

Tees Valley Monthly Economic Update – May 2019

| GVA per head £ | 2015 | 2016 | 2017 | | Next update |
|--------------------|--------|--------|--------|---|-----------------------------------|
| TEES VALLEY | 19,300 | 19,200 | 19,500 | ▲ | December 2019 for 2018 figures |
| TV Index. UK = 100 | 75.0 | 72.2 | 71.5 | ▼ | |

| GVA per hour worked £ | 2015 | 2016 | 2017 | | Next update |
|-----------------------|------|------|------|---|-----------------------------------|
| TEES VALLEY | 29.4 | 29.8 | 30.5 | ▲ | February 2020 for 2018 figures |
| TV Index. UK = 100 | 91.1 | 90.8 | 90.5 | ▼ | |

| GVA per filled job £ | 2015 | 2016 | 2017 | | Next update |
|----------------------|--------|--------|--------|---|-----------------------------------|
| TEES VALLEY | 45,487 | 46,805 | 47,960 | ▲ | February 2020 for 2018 figures |
| TV Index. UK = 100 | 88.1 | 88.3 | 88.3 | = | |

| Business Birth Rate* | 2015 | 2016 | 2017 | | Next update |
|----------------------|------|------|------|---|-----------------------------------|
| TEES VALLEY | 14.6 | 14.5 | 12.4 | ▼ | November 2019 for 2018 figures |
| UK | 14.3 | 14.6 | 13.1 | ▼ | |

* % of active businesses

| Businesses | 2016 | 2017 | 2018 | | Next update |
|-------------------------------------|--------|--------|--------|---|----------------------------------|
| TEES VALLEY – all businesses | 17,100 | 17,500 | 17,230 | ▼ | October 2019 for 2019 figures |
| Tees Valley - SMEs | 17,030 | 17,420 | 17,150 | ▼ | |
| Tees Valley Business Density* | 67 | 66 | 65 | ▼ | |

* % of the UK business rate

| Goods exports £ | Year to Dec 17 | | Year to Sep 18 | | Year to Dec 18 | | | Next update |
|----------------------------------|----------------|------|----------------|------|----------------|------|---|---------------------------------|
| NORTH EAST ENGLAND | 12,912m | | 13,357m | | 13,158m | | ▲ | June 2019 for Mar 19 figures |
| Exports:Imports Ratio* (NE UK) | 0.98 | 0.70 | 0.98 | 0.71 | 0.94 | 0.70 | ▼ | |

*Exports divided by the number of imports

| Employment Rate % | Year to Dec 17 | Year to Sep 18 | Year to Dec 18 | | Next update |
|--------------------|----------------|----------------|----------------|---|---------------------------------|
| TEES VALLEY | 68.6 | 68.6 | 68.4 | ▼ | July 2019 for Mar 19 figures |
| UK | 74.7 | 75.0 | 75.0 | ▲ | |

| Alternative Claimant Count % | Year to Feb 18 | Year to Nov 18 | Year to Feb 19 | | Next update |
|------------------------------|----------------|----------------|----------------|---|---------------------------------|
| TEES VALLEY | 5.4 | 5.2 | 5.3 | ▼ | July 2019 for May 19 figures |
| GB | 3.0 | 3.0 | 3.1 | ▲ | |

| NEETs 16-17 year olds % | 2015/16 | 2016/17 | 2017/18 | | Next update |
|-------------------------|---------|---------|---------|---|----------------------------------|
| TEES VALLEY | 4.2 | 4.3 | 3.8 | ▼ | October 2019 for 2019 figures |
| ENGLAND | 3.0 | 2.8 | 2.7 | ▼ | |

| Number of Jobs* | Year to Dec 17 | | Year to Sep 18 | | Year to Dec 18 | | | Next update |
|--------------------------|----------------|------|----------------|------|----------------|------|---|---------------------------------|
| TEES VALLEY | 277,600 | | 282,400 | | 278,100 | | ▲ | July 2019 for Mar 19 figures |
| Jobs Densities (TV UK) | 0.67 | 0.77 | 0.69 | 0.77 | 0.68 | 0.77 | ▲ | |

*Jobs proxied as the number of people employed within Tees Valley

| High Skill Jobs* | Year to Dec 17 | | Year to Sep 18 | | Year to Dec 18 | | | Next update |
|-------------------------|----------------|----|----------------|----|----------------|----|---|---------------------------------|
| TEES VALLEY | 106,400 | | 107,600 | | 107,100 | | ▲ | July 2019 for Mar 19 figures |
| % of all jobs (TV UK) | 38 | 45 | 38 | 46 | 39 | 46 | ▲ | |

* High skill occupations defined as Managers, Professionals and Associate Professionals

| Median FT Weekly Earnings £ | 2016 | 2017 | 2018 | | Next update |
|-----------------------------|------|------|------|---|----------------------------------|
| TEES VALLEY | 496 | 498 | 503 | ▲ | October 2019 for 2019 figures |
| UK | 539 | 550 | 569 | ▲ | |

