Create Jobs and Grow the Economy - York Council Plan

Headlines

- % unemployed compared to regional and UK average and qualification levels - Number of Job Seekers Allowance claimants and Benefit Claimants - Youth unemployment and NEET is low in comparison to other authorities in the region - GVA per head has fallen between 2008 and 2009 in most areas, regionally very good but not nationally - Earnings data is showing a narrowing gap between GB and York Pay and also a narrowing gap between the highest and lowest paid - Business Start-up data is on an increasingly positive trend and highest increase proportion in region. - Footfall in 2011 in York City Centre has shown impressive figures in comparison to national figures, other Historic Towns and Cities and Retail Parks.	- Issues with start ups becoming VAT registered but improving picture - Numbers of businesses ceasing to trade (however Business Stock per 10,000 head of population is above Leeds and between 2008 to 2009 only just below the National figures) - % of people in York employed in public sector jobs compared to regionally and nationally - 50% actual increase in children living in workless households (2,000 – 3,000 rounded figures) - GVA per head has decreased

Performance	2007/08	2008/09	2009/10	2010/11	Latest 2011/12	Trend
Employment						
NEET: % of young people not in education, employment or training	3.80%	4.20%	4.30%	3.70%	5.60%	Increase
York's unemployment rate below the national rate	1.10%	1.00%	1.50%	1.60%	1.70%	Increase
	2006	2007	2008	2009	2010	Trend
Workless People	12,000	15,000	13,000	19,000	N/A	Increase
Children living in Workless Households	7.2%	8.0%	6.8%	10.0%	N/A	Increase
JSA Claimants Number as % of Working Age Population (16-64)	(April 08)	(April 09)	(April 10)	(April 11)	(April 12)	Trend
	1.5%	3.0%	3.1%	2.5%	2.5%	Stable
	(Nov 07)	(Nov 08)	(Nov 09)	(Nov 10)	(Nov 11)	Trend
Total Benefit Claimants (Working Age 16-64)	10,590	11,200	12,510	12,030	11,930	Decrease
Lone Parents (Working Age 16-64)	1,420	1,360	1,320	1,240	1,090	Decrease
Businesses						
Business confidence: balance of firms expecting turnover to rise.	2007/08	2008/09	2009/10	2010/11	Latest 2011/12	Trend
	28.10%	11.00%	-0.30%	13.05%	N/A	Increase
	2006	2007	2008	2009	2010	Trend
Business Births	660	700	735	570	665	Increase
Business Deaths	540	600	550	635	770	Increase

	(April 08)	(April 09)	(April 10)	(April 11)	(April 12)	Trend
Number and % of vacant city centre shops (Business Rates)	46 6.7%	54 7.9%	54 7.8%	53 7.8%	52 7.7%	Decrease

			Mar-10	Mar-11	Mar-12	Trend
Number of businesses taking up the York Enterprise Fund			6	14	29	Increase

	2007	2008	2009	2010	2011	Trend
Business Start - ups	N/A	1,199	1,266	1,511	1,661	Increase

	2005	2006	2007	2008	2009	Trend
Headline GVA, at current basic prices (£millions)	£19,665	£20,485	£21,751	£20,460	£20,242	Decrease

