

Blaby District Profile Leicester Shire Economic Baseline Study 2006



Leicester Shire Economic Baseline Study 2006 - District Profiles

The 2006 Leicester Shire¹ Economic Baseline Study provides a comprehensive review of the sub-regional economy including chapters based around the economy and investment, people, labour market and skills and the Local Economy Audit Model carried out by Ecotec Research and Consulting. This separate document provides a summary of how Blaby district scores on each of the Local Economy Audit Model (LEAM) domains and a snapshot profile using additional data from the baseline. The LEAM has provided systematic analysis of the performance of the local economy adopting an external perspective. The model uses a series of carefully selected indicators in order to specify strengths and weaknesses and challenges and opportunities associated with the local economy. For a copy of the full report or executive summary please visit <http://www.lsint.info>.

Seven District profiles have been produced for:

- Blaby District
- Charnwood Borough
- Harborough District
- Hinckley and Bosworth Borough
- Melton Borough
- North West Leicestershire District
- Oadby and Wigston Borough
- A Leicestershire County and a Leicester City profile have been produced.

The information contained in the profiles is based around the following themes:

- Local Economy Audit Model
- Employment
- Business and entrepreneurship
- House prices
- Demography
- Economic activity and unemployment
- Income and earnings

¹ Leicester Shire covers the combined administrative areas of Leicester City and Leicestershire County

Blaby District Summary

For further information about the Local Economy Audit Model (LEAM), see page 53 of the Economic Baseline Study. The full report can be downloaded at <http://www.lsint.info>.

Overall LEAM Profile 2006

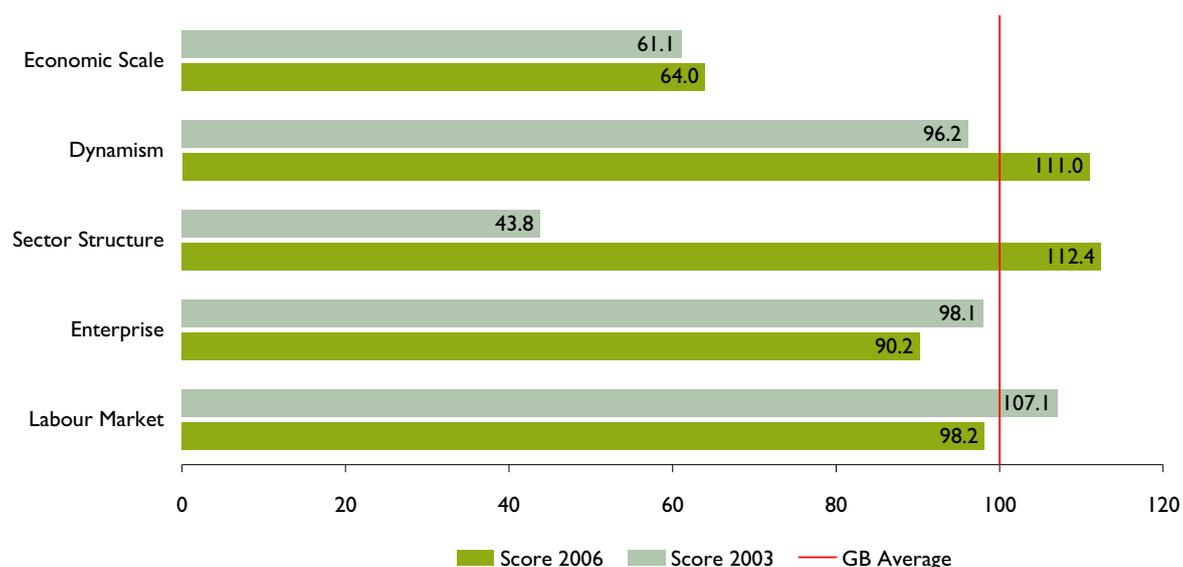
Table I: Overall LEAM Profile for Blaby, 2006

Area	Economic Scale		Dynamism		Sector Structure		Enterprise		Labour Market	
	Score	Rank	Score	Rank	Score	Rank	Score	Rank	Score	Rank
Blaby	64.0	245	111.0	3	112.4	85	90.2	255	98.2	210
Leicestershire County	52.1	N/A	102.3	N/A	88.3	N/A	99.7	N/A	101.1	N/A
East Midlands	74.2	8	101.2	3	82.4	9	93.3	5	90.8	8
Great Britain	100	N/A	100	N/A	100	N/A	100	N/A	100	N/A

Notes: Each local authority is expressed relative to 408 local authority areas in Great Britain. The East Midlands is compared to 11 regional areas in the UK. The Leicestershire County score is not comparable by rank. The domain scores are indexed against the national average (100).

