

Central
Bedfordshire

great
prospects



Quarterly Economic Monitoring Report

August 2016

A great place to live and work.

Find us online  www.centralbedfordshire.gov.uk  www.facebook.com/letstalkcentral  [@letstalkcentral](https://twitter.com/letstalkcentral)



.....

Table of contents

What's happening nationally	3
What's happening in Central Bedfordshire	5
Employment	6
Earnings	8
Unemployment	9
Youth unemployment	11
Out of work benefit claimants	12
Vacancies	13
Skills	15
Apprenticeships	15
Business start Ups	15
Self employment	15
Commercial property deals	16
High street vacancy levels	17

Contact us...

James Cushing james.cushing@centralbedfordshire.gov.uk

What's happening nationally?

- **73.9% of people aged 16-64 were in work between April 15 to March 2016, the highest employment rate since comparable records began in 1971**
- **The unemployment rate for the year to March 2016 was 5.2%, down from 6.0% from a year earlier**
- **The employment rate of people aged 50-64, is 70%**
- **The female employment rate remains at a record high, 69%**
- **The deficit on trade in goods widened to 7.2% of GDP in Quarter 1 (January to March) 2016.**

The preliminary estimate of gross domestic product (GDP) indicated that the UK economy grew by 0.6% in Quarter 2 (Apr to June) 2016, up from 0.4% in the first three months of the year.

Inflation picked up slightly in the year to June 2016. Consumer price inflation rose to 0.5% in the year to June 2016 (from 0.3% in May 2016), but remains near historical lows. Over the last year, the prices of import and energy intensive products have held back inflation. As a result of the timing of the data collection, it does not reflect any impact of the referendum result.

Transport prices made the largest upwards contribution to the rise in inflation – adding 0.13 percentage points of the 0.2 percentage point rise. This reflects a combination of higher fuel prices and higher air fares to European destinations in particular – possibly as a consequence of the Euro 2016 football tournament in France. These rises were partially offset by lower prices for furniture and furnishings and accommodation services. Core inflation – a measure which excludes relatively volatile prices of energy, food, alcohol and tobacco – increased from 1.2% in the year to May to 1.4% in the year to June.

Goods accounted for around 75% of UK imports, but just 56% of UK exports in 2015, highlighting the growing importance of services to the UK export base. The deficit on trade in goods widened to 7.2% of GDP in Quarter 1 (Jan to Mar) 2016, partly offset by a surplus of 4.7% of GDP on services.

Recent falls in average weekly hours worked appear to reflect a normalisation of patterns of leave-taking among workers.



.....

What's happening in Central Bedfordshire?

- **78.6% of people aged 16-64 were in work - higher than all comparator areas (March 2015)**
- **The unemployment rate of people aged 16+ was 2.5% - lower than all comparator areas (March 2016)**
- **18,400 people received job-related training (March 2016)**





There have been a number of inward investment and business expansions over the quarter including:

Calsonic Kansei (a Japanese High Performance Engineering company, held their official opening of their new UK Research and development centre at Millbrook, creating up to 90 jobs.

4PX –400 jobs (a major Chinese e commerce and logistics provider, have signed the lease in Prologis Park, Woodside, Dunstable. The 241,000 sq ft site will be distribution facility- with 12,000sq.ft of offices)

Sports traider Sportswear and equipment (and new equipment) charity retailer, starting up in Dunstable Town centre, supporting local employment and wider training/ apprenticeships and engagement with disadvantaged communities.

Economic Development 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)	137,300 (Mar 2016)	Green		This has risen by 2,600 (1.93%) people in one quarter and continues to be above all comparator areas.
Employment rate across Central Bedfordshire remains 5% above the England Rate	4.7 % points above (Mar 2016)	Red		The gap between Central Bedfordshire and England has decreased to be 4.7 percentage points and is just below our target of remaining 5 percentage points above the national rate (Central Bedfordshire 78.6%, England 73.9%, SEMLEP 77.1% and the East of England 77%).
Number of out of work benefit claimants (Department for Work and Pensions, via Nomis)	9,170 (February 2016)	Amber		The number of people claiming out of work benefits increased from 9,050 to a total of 9,170, but still remains 5.4% in March 2016. This remains significantly below England by 3.3% points, SEMLEP by 1.5% points and the East of England by 1.7% points
Economic activity rate (ONS, Annual Population Survey, via Nomis)	80.6% (Mar 2016)	Red		The number of economically active people has decreased by 700 (0.5%) in the last quarter but the rate 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 March 2016 there were 142,500 people aged 16+ in employment in Central Bedfordshire, 2,600 more than in March 2015 but 800 fewer than in December 2015.

