

‘Left behind’ neighbourhoods: Performance on the 12 Levelling Up Missions

Missions 1-4: Boost productivity, pay, jobs and living standards by growing the private sector, especially in those places where they are lagging



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Introduction

A key focus of the APPG’s Inquiry is to explore how ‘left behind’ neighbourhoods (LBNs) are performing on the 12 ‘missions’ outlined in the UK Governments’ *Levelling Up White Paper*¹. The 12 missions are the key framework by which the government intends to assess progress towards levelling up aims. The purpose of this report is to establish the baseline performance in ‘left behind’ neighbourhoods across the levelling up missions, as well as establishing key areas for improvement, on which the White Paper is currently silent.

The *Levelling Up White Paper* produced an initial suite of headline and supporting metrics for measuring and tracking progress against each of the 12 missions. This report brings together a range of socio-economic data at a granular level for LBNs for each of the metrics identified in the paper, as well as a series of associated indicators relevant to the aims outlined in the 12 missions.

The 12 levelling up missions are grouped into four objectives, as shown in the table below.

| Levelling Up Missions | |
|--|---|
| Focus Area | Mission |
| Boosting productivity, pay, jobs and living standards by growing the private sector, especially in those places where they are lagging | |
| Living Standards | 1. By 2030, pay, employment and productivity will have risen in every area of the UK, with each containing a globally competitive city, and the gap between the top performing and other areas closing. |
| Research & Development (R&D) | 2. By 2030, domestic public investment in R&D outside the Greater South East will increase by at least 40%, and over the Spending Review period by at least one third. This additional government funding will seek to leverage at least twice as much private sector investment over the long term to stimulate innovation and productivity growth. |
| Transport Infrastructure | 3. By 2030, local public transport connectivity across the country will be significantly closer to the standards of London, with improved services, simpler fares and integrated ticketing. |
| Digital Connectivity | 4. By 2030, the UK will have nationwide gigabit-capable broadband and 4G coverage, with 5G coverage for the majority of the population. |
| Focus Area | Mission |
| Spread opportunities and improve public services, especially in those places where they are weakest | |
| Education | 5. By 2030, the number of primary school children achieving the expected standard in Reading, Writing and Maths will have significantly increased. In England, this will mean 90% of children will achieve the expected standard, and the percentage of children meeting the expected standard in the worst performing areas will have increased by over a third. |

¹ Department for Levelling Up, Housing and Communities (Feb 2022) *Levelling Up the United Kingdom*

| Skills | 6. By 2030, the number of people successfully completing high-quality skills training will have significantly increased in every area of the UK. In England, this will lead to 200,000 more people successfully completing high-quality skills training annually, driven by 80,000 more people completing courses in the lowest skilled areas. |
|---|--|
| Health | 7. By 2030, the gap in Healthy Life Expectancy (HLE) between local areas where it is highest and lowest will have narrowed, and by 2035 HLE will rise by five years. |
| Well-being | 8. By 2030, well-being will have improved in every area of the UK, with the gap between top performing and other areas closing. |
| Focus Area | Mission |
| Restore a sense of community, local pride and belonging, especially in those places where they have been lost | |
| Pride in Place | 9. By 2030, pride in place, such as people's satisfaction with their town centre and engagement in local culture and community, will have risen in every area of the UK, with the gap between top performing and other areas closing. |
| Housing | 10. By 2030, renters will have a secure path to ownership with the number of first-time buyers increasing in all areas; and the government's ambition is for the number of non-decent rented homes to have fallen by 50%, with the biggest improvements in the lowest performing areas. |
| Crime | 11. By 2030, homicide, serious violence and neighbourhood crime will have fallen, focused on the worst affected areas. |
| Focus Area | Mission |
| Empower local leaders and communities, especially in those places lacking local agency | |
| Local Leadership | 12. By 2030, every part of England that wants one will have a devolution deal with powers at or approaching the highest level of devolution and a simplified, long-term funding settlement. |

This report focuses on the four missions and accompanying metrics relating to the 'Boost productivity, pay, jobs and living standards by growing the private sector' objective.

The report is broken down into the following sections:

1. Employment, pay and income: This section profiles LBNs and comparator areas in terms of performance and progress towards Mission 1: *By 2030, pay, employment and productivity will have risen in every area of the UK, with each containing a globally competitive city, with the gap between the top performing and other areas closing.* This includes indicators relating to employment and unemployment, weekly pay and household incomes.
2. Business innovation and investment: This section profiles LBNs and comparator areas in terms of performance and progress towards Mission 2: *By 2030, domestic public investment in R&D outside the Greater South East will increase by at least 40%, and over the Spending Review period by at least one third. This additional government funding will seek to leverage at least twice as much private sector investment over the long term to stimulate innovation and productivity growth.* This includes indicators relating to business investment, research and development tax claims and innovation activities.

3. Transport and access to services: This section profiles LBNs and comparator areas in terms of performance and progress towards *Mission 3: By 2030, local public transport connectivity across the country will be significantly closer to the standards of London, with improved services, simpler fares and integrated ticketing*. This includes indicators relating to travel to work, use of public transport and travel times to key services.
4. Digital services: This section profiles LBNs and comparator areas in terms of performance and progress towards *Mission 4: By 2030, the UK will have nationwide gigabit-capable broadband and 4G coverage, with 5G coverage for the majority of the population*. This includes indicators relating to broadband access and speed, 4G coverage and digital exclusion.

A note about geographies, data and terminology used in this report

The information in the report is presented for 'left behind' neighbourhoods as a whole - the aggregate average score for all 225 'left behind' neighbourhoods referred to as **LBNs** throughout this report. The figures for LBNs are benchmarked against the national average and the average across 'other deprived areas' – these are wards ranked in the most deprived 10% on the 2019 Indices of Deprivation, but which were not identified as 'left behind' i.e. they were not ranked in the 10% of wards with the highest levels of community need, as measured by the Community Needs Index. These are referred to as **Deprived non-LBNs** throughout this report.

Where granular LBN-level data is unavailable i.e. where data is not released at below Local Authority level, this report uses Local Authorities containing LBNs as a proxy measure, referred to as **LA-LBNs** throughout this report. These LA-LBNs are benchmarked against Local Authorities which contain wards identified as **Deprived non-LBNs**² – these are referred to as **LA-other deprived** throughout the report.

The report also identifies individual LBNs which have the greatest identified need on key levelling up metrics.

Each of the datasets included in the report are aggregated from standard statistical geographies (Output Areas, Lower-layer Super Output Areas, Middle Layer Super Output Areas and Wards) to individual LBNs, Deprived non-LBNs and national geographies. The Output Area to Ward 2017 look-up table³ is used to apportion and aggregate data to these geographies.

The underlying data is published in the accompanying excel 'OCSI-Data-Workbook-Levelling-Up-Missions1to4.xlsx' to allow you to interrogate the data presented in this report in more detail.

Appendix A details each of the underlying indicators explored in this report.

² I.e. wards ranked in the most deprived 10% on the 2019 Indices of Deprivation but which are not ranked among the top 10% on the Community Needs Index

³ <https://geoportal.statistics.gov.uk/datasets/output-area-to-ward-to-local-authority-district-december-2017-lookup-in-england-and-wales>

Performance of LBNs on Mission 1

Mission 1: By 2030, pay, employment and productivity will have risen in every area of the UK, with each containing a globally competitive city, with the gap between the top performing and other areas closing.

This section profiles LBNs and comparator areas in terms of performance on Mission 1 of the *Levelling Up White Paper*. Mission 1 is intended to boost employment and productivity across all areas, whilst closing the gap in employment and income outcomes between the top and bottom performing areas.

The table below lists the key indicators identified as headline and supporting metrics for Mission 1 in the *Levelling Up White Paper*.

| Metric | Indicator | Source |
|---|--|---|
| Headline | Gross Value Added (GVA) per hour worked | Office for National Statistics (ONS) |
| Headline | Gross median weekly pay (£) | ONS/Annual Survey of Hours and Earning (ASHE) |
| Headline | Employment rate for 16–64-year olds | ONS/DWP |
| Supporting | Gross Disposable Household Income (GDHI) | Office for National Statistics (ONS) |
| Supporting | Proportion of jobs that are low paid | ONS/DWP/Census |
| Supporting | Participation rate | Annual Population Survey (APS)/Census |
| Supporting | Disability employment rate gap | DWP |
| Supporting | Proportion of children in workless households | DWP |
| Supporting | Proportion of employed people in skilled employment (SOC 1-3, 5) | Census 2011 |
| Supporting | Total value of UK exports | ONS |
| Supporting | Inward and outward Foreign Direct Investment (FDI) | Office for National Statistics (ONS) |
| <i>Note: There is no granular data on the value of UK exports, while FDI will be explored under Mission 2</i> | | |

Below we explore the performance of LBNs on these metrics and related indicators which also capture inequalities in employment, pay and income.

Key findings

LBNs have lower overall levels of economic productivity based on the measure of Gross Value Added per head of the population - 84% of LBNs (189 out of 225) had a lower GVA per head of the population than the England average. This is likely to be because the majority of LBNs are located in residential areas on the outskirts of larger cities or towns where there are lower levels of economic activity.

Productivity as measured in Gross Value Added per hour worked is also lower in 'left-behind' neighbourhoods – at £31 per hour worked in LA-LBNs, compared to £32 in LA-other deprived and £34 nationally.

This is reflected in lower gross median weekly pay - with people living in LA-LBNs receiving lower full-time, part time and overall median weekly pay than the average across England. The gap is particularly large for full-time workers, with a median full-time weekly pay of £572 for those living in LA-LBNs, compared with £613 across England as a whole, a difference of £41 per week.

This can also be seen in the higher proportion of jobs in LA-LBNs that are paid below the Living Wage Foundation rate - this is likely to be linked to a lower prevalence of people working in high skill occupations. All 225 LBNs have a lower proportion of people working in skilled employment occupations (SOC 1-3, 5) than the national average. LBNs also have a greater concentration of jobs in industries that traditionally include jobs on the lower pay levels – with the most prominent job sectors including health, manufacturing and retail.

LA-LBNs have a lower overall employment rate than LA-other deprived areas and England. LBNs also have higher rates of people claiming unemployment benefits than the national average and higher rates of people claiming out of work benefits than both deprived non-LBNs and England.

The following LBNs have consistently higher benefit claimant rates and/or lower rates of employment than across all other LBNs, suggesting that these areas may require particular attention regarding any mission to increase employment rates for the working age population:

- North Ormesby – Middlesbrough
- Golf Green - Tendring
- Bloomfield - Blackpool
- Brambles & Thorntree - Middlesbrough
- Grangetown - Redcar and Cleveland
- Nelson - Great Yarmouth
- Stockton Town Centre - Stockton-on-Tees

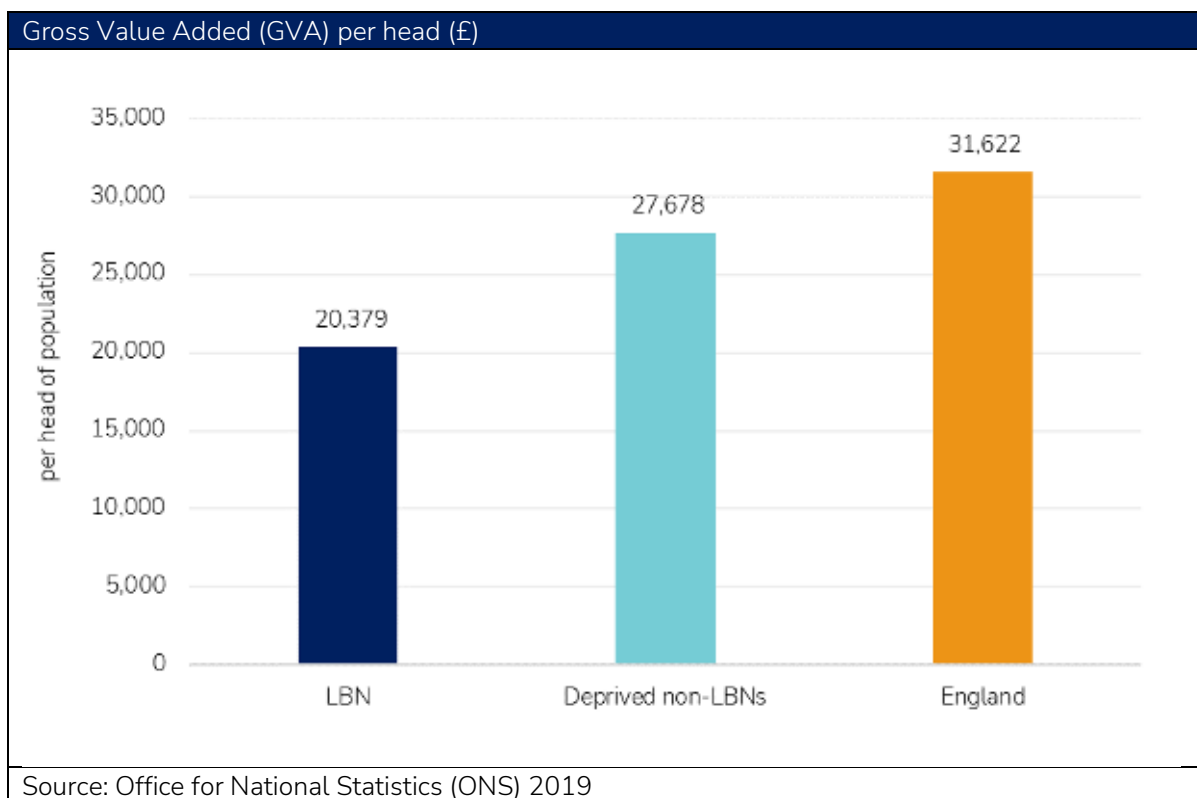
There is also evidence of some groups falling further behind in LBNs. LA-LBNs have a larger gap between the proportion of disabled and non-disabled people in employment than in LA-other deprived areas and England - this is also evident in the number of people who are out of work due to poor health and disability in LBNs - all 225 LBNs have a higher proportion of working-age people who are claiming universal credit with no work requirements than the national average.

A far higher proportion of children live in low-income out of work families in LBNs than across England as a whole – with 12.2% of children aged 0-19 living in workless households in LBNs, compared to 5.7% across England.

96% of the 225 LBNs have a higher proportion of children living in low-income out of work families than the England average. Of those with the highest rates of child poverty- seven of these are in Hull, two in Middlesbrough and one in Redcar and Cleveland.

Gross Value Added (GVA)

The chart below shows the Gross Value Added (GVA) per head in LBNs, deprived non-LBNs and England. GVA is a workplace measure of economic output and productivity.



LBNs have lower overall levels of economic productivity based on the measure of Gross Value Added per head of the population, with a rate of 20,379 per head compared to 27,678 in deprived non-LBNs and 31,622 in England.

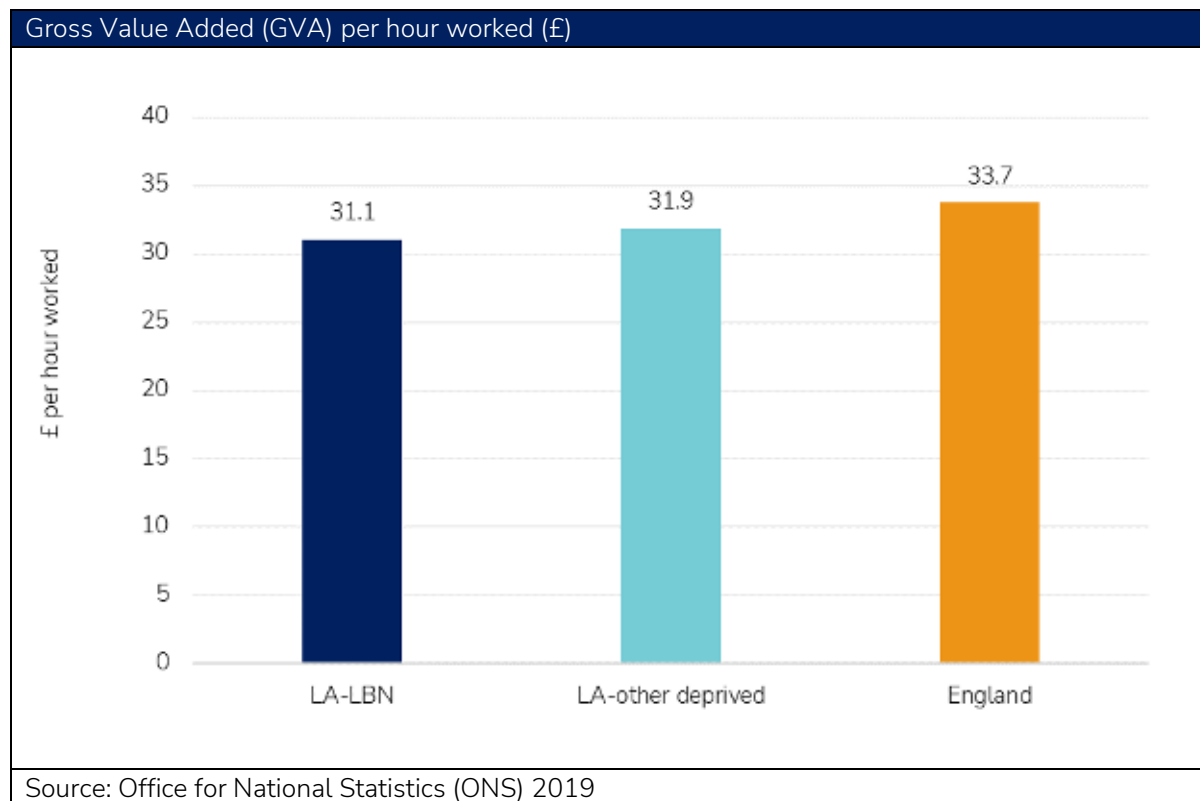
The table below shows the ten LBNs with the lowest rates of Gross Value Added per head. 189 out of 225 LBNs (84%) had a lower GVA per head of the population than the England average (31,622) – these are mostly located in residential areas on the outskirts of larger cities or towns where there are lower levels of economic activity.

| LBN | Local Authority | Gross Value Added (GVA) per head (£) |
|----------------------------|-----------------------------|--------------------------------------|
| Brookside | Telford and Wrekin | 3,569 |
| Hough Green | Halton | 3,720 |
| Redhill | Sunderland | 3,748 |
| Orchard Park and Greenwood | Kingston upon Hull, City of | 3,923 |
| Loundsley Green | Chesterfield | 3,982 |
| Kingswood & Hazel Leys | Corby | 4,095 |
| Manor House | Hartlepool | 4,138 |
| Windy Nook and Whitehills | Gateshead | 4,249 |
| Bestwood | Nottingham | 4,479 |
| Hemlington | Middlesbrough | 4,526 |

Source: Office for National Statistics (ONS) 2019

The chart below shows the Gross Value Added per hour worked (£) in LA-LBNs, LA-other deprived areas and England. This is also a measure of business productivity (an estimate of the volume of goods and services produced) in £ per hour worked.

Productivity (Gross Value Added per hour worked) is lower in LA-LBNs than in LA-other deprived areas and England – at £31 per hour worked, compared to £32 in LA-other deprived and £34 nationally. This is consistent with the lower GVA per head figures above.



