

Central
Bedfordshire

great
prospects



Quarterly Economic Monitoring Report May 2016

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What's happening nationally?

- **74.6% of people aged 16-64 were in work between January to March 2016 - , the highest employment rate since comparable records began in 1971**
- **The unemployment rate for January to March 2016 was 5.0%, down from 5.4% from a year earlier**
- **The employment rate of people aged 50-64, is 69.9%**
- **The female employment rate remains at a record high**
- **The number of people claiming out-of-work benefits is at its lowest level since 1975**
- **The services sector accounts for more than 75% of GDP and surpasses its pre-recessional peak**

The UK economy's growth rate slowed marginally to 0.4% in the first quarter of 2016. This is below the average quarterly growth of 0.6% seen since Q1 2013. GDP growth in the first quarter was driven by the services industries, growing by 0.6%, while the other main sectors contracted – with production falling by 0.4%, construction output by 0.9% and agriculture by 0.1%.

The Consumer Prices Index (CPI) rose by 0.3% in the year to April 2016, down from 0.5% in the year to March. From late 2015, the rate began to increase gradually from close to zero. The drop in April 2016 is the first fall since September 2015. Falls in air fares and prices for clothing, vehicles and social housing rent were the main contributors to the decrease in the rate.

Updated analysis of different components of the Consumer Price Index (CPI) inflation basket indicates that it is the more import-intensive components that have been contributing to low inflation, coinciding with the appreciation of sterling during 2014 and 2015 which has fed through to lower prices of imported goods and services.

UK export growth performed relatively well during 2015, compared with world export growth. This improvement in export growth during 2015 was due to a larger pick-up in export growth for goods rather than for services. However, the contribution to export growth from services has been more consistently positive in recent years, while goods export growth has been more erratic.



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What's happening in Central Bedfordshire?

79.4% of people aged 16-64 were in work - higher than all comparator areas (December 2015)

The unemployment rate of people aged 16+ was 3.3% - lower than all comparator areas (December 2015)

18,200 people received job-related training (December 2015)

648 new small business start-ups in March 2016

Inward Investment

The level of Inward Investment has continued to grow in Central Bedfordshire with 2015 seeing a record level of enquiries being received – 167, an increase of 94% from the 86 2014 number enquiries. Of these, 14 new businesses with 1457 new jobs commenced trading in Central Bedfordshire. There have already been three successes in April - May 2016 – with Maritime Transport, Steico and Strictly Beds and Bunks being welcomed to Central Bedfordshire.

New developments such as Stratton Business Park in Biggleswade continue to attract strong advance interest from both developers and occupiers.

Central Bedfordshire has been successful in securing Food Enterprise Zone status for the Ivel Valley, which includes a local development order that has been awarded to accelerate planning and growth for the Stratton Business Park.

The BeCentral website continues to develop and flourish, receiving more than 10,000 hits in 2015-2016 and being nominated for two national awards.

Economic Development Plan Indicators

Key Economic Monitoring Indicator	Number	RAG rating ¹	Performance since last quarter ²	Reason for RAG
Number of people in employment aged 16-64 (ONS, Annual Population Survey, via Nomis)	134,700 (Dec 2015)	Green	↑	This has gone up by 1,900 (1.4%) people in one quarter and continues to be above all comparator areas.
Employment rate across Central Bedfordshire remains 5% above the England Rate	5.5 % points above (Dec 2015)	Green	↑	The gap between Central Bedfordshire and England has increased to be 5.5 percentage points and exceeds our target of remaining 5 percentage points above the national rate (Central Bedfordshire 79.4%, England 73.9%, SEMLEP 77.4% and the East of England 77.3%).
Number of out of work benefit claimants (Department for Work and Pensions, via Nomis)	9,050 (November 2015)	Green	↑	The number of people claiming out of work benefits marginally fell from 9,270 or 5.4% in August 2015 to a total of 9,050, or 5.3%, in November 2015. This remains significantly below England by 3.4%, SEMLEP by 1.3% and the East of England 1.7%.
Economic activity rate (ONS, Annual Population Survey, via Nomis)	81.3% (Dec 2015)	Green	↑	The number of economically active people has marginally increased by 200 (0.14%) in the last quarter but still remains above all comparator areas.

¹ RAG rating applies the Red, Amber, Green traffic light system of performance and risk to each of the monitoring indicators, taking into account the relative performance of Central Bedfordshire against comparator areas. Red are of concern, amber should be monitored and green are on target.

² Performance data is subject to statistical variations (confidence interval) within a 95% standard error.

Employment

In December 2015 there were 139,700 people aged 16+ in employment in Central Bedfordshire, 2,400 more than in September 2015 but 2,800 fewer than in December 2014.

The number of people aged 16-64 in employment is 134,700. This employment rate of 79.4% is higher than all comparator areas – England 73.9%, East of England 77.3%, and SEMLEP 77.4%.

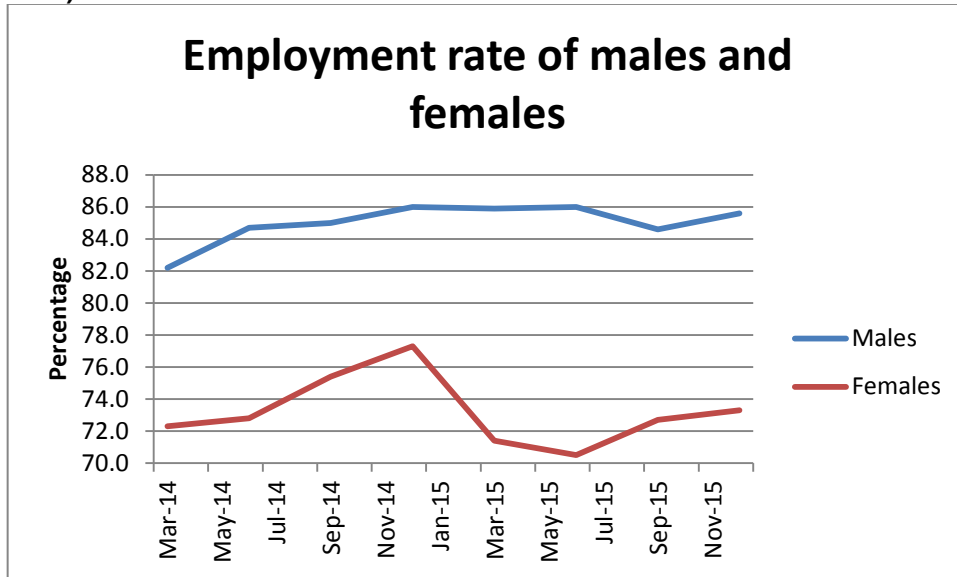
Table 1: Employment rate aged 16-64 (ONS Annual Population Survey via Nomis, December 2015)

