

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

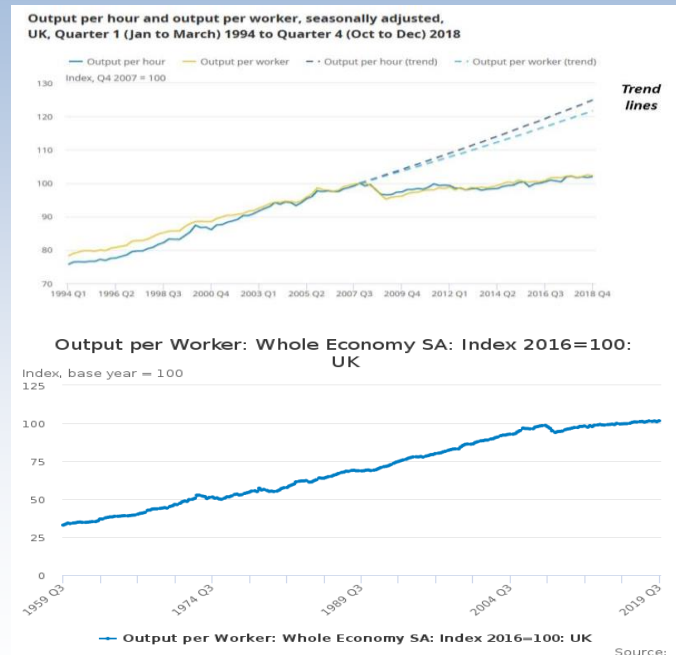
- A twin track approach:
 - Developing high paid jobs in key sectors
 - A clear approach to inclusive growth across York
- Cross cutting themes:
 - 21st century jobs
 - A green economic recovery
- Engagement activity that places businesses and residents at the heart of conversations

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.)

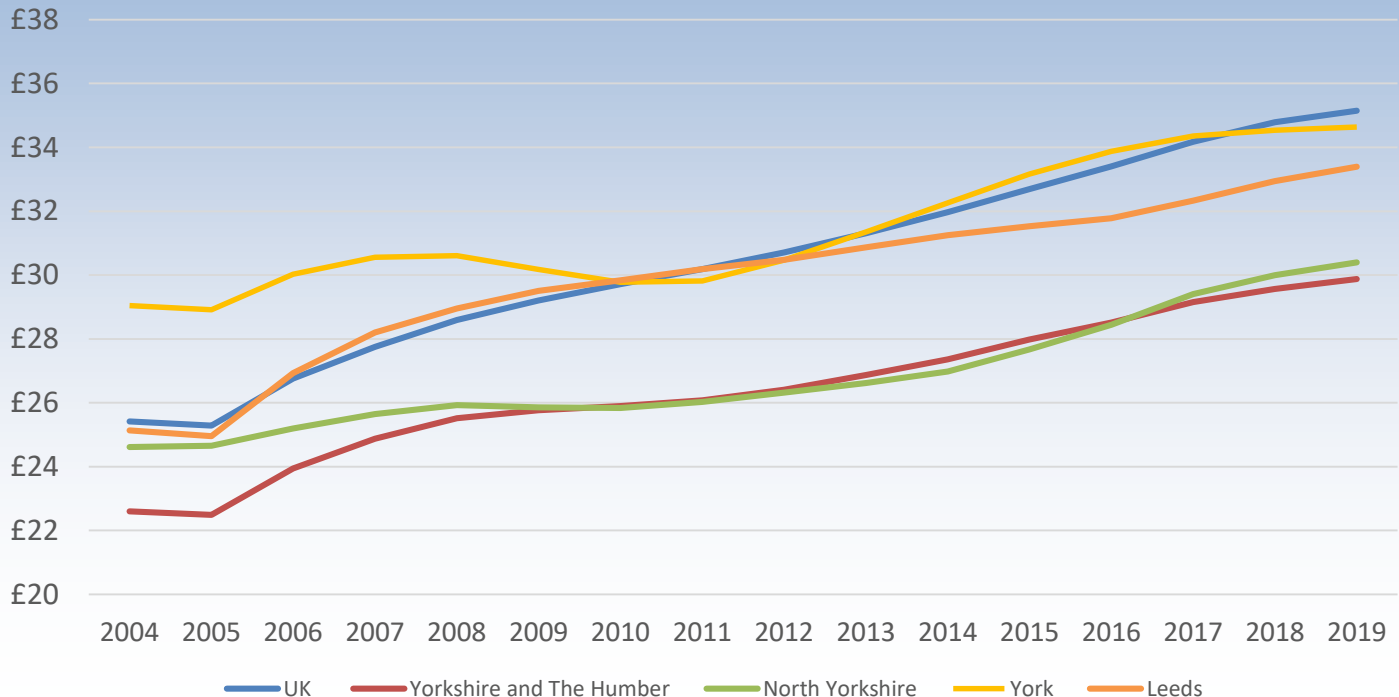
The productivity challenge(s)

- 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

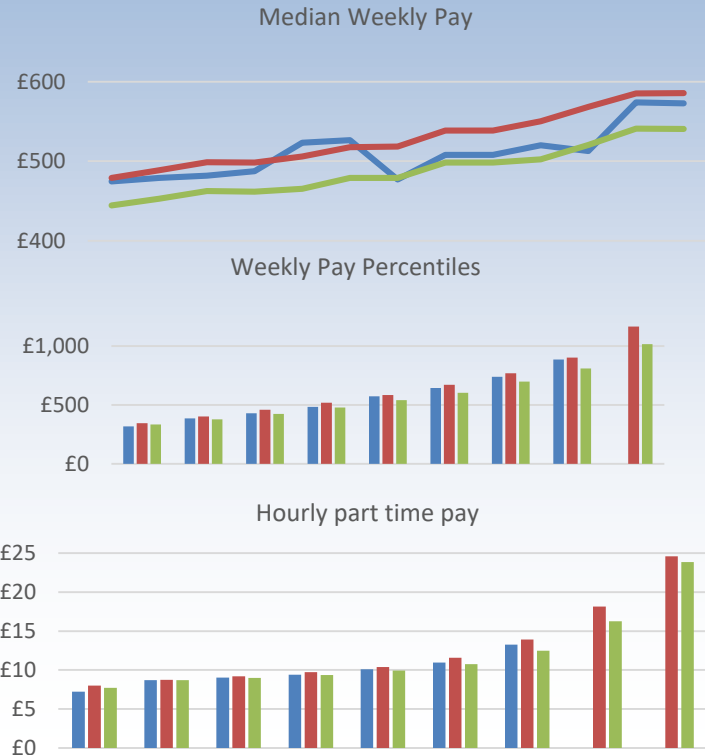


ONS: Subregional Productivity July 2021 Release – GVA (B) per hour worked (£); ITL2 and ITL3 sub regions, 2004 – 2019