Gross median weekly pay (£)

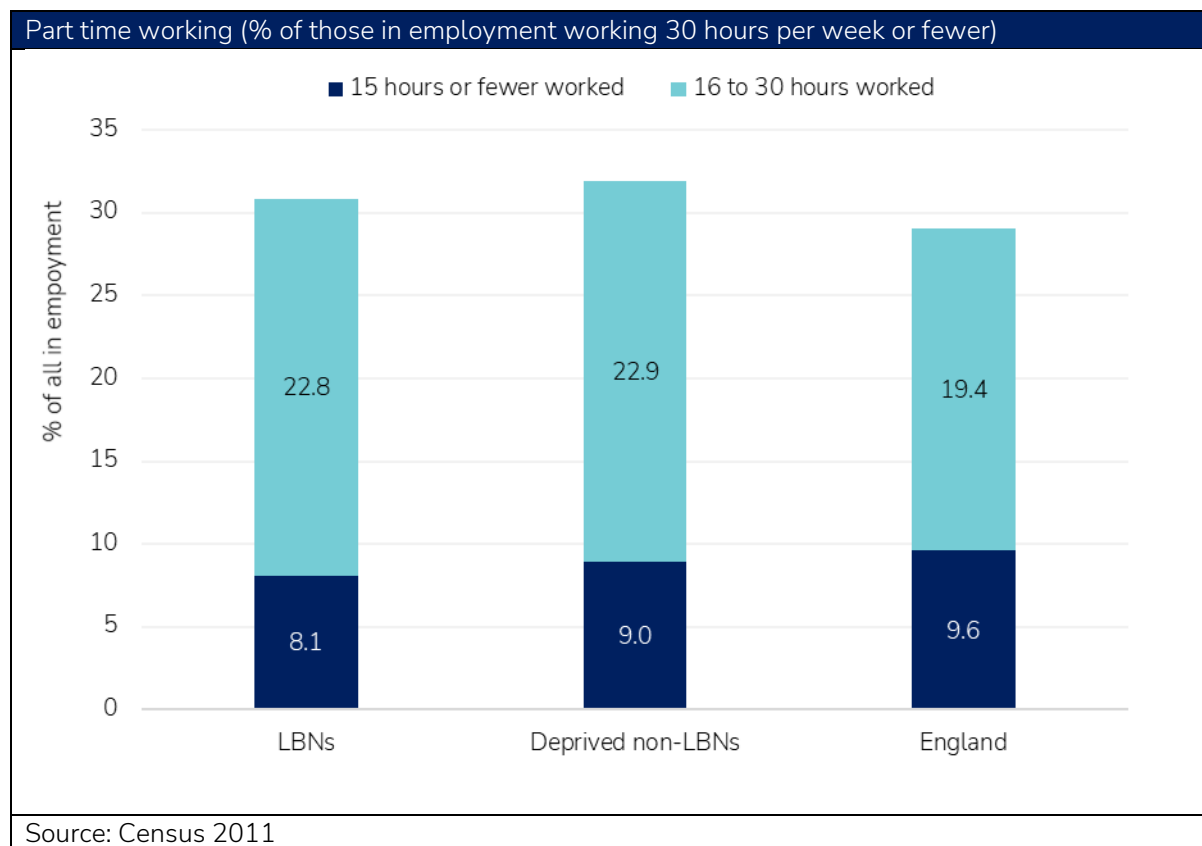
The table below shows total gross median weekly pay in LA-LBNs, LA-other deprived areas and England, with breakdowns by place of work, full-time pay, part-time pay and pay by gender.

| Gross median weekly pay in pounds (£) | LA-LBN | LA-other deprived | England |
|--|--------|-------------------|---------|
| Gross median weekly pay | 478.7 | 491.0 | 513.8 |
| Gross median weekly pay by place of work | 480.6 | 487.8 | 509.7 |
| Full-time Gross median weekly pay by residence | 572.0 | 589.0 | 613.3 |
| Part-time Gross median weekly pay by residence | 212.6 | 212.0 | 215.1 |
| Male Gross median weekly pay by residence | 562.3 | 572.7 | 600.8 |
| Female Gross median weekly pay by residence | 398.0 | 412.2 | 420.8 |

Source: Office for National Statistics (ONS) 2021

Gross median weekly pay is lower both for those living in LA-LBNs and for those working in these areas, compared to the average across LA-Other Deprived areas and England as a whole. This gap is greater for full-time workers, with median full-time weekly pay at £572 for those living in LA-LBNs, compared with an average of £613 across England, a difference of £41 per week. On the other hand, part-time gross-weekly pay by residence is similar across LA-LBNs (£212.60) LA-Other Deprived (212.0) and England alike (£215.10). However, a higher proportion of workers in LBNs are working

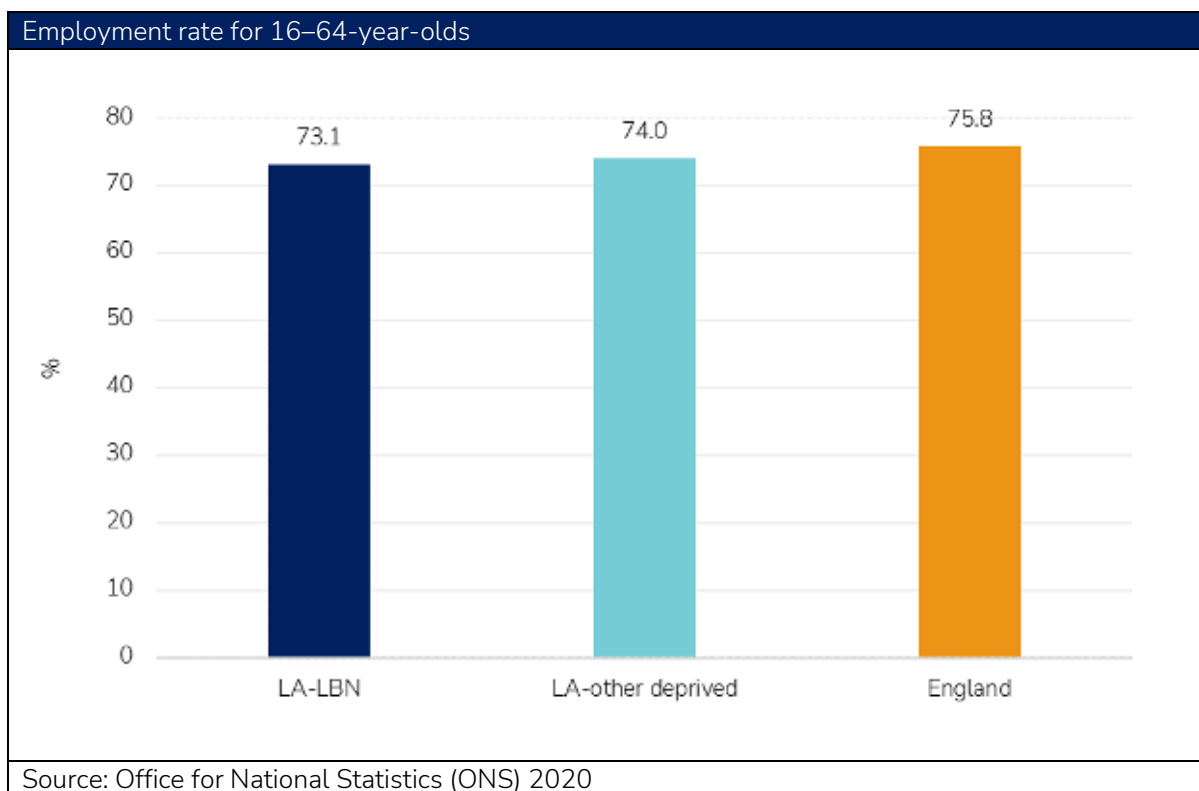
part-time hours – with 31% of those in employment working 30 hours or fewer per week in LBNs, compared with 29% across England as a whole (as shown in the table below).



Employment rate for 16–64-year-olds

The chart below shows the employment rate for 16–64-year-olds in LA-LBNs, LA-other deprived areas and England.

LA-LBNs have a lower overall employment rate than LA-other deprived areas and England, with 73.1% in employment, compared to 74% in LA-other deprived areas and 75.8% across England as a whole.



A similar picture can be seen when looking at the reverse of indicators of employment - those who are not in work. LBNs have higher rates of people claiming unemployment benefits than across England (7.6% compared to 4.3%) and higher rates of people claiming out of work benefits than both deprived non-LBNs and England (25.8% compared to 24.3% in other deprived areas and 13.5% nationally).

| Indicators of unemployment | LBNs | Deprived non-LBNs | England |
|--|------|-------------------|---------|
| Unemployment benefit (JSA and UC) (DWP - March 2022) | 7.6 | 8.1 | 4.3 |
| Claiming out of work benefits (DWP - Aug 2021) | 25.8 | 24.3 | 13.5 |

The table below shows the LBNs with the highest unemployment benefit claimant rates. 223 out of 225 LBNs (99.1%) have higher claimant rates than the England average (4.3%). More than one-in-five working age adults in North Ormesby in Middlesbrough are in receipt of unemployment benefit. The other unemployment hotspots are found in seaside towns (Blackpool, Thanet, Tendring and Great Yarmouth), large cities (Hull, Birmingham and Newcastle) and elsewhere on Teeside (Stockton Town Centre).

| LBN | Local Authority | Unemployment benefit (JSA and Universal Credit) |
|----------------------|-----------------------------|---|
| North Ormesby | Middlesbrough | 20.1 |
| Bloomfield | Blackpool | 18.9 |
| Cliftonville West | Thanet | 14.1 |
| St Andrew's | Kingston upon Hull, City of | 13.7 |
| Stockton Town Centre | Stockton-on-Tees | 12.7 |
| Pier | Tendring | 12.5 |
| Nelson | Great Yarmouth | 12.5 |

| | | |
|---|---------------------|------|
| Stockland Green | Birmingham | 11.9 |
| Golf Green | Tendring | 11.7 |
| Byker | Newcastle upon Tyne | 11.7 |
| Source: Department for Work and Pensions (DWP) March 2022 | | |

The table below shows the LBNs with the highest proportion of people claiming out of work benefits. All 225 LBNs have higher rates than the England average (13.5%), suggesting that high levels of worklessness is a prevalent issue across all LBNs

More than half of all working age adults in Bloomfield are workless and claiming out of work benefits, while just under half are claiming these benefits in North Ormesby (the area with the highest unemployment rate). Again, coastal areas and areas of the North East feature strongly among the top 10 LBNs, with seaside towns making up four of the top 10 and LBNs in the North East making up a further five areas.

| LBN | Local Authority | Claiming out of work benefits |
|--|----------------------|-------------------------------|
| Bloomfield | Blackpool | 51.0 |
| North Ormesby | Middlesbrough | 49.6 |
| Golf Green | Tendring | 42.7 |
| Pier | Tendring | 41.4 |
| Brambles & Thorntree | Middlesbrough | 39.4 |
| Grangetown | Redcar and Cleveland | 39.3 |
| Nelson | Great Yarmouth | 37.8 |
| Walker | Newcastle upon Tyne | 36.9 |
| Northwood | Knowsley | 35.8 |
| Peterlee East | County Durham | 35.2 |
| Source: Department for Work and Pensions (DWP) August 2021 | | |

The following table shows the LBNs with the lowest proportion of people in employment based on the Census 2011. 221 out of 225 LBNs (98.2%) have lower employment rates than the England average (65.5%) based on this measure. This is slightly older than the out of work benefits data (shown in the table above) and those not in employment cover a broader range of people (including students and primary care givers).

| LBN | Local Authority | Employment rate |
|----------------------------|-----------------------------|-----------------|
| Golf Green | Tendring | 37.3 |
| Stockton Town Centre | Stockton-on-Tees | 41.2 |
| Orchard Park and Greenwood | Kingston upon Hull, City of | 44.1 |
| Grangetown | Redcar and Cleveland | 44.8 |
| Rush Green | Tendring | 45.4 |
| Brambles & Thorntree | Middlesbrough | 45.6 |
| Sheppey East | Swale | 46.3 |
| North Ormesby | Middlesbrough | 46.4 |
| Oak Tree | Mansfield | 46.9 |

| | | |
|---------------------|-----------------------------|------|
| Marfleet | Kingston upon Hull, City of | 47.5 |
| Source: Census 2011 | | |

The following LBNs rank among the top 10 on multiple indicators of low employment (in the three tables above). This suggests these areas may require particular attention regarding any mission to increase employment rates for the working age population:

- North Ormesby – Middlesbrough
- Golf Green - Tendring
- Bloomfield - Blackpool
- Brambles & Thorntree - Middlesbrough
- Grangetown - Redcar and Cleveland
- Nelson - Great Yarmouth
- Stockton Town Centre - Stockton-on-Tees

Gross Disposable Household Income (GDHI)

The table below presents a series of measures of household income in LBNs, deprived non-LBNs and England.

Total annual household income is the sum of the gross income of every member of the household plus any income from benefits such as Working Families Tax Credit.

Net annual household income is the sum of the net income of every member of the household. It is calculated using the same components as total income, but income is net of a) income tax payments; b) national insurance contributions; c) domestic rates/council tax; d) contributions to occupational pension schemes; e) all maintenance and child support payments, which are deducted from the income of the person making the payments; and f) parental contribution to students living away from home.

Net annual household income before housing costs (equivalised) is composed of the same elements as net household weekly income but income is equivalised - Equivalised income is the total household income that's been recalculated to take into consideration differences in household demographic composition and size⁴.

Net annual household income after housing costs (equivalised) is subject to the following deductions prior to the OECD's equivalisation scale being applied: a) rent (gross of housing benefit); b) water rates, community water charges and council water charges; c) mortgage interest payments (net of any tax relief); d) structural insurance premiums (for owner occupiers); and e) ground rent and service charges.

| Household income measures | LBNs | Deprived non-LBNs | England |
|--|--------|-------------------|---------|
| Total annual household income estimate | 32,084 | 33,398 | 43,966 |

⁴ All disposable incomes from every household member are first added up. To reflect differences in a household's composition and size, a standard scale is used to give the members of a household different weightings depending on their age. The weightings are then added up to get an "equivalent size." The total income of the household is then divided by the total of the weightings to give a representative income. Incomes are equivalised using the modified OECD scale. The OECD-modified equivalence scale assigns values as follows:

Value of 1.0 to the first household member aged 14 years and over;

Value of 0.5 to each additional household member aged 14 years and over; and

Value of 0.3 to each child who is under 14 years old.

| | | | |
|--|--------|--------|--------|
| Net annual household income estimate | 27,229 | 27,698 | 34,875 |
| Net annual household equivalised income estimates before housing costs | 25,280 | 25,056 | 31,905 |
| Net annual household equivalised income estimates after housing costs | 21,351 | 20,857 | 28,248 |
| Source: Office for National Statistics (ONS) 2017/2018 | | | |

LBNs have lower household income estimates across all measures than the England average and below other deprived areas for total household income and net annual household income.

Total annual household income is £32,084 in LBNs, below the average in deprived non-LBNs (£33,398) and £11,882 below the England average (£43,966). However, deprived non-LBNs have slightly lower equivalised annual household income i.e. once household size and composition are taken into account. Despite this, equivalised incomes in LBNs are still notably below the England average on these measures, particularly with income after housing costs, which is £6,897 below the national average in LBNs (£21,351 compared to £28,248 in England).

The table below shows the ten LBNs with the lowest annual household income estimates. Overall, 224 of 225 LBNs (99.6%) have lower annual household incomes than the England average (£43,966). Average incomes in these areas are up to £20,000 below the national average. The areas with the lowest incomes tend to also be those areas with the highest proportion of residents in receipt of out of work benefits. Bloomfield in Blackpool has the lowest overall household income as well as having the highest overall worklessness levels of any LBN, where more than half of all working adults are in receipt of out of work benefits.

| LBN | Local Authority | Total annual household income estimate (£) |
|----------------------------|-----------------------------|--|
| Bloomfield | Blackpool | 23,473 |
| North Ormesby | Middlesbrough | 24,700 |
| Brambles & Thorntree | Middlesbrough | 24,723 |
| Walker | Newcastle upon Tyne | 24,845 |
| Grangetown | Redcar and Cleveland | 25,300 |
| Berwick Hills & Pallister | Middlesbrough | 25,304 |
| Park End & Beckfield | Middlesbrough | 25,318 |
| Horden | County Durham | 25,697 |
| Orchard Park and Greenwood | Kingston upon Hull, City of | 25,754 |
| Fenside | Boston | 26,200 |

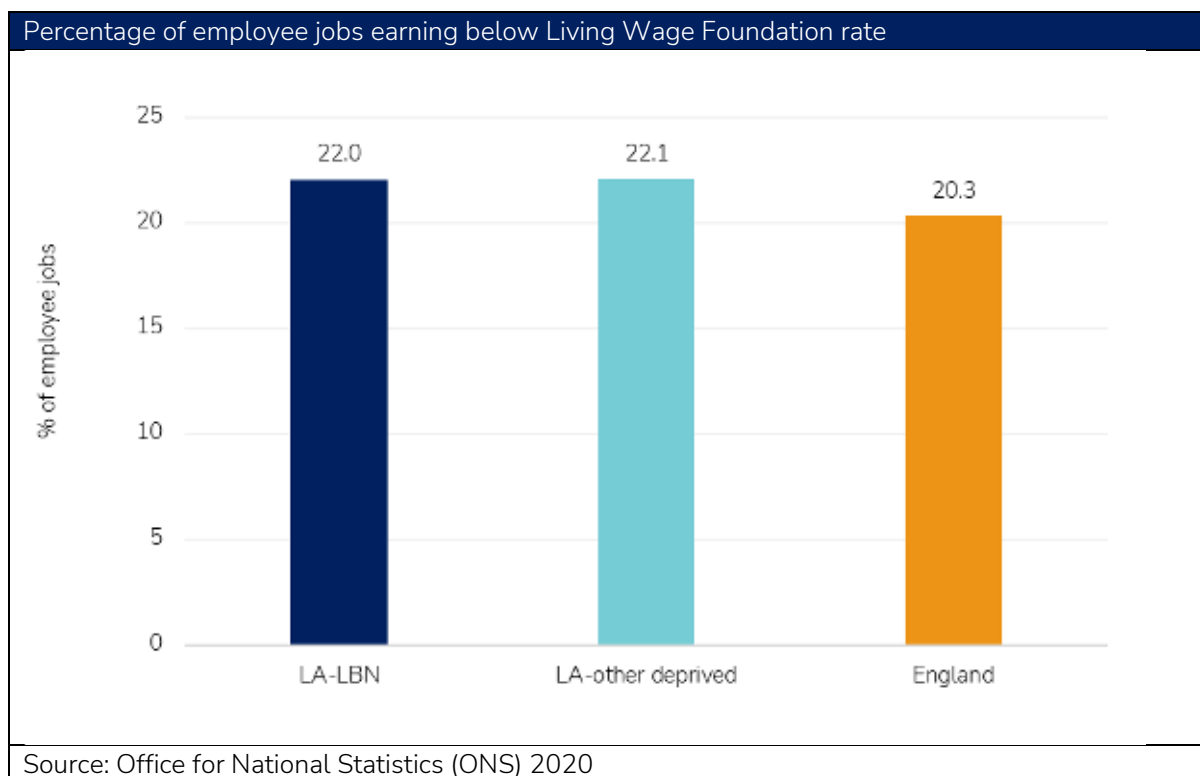
The table below shows the ten LBNs with the lowest annual equivalised household incomes, after housing costs are taken into account. All 225 LBNs have lower annual household income estimates after housing costs than the England average (£28,248).

| LBN | Local Authority | Net annual equivalised household income estimates after housing costs (£) |
|----------------------------|-----------------------------|---|
| Bloomfield | Blackpool | 14,406 |
| Orchard Park and Greenwood | Kingston upon Hull, City of | 15,563 |

| | | |
|---------------------------|----------------------|--------|
| Grangetown | Redcar and Cleveland | 15,800 |
| North Ormesby | Middlesbrough | 15,900 |
| Northwood | Knowsley | 16,155 |
| Berwick Hills & Pallister | Middlesbrough | 16,204 |
| Fenside | Boston | 16,600 |
| Walker | Newcastle upon Tyne | 16,786 |
| Nelson | Great Yarmouth | 17,000 |
| Stockton Town Centre | Stockton-on-Tees | 17,062 |

Proportion of jobs that are low paid

The chart below shows the proportion of employee jobs that are paid below the Living Wage Foundation rate in LA-LBNs and comparators. In 2020 this living wage was defined as £10.75 per hour within London and £9.30 per hour outside of London. This can be used as a measure of the proportion of jobs within an area that are considered to be low paid, based on the standard that all jobs should pay what is considered to be a living wage.