Date	Central Bedfordshire +/- 3.4%	England +/- 0.2 %	SEMLEP +/- 1.2%	East +/- 0.8%
Dec-13	75.2%	71.5%	75.2%	75.3%
Mar-14	77.2%	71.7%	75.6%	75.4%
Jun-14	78.7%	72.0%	75.6%	75.7%
Sept-14	80.2%	72.3%	76.0%	75.9%
Dec- 14	81.6%	72.5%	76.3%	75.7%
Mar-15	78.6%	72.9%	76.2%	76.0%
Jun-15	78.2%	73.3%	76.4%	76.3%
Sep-15	78.6%	73.6%	77.1%	76.8%
Dec - 16	79.4%	73.9%	77.4%	77.3%

With regard to gender, the employment rate of males aged 16-64 has increased from 71,100 (84.6%) in September 2015 to 72,200 (85.6%) in December 2015..The female employment rate has also increased from 72.7% (61,700) in September 2015 to 73.3% (62,500) in December 2015.

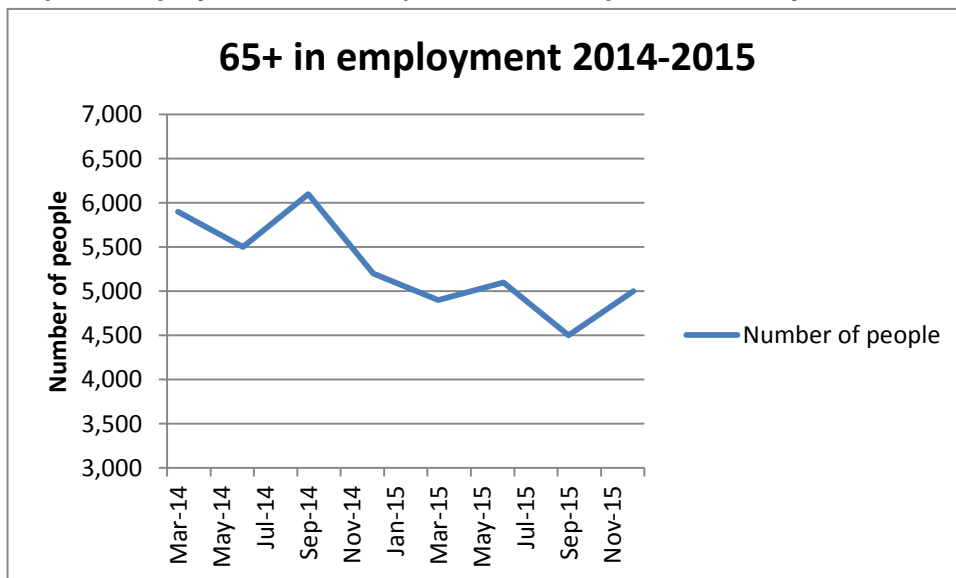


Graph 1: Employment rate – males / females (ONS Annual Population Survey via Nomis, December 2015)



The number of people in employment generally rises when taking into account those people who remain in work beyond the age of 65. The overall number of people remaining in work over the age of 65 is 5,000, an increase of 500 in the past quarter.

Graph 2: Employment rate 65+ (ONS Annual Population Survey via Nomis, December 2015)





The economic activity rate is another method to assess the performance of the local labour market. A person is defined as economically active if they are either employed, or unemployed, but seeking work in a particular period. In December 2015, the economic activity rate of people aged 16-64 in Central Bedfordshire was 81.3%, or 137,900 people. This rate remains the same as for September 2015, and still remains above all comparator areas – England 78%, East of England 80.6%, SEMLEP 80.4%.

Earnings

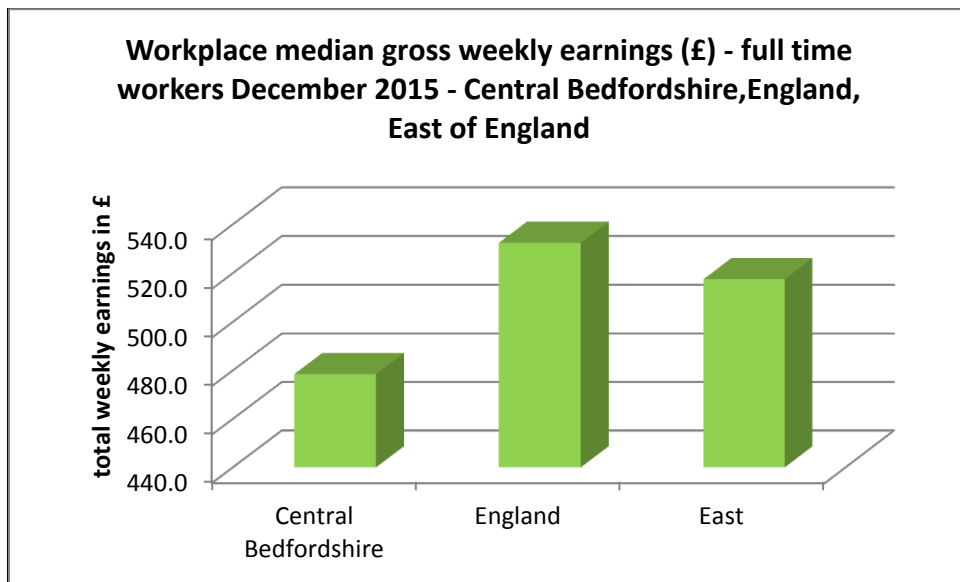
Workplace

The *Annual Survey of Hours and Earnings* reports that the 2015 workplace median gross weekly earnings for full-time employees working in Central Bedfordshire were £478.50 compared to England £532.40 and East of England £517.50.

In 2014 the Central Bedfordshire workplace median gross weekly earnings, £478.50, were the same as 2015, but increases were seen from the 2014 figures for England (£523.50) and East of England,) £504.10).

For men full-time workplace median earnings were £523 (£518.90 in 2014) per week, compared with £407.50 (£385.90 in 2014) median earnings for women.