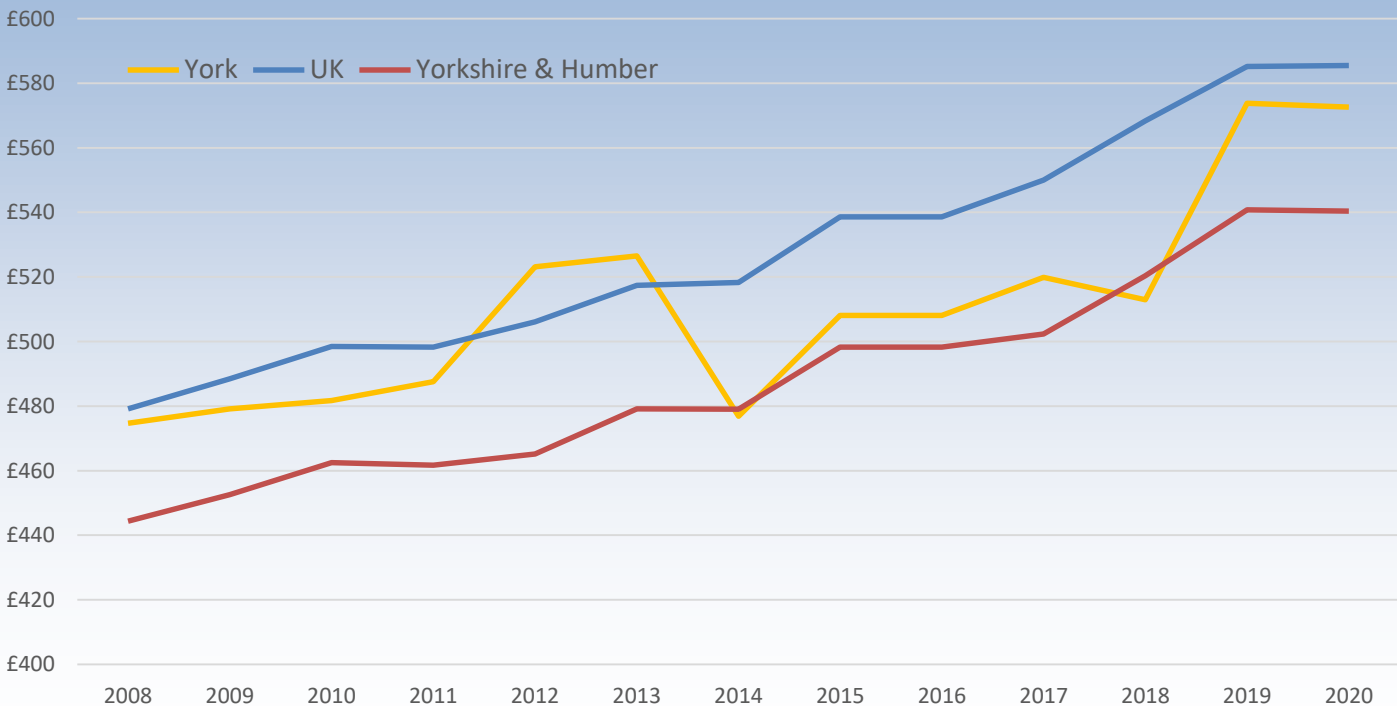
To be updated: TBC

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

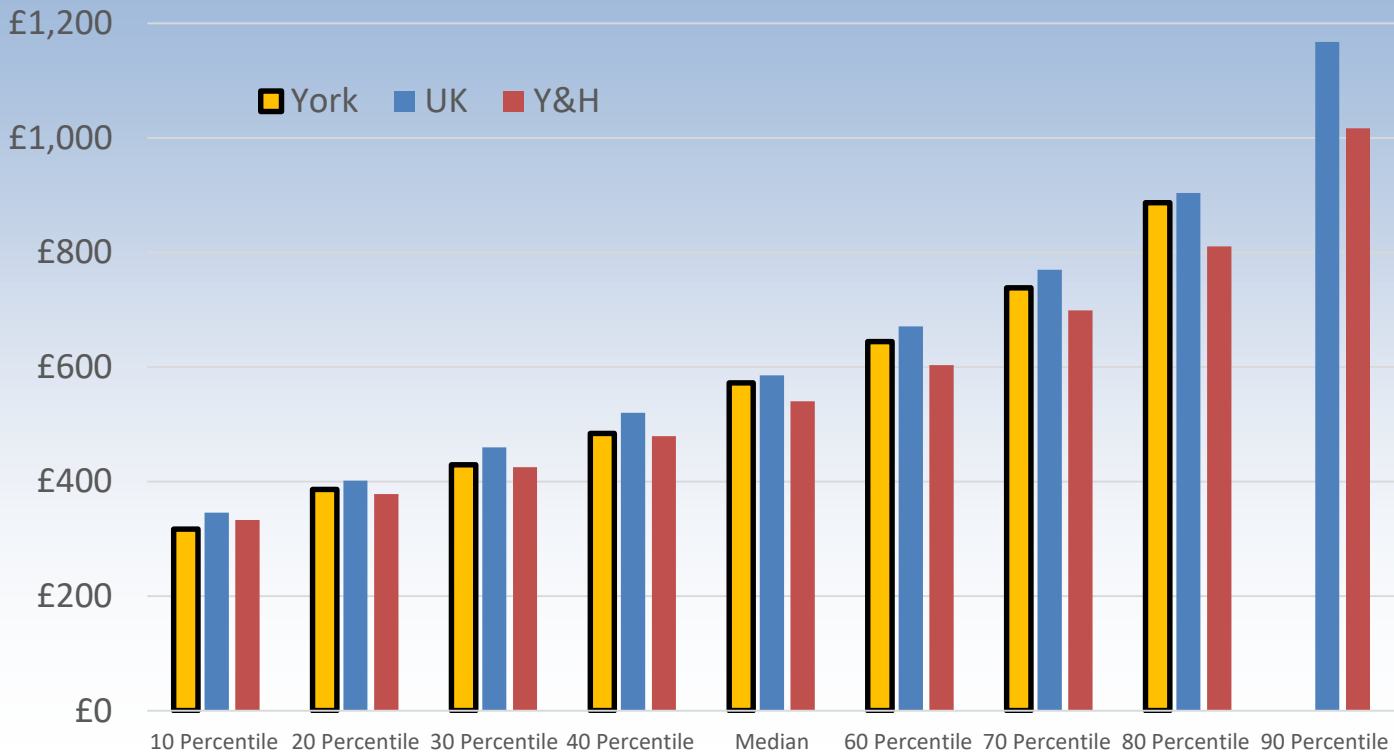


Full time weekly pay in York is close to the national median



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

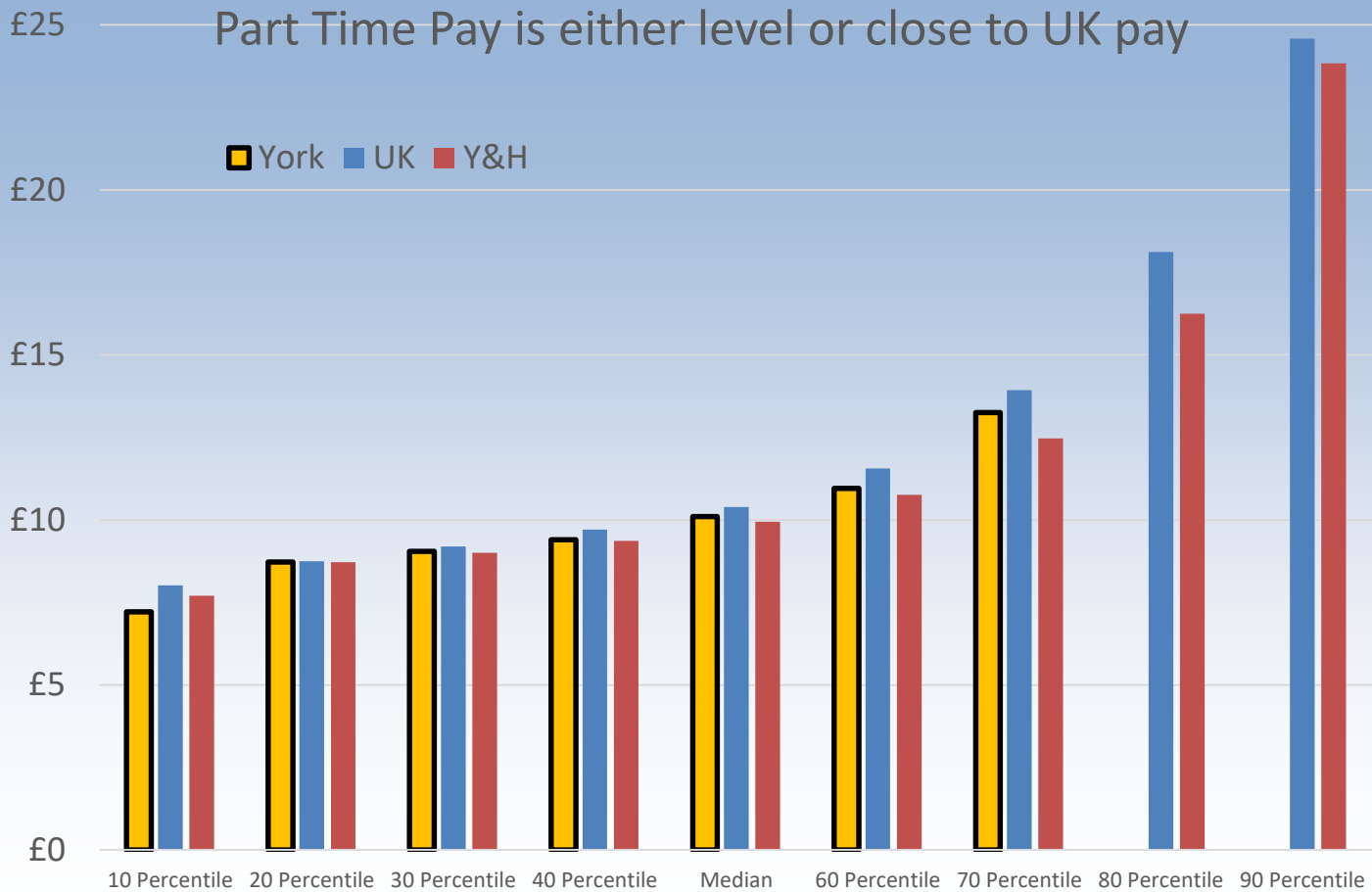
York's Full Time weekly pay is stronger than the Y&H region and close to UK levels



