

BBF Policy Paper 13

Economic Overview of the GTV6

3 June 2013



## Executive Summary

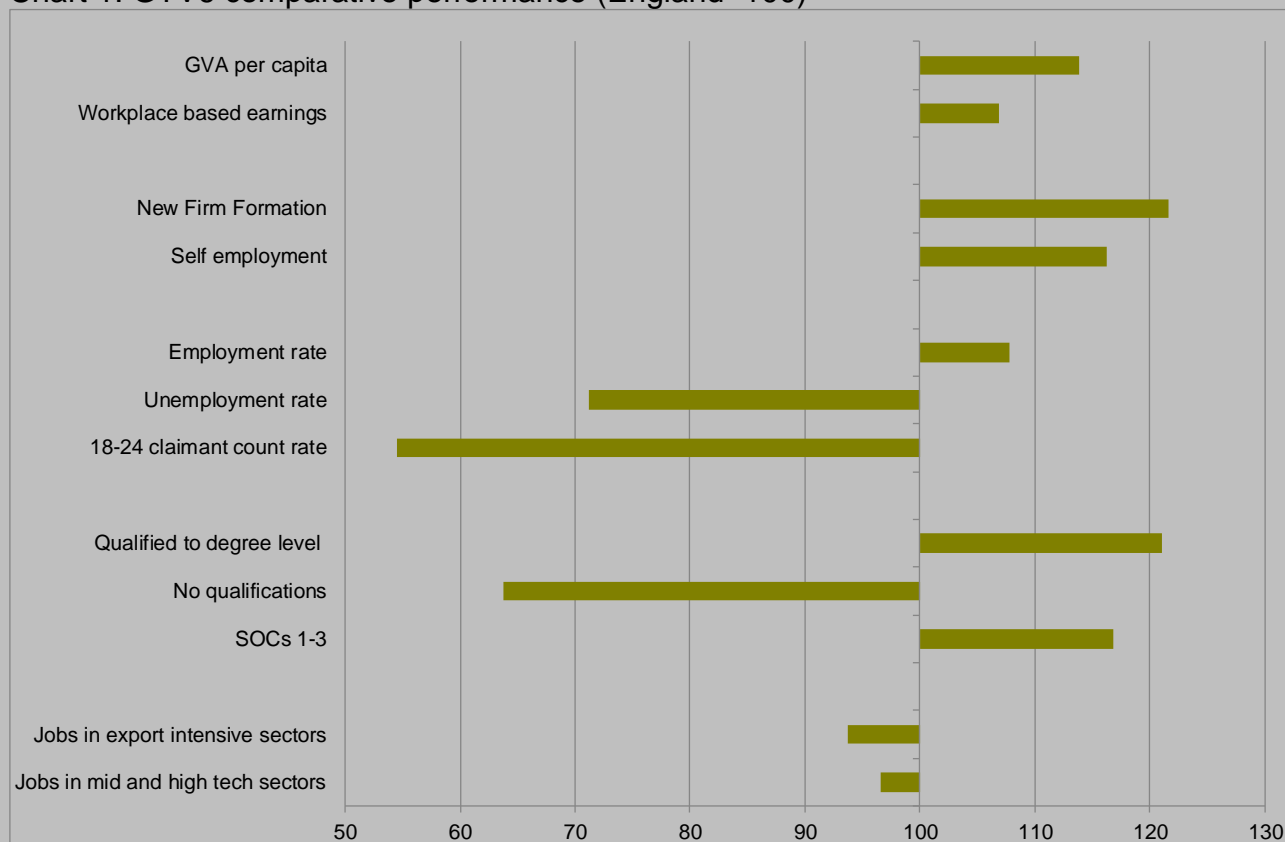
The Greater Thames Valley (GTV6) is the most prosperous, productive and entrepreneurial part of the UK. The economy is worth £161.7 billion per annum, with 334,915 businesses providing 3.1 million jobs. Other features include:

- GVA per capita 13.8 per cent above the national level
- Strong presence in the Plan for Growth sectors
- 65.6 new firms formed for every 10,000 residents
- Employment rate of 76.5 per cent compared to 70.9 for country as a whole
- Excellent educational attainment and the presence of world class universities

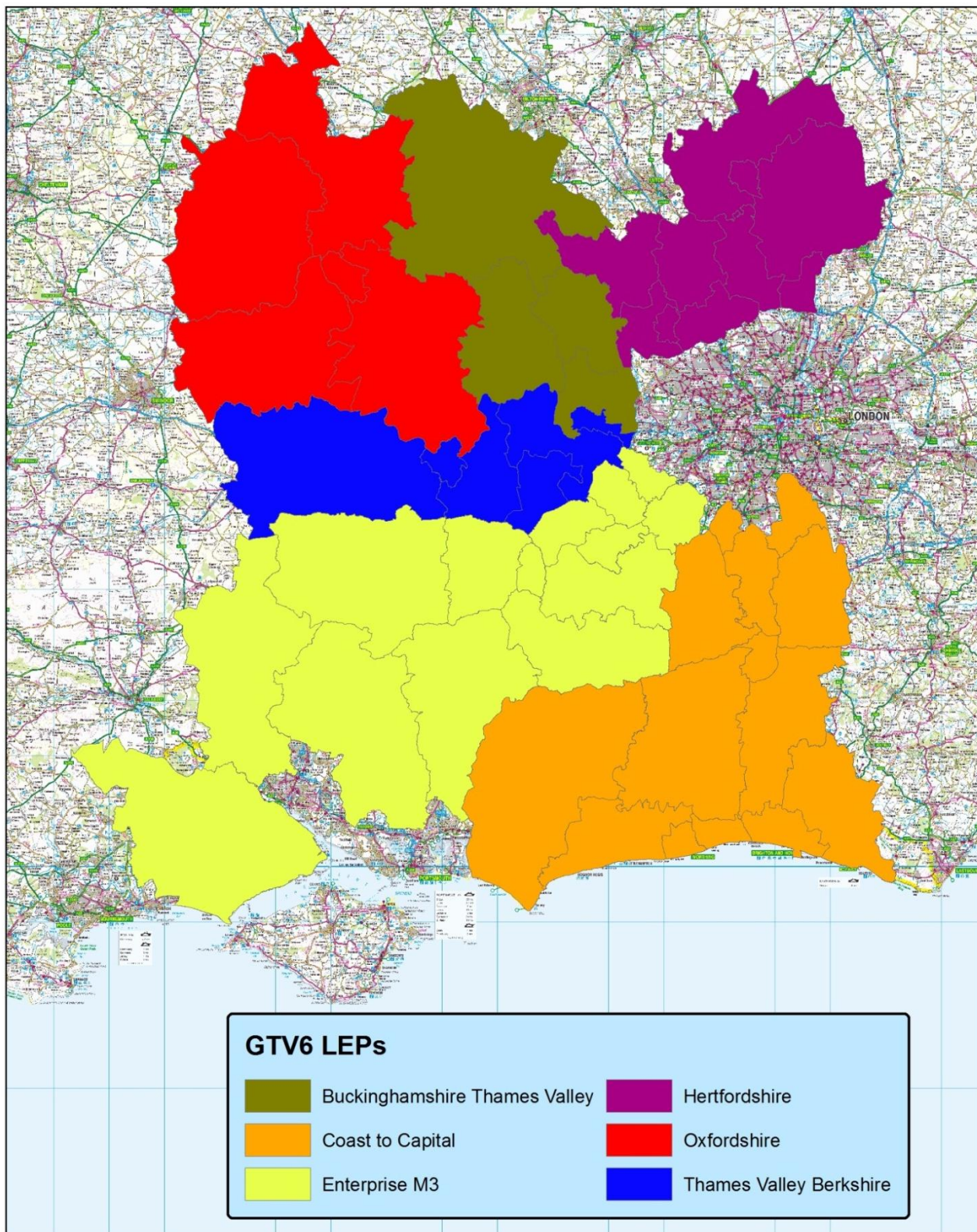
Challenges include:

- Raising export orientation to match national levels
- Delivering a demand-led labour market in an economy that sees young people leave to go to University, with a comparative shortage of local university places
- Availability of workers from across the occupational classification
- Markedly ageing population. Of the 629,814 extra residents expected by 2021, 283,204 will be over 65 and only 167,641 of working age (26.6 per cent)
- Engaging the talents of all residents in achieving further growth and ensuring all parts benefit from success
- Securing greater Government investment in this successful, growing economy

Chart 1: GTV6 comparative performance (England=100)



Sources: Regional Accounts, ONS, 2012; ASHE, ONS, 2012; Business Demography, ONS, 2012; APS, ONS, 2013; DWP, 2013; SNPP, ONS, 2012; BRES, ONS, 2012



#### LEPs in the Greater Thames Valley

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8 May 2013

Scale: 1:900,000 at A4

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## 1.0 Introduction

The Greater Thames Valley (GTV6) is the most prosperous, entrepreneurial and productive part of the UK. The combined economy is worth £161.7 billion per annum, with 334,915 businesses providing 3.1 million jobs. This short paper sets out the area's performance against selected indicators to begin to understand its economic geography. Suggestions for further analyses should be sent to [rupert@bbf.uk.com](mailto:rupert@bbf.uk.com).

GTV6 is made up to the following Local Enterprise Partnership (LEP) areas, covering 60 local authorities as shown on the map on the preceding page:

- Buckinghamshire Thames Valley;
- Coast to Capital
- Enterprise M3;
- Hertfordshire;
- Oxfordshire; and
- Thames Valley Berkshire.

At 1.5m hectares, with 6,705,200 residents and 334,915 businesses, the GTV6 Area covers a larger area than any single LEP and has more businesses and residents than any LEP outside London.

Although representing only 12.6 per cent of England's population, GTV6 provides 13.0 per cent of jobs, 13.6 per cent of people in employment and 14.4 per cent of both businesses and GVA. Only 9.3 per cent of England's unemployed and 7.3 per cent of Job Seekers' Allowance claimants live in the GTV6 area.

GTV6 is home to 14.4 per cent of all VAT / PAYE registered companies in England, including 14.8 per cent of all companies with 0-9 employees and 12.3 per cent of firms employing 250 or more.

From 2008 to 2012, employment for residents aged 16 and over in the GTV6 area rose by 0.9 per cent, compared to a rise of 0.2 per cent across Great Britain as a whole.

Although home to 15.9 per cent of all workers employed in managerial, professional and technical occupations, the GTV6 LEP Area is home to only 8.5 per cent of process plant and machine operatives and 10.6 per cent of those employed in elementary occupations.

The public sector accounts for only 16.1 per cent of total employment across the GTV6, compared to 19.7 per cent across the country as a whole. Four of the GTV6 rank among the five LEPs with the lowest share of public sector employment, including the bottom three, with the largest share in GTV6 ranking 12<sup>th</sup> of the 39 LEPs and well below the national level.

GTV6 is the most resilient part of the country, with the constituent LEPs ranking 1<sup>st</sup>, 2<sup>nd</sup>, 3<sup>rd</sup>, 4<sup>th</sup>, 5<sup>th</sup> and 8<sup>th</sup> among the 39 LEPs on Experian's 2012 resilience index, and taking all 6 top positions on the People domain.

There are 24 Enterprise Zones in 22 of the 39 LEPs, but only Oxfordshire's Science Vale UK falls in the GTV6 Area<sup>1</sup>. Invitations to apply for a City Deal were extended to Brighton and Hove, Oxford and Reading from the GTV6 at the launch of the second wave in February. Of the Regional Growth Funding allocated under rounds 1 and 2, no projects were located in the GTV6 area, while Ricardo UK from Shoreham in Coast to Capital was successful in round 3.

