York and North Yorkshire
Strategic Economic Assessment

Appendix A: Comparator Area Statistics

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York and North Yorkshire Partnership Unit

YORKSHIRE FORWARD

EKOS CONSULTING

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A.1 Background

The York & North Yorkshire Strategic Economic Assessment (SEA) is an evidence based document seeking to assess the economic performance of the sub-region and to identify the specific issues surrounding the local authorities and major settlements of York & North Yorkshire. Included in the assessment of the economic performance of the sub region is the need to compare the performance of the York and North Yorkshire sub region against a range of appropriate comparators.

Comparisons made between York and North Yorkshire and the regional/national averages will provide valuable information regarding overall relative performance. However, comparisons with other sub regions that exhibit broadly similar characteristics will provide a more subtle analysis that may identify particular strengths and weaknesses of the sub region. This is particularly important given the rural nature of much of the sub region. Comparisons within Yorkshire may not always be appropriate, especially considering the ex-industrial and urban nature of much of South and West Yorkshire.

The eight comparator areas, listed in the table below, were chosen on the basis of having an urban area with a large rural hinterland to reflect the relationship between York and the County of North Yorkshire. Of those comparators chosen, all of the sub regions except Cheshire and Dorset, Bournemouth & Poole are within the same Business Link Operator Areas cluster.

These areas have been compared to the York and North Yorkshire sub region against a number of key indicators reflecting:

- The population of the sub region;
- Labour market indicators, including activity and employment rates;
- The business base; and
- Educational attainment within the sub region.

Against these criteria, the closest matches have been identified as: Somerset & Bath, Cumbria and Cheshire. The indicators that were used to choose these areas are detailed in the tables below.

Population and Employment Indicators

	Total Population (000s)	Economic Activity rate (%)	Employment rate (%)
York & North Yorkshire	765	83.8	81.5
Bath & Somerset	878	84.1	81.7
Cumbria	495	82.7	79.5
Cheshire	680	80.1	77.5
Devon & Cornwall	1,619	78.8	75.9
Dorset, Bournemouth & Poole	700	79.7	77.1
Lincolnshire	674	78.9	75.3
Norfolk	817	80.5	76.9
Northumberland	311	76.6	71.9

NOMIS Mid-year Population Estimate, 2004 and NOMIS, Labour Force Survey, June 2004-May 2005

As illustrated in the table, York and North Yorkshire benefits from a low unemployment rate and it has an economic activity rate that is higher than the national average of 79%. Across each of the indicators, the closest match to York and North Yorkshire is provided by Somerset & Bath. Cumbria provides the second closest match for indicator rates although its population is substantially smaller. Cheshire, in addition to Dorset, Bournemouth & Poole, provides a close match by size of the sub region and it also has a comparable economic activity rate.

Business Registration and Skills Indicators

	VAT Stocks at end of year	VAT Registrations	Proportion of Working Age Pop with NVQ4+
York & North Yorkshire	29,940	2,400	29.8
Bath & Somerset	31,045	2,685	29.6
Cumbria	17,205	1,190	23.6
Cheshire	23,020	2,250	32.4
Devon & Cornwall	55,105	4,590	21.5
Dorset, Bournemouth & Poole	23,915	2,145	23.5
Lincolnshire	21,700	1,780	21.3
Norfolk	25,635	2,030	20.0
Northumberland	8,325	670	25.9

NOMIS VAT Registrations, 2004 and NOMIS Labour Force Survey, June 2004-May 2005

A selection of details concerning the business base and broad educational attainment are provided in the table above. Once again, Somerset provides the closest match across all indicators. Cheshire provides a close match regarding NVQ level 4 attainment as well as for VAT registrations.

The level of educational attainment within Cumbria is lower than that of York and North Yorkshire. However, its business base as represented by VAT stocks per 1,000 of the population, is broadly in line with the York and North Yorkshire figure.

Of the other comparators, particular areas provide close matches for individual statistics. However, the degree of match is not close across all areas. For example, Dorset, Poole and Bournemouth provides a close match for VAT registrations but is less closely matched for VAT stocks, educational attainment and composition of the working age population.

