West Yorkshire Economic & Transport Insights Report

West Yorkshire Research & Intelligence Team

October 2023

Executive Summary – Economic Insights

- New data from the West Yorkshire Business Survey shows that an increased proportion of businesses (compared with 2022) expect to see an improved operating environment in the next 12 months. The share of businesses who expect to raise their prices in the coming year has fallen compared with the 2022 survey, reflecting an improving inflation situation.
- The biggest potential barriers to future growth identified by respondents to the business survey are lack of customer demand, access to skilled labour and the cost-of-living crisis. Rising energy costs, cash flow and unemployment / redundancies have increased in salience in the last year as potential barriers.
- Labour market conditions in West Yorkshire are showing signs of softening, reflecting the national position and the impact of interest rate rises and slow growth in the economy. Employment growth has levelled-off in recent months, whilst average pay is starting to decline. The claimant count has been growing since late 2022, albeit at a modest rate.
- Recruitment activity remains strong currently with no sign of a sustained fall in online job postings at West Yorkshire level or in any of the local authorities. However, some occupational areas, such as IT, seem to be seeing a slackening of demand whilst others, such as Hospitality, food and tourism, show signs of continuing growth.

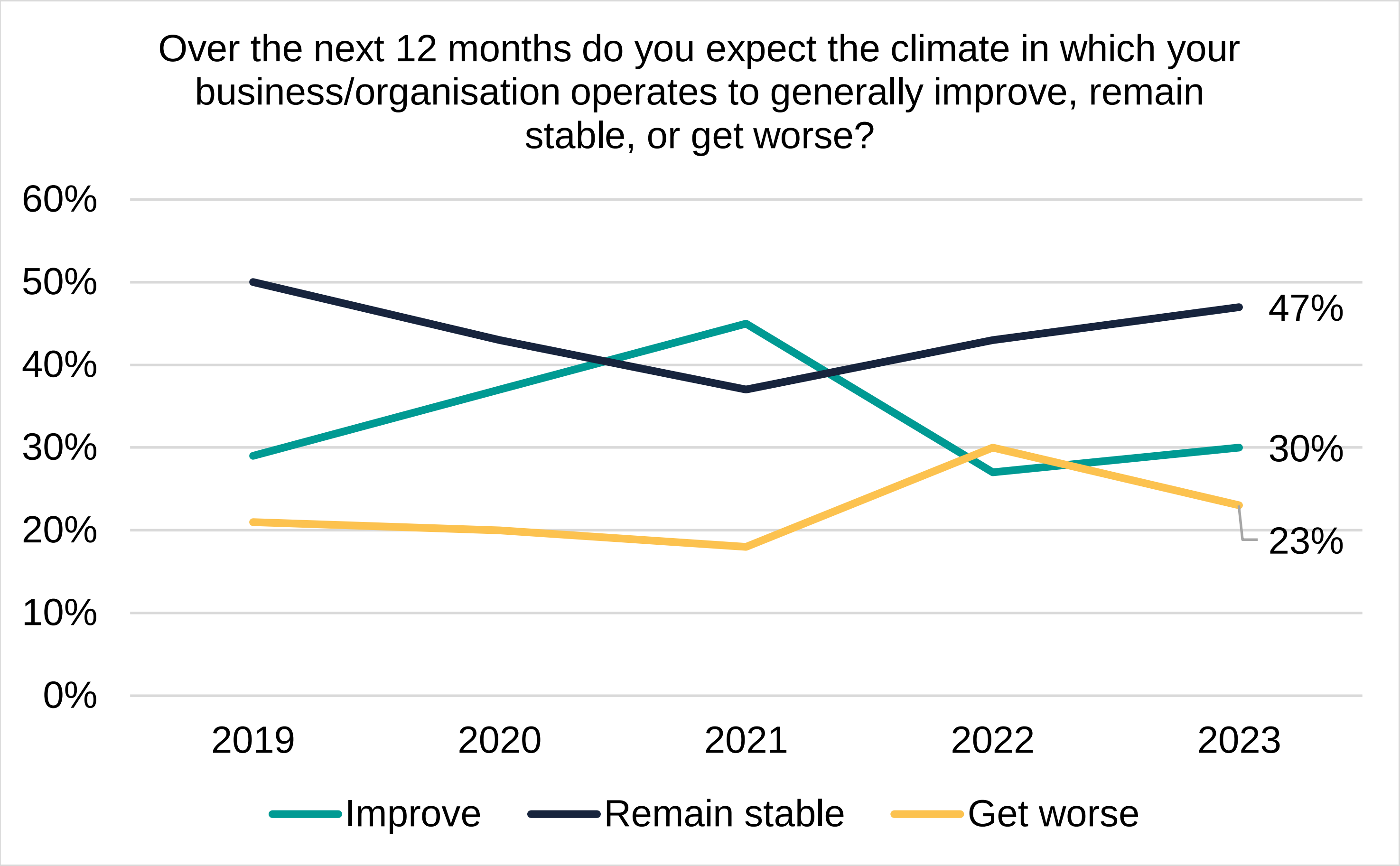
Executive Summary – Transport Insights

- Initial results of the new ‘Your Bus Journey’ survey show that in West Yorkshire:
  - Overall satisfaction levels for elements of bus travel within West Yorkshire are similar to other urban metropolitan areas, with the exception of satisfaction with the length of time passengers had to wait for the bus (57% in West Yorkshire vs 65% in urban metropolitan areas).
  - 69% of respondents in West Yorkshire were satisfied with their bus journeys value for money, slightly above the England average of 67%.
  - 49% of respondents in West Yorkshire said they took the bus as they have no other transport options, and 51% of bus users are frequent users travelling 5 or more days a week by bus.
- National weekday bus use (outside of London) was 92% of pre-pandemic levels, an increase from 79% at the end of August, reflecting travel behaviour change associated with the restart of the academic year. This is notably higher than the same period last year (86% in mid-September 2022).
- Weekday bus use in West Yorkshire for week commencing 11 September (the first full week of the school year) was at 86% of pre-pandemic levels, which is on a par with mid-May and 3% points higher than the similar week in 2022.
- Park and Ride use (all sites) in August was 77% of the equivalent month’s pre-pandemic levels, with mid-week use more popular than Mondays and Fridays, reflecting changes in travel behaviours seen elsewhere.
- Over the last 4 months, cycle counters across West Yorkshire recorded a 2% increase in weekday cyclists and a 17% increase in weekend cyclists relative to the equivalent months in 2019.

Economic Insights

West Yorkshire Business Survey results - increased optimism about the future operating environment

An increased proportion of respondents to the Business Survey (from 27% to 30%) said they expect to see an improvement in the climate in which they operate over the next 12 months, compared with 2022. The proportion expecting a stable environment also increased (43% to 47%) whilst there was a fall in the share who expect worsening conditions (30% to 23%).



Background to the survey

1,014 interviews were conducted, primarily by telephone, among:

- Private, public and voluntary/community sector
- Organisation with at least one employee

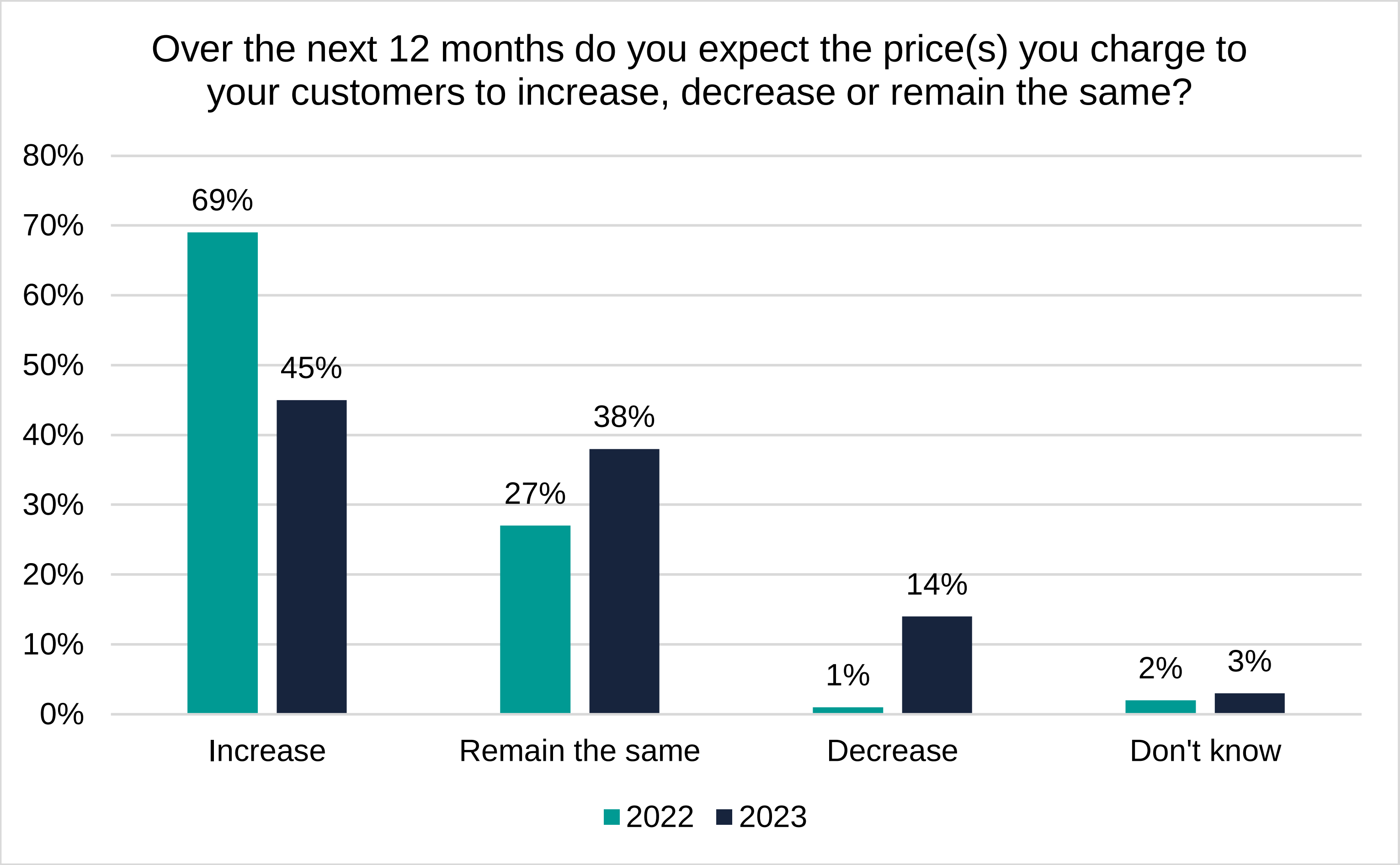
Targets were set by size, sector and district.