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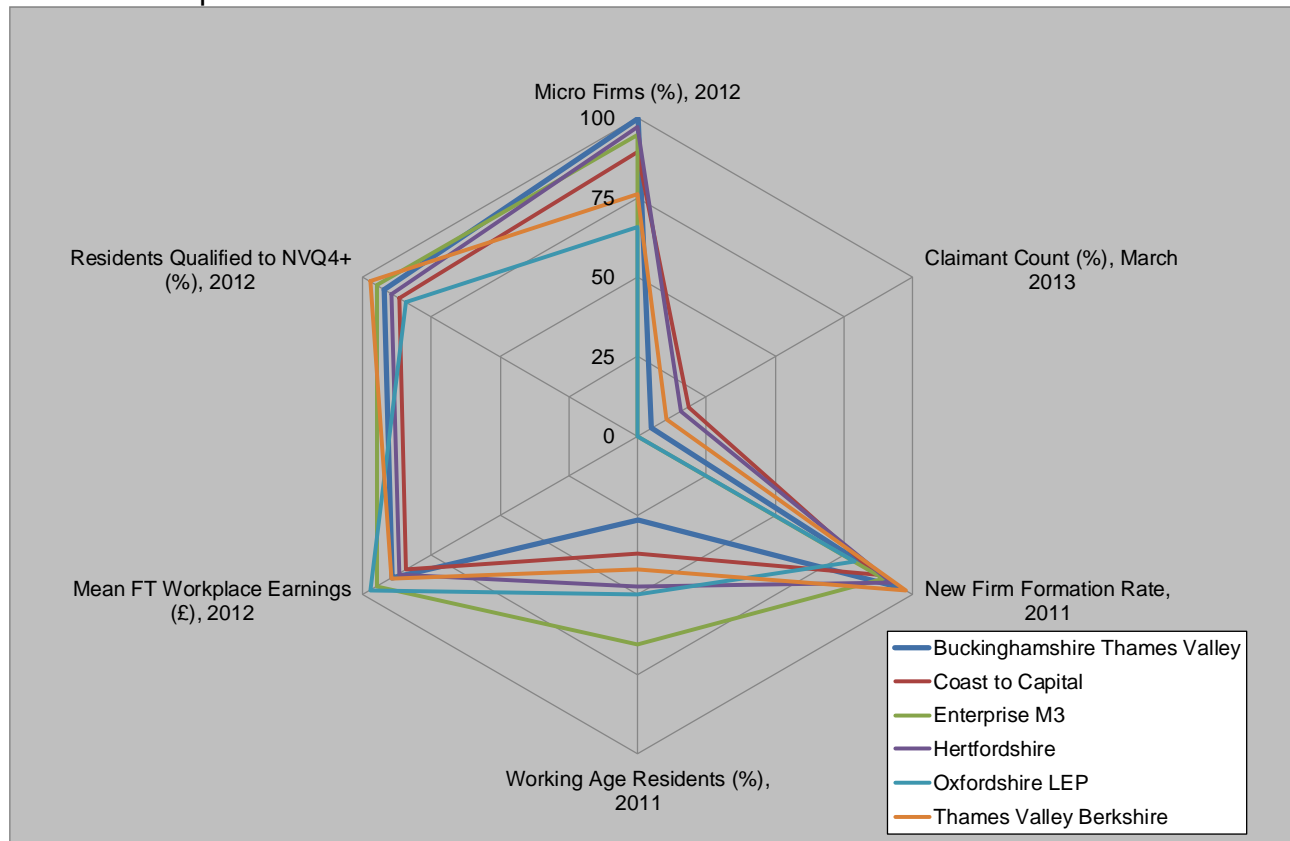
<sup>1</sup> See <http://www.communities.gov.uk/documents/regeneration/pdf/2147949.pdf>



## 2.0 Economic Geography

The LEPs covered by the GTV6 area have common characteristics. When performance by educational attainment, entrepreneurship, firm size, earnings, demography and claimant count are ranked, the GTV6 LEPs offer similar results as shown in Chart 2.

Chart 2: Comparison of the GTV6



Source: MYPE, ONS, 2012; APS, ONS, 2013; DWP, 2013; Business Demography, ONS, 2012; IDBR, 2012

Table 1: Nearest neighbours for the GTV6

<b>Buckinghamshire Thames Valley</b>	<b>Coast to Capital</b>	<b>Enterprise M3</b>
Coast to Capital	Hertfordshire	Hertfordshire
Hertfordshire	Thames Valley Berkshire	Thames Valley Berkshire
Thames Valley Berkshire	Buckinghamshire Thames Valley	Oxfordshire LEP
Enterprise M3	Gloucestershire	Coast to Capital
Oxfordshire LEP	Oxfordshire LEP	Buckinghamshire Thames Valley
Gloucestershire	Enterprise M3	Gloucestershire
Greater Cambridge & Greater Peterborough	Greater Cambridge & Greater Peterborough	Greater Cambridge & Greater Peterborough
Cheshire and Warrington	Cheshire and Warrington	Swindon and Wiltshire
Coventry and Warwickshire	Coventry and Warwickshire	Cheshire and Warrington
Dorset	West of England	South East Midlands
<b>Hertfordshire</b>	<b>Oxfordshire LEP</b>	<b>Thames Valley Berkshire</b>
Coast to Capital	Thames Valley Berkshire	Coast to Capital
Buckinghamshire Thames Valley	Enterprise M3	Hertfordshire
Thames Valley Berkshire	Coast to Capital	Oxfordshire LEP
Enterprise M3	Hertfordshire	Buckinghamshire Thames Valley
Oxfordshire LEP	Gloucestershire	Enterprise M3
Gloucestershire	Greater Cambridge & Greater Peterborough	Gloucestershire
Greater Cambridge & Greater Peterborough	Buckinghamshire Thames Valley	Greater Cambridge & Greater Peterborough
Cheshire and Warrington	Cheshire and Warrington	Cheshire and Warrington
Swindon and Wiltshire	Swindon and Wiltshire	West of England
South East Midlands	Solent	Solent

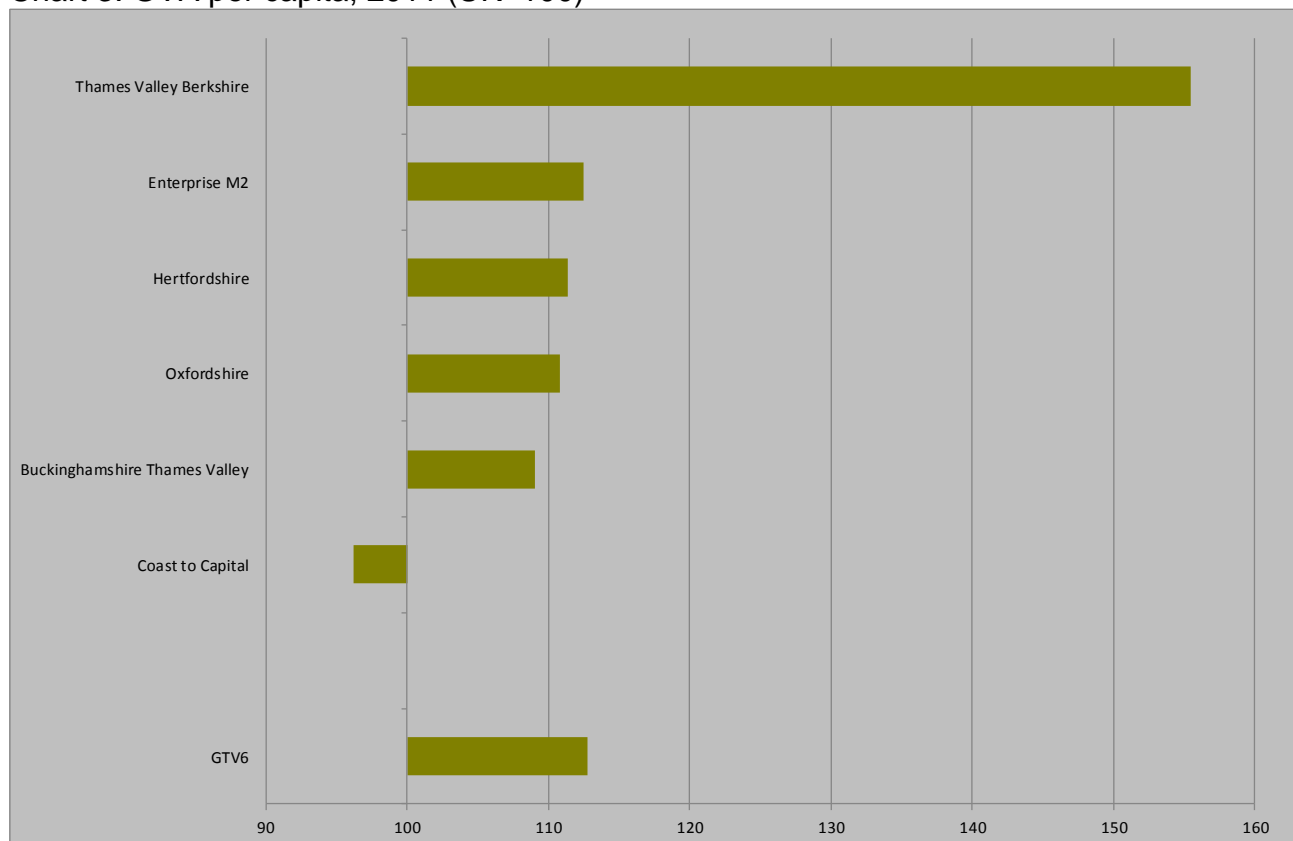
Source: BRES, ONS, 2012; APS, ONS, 2013; DWP, 2013; Business Demography, ONS, 2012; IDBR, 2012

All GTV6 LEPs have the other GTV6 LEPs within their seven nearest neighbours, with four having other GTV6 LEPs as their top matches. Gloucestershire; Cheshire and Warrington and; Greater Cambridgeshire and Peterborough LEPs all rank among the top 10 best matches for all GTV6 LEPs.

### 3.0 Economic Output

Gross Value Added (GVA) per capita across the GTV6 Area is 12.7 per cent above that of the UK's at £24,112. Only ten LEPs exceed the national level of GVA per capita, including five of the GTV6, with Coast to Capital reaching 96 per cent of the national level to rank 13<sup>th</sup> among the 39 LEPs.

Chart 3: GVA per capita, 2011 (UK=100)



Source: Regional Accounts, ONS, 2012

From 2001 to 2011, England's GVA rose 48.0 per cent to £1,341 billion, compared to an increase of 45.1 per cent across GTV6, with Oxfordshire (51.1 per cent) Enterprise M3 (50.7 per cent) and Thames Valley Berkshire (48.4 per cent) all seeing growth above the national rate. Over this period, London's GVA increased 62.2 per cent, with the Black Country having the weakest growth at only 27.9 per cent, ahead of Hertfordshire (34.6 per cent).

When London is removed from GVA, national growth from 2001 to 2011 falls to 43.5 per cent, close to the rates of growth of both Buckinghamshire Thames Valley (43.8 per cent) and Coast to Capital (43.3 per cent).

GTV6 contributed 9.9 per cent of England's GVA growth from 2001 to 2011, and 11.6 per cent of growth excluding London.

Of the 139 NUTS3 areas in the UK, only 29 exceed the national level of GVA per hour worked, the ONS's preferred measure of subnational productivity. Of these 29, seven

cover the GTV6 area (Berkshire (ranking 3<sup>rd</sup> in UK), Buckinghamshire (5<sup>th</sup>), Surrey (6<sup>th</sup>), Hampshire (11<sup>th</sup>), Hertfordshire (18<sup>th</sup>), Oxfordshire (20<sup>th</sup>) and West Sussex(22<sup>nd</sup>).

## 4.0 Industrial Structure

GTV6 is a small firm economy, with 72.0 per cent of companies having fewer than five employees. GTV6 would rank 4<sup>th</sup> among all LEPs, with Buckinghamshire Thames Valley, Enterprise M3, Hertfordshire and Coast to Capital respectively ranking 1<sup>st</sup>, 2<sup>nd</sup>, 3<sup>rd</sup> and 5<sup>th</sup>. Despite the presence of many world-renowned companies, only 1,275 companies employ more than 250 people, representing 0.38 per cent of all businesses. Thames Valley Berkshire is a notable exception, with the 6<sup>th</sup> highest proportion of large firms and the highest in the south of England, at 0.58 per cent. Oxfordshire is next highest ranked at 24<sup>th</sup>, with Buckinghamshire Thames Valley ranked 38<sup>th</sup> of 39 at 0.20 per cent.

The economies of the GTV6 have similar industrial structures, with strengths in the sectors of the national economy that have proved most resilient since the start of the recession, namely professional and scientific and technical services. Information and communication is another area of strength, GTV6 accounting for 18.6 per cent of Great Britain's jobs in the sector. Only 8.5 per cent of the country's manufacturing jobs are located in the GTV6, with all LEPs returning a location quotient below one.