Graph 3: Workplace median gross weekly pay (ONS Annual survey of hours and earnings via Nomis, November 2015)



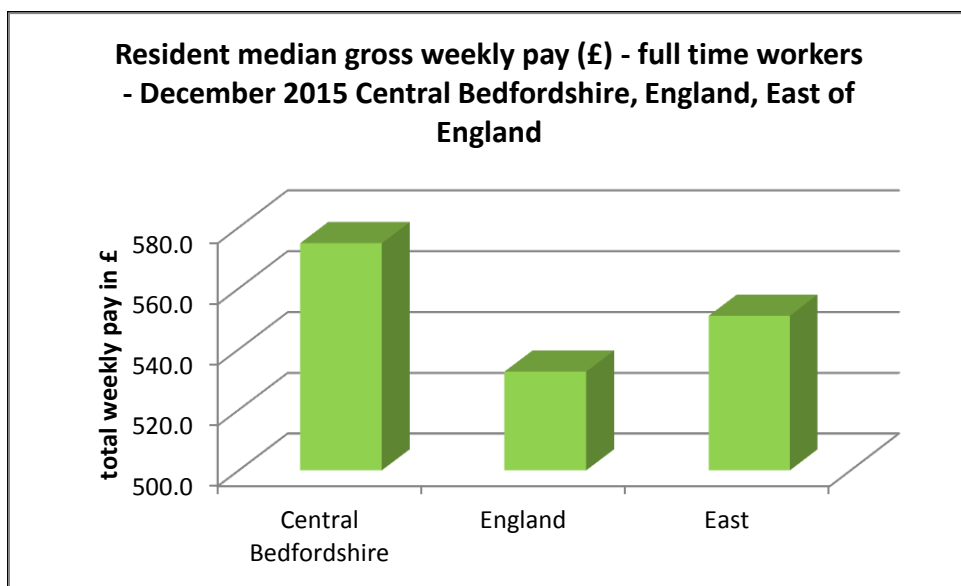


Resident

The *Annual Survey of Hours and Earnings* reports that the 2015 resident median gross weekly earnings for full-time employees working in Central Bedfordshire were £574.80 compared to England £532.60 and East of England £551.00. These earnings were all increases from the 2014 figures of £572.20 for Central Bedfordshire, £523.60 for England and £539.10 for east of England.

For men full-time workplace median earnings were £632.40 per week (a decrease from the £660.60 in 2014), compared with £504.70 (£501.30 in 2014) median earnings for women.

Graph 4 :Resident median gross weekly pay (ONS Annual survey of hours and earnings via Nomis, November 2015)



Unemployment

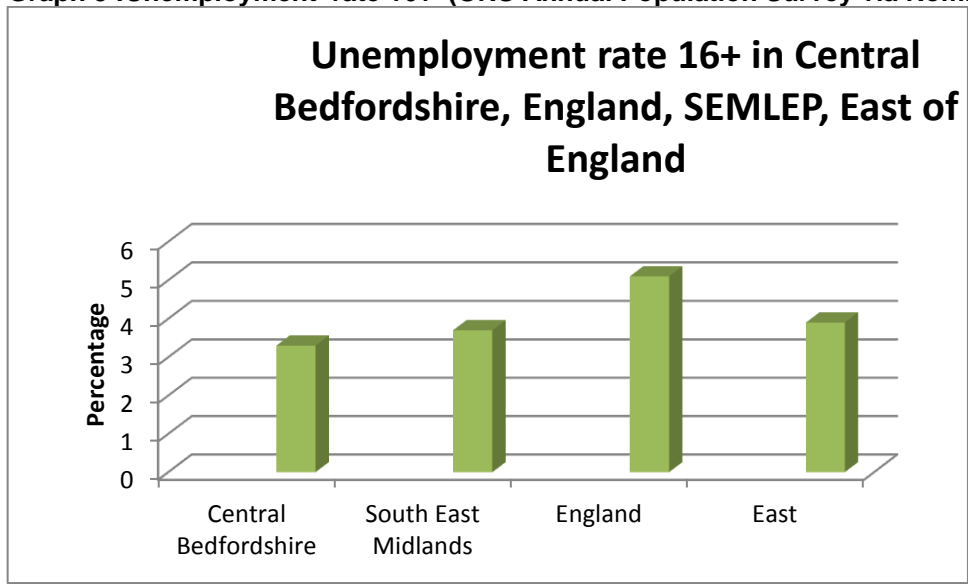
Unemployment – International Labour Organisation (ILO) measure of all people actively seeking work and able to start immediately – in Central Bedfordshire remains relatively lower than comparator areas. Model based estimates are produced by the Office of National Statistics, taking into account additional factors that provide a more accurate level of unemployment. In December 2015 the rate was 3.3% or 4,700 people compared to 5.1% in England, 3.7% in SEMLEP and 3.9% in the East of England.



Table 2: Unemployment rate 16+ (ONS Annual Population Survey – model-based via Nomis, December 2015)

Date	Central Bedfordshire	England	SEMLEP	East
Dec-13	5.2%	7.5%	6.2%	6.1%
Mar-14	4.8%	7.2%	5.9%	5.8%
Jun-14	4.4%	6.8%	5.5%	5.4%
Sept-14	4.3%	6.5%	5.1%	5.3%
Dec- 14	3.9%	6.2%	5.0%	5.2%
Mar-15	3.8%	5.9%	4.7%	4.9%
Jun-15	3.7%	5.6%	4.3%	4.6%
Sept-15	3.4%	5.3%	4.3%	4.2%
Dec-15	3.3%	5.1%	3.7%	3.9%

Graph 5 :Unemployment rate 16+ (ONS Annual Population Survey via Nomis, December 2015)