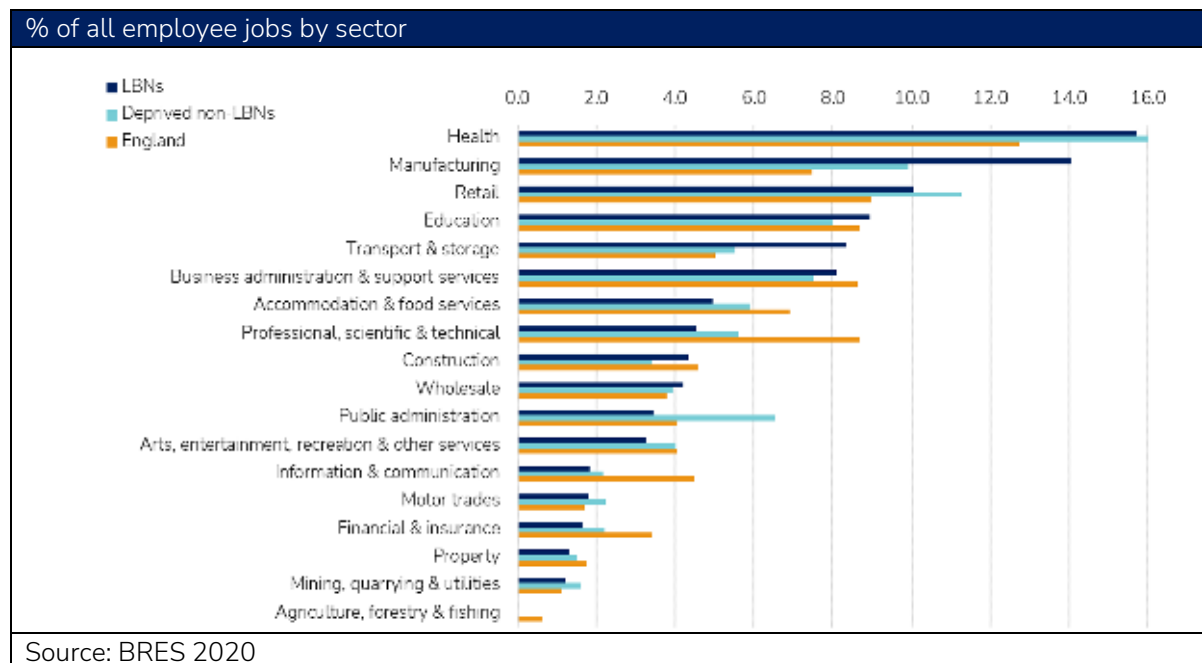


LA-LBNs have a higher proportion of jobs that are paid below the Living Wage Foundation rate – with 22% of all employee jobs falling below this threshold, compared to 22.1% in LA-other deprived areas and 20.3% in England. This is likely to be linked to a higher prevalence of people working in elementary occupations, with 17.3% in these occupations, compared with 17.1% in other deprived areas and 11.1% in England as a whole (see the *Proportion of employed people in skilled employment* section below)⁵.

⁵ Source: Resident population by occupation group – Census 2011.

LBNs also have a greater concentration of jobs in industries that traditionally include jobs on the lower pay levels – with the most prominent job sectors including health, manufacturing and retail.

The chart below compares employee jobs in LBNs broken down by broad industry sector.



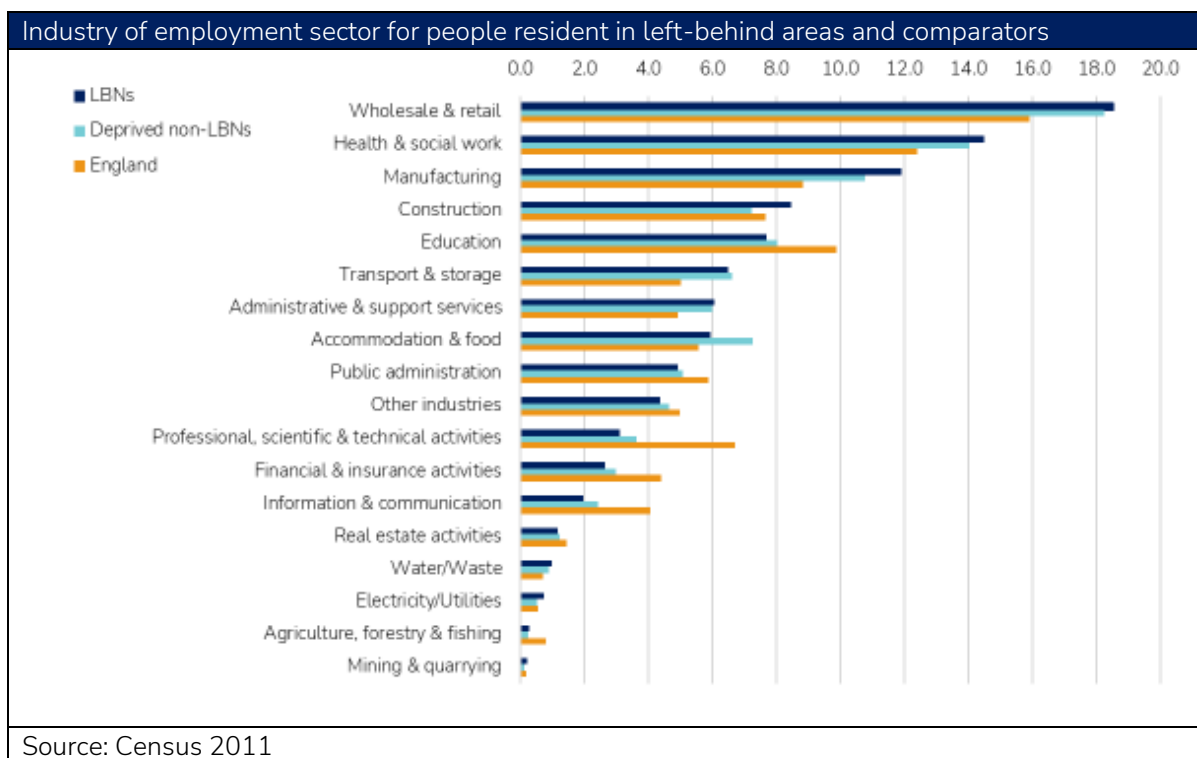
The five largest employment sectors in LBNs are Health, Manufacturing, Retail, Education and Transport – which together account for more than 50% of employees working in LBNs.

LBNs have a considerably higher proportion of jobs in manufacturing sectors (14.1%) compared with 9.9% in other deprived areas and 7.5% in England as a whole. Another sector that is disproportionately represented in LBNs is transport and storage - accounting for 8.3% of jobs, compared with 5.5% in other deprived areas and 5.0% in England as a whole. Jobs in these sectors typically require fewer qualifications than across other employment sectors and are therefore likely to be lower paid.

Conversely, LBNs show a lower proportion of employee jobs in financial and insurance, information and communication and professional, scientific and technical sectors (particularly the latter where the rate for England is 8.7% compared to 4.5% for LBNs). These sectors typically require higher specified skills and therefore are likely to provide higher pay.

The chart below examines the industry sector profile of people *living* in LBNs (as opposed to the jobs profile of people *working* in those areas).

Unsurprisingly, there is a strong overlap in industry sector breakdowns between those living in LBNs and those working in LBNs. Retail, Health, Manufacturing and Education appear among the top five sectors for both those resident and working in LBNs. There is also a similar pattern when compared against other deprived areas and England, with a higher proportion of people working in manufacturing and a lower proportion in technical occupations than across other deprived areas and England.



Participation rate

The table below shows the proportion of the population aged 16-64 who are economically active and economically inactive in LA-LBNs, LA-other deprived areas and England, based on data from the Annual Population Survey published at Local Authority level.

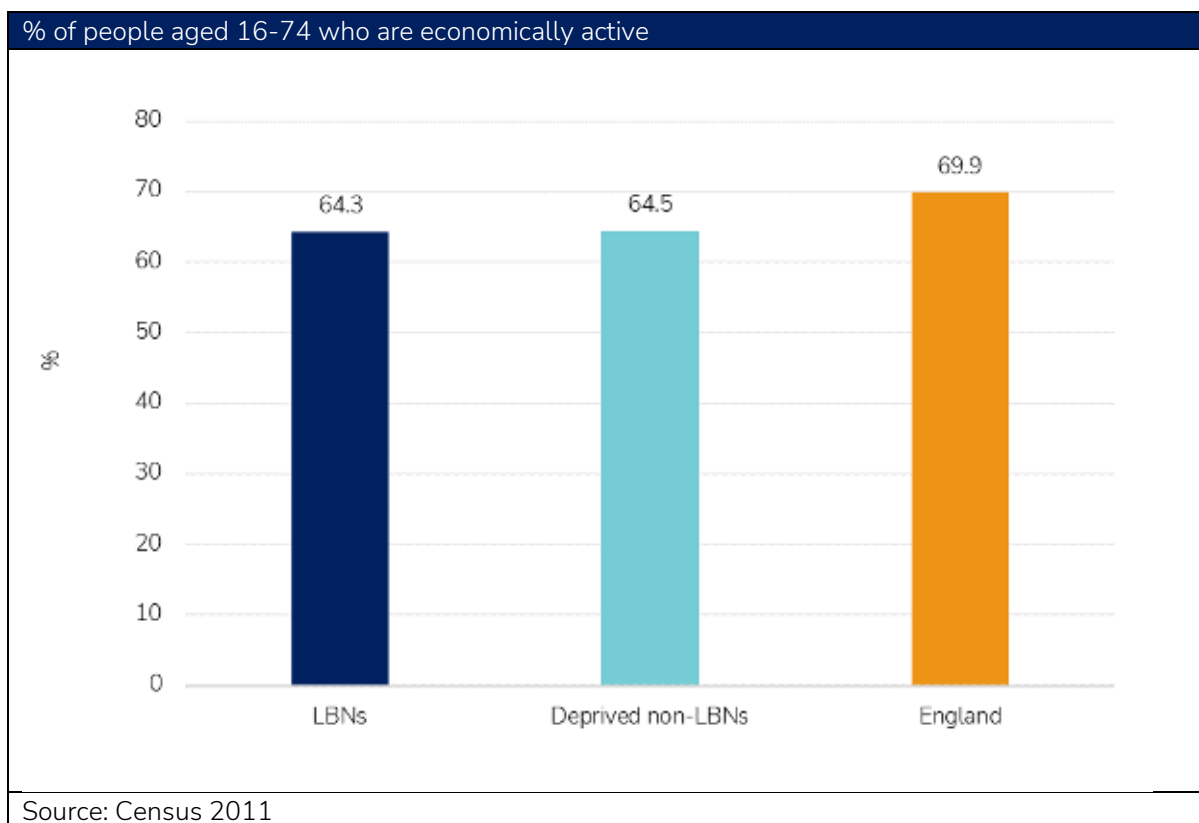
| Percentage of population aged 16-64 who are: | LA-LBN | LA-other deprived | England |
|--|--------|-------------------|---------|
| Economically active | 76.4 | 77.2 | 78.7 |
| Economically inactive | 23.6 | 22.8 | 21.3 |

Source: Office for National Statistics (ONS) 2021

LA-LBNs have both a lower proportion of working-age people who are economically active and a higher proportion who are economically inactive than other deprived areas and across England as a whole. 76.4% of the population aged 16-64 are economically active in LA-LBNs, compared to 77.2% in LA-other deprived areas and 78.7% in England.

This same pattern can be seen when looking at data for smaller geographic levels – the most recent economic activity data at small area level taken from the Census 2011. The chart below shows the proportion of people who are economically active (available for work) in LBNs and comparator areas.

More than one-million people in LBNs are economically active (1,050,013 people), representing just under two-thirds of the working age population (64.3%) – similar to deprived non-LBNs (64.5%), but below the average across England as a whole (69.9%).

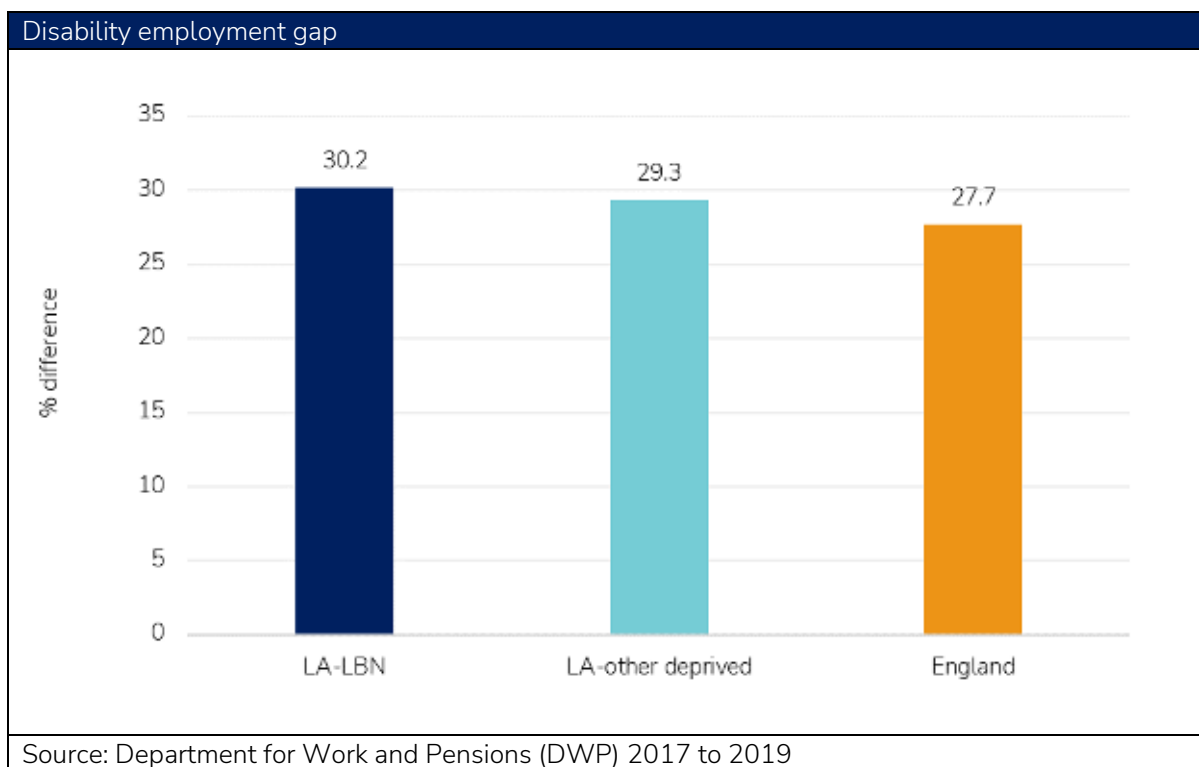


The table below shows the ten LBNs with the lowest proportion of economically active people. 216 of 225 LBNs (96%) have a lower proportion of people aged 16-74 who are economically active than the England average. Three of the four LBNs with the lowest level of economic activity are located in Tendring along the Essex coast. There is a strong overlap between low economic activity and high levels of workless (observed in the employment rate section above)

| LBN | Local Authority | % Economically active |
|-----------------------|----------------------|-----------------------|
| Golf Green | Tendring | 45.5 |
| Sheppey East | Swale | 51.6 |
| Stockton Town Centre | Stockton-on-Tees | 53.7 |
| Rush Green | Tendring | 53.9 |
| Walton | Tendring | 55.7 |
| Oak Tree | Mansfield | 56.5 |
| Horden | County Durham | 57.1 |
| Shirebrook North West | Bolsover | 57.2 |
| Kirkleatham | Redcar and Cleveland | 57.3 |
| Brambles & Thorntree | Middlesbrough | 57.5 |

Disability employment rate gap

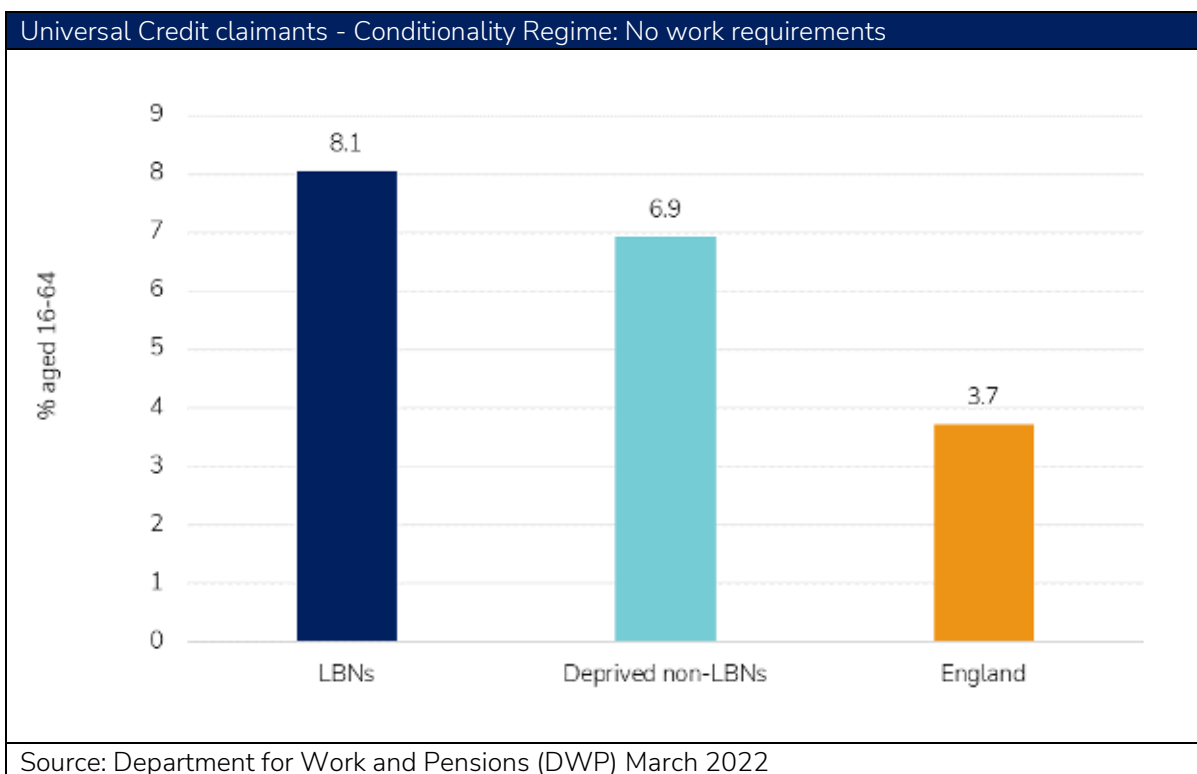
The chart below shows the disability employment gap in LA-LBNs, LA-other deprived areas and England. This disability employment gap is the difference between the percentage of disabled and non-disabled people in employment.