Chart 4: Location Quotients by Broad Industry Group, 2011

	Manufacturing	Construction	Motor trades	Wholesale	Retail	Transport & storage	Accommodation & food services	Information & communication	Financial & insurance	Property	Professional, scientific & technical	Business administration & support services	Public administration & defence	Education	Health	Arts, entertainment, recreation & other services
BTVLEP	0.9	1.1	1.5	1.9	1.0	0.5	1.0	1.6	0.5	1.3	1.4	0.9	0.6	1.0	0.9	1.2
Coast to Capital	0.6	1.0	1.0	1.0	1.1	1.1	1.2	1.0	1.2	1.0	1.0	1.0	0.9	1.1	1.0	1.1
Enterprise M3	0.8	1.1	1.2	1.4	0.9	0.7	1.1	1.8	0.7	1.0	1.3	1.0	0.6	1.0	0.9	1.3
Hertfordshire	0.8	1.4	1.1	1.8	1.3	0.8	0.8	1.2	0.6	1.0	1.3	1.5	0.5	0.9	0.7	1.1
Oxfordshire	0.9	0.9	1.1	1.0	0.9	0.6	1.1	1.3	0.4	0.9	1.5	0.8	0.7	1.6	0.9	1.0
Thames Valley Berkshire	0.7	0.8	1.1	1.6	0.9	0.9	0.9	3.3	0.5	1.1	1.5	1.1	0.6	0.9	0.7	1.1
GTV6	0.8	1.1	1.1	1.4	1.0	0.8	1.0	1.7	0.8	1.0	1.3	1.1	0.7	1.0	0.9	1.1

Source: BRES, ONS, 2012

GTV6 covers the most entrepreneurial part of Britain, with 65.6 new firms formed for every 10,000 residents, well above the national rate of 54.0. London ranks first among LEPs, but GTV6 LEPs rank 2<sup>nd</sup>, 3<sup>rd</sup>, 4<sup>th</sup>, 5<sup>th</sup>, 6<sup>th</sup> and 9<sup>th</sup>. There were 35,510 new firms formed in GTV6 in 2011, 15.3 per cent of the national total.

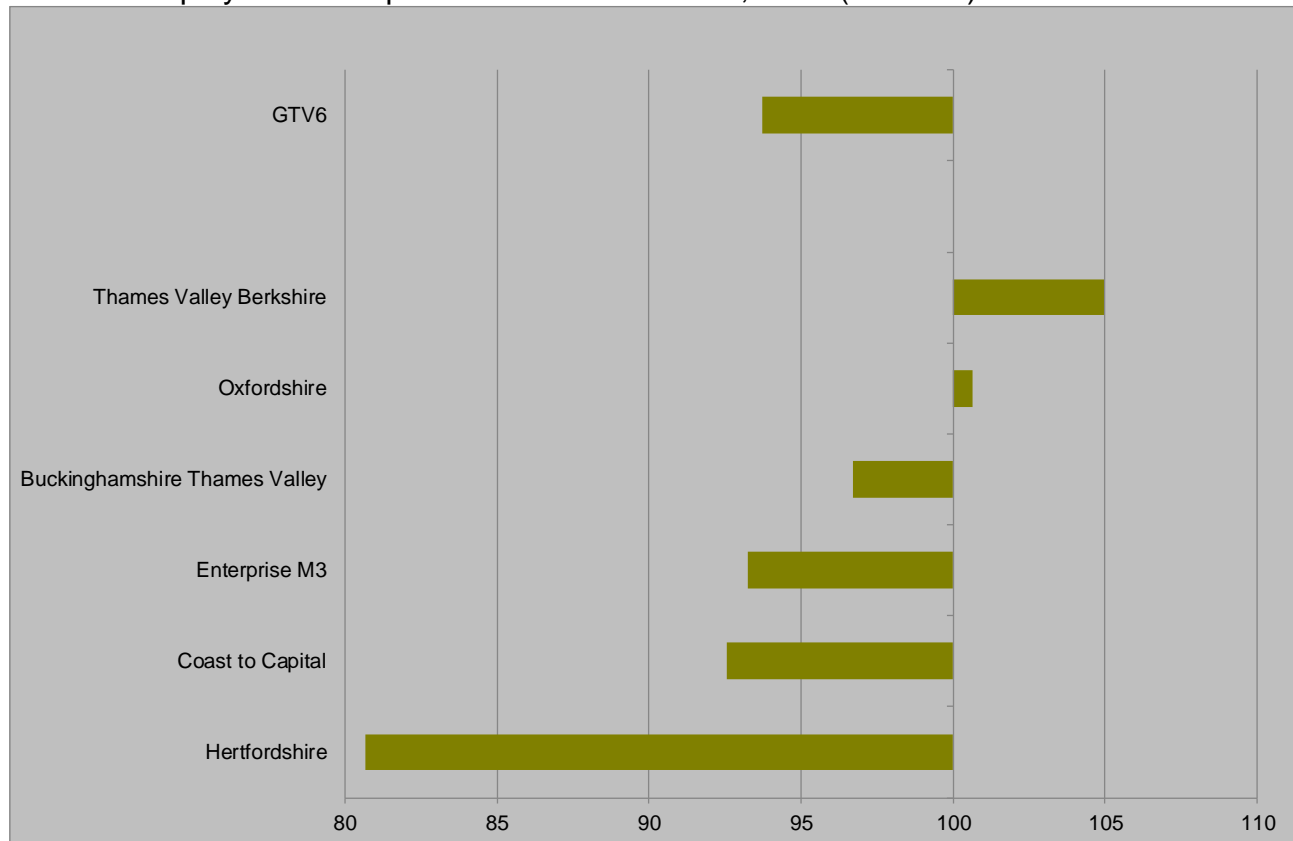
GTV6 has comparatively few workers employed in export-orientated sectors<sup>2</sup>, with only Thames Valley Berkshire exceeding the national level but ranking only 15<sup>th</sup> among the 39 LEPs. Coast to Capital and Hertfordshire ranked 33<sup>rd</sup> and 38<sup>th</sup> respectively on this measure. Forecast changes in industrial structure are presented in Chart 20 at the end of this report.

<sup>2</sup> Using the definition used by the LEP Network:

<http://www.lepnetwork.org.uk/assets/files/FINAL%20LEP%20Network%20Annual%20Report%20into%20LEP%20Area%20Economies%202012.pdf>

When considered by local authority the GTV6's strongest performances were recorded in West Berkshire with 24.2 per cent of all employment in export-orientated sectors to rank 27<sup>th</sup> in Great Britain, ahead of Crawley (also 24.2 per cent, 28<sup>th</sup>), South Oxfordshire (23.3, 38<sup>th</sup>) and Reigate and Banstead (22.2, 50<sup>th</sup>). Epsom and Ewell (8.8 per cent, 367<sup>th</sup>), Tandridge (9.1, 363<sup>rd</sup>), Watford (9.7, 357<sup>th</sup>) and St. Albans (9.9, 356<sup>th</sup>) are the least export-orientated.

Chart 5: Employment in export-orientated industries, 2011 (GB=100)



Source: BRES, ONS, 2012

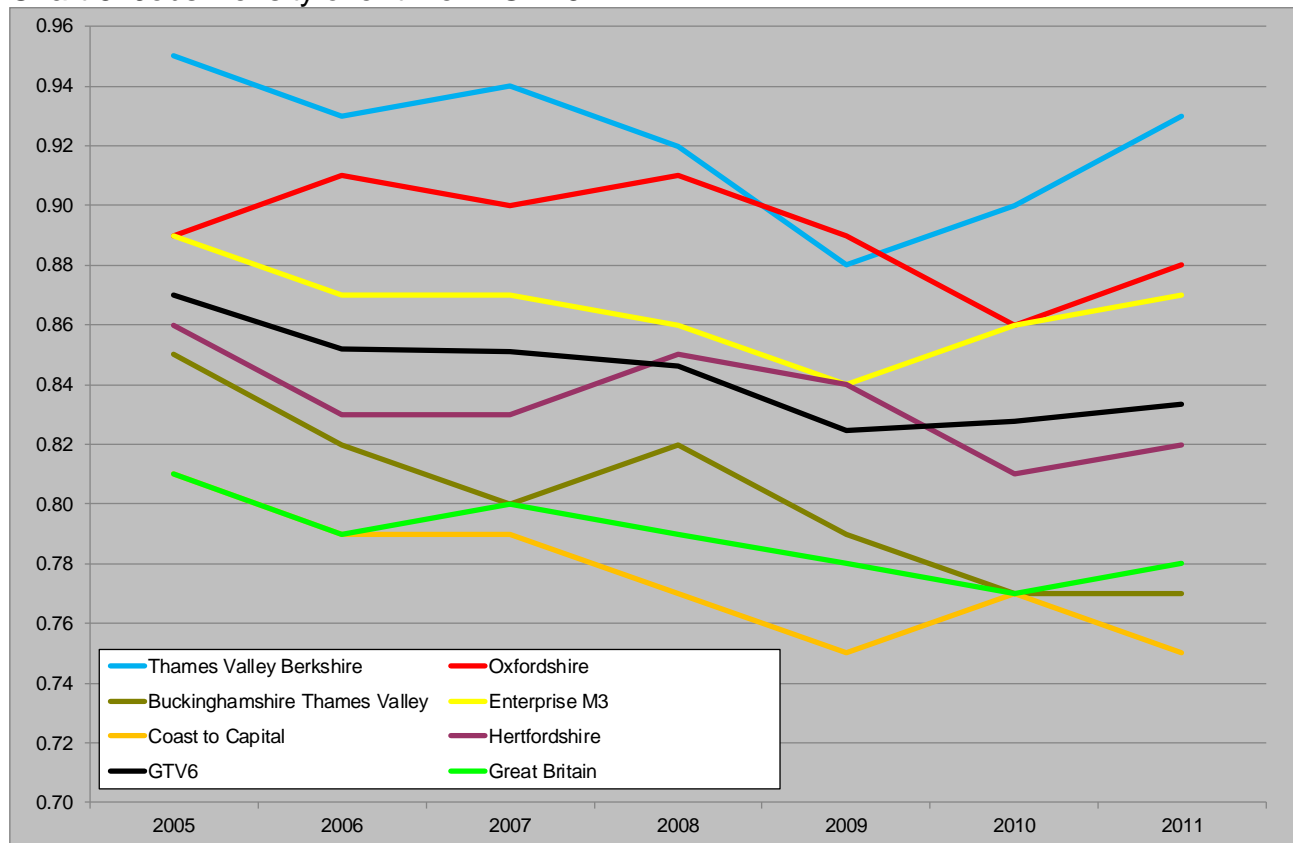
Slough has the sixth highest export potential in England according to Experian research published last year<sup>3</sup>. Other GTV6 authorities included in the top 50 include Vale of White Horse (20<sup>th</sup>), Welwyn Hatfield (21<sup>st</sup>), Crawley (22<sup>nd</sup>), Basingstoke and Deane (24<sup>th</sup>) and Wycombe (29<sup>th</sup>). For currently exporting businesses, Experian ranked 19 GTV6 Area local authorities in the England top 50, led by Bracknell Forest (3<sup>rd</sup>), Slough (6<sup>th</sup>) and Runnymede (8<sup>th</sup>).

The number of jobs per working age resident has fallen across GTV6 Area since 2000, however at 0.83 jobs density in GTV6 remains well above the 0.78 jobs per working age resident recorded across the country as a whole. Thames Valley Berkshire has the highest jobs density of any LEP at 0.93, with Oxfordshire tied with London at 0.88 to rank 2<sup>nd</sup> and Enterprise M3 ranking joint 5<sup>th</sup> (0.87). Hertfordshire ranks 9<sup>th</sup> (0.82) with Buckinghamshire ranking only 23<sup>rd</sup>, slightly below the national level at 0.77 and Coast to Capital ranking 26<sup>th</sup> (0.75). Tees Valley and Liverpool City Region have the lowest jobs densities among LEPs, both having 0.66 jobs for every working age resident.

