



Peterborough



Peterborough: Economic Intelligence Report

October 2015

Produced by Opportunity Peterborough



Opportunity Peterborough
Celebrating 10 years in 2015

Foreword

I am pleased to present this mid-year update to our comprehensive insight into Peterborough's economy.

It is always difficult, with statistics and data, to provide a definitive picture of a city's economy, as sources often report on different timeframes or geographies. However, the picture for Peterborough is generally, and genuinely, very positive.

We have seen job reductions in some key business sectors, but large growth in others. Employment remains high and JSA claimant counts continue to fall. Of course, more still needs to be done in some areas - for example translating the city's spike in patent registrations into higher-end employment - but these issues are not turned around overnight.

As the city's economic development company, Opportunity Peterborough is here to support local businesses to help grow our economy, and this year we're proud to be celebrating our tenth anniversary. The recent trajectory in Peterborough's economy is clear, and we need to further build on that confidence both to tackle the outstanding challenges and to maximise the successes.



Steve Bowyer
CEO, Opportunity Peterborough
October 2015



Table of Contents

Foreword	1
1. Summary	4
1.1 Economy	4
1.2 Skills and Innovation	4
1.3 Population	4
2. Economy	5
2.1 Gross Value Add (GVA)	5
Table 1: Workplace-based GVA (£m)	5
Figure 1: Workplace-based GVA per head (£)	5
2.2 Productivity	6
2.3 Cost of doing business	6
Table 2: Property costs (£)	6
Figure 2: Gross weekly pay (£)	7
2.4 Business Counts	7
Table 3: Business counts (2014)	7
2.5 Business Demography	8
Figure 3: Net enterprise creation as proportion of active enterprises	8
2.6 Employment by industry	8
Figure 4: Proportion of jobs by industry	8
Figure 5: Proportion of jobs by industry (time series)	9
2.7 Employment by Occupation	10
Table 4: Employment by occupation	10
2.8 Employees vs. Business Units	10
Table 5: Proportion of employees per sector against percentage of businesses	10
2.9 Private Sector	11
2.10 Export	11
Table 6: Estimate of exporting businesses (calculated using national averages)	11
3. Skills and innovation	11
3.1 Patents	11
3.2 Knowledge Transfer Partnerships (KTPs)	11
3.3 Qualification levels	12
Table 7: Qualification levels	12
3.4 Apprenticeships	13
Figure 6: Proportion of working age population with Apprenticeships	13

3.5 Job related training	13
Table 8: Job related training	13
3.6 Not in Education, Employment or Training (NEETs)	14
3.7 Further and Higher Education (FE/HE)	14
4. Population	14
4.1 Total Population and Retail Catchment area	14
Table 9: Total population	14
4.2 Projections	15
Table 10: Population projection (000's)	15
4.3 Working age population	15
Table 11: Working age population (16-64)	15
4.4 Employment rate/economic activity	15
Table 12: Economic activity rate	15
4.5 Employees vs. Self-Employed	16
Table 13: Proportion of employees and self-employed	16
4.6 Commuter patterns	16
4.7 Claimant count	16
Figure 7: Job Seekers Allowance (JSA) claimant count	16
4.8 Approximated Social Grade	17
Table 14: Approximated Social Grade as proportion of population 16-64	17
4.9 House Prices and House Price Index	17
Table 15: Average house price and HPI (HPI base year - 1995)	17
Table 16: House price to earnings ratio	17
Table 17: Population by ethnic group	18

1. Summary

Peterborough is home to a diverse population of 190,461 people, 64% of which are of working age. The economy of Peterborough features an equally diverse mix of sectors and is made up of 5,315 businesses which combine to produce a GVA of £4,972m a year and operate at a productivity level of £49,400 per worker.

By employment, Peterborough's largest sector is Business Administration and Support Services, with Professional, Scientific and Technical the largest sector by number of business units.

With an employment rate of 80%, a gross weekly pay of £469.40, a house price to earnings ratio of 5.25 and below average commercial property and land costs, Peterborough is an affordable place to live and do business.

1.1 Economy

GVA growth and productivity growth within Peterborough were subject to greater negative impact than national and regional rates during the economic crisis. However, longer term trends, and trends since the start of the economic recovery, have been greater than experienced at national and regional levels.

Peterborough is a cost effective location for businesses, with property and land costs and gross weekly pay being below average levels, particularly given the proximity to London. This positive business climate is reflected in the level of net business creation which stands 25% higher than the UK average.

The city has above average employment in Business Administration and Support Services; Finance and Insurance; Information and Communication; Retail, Wholesale and Motor Trades. It has below average employment in Manufacturing; Construction; Accommodation and Food Services; Professional, Scientific and Technical; Education; Health; and Arts, Entertainment, Recreation and Other Services.

As with businesses across the UK, export and productivity are areas that provide substantial opportunities for growth for Peterborough businesses.

1.2 Skills and Innovation

Peterborough is an innovative city with comparatively high levels of patent registrations and a positive level of interactions between businesses and academic institutions. Peterborough businesses also invest more in the job-related training of employees than the average across the country.

Overall levels of academic qualifications are below the national and regional averages but trends in the improvement of the numbers of students achieving 5 GCSEs A*-C, including English and Maths, and the proportion of the population with NVQ4+ qualifications are very promising.

1.3 Population

Whilst Peterborough has witnessed significant growth since the turn of the century, being ranked the fastest growing city in the UK 2001-2011 and the second fastest growing city in the UK 2004-2014, projections show that this growth is expected to slow to a steady rate of approximately 2,000 people per year over the coming decades.

Peterborough has a population of 190,461 with a retail catchment area population of 950,000. The economic activity rate of its population is above the UK national average and the number of Job Seekers Allowance claimants in the city has been falling at a much faster rate than national and regional figures although this is now falling into line with national trends.

Peterborough is a diverse community with a higher proportion of Asian/Asian British than average with a high proportion of that community being of Pakistani origin. Peterborough also has a higher proportion of “Other White” residents than both the UK and the East, reflective of recent EU migration patterns.

