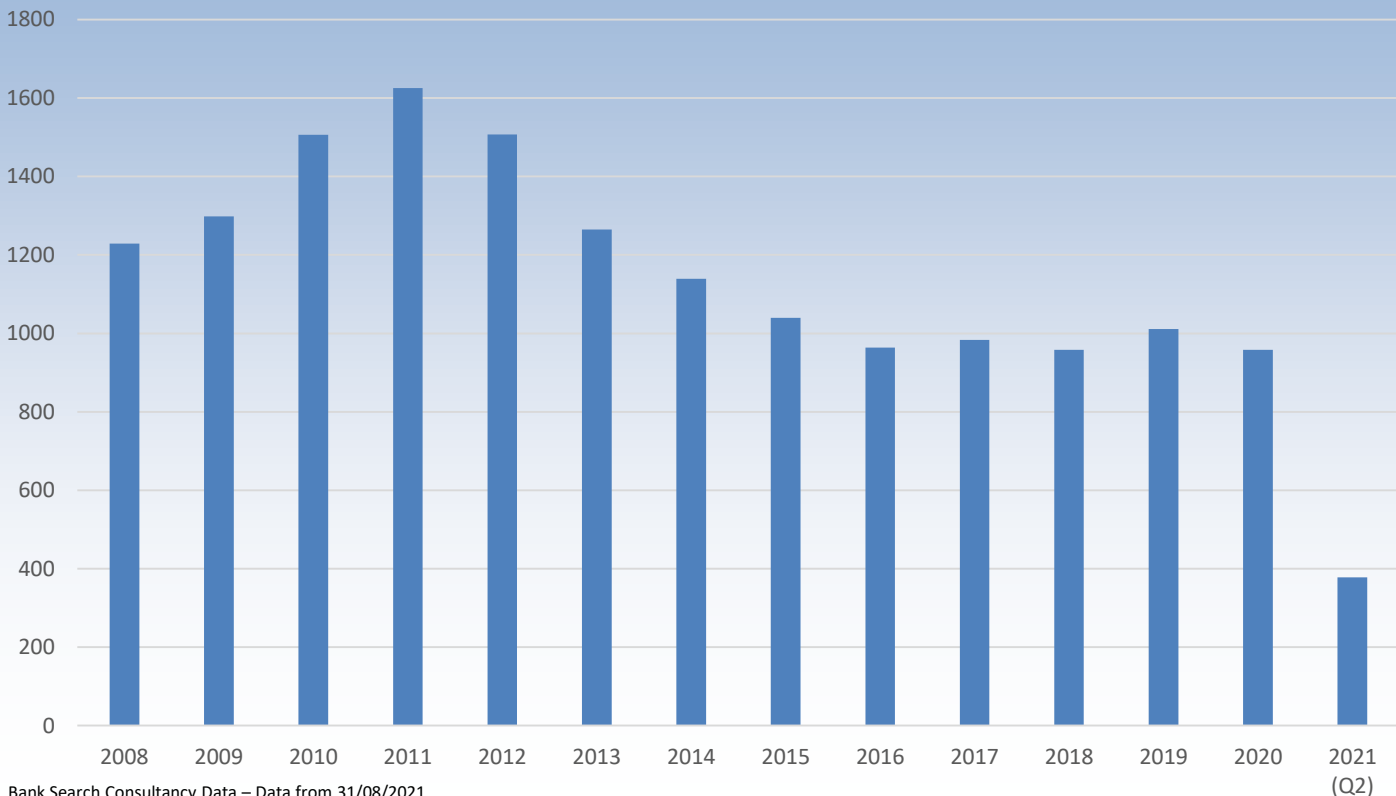
ANNEX 3



Bank Search Consultancy Data – Data from 31/08/2021

To be updated: TBC

# Around 1,000 businesses start in York each year



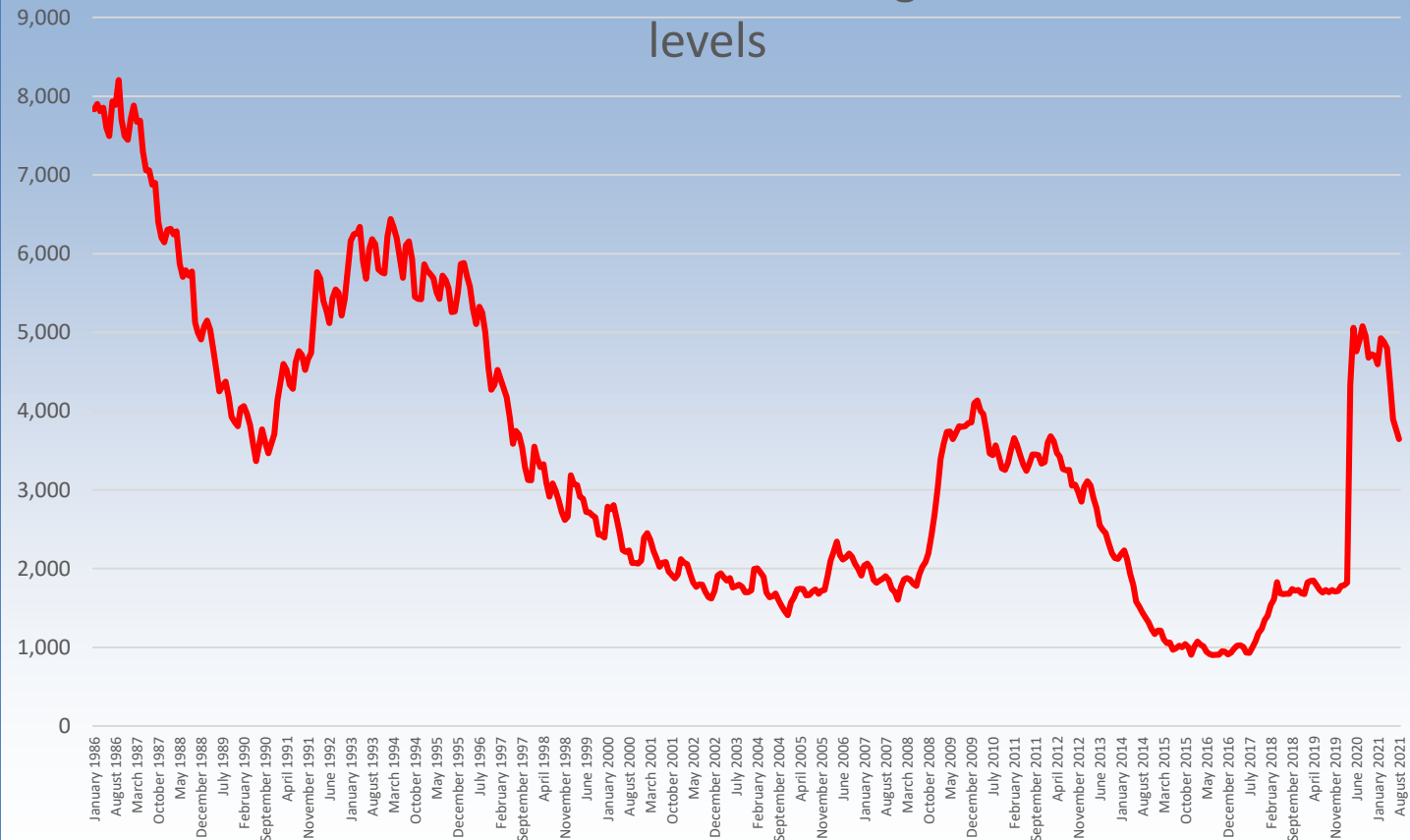