<sup>3</sup> See [http://news.bbc.co.uk/1/shared/bsp/hi/pdfs/15\\_03\\_12experian.pdf](http://news.bbc.co.uk/1/shared/bsp/hi/pdfs/15_03_12experian.pdf)



Chart 6: Jobs Density over time in GTV6

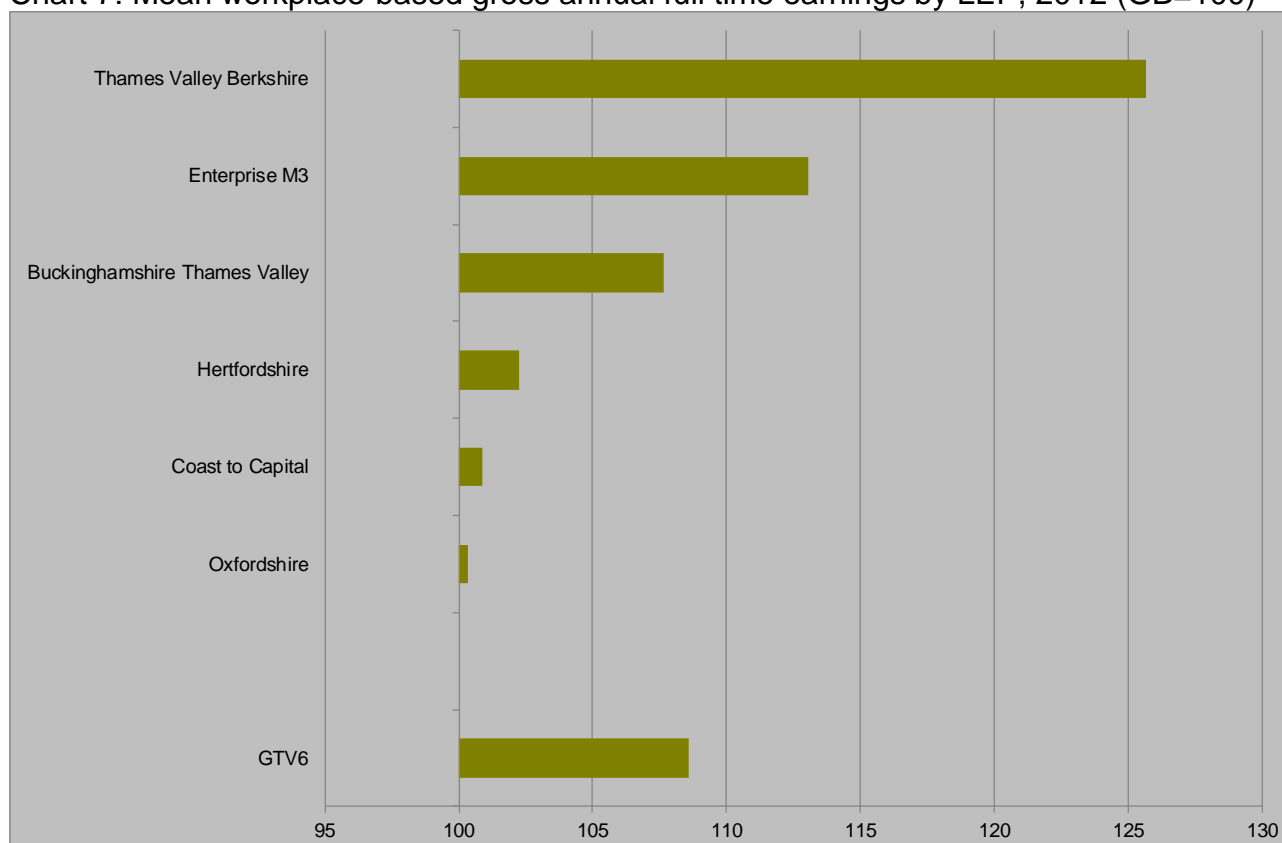


Source: Jobs Density, ONS, 2013

## 5.0 Earnings

At £35,700, mean gross full-time annual earnings for those working in the GTV6 area are 8.6 per cent higher than for the country as a whole. Five local authority areas from GTV6 rank in the top 10 of all 380 in the UK, including Runnymede and Windsor and Maidenhead, where annual earnings of £48,465 and £48,410 respectively are the 5<sup>th</sup> and 6<sup>th</sup> highest in Great Britain and the highest outside central London.

Chart 7: Mean workplace-based gross annual full time earnings by LEP, 2012 (GB=100)



Source: ASHE, ONS, 2012

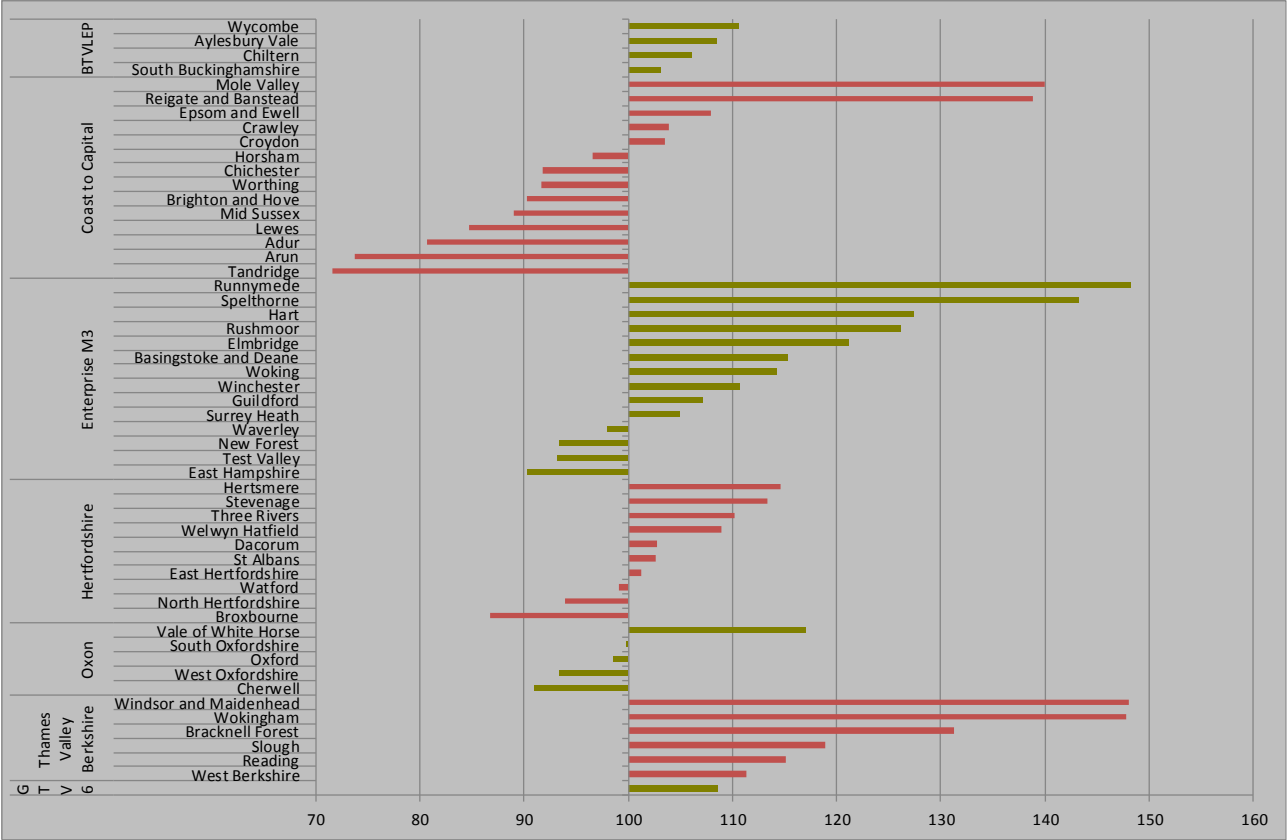
Of the 100 local authorities in Great Britain with the highest mean annual earnings, 36 are in GTV6, including 25 in the top 50.

Despite the overall strength of earnings in GTV6, 20 of the 53 local authority districts have annual earnings below the national mean of £32,864, most notably in Tandridge and Arun, where earnings of £23,419 and £24,114 rank them 368<sup>th</sup> and 358<sup>th</sup> of the 380.

Across the GTV6 area, 51.6 per cent of residents work in managerial, professional and technical occupations (SOCs 1-3), providing a body of highly skilled workers to benefit local companies<sup>4</sup>. The area is particularly well represented for managerial workers as shown in Chart 9 below.

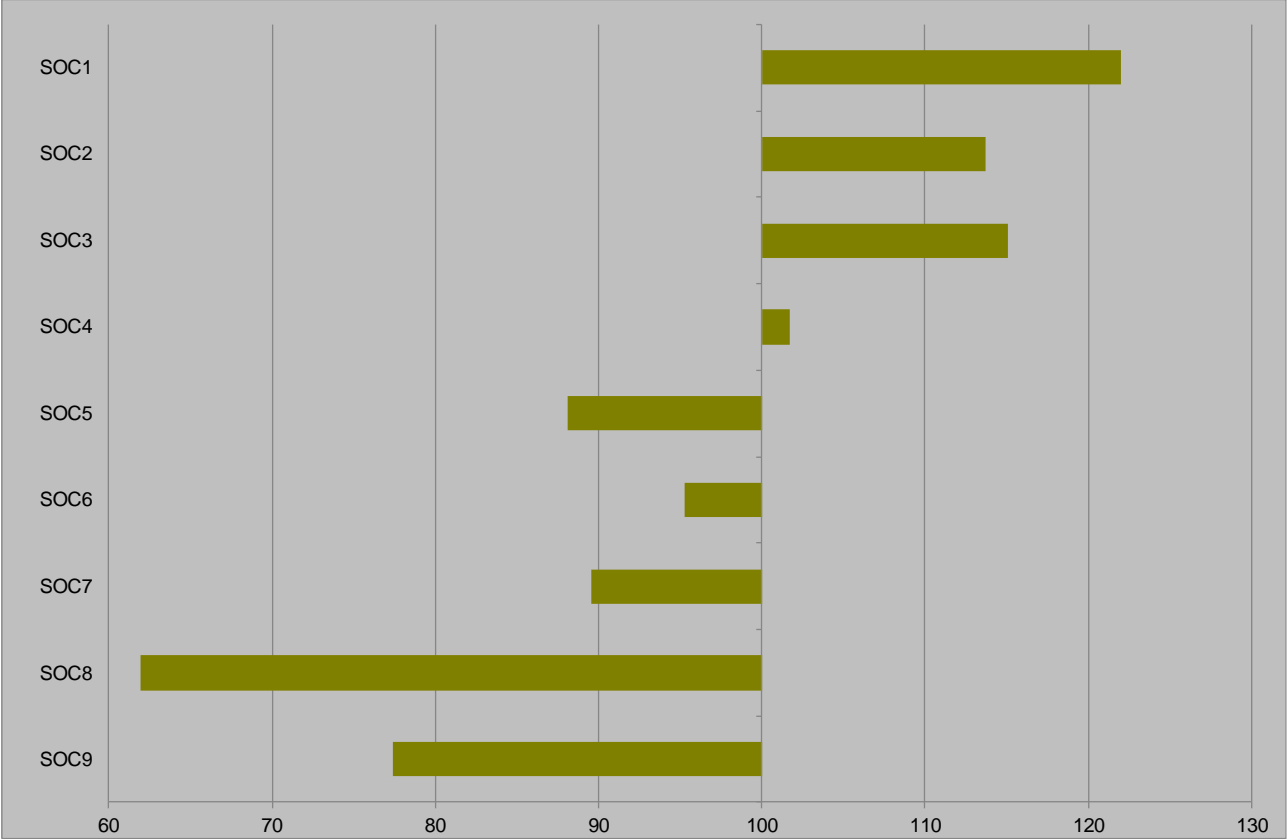
<sup>4</sup> For more detail on the Standard Occupational Classification see: <http://www.ons.gov.uk/ons/guide-method/classifications/current-standard-classifications/soc2010/soc2010-structure--excel-download.xls>

Chart 8: Mean workplace based gross annual full time earnings, 2012 (GB=100)



Source: ASHE, ONS, 2012

Chart 9: Comparative occupational structure, year ending December 2012 (England=100)



