What is a functional economic geography?

- The term "functional economic geography" is often used as the rationale behind creating Combined Authorities/EPBs
- One of the first key tests of a CA/EPB proposal
- Aim is to identify and describe the real geography within which sub-national economies operate
- Many attempts to define in the past
- The aim is to define "real geographies" so that:
  - residents, workers, shoppers, etc. are the "same people"
  - key business sectors/clusters are considered coherently
- This should help design and deliver more effective policy/services and investment (i.e. capturing spill over effects and maximising impacts, while also being focussed)

Warwick District

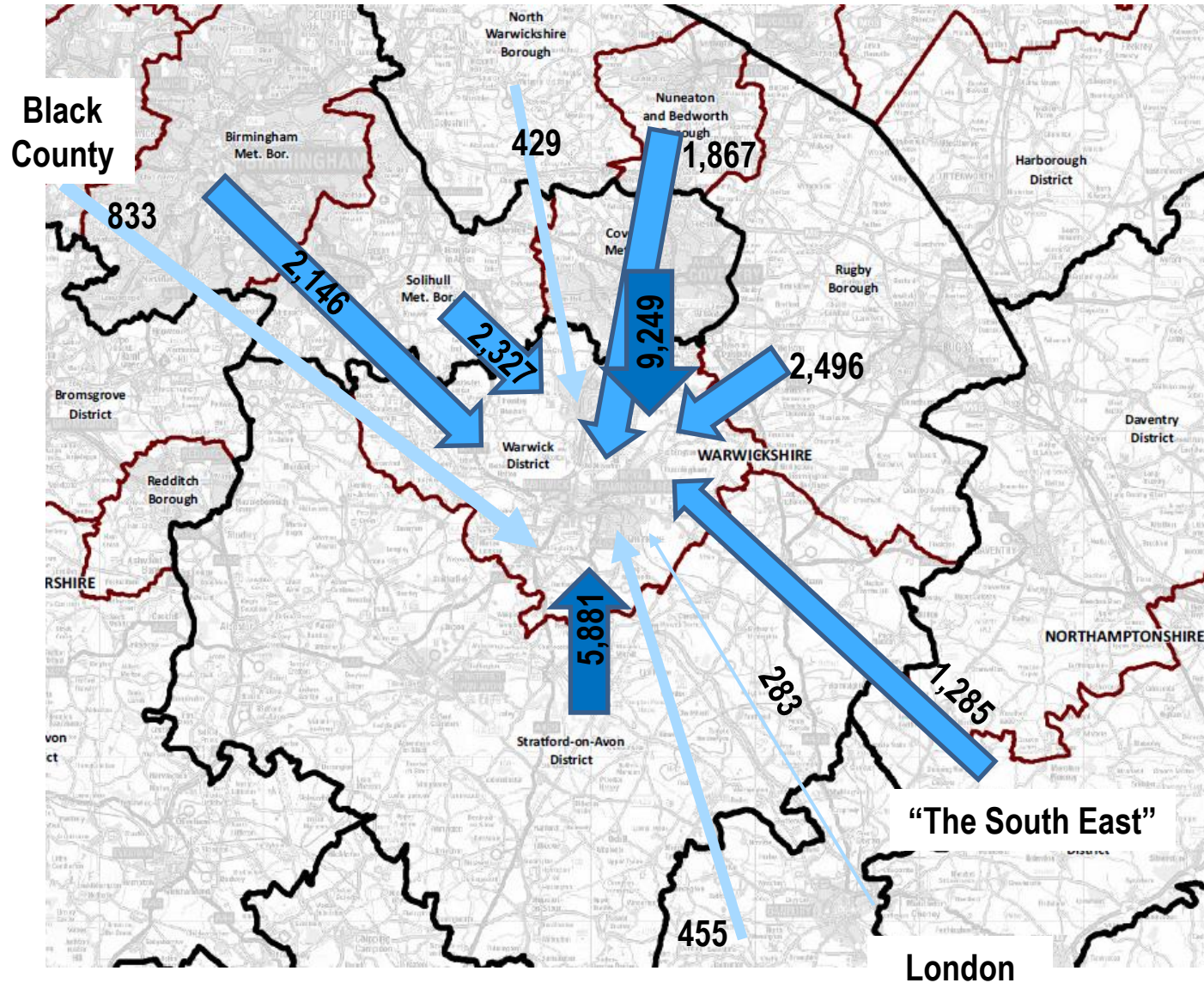# Functional Economic Geographies & Economic Linkages

Commuting patterns

- 31,803 (55%) of Warwick District's employed residents (57,222) work in the district

- Highest self-containment in Warwickshire, but below Coventry (66%)

- Strongest out-commuting flows are with Coventry (13.8%), Stratford District (9.2%) and Birmingham (4.4%)
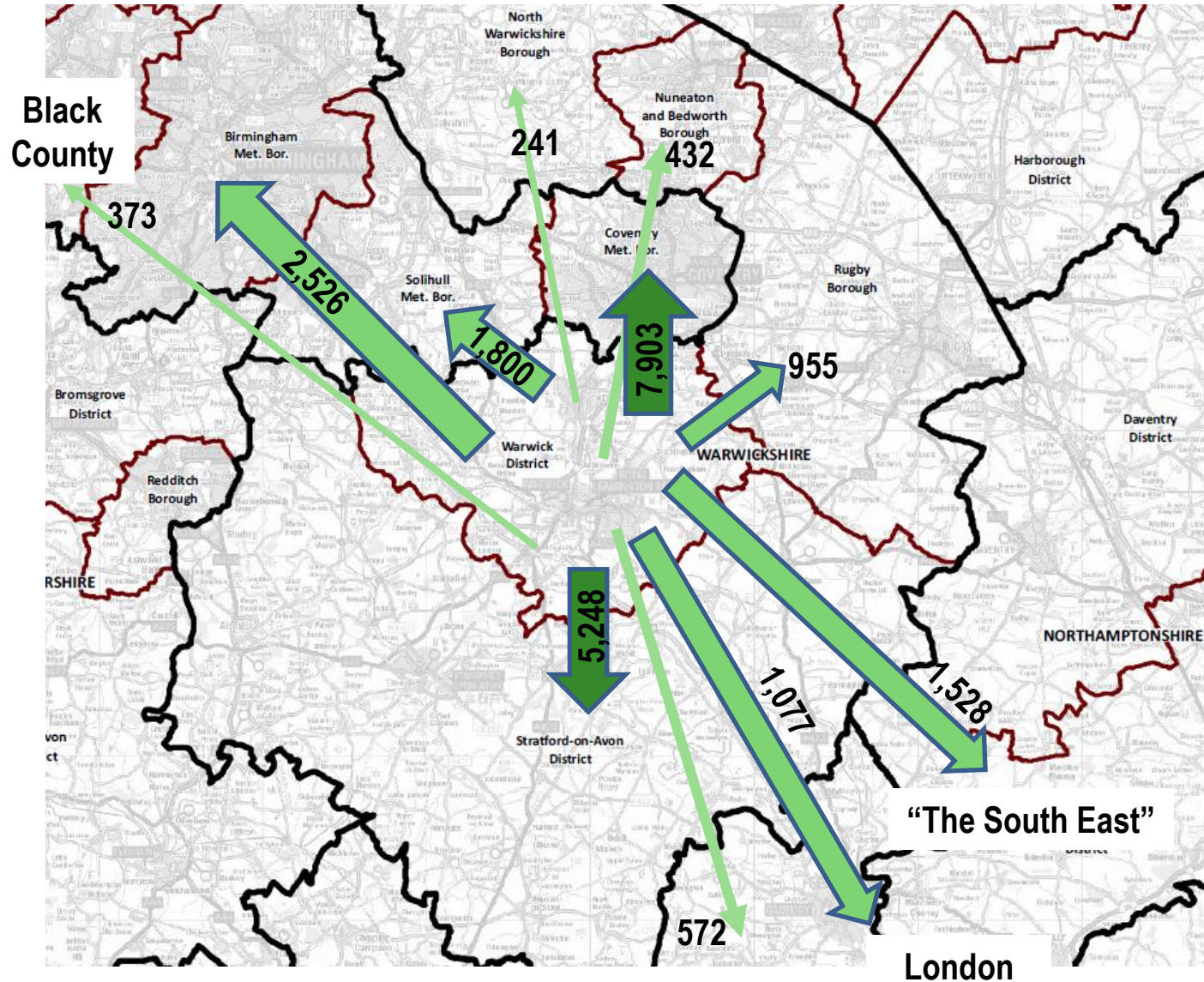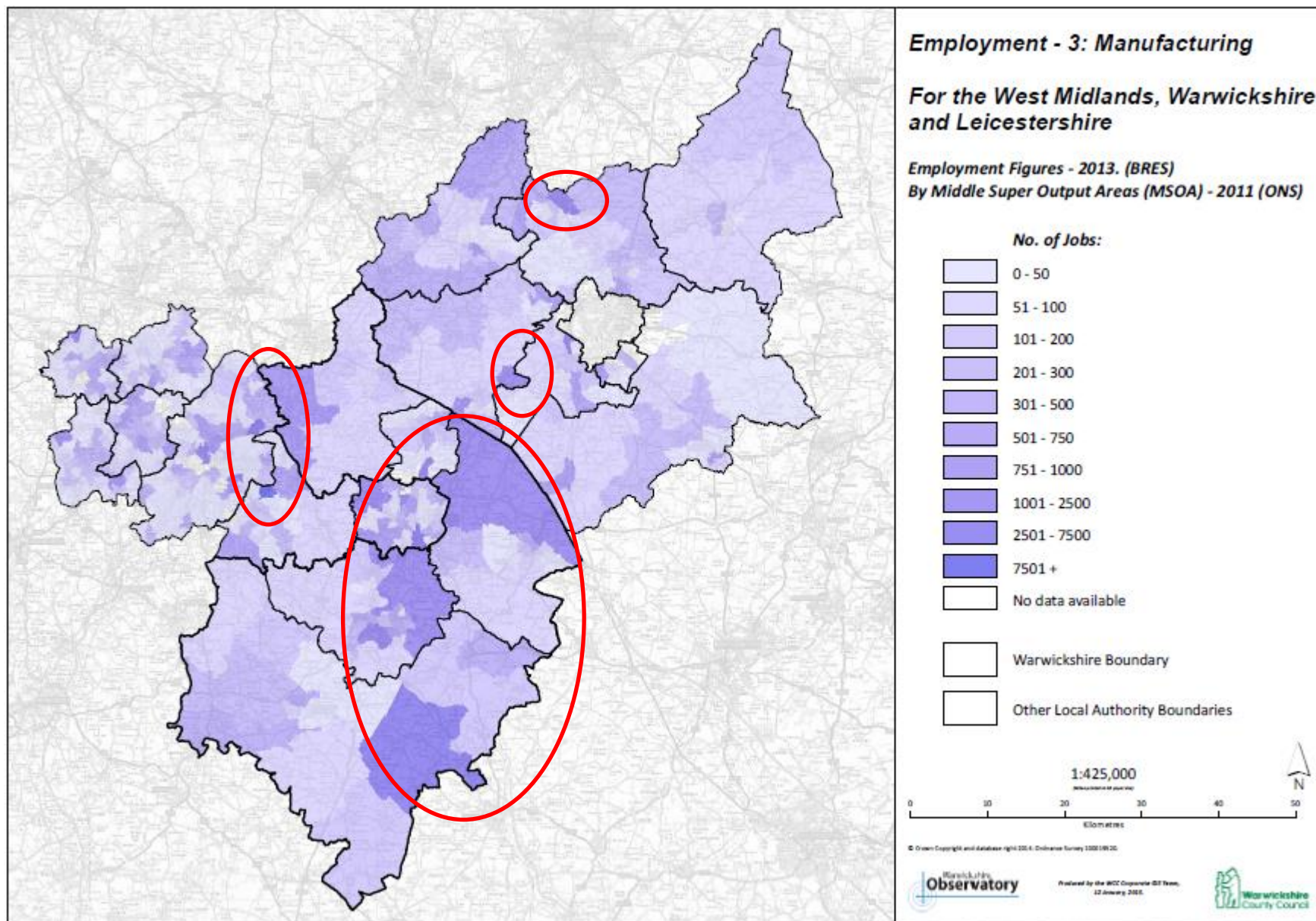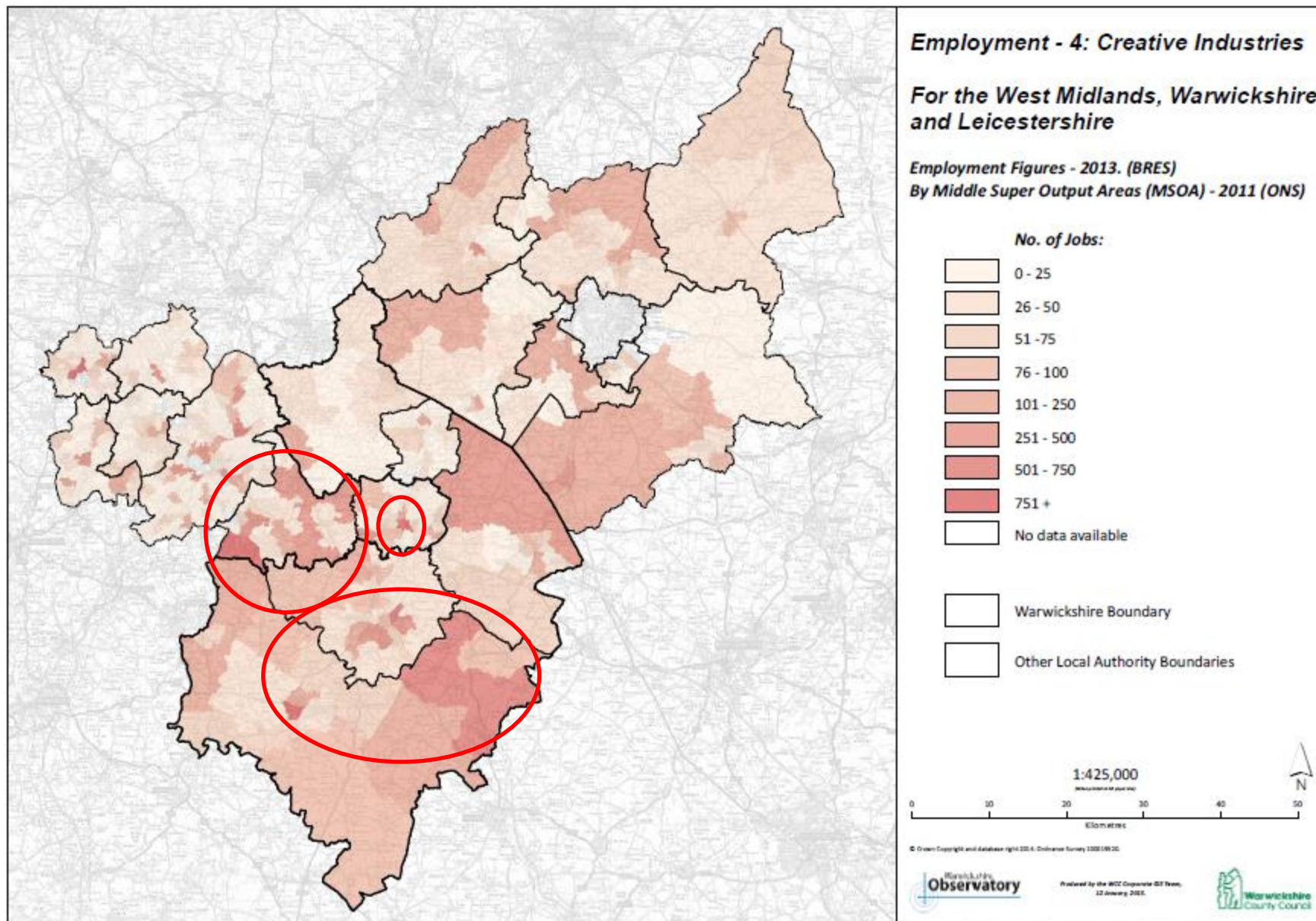
Commuting patterns

- Warwick District benefits from a net in-flow from commuting – from rest of Coventry & Warwickshire, 19,922 people commute in compared to 14,779 commuting out daily

- Biggest in-flows from Coventry, Stratford and Solihull

- Significant net changes from Nuneaton & Rugby, smaller increases from Black Country & North Warwickshire
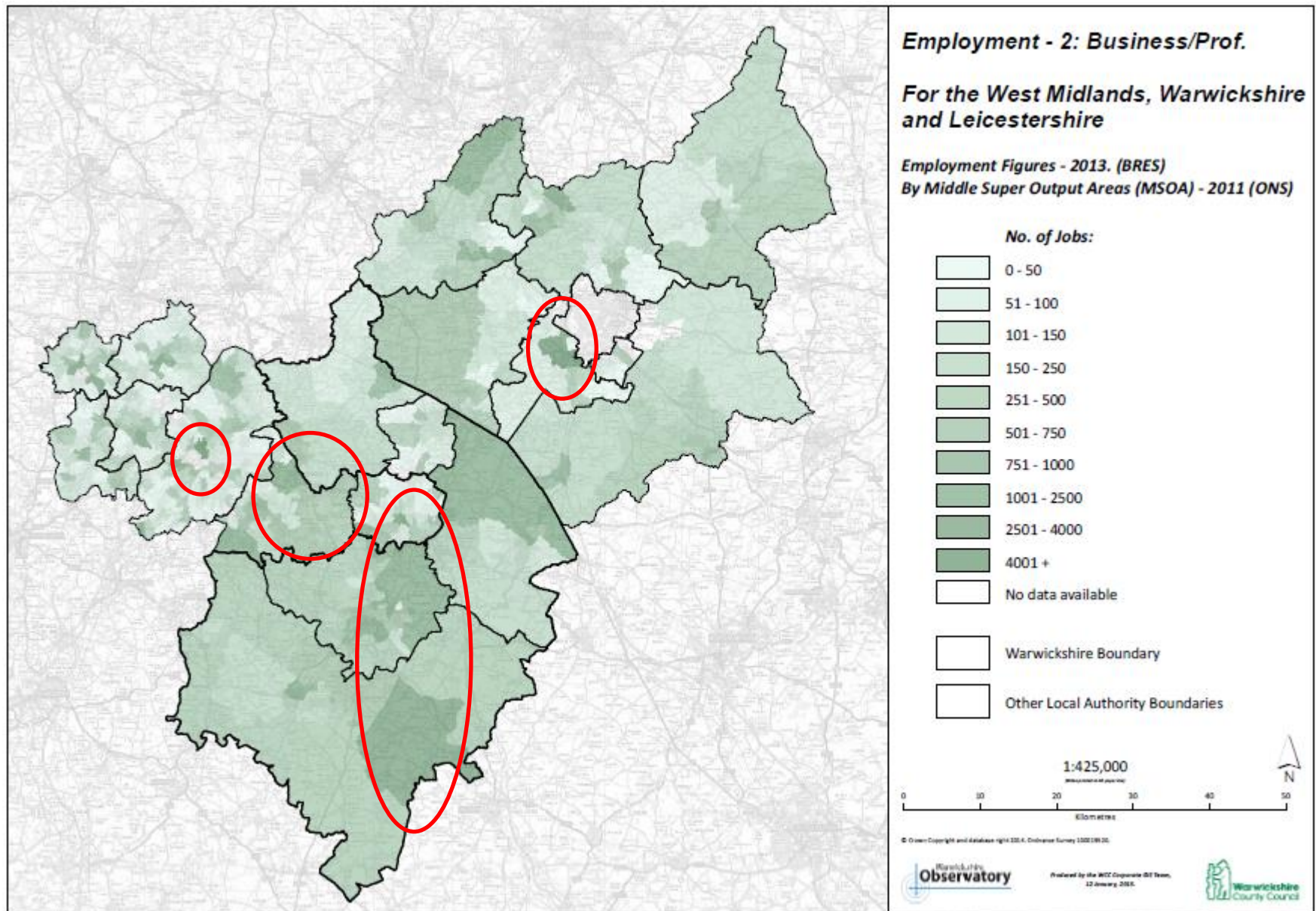
Black County