In addition to identifying close matches between the key indicators, it is important to choose comparator areas that exhibit similar physical and spatial characteristics. It has already been noted that comparators were chosen on the basis of an urban area with a large rural hinterland. The following key characteristics have also been identified:

- While Bath will provide a suitable characteristic for York, the proximity of Bristol to Somerset may reflect the relationship between North Yorkshire and Leeds.
- North Yorkshire is the largest county in England, and as such it is important to reflect the dispersed nature of the sub-region. It is felt that Cumbria faces many of the same challenges concerning isolated rural settlements.
- Cumbria may provide a useful comparator for the county of North Yorkshire; however, it is difficult to draw many parallels between York and Carlisle. As such, it was felt that Chester exhibits many of the characteristics of a historic northern city.

A.2 Detailed Comparison Results: Summary

The following tables cover a range of indicators that are relevant to the six objectives of the Regional Economic Strategy. Having found that these four areas have a number of similarities that would make them good comparators, this section looks at the key differences that emerge between them and also whether they appear to have been following similar trends over the past ten years. The tables are also designed to act as references for more detailed comment in the individual chapters themselves.

Population Change 1996-2004

		York & N. Yorks	Somerset & Bath	Cumbria	Cheshire
Population	1996	728,200	826,600	486,700	667,500
	2004	764,900	877,700	494,800	680,000
	% change	5.0	6.2	1.7	1.9
Working Age Population	1996	428,000	486,000	305,000	401,000
	2004	446,000	507,000	292,000	390,000
	% change	4.2	4.3	-4.3	-2.7

NOMIS Mid-year Estimate 2004 & NOMIS Labour Force Survey; Four Quarter Average, June 2004 - May 2005

- Although York and North Yorkshire, Somerset and Cheshire have broadly similar total populations, Cumbria is significantly lower and this is the case for working age populations as well.

- Looking at change between 1996 and 2004, York and North Yorkshire's growth rate is relatively high and most comparable with Somerset's. Over the period, total population has increased by 36,700 in Y & NY compared to 51,100 in Somerset & Bath. Cumbria and Cheshire have lower rates of population growth and actually registered declines in working age populations.

Economic activity and employment, 2005

2005	York & N. Yorks	Somerset & Bath	Cumbria	Cheshire
Economic Activity rate	83.8	84.1	82.7	80.1
Economic Inactivity rate	16.2	15.9	17.3	19.9
Employment rate	81.5	81.7	79.5	77.5
Unemployment rate	2.7	2.9	3.9	3.3

NOMIS Labour Force Survey; Four Quarter Average, June 2004 - May 2005

- Of the four comparators, Somerset & Bath had the highest economic activity rate in 2005 followed by York and North Yorkshire, Cumbria and then Cheshire.

- Employment rates follow this same trend. However, for unemployment rates, York and North Yorkshire actually has the lowest rate at 2.7% in comparison to 2.9% in Somerset.

- For economic (in)activity rates and (un)employment rates, the differences between Somerset and York & North Yorkshire are marginal. The gap is slightly larger when extended to the other two comparators.

VAT Stock / Business Base (1996-2004)

		York & N. Yorks	Somerset & Bath	Cumbria	Cheshire
VAT Stock	1996	27,350	27,940	16,335	20,255
	2004	29,940	31,050	17,205	23,020
	% change	9.5	11.1	5.3	13.7
VAT Stock per 1,000 pop'	1996	37.6	33.8	33.6	30.3
	2004	39.1	35.4	34.8	33.9
	% change	4.2	4.7	3.6	11.6

NOMIS VAT Stocks, Registrations and De-registrations, 1996, 2004

- The performance of the business base has been varied. In 2004, Somerset had 31,050 VAT registered businesses, only 1,110 higher than York and North Yorkshire but 13,845 more than Cumbria. In fact, the 2004 VAT Stock in Somerset is almost double that of Cumbria. The growth rate in York and North Yorkshire is relatively low compared to two of the other three areas between 1996 and 2004, although it is still higher than the rate in Cumbria.

- Removing the effect of different populations and the picture changes. For every 1,000 of the population in York & North Yorkshire, there are nearly 40 VAT registered businesses. This is significantly higher than the other areas figures which range from 33.9-35.4. Although Cheshire has the lowest VAT Stocks per 1,000, it has the highest growth rate and this is more than double the next highest rate.