Bank Search Consultancy Data – Data from 31/08/2021

To be updated: TBC

Making history, building communities



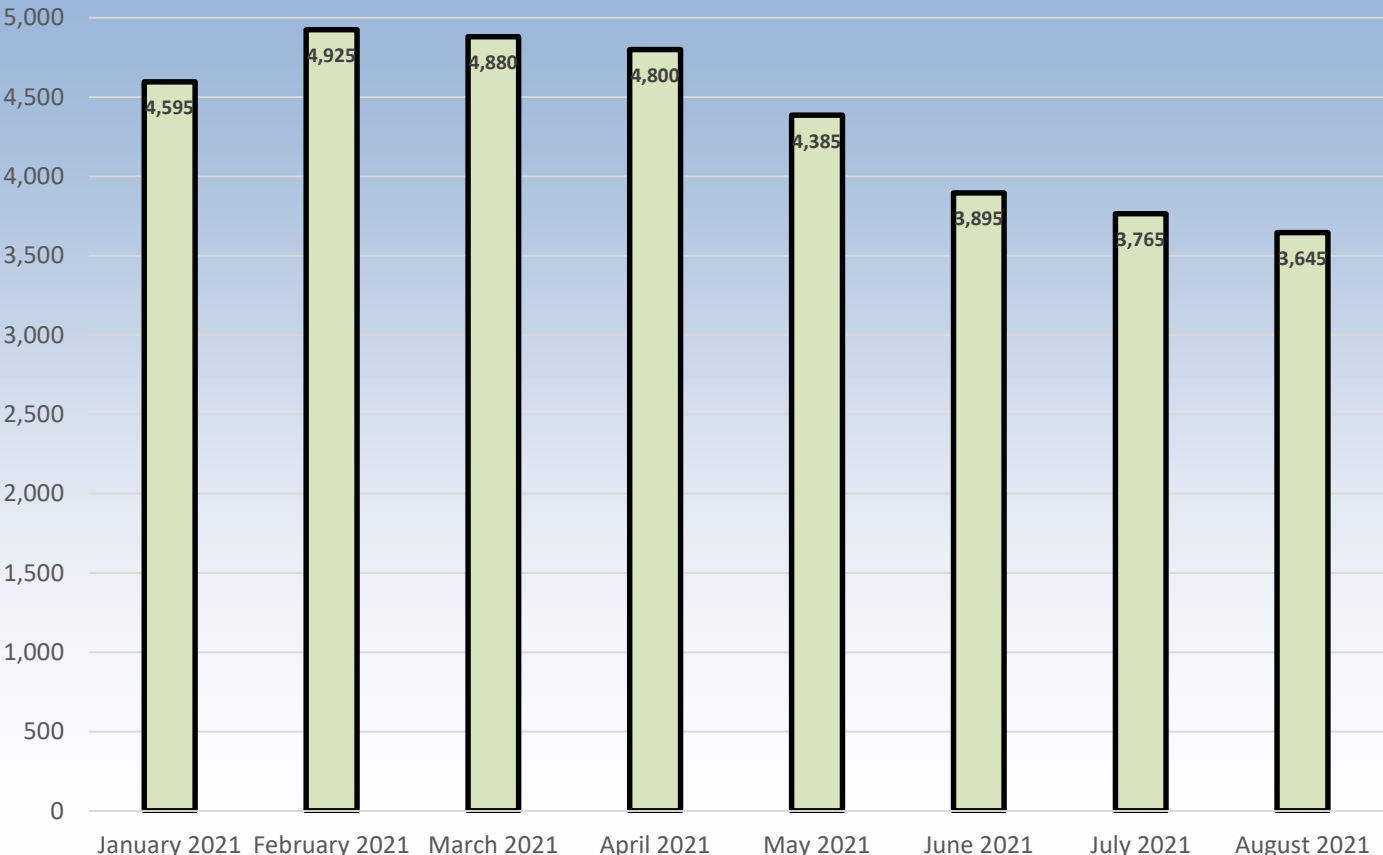
# York's Claimant Count remains high on historical levels



