Vol. 2, 2024

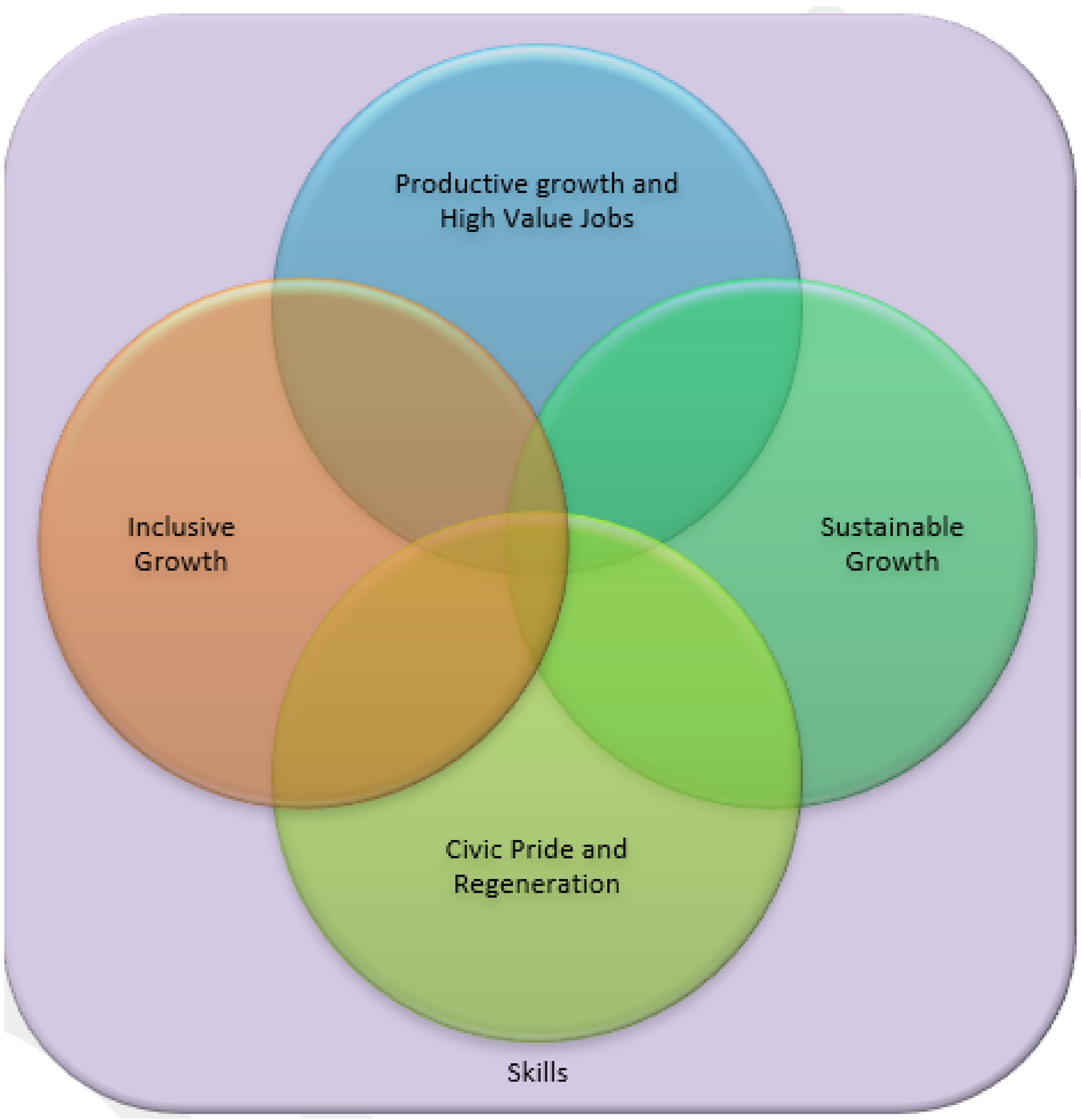
Plymouth's Growth Board Economic Dashboard

Plymouth's Economic Strategy Refresh

The previous Economic Strategy was developed in 2014; since then, we have had Brexit , the Covid-19 pandemic and Government has announced the folding in of LEPs. In this context, it is important that we revisited our past strategy and made sure it is fit for purpose. We have now written a refresh that fits with our updated economic structure and looks towards the new opportunities that have emerged.

The new economic strategy sets out how Plymouth will build on its distinctive assets, which include: the largest naval base in western Europe; a vibrant manufacturing and engineering sector employing over 13% of the workforce; a burgeoning creative and cultural sector; one of only 16 critical care teaching hospitals in the UK and the associated Plymouth Science Park. We are using a 2-stage approach within this refresh. The first stage of which is an evidence based review. The latter stage will consist of 4 delivery plans (one for each Key Pillar) that will be completed in 2025 and refreshed every 3 years.

Based on the analysis of Plymouth's position throughout a range of macroeconomic data, we have decided to focus our approach on to 4 'Key Pillars' which we feel work symbiotically and are areas in which we feel there is the most important changes to be made (a skills is underpinned across the entirety of the paper) – These are: productive growth and high value jobs; inclusive growth; sustainable growth; and civic pride and regenerative growth. Each Key Pillar is evaluated within its own chapter; areas of existing work, existing projects and areas where there are unexplored opportunities have all be explored.



Plymouth's Economic Strategy Refresh- continued

4 Key Pillars in detail with Skills as a cross-cutting theme:

- **Productive Growth and High Value Jobs**

Growing Plymouth’s productivity is the foundation for improving prosperity for all residents. Through supporting our higher value sectors where we have natural advantage, we will look to increase wages, create additional highly productive jobs, attract new businesses and investment into the city. Focusing on productive growth puts the emphasis on higher-value and higher-quality jobs, supporting both the economy and workforce.

- **Inclusive Growth**

Inclusive Growth focuses on growing a prosperous economy that reduces inequality, is sustainable and truly serves the wellbeing of local people. Without targeted actions and a focus on specific areas and groups, there is a risk that too many people find it difficult to access the work and educational opportunities that make the most of their talents and enable them to secure higher value jobs. This has a cumulative effect on health and social opportunities.

- **Sustainable Growth**

Sustainable growth is growth which does not negatively impact the environment, promotes social inclusion, well-being and will help to drive a green economic revolution. Plymouth has an economic strength in the “blue” sectors, the city has strong businesses within this sector, many of which are at the forefront of economic development. Sustainable growth (which does not negatively affect the environment) will be a priority. For Plymouth, this means developing our blue economy and focusing on the progression within marine focused industries.

- **Civic Pride and regeneration**

Plymouth prides itself on being Britian’s Ocean City and one of Europe’s most vibrant waterfront cities. Supporting strong communities and a sense of place is essential to the cultivation of a vibrant and attractive city to live, work, study, visit and attract investment. The combination of a tight labour market (i.e. stable population numbers but high numbers of job vacancies) and the city’s aging demographics means that it is important to continue to attract new residents, students and workers to the city. Through the Visitor Plan, Culture Plan and City Branding work, led by Destination Plymouth and Plymouth Culture, we will focus on how the city is perceived by its residents, businesses, visitors and the media. This will ensure that the City has a compelling narrative which can be used to attract businesses, employees and retain graduates.