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

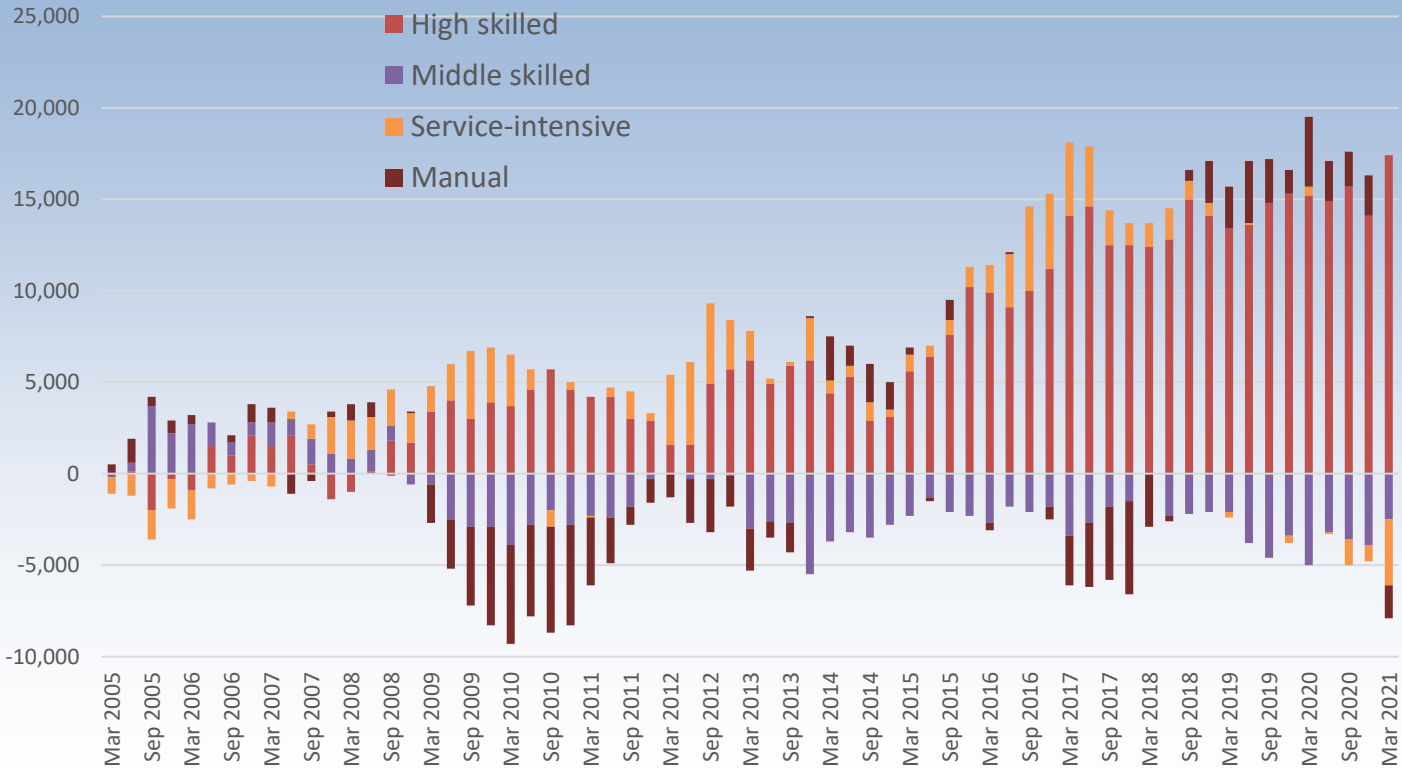
■ York ■ UK ■ Y&H



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

To be updated: November 2021

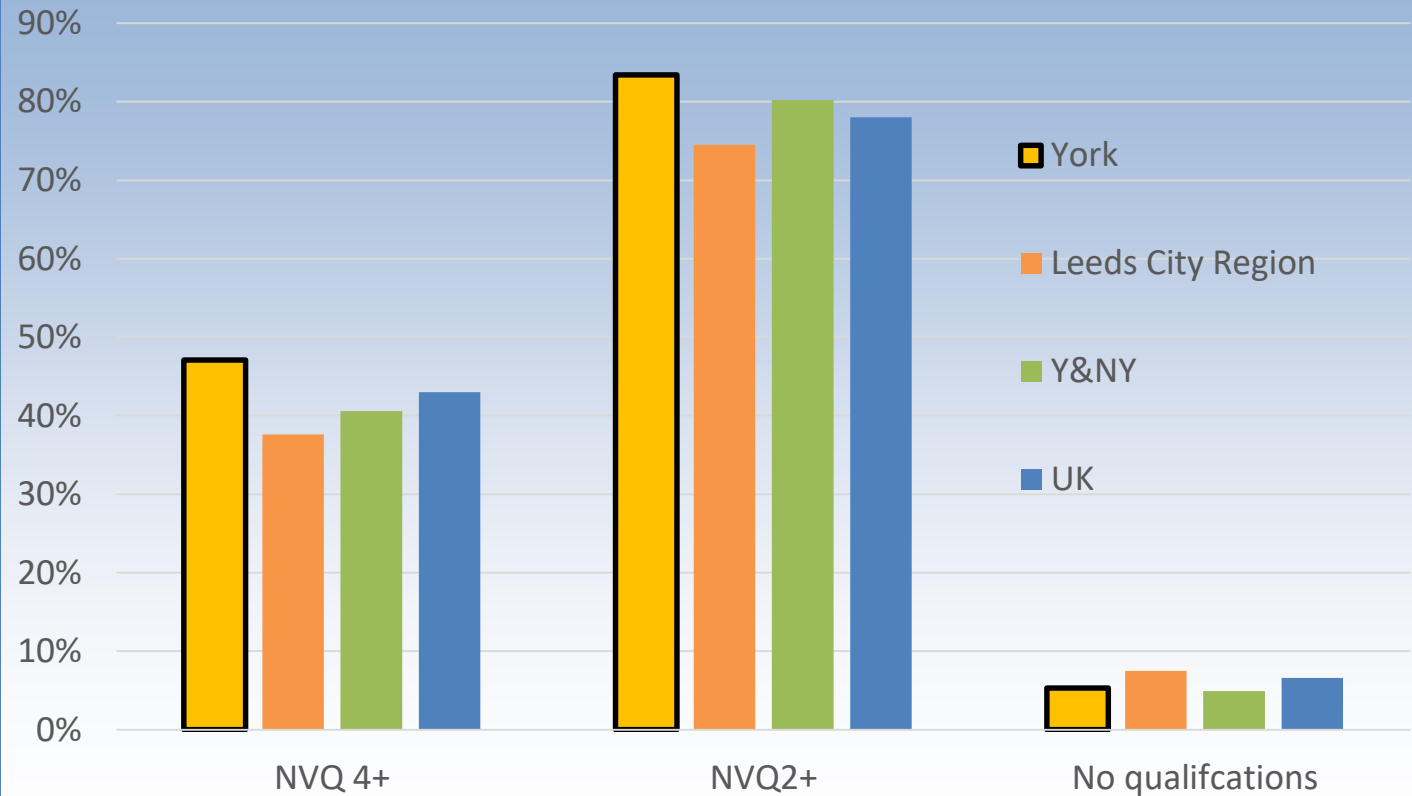
17,000 high skilled jobs created since 2005



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

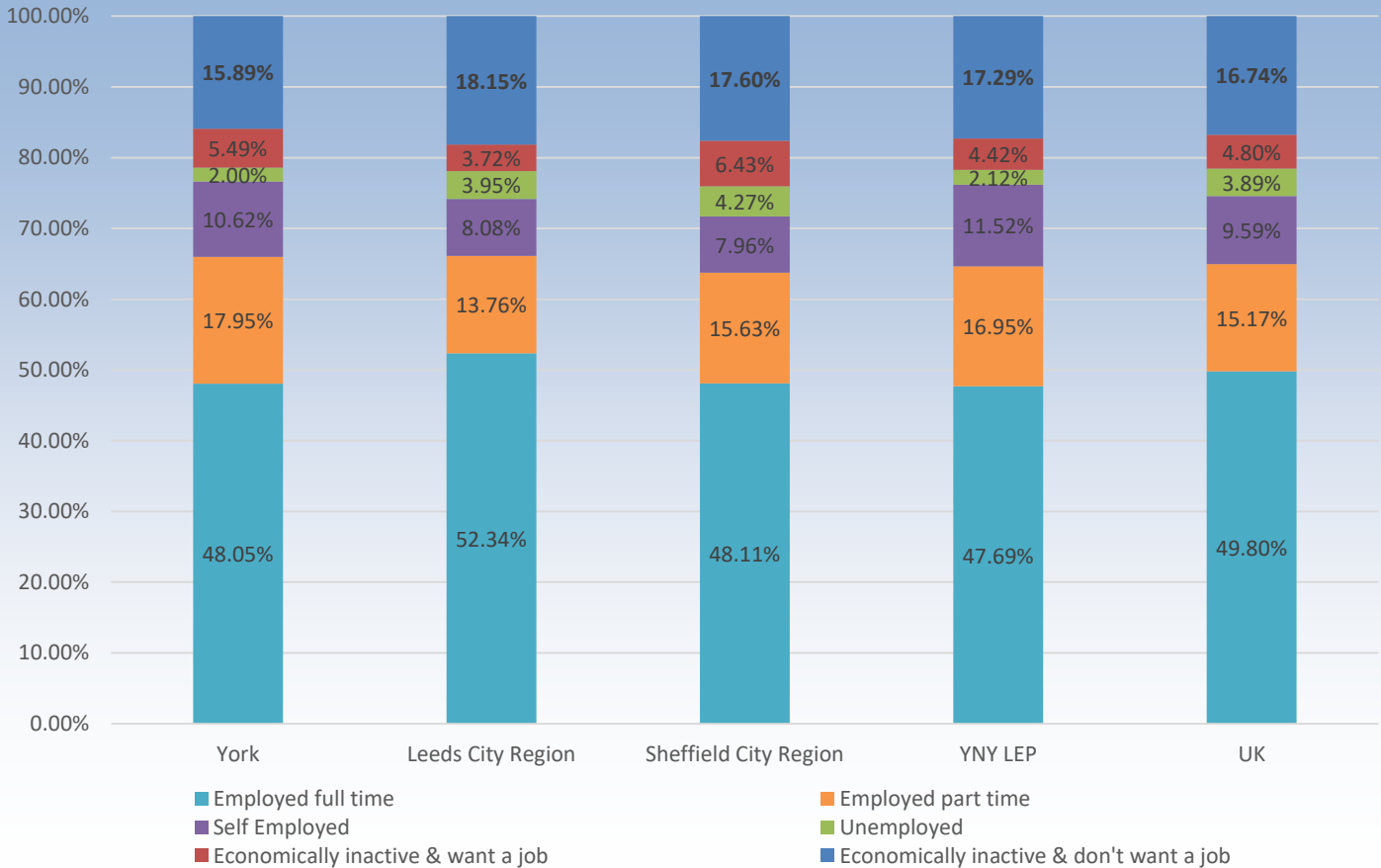
To be updated: 12/10/2021

York is a highly skilled city



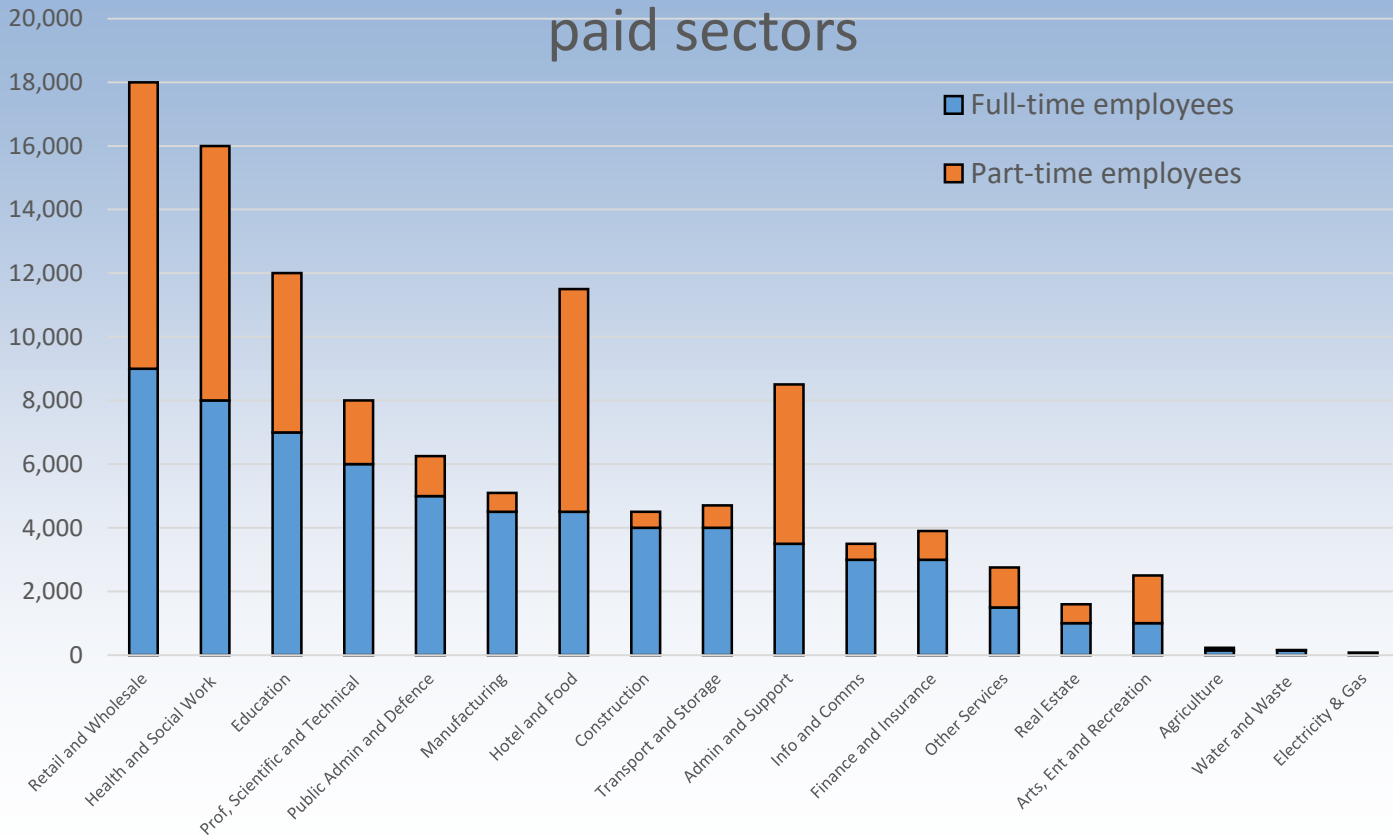
ONS: Annual Population Survey – Jan 2020 – Dec 2020 – % of working age population (16-64)
To be updated: 12/10/2021