Source: Ecotec Research and Consulting, 2006

Figure I: Competitiveness Summary Chart for Blaby, 2003 & 2006



Note: For full details of the 2003 scores see http://www.lsint.info/downloads/Baseline_Survey2.pdf

Source: Ecotec Research and Consulting, 2006

Key points

- The strongest indicator for Blaby District is sector structure where it scores 112.4. The District's dynamism score (111) was the only other indicator above the national average (100).
- Compared to the Leicestershire County averages, Blaby performs better in relation to all indicators with the exception of enterprise and, to a lesser extent, labour market.
- Since 2003, Blaby has improved its relative performance compared to the national average on three of the five domains. Most notably, sector structure has improved by almost 70 points. The District has fallen back on the enterprise and labour market domains.

Employment

- A total of 40,100 people were employed in Blaby District in 2004. Since 2000, employment has increased by an impressive 34.4% (over 10,000 jobs). This is compared to an 8.8% increase in the County and a 3.2% increase nationally.
- The largest employment sector in Blaby in 2004 was distribution, hotels and communications (31.0%) which accounted for a higher proportion than the County, regional and national figures.
- In 2004, Blaby only had 10% of its employees working in the manufacturing sector. This is much lower than the County average (19.0%) and regional average (17.4%), and even below the national figure (11.9%).
- Encouragingly, a higher proportion of jobs in Blaby District were in the key growth sectors of financial and business services (22.1%) compared to the County, regional and national figures.
- The development of knowledge sectors, those most capable of sustaining local competitive advantage has progressed rapidly in Blaby District, particularly amongst Knowledge-based Service sectors.
- There was a higher proportion of people working in Consumer Services and even more so in Knowledge-based Services in Blaby District compared to the County, regional and national figures.
- However, there was a lower proportion of people employed in High Technology Manufacturing sectors in Blaby compared to the County, regional and national figures.
- There were a number of large employers in Blaby District including Leicestershire County Council (2,000 employees), Leicestershire Constabulary (1,600 employees), Alliance and Leicester Plc (1,500 employees) and Next Ltd (1,500 employees) in May 2006.

Table 2: Employment by Sector, 2004

	Blaby	Leicestershire County	East Midlands	Great Britain
Total Employed	40,091	250,074	1,804,824	26,024,705
Agriculture and fishing	0.4%	0.6%	1.2%	0.9%
Energy and water	2.0%	1.0%	0.8%	0.6%
Manufacturing	10.0%	19.0%	17.4%	11.9%
Construction	4.6%	4.6%	4.8%	4.5%
Distribution, hotels and restaurants	31.0%	28.6%	25.1%	24.7%
Transport and communications	7.7%	8.1%	5.7%	5.9%
Financial and business services	22.1%	15.8%	15.2%	20.0%
Public administration, education & health	19.5%	18.2%	25.5%	26.4%
Other services	2.7%	4.3%	4.3%	5.1%

Source: Annual Business Inquiry, 2004

Table 3: Knowledge Economy Employment, 2004

	Blaby	Leicestershire County	East Midlands	Great Britain
Consumer Services (1)	23.4%	21.7%	20.3%	21.3%
High Technology Manufacturing (2)	1.4%	2.0%	1.7%	1.9%
Knowledge-based Services (3)	21.0%	13.8%	13.4%	17.9%