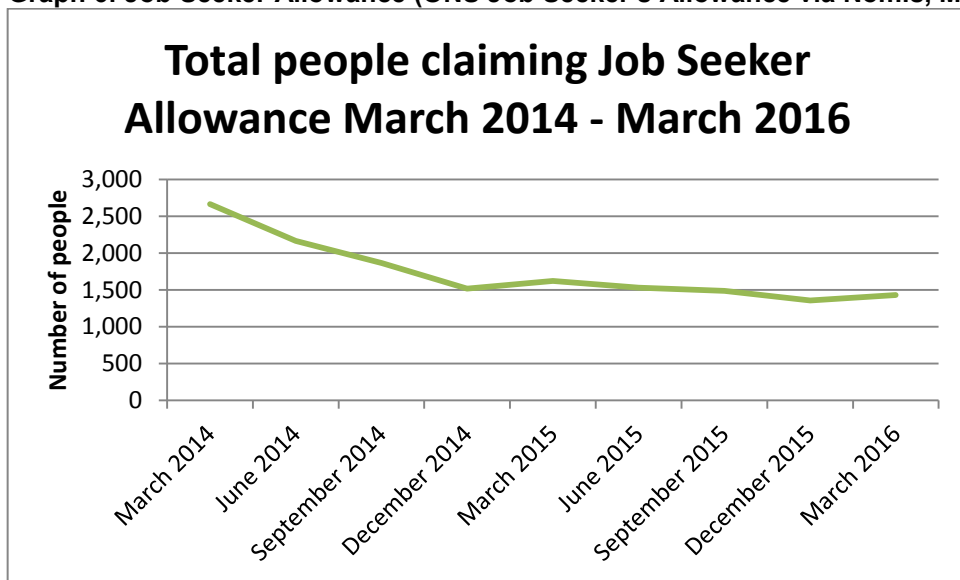




Job Seeker's Allowance

There were 1,429 people aged 18-64 claiming Jobseeker's Allowance (JSA) in March 2016 (male=897, female=532), 100 less claimants than February 2016 and 190 fewer than in March 2015. This is 0.8% of the working age population, a fall of 0.1 percentage point in one month. The rate remains significantly below England (1.5%), SEMLEP (1.2%) and the East of England (1.1%), who show no percentage point fall between February and March.

Graph 6: Job Seeker Allowance (ONS Job Seeker's Allowance via Nomis, March 2016)



Youth Unemployment

Jobseeker's Allowance can be claimed by young people from 18 years (it can only be claimed by 16-18 year olds only in exceptional circumstances). There were 265 people aged 18-24 claiming Jobseeker's Allowance (JSA) in March 2016 (male=180, female=90), 45 less than February 2016, and 65 fewer than in March 2015. This is 1.3 % of the 18-24 working age population. The rate remains below England (1.7%), SEMLEP (1.5%) and the East of England (1.4%).



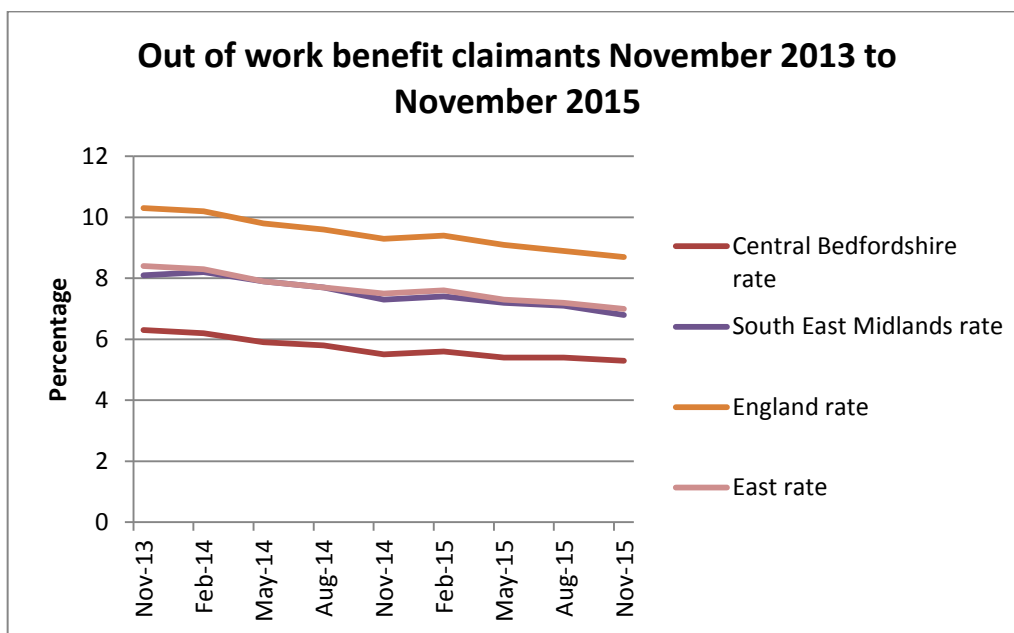
Table Three: Percentage of young people (18-24 years old) in receipt of Jobseeker's Allowance (DWP via Nomis, May 2016)

Date	Central Beds	England	SEMLEP	East
Apr 14	2.5%	4.5%	3.8%	3.9%
Jul 14	2.2%	3.8%	3.2%	3.1%
Dec 14	1.6%	2.9%	1.9%	2.4%
Apr 15	1.5%	2.7%	2.2%	2.3%
Jul 15	1.4%	2.3%	2.0%	1.9%
Oct 15	1.4%	2.0%	1.8%	1.7%
Dec 15	1.3%	1.7%	1.4%	1.4%
Jan 16	1.4%	1.8%	1.5%	1.5%
Mar 16	1.3%	1.7%	1.5%	1.4%

Out of work benefit claimants

The number of people aged 16-64 claiming key out of work benefits marginally fell from 9,270 (5.4%) in August 2015 to a total of 9,050 (5.3%) in November 2015. This rate is lower than England having 8.7% of people claiming out of work claimants in November 2015, SEMLEP having 6.8% and East of England having 7.0%. Key out of work benefit claimants include those claiming Job Seeker Allowance (JSA), Employment Support Allowance (ESA) and Incapacity Benefit, lone parents and others on income related benefits.

Graph 7 : Out of work benefit claimants (DWP via Nomis, May 2016)





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Worklessness

The number of economically inactive residents (not working and not looking for a job), has marginally risen from 31,600, or 18.7%, of working age people in September 2015 to 31,700 in December 2015, still remaining at 18.7%. This compares to 22.0% in England and 19.6% in SEMLEP and 19.4% the East of England.

The economically inactive figure is split into those who do and those who do not want a job, even though they are not looking for one at the time of the survey. The number of economically inactive people who do not want a job has increased to 24,500 (77.3%) in December 2015 compared to 22,500 (71.3%) in September 2015. This is in comparison to 75.8% in England, which has remained the same rate as previously, and 76.4% in the East of England and 81.8% in SEMLEP which both had small increases in rate. The largest single reason for inactivity is looking after family/home.

