

Report to: Cabinet



Date of Meeting 10th October 2023

Document classification: Part A Public Document

Exemption applied: None

Review date for release N/A

East Devon – Local Economic Review

Report summary:

The purpose of this report is to present the main findings of the Local Economic Review (LER) recently completed by the Economic Development team (see Appendix A) and to highlight the core issues and challenges facing our district economy as evidenced from the most up to date Census and ONS data.

Endorsement of the work is sought alongside approval for its use in informing both the emerging Council Plan and in the development of a new Economic Development Strategy for East Devon.

Is the proposed decision in accordance with:

Budget Yes ☒ No ☐

Policy Framework Yes ☒ No ☐

Recommendations:

That Cabinet;

- endorse this report and the detailed Local Economic Review which underpins it.
- approve the use of this Local Economic Review and the most up to date statistical evidence it comprises to inform the development of the emerging Council Plan.
- endorse the development of a new Economic Development Strategy for East Devon that will directly engage the core challenges highlighted by the Local Economic Review.

Reason for recommendation:

To ensure that the Council is informed, and so able to act upon, the most reliable, transparent and up to date local economic evidence. This data can then inform the emerging Council Plan in identifying local economic and employment priorities, as well as providing baseline evidence for the development of a robust Economic Development Strategy to deliver on our new Council Plan aims.

Officer: Dr Robert Murray, Economic Development Manager, tel 01395 517514

rmurray@eastdevon.gov.uk

Portfolio(s) (check which apply):

- ☒ Climate Action and Emergency Response
- ☐ Coast, Country and Environment
- ☐ Council and Corporate Co-ordination
- ☐ Communications and Democracy
- ☒ Economy
- ☐ Finance and Assets
- ☐ Strategic Planning

- ☒ Sustainable Homes and Communities
- ☒ Culture, Leisure, Sport and Tourism

Equalities impact Low Impact. No equality implications or adverse impacts on people with protected characteristics.

Climate change Medium Impact. The LER data (ONS) shows East Devon's higher levels of out-commuting is a significant contributor to our high emissions. The report highlights the need to prioritise decarbonisation and reduce travel to work times through strengthening local employment and associated land provision. This will improve our job density alongside supporting the wider transition to a low carbon economy.

Risk: Low Risk; This report highlights the key trends impacting the district's economic and employment trajectory. Core challenges are highlighted with no significant risks associated with the report recommendations, only with a failure to act upon the evidence.

Links to background information

Census 2021 data ONS page: [Census - Office for National Statistics \(ons.gov.uk\)](https://ons.gov.uk).

For information about a single Census topic, see [topic summaries](#) page on Nomis.

ONS data on economic activity and employment: [Employment and labour market - Office for National Statistics \(ons.gov.uk\)](https://ons.gov.uk).

Nomis data on claimant counts: [Claimant Count - Official Census and Labour Market Statistics \(nomisweb.co.uk\)](https://nomisweb.co.uk).

Most LER data (including all Census data) can be located via this [search function](#).

Greater Exeter Economic Development Needs Assessment ([JLL, Nov. 2022](#)).

LG Inform Local Government data: [Explore data | LG Inform \(local.gov.uk\)](https://local.gov.uk)

Link to [Council Plan](#)

Priorities (check which apply)

- ☒ Better homes and communities for all
 - ☒ A greener East Devon
 - ☒ A resilient economy
-

1 Background

1.1 Since early 2020, Local Authorities have sensibly steered clear of seeking to establish baseline assessments from headline economic indicators. However, as local economies emerge from the turbulence of the UK's departure from the EU, pandemic lockdowns and recent sharp increases in supply chain and energy costs, EDDC's Economic Development Team have taken the opportunity presented by a period of comparative calm to complete a Local Economic Review (LER) capturing the core economic data for the district of East Devon.

1.2 The LER (see Appendix A) incorporates the most recent data available at the time of production from the 2021 Census (primary datasets) along with figures provided by the Office for National Statistics (ONS, typically sample based) and other credible bodies. The data in this report can be used to guide wider strategic planning and help to inform policy at a local level.

1.3 From this work, historical changes (longitudinal) can be identified across a range of areas such as our demography, levels of economic activity, local employment, skills, wages, productivity,

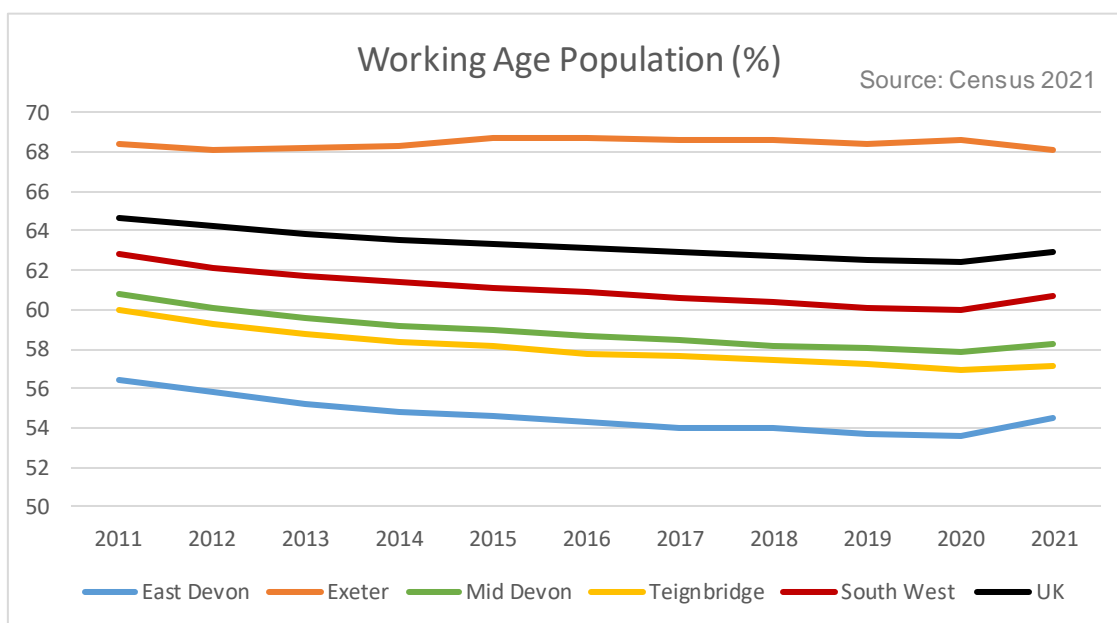
enterprise data, workspace supply/demand, wellbeing and district level carbon emissions. Where the LER presents data in a geographical format, Exeter, Mid Devon and Teignbridge are used as local comparator geographies, as these areas make up the wider Exeter and the Heart of Devon (EHOD) functioning economic market area (FEMA). A regional (South West England) and national comparator (UK or England) are also provided where possible.

2 Main Findings

2.1 The Local Economic Review provides a comprehensive overview of the local economy in East Devon. Close assessment of the data by the Economic Development team has shown three particular clusters of economic change as being most noteworthy in terms of illustrating areas of improved performance, as well as highlighting key challenges to be acknowledged, understood and acted upon. These are presented as follows:

Demographic Challenges

2.2 The 2021 Census shows East Devon had a working age population (all those aged 16 to 64 years of age) of 82,156. This is 54.5% of the total population. The most recent estimates from the ONS show that the percentage of working age people in East Devon has been consistently below the national and regional average. When compared against all 332 local authority areas in England, East Devon has the fourth highest proportion of retirees and the third lowest proportion of working age people. This has inevitable consequences in terms of reduced employment, constrained local business growth and reduced economic activity.

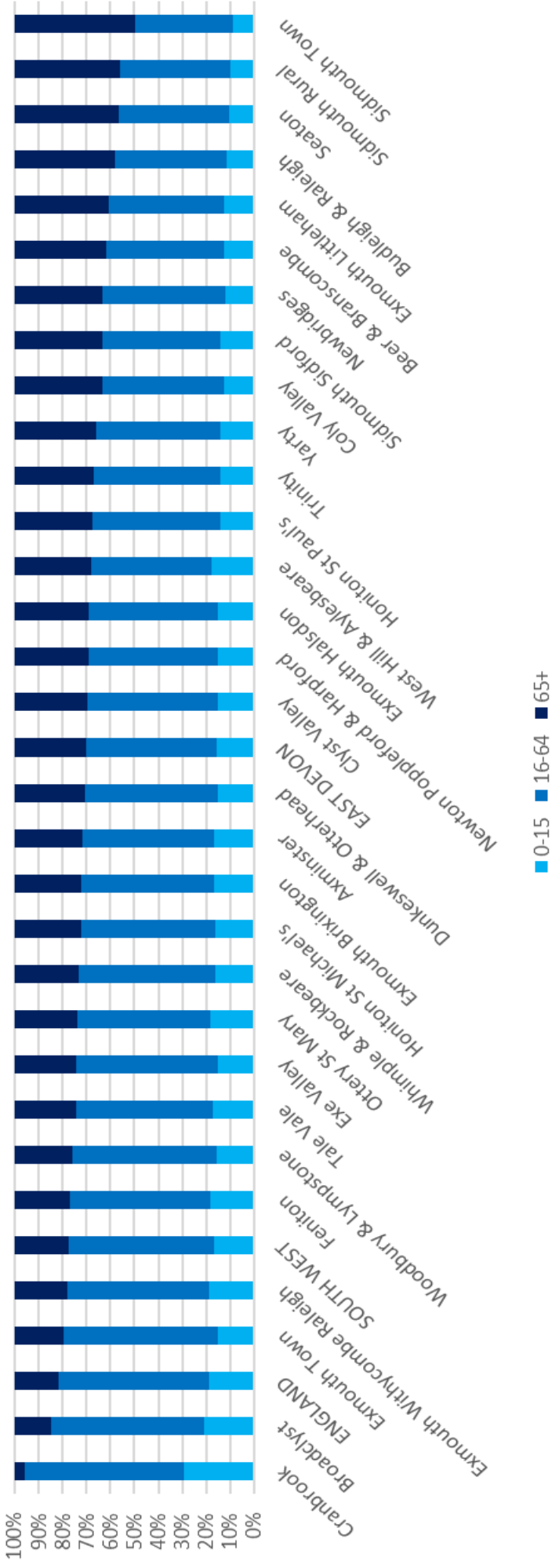


2.3 Just as notable as our increased proportion of retirees and reduced working age population is the pronounced variance in population statistics across East Devon wards.

The graph (below) shows age groups as a percentage of the total ward population, with Cranbrook and Broadclyst showing a very different age profile to Budleigh, Seaton and Sidmouth wards.

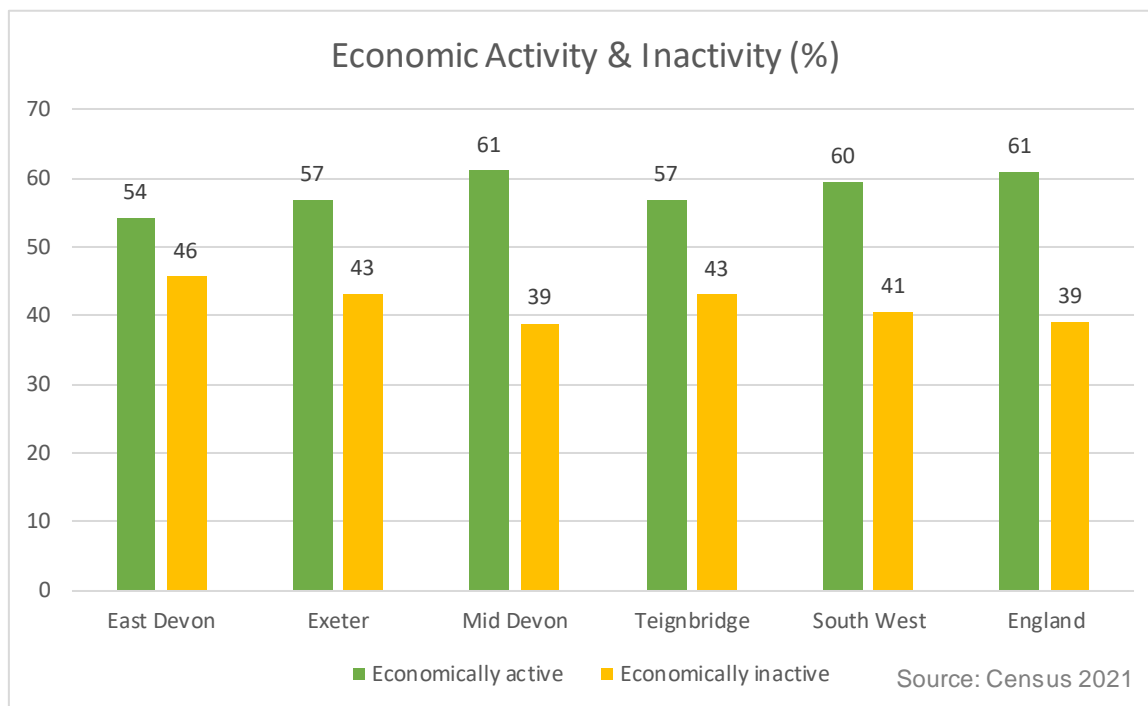
The inclusion of the England profile shows that only two of East Devon's 30 wards have a retiree population below the national average, and only 4 below the SW average. Retirees in Sidmouth Town actually make up the majority of the population.

Ward Population by Age Brackets



2.4 Having established the scale of our demographic change towards a reduction in our district's working age population and an increased representation of residents aged 65 and over across most East Devon wards, we need to consider the implications of this in terms of our current Council Plan priority of ensuring a resilient local economy.

2.5 Looking at levels of economic activity¹, the 2021 Census shows that East Devon has the lowest proportion of economically active residents and highest number of economically inactive residents compared to the other EHOD geographies and the regional and national averages.

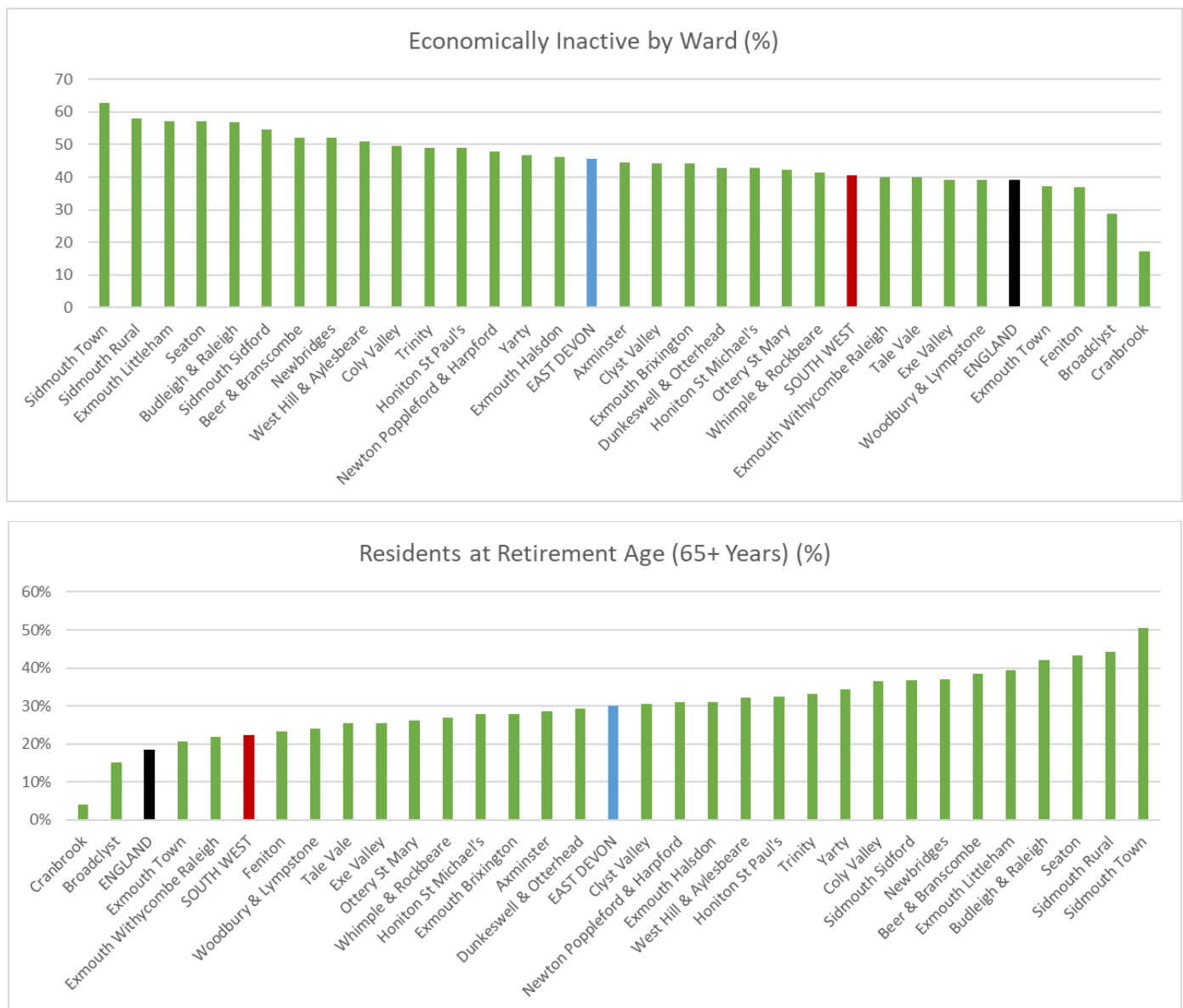


2.6 Looking more closely at the Census 2021 data, we see almost three quarters of those aged 16 and over in East Devon were economically inactive due to retirement, the fifth highest percentage of 332 local authority areas.

Reason	East Devon Ranking (out of 332)
Economically inactive	23rd
Retired	5th
Student	308th
Looking after home or family	299th
Long-term sick or disabled	240th
Other	283rd

2.7 Ward level data is also provided on economic inactivity allowing more detailed analysis. The following ONS derived graphs show economic inactivity at a ward level and highlight that 9 of East Devon's wards have populations comprising an absolute majority (above 50%) of economically inactive residents. Since retirees are included within the economic inactivity figures (ONS), East Devon's high proportion of retirees has increased the number of those who are economically inactive above the national and regional averages for most wards.

¹ Those who are defined as economically active are those in employment, unemployed but looking for work, or unemployed and waiting to start a job that had been offered and accepted. Those who are economically inactive are neither in employment or seeking employment (Census 2021).



2.8 Only 4 of our 30 wards record levels of economic activity higher than the England average. We also see just two ward populations (Cranbrook and Broadclyst) reporting a lower percentage of retired residents than the national average. These two wards also show the lowest levels of part time working and highest levels of full-time employment in East Devon.

2.9 Acknowledging and addressing our pronounced levels of economic inactivity across the majority of East Devon wards is a fundamental and pressing challenge for the Council.

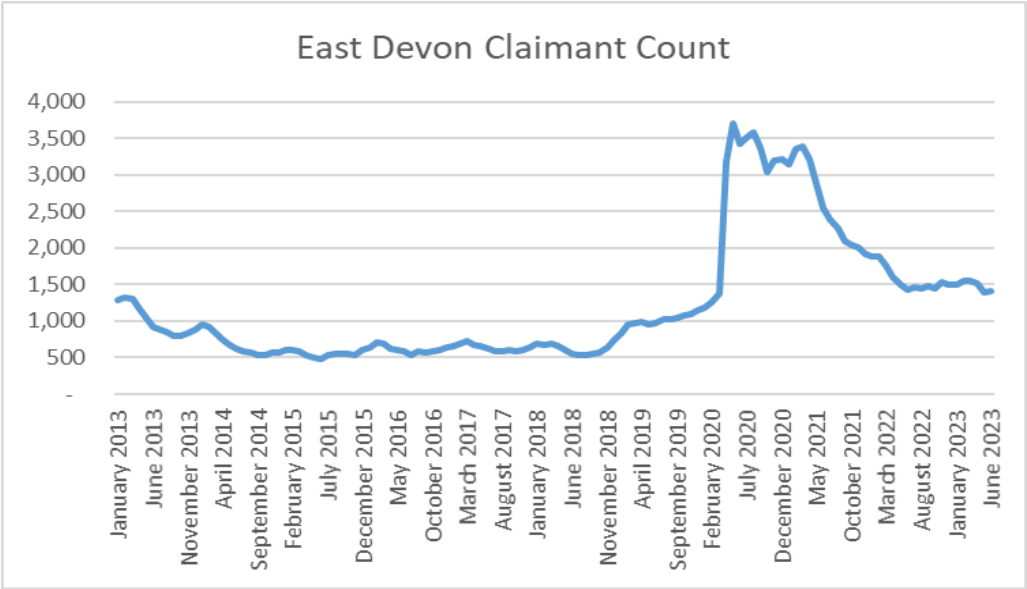
The District will, in all probability, remain an attractive retirement location and there is a question as to what placed based policies and proposals can help to support increased economic activity. Experience over the past decade in the Broadclyst and Cranbrook wards has also demonstrated the significant impact that major new development can have in supporting a very different population demographic.

Employment and Wages

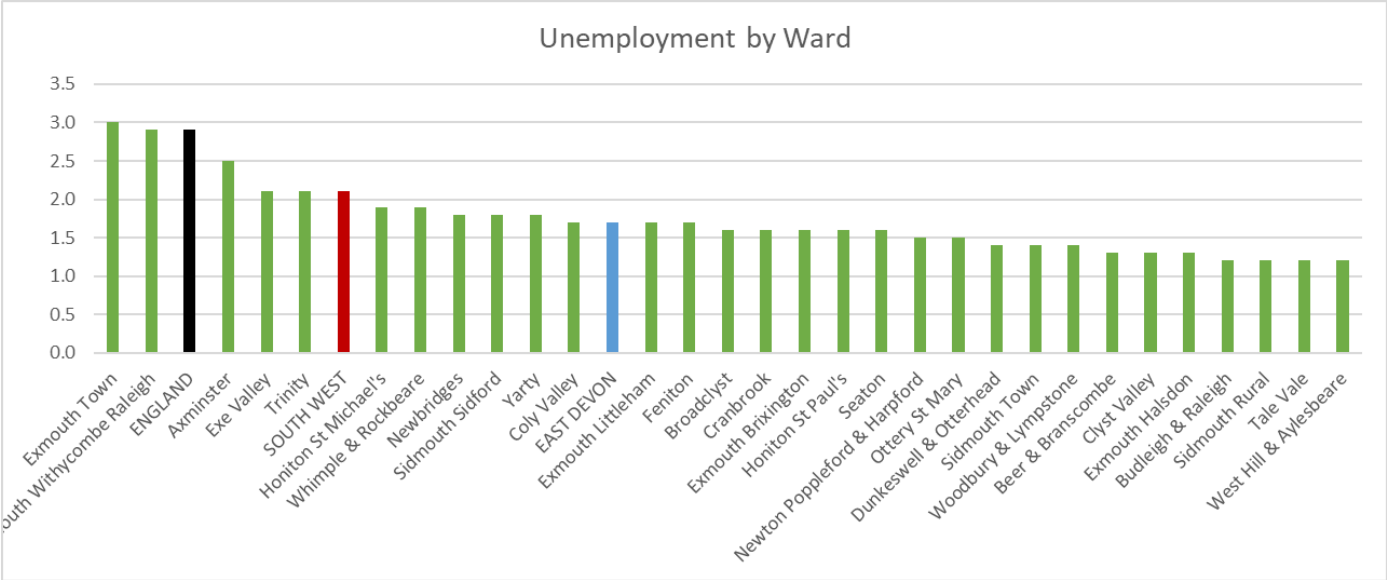
2.10 Alongside highlighting core economic challenges, the LER has provided more optimistic local employment data. District level claimant count statistics published by the Department for Work and Pensions (DWP) report on the number of people claiming benefits principally for the reason of being unemployed.

2.11 The latest figures for East Devon (June 2023) show our total claimant count standing at 1,410 individuals, or around 1.7% of the working population. We may be weak in terms of our shrinking proportion of working age residents, but in terms of unemployment levels, we are the 18th lowest out of 332 local authority areas.

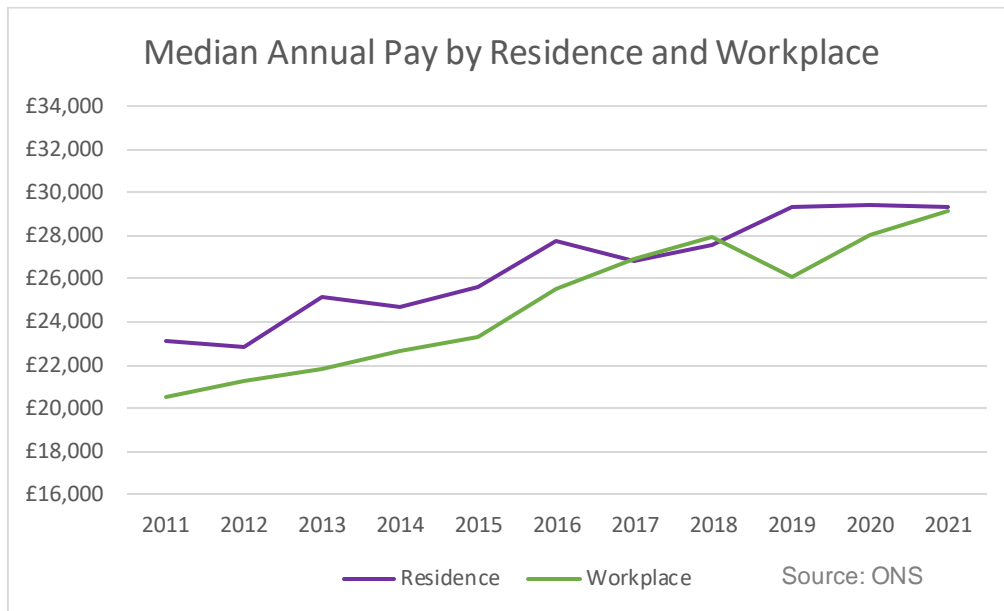
2.12 The claimant count in East Devon has remained consistently below both the regional and national average and has remained broadly in line with neighbouring local authority areas. Although we can see in the graph below that claimant figures have generally stabilised since the pandemic, they do remain higher than the pre-pandemic levels.



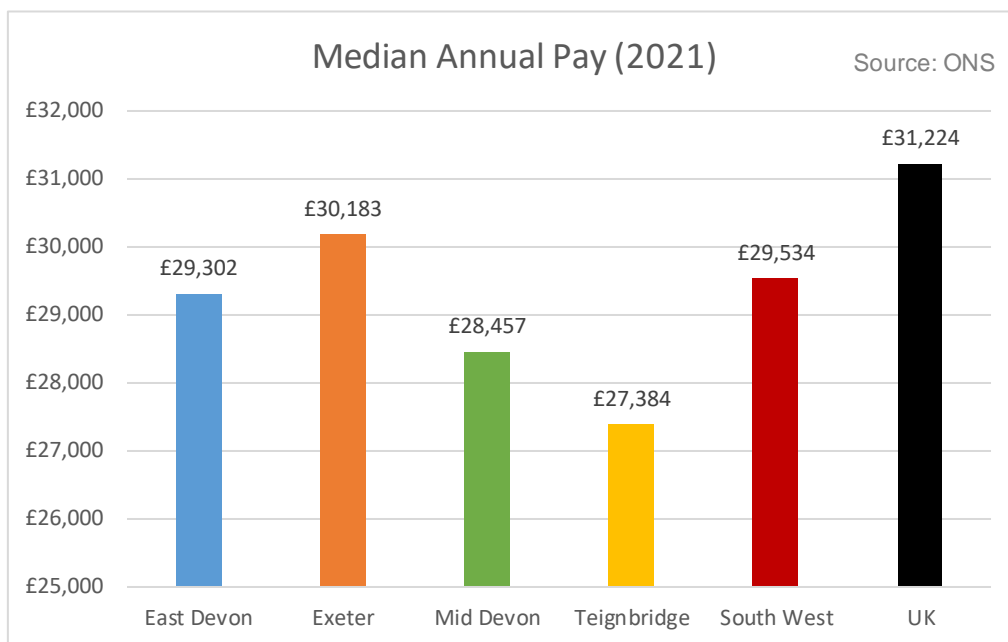
2.13 The graph below shows unemployment at a ward level (Census 2021). Exmouth Town and Exmouth Withycombe Raleigh were the only two wards to have rates of unemployment either equal to or marginally higher than the national average.



2.14 On our district wage levels too, despite the critical loss of Flybe in March 2020 and around 1,000 of our most valuable highly skilled jobs, the LER highlights positive change over the last 10 years. Longitudinal ONS data shows wages for those who reside in East Devon and those who work in East Devon have both increased significantly since 2011:

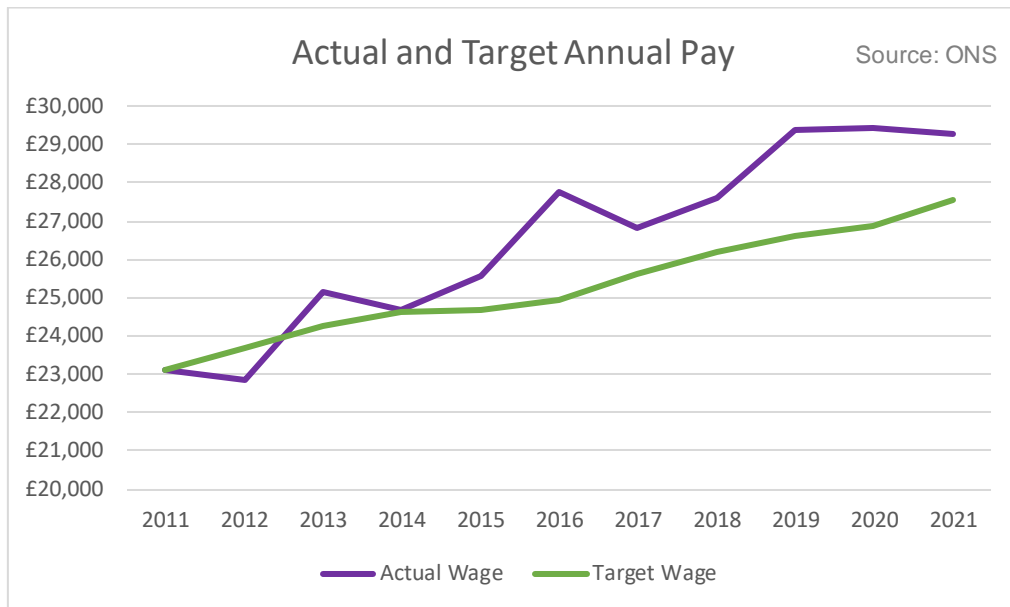


2.15 Comparing the median annual wage (by place of residence), we see East Devon residents' wages now compare well with the regional average but remain below the national average. Median salaries are however higher than Mid Devon and Teignbridge, although slightly lower than Exeter.