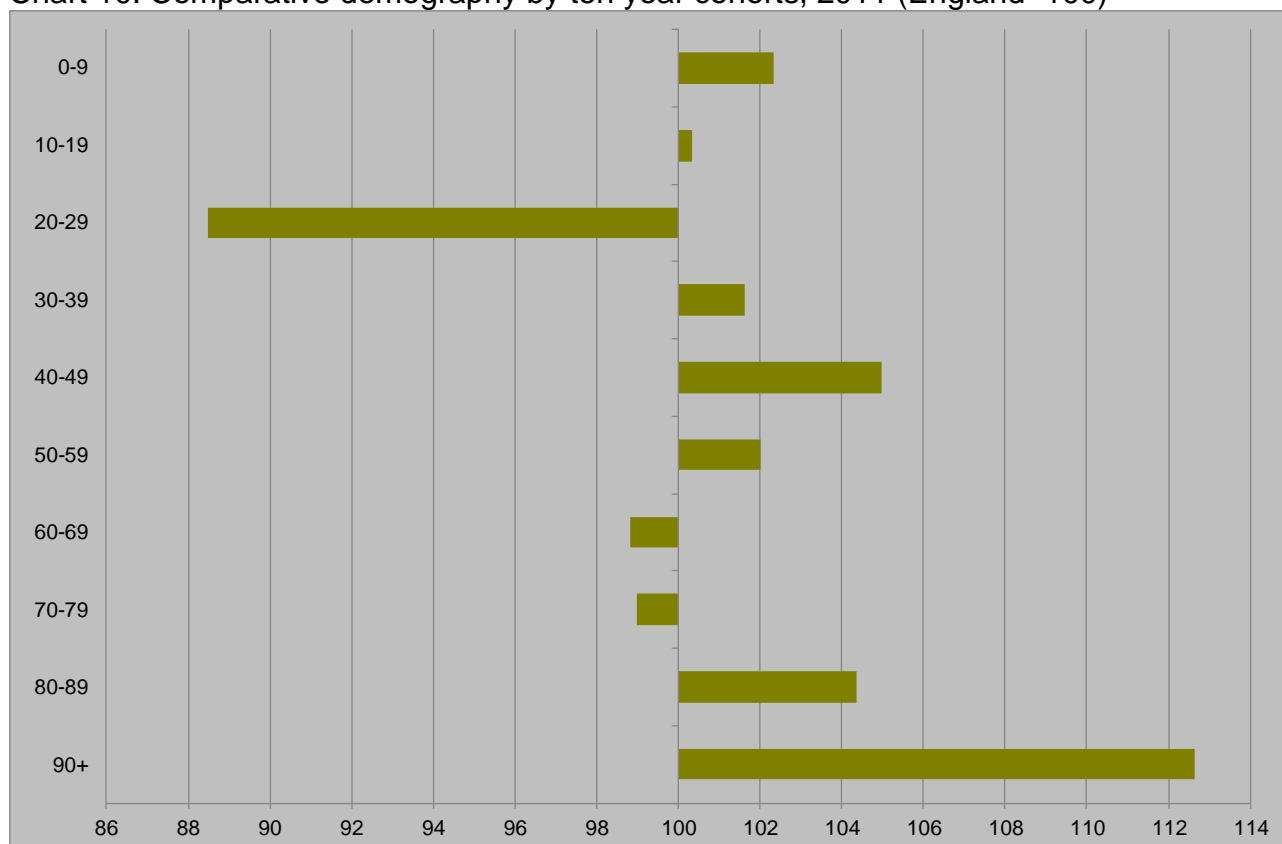
Source: APS, ONS, 2013

## 6.0 Demography

From 2001 to 2011 the population of GTV6 grew by 7.4 per cent to stand at 6.71 million, matching the rate of growth recorded across England as a whole. GTV6 roughly matches the national demographic profile with 64.1 per cent of residents being of working age, 19.3 per cent aged 0-15 and 16.6 per cent aged 65 and over.

However there are marked differences in demography when considered by ten year cohort. Although GTV6 has 810,400 residents in their twenties, this is only 12.1 per cent of the total population. Across England, residents in their twenties make up 13.7 per cent of the total. To match the national profile, GTV6 would need an extra 108,200 residents in this cohort. However, GTV6 is over-represented in the 30-39, 40-49 and 50-59 cohorts as shown in Chart 10 below.

Chart 10: Comparative demography by ten year cohorts, 2011 (England=100)



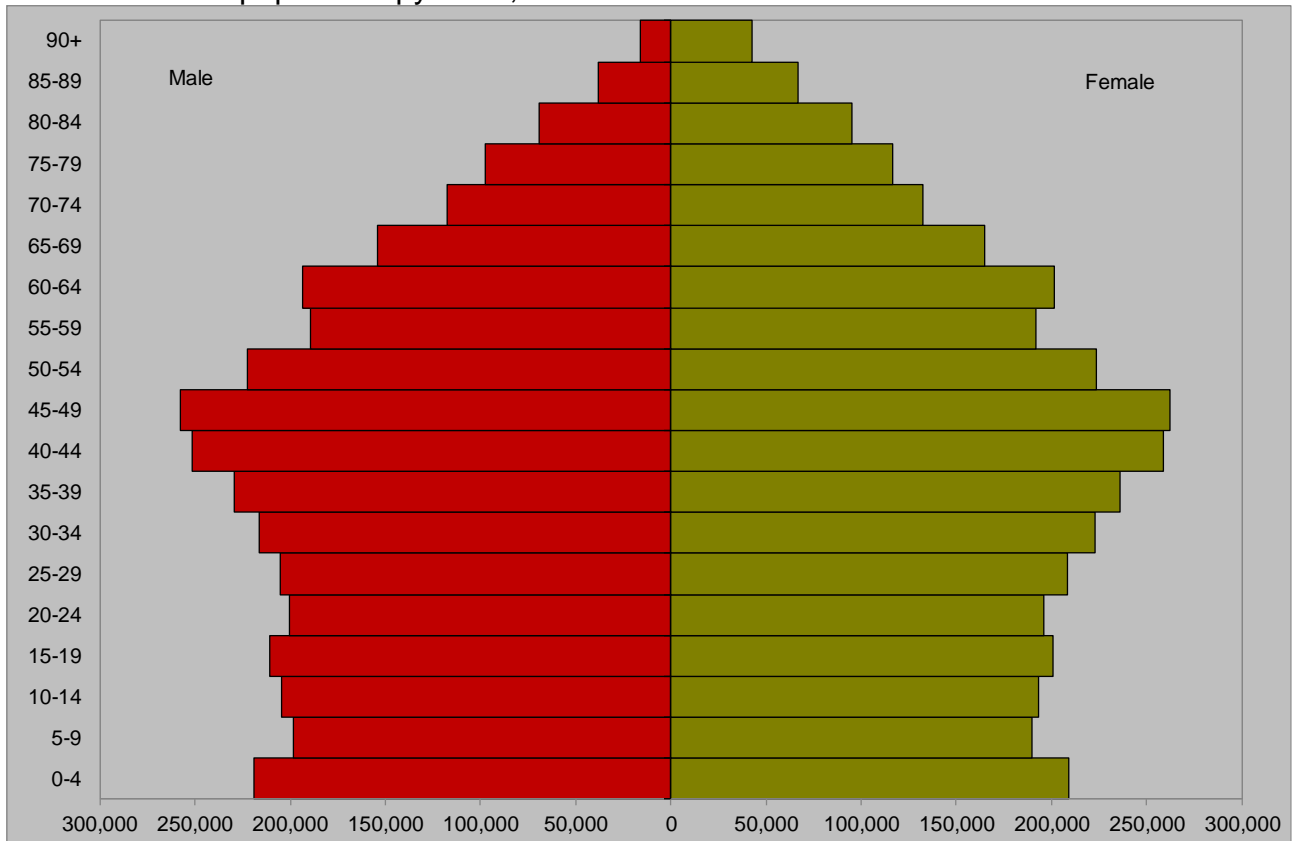
Source: Interim SNPP, ONS, 2013

By 2021, GTV6's population is projected to have reached 7,335,436. Of those extra 629,814 residents, 178,969 will be aged 0-15 and 283,204 will be 65 or over, with only 167,641 being of working age (or 26.6 per cent of the total projected increase). These changes will see the proportion of working age residents fall to 60.9 per cent of the total, below the 61.7 per cent projected for England as a whole.

The fall in the proportion of working age residents is driven by a rising share of young people (0-15) and particularly of those over the current retirement age, with the number of GTV6 residents aged 65 and over projected to increase by 45 per cent.

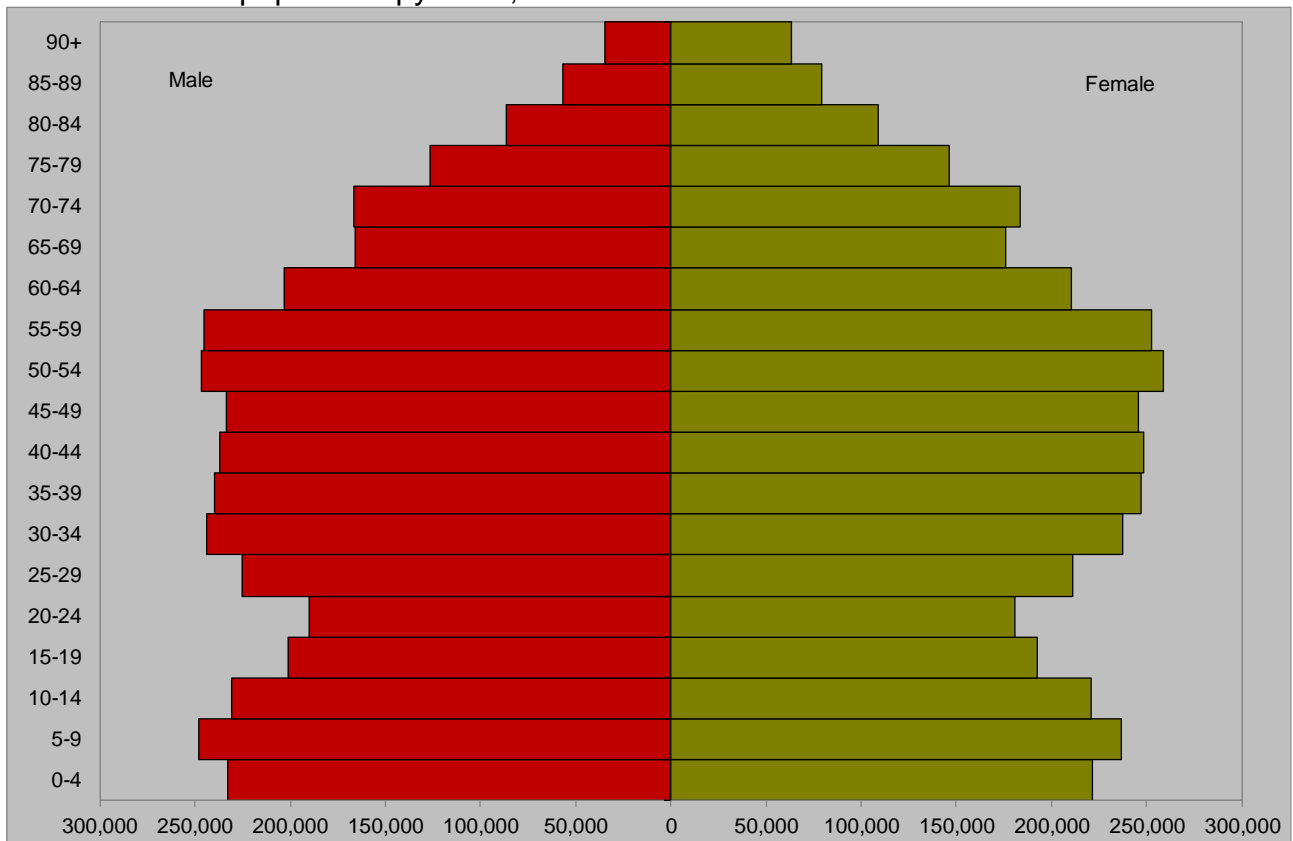
The populations pyramids for 2010 and 2021 are presented in charts 11 and 12 below. These show that while the population is increasing there will be reductions in the number of residents aged 15-19, 20-24, 40-44 and 45-49.