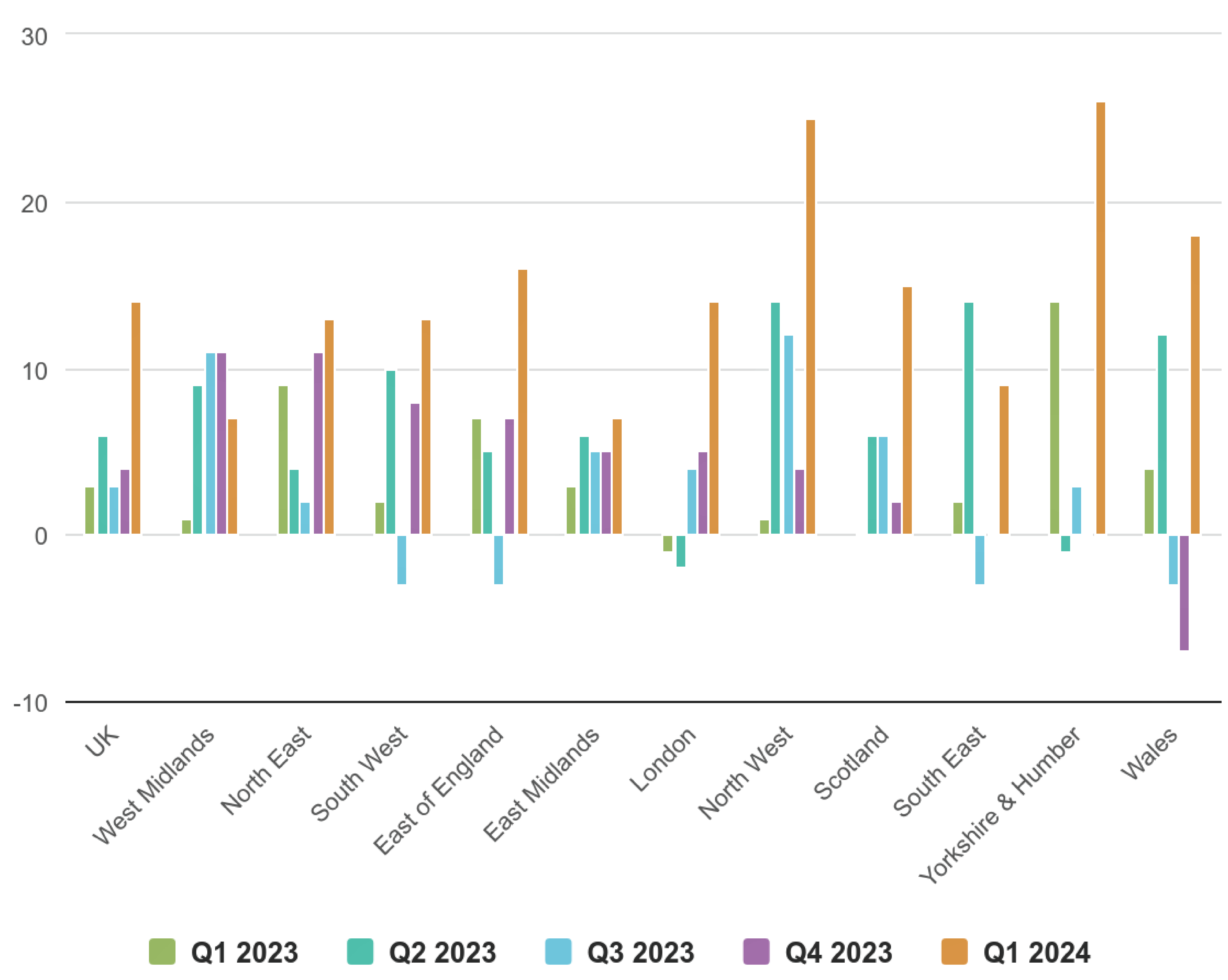
Narrative by Lauren Paton and Toby Hall, April 2024

UK Business Confidence Monitor: National

The latest Business Confidence Monitor (BCM) for Q1 2024 shows a significant improvement in sentiment compared to weak yet positive confidence in the previous quarter and the average for 2023. The index rose above its pre-pandemic average for the first time since Q1 2022, as economic prospects brightened*:

- Following a protracted period of weak confidence during 2023, business sentiment rose during the quarter, reflecting improvements in economic indicators, including GDP, retail sales and inflation, and a growing belief that interest rates have peaked.
- Helped by the anticipated slowdown and the moderation already seen in input costs and salary growth, companies foresee the improvement in domestic and export sales feeding through to sustained employment growth.
- Despite improvements in confidence, investment intentions remain weak and are expected to grow below the average for both capital equipment and R&D. Business expect to increase employee numbers by slightly more than their stock of capital equipment, indicating their caution around investment.
- Input and selling price inflation continued to ease, as well as salary growth – though more marginally. Businesses anticipate further softening in the year ahead but still above their historical standards.
- Customer demand and competition in the marketplace remain the top growing challenges together with regulatory requirements – which are predominantly concentrated in Banking, Finance & Insurance and Energy, Water & Mining.
- Unlike in previous quarters, confidence is positive across all sectors and regions & nations for the first time since Q1 2022. Confidence is highest in the Banking, Finance & Insurance sector, while Property and Construction have also seen marked improvements, likely reflecting the anticipation of interest rate cuts by the Bank of England in the near future.

Confidence by Region



* The survey results are based on 1,000 telephone interviews among ICAEW Chartered Accountants covering a range of UK sectors, regions and company sizes, ensuring a representative picture of the UK economy. The latest quarterly findings are based on the period 15 January to 22 March 2024.

Job Posting Analytics

There were **11,394** total job postings in the period between February and March 2024, of which **5,643** were unique*.

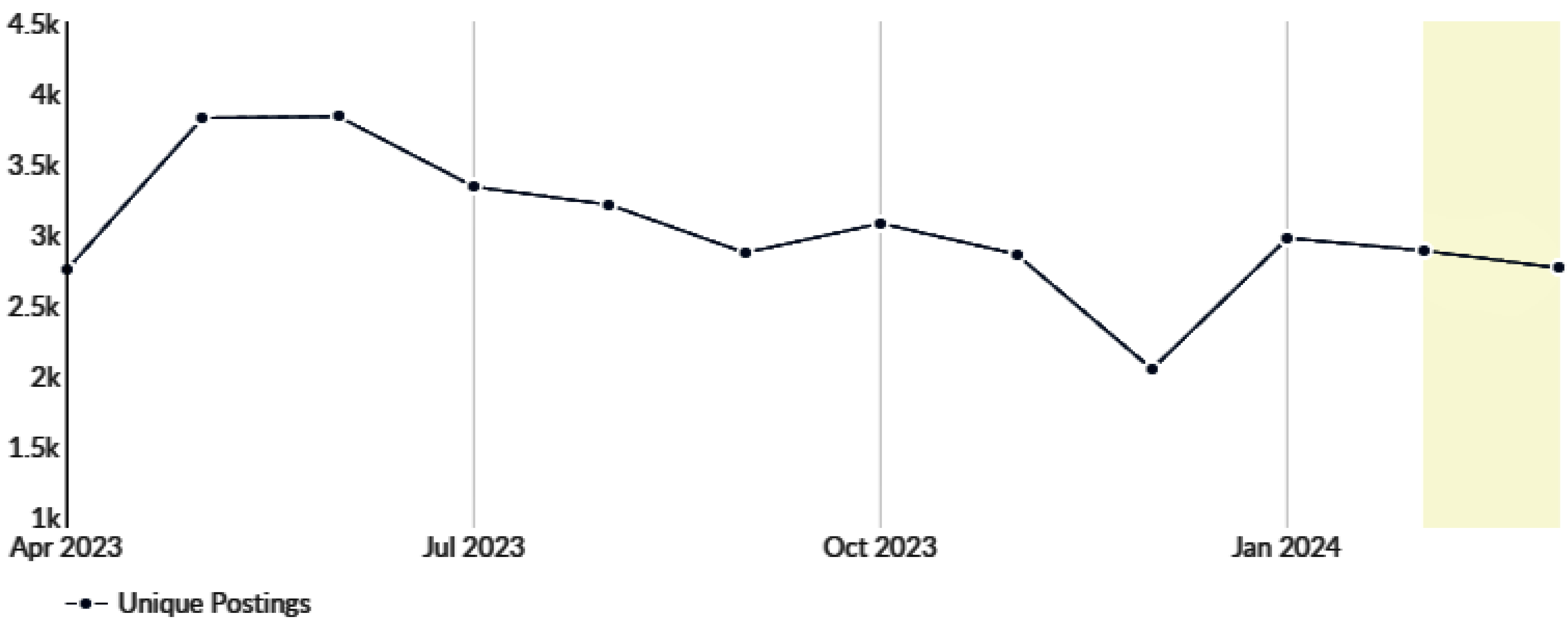
There was a Posting Intensity of **2-to-1**, meaning that for every 2 postings there is 1 unique job posting.

* Unique job posting is the number of "deduplicated" advertised jobs where duplicate job postings are advertised and only one of those duplicates is counted.

7%

change in unique job postings between January and March 2024.

Unique Postings Trend



Top Posted Occupations

Occupation (SOC)	Total/Unique (Feb 2024 - Mar 2024)	Posting Intensity	Median Postin Duratio
Care Workers and Home Carers	381 / 177	2 : 1	23 day
Sales Related Occupations n.e.c.	248 / 142	2 : 1	17 day
Teaching Assistants	192 / 126	2 : 1	26 day
Secondary Education Teaching Professionals	175 / 115	2 : 1	18 day
Cleaners and Domestics	253 / 115	2 : 1	21 day
Production and Process Engineers	268 / 114	2 : 1	12 day
Customer Service Occupations n.e.c.	242 / 105	2 : 1	19 day
Other Administrative Occupations n.e.c.	194 / 103	2 : 1	17 day
Kitchen and Catering Assistants	201 / 100	2 : 1	19 day
Civil Engineers	238 / 99	2 : 1	23 day

Lightcast Analyst, 2024

Overview

Unemployment

5,985

UC/JSA claimants in March 2024

The **total number of UC/JSA claimants** was **5,895** and **5,985** in **February and March 2024** in **Plymouth** respectively– both months had a **rate of 3.5%** - of which **1,355** and **1,365** individuals were **under 25** ; **1,105** and **1,115 over 50**; while **3,445** and **3,465** were **males** and **2,455** and **2,520 females** in **February** and **March 2024** respectively.