833

429

1,867

2,146

2,327

9,249

2,496

5,881

283

1,285

455

"The South East"

London

Detailed sector mapping – Advanced Manufacturing

Employment - 3: Manufacturing

For the West Midlands, Warwickshire and Leicestershire

Employment Figures - 2013. (BRES)
By Middle Super Output Areas (MSOA) - 2011 (ONS)

No. of Jobs:
- 0 - 50
- 51 - 100
- 101 - 200
- 201 - 300
- 301 - 500
- 501 - 750
- 751 - 1000
- 1001 - 2500
- 2501 - 7500
- 7501 +
- No data available

Warwickshire Boundary

Other Local Authority Boundaries

1:425,000

0   10   20   30   40   50
Kilometres

N

Observatory   Produced by the WCC Corporate GIS Team, 12 January 2015.   Warwickshire County Council

Detailed sector mapping – Creative Industries

Employment - 4: Creative Industries

For the West Midlands, Warwickshire and Leicestershire

Employment Figures - 2013. (BRES)
By Middle Super Output Areas (MSOA) - 2011 (ONS)

Detailed sector mapping – Business & Prof Services
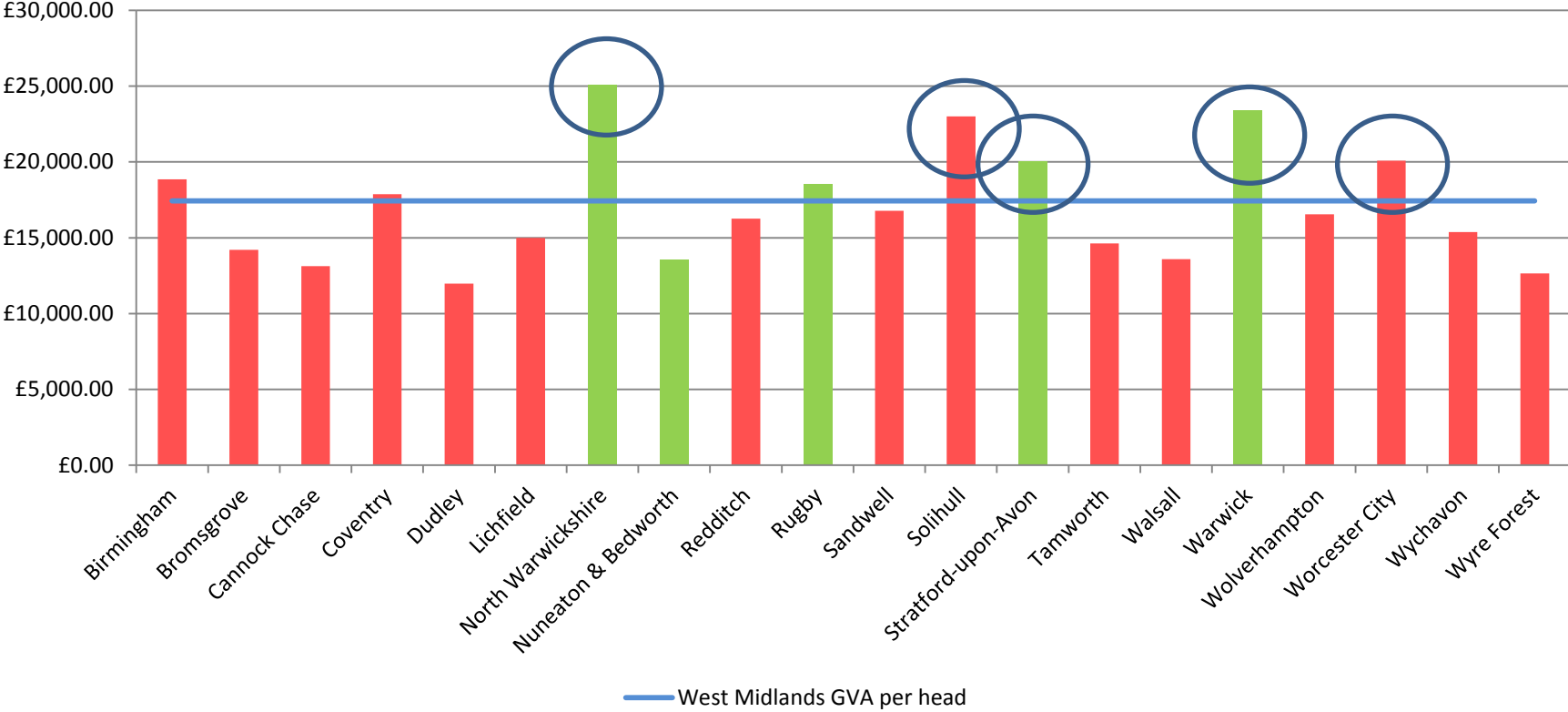
Employment - 2: Business/Prof.

For the West Midlands, Warwickshire and Leicestershire

Employment Figures - 2013. (BRES)
By Middle Super Output Areas (MSOA) - 2011 (ONS)

No. of Jobs:
- 0 - 50
- 51 - 100
- 101 - 150
- 150 - 250
- 251 - 500
- 501 - 750
- 751 - 1000
- 1001 - 2500
- 2501 - 4000
- 4001 +
- No data available

Warwickshire Boundary

Other Local Authority Boundaries

1:425,000

Comparative analysis – GVA per head

GVA per head at district level

West Midlands GVA per head

Comparative analysis – Enterprise

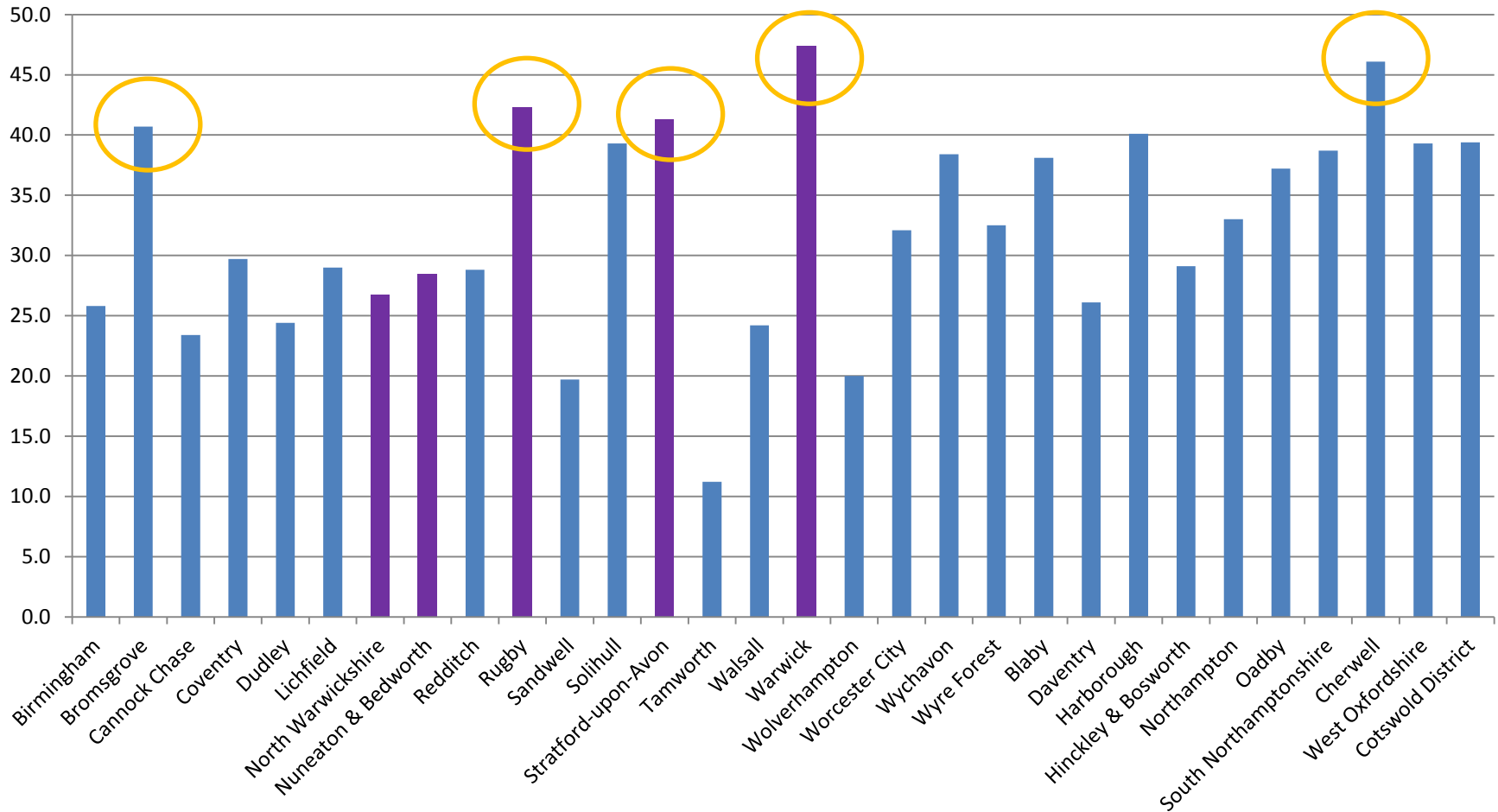**New enterprises per 10,000 population at district level**
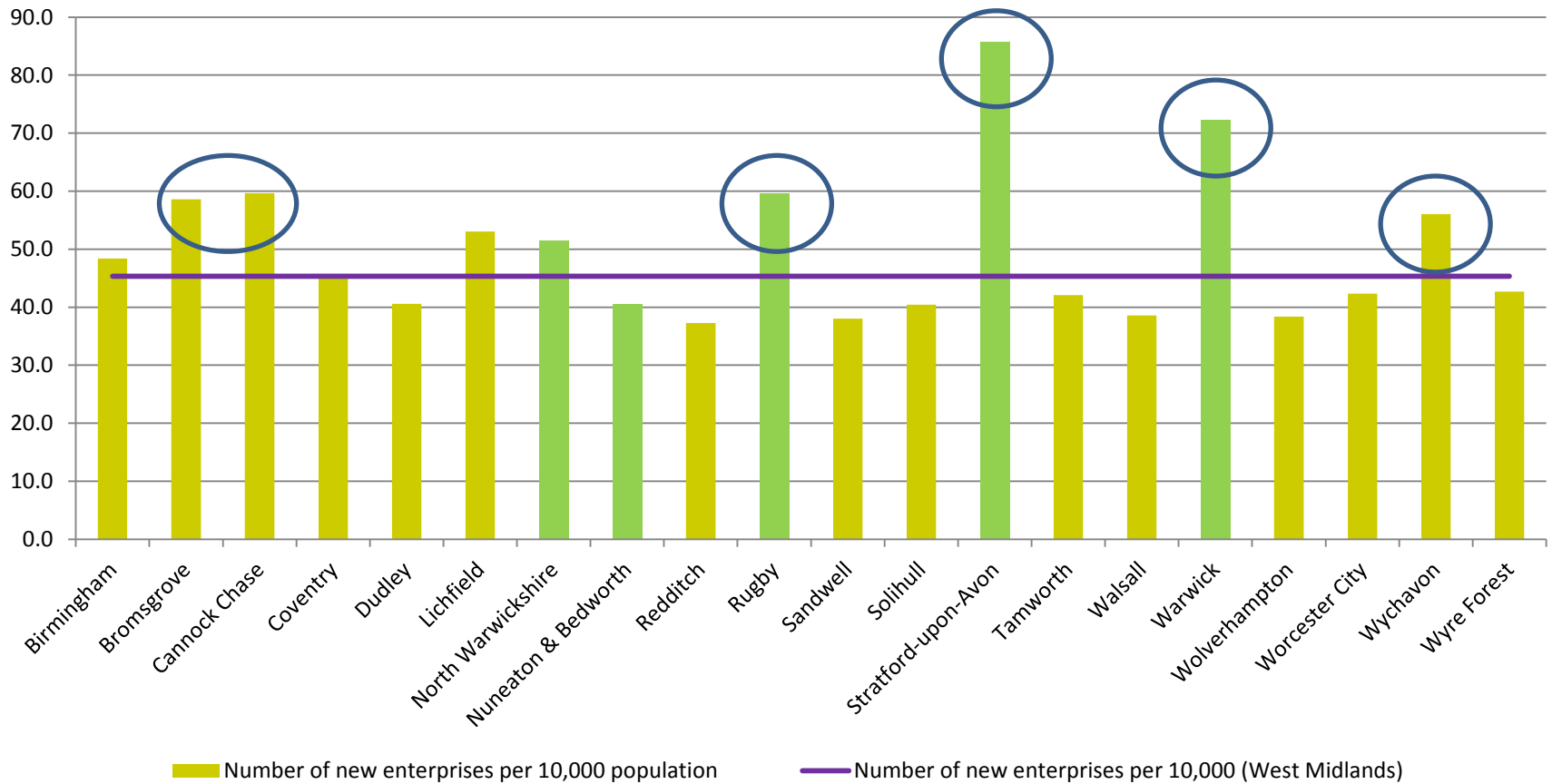
Comparative analysis – Employment

Employment Rate at district level
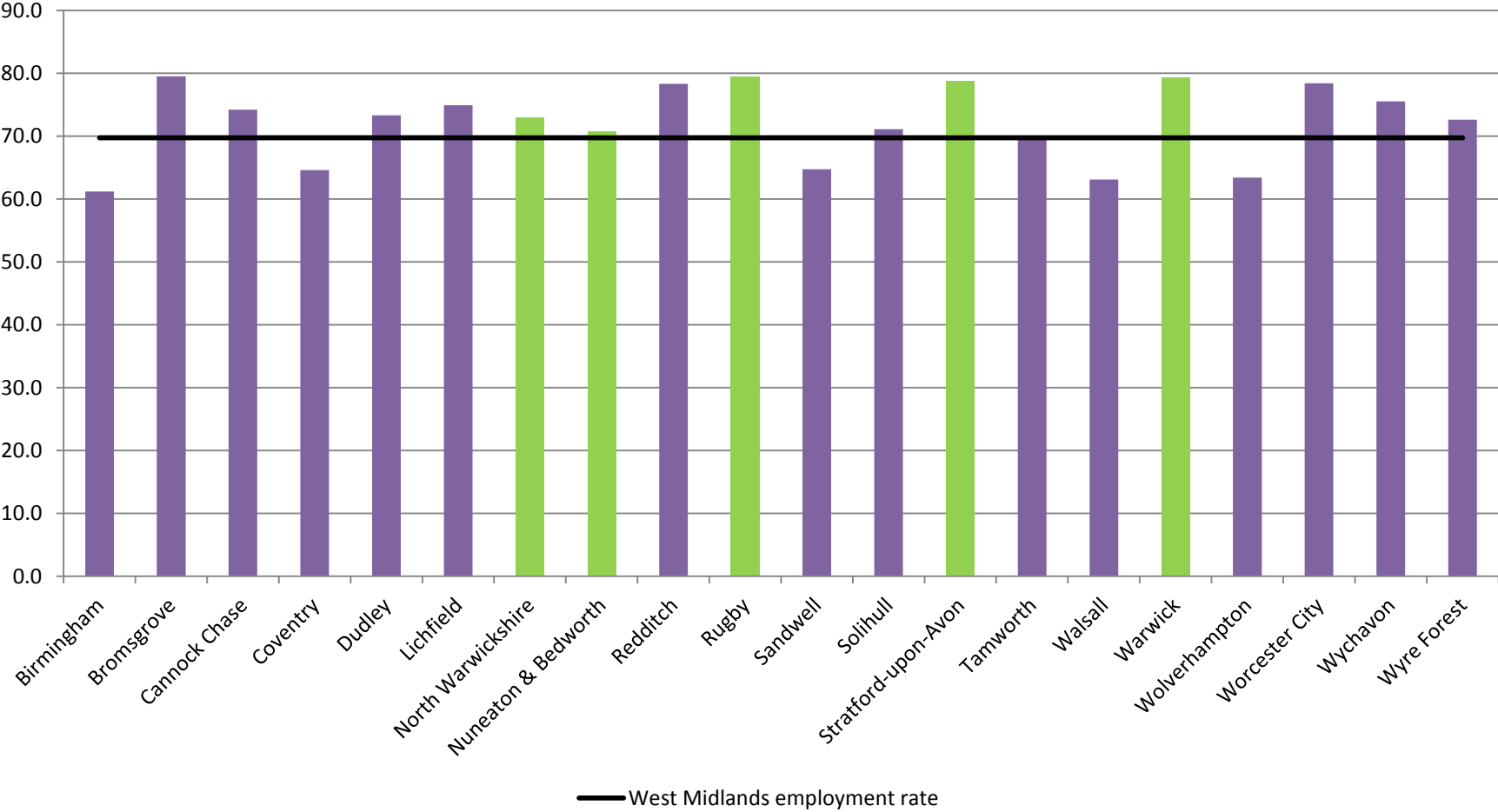
Comparative analysis – Higher level qualifications

% of working age population with an NVQ4+

Summary of Warwick's economy

- Prosperous area, with a strong economy, good business activity, attractive to investment and with a skilled economy
- Net in-commuting, with strong links to Coventry, Stratford and Rugby, and to an extent Solihull & Birmingham
- Economy has strengths in business & professional services, head offices, creative & cultural industries, and advanced manufacturing
- Economic similarities probably stronger with South East than with the West Midlands
- Still suffers from below average productivity

