

REPORT TO ECONOMIC REGENERATION SCRUTINY COMMITTEE



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PORTFOLIO	Regeneration and Economic Development
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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.

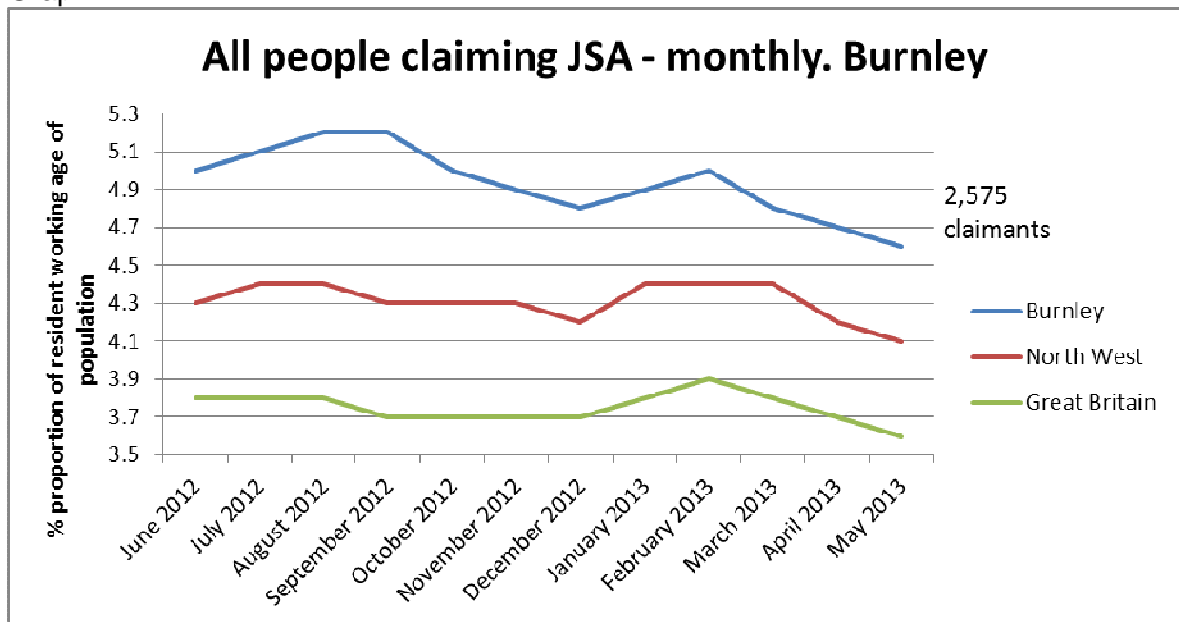
4 Unemployment

Between April and May 2013 the number of Jobseekers Allowance (JSA) claimants in the borough has fallen by 63 to 2,575. This is the third consecutive monthly fall in the number of Job Seekers allowance claimants in the borough. The number of claimants remains lower than it was 12 months ago, when the count was 2,803 in June 2012.

In both the North West and Great Britain, the number of JSA claimants also fell between April and May 2013.

Subsequently, the JSA rate (the number of JSA claimants given as a proportion of the resident working age population) in Burnley fell to 4.6% in May 2013. This is 0.1 percentage points lower than the previous month and 0.4 percentage points lower than 12 months ago.

Graph 1



(Source: ONS Claimant Count)

Rates are calculated using the mid-2011 resident population aged 16-64.

