

**REPORT TO ECONOMIC REGENERATION SCRUTINY COMMITTEE**



<b>DATE</b>	<b>27<sup>th</sup> March 2013</b>
<b>PORTFOLIO</b>	<b>Regeneration and Economic Development</b>
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**The State of the Local Economy**

**PURPOSE**

1. To update members on the state of the local economy and key Economic Development support.

**RECOMMENDATION**

2. To consider the contents of this report

**REASONS FOR RECOMMENDATION**

To allow Members to discuss the current state of the local economy in Burnley.

**SUMMARY OF KEY POINTS**

3. A number of indicators are used below to indicate the state of the Burnley Economy. It is by no means a comprehensive picture and the delays in releasing statistical information sometimes means that it is difficult to establish an up to date figure.

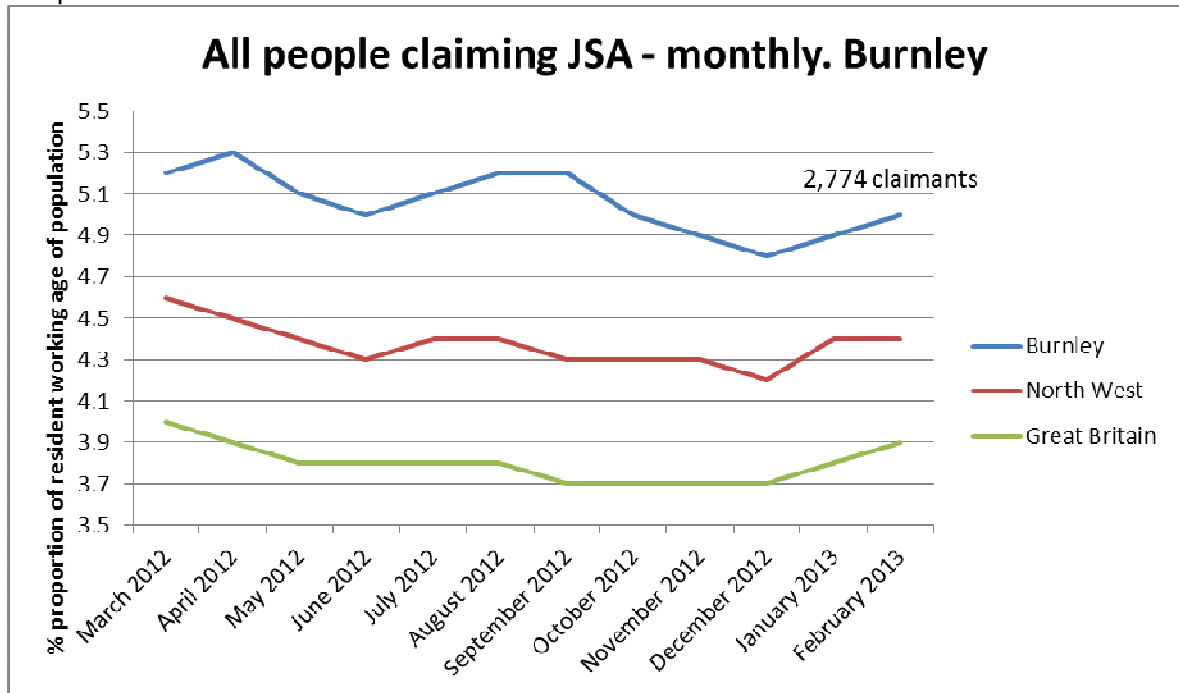
#### 4 Unemployment

Between January and February 2013 the number of Jobseekers Allowance (JSA) claimants in the borough has increased by 42 to 2,774. This is the second consecutive monthly rise in the number of Job Seekers allowance claimants in the borough following a period of decline since September 2012. However, the number of claimants remains lower than it was 12 months ago, when the count was 2,871 in March 2012.

In both the North West and Great Britain, the number of JSA claimants also rose between January and February 2013, reflecting seasonal trends.

Subsequently, the JSA rate (the number of JSA claimants given as a proportion of the resident working age population) in Burnley rose to 5.0% in February 2013. This is 0.1 percentage points higher than the previous month and 0.2 percentage points lower than 12 months ago.

Graph 1



(Source: ONS Claimant Count)

The claimant count given is the Residence based proportion. This is the official measure below national/regional level.