York has high employment, unlike much of Yorkshire



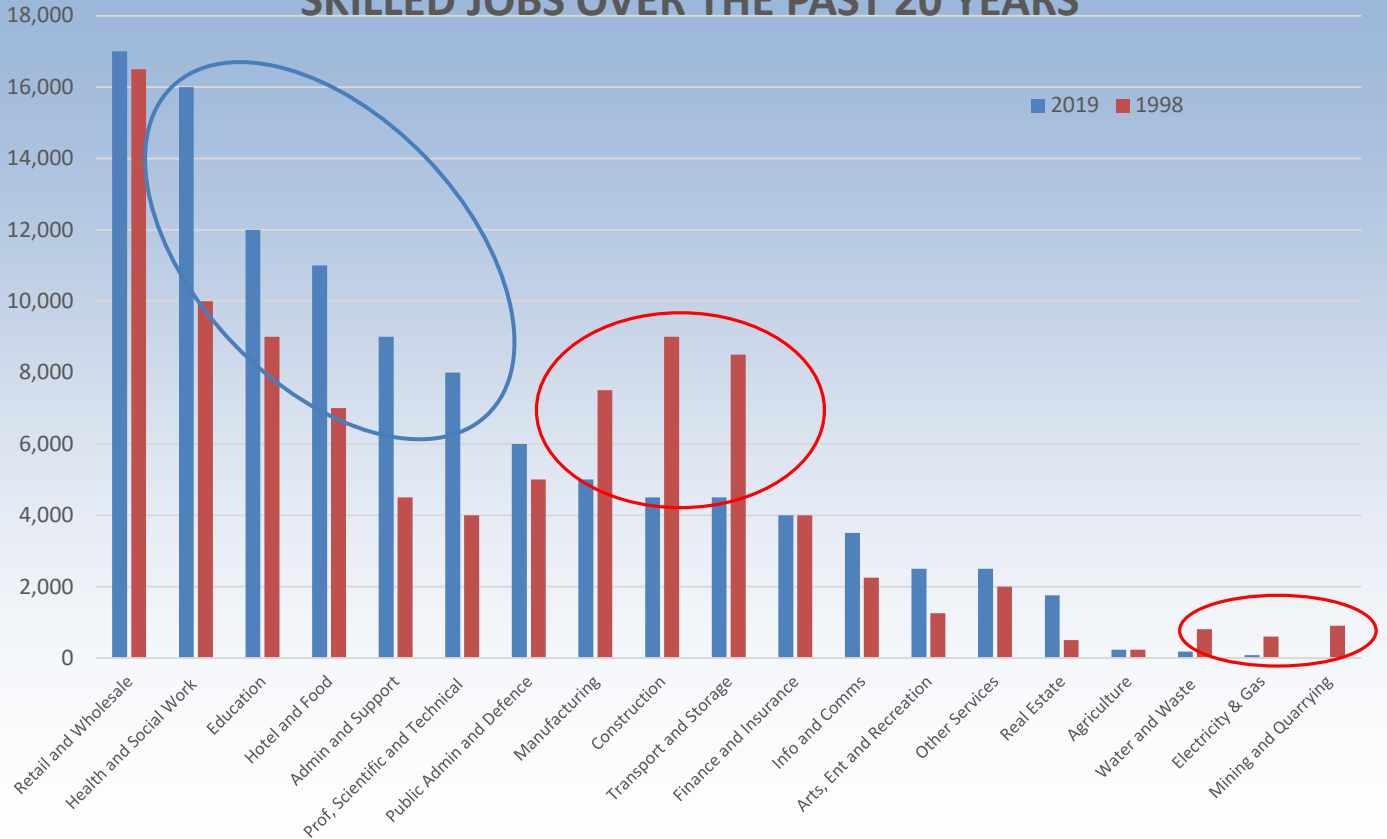
ONS: Annual Population Survey – Jan 2020 – Dec 2020 – % of working age population (16-64), To be updated: 12/10/2021

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



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

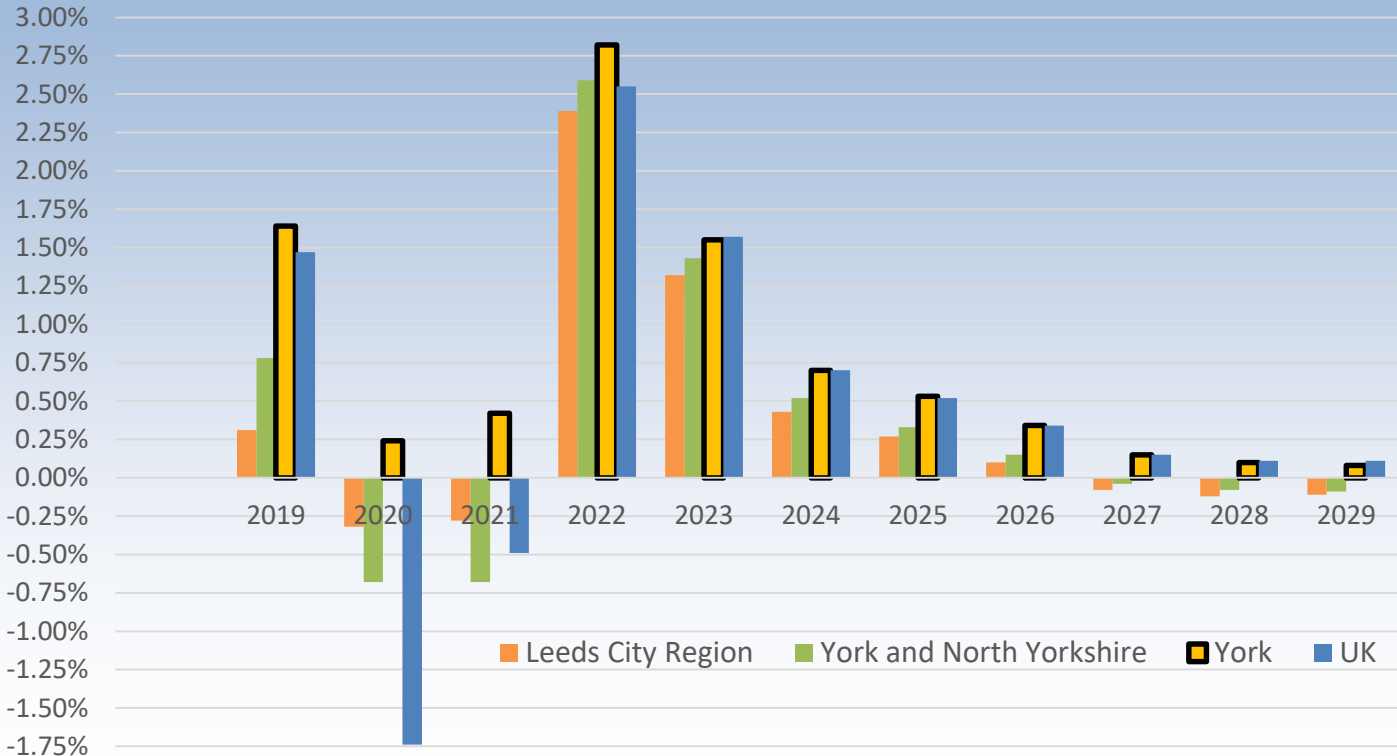
Employment in York is forecast to continue to grow in the years ahead



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

*2019 are actual figures

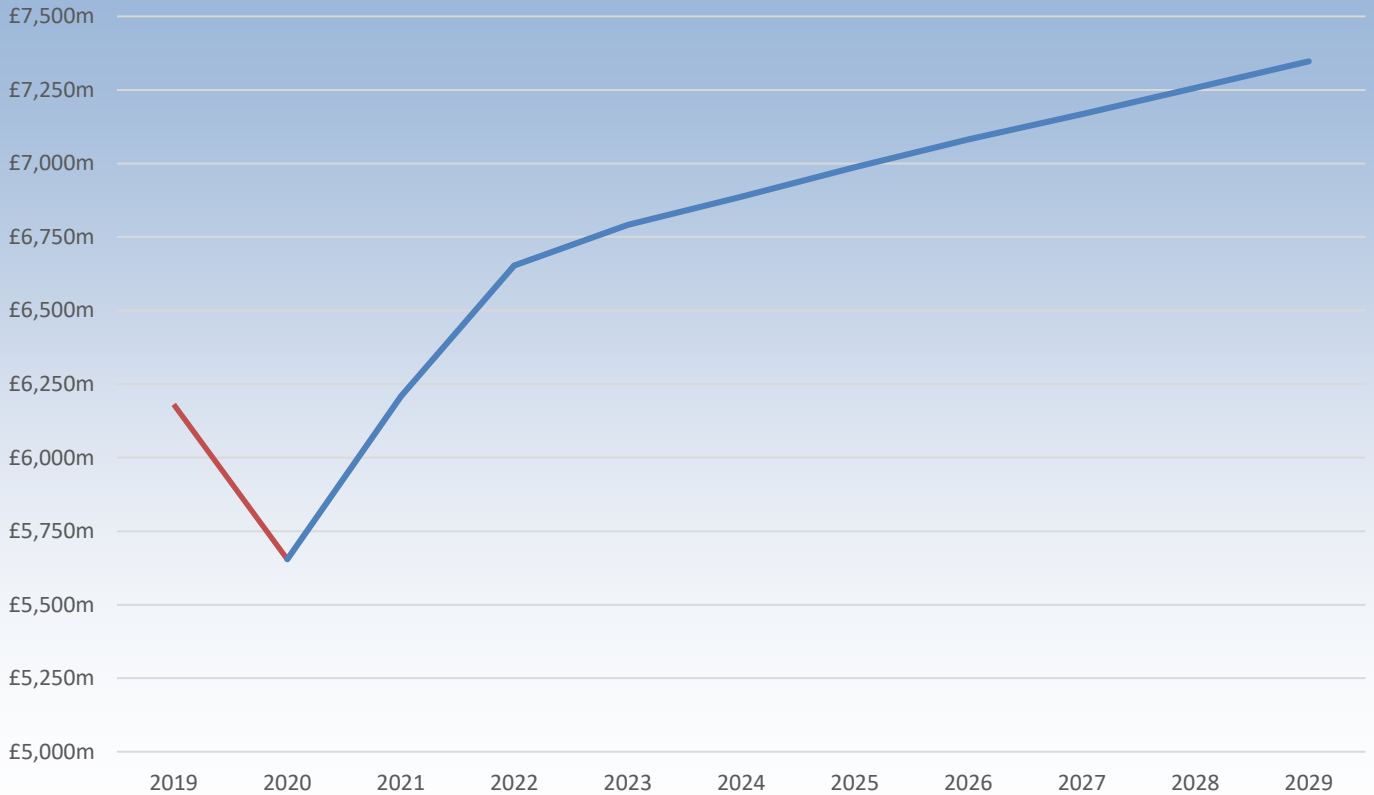
Employment in York is forecast to continue to grow in the years ahead