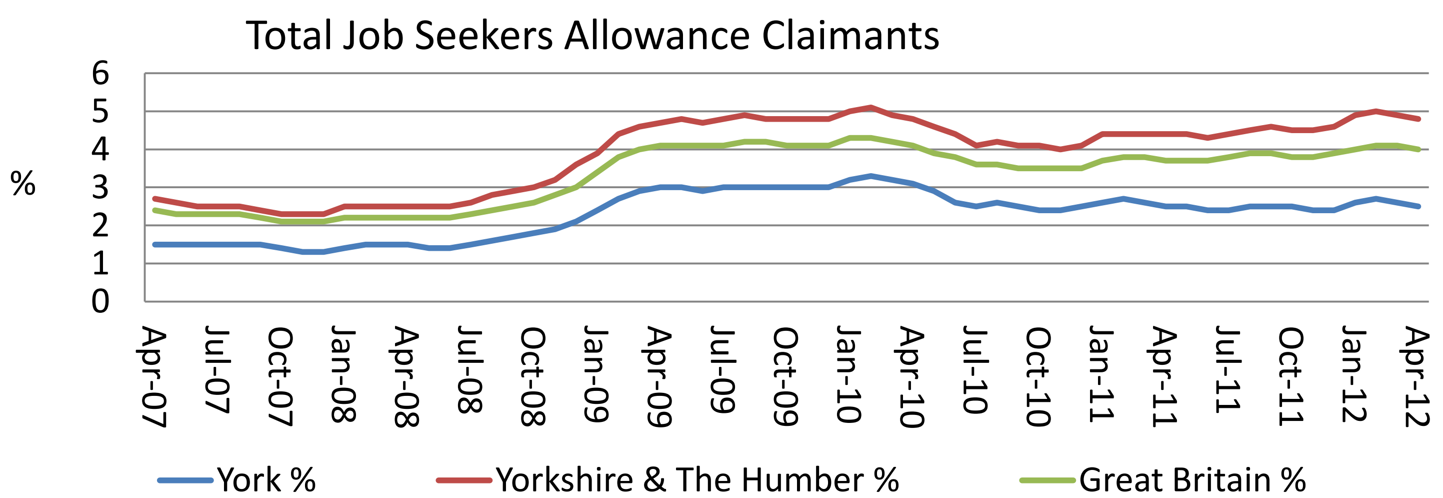
	2007/08	2008/09	2009/10	2010/11	2011/12 (AUG-JAN)	Trend
Apprenticeship Programme Starts	780	830	950	1490	880	Increase

Pay & Skills

	2007	2008	2009	2010	2011	Trend
Average earnings of residents - Gross Weekly Pay (% difference York & GB)	£472.20 -2.60%	£474.70 (-1.1%)	£479.10 (-2.4%)	£479.10 (-2.4%)	£492.30 (-2.2%)	Increase

% of working age population qualified	2006	2007	2008	2009	2010	Trend
to at least L2 and above*	69.80%	70.10%	75.50%	77.80%	77.70%	Stable
to at least L3 and above*	52.40%	55.70%	61.50%	64.00%	64.90%	Increase
to at least L4 and above*	31.20%	34.30%	36.00%	40.80%	39.90%	Decrease

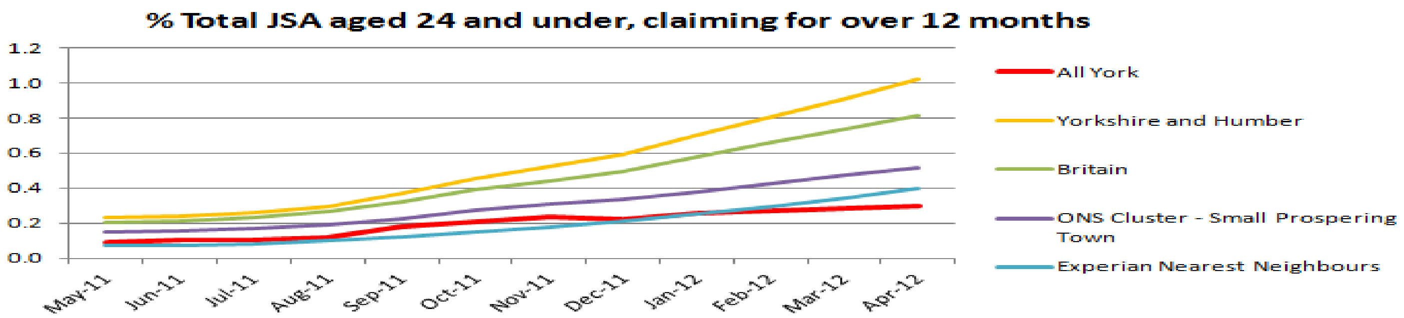
Unemployment: The number of people claiming Job Seekers Allowance in York remained around the same as April last year 3472 (2.5% of the working age population). This is good performance considering both region and national figures saw an increase of 0.4 and 0.3 percentage points respectively..York still performs very well compared to the regional and national figures for unemployment (1.7% below national rate) leading to a sustained good performance for those claiming job seekers allowance. Only 2.5% of working population claim JSA which is the same as last year and is good considering both regional and national figures went up by 0.4 and 0.3 percentage points respectively. There seems to be a shortage of carers as "Care assistants and home carers" was the most notified vacancies by occupation



Workless Households: In 2009 York had 19,000 workless households compared to 13,000 in 2008 – 13.5% of households compared to 12.7% in 2008. Of these, the number of workless households with children in York has increased by 50% from 2,000 in 2008 to 3,000 in 2009, 10% of all households with children, compared to 6.8% in 2008.

