

Growth and Infrastructure Overview and Scrutiny Committee



Date of meeting: 08 November 2023
Title of Report: **Economic Intelligence and Insight**
Lead Member: Councillor Tudor Evans OBE (Leader)
Lead Strategic Director: Anthony Payne (Strategic Director for Place)
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Your Reference: GIOSC08/11/2023
Key Decision: No
Confidentiality: Part I - Official

Purpose of Report

To provide an update on economic trends for Plymouth, including key economic metrics linked to growth.

Recommendations and Reasons

To note the report.

Alternative options considered and rejected

No Alternative options considered and rejected; this is a paper for noting

Relevance to the Corporate Plan and/or the Plymouth Plan

Economic insight and intelligence helps inform sound decisions. This report provides an update on key trends and economic insight. This will directly contribute to the corporate plan objective to drive:

Green Investment, Jobs, Skills and better education.

Implications for the Medium Term Financial Plan and Resource Implications:

A prosperous and functioning economy for the city impacts on the Councils business rates and associated income. By monitoring economic trends, it will help the Council make informed financial decisions

Financial Risks

Carbon Footprint (Environmental) Implications:

Some economic growth can have a negative carbon impact. Not all growth is good growth, so it is important we gather insight and intelligence. The Council is focused on well paid jobs with high productivity which look to capitalise the economic growth in net zero opportunities. This report has no negative carbon foot print impacts.

Other Implications: e.g. Health and Safety, Risk Management, Child Poverty:

* When considering these proposals members have a responsibility to ensure they give due regard to the Council's duty to promote equality of opportunity, eliminate unlawful discrimination and promote good relations between people who share protected characteristics under the Equalities Act and those who do not.

The data provided includes data on equality and information on gender pay gap.

Appendices

*Add rows as required to box below

Ref.	Title of Appendix	Exemption Paragraph Number (if applicable) If some/all of the information is confidential, you must indicate why it is not for publication by virtue of Part 1 of Schedule 12A of the Local Government Act 1972 by ticking the relevant box.						
		1	2	3	4	5	6	7
A								
B								
C								

Background papers:

*Add rows as required to box below

Please list all unpublished, background papers relevant to the decision in the table below. Background papers are unpublished works, relied on to a material extent in preparing the report, which disclose facts or matters on which the report or an important part of the work is based.

Title of any background paper(s)	Exemption Paragraph Number (if applicable) If some/all of the information is confidential, you must indicate why it is not for publication by virtue of Part 1 of Schedule 12A of the Local Government Act 1972 by ticking the relevant box.						
	1	2	3	4	5	6	7

Sign off:

Fin	N/A	Leg	N/A	Mon Off	NA	HR	NA	Asset s	NA	Strat Proc	NA
Originating Senior Leadership Team member: Anthony Payne											