ONS: Claimant Count – Total – York

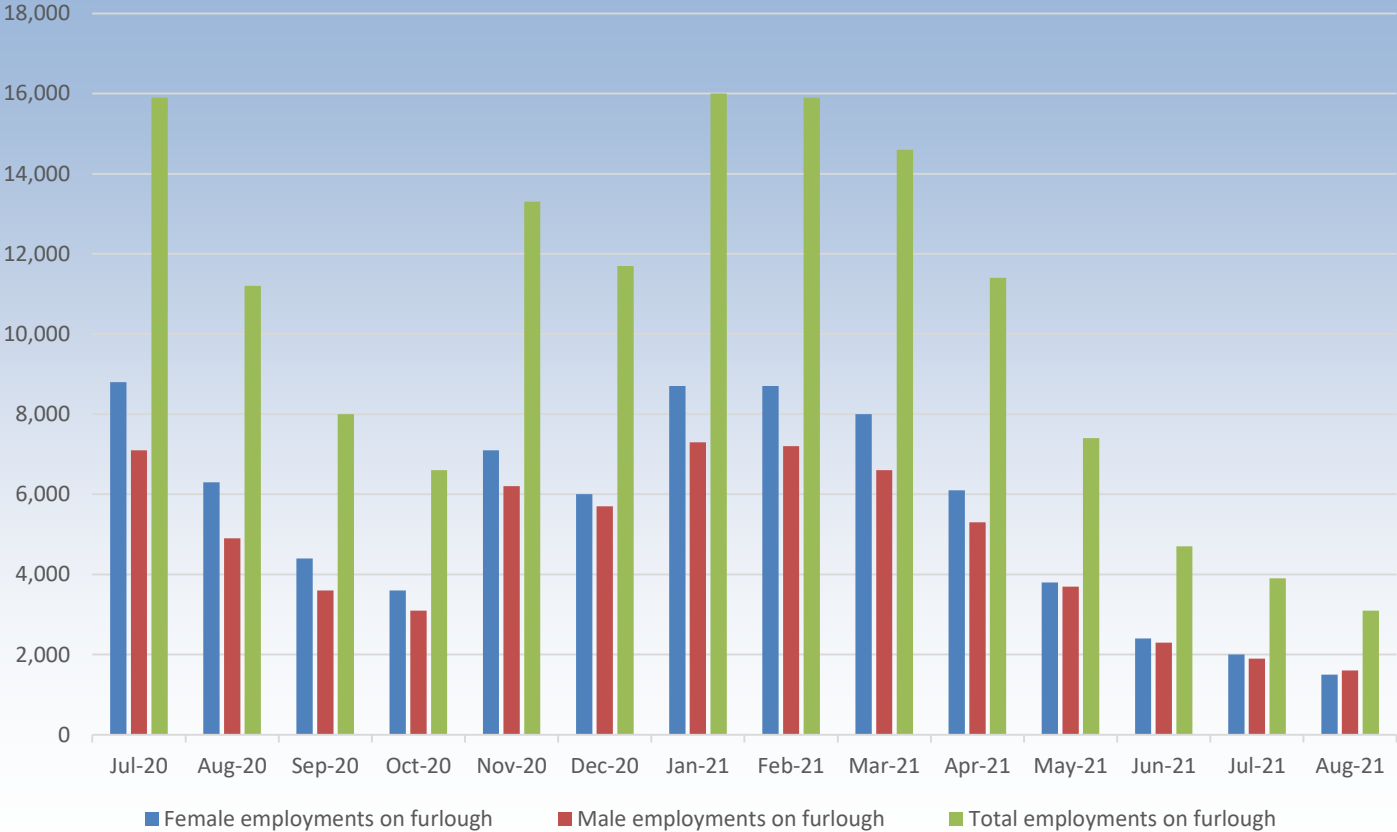
To be updated: 12/10/21

But, has consecutively fallen the past 8 months!