The claimant count rate is currently stable in Plymouth at the near-full employment position. The claimants' rate in Plymouth in March 2024 was (3.5%) which is **lower than the national average** for Great Britain (3.9%). Plymouth's claimant count rate has **remained lower than the national average since August 2021** when it was higher (Plymouth: 6.6% UK: 6.5%).

It is important to note the above UC/JSA claimant number is only representative of the unemployed population or those classified as **'searching for work',** while claiming universal credit. The **total number of people on universal credit** in **Plymouth** was **29,755** in March 2024 - which hiked since February 2024 (28,856).

29,755

People on Universal Credit March 2024

Output & Productivity

£5.44bn real GVA in 2021
(+7.8% from 2020, this is in 2019 money value)
Productivity - nominal GVA per hour worked at 81.5% of UK average (2021), down from 83.2% in 2020
£988m exports (goods & services) in 2020
(19.6% of GVA, v. UK 32.5% of GVA)

Business

6,325 enterprises in 2023 (ONS Business Count)
Active Enterprises - ONS BRES, 2021 (411 per 10,000 working age population v. 697 UK-wide)
Business Growth: +26.8% since 2012 (v. +28.8% UK-wide)
Enterprise birth rate, 2021: 61.4 births per 10,000 working age residents (v. UK 86.3)
Survival rate, 2021 (after 5 years): 39.4% of businesses still active
(v. UK 38.4%)

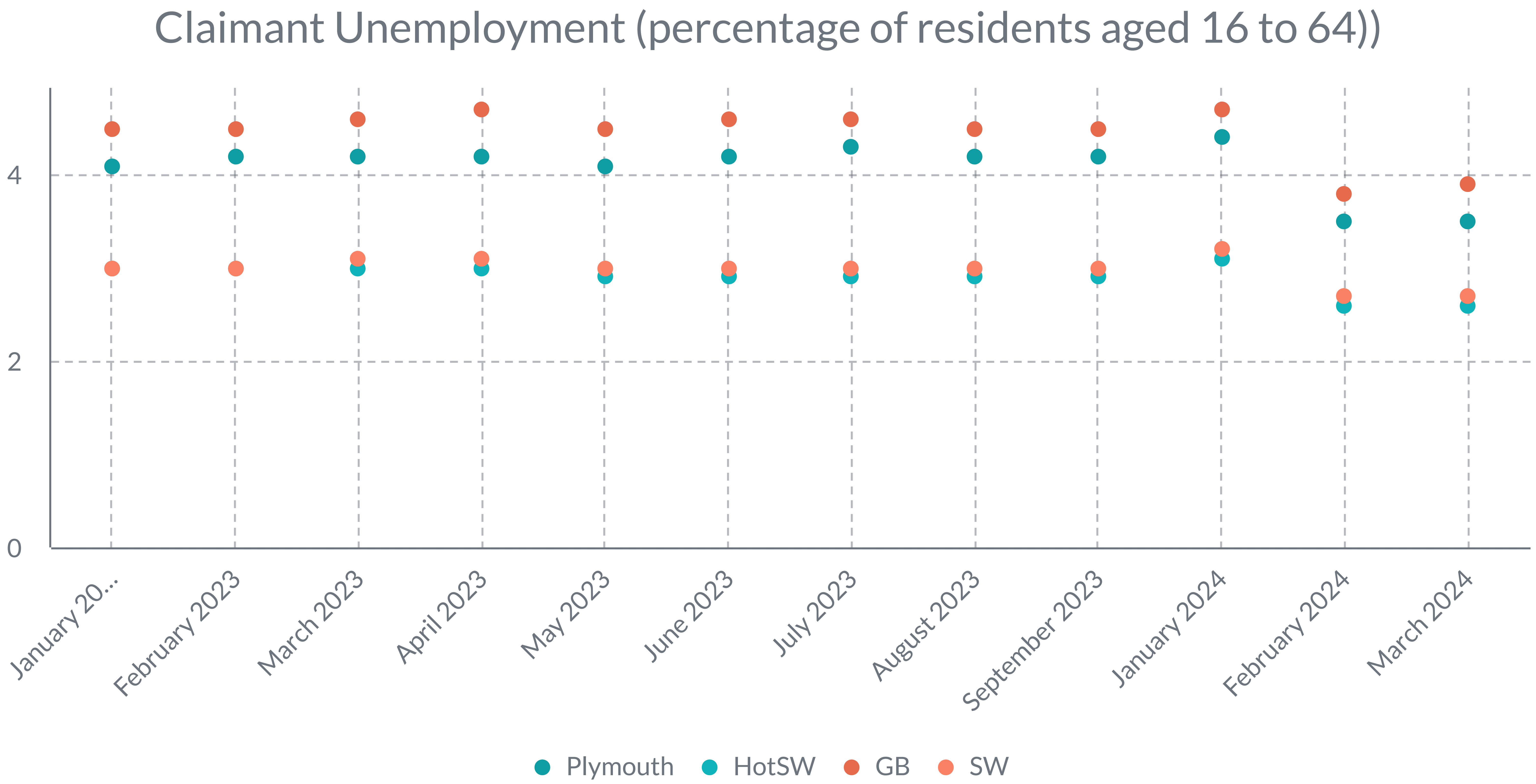
Skills & Attainment

37.7% of working-age residents NVQ4+ qualified (v. 43.6% UK)
GCSE Attainment-8 Score: 43.7 (v. UK 46.7) in 2019
A level APS per entry: 30.8 (v. UK 33.1) in 2019
27% in HE after 16-18 study (v. UK 35%) in 2019
16% in app'ship after 16-18 study (v. UK 10%) in 2019.

Labour Market

115,000 jobs in 2021 (+4.5% on 2020)
73.6% employment rate (v. UK 75.6%)
Median Gross weekly pay -workplace 2022
Full time - £593.2 (92.7% of UK average)
Part time - £251.2 (110.2% of UK average)