Appendix 1 provides a comparison of the JSA rate across Pennine Lancashire

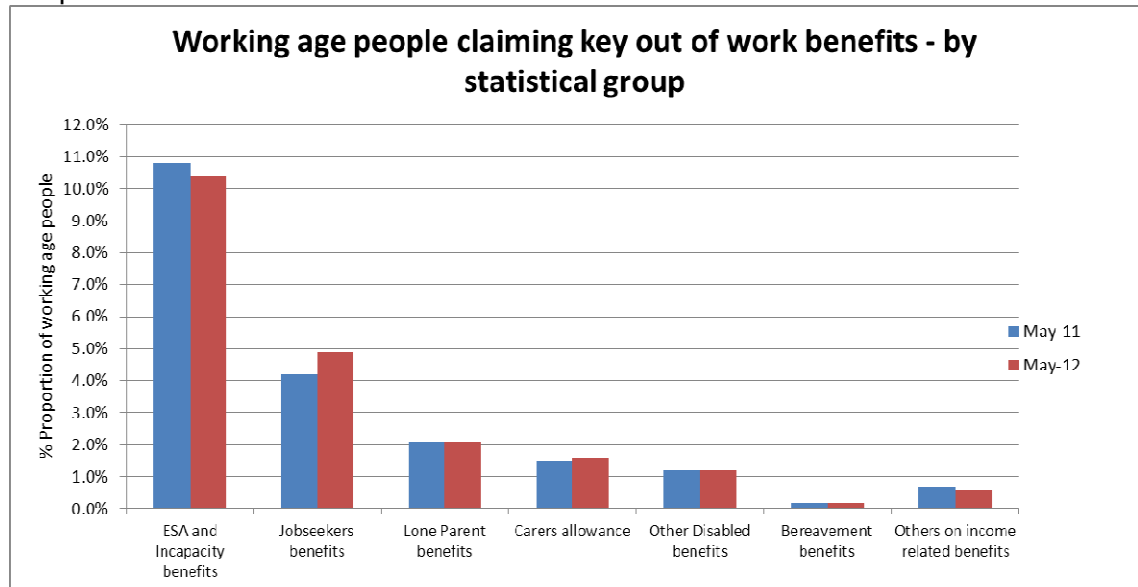
## 5 Worklessness

The number claiming key out of work benefits as a proportion of the working age people claiming out-of-work benefits for the entire Burnley borough has increased by 140 over the period May 2011 to May 2012, from 9,920 to 10,060 and from 17.8% to 18.1% respectively.

Despite this increase over the year as a whole, the figure for May 2012 is a reduction on the previous quarter, February 2012, when the figure was 10,340.

Graph 2 provides an insight into the changes which have occurred across the individual benefits which make up this sum. Note that claimants can claim more than one benefit.

Graph 2



(Source: DWP benefit claimants – working age client group)