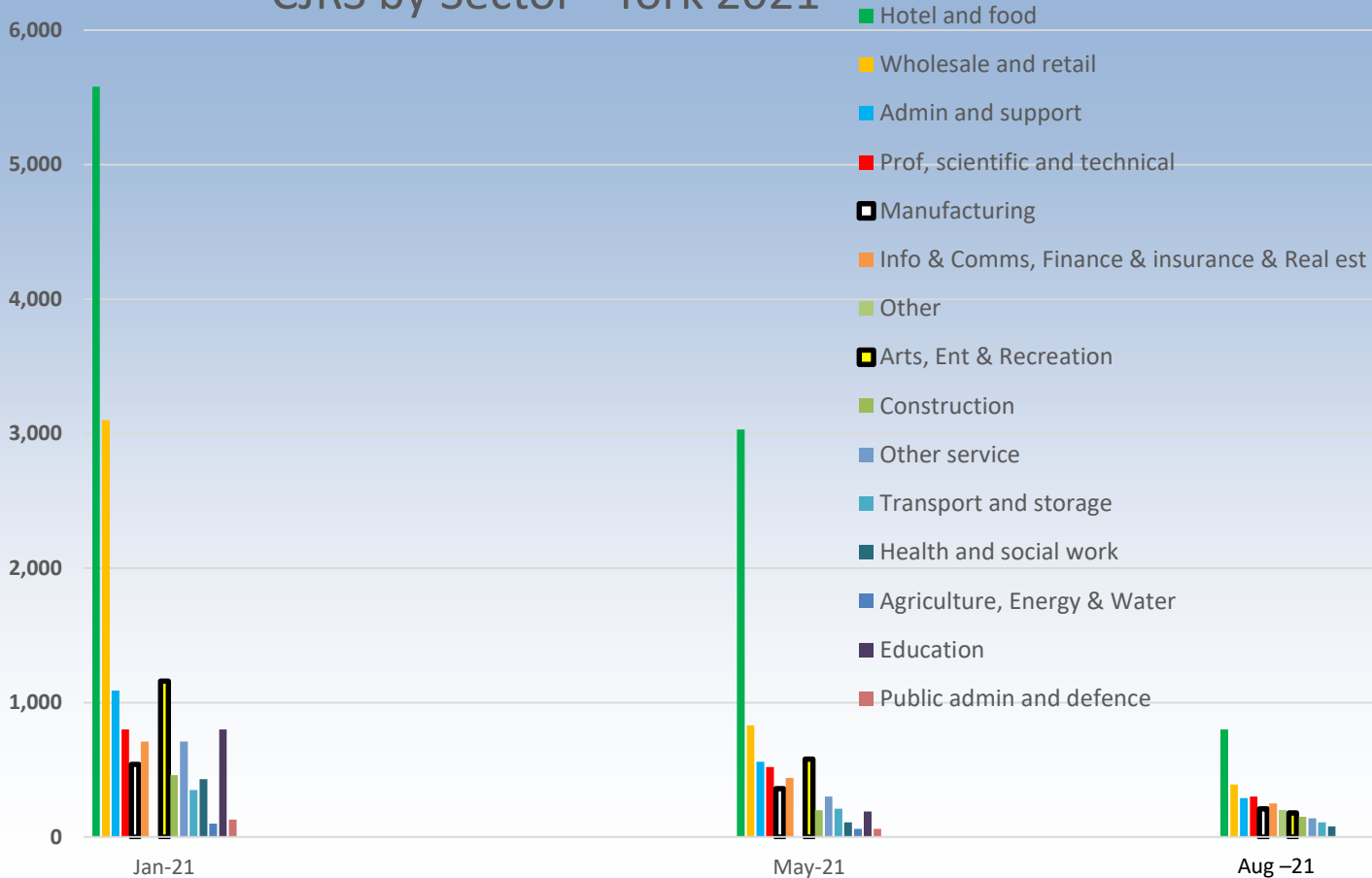
ONS: Claimant Count – Total – York  
To be updated: 12/10/21

# CJRS in York 2020-21



HMRC: Coronavirus Job Retention Scheme – \*August 2021 data is provisional  
To be updated: TBC

