Vol. 2, 2025

Plymouth Growth Board Economic Dashboard

UK Business Confidence Monitor: National

The latest national Business Confidence Monitor (BCM) for Q1 2025 shows that business confidence continued to fall and turned negative for the first time since late 2022, reflecting forthcoming tax rises, rising inflation, weak UK growth, and increased global uncertainty.

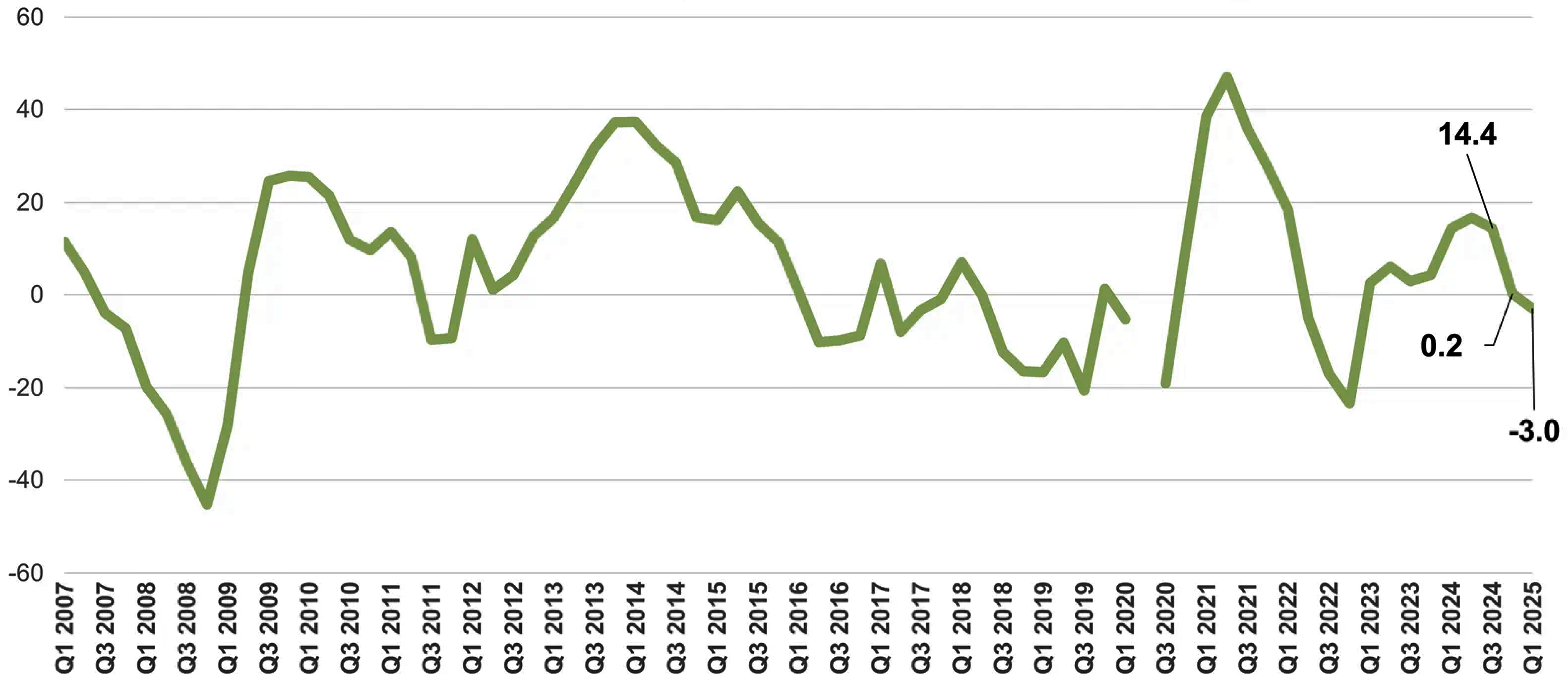
The survey results are based on 1,000 telephone interviews among ICAEW Chartered Accountants covering a range of UK sectors, regions and company sizes, ensuring a representative picture of the UK economy. The latest quarterly findings are based on the period 10 February to 27 March 2025.

Key findings:

- Business sentiment turned negative for the first time in over two years, falling to -3.0, the lowest reading since Q4 2022. Higher business taxes alongside weak UK economic growth and increased global uncertainty related to US tariffs have further dented confidence.
- Concern about the tax burden reached unprecedented levels across all sectors and likely underpins the weakening employment growth picture reported in Q1 2025.
- Inflationary pressure is another likely concern, as input prices picked up for the first time since Q2 2023, and companies have lifted their expectations. Many businesses have also uplifted their projections for wages growth, further dampening profits growth expectations.
- Domestic sales and exports growth are hovering around the historical average, and while companies continue to expect growth to pick up, they have lowered their expectations for domestic sales.
- Confidence varied significantly across sectors in Q1 2025 but was down in most. The Manufacturing & Engineering sector was the most pessimistic after confidence slipped into deep negative territory, alongside Transport & Storage, Retail & Wholesale and Property, while sentiment improved in IT & Communications, Construction and Energy, Water & Mining.

Trend in the UK business confidence

*How would you describe your confidence in the economic prospects facing your organisation over the next 12 months, compared to the previous months?



UK Business Confidence Monitor: National- continued

Confidence overall:

Business confidence turns negative for the first time since Q4 2022.

Confidence dropped again in Q1 2025, with the Business Confidence Index recorded at -3.0, the first time a negative score has been recorded since Q4 2022, and the second consecutive quarter that the index lagged the historical average (+5.1). Business sentiment rose in the first half of 2024 as economic growth accelerated and a change in the UK Government brought an end to a period of political uncertainty. However, confidence has since ebbed away following the tax rises announced in the autumn Budget, weak economic growth and the recent increase in global uncertainty linked to US global trade policy and tariffs. Concerns about the tax burden reached unprecedented highs and are the primary business concern across most sectors.

Despite growing headwinds, businesses reported that annual domestic sales growth improved slightly in Q1 2025, rising to 3.4% from 3.2% the previous quarter and ahead of the historical norm (3.1%). Exports sales growth also remained steady, with growth maintained at 2.8%, matching growth recorded in Q4 2024. Across recent quarters, businesses have been adjusting their expectations for annual domestic sales growth, and this was again the case in Q1 2025. Companies now expect domestic sales growth to improve to 4.6% in the year ahead, down from the 4.9% reported in the last quarter and the lowest growth projections since Q1 2023. Businesses maintained their view that exports growth will rise to 4.0% over the next 12 months, above the historical average of 3.0%. However, the survey was taken before companies could factor in the potential impact of the worldwide tariffs introduced by the US administration on 5 April.

Confidence varied greatly across sectors in Q1 2025. The increasingly uncertain domestic and global outlook is understandably weighing heavily on the Manufacturing & Engineering sector, which recorded a sharp fall in sentiment and, with a score of -11.1, is the least confident sector. Close behind is Property (-10.3), with the weak housing market and depressed demand for commercial real estate likely impacting sentiment in the sector. Confidence in Retail & Wholesale (-8.4) dipped further into negative territory as consumer confidence remains weak and cost pressures in the sector build. Transport & Storage was the other sector returning a negative score (-6.4).

Meanwhile, confidence improved in IT & Communications (+10.0), and it is now the most confident sector, ahead of Construction (+7.8) and Energy, Water & Mining (+6.9), which also recorded improved sentiment in Q1 2025. The Construction sector is the most buoyant compared to its historical norm (+3.8), and this is likely linked to the government reiterating its house building targets and commitments to planning reform.