Rugby Borough

Functional Economic Geographies & Economic Linkages

Commuting patterns

- 21,443 (51%) of Rugby Borough's employed residents (41,913) work in the district

- 2nd highest self-containment in Warwickshire, below Warwick (55%) and Coventry (66%)

- Strongest out-commuting flows are with Coventry (11.7%), Daventry (8.6%) and Warwick (6%)
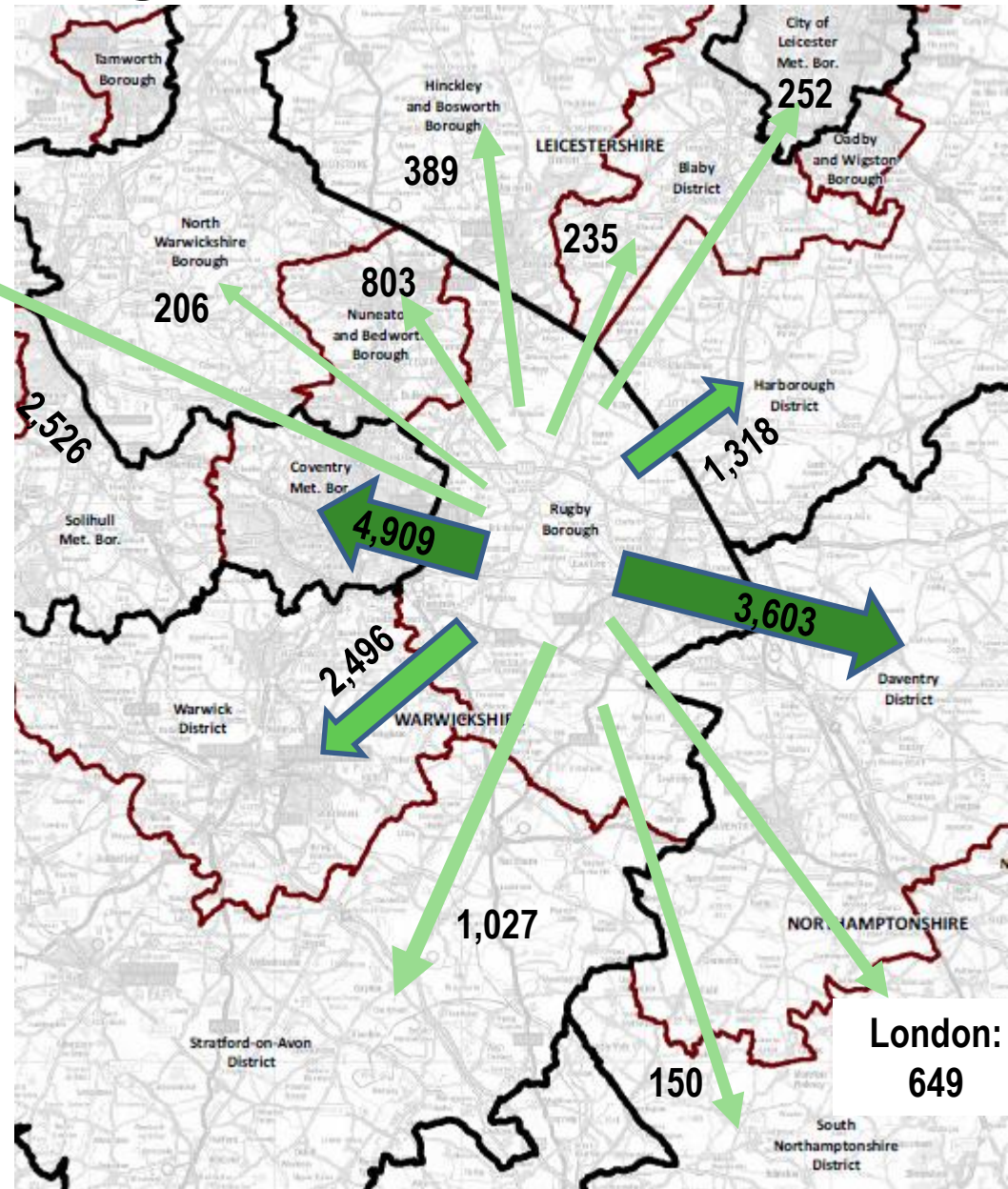
Commuting patterns

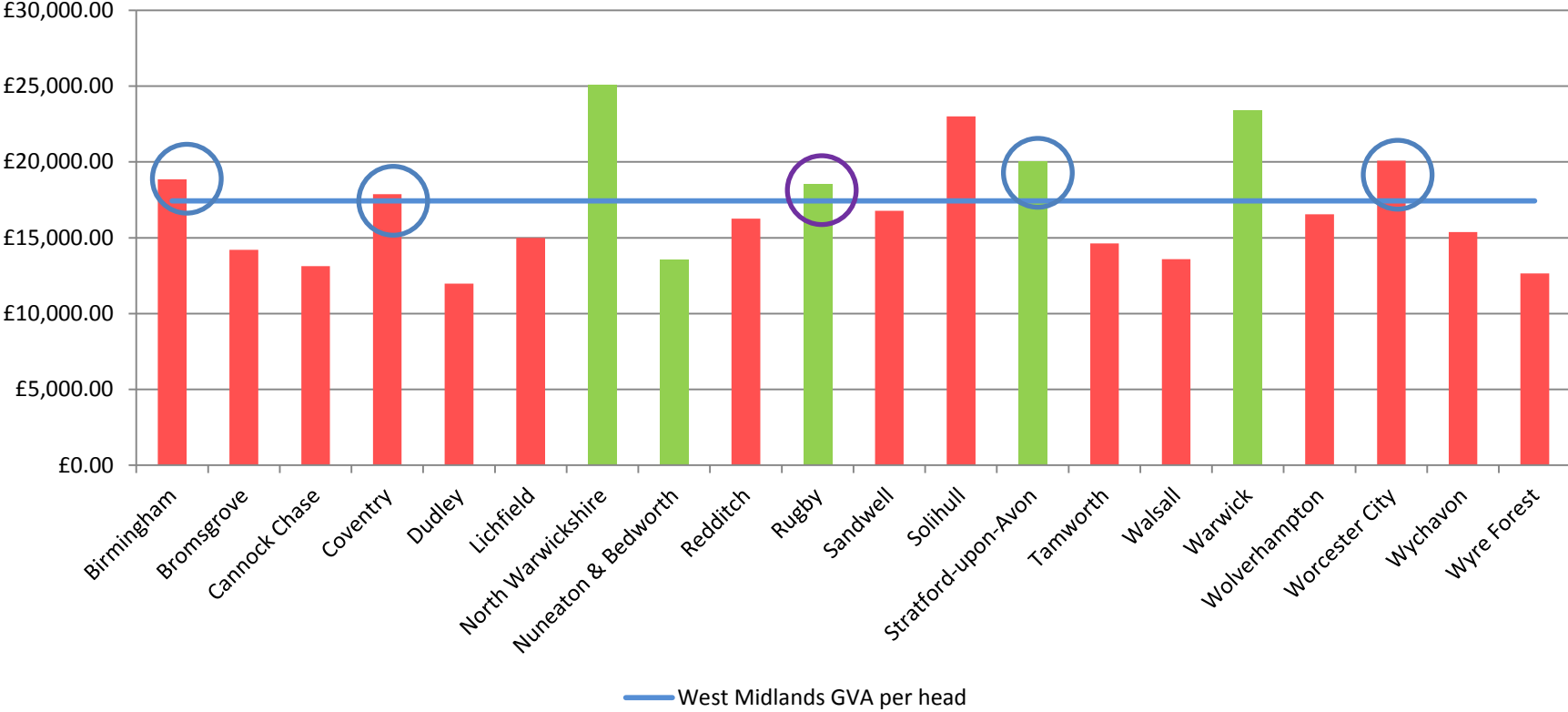- Rugby Borough has more out-commuting (20,400) than in-commuting (c. 17,000)

- Biggest in-flows are from Coventry, Nuneaton & Bedworth and Daventry

- Biggest net changes in commuting flows are with Nuneaton & Bedworth (more in-commuting) and Daventry (more out-commuting)