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

*2019 are actual figures

And GVA will grow too

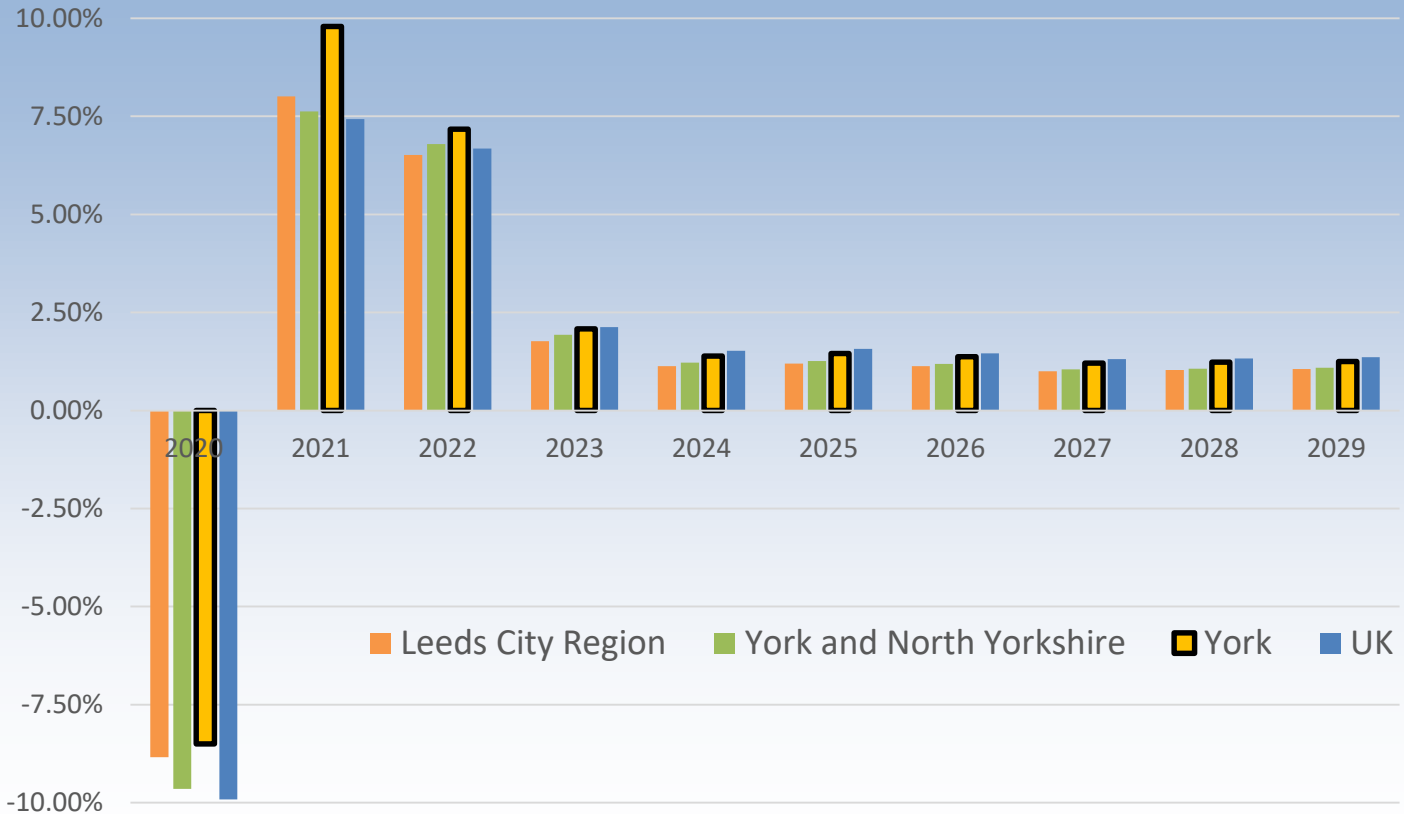


Oxford Economics – GVA Forecast – Level values – 2019-2029 – Forecast based on data from 28/07/21

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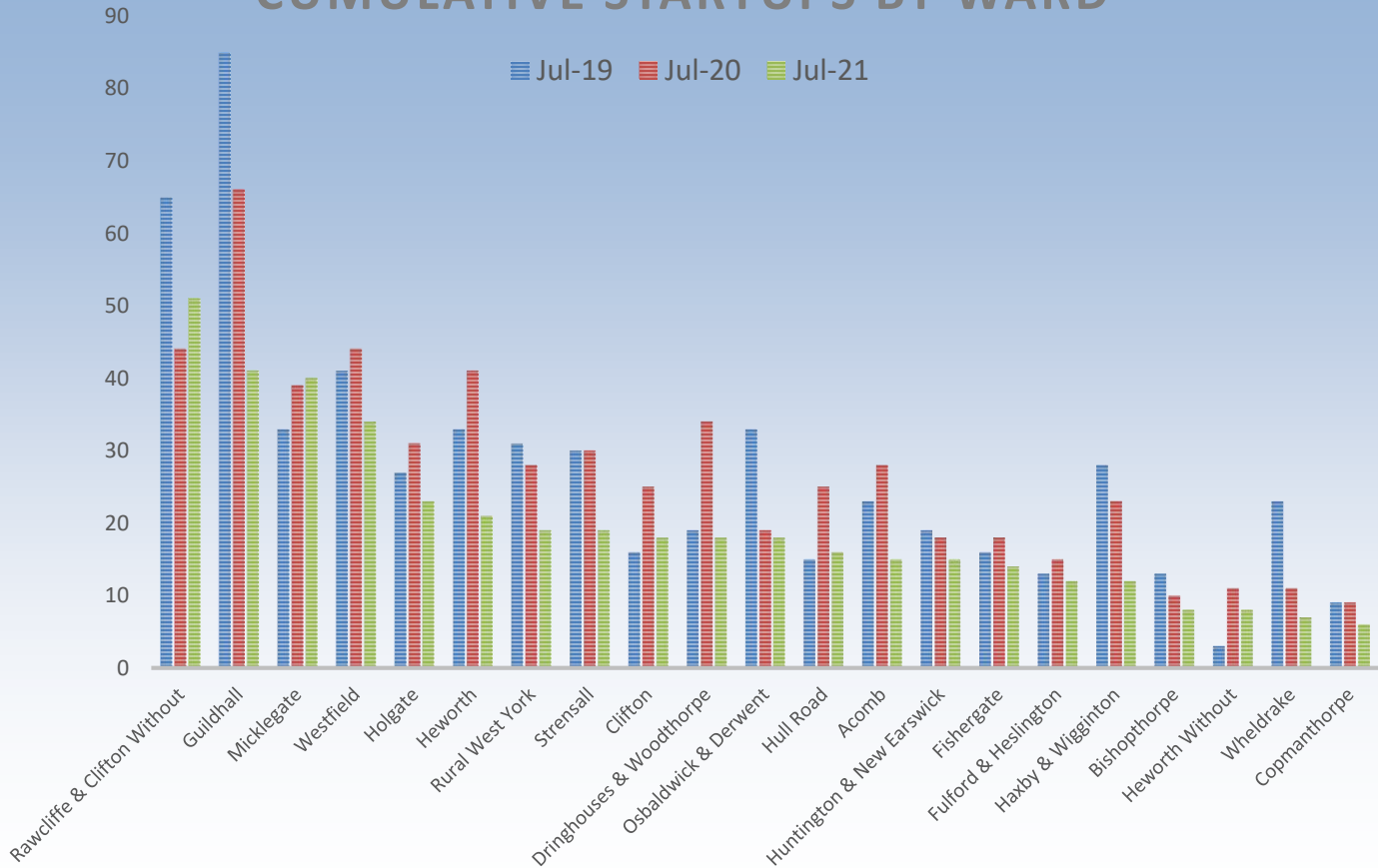
Making history, building communities