2. Economy

2.1 Gross Value Add (GVA)

GVA measures the contribution to the economy of each individual producer, industry or sector in the United Kingdom – ONS Definition

Table 1: Workplace-based GVA (£m)

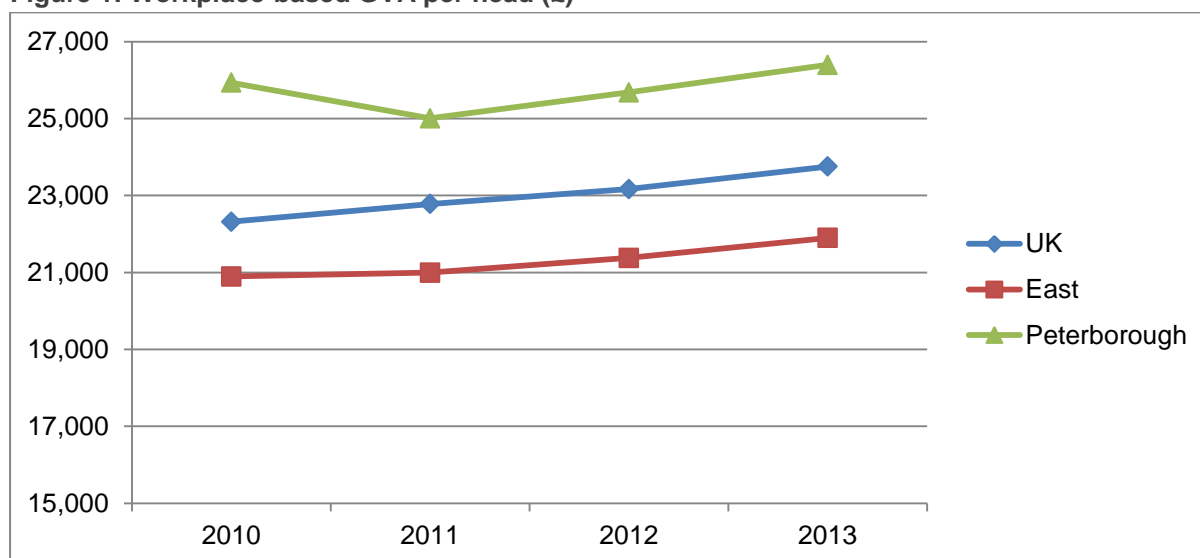
	2010	2011	2012	2013
UK	1,400,684	1,441,598	1,475,948	1,525,304
East	121,346	123,075	126,296	130,378
Peterborough	4,714	4,613	4,786	4,972

Source: ONS, Regional Gross Value Added – Income Approach

Peterborough had a GVA of £4,972m in 2013, the latest year for which figures are available. Growth in GVA in Peterborough from 2010-2013 was 5%. Across this same period GVA growth at the UK level stood at 9% and at 7% at the regional level.

However, the longer and shorter term trends are more positive. Since 2000 Peterborough’s GVA has grown by 81%, whilst national GVA growth reached 67% and the East of England’s GVA grew by 61%. Year-on year, from 2012-2013, GVA growth in Peterborough was 3.8% against a national rate of 3.3% and a regional rate of 3.2%.

Figure 1: Workplace-based GVA per head (£)



Source: ONS, Regional Gross Value Added – Income Approach

Peterborough’s GVA per head (of population), the sub-national version of GDP per capita, was £26,394 in 2013, higher than both the UK and regional figures. Reflecting the overall growth in GVA over the period 2010-2013, Peterborough’s GVA per head has grown 2% whilst the UK and Eastern regions have grown 6% and 5% respectively.

2.2 Productivity

Productivity = GVA per worker.

Peterborough's productivity, at £49,400 per worker, places it below Eastern region and GB averages but does place it 20th out of 64 cities in the UK (Centre for Cities 2015). The longer term trend shows that Peterborough's productivity growth has outpaced that of GB and the East, with productivity increasing 60% since 2000. Over the same period productivity in the East has grown by 41% and by 50% across GB.

Both GVA growth and productivity growth have been lower than national and regional averages across the period 2010-2013 but stronger over the longer-term 2000-2013 period.

GVA per head is often used as a comparative measure for the standard of living in any given area. The strength of this figure therefore appears to show that Peterborough has a much higher average standard of living than the rest of the East of England and the UK. However, a balanced view needs to be taken between the higher proportion of working age residents and higher job density, and the relatively lower gross weekly pay figures (Fig 2).

2.3 Cost of doing business

Table 2: Property costs (£)

	Office Space (£/SqFt)		Industrial Units (£/SqFt)					
	Grade A	Grade B	Big Sheds			Small Sheds		
			Prime	Secondary	Land Value (acre)	Prime	Secondary	Land Value (acre)
Peterborough	13.5	10.0	5	4	350k	6	4.50	400K
Cambridge	34	15	-	-	-	-	-	-
Milton Keynes	21	12	6.5	5.	750k	7.75	5.50	850K
Colchester	14	10	-	-	-	6.50	4.50	400K
Brighton	23.5	16	-	-	-	9	7.50	900K
Swindon	16	10	5	3.75	300K	5.75	4.25	350K
Northampton	14.5	9.0	6.25	4.5	500K	6	4	400K
Basingstoke	17	12	7	5	550K	8	5.5	600K
Slough	27	17	-	-	-	11.5	9	1.7m
Reading	31	23	-	-	-	9	7.5	800K
Oxford	22	14.5	-	-	-	8	6	700K
Stevenage	16	12	-	-	-	6.50	5	500K

Source: Colliers.com (2015)

Key: - Data not available

The cities shown in the table above are those which fall within a 50 minute commute of London.