2.16 East Devon's median annual pay can also be compared against an inflation-adjusted rate of pay, or a 'target' annual wage. The target wage takes the actual annual salary from 2011 and increases it each year by the rate of inflation, as measured by the Consumer Prices Index including owner occupiers' housing costs (CPIH).

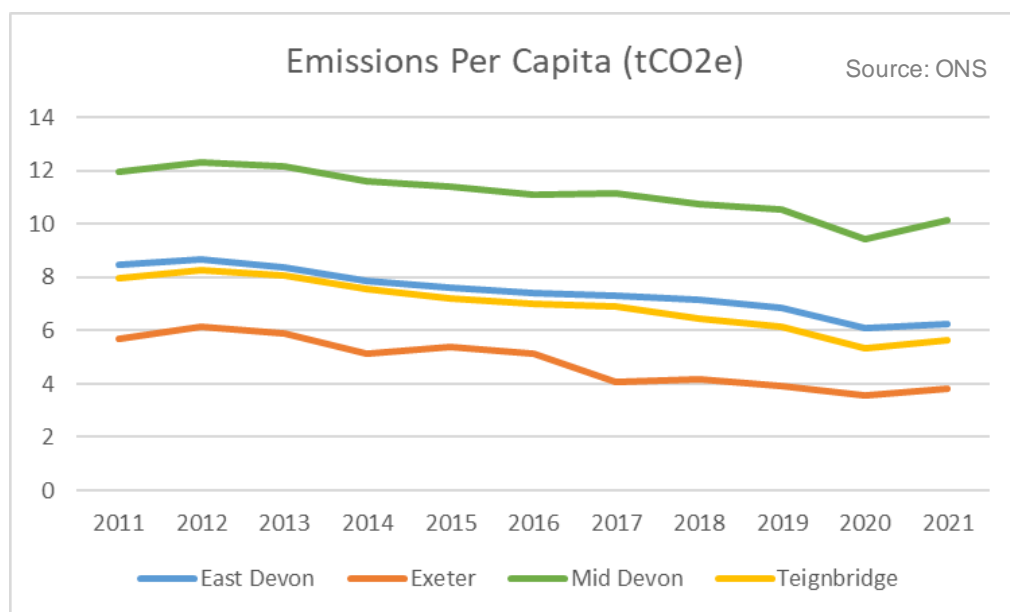
2.17 This analysis shows that actual pay has been increasing at a rate higher than inflation, leading to a real terms pay increase for the average (median) East Devon resident (see graph below). This real terms pay increase is much higher when compared against East Devon wages by place of work.



Sustainable Communities and Local Employment

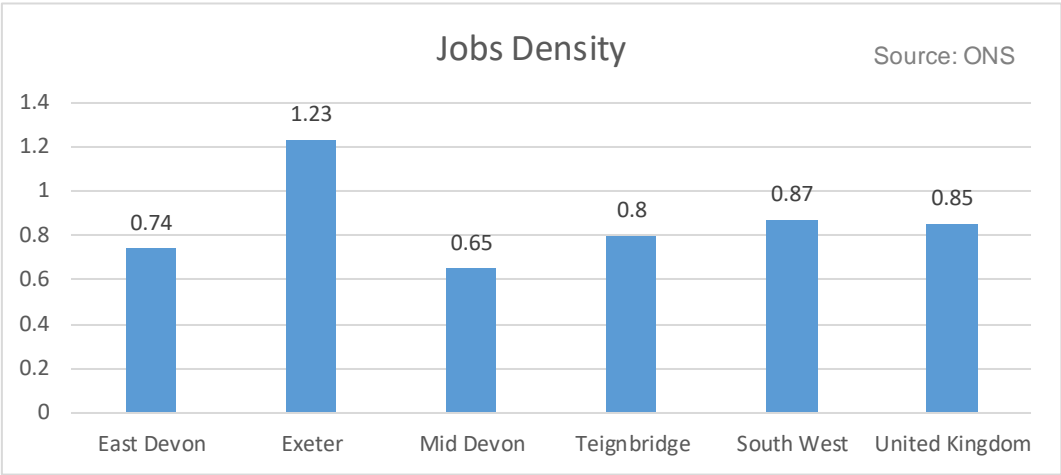
2.18 As a district, East Devon compares poorly regionally and nationally in terms of providing local employment to reduce the need for out-commuting with clear consequences for our carbon emissions and the sustainability of our communities.

2.19 ONS data is available to track carbon emissions at a local authority level. Given East Devon's larger population as compared to our EHOD neighbours, assessment of our emissions per capita (tCO₂e) as opposed to total emissions provides a more reliable basis for comparison. Here we see our carbon per capita has decreased from around 8.4 tonnes per East Devon resident in 2011 to 6.2 tonnes in 2021. This remains higher than Exeter, and Teignbridge as well as the national and regional average with transport accounting for 31% of our overall emissions.

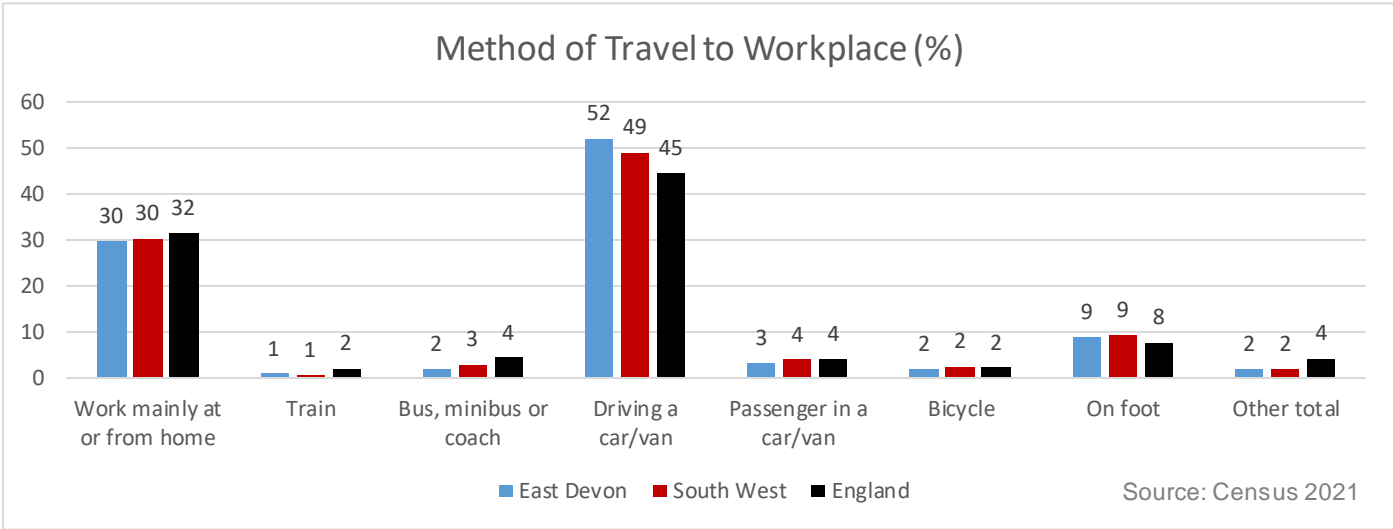


2.20 Out commuting is an ongoing issue for East Devon. 2021 ONS data shows the district has a job density figure of just 0.74, lower than in 2011 (0.78). This means we have significantly fewer occupied jobs in district compared to our overall working age population. The data shows East Devon compares poorly in terms of local jobs provision with most surrounding authorities, the

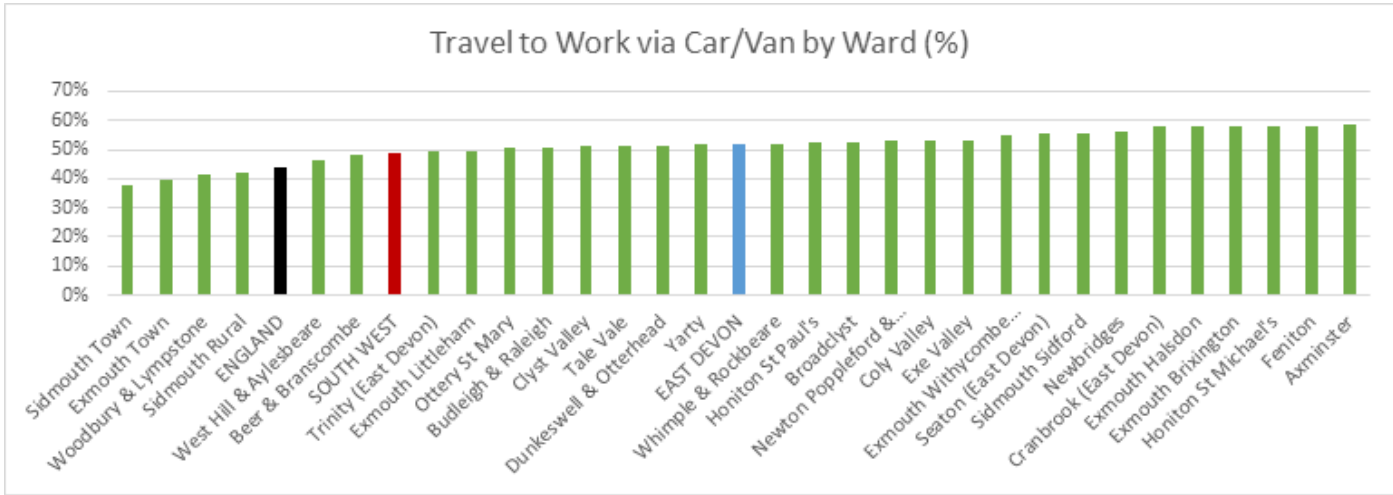
regional and national level. We can also see more people commute to work in Exeter (many from East Devon) than there are working residents who live in the City as their jobs density figure is significantly above 1.



2.21 Census data on how local residents travel to work shows that a higher percentage of East Devon residents are reliant on private vehicles to get to work. Data also points to around a third of people primarily working from home.



2.22 The graph below shows the percentage of residents who travel to work via a car or van at a ward level. The data shows that car use is typically higher than the national and regional average for most East Devon wards.



2.23 From an Economic Development perspective, we have sought to understand the reasons behind our lower local jobs provision undermining settlement sustainability, our higher levels of out commuting and higher associated emissions.

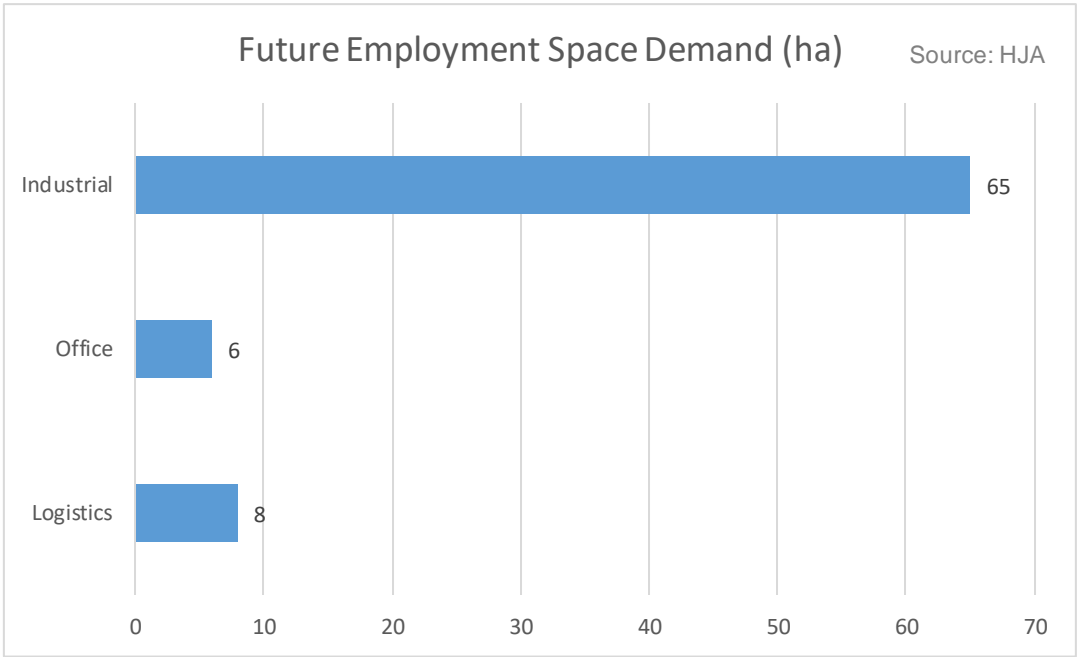
2.24 What is clear through our detailed assessment of the relevant evidence is that as a district, there is high demand from employers to provide local employment within East Devon. However, the actual supply of available employment land and premises is highly constrained. Members will be aware of the environmental constraints of the district, however development economics and associated viability also places a significant constraint on the delivery of employment land and premises. This complicates the ability of inward investors to bring employment sites forward.

2.25 Local employers looking to grow and provide additional valuable local employment can also find it difficult to grow on their current site due to these constraints or have specific operational requirements that are difficult to meet on the available land. This means that in some cases they must look outside of district and relocate. Lastly, many of our communities have high levels of out commuting with insufficient local jobs provision compelling many of those seeking work to look further afield, out commuting to areas such as Exeter where jobs are being offered.

2.26 Recent employment supply and demand evidence has been provided by local commercial real estate agents and consultants working on behalf of the district council in the context of the Economic Development Needs Assessment. Data from JLL shows how much of the existing stock of employment space was available or under offer in 2022.

When the current amount of unmet demand (50.8ha - mostly industrial and logistics space) is compared against the very low current amount of available supply (just 1.7ha) it shows that unmet employment land and premises demand is significantly higher than available supply.

2.27 The graph below displays the total demand expected between 2020 and 2040, as forecasted by Hardisty Jones Associates (Economic Development Needs Assessment, 2022).



2.28 The figures above are based on a mid-point scenario of 79ha, with total future demand dropping to 63ha for the low demand scenario and increasing to 87ha for the high demand scenario.

2.29 The EDNA concludes that “East Devon appears to have a sufficient amount of employment land which is consented, allocated or suitable for development to meet the demand generated between 2020 and 2040 within the District”. This does not however tell the full picture since current unmet demand (50.8ha) is not accounted for in this conclusion. While the total anticipated employment land supply on the face of it may appear to align with forecasted future demand, the spaces that make up that supply do not necessarily provide the types and range of spaces that are needed. For example, the data is slightly skewed by an unusually high supply of office spaces at Winslade Park.

2.30 The EDNA also notes that some of the supply of employment spaces are sites that have been allocated for some time but have not come forward and further work is needed to understand why this is the case and what can be done to either unlock or replace these sites. There are also issues across the wider greater Exeter economic area in terms of proposals within the Liveable Exeter programme, which is likely to form part of the new Exeter Local Plan. These would lead to the loss of some key employment sites within the city that are important to the wider economy and that residents of East Devon rely on for their employment. This is coupled with the inability of the City to meet all of its future demand.

2.31 Further work is being undertaken by officers to understand the challenges of existing allocated but undelivered employment allocations and to understand future supply on a sub-regional basis. This work is being carried out as a part of the Local Plan process and will be reported to members in due course. The outputs from the work will help to refine and improve our understanding of the current position and future challenges.

2.32 The supply of employment land and premises is an example of a complex system with many interrelated factors and feedback loops. Some of these factors are more directly in the control of the Council than others, notably the ability to allocate land through the Local Plan process and to bring forward development proposals on our land ownership. There is also evidence of market failure, particularly where the recent very high rate of construction price inflation has outstripped the rise in commercial rents. This is alongside structural changes in the commercial property market, notably the reduction in the demand for office space due to the shift to hybrid working.

3 Conclusion

3.1 Our comprehensive Local Economic Review provides more than a useful benchmark of headline economic indicators for the district. It provides a longitudinal assessment of our most important economic performance factors, plotting changes and highlighting emerging trends over a 10 year timeframe as compared to our neighbouring EHOD areas, the SW region and national levels.

3.2 Close analysis of this raw data has led to a number of key trends being identified as most relevant to East Devon’s economic and employment trajectory. Most critically, the core challenges of pronounced demographic imbalance, increased economic inactivity and the need to ensure available employment land provision to facilitate sustainable communities have been evidenced.

3.3 There are undoubtedly some encouraging trends, not least the real terms increase in average wages. However, East Devon’s lower level of jobs density/self-containment and higher degree of out commuting by private vehicle is undermining our Council Plan aims of reducing

carbon emissions through unnecessary travel and facilitating the economic sustainability of our local towns and communities.

3.4 Through acknowledging the shortfall in new *local* jobs provision to support the sustainability of settlements across much of the district, EDDC has the ability to act on this through our emerging Local Plan and place-based policies and proposals. This up to date LER data and evidence should inform the Council's approach in addressing serious levels of current and future employment land undersupply to meet evidenced demand and ensure a balanced provision, flexibility and choice of future local employment options across our district. This is alongside existing strategic programmes such as in relation to the Enterprise Zone.

3.5 Cabinet endorsement is now sought for this report and the detailed Local Economic Review (Appendix A) which underpins and informs it. Furthermore, it is recommended that the Local Economic Review and the most up to date statistical evidence it comprises directly inform the economic and employment aims of the emerging Council Plan.

3.6 Lastly, it is recommended that Cabinet endorse the development of a new Economic Development Strategy for the District. This will then enable officers to operationalise Council Plan priorities through the development and delivery of a clear action plan, directly engaging the core challenges highlighted by the Local Economic Review wherever we have resources, or can develop agency and/or influence, including in the context of the emerging devolution proposals.

3.7 It is envisaged that this work will sit alongside and complement the development strategy that is being formulated through the emerging Local Plan. The Local Plan will identify the required quantum of employment land, allocate sites and set out through planning policy how these should come forward and the types of uses and activities which should take place on each site. This will be informed by the further work that is currently being undertaken to understand site deliverability and the supply of sites on a sub-regional basis.

3.8 The Economic Development Strategy presents an opportunity to better understand how we should address some of the wider issues highlighted by this report and how the council can be involved in supporting and enabling the delivery of employment sites and premises.

3.9 To aid the development of the Economic Development Strategy, officers will develop a Brief to be agreed by the Portfolio Holder for Economy. This Brief will outline the purpose, timeframe and process of developing the Strategy. Once the Economic Development Strategy has been drafted, it will be presented to Cabinet for consideration.

Financial implications:

There are no direct financial implications from the recommendations in the report. The findings of the Local Economic Review will likely impact members priorities going forward and in that sense may have financial implication in future reports to Council. As highlighted in the Council's Financial Plan the success to date of having high economic growth in the District has been vital to the Council's own financial position and the ability to fund services through business rate income.

Legal implications:

There are no substantive legal issues to be added to this report.

Appendix A:

East Devon Local Economic Review

**East Devon District Council
September 2023**

Contents

<u>Introduction</u>	16
<u>Technical Notes</u>	16
<u>Population</u>	4
<u>Economic Activity</u>	6
<u>Employment</u>	10
<u>Jobs</u>	29
<u>Skills</u>	3320
<u>Wages</u>	36
<u>Productivity</u>	39
<u>Businesses</u>	41
<u>Workspace</u>	45
<u>Wellbeing</u>	50
<u>Emissions</u>	52

Introduction

The purpose of this Local Economic Review is to provide a single document illustrating the core economic data for the district of East Devon. This document utilises the most recent data available through the 2021 Census along with figures provided by the Office for National Statistics (ONS) and other credible bodies. The data in this report can be used to guide wider strategic planning and help to inform policy at a local level.

Technical Notes

The review gives first preference to Census data where possible, with ONS datasets, which are typically sample based, used to show changes over time (longitudinal). As the methodologies used in the Census and other ONS datasets are not always consistent, there can often be slight changes for the same type of metric.

Data collated from non-official sources is also provided where this is the only source available. For example, data within the Economic Development Needs Assessment (EDNA) undertaken by Hardisty Jones Associates and JLL will be used to show expected economic and employment forecasts for the district.

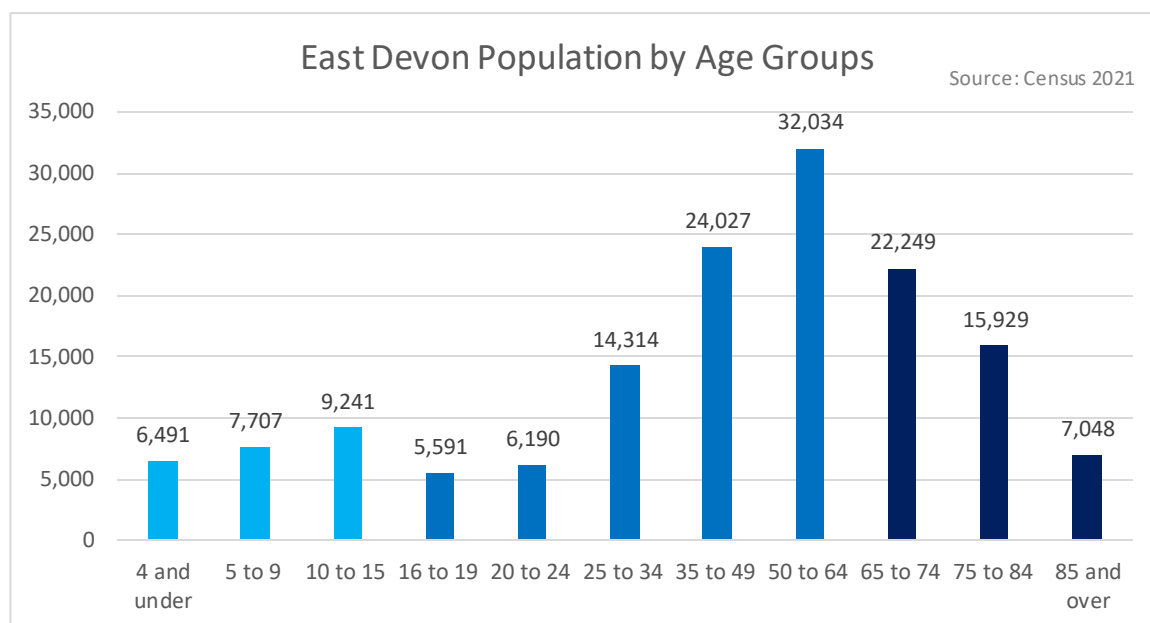
Data will be shown primarily in graph format, with East Devon data usually illustrated in blue. Where data is presented in a longitudinal format, a ten year timespan will typically be used unless there is a more appropriate data-specific baseline or where ten years' worth of data is not available.

Where data is presented in a geographical format, Exeter, Mid Devon and Teignbridge will be used as the local comparator geographies, as these areas make up the wider Exeter and the Heart of Devon functioning economic market area (FEMA). A regional (South West England) and national comparator will also be displayed, with the UK used as the preferred national comparator, with England as the secondary preference.

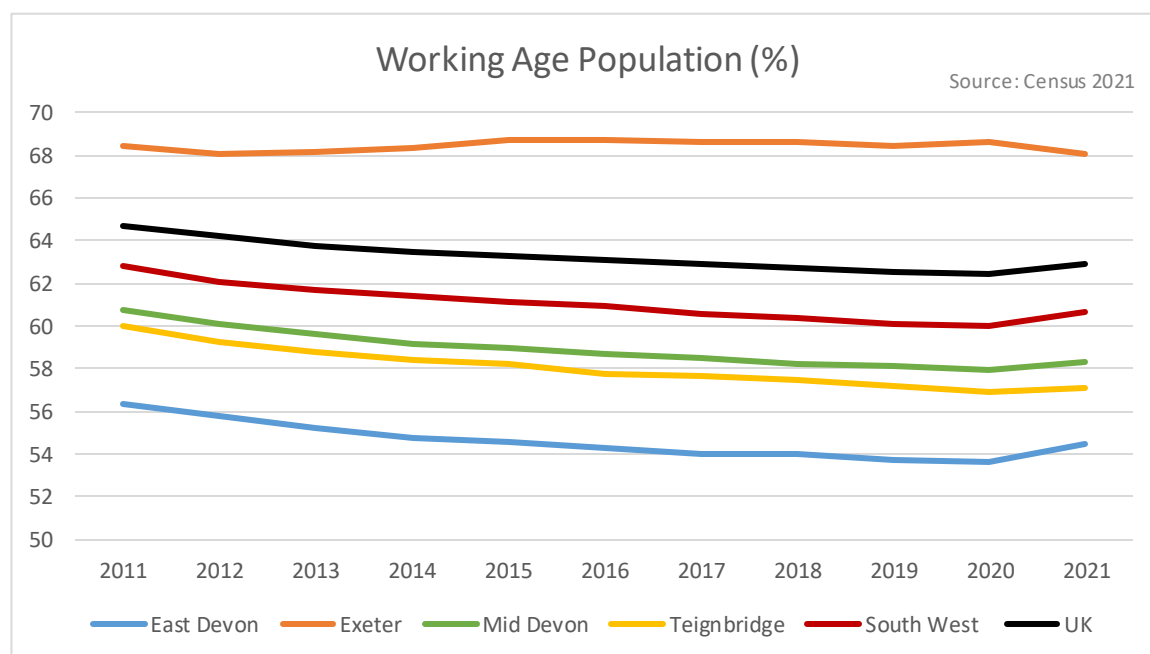
Ward level Census data is available and has been illustrated where there is a reasonable degree of variation between the wards.

Population

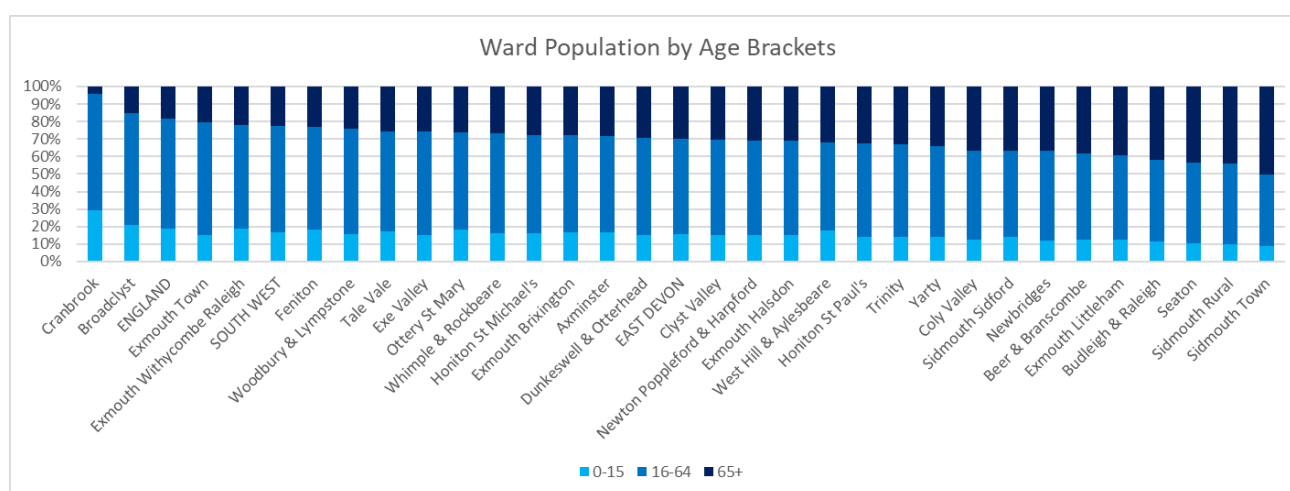
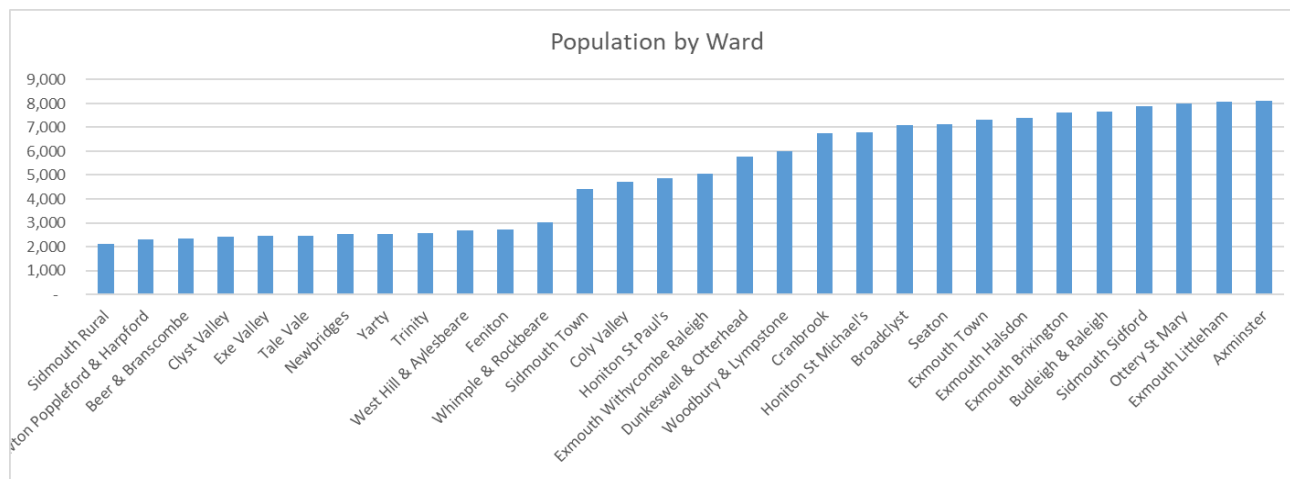
According to the 2021 Census, East Devon's population stood at 150,821 people.