Birmingham: 477
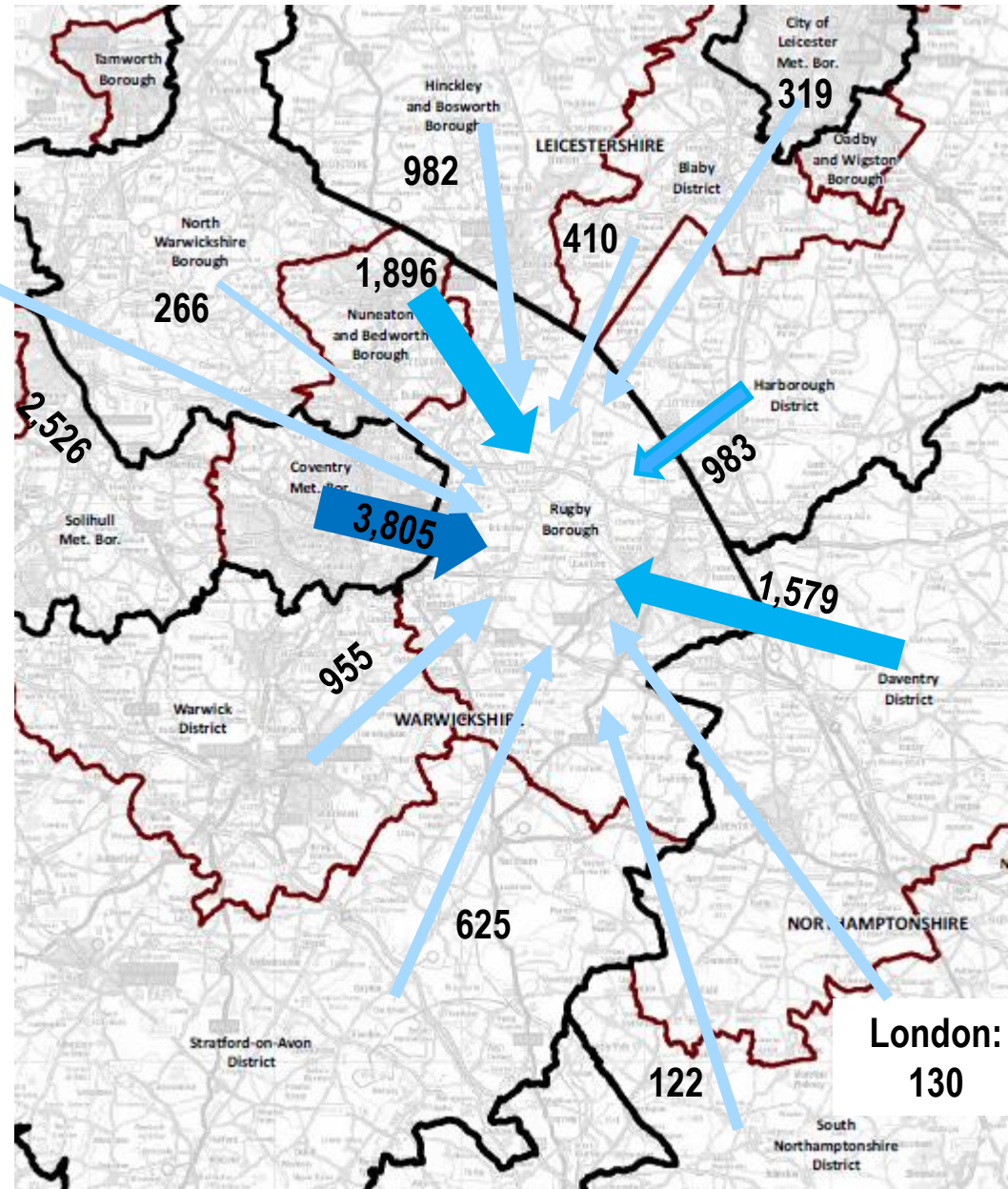
319

982

410

266

1,896

2,526

983

3,805

1,579

955

625
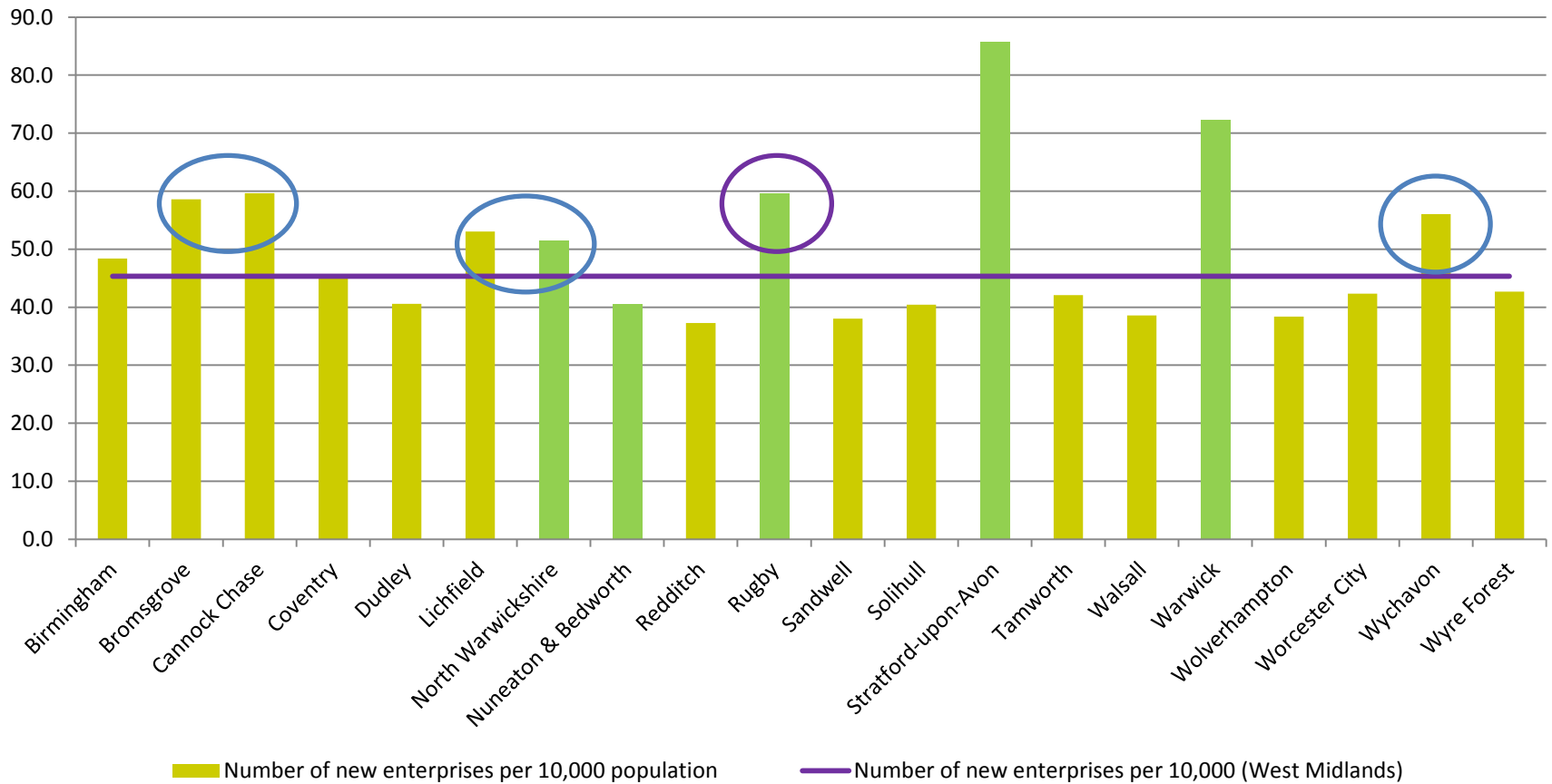
122

London: 130

Comparative analysis – GVA per head

GVA per head at district level

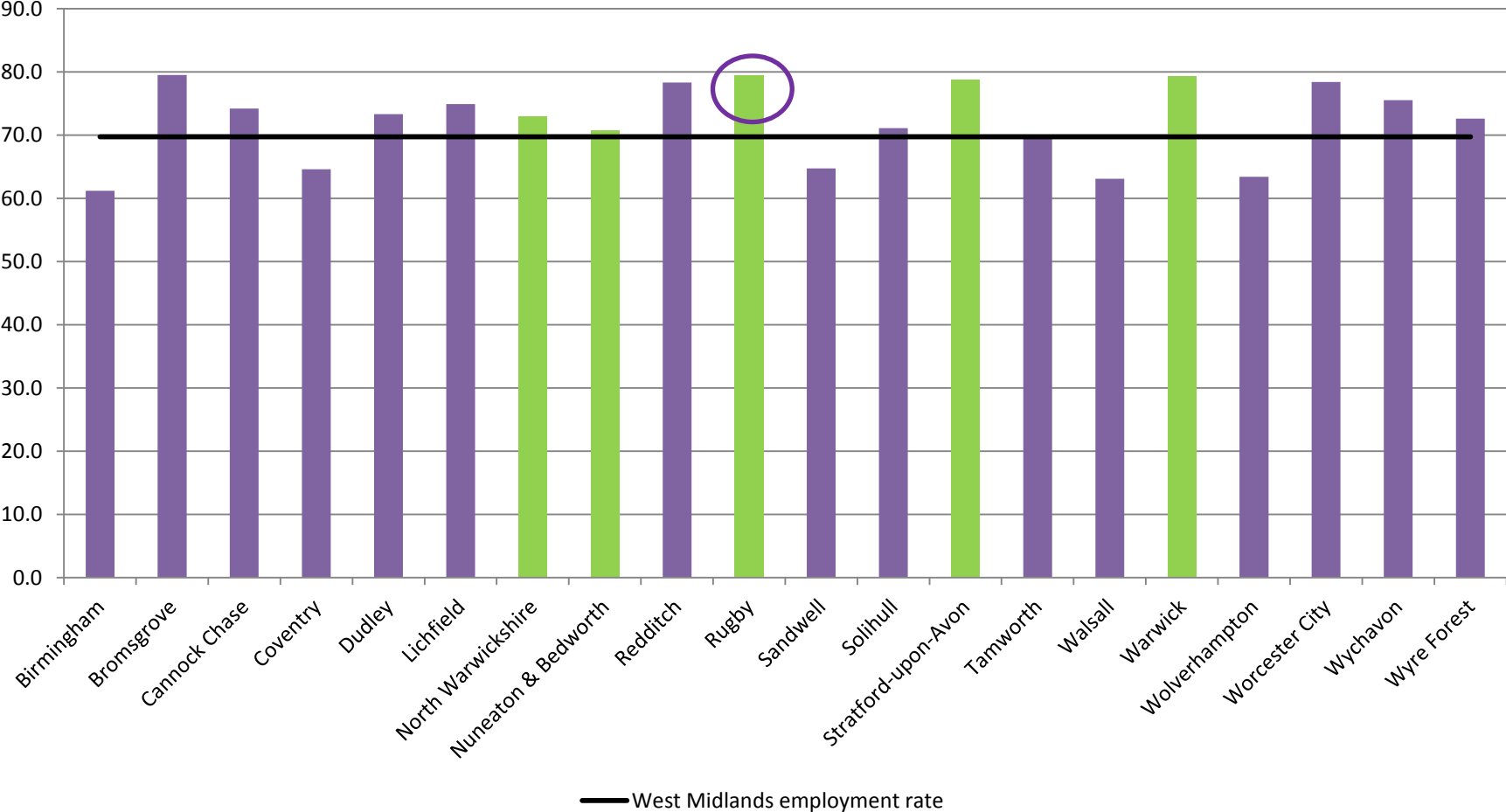# Comparative analysis – Enterprise

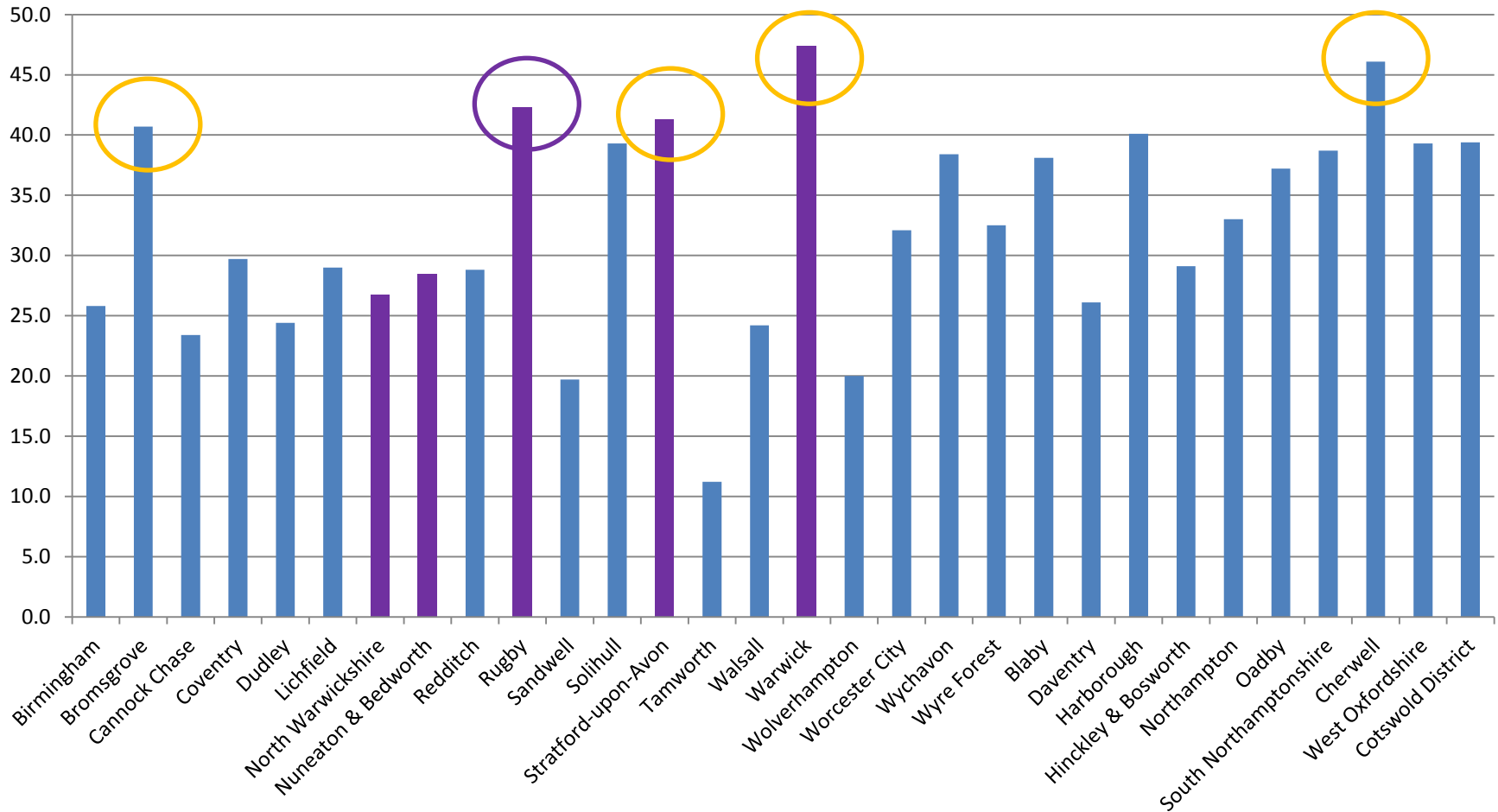New enterprises per 10,000 population at district level

Comparative analysis – Employment

Employment Rate at district level

Comparative analysis – Higher level qualifications

% of working age population with an NVQ4+

North Warwickshire

Functional Economic Geographies & Economic Linkages

Commuting patterns

- 8,567 (33%) of North Warwickshire's employed residents (25,472) work in the district

- The lowest levels of self containment in the county and wider Coventry & Warwickshire area

- Strongest out-commuting flows are with Birmingham (16.6%), Tamworth (9%) Nuneaton & Bedworth (8%)

273

666

712

108

"Black Country": 477

2315

2060

4,238

1697

1614

266

429

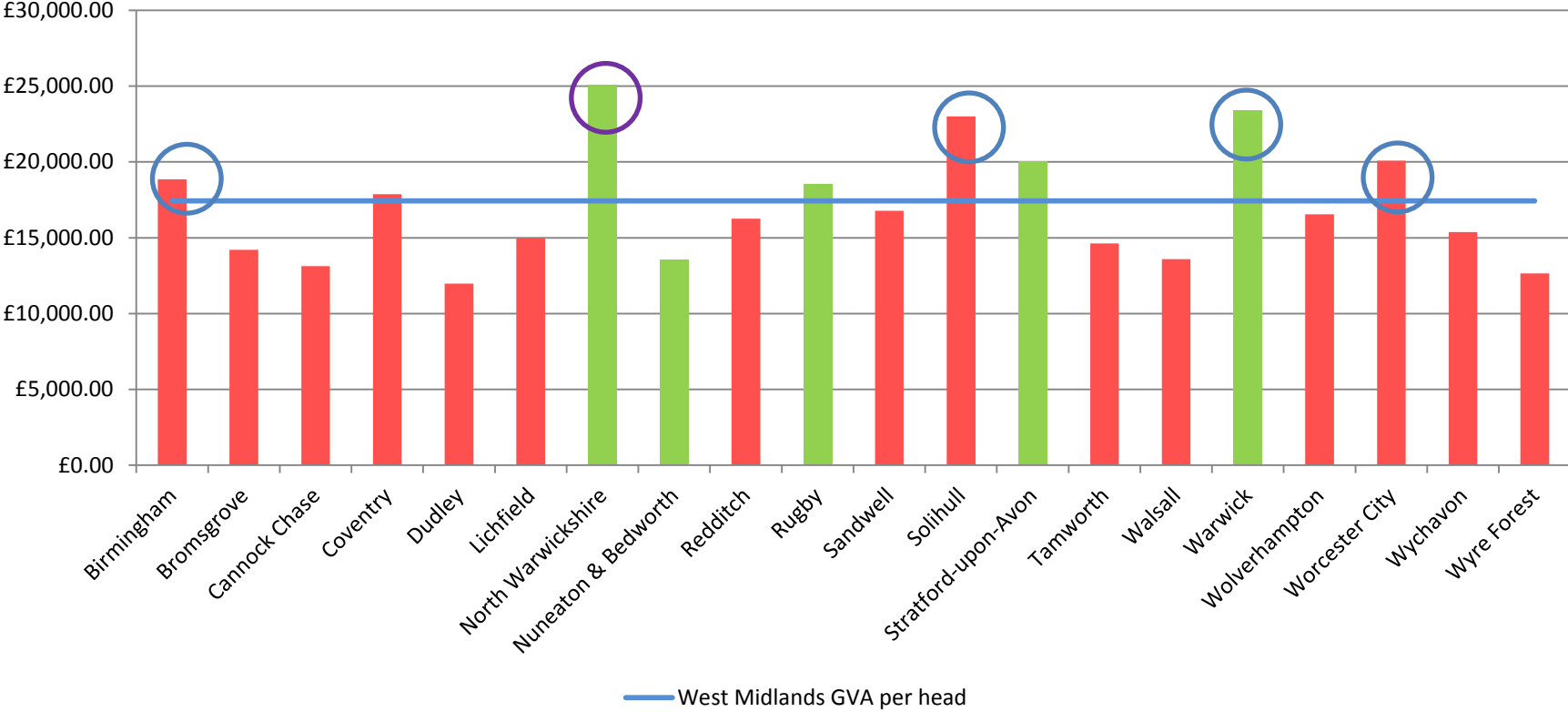London: 153
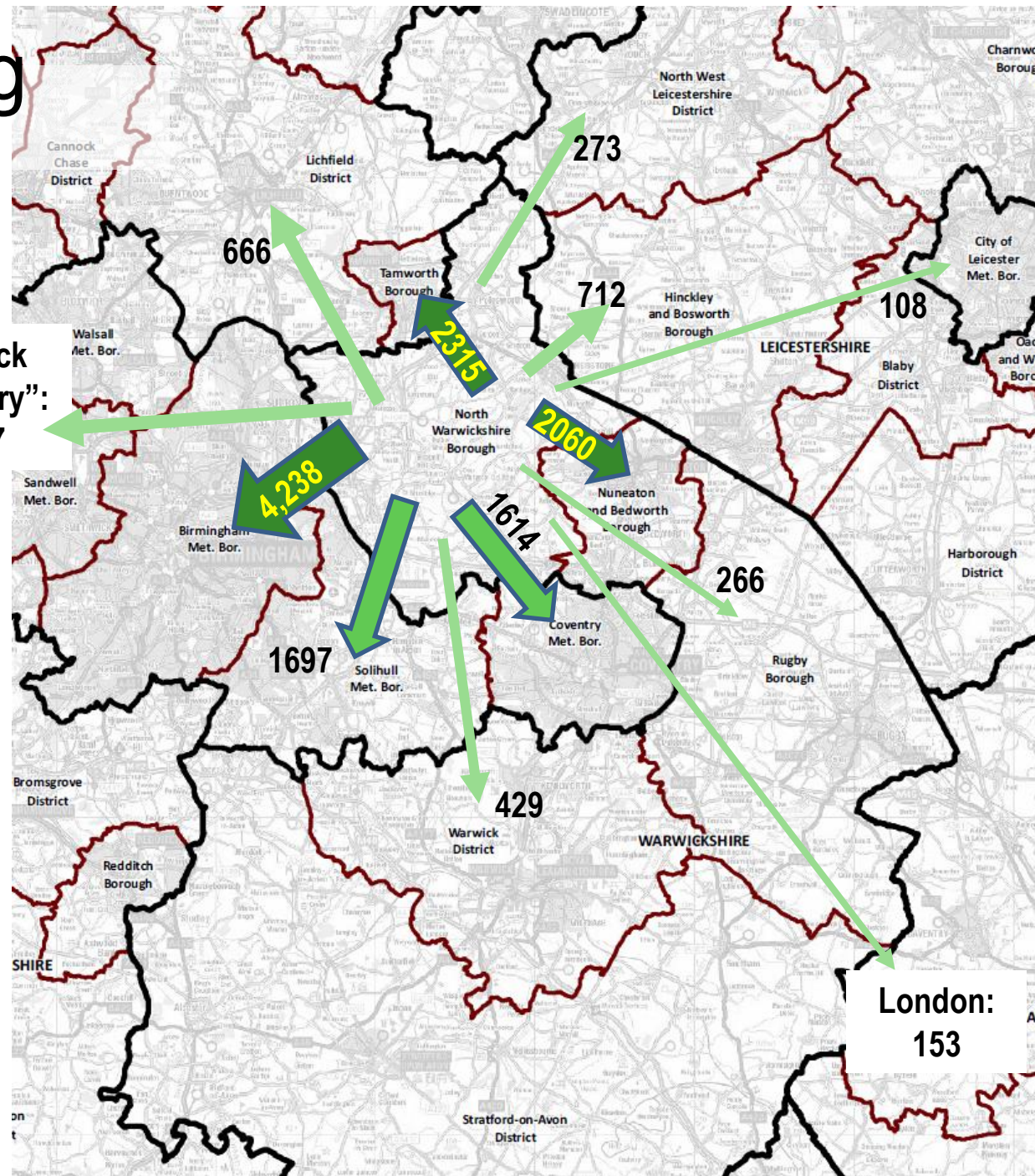
Commuting patterns

- Significant net in-commuting – 8,000 more people come into the area than commute out on a daily basis

- Strongest in-commuting flows from Birmingham, Tamworth, Nuneaton and Solihull

- Biggest net changes are from Tamworth (+1,500); Nuneaton (+1,100); Birmingham (+900); and the Black Country (+1,200)
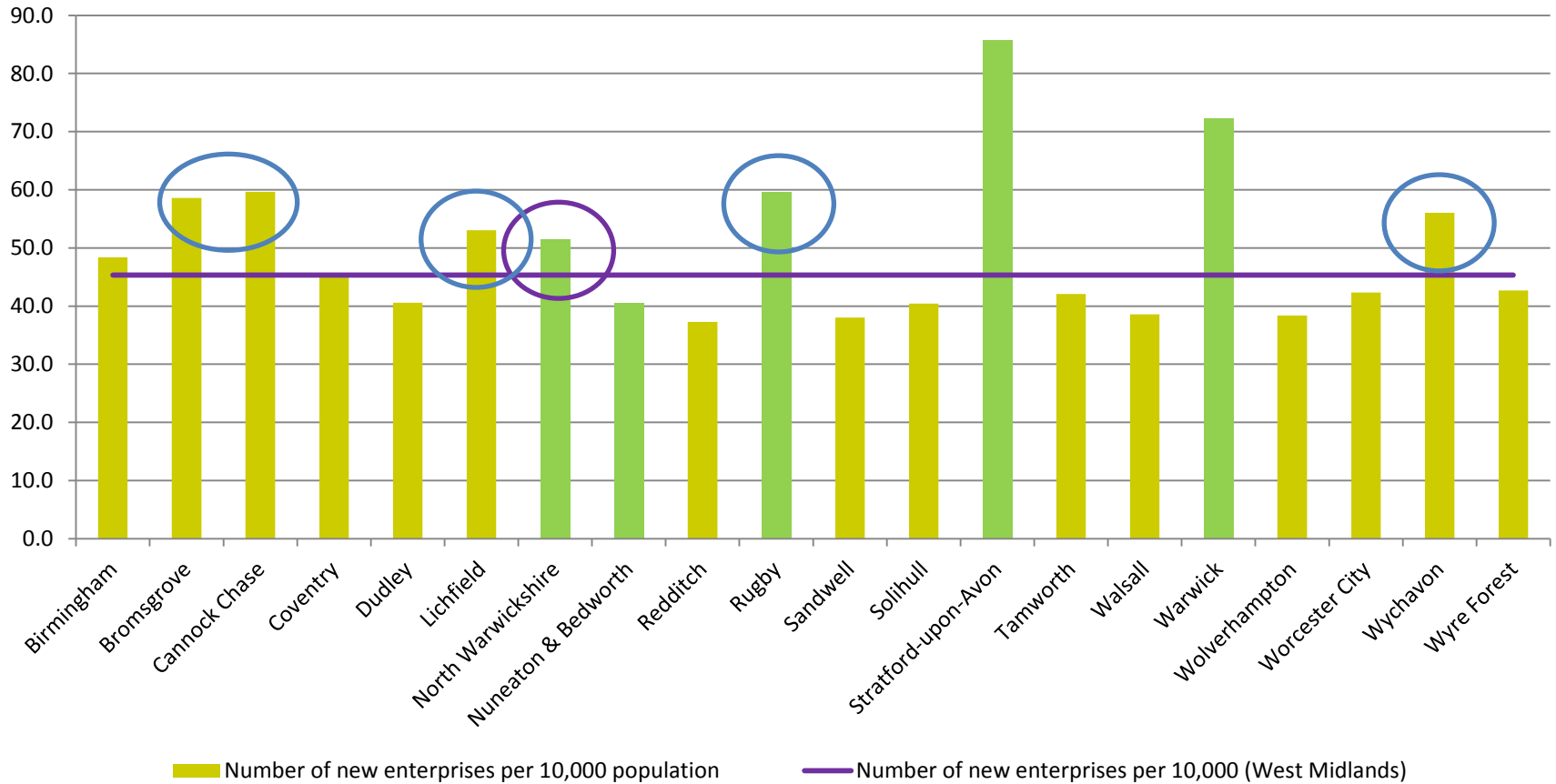