The number of people aged 16-64 in employment is 137,300. This employment rate of 78.6% is higher than all comparator areas – England 73.9%, East of England 77%, and SEMLEP 77.1%.

Table 1: Employment rate aged 16-64

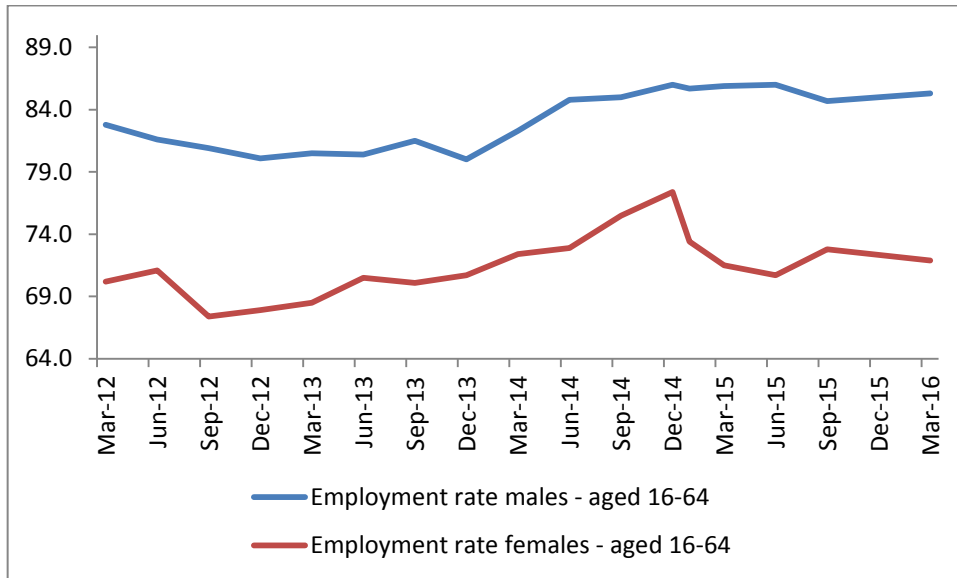
Date	Central Bedfordshire Confidence interval +/- 3.5%	England Confidence interval +/- 0.2 %	SEMLEP Confidence interval +/- 1.2%	East of England Confidence interval +/- 0.8%
Mar-14	77.2%	71.7%	75.6%	75.4%
Jun-14	78.7%	72.0%	75.6%	75.7%
Sept-14	80.2%	72.3%	76.0%	75.9%
Dec- 14	81.6%	72.5%	76.3%	75.7%
Mar-15	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 - 15	79.4%	73.9%	77.4%	77.3%
Mar-16	78.6%	73.9%	77.1%	77.0%

ONS Annual Population Survey via Nomis, August 2016

With regard to gender, the employment rate of males aged 16-64 has remained at 74,000 between December 2015 and March 2016, with the rate of employment for males falling fractionally from 85.7% to 85.3% in March 2016. The female employment rate has also decreased from being 73.4% (64,200) in December 2015 to 71.9% (63,300) in March 2016.



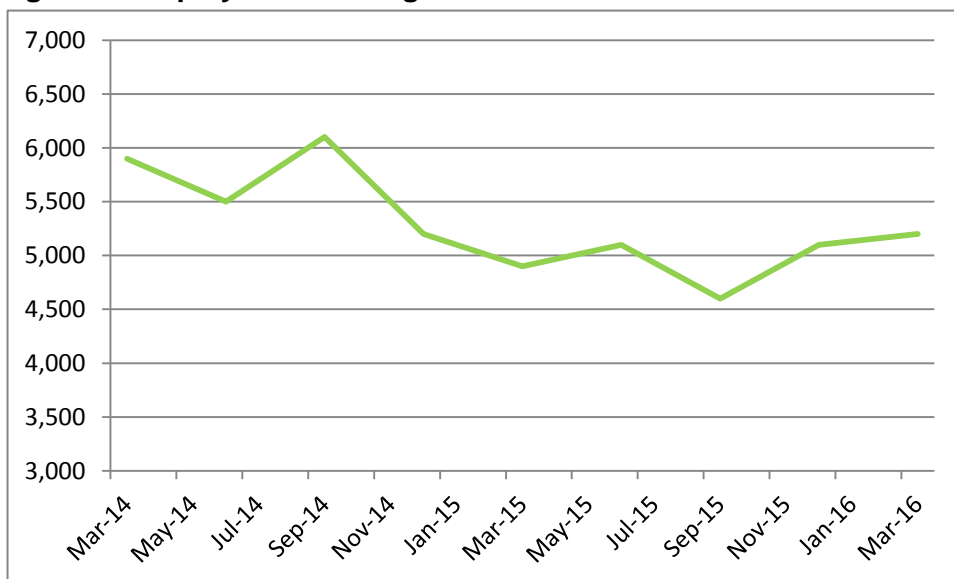
Figure 1: Female and Male employment rate as a percentage of working age people (aged 16-64), change between 2012 and 2016