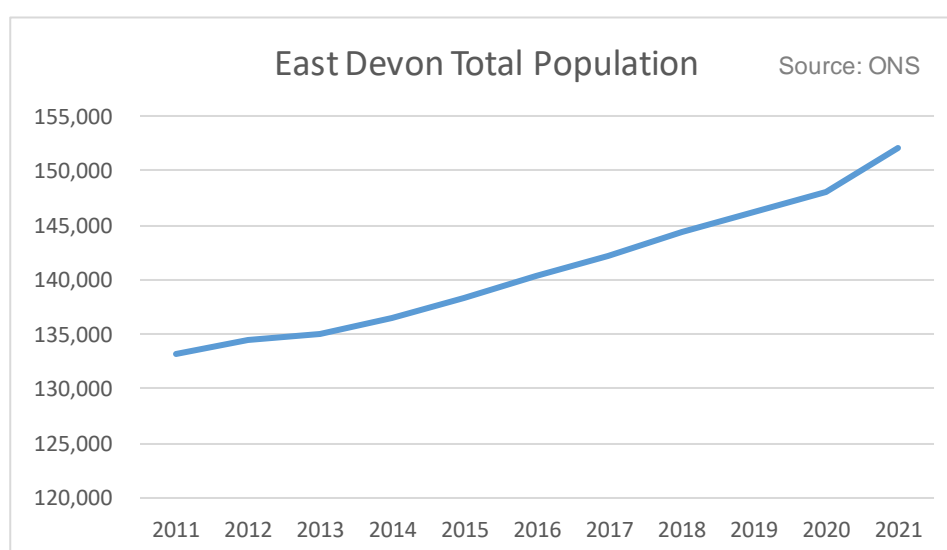
East Devon had a working age population (all those aged 16 to 64 years of age) of 82,156, which is 54.5% of the total population. There were 45,226 people of retirement age (65 years of age or above) making up 30% of the population, with those aged 0-15 years of age making up 15.5% of the population.



Population estimates from the Office for National Statistics (ONS) show that the percentage of working age people in East Devon has been consistently below the national and regional average. When compared against the 332 Local Authority areas in England, East Devon has the fourth highest proportion of retirees and the third lowest proportion of working age people.



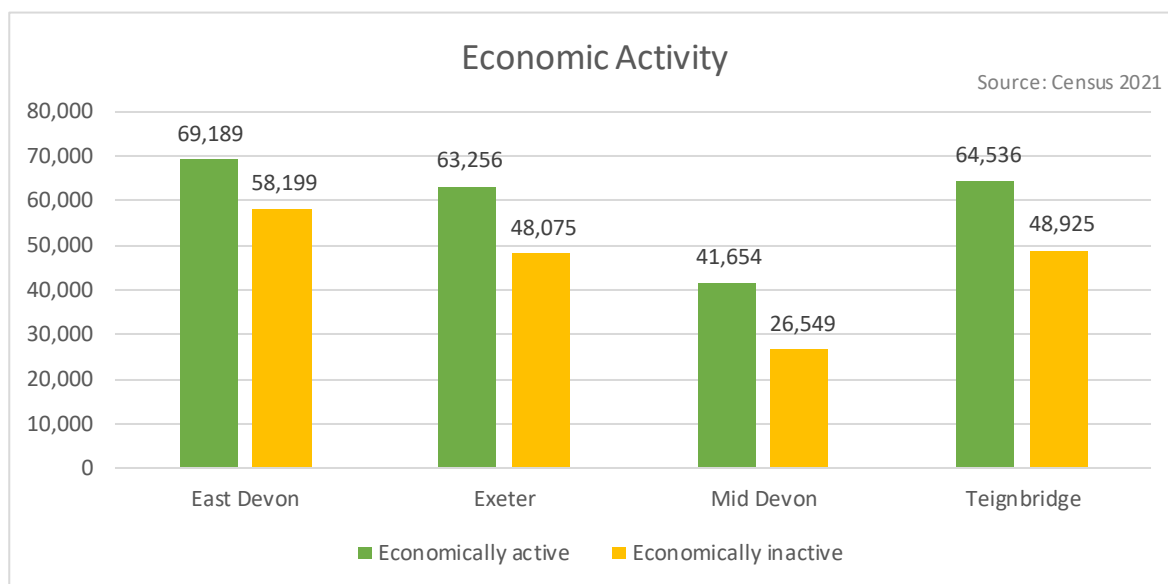
The two graphs above show population statistics for each ward in East Devon. Whereas the upper graph illustrates ward by total population, the lower graph shows age groups as a percentage of the total ward population. Only two of East Devon's 30 wards have a retiree population below the national average, whereas retirees in Sidmouth Town make up the majority of the population.



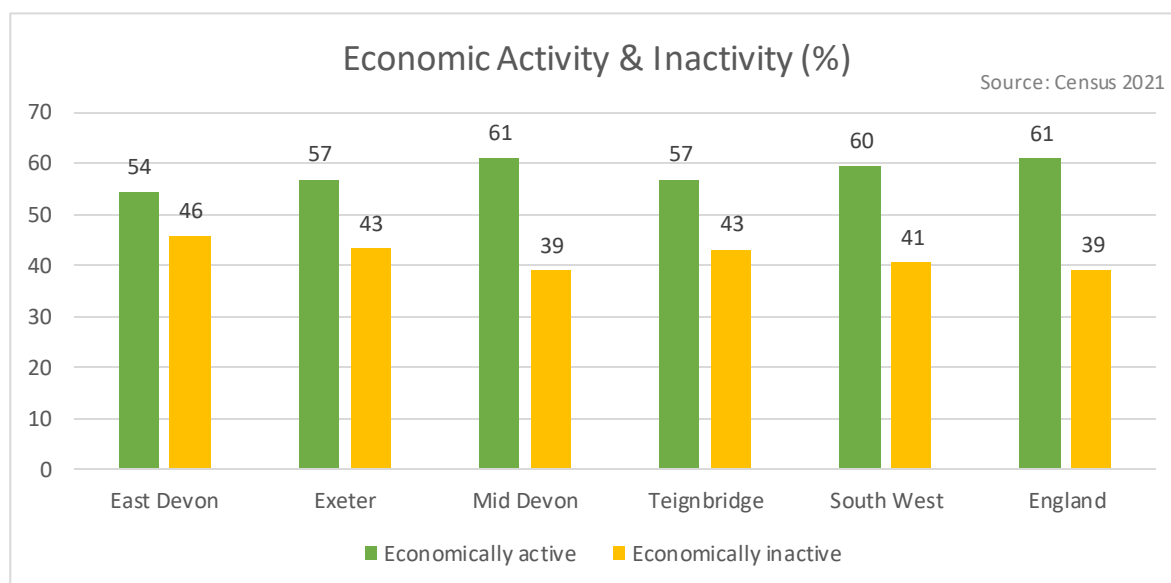
The graph above shows how the total population of East Devon has increased over time, with a 14% increase in the population between 2011 and 2021 according to ONS estimates.

Economic Activity

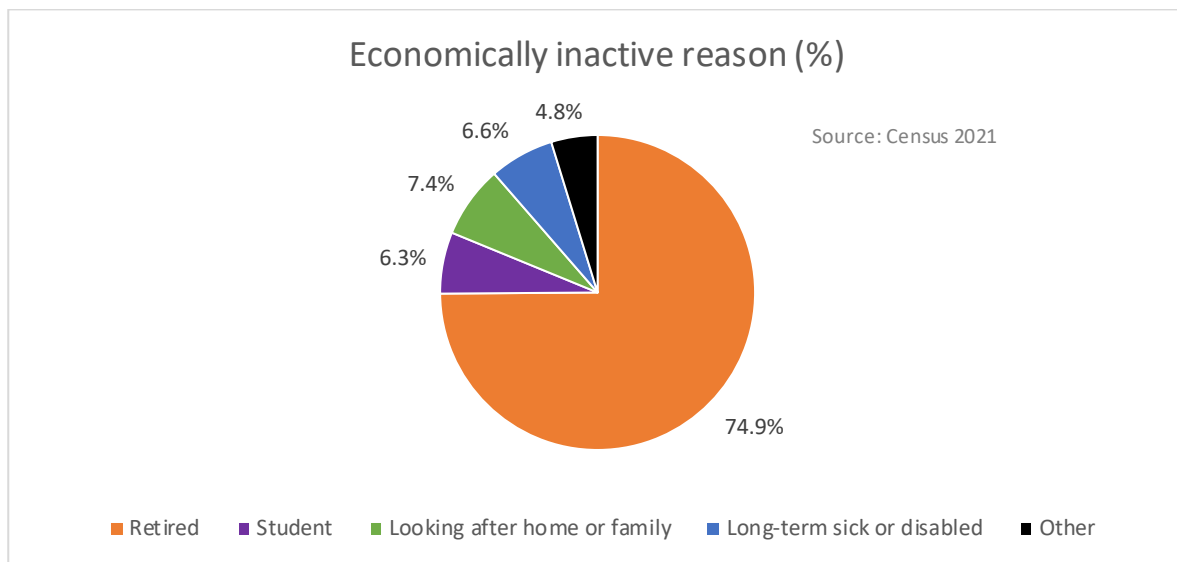
Those who are defined as economically active are those in employment, unemployed but looking for work, or unemployed and waiting to start a job that had been offered and accepted. Those who are economically inactive are neither in employment or seeking employment.



As the district with the highest population in the EHOD area, Census data shows that East Devon has the highest number of both economically active and economically inactive residents.



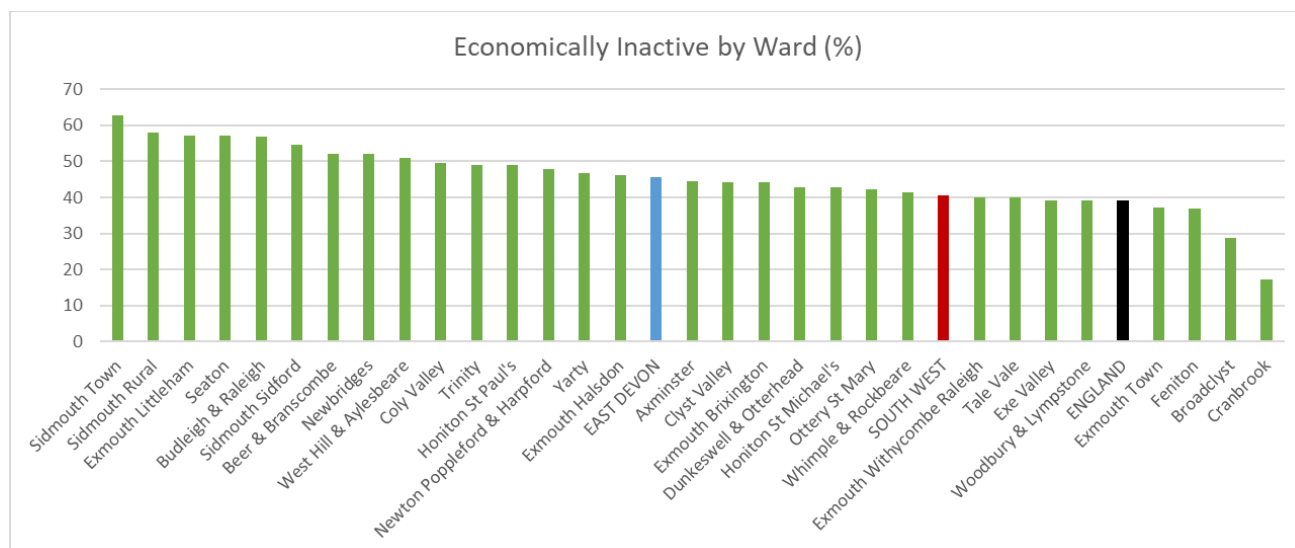
When compared as a percentage of the working age population, East Devon has the lowest proportion of economically active residents and highest number of economically inactive residents compared to the other EHOD geographies and the regional and national averages.

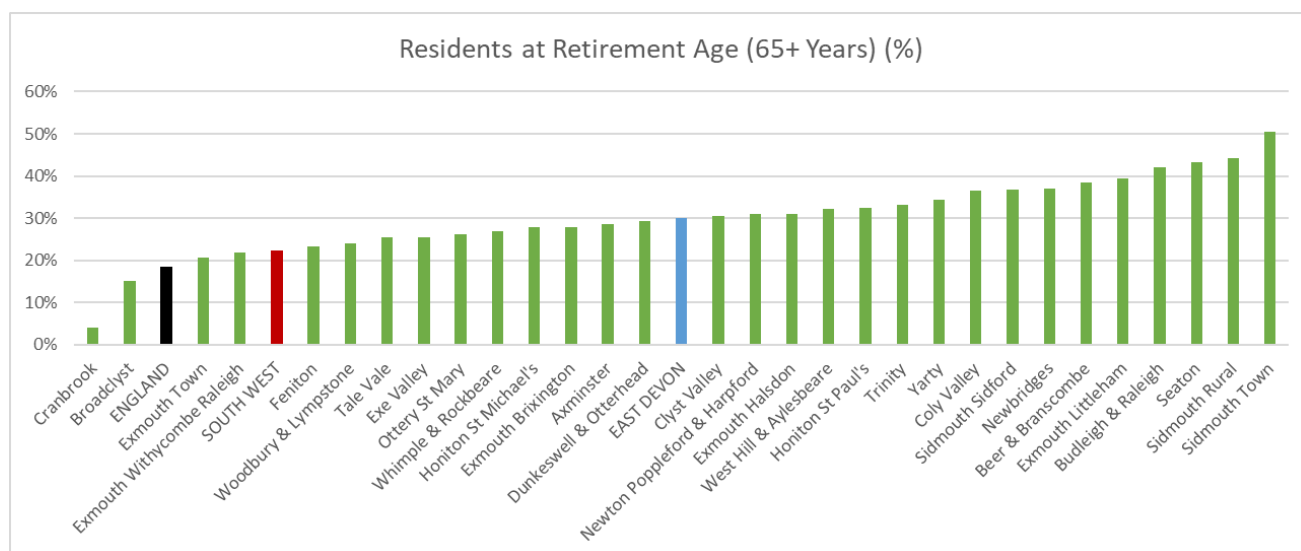


Almost three quarters of those aged 16 and over were economically inactive due to retirement, the fifth highest percentage of 332 local authority areas.

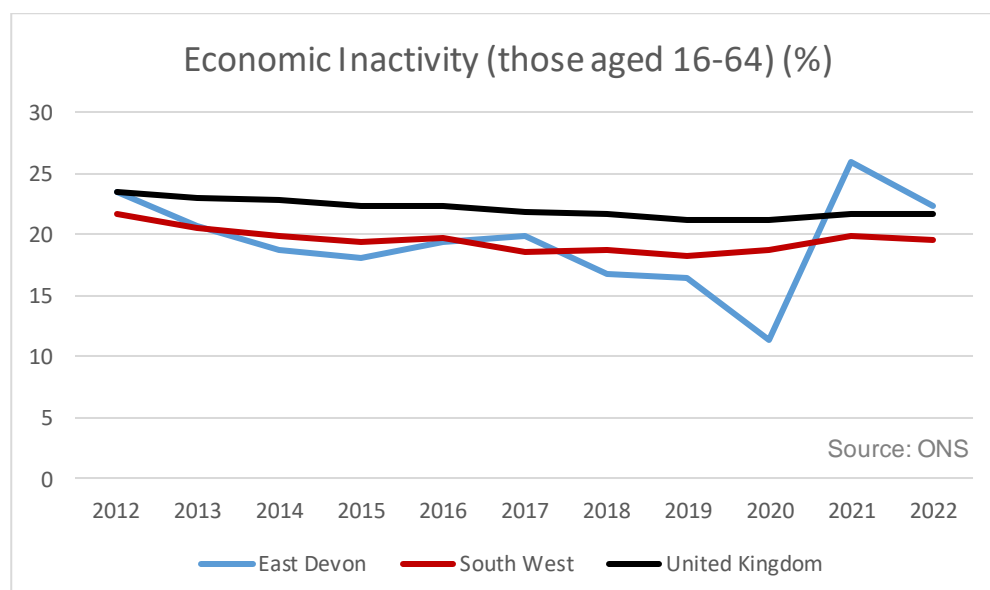
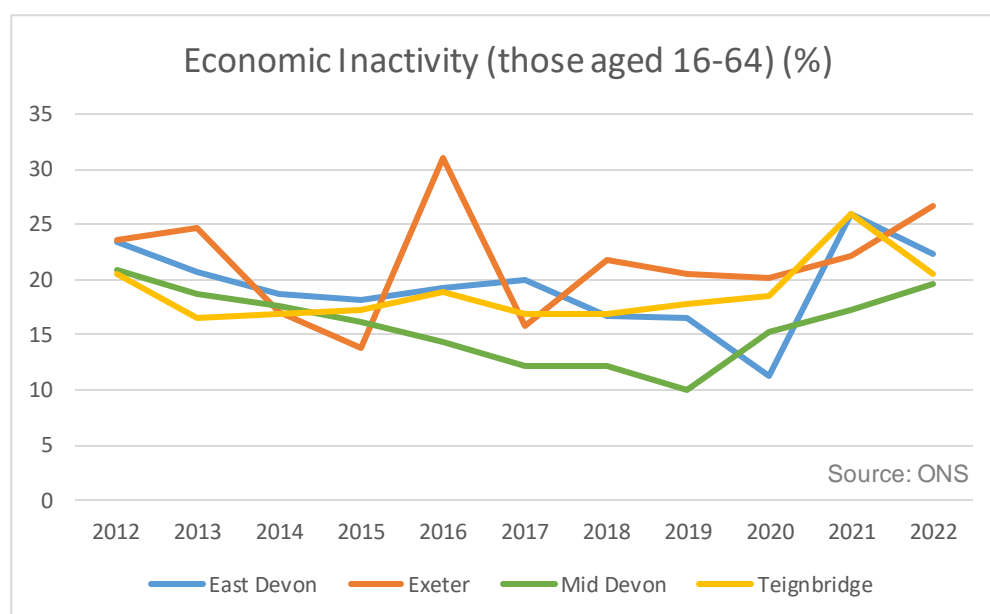
Reason	East Devon Ranking (out of 332)
Economically inactive	23rd
Retired	5th
Student	308th
Looking after home or family	299th
Long-term sick or disabled	240th
Other	283rd

The graphs below show economic inactivity at a ward level, with 9 of East Devon’s wards having the majority of their populations economically inactive. As retirees are included within the economic inactivity figures, East Devon’s high proportion of retirees has increased the number of those who are economically inactive above the national and regional averages for most wards.

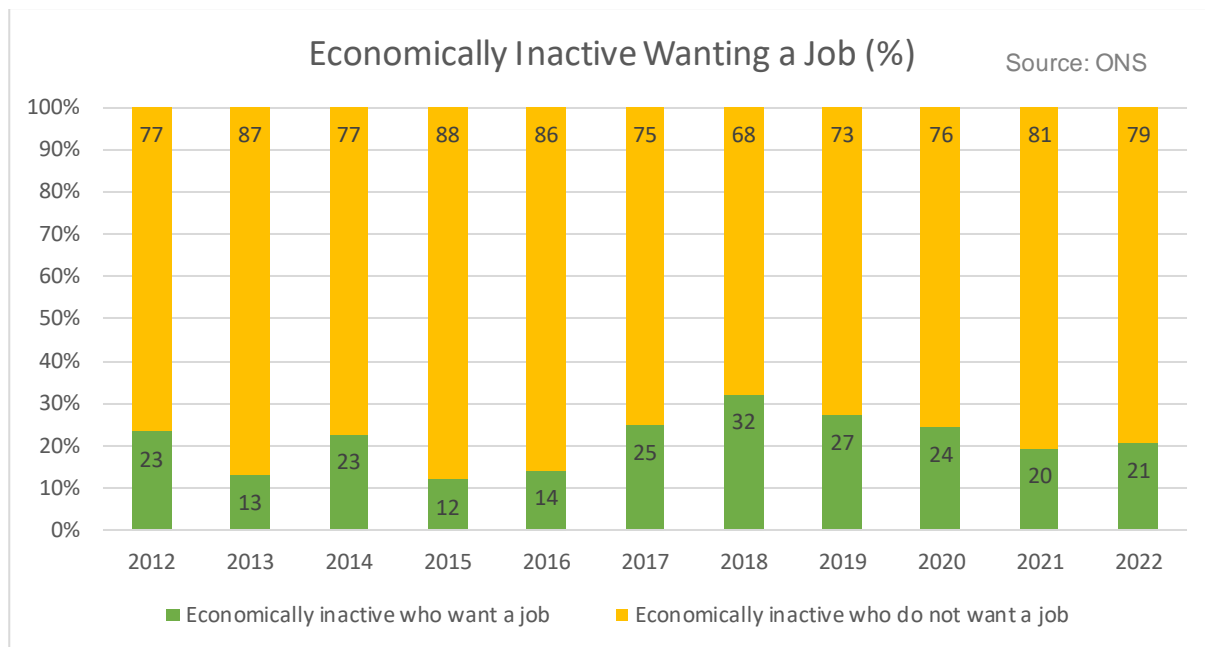




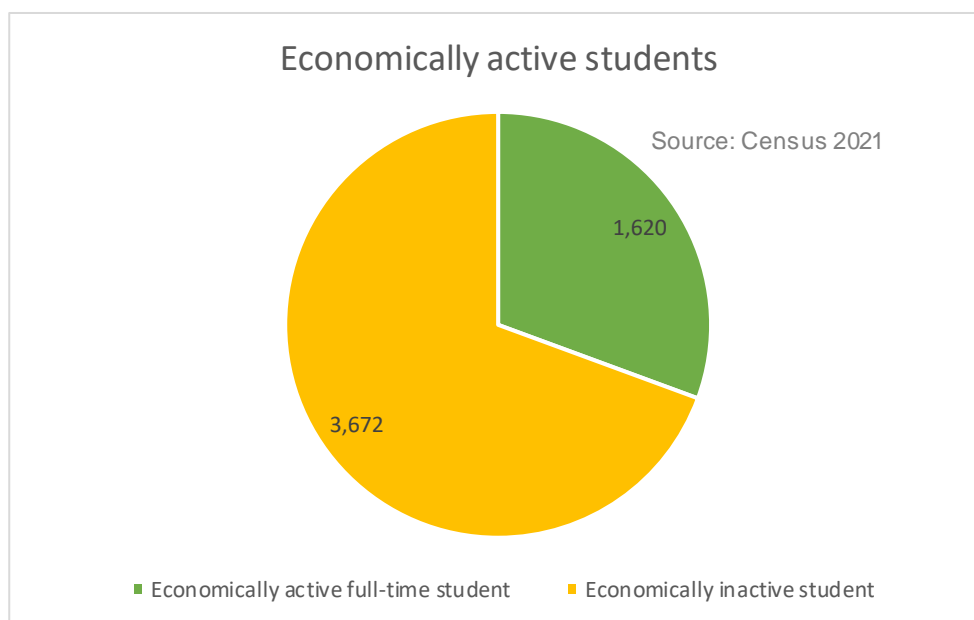
When those of retirement age (65 years of age or older) are removed from the data, ONS estimates show a more balanced picture, with East Devon less of an outlier both locally and nationally.



ONS estimates show that the majority of those who are economically inactive and are of working age do not want a job. In 2022 it was estimated that 21% of economically inactive people in East Devon would like a job, but are neither in employment or actively seeking employment.



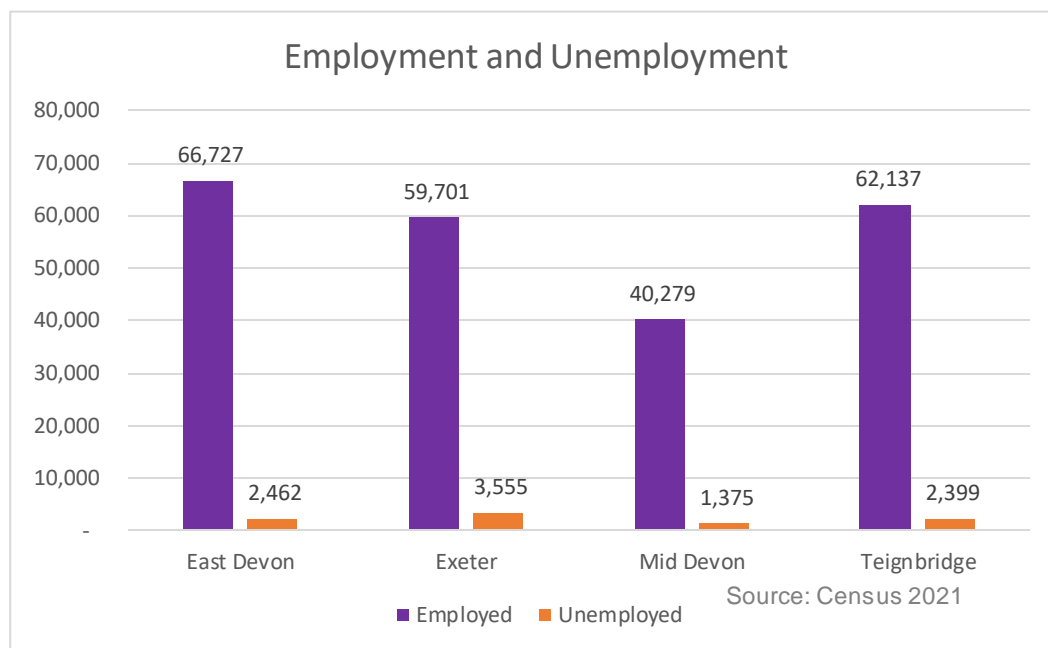
Census data also shows the number of students who are economically active, with 31% of students in a job, seeking a job or about to start a job.



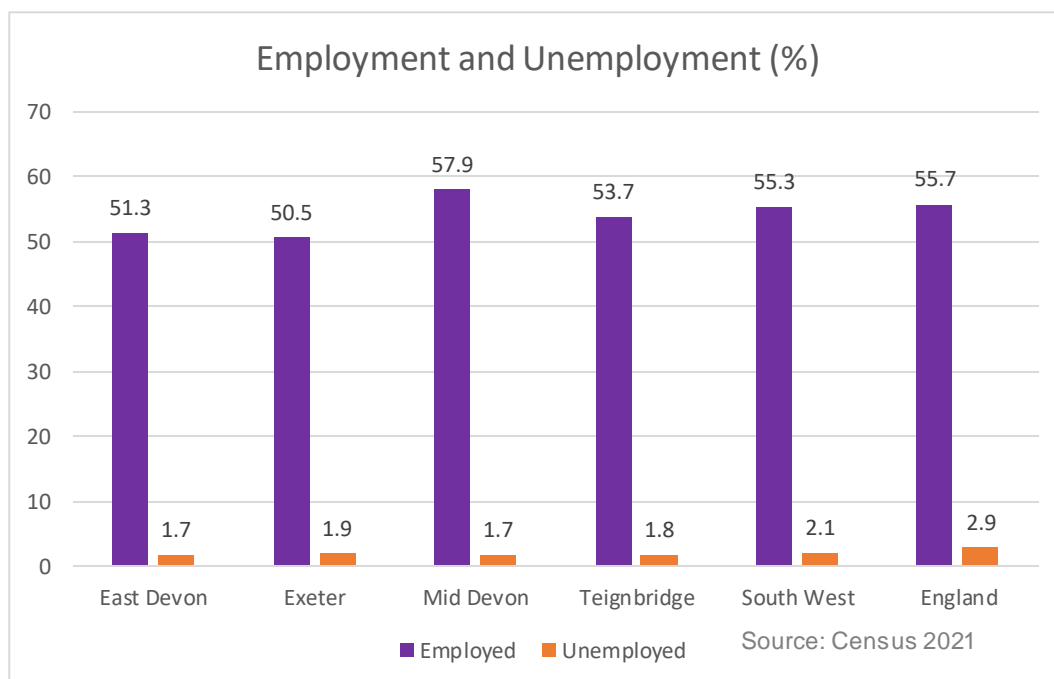
Employment

Those who are economically active can be further categorised into those who are employed and those who are unemployed.

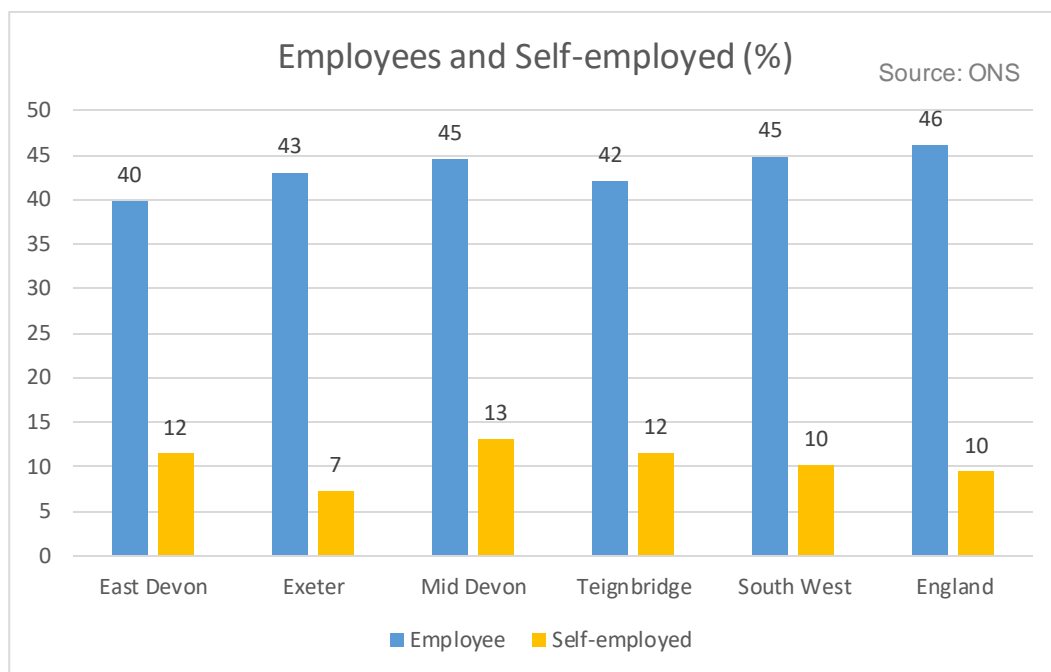
The difference between unemployment and economic inactivity is that those who are unemployed do not currently have a job but are actively seeking employment or are about to start a job. Those who are economically inactive are not employed and are not seeking employment.