1 - Defined by SIC codes 52, 55, 92

2 - Defined by SIC codes 22, 224, 30, 32

3 - Defined by SIC codes 65, 66, 67, 72, 73, 74

Source: Annual Business Inquiry, 2004

Table 4: Major Employers, 2004

Company/Organisation Name	Sector	Employees
Leicestershire County Council	Public Administration and Defence	2,000
Leicestershire Constabulary	Public Administration and Defence	1,600
Alliance & Leicester Plc	Real Estate, Renting and Business Activities	1,500
Next Retail Limited	Real Estate, Renting and Business Activities	1,500
Alstec Limited	Real Estate, Renting and Business Activities	849
Leicestershire Fire & Rescue Service	Public Administration and Defence	800
Royal Mail Leicester	Transport, Storage and Communication	700
Marks & Spencer Plc	Wholesale/Retail	580
Asda Superstore Plc	Wholesale/Retail	520
J Sainsbury Supermarkets Plc	Wholesale/Retail	490

Notes: Table only includes companies/organisations included on the data4business database – for information see <http://www.leics.gov.uk/statistics>

Source: Leicestershire data4business, May 2006

Businesses and Entrepreneurship

- The distribution of business units by sector in Blaby is similar to that in the County with the exception of a much higher proportion of units operating in the construction and public administration, education and health sectors.
- There was a total of 2,615 VAT registered businesses in Blaby in 2004. Between 2000 and 2004 the number of businesses grew by 6.3%, which is higher than the average growth rate for Leicestershire County, the East Midlands and Great Britain.
- In Blaby, 95.8% of businesses employed less than 50 people in 2004. This is similar to the County (96.8%), regional (96.2%) and national (96.2%) averages.

Table 5: Business Units by Sector, 2004

	Blaby	Leicestershire County	East Midlands	Great Britain
Total Units	3,386	24,689	154,600	2,235,348
Agriculture and fishing	*	0.3%	0.4%	0.5%
Energy and water	*	0.2%	0.2%	0.2%
Manufacturing	10.1%	10.8%	9.9%	7.5%
Construction	15.0%	11.0%	10.5%	9.3%
Distribution, hotels and restaurants	23.6%	27.5%	30.4%	29.3%
Transport and communications	5.9%	6.2%	5.2%	4.5%
Financial and business services	27.4%	27.8%	26.1%	30.9%
Public administration, education & health	10.8%	8.6%	9.8%	8.8%
Other services	6.9%	7.6%	7.5%	8.8%

Note: * figures have not been disclosed for confidentiality purposes. Business Units do not readily correspond to the commonly used terms firms, companies or businesses by which employers are sometimes identified.

Source: Annual Business Inquiry, 2004

Table 6: Business Base, 2004

	No. of VAT registered businesses (2004)	% change 2000-2004	% employing <50 people (2004)
Blaby	2,615	6.3	95.8
Leicestershire County	20,865	4.3	96.8
East Midlands	125,170	5.5	96.2
Great Britain	1,760,955	3.5	96.2

Sources: VAT register, 2004, Annual Business Inquiry, 2004

Economic Baseline 2006: Blaby District Summary

- In 2005, the business registration rate was lower in Blaby District (42.4) than the County (48.6). The East Midlands rate was 43.4 and the rate for Great Britain was 46.3.
- Self employment in Blaby District at 11.7% is slightly higher than the County average (11.2%), but below the regional (12.0%) and national (12.3%) averages.
- The proportion of business start ups in the financial and business services sector in Blaby District (39.2%) was higher than the County (36.9%), regional (33.7%) and national (37.3%) averages in 2004.
- A key indicator of entrepreneurial activity and competitiveness is micro firm density. The ratio of micro firms (<10 employees) to the population is lower in Blaby District (30.4) compared with Leicestershire County (33.6) and Great Britain (32.0). The District ratio was higher than the East Midlands ratio (29.9).

Table 7: Entrepreneurship

	Business Registration Rate ¹ (2004)	%People Self-employed (2005)	% Start-ups in Financial and Business Services, (2004)	Micro Firm Density ² (2004)
Blaby	42.4	11.7	39.2	30.4
Leicestershire County	48.6	11.2	36.9	33.6
East Midlands	43.4	12.0	33.7	29.9
Great Britain	46.3	12.3	37.3	32.0

Notes: ¹ Number of business start ups per 10,000 people working age population; ² Number of VAT registered businesses (employing less than 10 employees) as a proportion of the population.

