

## REPORT TO ECONOMIC REGENERATION SCRUTINY COMMITTEE



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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.

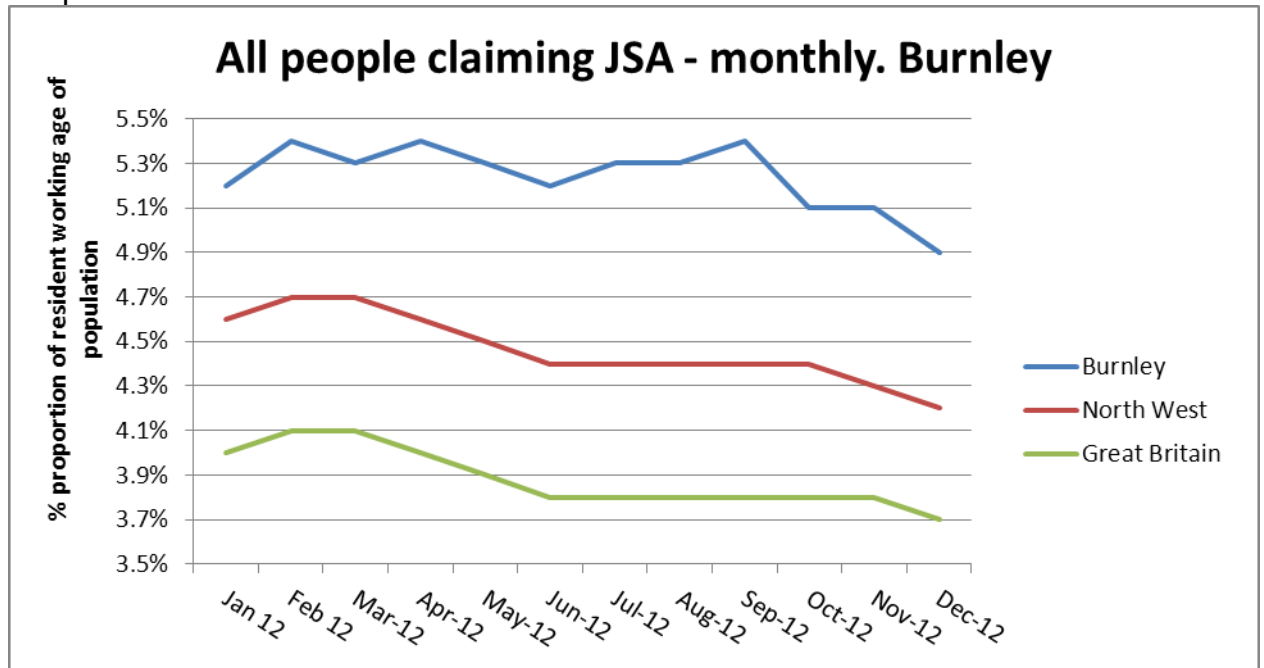
#### 4 Unemployment

Between November and December 2012 the number of Jobseekers Allowance (JSA) claimants in the borough has fallen by 88 to 2,656. The number of claimants is now lower than it was 12 months ago, when the count was 2,789 in January 2012.

The JSA rate (the number of JSA claimants given as a proportion of the resident working age population) fell to 4.9% in December 2012. This is 0.2 percentage points lower than the previous month and 0.3 percentage points lower than 12 months ago.

The JSA rate has continued to fall since September 2012. Correspondingly, In both the North West and Great Britain, the JSA rate has not grown over the same time period.

Graph 1



(Source: ONS Claimant Count)