"Black Country": 1762
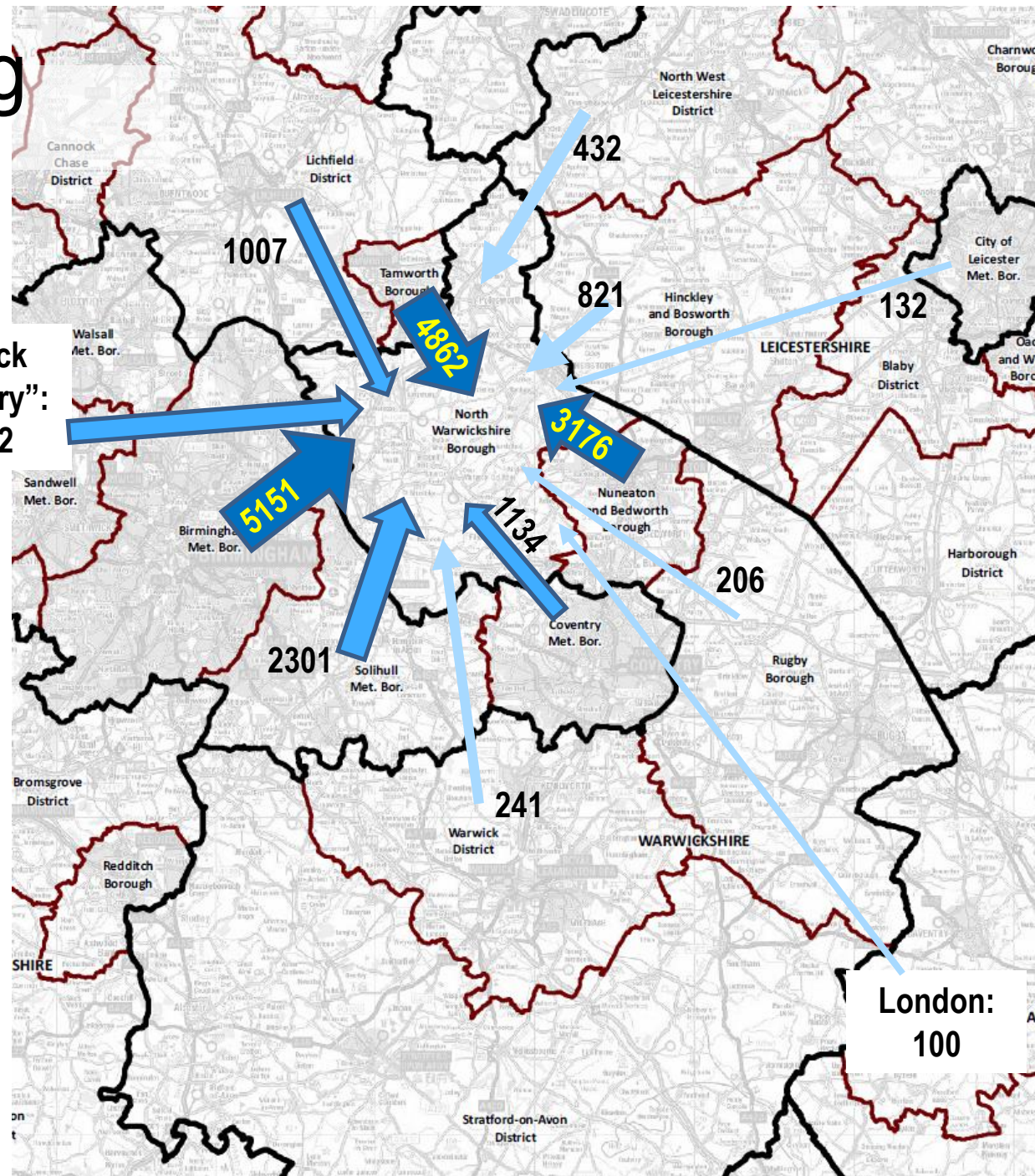
1007

432

821

132

4862

3176

5151

1134

206

2301

241

London: 100

Comparative analysis – GVA per head

GVA per head at district level

Comparative analysis – Enterprise

New enterprises per 10,000 population at district level
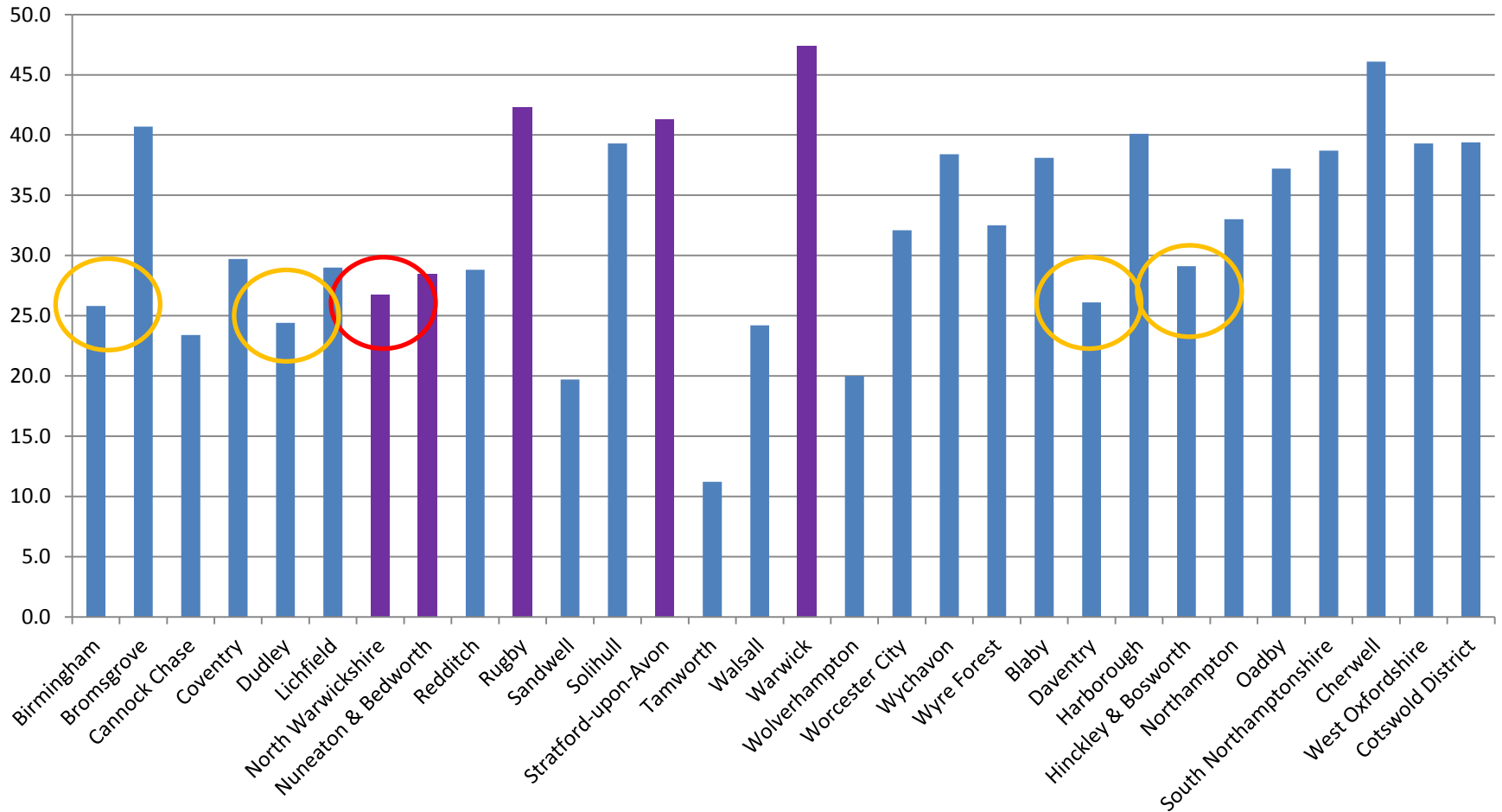

Legend: Number of new enterprises per 10,000 population | Number of new enterprises per 10,000 (West Midlands)

Comparative analysis – Employment

Employment Rate at district level

—— West Midlands employment rate
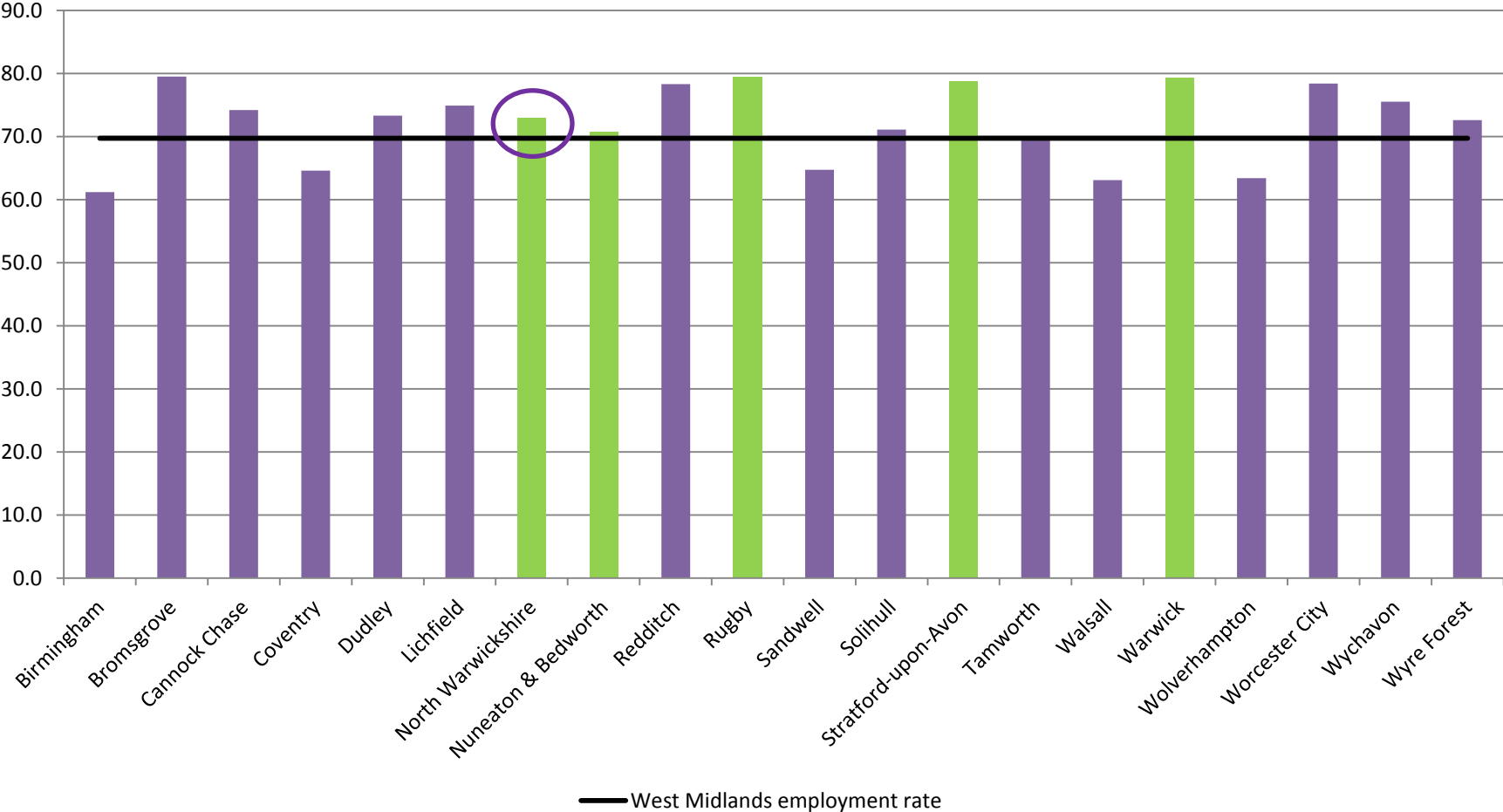
Comparative analysis – Higher level qualifications

% of working age population with an NVQ4+

Nuneaton & Bedworth
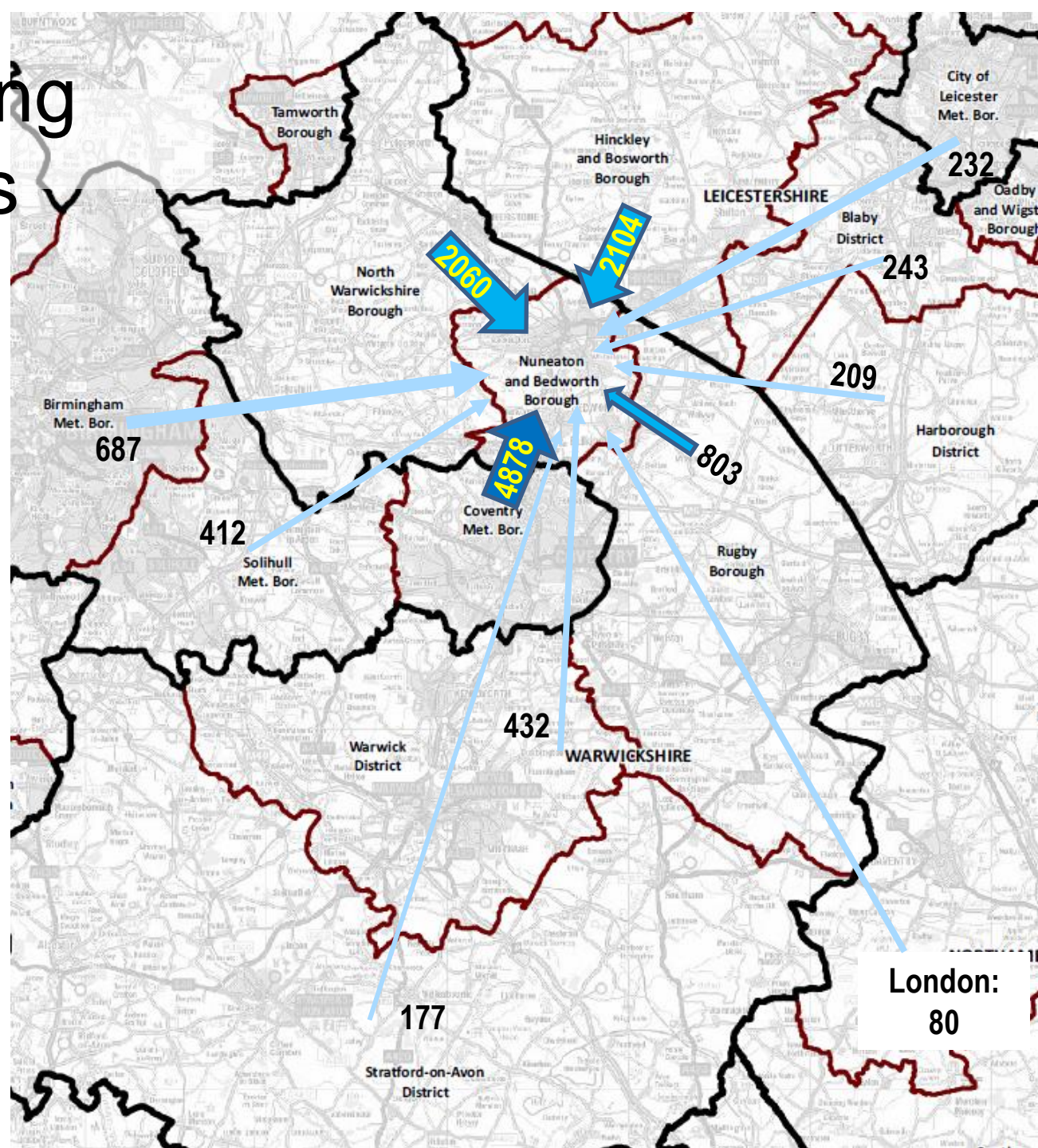
Functional Economic Geographies & Economic Linkages

Commuting patterns

- 22,121 (42.5%) of Nuneaton & Bedworth's employed residents (51,979) work in the borough

- The 2nd lowest levels of self containment (after North Warwickshire) in the county and wider Coventry & Warwickshire area

- Very strong out-commuting flows to Coventry (21.9%).

- Other main links are with N Warks (6%), Hinckley & Bosworth (5%), and Rugby (3.6%)
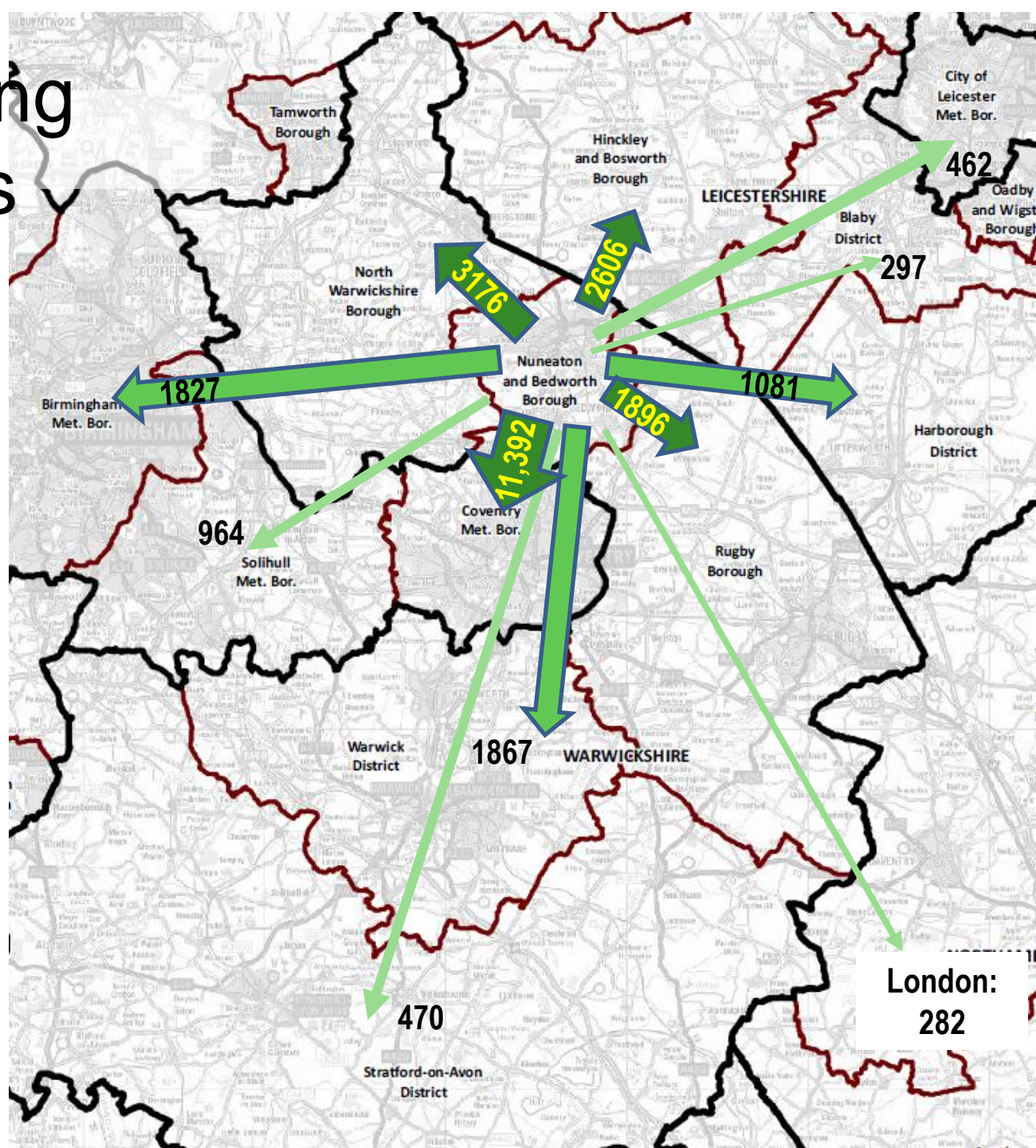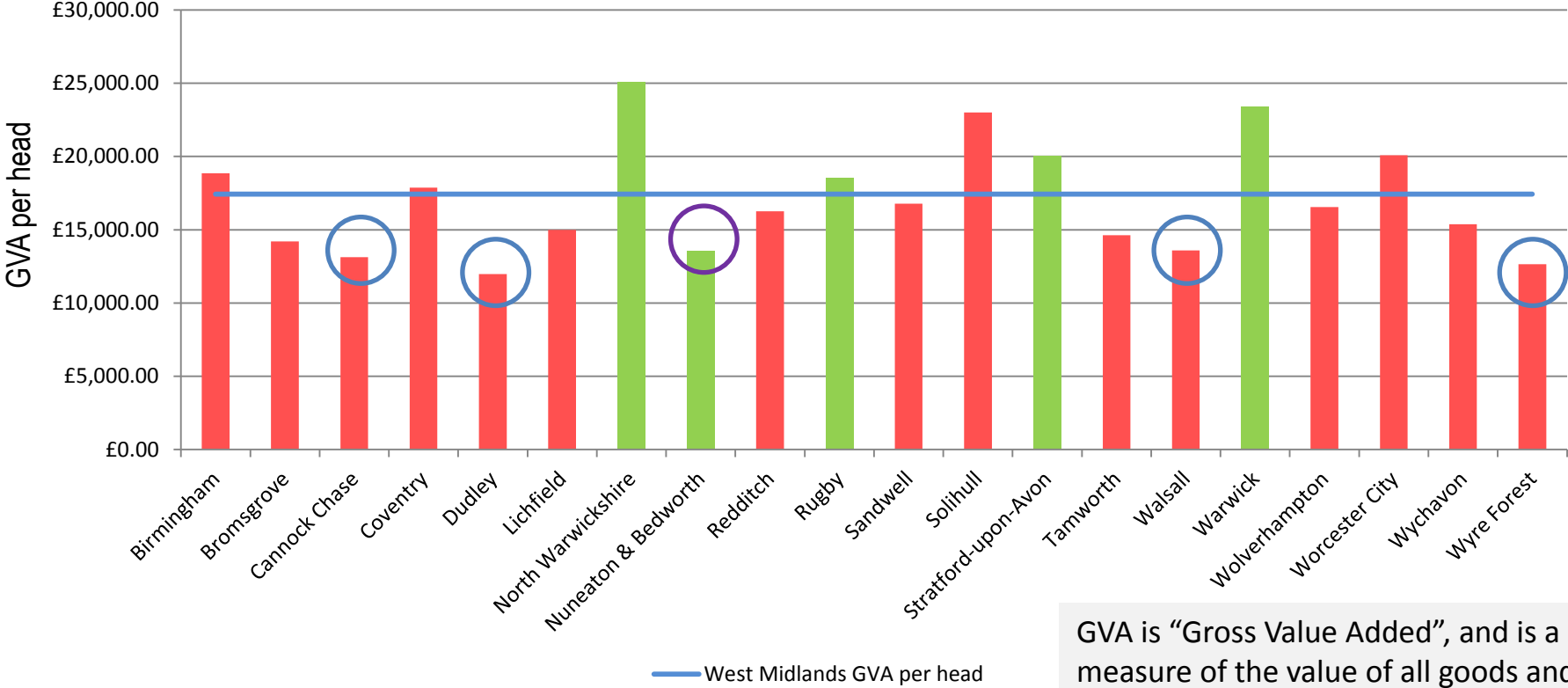
Commuting patterns