Interviews conducted in summer 2023.

Source: West Yorkshire Business Survey

West Yorkshire Business Survey results - fewer businesses expect to increase their prices in the coming year

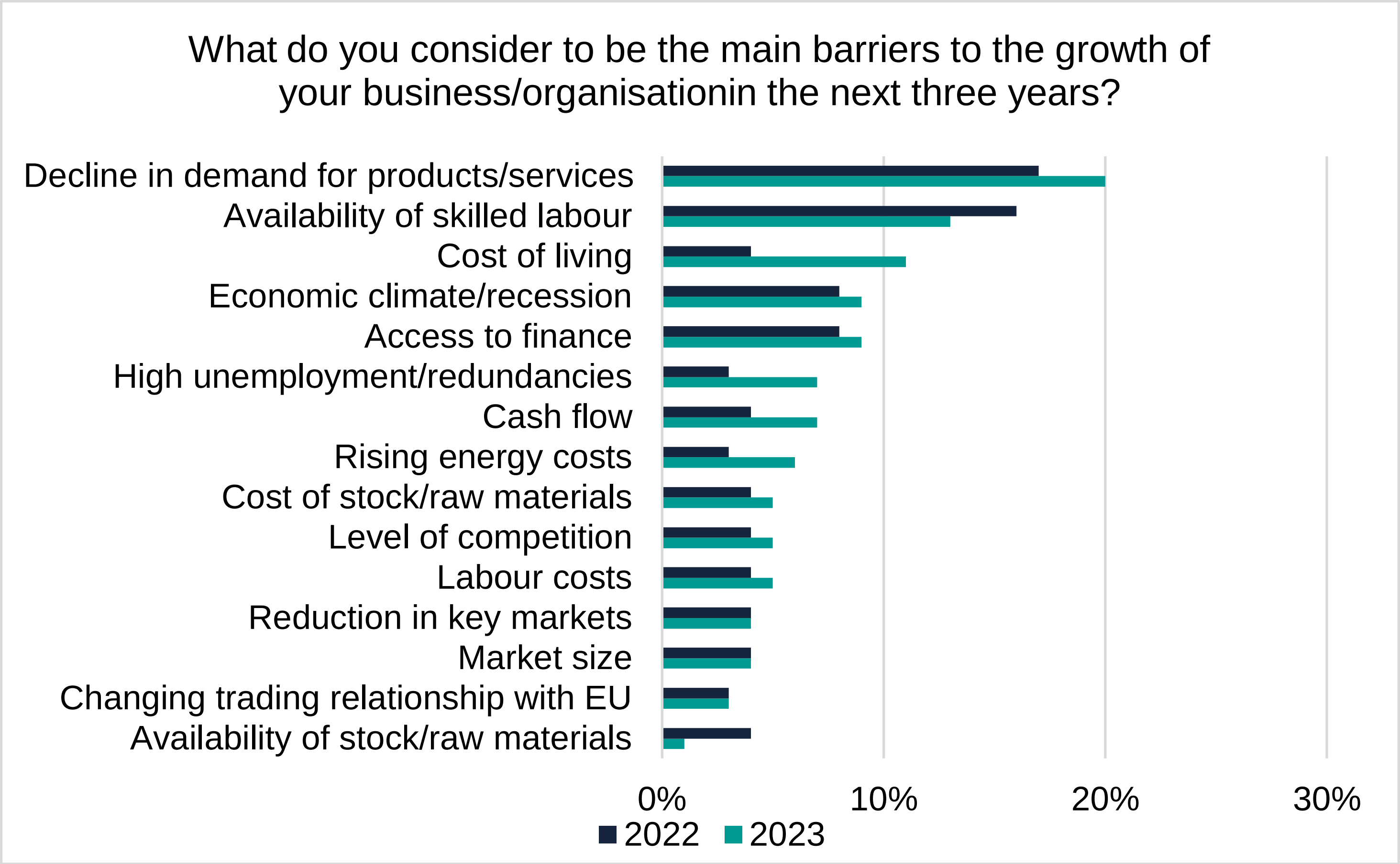
The proportion of businesses who expect to increase their prices to customers in the coming 12 months has fallen by 24 percentage points since last year, although nearly half still expect to increase them and only 14% believe their prices will fall. Nonetheless, this provides a positive signal around future prospects for inflation.



Source: West Yorkshire Business Survey

West Yorkshire Business Survey results - lack of customer demand, access to skilled labour and cost of living are the most common perceived barriers to growth

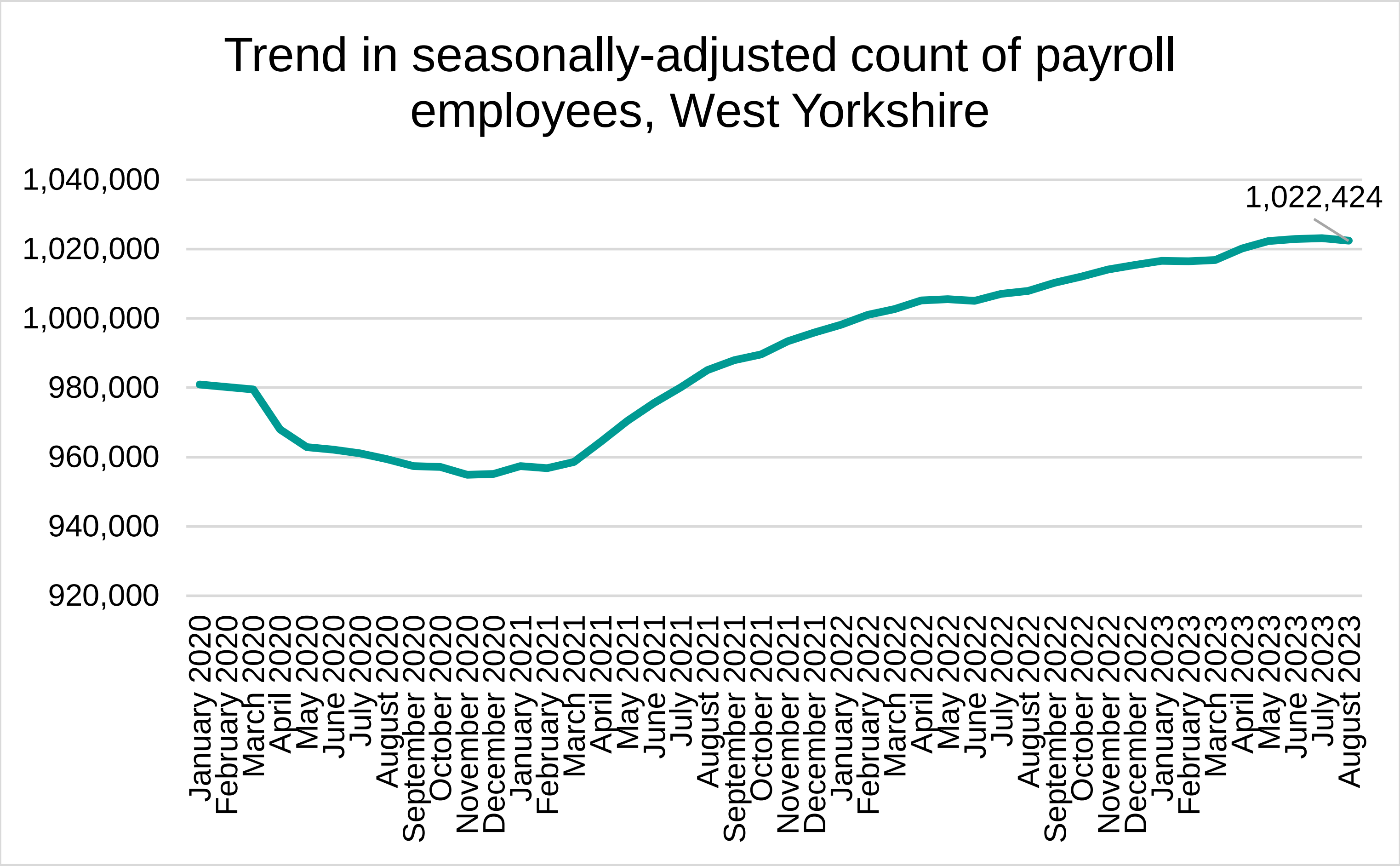
Since last year there has been an increase in the salience of a range of issues including cost of living, energy costs, unemployment and cash flow. The prospect of decline in demand for products and services is also identified by a greater proportion of respondents than in 2022. Availability of skilled labour is the second most widespread barrier, but its prevalence has fallen slightly since 2022; as has the issue of access to stock and raw materials.



