



West Yorkshire Economic & Transport Insights Report

West Yorkshire Research & Intelligence Team

June 2023

Executive Summary – Economic Insights

- Inflation declined, but remained above the levels anticipated in the financial markets (inflation was 8.7% against an expected 8.2%). Food inflation remains at around 19%, due to ongoing supply-side problems within the industry. The Bank of England is expecting the rate of inflation to remain above the 2% target until the second half of 2024.
- Investment expectations remain subdued, despite the enhanced tax relief on business investment. According to the Bank of England, businesses with and without debt are planning to cut investment across the next 12 months. This is likely to exacerbate the productivity challenges across West Yorkshire and the UK.
- The labour market appears to be softening. Employee numbers declined by 0.3% between March and April 2023 across West Yorkshire. At the same time, the out-of-work claimant count also increased and is now 9% higher than October 2022.
- Vacancies across West Yorkshire declined for the third consecutive month. There were 30,200 unique, new postings recorded in April 2023, 12% down on the previous month but 7% higher than in April 2022. Whilst the labour market is softening, there are still labour shortages in industries, which is putting pressure on the West Yorkshire and UK economy.
- Business liquidations remained relatively stable, but the wholesale and retail trade sector and the accommodation and food services sector are over-represented in the liquidation figures relative to their market share, showing the sector-specific impact of the economic challenges we face.

Executive Summary – Transport Insights

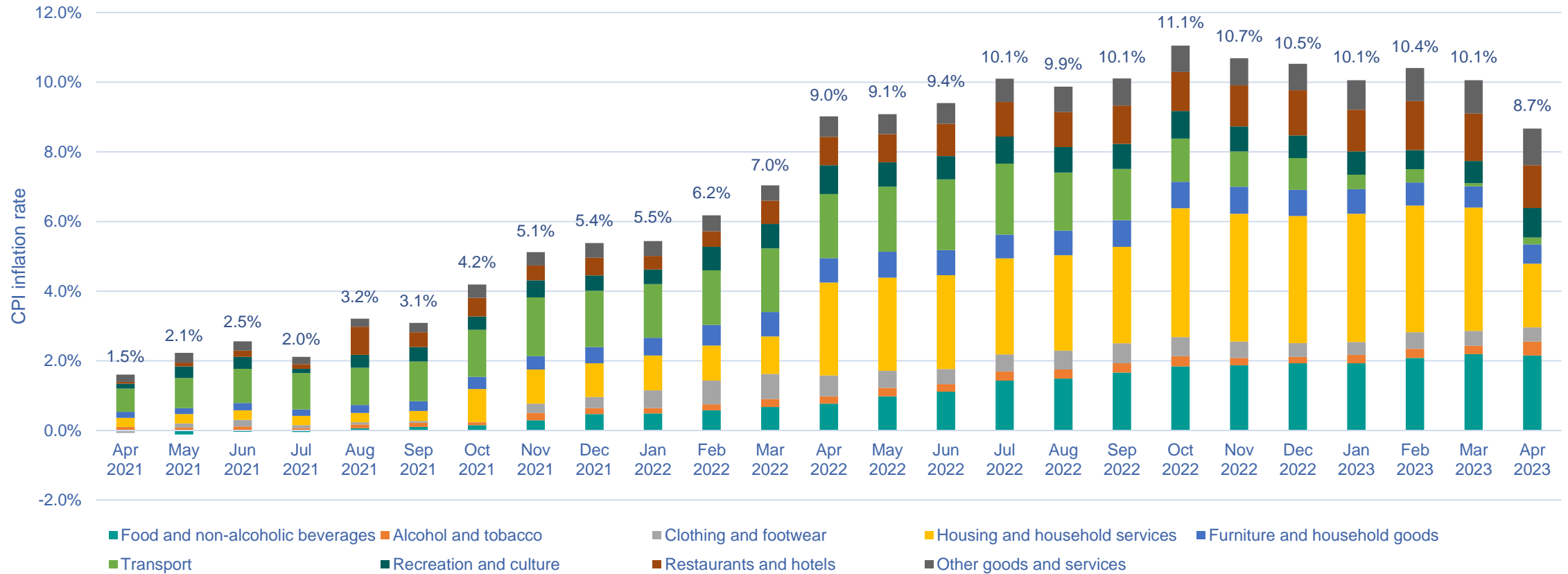
- Results from the West Yorkshire Annual Public Perceptions of Transport Survey reveal:
 - that satisfaction with local bus and rail services has fallen
 - satisfaction with affordability of public transport has increased as well as confidence in purchasing the best value bus tickets
 - confidence in personal safety when travelling on public transport has fallen since last year, with a larger disparity between day and night-time perceptions of safety, with considerable differences by gender
- Nationally, weekday motor vehicle and rail use exceeded pre-pandemic levels for the first time over the most recent weeks, whilst weekday bus use outside London recently reached around 90%.
- Locally, overall weekday bus patronage (all passenger cohorts) was 84% of pre-pandemic levels at the end of May (most recent data) and over the last five weeks, adult weekday patronage has been relatively stable at between 83%-84% of pre-pandemic levels.
- Park & Ride patronage fell to 46% and 34% of the equivalent month's pre-pandemic levels in April at Elland Road and Temple Green following timetable changes in April.
- Average weekday footfall at Leeds rail station reached 74% of pre-pandemic levels in the most recent full week, and so far in 2023 levels appear to have plateaued below 80% following an upward trend in 2022. In contrast, weekend footfall reached a new peak of 130% over the weekend of the late-May bank holiday indicating a recovery for leisure travel.
- In the first few months of 2023, cycle counters record a 21% increase in cyclists relative to 2019.
- 77% of tracked bus journeys in West Yorkshire ran on time in May 2023, a decline from a consistent 80% on time performance in Q1.

Economic Insights



CPI inflation fell in the year to April, but by less than anticipated. Food price pressures persist within the economy.

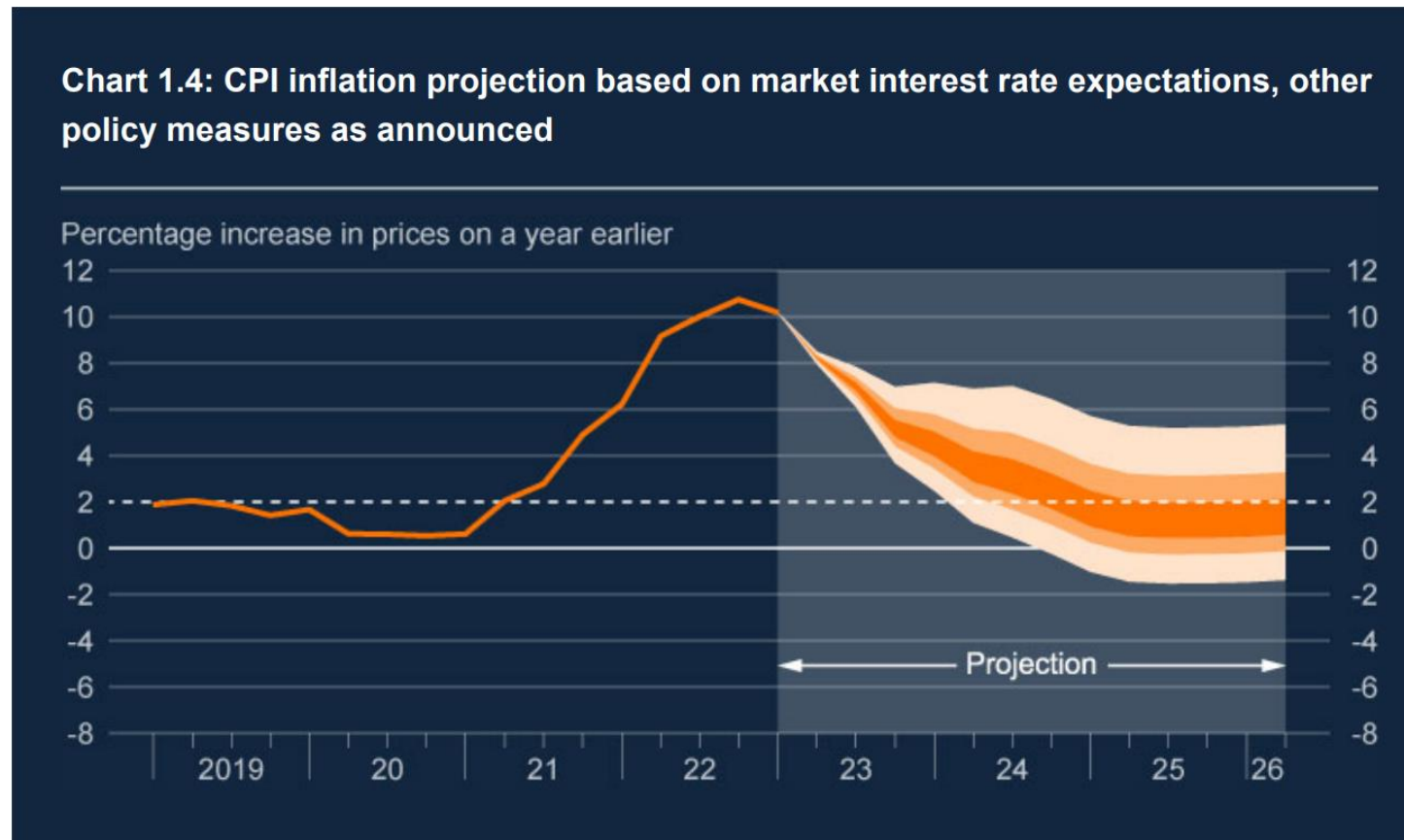
Due to timing effects, economic forecasters had expected the annual inflation rate to fall to 8.2% in the year to April, but the actual fall was somewhat dampened by continued price pressures on food and non-alcoholic beverages. International supply chain issues and domestic labour shortages within the sector have kept food prices rising by 19% in the last 12 months.



Source: ONS

Bank of England central forecasts suggest that inflation is likely to remain above the Bank's 2% target for 18 to 24 months.

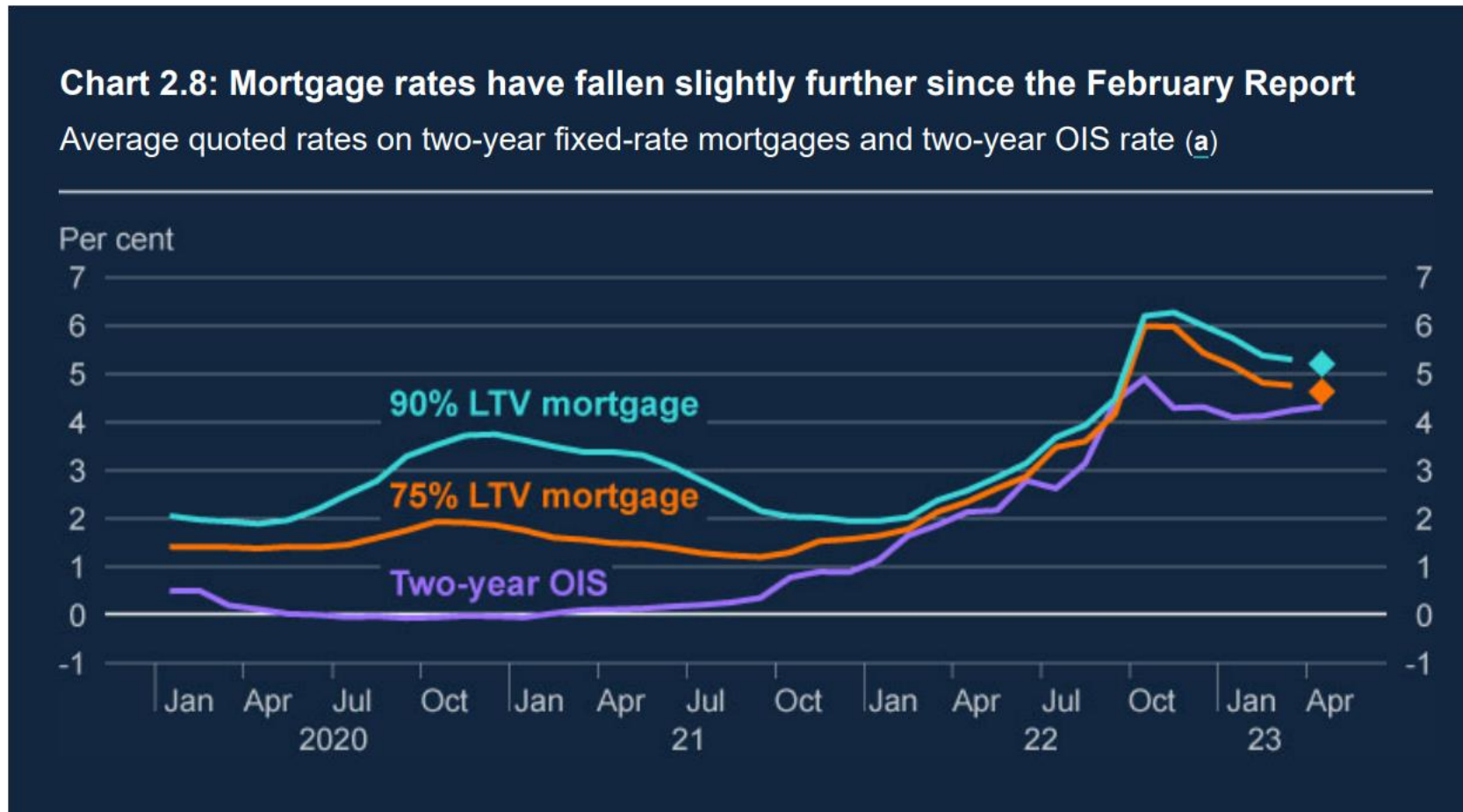
The projections show that it is likely that the UK economy has passed the peak level of inflation, but the issue is likely to persist in the medium term. Core inflation, which strips out the energy, food, alcohol and tobacco sectors, has risen by 6.8% in the year to April, up from 6.2% in the year to March. This also poses the risk of further interest rate rises by the Monetary Policy Committee to try to tame inflation.



Source: Bank of England

Mortgage rates are beginning to fall, but remain high by the standards of the last decade.

Despite a relative improvement, mortgage rates remain more than double what they were at the end of 2021. This, along with falling real incomes, is causing a drag on house prices, which have fell for three consecutive months in early 2023.