- Significant net out-commuting – 15,000 more people leave the Borough than commute in on a daily basis

- Strongest in-commuting flows are from Coventry, Hinckley & Bosworth and North Warwickshire

- Biggest net changes are the smaller net in-commuting flows from Coventry (-6,514), North Warwickshire (-1,100), and Rugby (-1,000)

232

2104

243

2060

209

687

803

412

4878

432

177

London: 80

Comparative analysis – GVA per head

GVA per head at district level

Y-axis: GVA per head

Y-axis values: £30,000.00, £25,000.00, £20,000.00, £15,000.00, £10,000.00, £5,000.00, £0.00

X-axis categories: Birmingham, Bromsgrove, Cannock Chase, Coventry, Dudley, Lichfield, North Warwickshire, Nuneaton & Bedworth, Redditch, Rugby, Sandwell, Solihull, Stratford-upon-Avon, Tamworth, Walsall, Warwick, Wolverhampton, Worcester City, Wychavon, Wyre Forest
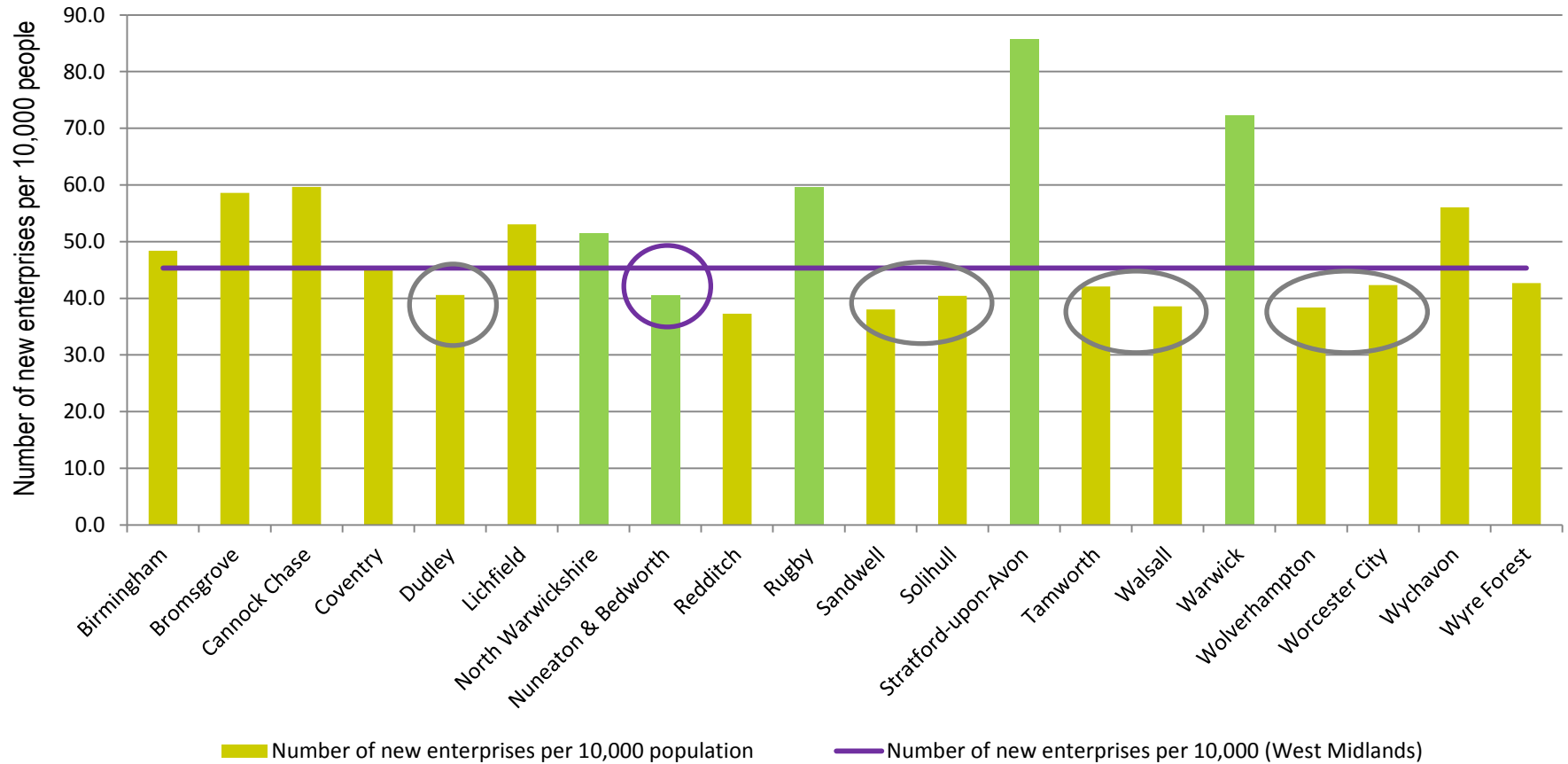
— West Midlands GVA per head

GVA is "Gross Value Added", and is a measure of the value of all goods and services produced in an area. We divide this by the population to give a per head figure to enable comparisons with other areas.
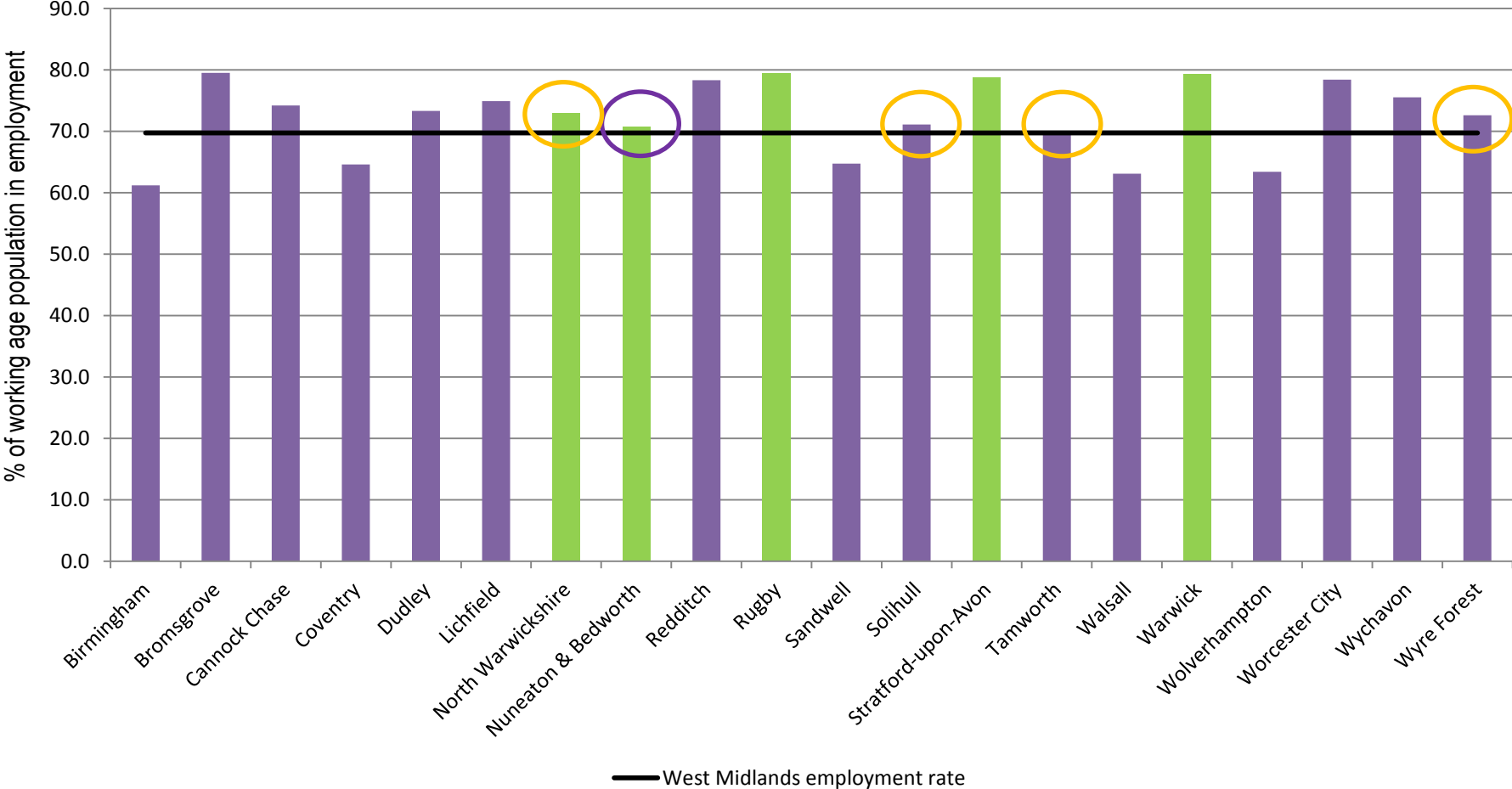
Source ONS (2013)

Comparative analysis – Enterprise

New enterprises per 10,000 population at district level

Source: BIS (2013)

Comparative analysis – Employment
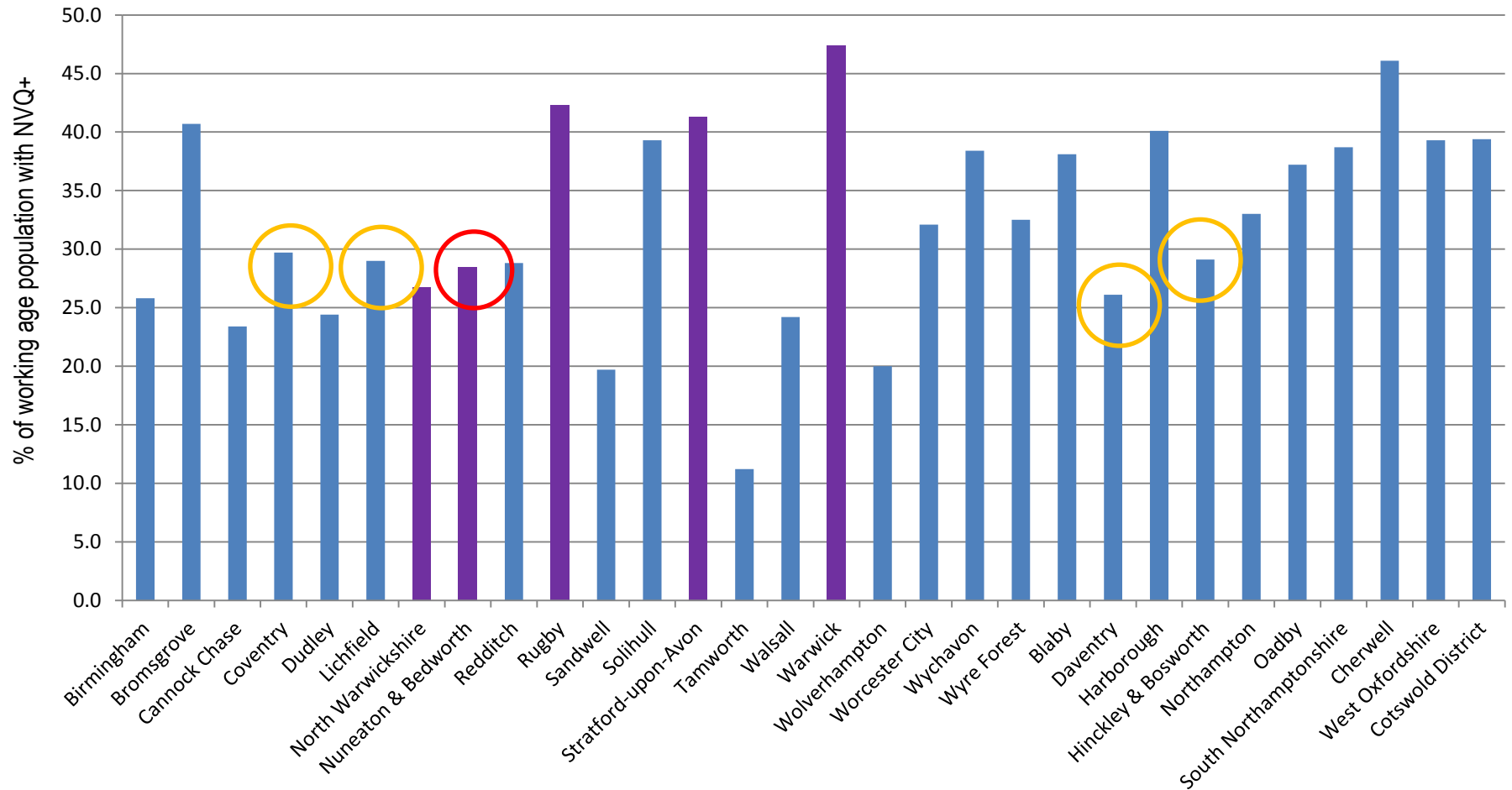

Employment Rate at district level

Source: NOMIS (2013-2014)

Comparative analysis – Higher level qualifications
% of working age population with an NVQ4+

Source: Annual Population Survey (2013-2014

Stratford-on-Avon

Functional Economic Geographies & Economic Linkages

What is a functional economic geography?

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- One of the first key tests of a CA/EPB proposal
- Aim is to identify and describe the real geography within which sub-national economies operate
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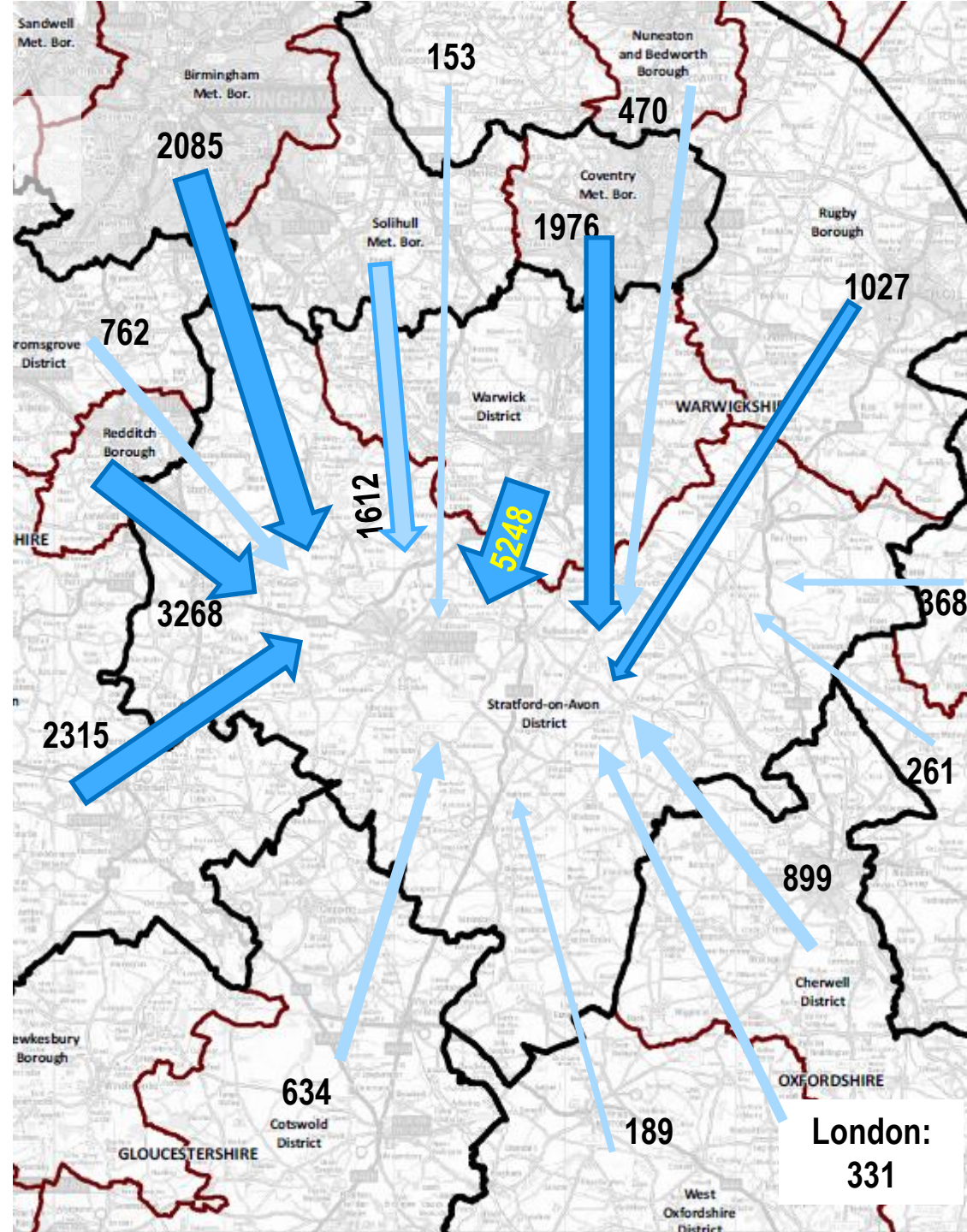
Commuting patterns

- 23,226 (50.7%) of Stratford Districts employed residents (45,892) work in the borough

- The 3rd lowest levels of self containment (after North Warwickshire & N&B) in the county and wider Coventry & Warwickshire area

- Strongest out-commuting flows to Coventry – but only 12.8% of employed residents.