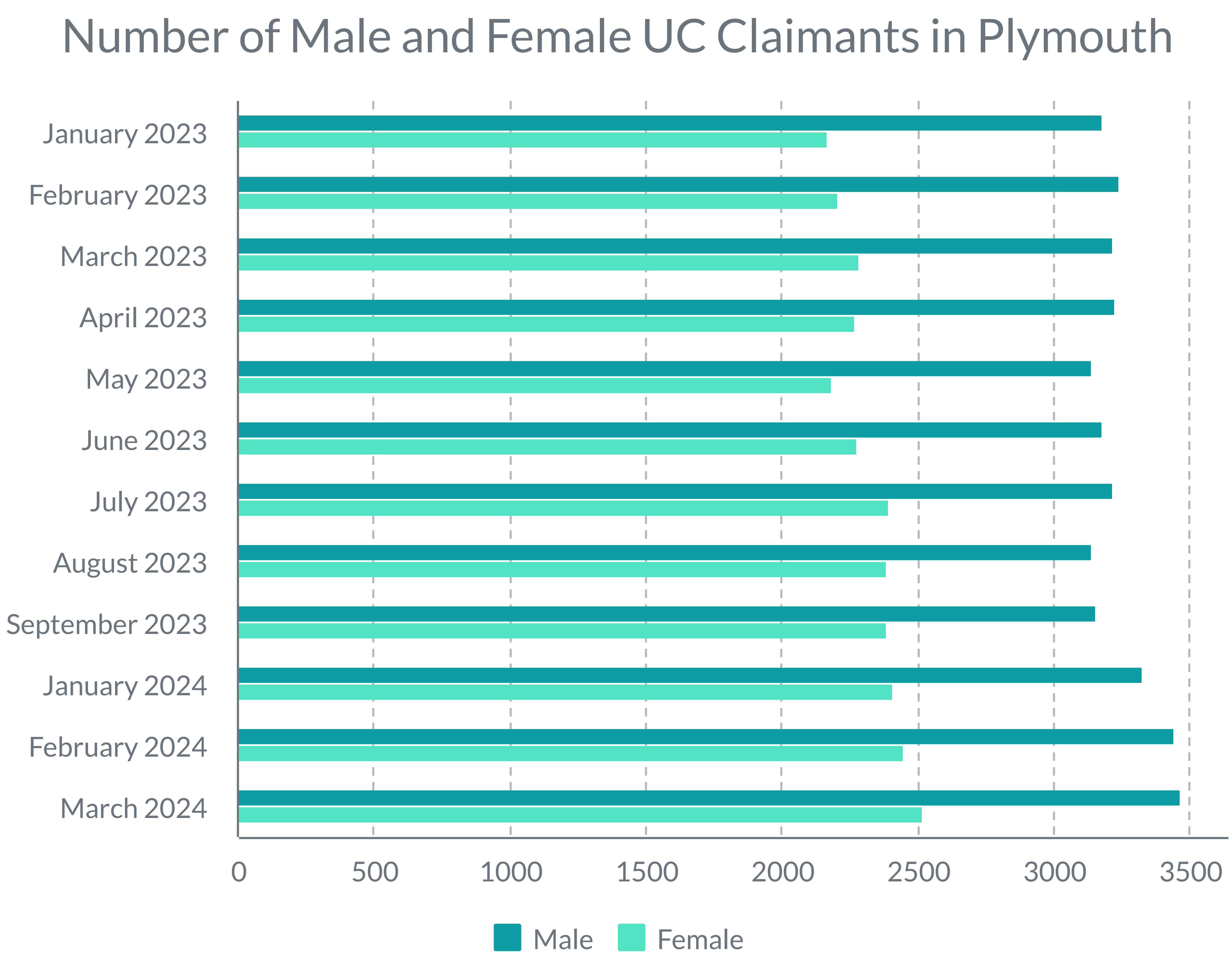
Highlights



Source: Claimants Count, NOMIS, 2024

We can see that HotSW is very closely tracking the South West, while Plymouth has been more closely tracking Great Britain but has achieved a lower rate since mid-2020.

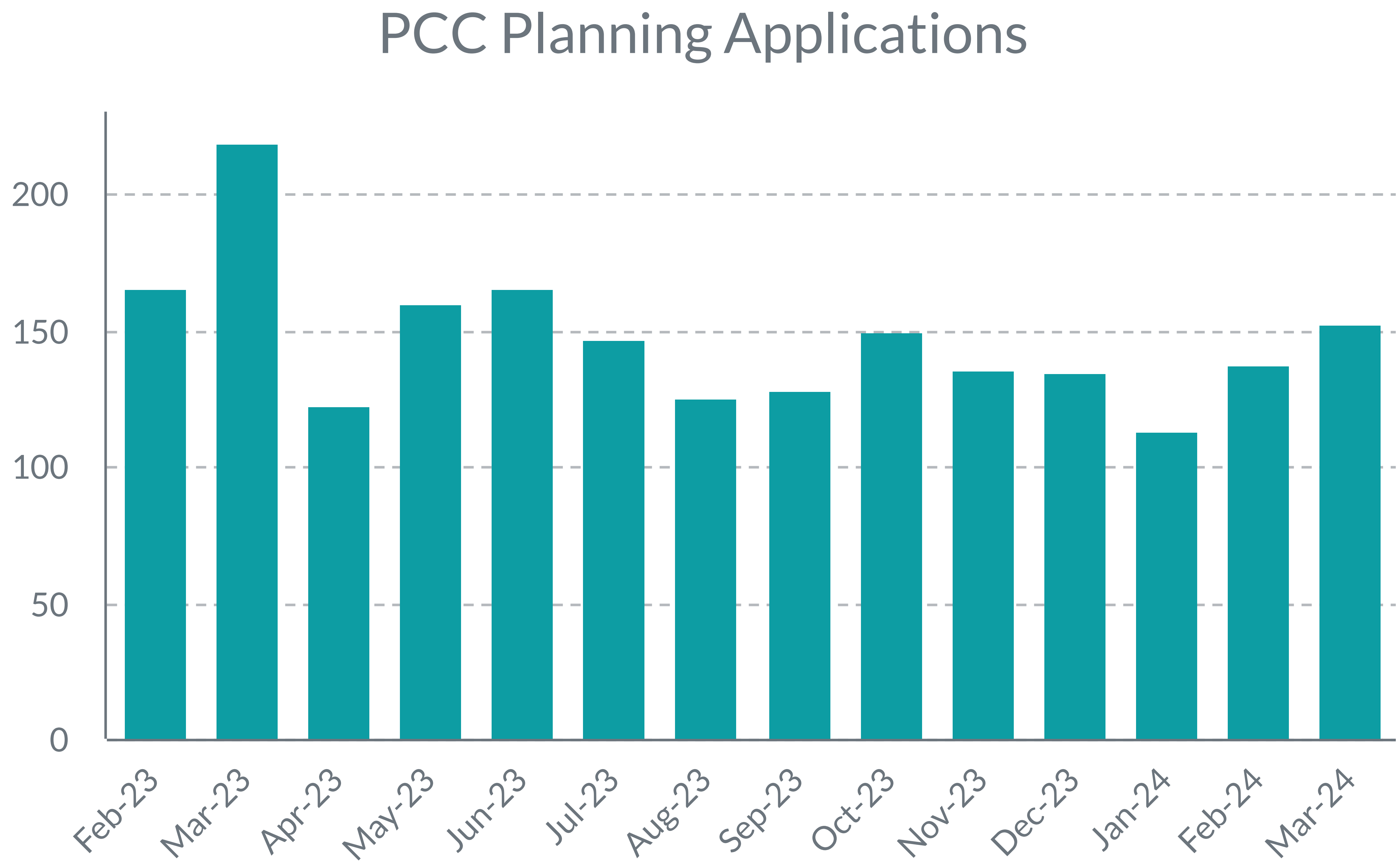
Plymouths JSA/UC unemployment rate is now below the pre-pandemic level seen in March 2020.



JSA/UC claimant numbers for both males and females is now below the numbers seen pre-pandemic.