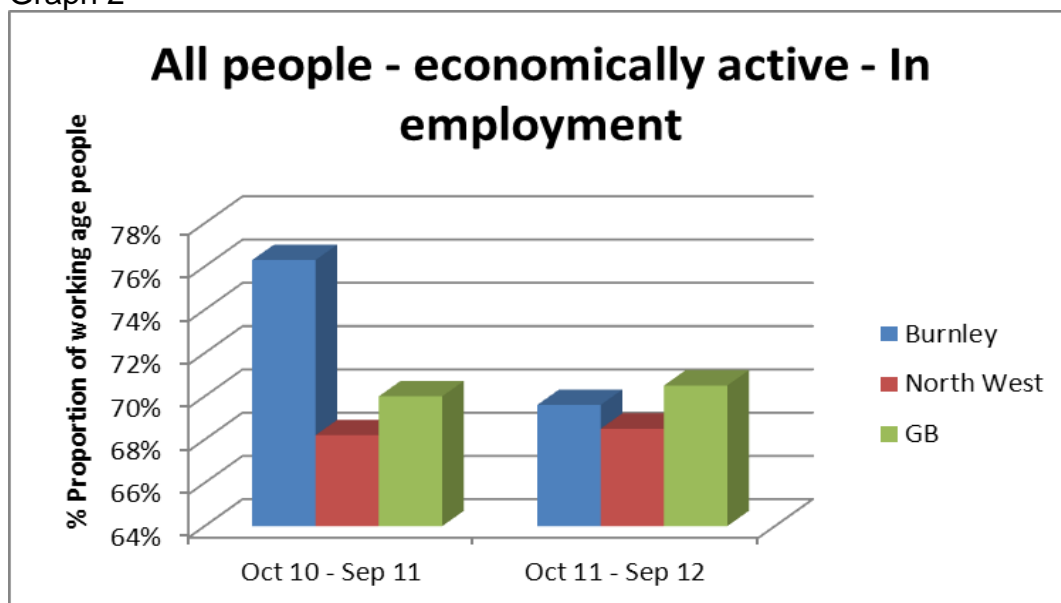
The claimant count given is the Residence based proportion. This is the official measure below national/regional level.

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

## 5 Employment and Unemployment

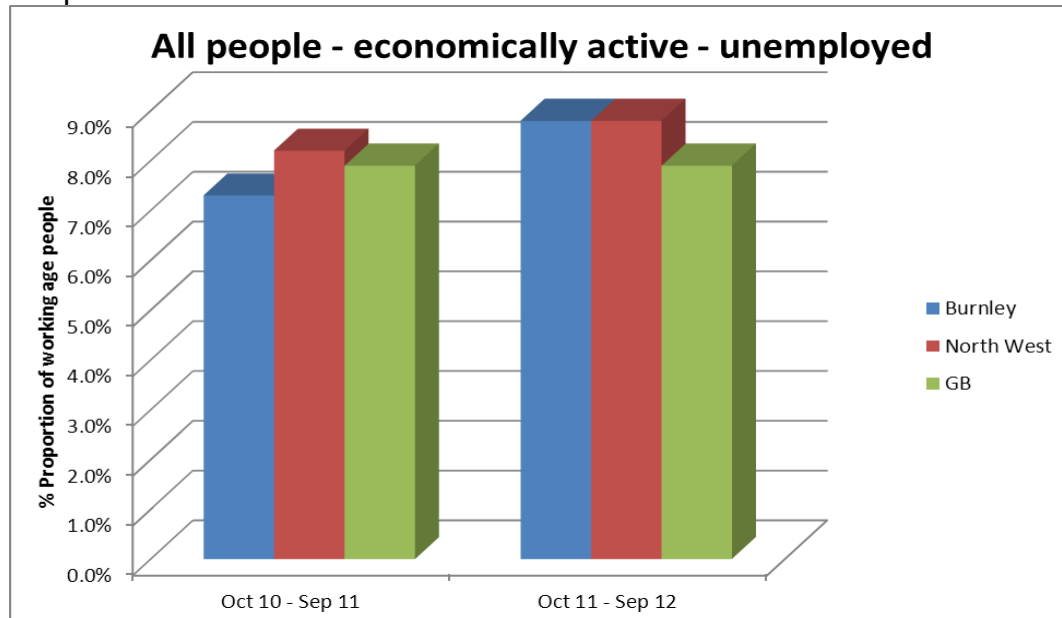
For the period October 2011 to September 2012 the number of economically active people in Burnley, in employment was 37,500 or 69.6% of the working age population. This is lower than the previous corresponding 12 month period, October 2010 to September 2011, when the number of economically active people in employment was 39,900 or 76.3% of the working age population.