Source: Bank of England

Despite businesses being more optimistic about growth in recent months, investment and employment are set to fall in the next year.

A higher interest rate makes business investment and employment relatively more expensive for firms, as the interest rate is essentially the income they could make by not spending the money and instead keeping it in the bank. In order to incentivise businesses to invest while interest rates are high, the rate of return on the investment must be greater than the interest rate they would otherwise earn. This is particularly challenging when productivity remains stagnant.

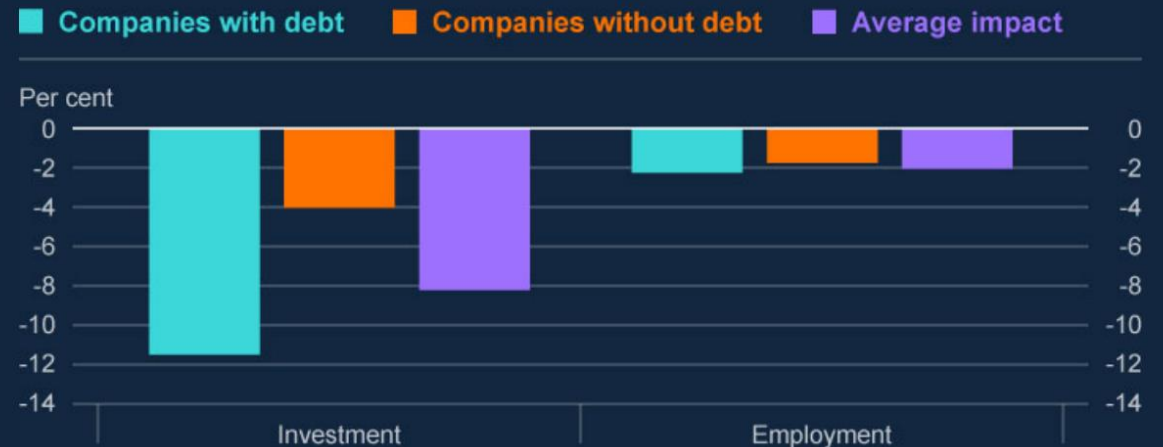
Chart 2.10: Business surveys suggest the outlook for growth has improved

Survey indicators of UK output growth (a)



Chart E: Firms expect to reduce investment and employment over the next year as a result of higher interest rates

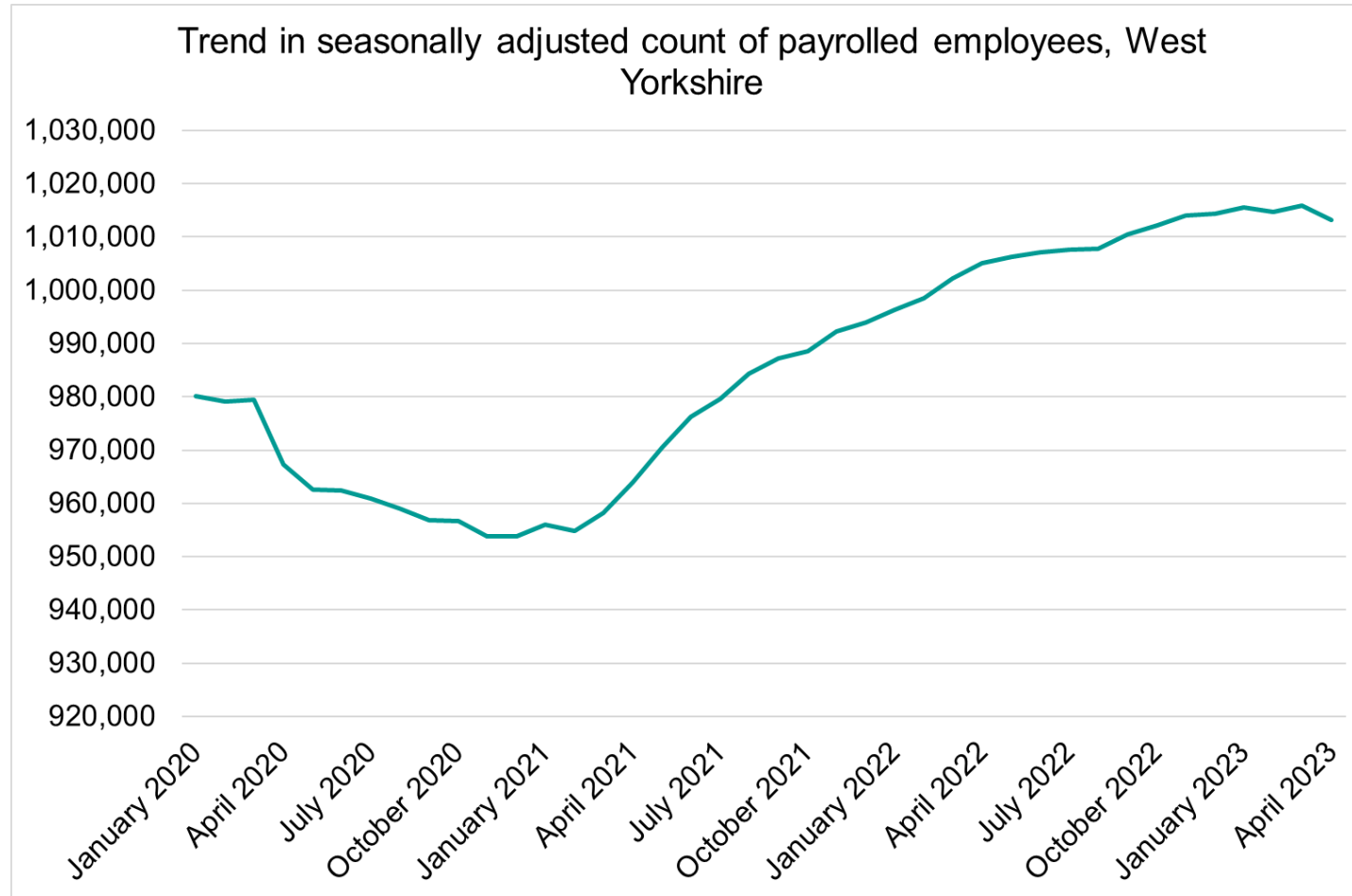
Expected impact of higher interest rates on firms' investment and employment over the next year (a)



Source: Bank of England

The count of payrolled employees fell in April

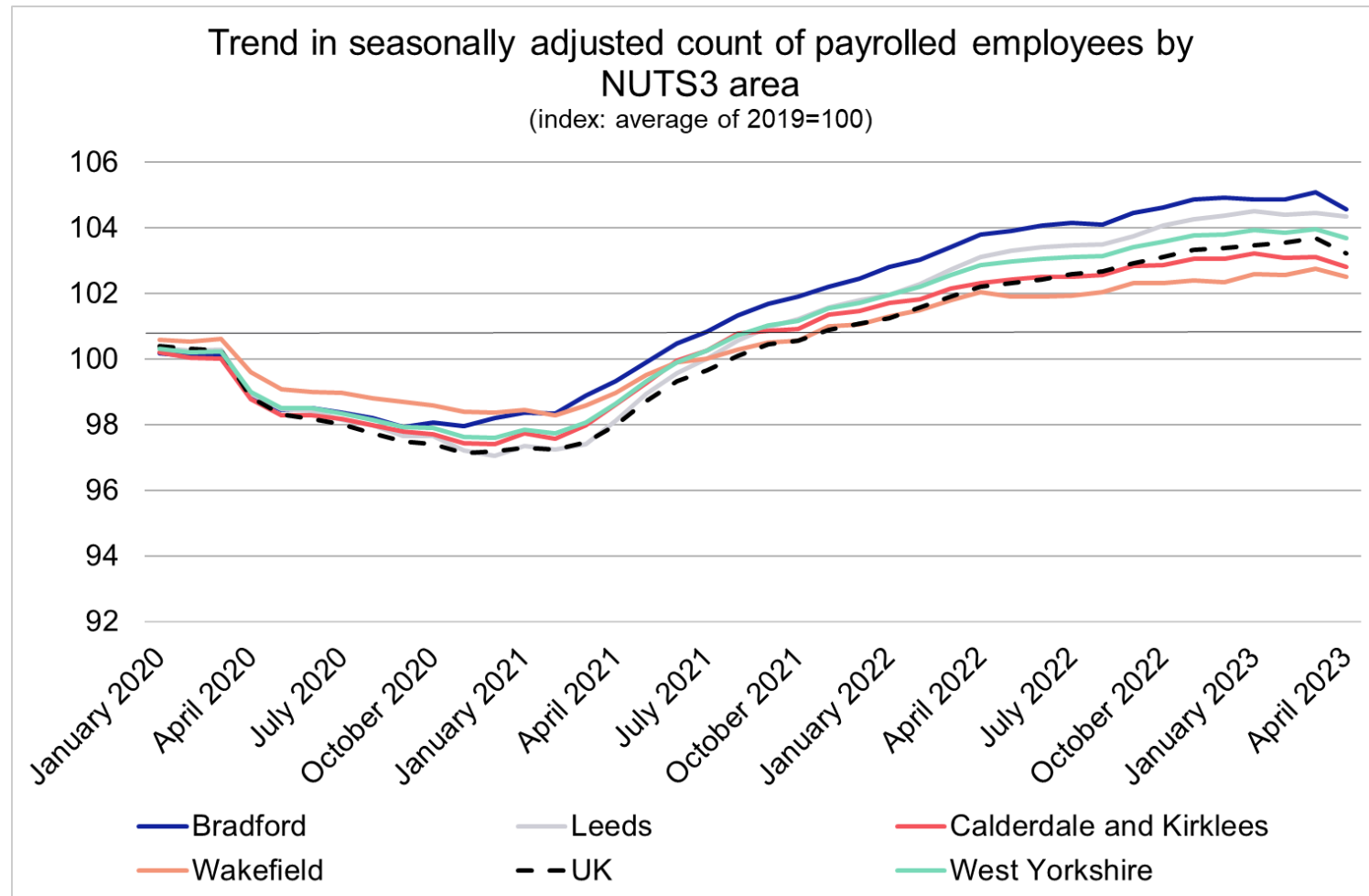
West Yorkshire's count of payroll employees fell between March and April by 2,700 or 0.3%. Aside from February 2023 when there was a small fall, this is the first monthly decline recorded since early 2021. It provides an early indication of a potential softening in the local labour market. There was also a decline at national level.



Source: HMRC

All parts of West Yorkshire saw a fall in payrolled employees during April

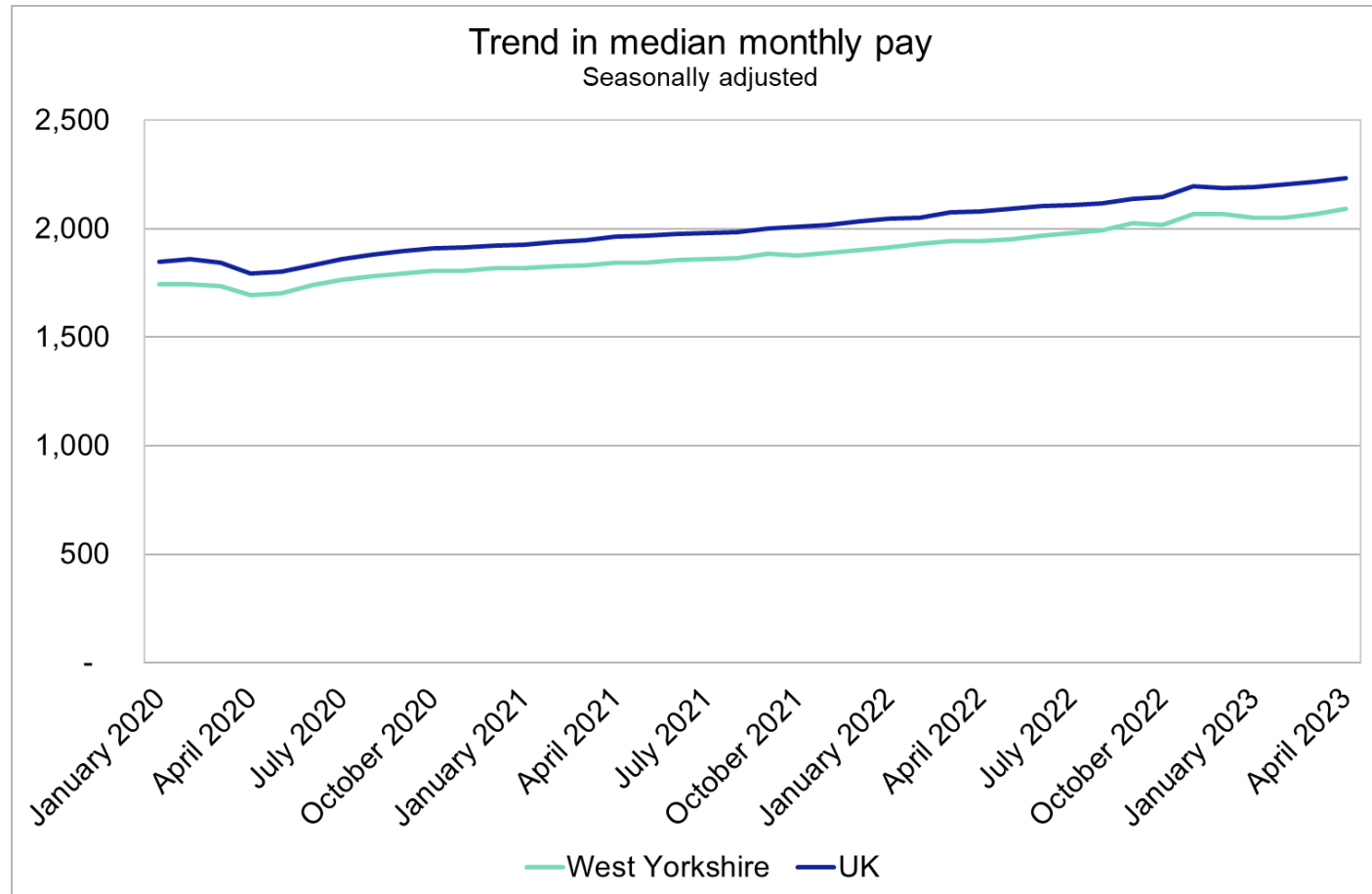
All NUTS3 areas in West Yorkshire experienced a decline in their count of payrolled employees between March and April. The biggest reduction was seen in Bradford, where the employee count fell by 0.5% or 1,100.