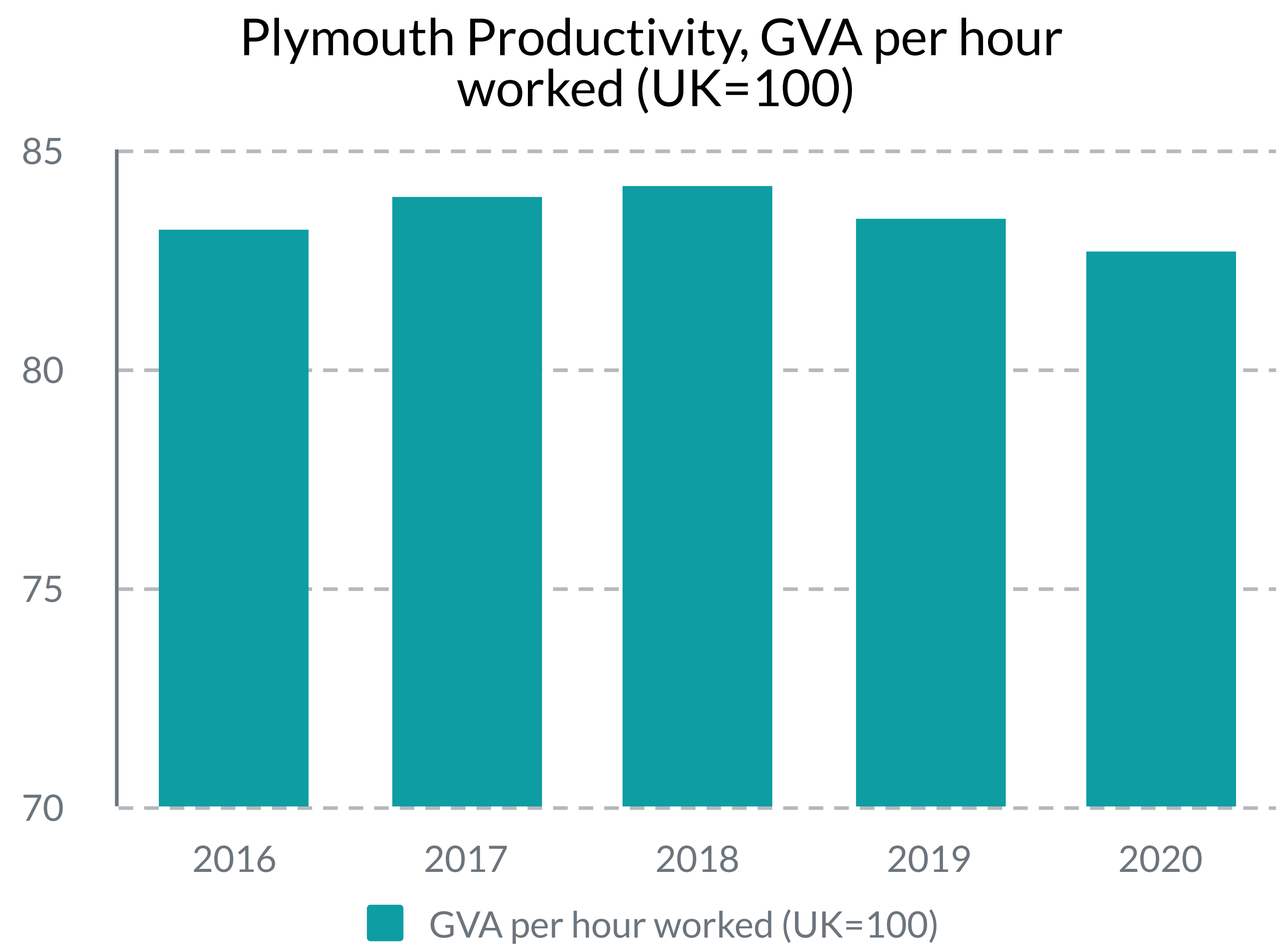
Source: Claimants Count, NOMIS, 2024

Economy

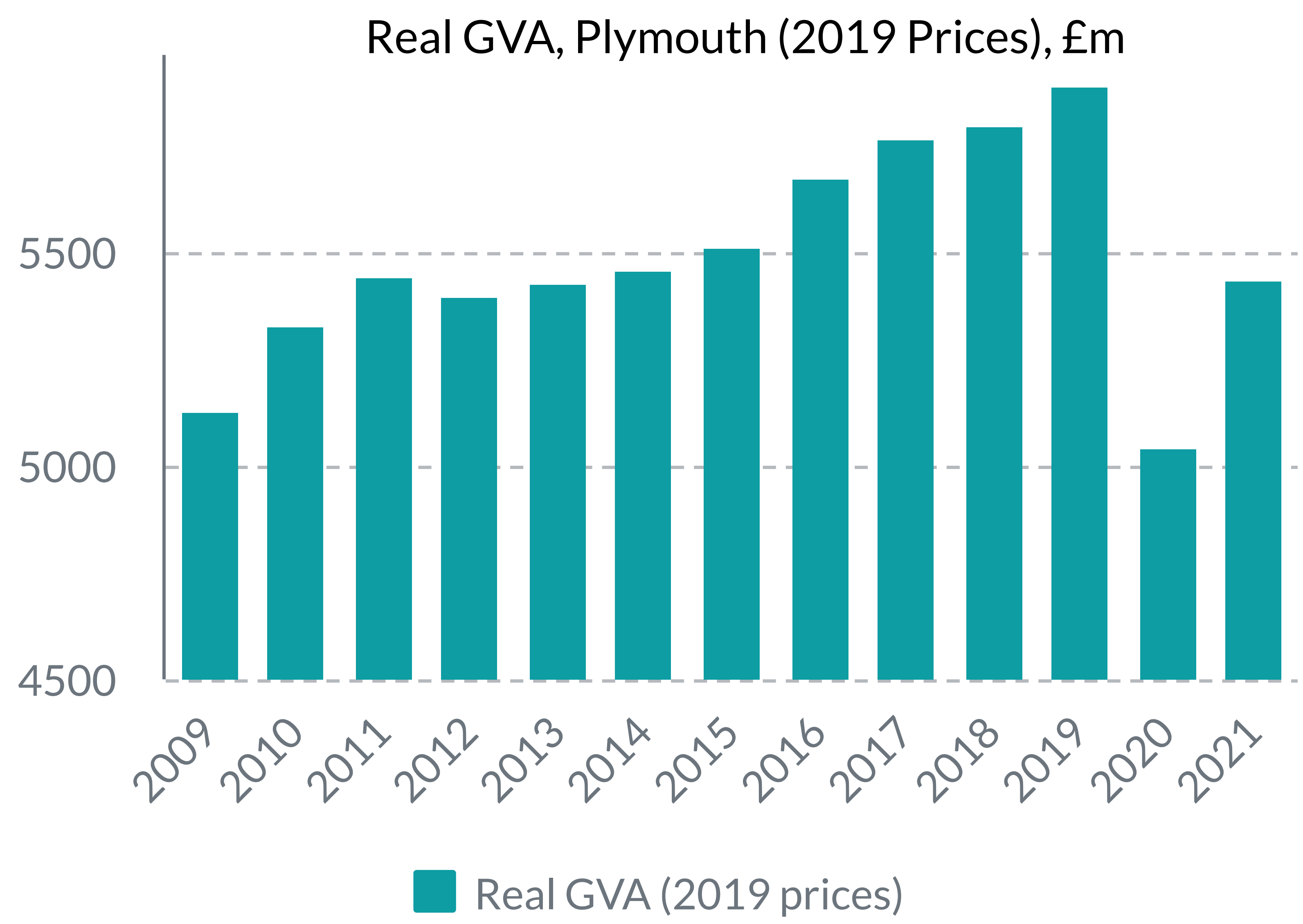


137 and **152** applications were received in **February** and **March 2024** respectively.

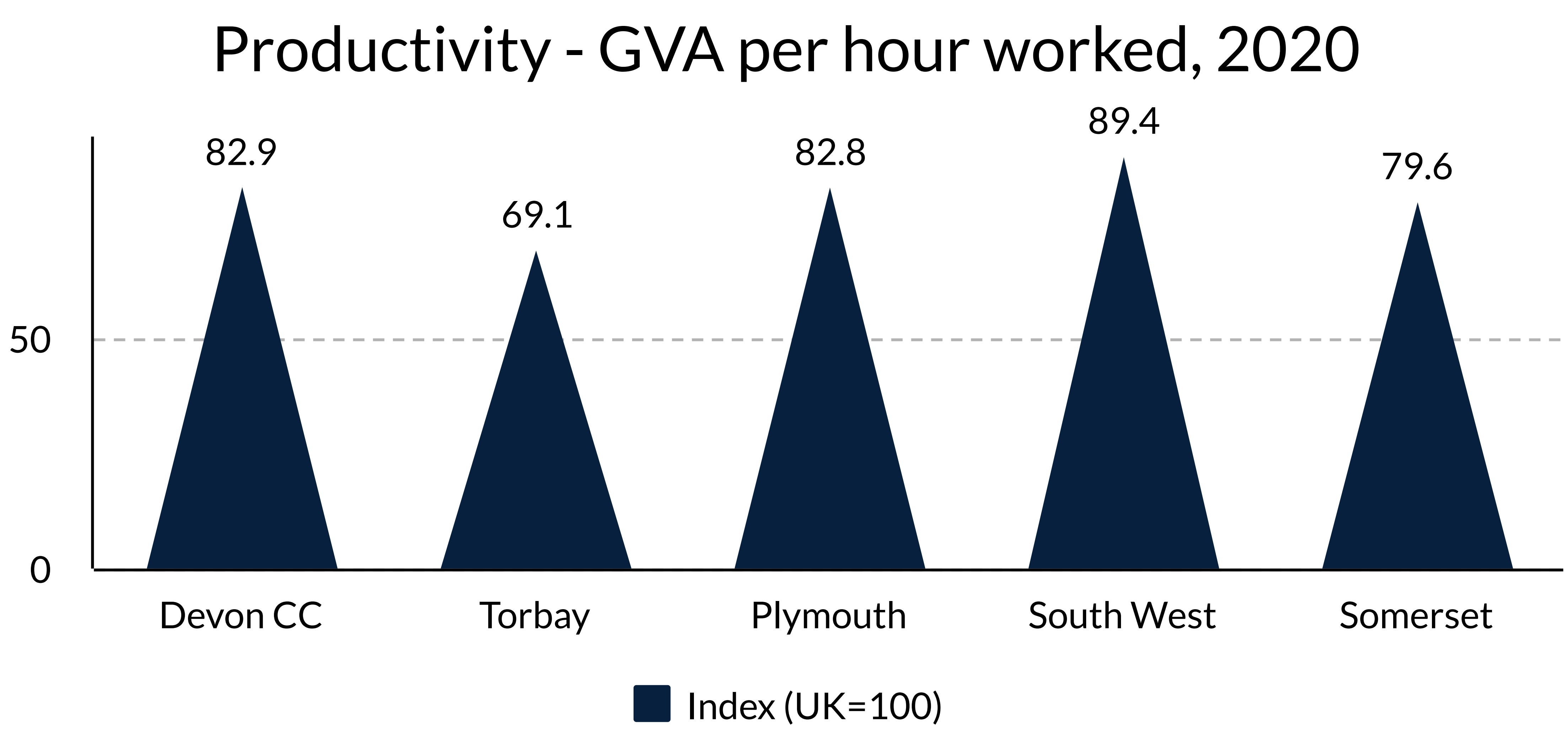
Comparing the number of applications to those of the same months last year, **February 2024** had **28** planning applications less than those of February 2023, and **March 2024** had **67** less applications than March 2023.



