TEES VALLEY COMBINED AUTHORITY | TEES VALLEY MAYOR

Tees Valley Monthly Economic Update – July 2022

GDP per head £	2018	2019	2020		Last release	Next update
TEES VALLEY	23,287	24,180	23,206	▼	May 2022	May 2023
TV Index. UK = 100	71.2	71.6	72.2	▲		

GDP Quarterly Estimates*	Q1 2021	Q2 2021	Q3 2021		Last release	Next update
NORTH EAST	93.1	99.5	98.3	▼	May 2022	Aug 2022
ENGLAND	98.3	103.0	103.6	▲		

*Chained volume index at basic prices, 2016 = 100

GVA per hour worked £	2018	2019	2020		Last release	Next update
TEES VALLEY	31.6	32.4	33.1	▲	Jul 2022	Jul 2023
TV Index. UK = 100	88.1	87.7	87.6	▼		

GVA per filled job £	2018	2019	2020		Last release	Next update
TEES VALLEY	49,219	49,681	49,807	▲	Jul 2022	Jul 2023
TV Index. UK = 100	86.3	85.9	85.8	▼		

Business Birth Rate*	2018	2019	2020		Last release	Next update
TEES VALLEY	13.6	13.1	11.9	▼	Nov 2021	Nov 2022
UK	12.7	13.0	11.9	▼		

* % of active businesses

Businesses	2019	2020	2021		Last release	Next update
TEES VALLEY – all businesses	17,765	17,610	17,715	▲	Oct 2021	Oct 2022
Tees Valley - SMEs	17,675	17,520	17,620	▲		
Tees Valley Business Density*	64.8	63.7	63.9	▲		

* % of the UK business rate

Goods exports £m	Year to Sep 21	Year to Dec 21	Year to Jan 22		Last release	Next update
NORTH EAST ENGLAND	12,259	11,624	11,506	▼	Jul 2022	Oct 2022
Exports:Imports Ratio* (NE | UK)	0.95 0.67	0.92 0.67	0.85 0.63	▼		

*Exports divided by the number of imports

Employment Rate %	Year to Jun 21	Year to Sep 21	Year to Dec 21		Last release	Next update
TEES VALLEY	70.2	69.8	69.4	▼	Apr 2022	Aug 2022
UK	74.3	74.5	74.7	▲		

*Employment Rate of working age population, Tees Valley residents only (employment may or may not be in Tees Valley)

Alternative Claimant Count %	Mar 22	Apr 22	May 22		Last release	Next update
TEES VALLEY	4.9	4.7	4.6	▼	Jul 2022	Oct 2022
GB	4.0	3.8	3.8	–		

NEETs 16-17 year olds %	2018/19	2019/20	2020/21		Last release	Next update
TEES VALLEY	3.9	4.1	4.9	▲	Aug 2021	Aug 2022
ENGLAND	2.6	2.7	2.8	▲		

Number of Jobs*	Year to Jun 21	Year to Sep 21	Year to Dec 21		Last release	Next update
TEES VALLEY	271,900	270,600	273,800	▲	Apr 2022	Aug 2022
Jobs Densities (TV | UK)	0.66 0.73	0.66 0.73	0.66 0.73	–		

*Number of Jobs located within the Tees Valley (employees may or may not be Tees Valley residents)

High Skill Jobs*	Year to Jun 21	Year to Sep 21	Year to Dec 21		Last release	Next update
TEES VALLEY	112,100	110,700	111,100	▲	Apr 2022	Aug 2022
% of all jobs (TV | UK)	0.41 0.52	0.41 0.52	0.41 0.52	–		

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

Median FT Weekly Earnings £	2019	2020	2021		Last release	Next update
TEES VALLEY	537.5	526.6	549.5	▲	Oct 2021	Oct 2022
TV Index. UK = 100	91.8	89.9	90.0	▲		

Working Age Pop Level 4+ %	2019	2020	2021		Last release	Next update
TEES VALLEY	29.6	33.2	33.3	▲	Apr 2022	Apr 2023
GB	40.3	43.1	43.5	▲		

The arrows indicate the change against the previous period.