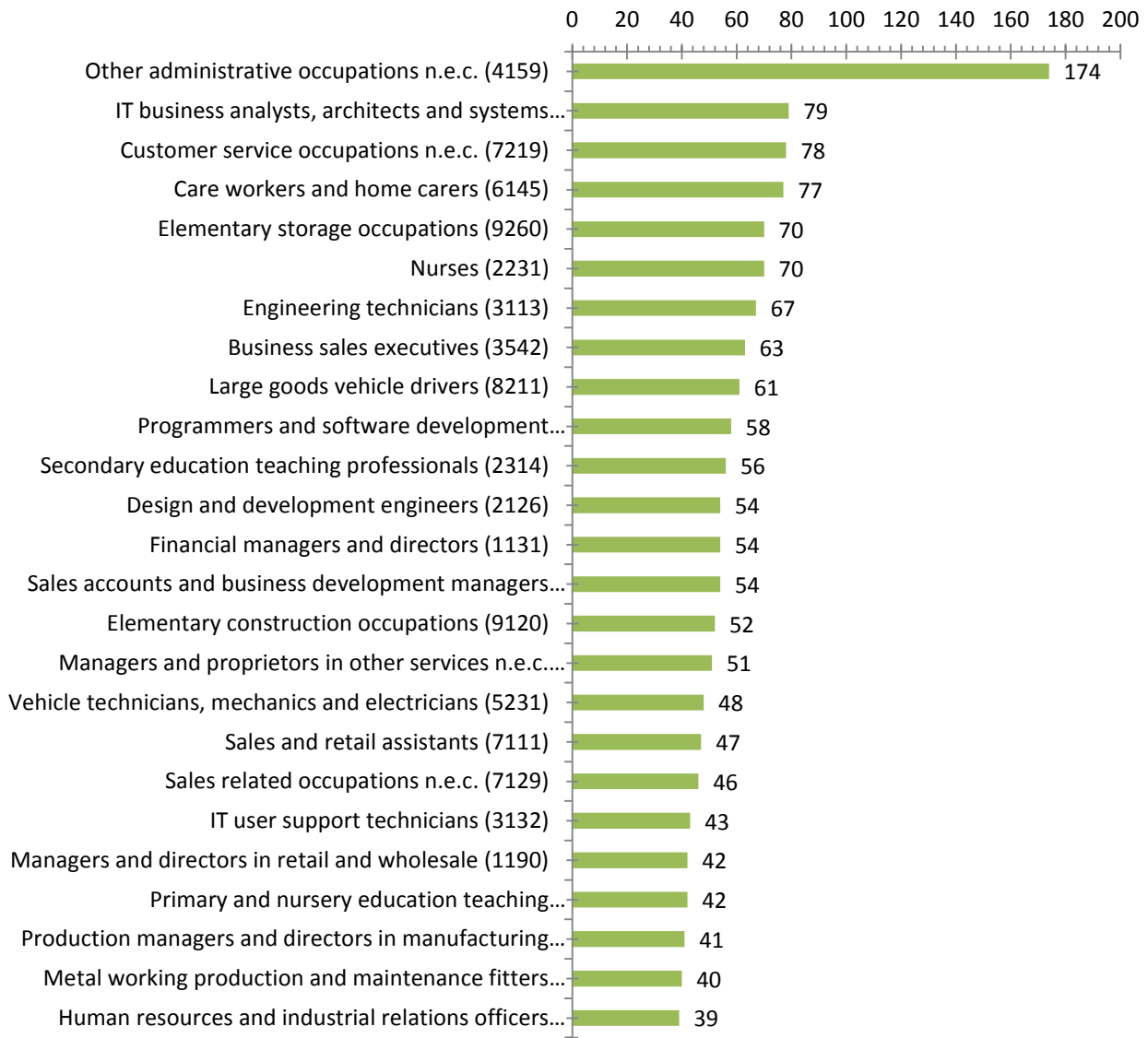
Vacancies

Vacancies advertised in terms of occupations and skills in most demand

Graph 8 : Occupations in greatest demand as advertised by employers in Central Bedfordshire, February 2016 – April 2016 (Labour Insight)