Peterborough's place in the table is positive:

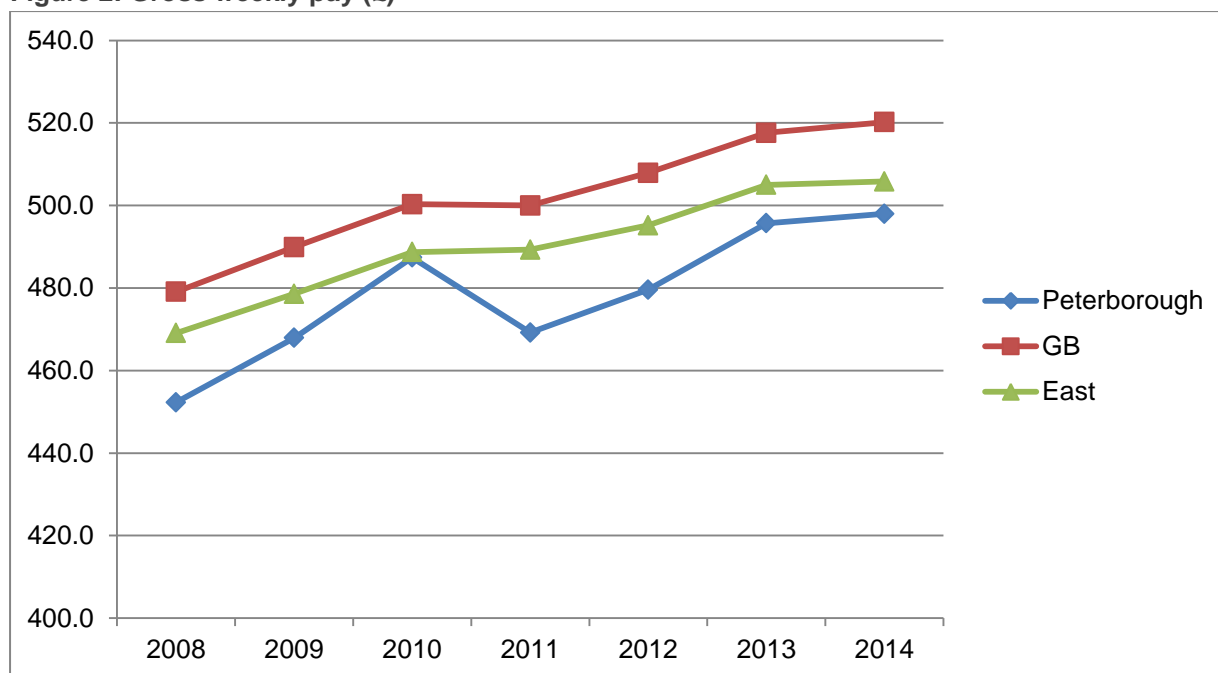
- Lowest cost Grade A office space
- Joint Second lowest cost of Grade B office space
- Joint lowest cost prime Big shed
- Joint lowest cost prime small shed

Since the last report, Peterborough's relative position in this table has moved downwards due to the increase in costs in other areas of the UK. Our largest increase has been the increase in land value for Big Sheds which has risen by £100k although this is in line with the increase in land values in other areas.

Office space, particularly large office space and Grade A office space, is becoming increasingly hard to find, as are sizeable development opportunities. This is in part due to the impact of the current conversions from commercial to residential that we're seeing in the city. However, with the development of a new Local Plan from the City Council, the planned development at Fletton Quays and the plans for North Westgate's redevelopment we should see this situation improving in the coming years.

Without this, the city could, in time, see an upwards pressure on costs although this does provide an impetus for further speculative development.

Figure 2: Gross weekly pay (£)



Source: Annual Survey of Hours and Earnings (ONS)

In 2008, gross weekly pay, paid by businesses in Peterborough, tracked at approximately 6% below the GB figure. However, the years 2009/10 saw this gap closing to just below 3%, only for it to fall to around 7% of the GB figure in 2011. By 2014 the gap had narrowed again to below 5%. This is a correction that may stabilise at pre-recession levels, or this above average growth rate might continue, bringing Peterborough's gross weekly pay in line with GB figures.

2.4 Business Counts

Table 3: Business counts (2014)

Enterprises	United Kingdom		East		Peterborough	
	Count	%	Count	%	Count	%
Micro 0-9	1,998,850	88.30%	201,660	88.86%	4,550	85.61%
Small 10-49	218,060	9.63%	20,850	9.19%	605	11.38%
Medium 50-249	37,655	1.66%	3,565	1.57%	125	2.35%
Large 250+	9,080	0.40%	865	0.38%	35	0.66%
Total	2,263,645	-	226,940	-	5,315	-

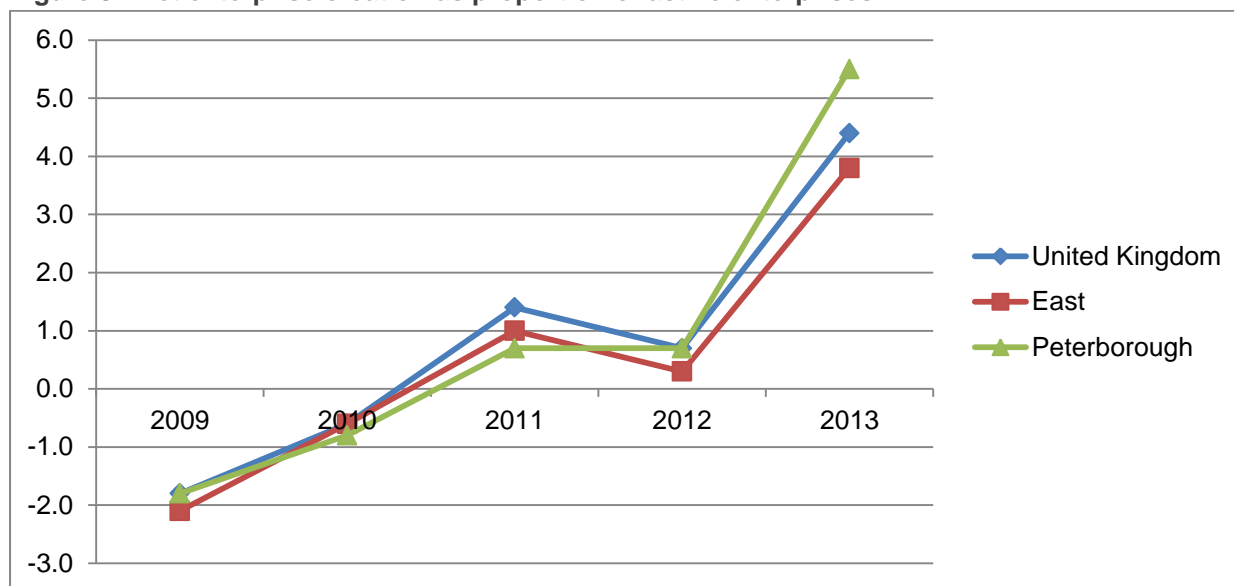
Source: Business Activity Size and Location (ONS)

Peterborough has less micro-businesses and a greater proportion of small- and medium-sized businesses than the national average - currently 22% more. It also has 65% more large businesses by proportion. Generally, medium- and large-sized businesses achieve higher levels of growth than

smaller businesses. This indicates that, as the economy recovers, the Peterborough business community has a higher potential for economic growth than the national average.