Youth Unemployment: shows a positive picture considering the economic climate. Although York saw a rise in numbers of NEETs (16-18 Not in Education, Employment or Training) compared to our most successful year just gone, this is still an excellent performance finishing below the target set for this year. There are still issues with progression, retention and rising NEETs amongst young people who have learning difficulties. Available benchmarking shows York to be 3rd in the region and 30th nationally.

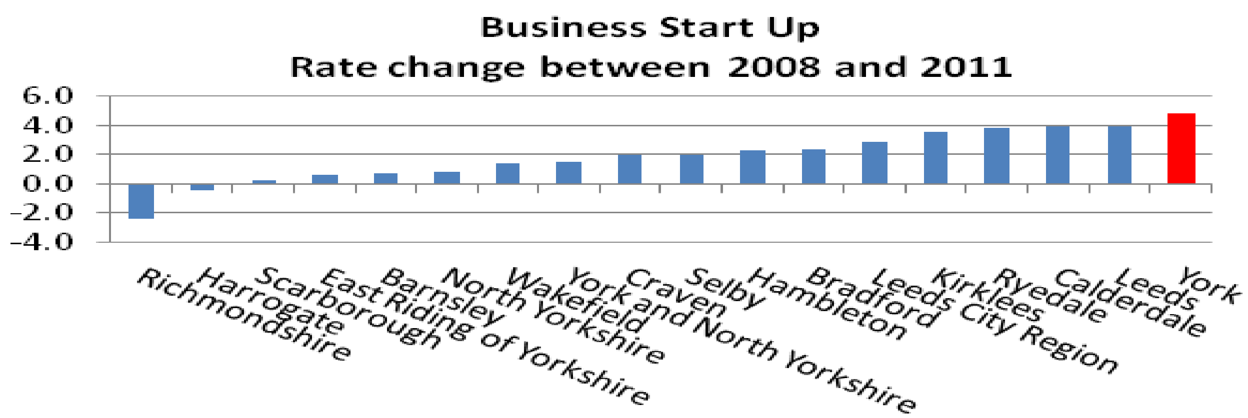
Long Term Youth Unemployment (JSA): has risen sharply amongst this group but still well below these comparators. By 230% from 30 to 100 people with Westfield, Clifton, Heworth and Micklegate making up a 50% proportion. This will have consequences for Child Poverty in those areas. Figures suggest we are getting young people back into work quickly with a 17% reduction in those claiming for less than 6 months although some of these will have become longer term JSAs.



Note: A new JSA Age and Duration tool has been developed by the Business Intelligence Team which produced the above information. See:

V:\Business Intelligence Hub\03 - Services\Benchmark Tools\Economy\JSA Age and Duration

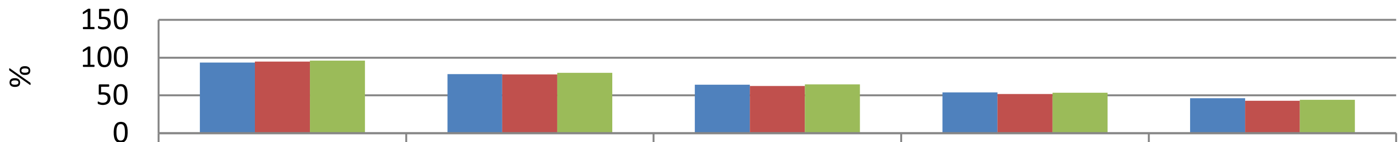
Business start ups, VAT registration and growth: Although business births (VAT Registered) has improved York still has work to do in the in the region and nationally. Although we have an improved early business start up rate (best change in region between 2008 and 2011) , the city still has some work to do to sustain business growth from initial start up to becoming VAT registered (threshold is £73,000). The latest data available for new VAT registered businesses shows an increase of 16%. The actual number of business in York increased from 5995 to 6365 between 2004 and 2010 (5.8%) which is higher than the region and of the 21 Local Authorities in the region this is the eighth highest percentage change over that period. However, the overall rate of VAT registrations per head of population remains lower than the national average.