Please confirm the Strategic Director(s) has agreed the report? Yes

Date agreed: 25/10/2023

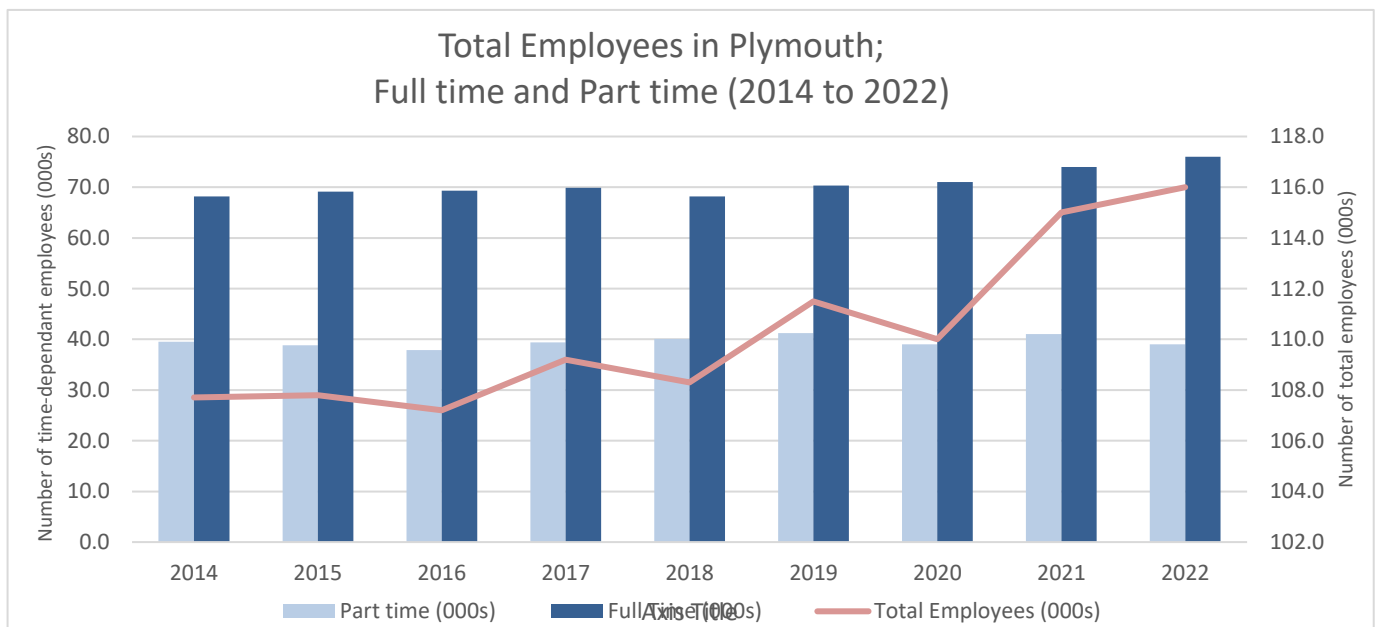
Cabinet Member approval: Councillor Tudor Evans OBE approved via email

Date approved: 27/10/2023

Plymouth Economic Intelligence Update



1.1. Plymouth Employment and Unemployment

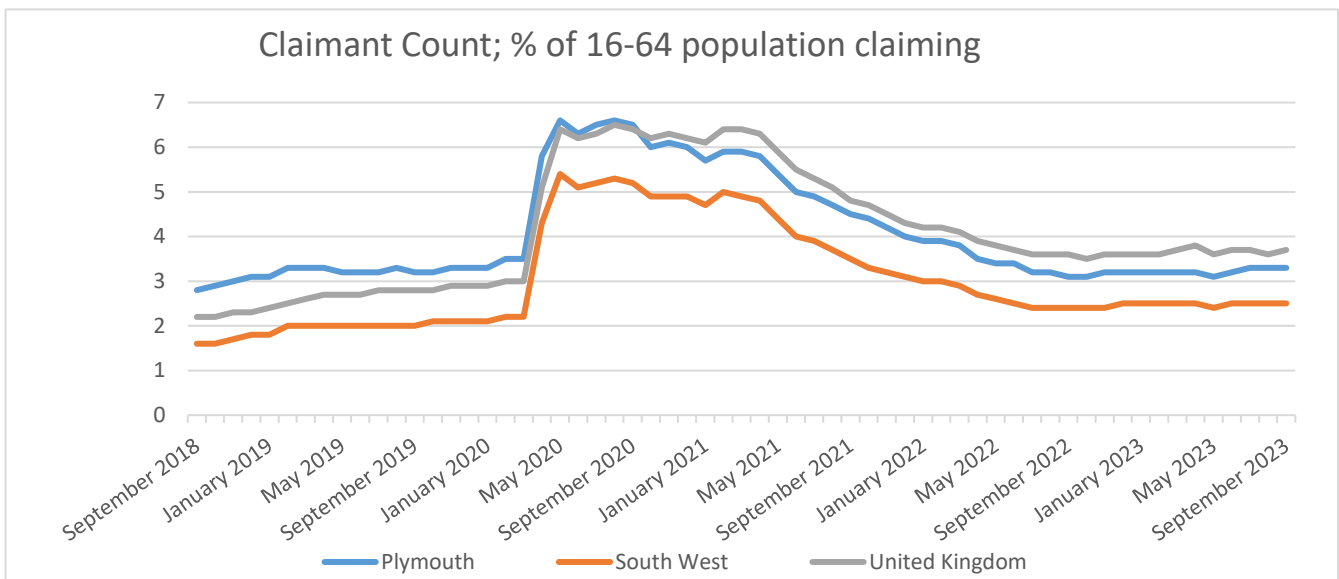


Historically, overall employee numbers in the city have been relatively stable. However, since 2018, there has been an upward growth trend; rising to 116,000 total employee jobs in the most recent 2022 data. The data shows evidence to suggest that this employment growth has been driven by changes in full-time numbers rather than part-time, with part-time numbers actually decreasing in 2022 despite the growth in total employment.