Source: West Yorkshire Business Survey

Revised figures show that West Yorkshire's employee count was broadly flat between May and August

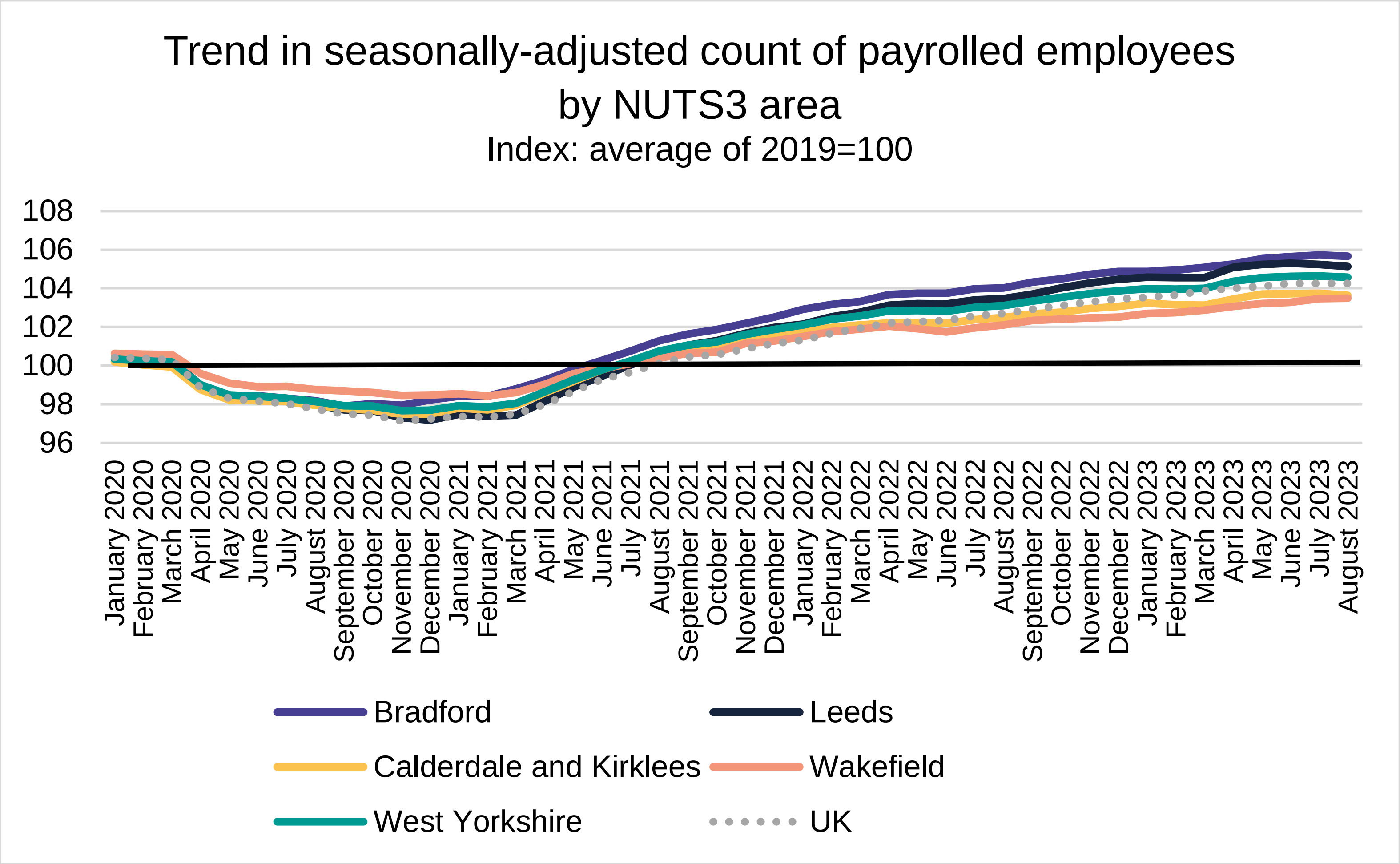
Real-time information on the count of payrolled employees in West Yorkshire shows that the level of employment in the region has remained largely unchanged between April and August 2023, following a period of sustained growth from early 2021 onwards. This broadly reflects the recent national trend and perhaps reflects the early signs of softening in the labour market as higher interest rates bite.



Source: *HMRC*

Employment trend has levelled-off in all parts of West Yorkshire

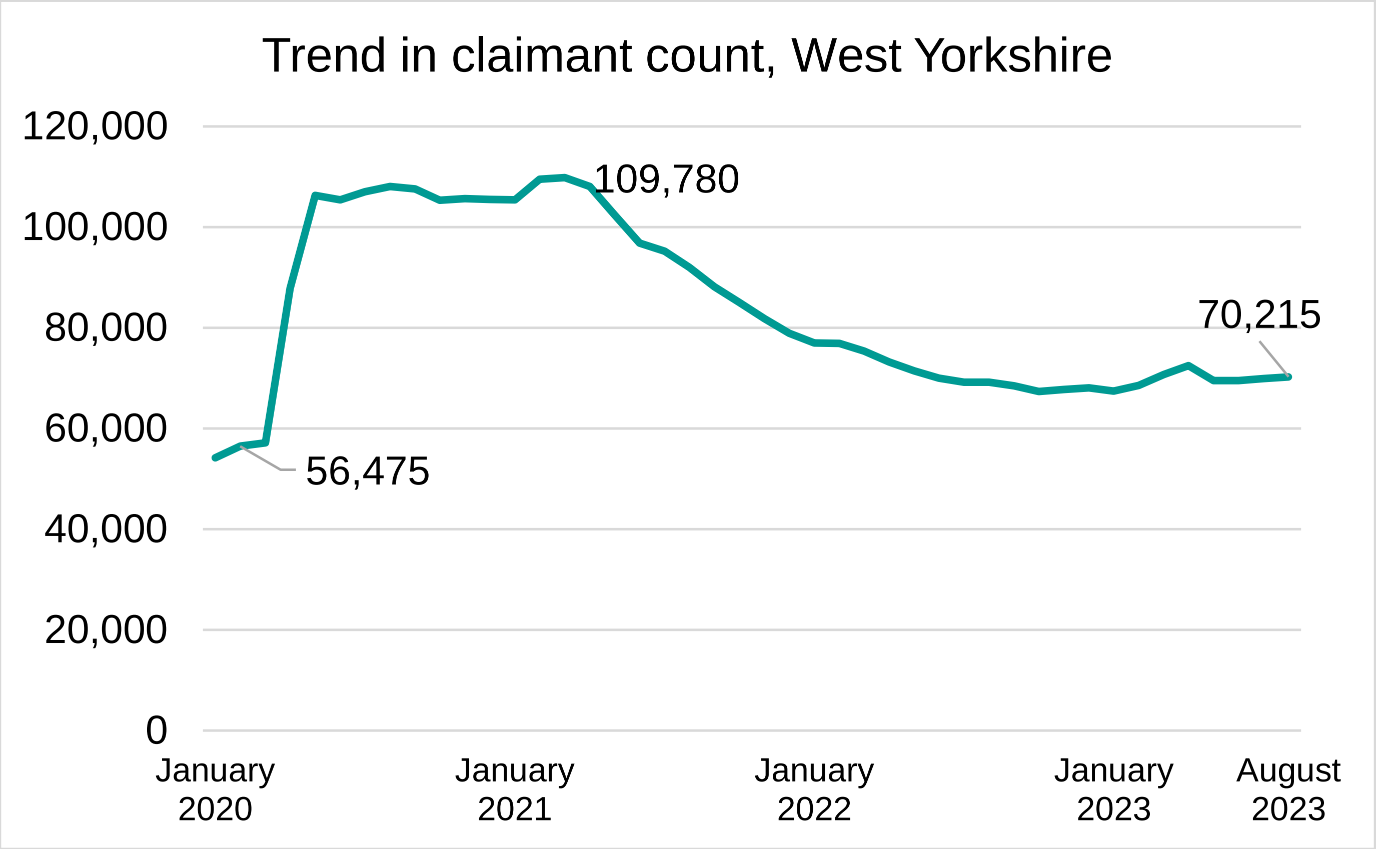
The slowdown in employment growth is visible across all component parts of West Yorkshire, with a fairly static employee count across the NUTS3 areas in recent months.