2.5 Business Demography

Figure 3: Net enterprise creation as proportion of active enterprises

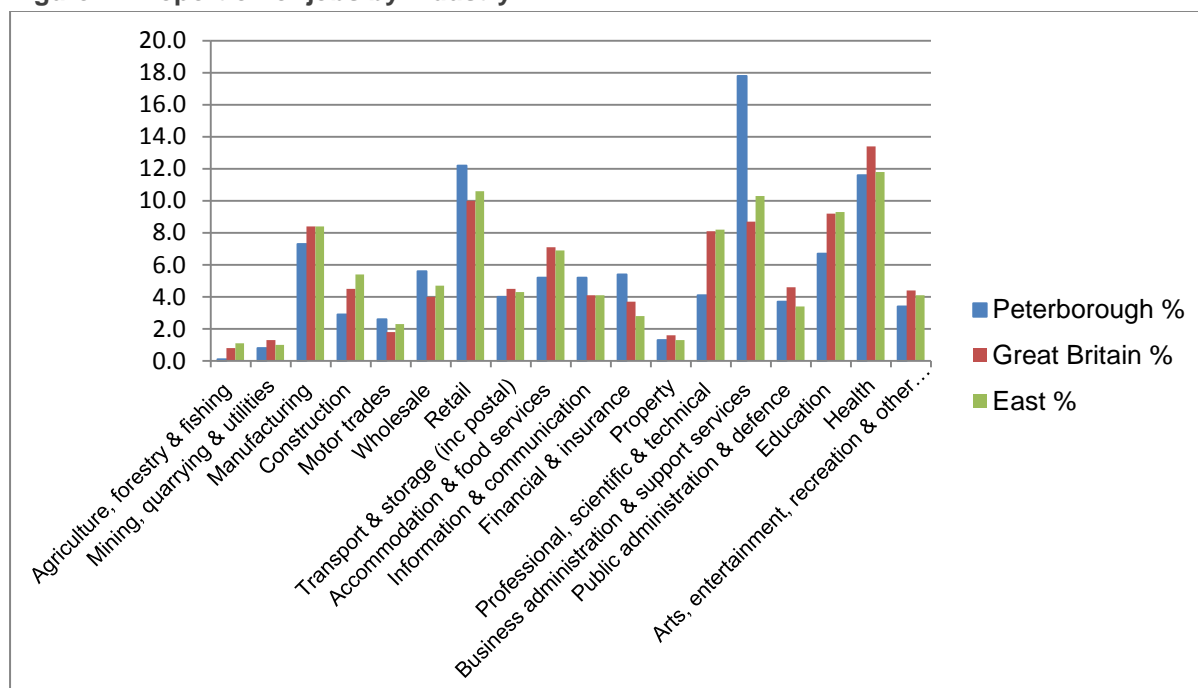


Source: Business Demography 2013

At the height of the economic crisis, 2009-2012, new businesses struggled to start in Peterborough. However, as the economy started to recover, new businesses began to flourish and in 2013 net business creation in the city was 25% higher than the UK average. Although enterprise survival rates are slightly below national and regional rates, the net figures shown here reflect a positive trajectory.

2.6 Employment by industry

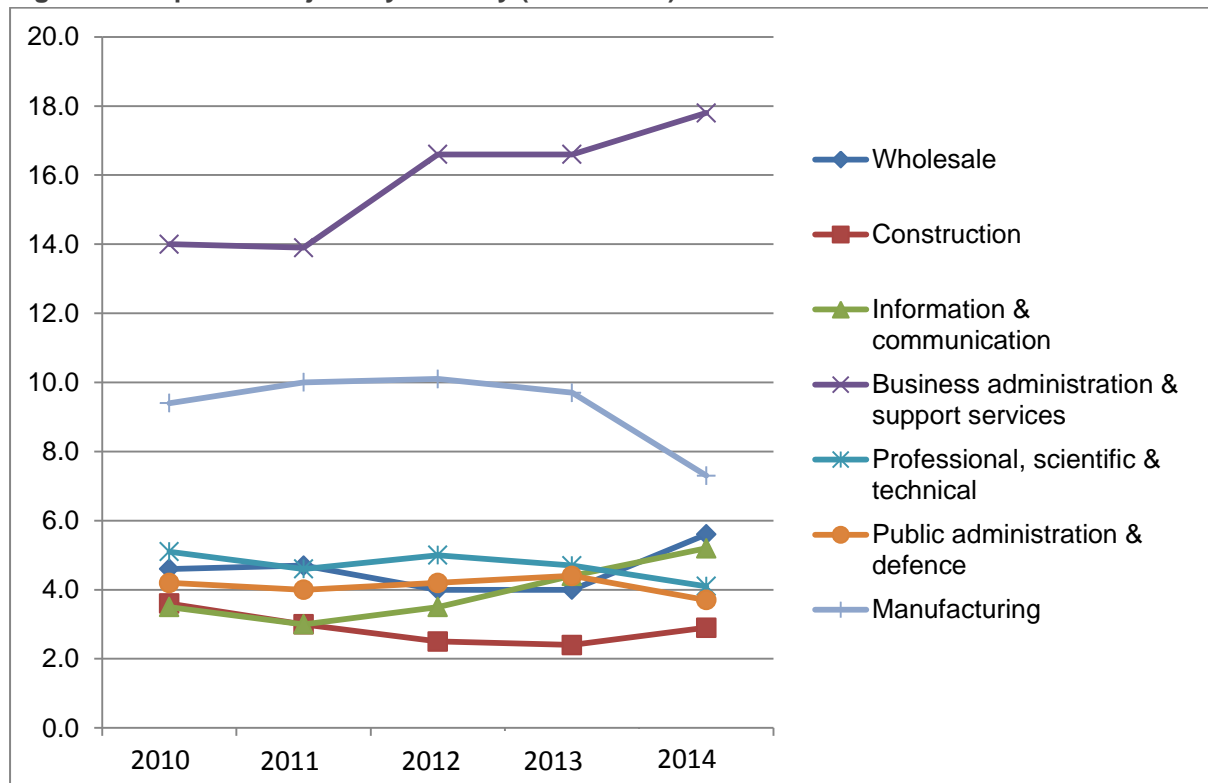
Figure 4: Proportion of jobs by industry