Source: HMRC

Employee pay increased in March and April following a flat period

At £2,091, median monthly employee pay in West Yorkshire is 94% of the UK average. Median monthly pay grew by 8% year-on-year in West Yorkshire in April 2023 (similar to UK average). The level of pay in West Yorkshire remained flat between November 2022 and February 2023 but increased in March and April.

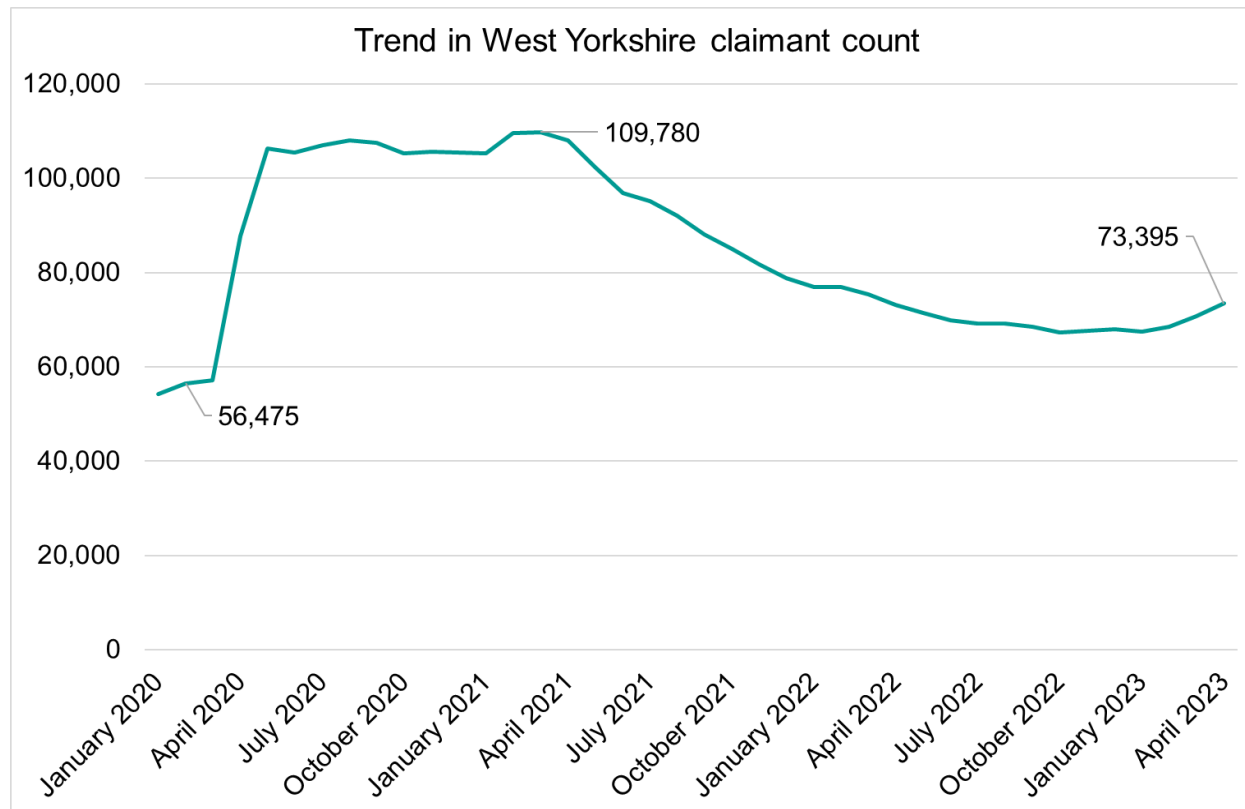


Source: HMRC

West Yorkshire's claimant count continues to increase

The count of unemployed claimants continues to increase both locally and nationally. Although the picture is complicated by retrospective revision of figures for previous months, latest data for West Yorkshire shows that the count is now 6,100 or 9% higher than at its recent low point in October 2022.

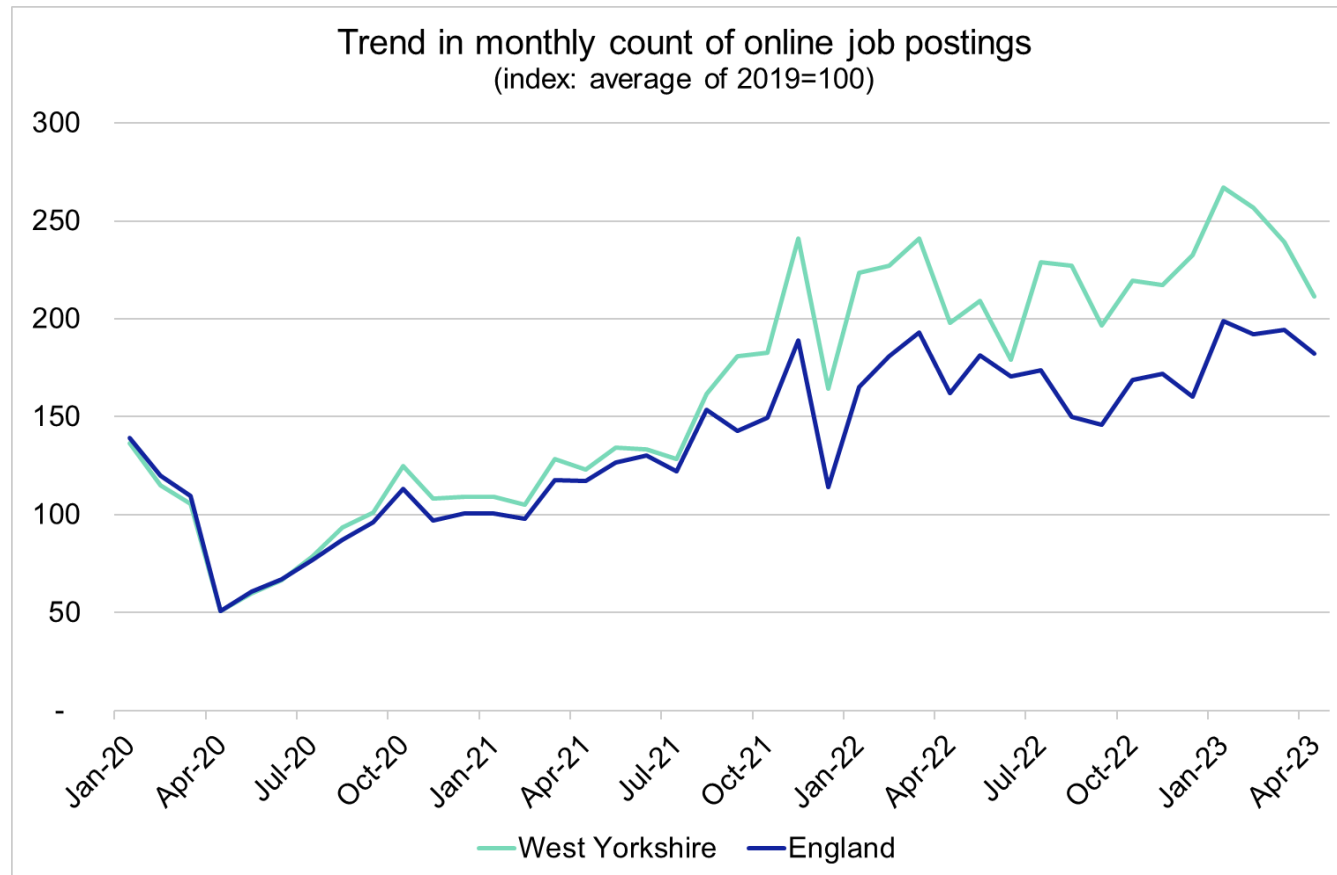
Seasonally adjusted figures are not available for West Yorkshire but a comparison of adjusted with non-adjusted figures at national level suggests that some of the local monthly increase is due to seasonal factors.



Source: NOMIS

West Yorkshire's count of online job postings (vacancies) fell for the third consecutive month as the labour market shows signs of softening

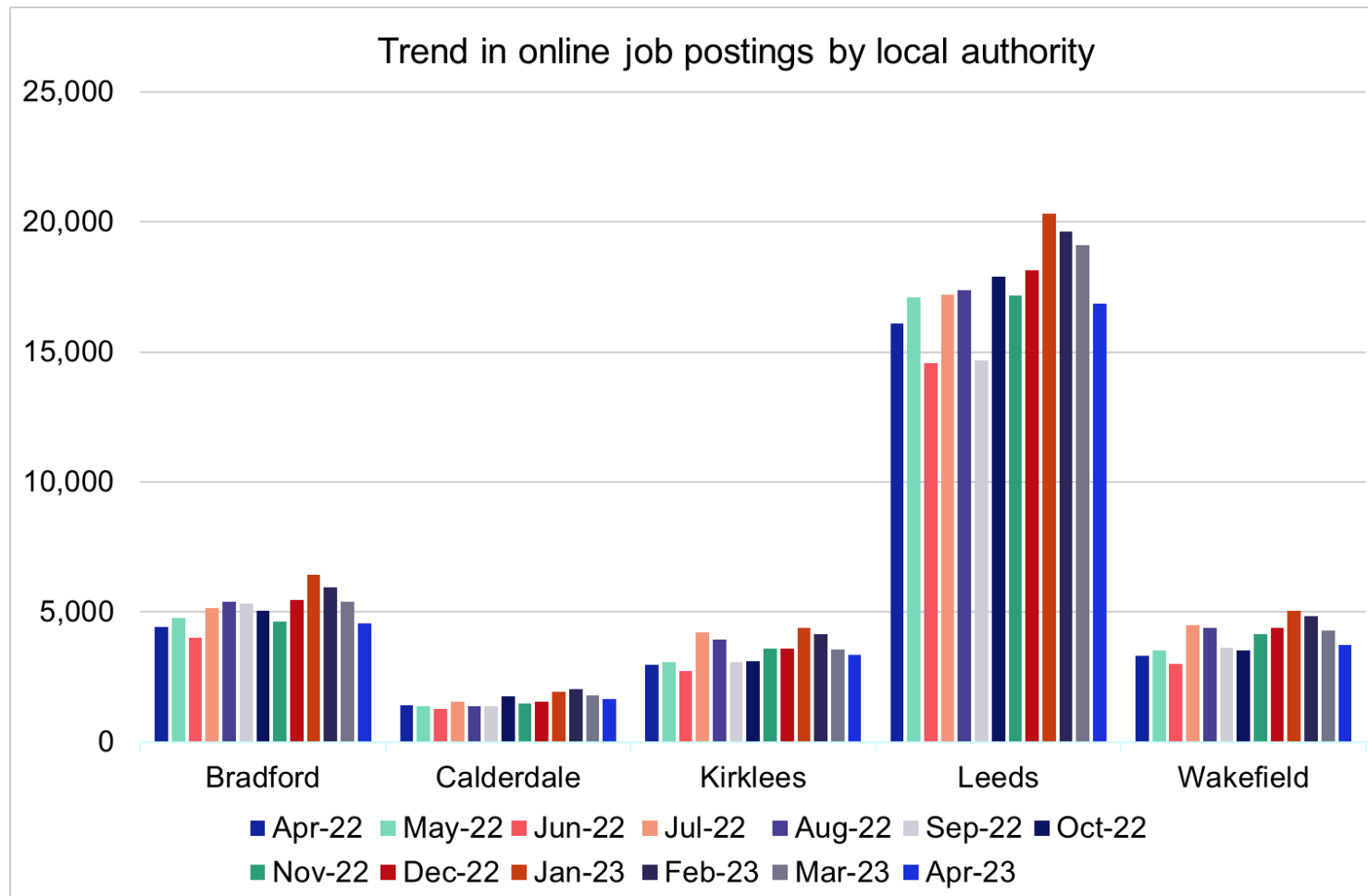
The monthly count of online job postings in West Yorkshire has fallen for three consecutive months although it remains at very high levels in historic terms. There were 30,200 unique, new postings recorded in April 2023, 12% down on the previous month but 7% higher than in April 2022. West Yorkshire continues to outperform the national picture in terms of the trend in job postings relative to the pre-pandemic period but the gap now appears to be narrowing.



Source: Lightcast

All five local authorities have seen a downward trend in job postings during 2023 although counts remain relatively high

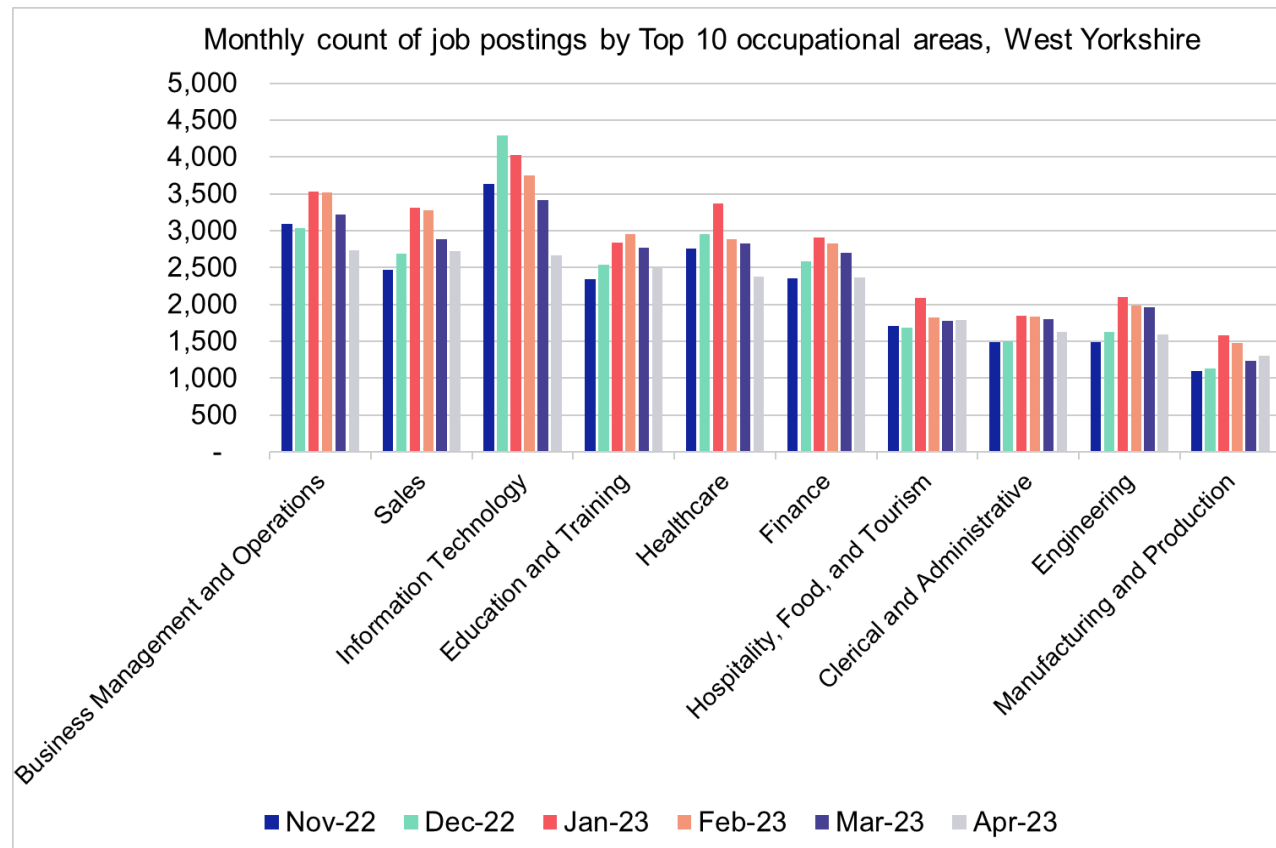
There was a fall in job postings for all local authorities in West Yorkshire between March and April, with authorities seeing 3 or 4 consecutive monthly falls during 2023. All local authorities had higher volume of postings in April 2023 than in April 2022.