For the full report: UK Business Confidence Monitor: National | ICAEW , April 2025

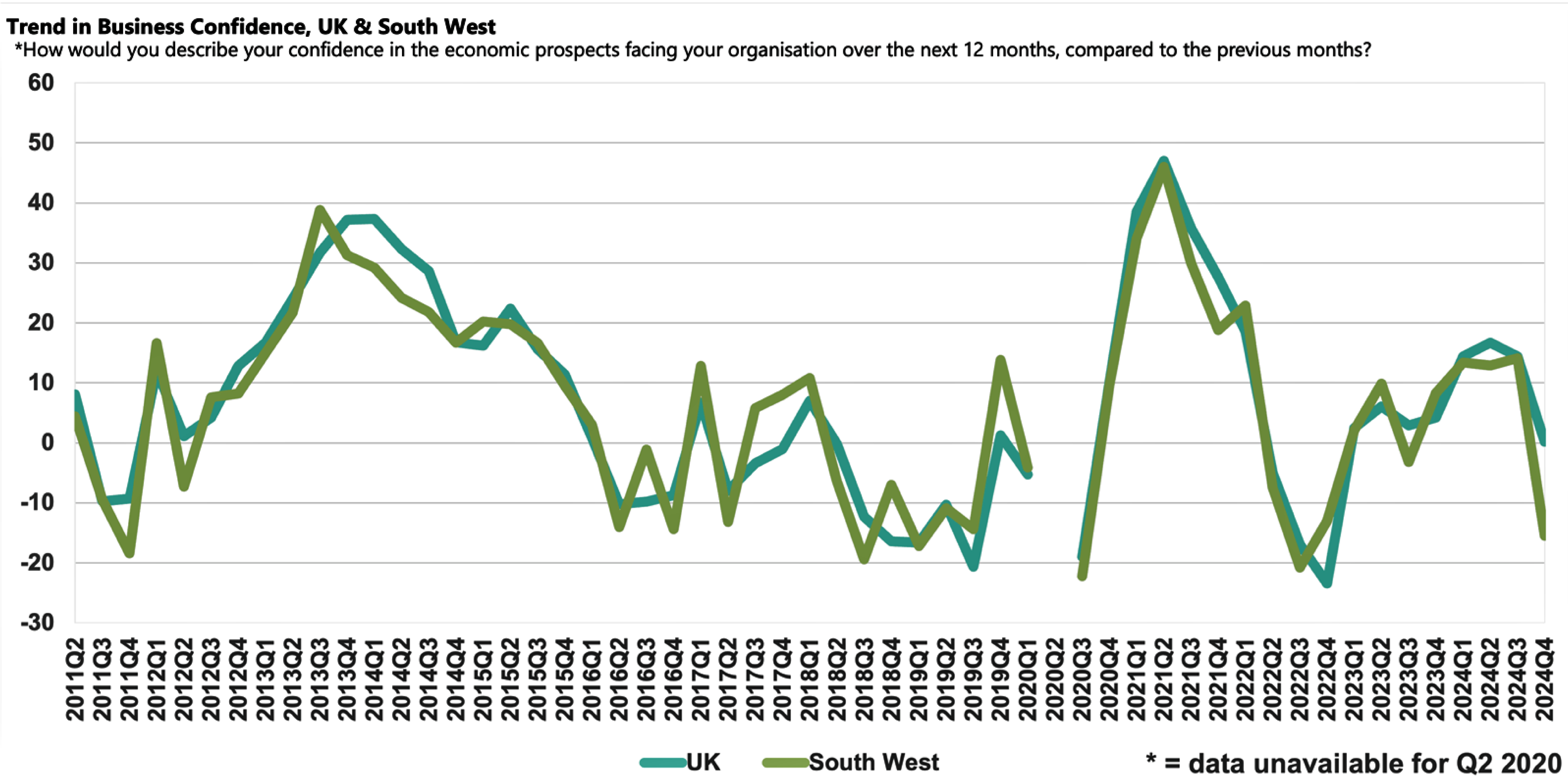
ICAEW Business Confidence Monitor (BCM): South West
Q4: Confidence among businesses in the South West is the lowest in the UK

The latest national Business Confidence Monitor (BCM) for Q4 2024 shows a significant decline in sentiment from the previous quarter, with confidence only just remaining positive, as businesses digest the implications of the proposed tax increases in the Autumn Budget and domestic sales growth eased. 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 14 October to 13 December 2024.

Key findings:

- Confidence in the South West fell significantly in Q4 2024 to -15.5, amid slowing domestic and export sales growth.
- Sentiment among businesses in the region is the lowest in the UK, with companies forecasting weaker sales and exports growth for next year than most other regions.
- Input price inflation also picked up in Q4 2024, but companies expect it to ease to match the historical average next year.
- Meanwhile, employment growth slowed but continued to grow ahead of the historical norm, a trend which is projected to continue in the coming year.
- The tax burden and regulatory requirements were the most prevalent rising challenges for companies in the region.
- The capital investment outlook is expected to deteriorate in the region, with businesses planning to reduce growth in capital investment next year, but companies expect to increase growth in their R&D budgets.

For the full report: South West | ICAEW , March 2025



Job Posting Analytics

There were **14,751** total job postings in the period between January and March 2025, of which **7,300** were unique*.

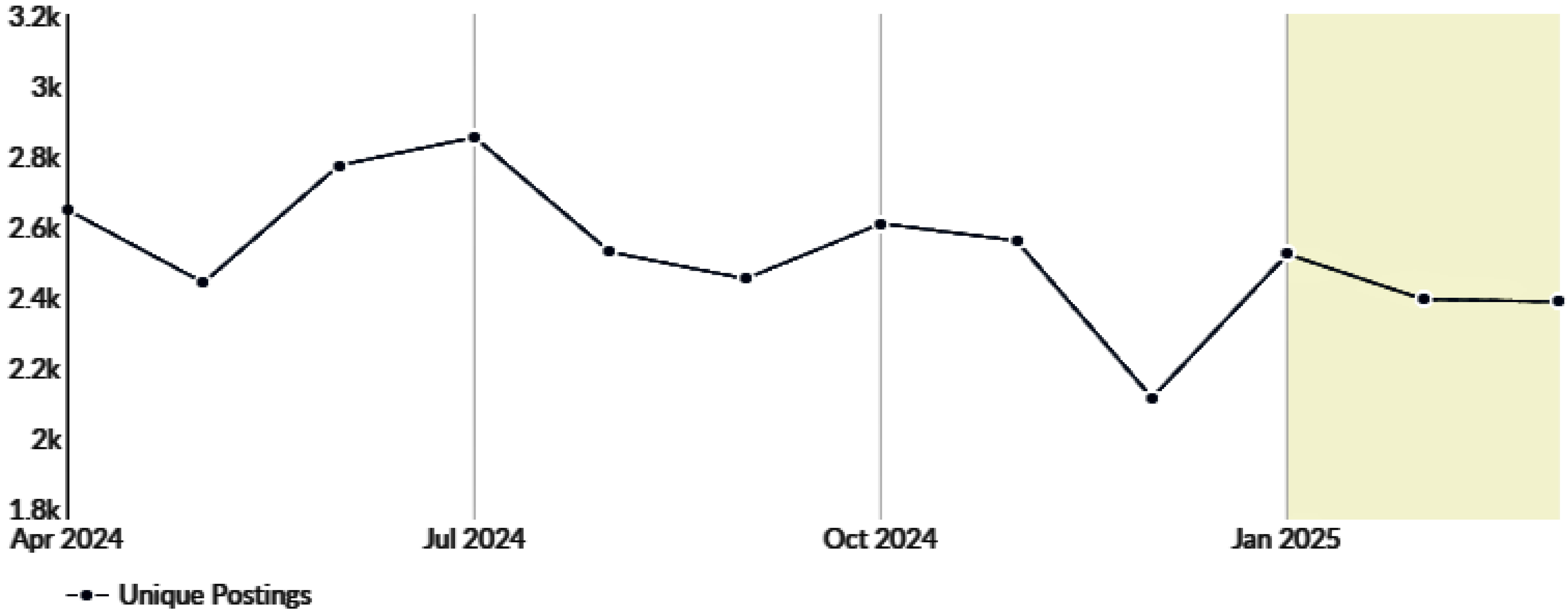
There was a Posting Intensity of **2-to-1**, meaning that for every 2 postings there was 1 unique posting.

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

5.3%

change in unique job postings between January and March 2025.

Unique Postings Trend



Top Posted Occupations

Occupation (SOC)	Total/Unique (Jan 2025 - Mar 2025)	Posting Intensity	Median Postin Duratio
Care Workers and Home Carers	540 / 248	2 : 1	24 day
Teaching Assistants	489 / 219	2 : 1	29 day
Cleaners and Domestics	343 / 202	2 : 1	19 day
Sales Related Occupations n.e.c.	296 / 169	2 : 1	23 day
Kitchen and Catering Assistants	290 / 150	2 : 1	15 day
Secondary Education Teaching Professionals	194 / 128	2 : 1	30 day
Primary Education Teaching Professionals	189 / 115	2 : 1	30 day
Project Support Officers	193 / 105	2 : 1	18 day
Customer Service Occupations n.e.c.	474 / 105	5 : 1	19 day
Authors, Writers and Translators	105 / 103	1 : 1	8 day

Lightcast,2025

Overview

Unemployment

6,185
UC/JSA claimants in March 2025

The **total number of UC/JSA claimants** was **5,795, 6,090,** and **6,185** in **January, February** and **March 2025** in **Plymouth** respectively– with a **rate of 3.4** in **January, 3.5** in **February** and **3.6** in **March**- of which **1,330, 1,390** and **1,400** individuals were **under 25**; **1,175, 1,230** and **1,275** were **over 50**; while **3,355, 3,520** and **3,605** were **males** and **2,435, 2,570** and **2,580** were **females** in **January, February** and **March 2025** respectively.