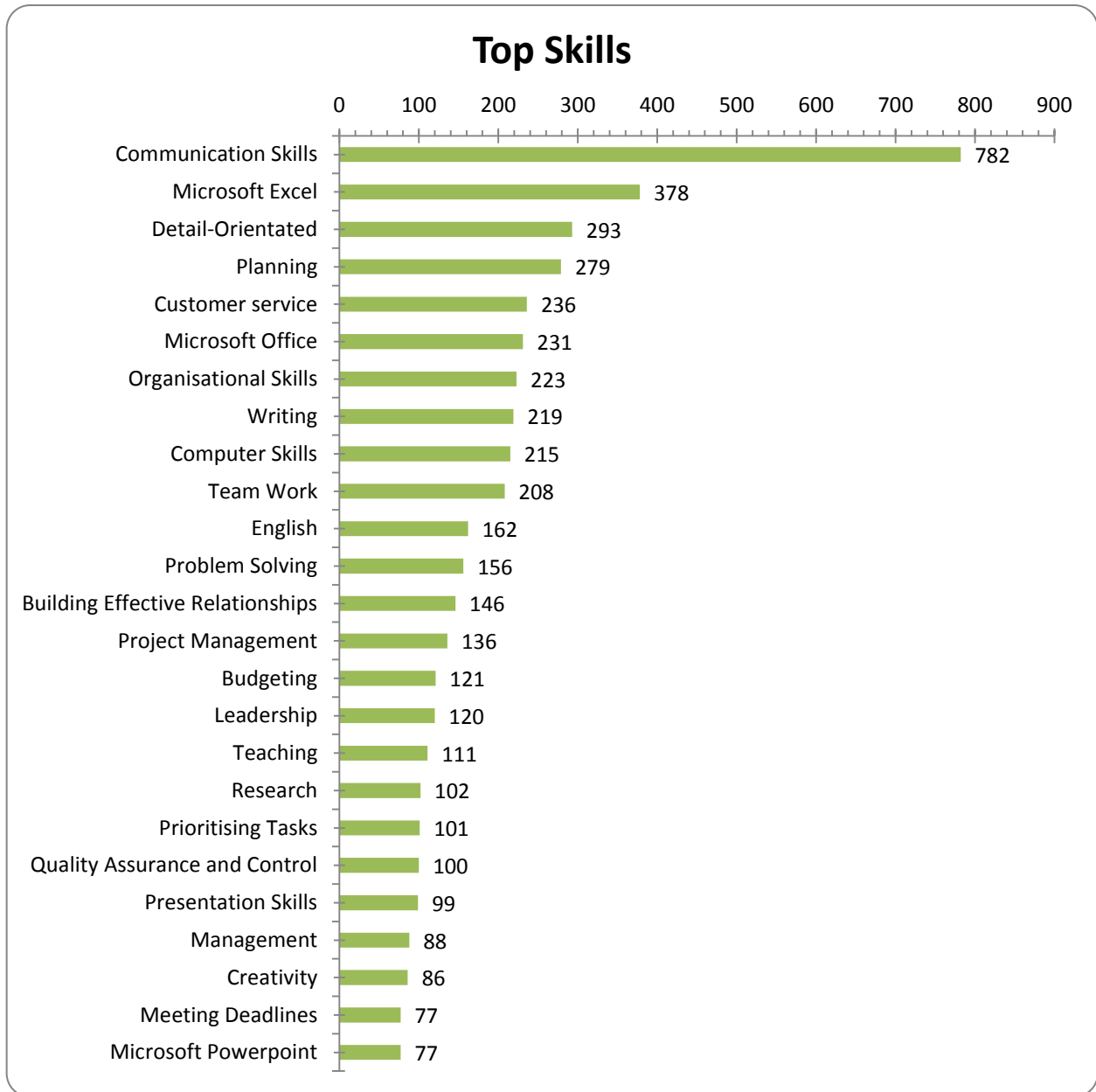


Top Occupations





Graph 9 : Skills in greatest demand as advertised by employers in Central Bedfordshire, February 2016 – April 2016 (Labour Insight)





The top five occupations advertised by employers between February 2016 and April 2016 were administrators; IT business analysts, architects and systems designers; customer service occupations; care workers and home carer; and elementary storage occupations.

Interestingly, there has been a large rise in the number of vacancies advertised for IT business analysts, architects and systems designers since the period November 2015 to January 2016. Whereas, a drop in the number of vacancies for vehicle technicians, mechanics and electricians has been seen, over the same period.

The top five skills sought by employers in this period were communication skills; Excel; detail orientated skills; planning; and customer service skills. These are closely aligned to previous quarters, although planning skills have increased in priority over computer skills.

Skills

The number of people receiving job-related training increased by a total of 300 people, from 17,900 in September to 18,200 in December 2015. This amount comprised of 9,300 males and 8,900 females receiving training, compared with the 8400 males and 9,500 females receiving training in September 2015.

NVQ qualifications

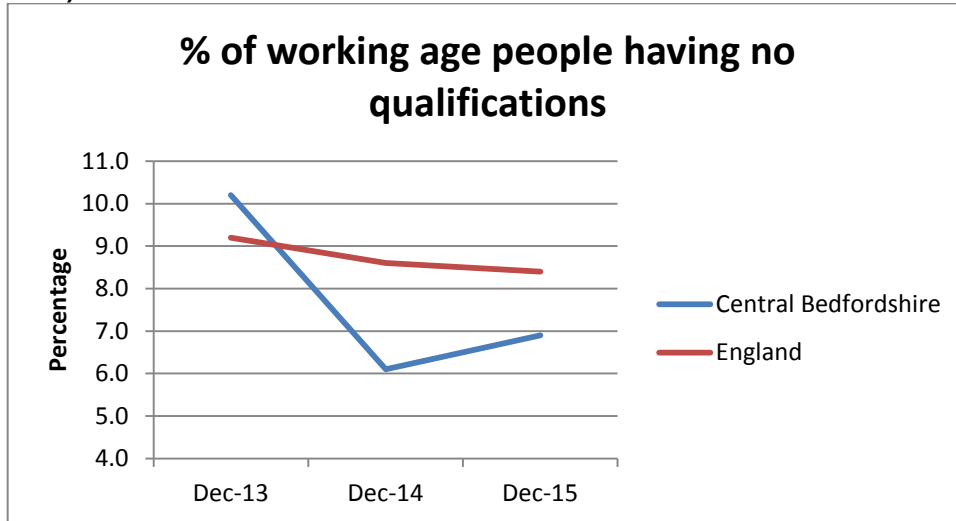
The number of people in Central Bedfordshire having NVQ 4, 3 and 2 qualifications has increased by a higher number of % points over the last 3 years than the national rate, with the rate for those having no qualifications being lower than national level.

No qualifications

There has been an decrease in people aged 16-64 in Central Bedfordshire having no qualifications over the last 3 years, from 10.2% in December 2013 to 6.9% in December 2015. This decrease is greater than the national rate that has only decreased by 0.8% point over the same number of years, standing at 8.4% in December 2015.



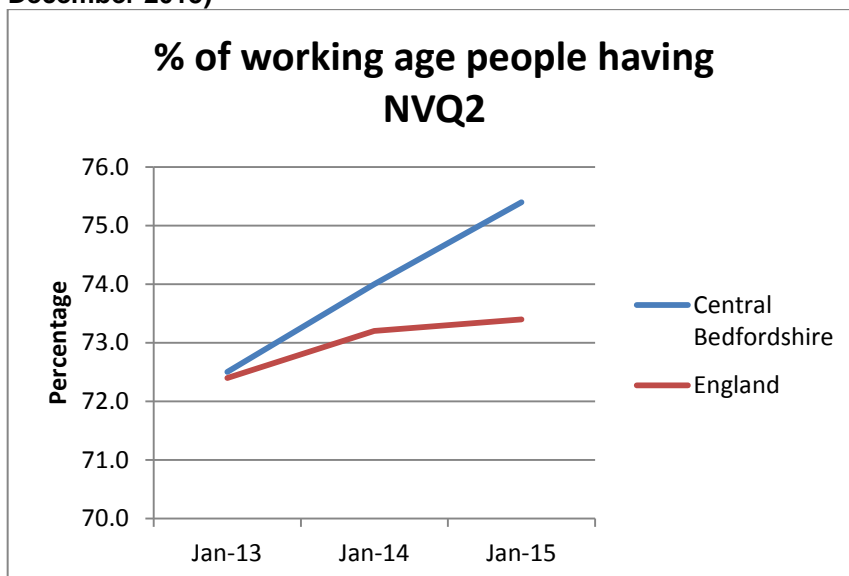
Graph 10: Percentage of working age people having no qualifications (APS via Nomis, December 2015)



NVQ 2

There has been an increase in people aged 16-64 in Central Bedfordshire having NVQ2+ qualifications over the last 3 years, from 72.5% in December 2013 to 75.4% in December 2015. These figures exceed the national figures that have only increased by 1% point over the same number of years, standing at 73.4% in December 2015.