- Plymouth's productivity gap with the national average had been narrowing to 2018 but has since widened again. For 2019 to 2020, it is likely this is in part due to the Covid-19 pandemic.



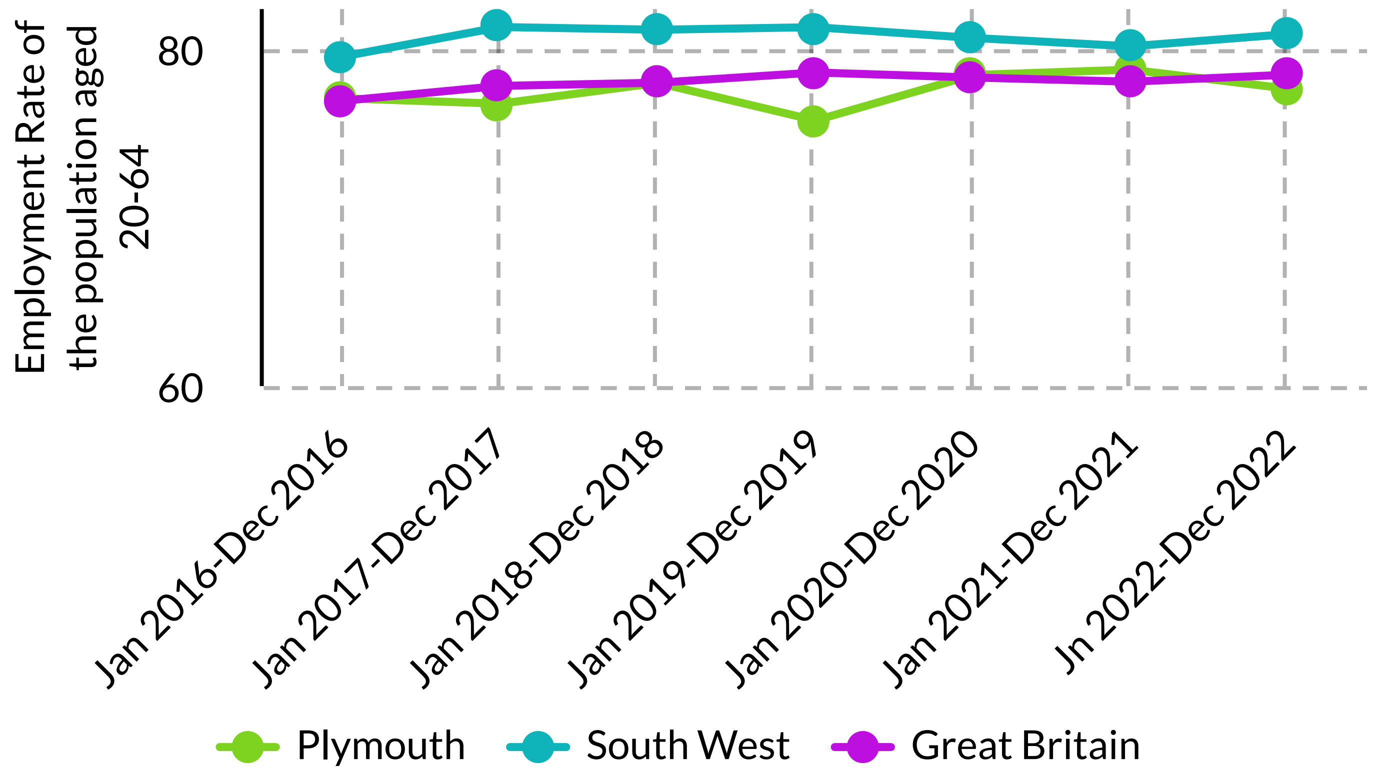
- Real GVA, however, had seen stronger growth up until 2019 but the impact of the Covid-19 pandemic is clearly visible in to 2020 with a significant **decline of over 12%.**



Sources: Regional GVA (Balanced) - ONS, 2020; Sub-regional Productivity - ONS, 2020

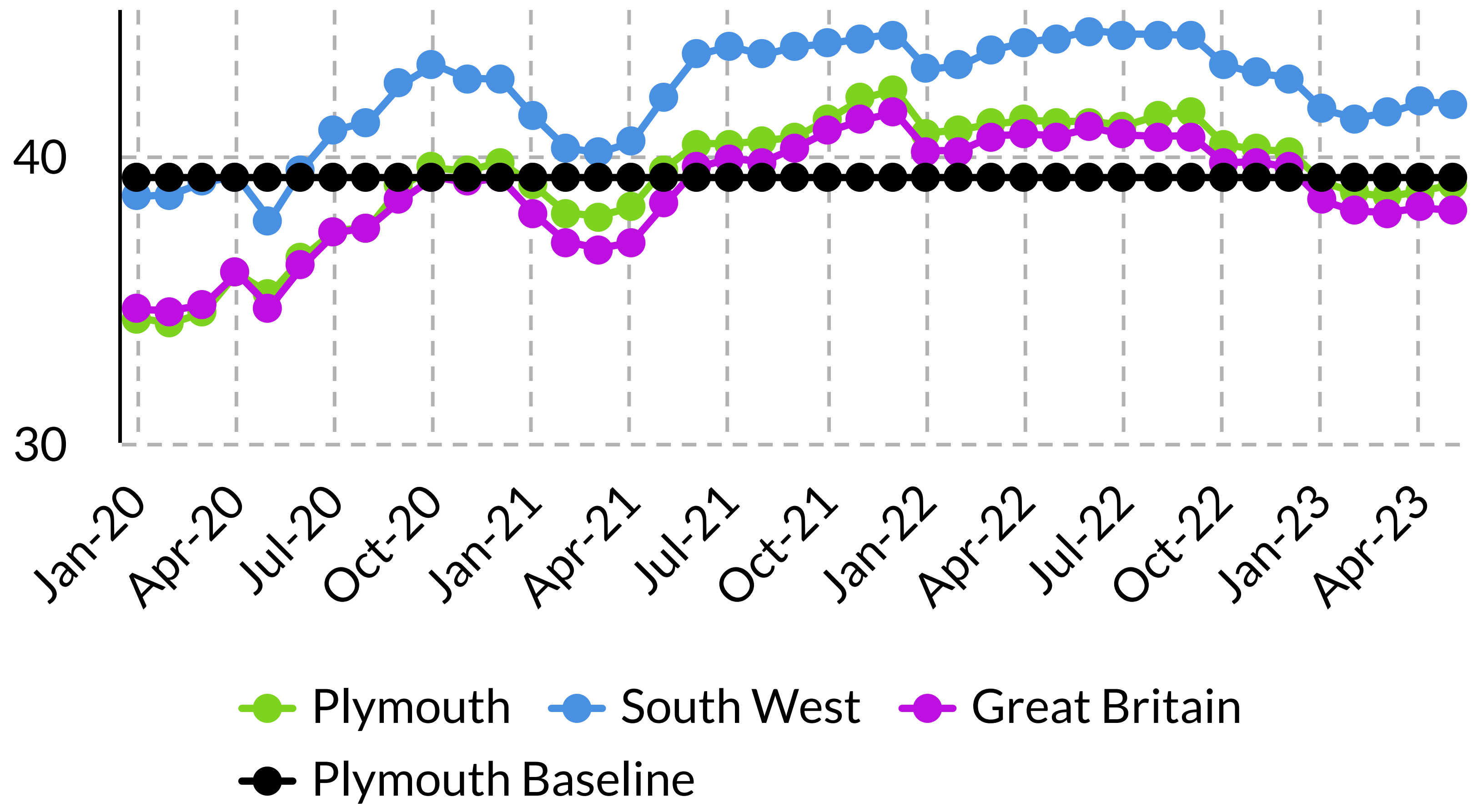
Inclusive Growth

Employment Rate (% of those aged 20-64)



The Employment rate for ages 20-64 in Plymouth for 2022 is roughly in line with the rate for Great Britain but has fallen slightly. The rate for Plymouth in 2022 is 77.7%, the South West is 80.9% and GB is 78.6%.