Year	Number of enterprises
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	Plymouth	UK
2010	4,920	2,100,370
2011	4,865	2,080,860
2012	4,970	2,149,185
2013	4,975	2,167,580
2014	5,330	2,263,645
2015	5,555	2,449,415
2016	5,690	2,554,510
2017	5,770	2,668,810
2018	5,680	2,669,440
2019	5,770	2,718,435
2020	5,915	2,674,520
2021	6,040	2,765,150
2022	6,300	2,767,700
2023	6,325	2,726,830

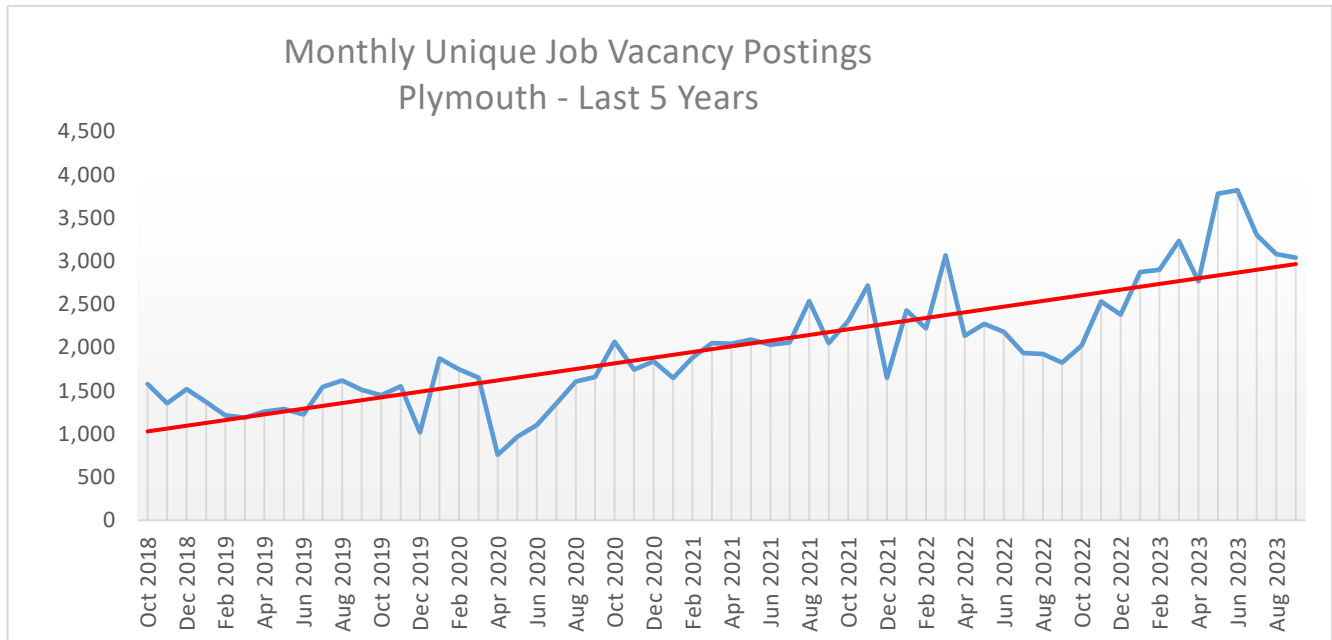
There has also been a marked increase in the total number of businesses across the city. Plymouth has approximately 6,325 businesses in 2023, up considerably from 2021 with 6,040. If we compare the businesses in 2023 to 2013, we can see the number in Plymouth has risen by 27%. The UK has seen growth of 25.8% over this same period.



The unemployment rate, as shown by the claimant count, has recovered strongly from the Covid-19 pandemic. Plymouth is now at an almost full-employment position with unemployment of only 3.3%. Nationally, we are seeing a similar picture with a very tight labour market. We will come on to how this is reflected in the job vacancy data.