Graph 11: Percentage of working age people having NVQ 2 qualifications (APS via Nomis, December 2015)

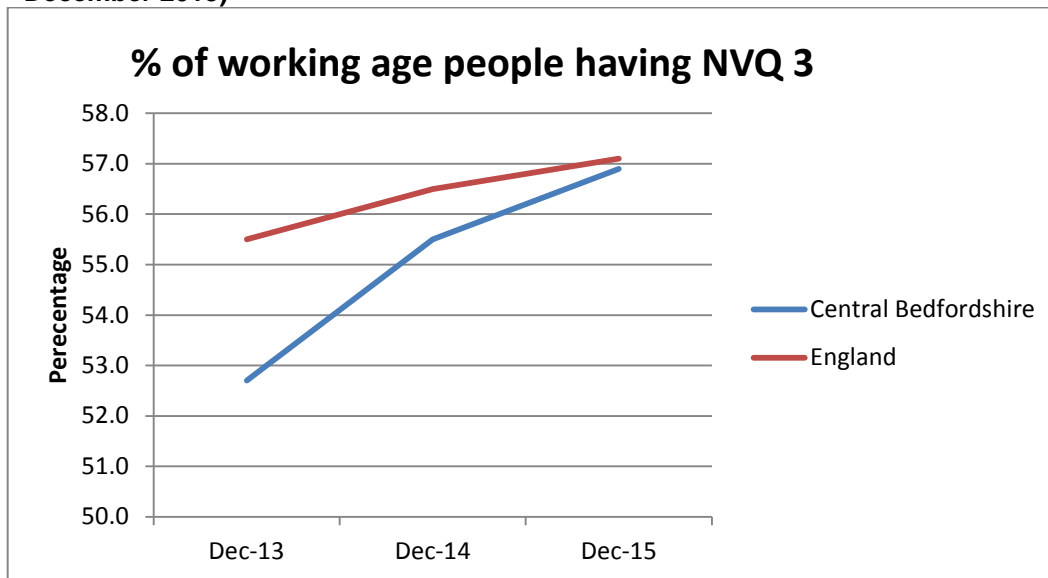




NVQ 3

There has been an increase in people aged 16-64 in Central Bedfordshire having NVQ3+ qualifications over the last 3 years, from 52.7% in December 2013 to 56.9% in December 2015. The Central Bedfordshire increase is greater than the national increase of 1.6% over the same 3 years, but is very slightly lower than the current national rate of 57.1%,

Graph 12: Percentage of working age people having NVQ 3 qualifications (APS via Nomis, December 2015)

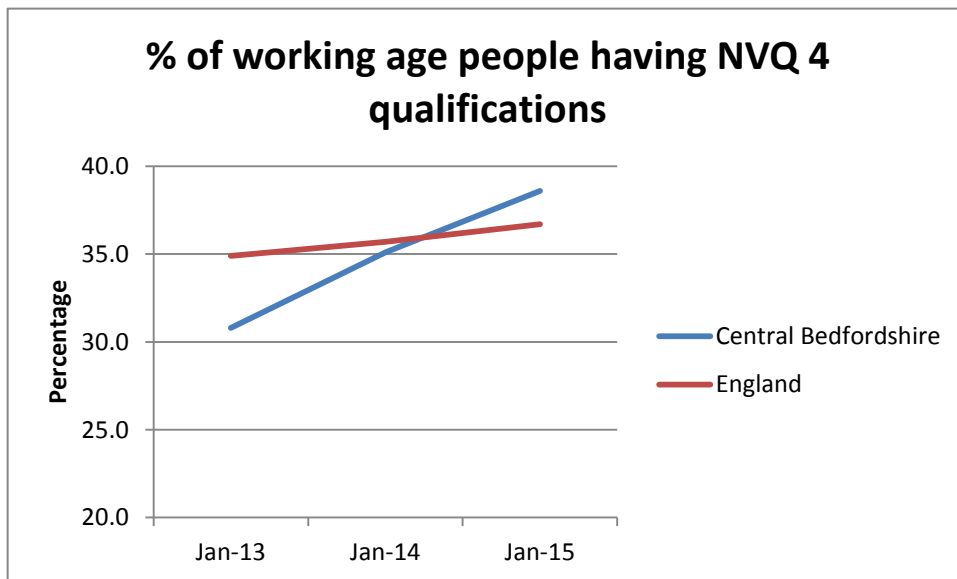


NVQ4

There has been an increase in people aged 16-64 in Central Bedfordshire having NVQ4+ qualifications over the last 3 years, from 30.8% in December 2013 to 38.6% in December 2015. These figures exceed the national figures, that have only increased by 1.8% point over the same years, standing at 36.7% in December 2015.



Graph 13: Percentage of working age people having NVQ 4 qualifications (APS via Nomis, December 2015)



Apprenticeships

At the start of May 2016 there were 79 live apprenticeship vacancies advertised across Central Bedfordshire – an increase from the 40 advertised at the end of April.

There were 1030 apprenticeship starts in Central Bedfordshire between August 2015 to – January 2016, and 2070 starts in the full year 2014 / 2015.

The number of Apprenticeship starts has increased from 1960 in 2011/12 to 2070 in 2014/15, an increase of 5.6%. This compares to a 4% decrease nationally over the same period.

In the year 2013 / 2014 there were 970 successfully completed apprenticeships, compared with 990 in the year 2012 / 2013.

Business Start Ups

In March 2016 it was reported that there had been 648 new small business start-ups in Central Bedfordshire, 456 less than reported in February 2016, but 506 more than January 2016.

Business Demography

The Business Register and Employment Survey (BRES) reports that the number of business births in Central Bedfordshire increased marginally by 0.65% from 1,540 to 1,550 between 2013 and 2014. This rate is slightly below national comparators (UK 1.18% and England 1.41%), but above regional comparator (0.08%).