Source: ONS business register and employment survey

Whilst Peterborough falls broadly in line with national employment trends, a couple of exceptions stand out. The percentage of jobs in Business Administration and Support Services and Finance and Insurance are above average compared to Great Britain and the East, due in part to the large investment in recent years by major employers in these sectors. As a major service centre in a predominantly rural area, Peterborough has above average employment in the Retail and Motor Trade sectors. The city also has above average employment in the Information and Communication sector. Sectors employing a below average proportion of the workforce include Manufacturing, Construction; Accommodation and Food Services; Professional, Scientific and Technical; Education; Health; and Arts, Entertainment, Recreation and Other Services.

Figure 5: Proportion of jobs by industry (time series)



Source: ONS business register and employment survey

Looking over a five year period, an interesting view of the city's changing employment emerges.

The sector gaining the largest proportion of jobs is Information and Communication which has seen a 49% growth over the five year period, with the largest loss being in manufacturing which has seen a 22% loss in the proportion of jobs. This equates to just over 1,500 jobs lost in manufacturing in Peterborough since 2010, and a gain of over 2,000 in Information and Communication.

Further trends include losses to employment in the public sector and construction, although the city is starting to see a rebound in construction over the past two years, bringing the level of employment almost back to 2011 levels.

Whilst the make-up of employment across the city has seen changes, over 6,000 jobs have been created across Peterborough in the past five years; an increase of 7% which places the city slightly ahead of the growth in the Eastern and GB figures at 6% and 5% respectively.

2.7 Employment by Occupation

Table 4: Employment by occupation

% all in employment who are	Peterborough	United Kingdom	East
managers, directors and senior officials	8.0	10.2	10.6
professional occupations	13.3	19.7	19.6
associate prof & tech occupations	12.3	14.0	14.4
administrative and secretarial	12.0	10.6	11.1
skilled trades occupations	9.8	10.8	10.9
caring, leisure and other service occupations	10.5	9.2	9.1
sales and customer service occupations	9.9	7.8	7.0
process, plant and machine operatives	7.6	6.3	6.5
elementary occupations	15.9	10.9	10.6

Source: Annual Population Survey

Peterborough's workforce is still skewed more heavily towards elementary occupations than the national average and this difference has grown since the last economic intelligence report.

In the ten year period 2005-2015 the occupation categories that grew the most, as a proportion of the overall workforce, were Elementary Occupations which grew by 48% from 10.2% to 15.1%, Managers, Directors and Senior Officials which grew 34% from 6.7% to 9% and Caring, Leisure and Other Service Occupations, which increased by 21% from 7.5% to 9.1%. Over the same period the proportion of those employed in the Administrative and Secretarial category decreased by 23%, from 14.6% to 11.2% of the overall figure, the Associate Professional and Technical category decreased by 20%, from 14.2% to 11.4% overall.

At the same time, national proportions for Elementary Occupations fell by 3%, Managers, Directors and Senior Officials rose by 6% and Caring, Leisure and Other Services increased by 18%. Similar trends occurred at the regional level.

Professional and Associate Professional occupations both saw a decrease of 5% and 20% respectively at a local level, but a steady increase of around 17% and 6% respectively both nationally and regionally.

2.8 Employees vs. Business Units

Table 5: Proportion of employees per sector against percentage of businesses

	P'borough % of employees	P'borough % of businesses	East % of employees	East % of businesses	GB % of employees	GB % of businesses
Primary Services (Agriculture And Mining, Energy And Water)	0.9	3.01	1.2	5.25	1.4	6.42
Manufacturing	9.7	6.02	8.8	6.31	8.5	6.07
Construction	2.4	10.25	4.8	14.37	4.4	11.76
Wholesale And Retail, Including Motor Trades	18.8	20.13	17.7	15.89	15.9	16.02
Transport Storage	4.2	4.52	4.7	3.52	4.5	3.18
Accommodation And Food Services	5.6	4.99	6.3	5.04	7.0	5.87
Information And Communication	4.4	8.37	3.5	8.12	4.0	7.91
Financial And Other Business Services	27.9	29.07	22.2	29.19	21.8	30.09
Public Admin, Education And Health	22.7	7.62	26.6	6.18	28.0	6.15
Other Services	3.5	6.02	4.2	6.14	4.6	6.52

Source: ONS Business Register and Employment Survey, Business Activity Size and Location

Comparing the proportion of employees and businesses stock by sector reveals that businesses in Peterborough's Manufacturing and Financial and Other Business Services sectors are larger than the national average, while the public sector is comprised of a larger number of smaller organisations.

2.9 Private Sector

Peterborough has a higher than average proportion of jobs in the private sector – 83% and this has continued to grow. The UK and the East of England report rates of 77.4% and 79% respectively. (ONS Annual Population Survey)

Given the current national trend in public sector cuts and shrinkage of that sector, this can be seen as a particular strength of the city.