VAT Registrations (New Starts) and De-registrations, 2004

2004	York & N. Yorks	Somerset & Bath	Cumbria	Cheshire
VAT Registrations	2,415	2,695	1,190	2,250
Registrations per 1,000 pop'	3.2	3.1	2.4	3.3
VAT Deregistrations	2,265	2,600	1,175	2,050
Deregistrations per 1,000 pop'	3.0	3.0	2.4	3.0
Net change (Registrations minus Dereg')	150	95	15	200

NOMIS VAT Stocks, Registrations and De-registrations, 2004

- In 2004, the highest number of new registrations were in Somerset and this was followed by York & North Yorkshire and Cheshire. The number for Cumbria is significantly lower at 1,190 new starts. Similarly, once this number is calculated per 1,000 of the population, Cumbria has the lowest rate. York & North Yorkshire is almost equal to Somerset and Cheshire.

- De-registrations are lowest in Cumbria which is important considering its low number of start-ups. Similarly, de-registrations per 1,000 of the population are lowest in Cumbria but identical for the other three. All four have higher registrations than de-registrations.
- Net growth in York & North Yorkshire VAT Stock in 2004 was higher than growth in Somerset & Bath but lower than that in Cheshire.

Employment Structure, 2004

Employment Structure	Y & NY		Som'set & Bath		Cumbria		Cheshire	
	2004	%	2004	%	2004	%	2004	%
Distribution & restaurants	100,685	30.7	100,362	27.5	63,020	29.6	86,420	28.2
Public admin', educ', health	94,462	28.8	114,365	31.4	51,633	24.2	66,538	21.7
Banking, finance, insurance	39,800	12.1	52,762	14.5	24,286	11.4	58,324	19.0
Manufacturing	34,419	10.5	46,631	12.8	36,755	17.3	50,684	16.5
Transport & communications	20,333	6.2	15,901	4.4	10,094	4.7	18,295	6.0
Other services	18,685	5.7	14,711	4.0	14,609	6.9	11,940	3.9
Construction	13,698	4.2	16,350	4.5	10,588	5.0	11,477	3.7
Energy and water	3,304	1.0	2,847	0.8	1,409	0.7	1,550	0.5
Agriculture*	2,208	0.7	798	0.2	611	0.3	1,245	0.4
Total	**327,594**	**100**	**364,727**	**100**	**213,005**	**100**	**306,474**	**100**

NOMIS ABI Employee Analysis, 2004
* These figures exclude SIC code 0100

- Across all four areas, the same four sectors account for the highest numbers of those in employment. In Somerset, Public administration, education & health is the sector with the most employment. For the other areas, Distribution, hotels & restaurants is most important, accounting for 31% of employment in York & North Yorkshire.

- Out of the comparators, York & North Yorkshire has the highest proportions of employment in Distribution/restaurants, Transport/Communications, Energy & Water and Agriculture. Agriculture is a special case as comparable statistics that account for all employees in the sector (i.e. including casual labour) are unavailable for most local authorities. However, they are available for York & North Yorkshire and if all sources are included, the 2004 figure moves from 2,208 to 7,950; a considerable difference. Further analysis of this sector that includes extra employment information provided by DEFRA can be found in RES 2: Competitive Businesses.

Change in Employment Structure, 1996-2004

Change 1996-2004	Y & NY		Som'set & Bath		Cumbria		Cheshire	
	Number	%	Number	%	Number	%	Number	%
Distribution & restaurants	20,742	26	20,849	26	11,146	21	16,611	24
Public admin', educ', health	20,306	27	29,886	35	7,410	17	16,405	33
Transport & communications	5,924	41	2,438	18	1,109	12	5,614	44
Other services	4,443	31	1,744	13	6,458	79	-277	-2
Banking, finance, insurance	3,857	11	15,212	41	6,091	33	14,243	32
Construction	1,220	10	6,518	66	3,131	42	1,028	10
Energy and water	502	18	605	27	-330	-19	-781	-34
Agriculture*	295	15	-19	-2	-10	-2	289	30
Manufacturing	-7,782	-18	-6,130	-12	-5,257	-13	-9,390	-16
Total	**49,508**	**18**	**71,102**	**24**	**29,748**	**16**	**43,743**	**17**

NOMIS ABI Employee Analysis, 1996, 2004
* These figures exclude SIC code 0100

- In total, York & North Yorkshire gained a relatively high number of new jobs in the period (49,508) with an overall growth rate of 18%. Somerset & Bath was the only comparator with higher growth at a rate of 24%.

