TEES VALLEY COMBINED AUTHORITY | TEES VALLEY MAYOR

Tees Valley Monthly Economic Update – October 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*	Q2 2021	Q3 2021	Q4 2021		Last release	Next update
NORTH EAST	99.4	100.5	101.1	▲	Aug 2022	Nov 2022
ENGLAND	98.3	99.1	100.5	▲		

*Chained volume index at basic prices, **2019 = 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	2020	2021	2022		Last release	Next update
TEES VALLEY – all businesses	17,610	17,715	17,930	▲	Sep 2022	Sep/Oct 2023
Tees Valley - SMEs	17,520	17,620	17,840	▲		
Tees Valley Business Density*	63.7	63.9	64.6**	▲		

* % of the UK business rate. **Preliminary estimate based on 2020 Mid-year population estimate.

Goods exports £m	Year to Dec 21	Year to Mar 22	Year to Jun 22		Last release	Next update
NORTH EAST ENGLAND	11,624	11,506	11,685	▲	Oct 2022	Jan 2023
Exports:Imports Ratio* (NE | UK)	0.92 | 0.67	0.85 | 0.63	0.82 | 0.61	▼		

*Exports divided by the number of imports

Employment Rate %	Year to Dec 21	Year to Mar 21	Year to Jun 22		Last release	Next update
TEES VALLEY	69.9	68.8	68.8	▬	Oct 2022	Jan 2023
UK	74.7	75.1	75.4	▲		

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

Alternative Claimant Count %	Jun 22	Jul 22	Aug 22		Last release	Next update
TEES VALLEY	4.4	4.3	4.3	▬	Oct 2022	Jan 2023
GB	3.5	3.4	3.4	▬		

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	TBC
ENGLAND	2.6	2.7	2.8	▲		

Number of Jobs*	Year to Dec 21	Year to Mar 21	Year to Jun 22		Last release	Next update
TEES VALLEY	274,900	276,900	275,500	▼	Oct 2022	Jan 2023
Jobs Densities (TV | UK)	0.67 | 0.73	0.67 | 0.74	0.67 | 0.74	▬		

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

High Skill Jobs*	Year to Dec 21	Year to Mar 21	Year to Jun 22		Last release	Next update
TEES VALLEY	111,400	111,500	111,600	▲	Oct 2022	Jan 2023
% of all jobs (TV | UK)	0.41 | 0.52	0.40 | 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	Nov 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.

COVID Recovery Monitor

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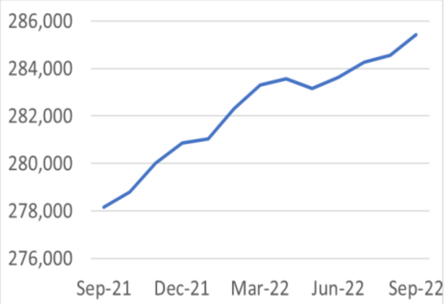
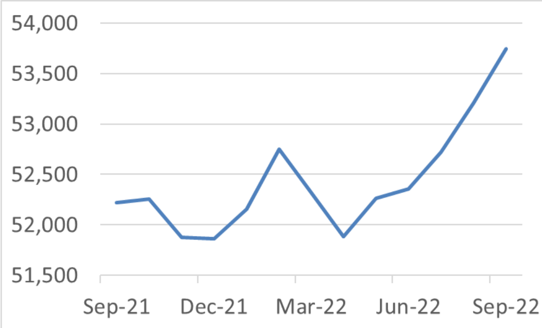
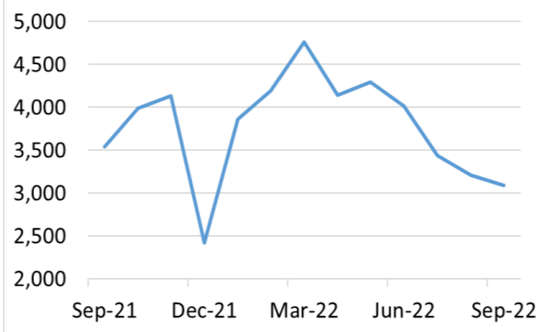
Employment Updates – Tees Valley



In the year since Sep-21, the number of Tees Valley **payrolled employees** has increased by 7,252 to 285,422 in Sep-22.