- Other strongest links are with Birmingham (5.1%), Coventry (4%), Redditch (3.7%) & Cherwell (3%)
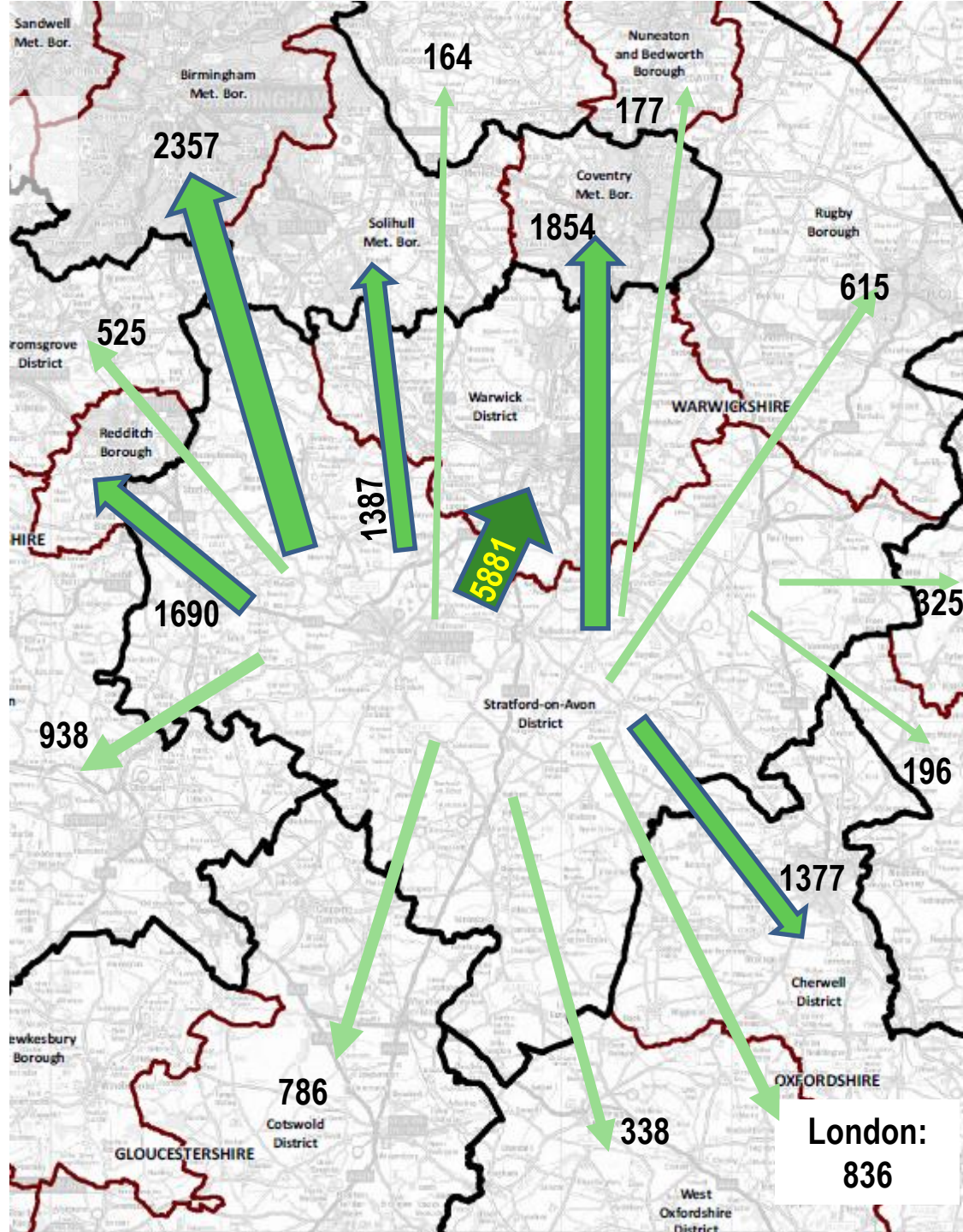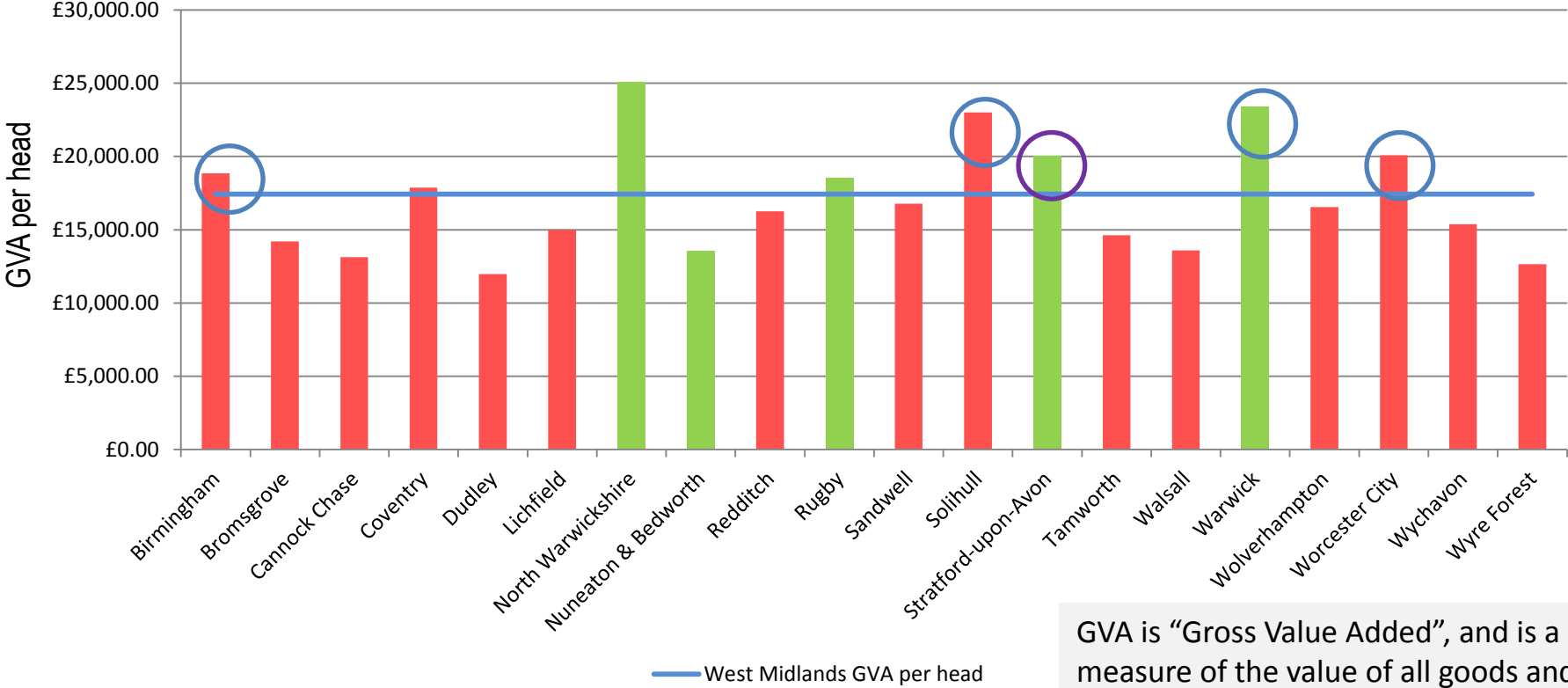
Commuting patterns

- Very slight net in-commuting of 23,701 (+475)

- Strongest in-commuting from Warwick, then Redditch, Wychavon and Birmingham

- Biggest net changers from out-commuting flows are Wychavon (+1,377 in-commuting); Reddicth (+1,578); Rugby (+412); and Cherwell (-478 – i.e. more out-commuting than in-commuting)

153

470

2085

1976

1027

762

1612

5248

3268

368

2315

261

899

634

189

London: 331

Comparative analysis – GVA per head

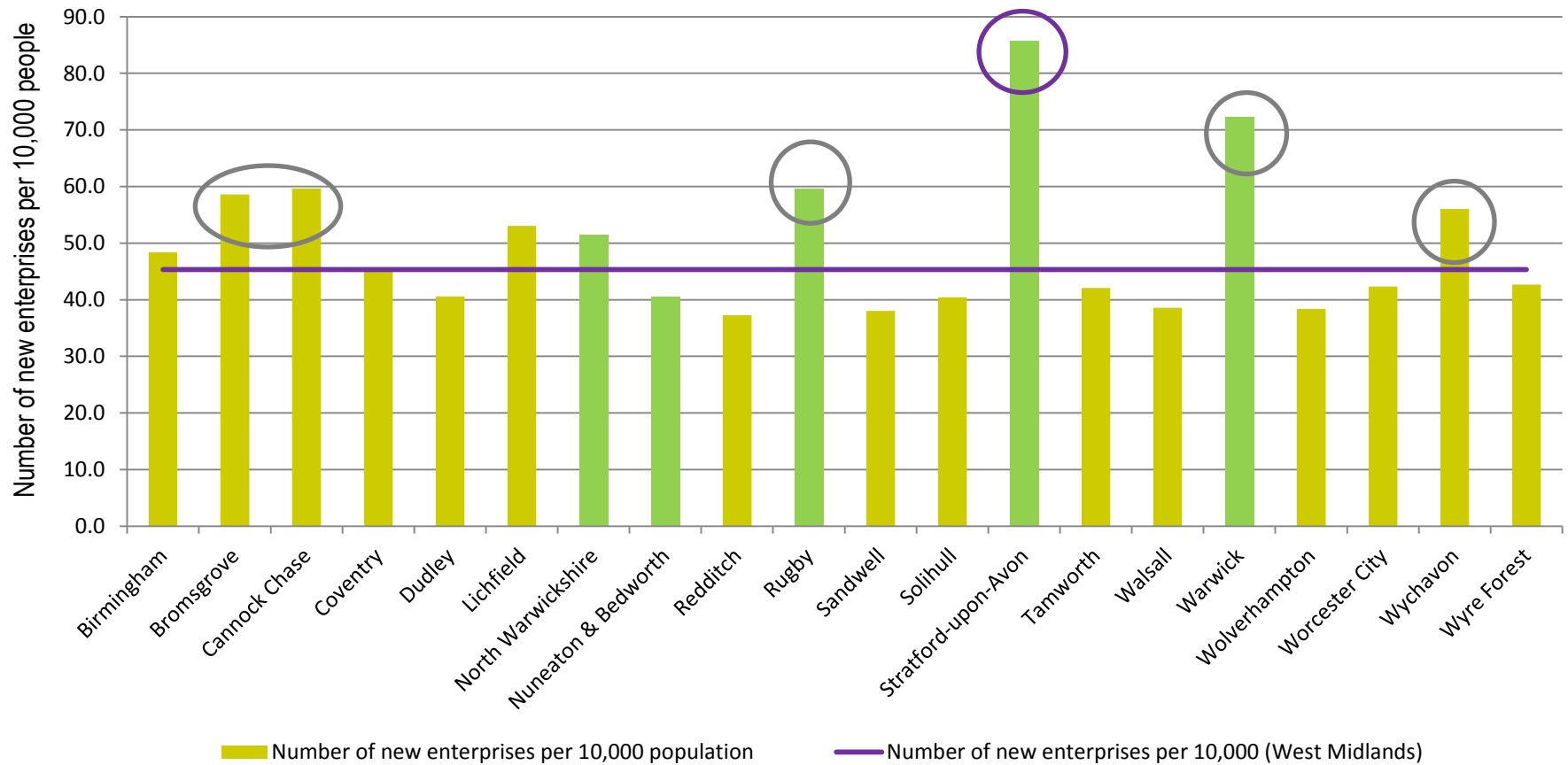**GVA per head at district level**

West Midlands GVA per head

GVA is "Gross Value Added", and is a measure of the value of all goods and services produced in an area. We divide this by the population to give a per head figure to enable comparisons with other areas.
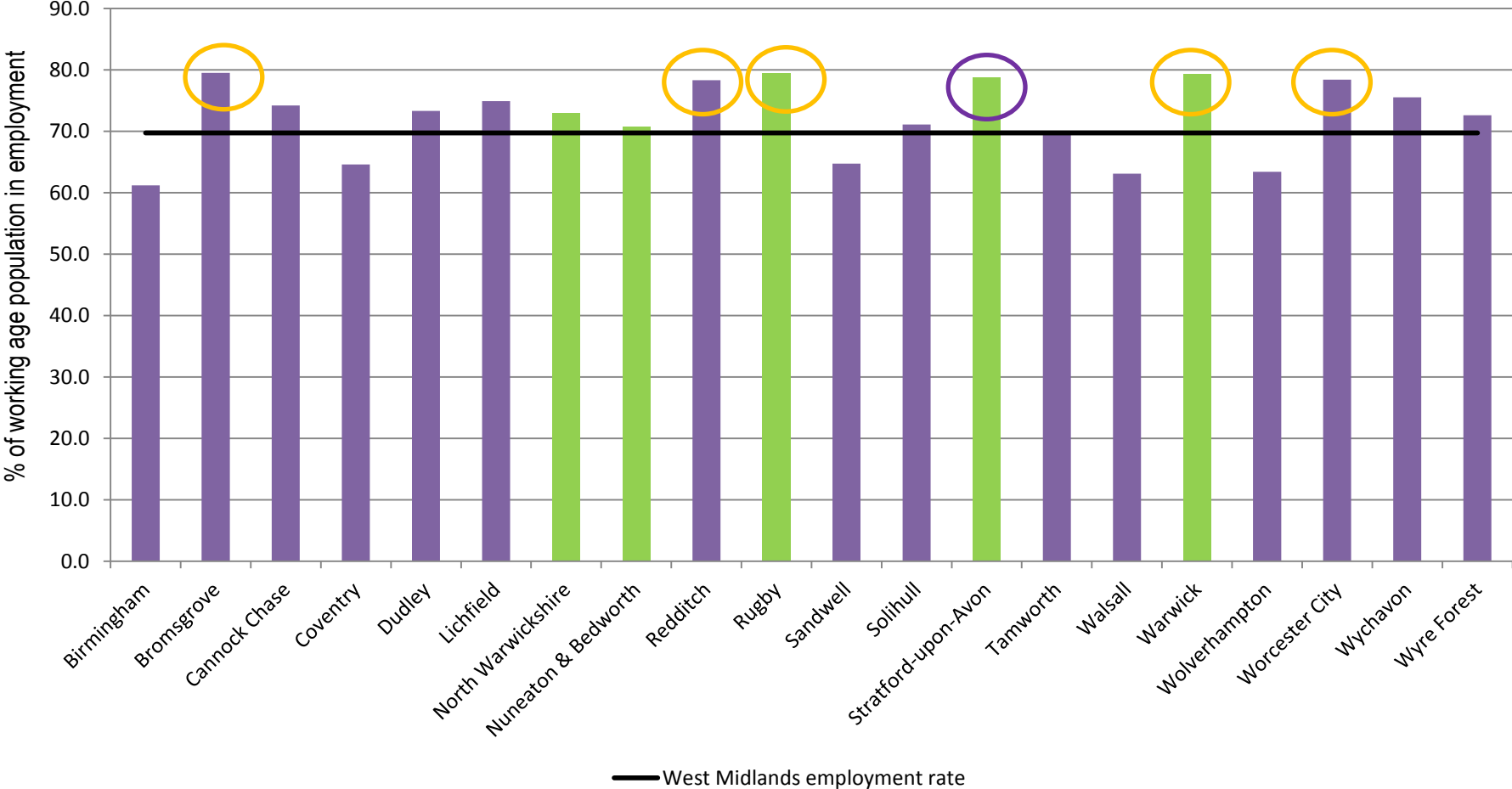
Source ONS (2013)

Comparative analysis – Enterprise

New enterprises per 10,000 population at district level

Source: BIS (2013)