Source: *HMRC*

Claimant Count continues to increase at a moderate rate

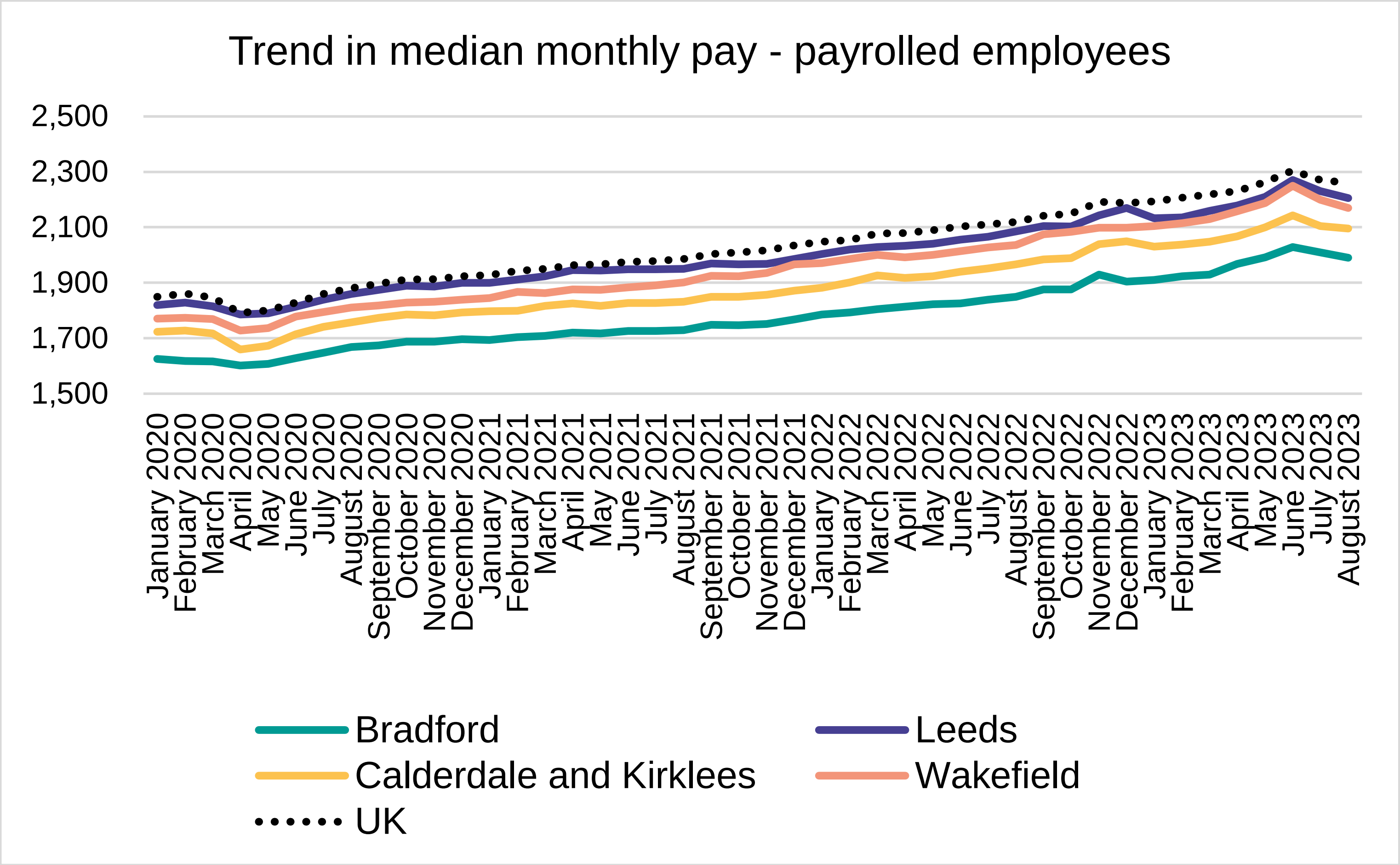
The claimant count – the official count of people who are claiming benefits primarily because they are unemployed has been on an upward trend in West Yorkshire and nationally since October 2022, growing by 4% or 2,900 since then. The level of claimant unemployment in West Yorkshire is now (as of August 2023) 70,215, 24% higher than pre-pandemic level (February 2020). The claimant rate (claimant count as a percentage of the working age population) is higher in West Yorkshire than nationally, at 4.7% versus 3.8%. At local authority level the rate ranges from 3.5% in Wakefield to 6.5% in Bradford.



Source: *NOMIS*

The level ofmployee pay is beginning to decline locally and nationally

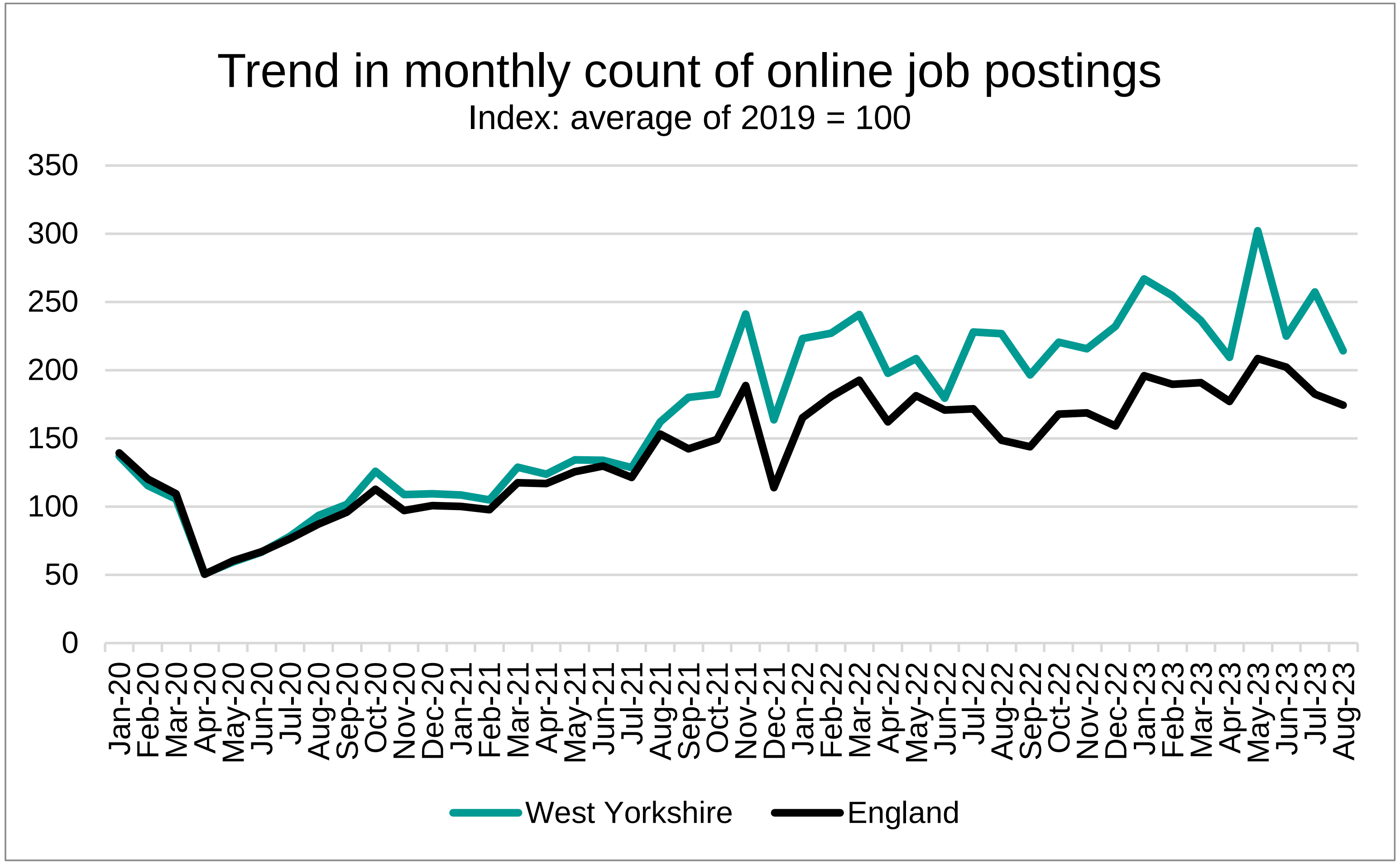
As of August 2023, median monthly pay for employees in West Yorkshire was £2,122, 94% of the UK average of £2,260 based on HMRC real-time data. Until recently, pay (unadjusted for inflation) had been growing strongly in West Yorkshire and was 15% higher in August 2023 than in May 2021, the point in time at which the economy re-opened. However, median pay has fallen across the board between June and August of this year – by 3% in West Yorkshire and 2% nationally.



Source: *NOMIS*

The monthly count of job postings fell back in August but remains at high levels

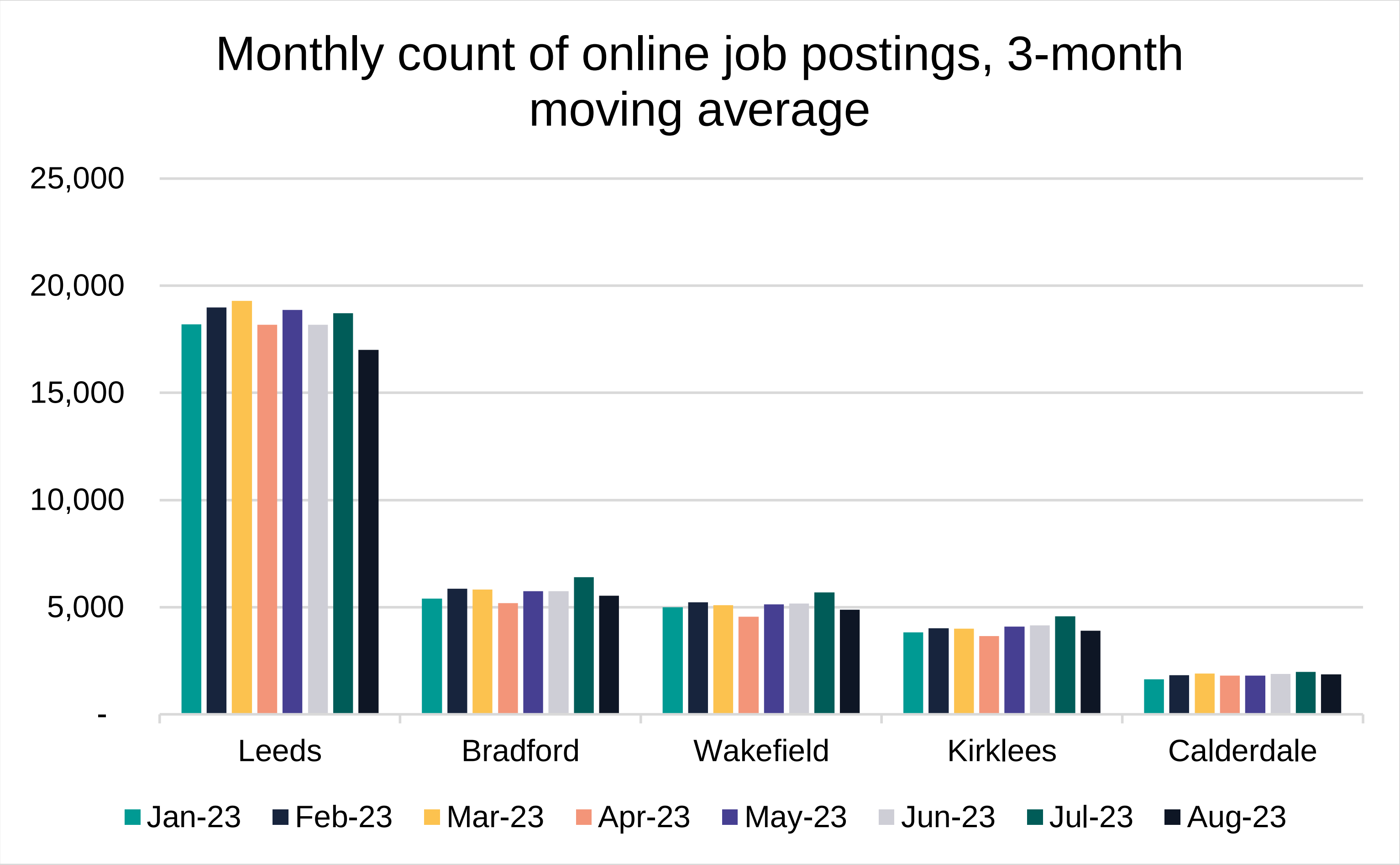
Recruitment demand in West Yorkshire has been stronger than nationally since the pandemic and remains at high levels. The monthly volume of online job postings in West Yorkshire in August 2023 was 114% higher than the average for 2019, whereas the equivalent national growth figure was only 74%. The volume of postings is still growing in 2023 – average monthly count for year to date is 14% higher than in corresponding period of 2022.



