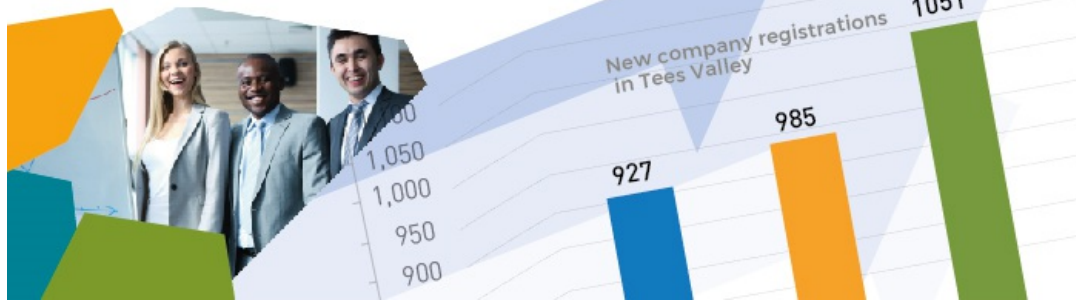


Economic Briefing

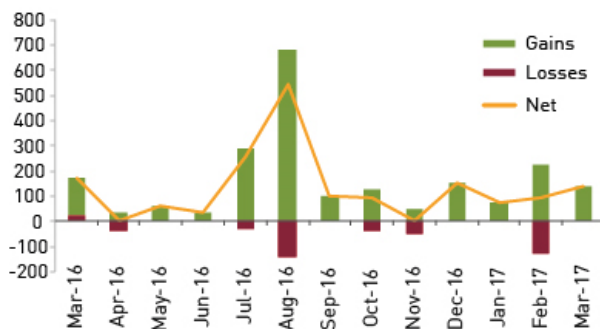
March 2017



Summary

March was a generally positive month for job announcements across the Tees Valley with a range of sectors seeing some growth in employment.

The latest Markit / Lloyds Bank Regional Purchasing Managers Index (PMI) recorded robust levels of North East business activity growth not seen since the summer of 2015. Additionally, the region's business output index was above the national average for the first time in close to two years. The North of England also outscored the UK with business activity in both the North West of England and Yorkshire & Humber reflecting the North East's strong performance.



Source: Tees Valley Combined Authority

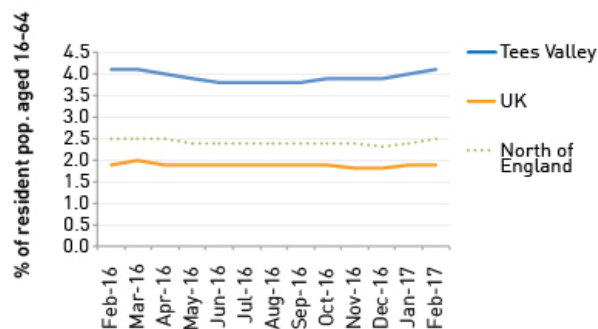
Reported Job Gains & Losses

March was a generally positive month for job announcements across Tees Valley's private sector.

Note that only stories reported in the press are reported. Trends can be affected by significant individual announcements. Developments outside the Tees Valley (e.g. in County Durham or North Yorkshire) are not included.

Claimant count unemployment rate

The local claimant count unemployment rate for February was 4.1%, up by 0.1% on January. A similar increase was observed in the North of England (defined as a combination of NE, NW and Y&H regions) whilst the UK rate was unchanged. Unemployment rates remain similar to what they were 12 months ago. Note that this measure of unemployment includes both JSA and Universal Credit claimants and is not seasonally adjusted.

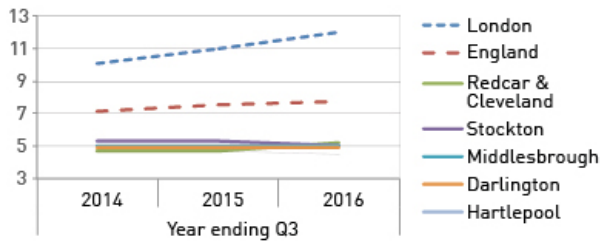


Source: ONS, NOMIS

House Price to Earnings Ratio

Tees Valley house prices remain some of the most affordable in the country at around five times annual earnings. All English regions saw rises in the house price / earnings ratio between the year to Q3 2014 and the year to Q3 2016. Increases ranged from a high of 19% in London down to just a 2% rise for the North East.