Sources: Small Business Service 2004; Annual Population Survey 2005

House Prices

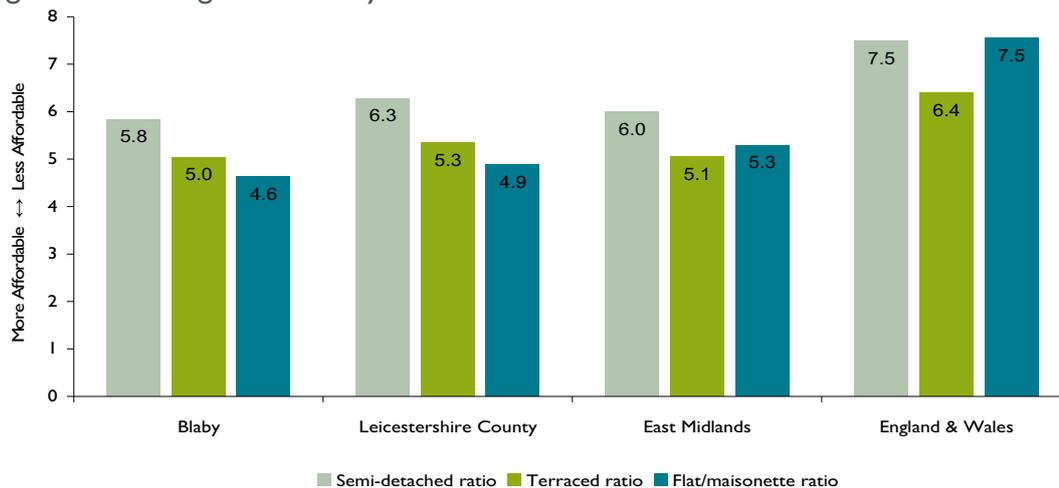
- In 2005, the average house price in Blaby District was £168,497. This was lower than the County (£177,224) and national averages (£189,549), but above the regional average (£153,493). The difference in the average house price between Blaby District and the County was most pronounced for detached properties in 2005.
- The housing affordability ratio in 2005 for semi-detached (5.8), terraced (5.0) and flat/maisonette (4.6) properties was lower in Blaby compared to the County, regional and national ratios, which means these property types are generally more affordable for residents in Blaby. Nonetheless, semi-detached, terraced and flat/maisonette properties were, on average, about five times the average annual earnings of a resident in Blaby District in 2005.

Table 8: Average House Prices, 2005

	All Dwellings	% Change 2004-2005	Detached	Semi-Detached	Terraced	Flat/Maisonette
Blaby	£168,497	6.1	£232,125	£143,846	£124,144	£114,296
Leicestershire County	£177,224	6.6	£260,543	£147,101	£125,331	£114,478
East Midlands	£153,493	6	£226,700	£131,976	£111,203	£116,254
England & Wales	£189,549	6.2	£292,460	£173,637	£148,248	£175,059

Source: HM Land Registry, 2005

Figure 2: Housing Affordability Ratio



Notes: The affordability ratio is calculated by dividing average annual house prices by gross median annual full time employee resident earnings. In general, a higher figure implies that housing is less affordable to residents.

Source: HM Land Registry, 2005; ASHE, 2005

Demography

- According to the 2004 mid-year population estimates, 91,600 people lived in Blaby District. This represents an estimated 7.4% increase since 1994, which is slightly higher than the increase in the County (6.4%).
- Compared to the County, Blaby District has a higher proportion of people estimated to be aged under 15 years. The estimated proportion of older people is very similar for Blaby, Leicestershire County, the East Midlands and England & Wales.