Source: *Lightcast*

Count of job postings remains stable at local authority level

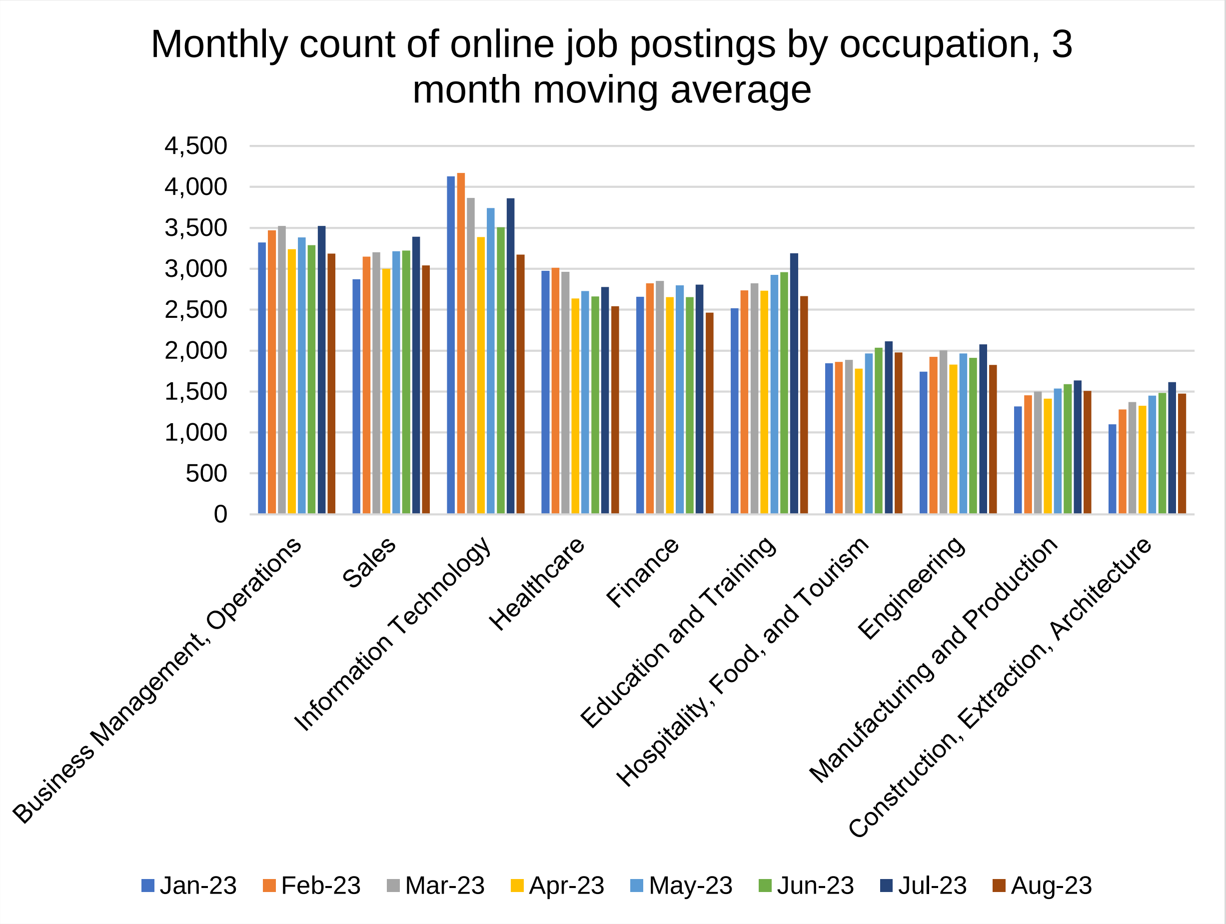
All five local authorities saw a decline in the average monthly count of postings in the June to August quarter but the overall pattern remains stable with no clear signs of sustained decline, other than in Leeds where this is some evidence of a downward trend since January.



Source: *Lightcast*

All occupations saw a decline in postings in August but underlying trend is still upwards for several categories

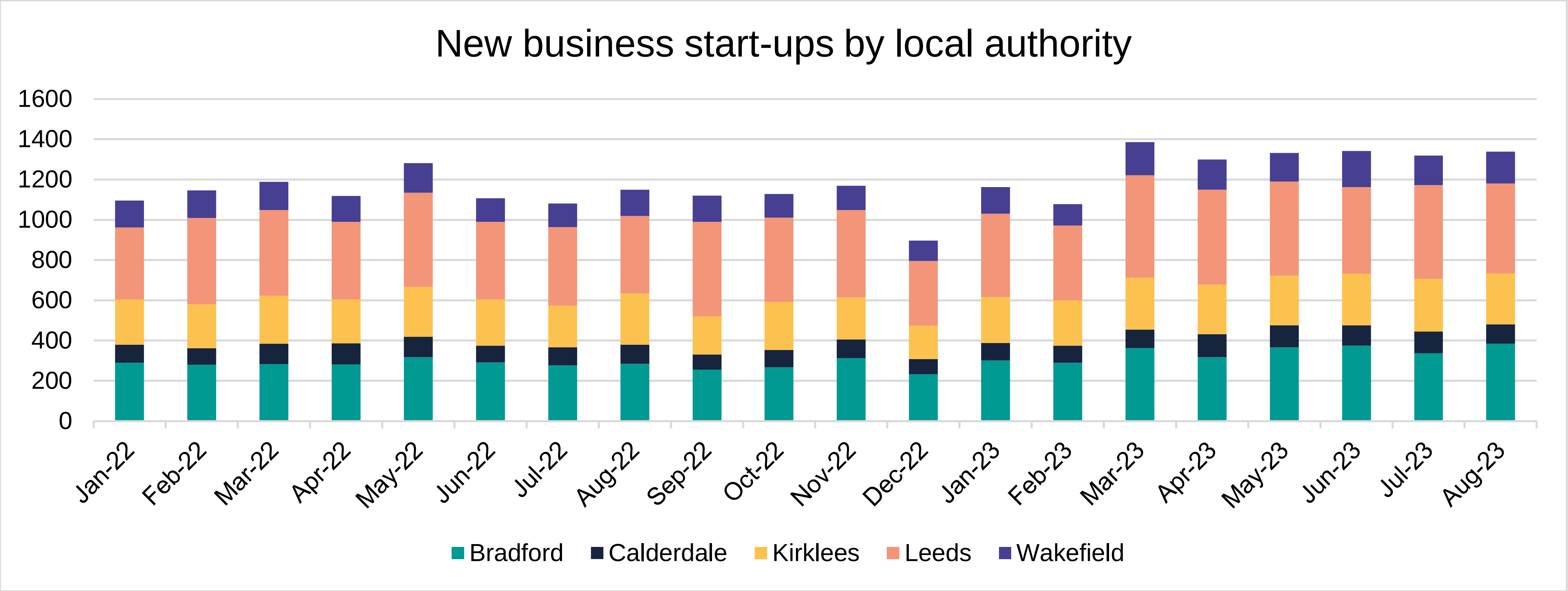
There was a decline in postings across all occupational categories in August based on the 3 month moving average. Some occupations, such as IT and Healthcare seem to be seeing a slackening of demand but others are on a broad upward trend, including Hospitality, food and tourism, Education and training and Construction.



Source: *Lightcast*

The number of business start-ups has increased for the year to date

There have been 10,620 business start-ups in West Yorkshire in the year to August 2023 inclusive, a 12% increase on the corresponding period of 2022. The biggest year-on-year increase at local authority level was for Bradford with growth of 19%. Leeds and Wakefield grew at a similar rate to the West Yorkshire average, whereas the figures for Calderdale and Kirklees were 6% and 7% respectively.