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

Claimant count figures do not yet include claimants of Universal Credit. Further information is available at

<http://www.nomisweb.co.uk/articles/742.aspx>

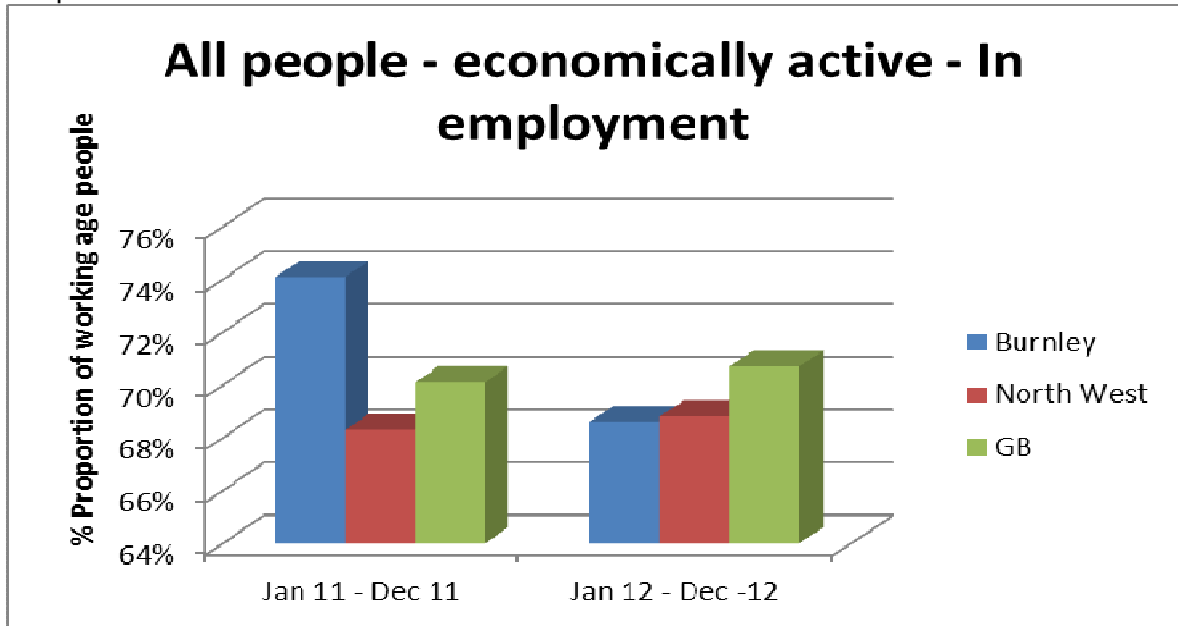
Appendix 1 provides a comparison of the JSA rate across Pennine Lancashire

5 Employment and Unemployment

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

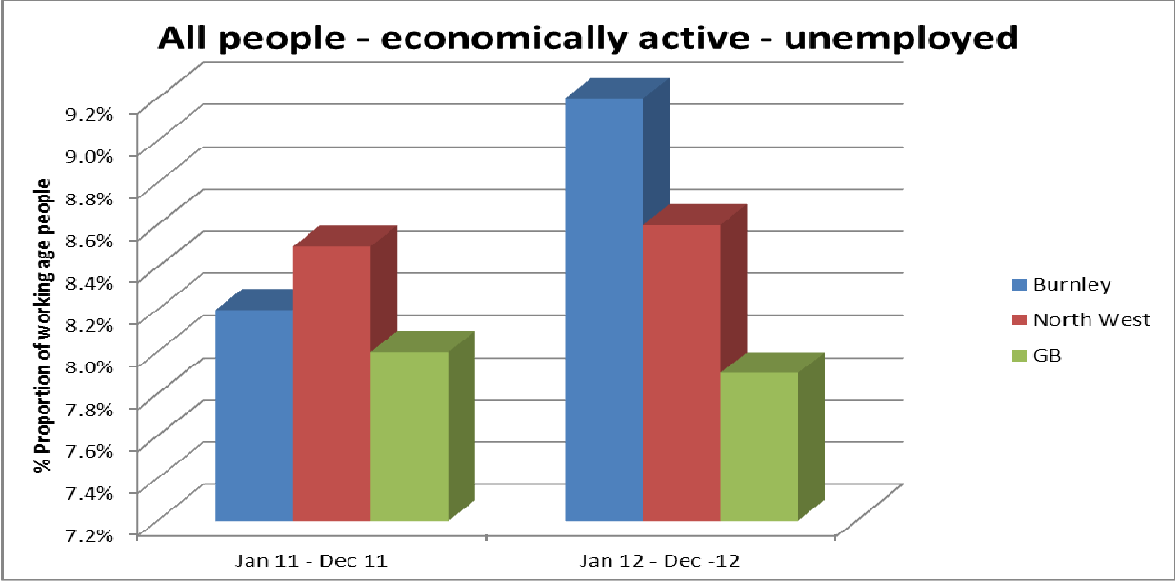
For the period January 2012 to December 2012 the number of economically active people in Burnley, in employment was 36,600 or 68.6% of the working age population. This is lower than the previous corresponding 12 month period, January 2012 to December 2012, when the number of economically active people in employment was 38,900 or 74.1% of the working age population.