2.10 Export

Table 6: Estimate of exporting businesses (calculated using national averages)

Enterprises	Peterborough (Numbers)	Peterborough (%)	Exporters (Numbers)
Micro (0 To 9)	4,545	85.5	479
Small (10 To 49)	605	11.4	65
Medium (50 To 249)	125	2.4	43
Large (250+)	35	0.7	14
Total	5,315	-	601

Source: ONS Annual Business Survey

There are no official figures available for the number of exporting businesses in Peterborough, and those that are available for Great Britain have several limiting factors: not all sectors are represented and businesses not VAT-registered are not counted. However, using the figures that are available and applying them to Peterborough, suggests that around 600 businesses in the city could be active exporters, although anecdotal evidence suggests that Peterborough has a below average number of exporting businesses.

3. Skills and innovation

3.1 Patents

Peterborough is ranked as the 6th most innovative city in the UK based on the number of patents registered per 100,000 head of population (Centre for Cities 2015). During 2013 there were 6.37 patents filed per 100,000 of population, an increase from 2.68 in 2012.

3.2 Knowledge Transfer Partnerships (KTPs)

As of November 2015, the KTP scheme that provided the majority of KTPs in Peterborough, Anglia Ruskin University's Low Carbon KEEP, is closed. However the KTP scheme funded by Innovate UK is still running but with far fewer KTPs in the city – data for these are only provided at a regional level.

By the end of the Low Carbon KEEP scheme there were 12 KTPs in Peterborough. In each of the projects there will be one graduate employed by a local business working alongside a university academic to transfer and embed new knowledge into the business, helping them to achieve strategic projects leading to low carbon economic growth.

There is the potential for similar local schemes in the future and Opportunity Peterborough will be bringing information on them as and when they launch.

3.3 Qualification levels

Table 7: Qualification levels

NVQ	Peterborough	East	United Kingdom
% with NVQ4+ - aged 16-64	29.0	33.2	35.0
% with NVQ3+ - aged 16-64	48.9	53.6	55.6
% with NVQ2+ - aged 16-64	67.1	72.7	72.3
% with NVQ1+ - aged 16-64	79.2	85.8	84.2
% with other qualifications (NVQ) - aged 16-64	8.8	5.8	6.2
% with no qualifications (NVQ) - aged 16-64	12.0	8.4	9.5
Degree/A level/GCSE			
% with degree or equivalent and above - aged 16-64	21.8	25.4	26.5
% with higher education below degree level - aged 16-64	7.5	8.0	8.9
% with GCE A level or equivalent - aged 16-64	22.6	23.0	23.2
% with GCSE grades A-C or equivalent - aged 16-64	22.7	25.6	22.3
% with other qualifications (GCSE) - aged 16-64	13.3	9.5	9.5
% with no qualifications (GCSE) - aged 16-64	12.2	8.4	9.7

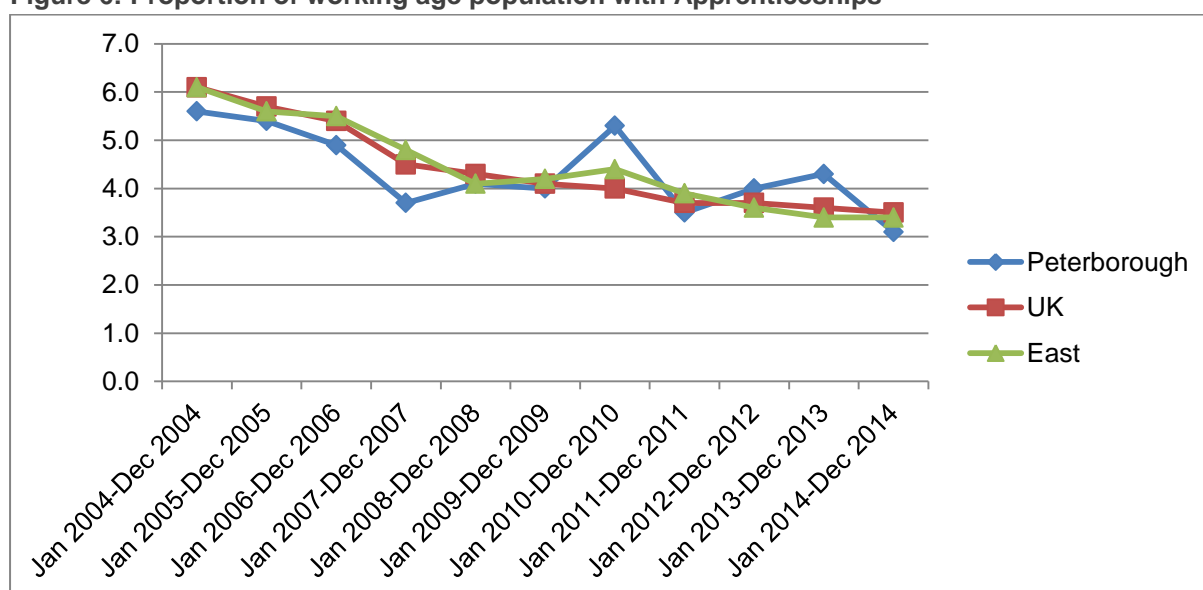
Source: ONS annual population survey

Peterborough has a higher than average proportion of its working age population who are qualified below level 1 NVQ (42% higher than the UK), or with no formal qualifications at all (26% higher than the UK). This reflects the percentage of employees per occupation data that shows Peterborough has a higher proportion of its workforce engaged in unskilled and low-skilled work than in the East or across the UK.

However, from 2013-2014 Peterborough rose in the rankings from 57th to 37th as a city, and from 144th to 126th as a local authority area, for the proportion of pupils achieving 5 GCSE A*-C including English and Maths. The proportion of residents with NVQ4+ qualifications in the city has also risen 50% in the ten year period 2004-2014 whilst the East and GB proportions rose by 32% and 38% respectively over the same period.

3.4 Apprenticeships

Figure 6: Proportion of working age population with Apprenticeships



Source: Annual Population Survey (ONS)

According to the latest available data (2014) Peterborough currently has a slightly lower percentage of its working age population with Apprenticeships than both the regional and national averages. Peterborough has 3.1% of working age people with apprenticeships, compared to 3.5% in the UK and 3.4% in the East.

However, Peterborough has been outperforming the region and the UK in this measure more often than not since 2009.