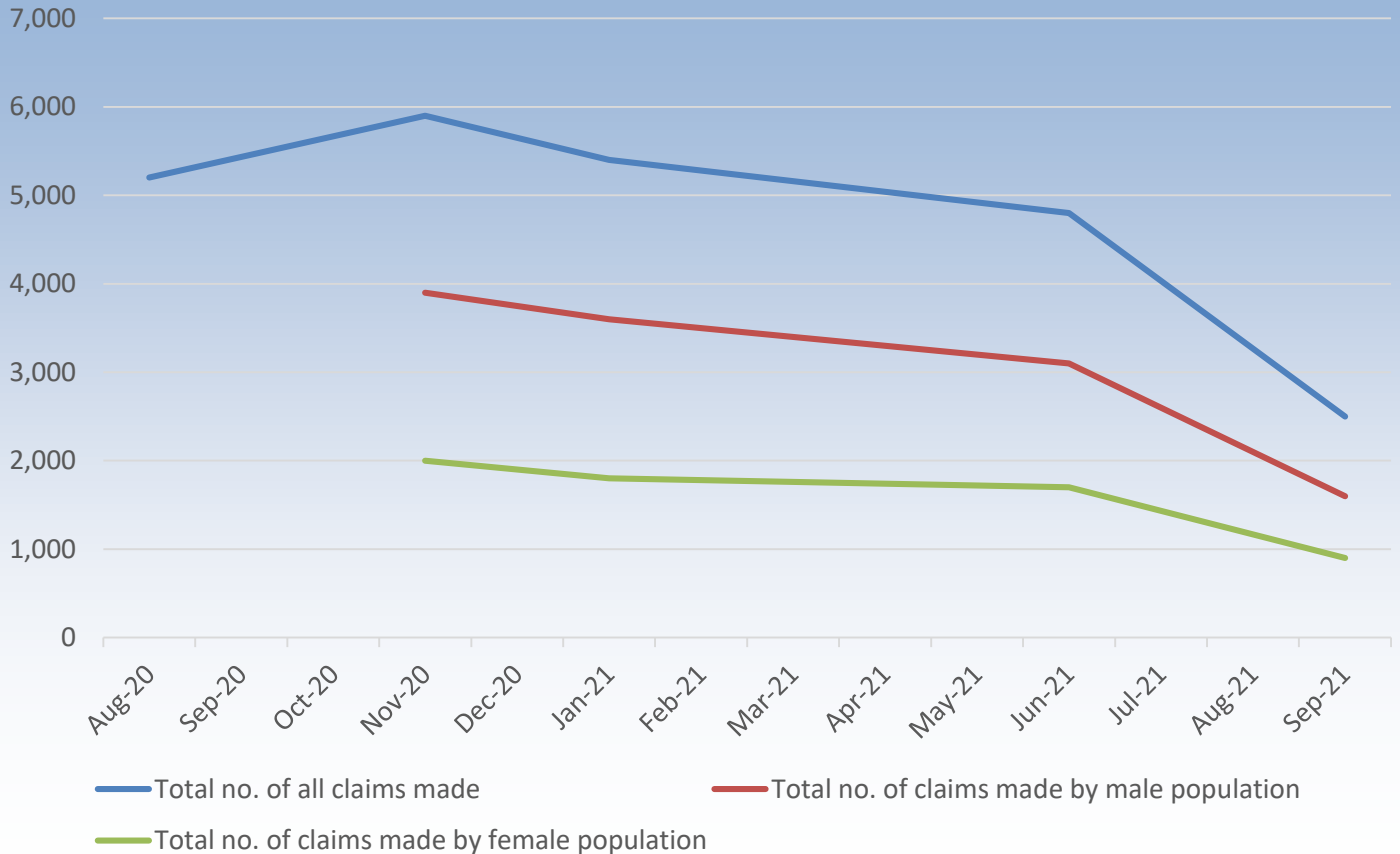
## CJRS by Sector - York 2021



HMRC: Coronavirus Job Retention Scheme – \*August 2021 data is provisional  
To be updated: TBC

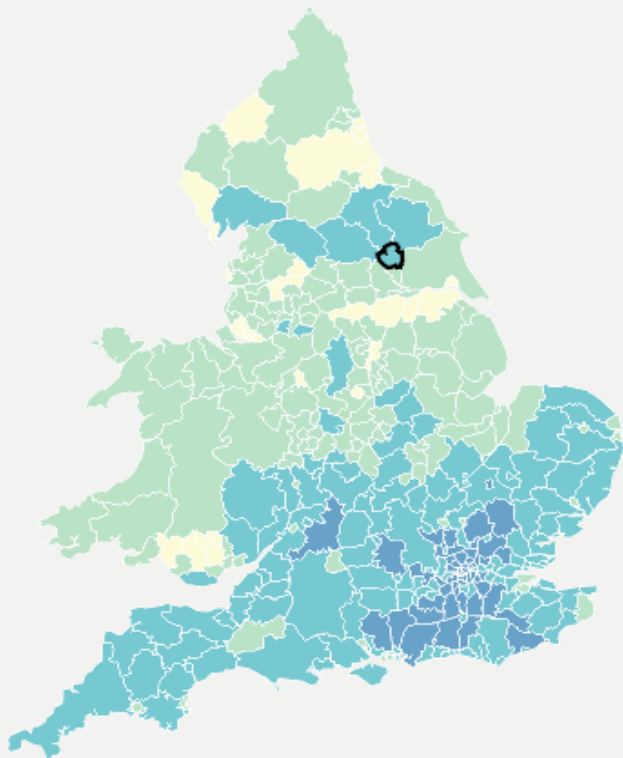
# SEISS in York 2020-21

ANNEX 3



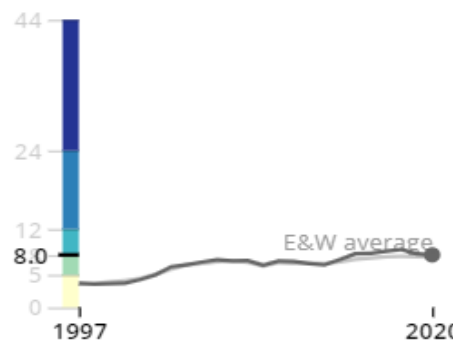
HMRC: Self-Employment Income Support Scheme – \*September 2021 data is provisional  
To be updated: TBC