Census data shows that 51.3% of East Devon residents of 16 years or over were in employment. 1.7% of East Devon residents were classed as unemployed, the 18th lowest out of 332 local authority areas and below the national and regional average.



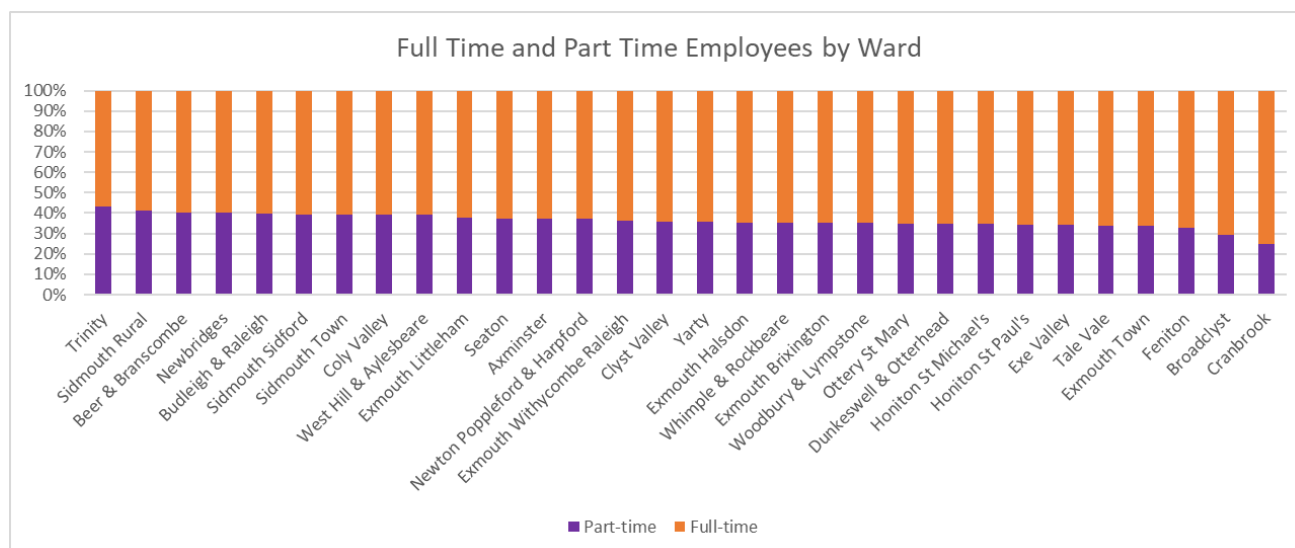
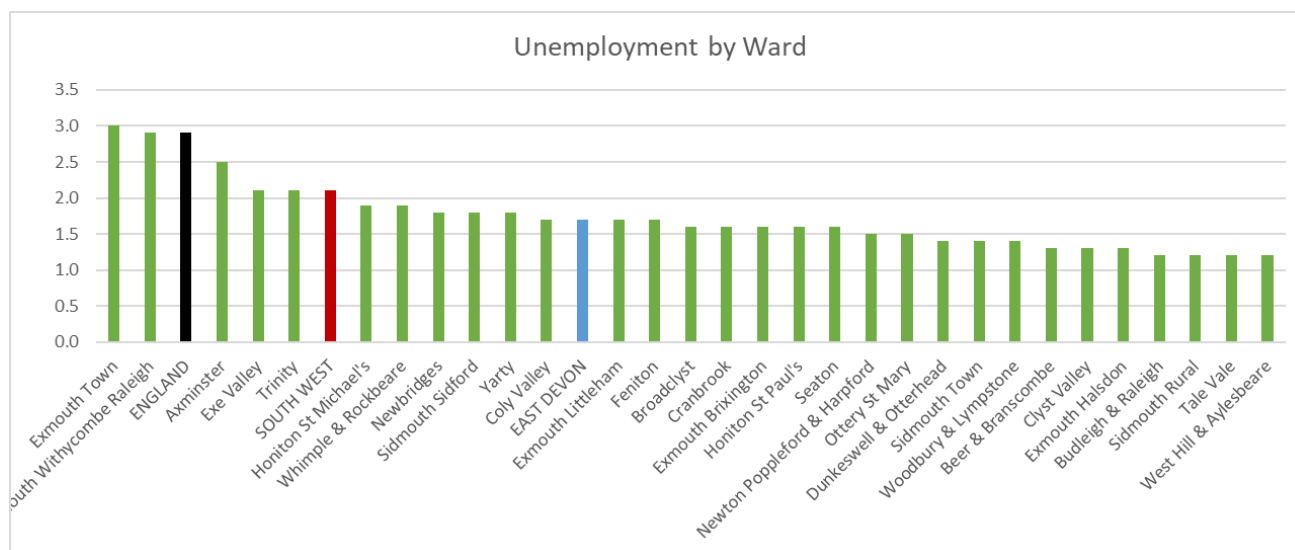
Of those who are in employment, this can be sub-divided further into those who are employed and those who are self-employed. Census data shows that there were 52,049 employees and 14,678 self-employed individuals in East Devon in 2021. The graph below shows the percentage of employed and self-employed individuals as a percentage of those who are economically active. The percentage of those who are self-employed in East Devon is slightly higher than the regional and national average and relatively high in comparison to the number of those who work for an employer.



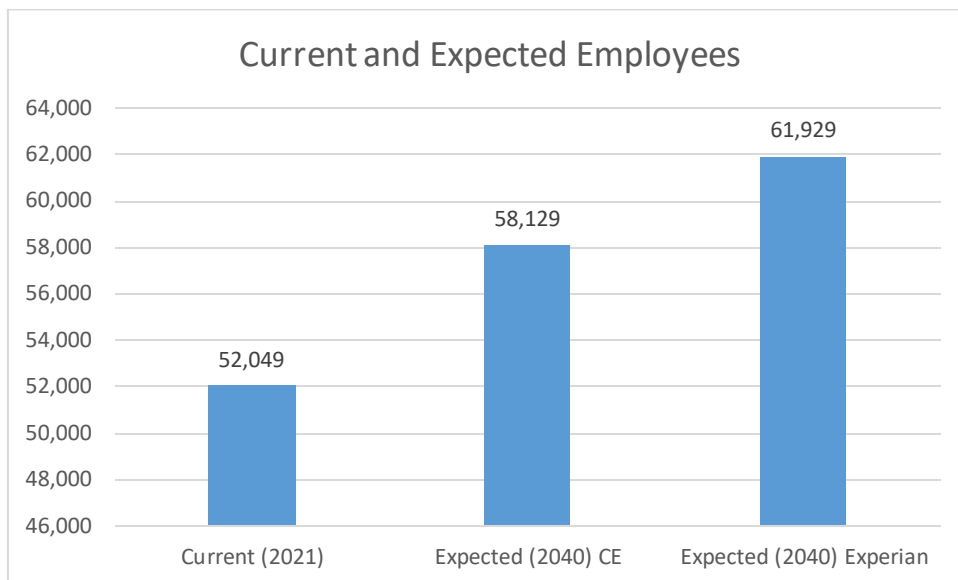
Census data shows that there were 14,678 self-employed individuals in East Devon in 2021, this includes 70 students who also work on a self-employed basis. ONS data in the graph below indicates that the number of self-employed individuals (as a percentage of working age people) in East Devon has remained fairly consistent over time.



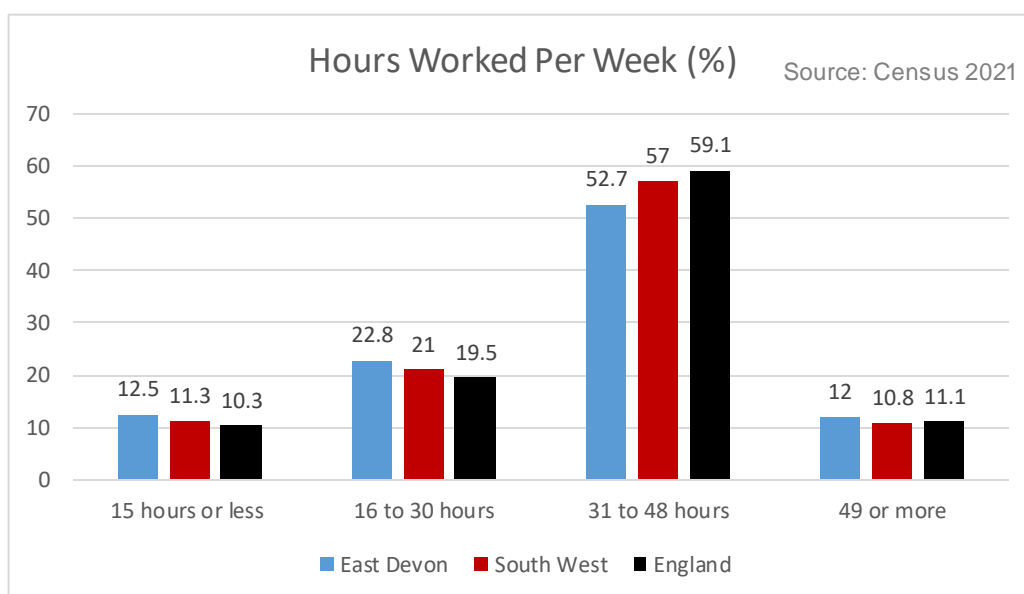
The graphs below show unemployment and part time working at a ward level. Exmouth Town and Exmouth Withycombe Raleigh were the only two wards to have rates of unemployment either equal to or marginally higher than the national average.



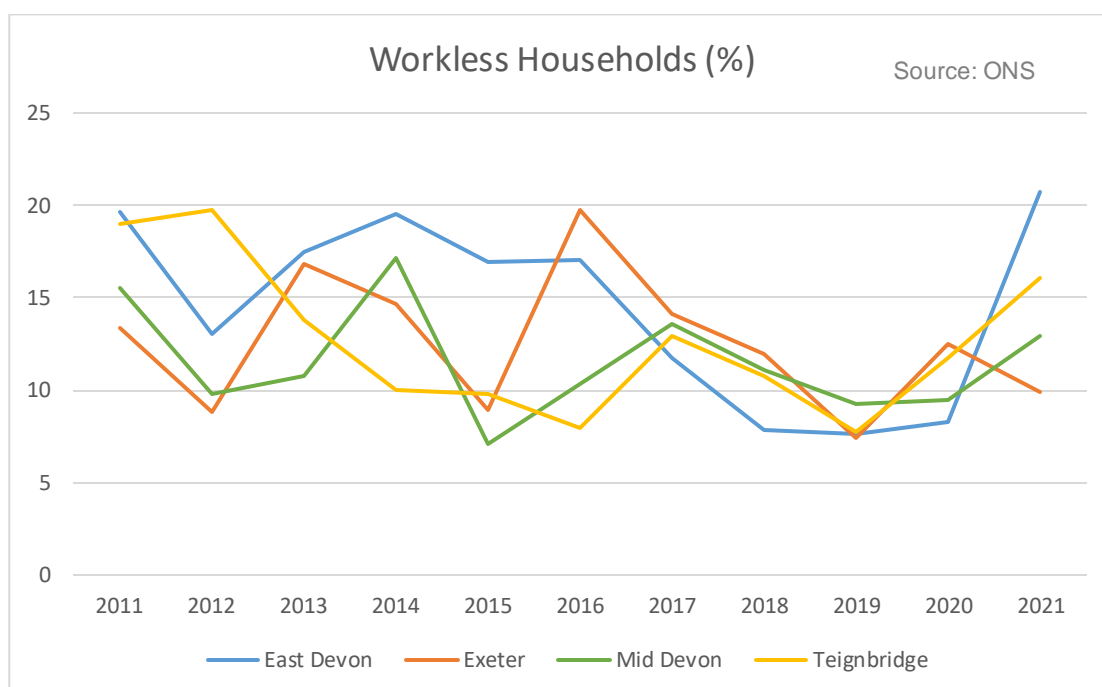
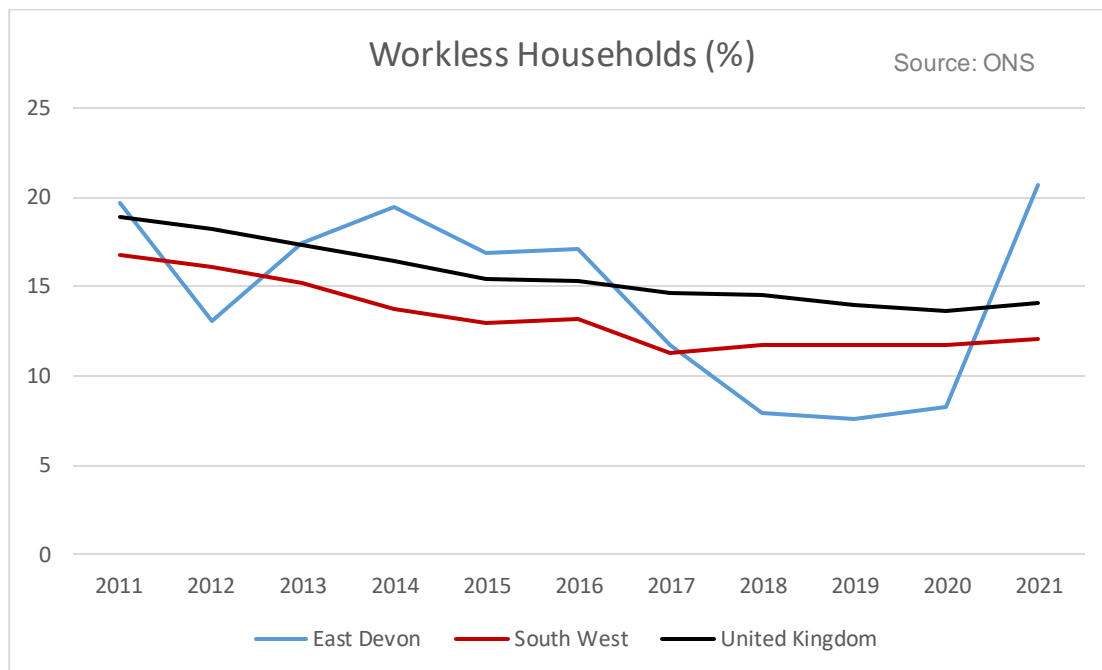
The graph below shows the number of employees in 2021 (taken from the Census) and the expected number of employees forecasted between 2020 and 2040. These forecasts have been derived from two separate sources, Cambridge Econometrics and Experian. The former predicts that employment in East Devon could increase by 320 jobs a year on average, whilst the latter predicts growth of 520 jobs a year on average. Compared to the 2021 jobs count figure, this represents a 12% and 19% increase in employment respectively.



Data from the 2021 Census also asked respondents in employment to confirm how many hours they work in a week. The data shows that there are slightly more East Devon residents working fewer hours compared to the regional and national averages. However, the percentage of East Devon residents that are working 49 hours or more a week is slightly higher than those regional and national averages.

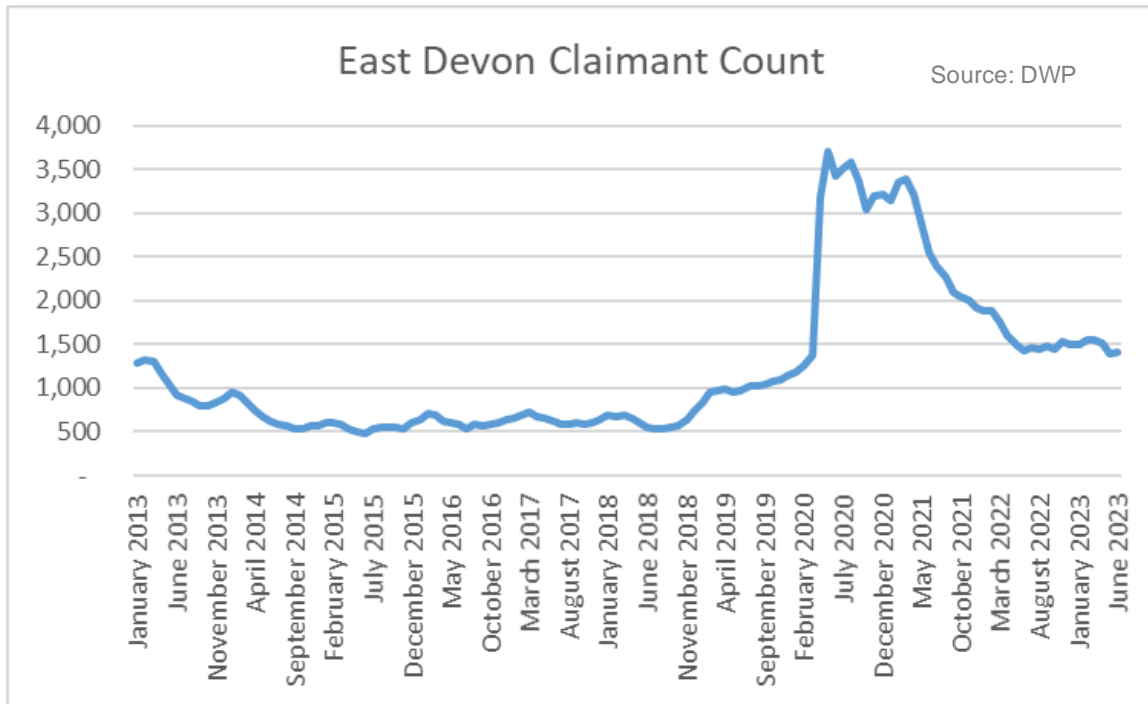


The ONS collates data from workless households, where no-one aged 16 or over is in employment. These individuals may be unemployed or economically inactive. The percentage of workless households appears to have significantly increased in East Devon from 2020 to 2021, which is not in line with the regional or national trend.

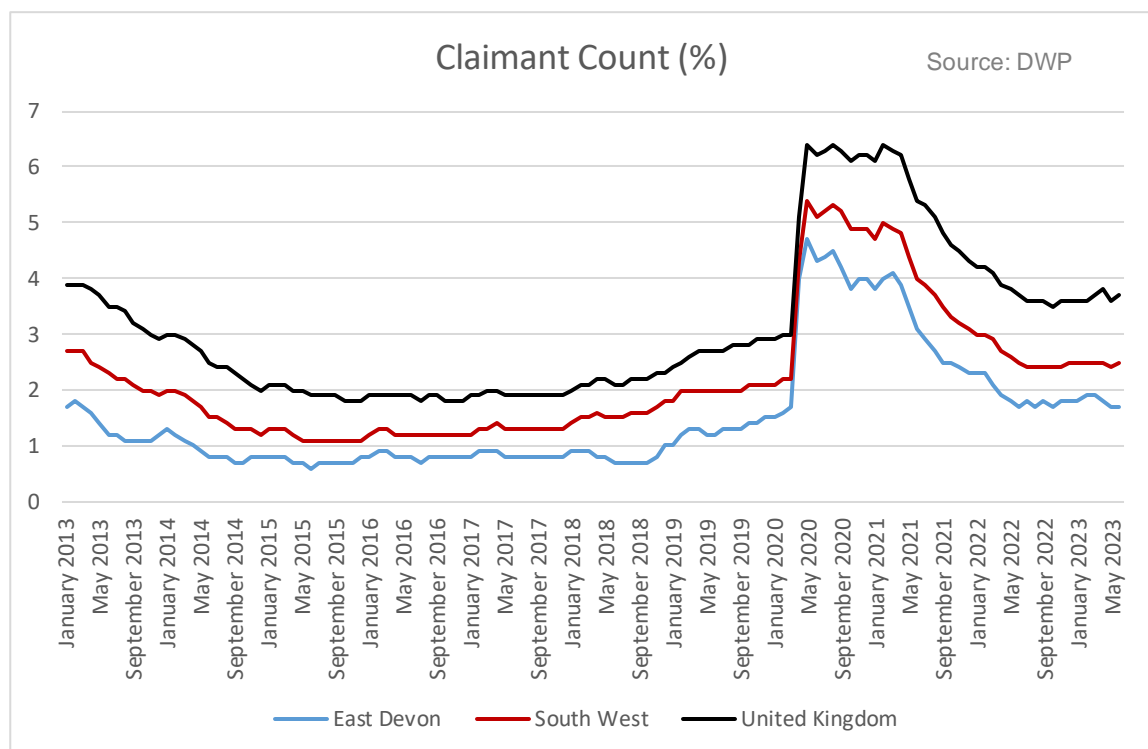


A more reliable source of data for tracking those who are unemployed is the claimant count statistics published by the Department for Work and Pensions. This data is published monthly and removes the annual swings frequently observed in ONS data.

The Claimant Count is the number of people claiming benefits principally for the reason of being unemployed. This is measured by combining the number of people claiming Jobseeker's Allowance (JSA) and National Insurance credits with the number of people receiving Universal Credit principally for the reason of being unemployed.



The latest figures for East Devon (June 2023) shows the claimant count standing at 1,410 individuals, or around 1.7% of the working population. Although figures have generally stabilised since the pandemic, they remain higher than the pre-pandemic levels.



The claimant count in East Devon has remained consistently below both the regional and national average and has remained broadly in line with neighbouring local authority areas.

Jobs

In addition to employment data, figures are available which provide further detail on the types of jobs currently held and how people travel to those jobs. It should be noted that this data only includes occupied job and not jobs which are vacant.

The table below displays jobs by occupation as a percentage of all jobs, with the South West and England averages displayed as a comparison. The table has been colour coded to show which occupations make up the largest share of the workforce at the time of the Census.

Occupation	East Devon	South West	England
Managers, directors and senior officials	14.1	12.8	12.9
Professional occupations	17.5	19.1	20.3
Associate professional and technical occupations	12.3	12.8	13.3
Administrative and secretarial occupations	8.9	9.3	9.3
Skilled trades occupations	13.7	12.1	10.2
Caring, leisure and other service occupations	10.6	9.9	9.3
Sales and customer service occupations	7.9	7.5	7.5
Process, plant and machine operatives	5.4	6.5	6.9
Elementary occupations	9.6	10.0	10.5

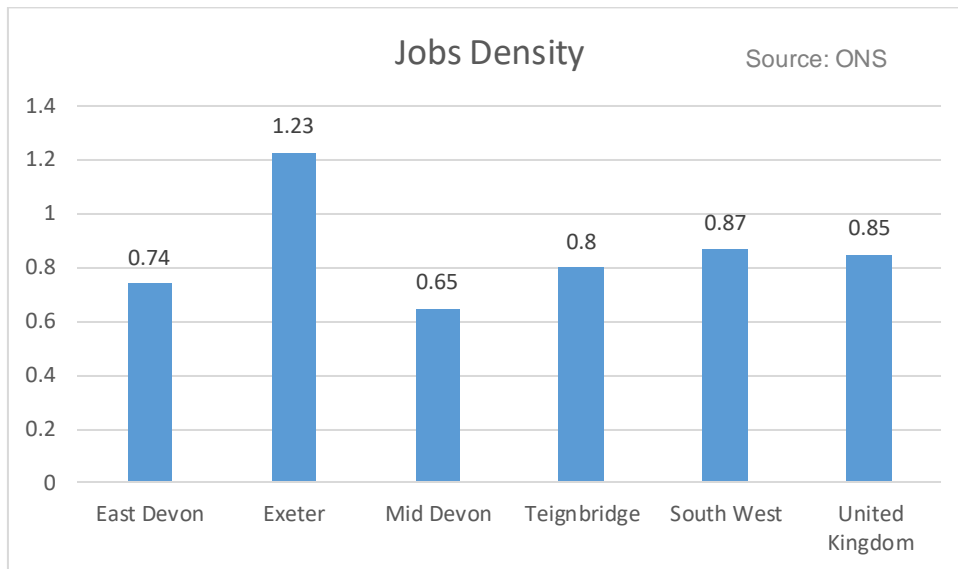
The types of occupations in East Devon are broadly consistent with the national and regional averages, albeit with East Devon having a slightly higher proportion of managers compared to professional occupations. The percentage of skilled tradespeople is also higher, with fewer plant and machine operatives. The types of occupation will link to those sectors where East Devon has a higher proportion of jobs. The table below shows the distribution of East Devon jobs by sector.

Sector	Jobs
Agriculture, forestry and fishing	1,898
Mining and quarrying	63
Manufacturing	3,374
Electricity, gas, steam and air conditioning supply	472
Water supply, sewerage, waste management, etc	726
Construction	6,267
Wholesale and retail trade, repair of motor vehicles, etc	10,194
Transport and storage	2,495
Accommodation and food service activities	4,305
Information and communication	2,008
Financial and insurance activities	1,295
Real estate activities	1,062
Professional, scientific and technical activities	4,452
Administrative and support service activities	3,414
Public administration and defence, compulsory social security	4,285
Education	6,439
Human health and social work activities	10,580
Other	3,398

The table below displays jobs by sector as a percentage of all jobs, with the South West and England averages displayed as a comparison. This shows the East Devon's sectoral distribution of jobs is roughly similar to the regional and national averages, with slightly higher percentages in farming and tourism based activities and with lower percentages in manufacturing, financial and ICT services.

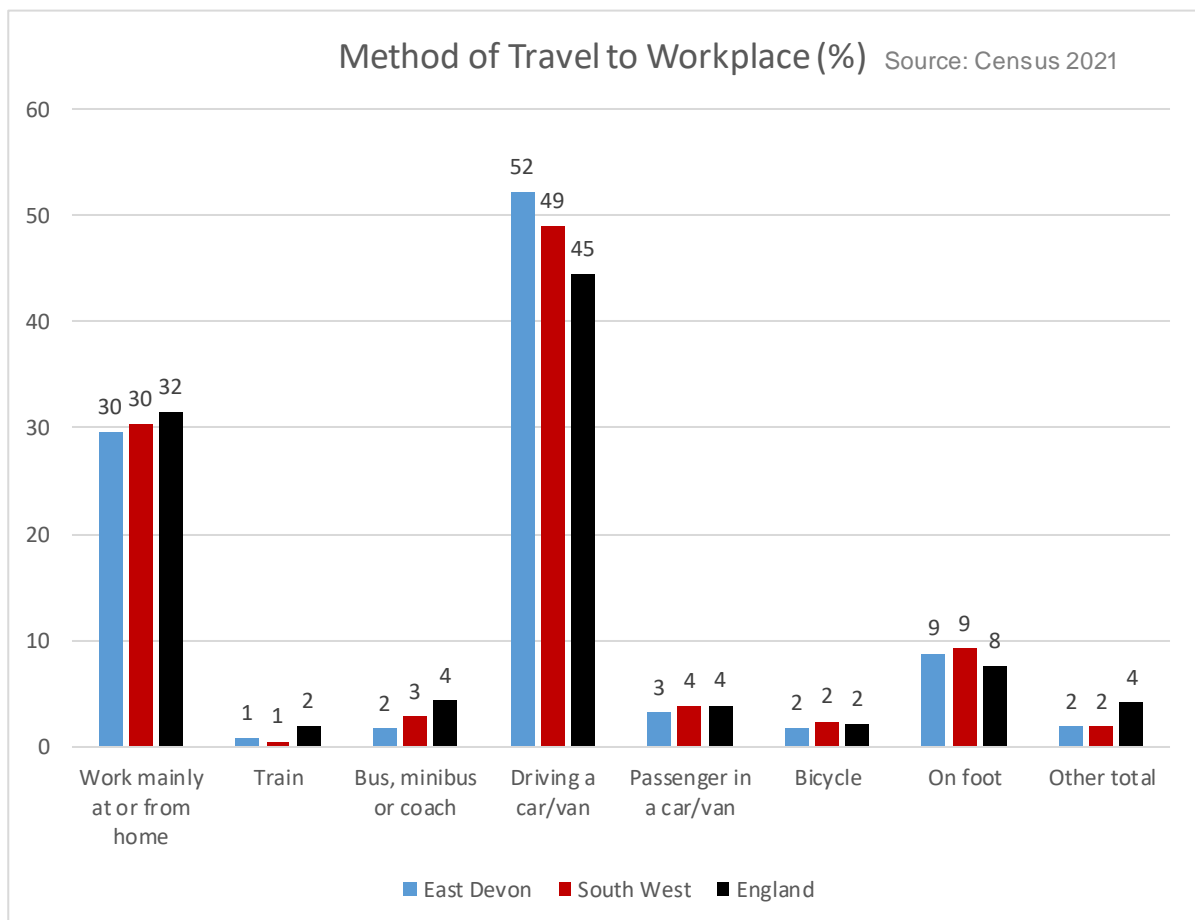
Sector	East Devon	South West	England
Agriculture, forestry and fishing	2.8	1.6	0.8
Mining and quarrying	0.1	0.2	0.2
Manufacturing	5.1	7.4	7.3
Electricity, gas, steam and air conditioning supply	0.7	0.6	0.6
Water supply, sewerage, waste management, etc	1.1	0.9	0.7
Construction	9.4	9.1	8.7
Wholesale and retail trade, repair of motor vehicles, etc	15.3	14.9	15.0
Transport and storage	3.7	4.0	5.0
Accommodation and food service activities	6.5	5.6	4.9
Information and communication	3.0	3.9	4.7
Financial and insurance activities	1.9	3.2	3.8
Real estate activities	1.6	1.5	1.6
Professional, scientific and technical activities	6.7	6.1	6.7
Administrative and support service activities	5.1	5.0	5.3
Public administration and defence, compulsory social security	6.4	6.7	5.8
Education	9.6	9.6	9.9
Human health and social work activities	15.9	15.3	14.6
Other	5.1	4.6	4.6

Jobs density figures can be useful to understand how many jobs are occupied in a given area compared to the overall working age population. For example, a job density of 1.0 would mean that there is one job for every resident aged 16-64. ONS data for East Devon in 2021 shows a job density of 0.74.