LA-LBNs have a larger gap between the proportion of disabled and non-disabled people in employment than in LA-other deprived areas and England – with 30.2% difference compared to 29.3% in LA-other deprived and 27.7% nationally.

This is also evident when looking at the number of people who are out of work due to poor health and disability in LBNs. The chart below shows the proportion of Universal Credit Claimants who are out of work with no work requirements in LBNs, deprived non-LBNs and England. People with no work requirements are not expected to actively seek or prepare for work due to long term health conditions. This can be used as a proxy measure of where those with disabilities are likely to be excluded from the labour market.

A higher proportion of working age adults in LBNs are in receipt of Universal Credit with no work requirements (8.1%) than across Deprived non-LBNs and England. This suggests that a higher proportion of adults are out of work in these areas due to long-term sickness or disability than in other similarly deprived areas.



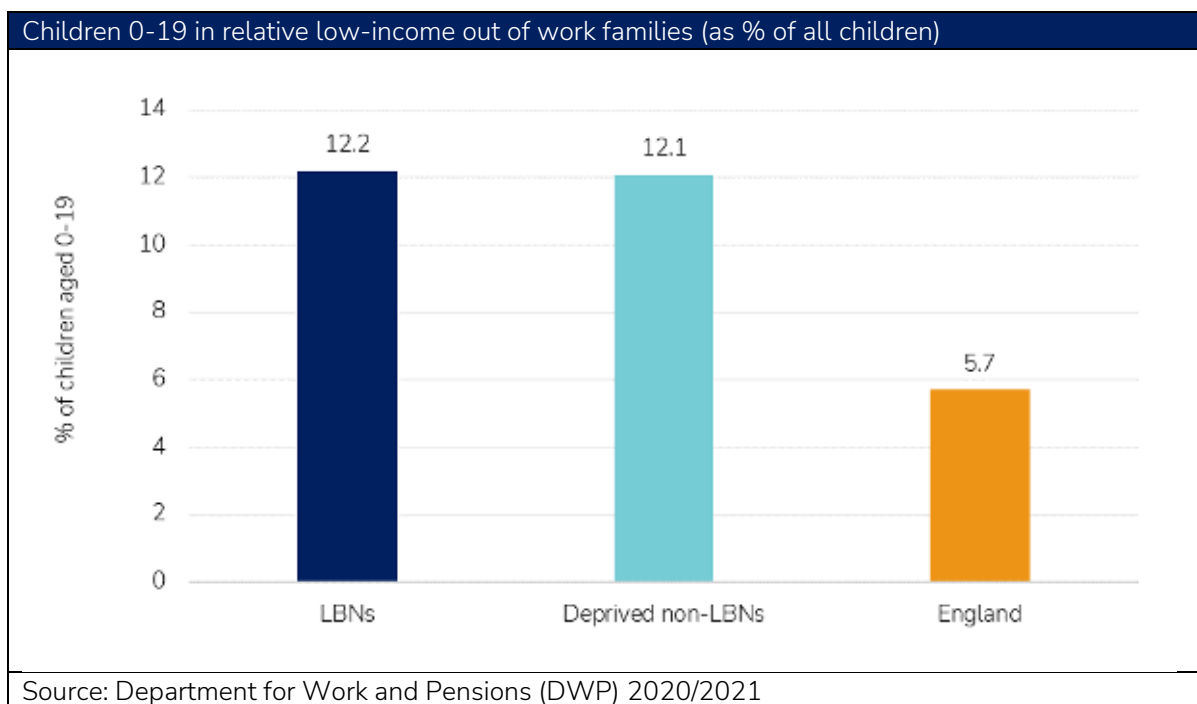
All 225 LBNs have a higher proportion of working-age people who are claiming universal credit with no work requirements than the national average. The table below shows the ten LBNs with the highest rates of Universal Credit claimants with no work requirements.

| LBN | Local Authority | UC: no work requirements |
|----------------------|-----------------|--------------------------|
| Bloomfield | Blackpool | 16.1 |
| Golf Green | Tendring | 15.4 |
| Manor House | Hartlepool | 15.1 |
| Nelson | Great Yarmouth | 14.4 |
| Brambles & Thorntree | Middlesbrough | 14.4 |
| North Ormesby | Middlesbrough | 13.8 |
| Newington | Thanet | 13.1 |
| Rush Green | Tendring | 13.0 |
| Peterlee East | County Durham | 12.8 |
| Bidston and St James | Wirral | 12.7 |

Again, there is a strong association with overall worklessness, with six of the 10 areas (highlighted in blue) also featuring among the 10 areas with the highest proportion of out of work adults.

Proportion of children in workless households

The chart below shows the proportion of children living in out-of-work families in LBNs, deprived non-LBNs and England.



A far higher proportion of children live in low-income out of work families in LBNs than across England as a whole – with 12.2% of children aged 0-19 living in workless households in LBNs, compared to 5.7% across England. LBNs have a similar proportion of out of work low-income families as other deprived areas (12.1%).

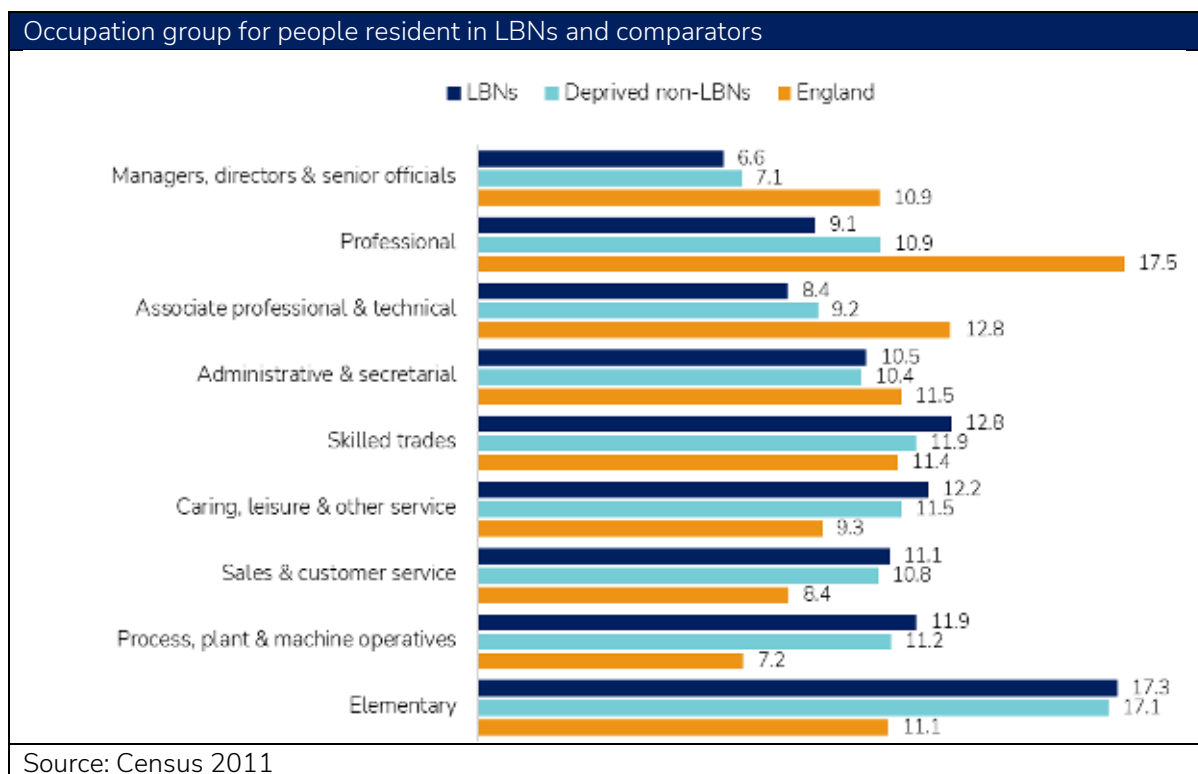
Overall, 216 out of 225 LBNs (96%) have a higher proportion of children living in low-income out of work families than the England average. The table below shows the ten LBNs with the highest proportion of children living in out of work low-income families. Seven of these are in Hull, two in Middlesbrough and one in Redcar and Cleveland.

| LBN | Local Authority | % of children living in out of work low income families |
|----------------------------|-----------------------------|---|
| Bransholme West | Kingston upon Hull, City of | 24.4 |
| Marfleet | Kingston upon Hull, City of | 22.6 |
| Grangetown | Redcar and Cleveland | 22.0 |
| North Ormesby | Middlesbrough | 21.9 |
| Orchard Park and Greenwood | Kingston upon Hull, City of | 21.7 |
| St Andrew's | Kingston upon Hull, City of | 20.6 |
| Bransholme East | Kingston upon Hull, City of | 20.6 |
| Southcoates East | Kingston upon Hull, City of | 18.9 |
| Longhill | Kingston upon Hull, City of | 18.6 |
| Brambles & Thorntree | Middlesbrough | 18.2 |

Proportion of employed people in skilled employment (SOC 1-3, 5)

The chart below shows the proportion of people in employment by major occupation group. An individual's occupation group is determined by their response to the occupation questions in the 2011

Census, with responses classified in terms of skill level and skill content into Standard Occupational Classification groups 2010 (SOC2010).



People in LBNs are less likely to be in high-skill occupations, with 37.0% working in managerial, professional, associate professional or skilled trade occupations, compared with 39.1% in other deprived areas and 52.5% in England as a whole. By contrast, people in LBNs are more likely to be working in low-skill elementary occupations with 17.3% in these occupations, compared with 17.1% in other deprived areas and 11.1% in England as a whole.

Elementary occupations represented the largest group of occupations in LBNs; however, there were also relatively large numbers of people working in skilled trades (12.8%), caring and service industries (12.2%) and process plant and machine operative occupations (11.9%) with higher figures for these groups than across other deprived areas and England as whole.

This pattern is reflected across the individual LBNs - all 225 LBNs have a lower proportion of people working in skilled employment occupations (SOC 1-3, 5) than the national average (52.5%).

The table below shows the ten LBNs with the lowest proportion of people working in the following occupation groups (SOC 1-3, 5):

- Managers, directors and senior officials
- Professional occupations
- Associate professional and technical occupations
- Skilled trades occupations.

The majority of these are concentrated in the eastern part of the country, including five in Yorkshire, two in the East Midlands, one in the North East, one in the East of England and one in the West Midlands.

| 'Left behind' area | Local Authority | Proportion in employment working in skilled occupations (SOC 1-3, 5) |
|----------------------------|-----------------------------|--|
| Fenside | Boston | 22.1 |
| Waterlees Village | Fenland | 24.8 |
| Kingswood & Hazel Leys | Corby | 24.9 |
| Orchard Park and Greenwood | Kingston upon Hull, City of | 26.2 |
| Brambles & Thorntree | Middlesbrough | 26.3 |
| Berwick Hills & Pallister | Middlesbrough | 26.9 |
| Grangetown | Redcar and Cleveland | 27.2 |
| Bransholme West | Kingston upon Hull, City of | 27.4 |
| Walker | Newcastle upon Tyne | 27.9 |
| Bentilee and Ubberley | Stoke-on-Trent | 28.3 |
| Source: Census 2011 | | |

Performance of LBNs on Mission 2

Mission 2: By 2030, domestic public investment in R&D outside the Greater South East will increase by at least 40%, and over the Spending Review period by at least one third. This additional government funding will seek to leverage at least twice as much private sector investment over the long term to stimulate innovation and productivity growth

This section profiles LBNs and comparator areas in terms of performance on Mission 2 of the *Levelling Up White Paper*. Mission 2 is intended to strengthen the UK’s position as a global hub of innovation and science by 2035, while at the same time ensuring that the local benefits of R&D are spread around the country. To this end the aim of the mission is to reduce spatial disparities in R&D investment and activity, increasing capacity in all areas with the intended outcome of improving intangible capital and living standards across the UK.

The table below lists the key indicators identified as headline and supporting metrics for Mission 2 in the *Levelling Up White Paper*.

| Metric | Indicator | Source |
|------------|---|---|
| Headline | Business expenditure on R&D | Office for National Statistics |
| Headline | Government funding for R&D | Department for Business, Energy & Industrial Strategy |
| Supporting | Percentage of businesses that are innovation active | Department for Business, Energy & Industrial Strategy |
| Supporting | Inward and outward Foreign Direct Investment (FDI) | Office for National Statistics |

Below we explore the performance of LBNs on these metrics and related indicators measuring inequalities in R&D and innovation.

Key findings

There is some evidence to suggest that LBNs are generally concentrated away from areas with high levels of R&D expenditure. Only 36 of the 225 LBNs (16%) are located in three regions with the highest levels of expenditure. Moreover, the majority of these 36 LBNs are located in peripheral areas of these regions on the coastal fringes, which are likely to be away from the main areas of expenditure. By contrast, the North East region has the highest concentration of LBNs, whilst also receiving the lowest level of R&D expenditure.

Three industry sectors accounted for just under two-thirds of all R&D tax credit claims (Information and Communication – 22.1%, Manufacturing - 22.1% and Professional, Scientific and Technical Services - 19.4%). People living in LBNs are considerably less likely to be working in Information and Communication or Professional, Scientific and Technical Services (5.1%) than the average across other deprived areas (6.1%) and less than half the average across England as a whole (10.8%). Therefore, they are less likely to experience the positive impacts of R&D tax credits into

these sectors. By contrast, people living in LBNs are over-represented in the Human health and social work activities sector – this sector has received the smallest proportion of R&D tax credit claims relative to the size of the sector.

LBNs are disproportionately likely to be located in NUTS2 areas with low levels of business innovation. This is particularly notable at the top and bottom end of the distribution – with 27 LBNs located in the 10 most innovative regions, compared with 72 found in the 10 least innovative areas. LBNs are also less likely to be located in the areas receiving the highest levels of net FDI earnings, with the nine regions with net inward FDI of greater than £1 billion, containing just 12 LBNs (5.3%). By contrast, these nine regions between them accounted for 73.4% of the England inward Foreign Direct Investment position.

R&D funding and expenditure

The table below shows estimates of Research and Development (R&D) expenditure in the UK by country, with breakdowns by business enterprise, higher education, government, UK Research and Innovation, and private non-profit organisations in each region for 2019 – the most recent year at which these statistics are available.

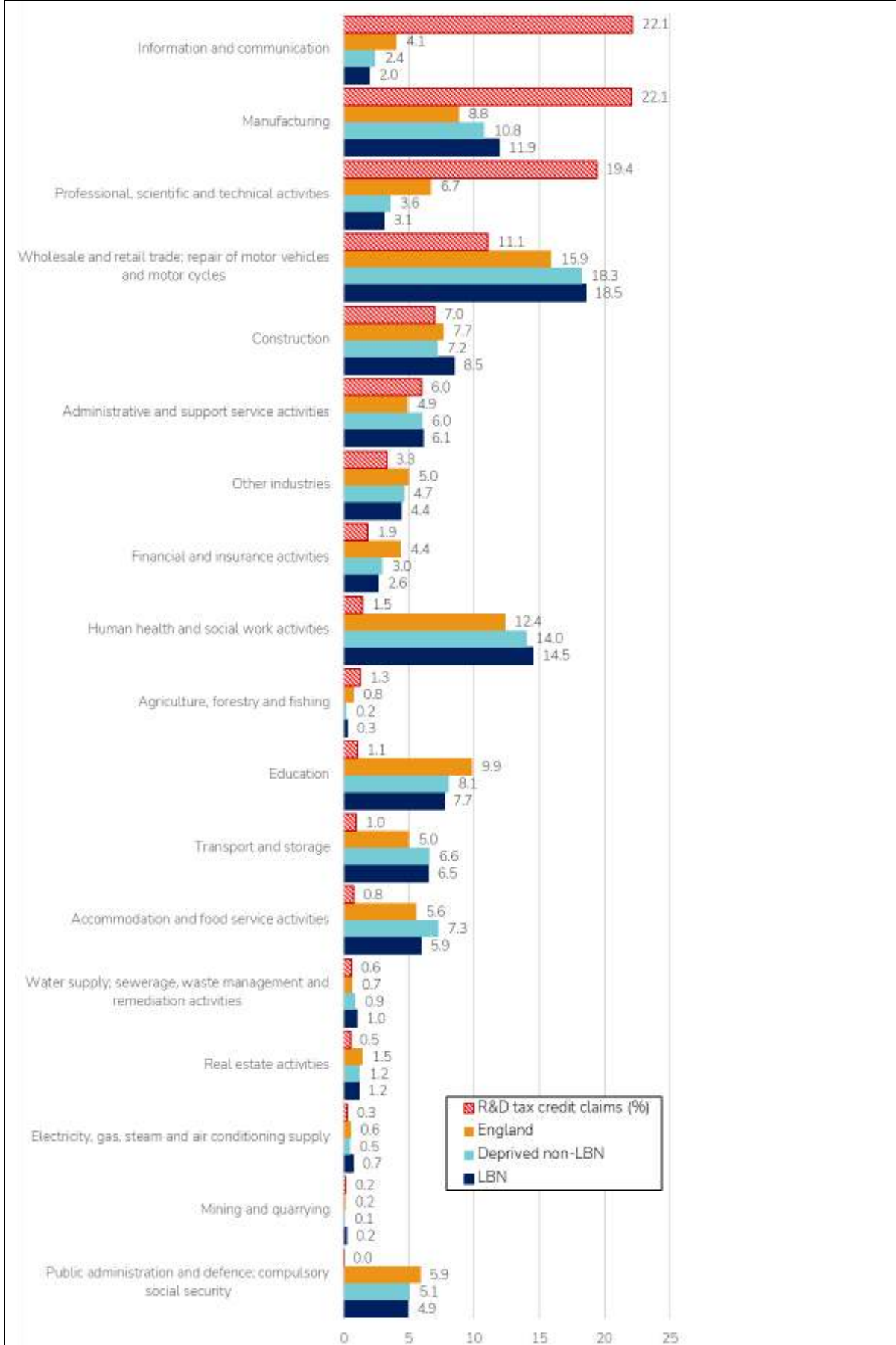
| Breakdown of expenditure on R&D (£ million): by sector of performance | | | | | | |
|---|-------------------|------------------|----------|--------------------|-------|----------------|
| Region | Government & UKRI | Higher Education | Business | Private Non-Profit | Total | Number of LBNs |
| South East | 740 | 1,361 | 5,326 | 102 | 7,529 | 16 |
| East of England | 304 | 968 | 5,384 | 239 | 6,895 | 18 |
| London | 591 | 2,196 | 3,198 | 366 | 6,351 | 2 |
| North West | 177 | 733 | 2,051 | 16 | 2,977 | 54 |
| West Midlands | 76 | 470 | 2,357 | 14 | 2,917 | 31 |
| South West | 272 | 474 | 1,835 | 15 | 2,596 | 3 |
| East Midlands | 90 | 353 | 1,922 | 3 | 2,368 | 17 |
| Yorkshire /Humber | 130 | 610 | 1,012 | 5 | 1,757 | 28 |
| North East | 50 | 251 | 411 | 30 | 742 | 56 |
| Source: ONS 2019 | | | | | | |

As can be seen in the table, there is a strong regional imbalance with the regions in the Southeast corner of England (South East, East of England and London) receiving more than 60% of R&D expenditure. This is likely to be linked to the concentration of the knowledge economy in and around the capital and the Oxford Cambridge Arc.