2020



York ANNEX 3

Property price to earnings ratio

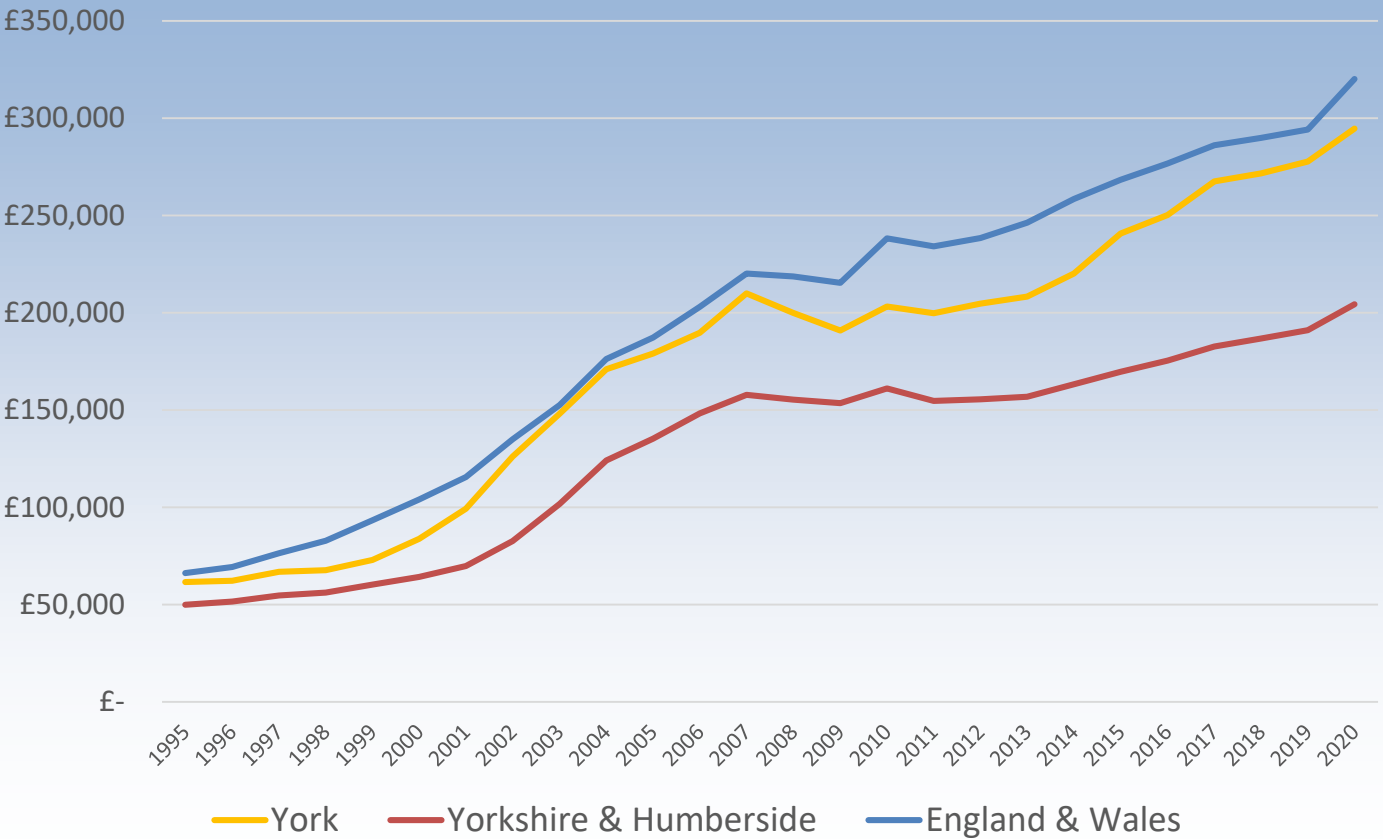


York's housing affordability is at UK average levels, but compares poorly to much of the north



Source: House Price Statistics for Small Areas and Annual Survey of Hours and Earnings, ONS

# York house prices remain close to the UK average



ONS: Mean house prices for administrative geographies (existing dwellings): HPSSA dataset 14 – June 2021  
To be updated: March 2022