We can also see in the data that Plymouth’s unemployment rate recovery was stronger than the national average from the pandemic. Plymouth has a lower unemployment rate than the national average; this has been the case since mid-pandemic.

1.2. Plymouth Job Vacancies

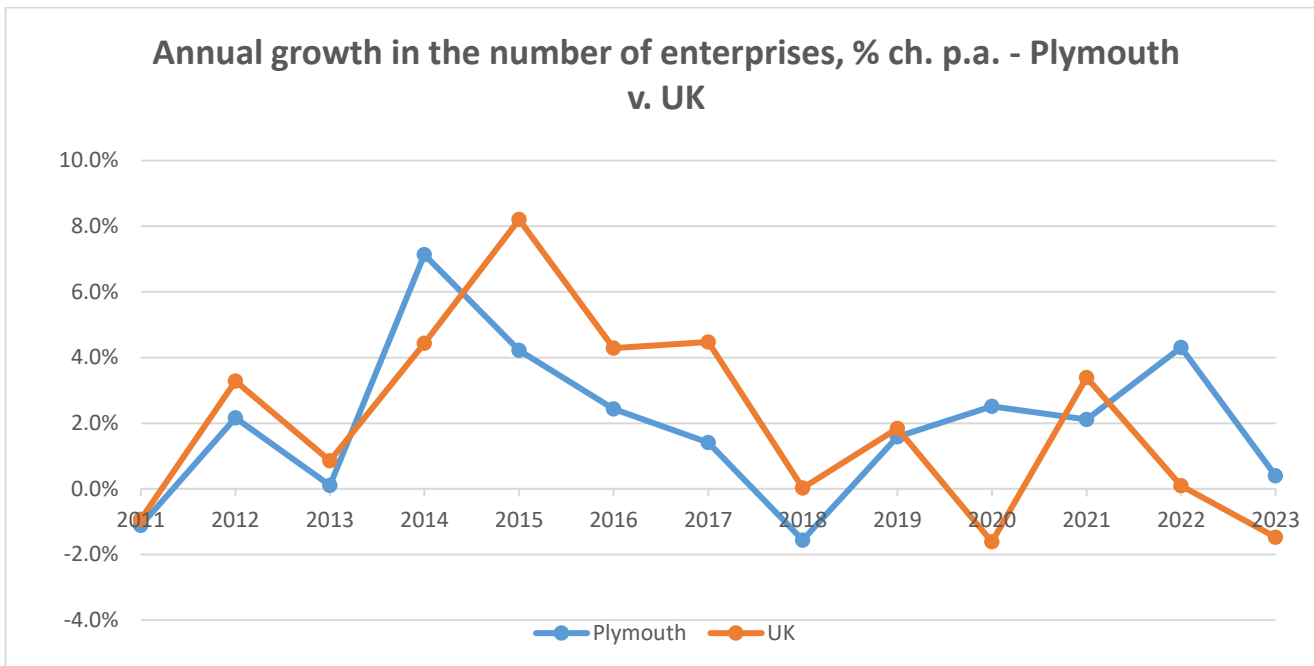


The number of unique job vacancy postings remains on trend for significant growth. Despite the fluctuations in monthly figures, the overall number of postings in August 2022 is almost double that of October 2018. From the latest figures over summer 2023, we have seen almost 4,000 unique vacancies in one month in Plymouth.

These vacancies are across many different sectors and skills levels but we are seeing a concentration growing in the Healthcare industry particularly. The table below shows a breakdown of the top 5 posted occupations in Plymouth. Healthcare related occupations hold the top 2 positions and account for over 2,600 unique job postings over the last year.