Chart 11: GTV6 population pyramid, 2011



Source: Interim SNPP, ONS, 2013

Chart 12: GTV6 population pyramid, 2021

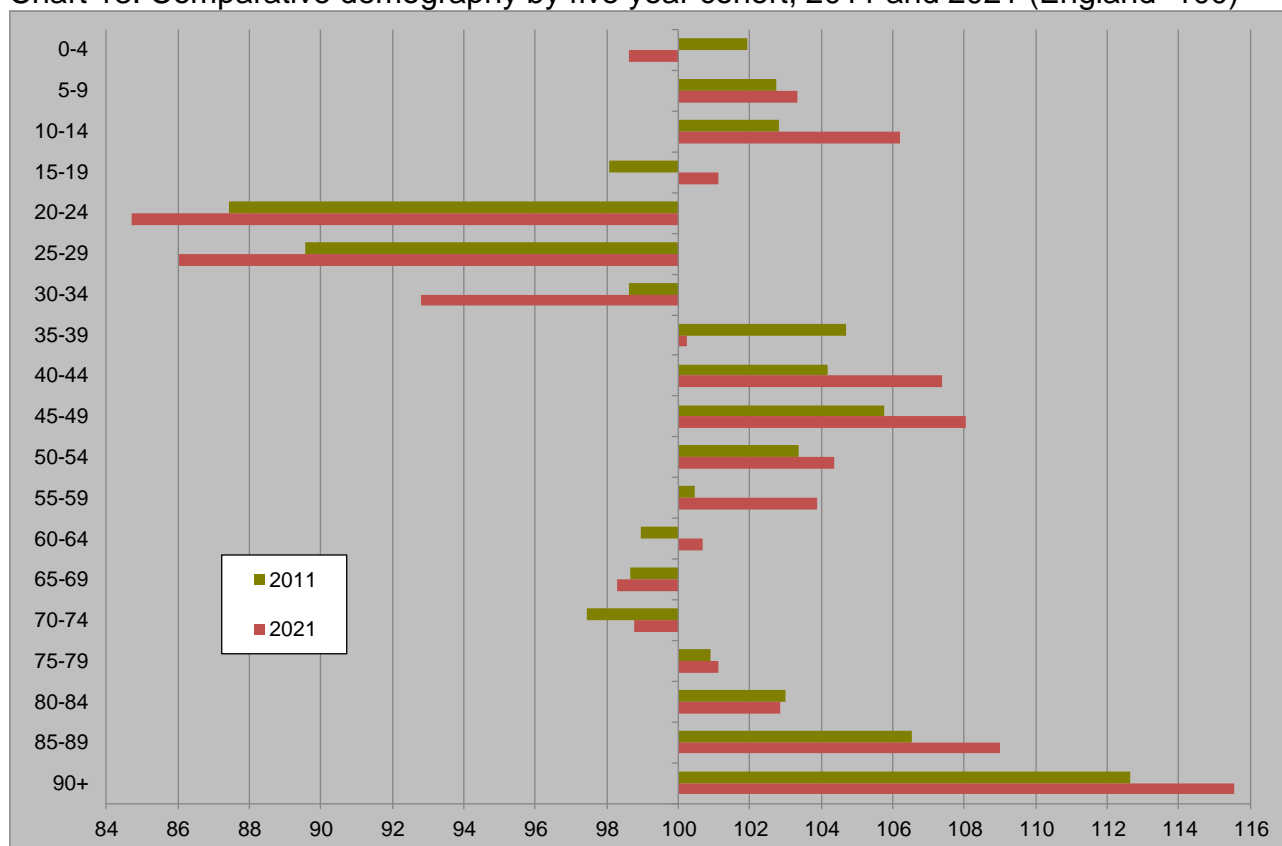


Source: Interim SNPP, ONS, 2013



The effect of these changes will be for GTV6 to become further underrepresented in residents in their twenties and thirties but an increased overrepresentation of those in their forties, fifties, seventies and eighties, as well as those aged from five to 19.

Chart 13: Comparative demography by five year cohort, 2011 and 2021 (England=100)



Source: Interim SNPP, ONS, 2013

## 7.0 Education and Skills

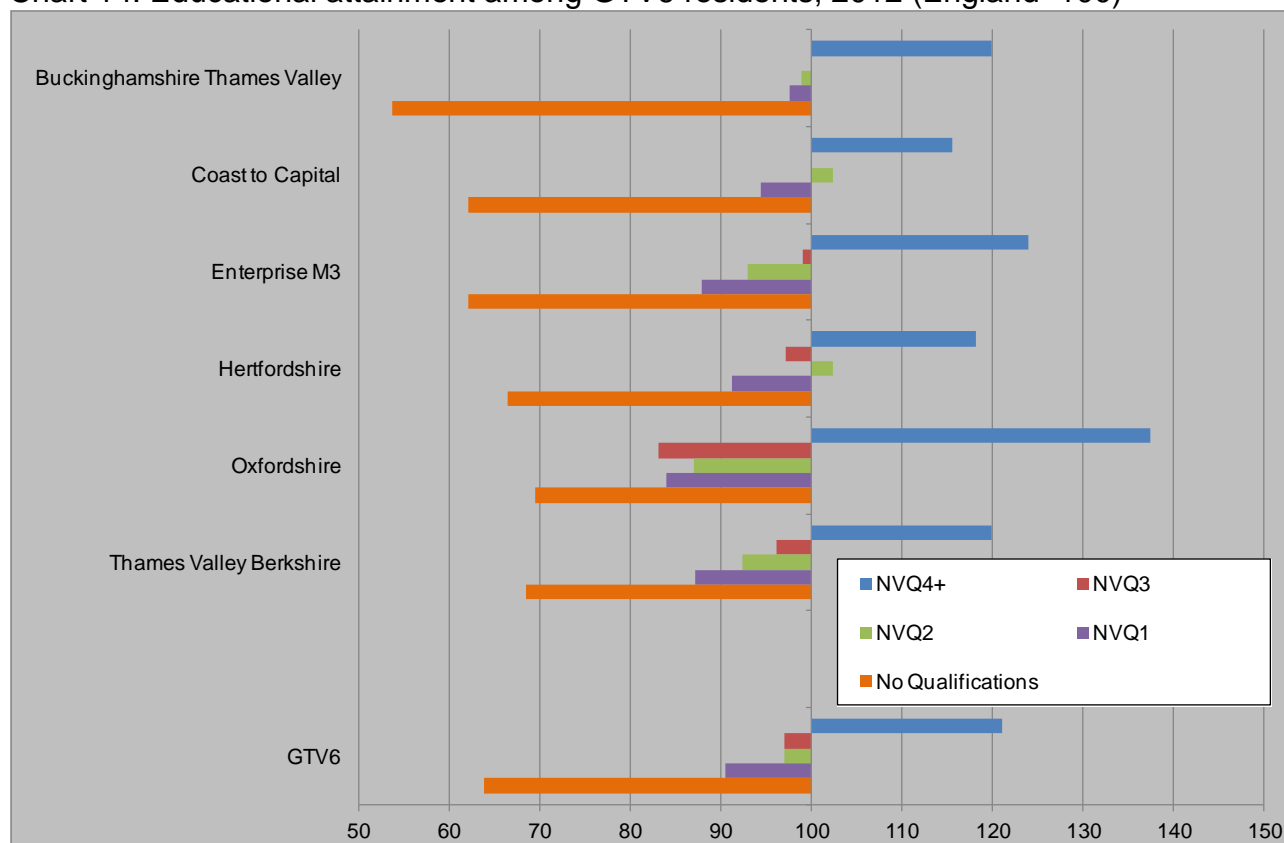
Across the country as a whole, 34.2 per cent of working age residents hold degree level qualifications, compared to 40.4 per cent across GTV6. This national level is exceeded in all GTV6 LEPs, with percentages ranging from 47.0 per cent in Oxfordshire to 39.5 per cent in Coast to Capital, ranking 2<sup>nd</sup> through 7<sup>th</sup> among the 39 LEPs, behind London.

Only 6.1 per cent of GTV6 residents hold no qualifications, well below the 9.7 per cent recorded across England, with GTV6 LEPs ranking 1<sup>st</sup>, 2<sup>nd</sup>, 3<sup>rd</sup>, 5<sup>th</sup>, 6<sup>th</sup> and 7<sup>th</sup> on this measure.

Of GTV6's 53 districts, 45 exceed the national level of graduates, including Oxford, Epsom & Ewell, Hart, St Albans, Chiltern and Elmbridge who all rank among the national top 20. By contrast, less than 30 per cent of residents in Adur, Crawley, Arun and Broxbourne hold degree level qualifications.

The strength in degree level attainment means there is a comparative shortage of residents with intermediate and low level skills as shown in Chart 14 below. These are commonly reported as hard to fill vacancies in national skills surveys – and in the recent Buckinghamshire Skills Study – and may pose a challenge to business operating in GTV6.

Chart 14: Educational attainment among GTV6 residents, 2012 (England=100)



Source: APS, ONS, 2013

There are 162,870 higher education students studying at one of the eleven universities located in the GTV6 area, including 40,775 postgraduate students. This represents 8.6 and 7.5 per cent respectively of total students studying in England, giving GTV6 a small student body relative to its total population. The rankings of the area's universities range from 2<sup>nd</sup> of the 125 in the UK for the University of Oxford and 21<sup>st</sup> for the University of Surrey to Buckinghamshire New University's 116<sup>th</sup> on the Sunday Times University Guide 2013, with Royal Holloway, Reading, Sussex and Oxford Brookes all making the top 50. Oxford, Sussex, Royal Holloway and Reading all featuring in the world's top 200 Universities 2012/13 according to Times Higher Education.

All eleven universities have more full-time than part-time undergraduates, but Buckinghamshire New University, the University of Hertfordshire, Oxford Brookes, the University of Brighton and the University of Winchester all have more part-time than full-time postgraduates suggesting greater exposure to work among postgraduates at those institutions.

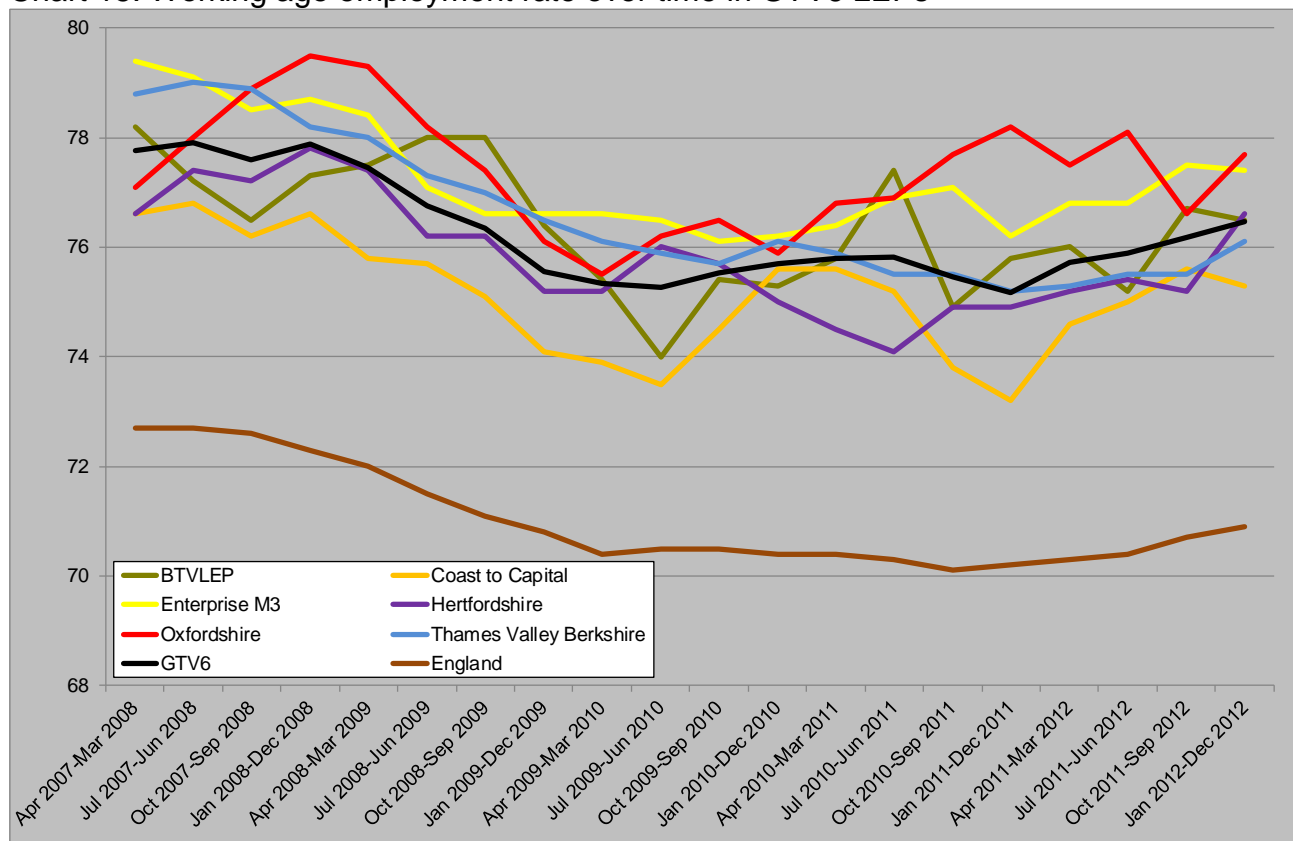
## 8.0 Employment and Unemployment

At the national level the number of people in work has risen by 322,265 since the start of the recession, including 289,587 aged 65 or over. The number of working age people in employment has risen 32,688, or 0.1 per cent, while the total number of people of working age has risen 1.5 per cent. This has seen the working age employment rate fall from 72.7 per cent in Q1 2008 to 71.1 per cent in Q1 2013. Unemployment has risen 682,052 since the start of the recession.