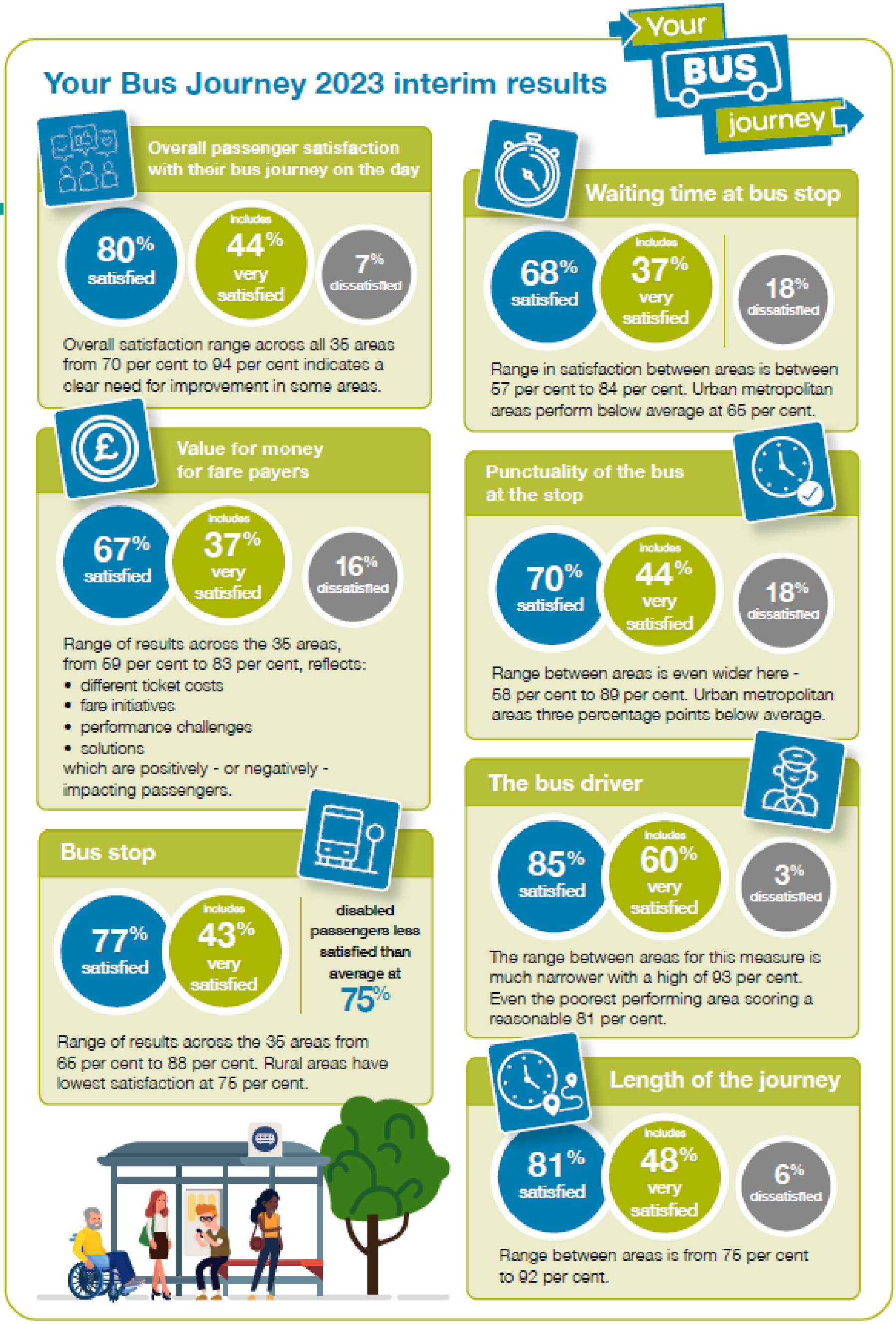
Source: *BankSearch*

Transport Insights

Transport research – Your Bus Journey

Transport Focus – Your Bus Journey – Interim report 2023 for England and Scotland

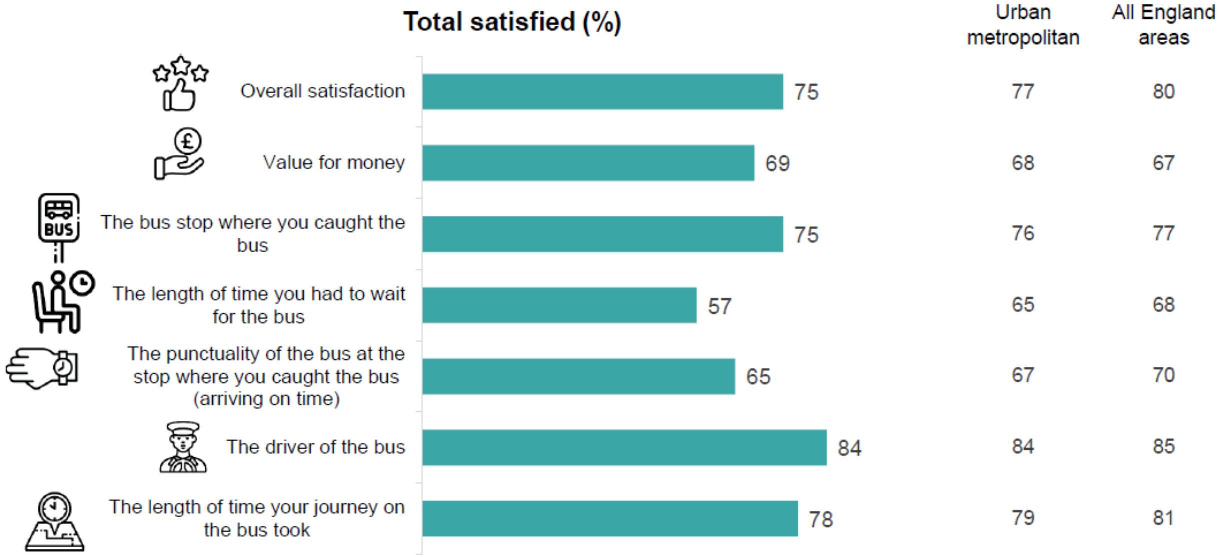
- A new survey by Transport Focus (‘Your Bus Journey’) was published on 28th September which builds on the Bus Passenger Survey which ran from 2009 to 2019. This new survey, part funded by West Yorkshire Combined Authority launched in January 2023, covering 34 local transport authority areas, and 6 regional partnerships in Scotland. It aims to speak to passengers about more than 35,000 bus journeys in 2023
- This interim report presents a summary of the data available at the mid-point of 2023, focussed on overall satisfaction as well as value for money, bus stops, waiting times, punctuality, the driver and journey times
- The report notes that the introduction of the £2 single fare cap in many areas has left many passengers feeling they are getting good value for money - with those in rural areas taking longer distance journeys often benefitting the most
- Free pass holders (84%) are more satisfied than fare payers (77%). Satisfaction is similar across age bands, and satisfaction among disabled passengers is similar to the average at 79%
- A full report covering the first year of data will be released in 2024

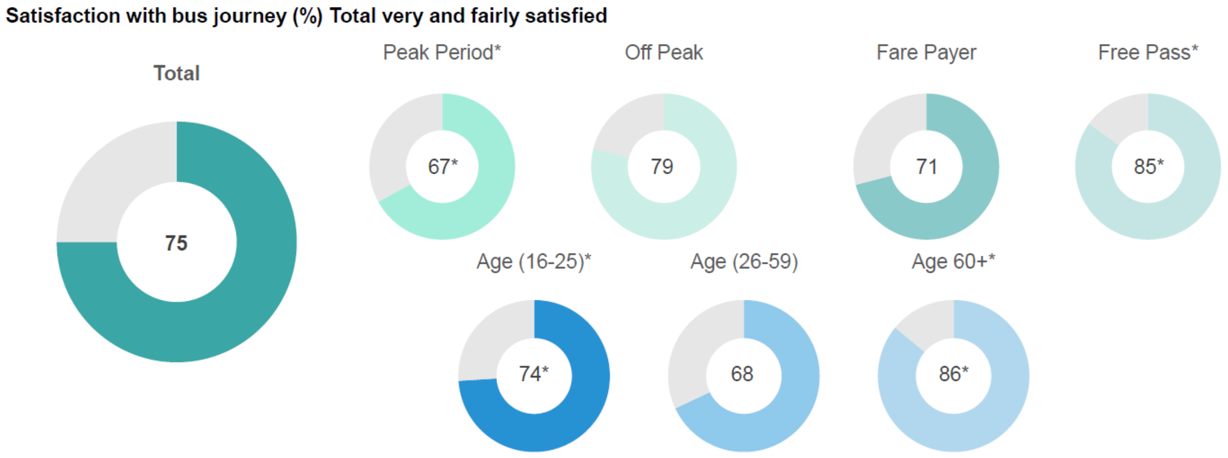


Source: *Transport Focus – Your Bus Journey – Interim report 2023 for England and Scotland*

Transport research – Your Bus Journey

- Alongside the national report, Transport Focus produced a mid-year Your Bus Journey report for West Yorkshire with data from 30th January to 18th June 2023, comprising 328 responses.
- Overall satisfaction levels for elements of bus travel within West Yorkshire are similar to other urban metropolitan areas, with the exception of satisfaction with the length of time passengers had to wait for the bus (57% in West Yorkshire vs 65% in urban metropolitan areas).





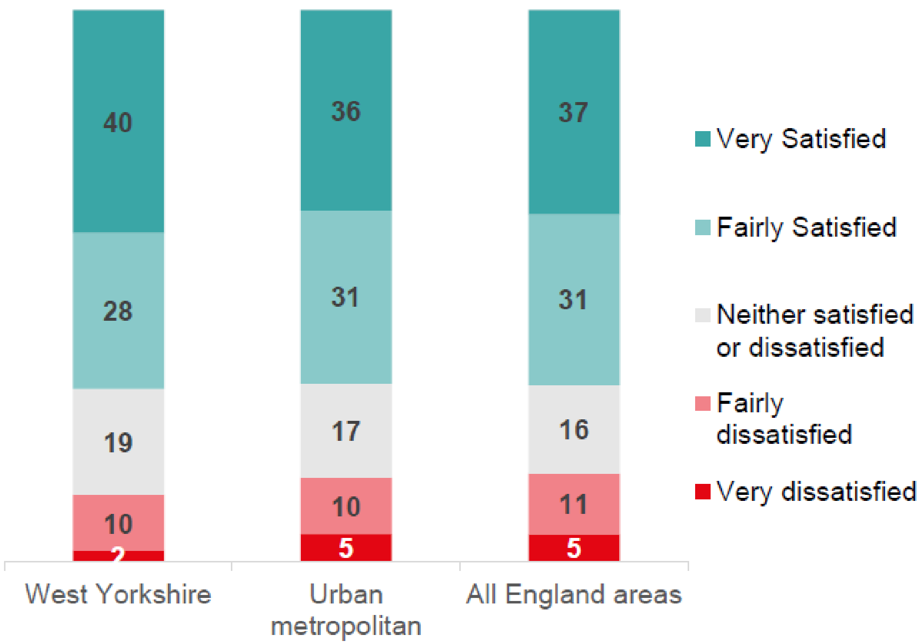
- Overall satisfaction is skewed towards off-peak travel and free pass users, although it's worth noting that sample sizes are low.