Source: Lightcast

Most of the biggest occupational categories saw a decline in postings between March and April

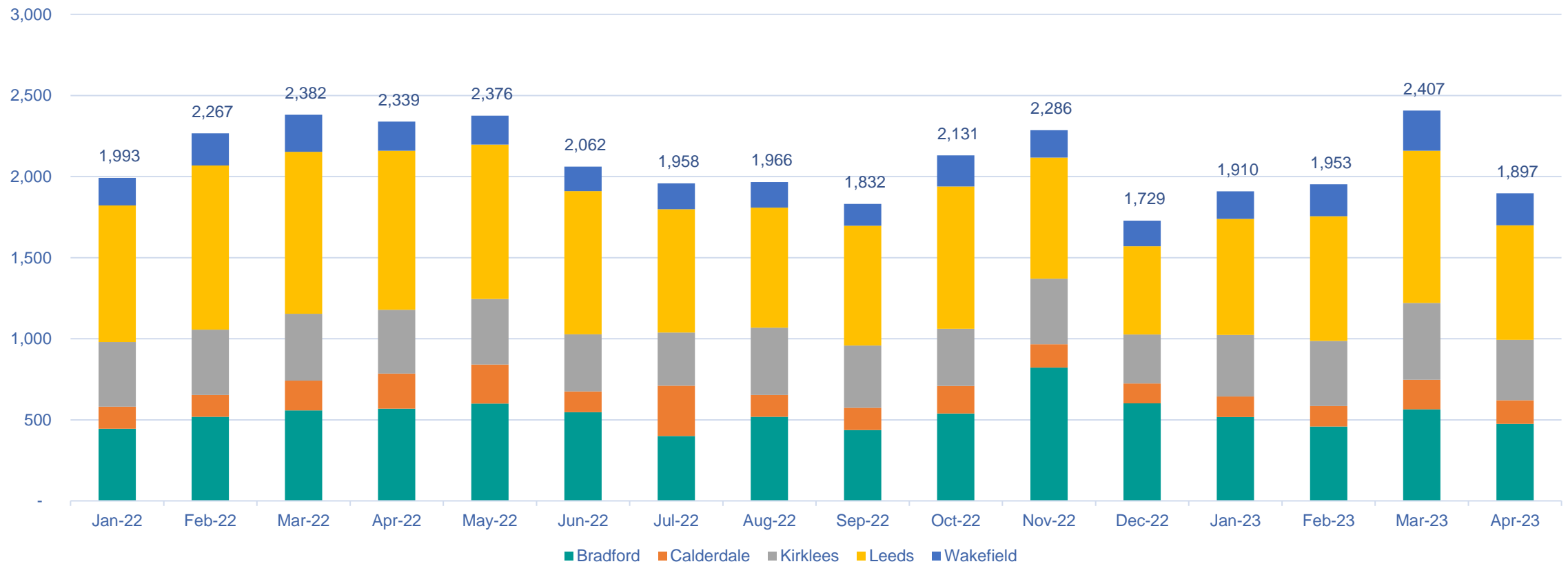
There were declines in online job postings for most of the top 10 occupational groups between March and April. The biggest reductions were for Information Technology, which has now seen falls throughout 2023, Business Management and operations and Healthcare. There was modest growth for Manufacturing and production and Hospitality, food and tourism remained static.



Source: Lightcast

The number of business registrations in West Yorkshire fell off in April, compared with both the previous month and the same month last year.

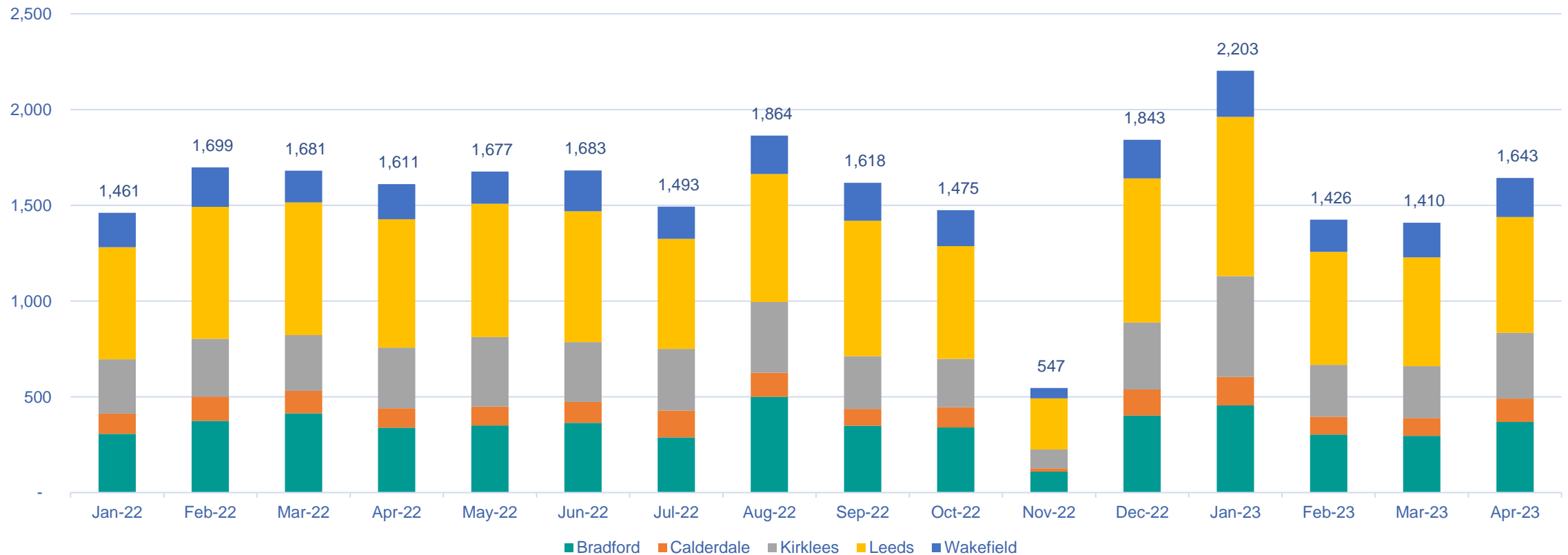
The wholesale and retail trade sector, as well as the accommodation and food services sector are both over-represented in the business registration figures for April relative to their market share. There is both an opportunity-driven aspect to this, in that lower rent is available in long-term unoccupied premises, and a necessity-driven aspect, in that people are looking for “side hustle” opportunities to supplement income by setting up on platforms such as Etsy and Airbnb.



Source: Bureau van Dijk

Business liquidations remained relatively stable in April, staying around the long-term trend figure.

Again, the wholesale and retail trade sector and the accommodation and food services sector are over-represented in the liquidation figures relative to their market share, pointing towards these sectors being particularly volatile at present. The relative calm in the business liquidation figures means that there are 254 net new businesses in the region in April, and 5,625 net new businesses in the region over the past 12 months.



Source: Bureau van Dijk

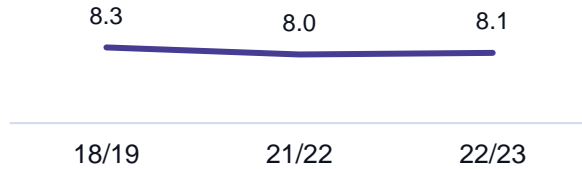
Transport Insights



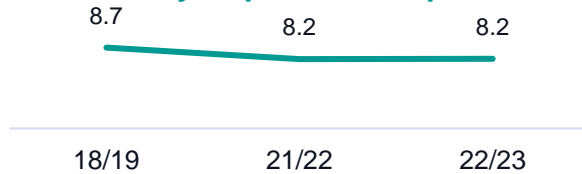
Satisfaction with local bus and rail services falls, whilst affordability increases

Importance to residents of ...

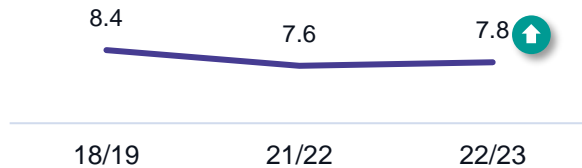
Affordability of motoring



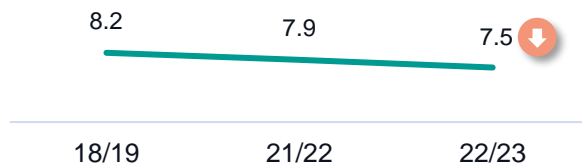
Affordability of public transport



Local bus services

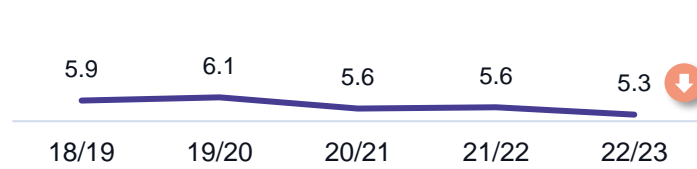


Local train services



Satisfaction of residents with ...

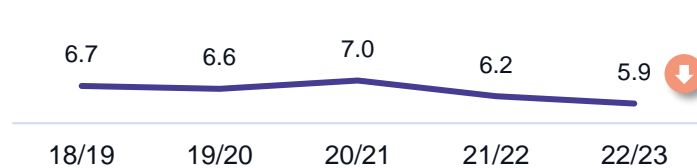
Affordability of motoring



Affordability of public transport



Local bus services



Local train services



The charts reveal results from the West Yorkshire Annual Public Perceptions of Transport Survey, which is a statistically representative sample of 1,800 residents. The results show:

- the importance of local train services has fallen since the pandemic and satisfaction is at a 5-year low.
- the importance of local bus services have rebounded slightly, but satisfaction has fallen further; a statistically *significant* decline since last year.
- affordability of motoring has fallen whilst the affordability of public transport has increased back to pre-pandemic levels.



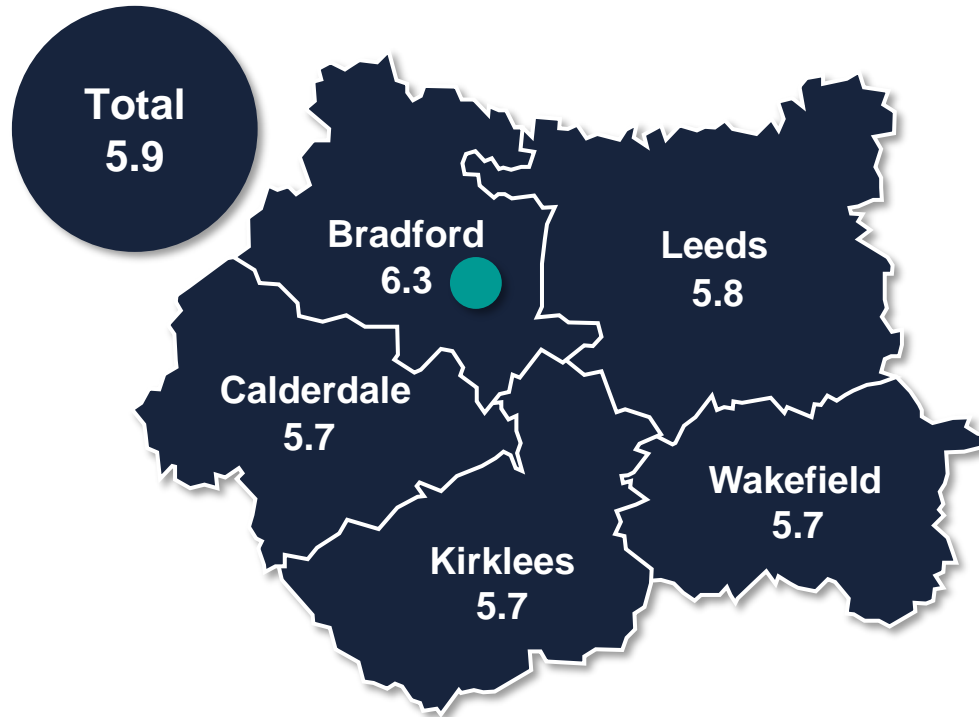
 Significant difference compared to previous wave

Source: Annual Public Perceptions of Transport Survey, a representative sample of 1,800 West Yorkshire residents.