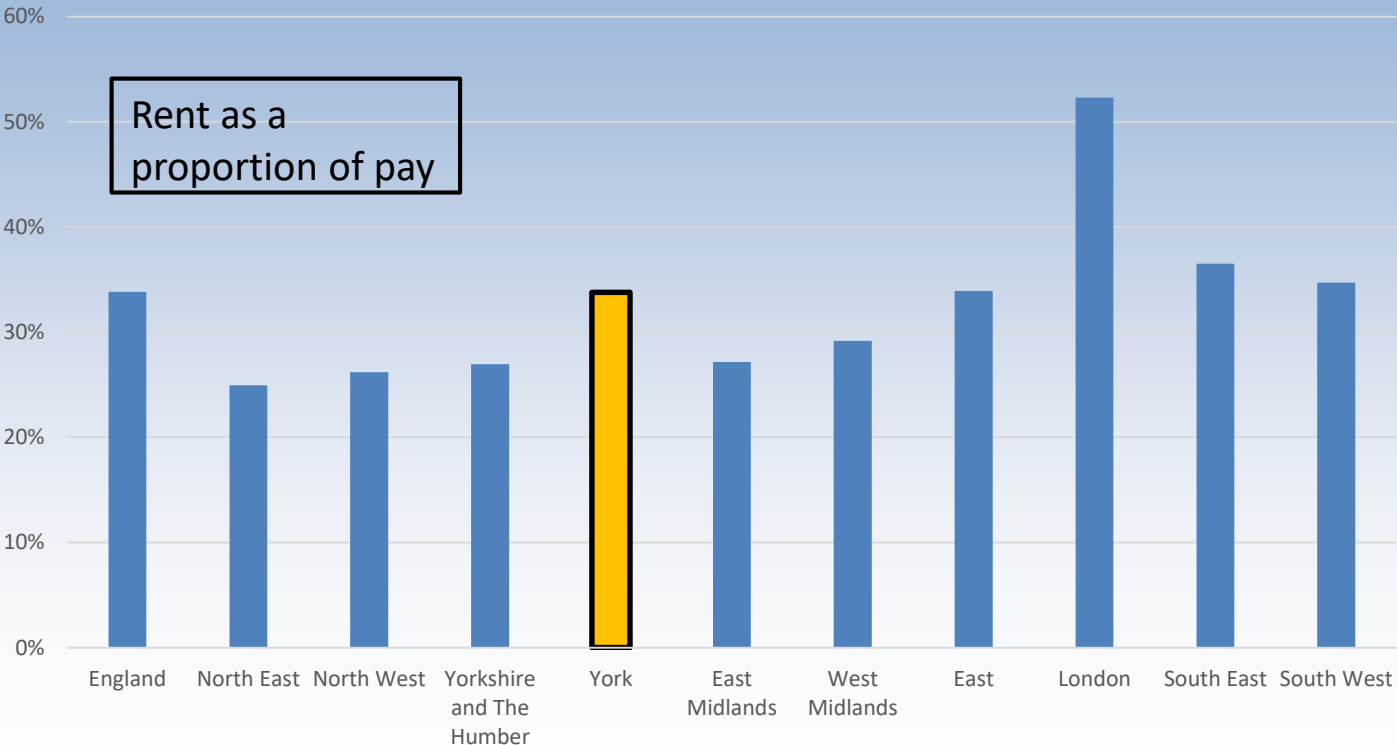
# York's rental costs are like the south of England



ONS - Private rental market summary statistics in England – April 2020 to March 2021  
To be updated: December 2021



# York rents are among the least affordable in the North of England



Rent as a proportion of pay

ONS: Annual Survey of Hours and Earnings (2020) – FT Median Gross Weekly Pay  
ONS: Private rental market summary statistics in England – April 2020 to March 2021 Data – Overall mean of rent  
To be updated: November & December 2021