There is some evidence to suggest that LBNs are generally concentrated away from areas with high levels of R&D expenditure. Only 36 of the 225 LBNs (16%) are located in three regions with the highest levels of expenditure. Moreover, the majority of these 36 LBNs are located in peripheral areas of these regions on the coastal fringes, which are likely to be away from the main areas of expenditure. By contrast, the North East region has the highest concentration of LBNs, whilst also receiving the lowest level of R&D expenditure.

It is important to note that this data is insufficiently granular to be able to come to any confident conclusions regarding whether LBNs are more likely to have benefited from investment in R&D. However, there is some evidence of differing levels of R&D investment in different industry sectors.

R&D tax credit claims by industry sector and breakdown of resident workforce by industry sector



Source: HMRC R&D tax credit claims – 2021, Industry of employment of resident workforce (Census 2011)

The chart on the previous page shows the proportion of R&D tax credit claims by industry sector – benchmarked against the proportion of residents working in each sector in LBNs and comparator areas. R&D tax credits are a government incentive designed to reward UK companies for investing in innovation.

The chart shows that three industry sectors accounted for just under two-thirds of all R&D tax credit claims (Information and Communication – 22.1%, Manufacturing - 22.1% and Professional, Scientific and Technical Services - 19.4%). People living in LBNs are considerably less likely to be working in *Information and Communication* or *Professional, Scientific and Technical Services* (5.1%) than the average across other deprived areas (6.1%) and less than half the average across England as a whole (10.8%). Therefore, they are less likely to experience the positive impacts of R&D tax credits into these sectors. However, people living in LBNs are more likely to be working in *Manufacturing* – the third sector which experiences relatively high levels of R&D funding. By contrast, people living in LBNs are over-represented in the *Human health and social work activities* sector – this sector has received the smallest proportion of R&D tax credit claims relative to the size of the sector⁶.

Percentage of businesses that are ‘innovation active’

The table below shows the proportion of businesses that are ‘innovation active’ by NUTS2 Region⁷. A business is identified as ‘innovation active’ when it engages in one of the following activities:

- a. The introduction of a new or significantly improved product (good or service) or process;
- b. Engagement in innovation projects not yet complete, scaled back, or abandoned;
- c. New and significantly improved forms of organisation, business structures or practices, and marketing concepts or strategies.

The data in the table is presented alongside the number of LBNs in the NUTS2 region in order to examine the relationship between businesses that are ‘innovation active’ and the presence of LBNs.

| NUTS2 Region | Proportion of businesses that are ‘innovation active’ | Number of LBNs |
|--|---|----------------|
| Oxfordshire | 53.3 | 0 |
| Sheffield City Region | 51.8 | 13 |
| Greater Cambridge and Greater Peterborough | 49.2 | 3 |
| Enterprise M3 | 48 | 0 |
| West of England | 47.4 | 1 |
| Solent | 47.3 | 5 |
| Coventry and Warwickshire | 46.3 | 4 |
| The Marches | 46.1 | 1 |
| Gloucestershire | 43.4 | 0 |
| Hertfordshire | 43.4 | 0 |

⁶ This is likely to be attributable to the relatively large proportion of people working in the public sector in this industry category – whereas R&D Tax Credits are only payable to private sector organisations.

⁷ NUTS are Nomenclature of Territorial Units for Statistics – used for making international comparisons of key statistics across regional subdivisions of countries. NUTS 2 areas in England are generally groups of Counties, Unitaries or London boroughs.

| | | |
|--|------|----|
| South East Midlands | 43.2 | 5 |
| Worcestershire | 43.1 | 2 |
| Swindon and Wiltshire | 42.9 | 0 |
| Thames Valley Berkshire | 42.6 | 0 |
| Cheshire and Warrington | 42.4 | 2 |
| York, North Yorkshire and East Riding | 41.5 | 0 |
| North Eastern | 41.2 | 38 |
| Derby, Derbyshire, Nottingham and Nottinghamshire | 41 | 9 |
| Lancashire | 40.1 | 7 |
| Leeds City Region | 39.8 | 7 |
| Coast to Capital | 39.6 | 0 |
| London | 39.4 | 2 |
| Cumbria | 39 | 4 |
| Leicester and Leicestershire | 38.8 | 1 |
| National Average | 38.4 | |
| Stoke-on-Trent and Staffordshire | 38.3 | 6 |
| New Anglia | 37.9 | 3 |
| Greater Manchester | 37.6 | 17 |
| South East | 37.3 | 23 |
| Dorset | 37.2 | 2 |
| Buckinghamshire Thames Valley | 36.1 | 0 |
| Heart of the South West | 35.3 | 0 |
| Black Country | 34.9 | 7 |
| Greater Birmingham and Solihull | 34.1 | 11 |
| Cornwall and Isles of Scilly | 34.1 | 0 |
| Humber | 31.2 | 8 |
| Tees Valley | 30.8 | 18 |
| Greater Lincolnshire | 29.3 | 2 |
| Liverpool City Region | 24.1 | 24 |
| Source: UK Innovation Survey 2019, Department for Business, Energy & Industrial Strategy | | |

LBNs are disproportionately likely to be located in NUTS2 areas with low levels of business innovation. This is particularly notable at the top and bottom end of the distribution – with 27 LBNs located in the 10 most innovative regions, compared with 72 found in the 10 least innovative areas. The least innovative region, Liverpool City Region, contains 24 LBNs, while the most innovative Oxfordshire contains no LBNs. In total, just over half (121 of 225 - 54%) of LBNs are found in NUT2s regions with lower levels of innovation than the national average. However, Sheffield City Region and the North Eastern region stand out as regions with both relatively high levels of business innovation, and relatively high concentrations of LBNs.

Inward and outward Foreign Direct Investment (FDI)

The table below compares total net earnings from inward and outward foreign direct investment by ITL2 area⁸.

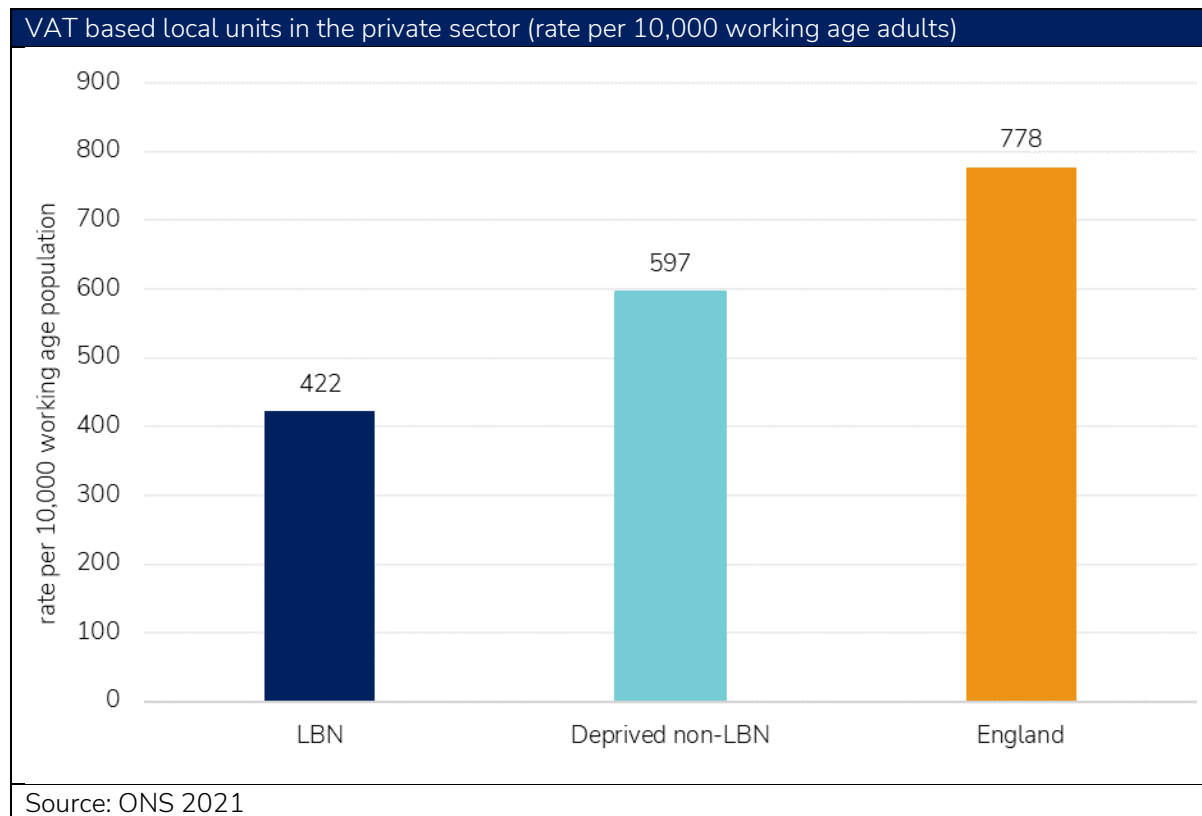
⁸ International Territorial Level (ITL) is a geocode standard for referencing the subdivisions of the United Kingdom for statistical purposes, used by the Office for National Statistics (ONS). These are setup to replace NUTS as a subregional geography post-Brexit and follow the same three tier hierarchy.

| ITL2 Region | Total net earnings from foreign direct investment abroad £ million | Total net earnings from foreign direct investment in the UK £ million | Number of LBNs |
|--|---|--|----------------|
| Inner London - West | 37,106 | 7,078 | 0 |
| Inner London - East | 3,500 | 4,126 | 0 |
| Berkshire, Buckinghamshire and Oxfordshire | 8,282 | 3,021 | 0 |
| Surrey, East and West Sussex | 11,443 | 2,909 | 1 |
| Hampshire and Isle of Wight | 5,029 | 2,407 | 5 |
| Gloucestershire, Wiltshire and Bath/Bristol area | 2,859 | 1,869 | 1 |
| East Anglia | 1,186 | 1,707 | 6 |
| Outer London - West and North West | 2,401 | 1,633 | 0 |
| Bedfordshire and Hertfordshire | 786 | 1,234 | 0 |
| Greater Manchester | 710 | 867 | 17 |
| Merseyside | 1,375 | 698 | 24 |
| West Midlands | 2,278 | 632 | 21 |
| Essex | 433 | 610 | 12 |
| Leicestershire, Rutland and Northamptonshire | 839 | 593 | 6 |
| Tees Valley and Durham | 184 | 592 | 34 |
| Derbyshire and Nottinghamshire | 851 | 580 | 9 |
| Cheshire | 146 | 557 | 2 |
| Shropshire and Staffordshire | 270 | 541 | 7 |
| Kent | 194 | 531 | 10 |
| West Yorkshire | 1,157 | 519 | 7 |
| Dorset and Somerset | 439 | 501 | 2 |
| Lancashire | 353 | 471 | 7 |
| East Yorkshire and Northern Lincolnshire | 449 | 414 | 8 |
| South Yorkshire | -310 | 337 | 13 |
| Outer London - South | 1,800 | 283 | 1 |
| Northumberland and Tyne and Wear | 396 | 236 | 0 |
| Outer London - East and North East | -136 | 207 | 1 |
| Lincolnshire | -200 | 142 | 2 |
| Cumbria | 17 | 130 | 4 |
| North Yorkshire | 626 | 105 | 0 |
| Cornwall and Isles of Scilly | 76 | 27 | 0 |
| Devon | 143 | 3 | 0 |
| Herefordshire, Worcestershire and Warwickshire | 742 | -12 | 3 |
| Source: Office for National Statistics 2019 | | | |

The table shows that LBNs are less likely to be located in the areas receiving the highest levels of net FDI earnings, with the nine regions with net inward FDI of greater than £1 billion, containing just 12 LBNs (5.3%). By contrast, these nine regions between them accounted for 73.4% of the England inward Foreign Direct Investment position. This suggests that LBNs are less likely to be located in areas receiving the bulk of inward investment.

Private sector businesses

As stated in the White Paper, the primary objective of Mission 2 is to boost productivity, pay, jobs, and living standards by growing the private sector, especially in those places where they are lagging⁹. The chart below shows the level of private sector businesses located in LBNs and comparator areas.



The chart shows that currently LBNs lag further behind other deprived areas and England in terms of the presence of private sector businesses locally, with 422 private local business units (per 10,000 population), compared with 597 in other deprived areas and 778 in England as a whole.

213 of the 225 LBNs (94.2%) have a lower concentration of private sector businesses than the national average. The table below shows the 10 LBNs with the lowest concentration of private sector enterprises.

| LBN | Local Authority | VAT based local units in the private sector (rate per 10,000 working age adults) |
|---------------------------|--------------------|--|
| Redhill | Sunderland | 133.4 |
| Roseworth | Stockton-on-Tees | 160.3 |
| Grange | Gosport | 161.7 |
| Manor House | Hartlepool | 165.6 |
| Hardwick and Salters Lane | Stockton-on-Tees | 167.3 |
| Brookside | Telford and Wrekin | 170.0 |

⁹

Department for Levelling Up, Housing and Communities (2022) Levelling Up the United Kingdom: missions and metrics Technical Annex, p. 16 <https://www.gov.uk/government/publications/levelling-up-the-united-kingdom>

| | | |
|----------------------------|-----------------------------|-------|
| Windy Nook and Whitehills | Gateshead | 175.2 |
| Bentilee and Ubbberley | Stoke-on-Trent | 176.6 |
| Park End & Beckfield | Middlesbrough | 182.9 |
| Orchard Park and Greenwood | Kingston upon Hull, City of | 183.3 |
| Source: ONS 2021 | | |

Six of the 10 LBNs with the lowest concentration of private sector businesses are found in the North East of England, with Redhill in Sunderland showing the lowest concentration of private sector enterprises.

Performance of LBNs on Mission 3

Mission 3: By 2030, local public transport connectivity across the country will be significantly closer to the standards of London, with improved services, simpler fares and integrated ticketing.

This section profiles LBNs and comparator areas in terms of performance on Mission 3 of the *Levelling Up White Paper*. Mission 3 aims to improve local public transport connectivity across the country, by improving access to services, costs and ticketing.

The table below lists the key indicators identified as headline and supporting metrics for Mission 3 in the *Levelling Up White Paper*.

| Metric | Indicator | Source |
|--|---|--------------------------------|
| Headline | Usual method of travel to work by region of workplace transport trips as a proportion of total trips per year | Census |
| Headline | Average travel time in minutes to reach nearest large employment centre (500 + employees) | Department for Transport (DfT) |
| Supporting | Percentage of non-frequent bus services running on time | Department for Transport (DfT) |
| Supporting | Average excess waiting time for frequent (bus) services | Department for Transport (DfT) |
| Supporting | Public transport trips as a proportion of total trips per year | Office of Rail and Road (ORR) |
| <i>Note: There is no granular local data on bus waiting times so we have been unable to include these in the analysis.</i> | | |

Below we explore the performance of LBNs on these metrics and related indicators around public transport and access to key services.

Key findings

People living in LBNs are more likely to be dependent on private transport to access employment, with two-thirds of employees traveling to work by motor vehicle, compared with 58.8% in other deprived areas and 62.9% in England as a whole. By contrast, a lower proportion of people travel to work by public transport (15.8%) than across other deprived areas (18.7%) and England (16.9%).

LBNs record longer travel times on average by public transport to access all identified key services than across other similarly deprived areas.

Public transport travel times in LBNs are broadly in line with the national average (which is surprising when considering that a notably lower proportion of LBNs are located in rural areas where public transport provision is less widespread - 4.6%, compared with 17% across England as a whole).

There are considerable barriers to accessing employment by public transport in LBNs with fewer than half as many jobs available within 1 hour travel time by public transport in LBNs than the average across other deprived areas and England as a whole.

217 of the 225 LBNs (95.6%) have fewer job opportunities within 1 hour travel time by public transport than the national average. This is linked to a combination of a lack of available jobs in the local area (the recorded jobs density in LBNs – 51.9 jobs per 100 working age adults, is considerably below the average across other deprived areas: 79.2 and England: 76.4) and a lack of public transport provision.

This is compounded by relatively low car ownership levels - 39.7% of households in LBNs have no car, higher than across England as a whole 25.8%.

However, people in LA-LBNs are also less likely to use trains with 32,480 passenger interchanges at LA-LBN stations per 1,000 people, below the rate in LA-other deprived areas (47,202) and across England as a whole (38,346). This is likely to be linked to a combination of factors including a lack of rail provision, lack of economic activity leading to lower demand and lower incomes leading to fewer residents being able to afford train travel.

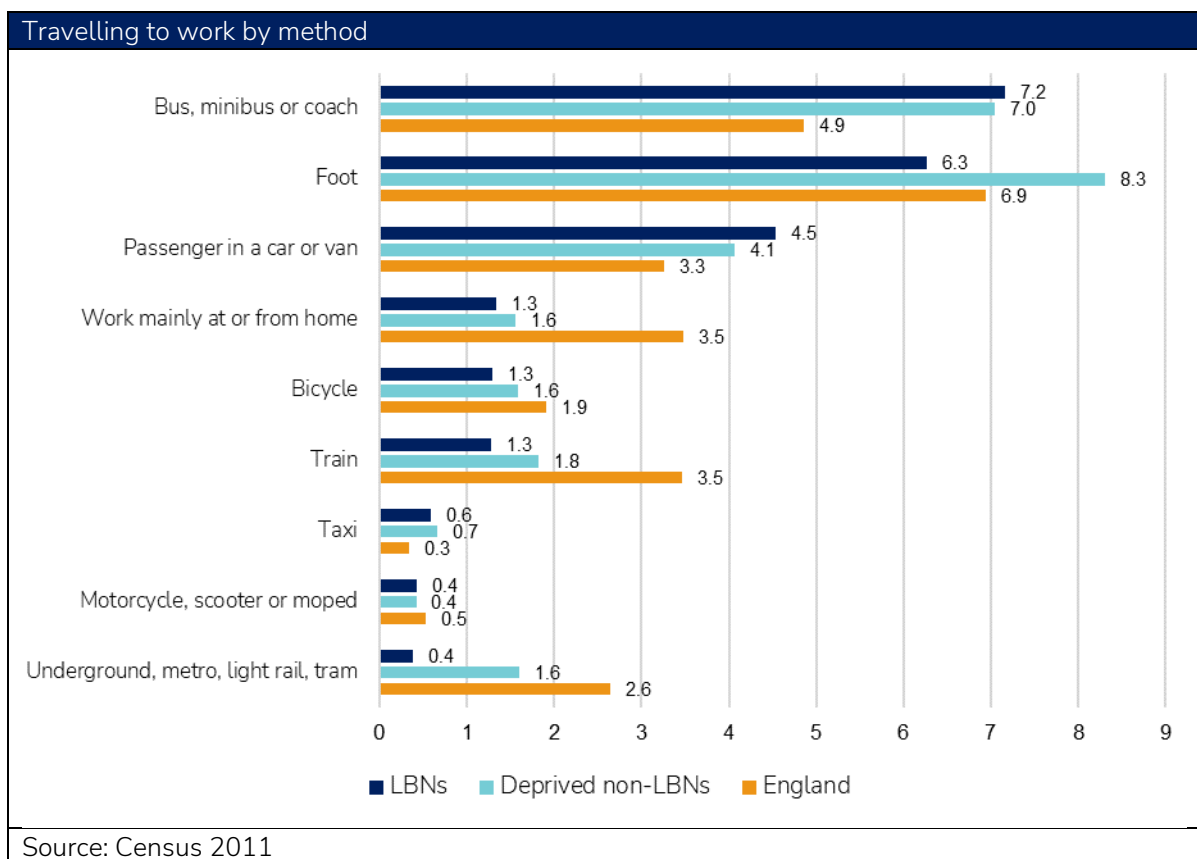
There are some clear variations within LBNs with widespread evidence of poor public transport provision in rural areas and smaller towns.