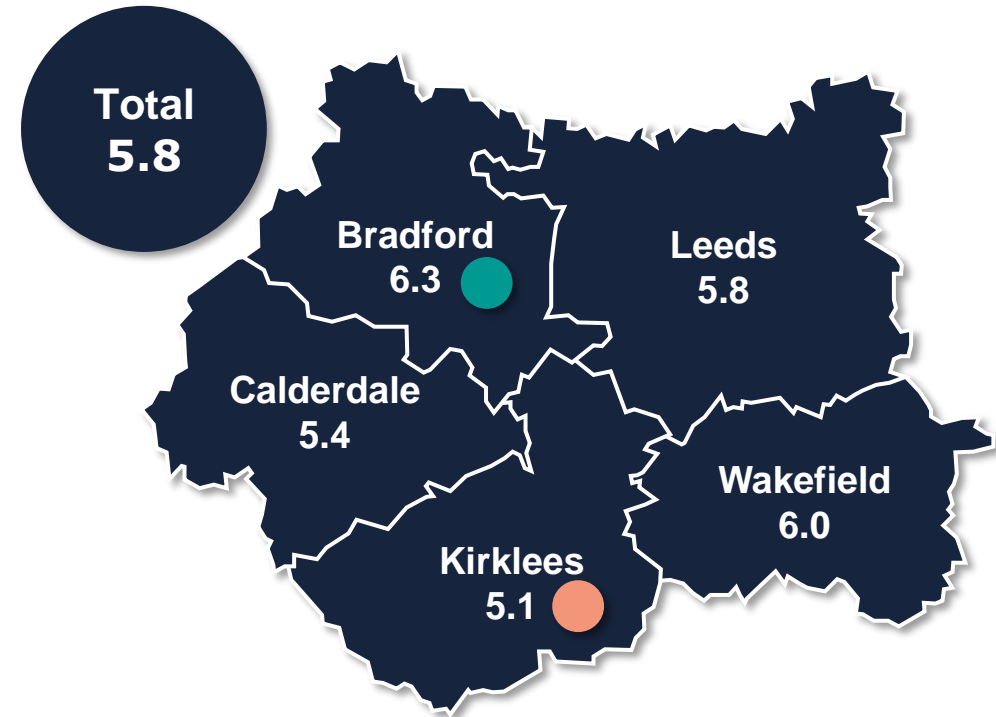
Satisfaction with local bus/train services: by district

Bradford residents are the most satisfied with both local bus and train services, scoring above the average for the region. Meanwhile, Kirklees residents have significantly lower satisfaction than average when it comes to train services.

Satisfaction with local bus services



Satisfaction with local train services



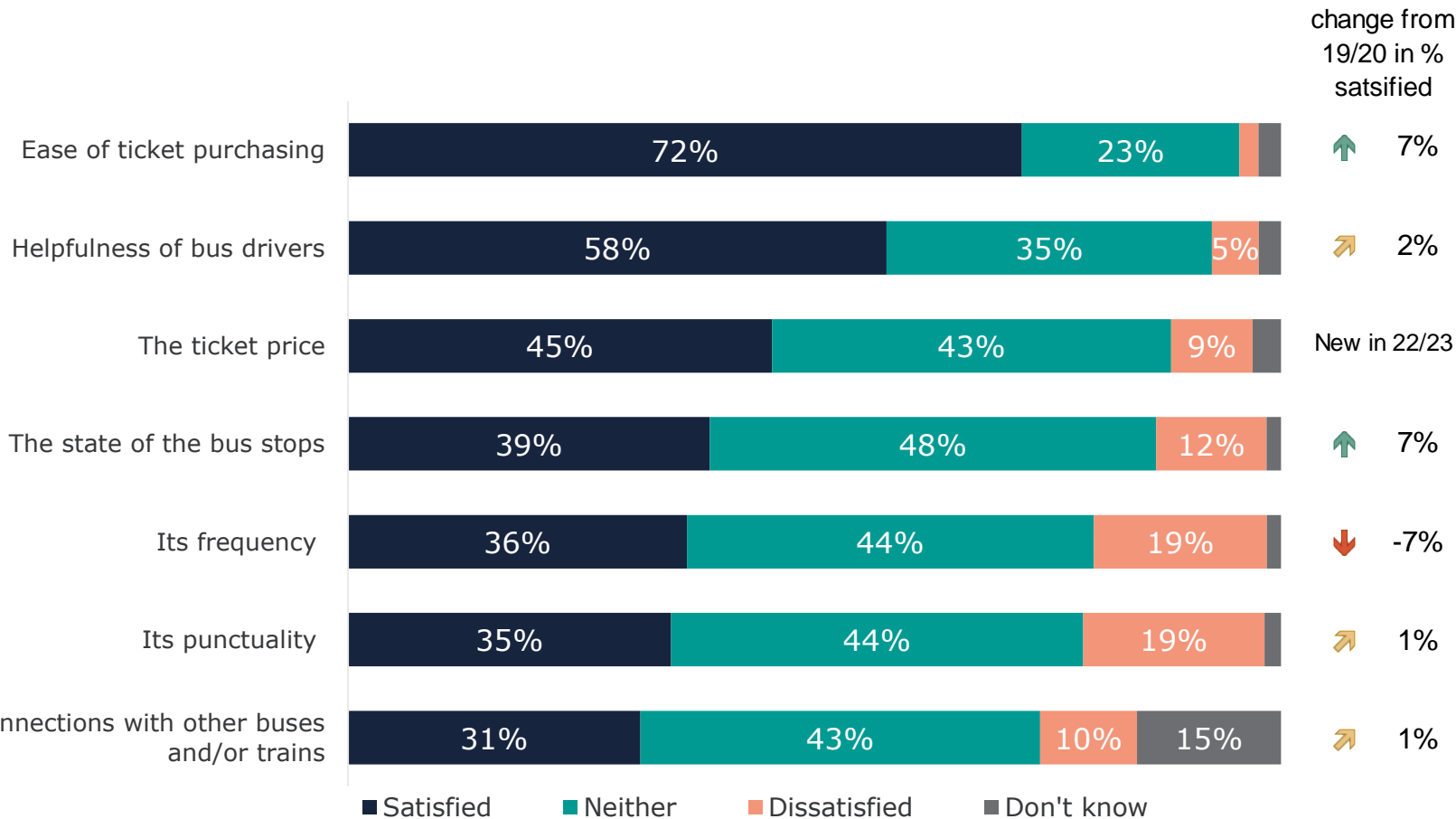
Source: Annual Public Perceptions of Transport Survey:

B2. Please say how satisfied you are on a scale of 1 (very dissatisfied) to 10 (very satisfied) with local bus services / with local train services

Base: for local bus services n=1,746 / for local train services n=1,674 (mean scores shown)

  Significant difference compared to total.

Perceptions of the ease of purchasing a bus ticket and the state of bus stops has improved, whilst satisfaction with bus frequency has fallen



Only with ease of ticket purchasing (72%) and helpfulness of bus drivers (58%) were a majority of respondents satisfied.

Ticket prices have the 3rd highest satisfaction rating (45%). Meanwhile, frequency and punctuality attract the highest levels of dissatisfaction (both 19%).

Satisfaction with frequency of service has fallen by 7 percentage points since before covid.

Source: Annual Public Perceptions of Transport Survey: Question M12 Regarding your local bus service, how satisfied are you with each of the following? Respondents were asked to rate their satisfaction on a scale from 1 to 10, 1-3 has been interpreted as dissatisfied, 4-7 as neither and 8-10 as satisfied

Base: 2022/22 Survey - All respondents who take a bus every 2 to 3 months or more often (n = 1,070) except for Ease of ticket purchasing and Ticket price which exclude respondents with a concessionary pass (n = 804) **2019/20 Survey** - Number of respondents asked this question who take a bus every 2 to 3 months or more often (n = 845) except for Ease of ticket purchasing which excludes those with concessionary pass (E11) (n = 623)

Confidence in personal safety when travelling on public transport has fallen since last year

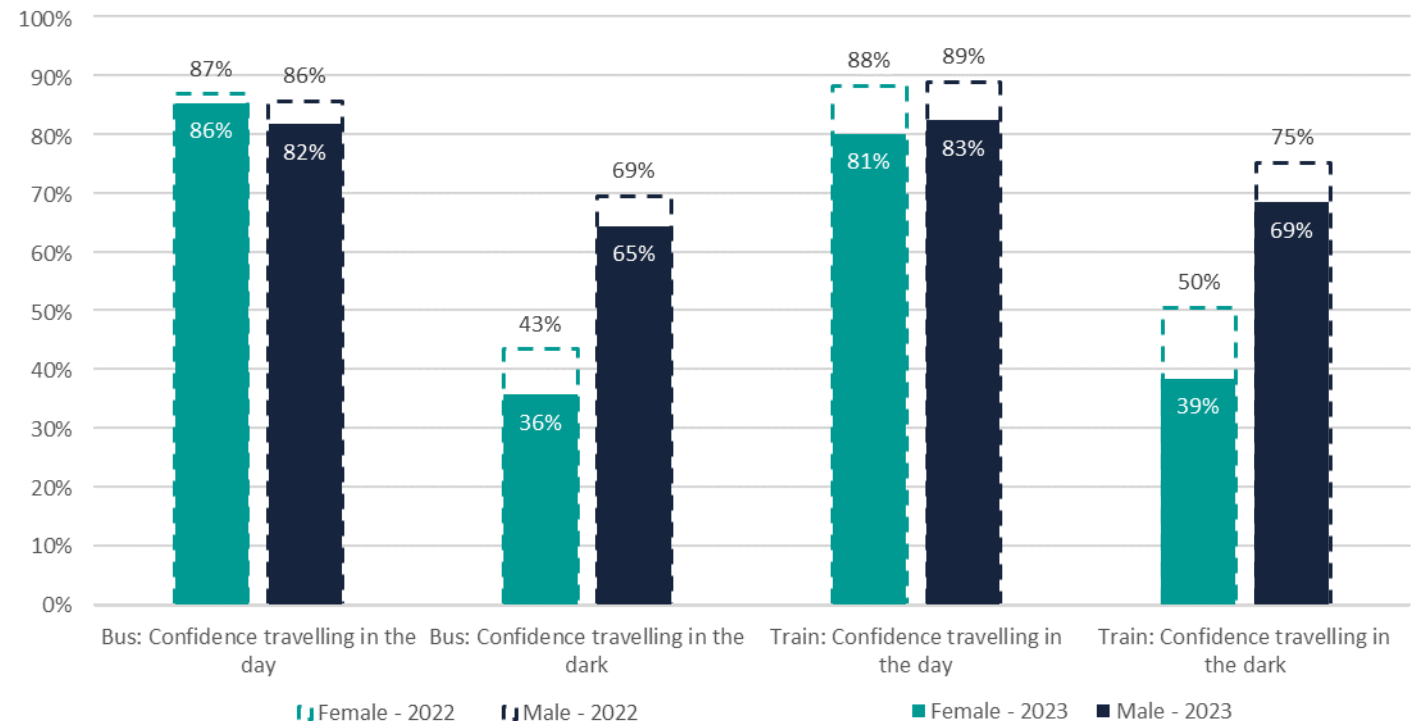
Confidence in personal safety when travelling on both train and bus has fallen over the past year for both males and females.

The drop in confidence has been more for train travel than bus, more for females than males and more in the dark than during the day.

Groups also with low confidence levels on bus in the dark are:

- Those aged 65+: 41%
- People who use the bus never or less than once a year: 36%
- The long-term sick and disabled: 29%

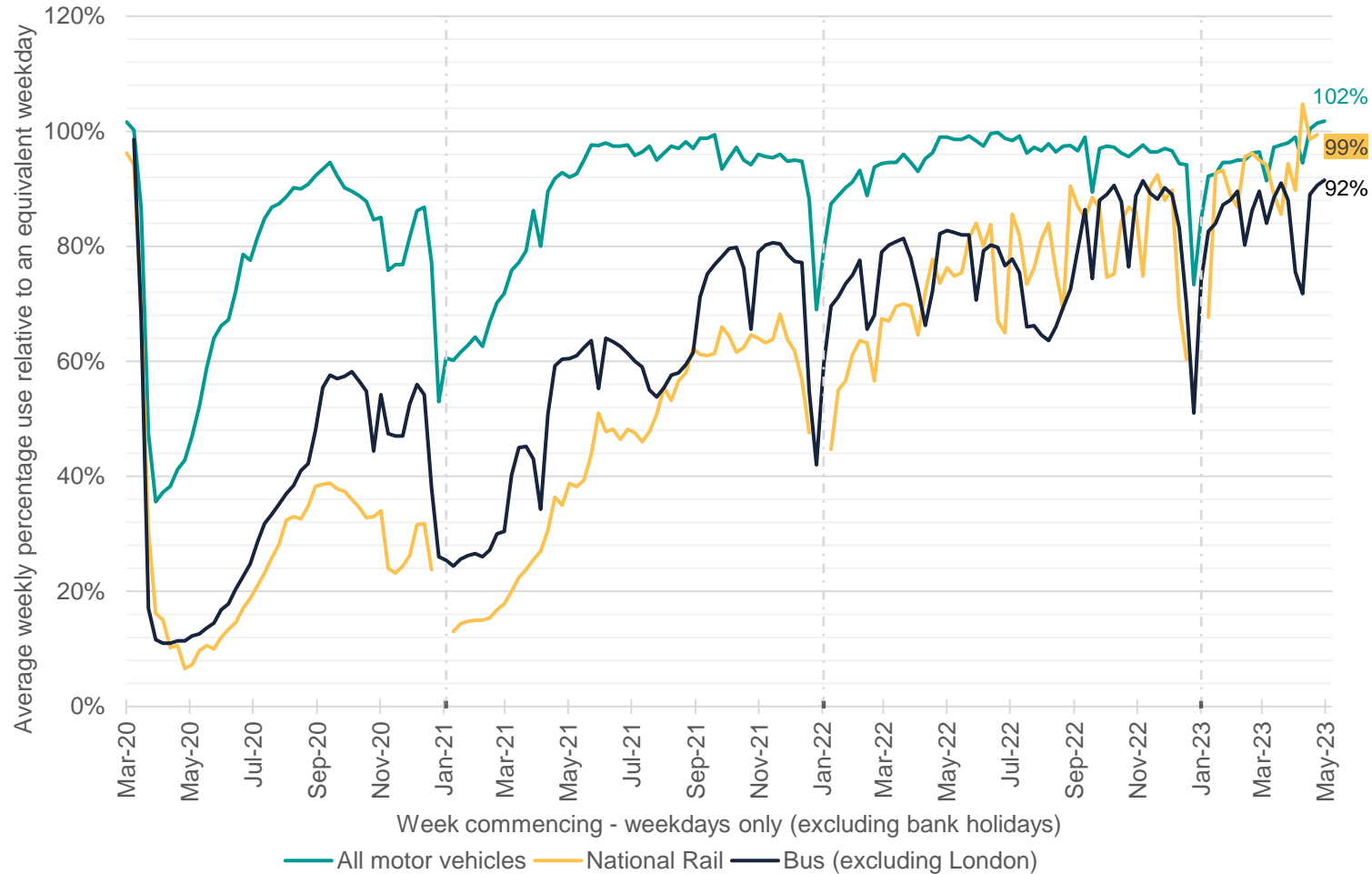
Confidence of personal safety when travelling by bus and train



Source: Annual Public Perceptions of Transport Survey. Question N31: how confident do you feel about your personal safety when using local buses/trains in the day/dark?