Numbers on **Universal Credit - Out of Work** increased by 1,526 (up 2.9%) on the year. Numbers are up by 1,863 since the April low.



Job Vacancies are down by 1,669 since the recent peak in March. In addition, they are 451 below where they were one year ago.

Business and Consumer Confidence

In terms of the impact of inflation and higher prices, 58.2% of North East businesses have had to absorb the prices increases themselves, with 37.9% passing them on to consumers. Because of the price rises, 3.2% of North East firms have had to make redundancies – the highest regional rate in the UK.

North East businesses saw relatively high rates of staff turnover in the year to September. 27.3% of NE firms had a higher number of employees than one year ago whilst 14.9% had lower (highest rates outside London).

British Retail Consortium figures find that food inflation accelerated strongly to 11.6% in October, up from 10.6% in September. This is above the 3-month average rate of 9.7%. This is the highest inflation rate in the food category on record.

October's UK GfK Consumer Confidence Index rose two points from its historic low of –49 in September. However, all core measures remain severely depressed with the continuing fall in the major purchase measure a particular concern for the fourth quarter, often business's busiest 3-month period.

Movement of People

The trend in regional road/traffic usage patterns drifted a little lower in the last week of September and first week of October. The middle part of October was affected by camera outage, so no figures were available then.

Google Mobility Data for the middle of October shows that retail and recreation footfall is still down around 10% from pre-pandemic levels. Middlesbrough is an outlier with rates up 4% on pre-pandemic. Workplace footfall is still down 8% on pre-pandemic levels.

Teesside Airport passenger numbers in September (21,894) were down 6.3% on that for August 2022, which is a slightly greater fall than the total reporting airport average change of -4.5% on last month. This decrease in passenger numbers can be linked to seasonal variations with school holidays occurring during August.

For the 4 week period ending 10th October, cargo ship and tankers visits to Tees and Hartlepool ports increased by 7.6% compared to the preceding four week period.

Macro-Economic Headlines

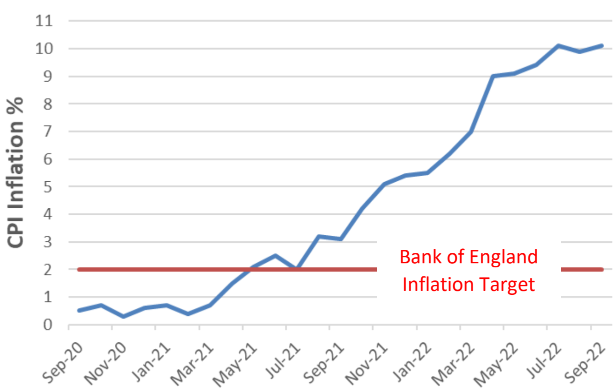
75.5%

UK Employment Rate for 3 months to August 2022

0.2%

UK GDP increased 0.2% in 2022 Q2

UK Consumer Prices Index (CPI)



- The Bank of England aims to keep CPI inflation within 1% either side of its 2% target.
- UK Inflation was 10.1% in September, up from 9.9% in August but up sharply on the year from 3.1% in September 2021.
- The high level of inflation is primarily due to large upward contributions from household energy, petrol & diesel and food & non-alcoholic beverages.
- The UK employment rate decreased by 0.3% on the previous quarter and is still 1.0% below pre-pandemic levels.

Sources:
Employment Updates: ONS PAYE Data, DWP, Lightcast.
Business and Consumer Confidence: ONS BICS Survey, Barclay's Consumer Spending Report, BRC 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