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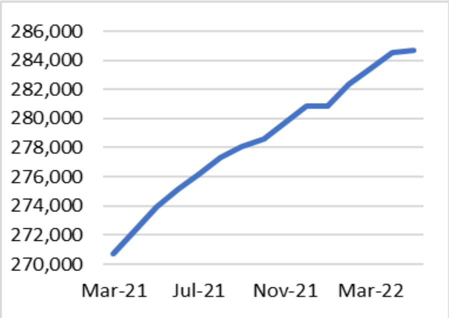
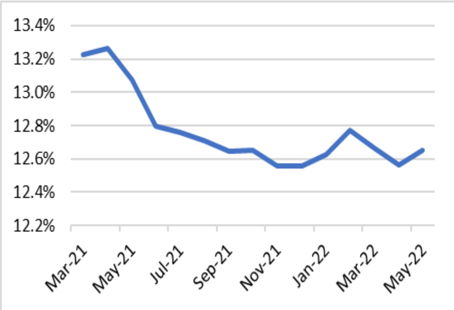
COVID Recovery Monitor

Employment Updates



In the year since May-21, the number of Tees Valley **payrolled employees** has increased by 8,740 to 284,007 in June-22



Over the same period, those on **Universal Credit Out of Work Total** has fallen from 13.1% to 12.7%.

Job Vacancies decreased by 14.3% in July 2022 from the previous month. They have fallen back below the highs seen in May 2022 by 27.8% but are still 41.9% above the lows seen in December 2021.

Business and Consumer Confidence

The main concern remains inflation for 34.8% of North East business, with a further 20.7% being mainly concerned with rising energy prices.

Worker shortages remain high with 39.4% of North East businesses experiencing a shortage of workers in July; compared to 41.9% in the previous month. This is having a knock on affect to their ability to trade with 37.6% of these businesses unable to meet demands and 43.7% having to recruit temporary workers.

UK Consumer spending in June was up 6.2% compared to the same period in 2021. The latest month saw the continued impact by rising energy prices as well as a strong increase on overseas travel spend and domestic staycations through Hotels, Resorts and Accommodation.

July's UK GfK Consumer Confidence Index remained flat at the historic low of –41, due to fears from prices rising faster than wages, rising interest rates and rising inflation. On top of the financial backdrop, the UK electorate is awaiting the outcome of the PM leadership race, which adds to the uncertainty for the public.

Movement of People

Regionally Road/Traffic usage has risen 3.7% month on month in July. This increase may be tied to a shift towards the summer months as well as more workers returning to the workplace.

Google Mobility Data shows that retail and recreation footfall is down around 10% from pre-pandemic levels, whilst supermarket footfall is up 13%. This is likely due to the rise in the cost of living. Additionally, workplace footfall is down 27%, which could be linked to rising COVID infections in July and the summer months.

Teesside Airport passenger numbers in June (20,756) were up 16.4% on that for May 2022. The increase in passenger numbers during June can be linked to the easing in COVID measures internationally as well as seasonal variations due to an increase in flights during the runup to the summer months.

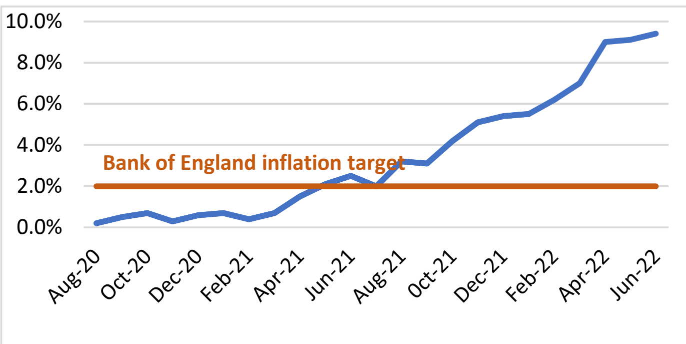
Cargo ship and tankers visiting Tees and Hartlepool ports increased by 10.1% in July month on month. This goes against the national trend of a continued decrease over the last two month, which is potentially driven by the supply chain issues linking to COVID-19 and the Russian invasion of Ukraine.

Macro-Economic Headlines

75.9%
UK Employment Rate for 3 months to May 2022

0.8%
UK GDP increased 0.8% in 2022 Q1

UK Consumer Prices Index (CPI) Inflation



- The Bank of England aims to keep CPI inflation within 1% either side of its 2% target.
- UK Inflation climbed to 9.4% in June, up from 9.1% in May 2022 and up from 2.5% in May 2021.
- The continued high level of inflation is primarily due to large upward contributions from energy costs as well as food & non-alcoholic beverages.
- The UK employment rate has increased by 1.1% on the previous year, but still below pre-pandemic levels.

Sources:
Employment Updates: ONS PAYE Data, DWP, Burning Glass: Labour Insights.
Business and Consumer Confidence: ONS BICS Survey, Barclay's Consumer Spending Report and GfK Consumer Confidence Barometer.
Movement of People: ONS Traffic Data, Google Mobility, CAA Flights and ONS Shipping Statistics
Macro-Economic Headlines: NOMIS and ONS