The claimant count rate is currently stable in Plymouth at the near-full employment position. The claimants' rate in Plymouth in March 2025 was (3.6) which is **lower than the national average** for Great Britain (4.2). Plymouth's claimant count rate has **remained lower than the national average since August 2021** when it was higher (Plymouth: 6.6% GB: 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 **32,747** and **33,305** and **34,000** in **January, February** and **March 2025** respectively.

34,000
People on Universal Credit March 2025

Output & Productivity

£6,97bn real GVA in 2022
(+18.6% from 2020, this is in current prices)
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%)

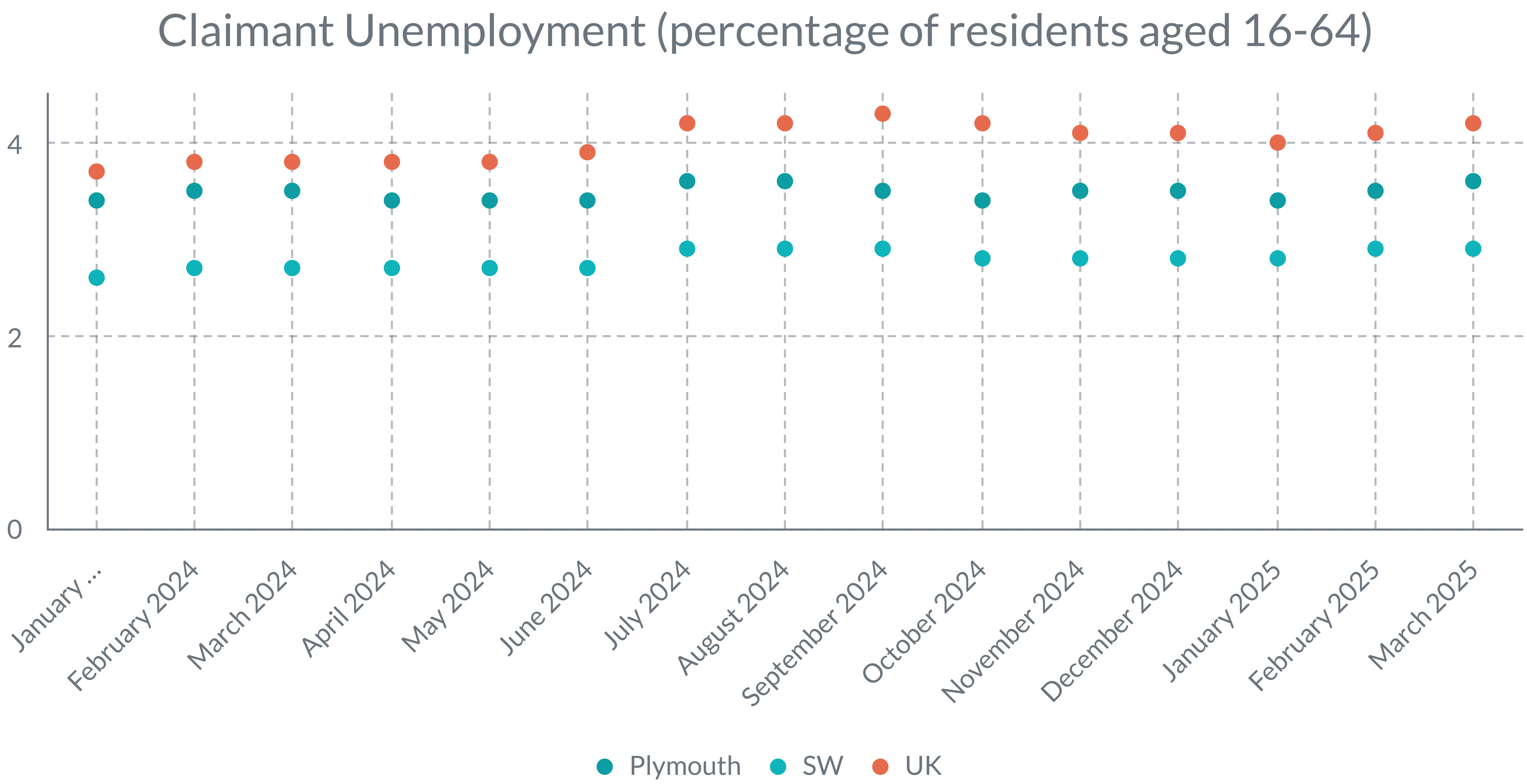
Skills & Attainment

33.4% of working-age residents NVQ4+ qualified (v. 47.3% UK) in 2023
GCSE Attainment-8 Score: 57.1 (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

116,000 jobs in 2022 (+0.87% on 2021)
73.6% employment rate (v. UK 75.6%)
Median Gross weekly pay -workplace 2023
Full time - £657.2 (96.41% of UK median)
Part time - £218.3 (90.62% of UK median)

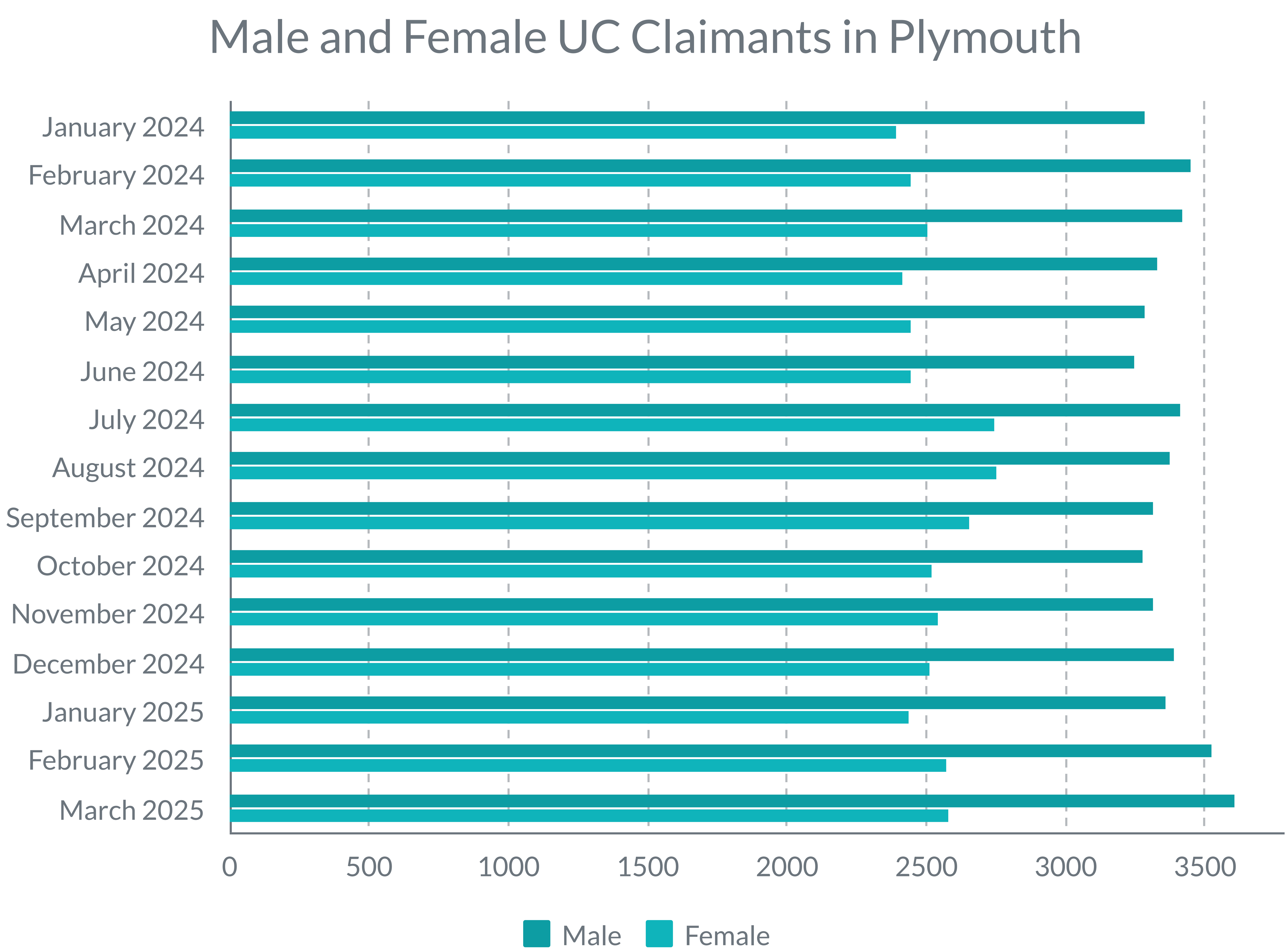
Highlights



Source: Claimants Count, NOMIS, 2025

We can see that Plymouth has been more closely tracking Great Britain but has achieved a lower rate since mid-2020. while the South West maintains the lowest rate of all three.