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

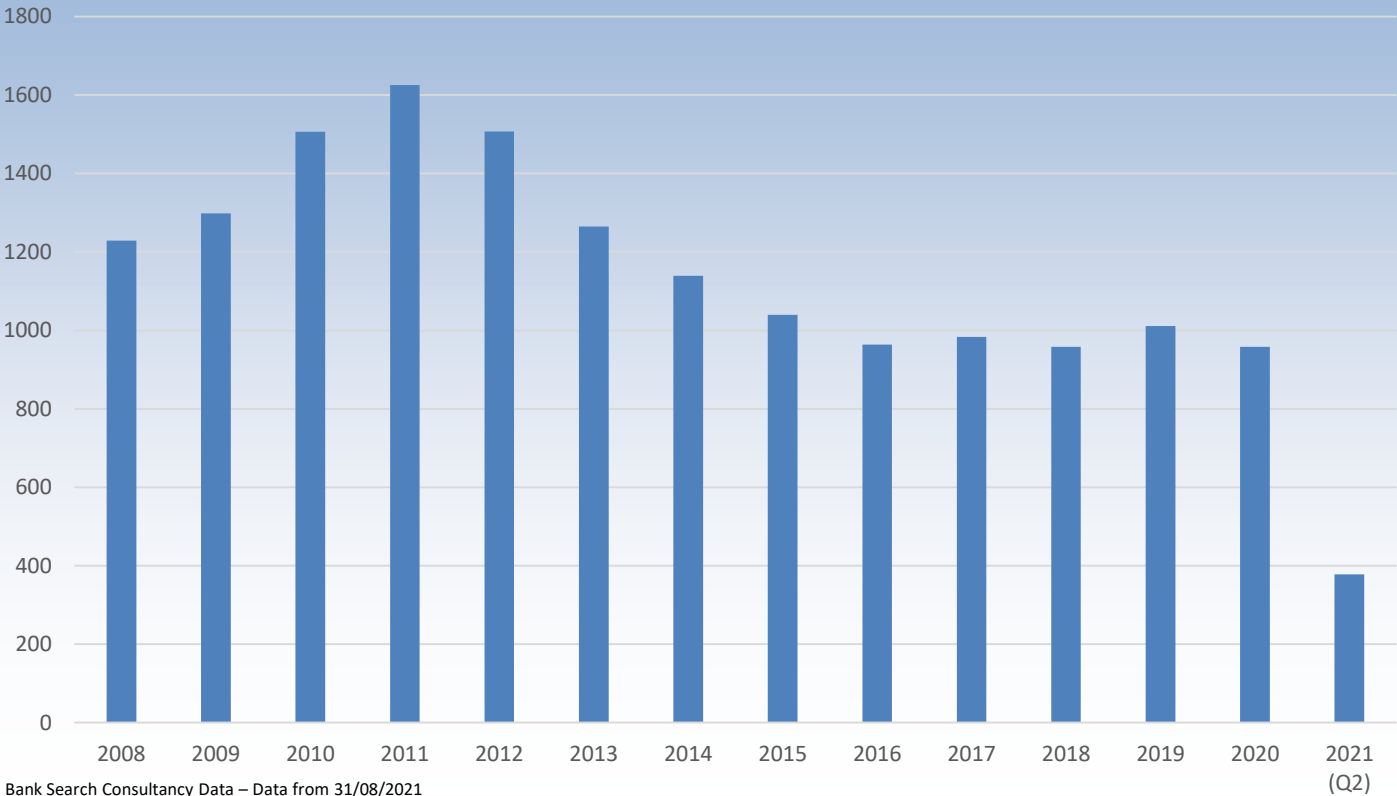


Bank Search Consultancy Data – Data from 31/08/2021

To be updated: TBC

Making history, building communities

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

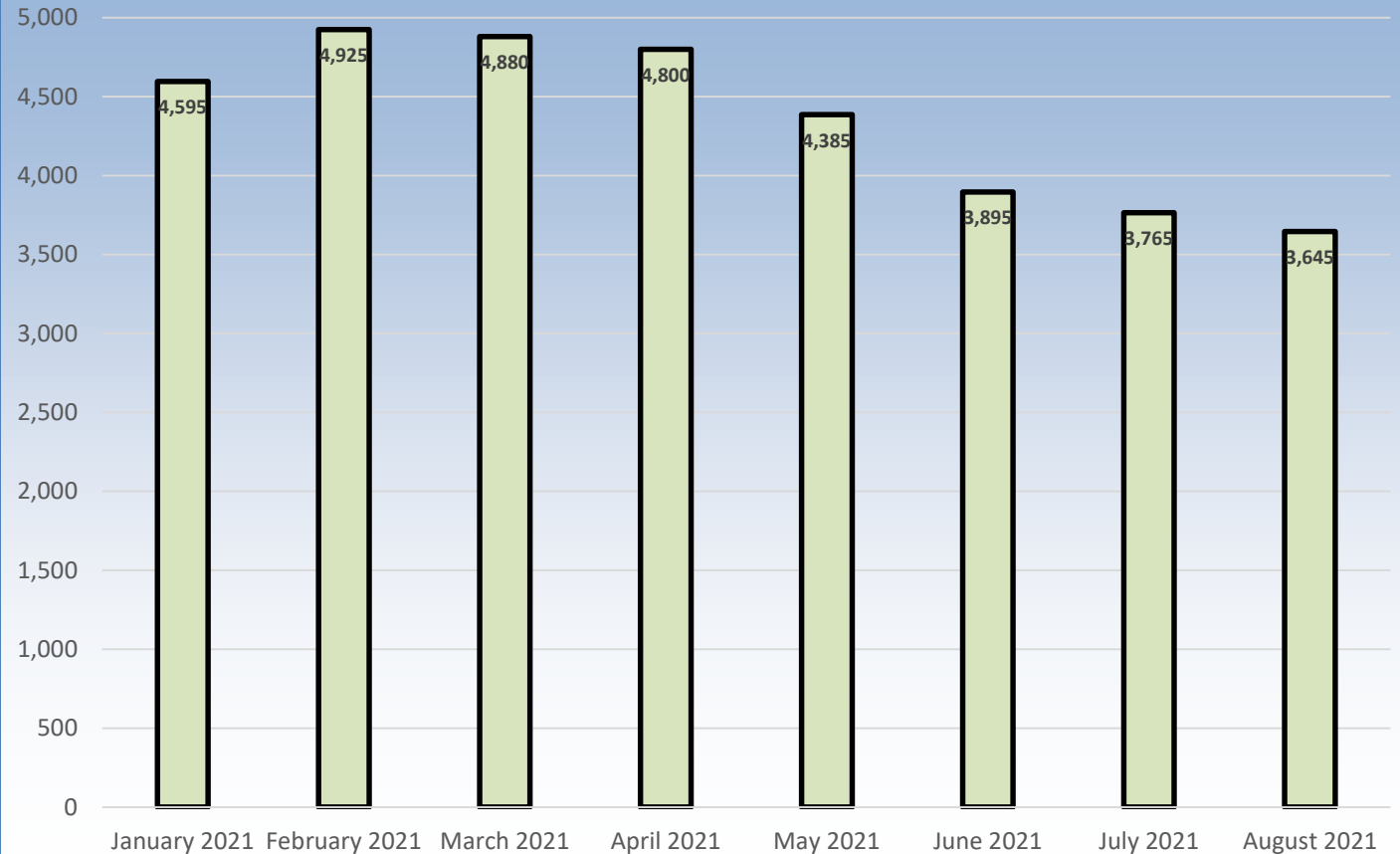
York's Claimant Count remains high on historical levels



ONS: Claimant Count – Total – York

To be updated: 12/10/21

But, has consecutively fallen the past 8 months!