Source: ONS Annual Population Survey July 2016, via Nomis

The number of people in employment generally rises when taking into account those people who remain in work beyond the age of 65. In March 2016 the overall number of people remaining in work over the age of 65 is 5,200, an increase of 200 in the past quarter.

Figure 2: Employment rate aged 65+



ONS Annual Population Survey via Nomis, August 2016



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 March 2016, the economic activity rate of people aged 16-64 in Central Bedfordshire was 80.6%, or 140,800 people. This rate has decreased from the 81.4% in December 2015, but still remains above all comparator areas – England 78%, East of England 80.2%, SEMLEP 80.1%.

Earnings

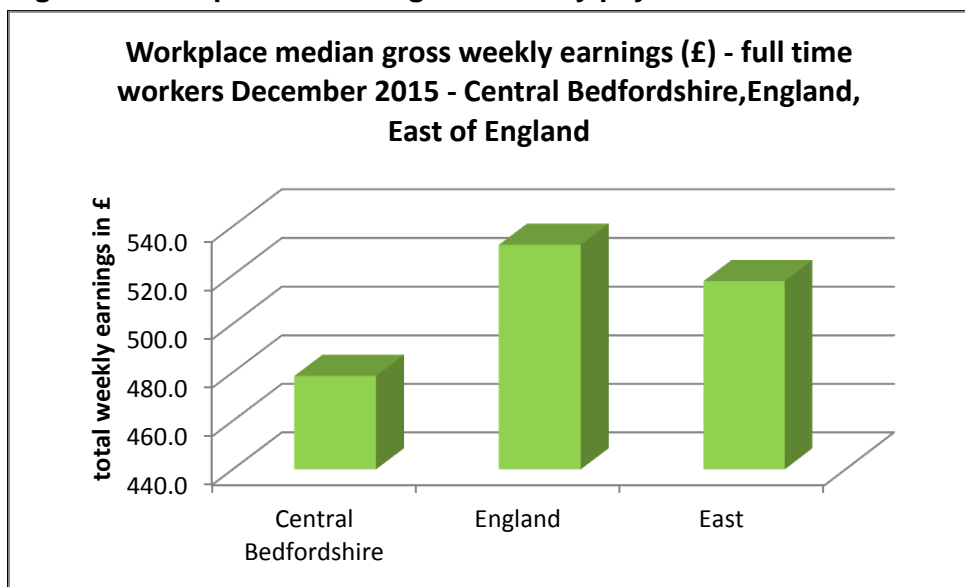
Workplace

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.