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

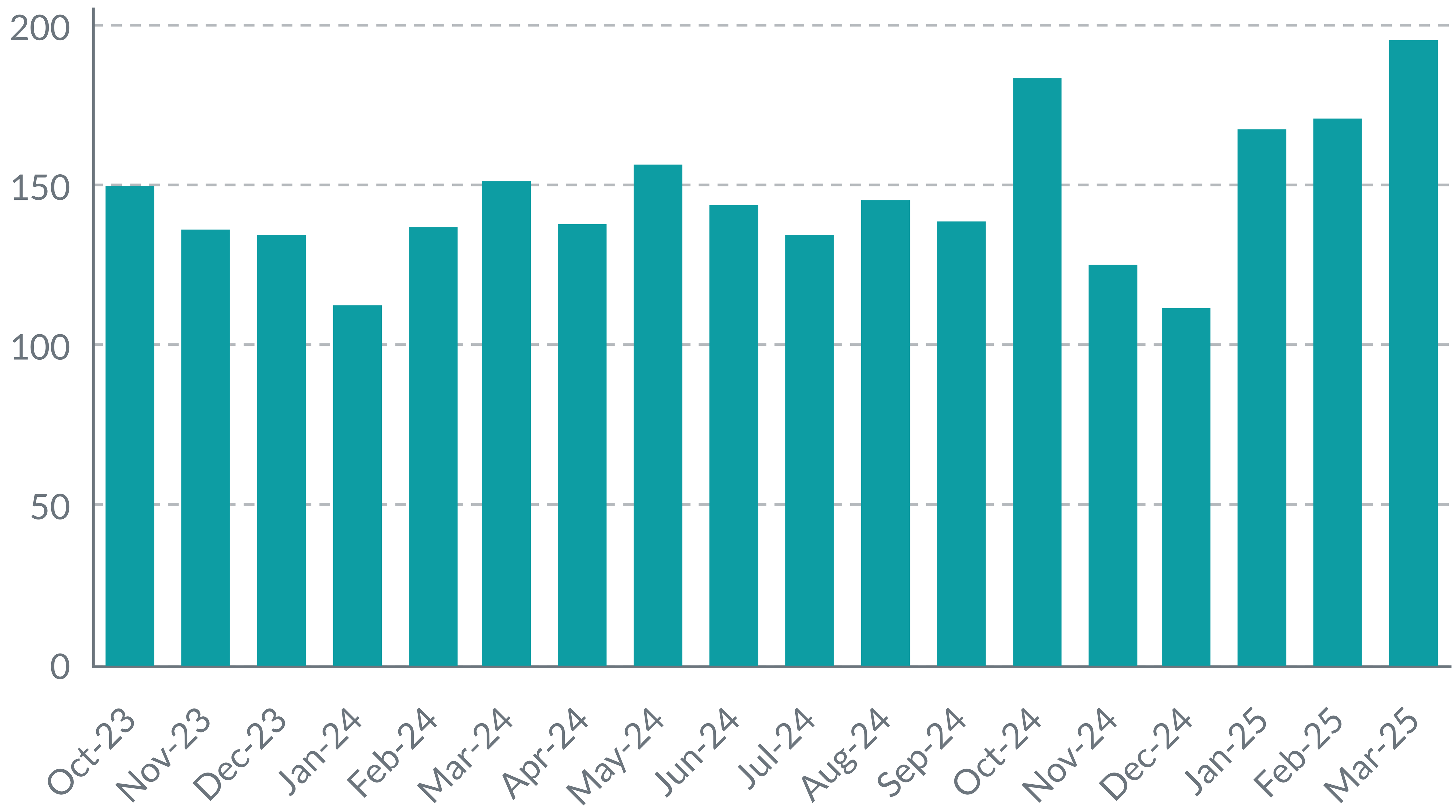


JSA/UC claimant numbers for both males and females are now below the numbers seen pre-pandemic.