Graph 2



For the same period October 2011 to September 2012 the number of economically active people in Burnley who were unemployed was 3,600 or 8.8% of the working age population. This is higher than the corresponding prior 12 month period when the number of economically active people who were unemployed was 3,200 or 7.3 of the working age population.

Graph 3



It is important to note that the data in section 5 should be treated with caution as the figures are based on a small sample size.

Source: Nomis, Local Authority Profile.  
ONS annual population survey

Note: numbers are for those aged 16 and over, % are for those of aged 16-64  
This data should be treated with caution as the figures are based on a small sample size.

## 6 Worklessness

There has been no update to the Department for Work and Pensions (DWP) Benefits figures since the August report to this committee. The Department for Work and Pensions have temporarily changed the frequency with which they will release their benefit claimant datasets. Until further notice these will only be published on a six monthly basis instead of the previous quarterly basis.

The next release is due in February 2013.

## 7 Job Centre Vacancies

**This data set has been discontinued**

Future job centre vacancy statistics will be published by Jobcentre Plus using their Universal Jobmatch tool.

In late autumn 2012, there were fundamental changes in Jobcentre Plus handling of employer vacancies and services in support of job search. The existing source of administrative data is being decommissioned. This means that existing National Statistics on Jobcentre Plus vacancies will cease and there will be no further releases.

A new service will be introduced to provide job search services to all jobseekers and not just those who use the services of Jobcentre Plus. It is also likely to have a wider range of vacancies than just those currently notified to the Department for Work and Pensions. As part of this, the provider will make available internet-based statistics that will be available to everyone on a daily basis. This will provide wider coverage than the existing statistics with timely and frequent updates. However, definitions will not be consistent with the existing series and coverage is likely to develop as the new system beds in.

As this report was being written, there were no statistics for Burnley available. The new service can be found at <https://jobsearch.direct.gov.uk/Reports/Reports.aspx>