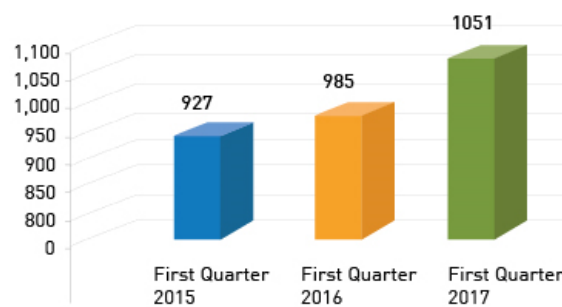
Note that median house prices have been compared to median gross annual workplace-based earnings for this analysis.



Source: ONS

New Company Registrations in Tees Valley

1,051 Tees Valley companies registered at Companies House during the first three months of 2017, up by 6.7% on the same quarter of 2016. This annual percentage increase was marginally up on the 6.3% rise seen between Q1 2015 and Q2 2016.



Source: Companies House and Tees Valley Combined Authority

Note that only companies with a valid Tees Valley postcode, registered during the first quarter of the year and classed as active on the 1st of April are counted in this analysis.

Manufacturing & Engineering

Redcar & Cleveland-based car parts manufacturer ElringKlinger (GB) is planning to recruit an additional 30 members of staff and also take on a number of apprentices in the coming months. The growing firm is targeting an increase in turnover of 50% on the year after securing contracts with companies including JLR and Ford.



Stockton mechanical engineering firm Francis Brown has won a major contract with Burnt Island Fabrications (Bifab) to work on the Beatrice Offshore Wind Farm, one of the largest private investments in Scottish infrastructure to date. The company, which specialises in the provision of services to the chemical, oil and gas, renewables and nuclear industrial markets, is to fabricate 26 of the steel Boat Landings for wind turbines to be located at the wind farm.

Lynas Engineers, based at Redcar & Cleveland's Wilton Centre, is expanding only five months after its launch. The engineering design consultancy reports that a new contract has provided scope to move to a larger office at the site and create two new jobs.

Education

The Wilton Centre has also secured its largest letting in ten years with a deal for 36,000 sq ft of office and training space. Middlesbrough-based international electrical safety training provider the Faraday Training Group has moved into the South Annex Building, formerly the home of ICI's North East Regional Computing Centre. The move will create up to six lecturing jobs with the firm planning to open the new facility in September.

Changing Futures North East, a charity that specialises in family mediation and support, in addition to undertaking pioneering innovative work with families, has taken on two apprentices through Hartlepool College of Further Education. The college offers different opportunities for young people, from engineering, welding and construction to business services, hair and beauty, social care and travel.



Retail

American Golf has opened a golf equipment store in Stockton with the creation of six new jobs. The firm has invested £75,000 into the Ingleby Barwick Golf Academy which now offers the latest Flightscope fitting technology, PGA Professional advice, an 18 bay two-tier driving range, a nine-hole golf course and putting green in addition to an on-site bistro.

Financial Services

Growing mutual Darlington Building Society employed 30 new recruits in 2016. The society's net profit increased by 17.5% to £1.41m, whilst gross mortgage lending increased 36% to £99.2m.

Digital

Broadband firm Openreach is to recruit around 80 new trainees from Tees Valley and County Durham. The move is part of a UK-wide drive to hire 1,500 trainee engineers over the next eight months to extend the company's fibre broadband network. The recruitment drive follows an agreement reached between BT and Ofcom to legally separate Openreach from the BT Group.



Hospitality

Darlington-headquartered Bannatyne Group is expanding its contact centre to support the growth of its spa division. An increase in the number of call centre enquiries has led to the creation of around six new positions at the facility.

Services

Stockton-based transport firm Delta Coaches has acquired GL Coaches in a move which more than doubles its workforce. 15 jobs have been



safeguarded. Delta Coaches is now looking to increase its workforce further by recruiting four members of staff, in addition to training and recruiting further team members for seasonal roles.

 **Twitter** @TeesValleyCA

 **Linked In** TeesValleyCA

 **Facebook** TeesValleyCA



Cavendish House, Teesdale Business Park,
Stockton-on-Tees, Tees Valley, TS17 6QY
Switchboard: 01642 524400
www.teesvalley-ca.gov.uk



 **Linked In**
TeesValleyCA

 **Facebook**
TeesValleyCA

 **Twitter**
@TeesValleyCA

[Unsubscribe](#) | [Privacy Policy](#) | [Terms Of Service](#)

© 2016 All Right reserved - Tees Valley Combined Authority
©2016 Tees Valley Combined Authority

Sent by **Tractivity** SmartMailer™