Graph 2



For the same period January 2012 to December 2012 the number of economically active people in Burnley who were unemployed was 3,700 or 9.2% 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 3,500 or 8.2 of the working age population.

Graph 3



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 **Redundancies**

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

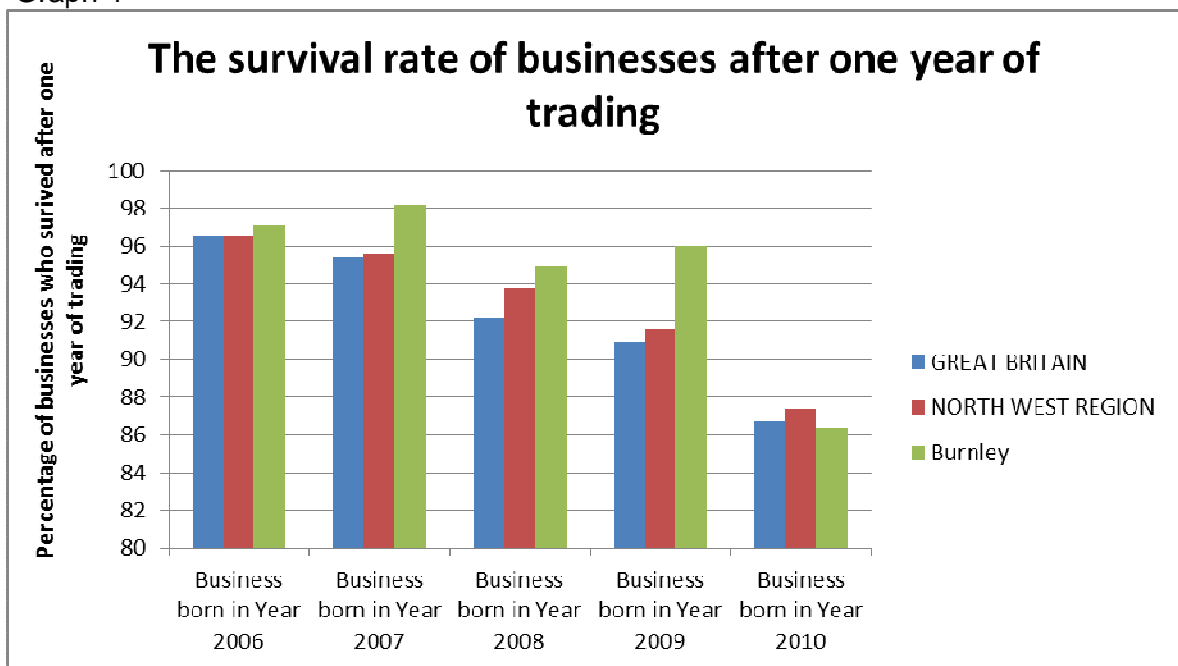
7 Enterprise

Between 2006 and 2010 Burnley had a higher percentage of business survivals after one year of trading activity, than the regional or national level.

Of those businesses who were 'born' in 2009, 96% of them were still trading after one year in business. This compares to only 91.6% of survivals at the regional level and 90.9% throughout Great Britain.