There are several council plan actions that contribute towards business growth including: York business week; review of business start ups; advice and information single portal, potential further sector round tables, promotion of pre-planning application advice, supply chain report / research by growth sectors, project plan for developing city of media arts, potential model agreement for small / start up business leases of this kind, York business engagement network and business investment team in place via EDU.

Business Survival Rates: A higher proportion of Businesses in York tend not to survive the first year although a higher proportion thrive once they get past the 3 year stage. The Centre for Cities, an independent think-tank, monitors economic conditions across 64 cities in the UK. York has seen the second least reduction in Business Stock in the Region after Leeds, emphasising its stronger position in the regional and national economy. The Centre for Cities, also monitor business churn rate, an indicator that assesses the stability of a city's economy with an emphasis on business survival. This data provides a ratio between the business start up rate and business closure rate per 10,000 population. In 2010, York had the lowest business churn rate of the regional cities monitored.

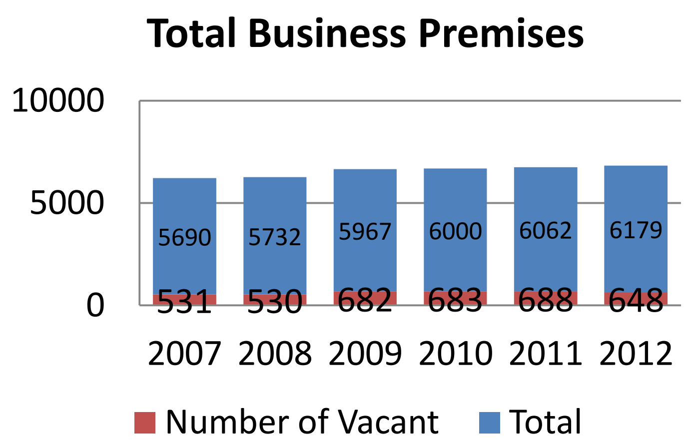
Business Survival Rates 2010 (ONS)

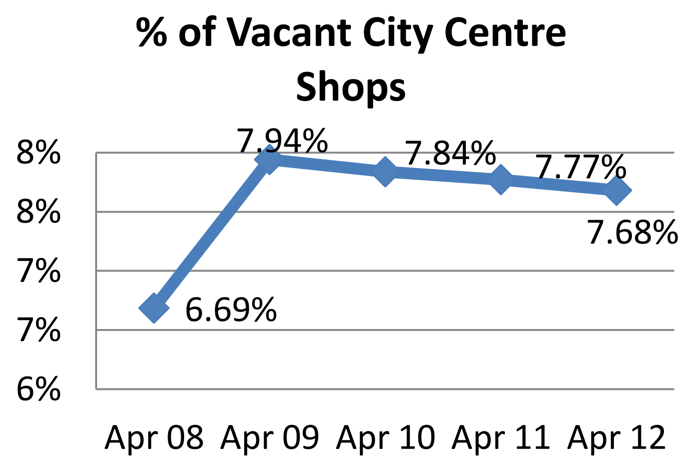


	1 Year	2 Year	3 Year	4 Year	5 Year
York	93.5	78.4	64.4	54.1	46.4
Y & H	95	78	62.5	51.8	43
England	95.9	79.9	64.6	53.7	44.1

Vacant Business Premises: The introduction of the Small Business Rate Relief scheme in 2007, has encouraged reconstitutions of large buildings and business parks in to smaller assessments e.g. the York Science park used to be 6 assessments – now there are 170 smaller assessments in the same building, where currently, 50 are empty. This has increased the total number of business premises (albeit more, smaller units)and has therefore meant an increase in the number of vacant units until recently as in 2012 the number came back down. City Centre has not been greatly affected, mainly the Business Parks and maintained business units that are on the edge or out of the City Centre.