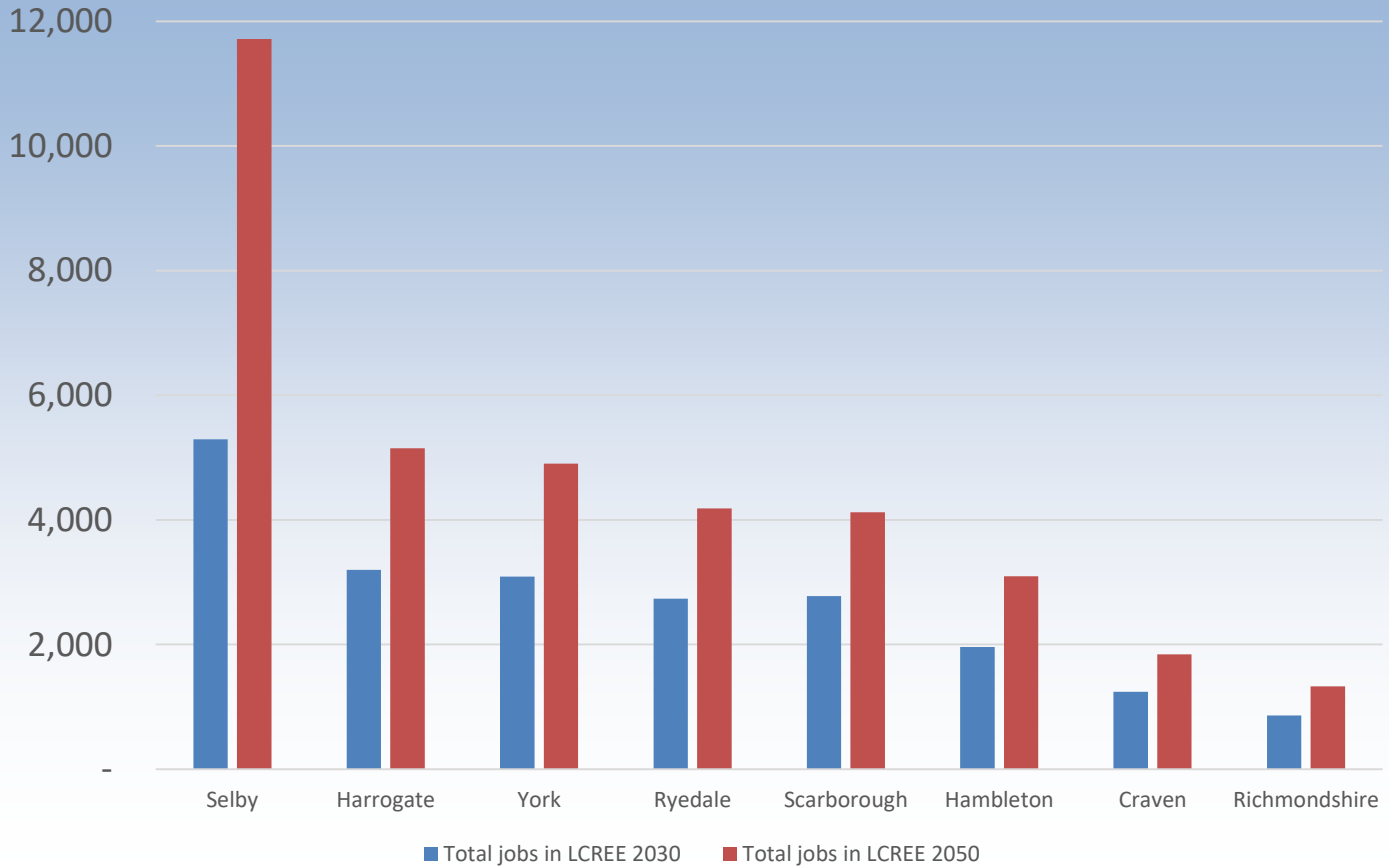
# LGA - Jobs in Low Carbon and Renewable Energy Economy (LCREE) ANNEX 3

- In 2018 there was 185,000 full-time jobs in England's LCREE
- By 2030 there could be 694,000 jobs
- By 2050 there could be 1.18 million jobs

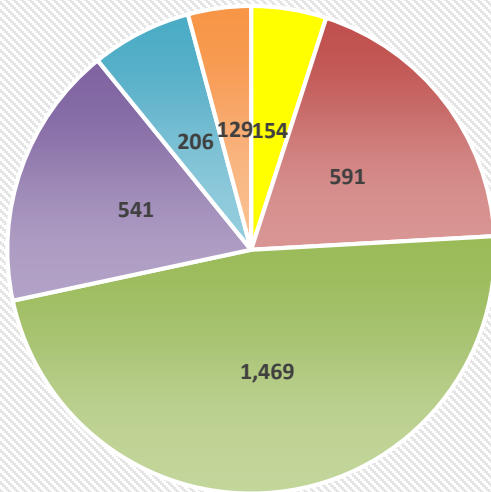


# York & North Yorkshire Green Jobs Forecast

ANNEX 3

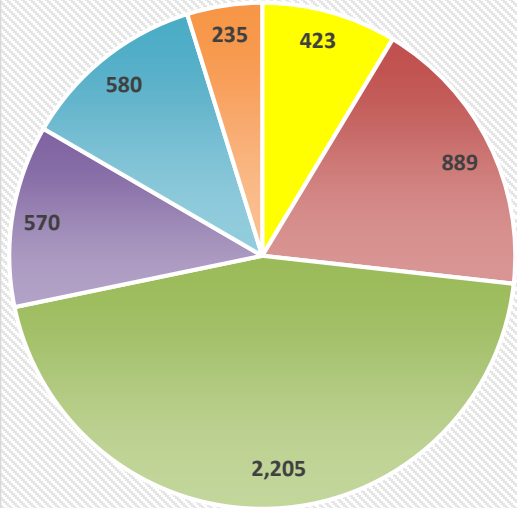


## York 2030



- Estimated jobs in Low-carbon electricity
- Estimated jobs in Low-carbon heat
- Estimated jobs in Alternative fuels
- Estimated jobs in Energy Efficiency
- Estimated jobs in Low-carbon services
- Estimated jobs in Low emission vehicles & infrastructure

## York 2050



# So what do we know?

- Wages are not the whole story
- High employment but limited options for many
- High skills but limited opportunities for many
- In work poverty and insecure employment are issues
- Part time work options are limited
- Housing affordability can be challenging
- Many people do not feel well-off!
- The green economy represents a real opportunity for York.

# What do we need to know more about?

- Experiences of our residents
- Future skills needs of businesses
- A view from businesses on the advantages & disadvantages of being located in York
- Covid impacts
- Self employment & micro-businesses