## 8 Redundancies

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

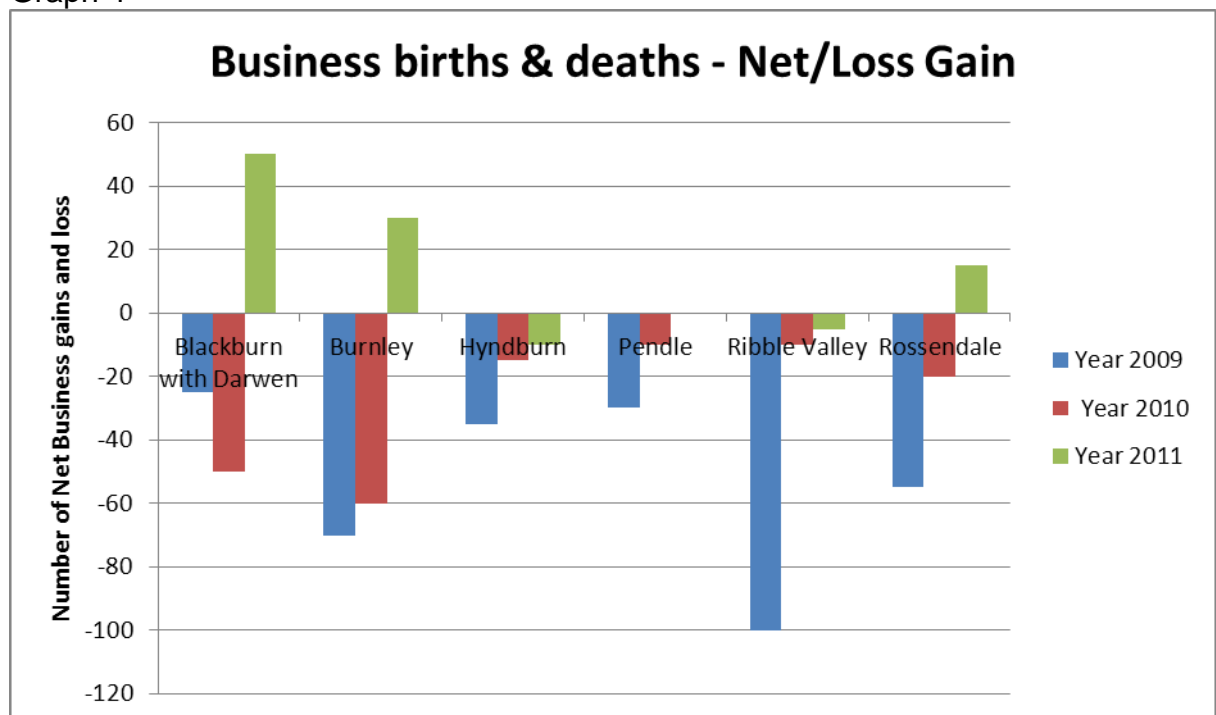
## 9 Enterprise

Between 2009 and 2011 the number of new businesses being created in Burnley increased from 250 in 2009 to 290 in 2011. An increase of 40, or 14%.

Over the same period of time the number of business fails or 'deaths' within the borough fell from 320 in 2009 to 260 in 2011. A fall of 60 or 19%.

Graph 4 shows that Burnley suffered an overall Net loss of new business creation during 2009 and 2010 but made a net gain in 2011 of 30.

Graph 4



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

Appendix 2 provides further data on the business Births and Deaths

## 10 Cities Outlook 2013

On the 21st January, the Centre for Cities released their annual Cities Outlook report, Cities Outlook 2013. The report provides an economic index of the 64 largest cities and

towns in the UK, including Burnley. Notably, the report highlights the fact that Burnley's economy has been surprisingly resilient during the economic downturn while others have been unexpectedly affected.

Appendix 3 provides a summary of the changes in Burnley's ranking within the report between the Cities Index 2012 and Cities index 2013.

The Cities Outlook 2013 can be downloaded from the following link

<http://www.centreforcities.org/outlook13.html>

## 11 Apprentices

Details of the Apprenticeships National Success Rates Tables for the Academic Year 2010/11 are now available. They show that Burnley College had an Overall Success Rate of 77.7% in the academic year 2010/11. This puts the college in the top 25% of providers in the country.

Burnley College	Age - All Age	Apprenticeship Level - All	Apprenticeship Type - All Levels	Hybrid End Year	Overall Leavers	Overall Success Rate %
				2008/09	290	71.4
				2009/10	320	70.2
				2010/11	290	77.7

(Source: The Data Service - 2010/11 National Success Rate Tables [http://www.thedataservice.org.uk/statistics/success\\_rates/nsrt/](http://www.thedataservice.org.uk/statistics/success_rates/nsrt/))

It should be noted that there are other providers training apprentices within the Borough and residents and businesses may use other training providers based outside of the borough.

## 12 Support for business

Latest figures from Burnley Enterprise

	2011/12	2012/13			
	Total	April - June	July - Sept	Oct - Dec	Total
Burnley Enquiries	322	63	62	50	175
New start-up businesses	113	28	4	6	38
Jobs Created	171	36	8	7	51

The Grant Offer Letter for £1,365,000 of grant has been received by BIS to support the establishment of an Aerospace Supply Park on the former Michelin Site. The main aim of the programme is to support companies in the Aerospace supply chain and Advanced Engineerign companies to locate/expand onto the newly formed Aerospace Supply Park. Grants will be available towards the purchase fo new plant and equipment, the installation of new IT equipment and associated fit out costs to premises. Full details of the scheme are currently being worked up and it is envisaged that the scheme will go live from the beginning of the new financial year. The Business Support Team are already speaking with companies who may be interested in relocating/expanding on the site.

The Business Support Team are currently working with 27 live property enquiries for companies looking to relocate to or within Burnley. Of the 27 companies, 9 companies are from outside of the Borough. Enquiries are from various sectors including advanced manufacturing, logistics, printing and telecoms. The property requirements are for a mixture of office and commercial industrial space from 1,000 sq ft to 70,000 sq ft.

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

13 None.

#### **POLICY IMPLICATIONS**

14 None.

#### **DETAILS OF CONSULTATION**

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

#### **BACKGROUND PAPERS**

16 None.

#### **FURTHER INFORMATION**

**PLEASE CONTACT:**

**ALSO:**