

ECONOMY

Summary

- There are 99,500 people of working age living in Charnwood (64% of the population)
- 82.8% of the working age population are economically active
- 1.4% of the working age population claim Job Seekers Allowance
- 83.9% of businesses in Charnwood employ less than 10 people

Key issues for Charnwood

- High rates of economic activity
- High rates of PC use at work
- High recognition of need for interpersonal skills
- High proportion of qualifications from work
- High receipt of employer-funding training
- Comparatively high levels of job dissatisfaction
- Need to develop practical skills
- High level of training for current occupation
- General satisfaction with local training provisions

Life & Work Survey, 2003 (LSC)

The table above shows the key issues affecting the economy in Charnwood as identified by the 2003 Life and Work Survey. The following section looks at all aspects of the local economy in Charnwood.

Table 32: Working age population

	Charnwood		Leicester-shire	East Midlands	Great Britain
	Number	%	%	%	%
All people	99,500	64.0	62.2	61.2	61.4
Male	52,300	67.7	65.8	64.3	64.6
Female	47,200	60.4	58.6	58.2	58.3

The table above shows that the proportion of working age population is very similar to the county, the region and the country.

Job Density

Job Density is a measure of the ratio of total jobs to the working age population. A job density of 1.0 would mean that there is one job for every resident of working age. In Charnwood, the job density is 0.7 (less than one job for every resident). This is the same as the county, but lower than the regional and national ratio (0.8 and 0.8 respectively).

Economic activity

Economic activity measures the number of people aged between 16 and 74 who are in work or looking for work as a proportion of the working age population (16-74 years).

The table below shows that 82.8% of people of working age in the Borough are economically active - a higher proportion than the regional or national figure, but lower than the county figure.

Table 33: Economic activity

	Charnwood		Leicester-	East	Great
	Number	%	shire	Midlands	Britain
			%	%	%
All people					
Economically active	81,000	82.8	84.9	79.0	78.2
In employment	78,000	78.7	82.0	75.3	74.3
Employees	65,000	66.3	71.1	66.3	64.8
Self employed	12,000	11.7	10.3	8.6	9.0
Unemployed (ILO)	4,000	4.9	3.4	4.7	5.0
Males					
Economically active	44,000	86.0	89.6	83.9	83.4
In employment	42,000	80.8	85.9	79.8	78.9
Employees	32,000	62.4	71.2	67.1	65.5
Self employed	9,000	17.6	13.9	12.2	13.0
Unemployed (ILO)	3,000	6.1	4.1	5.0	5.4
Females					
Economically active	37,000	79.2	79.8	73.7	72.8
In employment	36,000	76.5	77.9	70.6	69.5
Employees	33,000	70.6	70.9	65.4	64.2
Self employed	2,000	5.3	6.5	4.8	4.8
Unemployed (ILO)	1,000	3.3	2.5	4.3	4.5

Percentages are based on working age population, except unemployed which is based on economically active
Totals may not add due to rounding
-- Sample size too small for reliable estimate
ILO - International Labour Organisation definition of unemployment

Economic inactivity

Economic inactivity measures the number of people neither in employment nor unemployed of working age, e.g. people who are looking after the home, retired or sick.

The Labour Force Survey estimates that there are 17,000 people in Borough that are economically inactive. This is a lower proportion than the regional and national proportion, but higher than the county.

Table 34: Economic inactivity

	Charnwood		Leicester-	East	Great
	Number	%	shire	Midlands	Britain
			%	%	%
All people					
Economically inactive	17,000	17.2	15.1	21.0	21.8
Wanting a job	5,000	5.0	4.3	5.2	5.7
Not wanting a job	12,000	12.3	10.9	15.8	16.1
Males					
Economically inactive	7,000	14.0	10.4	16.1	16.6
Wanting a job	3,000	5.3	3.0	4.6	4.7
Not wanting a job	4,000	8.7	7.3	11.5	11.9
Females					
Economically inactive	10,000	20.8	20.2	26.3	27.2
Wanting a job	2,000	4.6	5.6	6.0	6.7
Not wanting a job	8,000	16.2	14.6	20.3	20.5

