

**Decision Session**  
**Executive Member Economic Development**  
**and Community Engagement (Deputy Leader)**

**3<sup>rd</sup> December 2015**

Report of the Office of the Chief Executive

**Executive Member Dashboard – Economic Development**

**Summary**

1. Following a request from the Executive Member for advice on how performance can be monitored through Executive Member Decision Sessions, this paper provides a recommended performance dashboard.

**Performance monitoring in CYC**

2. Over the last 18 months, work has been underway to improve the way in which CYC monitors performance information. A performance management tool is now in place that monitors thousands of potential measures of performance. A full list of performance measures of relevance to the economic development portfolio are included in Annex B. This approach is used to produce the finance and performance monitor that is received by Executive on a quarterly basis.

**Recommended dashboard**

3. Whilst it is important to keep track of all measures relating to the economy, it is recommended that the Executive Member focuses on a smaller number of 'key' measures in the portfolio holder scorecard. Officers will ensure that they continue to monitor all performance measures in this area and use the executive member portfolio holders meetings to update the Executive Member on performance.
4. The Executive Member has been provided with a suggested dashboard to use to monitor progress. This can be also used in Economy and Transport Scrutiny and Overview Committee. A table outlining the measures and why Officers have decided to use them is included below.

Measure	Why included	Frequency
JSA Claimants	To show the number of jobseekers in the city	Monthly
JSA Claimants plus Universal Credit Claimants who are out of work	To use in the future as a more accurate measure of local job seekers (as advised by Job Centre plus)	Monthly (but only available from April 2015)
Number employed		
% of vacant city centre shops	To assess the health of the city centre	Monthly
GVA per head & total GVA	To assess the overall health and productivity of the city's economy	Annual
Business Startups	To assess the trends in the number of new businesses in the city.	Quarterly
Weekly median earnings of residents (Annual Survey of Hours and Earnings)	This is a crucial measure for the city as wages under this indicator have fallen in recent years.	Annual

5. In addition to this, it is recommended that the Executive Member is provided with an annual analysis of how the sectoral make up of York's business community is made up from the Business Register Employment Survey (BRES). Updates from other indicators such as the Chambers of Commerce local business environment survey will also be provided.
6. Regular dashboard updates will be provided to the Executive Member including at this meeting. The dashboard can be adapted if there are additional areas the Executive Member would like to monitor.

### **Update on recent performance**

7. Since the Quarterly Finance and Performance monitor, new statistics have become available on wages in the city, including from the Annual Survey of Hours and Earnings.

### **Median Wages**

8. The headline figures of median weekly wages show a 2.14% increase to £495.40. However, it should be noted that for median hourly wages 0.56% decrease to £12.54. This could be explained if residents were working significantly more hours, however this only shows a small change so does not fully account for this, therefore the more reasonable conclusion is that the divergence is due to statistical margin for error in both figures (which is around +/- 4.4% for these figures), and the actual trend for both hourly wages

somewhere in between, but slightly higher for weekly wages due to slight increase in hours.

9. This is higher than the national average of 1.65% weekly wage growth. The reason for this being better than the national average is likely to be mainly because residents working part time have been able to increase hours more quickly in York, rather than because of faster hourly wage growth. This is nevertheless positive for York, as mean (average) hours per week are still slightly below the national average.
10. Despite the positive trend, this makes minimal inroads into the difference between average full time wages between York and the UK average, with full time wages in York being around 6/7% lower than the national average depending on which measure is used.
11. Part time wages have also declined very slightly, perhaps due to the York's faster growth in low paid sectors such as tourism, cleaning and care which employ many part time workers but would pay less than other administrative and technical sectors with part time workers.
12. The focus for York as a city of near full employment therefore needs to continue to be creating the right environment for higher value jobs to grow at a faster rate than lower paid jobs, especially since it is the city in the North with the highest level of skills.

### **Pay gap**

13. The difference between the median wage in York and the 25% percentile paid has increased in York by 4.34% increase to £132.30. This is likely to be largely driven by the fact that average full time wages increasing faster than average part time wages. Whilst there has been an increase in York and Nationally have decreased, York's pay gap is still less than the region and nationally. The implementation of a National Living Wage may affect this, but when using the weekly figures to assess the pay gap, the biggest factor in narrowing the gap will still be the number of hours worked. See also below in terms of accuracy of this data.

### **A note on accuracy in the figures**

14. It is worth noting the headline weekly wage figures are accurate to +/-4.4%. This means that the actual median wage could be between £392 to £428. Once you drill down below this level, the accuracy is less. So for example, male employees median wages are accurate to +/-6.4%, so the actual median wage for this group could be between £449 to £510. Similarly, female employees median wages are accurate to +/- 5.8%, so the actual median

wage for this group could be between £324 to £363. Other quartiles are deciles are less accurate still. E.g. for female employees, the 25% quartile for weekly wages is accurate to +/- 9.3%. This means that the actual 25% quartile for weekly wages for women could be between £177 and £213.

15. Therefore, where possible, it is important to draw broad conclusions from the data looking at several years' results.

## **Council Plan**

16. The Council Plan approved by full Council in October 2015 includes a priority to ensure that York becomes a business friendly council. This paper outlines next steps to deliver on this priority.

17.

Recommended: That the Executive Member is asked to approve the suggested dashboard.

Reason: As a means to monitor performance within his portfolio area at decision making sessions.

**Contact Details**

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**Executive Member responsible for the report:**

Cllr Keith Aspden

Deputy Leader,

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**Report**

**Approved**

*tick*

**Date** 25/11/15

**Chief Officer's name**

Steve Stewart

**Title**

Chief Executive

**Report**

**Approved**

*tick*

**Date** 25/11/15

**Specialist Implications Officer(s)**

Not applicable

**Wards Affected:**

All

**Annexes**

Annex A – Scorecard

Annex B – Economic Indicators