Base: 22/23 Survey – All respondents (1808 for bus and train) 21/22 Survey – Respondents with time for extra questions (Bus 1051, train 1055)

National weekday bus recovery lags behind motor and rail



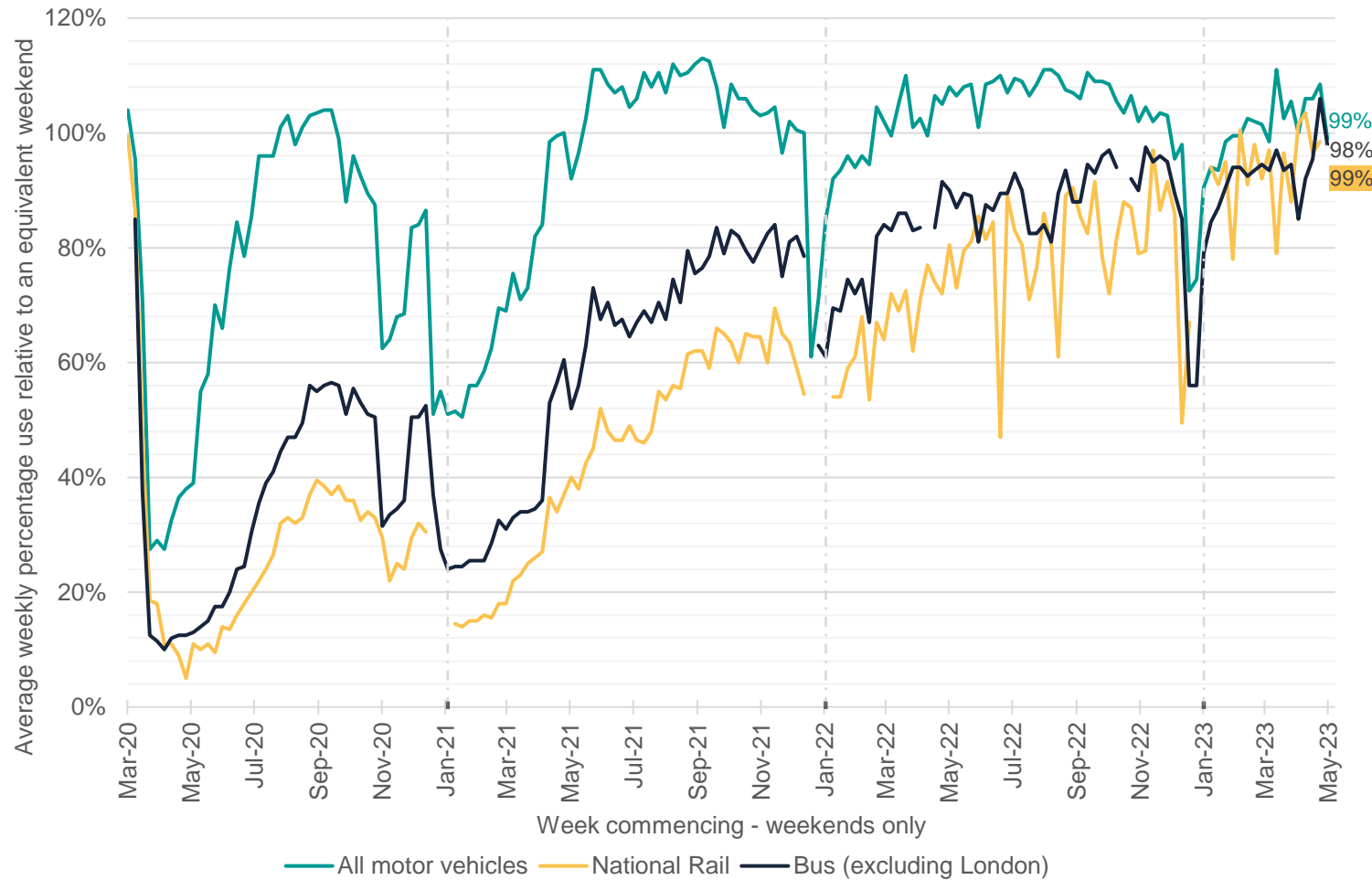
Nationally, **weekday** motor vehicle and rail use peaked above baseline levels for the first time over the most recent weeks that this data is available.

Bus use outside London recently reached 92%, meaning it is now lagging behind rail and motor vehicle levels of recovery.

The difference between bus and rail performance has flipped from the early years of the pandemic; where bus used to show a greater level of recovery against baseline, now rail is performing better.

Source: <https://www.gov.uk/government/statistics/transport-use-during-the-coronavirus-covid-19-pandemic>

National weekend bus and rail recovery approaches motor vehicle level



Nationally, **weekend** motor vehicle use has exceeded baseline conditions for many weeks over recent years.

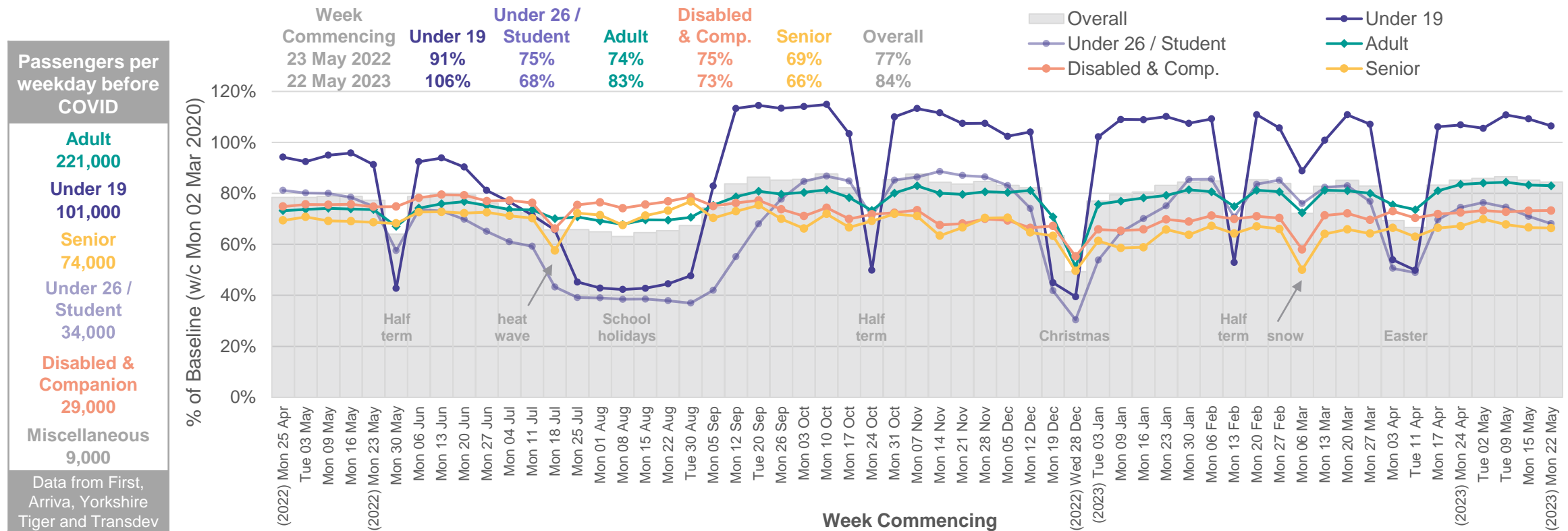
Over the most recent weeks that this data is available however, both bus outside London and rail have also exceeded baseline conditions for the first time before falling below baseline again.

This suggests that overall weekend recovery is stronger than weekday recovery, with some variation week to week and across modes.

Source: <https://www.gov.uk/government/statistics/transport-use-during-the-coronavirus-covid-19-pandemic>

Adult Bus Patronage Reached a New High of 84% of Baseline in May

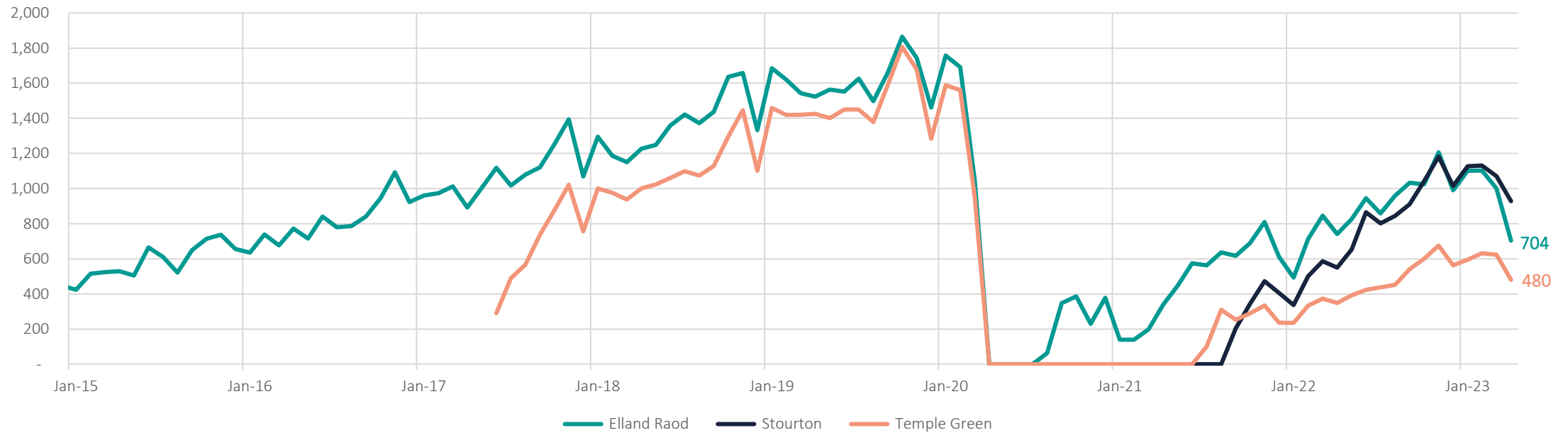
The chart below shows weekday bus use relative to pre-pandemic conditions. Use by Seniors and disabled and companions is lower than this time last year, as is use of Under 26 /Student tickets while use by the largest cohorts (Under 19 and adult) remains higher. Over the last five weeks, adult patronage has been 83% to 84% of baseline. This is encouraging as the previous high of 83% was achieved for just one week in November 2022.



Source: Baseline period is w/c Mon 02 Mar. Source: Bus operators electronic ticket machine data, passenger boarding locations in West Yorkshire. First, Arriva, and Transdev groups account for over 90% of bus services in West Yorkshire. Graph shows First and Transdev data. Data is for weekdays excluding bank holidays, with ticket types assigned to broad cohorts.

Park & Ride patronage falls at all sites following timetable changes in April

Park and Ride Average number of daily passenger numbers by month

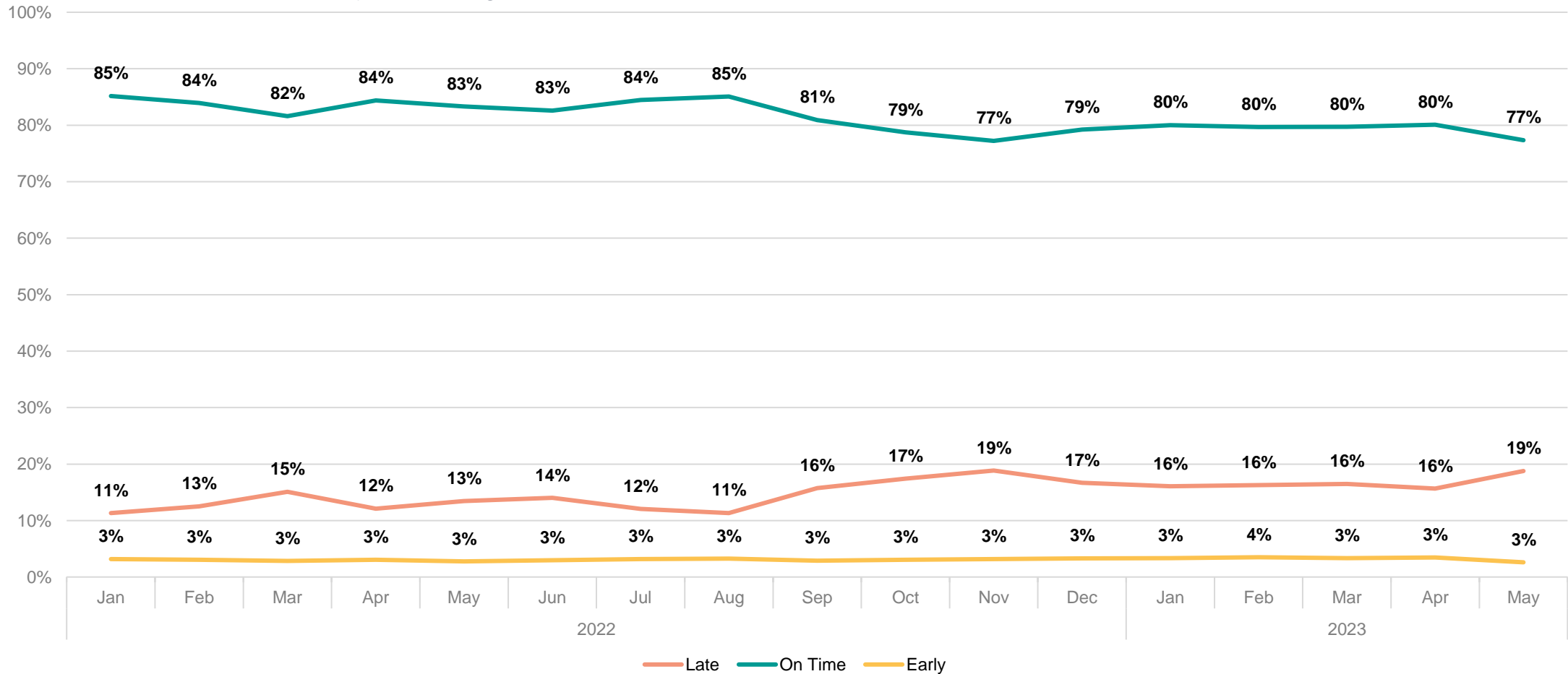


The chart above shows that in April 2023 passenger numbers at Elland Road Park & Ride fell to 46% of the equivalent month's pre-pandemic levels (April 2019). Patronage at Temple Green Park & Ride has had a slower recovery and in April 2023, passenger numbers fell to 34% of pre-pandemic levels. In both cases the frequency of services were reduced and the withdrawal of weekend services will have been the main driver behind the decline in use, however, after listening to customer feedback further service changes will be made to improve daytime frequency and provide new evening journeys.