Table 4: Business births 2009-2014 (Business Register and Employment Survey, via Nomis)

COUNT OF BIRTHS OF NEW ENTERPRISES for 2009 - 2014	2009	2010	2011	2012	2013	2014
UNITED KINGDOM	236,030	235,145	261,370	269,565	346,485	350,585
ENGLAND	209,035	207,520	232,460	239,975	308,770	313,200
EAST REGION	23,535	22,580	24,930	25,335	32,570	32,595
Central Bedfordshire	1,055	1,010	1,095	1,150	1,540	1,550

The number of business deaths in Central Bedfordshire decreased by 5.1 % from 1,085 to 1,030 between 2013 and 2014. This decrease is not inline with the number of business deaths witnessed in regional and national comparators, who all saw increases (UK increase of 3.44%, England 3.68% and East region 1.27%).

Table 5: Business deaths 2009-2014 (Business Register and Employment Survey, via Nomis)

COUNT OF DEATHS OF ENTERPRISES for 2009 - 2014	2009	2010	2011	2012	2013	2014
UNITED KINGDOM	277,435	248,595	229,525	252,810	237,660	245,835
ENGLAND	247,150	219,030	202,365	222,115	209,465	217,175
EAST REGION	28,475	24,030	22,660	24,555	23,285	23,580
Central Bedfordshire	1,360	1,050	1,010	1,060	1,085	1,030

The total count of active enterprise in Central Bedfordshire increased from 11,395 to 12,030 between 2009 and 2014. This is an increase of 635 , or 5.57%.

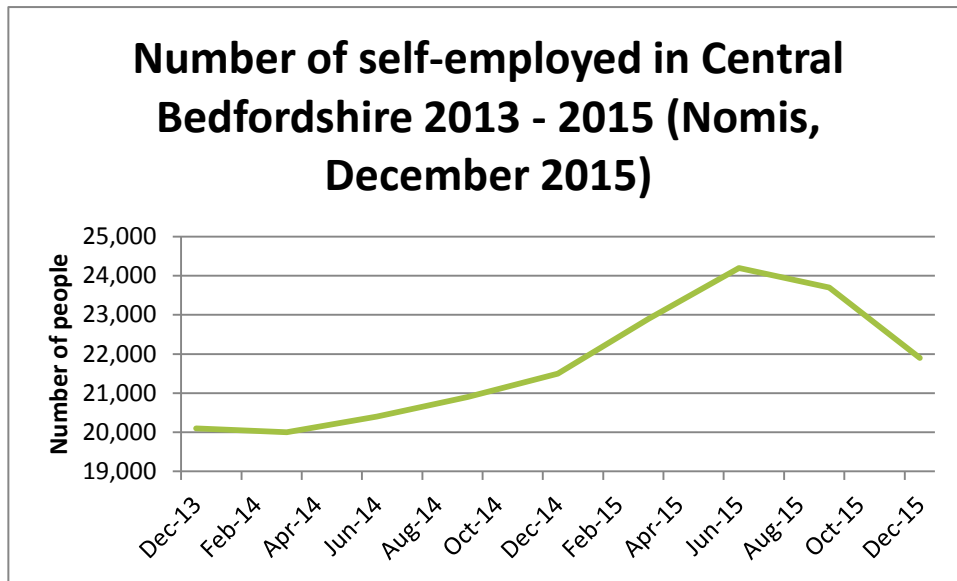
Survival rate of newly born enterprises in Central Bedfordshire in 2009 after five years is 46.9% and survival rate of newly born enterprises in 2013 after one year is 94.8%. In both cases this is above national and comparator area survival rates.

Self Employment

In September 2015 the number of people of all ages in employment who were self-employed decreased to 23,700 (17.3%) compared to 24,200 (17.7%) in June 2015. This is compared to England (15.1%), SEMLEP (13.9%) and the East of England (14.5%).



Graph 14: Number of self-employed in Central Bedfordshire 2013-2015 (via Nomis December 2015)



With regard to gender, the number of self-employed males decreased by 600 (from 18,500 in September 2015 to 17,900 in December 2015) while the number of self-employed females significantly fell by 1,300 (from 5,300 in September 2015 to 4,000 in December 2015), a similar fall to that seen in September 2015.

Graph 15: Number of self-employed, male / female in Central Bedfordshire 2013-2015 (via Nomis December 2015)





Commercial Property Deals

Published data from Estates Gazette Interactive (EGI) shows that between February 2016 and May 2016, 10 commercial property deals were completed in Central Bedfordshire – a decrease of 2 since the previous quarter. In terms of property use type, the distribution was as follows:

Industrial/Distribution	6
Retail	2
Office	1
Farm	1

With regard to location, 3 were in Dunstable, 2 were in Biggleswade, 2 were in Sandy, with 1 in each of Silsoe, Flitwick and Maulden. It must be noted that not all commercial property deals are published on EGI.

High Street Vacancy Levels

The national town centre vacancy rate was 8.7% in January 2016, down from the 9.1% rate reported in October 2015 (BRC/ Springboard Footfall and Vacancies Monitor). This is the lowest reported rate since such rates were first collected in July 2011. Caution regarding this data is needed, as there is evidence that the pop-ups and temporary lets seen in vacant units in the run-up to Christmas have remained in-situ.

Monitoring “High Street” vacancies by counting all vacant A class premises within the town centre boundaries has shown a total of 83 vacant units (9.1% of all units) in town centres in Central Bedfordshire. This is an increase of 5 units since the previous quarter, with Biggleswade, Dunstable, Sandy and Leighton Buzzard seeing increases, although at least 2 units in Leighton Buzzard appear to be currently let or sold. It is pleasing to note that both Ampthill and Flitwick have no vacant retail units. Data from the BRC / Springboard Footfall and Vacancies Monitor shows that the UK vacancy rate in April 2016 was 9.6% - the first time that the vacancy rate has risen since the start of 2015, meaning that Central Bedfordshire as a whole and all towns, except Dunstable, are below the national rate.

Table 6: Town Centre Retail Vacancies, May 2016

Town	May 2015	August 2015	November 2015	February 2016	May 2016	% of all A class premises
Ampthill	1	0	2	2	0	0
Arlesey	1	1	1	1	1	6.7
Biggleswade	7	4	5	10	11	7.6
Dunstable	47	50	47	47	50	18.8
Flitwick	1	1	1	1	0	0

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Houghton Regis	2	2	1	1	1	3.4
Leighton Buzzard	7	4	7	11	14	6.9
Sandy	4	4	3	3	4	6
Shefford	0	0	1	1	1	2.5
Stotfold	0	0	1	1	1	5.6
Total	70	66	69	78	83	9.1