Percentages are based on working age population, except unemployed which is based on economically active
Totals may not add due to rounding
-- Sample size too small for reliable estimate
'Wanting a job' - people not in employment who want a job but are not classed as unemployed because they have either not sought work in the last 4 weeks or are not available to start work

Source: Local Area Labour Force Survey (March 2003 - Feb 2004)

Employment by occupation

The Local Labour Force Survey, conducted annually, collects information on the occupation of people living in Charnwood. The table to the right shows the proportion of the population employed in each occupation. It shows that the largest occupation groups are Administrative and secretarial (15.6%), Skilled trades (13.9%) and Managers and senior officials (13.5%).

However, Charnwood has a lower proportion of people employed as Managers and senior officials, Associate professionals and Personal service occupations than the rest of the county, but a higher proportion employed in Administration and secretarial, Skilled trades and Elementary occupations.

Qualifications

The table to the right shows the qualifications of the working age population in Charnwood and how this compares to the rest of the county and the region. It shows that 46.4% of the working age population in Charnwood are educated to at least NVQ level 3*. This is higher than the county, regional and national proportion.

(* NVQ level 3 is equivalent to 2 A-levels, vocational A-level (AVCE), BTEC National or an Advanced GNVQ)

Table 35: Employment by occupation

	Charnwood		Leicester-	East	Great
	Number	%	shire	Midlands	Britain
			%	%	%
Soc 2000 major group 1-3	28,000	34.7	39.0	37.0	40.5
1. Managers and senior officials	11,000	13.5	15.5	13.9	14.6
2. Professional occupations	10,000	12.4	11.4	10.7	12.1
3. Associate professionals & technical	7,000	8.5	12.0	12.3	13.8
Soc 2000 major group 4-5	24,000	29.8	26.3	24.6	24.4
4. Administrative & secretarial	13,000	15.6	13.6	12.4	13.0
5. Skilled trades occupations	11,000	13.9	12.7	12.1	11.4
Soc 2000 major group 6-7	12,000	14.4	15.9	15.7	15.5
6. Personal service occupations	4,000	4.6	6.5	7.4	7.5
7. Sales and customer services	8,000	9.6	9.3	8.2	8.0
Soc 2000 major group 8-9	17,000	21.2	18.8	22.7	19.6
8. Process plant & machine operatives	7,000	8.5	8.4	10.0	7.7
9. Elementary occupations	10,000	12.5	10.3	12.6	11.8

Table 36: Qualifications (% of working age population)

	Charnwood		Leicester-	East	Great
	Number	%	shire	Midlands	Britain
			%	%	%
NVQ4 and above	24,000	24.6	23.5	22.2	25.2
NVQ3 and above	46,000	46.4	43.7	41.4	43.1
NVQ2 and above	62,000	62.9	63.7	59.7	61.5
NVQ1 and above	75,000	76.7	78.9	75.7	76.0
Other qualifications	8,000	8.0	8.0	7.6	8.8
No qualifications	15,000	15.3	13.1	16.6	15.1

Source: Local Area Labour Force Survey (March 2003 - Feb 2004)

Earnings by residence

The table below shows the average earnings of people who live in Charnwood (regardless of where they work). It shows that gross weekly pay in the Borough is lower than in the rest of the county.

Table 37: Earnings by residence

	Charnwood	Leicester-shire	East Midlands	Great Britain
	Pounds	Pounds	Pounds	Pounds
Gross weekly pay				
Full-time workers	429.3	456.6	439.4	475.8
Male	459.3	501.9	480.5	525.0
Female	374.7	374.6	363.6	396.0
Hourly pay				
Full-time workers	11.0	11.6	11.0	12.0
Male	11.5	12.4	11.6	12.8
Female	10.0	10.0	9.6	10.6

Earnings by workplace

The table below shows the average earnings of people who work in Charnwood (regardless of where they live). It shows that gross weekly pay of those working in the Borough is higher than in the rest of the county.

Table 38: Earnings by workplace

	Charnwood	Leicester-shire	East Midlands	Great Britain
	Pounds	Pounds	Pounds	Pounds
Gross weekly pay				
Full-time workers	481.6	456.6	439.4	475.8
Male	518.0	501.9	480.5	525.0
Female	--	374.6	363.6	396.0
Hourly pay				
Full-time workers	12.2	11.6	11.0	12.0
Male	--	12.4	11.6	12.8
Female	--	10.0	9.6	10.6

Employee jobs

The table to the right shows the number of people working full and part time, and the sector that they are employed in. The percentages are based on the total employee jobs.

Charnwood has a higher proportion of its workforce employed in Manufacturing, Construction and Public administration sectors than the rest of the county, and a lower proportion employed in Distribution and Transport sectors.

Table 39: Employee jobs

	Charnwood		Leicester-shire	East Midlands	Great Britain
	Number	%	%	%	%
Total employee jobs	56,068	--	--	--	--
Full-time	38,582	68.8	68.0	66.7	68.1
Part-time	17,486	31.2	32.0	33.3	31.9
Manufacturing	12,487	22.3	20.4	18.3	12.6
Construction	3,262	5.8	4.9	4.7	4.4
Services	39,838	71.1	72.7	75.0	81.4
Distribution, hotels & restaurants	14,174	25.3	26.9	24.8	24.7
Transport & communications	2,434	4.3	8.5	5.7	6.0
Finance, IT, other business activities	6,403	11.4	13.3	14.4	19.8
Public admin, education, health	14,559	26.0	19.7	25.7	25.8
Other services	2,268	4.0	4.3	4.4	5.2
Tourism-related	3,569	6.4	7.3	7.5	8.1

Source: Annual Business Inquiry Employee Analysis, 2003

Table 40: Number of business units* by Broad Industrial Group

	Charnwood	Leicestershire	East Midlands	Great Britain
Total	5,550	24,250	152,050	2,213,800
1 : Agriculture and fishing (SIC A,B)	0.0%	0.2%	0.4%	0.5%
2 : Energy and water (SIC C,E)	0.0%	0.2%	0.3%	0.2%
3 : Manufacturing (SIC D)	12.6%	11.3%	10.4%	7.8%
4 : Construction (SIC F)	10.8%	10.7%	10.1%	9.0%
5 : Distribution, hotels and restaurants (SIC G,H)	29.7%	28.0%	30.7%	29.5%
6 : Transport and communications (SIC I)	5.4%	6.4%	5.3%	4.7%
7 : Banking, finance and insurance, etc (SIC J,K)	24.3%	26.6%	24.9%	30.5%
8 : Public administration, education & health (SIC L,M,N)	9.0%	8.7%	9.5%	8.7%
9 : Other services (SIC O,P,Q)	8.1%	7.8%	8.5%	9.2%

Source: Annual Business Inquiry, 2003

Increasingly it will be the knowledge-intensive information economy sectors, together with those driven by increasing consumption (e.g. tourism and recreation) that are likely to represent the strongest future growth areas. The table below shows the current proportion of the workforce in Charnwood that are employed in these sectors.

Table 41: Knowledge Economy Employment

	Charnwood	Leicester-shire	East Midlands	Great Britain
Consumer Services (%)	18.6	20.3	19.7	21.0
High Technology Manufacturing (%)	4.7	2.2	1.7	1.9
Knowledge Based Services (%)	9.8	11.6	12.6	17.7

Source: Annual Business Inquiry, 2003

Note: Percentages are of total employment

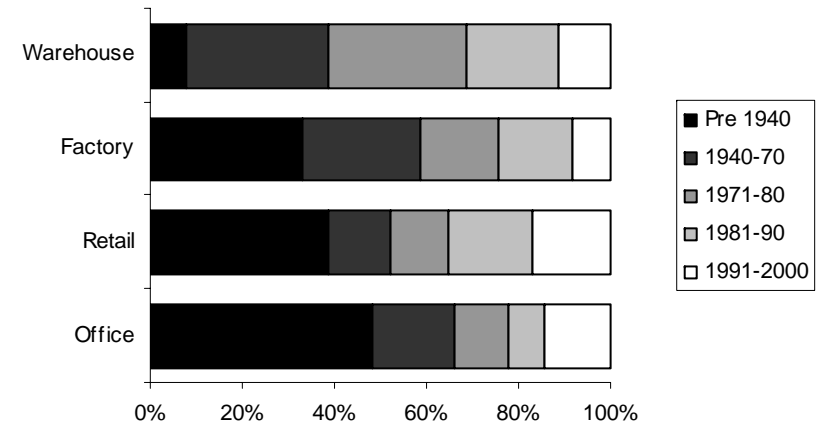
Consumer Services - SIC codes 52 (Retail), 55 (Hotels & restaurants), 92 (Recreational, cultural & sporting)
High Tech Manufacturing - SIC codes 22 (Publishing, printing), 24.4 (Manufacture of pharmaceuticals), 30 (Manufacture of office machinery, computers), 32 (Manufacture of radio, TV, communications)
Knowledge Based Services - SIC codes 65 (Financial), 66 (Insurance, pensions), 67 (Auxiliary financial), 72 (computer-related activities), 73 (Research & development), 74 (Other business activities)

* Business units are roughly equivalent to workplaces. For example, a bank may have several branches and offices in a city - each one of these would be counted as a separate data (business) unit.

Employment land and floorspace in Charnwood

The graph to the right shows the age of employment floorspace by type. It shows that a larger proportion of the office floorspace in the Borough dates back pre 1940, whilst the majority of the warehouses have been built since 1980.

Graph 14: Floorspace by age



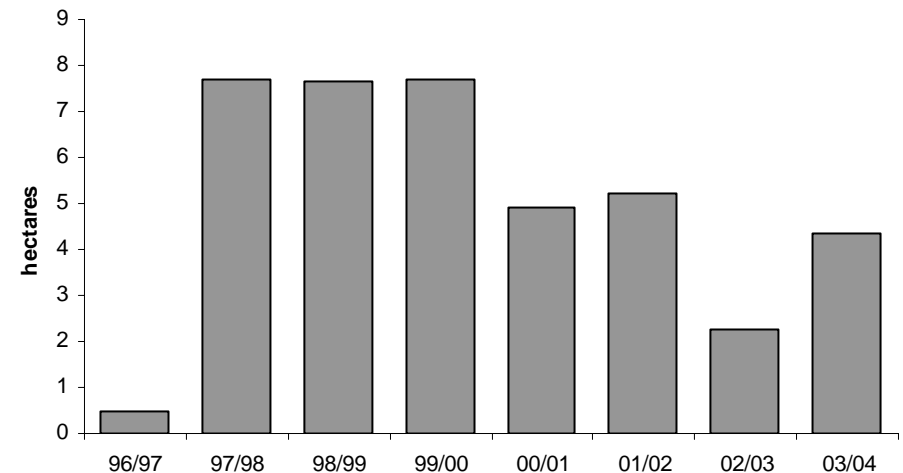
Source: ODPM

Employment land

Since 1996, 40.6 hectares of land have been developed in Charnwood for employment uses (at 31 March 2004), an average of 5 hectares each year. The graph to the right shows annual completions.

There are currently a number of larger sites with outstanding planning permission for employment uses. These include sites at Rothley Lodge, Rothley, Harrowgate Drive, Wanlip and Ashby Road, Loughborough.

Graph 15: New employment land



Source: Leicestershire County Council Land Monitoring Report, 2004

Job Seekers Allowance Claimants

The Job Seekers Allowance (JSA) is payable to people under pensionable age who are available for, and actively seeking, work of at least 40 hours per week. The percentage figures show the number of JSA claimants as a proportion of resident-age working population. The table below shows that the proportion of people claiming JSA in Charnwood is slightly higher than the rest of the county, but lower than the region and Great Britain.

Table 42: Total JSA Claimants

	Charnwood		Leicester-shire	East Midlands	Great Britain
	Number	%	%	%	%
All people	1,378	1.4	1.3	2.1	2.4
Male	980	1.9	1.7	3.0	3.4
Female	398	0.8	0.8	1.2	1.3

Source: Claimant Count, June 2005

Age: In Charnwood, 23.7% of JSA claimants are aged 18 - 24 years, 49.5% are aged 25 - 49 years and 23.7% are aged over 50 years. The Borough has a higher proportion of people claiming JSA aged over 50 years than the regional average of 18%.

Duration: 68.5% of JSA claimants in Charnwood have been claiming this benefit for less than six months. 12.5% of claimants have been claiming for more than 12 months - this is the same as the regional average.

VAT Registrations / De-registrations

At the end of 2003, there were 4,465 VAT registered businesses in Charnwood. In 2003, there was a net increase in the number of VAT registered businesses with 435 new businesses registering and 430 de-registering. The VAT threshold is an annual turnover of £55,000. Below this figure, companies do not need to register for VAT.

(Source: VAT registrations / de-registrations by industry, 2003).

Hours worked

The table below shows the number of hours worked in Charnwood (as a percentage of the working age population). The Borough has a slightly higher than average proportion of its working age population working part time (compared with both Leicestershire and the East Midlands). It also has a lower proportion of its working age population working over 48 hours a week (15.6% compared with a county figure of 17.1% and a regional figure of 16.3%).

Table 43: Hours worked

	Charnwood	Leicestershire	East Midlands
All people	71,421	295,754	1,917,728
% working part time	25.1	24.1	23.6
% working full time	74.9	75.9	73.7
% working over 48hrs a week	15.6	17.1	16.3

Economic and Labour Market Conditions

The Leicester Shire Economic Baseline Study* was completed in 2004 by ECOTEC Consultants on behalf of the Leicester Shire Economic Partnership. It reviewed the current economic and labour market conditions and forecast changes anticipated over the next decade for Leicester and Leicestershire.

Charnwood

The Study concluded that Charnwood has a stronger sector structure than the county as a whole and has a similar dynamic profile to the county.

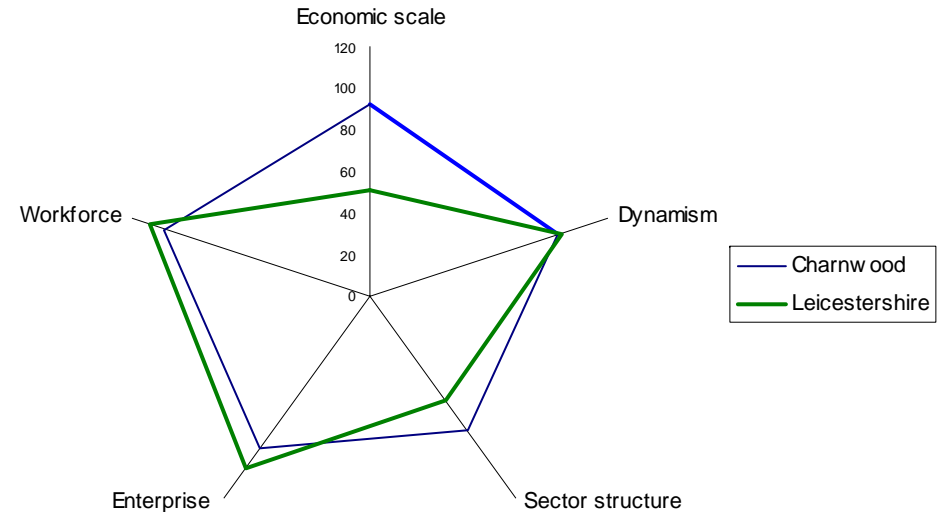
The strongest competitiveness factor for the Borough is the labour market (workforce), for which it scores 103.6. This is the only indicator where Charnwood scores above the national average.

Charnwood has the largest local economy in Leicestershire.

The table and graph to the right show how the Borough compares to the county as a whole.