- Areas of County Durham have particularly long travel times to areas of employment by public transport which is likely to be linked to low levels of commuting by public transport in these areas.
- LBNs in Tendring and coastal Cumbria have been identified as having some of the poorest levels of access to job opportunities.
- Brookside in Telford has the fewest job opportunities within one hour travel time by public transport.
- Other areas in small towns across the East coast from Kent to Lincolnshire feature prominently among the areas with the fewest average number of jobs within one hour travel time by public transport.

Usual method of travel to work by region of workplace

The chart below explores the principal method of travel to work across LBNs and their comparators (as a proportion of all people in employment).

People living in LBNs are more likely to be dependent on private transport to access employment, with two-thirds of employees traveling to work by motor vehicle, compared with 58.8% in other deprived areas and 62.9% in England as a whole. By contrast, a lower proportion of people travel to work by public transport (15.8%) than across other deprived areas (18.7%) and England (16.9%). This is likely to reflect the relatively poor public transport provision in LBNs (see below).



The table below shows the LBNs with the highest proportion of people travelling to work by private transport. Five of the 10 areas are located in County Durham, indicating the relatively poor public transport provision in this area.

| LBN | Local Authority | Proportion of employees traveling to work by car or other motorised vehicle |
|--------------------------|---------------------------|---|
| Shotton and South Hetton | County Durham | 81.5 |
| Trimdon and Thornley | County Durham | 81.4 |
| Blackhalls | County Durham | 81.3 |
| Easington | County Durham | 80.0 |
| Meir South | Stoke-on-Trent | 79.1 |
| Choppington | Northumberland | 78.8 |
| Greenhill | North West Leicestershire | 78.3 |
| Irwell | Rossendale | 77.9 |
| Ferryhill | County Durham | 77.9 |
| Camp Hill | Nuneaton and Bedworth | 77.4 |

Other than by driving a car or van, the main method of transport to work in LBNs is by bus, minibus or coach where a higher proportion of people use this method to get to work than in other deprived areas or England, at 7.2% compared to 7% in deprived non-LBNs and 4.9% in England.

Despite this, 183 of the 225 LBNs have a lower proportion of people traveling to work by public transport than the national average. The table below shows the 20 LBNs with the lowest proportion of people travelling to work by public transport. There are clear geographic patterns, with three of the five areas with the lowest proportion of people traveling by public transport located in Wisbech (in

Fenland) – one of the largest towns in the UK with no railway station. A further seven were located in County Durham, three in Tendring and five in the East Midlands.

| LBN | Local Authority | % traveling to work by public transport |
|--------------------------|---------------------------|---|
| Staithe | Fenland | 1.3 |
| Gainsborough East | West Lindsey | 1.4 |
| Waterlees Village | Fenland | 1.6 |
| Sheppey East | Swale | 1.8 |
| Clarkson | Fenland | 2.4 |
| Horden | County Durham | 2.6 |
| Fenside | Boston | 2.9 |
| Easington | County Durham | 2.9 |
| Rush Green | Tendring | 2.9 |
| St Marys | Tendring | 2.9 |
| Peterlee West | County Durham | 3.0 |
| Avondale Grange | Kettering | 3.0 |
| Peterlee East | County Durham | 3.1 |
| Blackhalls | County Durham | 3.1 |
| Shotton and South Hetton | County Durham | 3.1 |
| Queensway | Wellingborough | 3.2 |
| Crewe St Barnabas | Cheshire East | 3.3 |
| Woodhouse Close | County Durham | 3.4 |
| Greenhill | North West Leicestershire | 3.4 |
| St Osyth and Point Clear | Tendring | 3.6 |

Average travel time in minutes to reach nearest large employment centre (500 + employees)

The table below shows the average travel time in minutes to the nearest employment centre by method of transport in LBNs and comparator areas.

| Average travel time to the nearest employment centre (mins) | LBN | Deprived non-LBN | England |
|---|-----|------------------|---------|
| Employment centre with 500+ jobs: By Car | 6 | 5 | 6 |
| Employment centre with 500+ jobs: By Cycle | 7 | 6 | 10 |
| Employment centre with 500+ jobs: By Public transport/walking | 9 | 8 | 9 |
| Employment centre with 5,000+ jobs: By Public transport/walking | 15 | 12 | 16 |
| Source: Office for National Statistics (ONS) 2019 | | | |

On average, people living in LBNs have slightly longer travel times to employment centres by all modes of transport than across other deprived areas (most notably for larger employment centres with more than 5,000 jobs). This is likely to reflect their location in more peripheral areas away from the centre of larger cities and towns.

Average journey times to employment centres by motorised transport in LBNs are broadly in line with the national average. This is somewhat surprising as a higher proportion of LBNs are located in urban

areas (where crows flies distances to areas of employment are shorter), with 4.6% of people in LBNs living in rural areas, compared with 17% of people across England as a whole.

There is also considerable variation across LBNs. The table below presents the ten LBNs with the longest travel times to an employment centre (defined as a neighbourhood with more than 500 jobs).

80 out of 225 LBNs (35.6%) have longer travel times to an employment centre (more than 500 jobs) by walking or public transport than the England average (9 minutes). There are some clear geographic patterns, with LBNs in smaller communities including coastal areas and former industrial towns in the North of England featuring prominently.

| LBN | Local Authority | Travel time (minutes) to an Employment centre (with more than 500 jobs) |
|--------------------------|----------------------|---|
| St Osyth and Point Clear | Tendring | 29 |
| Sheppey East | Swale | 19 |
| Walton | Tendring | 18 |
| Blackhalls | County Durham | 17 |
| Coundon | County Durham | 17 |
| Eston | Redcar and Cleveland | 16 |
| Golf Green | Tendring | 16 |
| Trimdon and Thornley | County Durham | 16 |
| Sandwith | Copeland | 15 |
| Craghead and South Moor | County Durham | 15 |

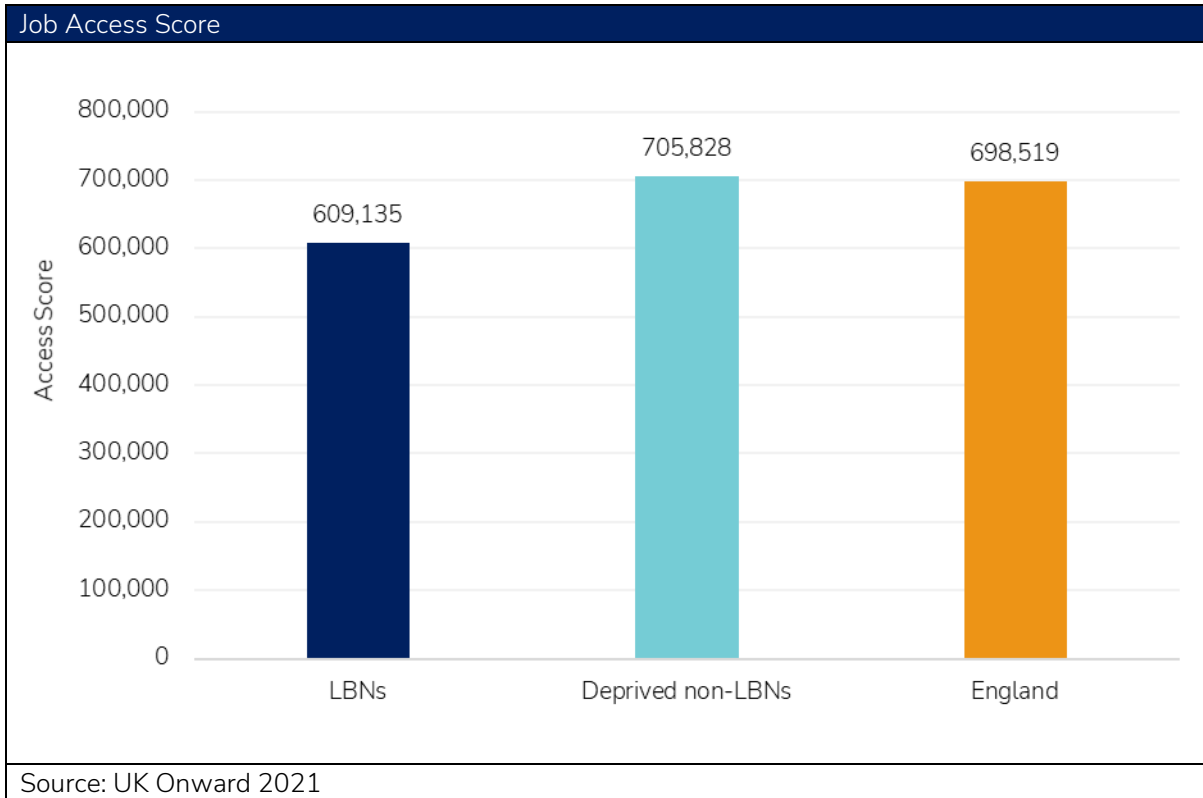
Source: Department for Transport (DfT) 2019

Jobs Access Score

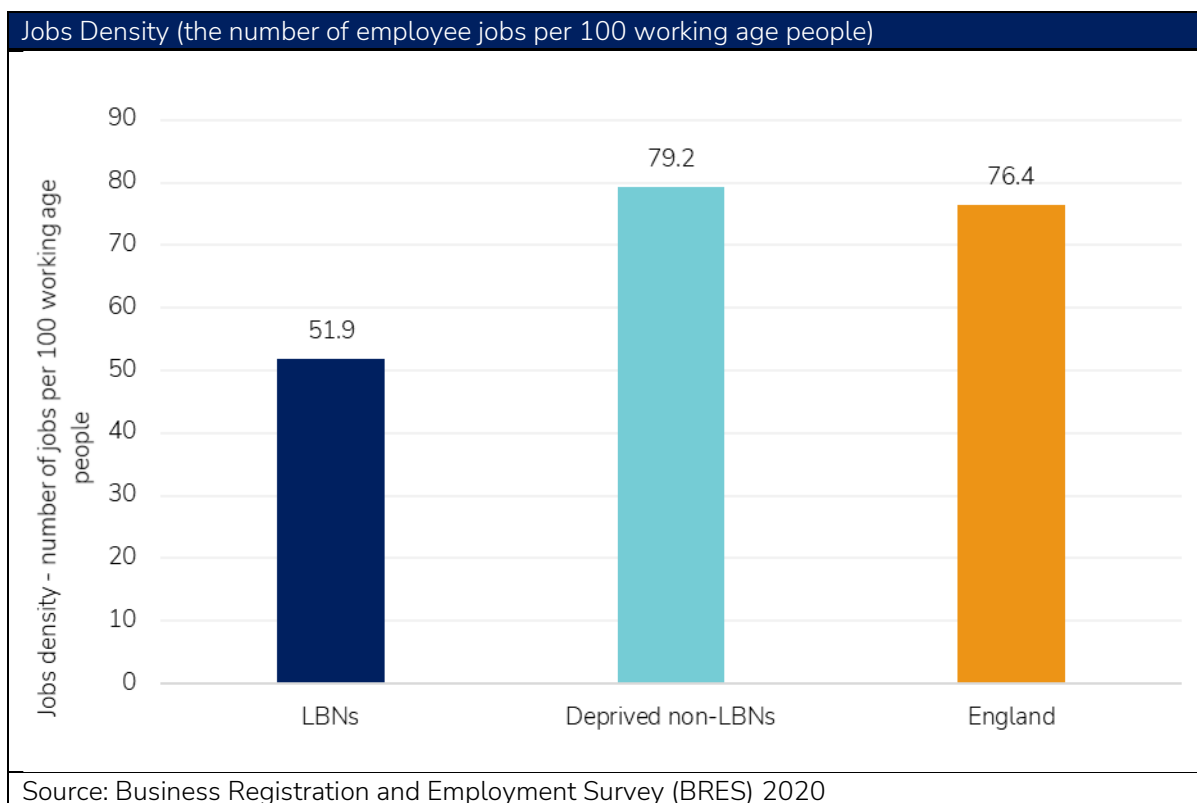
The public transport journey time to employment centre statistics (above) provide an important picture of public transport accessibility. However, because all areas above 500 jobs are included, this measure treats very different sized labour markets the same i.e. it does not take into account the number of jobs available within the specified journey time.

In order to incorporate the size of the labour market in measuring access to jobs, a new *Jobs Access* indicator has been developed, capturing the reachable number of jobs and distance with 15 minutes, 30 minutes, 60 minutes and 90 minutes by both driving and public transport. The data incorporates a “door-to-workplace” measure, including every journey stage from time spent walking to the car, driving, to parking and walking to an office - as well as average delays, timetabling and actual journey time on public transport.

These measures have been combined into an overall *Jobs Access* score, the weighted average job count, combining driving and public transport. The chart below compares the jobs access score across LBNs, deprived non-LBNs and England as a whole. A higher score indicates greater levels of job accessibility.



LBNs have notably lower access to jobs than across Deprived non-LBNs and England as a whole (despite having comparable travel times to employment centres). This suggests that while people living in LBNs can access some jobs within relatively short travel times, there are fewer jobs available than there would be in areas with stronger labour markets. This is likely to be linked to the low jobs density (jobs per working age population) in LBNs (as shown in the chart below). There are 51.9 jobs per 100 working age people in LBNs, compared with 79.2 in other deprived areas and 76.4 in England as a whole.



Two-thirds of all LBNs (149 of the 225) have a lower Jobs Access score than the national average. The table below shows the 10 areas with the lowest Jobs Access score (poorest access to employment opportunities due to transport infrastructure).

| LBN | Local Authority | Jobs Access score |
|--------------------------|-------------------|-------------------|
| Walton | Tendring | 20,685 |
| Golf Green | Tendring | 35,561 |
| Sandwith | Copeland | 46,479 |
| Barrow Island | Barrow-in-Furness | 47,152 |
| St Osyth and Point Clear | Tendring | 50,124 |
| Alton Park | Tendring | 52,468 |
| Pier | Tendring | 52,584 |
| Rush Green | Tendring | 54,712 |
| Harwich East | Tendring | 55,120 |
| Moorclose | Allerdale | 55,612 |

Source: UK Onward 2021

Seven of the 10 areas with the lowest jobs access score are located in Tendring. Tendring is on the periphery of Essex, the major travel to work area (Clacton) has relatively few jobs relative to the size of the working age populations and travel times to major employment centres are longer than across other LBNs. Three areas on the coastal fringes of Cumbria also feature in the top 10. Again, there is a relatively low jobs density across Cumbria and the region is comparatively isolated from major cities with higher concentrations of employment. Four of the five LBNs with the lowest Jobs Access score (highlighted in blue) also featured among the 10 areas with the longest travel times to an employment centre by public transport, indicating that poor public transport is also likely to be a contributing factor to the low Jobs Access score.

The table below examines the public transport components of the Jobs Access measure in more detail – showing the average number of jobs accessible by public transport within specified time periods across the LBNs and comparator areas.

| Average number of jobs available by public transport/walking | LBN | Deprived non-LBN | England |
|--|---------|------------------|-----------|
| Average jobs within 15 minutes travel time | 3,306 | 7,388 | 5,957 |
| Average jobs within 30 minutes travel time | 24,275 | 47,946 | 44,968 |
| Average jobs within 60 minutes travel time | 215,287 | 481,547 | 518,470 |
| Average jobs within 90 minutes travel time | 705,169 | 1,203,942 | 1,427,064 |
| Source: UK Onward 2021 | | | |

People living in LBNs have notably fewer job opportunities within commutable distances by public transport. The gap in available jobs widens as the travel time thresholds extend. There are fewer than half as many job opportunities within 60 minutes travel time of the LBN by public transport than across other deprived areas. This is likely to contribute towards the negative labour market outcomes observed in Mission 1, as people in LBNs need to travel longer to access job opportunities.

217 of the 225 LBNs (95.6%) have fewer job opportunities within 1 hour travel time by public transport than the national average. The table below shows the 10 LBNs with the lowest average number of jobs accessible within 1 hour travel time by public transport.

| LBN | Local Authority | Average number jobs within 60 minutes travel time by public transport |
|------------------------|--------------------|---|
| Brookside | Telford and Wrekin | 336 |
| Sheppey East | Swale | 3,872 |
| Harwich East | Tendring | 6,100 |
| Gainsborough East | West Lindsey | 9,049 |
| Walton | Tendring | 9,335 |
| Staithe | Fenland | 11,145 |
| Golf Green | Tendring | 13,615 |
| Sheerness | Swale | 14,690 |
| Fenside | Boston | 14,836 |
| Sandwith | Copeland | 15,490 |
| Source: UK Onward 2021 | | |

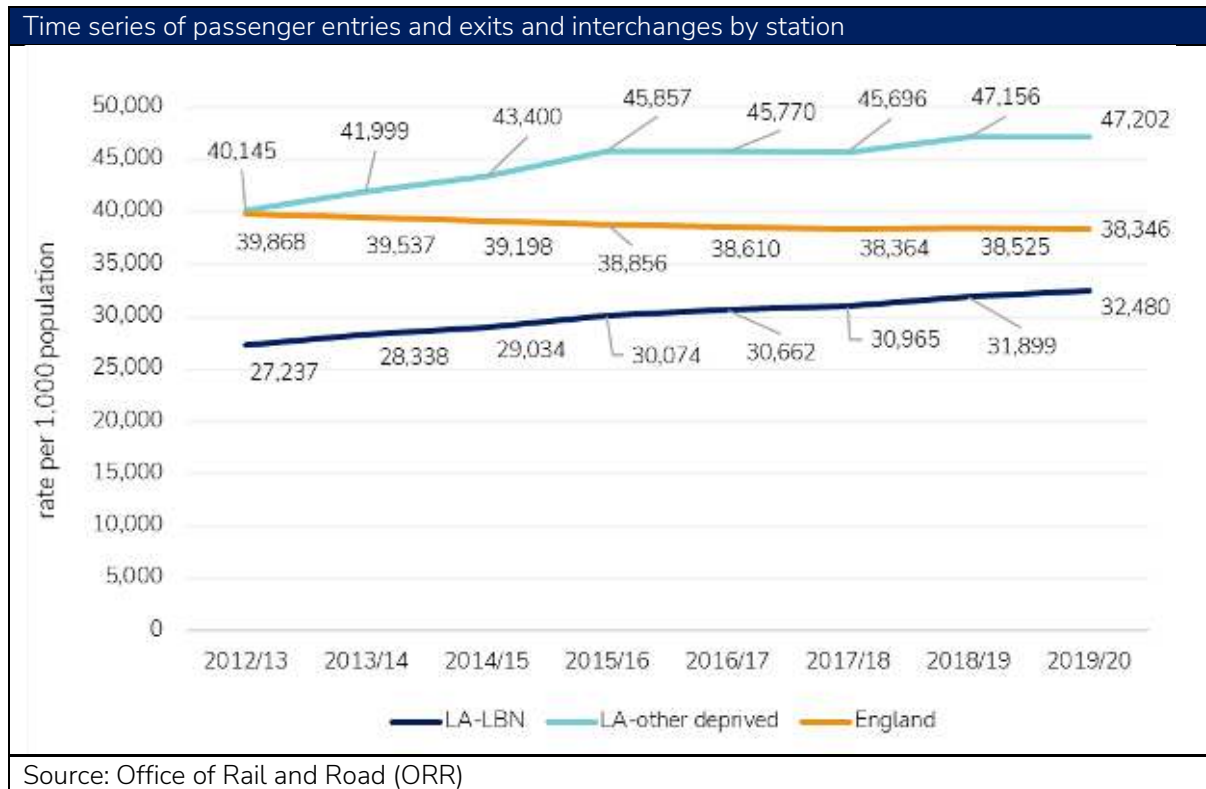
Brookside in Telford and Wrekin has a considerably lower number of available jobs available within an hour by public transport (336, compared with a national average of 518,470). This indicates considerable gaps in public transport provision in the area. Many of the other poorly performing areas are located in relatively small towns in rural or coastal areas which are a considerable distance from major settlements.