Comparative analysis – Employment
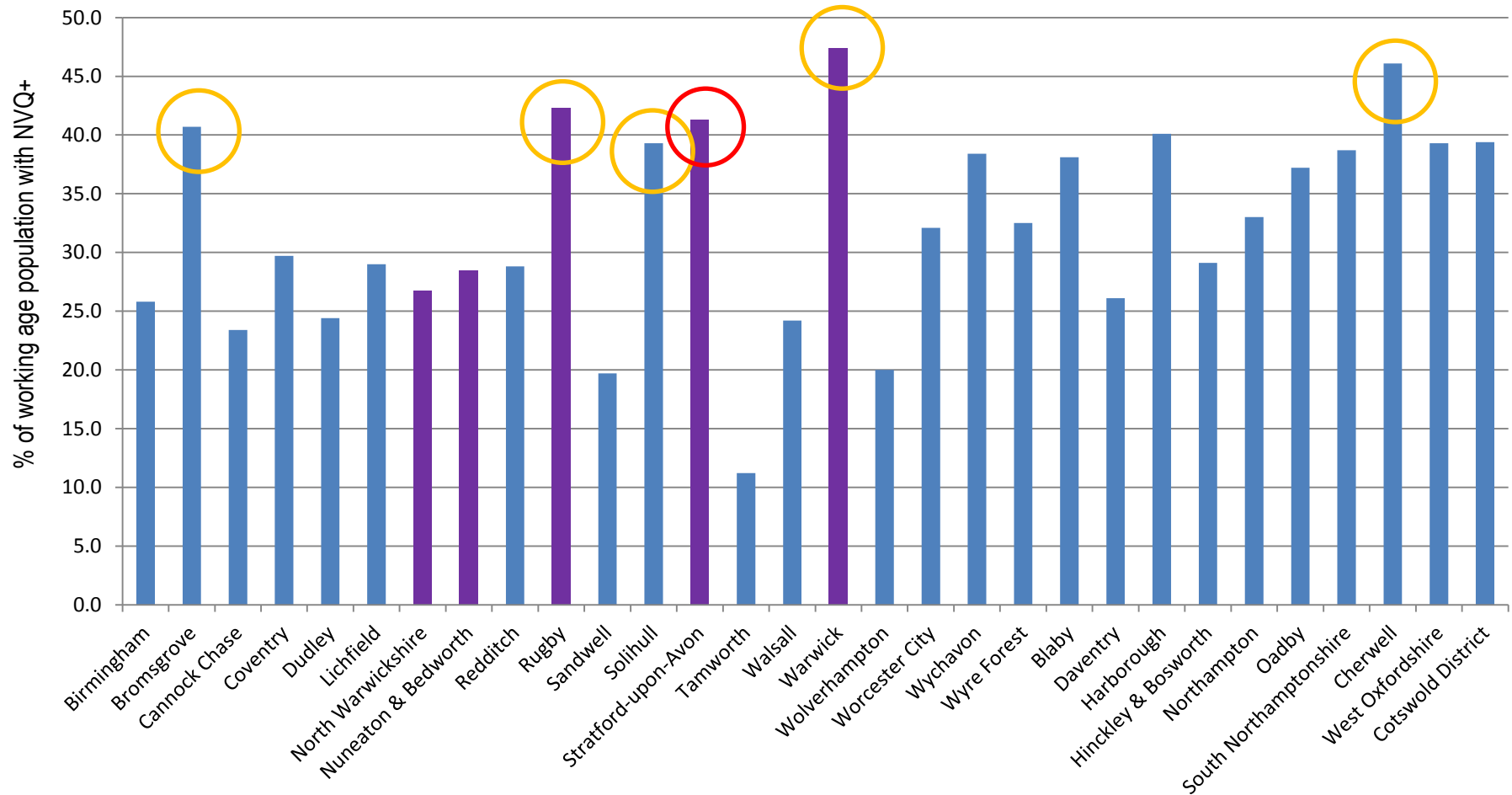

Employment Rate at district level

Source: NOMIS (2013-2014)

Comparative analysis – Higher level qualifications

% of working age population with an NVQ4+

Source: Annual Population Survey (2013-2014

Business Start-ups

Top Authorities	New Business Start-ups per 10,000 Population
South Bucks	112.5
Chiltern	83.4
Wycombe	79.7
Milton Keynes UA	76.0
Stratford-on-Avon	75.9

Bottom Authorities	New Business Start-ups per 10,000 Population
Broxtowe	35.1
Newcastle-under-Lyme	35.7
Mansfield and Bolsover	37.2
Stoke-on-Trent UA	37.3
Ashfield	37.5

• Stratford-on-Avon, Warwick and Rugby all feature within the 15 local authorities in the geography with over 65 business start-ups per 10,000 population.

• Nuneaton & Bedworth falls into the bottom 15 with only 40 business start-ups per 10,000 population.

New Business Start-Ups Per 10,000 Population, 2008

- 35.1 - 43.1
- 43.2 - 52.5
- 52.6 - 64.7
- 64.8 - 83.4
- 83.5 - 112.5
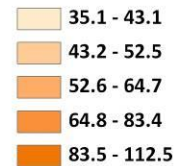
Source: Department for Skills, Innovation and Skills

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Warwickshire County Council. 100019520, 2010.
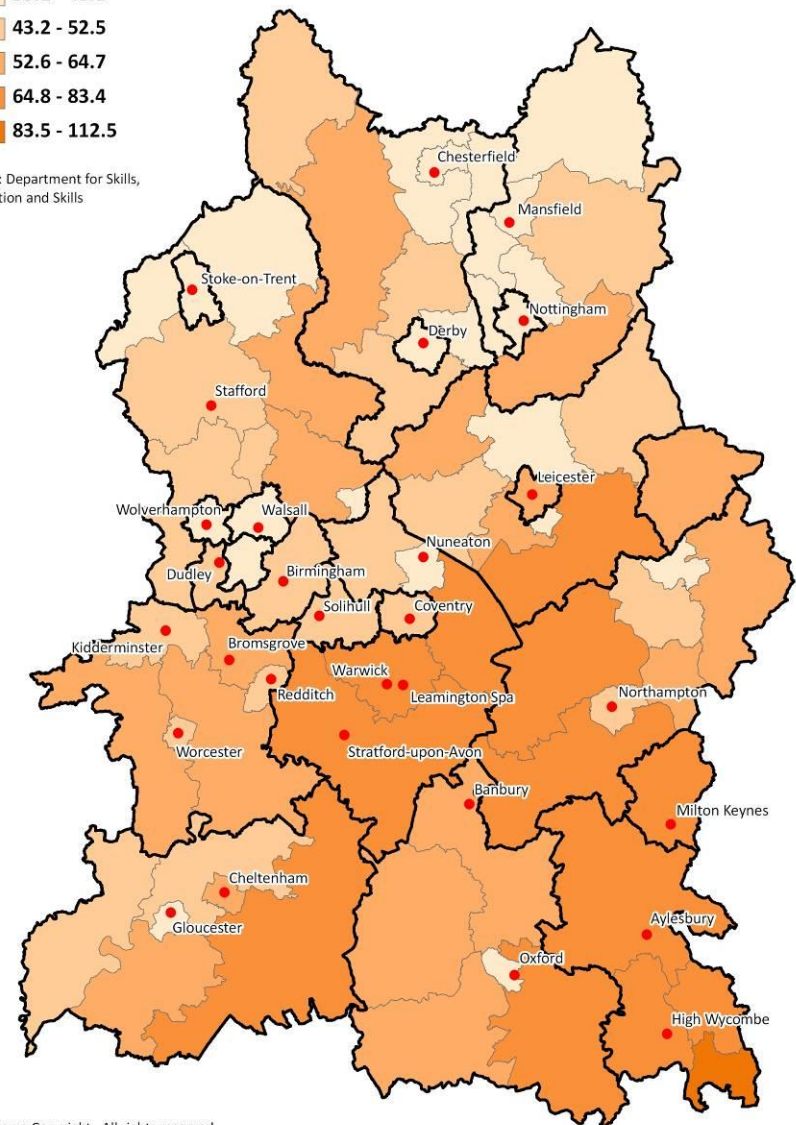
Occupation - Manual

Top 5 Authorities	Percentage of Employed Population in Manual and Low Skilled Occupations
Tamworth	42.1%
Corby	41.2%
Redditch	39.6%
Bolsover	37.6%
Oadby and Wigston	37.3%

Bottom 5 Authorities	Percentage of Employed Population in Manual and Low Skilled Occupations
Chiltern	8.2%
South Bucks	17.1%
Warwick	18.1%
Vale of White Horse	18.3%
Gloucester	18.4%

• Nuneaton & Bedworth has a relatively high percentage of its employed population in manual and lower skilled occupations, 33.8%.

• Both Stratford-on-Avon and Warwick have low percentages of the employed population in manual and low skilled occupation, 19.1% and 18.1%, respectively.

Percentage of Employed Population in Manual and Low Skilled Occupations, 2008-2009

- 8.2% - 20.7%
- 20.8% - 26.7%
- 26.8% - 31.3%
- 31.4% - 35.0%
- 35.1% - 42.1%
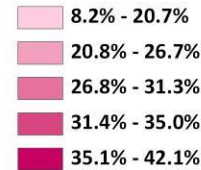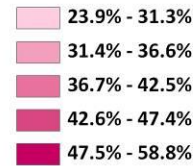
Source: Annual Population Survey, Workplace Analysis
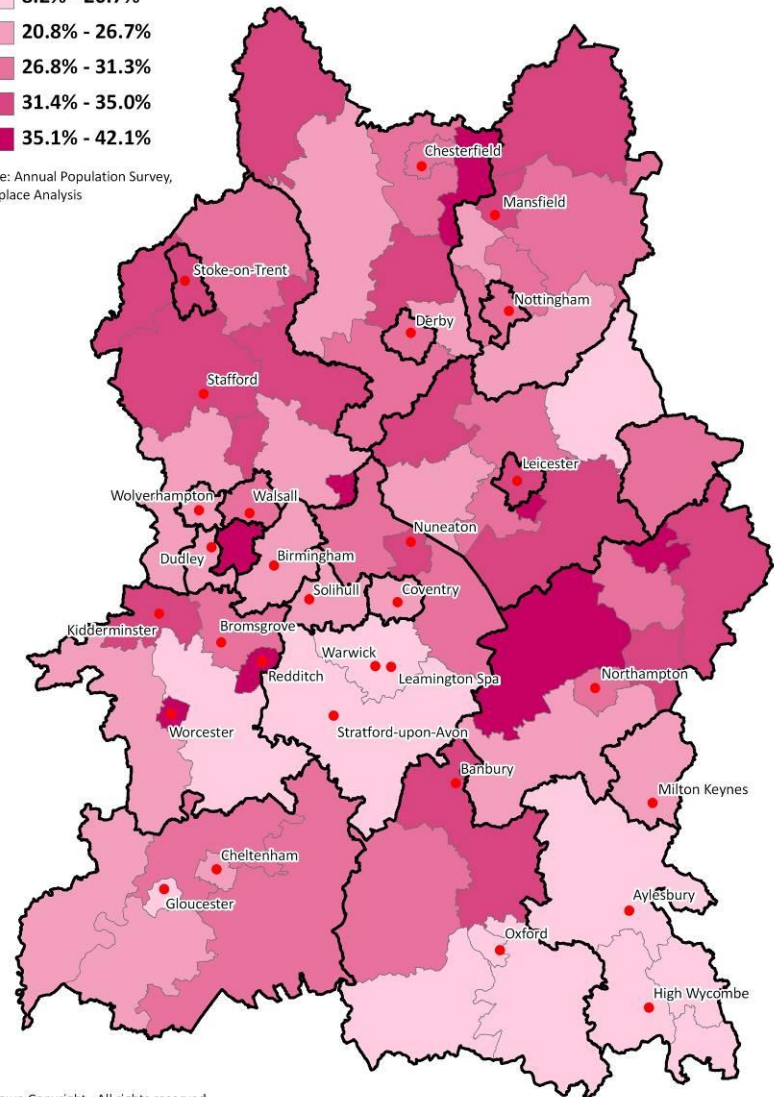
Occupation - Managerial

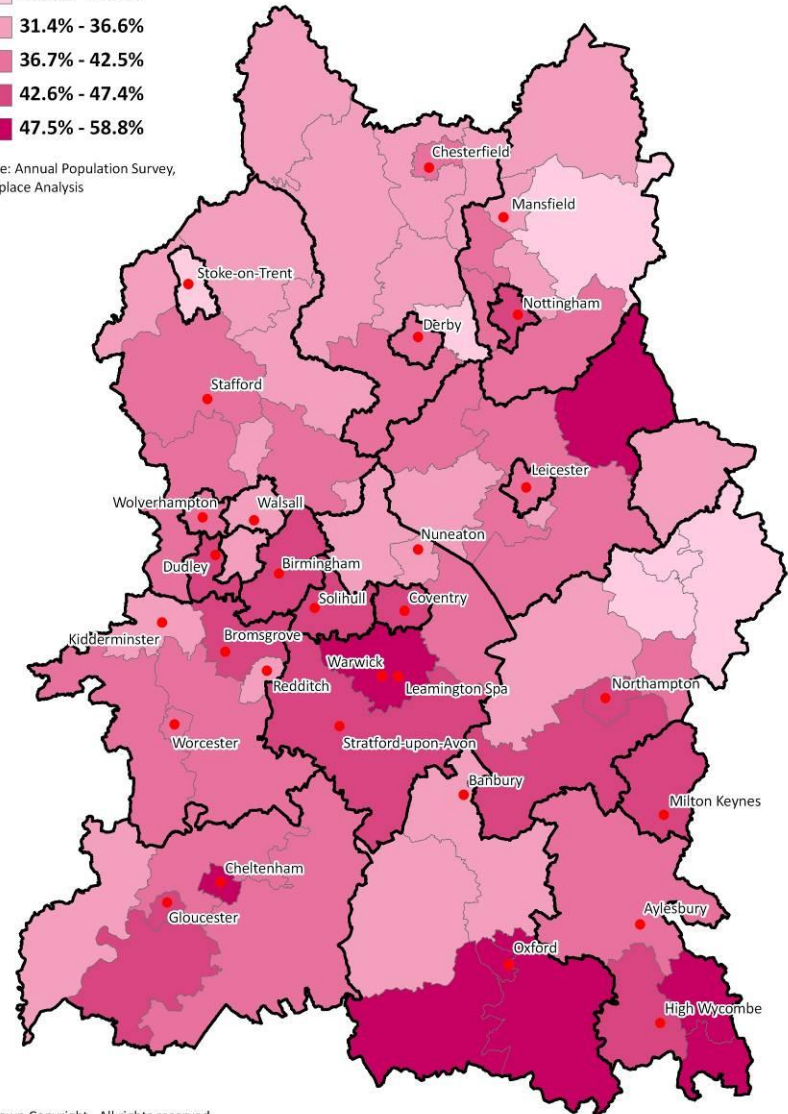| Top 5 Authorities	Percentage of Employed Population in Managerial and Professional Occupations
Oxford	58.8%
Melton	56.5%
Chiltern	54.3%
Vale of White Horse	54.1%
South Oxfordshire	52.5%

Bottom 5 Authorities	Percentage of Employed Population in Managerial and Professional Occupations
Erewash	23.9%
Newark and Sherwood	27.7%
Corby	29.0%
East Northamptonshire	30.6%
Kettering	30.7%

• Warwick, Stratford-on-Avon and Coventry feature within the top 15 with 51.1%, 46.1% and 45.1%, respectively.
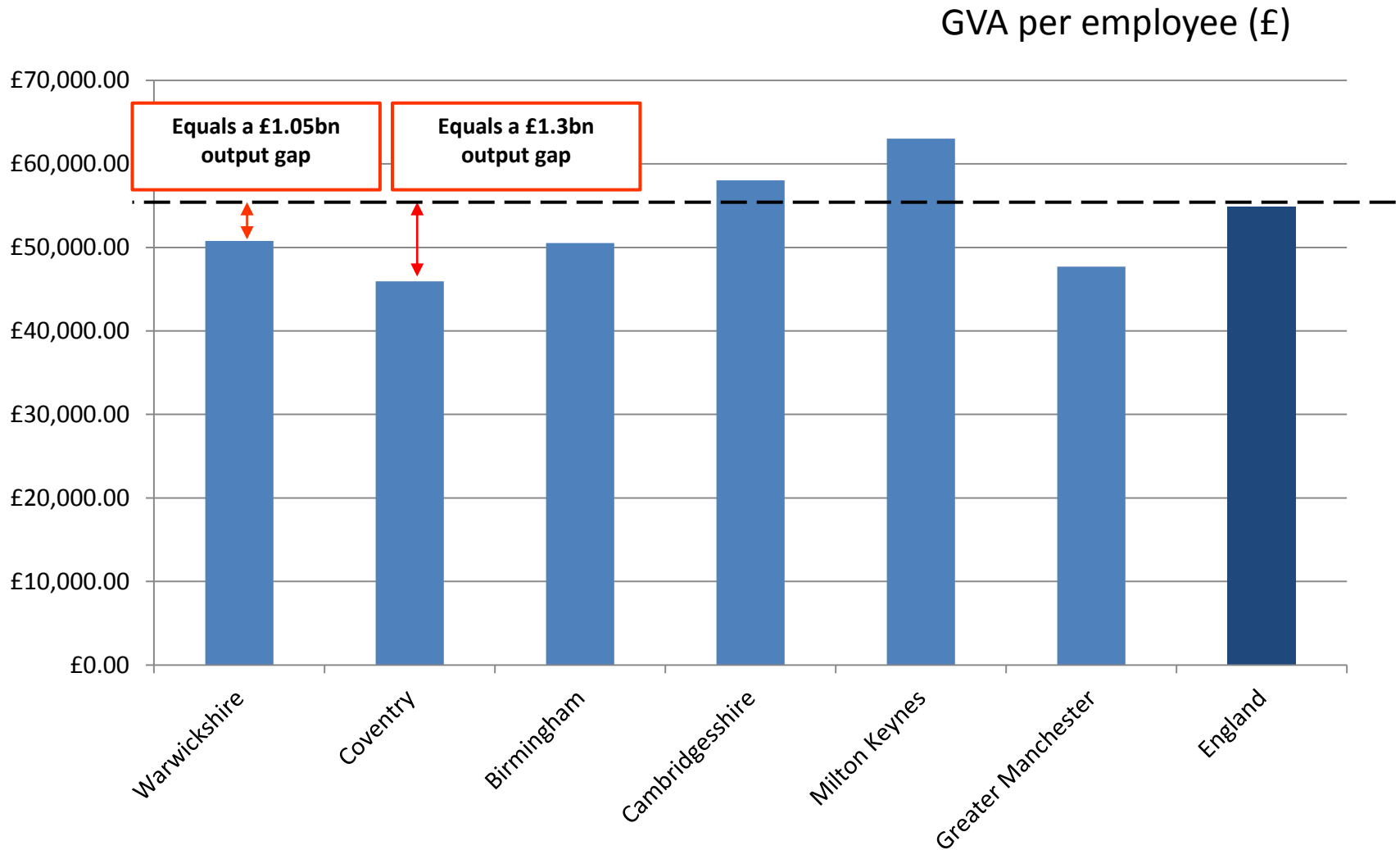

Percentage of Employed Population in Managerial and Professional Occupations, 2008-2009

- 23.9% - 31.3%
- 31.4% - 36.6%
- 36.7% - 42.5%
- 42.6% - 47.4%
- 47.5% - 58.8%

Source: Annual Population Survey, Workplace Analysis

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Warwickshire County Council. 100019520, 2010.

Lower than average productivity

GVA per employee (£)

Growth Deal allocation per person by LEP area