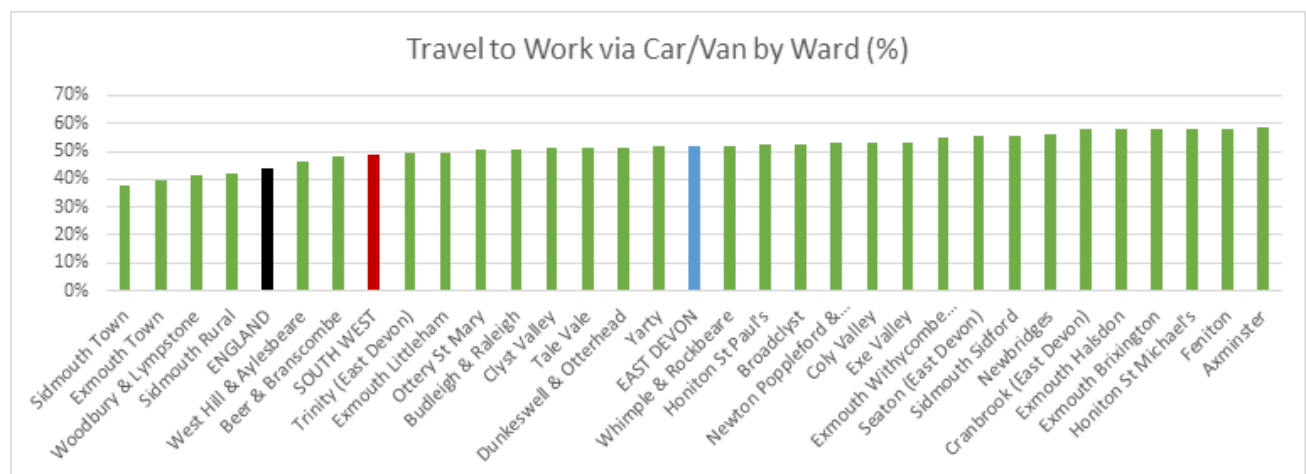
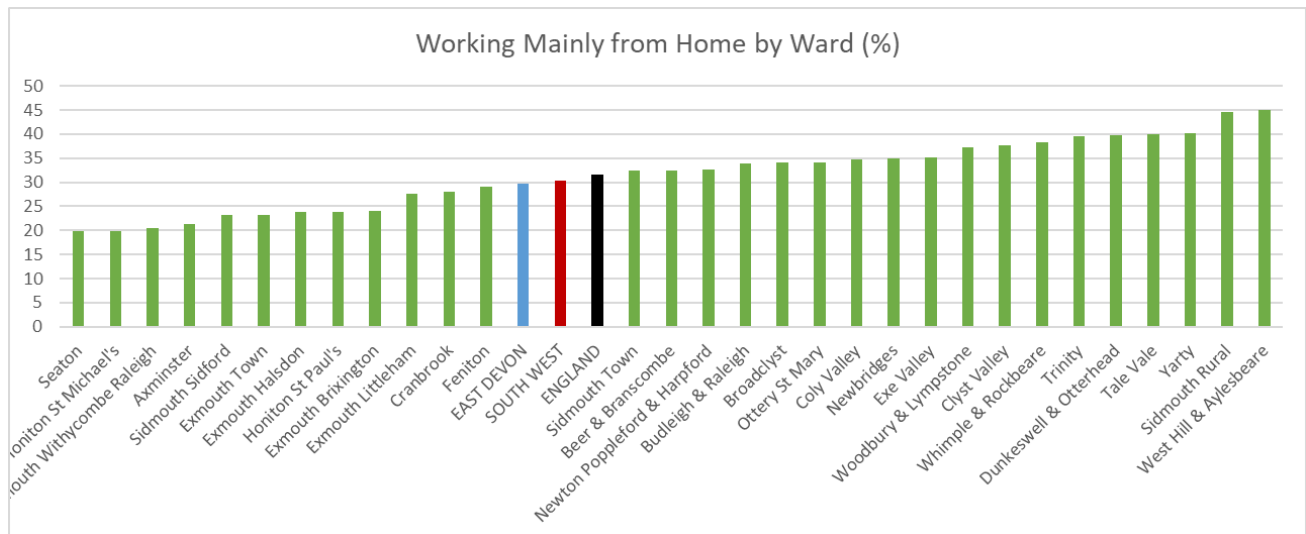


The high job density figure for Exeter suggests that more people commute to work in Exeter than there are working people residents who live in Exeter. For East Devon, there are more working age residents than jobs occupied.

Census data on how local residents travel to work shows that a higher percentage of East Devon residents are reliant on private vehicles to get to work. Data also points to around almost a third of people primarily working from home.



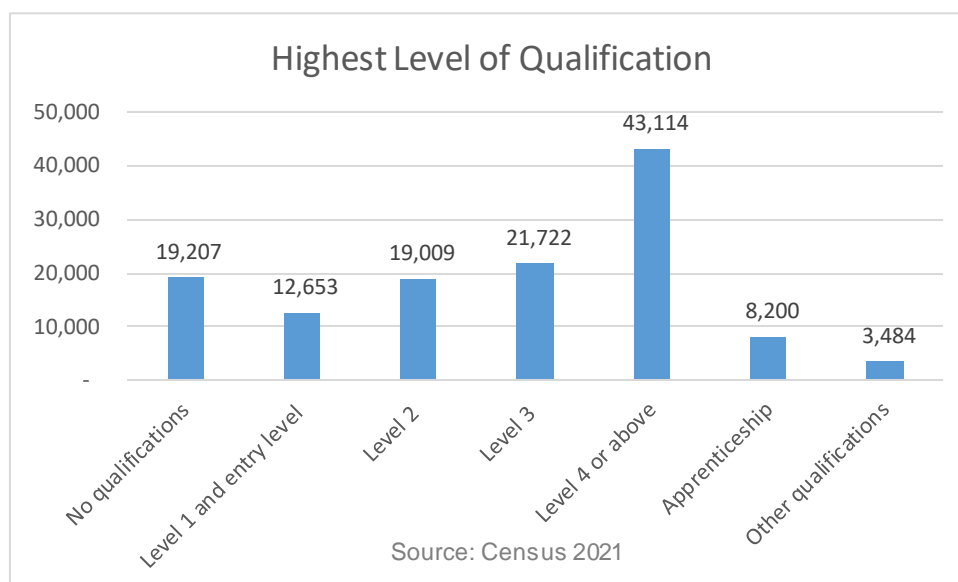
The graphs below show the number of individuals who mainly work from home and those who travel to work via a car or van at a ward level. The data shows that car use is typically higher than the national and regional average for most East Devon wards.



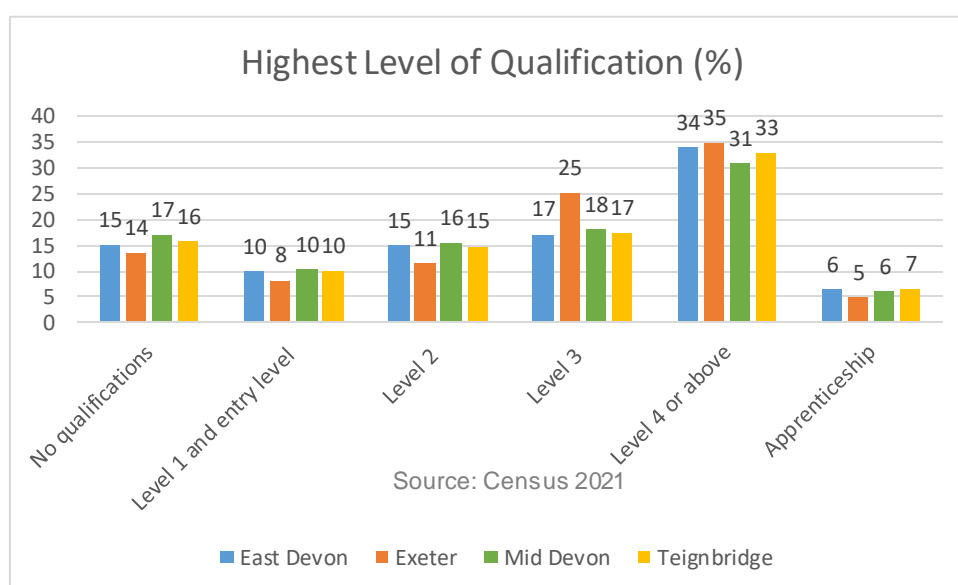
Skills

Census data has captured the skill and qualification levels of East Devon residents of 16 years of age and older. Levels of qualifications are defined as follows:

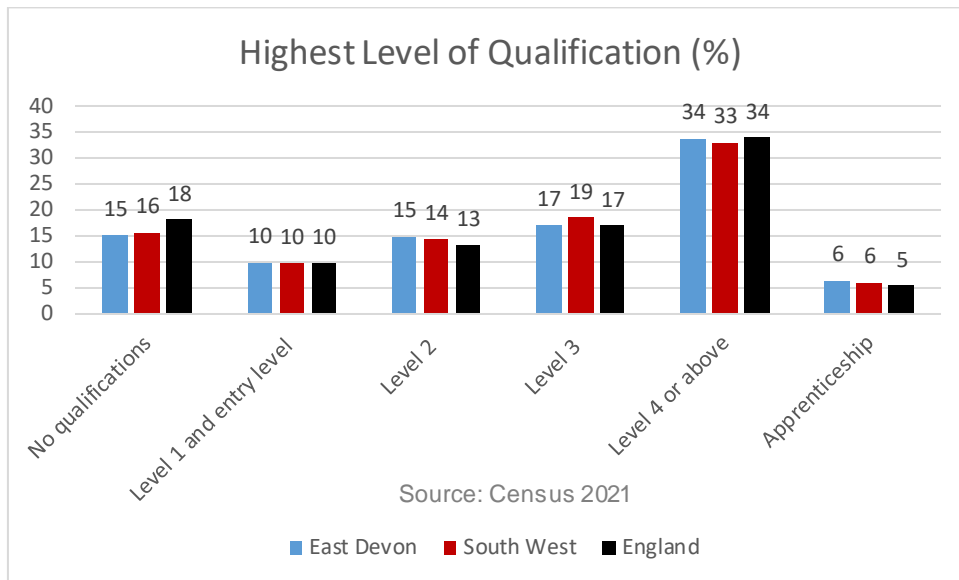
- Level 1: fewer than 5 GCSEs at grades A-C or equivalent.
- Level 2: 5 or more GCSEs at grades A-C or equivalent.
- Level 3: 2 or more A levels or equivalent.
- Level 4 or above: degree or equivalent, higher degree, professional qualifications, etc.



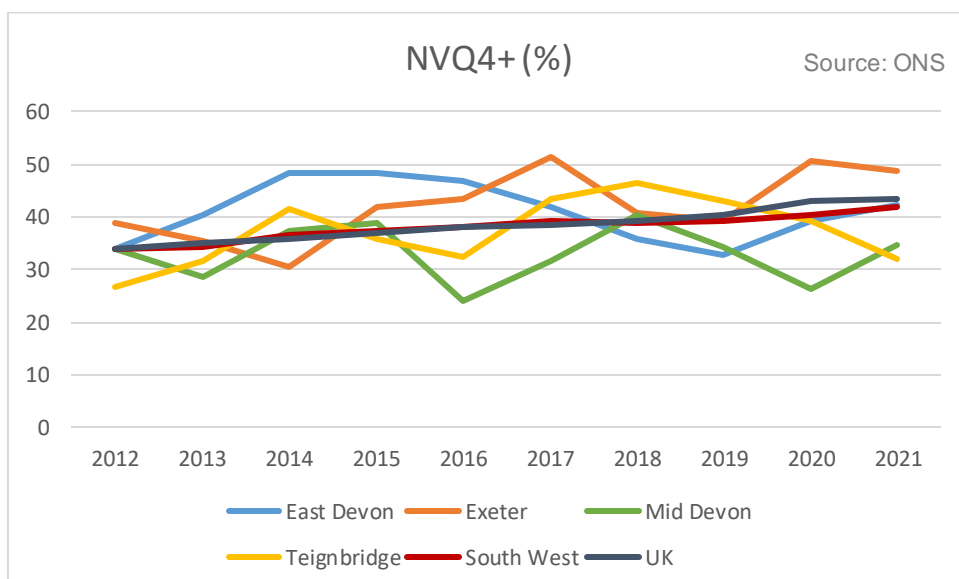
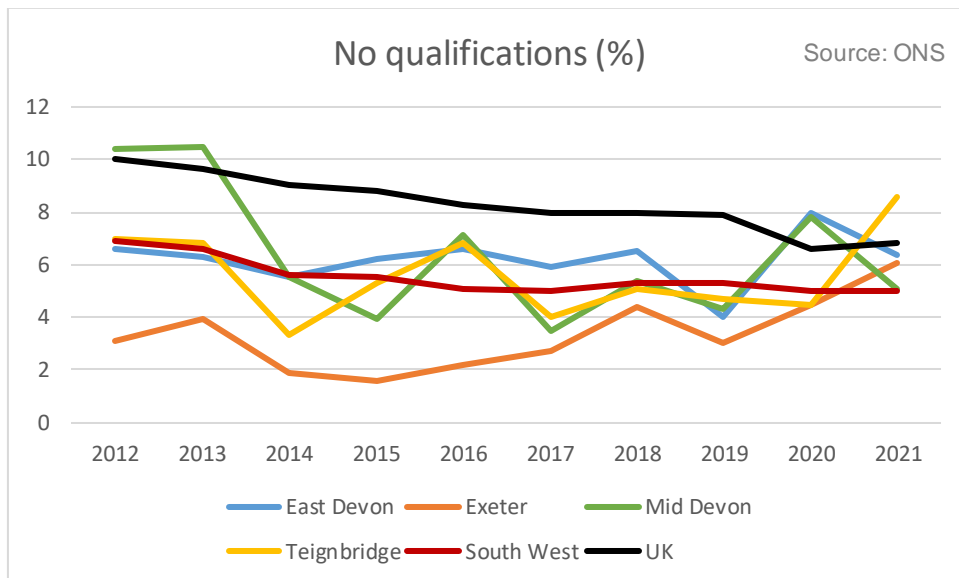
When viewed in percentage terms, the figures for East Devon are broadly similar to Mid Devon and Teignbridge, although Exeter has a slightly smaller percentage of residents with no or low level qualifications whilst having a slightly higher proportion of level 3 and level 4 qualifications.



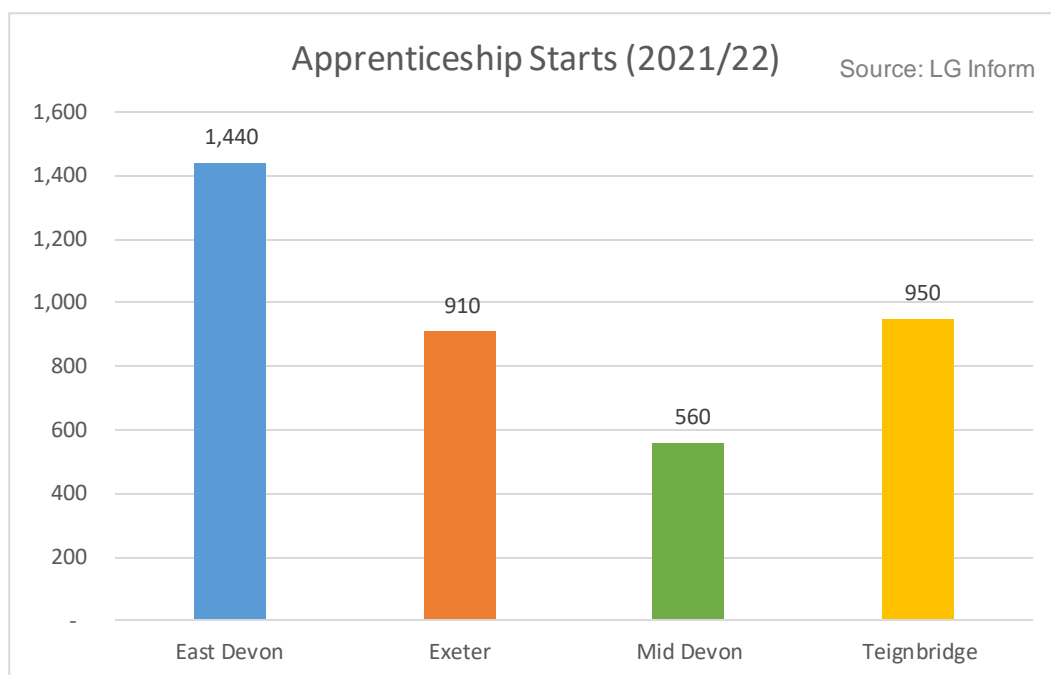
When comparing East Devon to the national average, there is a slightly reduced proportion of those with no qualification, but the figures are otherwise relatively consistent.



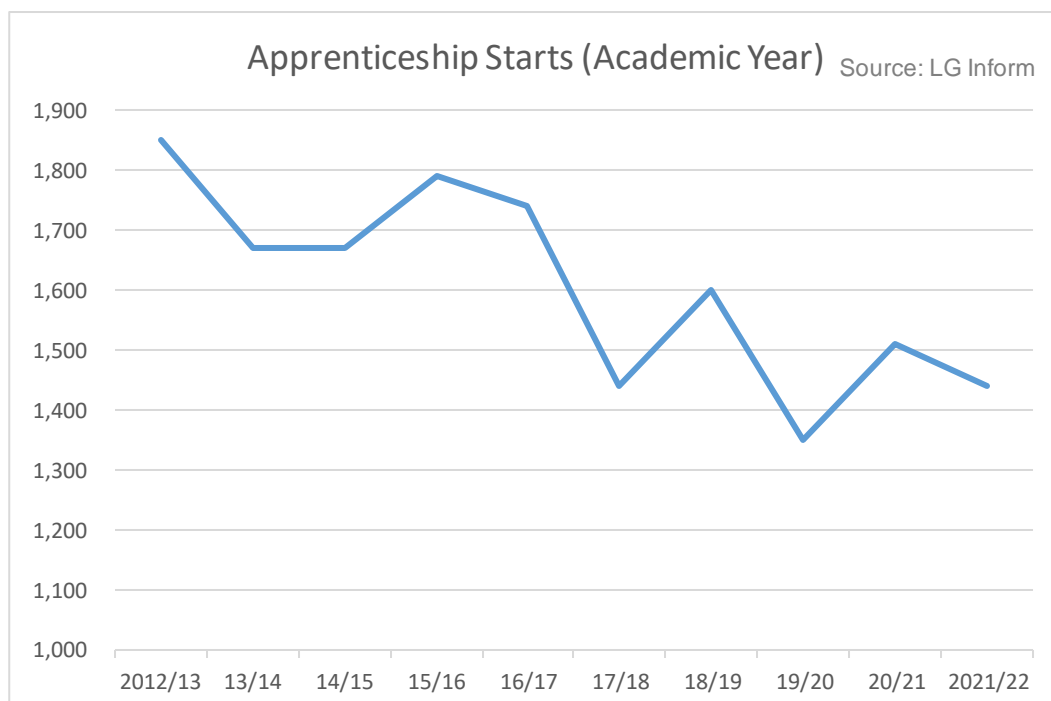
ONS data shown in the tables below indicate that changes in qualifications over time, with East Devon following a broadly similar line to the regional average and typically below the national average for with no qualifications.



In addition to the apprenticeship data provided in the Census, data on those starting an apprenticeship each year is available through LG Inform.



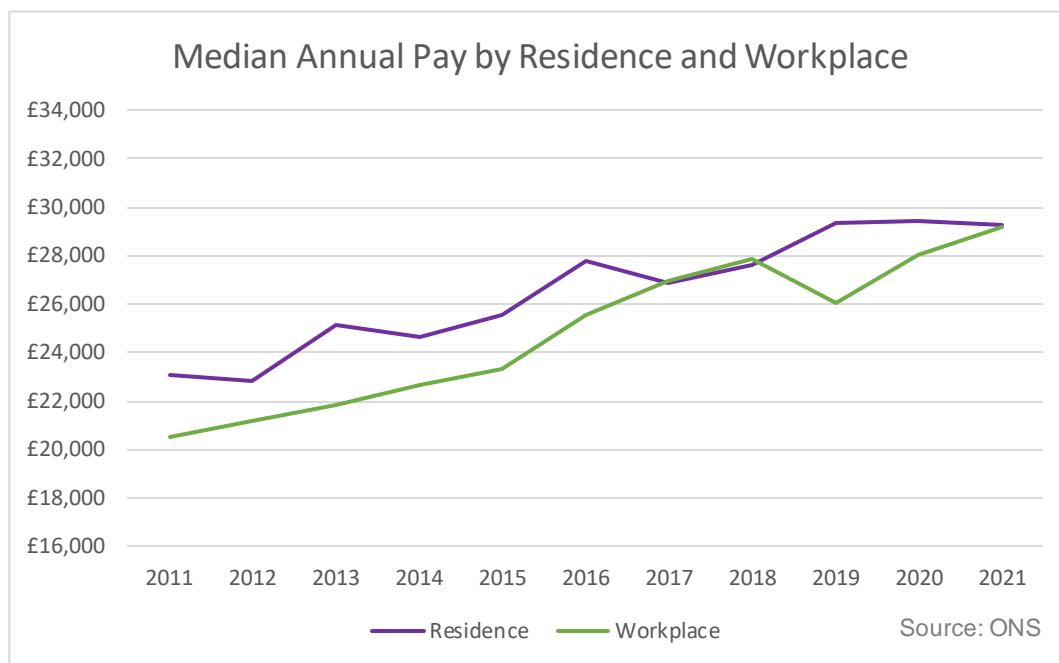
This data shows that East Devon had the highest number of new apprenticeship starts in 2021/22. However, the number of new apprenticeships in East Devon has slowly decreased over the last ten years.



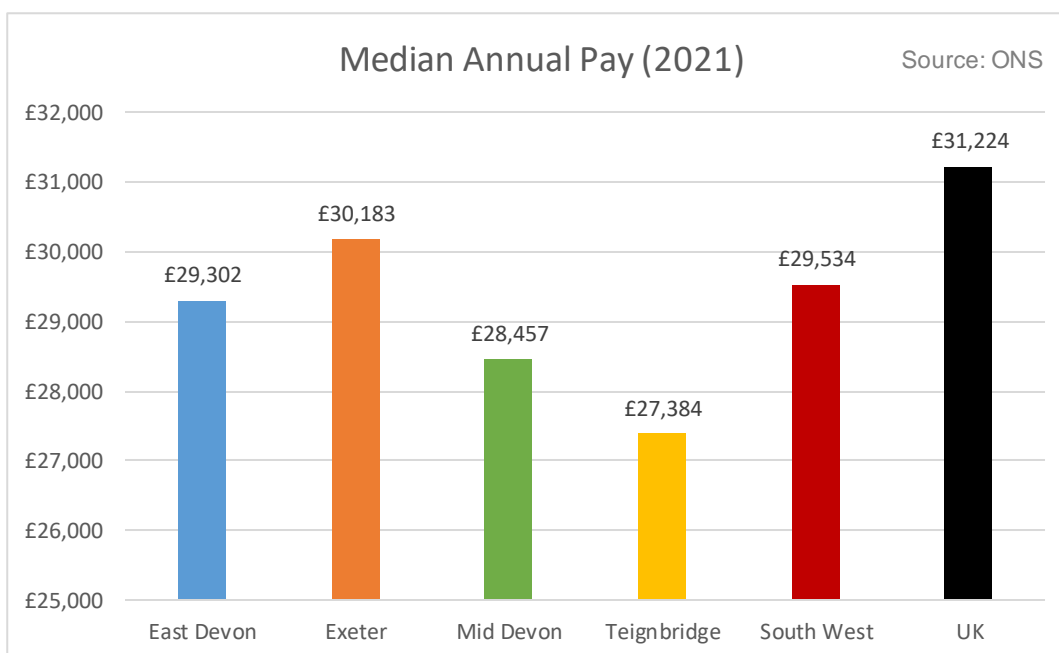
Wages

Although the 2021 Census did not capture any wage, income or wealth related data, the ONS does regularly publish wage data by place of residence and place of work.

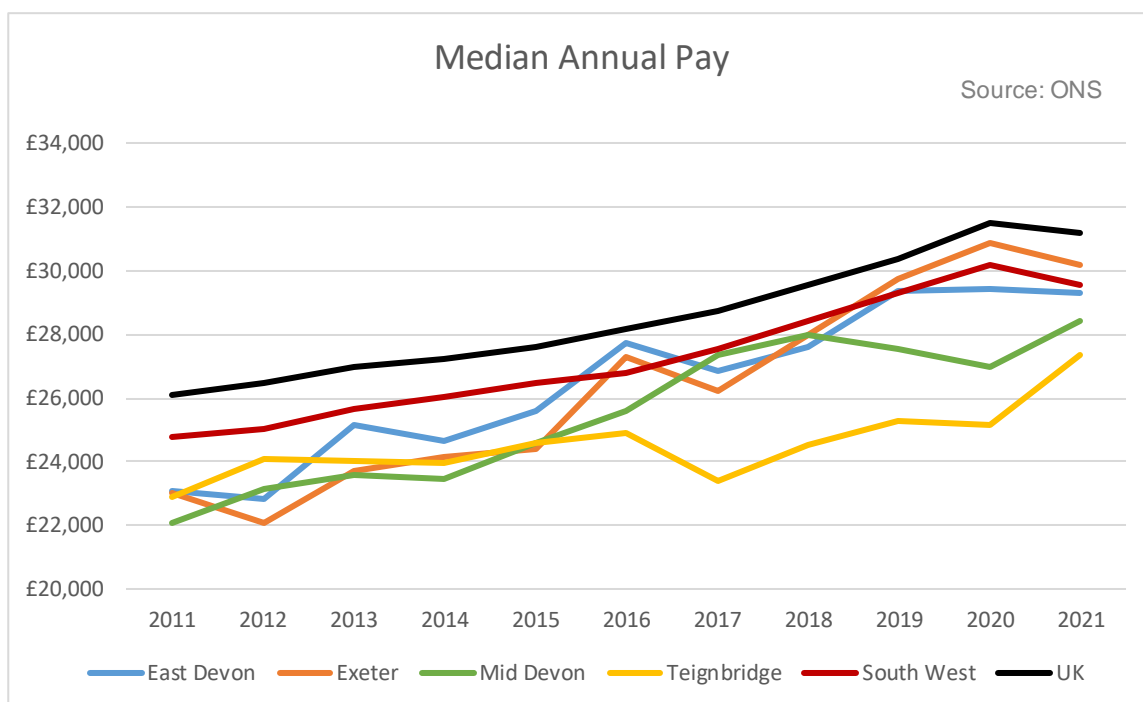
The graph below shows East Devon wages for those who reside in East Devon and those who work in East Devon. It shows that those who live in East Devon are typically earning a slightly higher wage than those who work in the district.



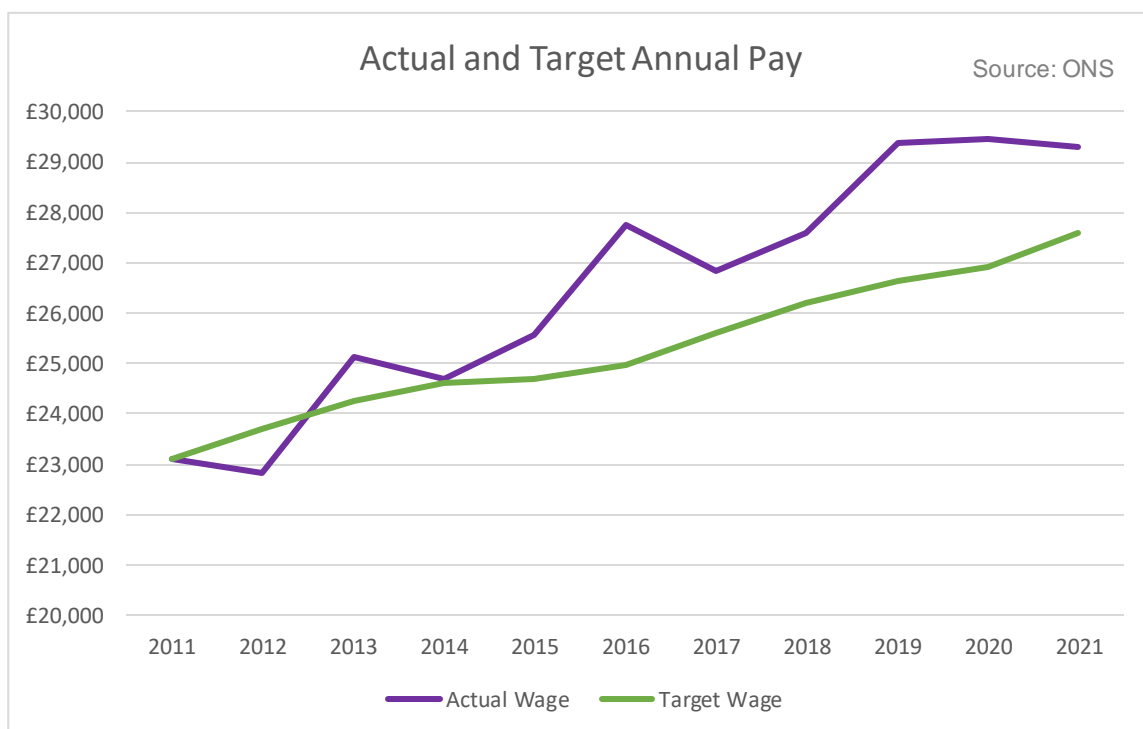
The graph below compares the median annual wage (by place of residence) between different areas. It shows that East Devon residents are typically earning a wage at around the regional average but below the national average. Median salaries are however higher than Mid Devon and Teignbridge, although slightly lower than Exeter.



Reviewing this data over time shows that East Devon's median wage compared to other areas has changed very little over the last ten years, although more notable swings can be observed for the remaining EHOD areas.