Across GTV6 the employment rate has fallen from 77.8 to 76.5 per cent. Despite this fall there are now 32,600 more people in work in GTV6 than at the start of the recession. This represents a rise of 1.0 of per cent, compared to a fall of 0.3 per cent across England.

As shown in Chart 15 below, the employment rate in the GTV6 Area is markedly above the national rate. The GTV6 LEPs have the 1<sup>st</sup>, 2<sup>nd</sup>, 3<sup>rd</sup>, 5<sup>th</sup>, 7<sup>th</sup> and 11<sup>th</sup> highest employment rates of any of the 39 LEPs. If it was a single LEP, the GTV6 area would rank joint first with Gloucestershire of all LEPs on this measure.

Chart 15: Working age employment rate over time in GTV6 LEPs



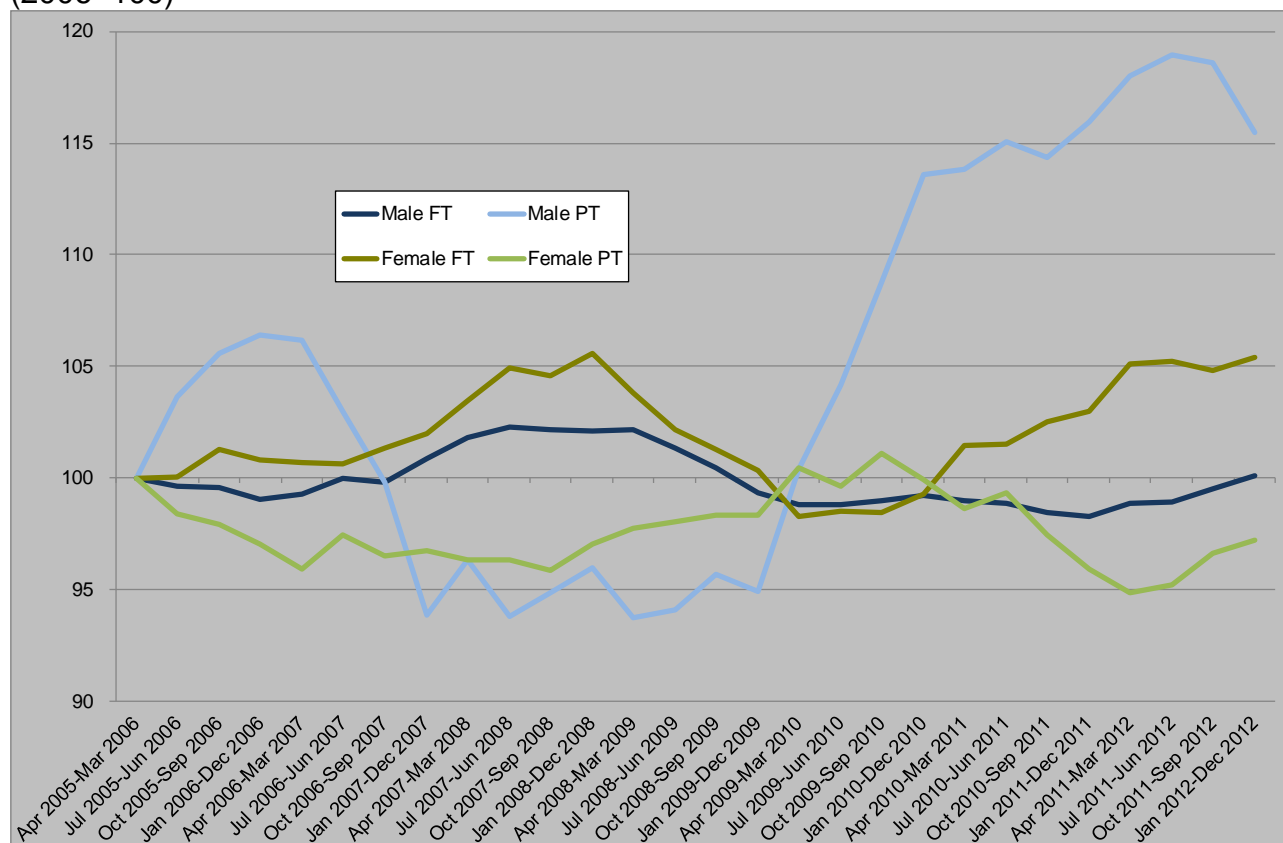
Source: APS, ONS, 2013

Although the employment rate for residents has remained well above the national rate there have been marked changes in the labour market. The resilience of the employment rate being dependent on a marked increase in the number of people now working part-time.

The labour market in GTV6 area can be expected to have undergone similar changes to those seen across the country as a whole. Since January 2008, the number of employees has fallen 111,829 while self-employment has increased by 379,775. Of the new self-employed, 281,214 are working part-time, compared to 124,458 working full time. The number of employees employed full-time has fallen 393,042 since the start of the recession, with the number employed part-time rising 281,214, seeing underemployment rise 979,522 to over 3 million.

The underemployment experienced across the country since the start of the recession<sup>5</sup> has been felt across GTV6. Chart 16, below, shows that across the GTV6 area, part-time and full time employment have both increased since 2006 and since the start of the recession. There have been marked changes within the labour market during that time with increases in male part-time and female full-time employment as male full-time and female part-time employment has fallen. The number of men in part-time employment has risen 31,200 to 182,300 since the start of the recession, while full time employment for men has fallen 5,500 and for women full-time employment has increased by 33,900 as part-time work has fallen by 7,100.

Chart 16: Full-time and part-time work for working age residents over time in GTV6 (2006=100)



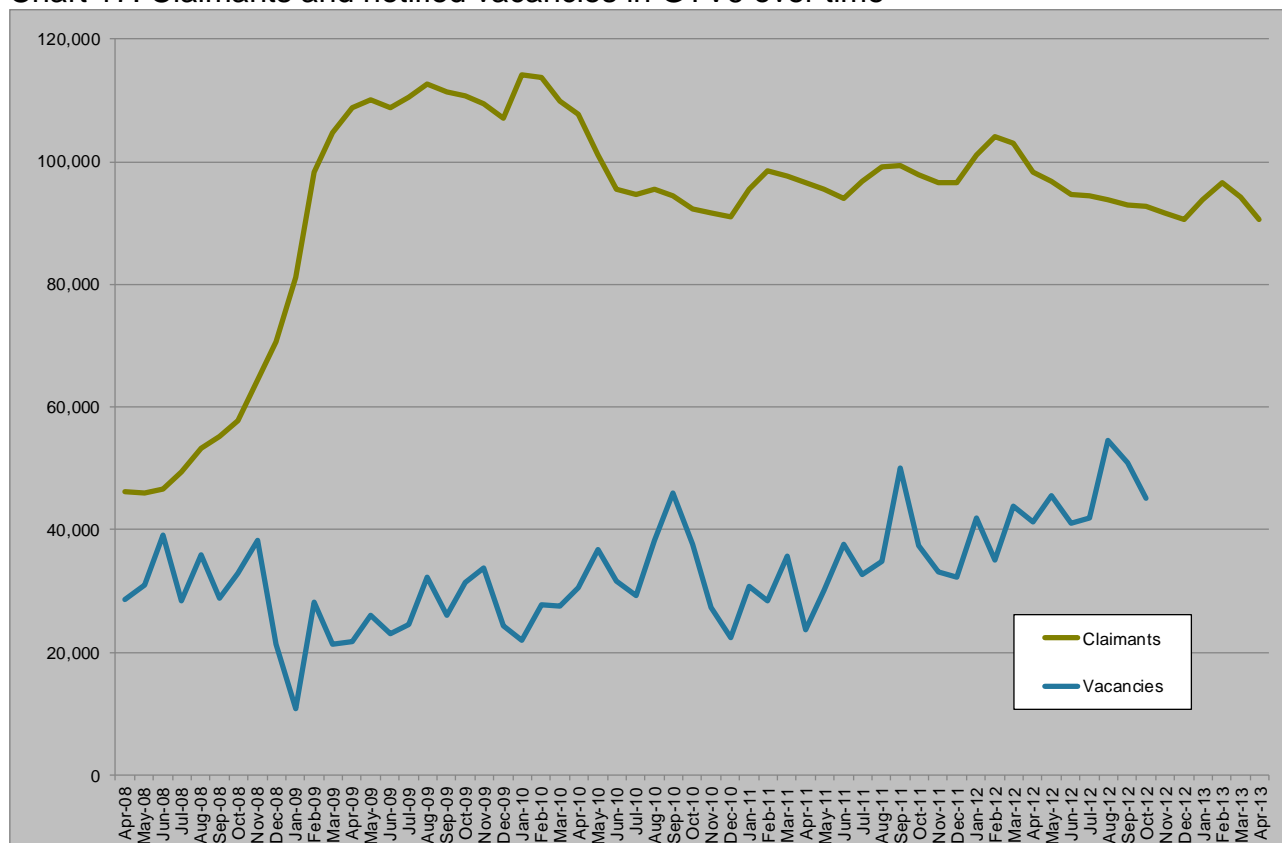
Source: APS, ONS, 2013

At 2.1 per cent of working age residents, or 90,570 people, the GTV6 claimant count has almost doubled since the start of the recession (rising 96.0 per cent), but remains well below the 3.7 per cent recorded across the country as a whole. Women now account for 36.3 per cent of all claimants in GTV6, up from 29.0 per cent in April 2008.

By occupation the most marked change has been among those looking for work as sales and retail assistants, increasing by 14,540 to account for 22.9 per cent of all claimants, having been 13.9 per cent before the recession. Claimants seeking work in this occupation represent almost a third (32.9 per cent) of the increase in claimants since the start of the recession.

<sup>5</sup> See for example Walling & Clancy (2010) <http://www.ons.gov.uk/ons/rel/elmr/economic-and-labour-market-review/no--2--february-2010/underemployment-in-the-uk-labour-market.pdf>

Chart 17: Claimants and notified vacancies in GTV6 over time



Source: DWP, 2013

At 3.9 per cent the claimant count rate for residents aged 18-24 across the GTV6 area is well below the national rate of 6.7 per cent, however, this still represents 20,390 young people claiming Job Seekers' Allowance, an increase of 69.3 per cent, or 8,345 people, over pre-recession levels.