Source: Claimants Count, NOMIS, 2025

Economy

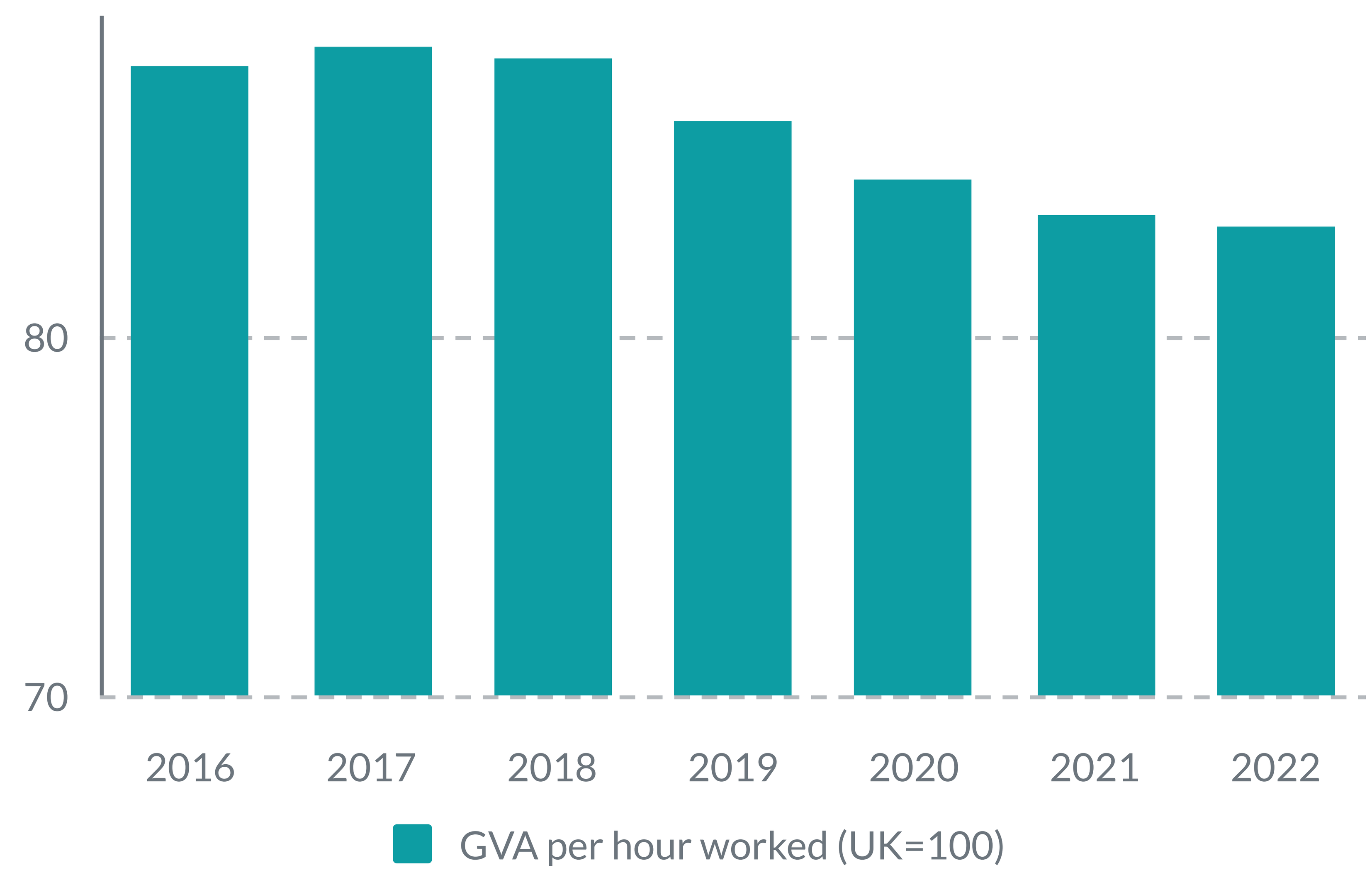
PCC Planning Applications



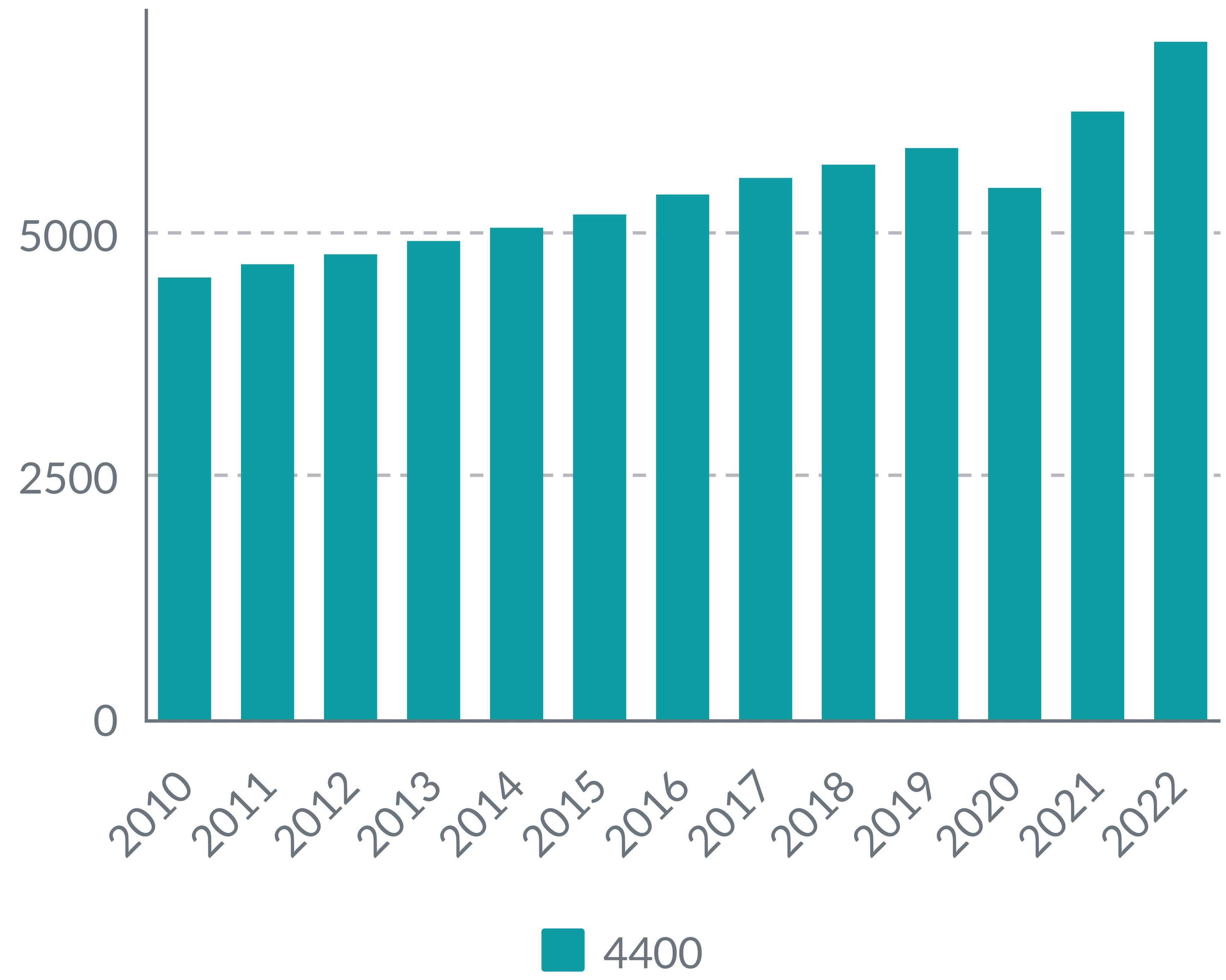
168, 171 and **196** applications were received in **January, February** and **March 2025** respectively.

Comparing the number of applications to those of the same months last year, **March 2025** had **44** planning applications more than those of March 2024.

Plymouth Productivity, GVA per hour worked (UK=100)



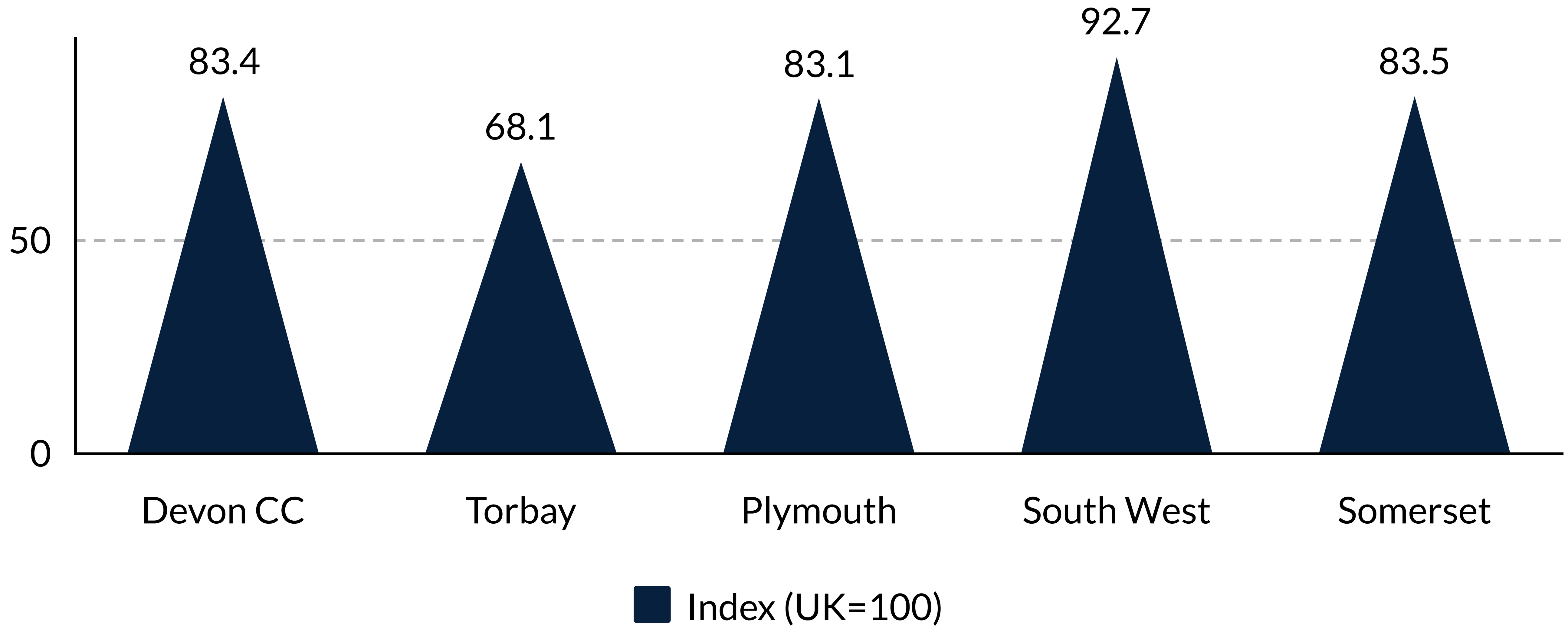
Real GVA, Plymouth (in current prices), £m



- 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.

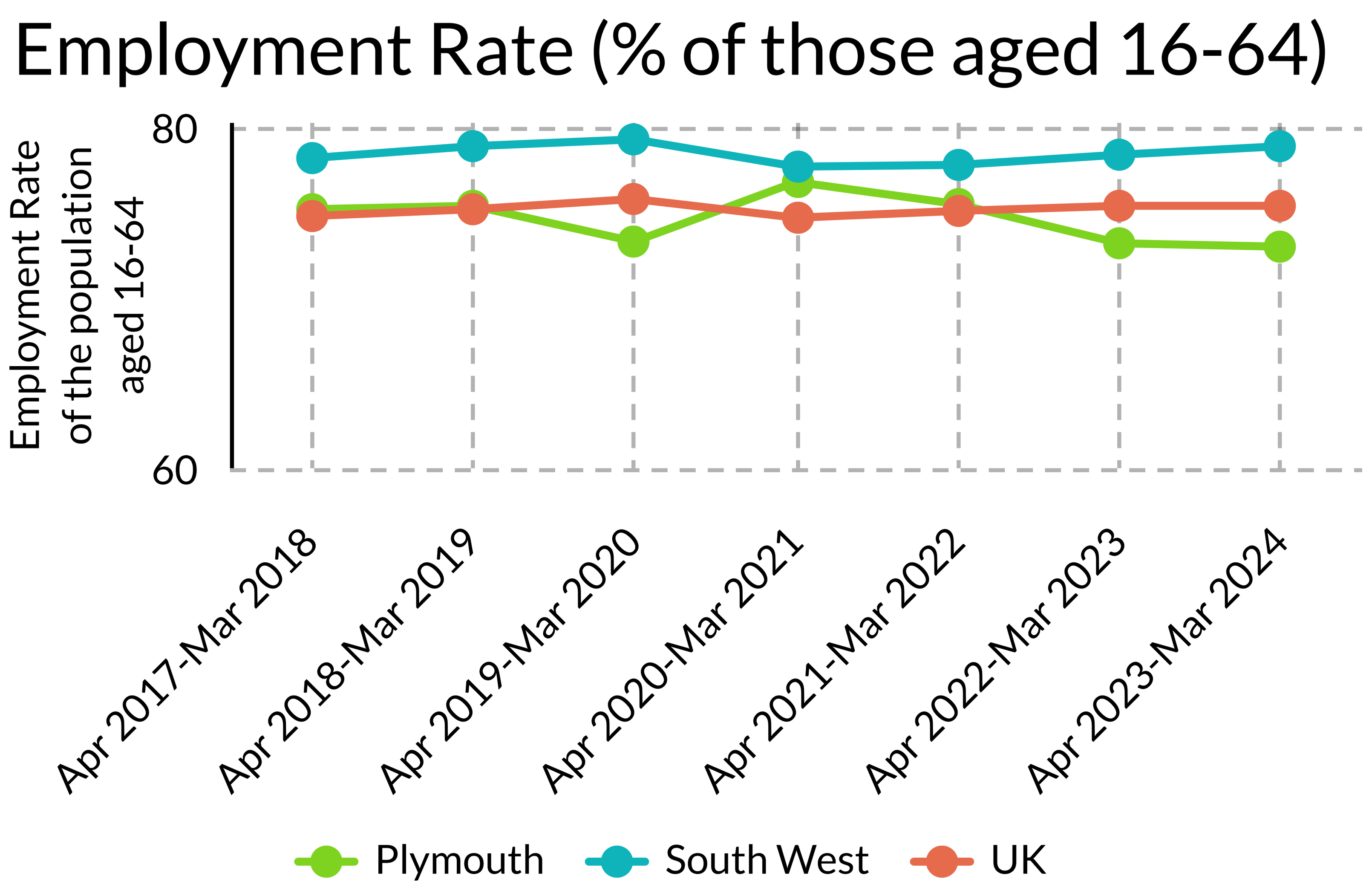
- Real GVA, however, had seen stronger growth up until 2019 but the impact of the Covid-19 pandemic is clearly visible in to 2020 with a significant **decline of over 6% only to pick up in 2021 onwards.**