Figure 3: Workplace median gross weekly pay



ONS Annual survey of hours and earnings via Nomis, November 2015

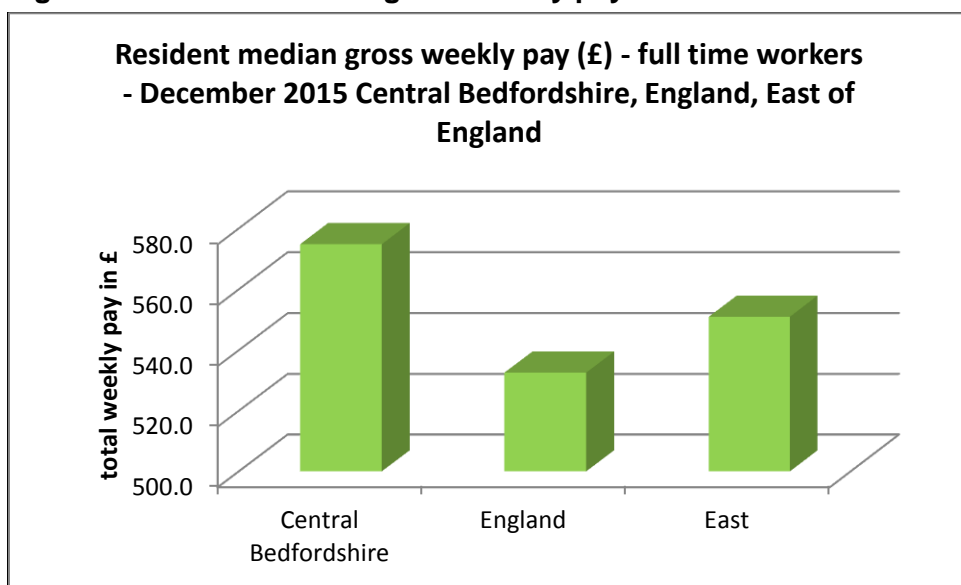


Resident

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.

Figure 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 March 2016 the rate was 2.6% or 3,500 people compared to 5.1% in England, 3.6% in SEMLEP and 3.8% in the East of England.

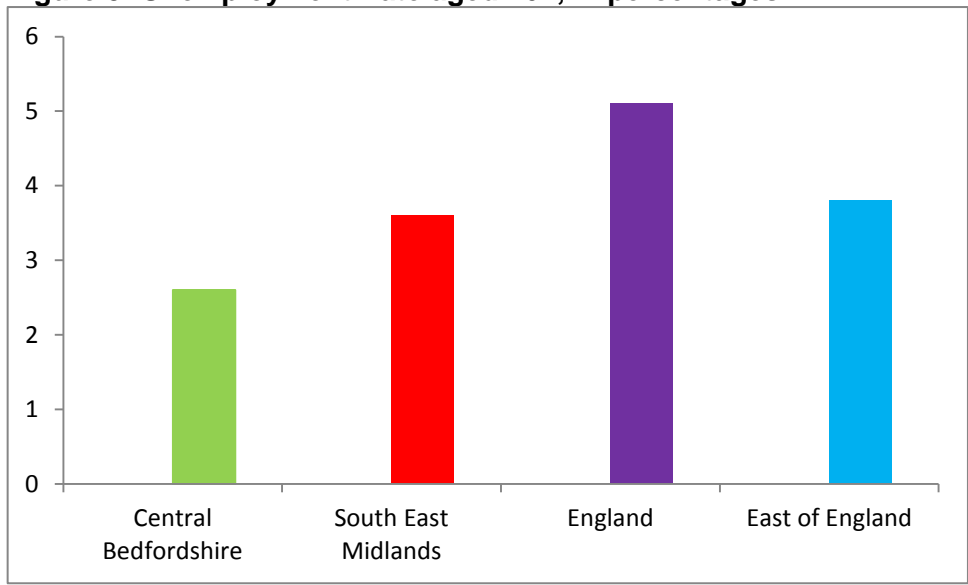


Table 2: Unemployment rate aged16+

Date	Central Bedfordshire	England	SEMLEP	East
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%
Mar-16	2.5%	5.2%	3.6%	4.0%

ONS Annual Population Survey – model-based via Nomis, August 2016

Figure 5 :Unemployment rate aged 16+, in percentages



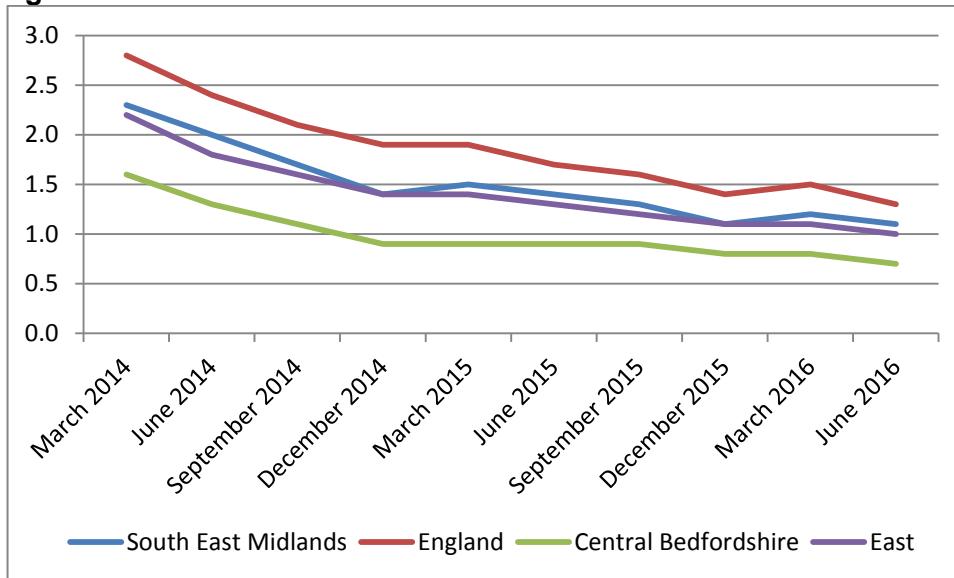
ONS Annual Population Survey via Nomis, August 2016