Source: Park & Ride data from the 3 sites in Leeds: Elland Road, Stourton & Temple Green

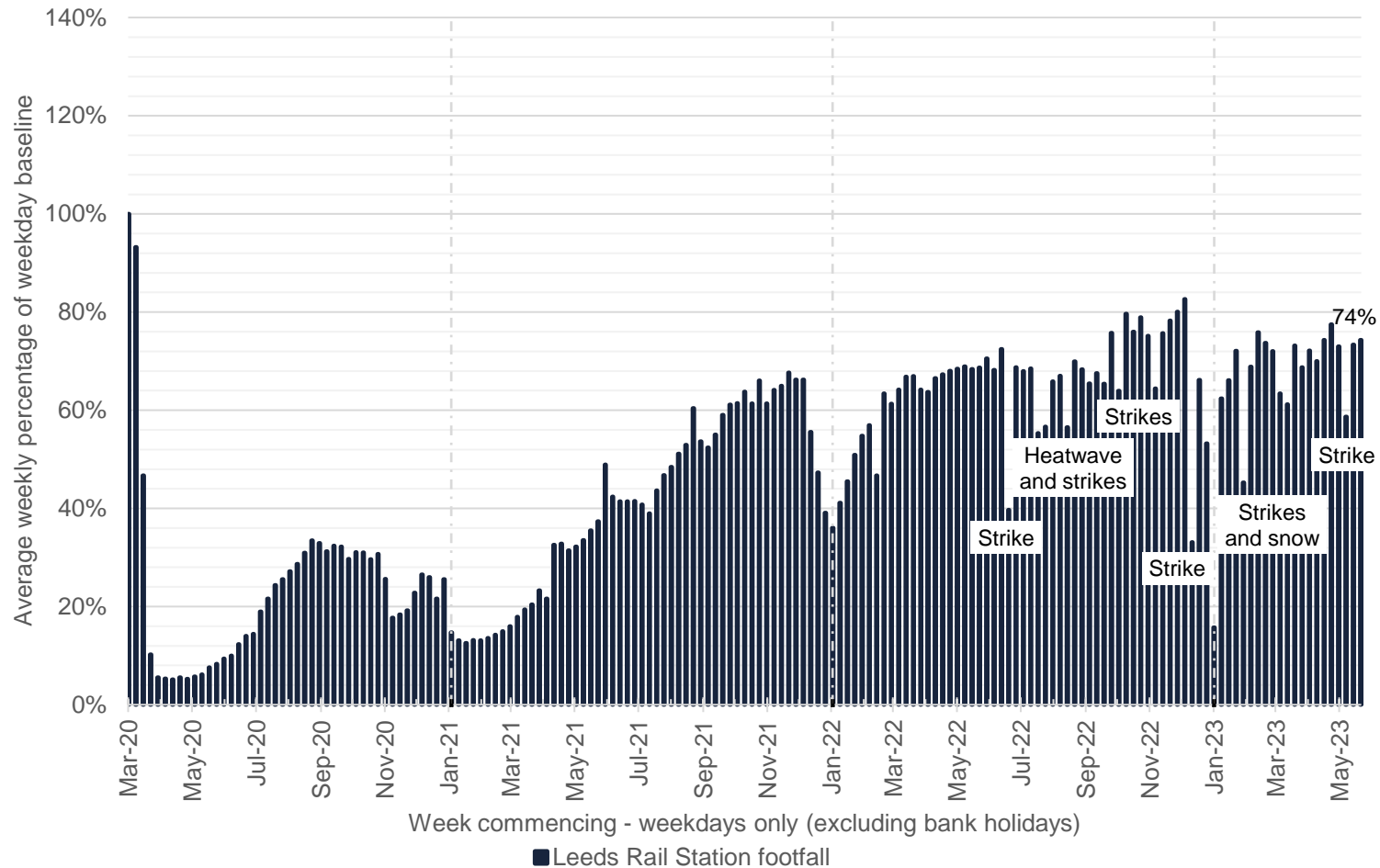
Bus punctuality down to 77% in May

Bus Real Time Information (RTI) data reveals the proportion of tracked bus journeys in West Yorkshire running on time came down to 77% in May following a consistent 80% on time performance in Q1 2023.



Source: West Yorkshire Combined Authority Real Time Information system. 'On time' is defined as between 1:00 minutes early and 5:59 minutes late against the scheduled time.

Weekday Leeds rail station footfall at 74% of pre-pandemic levels



Baseline period is the week commencing Monday 2nd March 2020

Average **weekday** footfall at Leeds rail station reached 74% of baseline levels in the most recent full week.

This follows a period of fluctuation impacted by industrial action.

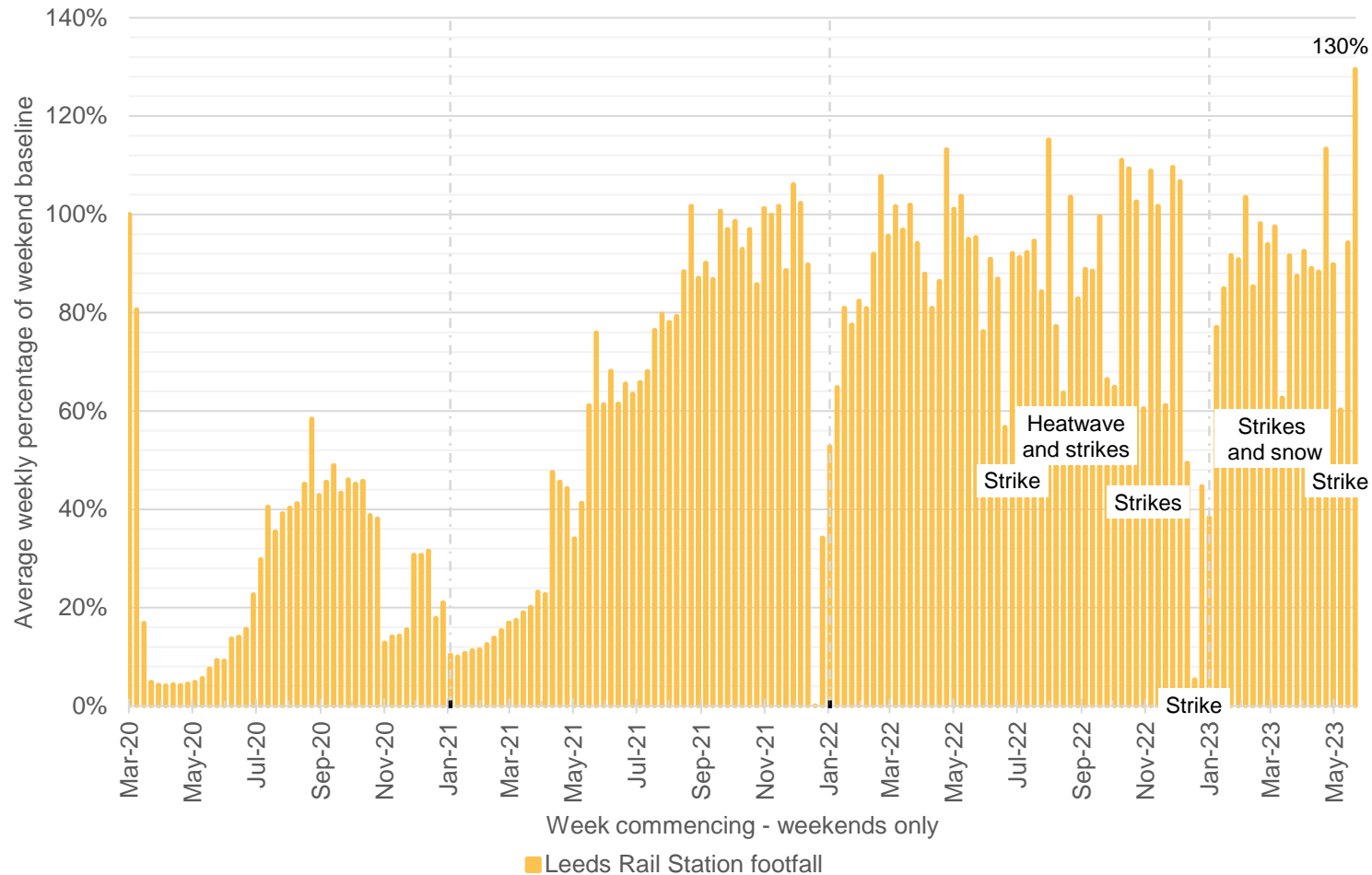
2023 levels appear to have plateaued below 80% following an upward trend in 2022. This trend broadly aligns with wider analysis carried out by the [Centre for Cities](#) which examines weekday 'office' tube station exists.

While this appears to be lagging the national weekday trend, this data source is not directly comparable with the DfT national figures due to substantial methodology differences.

Source: Leeds Rail Station Footfall - Network Rail

Centre for Cities analysis: [Office politics: London and the rise of home working | Centre for Cities](#)

Weekend Leeds rail station footfall peaks at 130%



Average **weekend** footfall at Leeds rail station reached a new peak of 130% of baseline levels in the most recent full week. Weekends have been exceeding baseline conditions sporadically for some time.

Compared to weekday levels this suggests recovery is being driven by weekend activity.

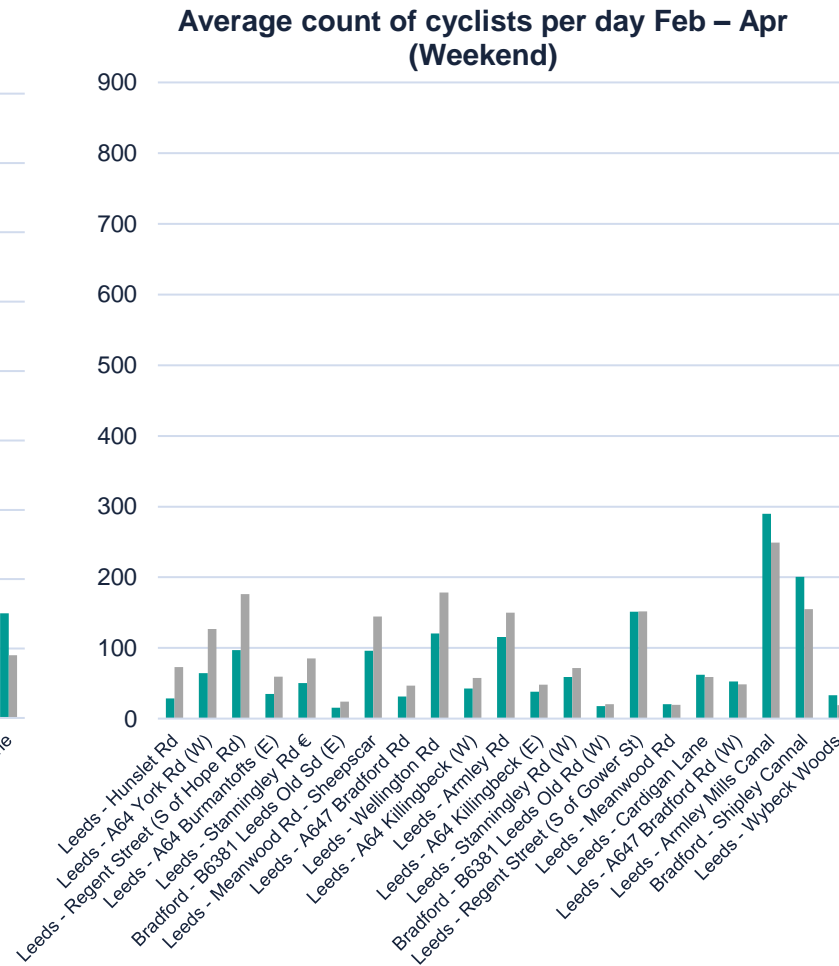
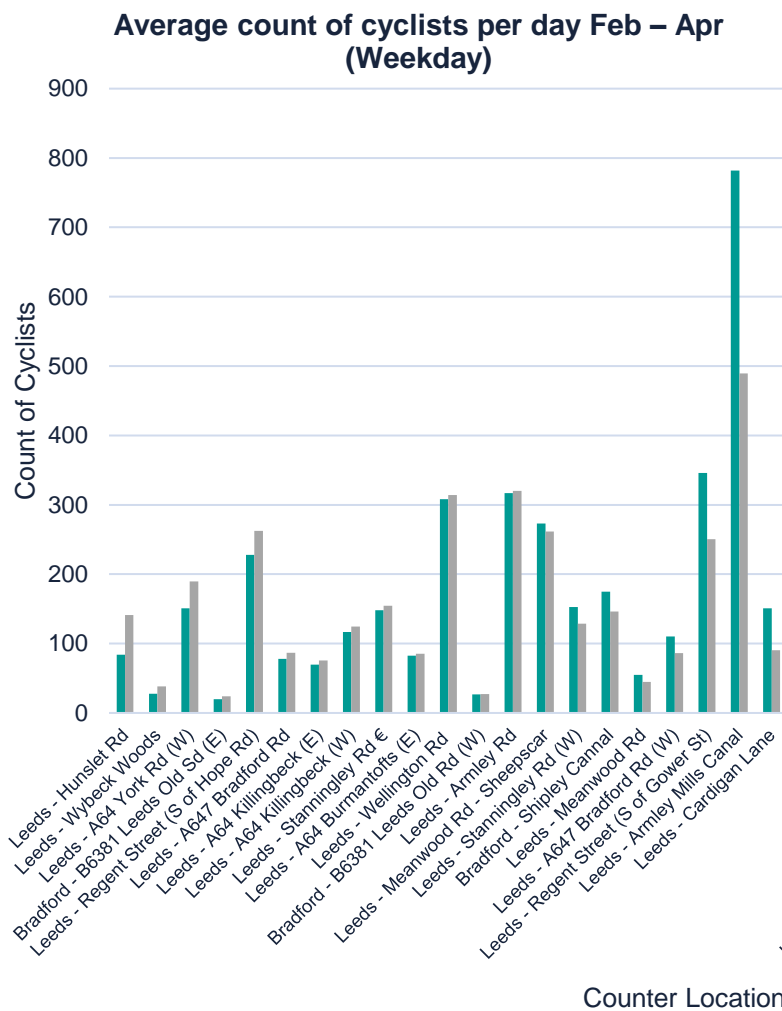
This follows a period of fluctuation impacted by industrial action.