Table 9: Broad Age Profile

	All people	Children aged 0-15	Working age 16-59/64	Older People 60/65+ ¹
Blaby	91,600	19.4%	61.6%	18.9%
Leicestershire County	623,900	19.1%	62.1%	18.9%
East Midlands	4,279,700	19.3%	61.7%	18.9%
England & Wales	53,046,200	19.5%	61.9%	18.6%

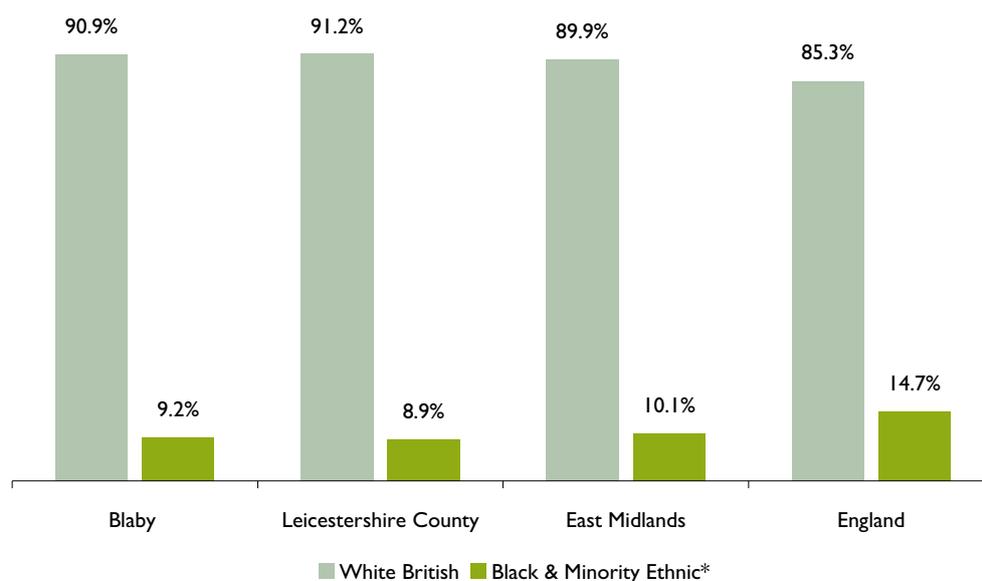
Notes: ¹ above state retirement age (60 – females, 65 – males)

Source: ONS, Mid Year Estimate, 2004

- In 2004, the estimated proportion of people of White British origin (90.9%) was on a par with the County average (91.2%). The regional average was slightly lower (89.9%) and national average considerably lower (85.3%). The estimated proportion of black and minority ethnic* residents in Blaby district was 9.2%. By far the largest ethnic minority group are people of Indian origin which account for almost 40% of the black and minority ethnic* estimated population in Blaby in 2004.
- Providing current population trends continue, the number of people living in Blaby District is estimated to increase by 13.6% over the next 30 years compared to a forecast increase of 15.2% in the County.

Note: * Includes White Irish and White Other. Figures may not add due to rounding.

Figure 3: Ethnicity Population Estimates



Note: * Includes White Irish and White Other. Figures may not add due to rounding.

Source: ONS, Experimental estimates, 2004

Table 10: Population Projections (Thousands)

	2003	2008	2013	2018	2023	2028
Blaby	91.5	94.5	97.1	99.6	102.0	103.9
Leicestershire County	619.2	640.5	660.0	679.1	697.7	713.2
East Midlands	4,252.3	4,365.7	4,478.5	4,593.9	4,706.3	4,803.5
England	49,855.7	50,922.5	52,058.8	53,249.3	54,402.6	55,396.7

Source: Sub National Population Projections, ONS, 2003

Economic Activity and Unemployment

- The economic activity rate in Blaby in 2005 was 82.9%. This is slightly below the Leicestershire County average of 83.3%. Interestingly, the male economic activity rate in Blaby is just above the County rate (88.0% compared to 87.0%), whereas the female economic activity rate in Blaby is just below the County average (77.4% compared to 79.3%).

- In June 2006, the Claimant Count unemployment rate was low in Blaby District (1.3%) and on a par with the County average (1.4%). The regional (2.4%) and national (2.6%) unemployment rates were considerably higher in June 2006. The proportion of people unemployed for more than a year was 13.0% in Blaby compared to 13.2% in Leicestershire County, 14.9% in the East Midlands and 15.7% in Great Britain.