Job Seeker's Allowance

There were 1,198 people aged 18-64 claiming Jobseeker's Allowance (JSA) in June 2016 (male=734, female=464), 229 less claimants than March 2016. This is 0.7% of the working age population, a fall of 0.1 percentage point in three months. The rate remains significantly below England (1.3%), SEMLEP (1.1%) and the East of England (1.0%).

Figure 6: Job Seeker Allowance claimants



ONS Job Seeker's Allowance via Nomis, June 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 180 people aged 18-24 claiming Jobseeker's Allowance (JSA) in June 2016 (male=115, female=65), 15 less than May 2016, and 95 fewer than in June 2015. This is 0.7 % of the 18-24 working age population. The rate remains below England (1.0%), SEMLEP (0.9%) and the East of England (0.8%).



Table Three: Percentage of young people (18-24 years old) receiving Jobseeker's Allowance

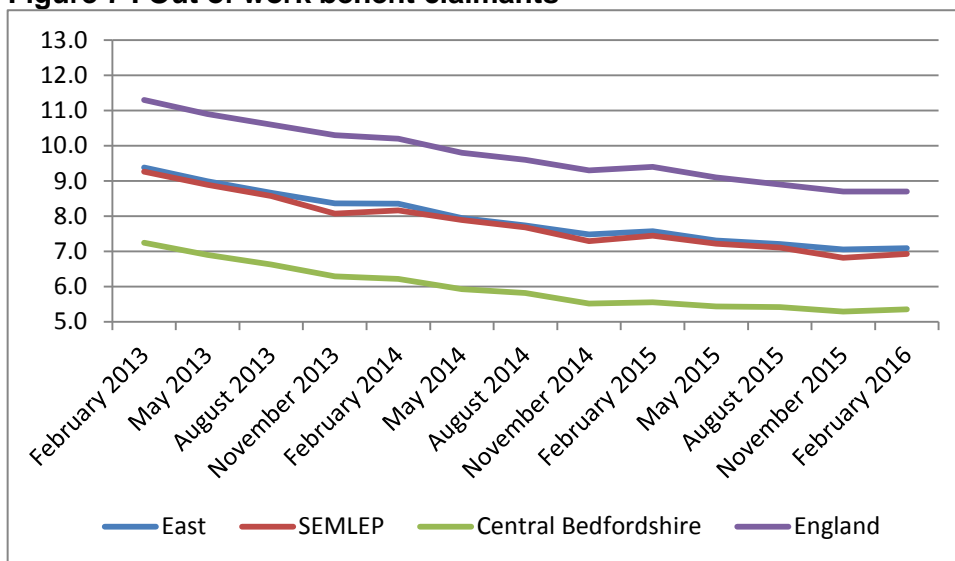
Date	Central Beds	England	SEMLEP	East
Jul 14	2.2%	3.8%	3.2%	3.1%
Dec 14	1.6%	2.9%	1.9%	2.4%
Apr 15	1.5%	2.7%	2.2%	2.3%
Jul 15	1.4%	2.3%	2.0%	1.9%
Oct 15	1.4%	2.0%	1.8%	1.7%
Dec 15	1.3%	1.7%	1.4%	1.4%
Jan 16	1.4%	1.8%	1.5%	1.5%
Mar 16	1.0%	1.3%	1.2%	1.1%
Jun 16	0.7%	1.0%	0.9%	0.8%

Department for Work and Pensions, via Nomis, June 2016

Out of work benefit claimants

The number of people aged 16-64 claiming key out of work benefits rose from 9,050 (5.3%) in November 2015 to a total of 9,170 (5.3%) in February 2016. This rate is lower than England having 8.7% of people claiming out of work claimants in February 2016, SEMLEP having 6.9% and East of England having 7.1%. 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.