Source: *Transport Focus – Your Bus Journey – West Yorkshire Mid-year report September 2023*
Q9 Overall taking everything into account from the start to the end, how satisfied were you with your bus journey?
Q10A How satisfied were you with each of the following during the journey?
Base (Overall): 214 – 324 Urban metropolitan 2008 – 2973 All England areas 9063 – 14,390
Base (Total very and fairly satisfied): 324 Peak 79 Off peak 239 Fare-payer 217 Free pass 82* Age 16-25 88* Age 26-59 152 Age 60+ 79**
** Indicates base sizes between 75-99.*

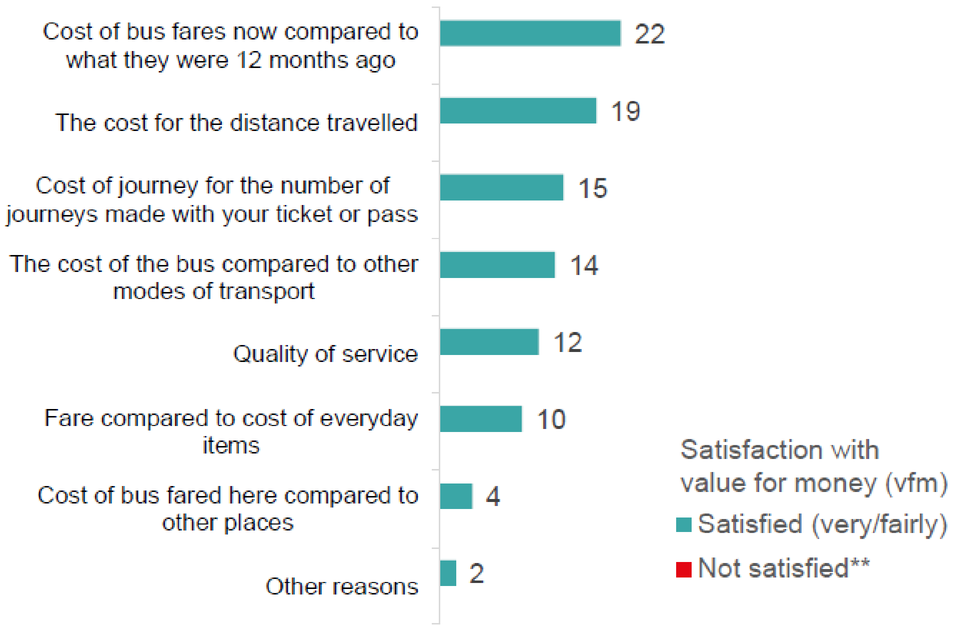
Transport research – Your Bus Journey

- 69% of respondents in West Yorkshire were satisfied with their bus journeys value for money, slightly above the England average of 67%.
- The cost of bus fares now compared to 12 months ago was a key influence on satisfaction with value for money, which could be attributed to the national and local fare cap

Satisfaction with the journey's value for money (%) amongst fare-payers



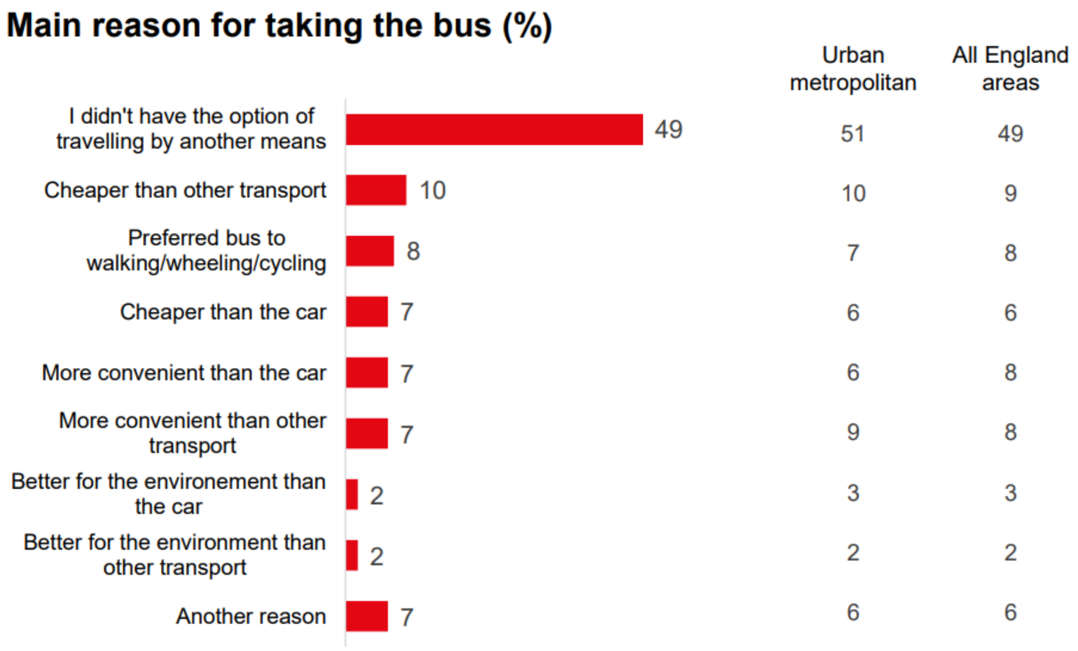
Influential factors on value for money rating (%) in West Yorkshire

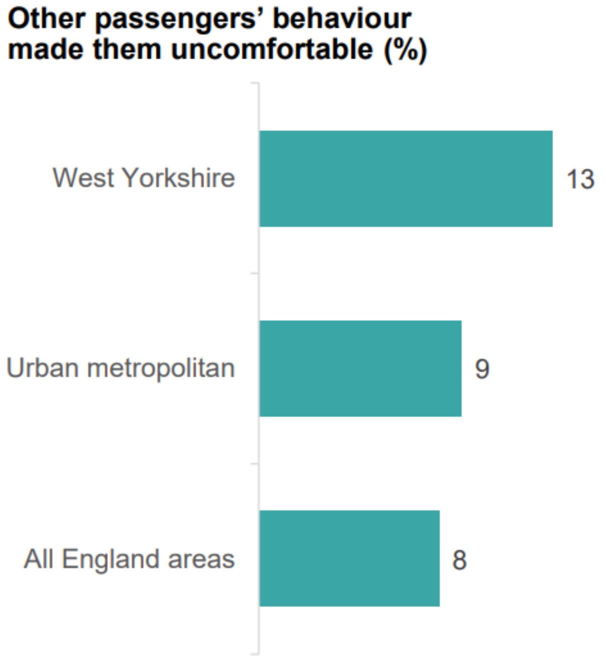


Source: *Transport Focus – Your Bus Journey – West Yorkshire Mid-year report September 2023*
Q10A How satisfied were you with each of the following during the journey?
Q10B What had the biggest influence on your rating of the value for money?
*Base: Fare-payers only 214 Those satisfied with vfm 146 Those not satisfied with vfm 68***
*** indicates base sizes (under 75)*

Transport research – Your Bus Journey

- 49% of respondents in West Yorkshire said they took the bus as they have no other transport options, and 51% of bus users are frequent users travelling 5 or more days a week by bus.
- 13% of respondents in West Yorkshire said other passenger’s behaviour at the bus stop made them feel uncomfortable, vs 8% across participating areas of England. 5% said their personal security while on the bus was poor.



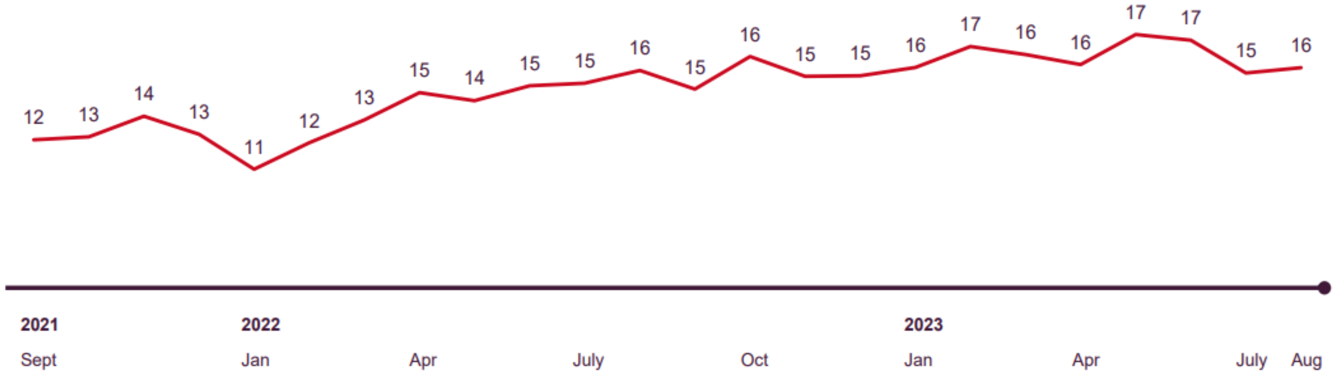


Source: *Transport Focus – Your Bus Journey – West Yorkshire Mid-year report September 2023*
Q B1 What was the main reason you chose to take the bus for that journey?
Base 317 Urban metropolitan 2,936 All England areas 14,207