Occupation (SOC)	Number of unique job postings (Sept 2022 – Sept 2023)
Nurses	1365
Care Workers and Home Carers	1267
Other Administrative Occupations n.e.c	1101
Sales Related Occupations n.e.c	953
Teaching Assistants	806

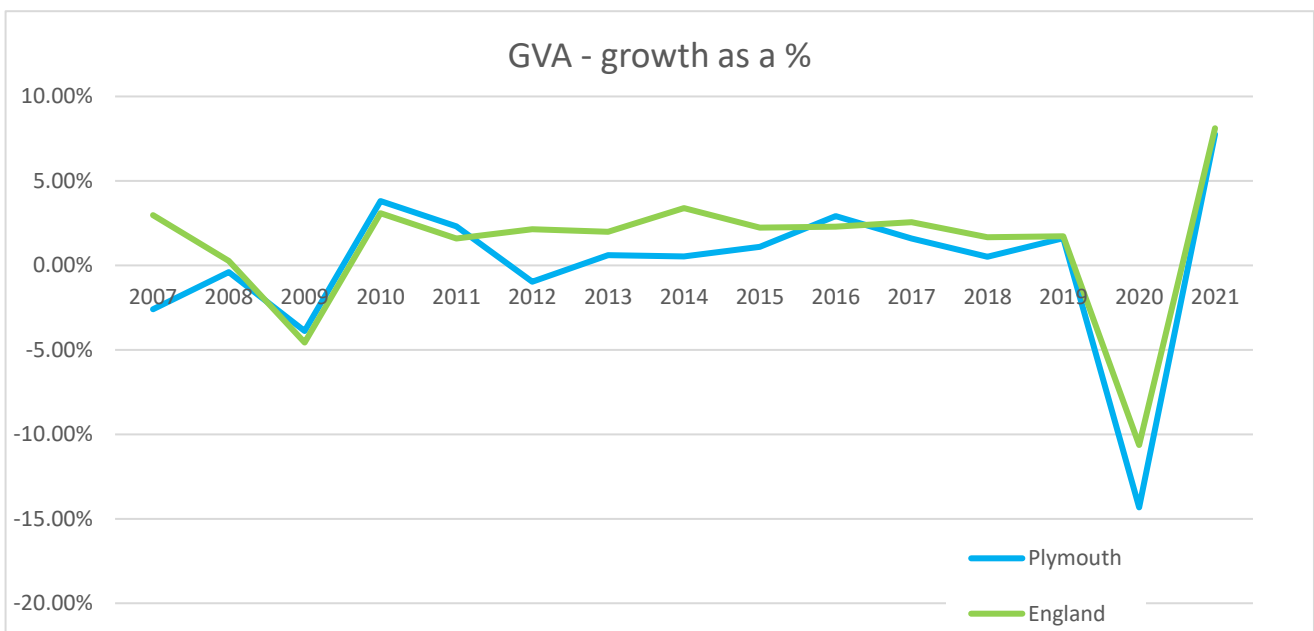
1.3. Plymouth Business Growth



Similarly, the number of enterprises within the city has also seen a steady growth trend. The graph above shows the percentage changes in the number of enterprises and compares Plymouth’s data with the UK. Plymouth largely follows the national data trend, with peaks and troughs occurring in similar timeframes up until 2020.

Following the fallout of the COVID 19 pandemic, Plymouth’s growth has deviated from the national picture. In 2020, the national growth rate fell significantly, recovering slightly in 2021 but falling again in 2022 and 2023, and currently holds a negative growth rate (i.e. number of enterprises is decreasing across the UK). However, Plymouth has not seen this negative growth rate. Throughout the 2020-2023 period, Plymouth’s enterprise growth rate has remained resiliently positive and currently stands at 0.4% in 2023.