Figure 7 : Out of work benefit claimants



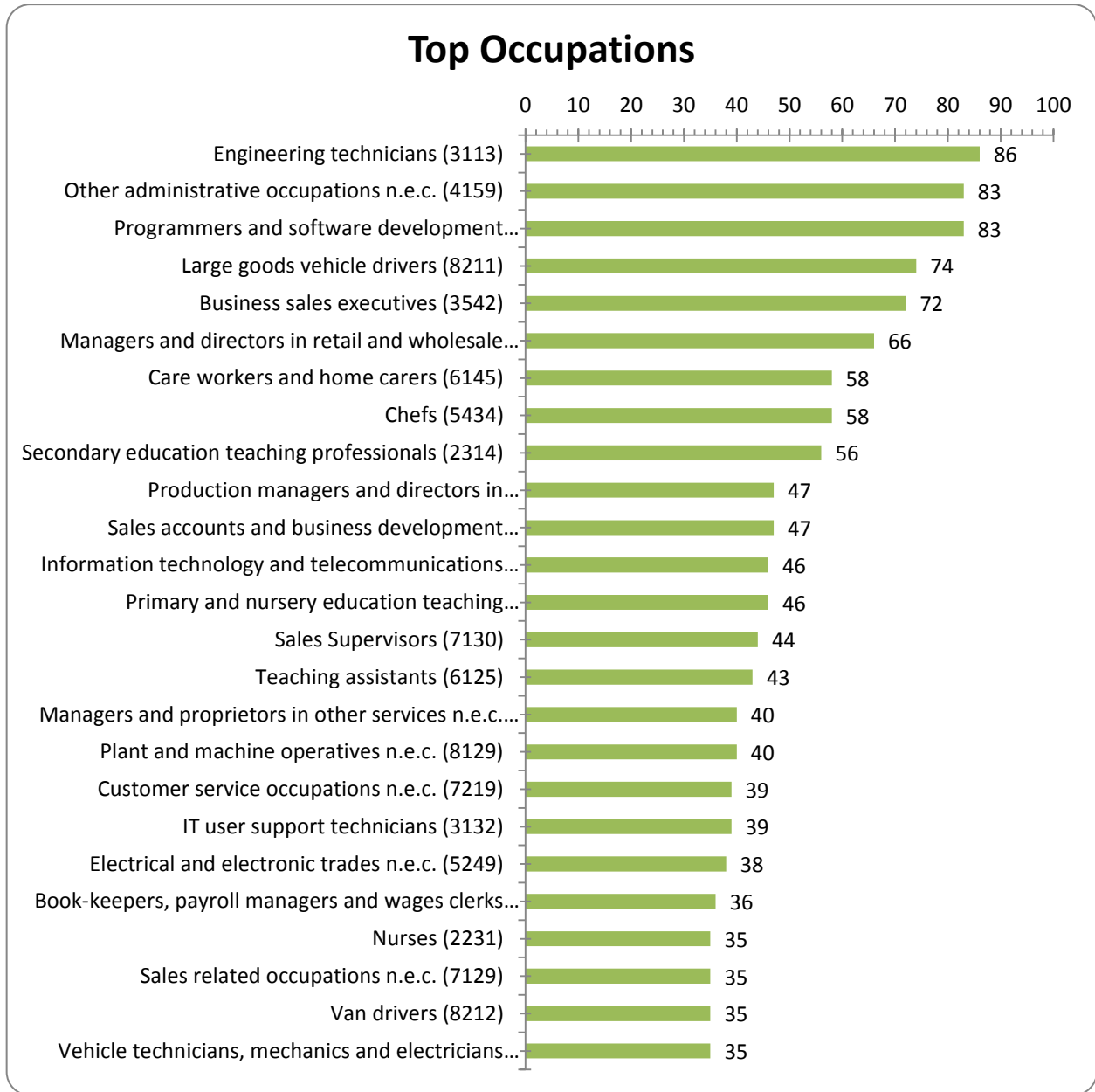
(Department for Work and Pensions, via Nomis, August 2016)