Public transport trips as a proportion of total trips per year

There is no sub-national data on total journeys by public transport, with data on bus journeys only provided down to upper tier Local Authority level. However, it is possible to look at the extent to which people are using train services in each area. It is important to note that this data is based on the location of train interchanges (entries and exits to a station) rather than on place of residence.

The chart below shows annual estimates of the number of entries/exits and interchanges at each station in Great Britain in LA-LBNs, LA-other deprived areas and England. These estimates are based primarily on ticket sales.

It shows that LA-LBNs had considerably fewer passenger interchanges at stations per 1,000 population than across LA-other deprived areas and England. In 2019/20 there were 32,480 interchanges at LA-LBN stations per 1,000 people, below the rate in LA-other deprived areas (47,202) and across England as a whole (38,346). This mirrors the data above showing the lower average use of trains as a means of transport to work in LBNs and again, could be seen as a reflection of the relatively poor public transport provision in LBNs. It also may reflect the lack of economic activity in these areas leading to fewer journeys into the areas, and lower incomes of residents who may be priced out of train travel.

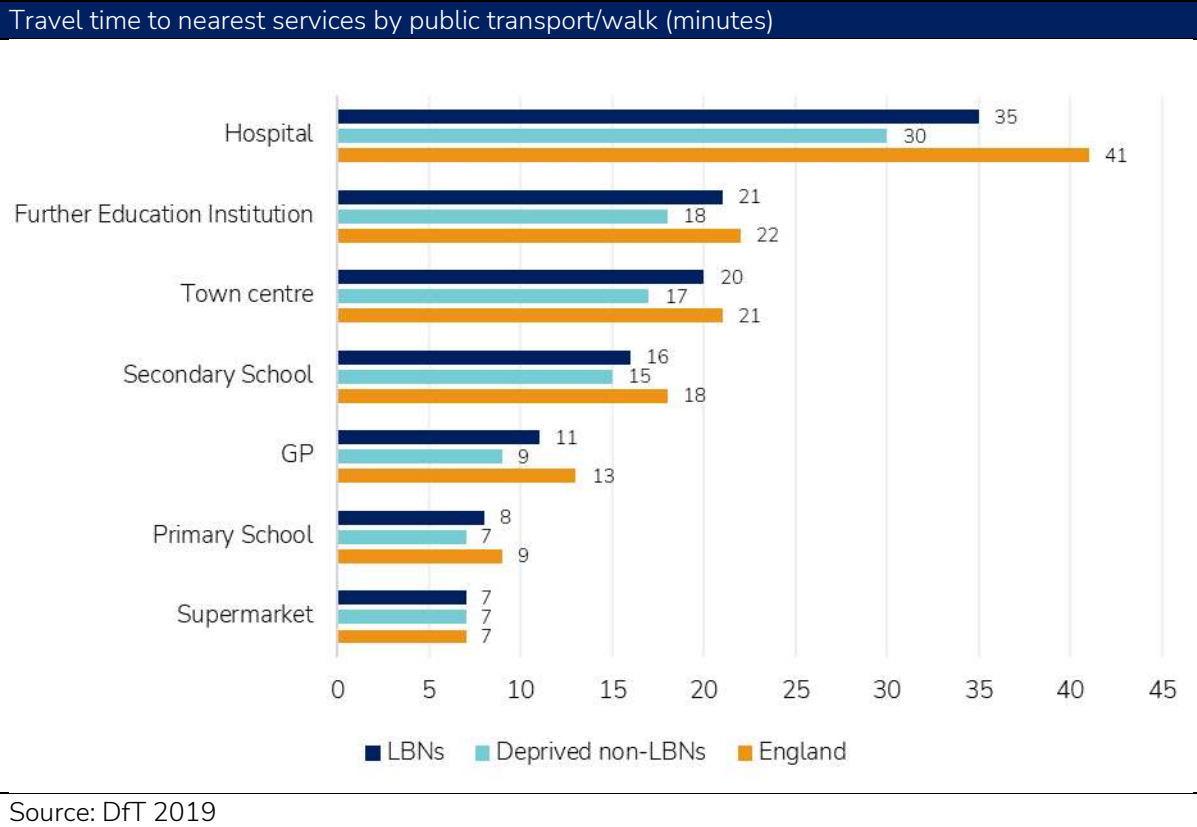


Public transport access to key services.

The chart below shows the average travel time in minutes to key services by public transport/walking in LBNs, other deprived areas and England.

The chart shows that LBNs record longer travel times on average than deprived (non-LBNs) across all identified services (apart from access to supermarkets). The difference is particularly notable for Hospitals and Further Education institutions (the two services with the longest identified travel times).

By contrast, travel times are on average lower than the national average. However, this is unsurprising as a higher proportion of LBNs are located in urban areas (95.6%) where distances to services are shorter, than the national average (83.0%). Despite the more urban character of LBNs, travel times to Further Education institutions, town centres, primary schools and supermarkets are broadly similar across LBNs and England as a whole.



Performance of LBNs on Mission 4

Mission 4: By 2030, the UK will have nationwide gigabit-capable broadband and 4G coverage, with 5G coverage for the majority of the population.

This section profiles LBNs and comparator areas in terms of performance on Mission 4 of the *Levelling Up White Paper*. Mission 4 aims to improve nationwide access to digital services, with gigabit-capable broadband and 4G coverage.

The table below lists the key indicators identified as headline and supporting metrics for Mission 4 in the *Levelling Up White Paper*

| Metric | Indicator | Source |
|----------|--|--------------------------------------|
| Headline | Percentage of premises with gigabit-capable broadband | Office for National Statistics (ONS) |
| Headline | Percentage of 4G (and 5G) coverage by at least one mobile network operator | Annual Population Survey (APS) |

Below we explore the performance of LBNs on these metrics, as well as indicators relating to wider digital exclusion.

Key findings

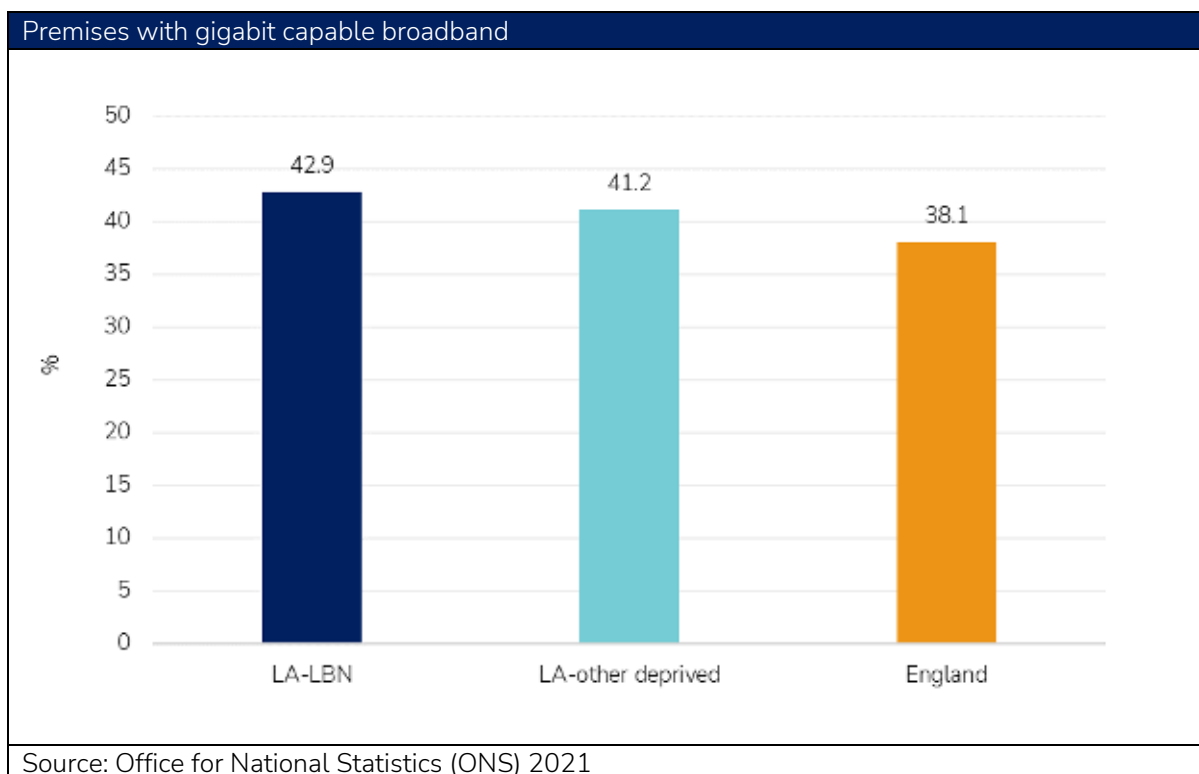
There is no strong evidence that LBNs as a whole experience poor broadband infrastructure, despite broadband speeds being a component of the connectivity domain of the Community Needs Index. Average broadband speeds are higher across LBNs, while Local Authorities containing LBNs are more likely to contain premises with gigabit capable broadband.

This is likely to be attributable to the relatively urban location of LBNs (where broadband provision and service is stronger), 95.6% of people in LBNs live in urban areas, compared with 83% across England as a whole. The LBNs with the poorest average broadband speeds are disproportionately located in smaller towns.

However, a different picture emerges when looking at *digital exclusion* as well as digital infrastructure. The Digital Exclusion Index combines information on broadband speed with additional information on internet use and digital literacy. LBNs are more likely experience digital exclusion based on this broader measure, than across other deprived areas and England as a whole, with 216 of 225 LBNs (96%) having a higher score on the Digital Exclusion Index than the England average. Areas of Tendring and Middlesbrough perform particularly poorly on this measure.

Percentage of premises with gigabit-capable broadband

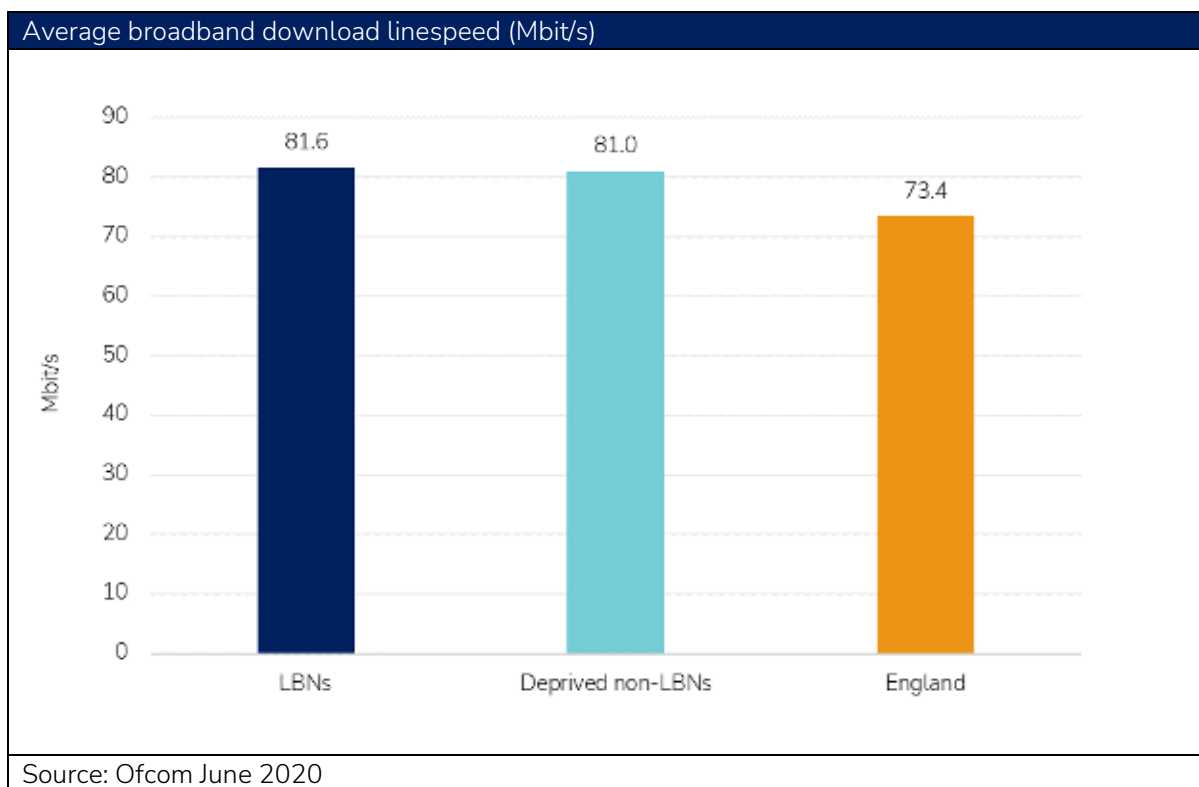
The chart below shows the percentage of premises with gigabit-capable broadband (125 megabytes (MB) or greater) in LA-LBNs, LA-other deprived areas and England.



LA-LBNs have a higher proportion of premises with gigabit-capable broadband than in comparator areas, with 42.9% of premises capable of this strength of broadband – above the average in LA-other deprived areas (41.2%) and across England as a whole (38.1%).

LBNs also show above average broadband speeds when compared to other deprived areas and England. The chart below shows the average broadband download linespeed (Mbit/s) for connections in the area.

The average broadband speed is 81.6 mbit/s in LBNs, above the average in other deprived areas (81 mbit/s) and notably above the national average (73.4 mbit/s). This is likely to be linked to the higher proportion of people in LBNs residing in urban areas (95.6%) compared with the national average (83.0%) as broadband provision is generally poorer in rural areas.



Despite this, 89 out of 225 LBNs (39.6%) have lower average broadband speeds than the England average. The table below shows the ten LBNS with the slowest average broadband speeds.

| LBN | Local Authority | Broadband speed (mbit/s) |
|--------------------------------|-----------------|--------------------------|
| Stainforth & Barnby Dun | Doncaster | 34.9 |
| Harwich East | Tendring | 35.0 |
| Sidley | Rother | 35.1 |
| St Marys | Tendring | 36.9 |
| Peterlee West | County Durham | 37.3 |
| St Osyth and Point Clear | Tendring | 37.3 |
| Cowpen | Northumberland | 37.8 |
| Meir North | Stoke-on-Trent | 37.9 |
| South Elmsall and South Kirkby | Wakefield | 38.1 |
| Moorclose | Allerdale | 38.2 |

Source: Ofcom June 2020

The areas with the slowest broadband speeds are generally located in smaller towns (highlighting the challenge of accessing strong broadband infrastructure away from major urban centres). Only one of the 10 LBNs with the lowest broadband speeds is located in a large town or city (Meir North in Stoke on Trent). The lowest broadband speeds are found in Stainforth & Barnby Dun (covering two small towns to the North East of Doncaster).

The table below shows the 10 LBNs with the highest proportion of premises with broadband speeds below the Universal Service Obligation (USO).

| LBN | Local Authority | % broadband speeds below USO |
|----------------------------|-----------------------------|------------------------------|
| Mandale and Victoria | Stockton-on-Tees | 19.9 |
| Orchard Park and Greenwood | Kingston upon Hull, City of | 18.9 |
| Kings Norton | Birmingham | 7.7 |
| St Osyth and Point Clear | Tendring | 5.6 |
| Bransholme East | Kingston upon Hull, City of | 5.0 |
| Craghead and South Moor | County Durham | 5.0 |
| Eston | Redcar and Cleveland | 4.8 |
| Shildon and Dene Valley | County Durham | 4.7 |
| Byker | Newcastle upon Tyne | 4.6 |
| Knottingley | Wakefield | 4.5 |
| Ofcom, 2019 | | |

The Universal Service Obligation (USO) is the minimum standard for decent and affordable broadband connection. Decent broadband is defined as a download speed of at least 10Mbit/s and an upload speed of at least 1Mbit/s.

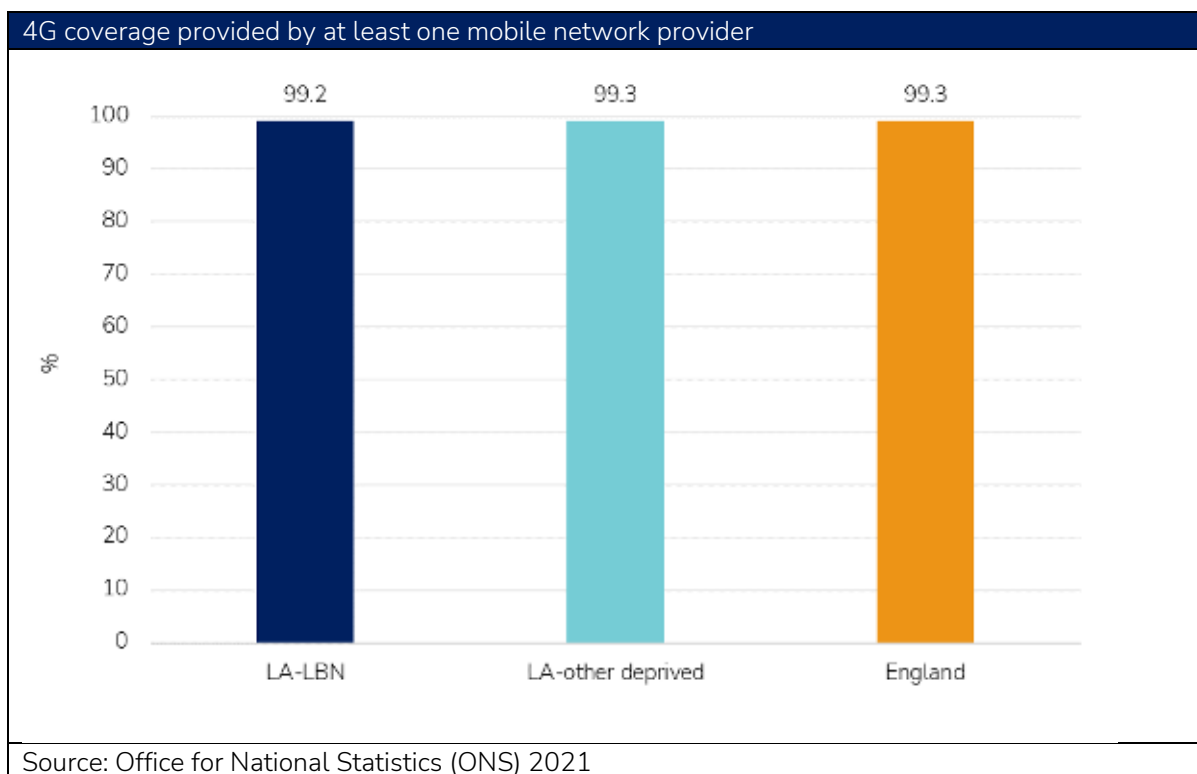
35 of 225 LBNs (15.6%) have higher rates of premises with below USO broadband speed than the national average (1.8%). Just under one-in-five premises in Orchard Park and Greenwood (Kingston upon Hull) and Mandale and Victoria (Stockton-on-Tees) have broadband speeds at below the USO, notably above the average across other LBNs and more than 10 times the national average.