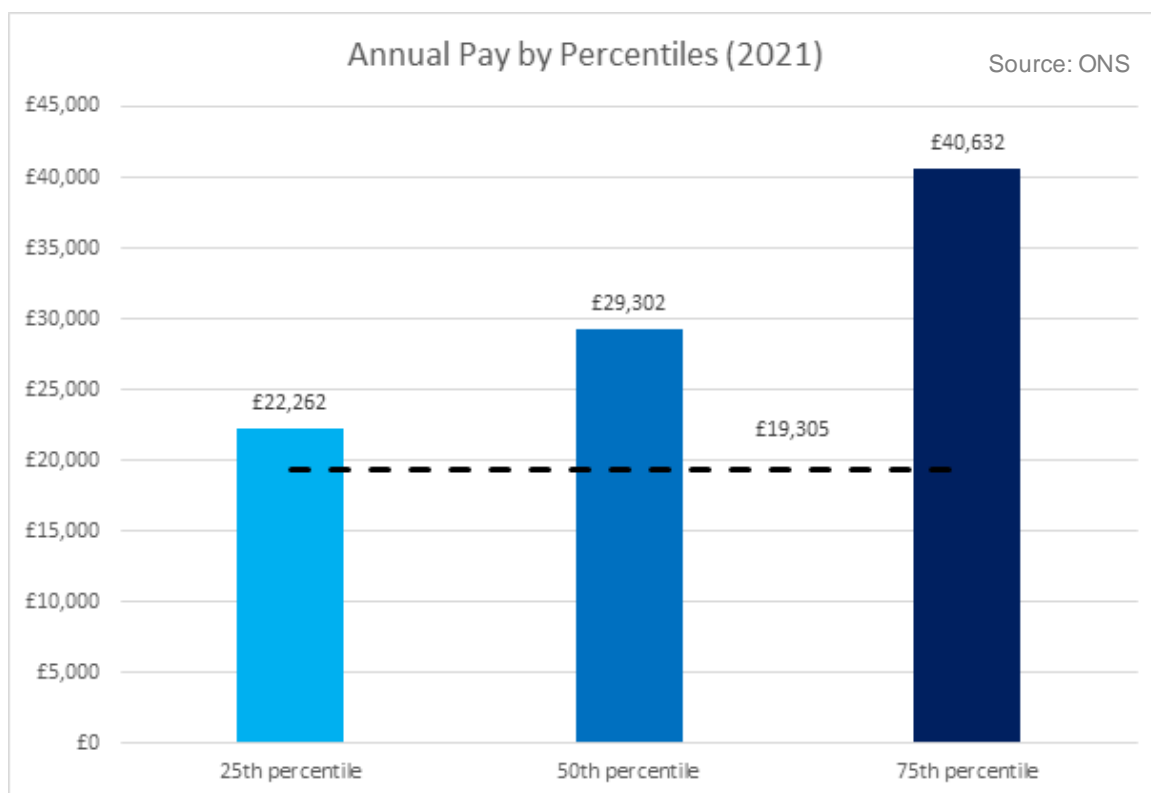


East Devon's median annual pay can also be compared against an inflation-adjusted rate of pay, or a 'target' annual wage. The target wage takes the actual annual salary from 2011 and increases it each year by the rate of inflation, as measured by the Consumer Prices Index including owner occupiers' housing costs (CPIH)



The graph above shows that actual pay has been increasing at a rate higher than inflation, leading to a real terms pay increase for the average (median) East Devon resident. This real terms pay increase is much higher when compared against East Devon wages by place of work.

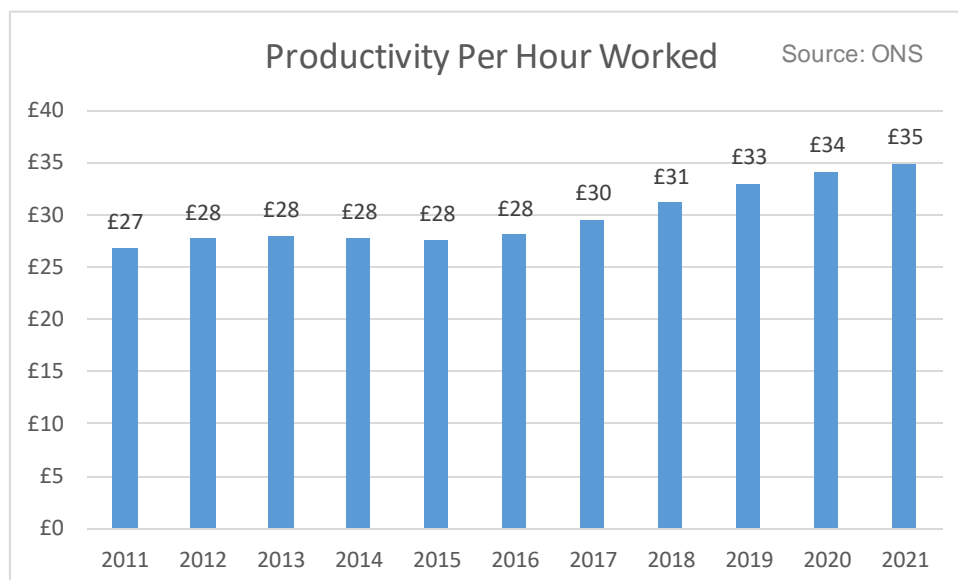
Annual pay can also be viewed in percentile format. Percentiles allows us to compare an individual group of earners against all groups combined. For example, the 25th percentile of wages would be the average wage of the bottom 25% of earners, whilst the 75th percentile would be the average the average wage of the top 25% of earners. The 50th percentile is the average (median) wage for all earners.



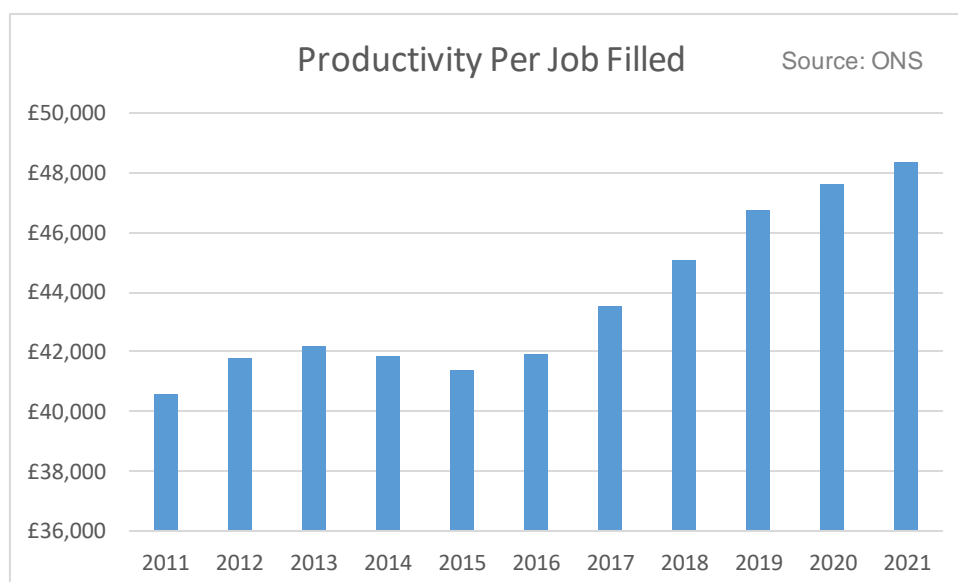
The graph above shows the average wage for the bottom quarter and top quarter of earners in East Devon for 2021. The dashed line shows the real living wage for 2021 presented as an annual wage for full time workers (£19,305 per annum), as set by the Living Wage Foundation. The graph shows that the bottom 25% of East Devon earners are typically earning above the real living wage.

Productivity

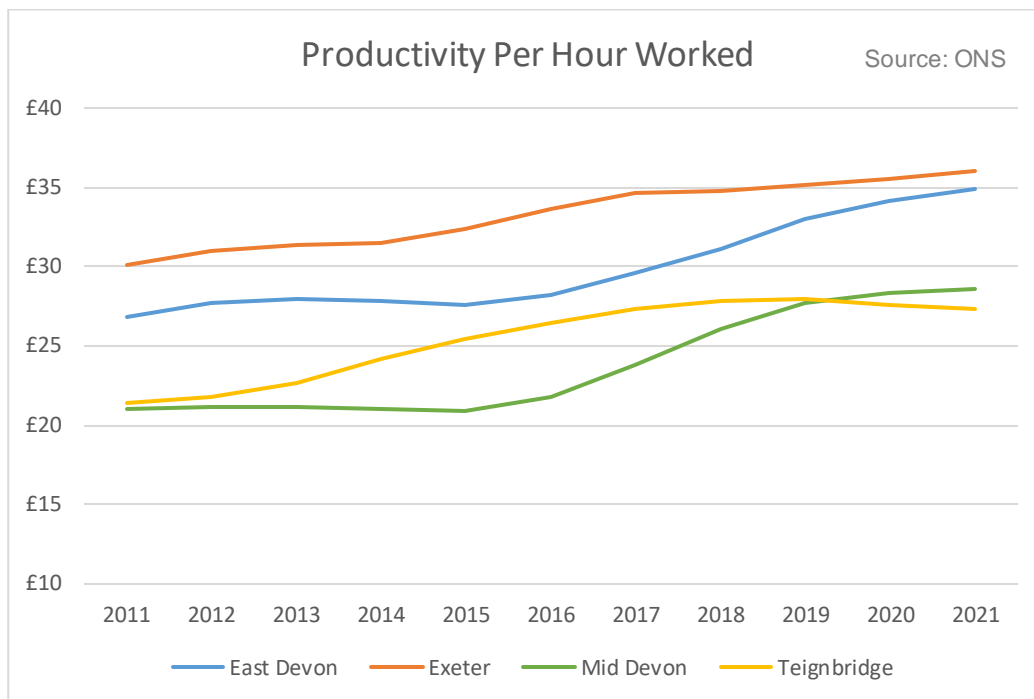
One way to measure the economic performance of a given area is by analysing gross value added (GVA) data, otherwise simply referred to as productivity data. GVA measures the value generated in the production of goods and services, with the ONS' GVA(B) metric used to reveal productivity at a local district level.



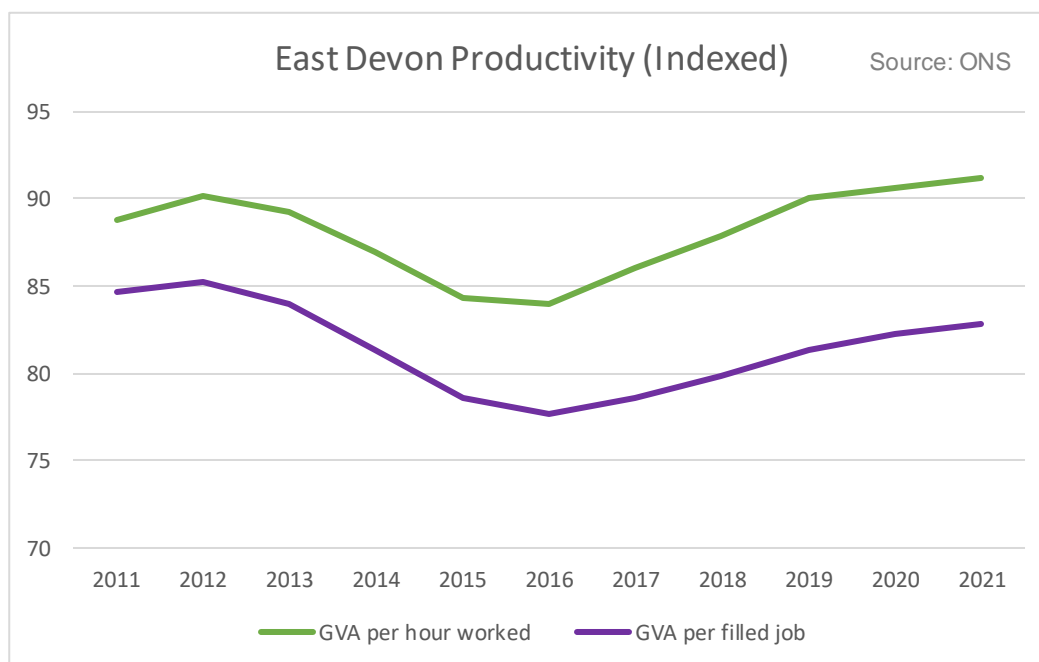
The graph above shows the average value added per hour worked in East Devon, with the graph below showing the average value added per job in East Devon. As of 2021, the average worker produced £48,340 of added economic value, with £35 of value being produced on average per hour worked.



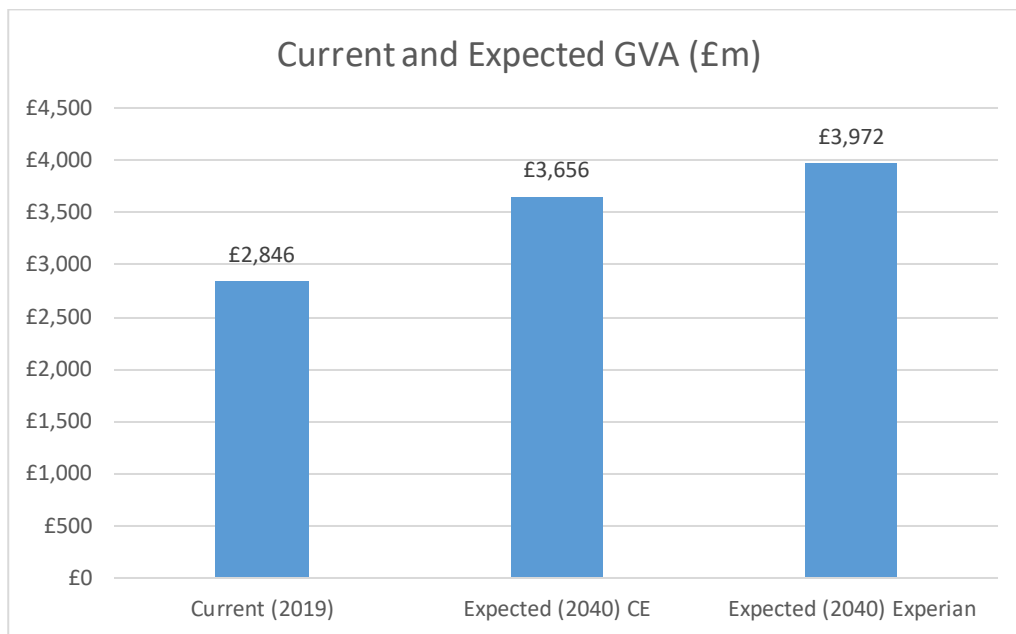
When compared against the other EHOD areas, East Devon is slightly beneath Exeter's productivity in terms of hour worked, with Mid Devon and Teignbridge lagging by £6 and £8 an hour respectively. The figures for productivity per job filled is fairly similar to the trends shown below, although the gap between Exeter and East Devon is marginally wider.



Current price indexed data from the ONS can be used to show how levels of productivity differ from the UK average for any region for a given year. For example, if an area's productivity index is 115, its labour productivity is estimated to be 15% higher than the UK average, while an area with a productivity index of 85 is estimated to be 15% lower than the UK average. It should be noted that when used in this context, a decrease in the productivity index number does not necessarily mean that the productivity has decreased in actual terms; it rather means that the area has seen lower growth than the rest of the UK over the period. In other words, its actual productivity level may have improved, but at a slower rate than the UK overall.



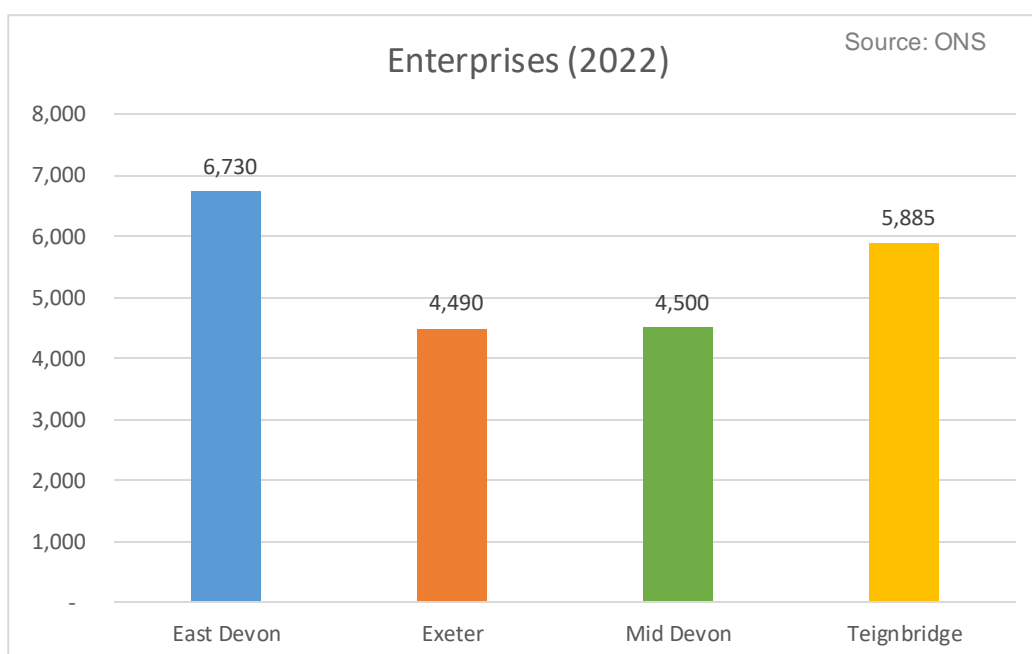
The table above shows that productivity in East Devon has been consistency below the UK average (100) with the gap widening between 2012 and 2016 and then narrowing back from 2016 to 2021.



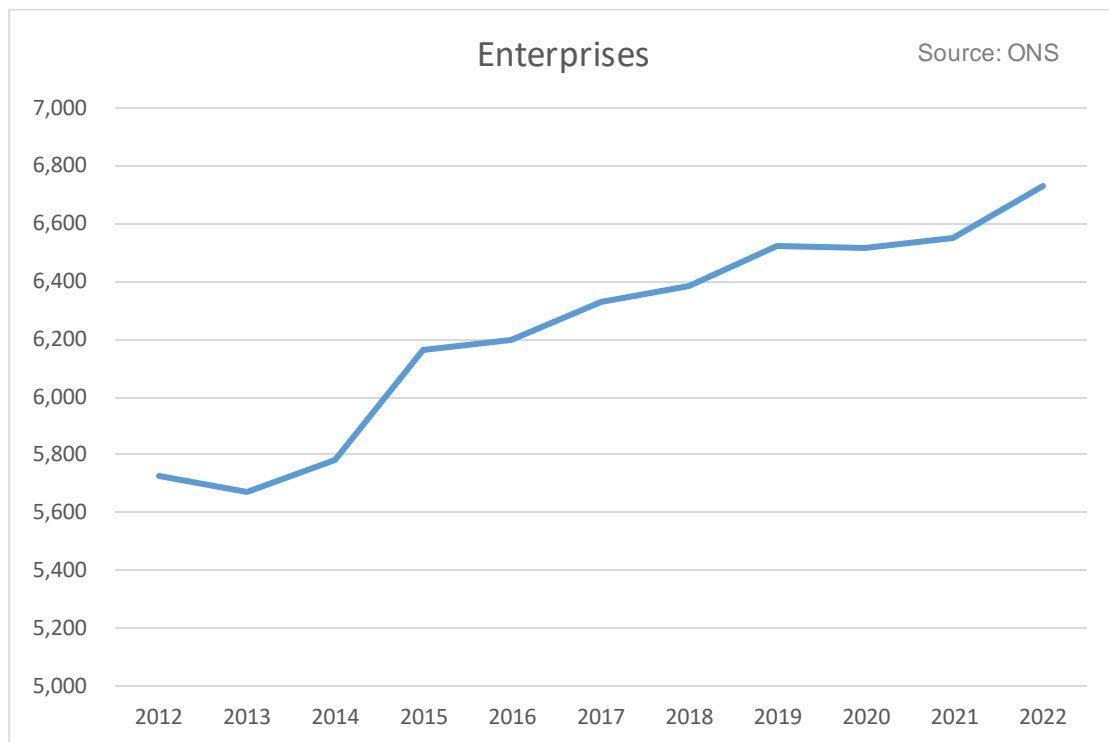
The graph above shows the total GVA for East Devon in 2019 (taken from the ONS) and the expected GVA forecasted between 2019 and 2040. These forecasts have been derived from two separate sources, Cambridge Econometrics and Experian. The former predicts a compound growth rate of 1.2% a year on average, whilst the latter expects GVA in East Devon to grow by 1.6% a year on average.

Businesses

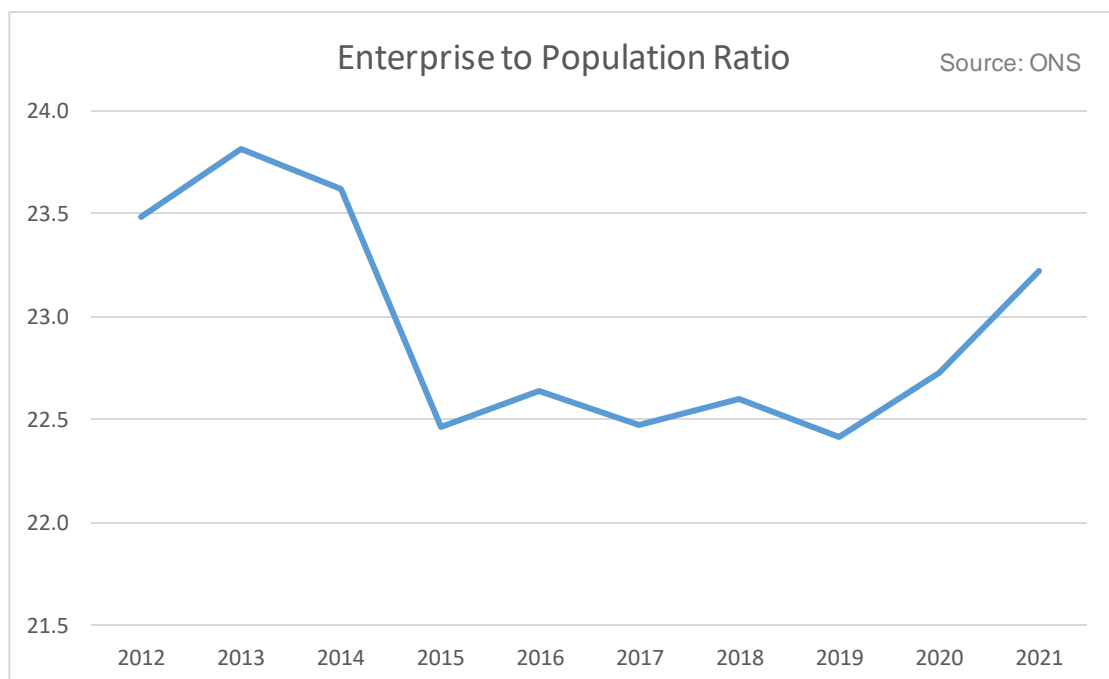
ONS business counts can be used to understand the number and different types of enterprise operating within local authority areas.



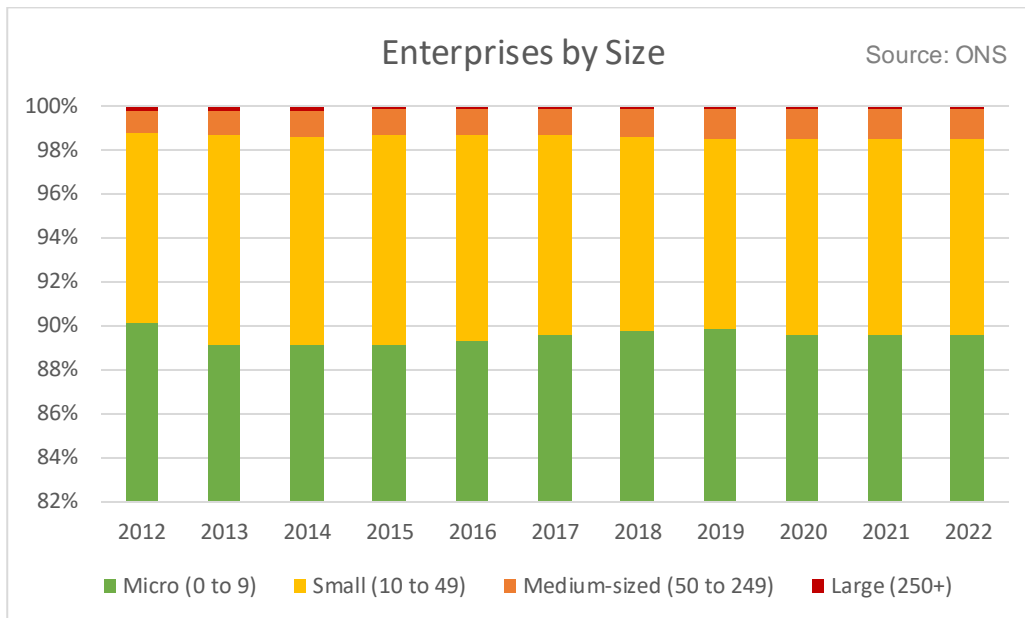
The graph above shows that East Devon has the largest business base of the EHOD authorities. The number of enterprises has grown over time, as shown below.



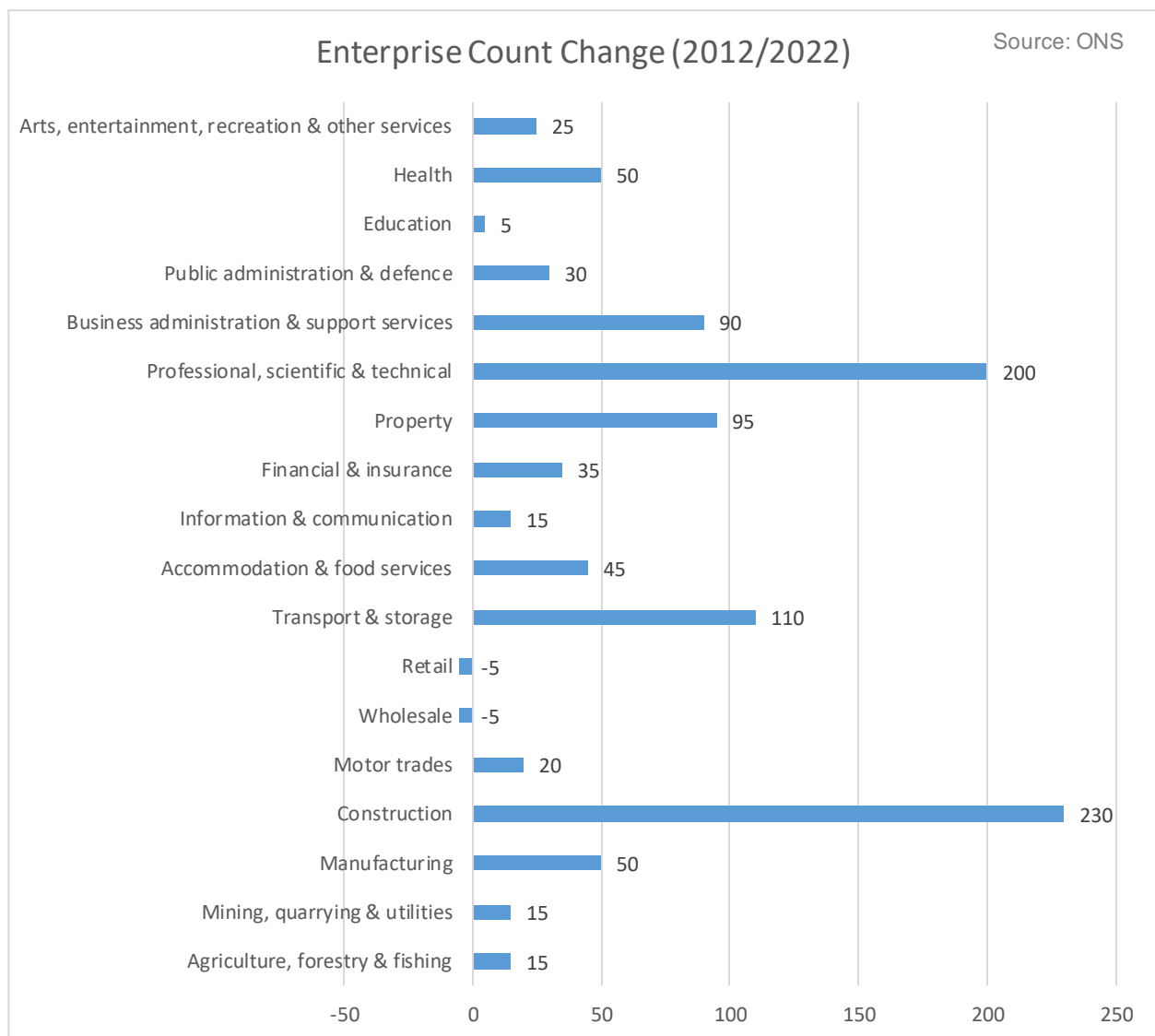
When comparing the number of enterprises to the number of working aged residents in the district, the impact of general population growth in the district can be neutralised. The growth below shows that the enterprise to working age resident ratio had declined in 2015 but has started to rebound since 2019.