Vacancies

Vacancies advertised in terms of occupations and skills in most demand

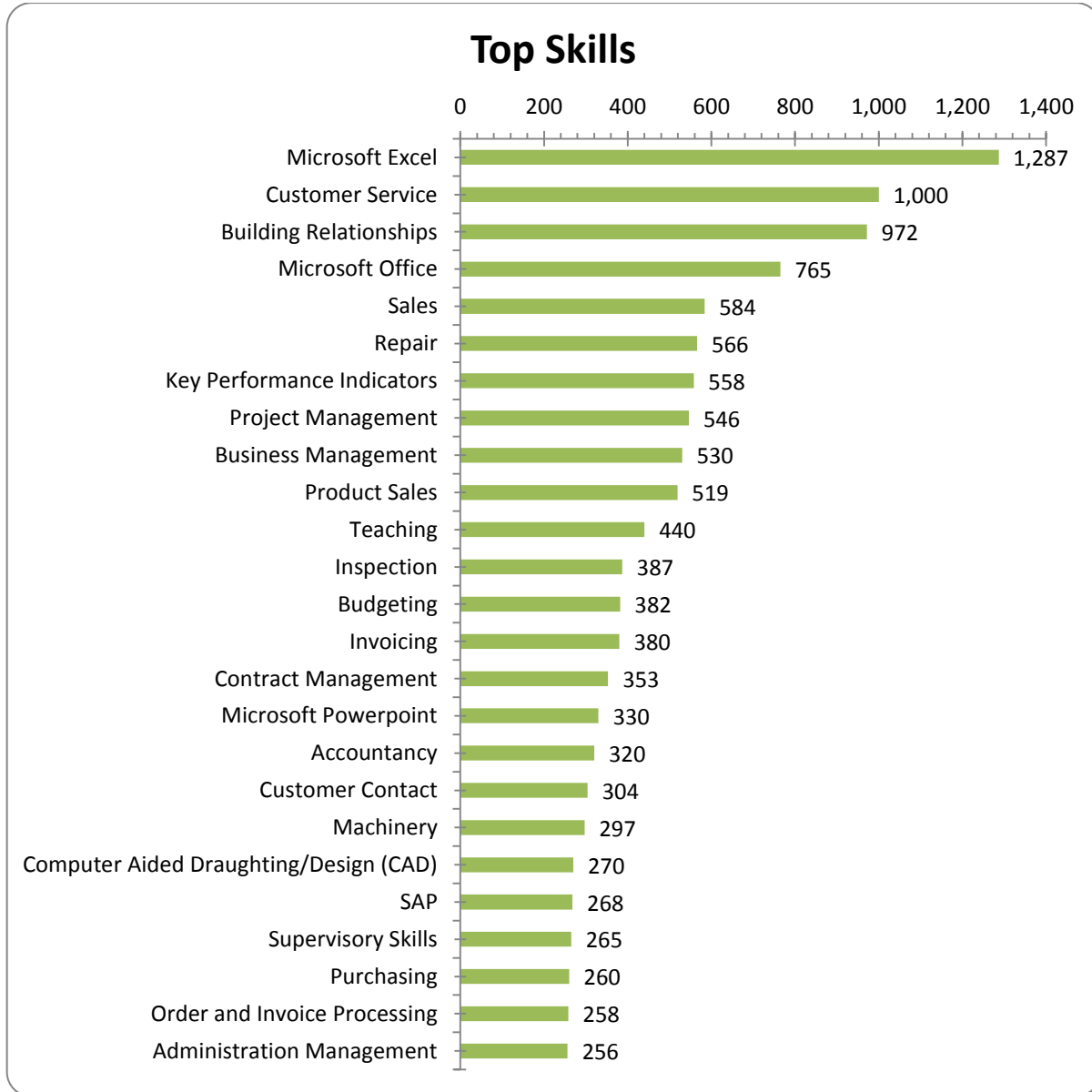
Figure 8 : Occupations in greatest demand as advertised by employers in Central Bedfordshire, May 2016 – July 2016



Labour Insight, August 2016



Figure 9 : Skills in greatest demand as advertised by employers in Central Bedfordshire, August 2015 – August 2016



Labour Insight, August 2016



The top five occupations advertised by employers between May 2016 and July 2016 were engineering technicians, other administrative occupations, programme and software development, large goods vehicle drivers and business sales executives.

In the year to August 2016, the specialised skill most often required was 'Microsoft Excel' in over 3,090 of the 13,211 jobs advertised in this time. This was followed by 'customer service' then 'building relationships' and 'Microsoft Office' skills.

Skills

The number of people receiving job-related training decreased by a total of 400 people, from 18,800 in December 2015 to 18,400 in March 2016. This amount comprised of 10,400 males and 8,100 females receiving training, compared with the 9,600 males and 9,200 females receiving training in December 2015. Please note that the figures for December 2015 advised in May's Quarterly Monitoring Report have been reweighted in line with the latest ONS estimates.