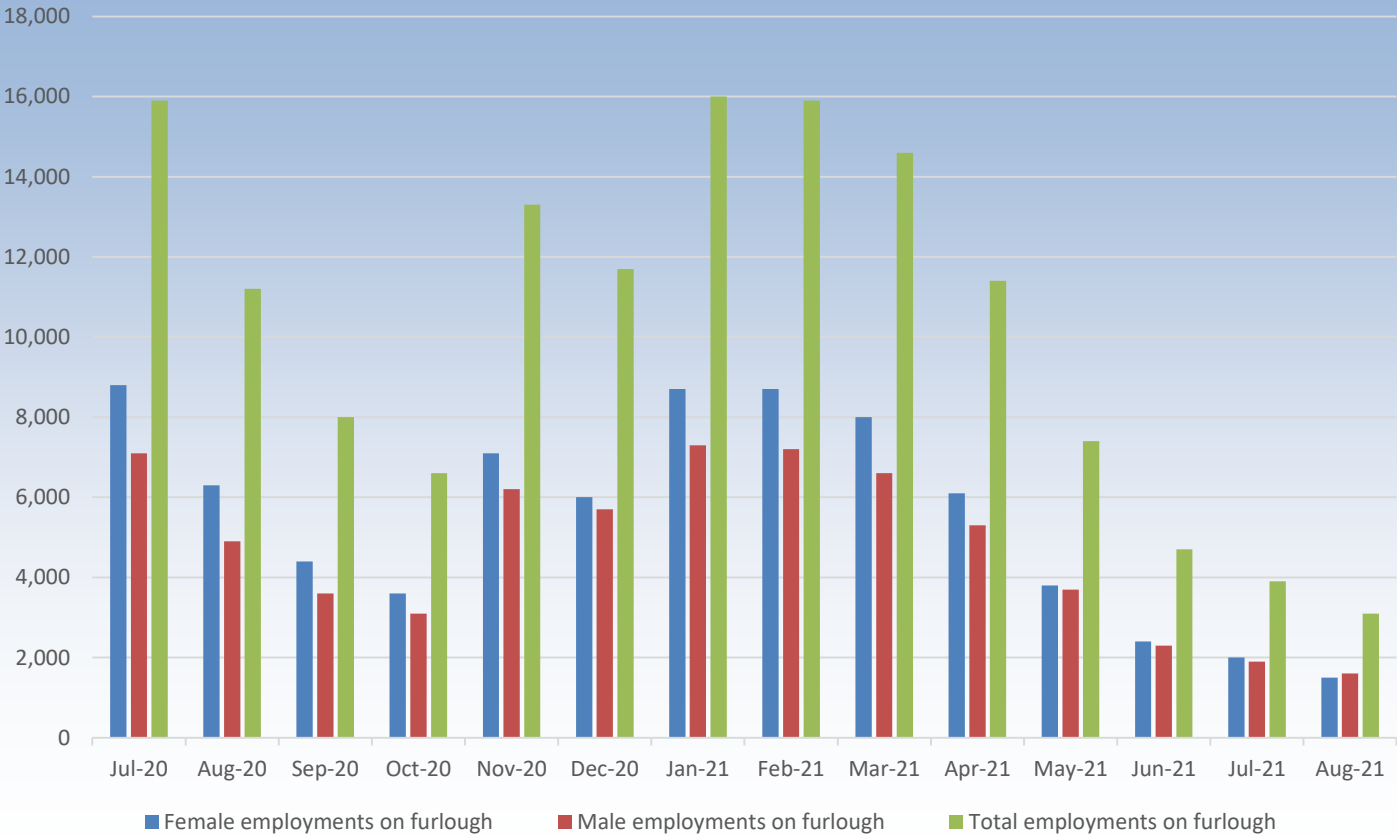


ONS: Claimant Count – Total – York

To be updated: 12/10/21

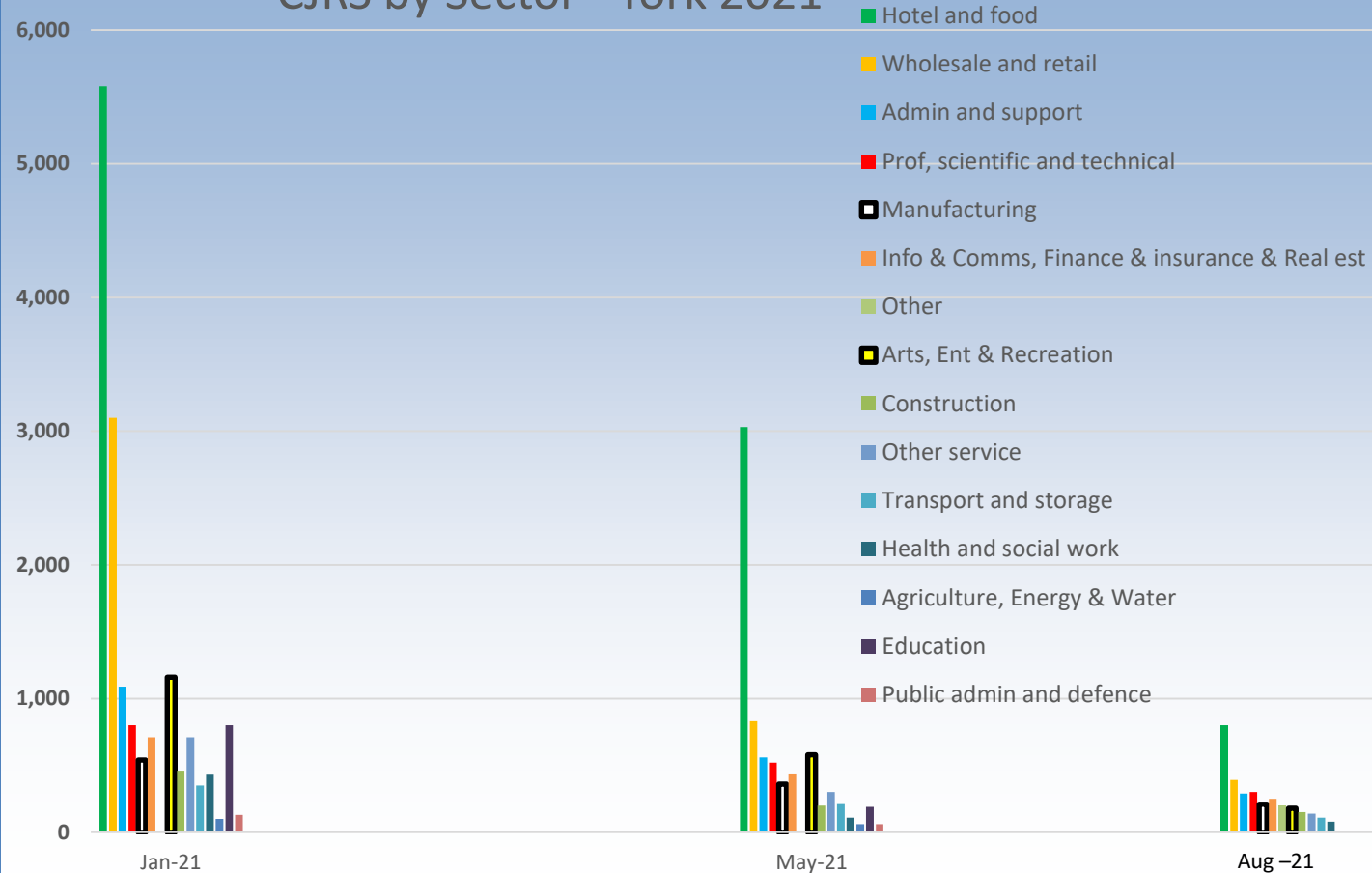
Making history, building communities

CJRS in York 2020-21



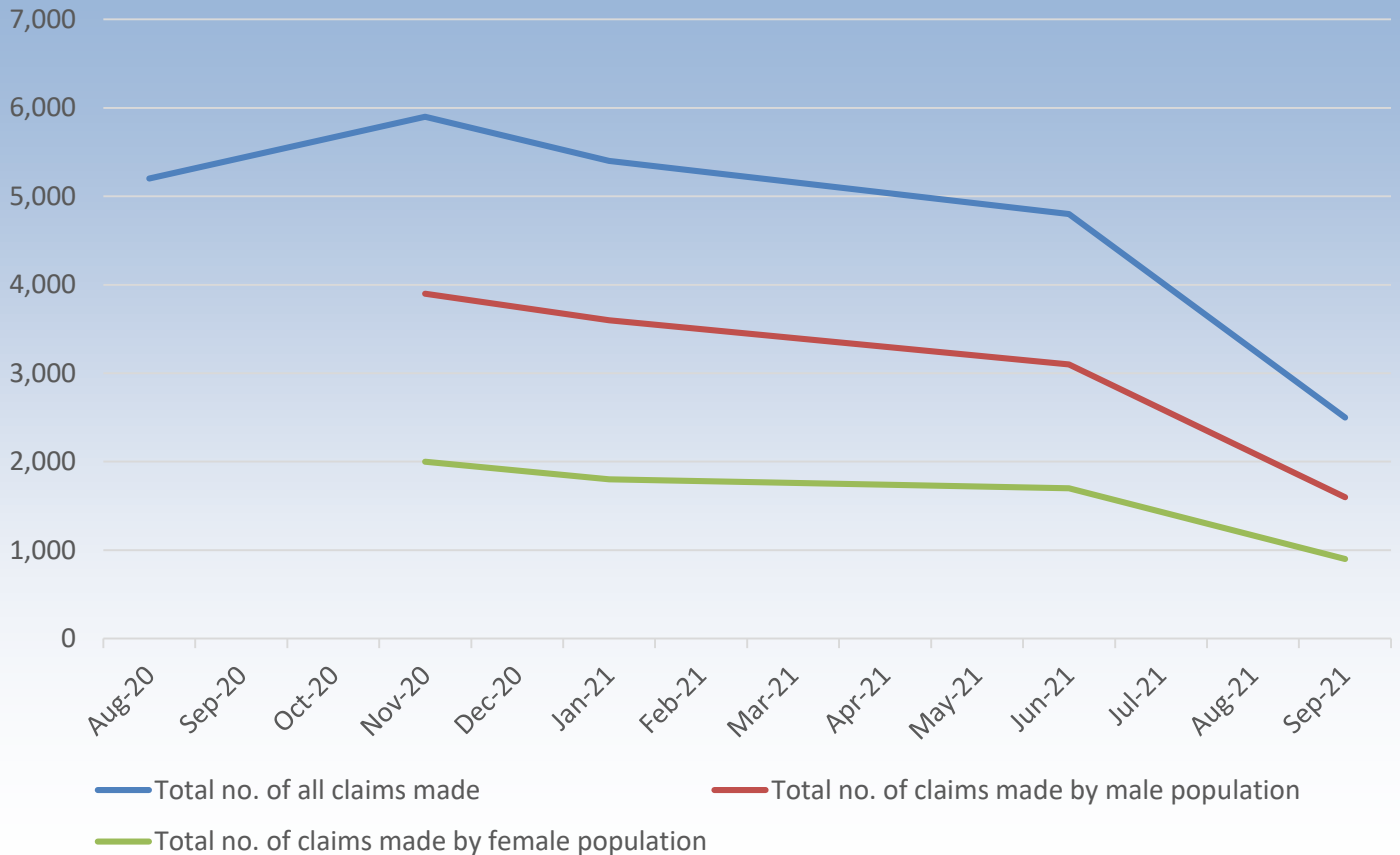
HMRC: Coronavirus Job Retention Scheme – *August 2021 data is provisional
To be updated: TBC

CJRS by Sector - York 2021



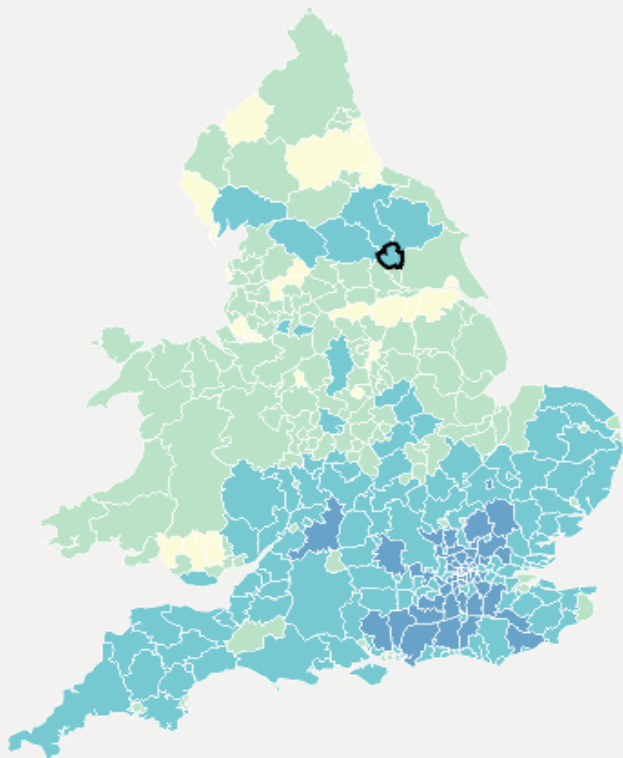
HMRC: Coronavirus Job Retention Scheme – *August 2021 data is provisional
To be updated: TBC

SEISS in York 2020-21



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

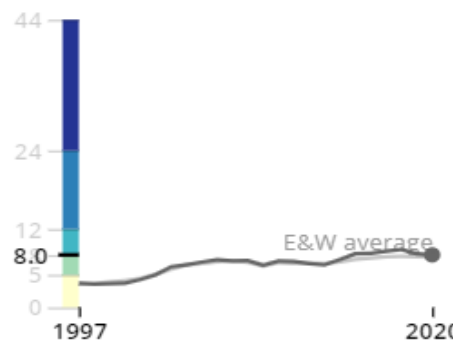
2020



+
-

York x ▾

Property price to earnings ratio

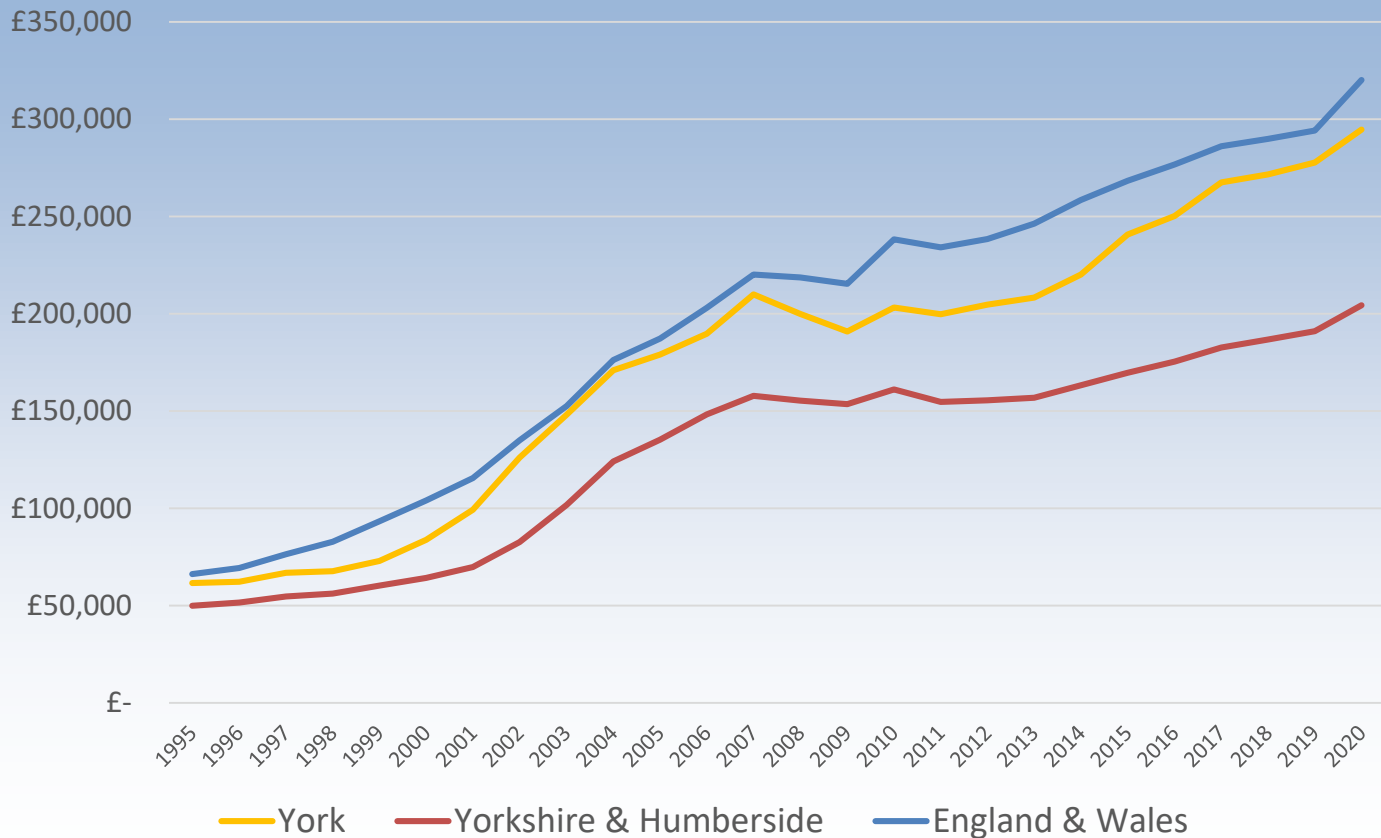


York's housing affordability is at UK average levels, but compares poorly to much of the north