3.5 Job related training

Table 8: Job related training

	Peterborough	East	United Kingdom
% of all who received job related training in last 4 wks - aged 16-64	11.4	10.2	9.6
% all who received job rel. train. in last 4 wks - NVQ Level 4 equivalent and above	18.0	18.2	17.6
% all who received job rel. train. in last 4 wks - NVQ Level 3 equivalent and below	11.9	10.4	10.6
% of all who received job related training in last 13 wks - aged 16-64	20.5	19.4	19
% all who received job rel. train. in last 13 wks - NVQ Level 4 equivalent and above	41.9	33.6	34.5
% all who received job rel. train. in last 13 wks - NVQ Level 3 equivalent and below	25.7	21.2	21.4

Source: Annual Population Survey

Peterborough's businesses are investing in their workforce. The city performs well on this measure, outperforming the UK and eastern region in all but one category.

3.6 Not in Education, Employment or Training (NEETs)

The 2014 estimates for 16-18 year olds in Peterborough show that 6.1% are not in education, employment or training. This is a decrease of 9% from 2013's overall figures, which in turn were a 9% decrease from 2012 overall.

This decrease is in line with the national figures, but is slightly behind the regional average which saw a 12% decrease from 2013-14.

3.7 Further and Higher Education (FE/HE)

Peterborough has two FE colleges as well as a HE offering in the form of University Centre Peterborough (UCP) which confers degrees awarded by Anglia Ruskin University.

Typical courses offered by the further education colleges range from Accounting, Business and ICT to Construction and Engineering and Enterprise and Entrepreneurship.

UCP offers courses ranging from Business Management and Accounting and Finance to Bioscience and Computing and Information Systems and much else besides.

Peterborough also has a University Technical College opening in 2016 catering for 14-19 year olds focussing on engineering and the built environment.

Peterborough is the largest city in the UK not to have its own university. It remains a priority for the city and discussions are underway to deliver that aspiration.

4. Population

4.1 Total Population and Retail Catchment area

Table 9: Total population

	Peterborough	East	United Kingdom
All People	190,461	6,018,383	64,596,752
Males	49.85%	49.22%	49.22%
Females	50.15%	50.78%	50.78%

Source: ONS mid-year population estimates (2014)

Peterborough is one of the fastest growing cities in the UK and currently has a population of 190,461. A larger proportion of its population is represented by younger age categories and it has a marginally higher proportion of males when compared to regional and national averages.

Retail catchment area

The population of the retail catchment area of Peterborough, the surrounding area for which it serves as a service centre, has grown to over 950,000. Market towns in Cambridgeshire, Norfolk, Lincolnshire and Rutland all look to Peterborough as their primary centre for business and leisure and, with the continued programme of redevelopment and expansion for the city, this growth is set to continue.

4.2 Projections

Table 10: Population projection (000's)

Year	2016	2017	2018	2019	2020	2025	2030	2035
Peterborough	195	197	200	202	204	213	221	228
England	53,844	54,228	54,613	55,020	55,415	58,431	60,107	61,603
East	5,952	6,001	6,051	6,103	6,155	6,569	6,801	7,013

Source: ONS Sub-national Population projections

Peterborough's population is predicted to grow roughly in line with national and regional trends over the next 20 years which would represent a slowdown in the levels of growth experienced since the turn of the century.

4.3 Working age population

Table 11: Working age population (16-64)

	Peterborough (Numbers)	Peterborough (% of total population)	East (% of total population)	United Kingdom (% of total population)
All People Aged 16-64	121,254	63.66	62.04	63.53

Source: ONS mid-year population estimates (2013)

Peterborough has similar proportion of working age population as the national average providing a strong potential workforce to meet the city's growth ambitions.

4.4 Employment rate/economic activity

Table 12: Economic activity rate

	economic activity rate - aged 16-64	% of economically inactive who want a job
Peterborough	80	28.8
United Kingdom	77.3	24.2
East	80	24.4

Source: Annual population survey

A higher proportion of Peterborough's working age population is economically active compared to national averages. Of those who are economically inactive, a higher proportion report to want a job than within the same group at the regional and national level. This shows a positive attitude in the city, among its population, to seek productive employment.

4.5 Employees vs. Self-Employed

Table 13: Proportion of employees and self-employed

	% in employment who are employees - aged 16-64	% in employment who are self-employed - aged 16-64
Peterborough	89.3	10.2
United Kingdom	85.6	13.8
East	85.7	13.9

Source: ONS annual Population Survey

Peterborough has a higher than average proportion of employees, rather than self-employed workers, compared to regional and national averages. However, this has reduced since the April report which, along with higher than average net business creation figures, suggests that Peterborough may be closing this gap.

4.6 Commuter patterns

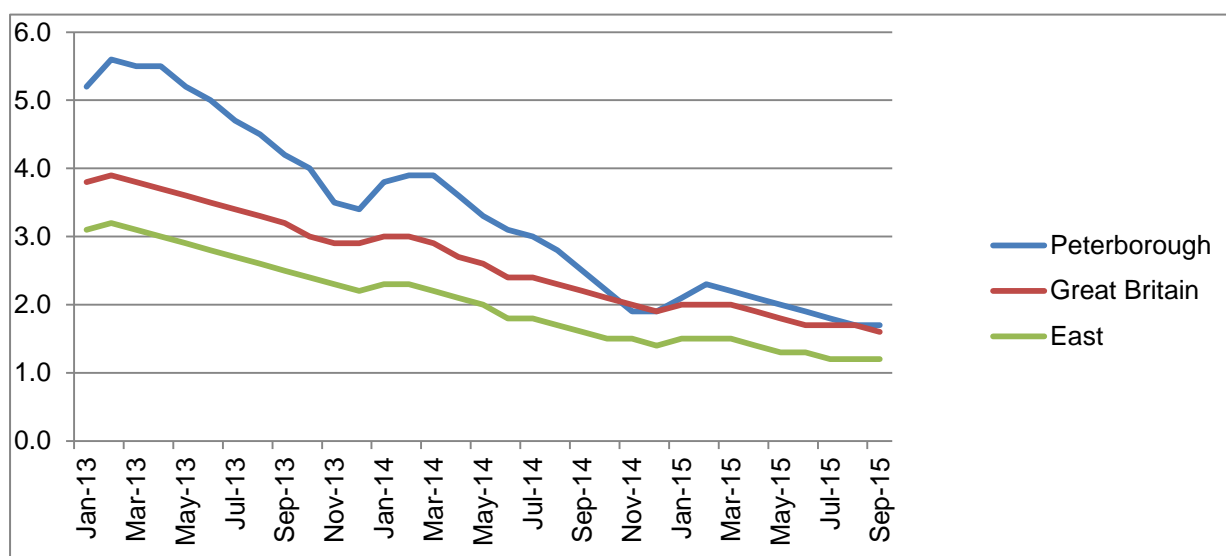
Peterborough has a reputation as an excellent place for commuting; being situated on the A1 and A47 and with London less than 50 minutes away by train.