Apprenticeships

There were 1,550 apprenticeship starts in Central Bedfordshire between August 2015 to April 2016, and 2,070 starts in the full year 2014 / 2015.

The number of Apprenticeship starts has increased from 1,960 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 2014 / 2015 there were 1,050 successfully completed apprenticeships, compared with 970 in the year 2014 / 2014.

Business Start Ups

In August 2016 it was reported that there had been 1,187 new small business start-ups in Central Bedfordshire, 65 less than reported in August 2015.

Self Employment

The Annual Population Survey (APS) in March 2016 showed that 19,200 people aged over 16+ in employment were self- employed, lower than the 23,300 in March 2015.

The rate of self employed in Central Bedfordshire is 13.5%, below the national rate of 15.% and East of England rate of 14.4%, but comparable with the SEMLEP rate of 13.4%. Looking at the gender split, 15,300 of these people are male and 3,900 are female. Since March 2014, there are 1,500 fewer self employed males and 2,500 fewer self employed females.

Table 4 : Percentage in employment aged 16 and over, who are self employed

	March 2014	March 2015	March 2016	Percentage point change 2014 - 2016
Central Bedfordshire	14.8	16.6	13.5	-1.3%
SEMLEP	13.9	14.3	13.4	-0.5%
East of England	15.5	14.8	14.4	-1.1%
England	15.0	15.0	15.1	0.1%

Commercial Property Deals

Data from the Estates Gazette property database highlights that in 2015 there were 118 commercial property deals done in Central Bedfordshire. This compares to 121 in 2014, and is a slight decrease of 2.5%. The majority of deals took place in Dunstable, followed by Leighton Buzzard, and then Biggleswade.

Table 5: Commercial property deals location, Source: EGI database August 2016

Location	% of Commercial Property Deals 2014	% of Commercial Property Deals 2015
Dunstable	45%	40%
Leighton Buzzard	16%	28%
Biggleswade	2%	15%
Flitwick & Ampthill	7%	6%
Blunham & Sandy	14%	5%
Flitton, Pulloxhill & Westoning	1%	1.5%
Silsoe & Clophill	5%	1.5%
Arlesey & Stotfold	2%	1%
Aspley Guise & Ridgemont	4%	1%
Shefford	3%	1%
Barton	1%	0%



Of the deals completed for premises in Central Bedfordshire in 2015, 38% were industrial and distribution (40% in 2014), 13% were for offices (20% in 2014) and 32% were for retail (33% in 2014). This highlights the continued dominance of the industrial, commercial and distribution sectors in the Central Bedfordshire property market and the need to develop the B1 sector in Central Bedfordshire.

High Street Vacancy Levels

As part of the ongoing monitoring of the Economic Development Plan the Council is monitoring the level of high street vacancies in 'A' class premises in Central Bedfordshire's town centres. The overall vacancy rate within town centres is 7.7% in August 2016. This has increased from 7.3% in August 2015 due to increases in Biggleswade, Shefford and Stotfold. Dunstable remains the town with the most vacancies, 38 or 15.4% of all premises (the fall in Dunstable's vacancy rate in August 2016 is partially due to some retail units being amalgamated into others), followed by Biggleswade, with 14 or 6.9%. Flitwick has no vacancies. Central Bedfordshire's vacancy rate is lower than the national rate of 12.4% in July 2014 (Source: The Local Data Company).

Table 6: Town centre vacancies % in Central Bedfordshire, August 2015 – August 2016

Town	Aug 15	Nov 15	Feb 16	May 16	Aug 16
Amphill	0	2.2	2.2	0	1.1
Arlesey	6.7	6.7	6.7	6.7	6.7
Biggleswade	2.8	3.5	6.9	7.6	6.9
Dunstable	18.8	17.7	17.7	18.8	15.4
Flitwick	2.6	2.6	2.6	0	0
Houghton Regis	7.1	3.6	3.4	3.4	3.4
Leighton Buzzard	2	3.4	5.4	6.9	6.4
Sandy	6.1	4.5	4.5	6	4.5
Shefford	0	2.5	2.5	2.5	2.5
Stotfold	0	5.6	5.6	5.6	5.6
Average vacancy rate	7.3%	7.6%	8.6%	9.1%	7.7%

Source: Central Bedfordshire Council