## 6 Employment and Unemployment

There has been no new update to these figures since the last report

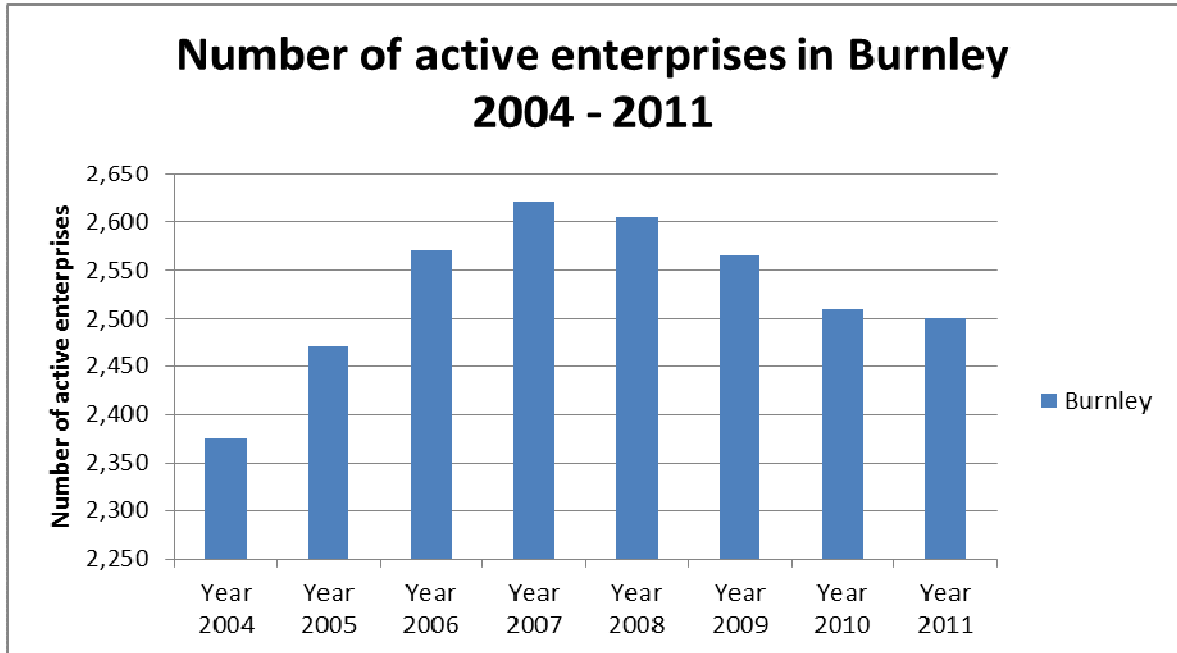
## 7 Redundancies

Job Centre Plus have not been notified of any redundancies in the Burnley area since the last report.

## 8 Enterprise

Between 2009 and 2011 the number of active enterprises (active businesses) in Burnley reduced by 65 from 2,565 in 2009 to 2,500 in 2011. This represents a 2.5% fall in the number of active enterprises over this period.

Graph 3 shows the change in the number of active enterprises in Burnley between 2004 and 2011



Source: ONS Business Demography 2011 <http://www.ons.gov.uk/ons/rel/bus-register/business-demography/2011/index.html>

Appendix 2 provides details of how Burnley compares with other areas by looking at the number of active enterprises per 10,000 population

## 9 Support for business

Latest figures from Burnley Enterprise

	2011/12	2012/13
Burnley	Full Year	Jan-March 13
Enquiries	322	78
New start-up businesses	113	19
Jobs Created	171	24

The Business Support Team are currently working with 22 companies looking at relocating into the town from out of the Borough, or moving within the Borough. Companies are from a range of sectors including Advanced Manufacturing, Automotive, Aerospace, Furniture, Marine and Telecoms. The requirements for the enquiries range from 500-100,000 sq ft and cover both office and industrial markets.

The Business Support team recently supported the Work Inspiration Day held at the Thomas Whitham 6<sup>th</sup> Form Campus. The day was a huge success, with hundreds of year 9

& 10 students from all of Burnley's High schools attending, the students were given the opportunity to experience at first hand the range of career options available and to think about their future career paths and ambition.

The Business Team in conjunction with colleagues from the Corporate Engagement Team held a Business Surgery at the Lancashire Digital Technology Centre, providing businesses with the opportunity to meet the Executive Member to discuss any aspect of business, from business support and relocation to promoting our borough.

It is pleasing to report that the Council has considerable interest from companies looking to relocate and expand on to the new Aerospace Supply Park and Kaman Tooling are to relocate to the site bringing 40 jobs into Burnley.

We are currently working with three companies who have submitted expressions of interest forms seeking financial assistance from the Accelerating Business Growth Programme.

Members will be delighted to hear that Burnley Bridge has now secured all of its funding. Local developer's Eric Wright Construction have been awarded the first phase contract and work is now underway. Phase 1 of the scheme is a 30 week build programme consisting of; Building the bridge and associated infrastructure as well as 80,000 sq. ft. of new and refurbished employment space and the main access road through the site. Once complete Burnley Bridge will create up to 1,400 new and sustainable jobs in the area.

#### **FINANCIAL IMPLICATIONS AND BUDGET PROVISION**

10 None.

#### **POLICY IMPLICATIONS**

11 None.

#### **DETAILS OF CONSULTATION**

12 Director of Economic Regeneration – Mike Cook  
Executive Member for Regeneration and Economic Development- Councillor Andy Tatchell

#### **BACKGROUND PAPERS**

13 None.

#### **FURTHER INFORMATION**

**PLEASE CONTACT:**

**ALSO:**