1.4. Plymouth Gross Value Added

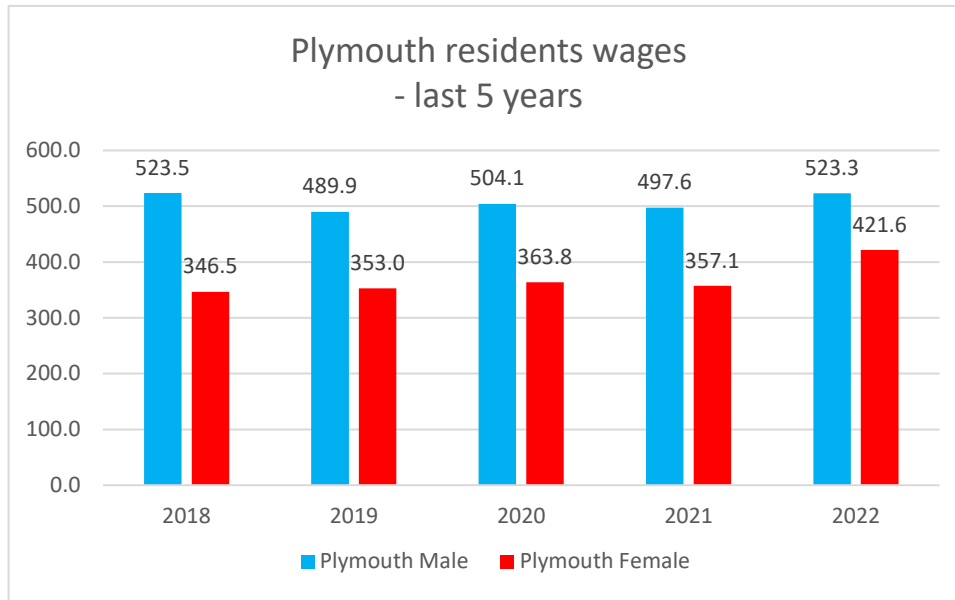


Plymouth’s GVA figures largely follow the national trends. Across England, the GVA growth showed a small fall in 2009, following the 2008 financial crash. In 2010, the GVA recovered and then remained positive until 2019.

As a result of the COVID 19 pandemic impact, in 2020 both England’s and Plymouth’s GVA growth showed a large reduction, with Plymouth’s GVA growth falling from 1.6 to -14.32. However, recent data shows a significant bounce back of these GVA growth levels across both Plymouth and England, with 2021 data now exceeding the pre-pandemic levels. Plymouth has seen a particularly strong recovery; in 2020, Plymouth’s growth

was 3.69% less than England's national levels but in 2023, the difference has decreased to just 0.35%. Thus, showing a much larger recovery within the city than nationally.