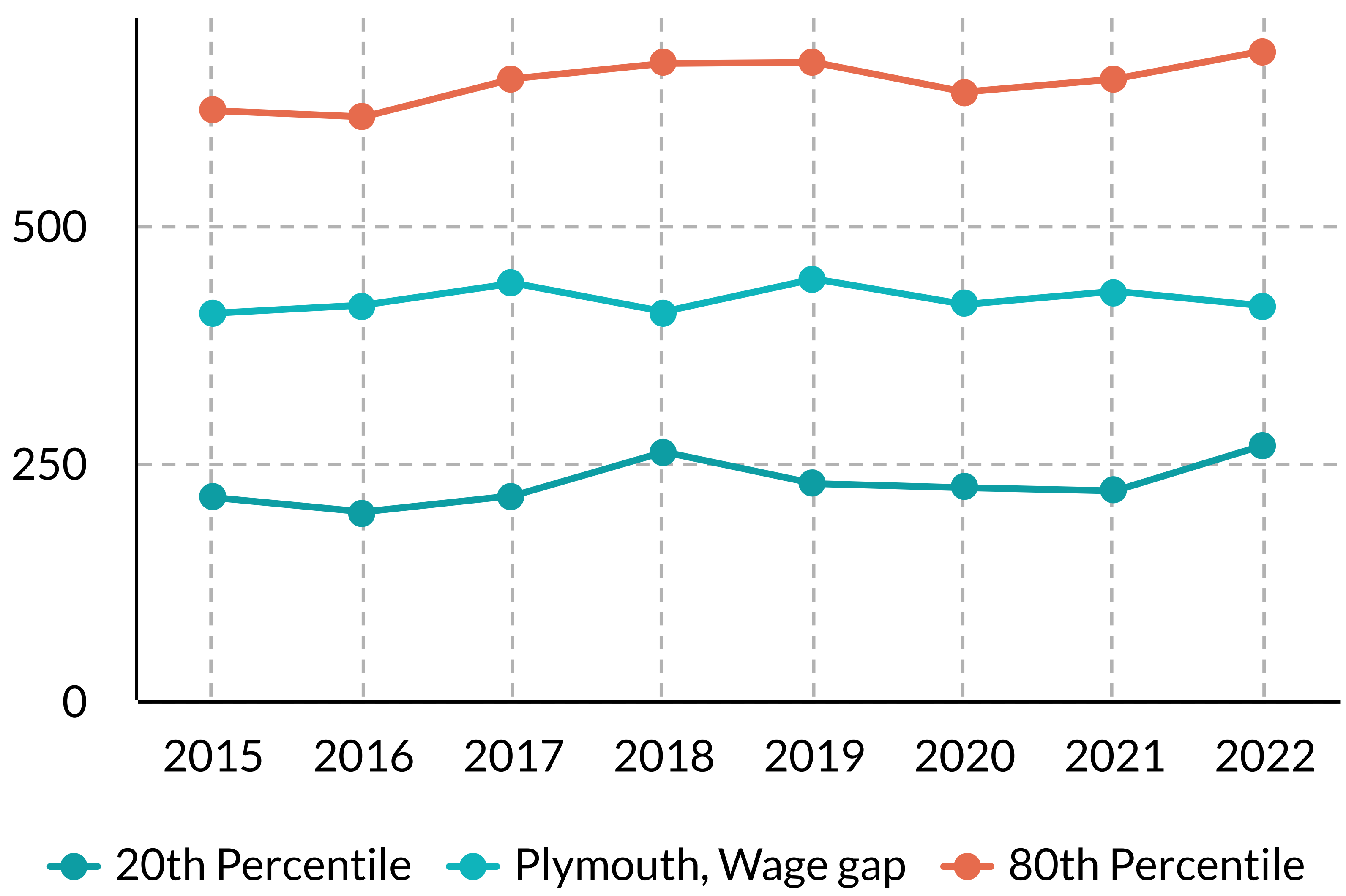
% of Universal Credit Claimant In Employment



from DWP Stat-Xplore using Alternative Claimant Count. Baseline of average 2013-2019

When reviewing the % of Universal Credit claimants' count who are in employment you should read this in conjunction with both the employment rate and claimants' count rate. These have both fluctuated considerably since March 2020. Notably, the in-work claimant rate has risen as the overall number of claimants have risen. The rate in Plymouth closely tracked the GB rate. We can see that consistently the South West has had a higher rate through-out the whole period. We can see however that all three areas have seen a rise in the % of claimants' who are in employment from pre-pandemic.

Inclusive Growth - Plymouth Gross Weekly Pay; 20th & 80th Percentile



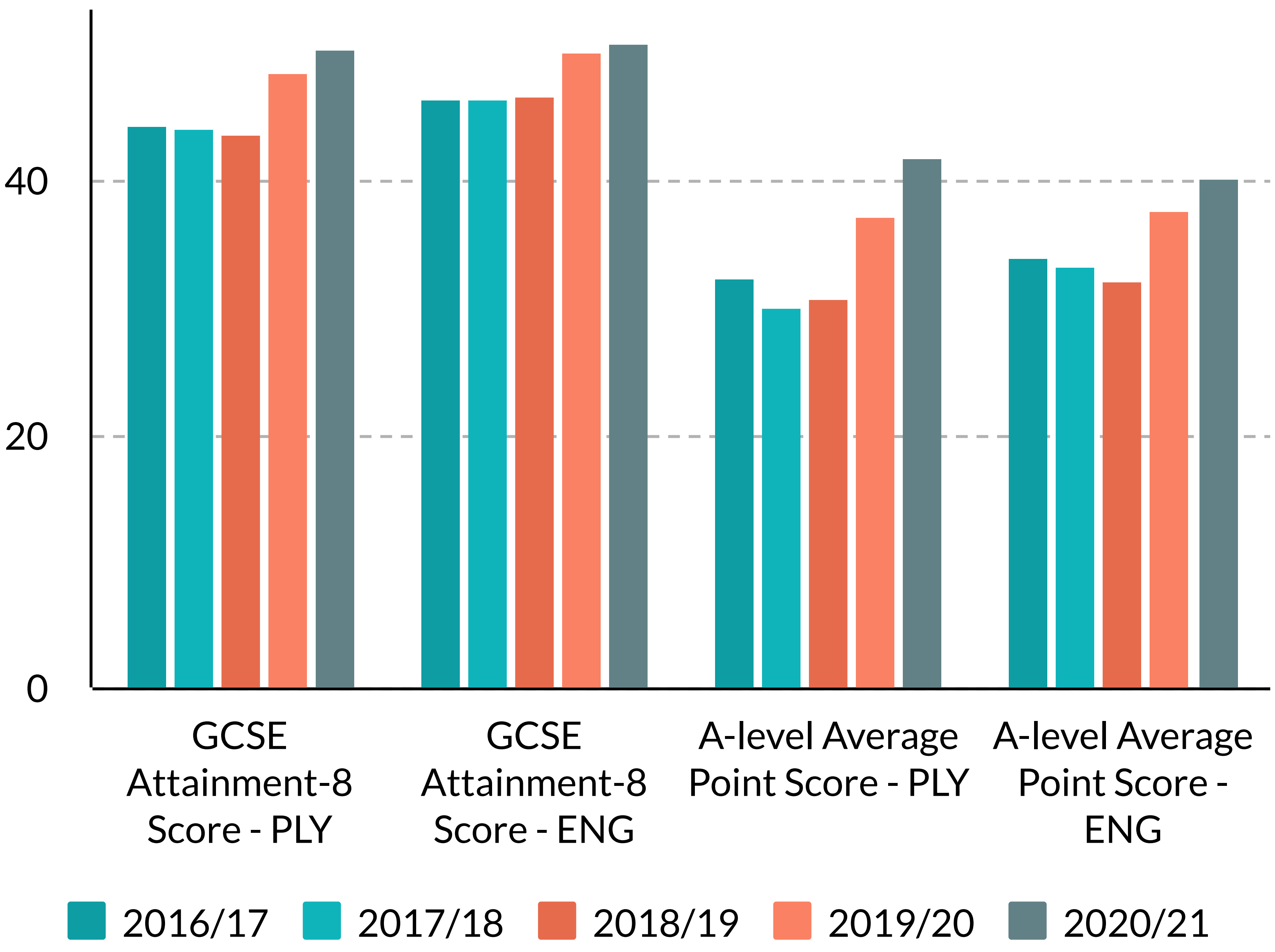
Inclusive Growth - Gross weekly pay; Wage Gap

Inequality of wages is an indicator for many underlying causes of inequality. Gross Weekly Pay for Plymouth residents is published annually in increments for each decile of workers. We are monitoring the 20th percentile and the 80th percentile. This shows the maximum wages of the lowest paid 20% of workers and the lowest wage for the highest paid 20% of workers. In 2022, the 20th percentile saw a significant increase of 22% to £286.20 and the 80th percentile saw an increase of 4.6% to £682.2. As a result, the wage gap shrunk from 2021 to 2022.