Only in 2010, (the most recent data available for 1 year survival rates) did Burnley fall behind Great Britain and the North West for 1 year survival rates and this is by a very small percentage difference. Of those businesses born in 2010 Burnley had a survival rate of 86.4% after one year, Great Britain 86.7% and the North West 87.4%

Graph 4



(Source: ONS Business Demography 2011)

Appendix 2 provides more data on survival rates for 2 years, 3 years and 4 years and 5 years.

8 Support for business

Burnley Enterprise Trust have now started to deliver the Start-up Lancashire Programme which will provide support to individuals who are considering starting up a business. The support being provided is a mixture of quality workshops and additional 1-2-1 support with the Trust's business advisors. Clients that go through the minimum 12 hours support will then be eligible to apply for a £1,000 match funded start up grant. Support is also available for existing companies less than 3 years old with a mixture of workshops and 1-2-1 coaching/mentoring being available to clients.

Outputs achieved by the Trust for the period from April to date are:-

	2013/14
Burnley	April-May 13
Enquiries	37
New start-up businesses	9
Jobs Created	11

The business support team are actively working with a number of companies, helping them identify potential sources of funding to help them progress with their investment plans. We are talking to companies who have expressed an interest in Burnley Bridge, the Aerospace Supply Park and AMS Technology Park around their proposed investments for expansion and growth. A key part of the company's requirement is to understand what if any financial support is available to them. In each case the Business Support team is gathering a bespoke package of assistance to meet the company's individual requirements, be it financial, advice/guidance support.

Recently the team have proactively marketed the Business Growth Programme and have received a number of enquiries asking for further information not just about the business growth programme but also what other types of support are available. These are currently being followed up with individual site meetings with the companies and progress will be reported at a later date.

We are currently working with 30 live property enquiries for companies looking to relocate into the Borough or to move within the Borough. Of these 30 enquiries, 9 are companies from outside of the Borough with the remainder being existing Burnley companies or new ventures. The sectors of these companies include Telecoms, Aerospace, Advanced Manufacturing, Marine and Logistics with enquiries ranging from 300 – 100,000 Sq Ft.

The final preparations for this years' Burnley Business Awards are underway and it is looking like it's going to be the best yet. This year's event sees over 430 guests coming together to celebrate Burnley's business successes. It's been great to see the highest number of entries being received resulting in a larger Marquee being needed to accommodate everyone.

Apprenticeships

One of the themes of the Business Growth Programme is to assist businesses to up-skill their existing workforce and secure a skills pipeline to respond to changing demands. The Business Support Team recently carried out a survey into apprenticeships in the borough. The findings of which, are below:-

Total number of companies who received the survey	419
Responses received back	47
Response rate	11%

Summary of responses

Of those who responded;

- Only 36% currently have an apprentice
- Of those with an apprentice, most employ between 1 and 3 apprentices
- 26% are interested in taking on an apprentice
- 28% are not aware of how to go about getting an apprentice
- 23% have not heard of the National Apprenticeship Service
- 23% did not know that there was a financial incentive to take on an apprentice
- 30% said that available funding would influence their decision to recruit an apprentice. 64% said that it would not. The remainder were undecided.
- 70% said that age limitations on National Apprenticeship Service funding would not influence the age of apprentice they would recruit.
- 21% would be most interested in employing an Advanced level apprentice. 40% answered that the 'level' of apprentice was 'Not Applicable' to them.

Proposed actions

The survey results show that there is a need to raise awareness of apprenticeships.

A number of mechanisms are proposed to archive this

- Increased awareness via the councils own magazine for businesses, InBusinessBurnley.
- Increased awareness via the council website
- Working with the National Apprenticeship Service to meet and inform companies who want to know more about apprenticeships via face to face meetings or via a collective event.
- Use of social media to direct employers to sources of information and recruitment on apprenticeships on the Internet.

FINANCIAL IMPLICATIONS AND BUDGET PROVISION

9 None.

POLICY IMPLICATIONS

10 None.

DETAILS OF CONSULTATION

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

Tatchell

BACKGROUND PAPERS

12 None.

FURTHER INFORMATION

PLEASE CONTACT:

ALSO: