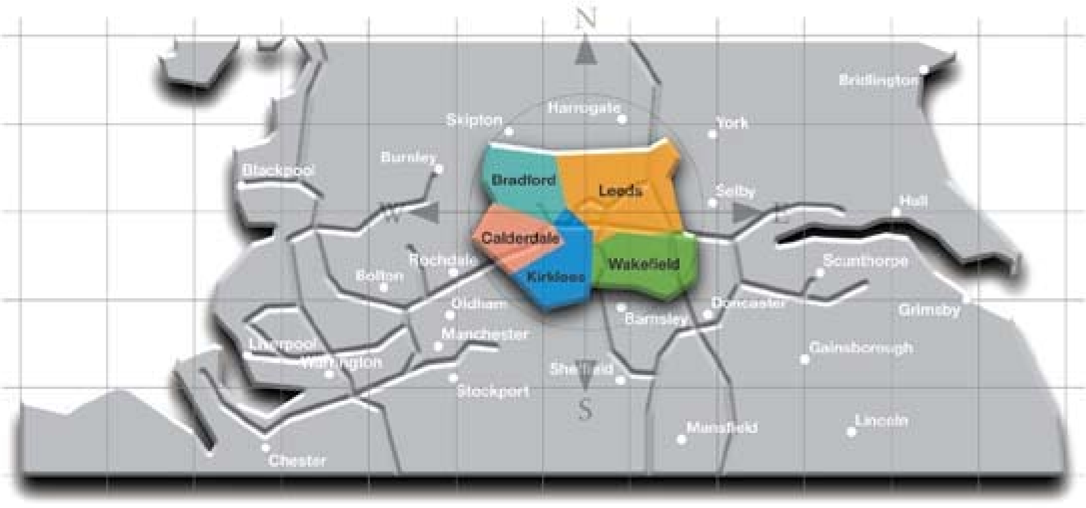
WEST YORKSHIRE

STRATEGIC ECONOMIC ANALYSIS

DISTRICT SUMMARIES



Bradford District

Emerging Policy Priority Areas

Introduction

While West Yorkshire as a whole has experienced moderate economic growth over the past five years the picture in Bradford district is less encouraging. Bradford has seen more limited business and employment growth and the business base is less competitive than elsewhere in the sub region with lower levels of GVA per capita and a greater reliance on public sector employment. Bradford has lower levels of skills and achievement of qualifications, including relatively poor performance at school age through to the qualifications held by the workforce and levels of training provided by employers. Given the close relationship between employment and skills and worklesssness and deprivation Bradford also suffers from some of the highest levels of deprivation both regionally and nationally.

Key issues

- Bradford needs to address the performance of a number of key sectors where both the business base and employment have declined.
- Bradford performs poorly in terms of educational attainment by its young people and in the skills of its workforce. Failure to address this issue will hinder progress in a number of areas including business growth, competitiveness and employment.
- A number of communities, including certain BAME groups of which the district has a high proportion, are affected by high levels of worklessness.
- Residents in a number of locations in inner city Bradford suffer deprivation across a range of indicators. Often the disadvantaged groups noted above are concentrated in these areas.

More Businesses that Last

A number of weaknesses in the Bradford economy are evident from the performance in terms of business growth. The rate of business start ups in Bradford is three quarters of the national average and business density has fallen as the rate of business growth has failed to keep pace with the growth in population. This is in part a reflection of the lower levels of self employment and one and three year survival rates which are below the national average.

Hence, on the whole, Bradford has had proportionately fewer businesses starting up and fewer businesses surviving and growing over the last few years. At the same time, recent success in the securing of Local Enterprise Growth Initiative (LEGI) funding by Bradford (£12.4m) should help improve the enterprise performance. Bradford also has some good business start-up space and some good links to Higher Education Institutions, which is a base on which to build, especially for starting and growing businesses in new and emerging sectors.

The sub regional economy is influenced by the presence of Leeds which provides a number of draws into the sub region in terms of its existing business base and potential networks as well as its attractiveness in terms of the amenities it offers. Rental prices and congestion levels in Leeds however are high and provide a disincentive. Opportunities exist for other locations such as Bradford, where rentals are much lower to capitalise on the attractiveness of West Yorkshire as a business location.

Policy Implications

- The district has low levels of business start ups and survival rates need to improve if employment opportunities are to increase.
- LEGI provides an opportunity to kick start the growth of new businesses in Bradford.
- Bradford has seen significant investment in improving its attractiveness as a location for business and continued investment is required to sustain the impacts of this investment.

Implications of not taking action

With manufacturing decline likely to continue it is important that the replacement jobs are generated and new and small businesses have an important role to play. Unless the start up and survival rates of Bradford can be improved then the district will continue to lag the rest of the sub region in terms of its economic revival.

Competitive Business

Overall trends

West Yorkshire has seen employment increases over the past two decades with banking, finance and insurance a particular strength of the sub regional economy while in common with much of the UK manufacturing has declined in importance. Additional strengths in a number of key clusters provide cause for a positive outlook, though employment growth is set to slow over the next decade.

Between 1996 and 2004 Bradford saw very modest employment increases of just 4%, compared to 20% growth in Leeds and 23% on Wakefield. Further all of the increase in Bradford was between 1996 and 2000 with employment static between 2000 and 2004. The weaker performance of Bradford was a result of significant job losses in manufacturing, and more limited employment growth in the service sector, including banking and finance where a slight decrease in employment was seen between 2000 and 2004. These two factors combined, the significant loss of manufacturing employment coupled with insufficient service sector growth to compensate, have resulted in fewer new jobs in the city than elsewhere in the sub-region, at a time of population growth. Bradford also has a relatively high level of jobs in public administration pointing to a weakness within the private sector business base.

Further indications of a lack of competitiveness can be seen in the figures for GVA per capita which is below the sub regional average in Bradford. The forecast is for this to grow slightly above average, though bearing in mind the low base as well as some of the issues discussed under RES3 even this modest increase should not be taken for granted as a failure to tackle the severe skills issue in the district could hinder this growth.

There are some positive points. The forecast is for employment growth in Bradford, reversing the recent trend of under performance compared to the rest of the sub region. It should be noted however that this is only a forecast and that failure to act on a number of issues, particularly skills acquisition, may well inhibit this forecast growth in employment.

Clusters

Bradford also has a number of employers within the seven key cluster sectors identified by Yorkshire Forward. While there are clear strengths in some of these sectors the picture is mixed.

The creative and digital industries sector is important to Bradford with over 10,000 jobs. This level of employment has remained stable while sub region as a whole increased 7%. The sector contains a high level of skilled employment so its growth is important to the district economy. The bioscience sector is also expected to grow significantly in the sub region and with the University of Bradford a key player it is possible that the district can benefit from the growth of this developing sector.

The environmental technologies sector has seen growth in both the number of workplaces and employment in the district and while the sector is relatively small (around 4,000 jobs in Bradford) there are opportunities to develop the sector further particularly drawing on the research expertise held in the sub region. The sector has shown a strong export performance and there is a likely increase in the scale of the sector as EU legislative changes promote environmentally friendly production and waste management.

Other cluster sectors have seen more significant declines in both the numbers of workplaces as well as employment. The food and drink sector in Bradford has declined in employment terms over the past five years at a greater rate than the sub regional average and the sub region is set to see a further decline in workplaces and jobs. The chemicals sector has also declined significantly in Bradford (23% decline in jobs) and the Advanced Engineering and Manufacturing sector has also seen a decline in jobs (though the business base remains significant).

Outside of the Yorkshire Forward clusters there has also been a particularly rapid decline in employment in sectors of local significance such as textiles while other sectors such as tourism have increased in employment terms highlighting the shift in skills needs of the local economy.

Innovation

The district needs to focus on combating the negative trends in key sectors and focus on new opportunities. The University of Bradford is a key player in several Centres of Industrial Collaboration (CIC) including the Pharmaceutical Innovation CIC and Polymers CIC as well as the Wireless Technologies CIC. In addition there is the Centre of Engineering Manufacturing at Bradford. Capitalising on the research expertise in these sectors will be critical to preventing further job losses through the development of leading edge technology driven products.

Policy Implications

- Bradford has suffered economically over the past 20 years so efforts to rejuvenate the Bradford economy will need to be sustained over a period of time.
- The outlook is more positive, though reversing the decline in some key clusters is a major challenge that will require attention.
- There needs to be interventions to support clusters in Bradford to both capitalise on growth areas and support those sectors that have experienced employment decline.
- Skills provision needs to account for the decline in manufacturing employment and increases in other sectors such as tourism and potential growth in areas such as creative and digital industries.

Implications of not taking action

Bradford will need to further capitalise on the research expertise held in the sub region and improve the level of skills within the workforce. If this is not achieved it is likely to lead to further decreases in employment in key sectors. Over the long term, low level GVA per capita is indicative of a lack of competitiveness and an inability to provide the employment opportunities required to provide an increase in the opportunities available to Bradford residents.

Skills

In relation to skills Bradford has a number of challenging issues that need to be addressed. Poor educational and skills performance runs through school performance through to lower levels of adult skills, the skills of the workforce and the provision of training by employers. The level to which Bradford underperforms in relation to skills is such that skills should be one of the key priorities for Bradford.

The standard benchmark for school performance is the attainment of 5 GCSEs at grades A*-C, and GCSE performance in Bradford is well below the national average lagging some 10% points. This is a continuation of poor performance in earlier stages of compulsory education with Bradford pupils lagging the national and sub regional average from Key Stage 2 (11 year olds) in English, maths and science. Despite recent improvements Bradford is still the poorest performing district in sub region. At GCSE there are areas of high performance in Bradford, but also areas of very low performance. At the ward level the proportion of pupils achieving 5A*-C is just 16% in Bowling in Bradford North compared to the national average of 56.3%, though the rates in Little Horton, Bingley, Ilkley and Thornton are above the national average[1].

Much of this poor performance is linked to levels of deprivation in Bradford with Free School Meal entitlement linked to extremely poor performance, however, performance of those not entitled to free school meals is also below that seen elsewhere.

Bradford also has low levels staying on in education and consequently high levels moving into employment without having attained Level 2. In Bradford there are very low levels of school leavers entering employment that offers training. In addition, 11% of school leavers enter the NEET group (Not in education Employment or Training), significantly above the national average. Of those that do stay on to complete A-levels Bradford also sees A-level points scores lowest in the sub region.

Bradford has the highest levels of literacy and numeracy basic skills needs in the sub region. The skills levels of the workforce are also below the national average with fewer adults attaining Level 3 qualifications. To compound this issue fewer Bradford firms provide training and those that do so provide training for a smaller proportion of their workforce. In addition Bradford has fewer adults with higher level (Level 4) qualifications.

The issues with skills and qualifications are not spread evenly across the district with certain groups, such as those with disabilities, far more likely to have no qualifications in Bradford than elsewhere. Other groups are also likely to find skills acquisition difficult, for example those with caring responsibilities. The knock on effect for employers is seen in the large proportion of Bradford's employers reporting skills gaps and also the high levels of skills shortage vacancies.

Policy Implications

- Given the increased importance of skills at Level 3 and above for economic competitiveness Bradford will need to increase the number of the workforce with these higher level skills.

[1] DfES in your area, by ward, 2005

- The situation in Bradford suggests that high levels of poverty in certain areas are impacting on educational performance that sees young people already behind the national average by the age of 11. This situation does not improve as school leavers enter the workforce. Bradford will therefore need to give consideration to improving educational attainment both pre and post 16.

Implications of not taking action

It is likely that poor skills attainment coupled with high levels of employers not offering training in Bradford will impact on the levels of new inward investment, new enterprise opportunities and the productivity of Bradford firms. In this context a focus on capitalising on benefits of 14-19 reforms in providing a workforce to meet the needs of employers is required.

Connecting People

While the outlook in terms of employment growth is quite positive for Bradford a number of groups are likely to face difficulties in participating in the benefits increased employment opportunities bring. In turn, the failure to make the most of the new economic opportunities is likely to lead to a widening of the gap between those with skills and those without, reinforcing the problems faced by those that experience deprivation on a number of levels.

Worklessness (i.e. those unemployed or economically inactive) is a bigger issue in Bradford than elsewhere. While unemployment in the district has fallen, it remains higher than elsewhere in the sub region and there has not been the rise in full or part time employment opportunities seen in the rest of the sub region. The figures for April 2006 show over 10,000 Bradford residents are claiming Job Seekers Allowance. Long term unemployment, which has also seen a significant decline is also higher in Bradford than elsewhere in the sub region other than Leeds. Levels of economic inactivity are high in Bradford and a number of groups appear to be at a disadvantage in terms of becoming economically active. Bradford has a higher proportion of permanently sick / disabled than the rest of the sub region, with higher levels of incapacity benefit claiming than elsewhere (excluding Wakefield). In total over 21,000 people in Bradford are claiming Incapacity Benefit, indicating the scale of this issue relative to the level of unemployment. While Incapacity Benefit is generally a long term benefit, incidences of claiming for 2 years or more form a higher proportion of all claimants in Bradford than elsewhere.

Other groups facing issues in engaging in the labour market include ethnic minorities, lone parents and people with caring responsibilities. The economic inactivity rates of ethnic minorities in Bradford stands at over 50%, well above the regional and national averages. Variations within the BAME groups exist, with Pakistani / Bangladeshi groups (which account for 15% of the working age population in the district) having particularly low employment rates compared to other BAME groups. Bradford also has a higher proportion of lone parent households than the rest of the sub region and, within those households, lone parents are less likely to be in either full time or part time employment than in other districts. With the exception of Wakefield, Bradford also has the highest levels of people providing care and, within that, people providing significant levels of care of 20 hours a week or more which impacts on their ability to enter employment.

Incomes are also low in Bradford with both male and female incomes lower than the sub regional average, reflecting the low skills base, low paid employment and high proportion of households receiving benefits.

There is a very strong geographic component to many of the issues described above with wards in Bradford as well as Keighley South faring poorly. In terms of unemployment the central Bradford wards of Toller, Undercliffe, Bradford Moor, Bowling and Little Horton have rates double the sub regional average while the same wards also feature amongst those with the highest instances of incapacity benefit, income support and lone parent claimants. Keighley South is the notable addition to the wards in central Bradford and has high rates of claiming of these benefits.

Policy Implications

- Over 30% of the population of Bradford resides within an area in the worst 10% on the IMD indicating the depth and breadth of deprivation issues in the district that will require serious attention.
- Profiles of the poorest areas show that issues of economic inactivity, unemployment, education and health are all significantly worse in these areas than elsewhere in the sub region. Given the strong links between these issues central Bradford should be the focus of an holistic approach.
- The majority of employment opportunities in the district are accessible from central Bradford and efforts to connect people to these opportunities must be made.

Implications of not taking action

Without a strong package of interventions to address the multiple issues faced by the inner city areas of Bradford it is unlikely that these areas will see any noticeable improvement in their fortunes and the gap between these areas and the rest of the district is likely to widen. Failing to tackle the issues will also represent a failure to significantly improve issues noted under the other RES objectives, perhaps most importantly in relation to the development of a workforce with the skills required to enable the district to improve the competitiveness and productivity of its economy.

Transport, Infrastructure and the Environment

Bradford benefits from transport routes within the sub region and in particular local rail services cater for the district well. However, Bradford is less well placed in terms of transport in and out of the sub region than districts such as Leeds and Wakefield which both benefit from their proximity to the M1 as well as direct rail routes north and south. Bradford has the highest dependence on car travel for work in the sub region and the city accounts for 22% of sub regional commuting trips. Like Leeds, the district suffers from congestion as measured by the proportion of travel made below the speed limit and Bradford, with the city centre and ring road experiencing particular problems. Outside the city the towns of Keighley and Shipley also suffer from congestion problems.

While Bradford is adjacent to Leeds, and easily accessible, relatively few people travel to Leeds for employment with the numbers similar to those commuting in from Wakefield and Kirklees which are both smaller districts and in the case of Kirklees less accessible. Given the poor economic performance in employment terms of Bradford it might be expected that the economic opportunities of Leeds would stimulate greater levels of commuting to take up these opportunities. Low levels of skills in Bradford are likely to be at the root of this, with many residents unable to access the types of opportunities that are available and sufficiently well paid to warrant commuting to Leeds.

The forecast in employment growth for the district will need to be supported by an improvement in the infrastructure of the district with likely increases in travel to work placing additional pressure on the districts transport network.

Increases in both employment and transport will require strong environmental management to ensure there is no worsening air quality and habitat for wildlife, and no increase in CO^2 emissions. Bradford District Council as an Energy Conservation Authority has a responsibility to improve the environmental performance of existing buildings and new developments with targets under the Home Energy Conservation Act, has made limited progress over the past 10 years.

Policy Implications

- The main issues regarding the infrastructure within the district are to address the capacity constraints that the local transport network faces, particularly in Bradford but also in Shipley and Keighley.
- An approach that increases public transport usage, particularly bus usage is perhaps the most cost effective means of achieving this and the evidence suggests where targeted initiatives have been implemented bus patronage has increased against a more widespread trend for declining bus usage in the sub region.
- In addition, improvements in the rail connections to London and the route to Manchester would be of benefit to the district and the city of Bradford in particular.
- With potential employment and travel increases in Bradford it is also important that the district ensures development activity is undertaken in an environmentally sustainable way, not least in relation to reversing some of the environmental degradation that years of industrial activity has brought about.

Implications of not taking action

A worsening of congestion in the parts of the district where this is an issue is likely to reduce their attractiveness as a location for business and see a decrease in air quality which may have health implications for the residents of the areas most affected. Failure to improve key rail transport links out of the district to London and Manchester will have a similar impact on the attractiveness of the district to business.

Stronger Cities, Towns and Communities

Bradford is forecast to have the fastest population growth over the coming decade and is set to experience almost 30% growth in household numbers by 2026. A significant house building programme is in place for the district which should help reverse the past trend for out migration to North Yorkshire.

The quality of housing stock is an issue for Bradford, particular within the central areas of the city. Five of the worst seven wards for 'non decent' stock were in Bradford with 85,000 homes considered 'non decent' and again it is the central wards which have the highest concentrations of poor housing stock. In addition, Bradford has the highest levels of fuel poverty within the sub region.

Looking beyond the physical fabric of the district there are a number of vibrant communities that exist within Bradford and the population of the district as a whole is much younger than the national average which could be a major asset in future years. Cultural employment is significant (22,500) and the district has a number of major cultural assets both in the city of Bradford with the National Media Museum as well as destinations such as Saltaire and Howarth outside the city, while the tourism sector in the district has experienced growth in the past five years. Major investments to regenerate the city centre are planned which should provide new employment opportunities and strengthen the city as a visitor destination. It is important the benefits of such developments are open to all, particularly the most disadvantaged residents of Bradford.

The city of Bradford is significant both in terms of the wider district but also the sub region as a whole, having 20% of sub regional population as well as being the location of the majority of employment opportunities and many of the cultural assets of the district. The city has seen a restructuring of its economy following the industrial decline that resulted in the high concentrations of poverty and deprivation evident within the city. While a number of emergent strengths in engineering, print and packaging, chemicals and finance have become apparent the district still performs relatively poorly in employment terms with a number of groups particularly disadvantaged within the labour market. Indeed many of the issues that are evident at a district level are as a result of the high concentrations in the central areas of Bradford. It is here that issues of poor educational attainment, low skills, unemployment, incapacity and poor quality housing are at their most severe.

In addition to the issues faced by Bradford there are also issues in Keighley with economic activity rates and educational attainment below the national average.

While the city of Bradford is clearly a focus for future regeneration activity it should not be forgotten that the district has a significant rural element. While the main issues that need to be addressed are clearly concentrated in inner city Bradford issues such as housing availability in these rural areas for people living and working locally should not be overlooked to avoid these areas becoming commuter towns with an associated loss of community.

Significant regeneration activity has taken place in the Bradford district, with much concentrated on the main area of deprivation within the city of Bradford where the majority of funds are likely to be concentrated in the future. Despite the scales of interventions there must be a concern that certain sections of these communities are not deriving a level of benefit sufficient to significantly close the gap with the more affluent parts of the district and further targeted activities in these communities should remain a priority.

Policy Implications

- The central wards of Bradford remain the areas of greatest need for regeneration activity.
- Efforts to regenerate these areas must be aligned with efforts to assist disadvantaged groups in these areas across a wide range of issues including education, employment, health and housing.
- There is an opportunity to further develop Bradford's cultural offer while at the same time addressing a number of the issues faced by the more disadvantaged sections of society through a focus on active engagement and development of the audience.

Implications of not taking action

With over 30% of Bradford residents residing in areas that feature within the worst 10% on the Index of Multiple Deprivation there is a clear need to ensure regeneration efforts are aligned with initiatives to help to assist people in these deprived areas. A failure to tackle this issue raises the risk of increasingly marginalised groups continuing to experience significant levels of deprivation across a range of indicators, while limiting their ability to contribute to the economic revival of the district.

Summary

The analysis presented suggests the key areas for policy makers to consider are revolve around improving employment generation, educational attainment and skills acquisition, with particular focus on improving opportunities for people in the more deprived parts of the city of Bradford. Improving poor educational and skills attainment with a focus on the skills needed by employers in employment growth areas has to be seen as a priority in Bradford, particularly in those inner city areas where attainment levels are lowest.

Calderdale District

Emerging Policy Priority Areas

Introduction

Calderdale has a relatively strong economy has been relatively strong and there are few areas in the district that suffer from serious issues of multiple deprivation. Combined with the attractive rural nature of much of the district, it is an attractive place to live and has become a popular location for commuters into the major centres of Leeds and Manchester. Economic growth in recent years however is modest and the low level of GVA indicates a weakness in terms of the economy's ability to provide employment and high quality of life in the future. Educationally the district is well placed to serve the needs of a transforming economy with strong academic performance at al levels though there are indications that the skills employers want are not always in place.

The key issues relate to:

- Providing the skills that employers need to generate improvements in competitiveness and increases in GVA.
- Tackling the issue of multiple deprivation within central Halifax.
- Protecting the character of the attractive rural service centres.

More Businesses that Last

Calderdale performs relatively well in terms of enterprise and the dynamics of business growth. The rate of new business start up in Calderdale is equal to the national average and business density (per 1000 adult population) is higher in Calderdale than elsewhere in the sub region, having also grown at a faster rate over the past 10 years. In terms of VAT registered businesses Calderdale has seen growth equal to the regional average over the past 10 years. Self employment is second highest and female business ownership is the highest in the sub region.

Comparatively less information on the markets for commercial property is available for Calderdale as detailed office market information is not collected for Halifax (the main centre). At the district level a few points can be noted. The district has the highest levels of commercial property vacancies in the sub region which may point to either a lack of demand or premises no longer reflecting market demand.

The district has the highest forecast proportionate increase in B1 (office use) floor space to 2014 as well as the highest increase in B8 floor space (wholesaling and warehousing). A decrease in B2 (manufacturing) floor space is forecast and is probably linked to the continued decline of the manufacturing sector. Looking at employment land supply, the district has around 32ha of land committed to B1 uses and this type of land is likely to be suitable for the financial and business services sector which is forecast to grow in the district.

Policy Implications

- As the financial and business sector is one of few sectors forecast to grow in the district it is important that there is an appropriate supply of land and premises relevant to the needs of the sector.
- Whilst economic growth has been relatively modest, the district has good business start-up rates. Emphasis should be on continuing this rate of business formation and on growing and developing these businesses.

Implications of not taking action

Despite the encouraging figures overall, recent growth in employment terms has been modest. The share of employment in declining sectors such as manufacturing leaves the district vulnerable in the medium term. The strong performance of the district could be undermined unless measures are introduced to encourage other employment in growth sectors.

Competitive Business

Calderdale has seen only modest increases in employment over the past 5 years and forecast employment growth to 2016 is in line with the other districts in the sub region other than Bradford, where forecast is for much higher growth in employment. A further indication of a competitive weakness in the sub region can be seen in its GVA figures, the lowest in the sub region, and the gap is forecast to widen over the next 10 years.

The performance of the Yorkshire Forward cluster sectors in the district is mixed with the main growth evident in sectors that employ relatively few employees, while the larger cluster sectors have seen a decline in both companies and employment. Both chemicals and healthcare technologies have seen an increase in both workplaces and employers, although the numbers involved are limited. The food and drink sector is limited with just 1,500 jobs, a decline since 2000. Similarly environmental technologies have relatively few jobs in the district and the numbers here have also fallen in recent years

Creative and digital is more significant, although the digital sector has lost a quarter of its workforce since 2000. Advanced engineering and manufacturing is far more significant in the district and employment has held up (a decline of 4% of the number of jobs) relative to the rest of the sub region where employment declined by 15%. This does however represent a loss of 450 jobs over the period from 2000 to 2004.

Research and development (R&D) spend in the district is significantly lower than that seen in Bradford, Kirklees and Leeds. That said, a higher than average percentage of businesses in Calderdale report R&D links to universities and more businesses in the district identify R&D as the factor contributing most to their competitiveness.

Other sectors important to the district include tourism and finance. The finance sector is very important to the district with over 10,000 jobs in 139 workplaces making the district the second largest financial centre in the sub region after Leeds. Whilst there has been a slight decline the sector in absolute terms in Calderdale, forecasts suggest relatively strong growth over the next ten years, particularly in growth areas such as business services. However, the presence of one major employer does make the sector vulnerable, for example if an increase in outsourcing of back office activities takes place. In tourism, almost 1,000 additional jobs have arisen since 2000 bringing the number of jobs in the sector up to over 6,000.

Policy Implications

- Calderdale's economy has experienced modest growth and GVA levels are lower than elsewhere suggesting a need to help the district move into higher value added growth sectors.
- Potential to develop existing strengths in the creative and digital sector in the district, for example capitalising on the recently opened Advanced Digital Institute and other facilities.

Implications of not taking action

With a likely continued decline in traditional industries, the district needs to continue the transformation of its business base. Support to do this is required otherwise the continued modest growth of the economy and low levels of GVA are likely to persist.

Skills

In terms of education and skills, the picture in Calderdale is encouraging with both school age performance and the numbers of economically active adults qualified to at least Level 3 above average. Calderdale pupils perform above the national average at Key Stage 2 (KS2) in both maths and English. At GCSE the numbers achieving 5 A*-C grades is just below the national average but above the regional figure. Achievement at GCSE varies significantly at ward level. The proportion of pupils achieving 5A*-C ranges from 20% in the Ovenden ward to 90% in Skircoat, both Halifax wards (the national average is 56%). At GCSE Ovenden, the lowest performing ward, is over 36% points below the national average. The Town ward also has low achievement rates at GCSE at 24%.

Following on from school, the number of 16 year old school leavers going into NEET is relatively low and more Calderdale pupils stay on in post 16 education than elsewhere in the sub region. For those that do stay on, A-level results are similar to those elsewhere in sub region but are below the regional and national averages. For those that leave education and enter employment however, Calderdale school leavers are less likely to enter employment with training than elsewhere.

In terms of the working age population Calderdale has relatively fewer people with basic skills needs in written English or reading than seen sub regionally, though maths and spoken English skills needs are slightly above the sub regional level and there are a small number of areas where adult basic skills are weak (e.g. Mixenden, St John's and Town for literacy / numeracy in Halifax). Calderdale has a higher proportion of its economically active adults qualified to Level 3 or above than seen elsewhere in the sub region, outperforming the national average.

The numbers qualified to Level 4 or above are also higher than the sub regional average, though below that seen nationally.

Calderdale does however report the highest proportion of employees with skills gaps which at 11% is well above the other districts in the sub region. Skills gaps in West Yorkshire are particularly high for sales and elementary occupations with 'softer' skills such as team working and customer care most likely to be lacking. Perhaps as a response to this, Calderdale's employers do provide more training to their workforce than the sub regional average.

Policy Implications

- While the district performs well in terms of qualifications in both pre and post 16 education there appears to be a mismatch between the skills acquired in education and those that employers need with the district also reporting the highest proportion of skills gaps in the sub region.

Implications of not taking action

Educationally the district performs well, although unless the skills employers need are held by the workforce the competitiveness of the district's businesses will suffer and its attractiveness for new investments will decline.

Connecting People

Overall the picture in Calderdale is encouraging with very few serious issues in terms of access to employment opportunities and rates of claiming for the main types of benefit lower than seen elsewhere in the sub region. Few areas experience particularly severe deprivation issues although within Halifax, the wards of St John's, Ovenden and Mixenden face issues of low incomes and barriers to work that need to be addressed.

Calderdale has experienced low levels of population growth since the 2001 and the forecast is for continued low levels of population growth to 2016. Consequently, while employment growth has been low in the district this has not led to a significant loss in employment opportunities for local residents. That said, almost all the increased employment in the district since 1999 has been in part time employment with full time employment virtually static over that period. The share of employment that is full time however remains higher in Calderdale than elsewhere.

There are an additional 5,000 economically active adults between 2000 and 2005 and economic inactivity rates are lower within Calderdale than elsewhere in the sub region. The district has a higher than average number of retirees and lower than average numbers of carers, sick / disabled people and students. Calderdale is also the least deprived district on the Index of Multiple Deprivation (IMD) with just 11% of the population residing in areas within the worst 10% on the IMD suggesting the district is on a par with the national picture. This is in contrast to Leeds and Bradford and to a lesser extent Wakefield. Health, Crime and Living Environment are the indicators where Calderdale performs worse than the regional average.

The claimant count in the district has fallen and remains around the average for the sub region with very low levels of long term (over two years) unemployment. Only the ward of St John's in Halifax has a particularly high claimant count rate, at more than double the sub regional average. Within the district proportionately more of the unemployed are aged 40 and over. There may well be issues of older workers needing to acquire new skills following the decline of traditional industries.

In terms of groups that may face additional barriers to employment again the picture in Calderdale does not show up severe issues, those with a limiting long term illness are more likely to be economically active in Calderdale than elsewhere and the Incapacity Benefit (IB) claimant rate is lower than elsewhere in the sub region (other than Leeds) although it has seen the sharpest rise over the past 5 years. There are no wards in Calderdale with extremely high IB claimant rates.

In addition, Calderdale also has the lowest level of lone parent households, though 3 wards (St John's, Ovenden and Mixenden in Halifax) have a high lone parent claimant rate. Along with Leeds the district also benefits from having the lowest proportion of people providing 20 or more hours care per week

Calderdale has an Income Support claimant rate similar to the other districts in West Yorkshire (with the exception of Bradford which is much higher) although the district does have the highest proportion of female Income Support claimants. Three wards in central Halifax (St John's, Ovenden and Mixenden in Halifax) have a particularly high Income Support claimant rate. On the whole incomes in Calderdale are the above regional average and female incomes are a higher proportion of male incomes than seen elsewhere. The influence of the former Halifax building society, now a part of HBOS may explain this.

Perhaps reflecting the more rural nature of the district, access to a car is good in Halifax with fewer households having no access to a car than elsewhere. Also reflecting its more rural nature the district sees slightly higher car use for travelling to work and a relatively high proportion (for West Yorkshire) of commuting journeys involve travelling over 20km.

Policy Implications

- The picture in Calderdale is positive when compared to the sub region as a whole with the main issues centring on the wards of St John's Ovenden and Mixenden in Halifax.
- Across many of the issues identified earlier the district performs well when compared to other parts of the sub region suggesting mainstream interventions rather than specific targeted resources will be sufficient to address the issues.
- There is an issue for older males in the district in terms of their employment and employment opportunities.

Implications of not taking action

Central parts of Halifax are likely to fall further and further behind the rest of the district unless a package of supports to assist these areas is provided to address the multiple issues faced by residents in these areas.

Transport, Infrastructure and the Environment

Calderdale benefits from the overall strength of West Yorkshire's transport network though the district is less well served than other districts such as Leeds and Wakefield that benefit most from the intersection of the M1 and M62 as well as direct rail routes to London. Halifax, the principle town in Calderdale does have rail connections to the other main towns and cities of Bradford, Huddersfield, Leeds and Wakefield. In addition Northern rail operate regular direct services to Manchester though journey times are typically 56 minutes.

Despite the good local connections, rail makes up a lower proportion of peak hour in bound traffic to Halifax than elsewhere in the sub region, with bus usage also low, and car usage high for these peak hour journeys. Despite the high level of car usage at peak times, overall numbers are relatively low and the district has less of its road network affected by congestion (defined as vehicles travelling below 70% of the speed limit during morning peak travel).

Significantly, proportionately more people in Calderdale work within the district and people are also more likely to work at home. As a result, Calderdale has on average the shortest journey to work distances in West Yorkshire.

In part the size of the district and its more rural nature mean the impacts of congestion are less than elsewhere in the sub region and a number of aspects of the environment such as river quality and air quality do not suffer the same issues as the more built up districts in the sub region.

Policy Implications

- Calderdale is fairly well connected in national terms benefiting from the overall good quality of West Yorkshire transport network though within the sub region Calderdale is less well connected than the other districts.
- Partly a reflection of its more rural nature the district is more dependant on car transport, with bus and rail usage lower than elsewhere in the sub region.
- Calderdale is a relatively self-contained economy and is less dependent on and connected to Leeds.

Implications of not taking action

The quality of the rural environment is one of Calderdale's assets though this and the fact the district is less well connected than elsewhere in the sub region is most likely the cause of higher levels of car usage. The more attractive settlements that act as commuter towns may suffer if car usage increases but congestion is a relatively minor issues. There is a potential risk that the attractiveness as a location for investment may suffer if transport improvements do not keep pace with improvements being made elsewhere in the sub region.

Stronger Cities, Towns and Communities

Calderdale has the lowest average house prices in the sub region and has seen all of its local authority housing transferred out of local authority control through large scale voluntary transfer. Of privately owned stock, Calderdale has the largest proportion of 'non decent' housing stock in the sub region with thermal comfort levels and levels of disrepair higher in Calderdale than elsewhere. Fuel poverty is also an issue within the district with 13% of households experiencing fuel poverty.

Calderdale has relatively lower forecast household growth than most of the rest of the sub region at 17.1% between 2003 and 2026 and the Regional Spatial Strategy forecast for new homes to be built each year to meet this demand falls below the levels of house building experienced in the district in recent years.

Calderdale exhibits a number of cultural strengths particularly within Halifax where a number of important recently completed regeneration projects make use of the town's historic buildings and public spaces (as well as the People's Park and Eureka!, Piece Hall continues to be redeveloped as part of the Halifax Renaissance Programme). Despite being the smallest district the cultural sector employs over 9,000 people in Calderdale. In total over £184m of GVA is created by the cultural Industries in Calderdale.

While the sub region as a whole performs well in terms of education there are parts of the main centre in the district, particularly in north and west central Halifax, where skills attainment is lower and where levels of deprivation are significantly higher than within the district as a whole. A key opportunity for Halifax lies in developing its cultural and employment base further and ensuring these more deprived areas are able to access the benefits of town regeneration.

Outside of Halifax there are a number of smaller towns where there are no significant issues in terms of unemployment or poor educational and skills attainment. Set within the south Pennines areas such as the Calder Valley containing towns such as Todmorden and Hebden Bridge are subject to ambitious plans to transform the entire valley into a series of prosperous, linked communities. An upward pressure on house prices is already evident in places such as Hebden Bridge which is in commuting distance of Manchester and Leeds. Increasing demand may lead to a loss of environmental quality and community. With over 20% of its population in rural areas a number of these smaller towns have an important role as rural service centres. Ensuring strong links to these centres and developing their potential as employment centres will have an important role to play in ensuring the future prosperity of Calderdale.

Policy Implications

- The regeneration of Halifax centre provides opportunities to further develop its role as an employment and visitor centre though care must be taken that new opportunities are available to those in the more deprived areas of the town.
- As Calderdale is both smaller and more rural than much of the sub region, with Halifax the smallest of the five key sub regional towns, there is a need to develop the rural service centres of Calderdale while retaining the environmental quality that makes them attractive.

Implications of not taking action

Failure to connect the more deprived areas of Halifax to any new opportunities generated through its regeneration risks further widening the gap between these areas and the rest of the district. In addition, further development of the attractive rural service centres as commuter towns serving Leeds and Manchester could price the local population out of the housing market and erode the identity of local communities. Reconciling housing demand form commuters with community needs is a major challenge in smaller rural communities.

Summary

Calderdale is a relatively prosperous district in West Yorkshire with few of the extremes of prosperity and urban deprivation characterised by Bradford and Leeds. Perhaps the most significant issues faced by the district are in connecting the more disadvantaged communities within Halifax to any new opportunities generated by its regeneration while enhancing and protecting the role of a number of the smaller rural service centres within the Calder valley.

Kirklees District

Emerging Policy Priority Areas

Introduction

Kirklees is one of the more affluent districts in the sub region with the highest average weekly incomes, good educational performance and very limited number of areas where significant numbers face barriers to work. However, while business growth has been strong, Kirklees has had below average employment growth. Attention to providing the skills employers need should also be given consideration as reporting of skills gaps is high and this may be constraining the growth of the new businesses in the district and their ability to provide further employment opportunities. Perhaps as a result of this a high proportion of people travel out of the district for work and congestion levels are high. In addition a number of environmental issues including high CO2 emissions, poor river quality and a pocket of poor air quality exist. The strengths of a number of sectors is encouraging and efforts to develop these further should be made.

Key issues

- Improving the growth of the existing business base.
- Creating more employment opportunities within the district.
- Meeting employers' skills needs.
- Addressing the environmental issues brought about by high industrial, commercial and transport related CO^2 emissions.

More Businesses that Last

Kirklees performs well in terms of the size of its business base. The number of businesses has grown 9% over the past 10 years in Kirklees, second only to Wakefield, and business density (per 1,000 adult population) is high having experienced 8% growth over the last 10 years. This has in large part been driven by big increases in the numbers of business and finance workplaces in the district with additional initiatives such as the Huddersfield Business Generator helping assist graduates to establish businesses in sectors such as the creative industries and media. The district has however seen a substantial decline in self employment in recent years, though the rate is still the highest in the sub region.

In terms of new business starts the district is pretty much in line with the sub regional average. The current rate is just above the sub regional average and has risen broadly in line with the sub regional picture since 1996. One difference however is the gender bias in entrepreneurial activity in the district. The proportion of female business owners is lower in Kirklees than elsewhere in the sub region and significantly below the rational average.

The district could potentially benefit from its proximity to Leeds. Given its strength in business and finance and the prohibitively high land prices in Leeds there may be opportunities for neighbouring districts to capitalise on the sub region's strengths in those sectors. In Huddersfield land values and office rentals have increased quite rapidly, though they remain well below those seen in Leeds. The relatively high allocations of land in the district to B2 use, given the forecast decline of manufacturing may need to be reviewed to release land to meet the demands of the commercial sector.

Policy Implications

- The performance of the district appears relatively strong though given the targets within the RES for increases in VAT registered businesses, Kirklees along with the rest of the sub region will need to raise its game further. Locally successful initiatives should be sustained to help develop new businesses in growth sectors. There are also a couple of areas where targeted action is required.
- The level of female entrepreneurship is low in the district and this will need to be increased if Kirklees is to sustain and increase the level of business starts.
- There appears a mismatch of land allocations with an over supply to the manufacturing sector.

Implications of not taking action

Failure to increase female entrepreneurship in the district is likely to mean that the district and sub region will not be able to fully contribute to the RES targets for increases in VAT registered businesses. To support the growth of businesses the current allocations of land may need to be reviewed. The district has experienced significant growth in business and finance workplaces and the office rental rates in Huddersfield have risen sharply in recent years. To support further expansion the business and finance sector it may be that land allocated to manufacturing may be better reallocated for office use.

Competitive Business

Kirklees has seen below average employment growth for the sub region over the past 10 years which may reflect the concentrations of manufacturing in the district which has been a sector in decline in employment terms over that period. The district has a large share of its workforce in the public sector which can indicate weaknesses in the private sector. Despite the decline in employment, the actual number of workplaces has increased following strong growth in the number of business and finance employers. This suggests larger businesses are being replaced by smaller ones. Overall the forecast is for modest employment growth to 2016 which at just 5% is the lowest forecast increase in the sub region. Most of the forecast increase is for part time employment.

GVA in the district, as with all districts other than Leeds, is low and Kirklees has the lowest GVA per capita in the sub region.

Looking at specific sectors, the district has had a mixed performance. Many of the Yorkshire Forward cluster sectors have lost both employment and workplaces since 2000. The food and drink sector for example has seen greater employment losses than elsewhere in the sub region, chemicals have seen a 9% decline in employment and advanced engineering and manufacturing has seen a 13% decline in employment. Environmental technologies have also seen a decline in employment of 16% despite the number of workplaces increasing over the period between 2000 and 2004.

Creative and digital industries on the other hand have seen a 10% increase in employment taking employment to over 8,000 jobs in the district. The sector is supported by the Kirklees Media Centre in Huddersfield which are housed in a centre in the town, many led by graduates of the town's university. Health care technologies have also seen growth with a 16% increase in employment, the sector is however very small in terms of actual numbers employed.

Other important sectors have seen increases in employment. The tourism sector has grown by 11% with over 12,000 jobs now within the sector while cultural industries have also grown and now employ over 20,000 people. Kirklees along with Wakefield were the only districts to record an increase of employment in the cultural industries.

Policy Implications

- Employment growth has been low within the district and the forecast is for continued underperformance in terms of employment growth. Growing employment within the new businesses in the region should be a priority.
- The overall performance of the cluster sectors is disappointing despite the links between the University of Huddersfield and a number of the cluster sectors through the Centres of Industrial Collaboration.
- Specific initiatives in Huddersfield such as the Kirklees media centre and Huddersfield Business Generator that have helped support the development of new businesses in key growth sectors need to continue helping the district outperform the sub region in terms of start ups.
- Tourism and cultural industries have demonstrated their strengths within the district and this could be built upon further.

Implications of not taking action

Kirklees has many jobs which are either in declining sectors such as manufacturing or vulnerable sectors such as public administration. Without action to support faster employment growth in higher value added sectors, Kirklees could see its economy slipping behind the rest of the sub region with associated issues of unemployment, low incomes and benefit dependence becoming more evident.

Skills

Key stage two performance in English and Maths is at the regional average and just below the national average though by the time of GCSEs the proportion of pupils achieving 5A*-C grades is below the regional average and further behind the national average. Performance at Key Stage 4 varies considerably between wards ranging from

70% of pupils achieving 5A*-C in the Heckmondwike ward of Dewsbury to 20% in the Dalton ward of Huddersfield.[1]

The picture for school leavers aged 16 is mainly positive in Kirklees. The district has the highest proportion of school leavers entering work based learning and the lowest NEET figures in the sub region which at 9.8% is equal to regional average. However, the proportion of school leavers moving into employment with training is lower than the sub regional average and the proportion into employment without training is higher.

Adult qualifications and skills also show positive signs in Kirklees. The proportion of adults qualified to Level 3 is above the national average and the proportion of economically active adults qualified to Level 4 or above is higher in Kirklees than elsewhere in the sub region and above the regional average. Level 4and above qualifications are however below the national average. At the other end of the scale the proportion of adults with no qualifications is four percentage points above the national average, despite performing better than the sub-regional average. Basic skill needs are also below the sub regional average for written and spoken English and numeracy, though slightly above it for reading.

With regards workforce skills the picture is mixed. The number of establishments reporting skills gaps is high though the numbers of employers providing training and the proportion of workforce that receive training are at the sub regional average. The proportion of employers reporting skills shortage vacancies is lower in Kirklees than elsewhere. This suggests that overall the district can recruit employees to fill positions, but that the existing workforce could benefit from additional training in specific skills that the employer requires.

Policy Implications

- Kirklees has a strong pre and post 16 educational performance and the qualifications held by its workforce are also high. However the number of skills gaps reported and suggest a need for further workforce development activity based on employer needs.

Implications of not taking action

The growth of existing businesses is likely to be held back by the level of skills gaps reported by local employers.

Connecting People

The population of Kirklees has grown slower than the sub regional rate since the last census and is forecast to continue to grow at a slower rate. However with the lowest forecast employment growth in the sub region to 2016, and the majority of that forecast to be part time employment, there may well be a reduction in employment opportunities for the population of the district. This outlook follows on from the previous five years in which employment growth has been modest, below the sub regional, regional and national averages. Again, this modest growth was primarily in part time rather than full time employment.

Despite the poor performance recently in terms of employment growth, the district does have low levels of economic inactivity and also has the lowest claimant count in the sub region. Long term unemployment is virtually non existent at 0.5% of all claimants. No wards within Kirklees have particularly high claimant count levels. The highest claimant count is in the Batley West and Dalton wards, where 0.4% of the resident working age population have been unemployed for over a year. Longer term unemployment however, i.e. residents who have been claiming for over two years, is low and the claimant count falls to 0% in Batley West and 0.1% in Dalton.

In terms of those that face some sort of barrier to employment, Kirklees has a lower rate of Incapacity Benefit claiming than the sub regional average and there are no wards within the district that suffer particularly high rates. The proportion of lone parent households is similar to elsewhere in the sub region and is just below the sub regional average and only in Calderdale are lone parents more likely to be in employment. Deighton ward is the only ward in the district where there is a particularly high claimant rate for lone parents. Those providing care, particularly those providing 20 or more hours a week, are also likely to face barriers to employment and Kirklees benefits from lower than average levels of unpaid care provision.

The district also benefits from good levels of access to a car with fewer households having no access to a car than elsewhere in the sub region. This is important as the district is more reliant on car usage for travel employment than elsewhere other than Wakefield reflecting the rural nature of much of the district.

[1] DfES in your area GCSE results by ward, 2005

Kirklees benefits from the highest average weekly income in the sub region though this is still well below the national average though female incomes are much lower than male incomes a result of low female part time incomes in the district. Income support claiming is similar to the other districts other than Bradford which is far higher and the instances of long term Income Support Claiming in the district are lower than elsewhere. Again it is the Deighton ward within the district that has a particularly high level of Income Support claiming at over double the sub regional average.

Overall, as measured on the Index of Multiple Deprivation (IMD) the district is one of the least deprived in the sub region, ranked in the worst 30% in the country along with Calderdale. Elsewhere Leeds and Wakefield are in the worst 20% and Bradford in the worst 10%. Only the living environment indicator performs particularly poorly in the district suggesting housing conditions may be well below average.

Policy Implications

- While Kirklees has very good figures across a wide range of indicators the forecast for continued low employment growth needs to be considered.
- Specific actions for the Deighton ward in Huddersfield may be required to help those on low incomes and lone parents in particular.
- Improvements to workforce skills identified under RES 3, addressing the gaps identified by employers, may help stimulate additional employment growth as businesses become more competitive.

Implications of not taking action

Overall incomes are relatively high, levels of deprivation are low and there are few areas with severe deprivation issues. There is however scope to improve the employability of the current and potential workforce by ensuring that their skills better meet the needs of local businesses.

Transport, Infrastructure and the Environment

The district suffers from fairly high levels of congestion with over 60% of its road network moving at under 70% of the speed limit during morning peak hours. This is despite relatively low levels of car usage at these times with the sub region's highest level of walking and second highest level of bus usage for inbound journeys during the morning peak. The fact that Kirklees has the largest proportion of commuting journeys out of the district may well explain this seemingly high level of road usage. That said, journeys to work are no longer in Kirklees than the district average which is higher on account of the distances travelled for work in Leeds.

As a result of the level of congestion, Kirklees does have one of the sub regions Air Quality Management Areas and road transport is a significant contributor to the districts high level of per capita CO^2 emissions. In terms of biological quality the district's rivers, while having improved over the past 10 years are still rated as the poorest in the sub region. In terms of their chemical quality however, recent improvements have seen all of the district's rivers achieve good or fair chemical quality. Kirklees does however lead the way in its performance against DEFRA set targets for improving energy efficiency. Given the high levels of per capita CO^2 emissions generated by industrial and domestic sources this improvement needs to continue.

Travel into and out of the district in Kirklees is not as well provided for as that seen in Leeds and Wakefield. The district does not have a direct rail connection to London for example while the main motorway connection in the district is the east-west route of the M62 with north-south transport less well catered for.

Policy Implications

- Kirklees is fairly well connected in national terms, benefiting from the overall good quality of West Yorkshire transport network though within the sub region Kirklees is less well connected than the other districts.
- Congestion is a feature of the district yet bus usage is high for commuting journeys. It may be that increasing employment opportunities in the district to reduce out flows for work will be required to reduce congestion and improve air quality.
- The district has a mixed environmental performance. While leading the way in terms of improving energy efficiency, the biological quality of the district's rivers is poor and the district has the highest per capita CO^2 emissions in the sub region.

Implications of not taking action

If current levels of congestion do not improve the district is likely to decrease in attractiveness as a place for business and yet the district requires additional employment opportunities if it is to avoid falling behind the rest of the sub region in terms of future employment growth. Increasing the employment opportunities in the district while reducing outflows for work may provide part of the solution to this issue.

Stronger Cities, Towns and Communities

House prices while the second highest after Leeds lie below the regional and sub regional average though the rate of house price growth is above the regional average. There has been relatively low level of movement of housing stock out of local authority control Registered Social Landlord stock has increased by a third between 1997 and 2001 and by 6% after that to 2006. A relatively high proportion of houses fail the decent homes standard within the district while fuel poverty and non decent housing are also a cause for concern.

The projected rate of household increase is similar to the sub regional average and the numbers of homes to be built each year to 2026 identified in the Regional Spatial Strategy are similar to the current level of homes started in 2004/05 suggesting the district may well be able to meet the increase in demand.

Huddersfield, as Europe's largest town is the main settlement in the district with over 146,000 residents. The towns industrial heritage has left a legacy of important buildings, with over 1,660 building listed. Lying within a rural district that also contains part of the peak district national park the town provides an attractive place for people to live and work. With 19% of the population from minority ethnic groups the town is also culturally diverse.

Kirklees media centre and the Huddersfield Business Generator have had some success in developing and growing new businesses in particular growth sectors such as creative and digital industries and media. The role of the university in the town has been significant in the success of such initiatives. The key for Huddersfield is to maintain this momentum.

Outside of Huddersfield, the district has a rural feel, particularly to the south and west of the district which contains part of the Peak District National Park. Despite this, only 13% of the district population is classed as rural. Economic inactivity in these rural areas is lower. This suggests that a higher proportion of the rural population are in employment or are self-employed while the proportions of people with skills at levels 2, 3 and 4 and above are higher in rural Kirklees than urban Kirklees while the urban areas have a higher proportion of adults with no qualifications[2].

Policy Implications

- Huddersfield has a number of strengths to build upon and achieving this will be the key to the districts future.
- The quality of housing in the district provides some cause for concern and alongside the programme of new build to meet increasing demand there will need to be a focus on improving existing stocks.

Implications of not taking action

A failure to capitalise on the strengths in creative and media sectors would represent a lost opportunity in Kirklees while continued poor housing quality and levels of fuel poverty are likely to be detrimental to both existing residents and the perceptions of the district as a place to invest. Given the strengths the district has this would be a further loss of opportunity.

Summary

Kirklees does not suffer the levels of deprivation and educational underperformance seen in some of the other districts though housing quality, congestion and air and river quality are all factors that require attention.

Kirklees has had below average employment growth despite relatively strong performance in terms of growing the number of businesses suggesting these new businesses need to grow more rapidly to meet the employment needs of the district and stem the outflow of commuting. The strengths of a number of sectors is encouraging and efforts to develop these further should be made. Despite the strong performance of the education sector in educating the potential workforce, the high level of skills gaps suggest employers may be being held back form growing their businesses due to the suitability of the skills of the workforce. Attention to providing the skills employers need should also be given consideration.

[2] Focus on Rural Areas (Kirklees), DEFRA Rural Statistics Unit, October 2004 (based on 2001 Census).

Leeds District

Emerging Policy Priority Areas

Introduction

Leeds is one of the UK's leading cities and acts as the economic driver of the West Yorkshire sub region. The performance of Leeds has a significant bearing on sub regional and regional performance. Leeds has a large economy and has successfully diversified to a more knowledge-based business and employment base. As with all major cities, a high proportion of people working in Leeds commute in, making the City economically important to the wider sub region and beyond. Following population decline and an urban to rural shift (especially to North Yorkshire) the revitalisation of the city centre in the last 5-10 years has played a part in the population increasing.

Whilst the economy of Leeds (and of West Yorkshire) is growing, employment growth has been more modest in recent years. There are signs that a number of factors such as land availability and values, office rental levels, house prices and congestion may slow down the pace of economic growth, although the City has a dynamic economy. The nature of the Leeds economy requires that employers need access to a large and skilled labour force. As a consequence, many of the employment benefits have accrued to incoming workers, while there are significant concentrations of worklessness within the City. A number of areas in central Leeds have very low educational attainment, low levels of economic activity and high unemployment.

The key issues relate to:

- Maintaining a high rate of growth of the Leeds economy, building on the City's strength with regard to business services, higher education and culture and leisure.
- Identifying and addressing constraints which will restrict growth, including both infrastructure and the functioning of the City, and the skills of the wider labour force.
- Ensuring that the educational performance in the most deprived areas is improved to enable people in these communities to access employment opportunities.
- Tackling other barriers that people in the most deprived communities face.

More Businesses the Last

Leeds has the strongest economy in the sub region and its business base is characterised by a number of large employers. Employment growth has been driven by both medium sized and larger enterprises, including public sector employers, and there has been an upsurge in the size of the employment base. In spite of the marked increase in employment, business density (per 1000 adult population) has increased slightly and new business starts have increased over the last 10 years, the growth in the number of businesses in Leeds has been below the sub regional average. The rate of new business starts has also fallen in the last 5 years and is currently below the rate seen in 2000. Self employment makes up a relatively low proportion of total employment in Leeds while levels of female entrepreneurship are slightly below the national average. This indicates a weakness in the Leeds economy, typical of most major northern cities, and one which the recent awarding of Local Enterprise Growth Initiative (LEGI) funding to Leeds will hope to address.

Leeds commands much higher office rentals than elsewhere in the sub region, although city centre office rentals have declined by 2.3% since 2001, while prices in locations out of the centre have continued to rise. Factory and warehouse accommodation in Leeds have rental values that are comparable and in some cases below those seen in other districts. It is the high quality city centre office space which is at a premium in Leeds. The high office prices may act as a deterrent to businesses for which costs are more of a consideration.

The forecasts for employment floorspace reflect this pattern of demand. By 2014 it is forecast Leeds will require an additional 14% of B1 (office) floor space, representing over half of the increase forecast for the Leeds City Region, while there will be less floorspace for B2 uses (small industrial). As finance and business service jobs are likely to increase in Leeds it is important that there is sufficient land available to facilitate this expansion. Looking at the supply of land, Leeds has over 200ha of land committed to B1 usage with a further 537ha that can be made available for general use suggesting that land availability should not constrain this growth. This assumes that this land is capable of being developed without significant additional costs in terms of ground conditions and access, and in locations which are attractive to investors.

Policy Implications

- Leeds employment growth has slowed slightly in recent years and since 2000 the level of new business starts has declined. Although Leeds is a dynamic and growing economy its importance to the sub region and region means that there should be a focus on generating new investment, business growth and entrepreneurial activity to grow the economy at a faster rate.
- The awarding of LEGI funding to Leeds provides an excellent opportunity to stimulate entrepreneurial activity and generate new businesses in Leeds.
- While the supply of land appears to be in line with future projected usage the cost of land and office rentals are high. Leeds may be affected if companies seek to locate back office and other functions to less expensive locations.

Implications of not taking action

Given its status, Leeds is likely to remain a high profile location that can command a premium price amongst major companies. However, to continue the expansion of knowledge based industries and improve the business start up rate there will need to be a focus on providing affordable, quality accommodation for new start up businesses in key growth sectors and to make use of the opportunities LEGI funding will provide to stimulate entrepreneurial activity.

Competitive Business

Independent research[1] has placed Leeds as the third most competitive city in England (excluding London) reflecting strong progress in transferring to a knowledge-based economy. Employment growth in Leeds has slowed in recent years and this reflects the slower rate of growth of the sub region when compared to the region. The West Yorkshire economy accounts for 45% of regional employment and, within West Yorkshire, Leeds accounts for a far larger share than any other district with over 40% of employment in the sub region. Leeds has particular strengths in the finance and business sector reflecting the city of Leeds' strength as the main business centre for the Yorkshire and Humber region. With a much smaller manufacturing base as a proportion of total employment, Leeds should be less affected by the continued decline of this sector.

The finance and business sector has continued to grow strongly, with additional workplaces also in public administration, transport and construction. Large declines in both distribution and manufacturing mean that between 1996 and 2004 there has been a decline in the number of workplaces in Leeds. The forecast for Leeds is for a continued expansion of employment, with 27,000 additional jobs forecast by 2016. While the largest increase in the sub region in absolute terms this represents a relatively modest increase in percentage terms.

The strength of the Leeds economy is reflected in its GVA per capita which exceeds the national average and is well above the rest of the sub region. Since 1995 GVA per capita has grown faster in Leeds than elsewhere in the sub region and is forecast to continue widening this gap.

Clusters

Leeds has strengths in a number of Yorkshire Forward identified sectors. Leeds has a strong digital industries sector, which has seen employment growth of 15% since 2000 and now provides over 22,000 jobs in the district. Healthcare technologies have also seen growth, although from a much smaller base and the sector has further growth potential.

Some more traditional sectors have performed less well. Employment in the food and drink and the chemicals sectors has remained stable between 2000 and 2004 while advanced engineering and manufacturing has experienced a 23% decline in employment, a loss of almost 4,000 jobs between 2000 and 2004. Environmental technologies also lost over 2,000 jobs over this period, although this is unlikely to have been in the higher value added service end of the sector.

There is a need to work with key sectors to improve competitiveness of existing companies and Leeds University's role in Centres of Industrial Collaboration (CIC) is making its expertise in a number of sectors available, to provide support to businesses to develop competitive leading edge products and services. The Digital Print CIC can help further develop the competitive advantage enjoyed by digital industries in Leeds. Likewise the food and drink sector can benefit from the Food Chain CIC at Leeds University which can assist the sector in making use of the scientific knowledge available that is increasingly an important part of the development of new products and processes.

[1] Robert Huggins Associates, 2005; ONS 2003.

Leeds has a number of other sectoral strengths. The 12% increase in tourism employment has brought an additional 3,600 jobs, with the sector now employing over 33,000 people. Cultural industries, while losing employment since 2000, still employ 48,000 people in Leeds. The levels of employment in these sectors reflect Leeds' attractiveness to visitors due to its restaurants, bars, cultural attractions and businesses. Growth in the sub region's day visitor market has been strong while employment in bars and restaurants, which make up most of the tourism sector's employment, has also been strong in Leeds.

Growth in the financial sector has also been strong, with an additional 4,700 jobs following a 21% increase in employment between 2000 and 2004 bringing total employment in the sector up to 28,000. The sector provides a number of traditionally well paid jobs and generates significant value added. The sector also brings additional employment through associated sectors that are complementary to the finance sector (for example recruitment, real estate, computing and legal services). It is estimated that this increases employment by up to four times that of the finance sector alone.

Policy Implications

- Leeds is the major employment centre in West Yorkshire which is the major sub region in terms of the scale of its economy. Maintaining a high level of growth in Leeds is a regional priority.
- While employment has increased significantly between 1996 and 2004, the rate of growth slowed down after 2000, in spite of the presence of a number of very strong sectors.
- The continuing development of the key sectors of finance and professional services, creative and digital and tourism needs to be a focus to ensure that Leeds makes a further, major contribution to regional economic growth.
- Leeds has a very strong research base in its two universities that can help develop products and processes to maintain the competitiveness of more traditional sectors and further the development of emerging sectors with strong growth potential.

Implications of not taking action

While Leeds has a strong economy, it makes a major contribution to the wider sub region through its role as an employment and business centre. Leeds as an investment location competes with other major Cities, nationally and internationally, and any reduction is investment and employment growth is likely to lead to lost opportunities for the region. Failure to support the continued growth of Leeds can therefore have implications for employment in the neighbouring districts.

Skills

Performance of school students in Leeds deteriorates as pupils move through the education system. At Key Stage 2, school pupils in Leeds are at or above the national average for English and maths though by the time of their GCSEs performance has slipped to well below the national average. GCSE attainment varies markedly within the district. A number of wards have rates of achievement of 5 GCSE passes at grades A*-C that are well below the district average with City and Holbeck, University Ward, Bramley, Halton and Beeston all over 15 percentage points *below* the Leeds district average of 49.3%. Other parts of the district such as Morley South, Horsforth, Airborough, Otley and Wharfedale and Garforth and Swillington have 5 A*-C pass rates at over 15 percentage points *above* the Leeds district average and are well above the national average. Of particular note is the large gap between pupils with a Free School Meal entitlement and those without, suggesting that those from more deprived backgrounds face additional barriers in education.

For those that stay on at school, A-Levels performance is lower. The district has a lower than average A-level points score when compared to the regional and national averages.

On leaving school the pattern in Leeds differs from that elsewhere in the region. A small proportion of school leavers enter work based learning in Leeds, although more enter employment with training and comparatively few enter employment with no training. At 10%, the proportion of young people entering the NEET group (Not in Education, Employment or Training) is below the sub regional average and above the regional average. In absolute terms this represents a very high number of young people that are NEET.

With regard to adult qualifications, Leeds performs better than the rest of the sub region regarding the proportion of adults qualified at Levels 2, 3 and 4, though given the nature of the Leeds economy much of this may well be related to qualified people moving in to take up higher skilled jobs. Basic skills needs as a proportion of the adult population are also below the sub regional average indicating that on the whole the Leeds workforce is better qualified than the workforce in the rest of the sub region. Despite this, employers in Leeds are more likely to report skills gaps in their workforce, indicating that the current labour force needs to improve certain skills to work effectively (marketing, management and selling are the most common skills gaps cited in the region in the National Employers Skills Survey). The instances of skills shortage vacancies are also higher in Leeds than elsewhere in the sub region. More employers in Leeds provide training for their workforce than elsewhere in the sub region.

Policy Implications

- Overall Leeds has a well qualified workforce, although given the relative under performance at GCSE / A-Level, this reflects its ability to draw from a wider labour market including all of the sub region and beyond (including North Yorkshire).
- There is a spatial concentration of poorer educational performance, with a number of wards in central Leeds performing very poorly at GCSE.
- Employers in the City report high levels of skills gaps and skill shortage vacancies suggesting some mismatch between the skills of the workforce and the skills employers require.
- Employers in Leeds are relatively good at providing training and should be supported to continue doing so.

Implications of not taking action

Leeds has grown more slowly in recent years than previously and the indications from employers are that the skills they require are not always available. Given the nature of much of the Leeds economy, relying on the skills of its workforce in knowledge-based industries, it is important for the growth of the Leeds economy that employers can access the skills they need to grow their businesses.

Connecting People

The population of Leeds has grown very slightly at just 0.6% since the 2001 census and is forecast to continue to grow at a slower rate than elsewhere through to 2016. Other parts of the sub region as well as parts of North and South Yorkshire are dependent on Leeds for employment opportunities, and this means that there is a need to increase employment numbers in future years. Employment in Leeds has grown by 11% between 1996 and 2000, 8% between 2000 and 2004, and is forecast to grow a further 6.1% to 2016. Leeds will continue to provide additional employment opportunities for the sub region, although at a lower rates than previously.

Leeds has a similar proportion of economically inactive to the sub regional average, though the profile is somewhat different with higher proportions of students and fewer permanently sick / disabled and those looking after a family. The number of students follows from the concentration of HE and FE institutions in Leeds, and a high proportion make a positive progression into employment than the other economically inactive groups.

Despite the overall strength of the Leeds economy, the claimant count for residents is relatively high, second only to Bradford. With over 14,000 claimants this is a significant group and the City also suffers from the highest level of long term (over 2 years) claiming, though in absolute terms the numbers are smaller (under 500). A total of eight wards, all within the city of Leeds, have a claimant rate of more than double the sub regional average with the central City and Holbeck ward over three times the average for West Yorkshire.

Other groups also face barriers to employment though this is on a lesser scale than elsewhere. The unemployment rate for those with a limiting long term illness for example is lower in Leeds than elsewhere in the sub region while the proportion of Incapacity Benefit (IB) claimants is also lower. In absolute terms however, incapacity is a significant issue with over 27,000 claimants, almost twice the number of those claiming Job Seekers Allowance. Lone parents and those providing unpaid care also face additional barriers to employment, although again the issue appears less significant in Leeds. While Leeds has the same proportion of households that are lone parent as the rest of the sub region, lone parents are more likely to be in full time employment in Leeds. Similarly, Leeds has a smaller proportion of people providing unpaid care for 20 hours or more per week than elsewhere in the sub region.

There are however concentrations of IB and lone parent claiming in certain wards. City and Holbeck, Richmond Hill, Seacroft and Burmantofts are where the IB claimant rate is a particular issue. These wards, plus Harehills and Hunslet, also have double the regional average for lone parent claimants are also amongst those with the highest JSA claimant rate and the highest numbers of long term claimants

With a high level of employment in professional and managerial occupations, incomes in Leeds are amongst the highest in the sub region and Income Support claiming is lower than elsewhere. Again City and Holbeck, Hunslet, Richmond Hill, Seacroft and Burmantofts have much higher rates than elsewhere in the district.

There is a clear concentration of issues in certain wards and Leeds has a number of areas amongst the worst 10% as measured on the Index of Multiple Deprivation (IMD). Over 20% of the population reside within an area within the worst 10% on the IMD, with crime and living environment (mainly a measure of housing quality) the indicators that Leeds performs poorest on while education, incomes and employment perform relatively well. The mixed performance indicates the differences between those benefiting from the high skill / high wage economy that Leeds has become and those that have failed to benefit and seen a relative deterioration in their quality of life and an increase in crime.

Policy Implications

- The Leeds economy is strong and contains by far the greatest level of employment opportunity in the sub region. Given the clear concentration of issues in certain locations, a targeted geographical response is required that aims to connect people in these areas to the opportunities that the Leeds economy offers.
- As with all major cities, Leeds has marked contrasts between its wealthier and more deprived areas. While on the whole the City performs well, the issues faced in the most deprived wards are amongst the most severe in the sub region.
- Profiles of the poorest performing areas show that issues of economic inactivity, employment, education and health are all significantly worse in these areas than elsewhere in the sub region.
- The majority of employment opportunities in the district are accessible from central Leeds and the local transport network is good. Efforts to connect people in areas of high unemployment to these opportunities must be made.

Implications of not taking action

Without a strong package of interventions to address the multiple issues faced by the inner city areas of Leeds it is unlikely that these areas will see the level of improvement in their fortunes required and the gap between these areas and the rest of the district is likely to widen. Failing to tackle the issues will bring the lower living standards of the more disadvantaged to greater prominence and may further marginalise these communities.

Transport, Infrastructure and the Environment

Leeds is well connected, benefiting from a good local rail and bus network, good direct national rail routes and its proximity to both the main north-south road route (M1) and the main east-west route in the north of England (M62). The key issues for Leeds is the extent to which this network has the capacity to cope with the forecast increased levels of traffic, and the implications this has for the functioning of the economy and the effect on the environment, air quality and carbon emissions.

Due to the strength of local bus and rail transport Leeds has a lower share of morning peak time transportation that takes place by car and a smaller proportion of journeys for work are made by car. Despite this, the road network is more congested in Leeds than elsewhere in the sub region with over two thirds of the roads operating at 70% or below the speed limit during the morning peak period. Over 40% of the commuting flows in the district are from journeys made from outside the district and Leeds has seen the greatest increase in person-km travelled to work in the sub region when the 1991 and 2001 censuses are compared.

Efforts have been made to address the issue of congestion in Leeds and the evidence suggests that specific initiatives (such as guided busways) can have a positive impact and work on a number of other schemes to improve roads into and around Leeds are due to commence in the near future. Research commissioned by Metro however suggests, unless significant policy interventions are implemented, bus usage will decline and car usage will increase. It is clear much more needs to be done if congestion is to be improved significantly within the Leeds district and Leeds city centre in particular.

The combination of the levels of congestion, high population and levels of economic activity have had an impact on environmental quality. Leeds has two of the seven Air Quality Management Areas in West Yorkshire and per capita CO^2 emissions are above the sub regional average. The district has also seen slow progress in terms of its responsibilities to improve energy efficiency against the Home Energy Conservation Act.

Policy Implications

- Leeds is by far the largest economy in the sub region and while public transport is relatively good and fairly well used the road network struggles due to the sheer volume of transport during peak hours.
- As well as economic costs to business and the inconvenience to road users there are environmental implications from having such a high volumes of transport on the roads.

Implications of not taking action

The level of congestion in and around the city of Leeds is high and that combined with above average rental levels could reduce its attractiveness location for new businesses. While the strength of the city as a location extends well beyond these considerations it is likely an increasing number of businesses will choose to locate elsewhere should the situation deteriorate.

Stronger Cities, Towns and Communities

Leeds is the most populous district in West Yorkshire, and is a city of national significance in economic terms, with particular strengths in the finance and business sectors. The City is the base for a number of major employers in high growth knowledge-based industries and high value added sectors.

There are also a number of deprived areas, notably parts of central Leeds (City and Holbeck, University Ward, Bramley, Halton and Beeston) which have particularly low levels of educational attainment. As a result some local residents are not able to access the employment opportunities in the city. Over 20% of the population of Leeds reside within an area in the worst 10% on the education indicator of the Index of Multiple Deprivation (IMD) and the same is true when all indicators of the IMD are considered illustrating the wide range of issues faced by the most disadvantaged communities in Leeds.

The Leeds City Region Development Plan sets out a vision for the Leeds City Region, an area including the rest of the sub region plus parts of South Yorkshire (Barnsley) and North Yorkshire (Craven, Harrogate, Selby and York). The vision is to raise the economic performance of the city region and ensure prosperity is spread across the whole city region. Pursuing this vision will be a key feature of the development of Leeds over the coming years and will cover issues outlined under other RES objectives (business support and growth sectors, innovation and enterprise, skills and labour supply and transport) as well as other quality of life issues including the quality and supply of housing as well as the cultural facilities available in the city region.

The CRDP highlights the challenges of the housing market from failing/vulnerable areas (such as edge of town estates) to areas of housing pressure. Further economic growth and in migration of skilled workers to Leeds is likely to continue to drive house prices upwards and the price of housing in Leeds is much higher than in the rest of the sub region and in comparison the average household incomes. Leeds City Council forms part of the Golden Triangle Partnership (along with the councils of Harrogate and York) that is looking to provide solutions to the high cost housing in these areas. Part of the solution will lie in increasing the supply of housing. The current level of new home completions is just over 3,000 per year, just above the levels of new builds forecast for Leeds within the Regional Spatial Strategy in the period to 2021 that will be required to meet the increased demand for housing. As well as addressing the supply of housing, the quality of housing is also an issue, with 127,000 homes classed as 'non decent' within the district. Improving this situation is an important task for Leeds.

As well as being the principle economic centre in the sub region Leeds is also home to many of the sub region's cultural assets. Cultural industry employment in Leeds makes up 44% of the sub region's employment in this sector and by far the largest share of sub regional GVA from the cultural industries is generated by Leeds. Leeds is a major centre for the performing arts as well as being home to the BBC within the region and many festivals and outdoor performances take place in Leeds, as well as major cultural events such as the West Indian Carnival. Sport also has a role to play in Leeds with major venues for cricket, rugby league and football within the city.

The Leeds City Centre Cultural Facilities Programme is the current priority for the district in terms of further developing its cultural offer, involving the refurbishment of existing facilities as well as the development of new facilities. There is a well recognised gap in West Yorkshire's current offer with a need for a major arena type facility (with a capacity of over 10,000) that the Cultural Facilities Task Group have been pursuing. It should be expected that successfully delivering these improvements can both generate additional visitor numbers to the city and provide further employment opportunities that are accessible to those that do not have the higher level skills required by many jobs in the city.

Policy Implications

- The affordability of housing in Leeds will undermine efforts to reduce commuting, and potentially impact on economic growth. It will also reduce the attractiveness of Leeds to inward investors.
- Further development of the cultural offer to support the position of Leeds as the main cultural centre and one of national significance is required to both help develop employment opportunities in this important sector as well as develop Leeds' image as a place to live, work and visit.
- Improving educational performance within the poorest performing parts of Leeds is required to open up employment opportunities for local residents in deprived neighbourhoods.
- Further expansion the range of business locations beyond the city centre to accommodate additional growth and counteract high commercial rental levels is likely to be required.
- Tackling the congestion of central Leeds needs to take place, if left unchecked this will erode the centre's attractiveness as a location for business

Implications of not taking action

The city of Leeds, as the driver of the Leeds City Region, has an important role to play in economic and cultural terms. There is a danger that if action is not taken to alleviate a number of pressures the collective effect will be to significantly impact on the competitiveness of the City as an investment and employment location.

Summary

While Leeds has successfully diversified its economy and has high skilled, high value added employment there are signs that employment growth has slowed and that a number of factors such as land values, office rental levels, house prices and congestion may make it difficult to accelerate growth. In addition, targeted and long term action is required to address the challenges of some of the communities in central Leeds, where multiple deprivation is concentrated.

Wakefield District

Emerging Policy Priority Areas

Introduction

The Wakefield economy has improved recently with strong growth in sectors such as transport and distribution making use of the districts excellent location at the heart of the transport network in the region. Despite an improving performance, business start ups remain low and a significant improvement in workforce skills and educational attainment levels will be required to move to a more knowledge-based economy with associated increases in GVA. The predominance of low skill, low wage employment as well as worklessness and incapacity in a number of parts of the district, most notably the former mining communities, is a cause for concern. The district will need to tackle the issues in these areas if it is to continue the revival of its economy.

Key issues:

- Tackling poor educational performance and low levels of adults skilled to Level 3 and above.
- Supporting new business growth in key growth sectors and moving to a higher skill, higher wage economy.
- Addressing the issues of deprivation found in parts of the east of the district.

More Businesses that Last

The picture in terms of business growth in Wakefield is mixed. The number of start ups in 2004 was three quarters of the national average and was the lowest in the sub region with levels of female entrepreneurship also the lowest in the sub region. Self employment has actually declined in the district over last 10 years and there are noticeably lower numbers of people starting a business.

The district has the lowest business density in the sub region although it is the only district to have experienced higher than national average growth since 1995. Although the annual rate of new start ups in Wakefield continues to lag the sub regional and national average, the trend is upwards, rising 0.9 percentage points to 3.1 new starts per 1000 adult population. Since 1996, this represents a growth rate faster than elsewhere in the sub region.

Overall it appears that from a very weak position 10 years ago Wakefield has started to move in the right direction in terms of business growth. The signs for this continued improved performance are positive. With regard to premises, while rental values are not the lowest in the sub region they remain well below the high levels seen in Leeds while the supply of employment land is second only to Leeds within the sub region.

Policy Implications

- There is a need to capitalise on Wakefield's current economic revival to lay the foundations for continued strong performance.
- A further improvement in new business start up rates and levels of female entrepreneurship should be considered as a means of continuing this revival.

Implications of not taking action

Wakefield can capitalise further on its strengths for logistics and distribution and employment, but requires other sectoral growth to avoid becoming a low wage low skilled economy.

Competitive Business

Employment growth since 2000 has been rapid, easily outperforming the rest of the sub region and showing a marked increase on the level of growth between 1996 and 2000 providing indications that after a period of severe underperformance a revival is underway. The net number of workplaces has increased in the district due to the performance of the banking, public administration and transport and distribution sectors. The distribution sector has significantly grown its share of employment in Wakefield, due to its location alongside the M1 and close to the main east-west transport route in the north of England (M62). Wakefield does however have the highest proportion of its employment in the public sector and this employment could be at risk from a number of external factors.

As with all districts in the sub region other than Leeds, GVA per capita is low, though total GVA expected to increase at a reasonable rate over next ten years.

Looking at specific sectors there has been a mixed performance over the past five year and several of the Yorkshire Forward cluster sectors have declined recently. Food and drink, where Wakefield has more jobs than other districts, and chemicals which is less important in Wakefield have both lost significant levels of employment. The advanced engineering and manufacturing sector has also lost jobs. More positively, the creative and digital sector and environmental technologies sector have grown markedly.

Other sectors have also contributed to the revival of the district. Wakefield has seen the fastest growth in tourism and leisure which now has over 10,000 jobs as well as fastest cultural industries growth with over 14,000 jobs. While there are relatively few jobs in the finance sector the district has had a slight increase in employment unlike elsewhere in the sub region (except Leeds which has grown rapidly).

Overall employment expectations (from survey of businesses) are optimistic in Wakefield for next 12 months a feeling which ties in with overall improvement in the fortunes of the district in recent years.

Policy Implications

- While the recent growth in employment and economic forecast are encouraging the district needs to address the quality of investment and employment.
- Sectors such as creative and digital industries and environmental technologies demonstrate strength in the district and these can reduce dependence on logistics and the public sector.
- Efforts to stem the decline of other cluster sectors such as food and drink which is a large employer in the district need to be considered.

Implications of not taking action

While the economic forecast is strong the trends in a number of sectors are for decline in employment and the business base. This suggests that there is potential for losses to cancel out growth elsewhere. Without a focus on retaining existing jobs and promoting sectors with growth potential the economic revival in Wakefield may be undermined.

Skills

Wakefield has seen encouraging improvements in educational performance over the past few years particularly amongst those in compulsory education although the performance of adults still lags significantly behind the national average.

Since 1997 the GCSE performance of the district's young people has moved from seven percentage points below the national average up to the national average. This is an excellent performance. Young people in the most disadvantaged parts of the district still lag the district average by quite a gap, especially in the central urban areas of Wakefield and Castleford where 39%-40% of pupils achieve 5A*-C compared to the national average of 56%. There is scope for improvement amongst young people at Key Stage 2 (KS2) at age 11. While the KS2 results in maths are above the national average, the results in English fall well below.

Following compulsory education, the A-level performance in the district is average, although a high number of young people leave compulsory education and enter the NEET (Not in Education, Employment or Training) group. Wakefield has the highest proportion of young people entering the NEET group in West Yorkshire and also has a low proportion of young people moving into work based learning.

With regards adults the picture is more challenging. The number of economically active adults with a Level 3 qualification is well below the national average and Wakefield is the only district where this proportion has fallen since 2000/01. Wakefield also has the lowest proportion of adults qualified to Level 4 and above in West Yorkshire. Basic Skill needs are also an issue amongst the adult population, particularly in maths where 7% of the adult population have a basic skill deficit. The areas with the highest Basic Skill needs in Wakefield include parts of central Wakefield as well as Featherstone, Hemsworth, Castleford, South Kirby and Knottingley.

The number of employers providing training in Wakefield however is relatively high and training is provided to a greater proportion of the workforce than elsewhere.

Policy Implications

- There is a need to tackle the educational performance of school age children in the most deprived parts of the district.
- Educational performance in KS 2 English needs to improve. Improvements here should also see further improvements by the time children reach GCSE.
- The high numbers entering the NEET group are a cause for concern.

Implications of not taking action

Wakefield has perhaps suffered indirectly from the availability of lower paid, lower skilled jobs reducing the pressure on young people to perform well at school. There are signs of improvement as the education system looks to equip its young people with the skills required in a restructuring economy. Over time this will feed into improved skills and qualification levels of the adult population. Such a process is likely to take a long time to close the gap with the national averages as the majority of poorly qualified people are already part of the workforce. The numbers of young people entering the NEET group, as well as the continued poor performance in the most deprived parts of the district will act to slow this improvement. Unless performance in these areas, and amongst the adult population is more rapid, it is likely the recent improvements in the employment picture in the district will become constrained by skill shortages.

Connecting People

The population of Wakefield has grown at a similar rate to that in the rest of the sub region and the forecast population growth is also in line with the sub regional average. With significant employment growth experienced over the past 5 years for both full and part time employment (at 17% by far the highest full time employment growth in the sub region) this has provided the district with an increase in employment opportunities. The forecast is for slower full time employment growth to 2016, although part time employment is forecast to continue with strong growth.

Despite this positive growth in employment opportunities there are a number of issues that need to be addressed in the district. Wakefield still has high rates of economic inactivity, with the white population having the highest rates of inactivity in the sub region. The district also has the highest levels of people that are permanently sick / disabled in the sub region, well above the national average. While Wakefield was the only district in the sub region not to see an increase in Incapacity Benefit (IB) claimants between 2000 and 2005 the district still has the highest IB claimant rate in the sub region. Those that have a limiting long term illness in the district are also more likely to be economically inactive than those in other districts. Within Wakefield there is a spatial concentration of IB claiming, the former coalfields to the east of the district containing a number of wards with particularly high rates of IB claiming, in some cases over twice the regional average.

While the problem of worklessness has lessened in line with the decline nationally, Wakefield has a higher than average proportion of its unemployed amongst the under 25s (although part of this is due to higher proportions of older IB claimants). That said, unlike many other districts Wakefield has no wards with exceptionally high rates of unemployment. At the ward level claimant rates in the medium term i.e. over a year are highest in Wakefield East which has a claimant rate of 0.8%, equivalent to some 75 individuals.[1]

While the proportion of lone parent households is in keeping with that elsewhere the proportion of lone parents that are working is low. Wakefield also has a higher proportion of people that provide care for 20 or more hours per week than anywhere else in the sub region.

The issues of incapacity, those with caring responsibilities, high levels of lone parents and the previously male dominated employment structure centring on mining and heavy industry to some extent explain the patterns of low incomes in the district. Wakefield has the lowest average incomes in the sub region, with female incomes as a proportion of male incomes also lower than elsewhere.

Again, there is a spatial dimension to consider. The Index of Multiple Deprivation, which signifies areas that face difficulties across a number issues shows the former coal mining areas in the south and east of the district (Castleford, Featherstone and Kinsley) suffer from the highest levels of deprivation. Health and employment show up on the IMD as the aspects of deprivation where the district has the most significant issues to address.

[1] Claimant Rate (as a proportion of resident working age population) via NOMIS, October 2006

Policy Implications

- Employment opportunities have increased significantly in the district though for a variety of reasons there are particular groups that face issues in accessing these opportunities.
- Wakefield residents face a number of barriers to entering employment with lone parents and those with a limiting long term illness less likely to be in employment than the sub regional averages. There are also high numbers of people providing significant (over 20 hours) of care per week.
- Particular parts of the district to the south and east require additional attention to address the issues of multiple deprivation. Former mining towns such as Castleford, Featherstone and Kinsley face the highest levels of deprivation in the district.

Implications of not taking action

While significant improvements in employment opportunities have arisen it is important that people in the former coalfield areas within the district have access to these opportunities. In particular, those with barriers to taking up employment, such as those with some form of limiting illness or with caring responsibilities will need to be brought back into the labour market if the recent levels of employment growth are to be sustained. This will need to embrace a number of the skills issues amongst the adult population identified under RES 3.

Transport, Infrastructure and the Environment

Wakefield benefits from good transport connections with its location alongside the M1 motorway and with direct rail connections to London, Leeds and Sheffield. The high quality road connections result in some issues. While Wakefield's road network appears to be less congested of all the districts in West Yorkshire the district does have the highest proportion of commuting journeys made by car as well as the fastest growth in 2 car households in the sub region. Of the 7 Air Quality Management Areas designated in the sub region, four are within Wakefield district suggesting that this increased reliance on car transport is adding to the Air Quality issues brought about by the proximity to some of the sub regions principle roads.

Policy Implications

- Forecast household and employment growth are likely to increase the issues of Air Quality and congestion in the district given the increased reliance on car transport that Wakefield has.
- Increase the use of public transport, particularly to Leeds.

Implications of not taking action

While Wakefield's economic future appears to show a district successfully transforming itself there are warning signs with regard to increasing household numbers, increased road transport, a potential for increased congestion and further declining of Air Quality. It is important that these issues are anticipated in advance so that housing and employment developments can be planned to minimise the increases in road transport and prevent issues of congestion becoming a barrier to the economic revival of the sub-region.

Stronger Cities, Towns and Communities

Wakefield has a number of former coalfield areas within its boundary and the revival of these areas to create sustainable new communities are a key to the development of the district. House prices are low relative to incomes in the district and the quality of housing reveals less significant issues in terms of levels of 'non decent stock' in comparison to other districts in West Yorkshire. The district is however forecast one of the higher levels of household growth to 2026 with a concomitant level of new homes to be built identified in the Regional Spatial Strategy.

Outside of the former coal mining towns and villages the city of Wakefield has had relative success in diversifying its economy with strong employment growth seen in recent years particularly driven by the distribution sector. The city has also benefited from a number of regeneration schemes such as the waterfront, Westgate and Trinity Walk. However, issues exist within the former coal communities. Unlike elsewhere in the sub region, Wakefield has higher rates of economic inactivity in its rural areas than its main urban areas, a result of the decline in mining as the main source of employment in these areas. Small towns such as Castleford, South Elmsall and South Kirby as well as villages such as Hemsworth have the highest rates of economic inactivity in the district.

Policy Implications

- Wakefield's rural areas, particularly the former coal mining villages suffer from higher levels of economic activity than the urban parts of the district. This reflects the coalfield heritage and instruments aimed at this particular problem are required.
- Wakefield has the highest proportion of travel to work that takes place by car and overall Wakefield residents travel further for work than those in other districts, further employment growth should avoid exacerbating this level of dependence on car transport given the issues of Air Quality noted under RES Objective 5.
- High levels of household growth and new build activity are set to take place and this needs to take account of the location of growth relative to employment opportunities.

Implications of not taking action

Given the issues of deprivation and barriers to employment faced by former mining communities to the east of the district it is important that a coordinated approach to the development of employment land, workforce skills and housing is undertaken in order that employment opportunities are available both to existing households in areas of deprivation as well as the new households forecast for the district.

Summary

Wakefield needs to build on its recent improvement in order to both support new businesses in growing sectors and retain existing employment in sectors that have performed less well. A focus on ensuring these employment opportunities are available to the residents of the most deprived parts of the district is needed to prevent these areas falling further behind. Improving the educational performance of these areas will be an important starting point.