Vacant Shops: The amount of vacant shops and business premises has come down slightly over the past year, which is relatively positive performance considering the economic conditions. Although footfall in the city centre is down slightly by 0.6% it compares well to all towns and cities which are down 1.5% and historic towns which are down by 2.5%. Footfall data for December 2011 in comparison to 2010 is also very positive when comparing other areas. Even taking into account the inclement weather conditions in December 2010 York's figure saw a much higher increase on the comparable figures for the same month (up 14.5%) against a national figure of 5.1%.





GVA and GVA per head: The latest overall Gross Value Added (GVA) Data for York shows GVA increasing by 46.5% between 1997 and 2009, although, the recession and ongoing economic downturn has had an effect on the latter years of this period. GVA per head, which can be used as an indication of productivity, has fallen between 2008 and 2009 in most local authority districts; however, York's residents are more productive per head than any other residents in the region other than Leeds. Nationally York has the potential to perform better, ranking 26th of the 64 UK cities for GVA per capita (2009). York is the third least affected LA in the region for GVA per capita change between 2008 and 2009.
Considering York's 2 strong universities, our knowledge intensive service jobs performance is only 17th out of 64 cities and patents created performs poorly being 43rd out of 64 cities.

Earnings: Average weekly pay for city residents is £492.30 for 2011, which is now further above the regional average (gap is now 5.4%, compared to 4% last year). York is still below the national average but the gap has narrowed (now 2.2% below compared with 4.2% in 2010).

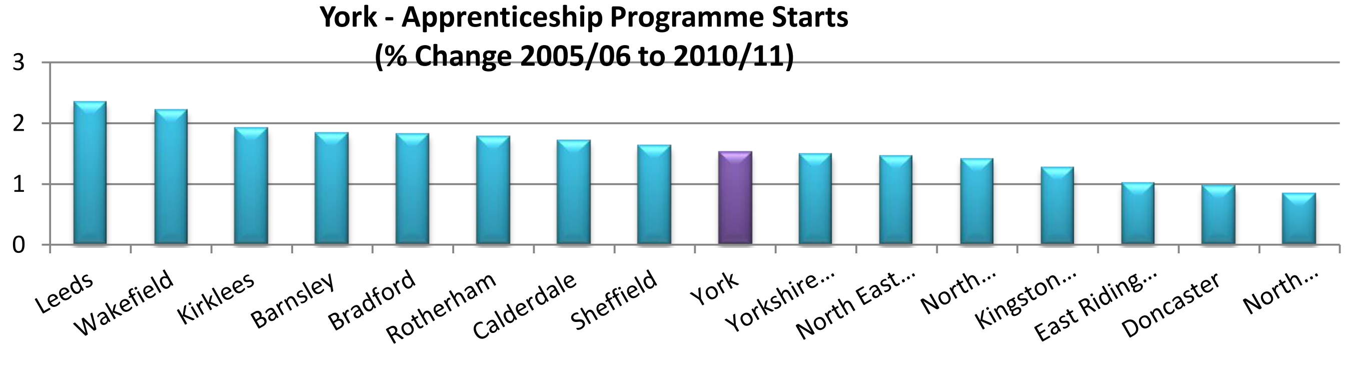
Adult Skills: York's low unemployment could be due to the city having a fairly highly skilled workforce and becoming less deprived in comparison to other local authorities (based on recently published IMD data). York is ranked 7th in a table of 64 UK cities for high level qualifications - 39.9% of the working age population with NVQ level 4 or above. The UK average being 31.3%. York is ranked 6th in a table of 64 UK cities having 7.2% of the working age population with no formal qualifications However, more detailed lower super output area (LSOA) analysis shows that within York there are 13 LSOAs which are within the lowest 20% nationally having no or low qualifications. These are within the Acomb, Clifton, Westfield, Hull Road, Heworth and Huntington & New Earswick wards.

School attainment: York continued to improve in most key attainment areas, including key stage 4 (GCSEs) and key stage 2:

· % of pupils achieving 5+ A*-C grades = 84.3% (+3.6% from 2009/10)	· % of pupils achieving 5+ A*-G grades = 98.1% (+2.2% from 2009/10)
· % of pupils achieving 5+ A*-C grades, including English & Maths = 62.1% (+3% from 2009/10)	· % of pupils achieving Level 5+ in both English and Maths = 27.8% (+3.6% from 2009/10)

In terms of attainment of children on free school meals (FSM) the gap for KS2 attainment has increased again to just below 2009 levels (32%), after a 13% drop last year (lower is better). The FSM group is small (194 pupils) and represents 12% of the Y6 cohort. Reducing the gap is recognised as a major priority for school improvement consultants in the forthcoming year. The significant increase in the gap compared to previous years is currently being investigated further but is due to a small number of schools that are performing below the floor attainment target. The gap at KS4 has reduced due to significant improvements across York schools, especially York High where more than half of FSM children achieved 5+A*-C grades (or equivalent) inc English and Maths.

Apprenticeships: York increased the apprenticeship starts by 57% between 2009/10 and 2010/11. There has been 880 between August 2010 and January 2011.



Other Factors affecting this priority

Deprivation

- IMD 2010 – York UA is ranked 244 out of 354 Local Authorities (1 being the most deprived)
- The IMD 2010 has 8 LSOAs that fall within the most deprived 20% nationally, 1 within the 10% most deprived.
- The one in the bottom 10% nationally (Westfield Ward - Kingsway West) – improved since 2007
- 110 of the 118 LSOAs have comparatively improved since 2007

Tourism: York had 7.1m visitors with total expenditure of £442.6m. 84% were Leisure visits, 16% business visits (2008 data).

Planning services: The number of major planning applications processed within the required timescales has increased compared to last year (76.5% compared to 75.5% in 2010/11). The number of minor applications processed within 8 weeks has reduced slightly to 74.2% (from 78.7% last year).

Projects/actions that relate to this priority

- York business conference - CYC worked with partners to hold the first annual business conference in November 2011. Over 100 business reps attended as part of an award-winning Business Week.
- Economic development Strategy – The city launched a new economic strategy in November 2011 for consultation, and is currently being finalised along with comprehensive delivery plan.
- Economic development strategy drop in sessions – As part of the above actions, the Council and partners have been proactively engaging with partners and communities of interest to ensure that the strategy is fed into as widely as possible.
- Single point of contact for business in the city – this is to be via the Economic Development team within CYC and through the York Means Business web portal, which is developed and out to soft launch, and will be launched formally in June. These contacts are for business looking to start, grow or locate in the city.
- Feasibility study for media arts hub looking at several sites – Work is proceeding to identify potential sites and build the business case for delivering a creative and media arts hub in the city centre to address a lack of appropriate sites for creative industries – the fastest growing sector in the city.
- CYC business engagement client management system and intelligence – developed a robust database and analysis, including regular reporting mechanisms for providing business intelligence.