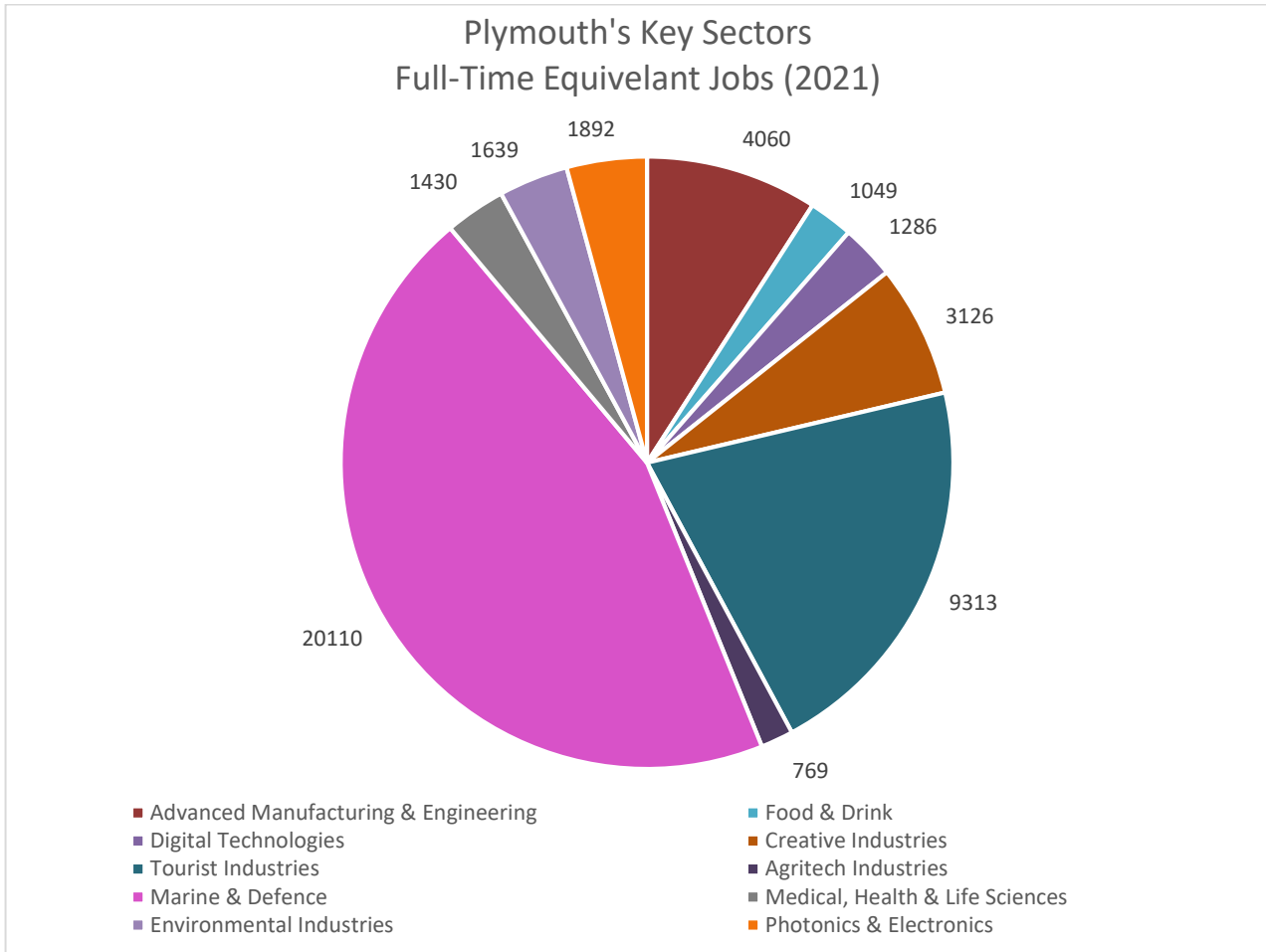
1.5. Plymouth Wages



Across the city, wages for male residents has remained relatively stagnant throughout the last 5 years. However, average wages for female residents have recorded a 21.7% increase within the same period. This shows a significant closing of the gender pay gap within Plymouth. The pay gap between males and females in Plymouth now stands at £101.70 in 2022 (down from £177.00 in 2018). Although the overall residents' wages still remain below national averages for both male and female residents, this 2022 wage gap is still significantly smaller than the national wage gap across England (£181.20).

Furthermore, total wage growth has shown increases across both the lowest and highest paid residents. The wages for both the 20th percentile (lowest paid) and the 80th percentile (highest paid) residents have both seen increases since 2019. Thus, suggesting the wage inequality across the city has not been significantly altered as a result of these wage increases.

1.6. Plymouth Industrial Mix:



Source: Plymouth AMORE Regional Economic Model

Reviewing the key sectors and their significant to Plymouth’s economy, we can see the Marine & Defence sector accounting for over 20,000 FTE jobs in the city. It is worth noting, the graph above focuses on only the key sectors so does not account for the entire economy.

The key sectors also include some relatively smaller but fast-growing sectors such as digital and creative technologies, medical, health and life sciences and advanced manufacturing and engineering.

1.7. Plymouth Skills, Health, Well-being and Education – Key Data:

Themes	Metric	Plymouth	Nationally (England – UK)
Skills [Annual Population Survey 2021]	People with no qualifications (2021)	5.1%	7%
	People with NVQ level 3+ qualifications (2021)	55.3%	61%
Health	Under 75 mortality <u>rate</u> from all cardiovascular diseases (2021)	94.7 per 100,000	76 per 100,000
	Smoking prevalence in adults (2021)	15.5%	13%
	Proportion of adults classed as overweight or obese (2021/22)	68.5%	63.8%
	Obesity prevalence in year 6 children (2021/22)	20.7%	23.4%
Well-being [measured out of 10 *1 = bad and 10 = good]	Anxiety (2021-22)	2.88	3.12
	Happiness (2021-22)	7.53	7.45
	Life satisfaction (2021-22)	7.40	7.54
	Worthwhile (2021-22)	7.60	7.77
Education	Students achieving expected standards in reading, writing and maths (2021/22)	52%	59%
	Students achieving GCSEs in English and Maths by age 19	79.3%	75%

Source: Data obtained from Census 2021 data tables, Office for Health Improvement & Disparities (Fingertips), Annual Population Survey and Explore education statistics 2023.

This is a summary of metrics relevant to skills, health, well-being and education comparing Plymouth to national averages. From the data above, we can see that Plymouth hold very similar statistics to the national averages. However, it is worth highlighting that Plymouth exceeds these national averages in both the percentages of people holding qualifications (the percentage of people holding no qualifications in 2021 is 1.9% less than the national average) and the number of students achieving GCSEs in English and Maths by age 19.