- Sectoral change has been more varied between comparator areas. However, in all sub-regions, the large majority of the growth can be attributed to Distribution & restaurants and Public administration. In York and North Yorkshire, these two sectors alone accounted for 41,048 new jobs. In Somerset and Cheshire, there has been significant growth in the Banking & Finance sector. Figures for Agriculture seem to suggest growth over the period, especially for York & North Yorkshire and Cheshire. However, more detailed analysis in RES 2: Competitive Businesses, which includes all labour types, points to a trend of decline since the 1990s.

- The largest percentage growth in York and North Yorkshire has come from Transport & communications whereas in Somerset & Bath, the largest increase was in Construction.

- Across all four sub regions, Manufacturing has declined and has been the one sector with especially large job losses. The highest decline was in Cheshire although it is worth considering that it still had the highest number employed in Manufacturing in 2004.

Gross Value Added (GVA), 1996-2003

		York & N. Yorks	Somerset & Bath (inc' S. Gloucs)	Cumbria	Cheshire
Gross Value Added (GVA) £m	1996	7,856	11,352	5,045	8,729
	2003	11,528	17,152	5,984	11,751
	% change	47	51	19	35
GVA per capita	1996	10,788	10,713	10,366	13,077
	2003	15,184	15,361	12,217	17,314
	% change	40.7	43.4	17.9	32.4

ONS Gross Value Added; NOMIS Mid-year Population estimate
Note: Due to data not being available at the Local Authority level, South Gloucestershire is included in this definition of Somerset & Bath.

- GVA was quite varied across the four areas in 2003. Somerset & Bath had the highest GVA at £17,152m but this includes figures for South Gloucestershire as well. Without this additional local authority, the GVA total would be more comparable to the figures for York & North Yorkshire and Cheshire. GVA for Cumbria is significantly lower than the other three although it does have a much smaller population. Between 1996-2003, the GVA growth rates for Somerset and York & North Yorkshire were similar at 51% and 47% respectively, and these are higher than rates recorded by Cumbria and Cheshire.

- Per capita, the four sub-regions are much more comparable. Cheshire had the highest GVA per capita in 2003 at £13,077 followed by York & North Yorkshire at £10,788. To note, Cumbria had the lowest growth rate of the four between 1996-2003.

Higher Level Skills, 2005

	York & N. Yorks	Som'set & Bath	Cumbria	Cheshire
% of working-age pop with NVQ level 3+ qual's	51	50	42	52
% of working-age pop with NVQ level 4+ qual's	30	30	24	32

NOMIS Labour Force Survey; Four Quarter Average, June 2004 - May 2005

- Taking these two qualification indicators as an example of the skills base in the areas, Cheshire had the slightly higher rates in both cases. The rates for all the comparators except Cumbria are very similar.

Travel to work methods, 2001

Travel to work method (%)	York & N. Yorks	Som'set & Bath	Cumbria	Cheshire
Car/Motorbike/Taxi	61.9	67.2	64.5	72.6
On foot	14.4	12.2	14.4	8.9
Work at home	12.2	11.5	12.0	10.1
Cycle	5.1	3.7	2.7	3.2
Bus	4.3	3.8	5.0	3.1
Train, Tram, Light Rail	1.5	1.2	0.8	1.7
Other	0.6	0.5	0.6	0.5

Census 2001

- Perhaps unsurprisingly, the most popular form of transport for all four areas is the car although this is especially the case in Cheshire.

- As can be expected in largely rural areas, public transport is used much less than in urban areas. As an example, the percentage of people using the bus was 13.2% in South Yorkshire compared to 4.3% in York & North Yorkshire. The percentage of people who walk to work or work from home is relatively similar across the comparator areas. Also, in York & North Yorkshire, a higher percentage of people cycle to work than they do elsewhere.