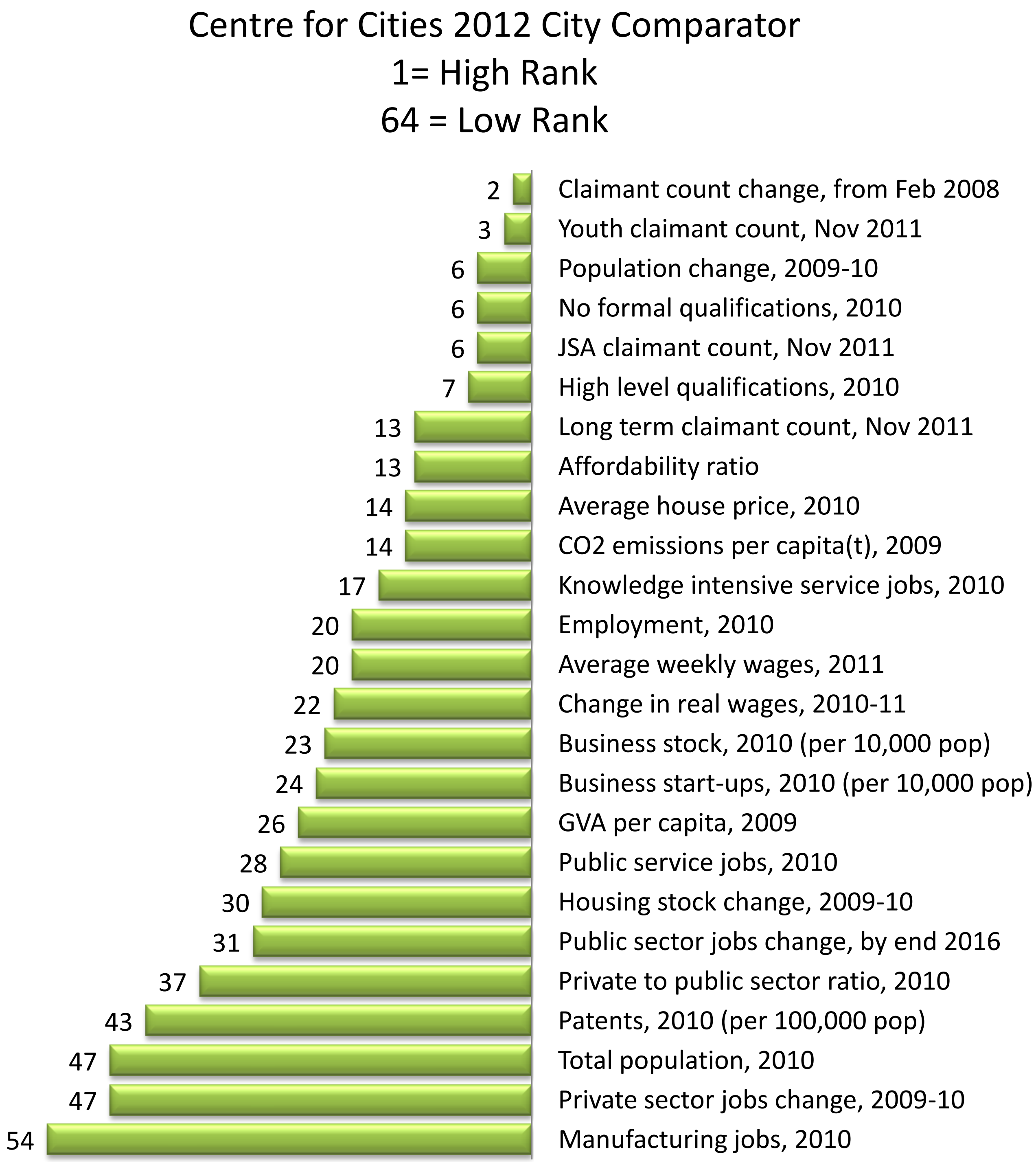
Recent or future changes that could affect this service area

- The current economic climate could result in falling customer expenditure and a shortage of credit available to small businesses
- York has a higher proportion of employees in public administration, health and education compared to the region and nationally (33.9% compared to 28.6% and 27% respectively). 14.15% of all jobs in York are in Health. The Government's health reforms – the abolition of PCTs and Strategic Health Authorities – could significantly affect these jobs.
- Although Inflation has started to come down, low rates of interest and rising commodity, oil and fuel (gas electricity and Petrol/diesel) prices are affecting consumer spending. Although this has had an affect, York's footfall in the first Quarter of 2012 is down by 0.6%, this compares well to an average of 1.5% reduction across all towns and Cities, 2.5% reduction across Historic Towns and 0.2% reduction across the Retail Park Index.
- The Governments DWP Work Programme is about to begin which will affect benefit data in future months.
- The Business rate retention policy which is influenced by national policy will allow York to keep a

Benchmarking

Centre for Cities, Cities Outlook report 2012: the city is performing well in the current economic climate, including:

- Unemployment growth between 2010 and 2011 is second lowest
- JSA claiming is sixth lowest.
- Youth unemployment is third lowest
- Inequality levels are sixth lowest
- Workers skilled to NVQ4+: 7th highest.
- Long-term claimant rate: 13th lowest.
- Third fastest growing city by population.
- Unqualified people is 6th lowest.



Key Contacts

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