* Source: Leicester Shire Economic Baseline Study, 2004 Available to download from www.lsint.info

Graph 16: Competitiveness Summary Chart



Competitiveness summary chart, Leicester Shire Economic Baseline Study 2004, produced by ECOTEC Research and Consulting for Leicester Shire Economic Partnership

Table 44: Overall economic profile

	Charnwood		Leicestershire	
	Score	Rank	Score	Rank
Economic scale	92.3	149	51.2	--
Dynamism	95.4	355	97.0	--
Sector structure	80.1	208	61.5	--
Enterprise	90.4	302	101.7	--
Workforce	103.6	219	111.2	--

Score = against national benchmark of 100
 Rank = against 408 local authority areas in Great Britain

Business size

The table below shows the proportion of people employed in Charnwood by the size of business that they are employed in. It shows that the Borough has a very similar proportion of employees employed in each size band to the rest of the county and the region.

Table 45: Business size

Number of employees	Charnwood	Leicestershire	East Midlands	Great Britain
1-10	83.9%	84.5%	82.5%	83.3%
11-49	12.5%	12.2%	13.6%	12.9%
50+	3.6%	3.6%	3.9%	3.8%

Source: Annual Business Inquiry, 2003

Town Centre uses

The ODPM Town Centres Statistics project aims to produce consistent boundaries for town centres across England and Wales, together with statistics covering employment and floorspace. These statistical boundaries are generated from data on economic activity, in order to take a consistent approach to defining town centres - they do not define town centres for planning policy purposes. The map and tables to the right highlight Loughborough town centre; the only town centre in Charnwood that the project has considered.

They are based on 2002 data and show both the number of employees in the town centre and the type of business that they are employed in. The second table lists the floorspace given to each retail type (A1: shops, A2: Professional offices - betting shops, estate agents, travel agents, A3: pubs, cafes, restaurants and takeaways).

They show that Loughborough has a large amount of A1 and Office floorspace and that almost 3,000 people are employed within these sectors. A further 600 people are employed in public administration (mainly by Charnwood Borough Council) and 600 in the entertainment sector: restaurants, pubs, arts and culture.

The map background is based upon the OS map by the Office of the Deputy Prime Minister (ODPM) with permission of Ordnance Survey on behalf of The Controller of Her Majesty's Stationery Office, © Crown Copyright. All rights reserved. Unauthorised reproduction infringes Crown Copyright and may lead to prosecution or civil proceedings. Licence Number: 100018986.

Map 28: Loughborough

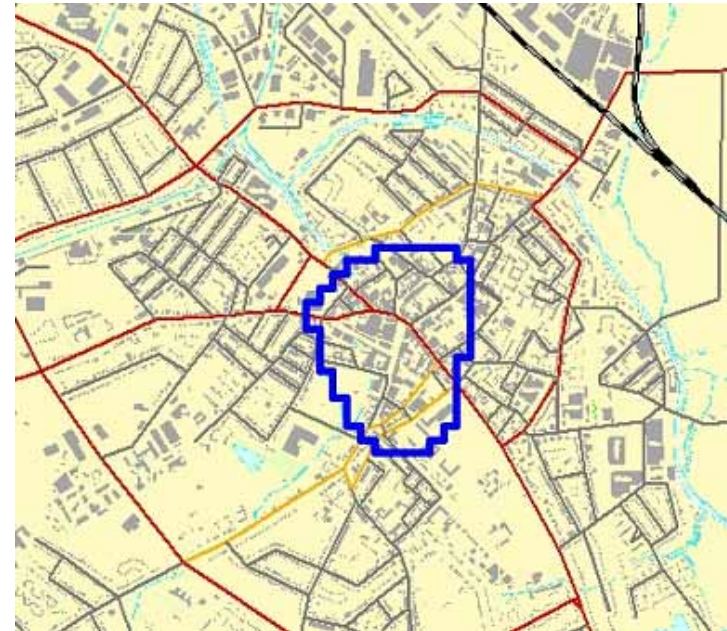


Table 46: Employment (persons)

	Number of employees
Convenience Retail	230
Comparison Retail	1,260
Service Retail	250
Offices	920
Civic and Public Administration	600
Restaurants & Licensed Premises	430
Arts, Culture and Entertainment	270

Table 47: Floorspace (sqm) & Rateable value (£)

	(sq m)	(£)
A1	56,030	5,942,880
A2	11,130	1,225,130
A3	4,780	492,550
Offices	35,090	2,135,800

Household income

Table 48 below shows the average household income in Charnwood is £31,234. This is below the county average of £32,760 but above the regional average of £29,259.