Productivity - GVA per hour worked, 2022

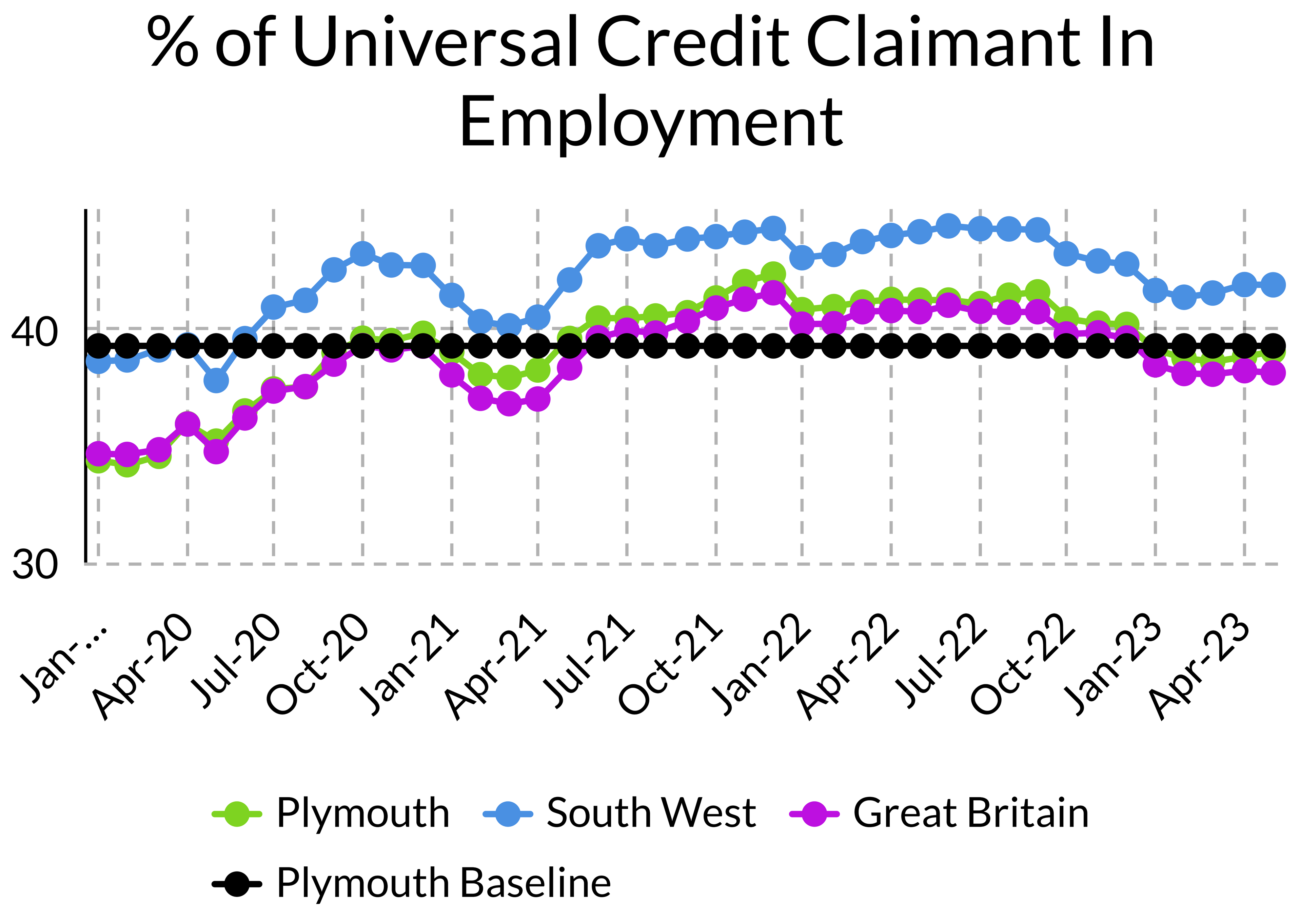


Sources: Regional GVA (Balanced) - ONS, 2020;
Sub-regional Productivity - ONS, 2020