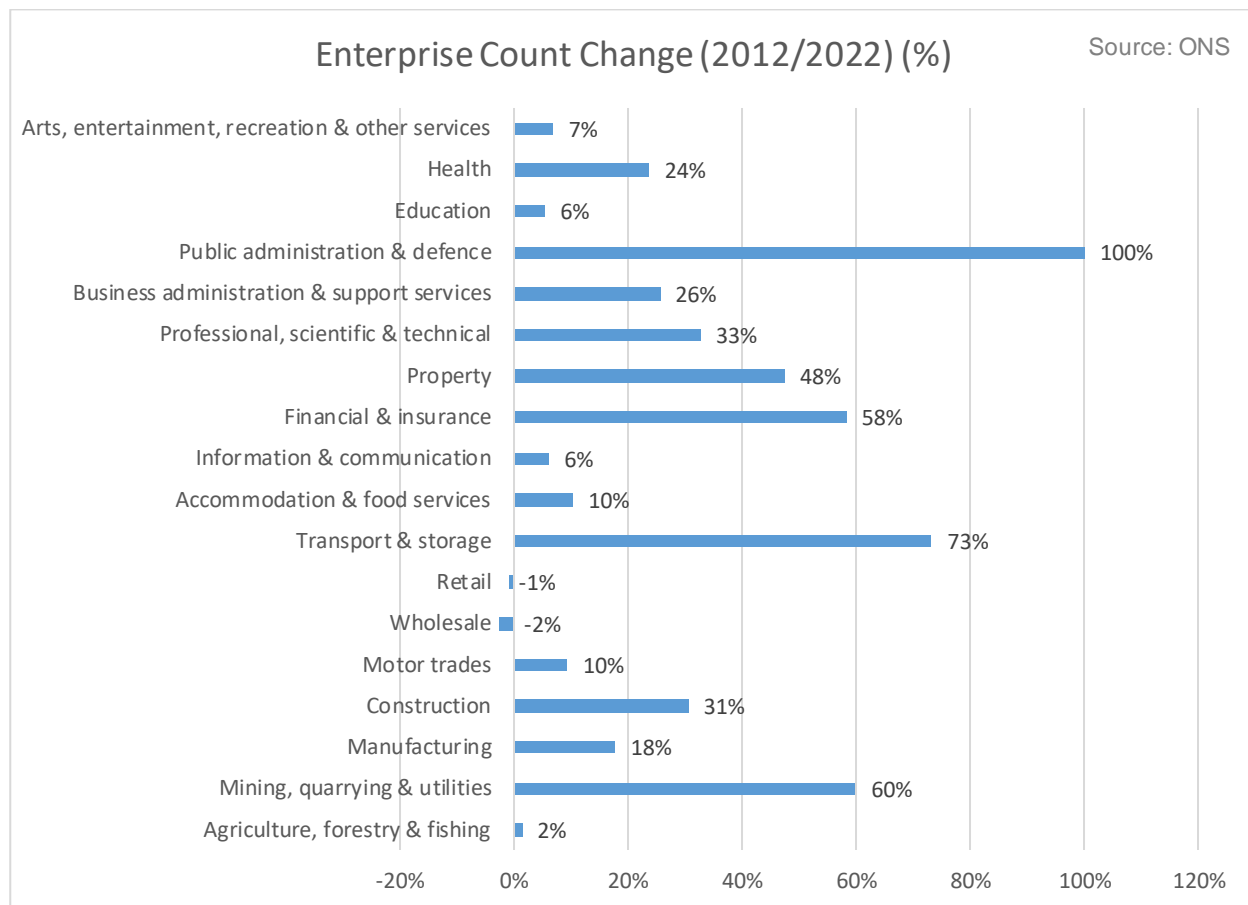


The ONS also record the size of enterprises at a district level, distinguishing between micro enterprises (0-9 employees), small (10-49 employees), medium (50-249 employees) and large enterprises (250+ employees).

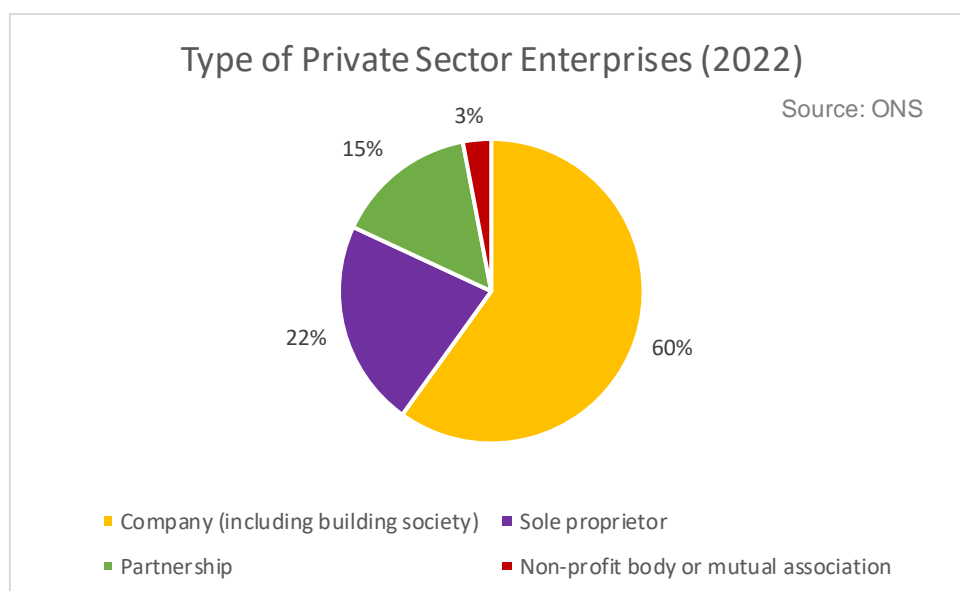


As of 2022, 90% of East Devon enterprises are classed as micro businesses, with 9% in the small business category, 1.3% medium sized and 0.1% classed as large businesses. As the graph above shows, these percentages have changed very little over the last ten years.

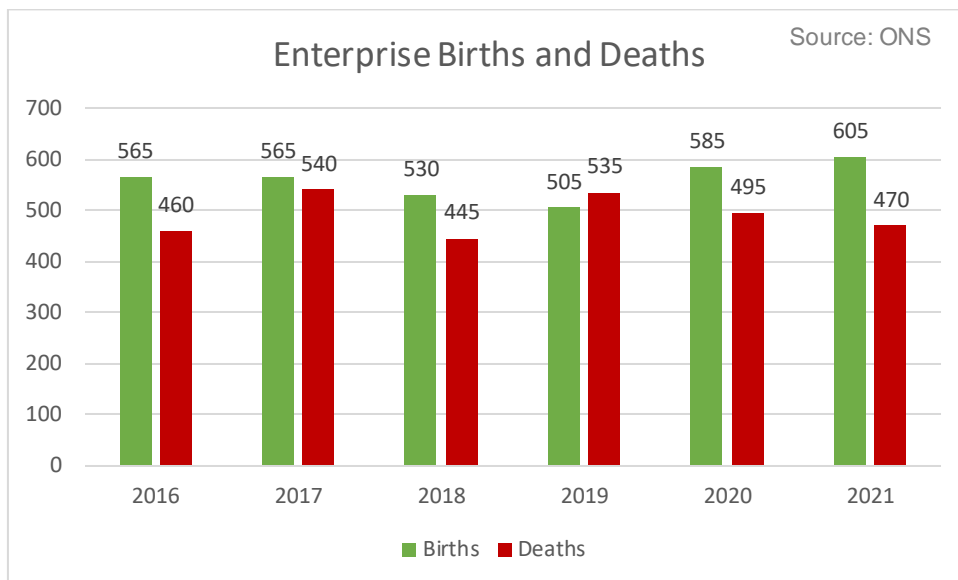




The graphs above show changes to the number of enterprises in different sectors between the 2012 count and 2022 count. The graph shows a slight decline in the retail and wholesale sector, whilst the number of enterprises in the transport and storage sector, construction sector and professional/scientific sectors have seen a significant increase.



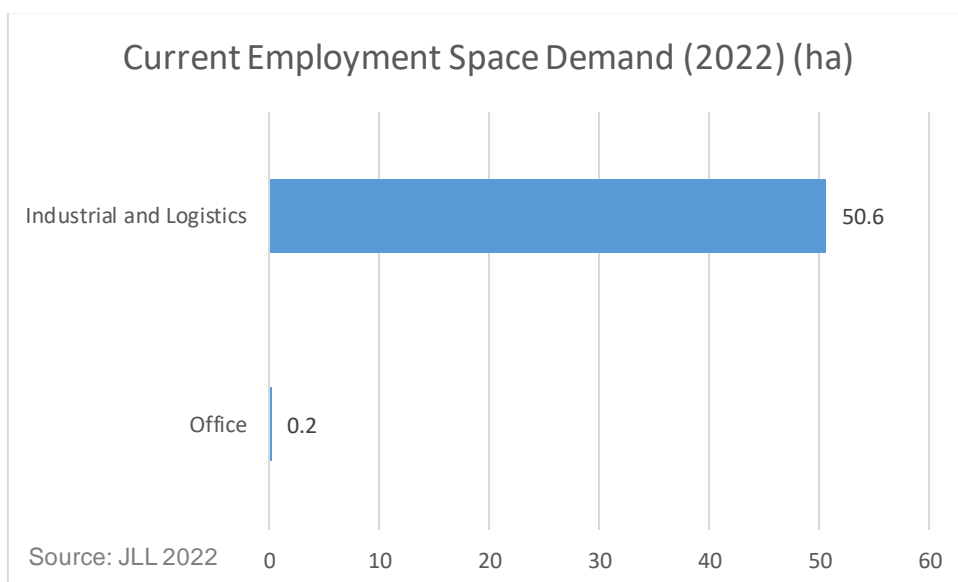
The pie chart above shows the type of private sector enterprises as a percentage of the total. The majority of enterprises (3,995) are conventional businesses, with 1,465 sole proprietors and 1,005 partnerships making up 22% and 15% of enterprises respectively. 200 enterprises are classed as non-profit or mutual organisations.



ONS data showing the number enterprise births and deaths is available over a six year period. With the exception of 2019, there are generally more business births than deaths in East Devon resulting in a consistent net increase across this timeframe.

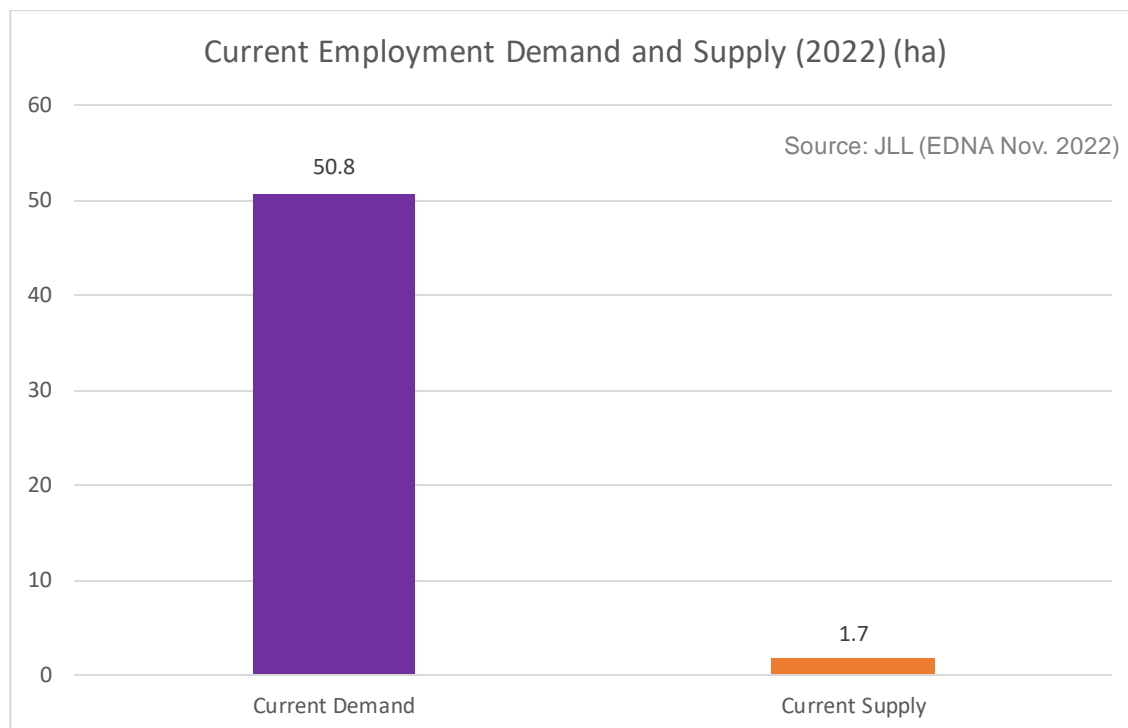
Workspace

Although no ONS or Census data is available relating to commercial space in East Devon, data can be obtained from local commercial real estate agents and consultants on the behalf of the district council.

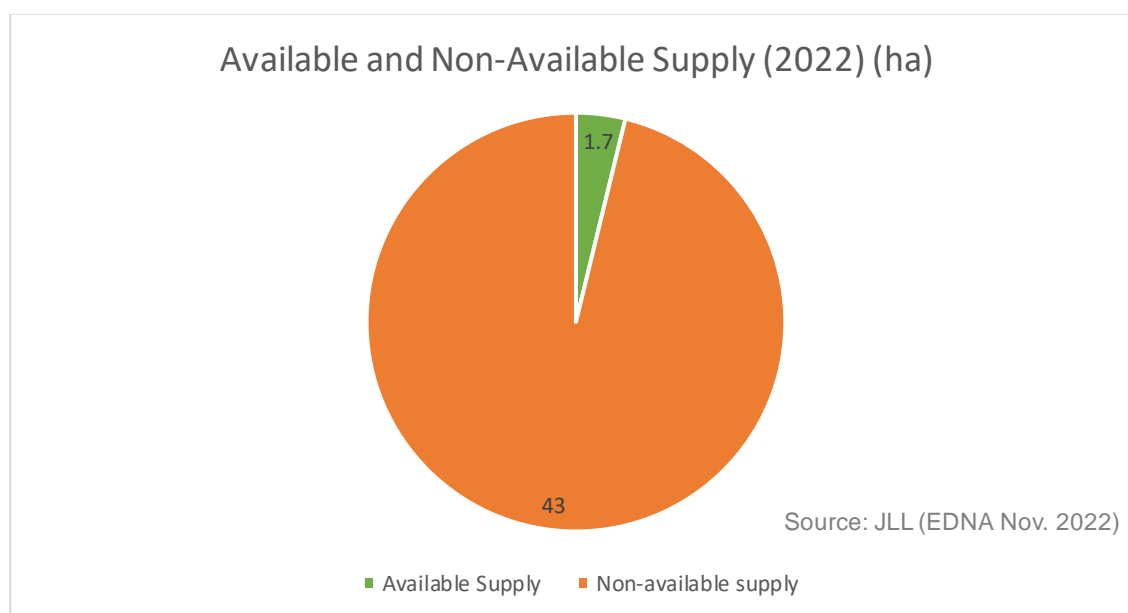


The graph above shows data which has been taken from a 2022 Economic Development Needs Assessment published by JLL for the EHOD district councils, showing the current estimated total demand for employment space in East Devon. The vast majority of current demand appears to be for industrial space, with around 80% of the industrial demand from the logistics sector with the remaining demand stemming from manufacturing or research and development (R&D).

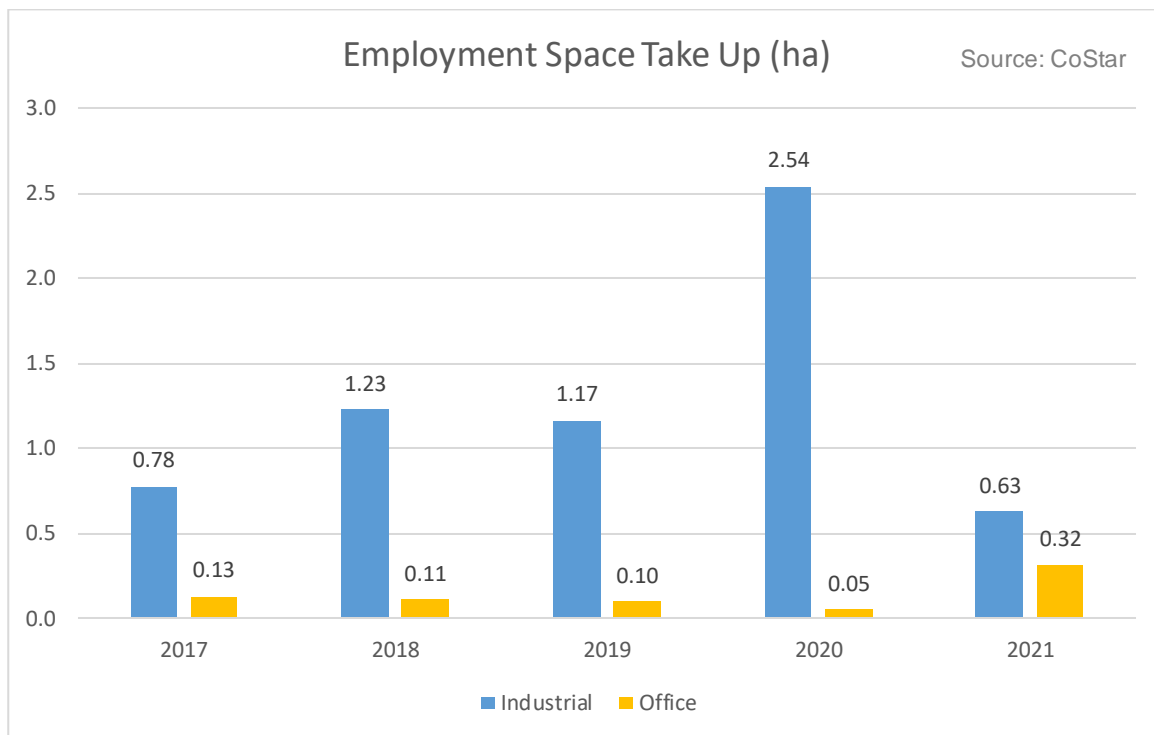
Data from JLL (EDNA) also shows how much of the existing stock of employment space was available or under offer at the time of publication in Nov. 2022. When the current amount of demand is compared against the current amount of available supply, it shows that demand is significantly higher than supply.



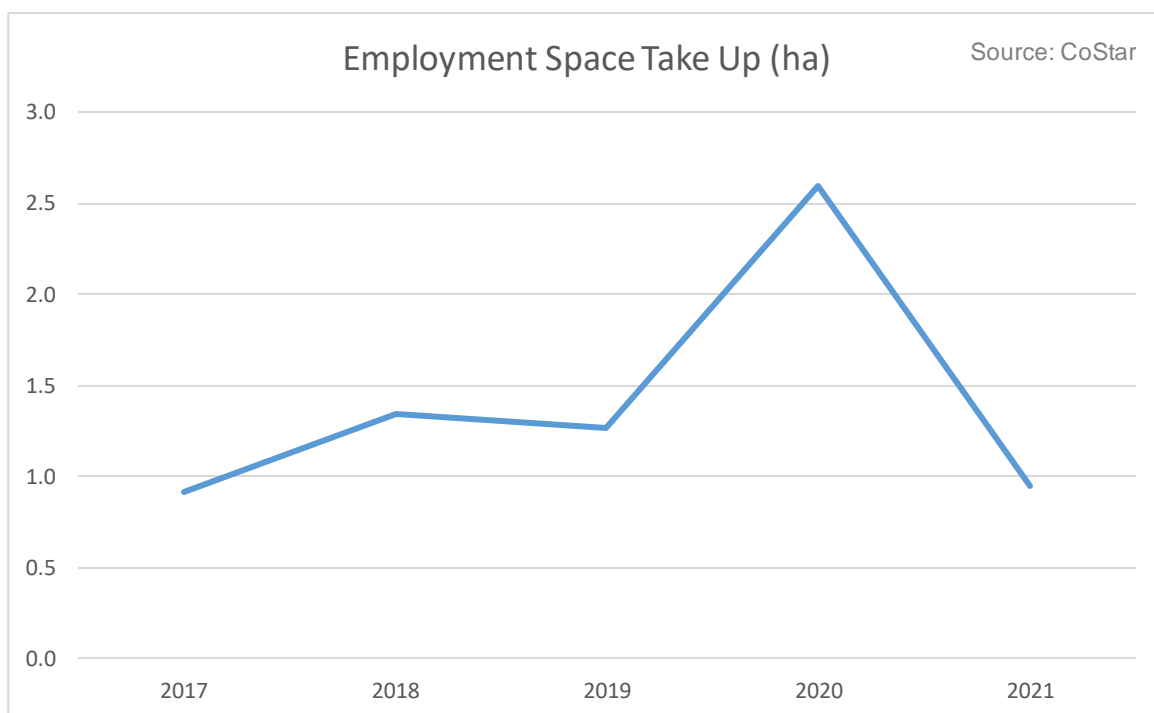
The amount of currently available supply can also be compared against the total stock of employment space in East Devon, indicating that the vast majority of employment units are occupied. JLL estimate that the total stock of employment space in East Devon equates to around 44.7ha.



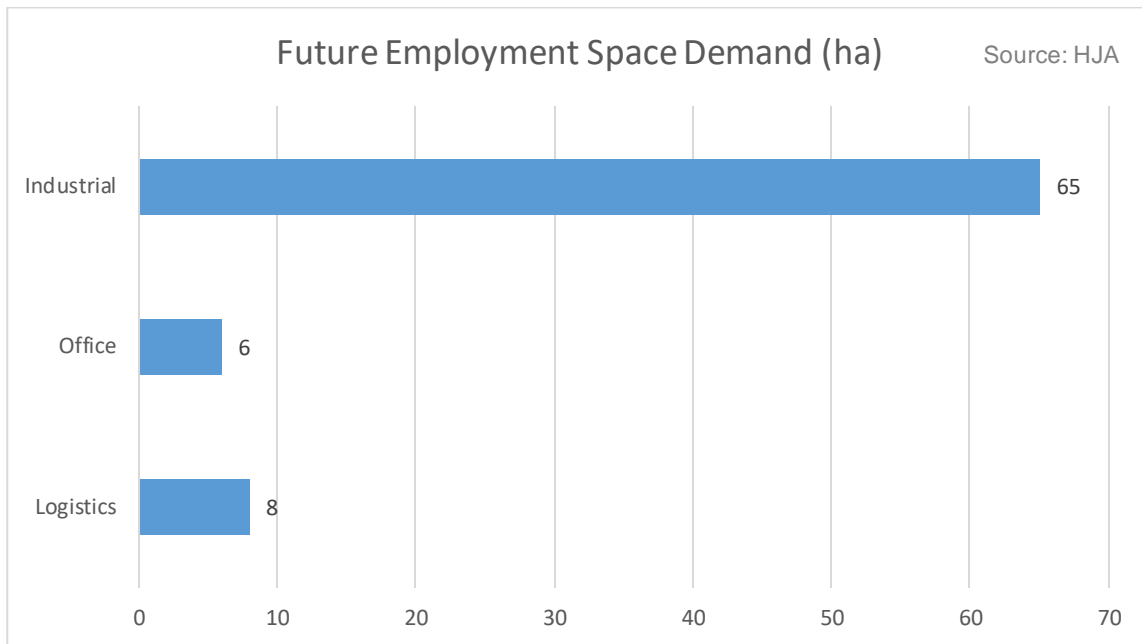
Of the 1.7ha of currently available space, around 29% of this is industrial space (6 units), with the remaining 71% comprising vacant office space (7 units). Around a third of all vacant space is taken up by one office building, Clyst House at Winslade Park.



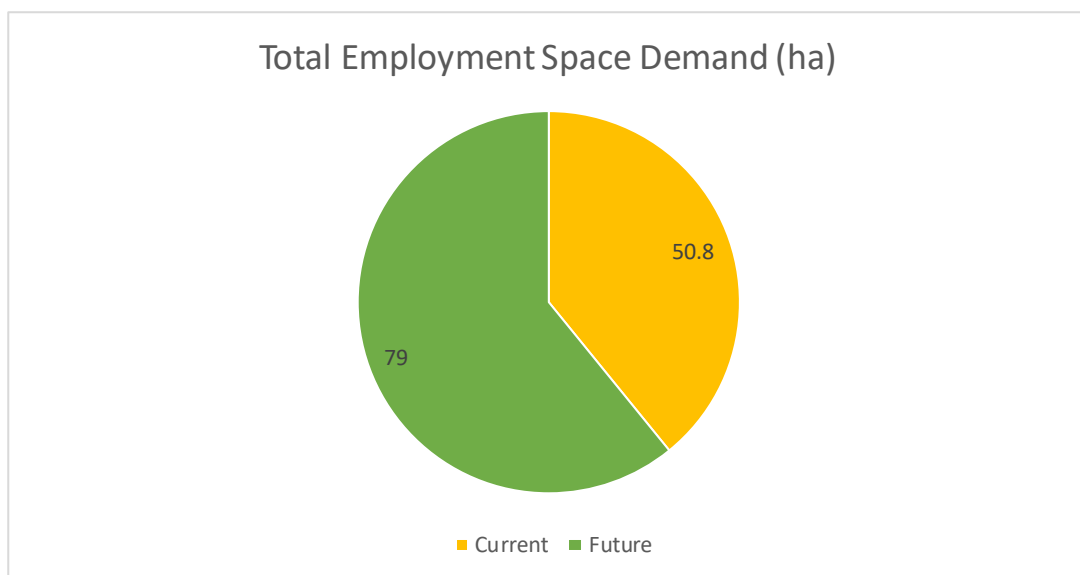
Data from CoStar shows that the take-up of industrial space has been much higher than office space between 2017 and 2021, as shown above. When combined, the graph below shows that take-up of employment space in East Devon averages at around 1.41ha per year. This will include both new employment space and previously occupied/developed employment space.



The graph below displays the total additional demand expected between 2019 and 2040, as forecasted by Hardisty Jones Associates in their publication of the Economic Development Needs Assessment (EDNA) for the EHOD areas.



The figures above are based on a mid-point scenario of 79ha, with total future demand dropping to 63ha for the low demand scenario and increasing to 87ha for the high demand scenario.



When adding total existing demand to total expected demand, we can see that the total demand for employment space in East Devon from 2019-2040 is expected to be 129.8ha.

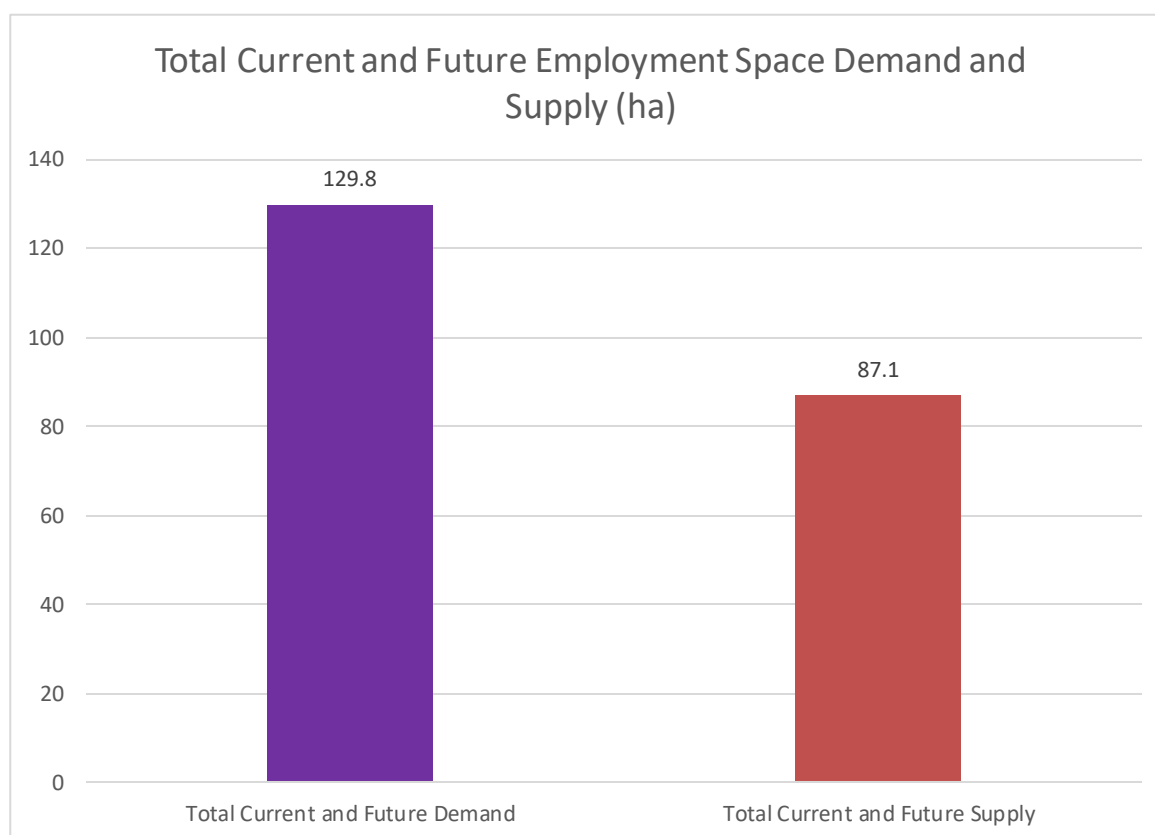
Only 6.2ha of this represents demand for office space, with the remaining 123.6ha of demand for industrial and logistics space.

In addition to expected demand, expected supply has also been calculated by JLL based upon a number of sites in East Devon which could be developable within the 2019-2040 timeframe.

The size of these sites have since been checked against planning permissions and officer recommendations to provide an accurate and up to date figure. The table below shows the amount of expected supply based on these sites.

Site	Size (ha)
Alexandria Industrial Estate, Sidmouth	0.2
Exeter Gateway Office Park	1.6
Exeter Logistics Park	13.7
Exeter Science Park	4.5
Finnimore Industrial Estate, Ottery St Mary	2.2
Goodmores Farm, Exmouth	2
Honiton Gateway	1.4
Land north of Sidford	5.8
Land of Devonshire Road, Heathpark	1.2
Land to the north of Harepath Road, Seaton	2.2
Land west of Hayne Lane, Honiton	15.1
Liverton Business Park, Exmouth	2.8
Millwey Rise, Axminster	2.7
PowerPark	7.5
Skypark	12.8
Treasbeare Farm, Clyst Honiton	9.7
Total	85.4

The graph below combines the total current and future demand figures with the total current and future supply figures. This shows that even if all of the sites identified by JLL as being potentially developable are developed within the next 21 years, there will still be a shortfall of 42.7ha of employment space.