Table 11: Economic Activity and Unemployment

	Economic activity rate (%)			Claimant unemployment (%)			
	All	Males	Females	All	Males	Females	LTU (%)
Blaby	82.9	88.0	77.4	1.3	1.7	0.9	13.0
Leicestershire County	83.3	87.0	79.3	1.4	1.9	0.9	13.2
East Midlands	79.3	83.7	74.6	2.4	3.3	1.3	14.9
Great Britain	78.4	83.3	73.2	2.6	3.7	1.4	15.7

Note: ¹ Long Term Unemployment (LTU) is defined as the proportion of those claiming unemployment benefit who have been out of work for at least a year

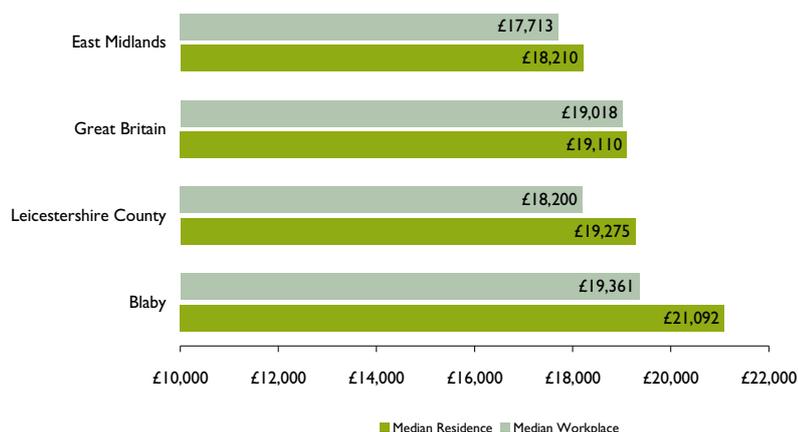
Source: Annual Population Survey 2005, NOMIS; Claimant Count Series June 2006, NOMIS

Income & Earnings

CACI data no longer available

- The variation between annual earnings by place of residence and place of work indicates the extent to which the residential and working populations of an area are different, allowing inference to be drawn about the impact of commuting.
- In 2004, the median resident annual earnings were estimated to be £1,731 greater than the median workplace annual earnings in Blaby District. This suggests that the District has a less self-contained labour market compared to the County and region as a whole, which have a much lower discrepancy between resident and workplace average annual earnings.

Figure 5: Variation Between Residential and Workplace Median Annual Earnings* (£)



Source: ASHE, 2005

Table II: Average Hourly Earnings*

	Total	Male	Female
Blaby	£8.94	£10.58	£7.09
Leicestershire County	£9.41	£11.14	£7.70
East Midlands	£9.03	£10.35	£7.68
England & Wales	£9.62	£11.00	£8.41

Source: ASHE, 2005

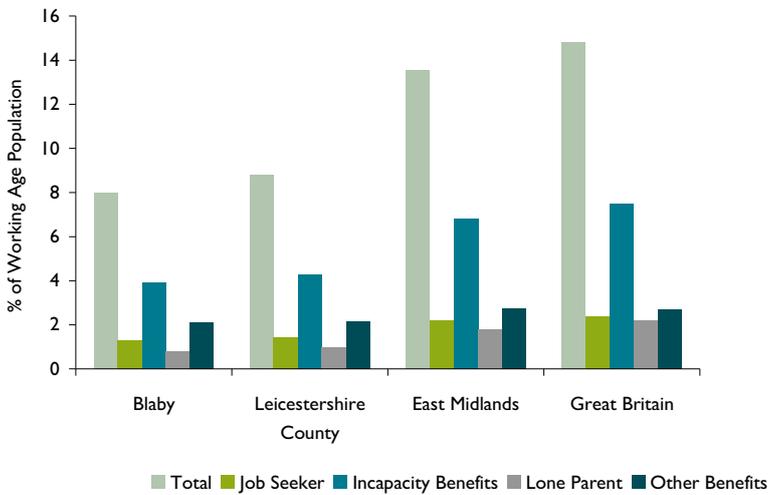
*Median figures have been used as mean figures are skewed by very high earners.

Social Exclusion

- Blaby District is one of the least deprived local authority districts in England ranked 318th out of 354 authorities (where 1 is most deprived) using the 2004 Index of Multiple Deprivation.