Surprisingly, many of the premises with poor broadband speeds are located in large urban areas, including Birmingham and Manchester, though neighbourhoods in smaller communities such as parts of County Durham and Tendring also feature among the areas with poor broadband connectivity.

Percentage of 4G (and 5G) coverage by at least one mobile network operator

The chart below shows the percentage of geographic areas with 4G signal outdoors from at least 1 operator (signal threshold: 105dBm).

4G coverage is similar (and strong) across LA-LBN areas, LA-other deprived areas and England alike suggesting that there is no clear evidence of spatial inequalities in mobile broadband infrastructure.



Digital Exclusion

While the evidence above suggests there is no clear pattern of poorer provision of fixed or mobile broadband in LBNs, a different picture emerges when looking at digital activity, literacy and exclusion.

The Digital Exclusion Index combines information on broadband speed, buying online, managing current accounts online, mobile phone ownership, internet usage and people agreeing with the statement "computers confuse me, I will never get used to them". A higher rank on this measure indicates a greater risk of digital exclusion. The table below shows the average rank on the Digital Exclusion Index in LBNs, other deprived areas and England.

| | LBNs | Deprived non-LBNs | England |
|------------------------------|--------|-------------------|---------|
| Digital Exclusion Index rank | 33,049 | 29,304 | 19,682 |

LBNs have an average rank of 33,049 on the Digital Exclusion Index, considerably above the England average of 19,682. This suggests that people living in LBNs are more likely to experience digital exclusion in terms of the use of online and digital services.

In total, 216 of 225 LBNs (96%) have a higher score on the Digital Exclusion Index than the England average (3.0). The table below shows the 10 LBNs with the highest Digital Exclusion Index rank.

| LBN | Local Authority | Digital Exclusion Risk Index Rank |
|---------------------------|-----------------------------|-----------------------------------|
| Abbey Hulton and Townsend | Stoke-on-Trent | 41,636 |
| Gorse Hill | Worcester | 41,621 |
| Bransholme West | Kingston upon Hull, City of | 41,594 |
| Bentilee and Ubberley | Stoke-on-Trent | 41,541 |

| | | |
|-----------------------|---------------------|--------|
| Shirebrook North West | Bolsover | 41,222 |
| Meir North | Stoke-on-Trent | 41,187 |
| East Park | Wolverhampton | 41,068 |
| Redhill | Sunderland | 40,916 |
| Sandhill | Sunderland | 40,780 |
| Walker | Newcastle upon Tyne | 40,720 |

Three of the 10 LBNs with the highest Digital Exclusion Index Ranks are located in Stoke-on-Trent, with the highest needs in Abbey Hulton and Townsend. Two areas of Sunderland are also found in the top 10. Surprisingly, none of the areas with the highest needs on the Digital Exclusion Index were ranked among the 10 LBNs with the highest proportion of postcodes with broadband speeds below Universal Service Obligation and only one area (Meir North) was ranked among the top 10 LBNs with the lowest average broadband speeds.

Appendix: Indicator metadata

| Indicator | Description | Source and Date |
|---|---|---|
| Gross Value Added (GVA) per head | Shows Gross Value Added (GVA) per head. GVA is a workplace measure of economic output. The publishing of experimental gross value added (GVA) data at sub-regional level is one of the initiatives by ONS seeking to disaggregate National Statistics to local level. The experimental statistics are based on modelling and apportionment and are in current prices. For more information and links to the raw data please see: https://www.ons.gov.uk/economy/grossvalueadded/gva/articles/disaggregatingannualsubnationalgrossvalueaddedgvatolowerlevelsofgeography/latest Rate calculated as = (£ Gross Value Added (GVA in millions))/(Total population)*1000000 | Office for National Statistics (ONS) 2019 |
| Gross Value Added per hour worked | Shows the Gross Value Added per hour worked (£). This is a measure of business productivity (estimate of the volume of goods and services produced) in £ per hour worked. | Office for National Statistics (ONS) 2019 |
| Gross median weekly pay | Shows the average gross (median) weekly pay, based on where people live. | Office for National Statistics (ONS) 2021 |
| Gross median weekly pay by place of work | Shows the gross median weekly pay, based on place of work. | Office for National Statistics (ONS) 2021 |
| Employment rate for 16 to 64 year olds | Shows the employment rate for 16-64 year olds. | Office for National Statistics (ONS) 2020 |
| Unemployment benefit (JSA and Universal Credit) | Shows the proportion of people receiving benefits payable to people who are unemployed receiving either Jobseekers Allowance (JSA) or Universal Credit for those who are out of work. This has replaced the number of people claiming Jobseeker's Allowance as the headline indicator of the number of people claiming benefits principally for the reason of being unemployed and is sometimes referred to as the monthly claimant count. JSA is payable to people under pensionable age who are out of work and available for, and actively seeking, work of at least 40 hours a week. Please note, there are differences in conditionality rules and eligibility criteria between Universal Credit and Jobseeker's Allowance. The phased roll-out of Universal Credit across the country, means that these differences in eligibility and conditionality affect geographical places differentially depending on how advanced the roll out is in that area. Until Universal Credit is fully rolled out, it is not possible to get a consistent measure of unemployment benefit claimant rate. Furthermore, the Universal | Department for Work and Pensions (DWP) March 2022 |

| | | |
|---|--|---|
| | <p>Credit 'searching for work' conditionality group includes some individuals who would not have been previously eligible for Jobseeker's Allowance under the old benefits system e.g. those with work limiting illness awaiting a Work Capability Assessment - see https://www.gov.uk/government/consultations/proposals-for-a-new-statistical-series-to-count-unemployed-claimants for more details.</p> | |
| Claiming out of work benefits (Benefit Combinations) | <p>Shows the total benefit combinations for individuals that claim Out of Work benefits. This indicator is part of a temporary measure and is experimental in format. Out of work benefits are defined as being on at least one of the following benefits: Jobseekers Allowance (JSA), Employment and Support Allowance (ESA), Incapacity Benefit (IB), Severe Disablement Allowance (SDA), Income Support (IS) where Carers Allowance (CA) not also in payment, Pension Credit (PC) where Carers Allowance (CA) and Universal Credit (UC) conditionality regime is one of Searching for Work, Preparing for Work or Planning for Work. The categories of this field are mutually exclusive and therefore can be summed without double counting. Claimants may or may not be additionally in receipt of other benefits not listed here. Rate calculated as = (Benefit Combinations (Out of Work)/(Total population aged 16-64)*100</p> | <p>Department for Work and Pensions (DWP) August 2021</p> |
| Employment rate | <p>Shows the proportion of people who are economically active and in employment (including full-time, part-time and self employment). Figures are self-reported and taken from Census 2011.</p> | <p>Census 2011</p> |
| Net annual household income estimate after housing costs | <p>Shows the average annual household income estimate (equivalised to take into account variations in household size) after housing costs are taken into account. These figures are model-based estimates, taking the regional figures from the Family Resources Survey and modelling down to neighbourhood level based on characteristics of the neighbourhood obtained from census and administrative statistics.</p> | <p>Office for National Statistics (ONS) 2017/2018</p> |
| Net annual household income estimate before housing costs | <p>Shows the average annual household income estimate (equivalised to take into account variations in household size) before housing costs are taken into account. These figures are model-based estimates, taking the regional figures from the Family Resources Survey and modelling down to neighbourhood level based on characteristics of the neighbourhood obtained from census and administrative statistics.</p> | <p>Office for National Statistics (ONS) 2017/2018</p> |

| | | |
|--|---|---|
| Net annual household income estimate | Shows the average annual household income estimate (unequalised). These figures are model-based estimates, taking the regional figures from the Family Resources Survey and modelling down to neighbourhood level based on characteristics of the neighbourhood obtained from census and administrative statistics. | Office for National Statistics (ONS) 2017/2018 |
| Total annual household income estimate | Shows the average total annual household income estimate (unequalised). These figures are model-based estimates, taking the regional figures from the Family Resources Survey and modelling down to neighbourhood level based on characteristics of the neighbourhood obtained from census and administrative statistics. | Office for National Statistics (ONS) 2017/2018 |
| Percentage of employee jobs earning below Living Wage Foundation rates | Shows the proportion of employee jobs that are paid below the Living Wage Foundation rate in LA-LBNs and comparators. In 2020 this living wage was defined as £10.75 per hour within London and £9.30 per hour outside of London. This can be used as a measure of the proportion of jobs within an area that are considered to be low paid, based on the standard that all jobs should pay what is considered to be a living wage. | Office for National Statistics (ONS) 2020 |
| Jobs by sector | Shows the proportion of all employee jobs by sector. Data is taken from the Business Register and Employment Survey (BRES) of approximately 80,000 businesses and weighted to represent all sectors of the UK economy. The BRES definition of an employee is anyone working on the BRES reference date who is aged 16 years or over that the contributor directly pays from its payroll(s), in return for carrying out a full-time or part-time job or being on a training scheme. Figures are broken down by broad industry group, with industry groups classified to the 2007 revision to the Standard Industrial Classification (SIC). | Business Register and Employment Survey (BRES) 2020 |
| Industry of employment sector for people resident | Shows the proportion of people in employment aged 16-74 by sector. The main industrial sector they are working in is taken from responses to the occupation questions in the 2011 Census. | Census 2011 |
| Percentage of population aged 16-64 who are economically active | Shows the proportion of the population aged 16-64 who are economically active, based on data from the Annual Population Survey published at Local Authority level | Office for National Statistics (ONS) 2021 |
| Percentage of population aged 16-64 who are economically inactive | Shows the proportion of the population aged 16-64 who are economically inactive, based on data from the Annual Population Survey published at Local Authority level | Office for National Statistics (ONS) 2021 |

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| People aged 16-74 who are economically active | | |
| Economically active | Shows the proportion of adults aged 16-74 who are economically active. Economic activity relates to whether or not a person was working or looking for work in the week before Census. The concept of Economic Activity is compatible with the International Labour Organisation (ILO) definition of economic status. Figures are based on responses to the 2011 Census economic activity questions. | Census 2011 |
| Disability employment gap | This disability employment gap is the difference between the percentage of disabled and non-disabled people in employment. | Department for Work and Pensions (DWP) 2017 to 2019 |
| Universal Credit claimants - Conditionality Regime: No work requirements | Shows the proportion of people receiving Universal Credit who are not expected to work at present. Health or caring responsibility prevents claimant from working or preparing for work. Conditionality means work-related things an eligible adult will have to do in order to get full entitlement to Universal Credit. Each eligible adult will fall into one of six conditionality regimes based on their capability and circumstances. Different members of a household can be subject to the same or different requirements. As circumstances change claimants will also transition between different levels of conditionality. Rate calculated as = (Universal Credit claimants with no work requirements)/(Total population aged 16-64)*100. | Department for Work and Pensions (DWP) March 2022 |
| Children 0-19 in relative low-income out of work families (as % of all children) | Shows the proportion of children in relative low income families who are out-of-work. Relative low income is defined as a family in low income Before Housing Costs (BHC) in the reference year. A family must have claimed one or more of Universal Credit, Tax Credits or Housing Benefit at any point in the year to be classed as low income in these statistics. Children are dependent individuals aged under 16; or aged 16 to 19 in full-time non-advanced education. A family is defined as in-work if they have an accumulated period of at least 26 weeks paid employment or self-employment within the 52-week tax year. These new statistics complement and should be viewed as a companion release to the Households Below Average Income (HBAI) survey on children in low income households which provides National and Regional estimates but not local area estimates. These local area statistics are calibrated to, and thus match, the 3-year average HBAI survey estimates at Region and Country level for Great Britain. This is the first release of these | Department for Work and Pensions (DWP) 2020/2021 |

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| | <p>statistics which have replaced DWPs Children in out-of-work benefit households and HMRCs Personal Tax Credits: Children in low income families local measure. Rate calculated as = (Children in relative low-income out of work families)/(Total children aged 0-19)*100. See here for more information: https://www.gov.uk/government/collections/children-in-low-income-families-local-area-statistics#release</p> | |
| Proportion in employment working in skilled occupations (SOC 1-3, 5) | <p>Shows the proportion of people working in the following occupation groups (SOC 1-3, 5):</p> <ul style="list-style-type: none"> • Managers, directors and senior officials • Professional occupations • Associate professional and technical occupations • Skilled trades occupations. | Census 2011 |
| Research and Development (R&D) expenditure | Shows estimates of Research and Development (R&D) expenditure in the UK by country, with breakdowns by business enterprise, higher education, government, UK Research and Innovation, and private non-profit organisations in each region for 2019 | ONS 2019 |
| R&D tax credit claims by industry sector | Shows the proportion of R&D tax credit claims by industry sector. R&D tax credits are a government incentive designed to reward UK companies for investing in innovation. | HMRC R&D tax credit claims – 2021 |
| Businesses that are 'Innovation active' | <p>Shows the proportion of businesses that are 'innovation active' by NUTS2 Region. A business is identified as 'innovation active' when it engages in one of the following activities:</p> <ol style="list-style-type: none"> a. The introduction of a new or significantly improved product (good or service) or process; b. Engagement in innovation projects not yet complete, scaled back, or abandoned; c. New and significantly improved forms of organisation, business structures or practices, and marketing concepts or strategies. | UK Innovation Survey 2019, Department for Business, Energy & Industrial Strategy |
| Inward and outward foreign direct investment by ITL2 area | Compares total net earnings from inward and outward foreign direct investment by ITL2 area | Office for National Statistics 2019 |

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| VAT based local units in the private sector | Shows the number of private sector VAT based local business units per 10,000 working age population. Local business units a business enterprise or part of a business enterprise (e.g. a workshop, factory, warehouse, office, mine or depot) situated in a geographically identified place (e.g. where the business is located rather than the legal head office). The count of VAT registered local business units taken from the Inter-Departmental Business Register (IDBR). The IDBR, which is the comprehensive list of UK businesses that is used by government for statistical purposes is fully compliant with the European Union of Regulation on Harmonisation of Business Registers for Statistical purposes. It provides the main sampling frame for surveys of businesses carried out by the ONS and by other government departments. It is also a key data source for analyses of business activity. Rate calculated as = (Private sector business units)/(Population aged 16-64)*10000 | ONS 2021 |
| Travel to work by method | Shows the proportion of people travelling to work by method as a % the usual resident population aged 16-74. Responses are taken from the Census 2011 means of travel to work question. The means of travel to work is that used for the longest part, by distance, of the usual journey to work. | Census 2011 |
| Average travel time to the nearest employment centre (mins) | Average travel time to the nearest employment centre (mins) by method of transport | Office for National Statistics (ONS) 2019 |
| Travel time to key services | Travel times in minutes to key services by public transport/walking and cycling. These statistics are derived from the analysis of spatial data on public transport timetables; road, cycle and footpath networks; population and key local services. The data shows the average minimum travel time - the shortest travel time by walking and public transport, averaged over the LSOA. Where the shortest journey is by public transport, an average of five minutes is added to allow for a margin for catching the service, but if a quicker walking journey is available, this will be used with nothing added. | Department for Transport (DfT) 2019 |
| Job access score | Shows the overall Job access score. This measure of connectivity developed by UK Onward includes the number of jobs accessible by car and public transport from every local area (LSOA) in the country across different time horizons. It incorporates TravelTime API, and the metric provides the reachable number of jobs and distance with 15 minutes, 30 minutes, 60 minutes and 90 | UK Onward 2021 |

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| | <p>minutes by both driving and public transport across Great Britain for each LSOA (in England and Wales) or Data Zone (in Scotland). The data incorporates a “door-to-workplace” measure, including every journey stage from time spent walking to the car, driving, to parking and walking to an office - as well as average delays, timetabling and actual journey time on public transport. These measures have been combined into an overall Jobs access score, the weighted average job count, combining driving and public transport. A higher score indicates greater levels of job accessibility. For more information and a link to the research paper please see here: https://www.ukonward.com/reports/network-effects/</p> | |
| Jobs density | <p>Shows the number of jobs located in the local area as a percentage of the working age population in that area. Data is taken from the Business Register and Employment Survey (BRES) of approximately 80,000 businesses and weighted to represent all sectors of the UK economy. The BRES definition of an employee is anyone working on the BRES reference date who is aged 16 years or over that the contributor directly pays from its payroll(s), in return for carrying out a full-time or part-time job or being on a training scheme. Rate calculated as = (Total employment)/(Population aged 16-64)*100</p> | Business Register and Employment Survey (BRES) 2020 |
| Time series of passenger entries and exits and interchanges by station | <p>Shows annual estimates of the number of entries/exits and interchanges at each station in Great Britain. These estimates are based primarily on ticket sales.</p> | Office of Rail and Road (ORR) 2019/2020 |
| Premises with gigabit capable broadband | <p>Shows the percentage of premises with 125 megabytes (MB) or greater.</p> | Office for National Statistics (ONS) 2021 |
| Average broadband download linespeed (Mbit/s) | <p>Shows the average broadband download linespeed (Mbit/s) for connections in the area.</p> | Ofcom June 2020 |
| Broadband speeds below USO | <p>Shows the percentage of premises that do not have access to download speeds at or above 10Mbit/s and upload speeds at or above 1Mbit/s including non-matched records and zero predicted speeds). The Universal Service Obligation (USO) is set to improve broadband availability by giving homes and businesses the legal right to request a decent and affordable broadband connection. Decent broadband is defined as a download speed of at least 10Mbit/s and an upload speed of at least 1Mbit/s. People who do not have access to a decent service will be able to request one under the USO.</p> | Ofcom 2019 |

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| 4G coverage provided by at least one mobile network provider | Shows the percentage of geographic areas with 4G signal outdoors from at least 1 operator (signal threshold: 105dBm). | Office for National Statistics (ONS) 2021 |
| Digital exclusion index rank | The Digital exclusion index is derived from postcode-level data provided by CACI combining information on Broadband speed, Buying online, Managing current accounts online, Mobile phone ownership, Internet usage and People agreeing with the statement "computers confuse me, I will never get used to them". Each indicator is scored between 0 and 1, with higher values meaning greater digital exclusion (e.g. less likely to own a mobile or more likely to have slower broadband). Data is presented as an average LSOA rank across the UK, where a higher value indicates higher digital exclusion (ranked between 1 and 42,616). | CACI via British Red Cross 2020 |