The Borough has the second lowest average household income of all the districts in the county, with only Oadby and Wigston district having a lower average.

Table 48: Average household income by district, 2005

	Mean household income (£)
Harborough	37,460
Blaby	34,166
Hinckley & Bosworth	32,391
Melton	32,174
North West Leicestershire	32,100
Charnwood	31,234
Oadby & Wigston	30,275
Leicestershire County	32,760

Table 49 to the right shows that there is a very large variation of the average household income between the wards within Charnwood. The ward with the highest average household income is Wreake Villages ward (£48,577). The wards with the lowest average household income are Loughborough Ashby (£21,315) and Loughborough Storer wards (£22,103). Both these wards have seen their average household income decrease in the past year and are the lowest ward averages in Leicestershire.

Table 49: Average household income by ward, 2005

	Mean household income (£)	Change 2004/05 (£)
Wreake Villages	48,577	7,716
The Wolds	45,836	-673
Rothley and Thurmaston	41,466	1,483
Forest Bradgate	40,406	-557
Quorn and Mountsorrel Castle	38,511	704
Loughborough Outwoods	35,431	804
Loughborough Nanpantan	35,213	246
Mountsorrel	33,717	-334
Queniborough	33,707	3,713
East Goscote	33,609	4,342
Barrow and Sileby West	33,357	-69
Birstall Wanlip	32,395	2,275
Syston West	31,963	2,359
Loughborough Garendon	30,531	-88
Shepshed East	30,222	-64
Loughborough Southfields	30,217	502
Birstall Watermead	30,217	2,713
Loughborough Shelthorpe	30,008	1,036
Loughborough Dishley and Hathern	29,802	-714
Anstey	29,516	2,226
Shepshed West	29,406	-69
Sileby	28,903	1,064
Syston East	28,319	2,295
Thurmaston	26,351	1,711
Loughborough Lemyngton	24,325	-462
Loughborough Hastings	22,112	-1
Loughborough Storer	22,103	-359
Loughborough Ashby	21,315	-472

Source: CACI, 2005

House Prices

The table below shows the average selling price (and the number of sales) for each house type (detached, semi-detached, terrace, flat / maisonette) for the first three months of 2005. In all house types - with the exception of semi-detached - the average selling price of dwellings in Charnwood is higher than the county and regional averages. The average selling price for semi detached properties is lower than the county average, but higher than the regional average.

Table 50: House price

	Detached		Semi-Detached		Terraced		Flat/Maisonette		Overall	
	Average price	Sales	Average price	Sales	Average price	Sales	Average price	Sales	Average price	Sales
Charnwood	£268,876	115	£141,704	173	£128,805	130	£118,008	31	£168,905	449
Leicestershire	£257,403	569	£144,129	657	£119,017	432	£113,252	102	£172,796	1,760
East Midlands	£222,576	3,926	£128,974	4,304	£106,700	3,869	£112,808	903	£149,486	13,022

Source: Land Registry, January - March 2005

House affordability ratio

The table below shows the house affordability ratio which considers the relationship between average income and average house price in an area. A higher figure implies that housing is less affordable. For all dwelling types in Charnwood, the affordability ratio is higher than the Leicestershire and East Midlands ratio (meaning that they are less affordable). The last column in the table shows the average earnings figure that the affordability ratio is based upon.

Table 51: House affordability

						Average annual earnings
	Detached	Semi Detached	Terraced	Flat / maisonette	Overall	(resident based)
Charnwood	14.3	7.5	6.8	6.3	9.0	£18,867
Leicestershire	12.9	7.2	6.0	5.7	8.6	£19,991
East Midlands	11.7	6.8	5.6	5.9	7.9	£18,975
England and Wales	11.6	6.8	5.7	6.8	7.4	£20,796

Source: Land Registry 2005, New Earnings Survey