However, data from the 2011 Census reveals that Peterborough has a net influx of workers; for every 3 that commute in to the city, only 2 commute out (figures rounded).

The majority of workers, around two thirds, live and work in Peterborough, with the remainder commuting from South Kesteven, Huntingdonshire and Rutland. This is also mirrored in the outward flows with the addition of London as a destination.

4.7 Claimant count

Figure 7: Job Seekers Allowance (JSA) claimant count



Source: NOMIS claimant count

The proportion of Job Seekers Allowance (JSA) claimants in Peterborough has fallen to the lowest rate in the available ONS records. The percentage of claimants reduced in Q3 of 2015 in line with

annual patterns. From Jan 2015 to Sept 2015 Peterborough has experienced a comparable rate of reduction in the proportion of JSA Claimants in the city as in the UK and Eastern region.

The city is also now seeing the recruitment drive for 100's of seasonal workers and it will be interesting to see the impact of this on the claimant figures over this period and beyond, particularly since historically, Peterborough experiences a proportionately higher increase in the rate of claimants after the period of seasonal work over Christmas.

4.8 Approximated Social Grade

Table 14: Approximated Social Grade as proportion of population 16-64

Social Grade	Peterborough	East	England
AB - Higher & intermediate managerial, administrative, professional occupations	17%	24%	23%
C1 - Supervisory, clerical & junior managerial, administrative, professional occupations	29%	32%	31%
C2 - Skilled manual occupations	21%	22%	21%
DE - Semi-skilled & unskilled manual occupations, Unemployed and lowest grade occupations	33%	23%	25%

Source: Census 2011

The Approximated Social Grade of Peterborough's population is weighted towards the DE category, reflecting the employment by occupation figures (Table 4), with only around three quarters the amount of the population in the AB category compared to England and the East.

4.9 House Prices and House Price Index

Table 15: Average house price and HPI (HPI base year - 1995)

	Peterborough		East	
	Price (£)	HPI	Price (£)	HPI
2015 (to date)	£117,967	239.91	£203,138	327.96
2014	£113,611	231.47	£190,375	307.15
2013	£106,369	216.71	£175,615	283.34
2012	£106,563	217.11	£172,245	277.90
2011	£107,776	219.48	£171,138	276.12

Source: Land Registry HPI

Table 16: House price to earnings ratio

	2010	2011	2012	2013
England	7.01	6.69	6.86	6.72
Peterborough	4.92	5.31	5.27	5.25

Source: Department for communities and Local Government (Annual Survey of Hours and Earnings (ONS)/ HM Land registry)

Peterborough benefits from lower than average house prices and lower HPI scores, which reflect a slower increase in the house prices. Despite Peterborough residents receiving lower than average weekly wages, Peterborough's house price to earnings ratio still positions it as an affordable and attractive location for employees to live.

4.10 Ethnicity

Table 17: Population by ethnic group

	Peterborough	East	England
White: Total	82.5%	90.8%	85.4%
White: English/Welsh/Scottish/Northern Irish/British	70.9%	85.3%	79.8%
White: Irish	0.7%	1.0%	1.0%
White: Gypsy or Irish Traveller	0.3%	0.1%	0.1%
White: Other White	10.6%	4.5%	4.6%
Mixed/multiple ethnic group: Total	2.7%	1.9%	2.3%
Mixed/multiple ethnic group: White and Black Caribbean	0.8%	0.6%	0.8%
Mixed/multiple ethnic group: White and Black African	0.5%	0.3%	0.3%
Mixed/multiple ethnic group: White and Asian	0.8%	0.6%	0.6%
Mixed/multiple ethnic group: Other Mixed	0.7%	0.5%	0.5%
Asian/Asian British: Total	11.7%	4.8%	7.8%
Asian/Asian British: Indian	2.5%	1.5%	2.6%
Asian/Asian British: Pakistani	6.6%	1.1%	2.1%
Asian/Asian British: Bangladeshi	0.1%	0.6%	0.8%
Asian/Asian British: Chinese	0.5%	0.6%	0.7%
Asian/Asian British: Other Asian	2.0%	1.0%	1.5%
Black/African/Caribbean/Black British: Total	2.3%	2.0%	3.5%
Black/African/Caribbean/Black British: African	1.4%	1.2%	1.8%
Black/African/Caribbean/Black British: Caribbean	0.6%	0.6%	1.1%
Black/African/Caribbean/Black British: Other Black	0.3%	0.2%	0.5%
Other ethnic group: Total	0.8%	0.5%	1.0%
Other ethnic group: Arab	0.2%	0.2%	0.4%
Other ethnic group: Any other ethnic group	0.6%	0.3%	0.6%

Source: Census 2011

Peterborough has a higher proportion of Asian/Asian British than average with a high proportion of that community being of Pakistani origin. This is countered by a lower than average White population.

Peterborough also has a higher proportion of "Other White" residents than both the UK and the East, reflective of recent EU migration patterns.

Report produced by Opportunity Peterborough.

October 2015.

For all enquiries please contact:

David Simpson
 Economic Development Officer
 +44 (0)1733 317402
david.simpson@opportunitypeterborough.co.uk
 @ DSimpson

www.opportunitypeterborough.co.uk



Opportunity Peterborough
 Celebrating 10 years in 2015