Inclusive Growth

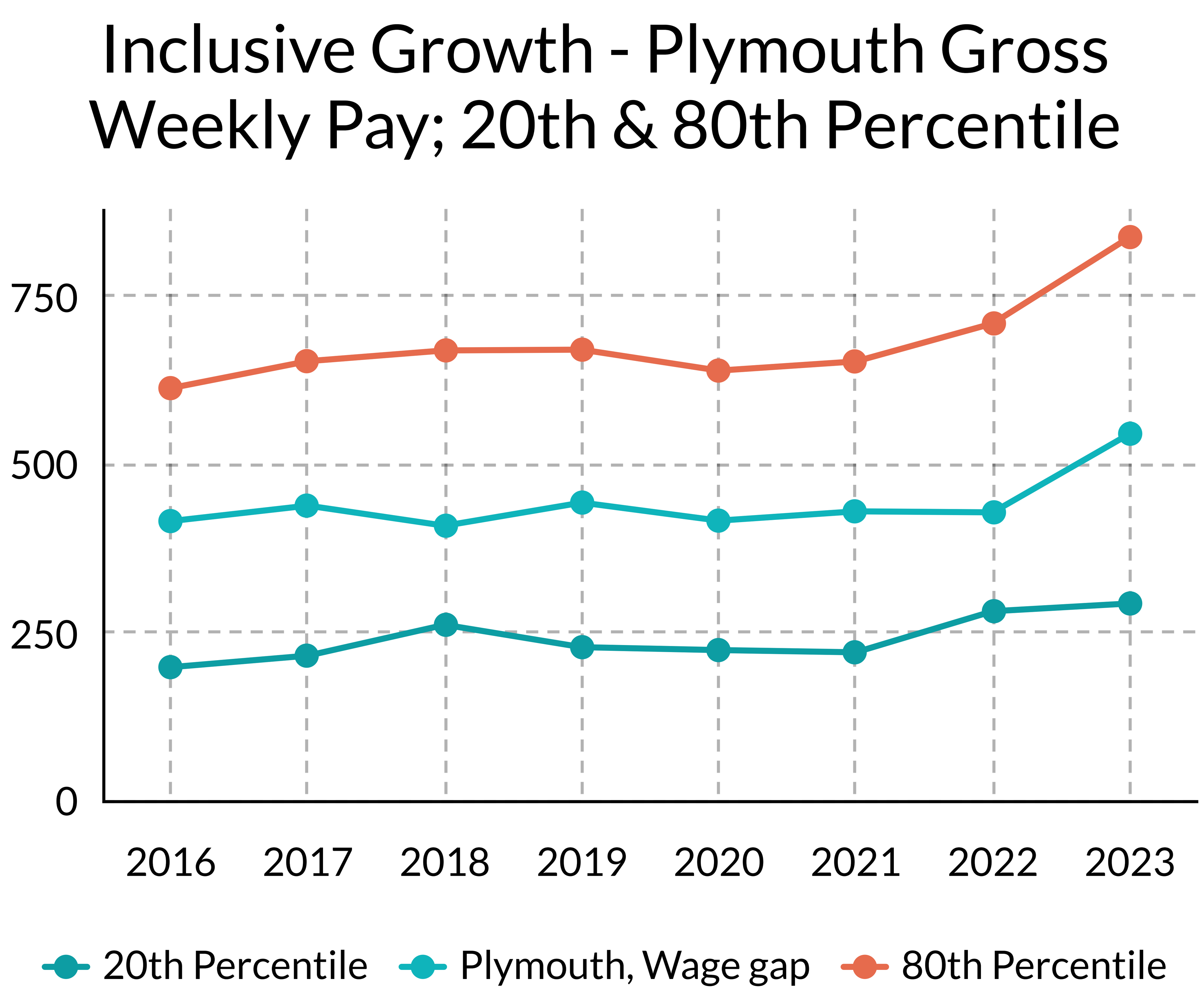


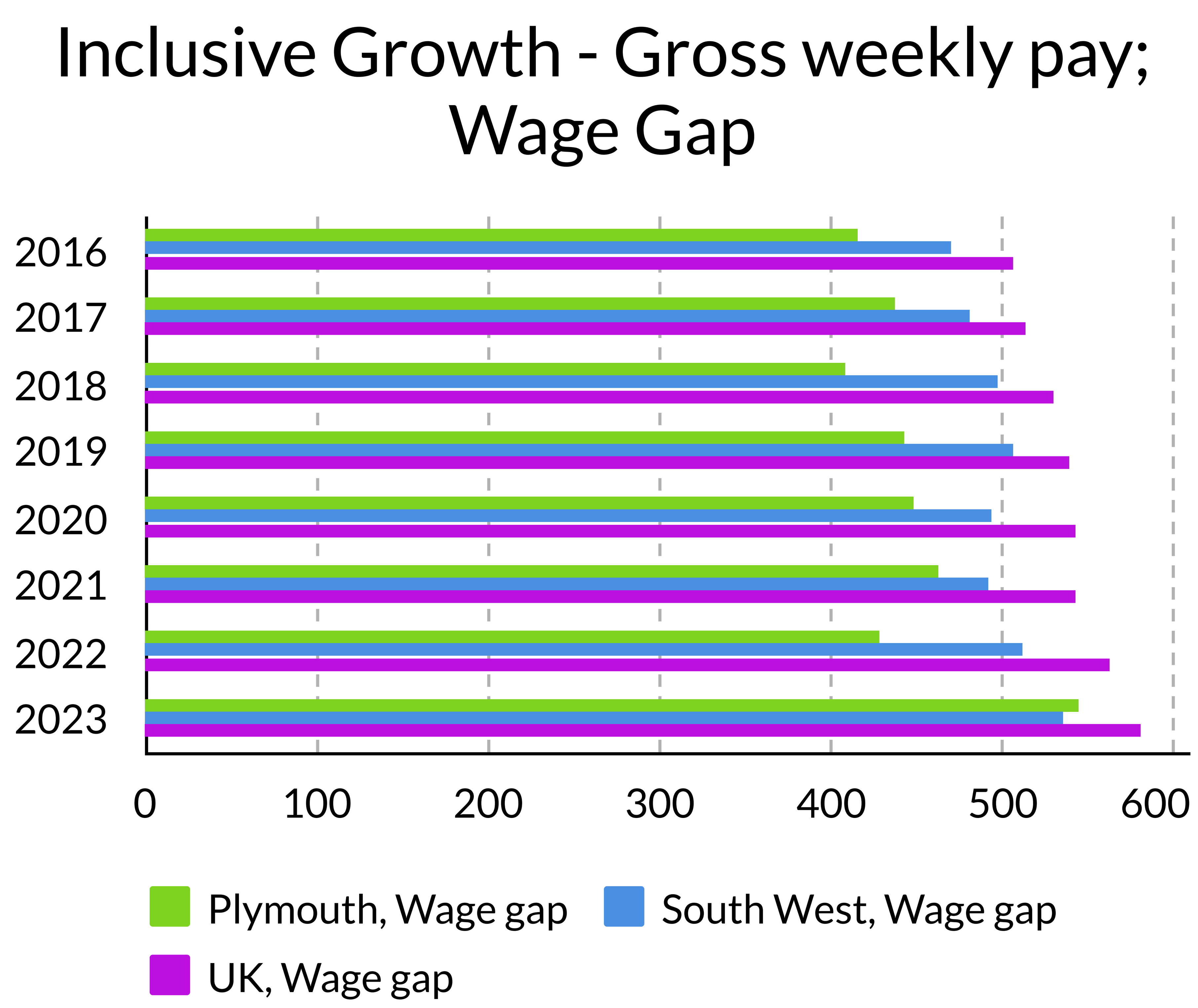
The Employment rate for ages 16-64 in Plymouth for 2024 is slightly below the rate for the United Kingdom since 2022. The rate for Plymouth in 2024 is **73.0%**, the South West is **78.9%** and UK is **75.4%**.



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.



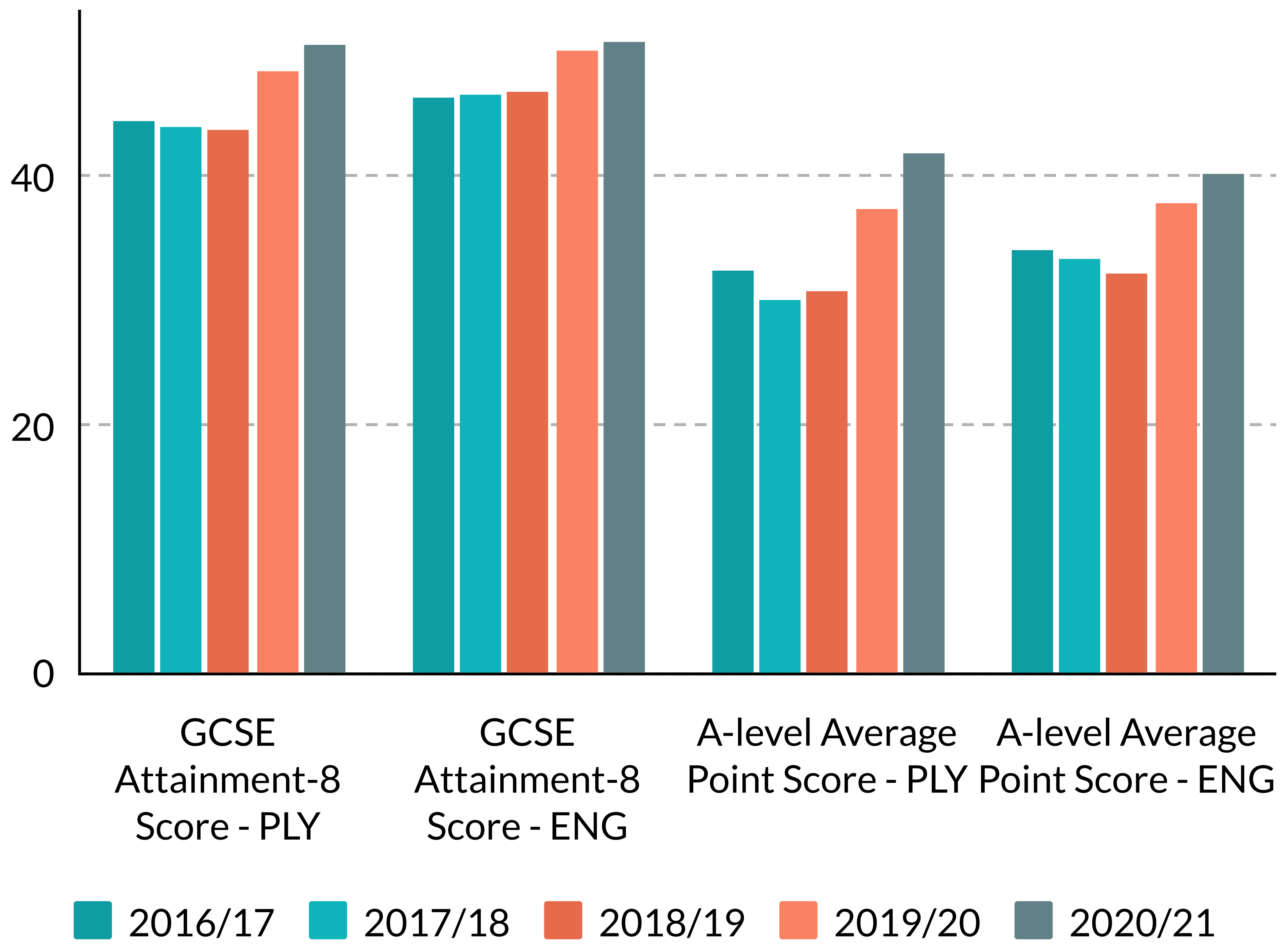


Inequality of wages is an indicator for many underlying causes of inequality. Gross Weekly Pay for Plymouth residents is published annually in increments for each decile of workers. We are monitoring the 20th percentile and the 80th percentile. This shows the maximum wages of the lowest paid 20% of workers and the lowest wage for the highest paid 20% of workers. In 2023, the 20th percentile saw a slight increase of 4.09% to £292.4 and the 80th percentile saw a significant increase of 18.12% to £837.2. As a result, the wage gap increased from 2022 to 2023.