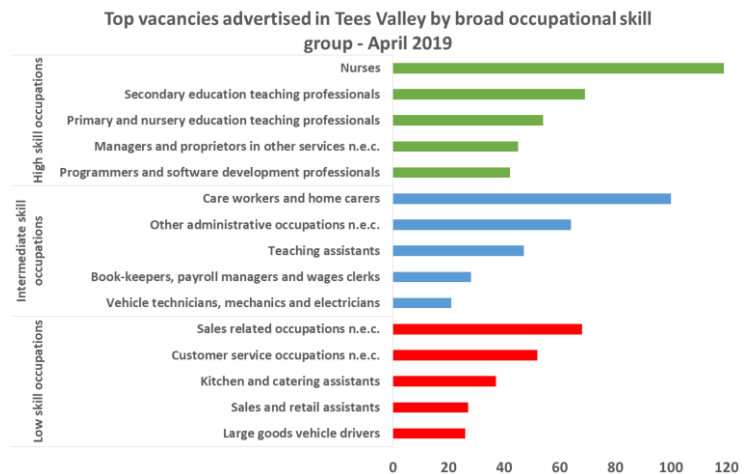
| Working Age Pop Level 4+ % | 2016 | 2017 | 2018 | | Next update |
|----------------------------|------|------|------|---|--------------------------------|
| TEES VALLEY | 30.8 | 30.1 | 30.6 | ▲ | April 2020 for 2019 figures |
| GB | 38.2 | 38.5 | 39.3 | ▲ | |

The arrows indicate the change against the previous year.

National overview – The latest Q1 2019 Deloitte Chief Financial Officers (CFO) Survey reports that the proportion of large businesses prioritising ‘defensive strategies’ i.e. reducing costs and leverage and increasing cash flow, is running at record rates. However, despite this defensive stance, one third of CFOs now rank introducing new products/services or expanding into new markets as their third highest priority, up significantly from just one in five in the previous quarter. CFO pessimism over the long-term effects of Brexit presently stands at a record level with over four in five firms expecting Brexit to lead to a deterioration in the business environment over the coming years. Finally, risk appetite is running close to its lowest level in nine years and the outlook for corporate revenues remain depressed.

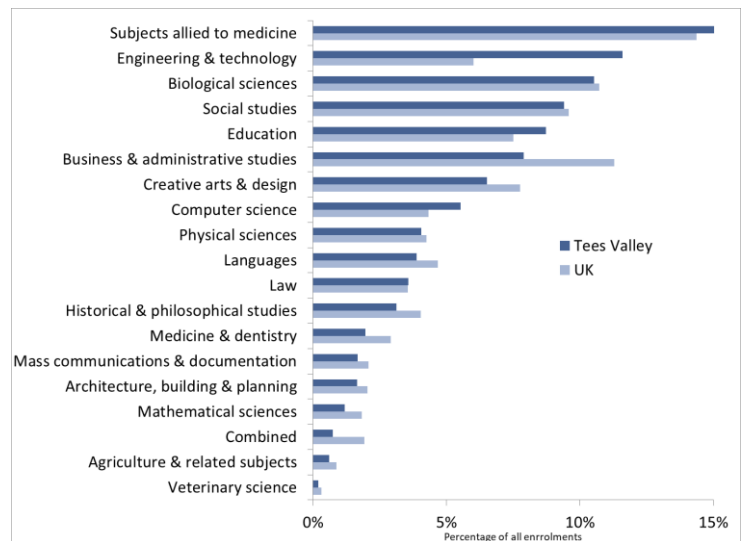
Vacancies advertised in Tees Valley

- Last month there were 2,233 jobs advertised in Tees Valley, down from 2,906 in April 2018.
- The chart shows the top 5 most commonly advertised occupations under each of the 3 broad occupational skill groups.
- Of the 2,233 job vacancies, 1,298 were for high skill jobs; 540 were for intermediate skill jobs and 393 were for low skill jobs.



Tees Valley Higher Education

- 18.8% of 18-29 year old Tees Valley residents were in Higher Education in Universities in 2016/17 compared to 18.2% nationally.
- Tees Valley has a higher percentage than national enrolled in:
 - Engineering and technology (12% vs 6%);
 - Subjects allied to Medicine (17% vs 14%);
 - Education (9% vs 7%); and
 - Computer Science (6% vs 4%).
- 73% of Tees Valley graduates were in some form of employment or due to start 6 months after graduating, compared to 77% nationally.
- The majority (59%) find employment within Tees Valley however this has reduced year on year from a high of 69% in 2009/10.
- 22% of graduates are taking on assumed non-graduate roles, compared to 21% nationally.



Source: HESA

Stat of the month – May saw the release of the latest, 2017 ONS Regional Gross Disposable Household Income (GDHI) statistics. GDHI is the actual amount of money households have to spend, net of taxes but including any benefits. In 2017, Tees Valley GDHI stood at £10.4bn representing a GDHI per head of population of £15,479. This rate was around four-fifths of the UK average of £19,514. Whilst Tees Valley GDHI per head remains amongst the lowest in the country, 2017 did see it grow by 1.3% compared to 2016, somewhat above the UK annual increase of just 1.0%. However, after allowing for inflation these rates of nominal increase represent real term decline. More positively, within GDHI per head, compensation of employees (income from employment) across the Tees Valley grew particularly strongly in 2017, up by 3.8% in nominal terms on 2016, compared to a 3.5% rise nationally.