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

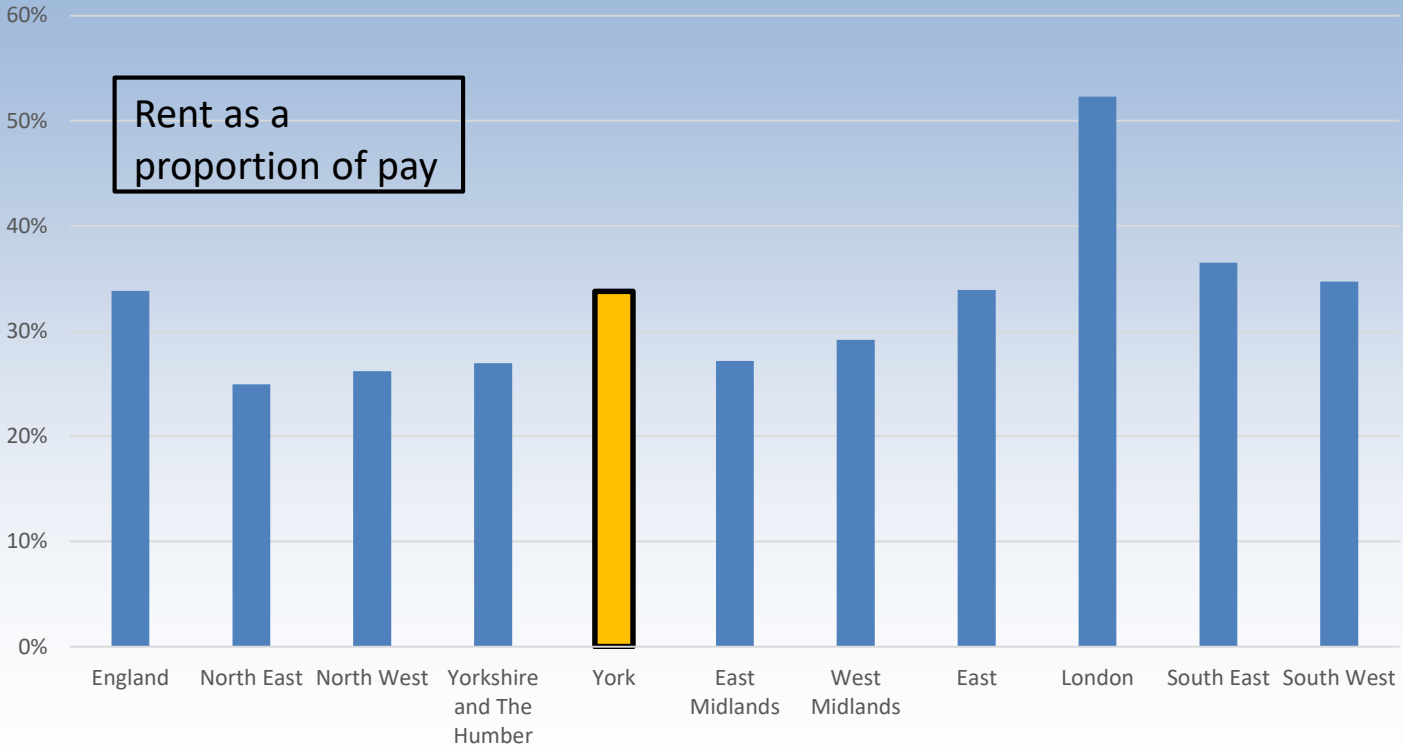
York's rental costs are like the south of England



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



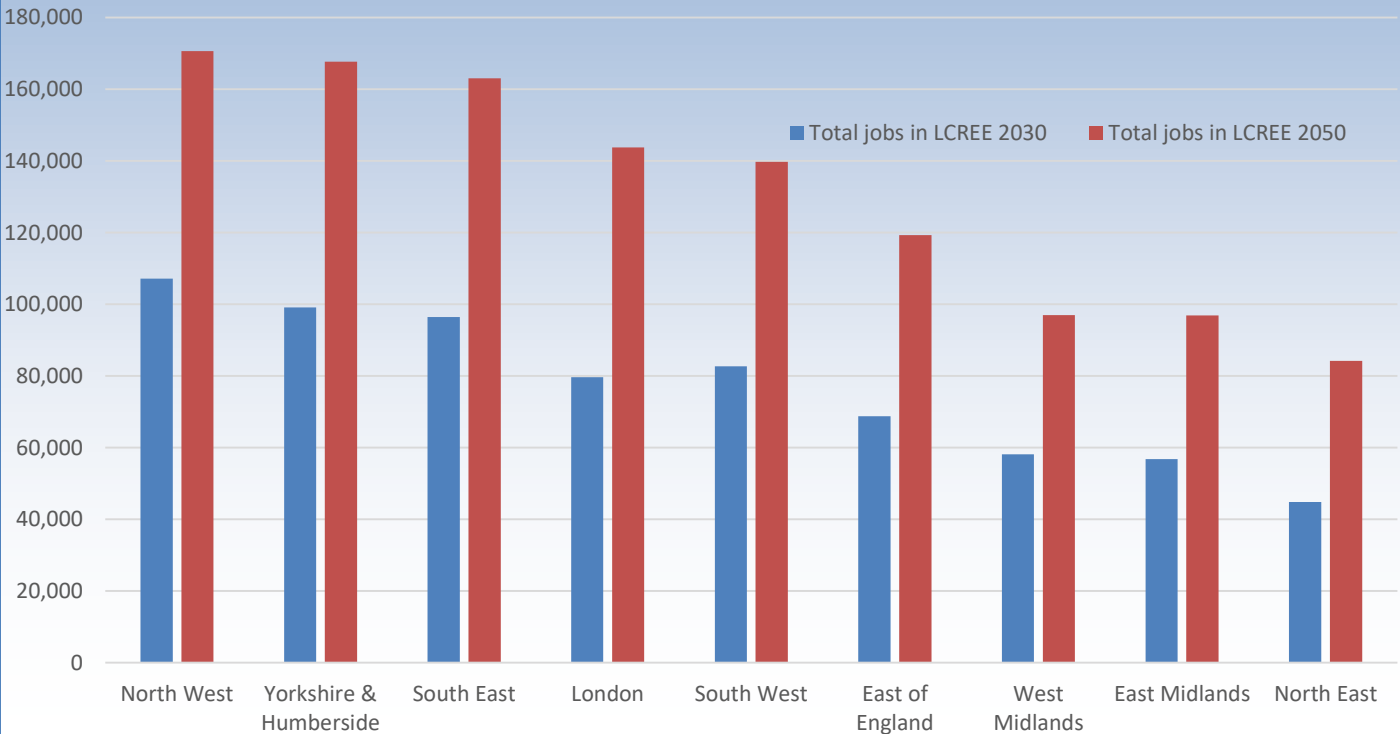
ONS: Annual Survey of Hours and Earnings (2020) – FT Median Gross Weekly Pay

ONS: Private rental market summary statistics in England – April 2020 to March 2021 Data – Overall mean of rent

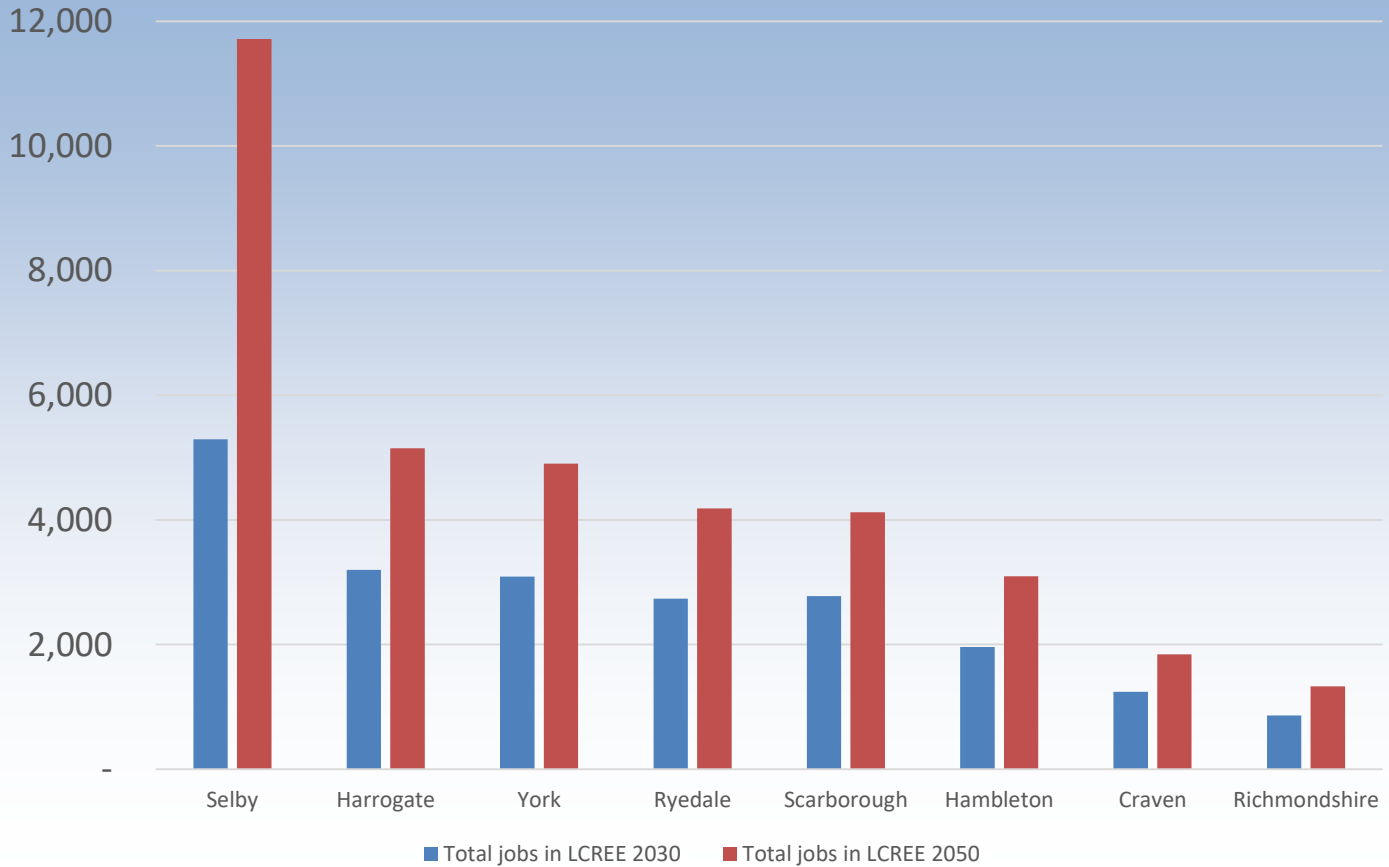
To be updated: November & December 2021

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

- 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

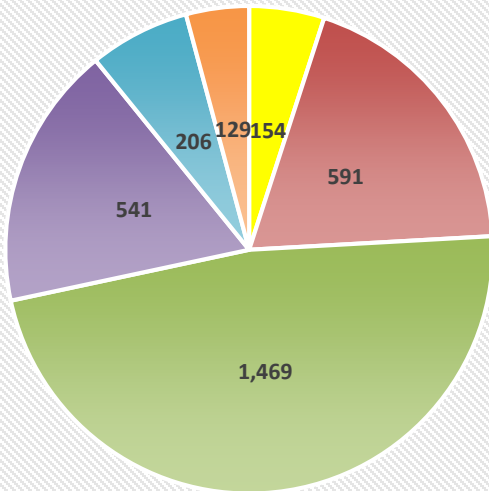


York & North Yorkshire Green Jobs Forecast



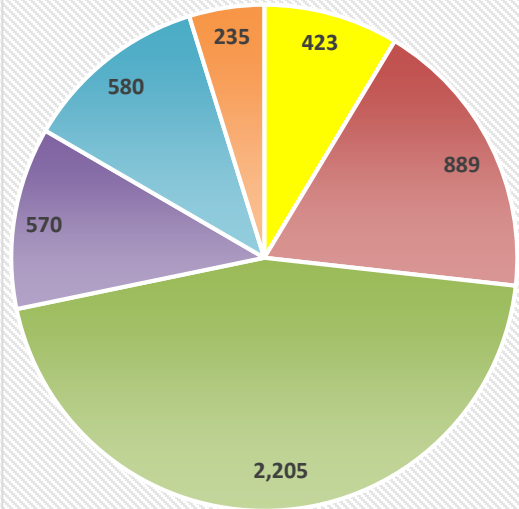
York's Green Jobs Forecast in 2030 & 2050

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