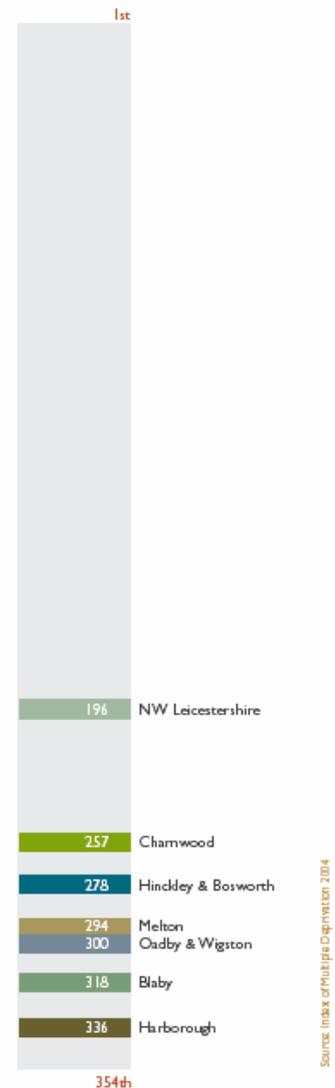
- In November 2005, a slightly lower proportion of the working age population were claiming benefits in Blaby (8.0%) compared to the Leicestershire County average (8.8%). The proportion of working age people claiming benefits was much higher in the region (13.5%) and the country (14.8%) as a whole. The largest single benefit claimed is Incapacity Benefit which almost 4% of working age people claimed in Blaby District.

Figure 6: Benefit Claimants



Source: Department for Work and Pensions, November 2005

Figure 7: Leicestershire County Local Authority District Index of Multiple Deprivation 2004 Ranking



Note: rank out of 354 authorities nationally, 1 = most deprived 354 = least deprived

Economic Baseline 2006: Blaby District Summary

This profile has provided a summary for Blaby district of its performance on the Local Economy Audit Model (LEAM) and a review of the district's economy, based around the key themes of 'Economy and Investment' and 'Labour Market and Skills'.

The full Economic Baseline study contains more detail on the LEAM and presents the sub-regional economy against the national and regional context. The following table summarises the performance of all of the districts within Leicestershire on the key competitiveness factors within the LEAM.

Table 12: Overall LEAM Profile; Leicestershire County, 2006

Area	Economic Scale		Dynamism		Sector Structure		Enterprise		Labour Market	
	Score	Rank	Score	Rank	Score	Rank	Score	Rank	Score	Rank
Leicestershire County	52.1	N/A	102.3	N/A	88.3	N/A	99.7	N/A	101.1	N/A
Blaby	64.0	245	111.0	3	112.4	85	90.2	255	98.2	210
Charnwood	95.2	145	99.9	229	90.2	172	91.3	244	98.9	204
Harborough	54.9	291	101.3	154	76.0	227	133.6	30	117.3	81
Hinckley and Bosworth	61.9	259	98.6	294	102.8	113	99.2	190	95.8	234
Melton	28.4	389	99.4	258	63.0	319	100.5	180	116.9	85
North West Leicestershire	70.3	218	108.8	7	75.1	234	99.5	187	97.5	217
Oadby and Wigston	29.3	386	96.0	372	76.7	224	88.5	268	100.1	191
Leicester City	214.0	25	96.9	354	89.4	173	86.0	279	76.2	382
East Midlands	74.2	8	101.2	3	82.4	9	93.3	5	90.8	8
Great Britain	100	N/A	100	N/A	100	N/A	100	N/A	100	N/A

Notes: Each local authority is expressed relative to 408 local authority areas in Great Britain. The East Midlands is compared to 11 regional areas in the UK. The Leicestershire County score is not comparable by rank. The domain scores are indexed against the national average (100).

Source: Ecotec Research and Consulting, 2006

Chapter 5 of the main Economic Baseline Study also summarises the emerging sector opportunities in Leicester Shire and this together with the detailed evidence in the study has been used to produce a SWOT analysis, conclusions and policy implications for the sub-region.

To download a copy of the Leicester Shire Economic Baseline Study please log on to www.lsint.info/reports.asp

Alternatively to request a hard copy or for any further information about the study please contact;

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