Summary

Whilst August was generally a quiet month for new job announcements across Tees Valley, there were a number of positive stories particularly within the wider service sector.

The Office for National Statistics (ONS) has released provisional results for UK Business Investment in the second quarter of 2017. The figures show that business investment was largely unchanged both on the previous quarter and the same quarter of 2016.

Similarly, the latest Bank of England Inflation Report suggests that whilst strong global demand and sterling’s depreciation are supporting investment in export capacity, the anticipation of Brexit and related uncertainties are having a dampening effect. In addition, because business investment is relatively import-intensive, the weak pound is likely to raise the cost of investment, again impacting negatively on overall levels. However, in summary, the Bank still expects business investment to grow but at a weaker rate than the healthy global and financial conditions might otherwise suggest.

Reported Job Gains and Losses

A mixed month for Job Gains & Losses

August was a quiet 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 July was 4.0%, down 0.1% on June. Similarly, the national rate was down 0.1% at 1.9% with the North of England (defined as a
combination of NE, NW and Y&H regions) rate unchanged at 2.5%. Note that this measure of unemployment includes both JSA and Universal Credit claimants and is not seasonally adjusted.

The most recent Tees Valley unemployment estimates suggest that the Tees Valley would need to have 6,900 fewer people unemployed to match the UK unemployment rate and 4,700 fewer to be in line with the North of England average. However, these gaps have fallen significantly over the past year.

ILO (International Labour Organisation) unemployment assesses the number of jobless people who want to work, are available to work and are actively seeking employment. North of England is defined here as the three English regions of North East, North West and Yorkshire & Humber.

The past year has seen an increase in the proportion of those Tees Valley residents in employment working 35 or more hours per week. The rate has increased from 66.1% in the 12 months to March 2016 to 67.3% in the 12 months to March 2017, a numerical increase of 3,700. The percentage working 35 plus hours in Tees Valley is now much closer to the UK and North of England average rates.
**Business Services**

Two Hartlepool brothers have set up their own fire and security alarm business in their town. They worked with social, economic and financial inclusion organisation, Five Lamps, through DWP’s New Enterprise Allowance programme and attended free business training workshops including business planning, customer service, pricing, legalities and bookkeeping.

**Digital**

Growing Stockton business, Renoovo Design, is planning to create new jobs. Based in the town’s Digital House, the digital firm has recently won a number of international contracts. Renoovo Design works across different sectors including education, logistics and manufacturing.

**Hospitality**

D&G Pub Company and Star Pubs & Bars are investing in a £300,000 renovation of two Darlington pubs, The Wheatsheaf and The George. The improvements are expected to create ten new jobs and are focused on broadening the pubs’ appeal to include everyone from families to local businesses.

**Retail**

Retail giant Argos is set to open a new store in Guisborough, Redcar & Cleveland. The outlet, due to open in November, is to be housed in the town’s Sainsbury’s superstore on Morgan Drive and will create around 15 new jobs. A Marks & Spencer Food Hall is also due to open at the town’s Cleveland Gate Retail Park this autumn.