While this appears to be outperforming the national weekend trend, this data source is not directly comparable with the DfT national figures due to substantial methodology differences.

Baseline period is the week commencing Monday 2nd March 2020

Source: Leeds Rail Station Footfall - Network Rail

Cycle counters across West Yorkshire show an increase in weekend cycling in the first few months of 2023 relative to pre-pandemic



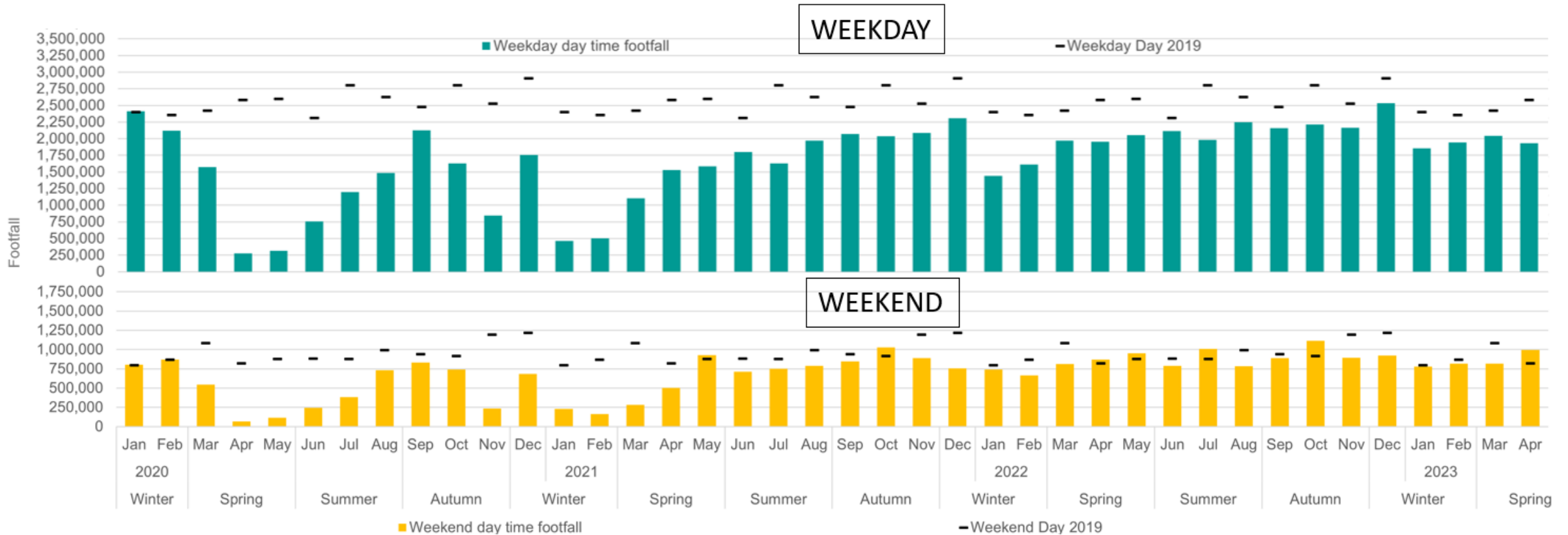
- In the first few months of 2023, counts of cyclists (from dedicated counters) show a slight decline during weekdays relative to the equivalent period in 2019 (pre-pandemic). Most of the change can be attributed to local factors, e.g., at Armley Mills Canal counter (Leeds), potentially due to closure of pedestrian bridge over the River Aire.
- Cycling counts have increased 21% at the weekend with 14 sites showing growth relative to 2019 levels.
- The highest weekday monthly average was at Armley Mills (Leeds) with 559 cyclists per day in April 2023.
- The highest weekend monthly average was at Marsh Lane (Leeds) with 347 cyclists per day in April 2023.

Weekday 2019 total = 5,719
 Weekday 2023 total = 5,363 (-6%)
 Weekend 2019 total = 1,623
 Weekend 2023 total = 1,965 (21%)

Source: Data collected from Drakewell - <https://drakewell02.drakewell.com/> 2019 sites = 23, 2023 sites = 38, Please note the report only contains results where sites had counts in 2019 and 2023.

Leeds city centre weekend daytime footfall exceeds 2019 levels

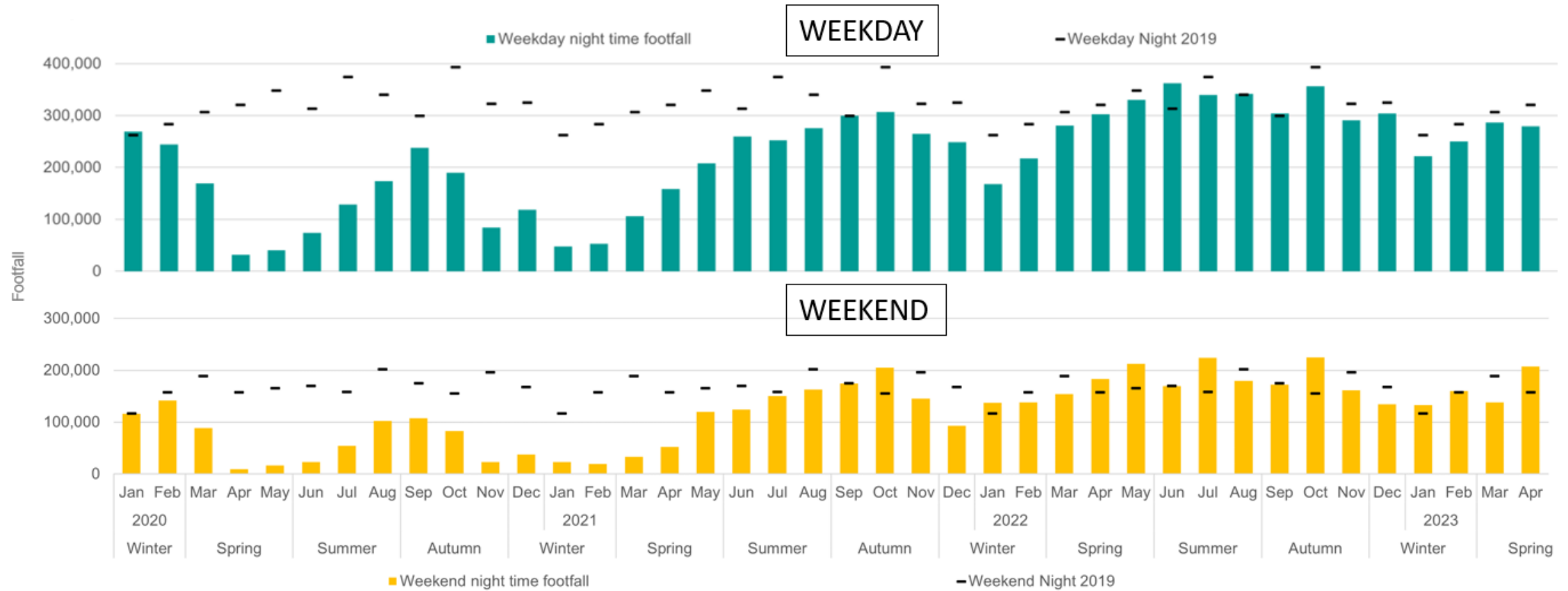
Weekend daytime footfall has exceeded pre-pandemic levels by 18% and has risen between by 17% between March and April 2023. However, the total day time footfall only reached 84% of pre-pandemic levels in April 2023 due to a fall in the weekday daytime footfall from 2019.



Source: Leeds City Council

Night-time footfall in Leeds city centre peaks in April 2023

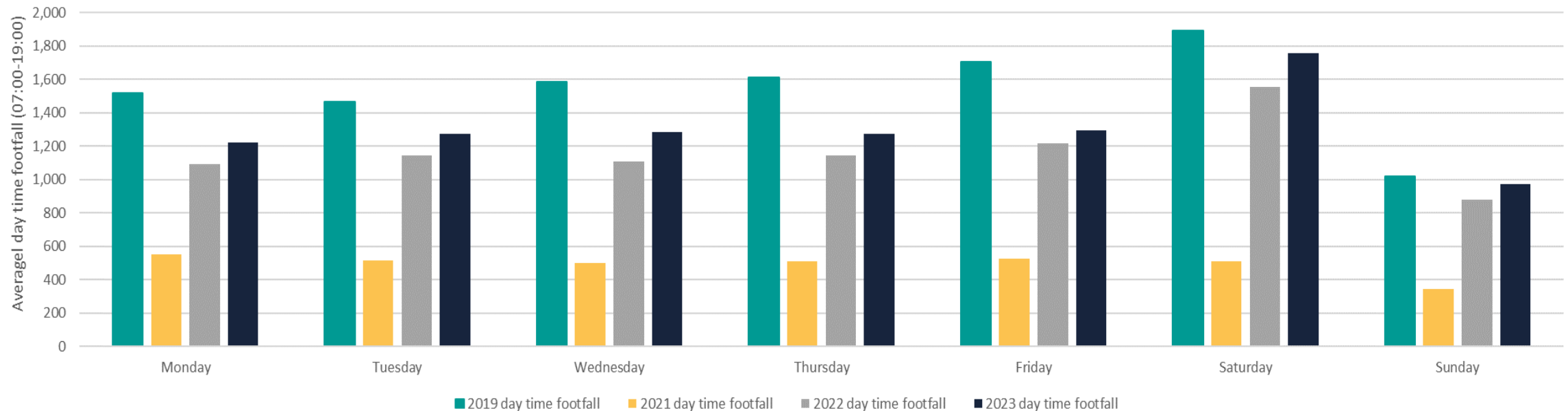
April has seen a 2% rise in total night time footfall above pre-pandemic levels. The weekend night time footfall accounts for this rise in night time footfall with a 33% increase between March and April 2023.



Source: Leeds City Council

Saturday and Sunday average day-time footfall have the highest recovery in Leeds city centre

The chart below shows the average day-time city centre footfall between January and April over 4 years (2019, 2021, 2022 and 2023) by day of the week. So far in 2023, average day-time footfall on Saturdays and Sundays was 92% and 96% of the 2019 levels respectively. In contrast, average weekday footfall levels were 76% of 2019 footfall levels.

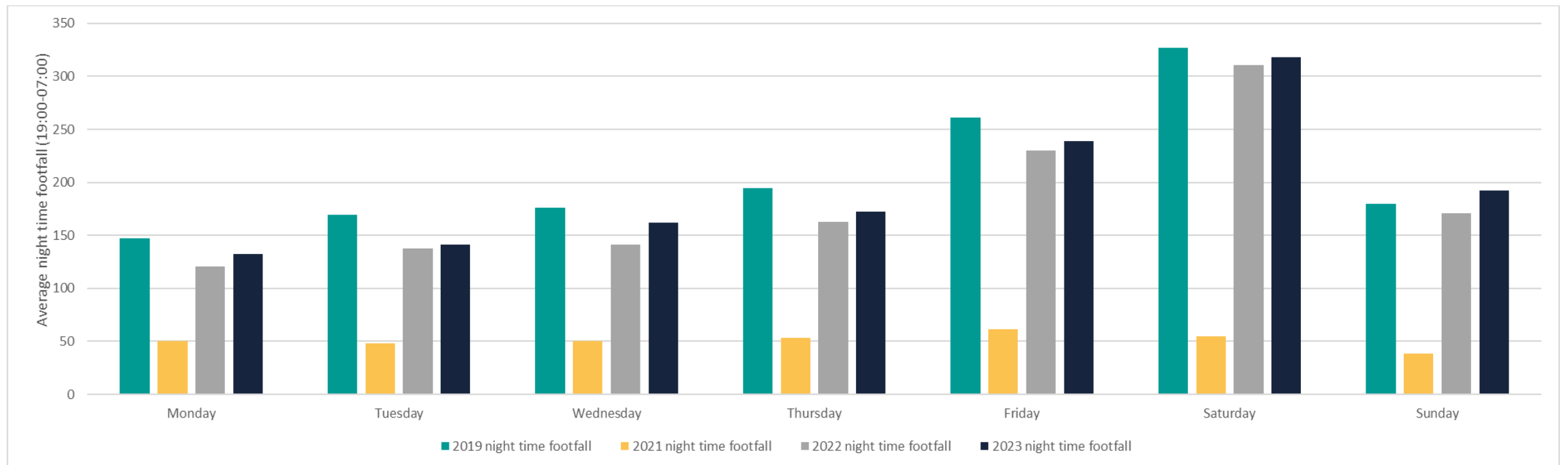


Source: Leeds City Council

Average night-time footfall on Fridays, Saturdays and Sundays show the highest recovery

Sunday's average footfall for the first four months of 2023 was 6% higher than the equivalent timeframe in 2019. The average footfall on Friday and Saturday are 91% and 97% of 2019 levels respectively.

Friday and Saturday night-time footfall also rise by an average of 3% between for the first four months of 2023 and 2022. Sundays have a similar change in footfall as weekdays between 2023 and 2022 with an average increase of 8% .



Source: Leeds City Council