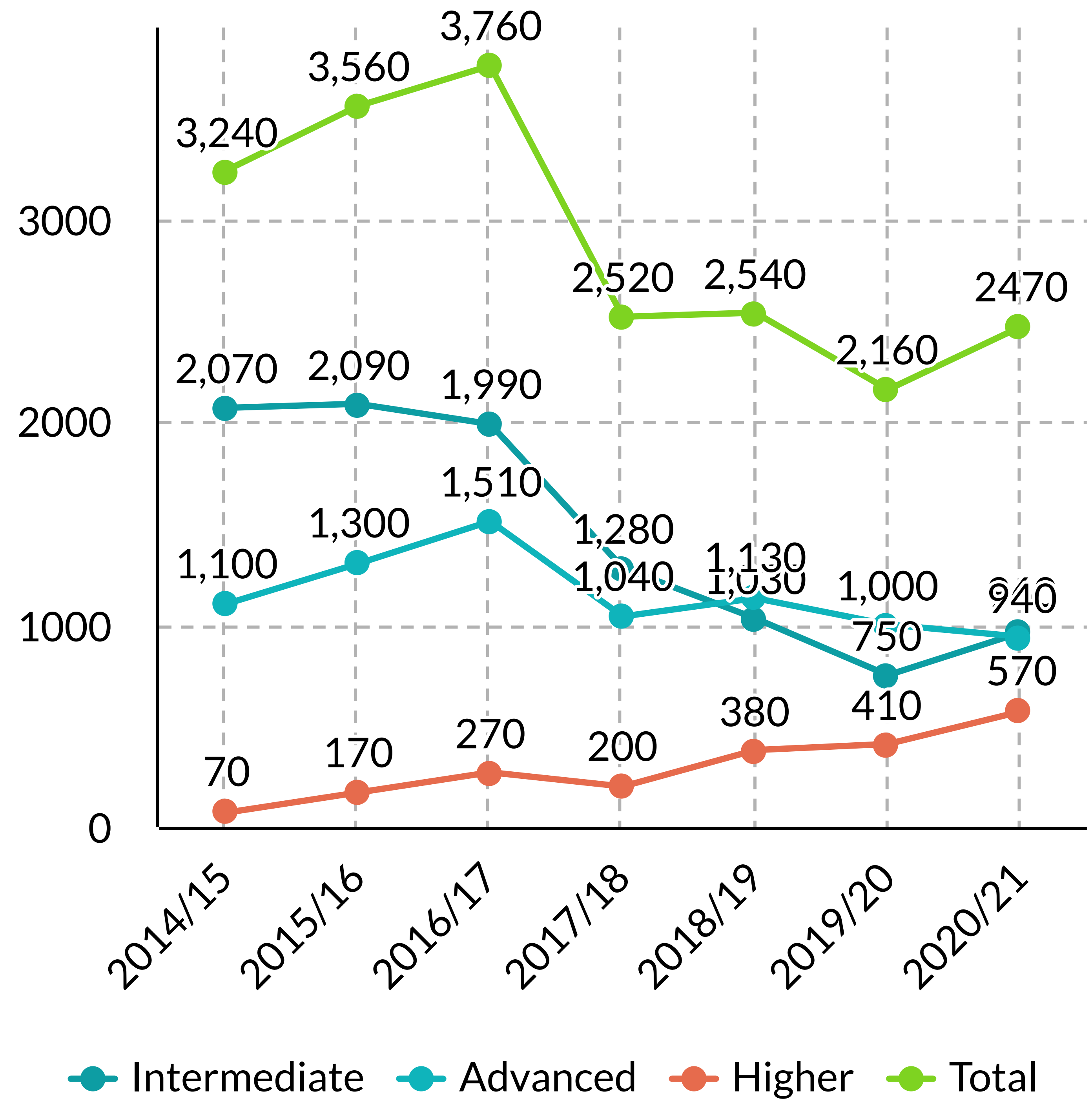
The gap between the 20th and 80th percentile is lower in Plymouth than the South West and Great Britain although that is largely due to Plymouth having a lower 80th percentile wage.

Skills

GCSE and A-level Attainment

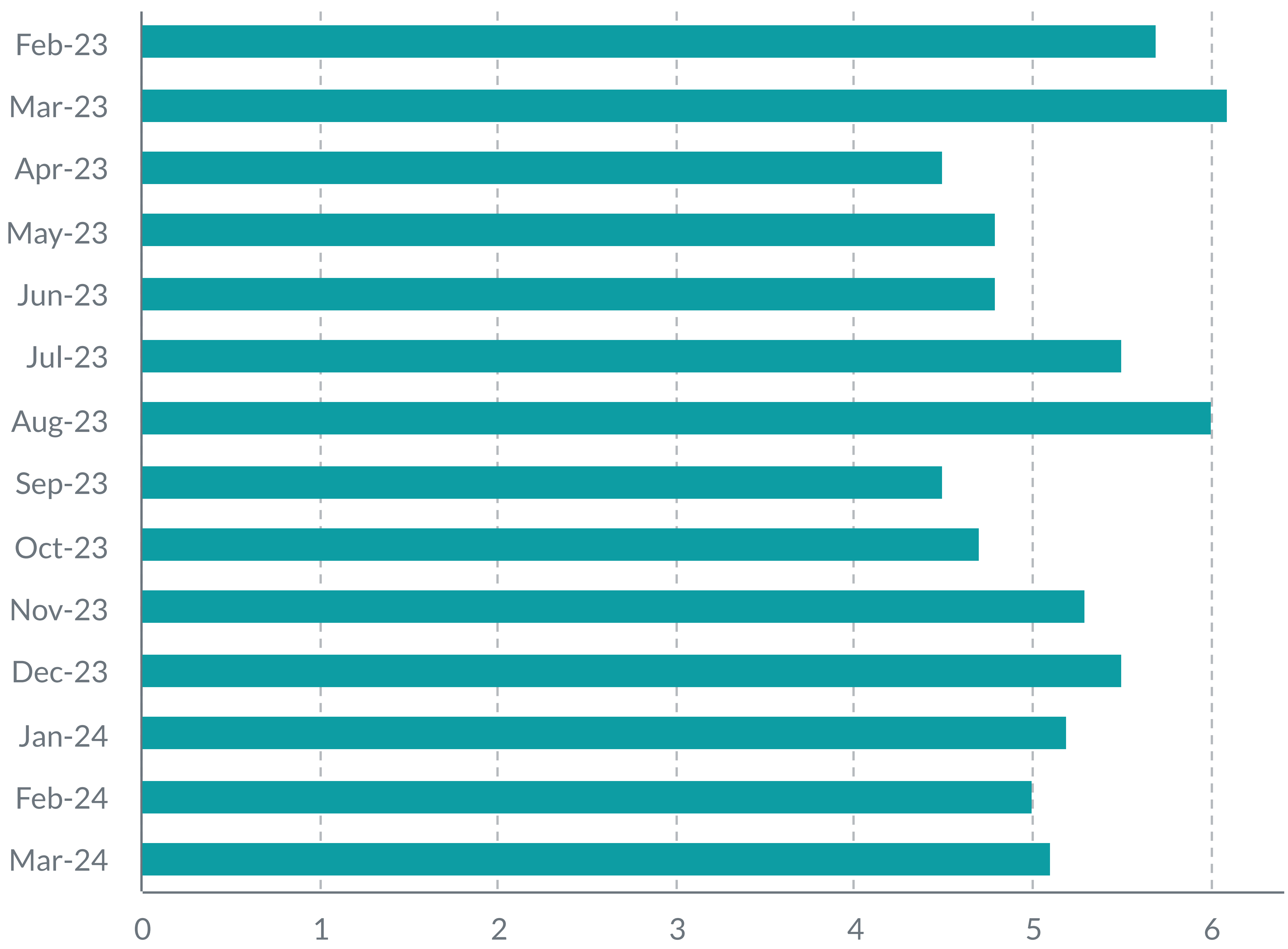


Apprenticeship Starts by Level



- Plymouth's GCSE and A-level attainment have increased in recent years, with both measures catching up with the average for England.
- Apprenticeship starts has seen an overall downward trend from previous years, however, 2020/21 has seen a reversal in this trend.
- There was an increase in higher level apprenticeship starts over the period.

NEET Rates' Timeline



The absolute NEET figure for **February 2024** was **296** with a rate of **5%** and **297** in **March 2024** with a rate of **5.1%.**

Please note that only 2 year groups are now tracked/counted.

This brings measures/KPIs in line with central government and allows for comparison with national and regional benchmarks.