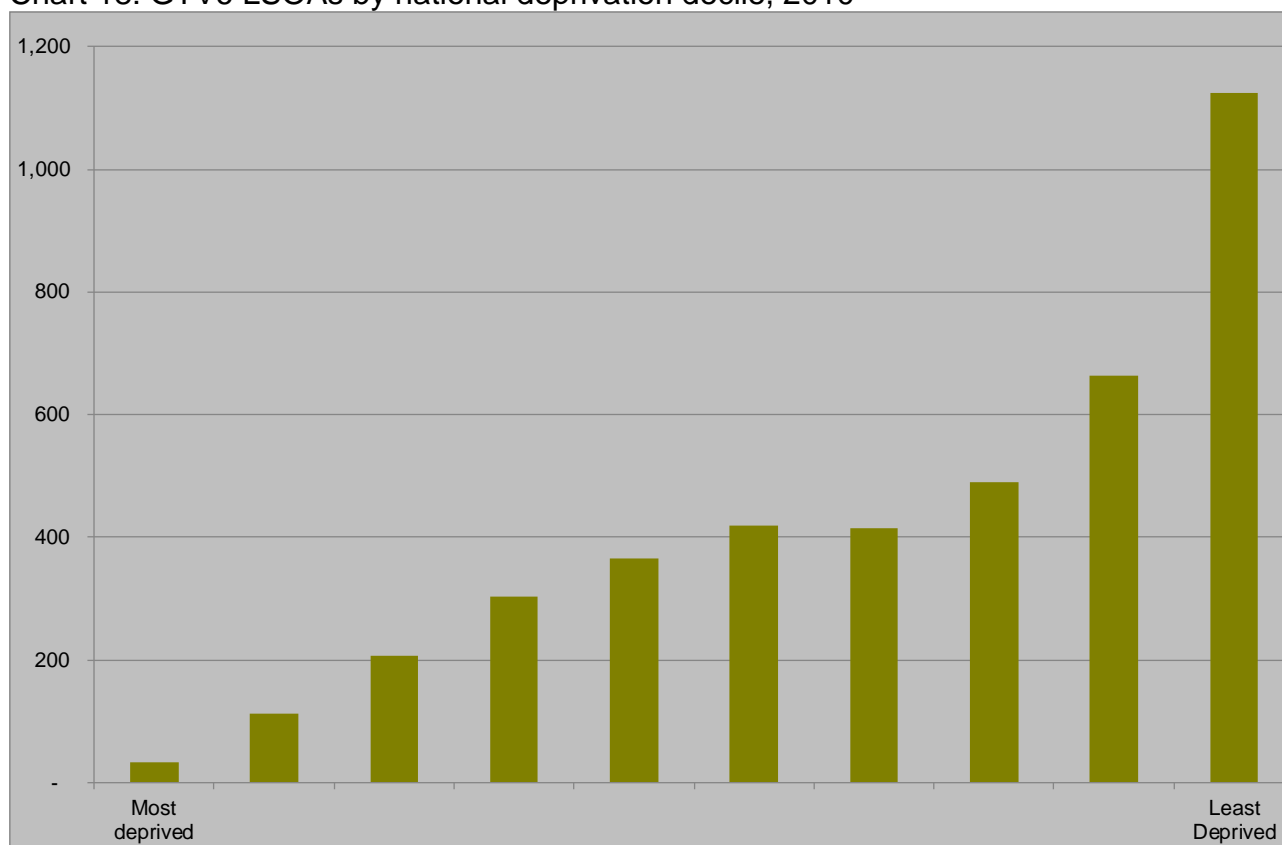


## 9.0 Deprivation

There is comparatively little deprivation in GTV6. Of the 4,132 Lower Level Super Output Areas (LSOAs) in GTV6, just 34 (0.8 per cent) fall within the most deprived decile in England (each made up of 3,248 LSOAs) on the index of multiple deprivation, while 1,124 (or 27.2 per cent) are among the least deprived decile. Exactly half of GTV6 LSOAs are among England's least deprived quartile.

All of GTV6's 20 most deprived LSOAs are in Coast to Capital, 15 in Brighton & Hove, four in Croydon and one in Adur. Slough, Rushmoor, Arun and Oxford also have LSOAs in England's most deprived decile. GTV6 includes 17 of the 20 least deprived LSOAs in England and 67 of the top 100 including all of the top 10.

Chart 18: GTV6 LSOAs by national deprivation decile, 2010



Source: DCLG, 2011

In contrast, 28 per cent of the Liverpool City Region's LSOAs (479 of 1,299) are among the country's most deprived decile and over 22 per cent in the Black Country.

On the alternative measure of economic deprivation, GTV6 has 38 LSOAs among England's most deprived decile and 1,047 in the least deprived decile.

Despite having comparatively low deprivation, 84 of GTV6's 1,151 wards have claimant count rates above the national rate of 3.7 per cent (April 2013) and more than 10 per cent of households are in fuel poverty<sup>6</sup>.

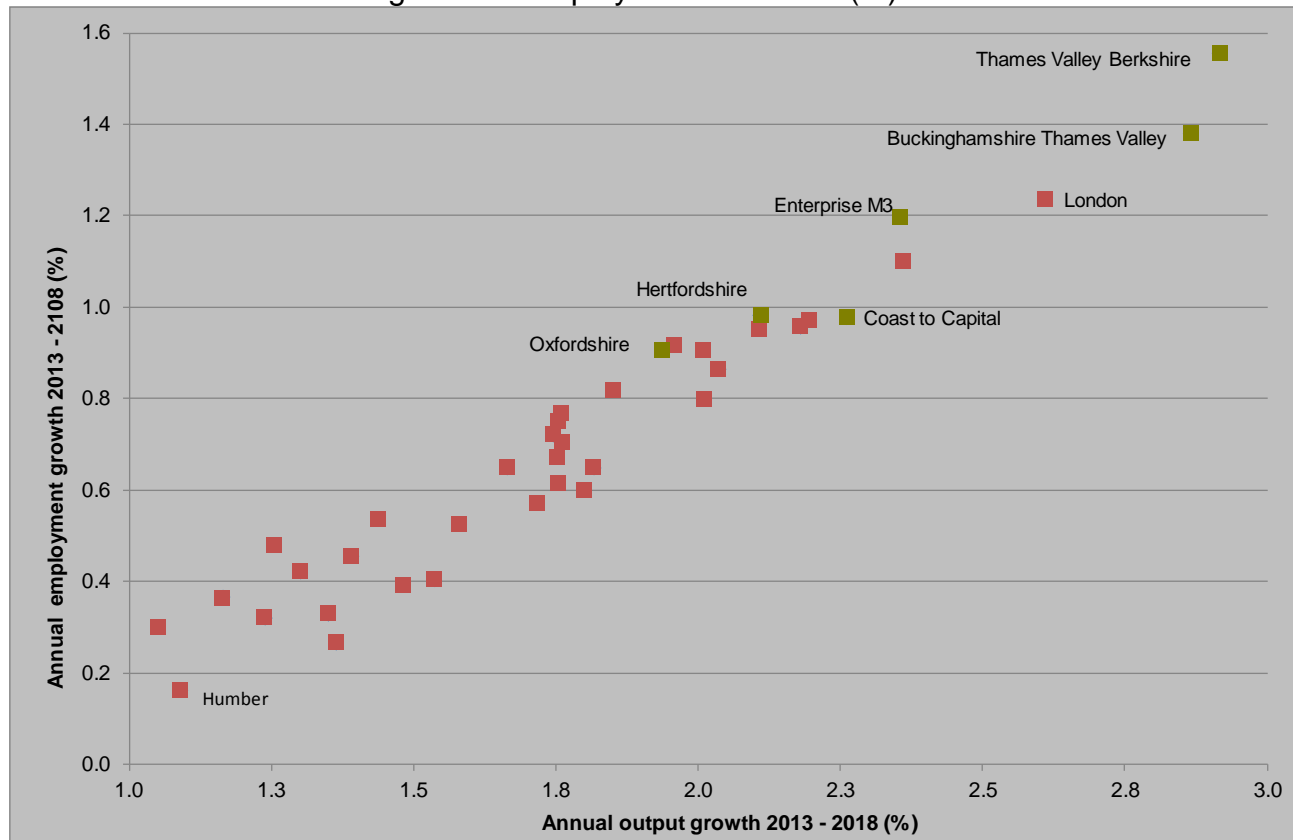
<sup>6</sup> See <https://www.gov.uk/government/publications/2011-sub-regional-fuel-poverty-data>

Despite the presence of the Chiltern Hills and East Hampshire Areas of Outstanding Natural Beauty and the New Forest, 77.9 per cent of wards in the GTV6 area are classified as urban. Among the 39 LEPs, Oxfordshire ranks 6<sup>th</sup> with only 57.6 per cent of wards being urban, ahead of Buckinghamshire (12<sup>th</sup>, 68.4 per cent) and Enterprise M3 (18<sup>th</sup>, 76.0 per cent). Coast to Capital, Thames Valley Berkshire and Hertfordshire all have over 80 per cent of wards classified as urban to rank 27<sup>th</sup>, 29<sup>th</sup> and 31<sup>st</sup> respectively. Cumbria is the most rural LEP and London and the Black Country the most urban.

## 10.0 Forecasts

The economic strength set out earlier in this report is expected to become further entrenched with GTV6 forecast to experience stronger growth in both employment and output than the country as a whole. While national GVA is forecast to rise 2.0 per cent per annum from 2013 to 2018, across GTV6, Experian forecast annual growth of 2.4 per cent for GTV6 and employment growth of 1.1 per cent per annum compared to 0.8 per cent across the UK. The performance of the GTV6 compared to all LEPs is presented in Chart 19 below.

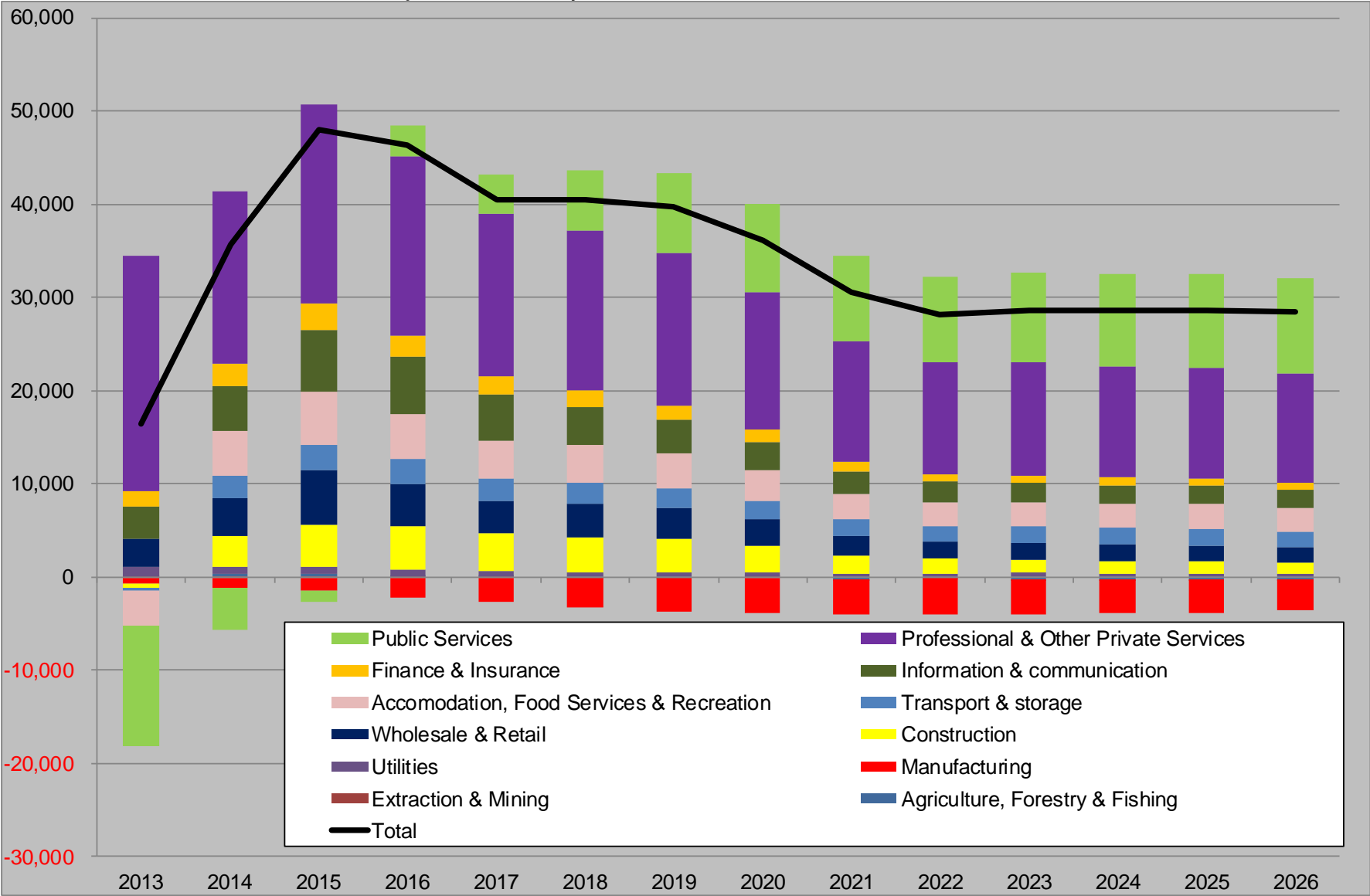
Chart 19: Forecast annual growth in employment and GVA (%) to 2018



Source: Local Markets Forecast, Experian©, May 2013

By 2018, employment across GTV6 is forecast to have increased by 211,000. Professional and other private services will see the largest increase, rising by 93,500 ahead of information and communication (26,500) and accommodation, food service and accommodation (23,500). Manufacturing employment is forecast to fall 10,500.

Chart 20: Forecast additional annual jobs in GTV6 by broad sector to 2026



Source: Local Markets Forecast, Experian®, May 2013