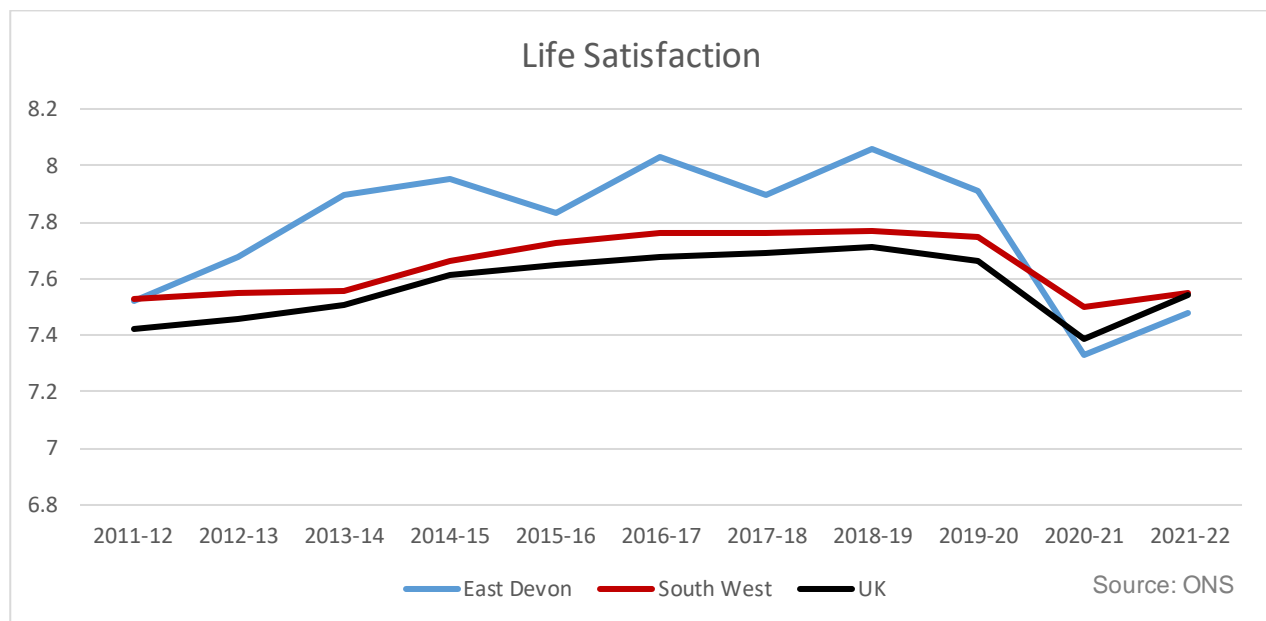


Further work is on-going to understand the total demand for employment space and the supply position.

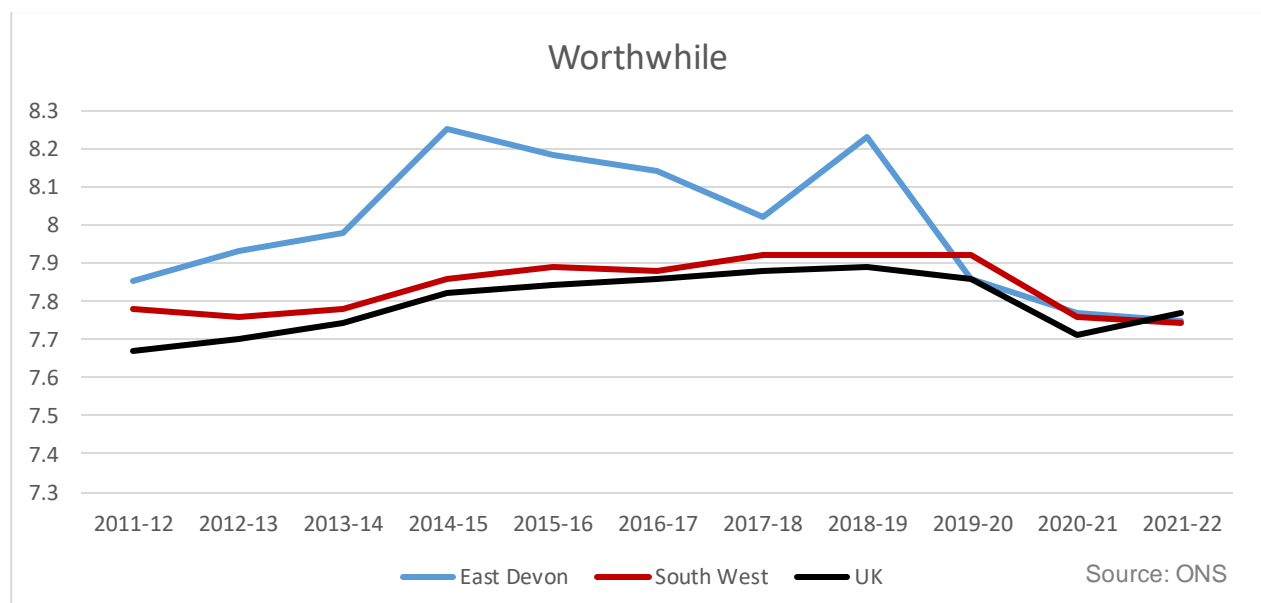
Wellbeing

ONS data is available providing estimates of wellbeing within a given local authority area. Respondents are asked the following question on a scale of 0 to 10, where 0 is “not at all” and 10 is “completely”.

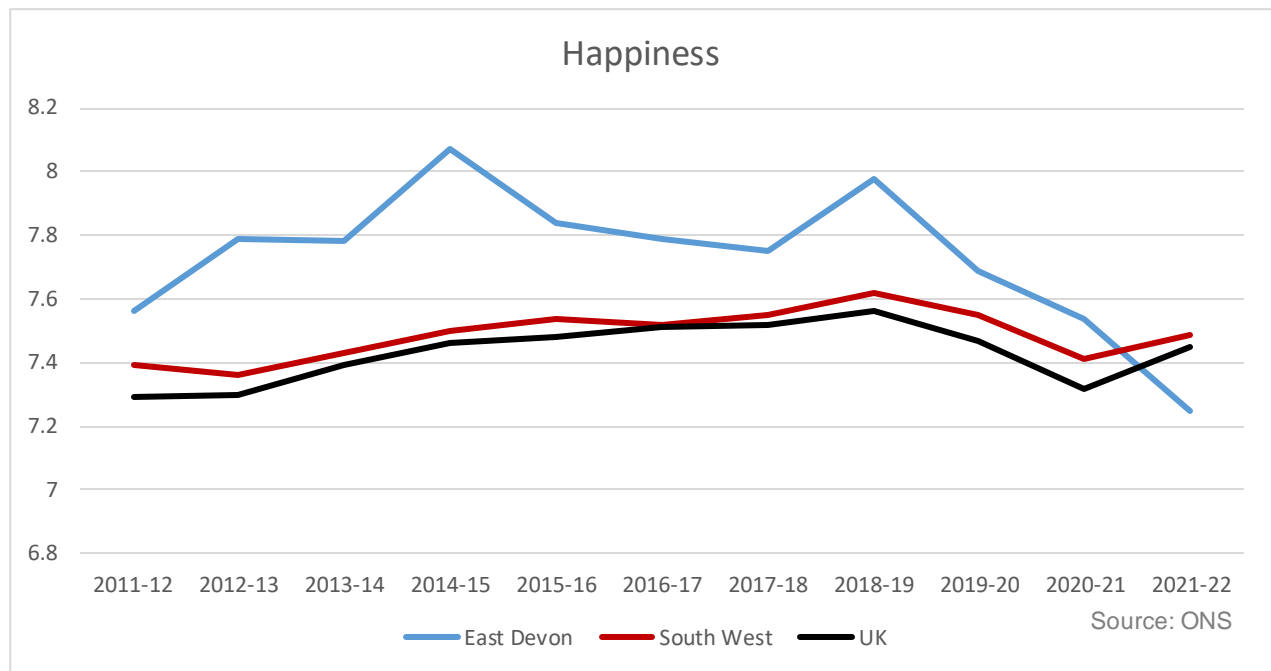
- Life satisfaction: Overall, how satisfied are you with your life nowadays?
- Worthwhile: Overall, to what extent do you feel that the things you do in your life are worthwhile?
- Happiness: Overall, how happy did you feel yesterday?
- Anxiety: On a scale where 0 is “not at all anxious” and 10 is “completely anxious”, overall, how anxious did you feel yesterday?



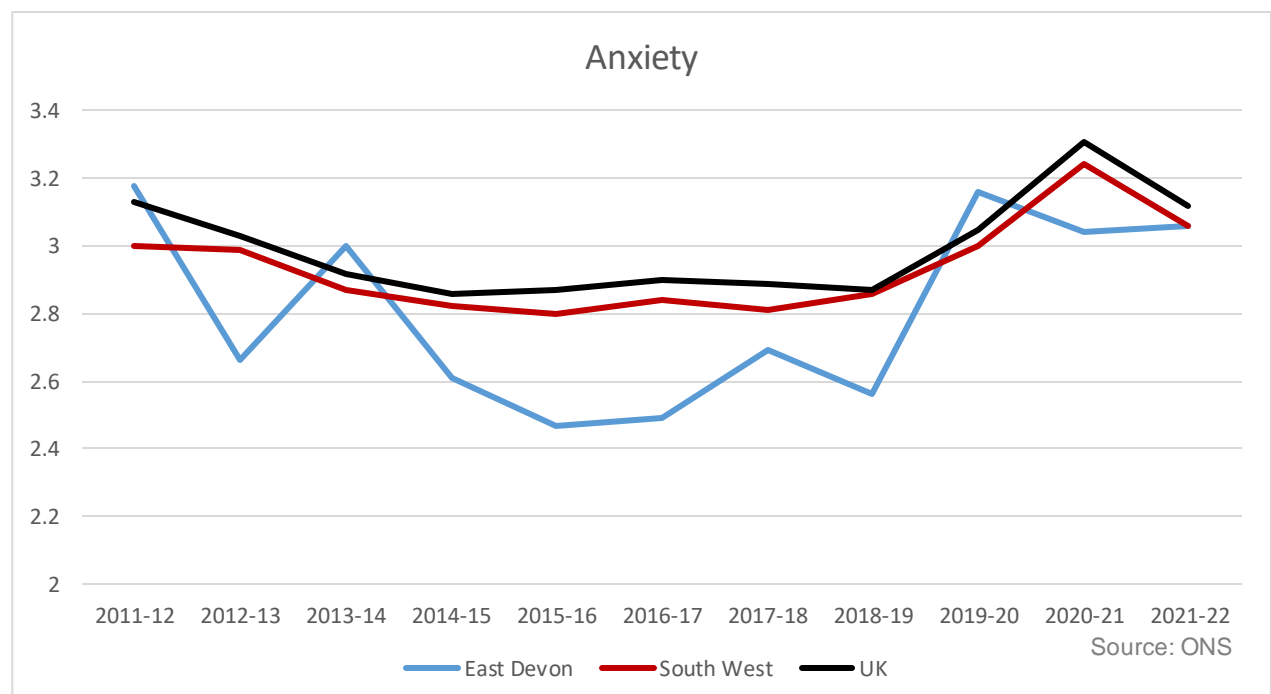
Figures for life satisfaction and a worthwhileness have typically been above the national and regional average in East Devon, with a notable decline in 2020/21 and 2018/19 respectively. The district average is now at or around the national and regional averages.



A similar pattern can be found with the happiness index, showing that the average East Devon resident is now slightly less happy than the national and regional average.

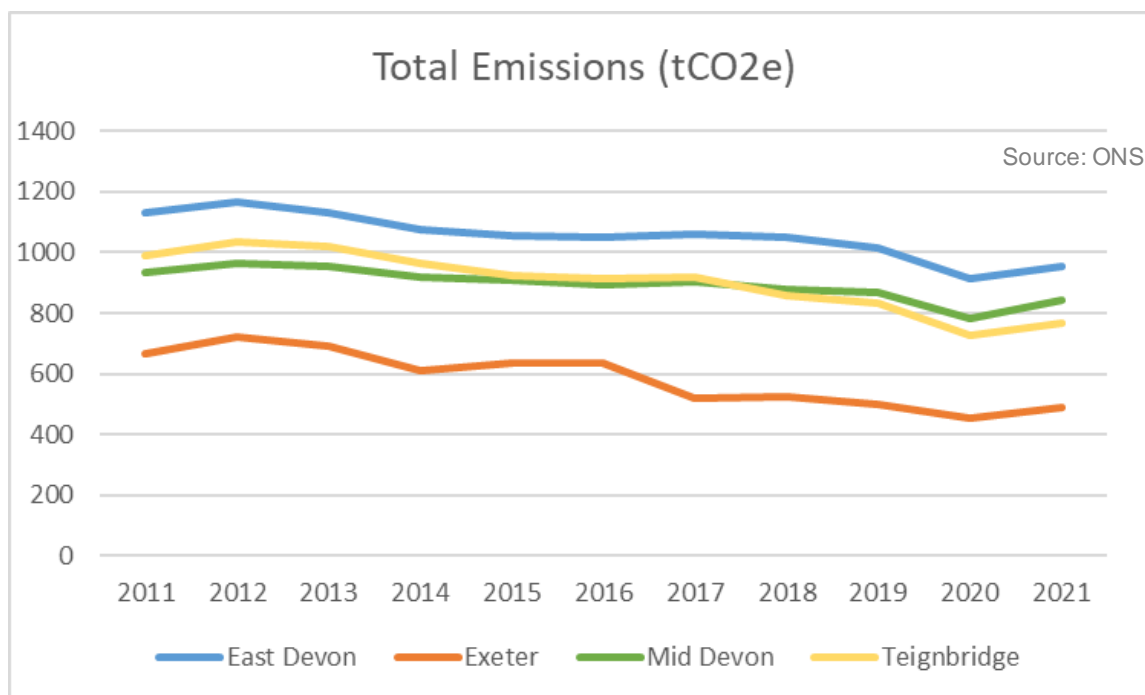


For anxiety, where a lower score means less anxiety, the figures have generally been below or at the national and regional average, with figures stabilising at a higher rate since 2019/20.

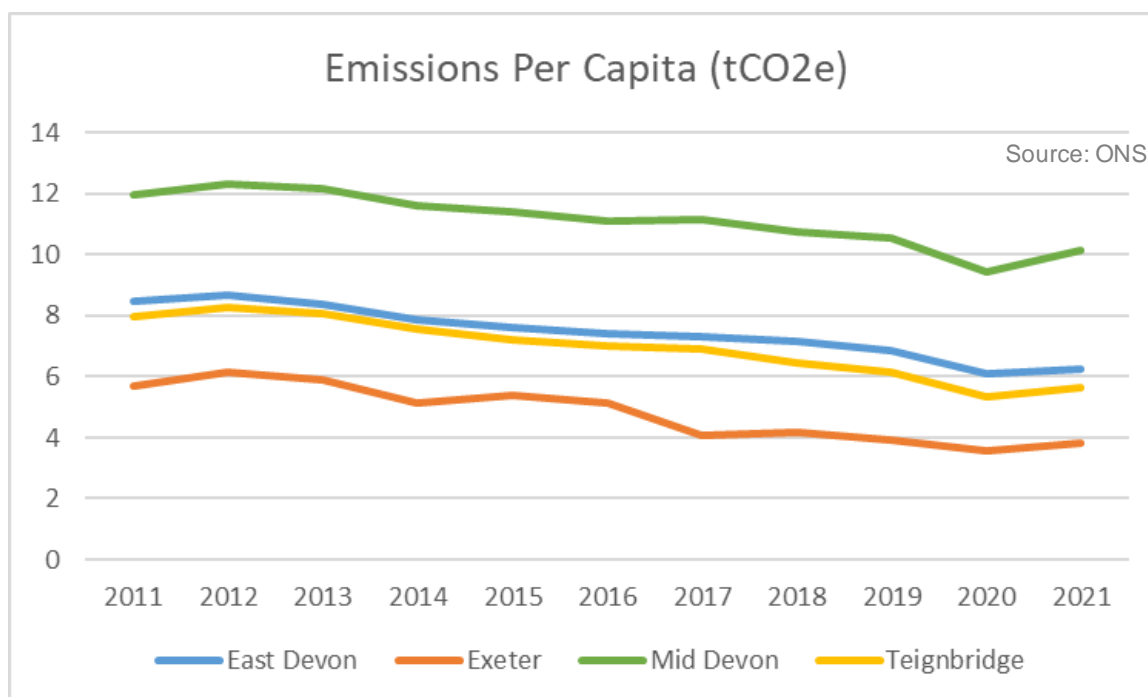


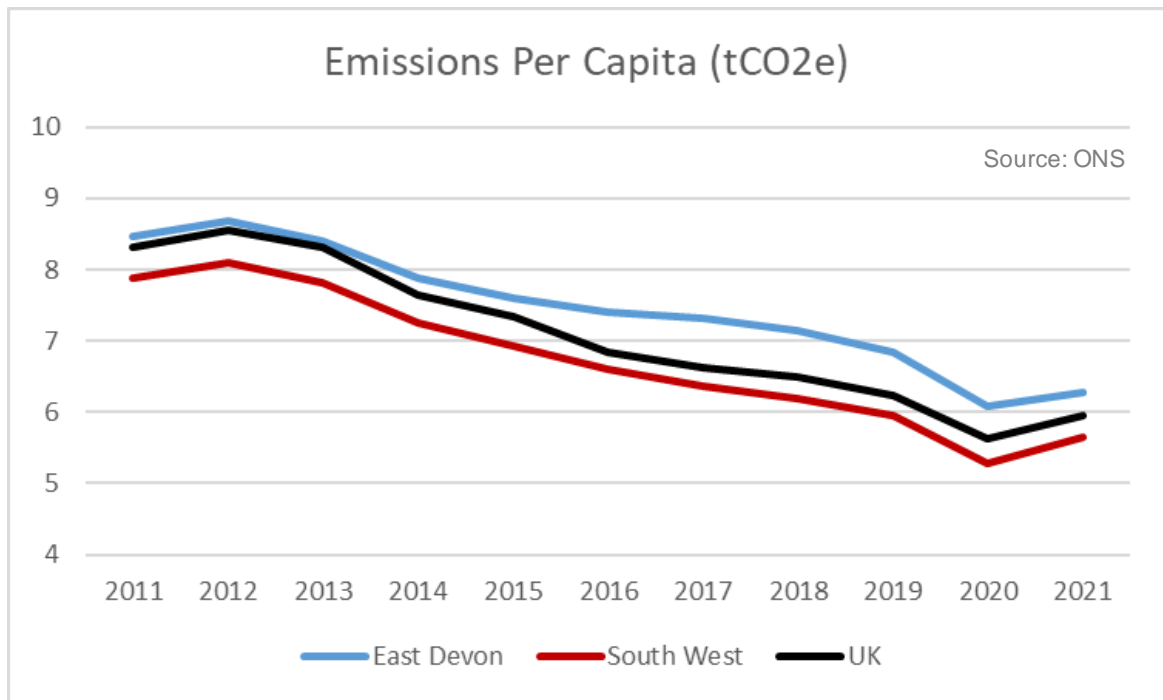
Emissions

ONS data is available to track carbon emissions at a local authority level. The graph below shows that tonnes of carbon equivalent in East Devon have decreased from 1,129 tonnes in 2011 to 953 tonnes in 2021. This amounts to a 15.6% reduction in tCO₂e.



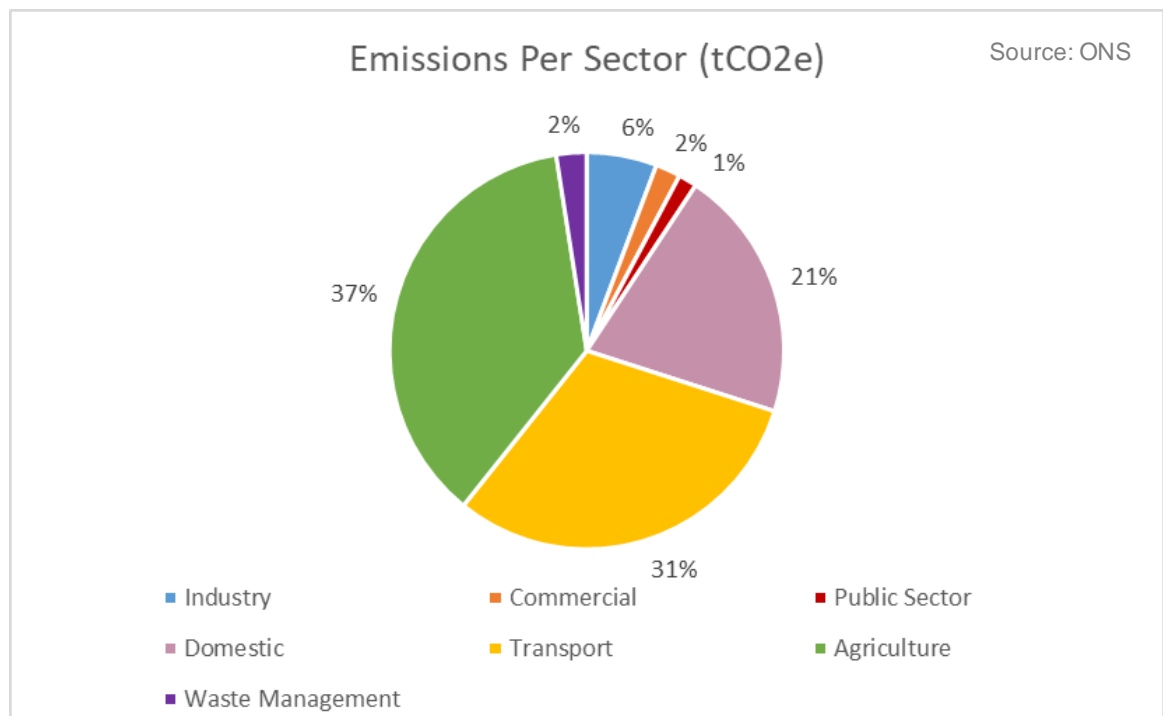
Carbon emissions can also be measured on a per capita basis, showing the average carbon emitted per person. Carbon per capita has decreased from around 8.4 tonnes per person in 2011 to 6.2 tonnes in 2021.



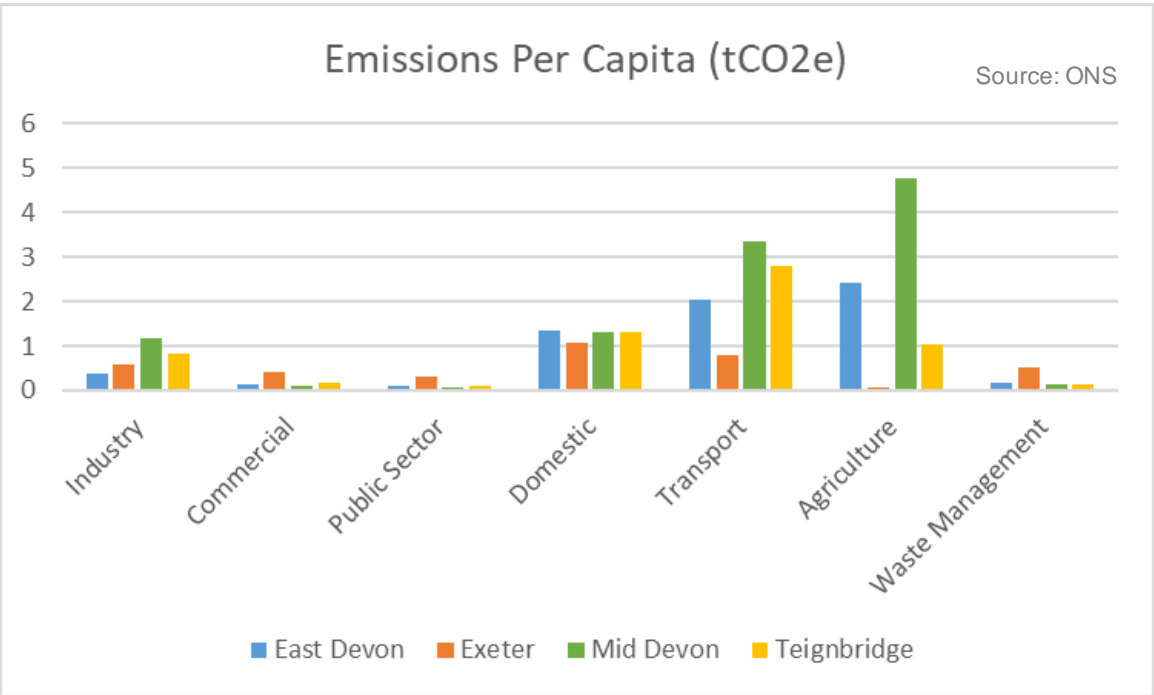
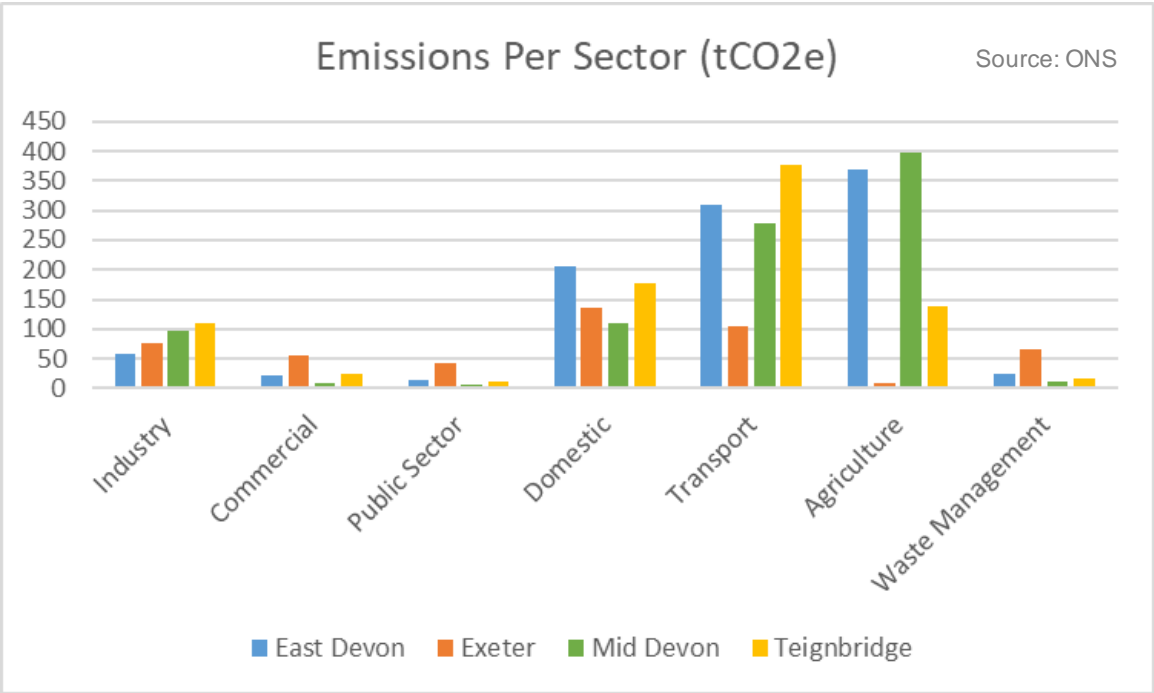


As the graph above illustrates, carbon emitted per capita is on average higher in East Devon compared to the national and regional average.

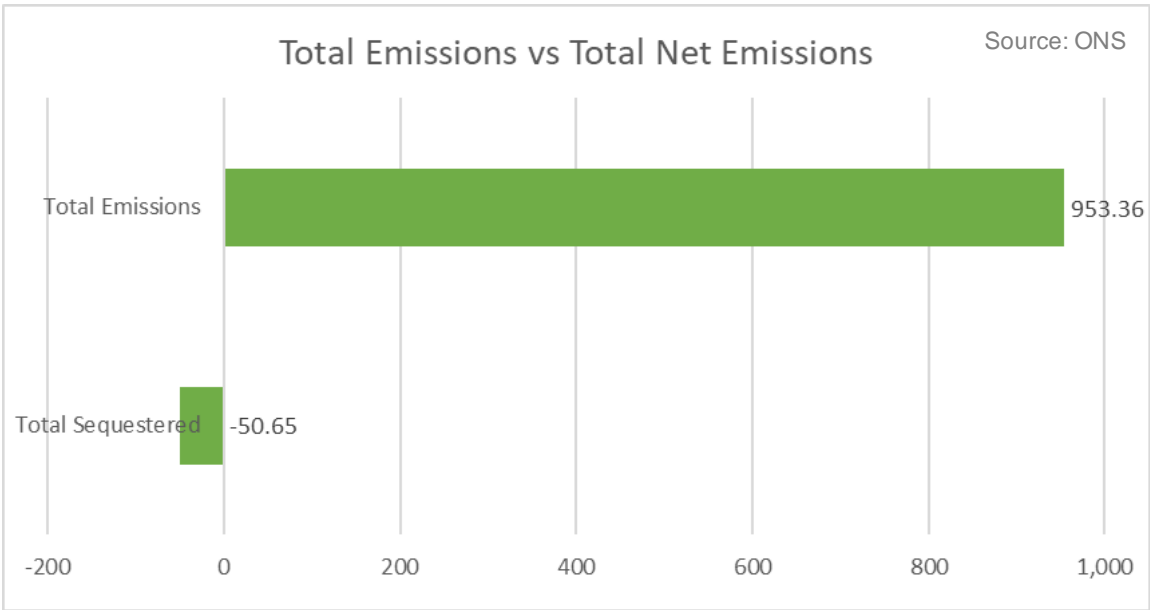
The graphs below show emissions by sector as a percentage of total emissions in East Devon. It shows that the majority of carbon is emitted from agriculture, transport and within domestic residences.



When compared against the other EHOD areas, both in terms of total emissions and emissions per capita, East Devon’s largest emitters are relatively similar to the other rural districts (Mid Devon and Teignbridge).



The amount of carbon sequestered by our natural environment can also be measured against the amount of carbon equivalent emitted. As the graph below shows, the amount of carbon being sequestered is significantly below that being emitted.



By analysing the previous ten years of emissions data for East Devon, a trend line can be produced for the next 20 year period. The graph below shows how much carbon equivalent will be emitted in the next 20 years should the current rate of carbon reduction continue. The Target line shows the rate of reduction required over a 20 year period to reach net zero by 2040.