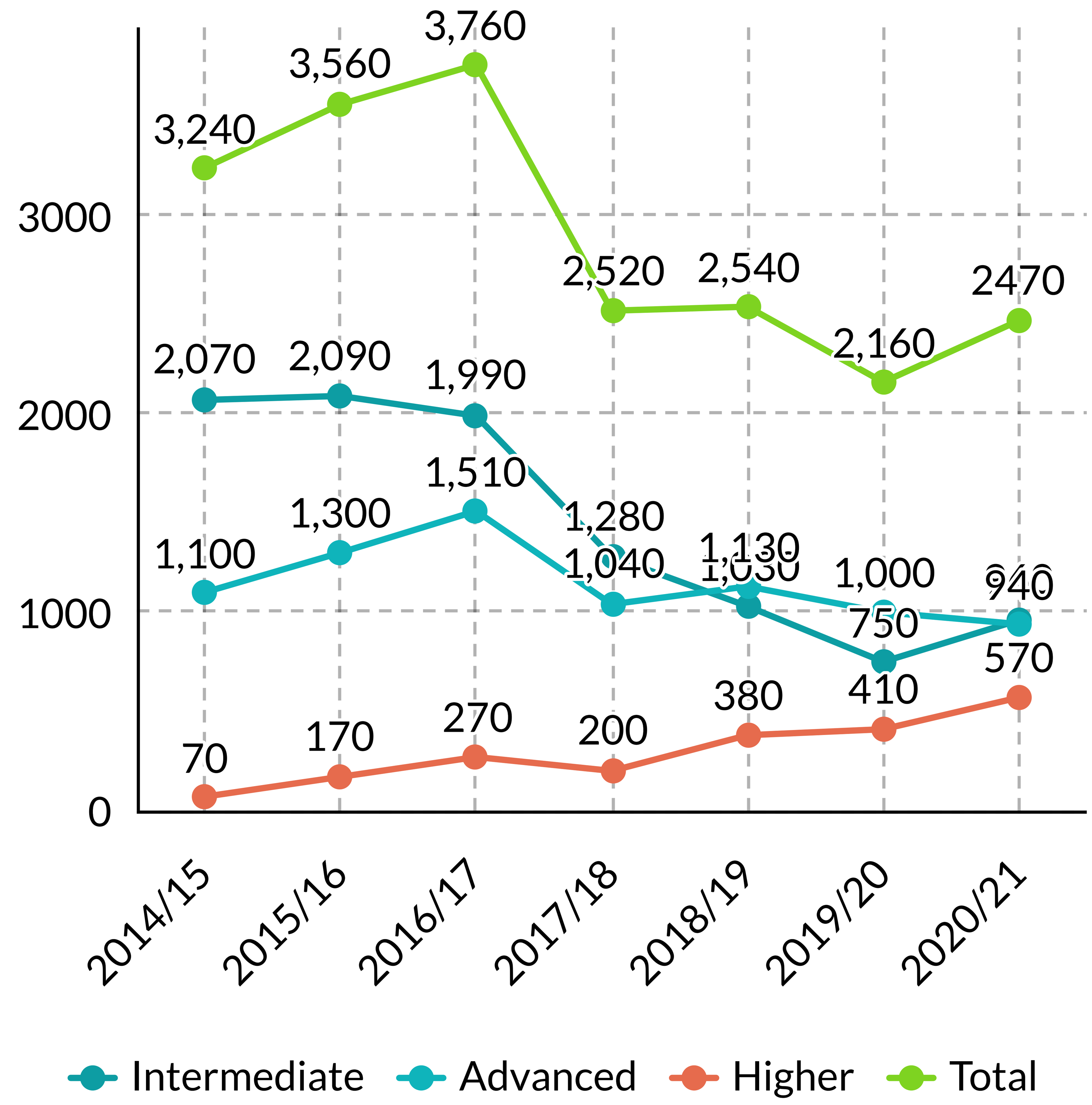
The gap between the 20th and 80th percentile is higher in Plymouth than the South West but lower compared to the UK. Largely due to the increase of the 80th percentile wage in Plymouth in 2023.

Skills

GCSE and A-level Attainment

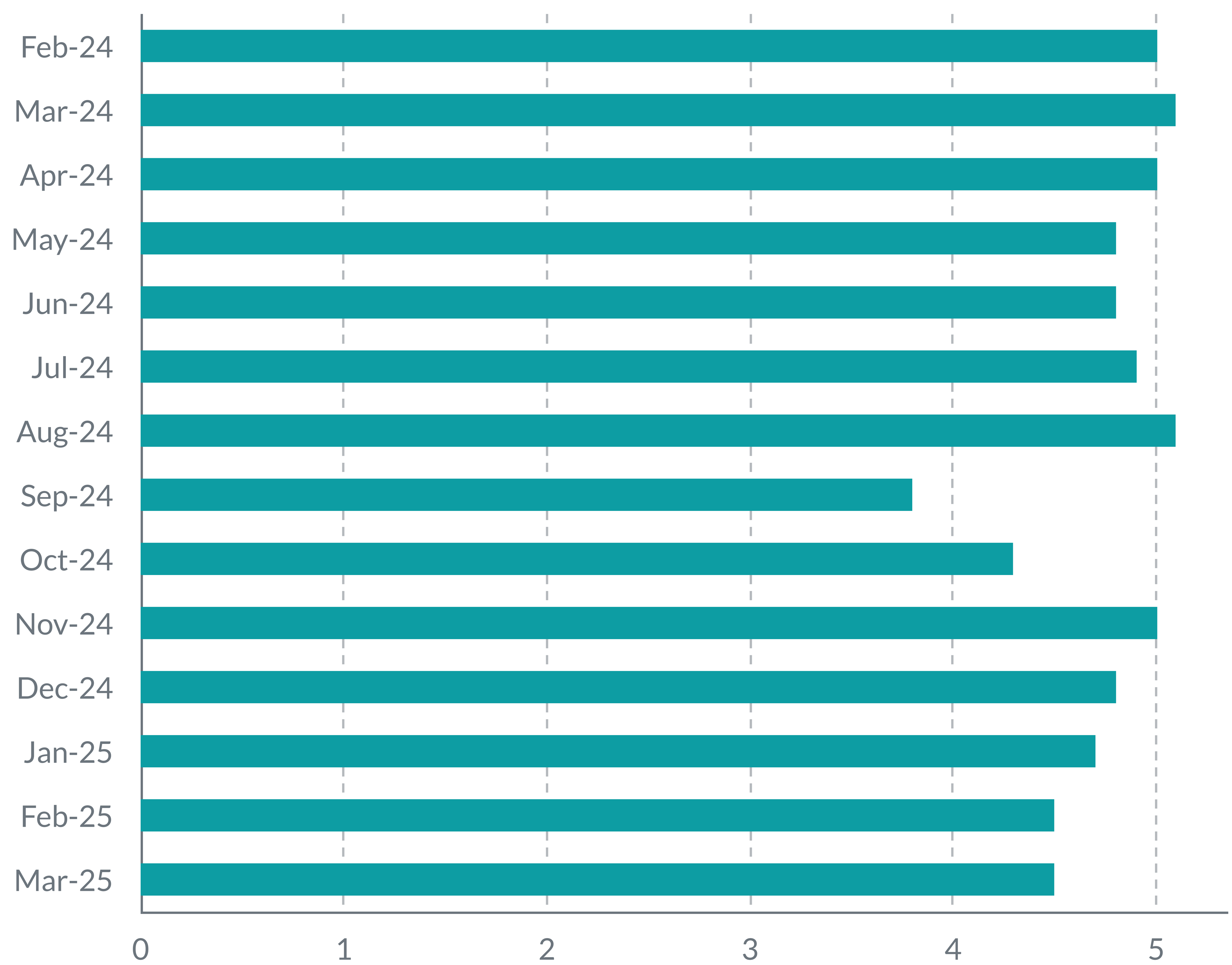


Apprenticeship Starts by Level



- 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 Rate Timeline



The absolute NEET figures for **January, February** and **March 2025** were **287, 278** and **277** with rates of **4.7, 4.5** and **4.5** respectively.

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.