Transport research – Bus User Survey (final edition)

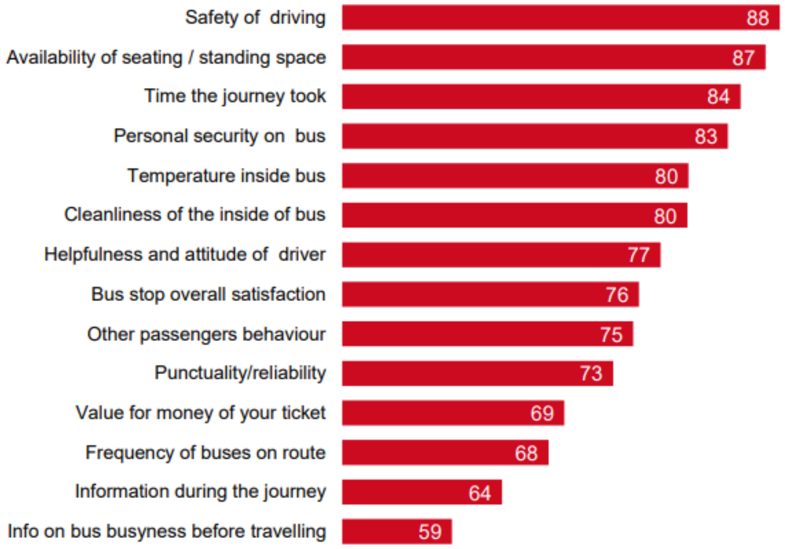
- Transport Focus published the final Bus User Survey on the 8th September. Running since September 2021, it tracked national satisfaction with travel through the pandemic recovery, by surveying a representative sample of 2,000 people every other weekend. Final findings include:
- The proportion of respondents using buses outside London has gradually increased over the past two years from a low of 11% to a recent high of 17%
- Satisfaction with value for money, frequency and journey information were rated lowest overall over the two years

Proportion using the bus outside of London (%)



Proportion using bus outside London over time (%) - combined monthly survey responses

Satisfaction with elements of the journey (%)

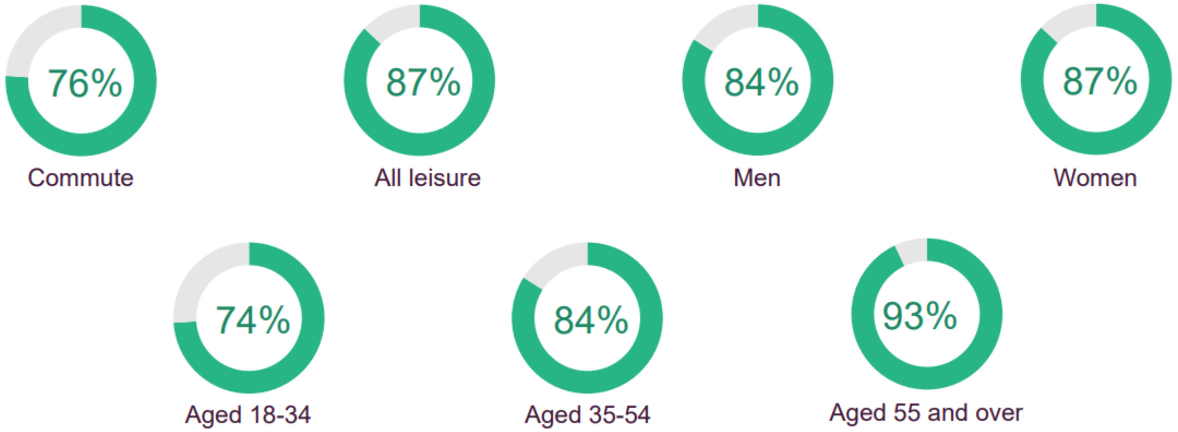


Source: Transport Focus – Bus User Survey final edition
Bus use is defined as having travelled by bus within seven days of being surveyed.
Base size around 2,000 per survey.

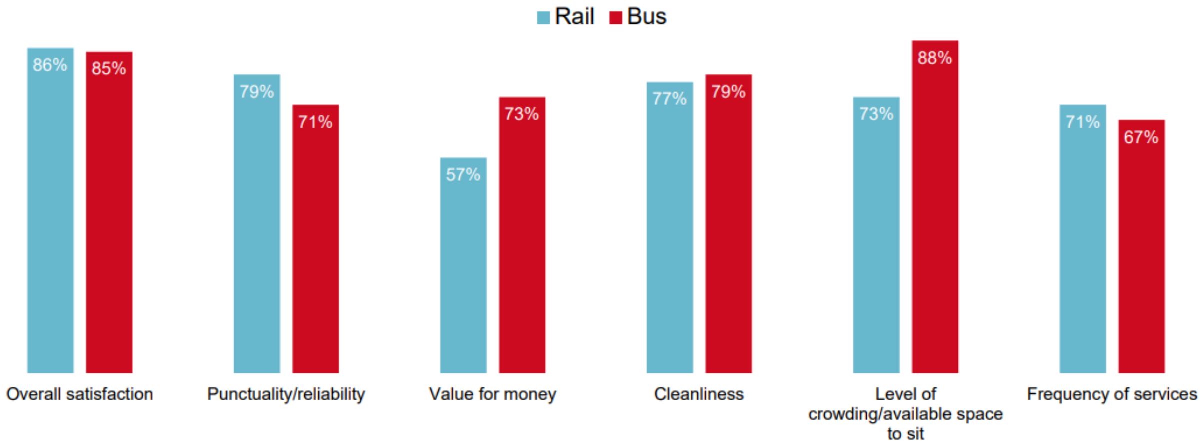
Transport research – Bus User Survey (final edition)

- Overall bus satisfaction was higher for leisure users (87%), women (87%) and those in a higher age band (93% of those aged 55 and over were satisfied).
- Comparing rail and bus, bus passengers have higher satisfaction with value for money (73% for bs vs 57% for rail) and levels of crowding, but lower satisfaction with punctuality and frequency.

Overall satisfaction by journey purpose, gender and age (%)



Satisfaction with elements of bus and rail journeys (%)



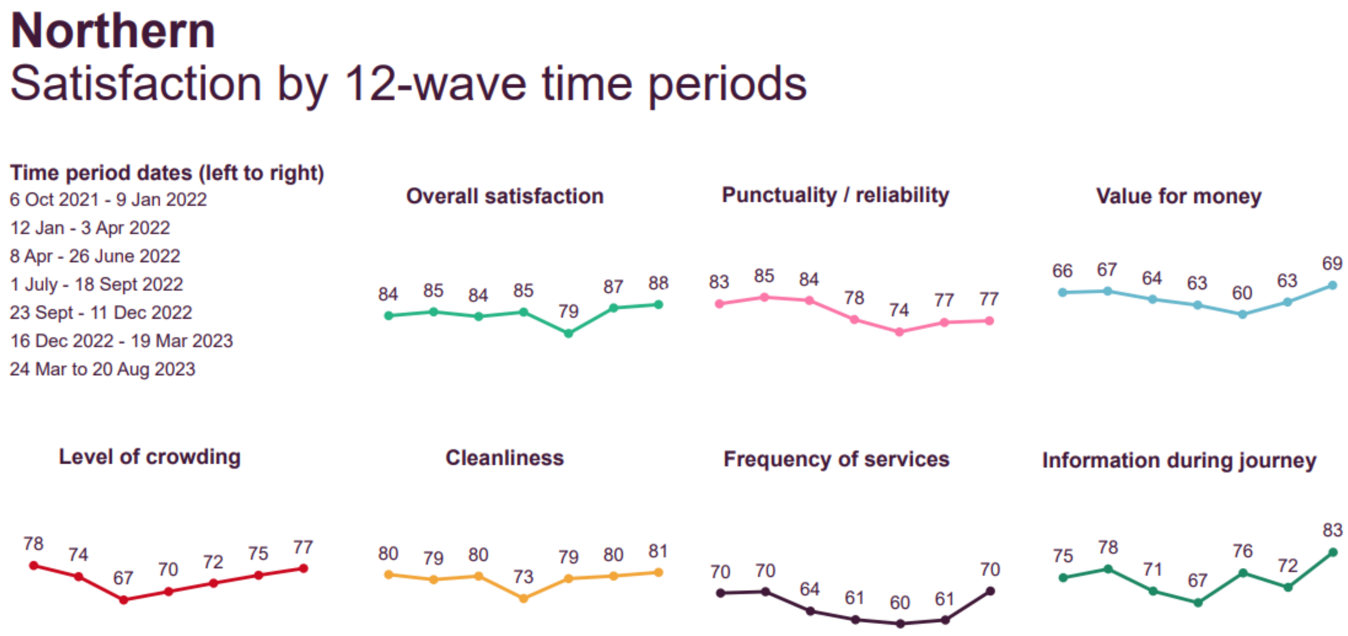
Source: [Transport Focus – Bus User Survey final edition]

Satisfaction questions are based on the most recent bus journey made within seven days of being surveyed. Charts show average of the last two surveys (bus satisfaction questions are asked fortnightly). Base sizes vary by chart ranging between 129 and 437. 'All leisure' combines answers from 'Leisure/eating out/non-essential shopping', 'Visiting friends/family' and 'Essential shopping'.

Rail and bus values are based on the two surveys conducted in last four weeks. Rail base sizes vary from 507 to 517; bus base sizes from 561 to 680.

Transport research – Rail User Survey

- The Rail User Survey asks around 250 representative passengers in Great Britain, every other weekend, about experiences of rail travel and how satisfied they were with their most recent train journey. This version of the survey focusses on the 15 train companies with a sufficient aggregated sample size from October 2021 to August 2023.
- Northern's satisfaction levels increased overall though satisfaction with punctuality/reliability decreased

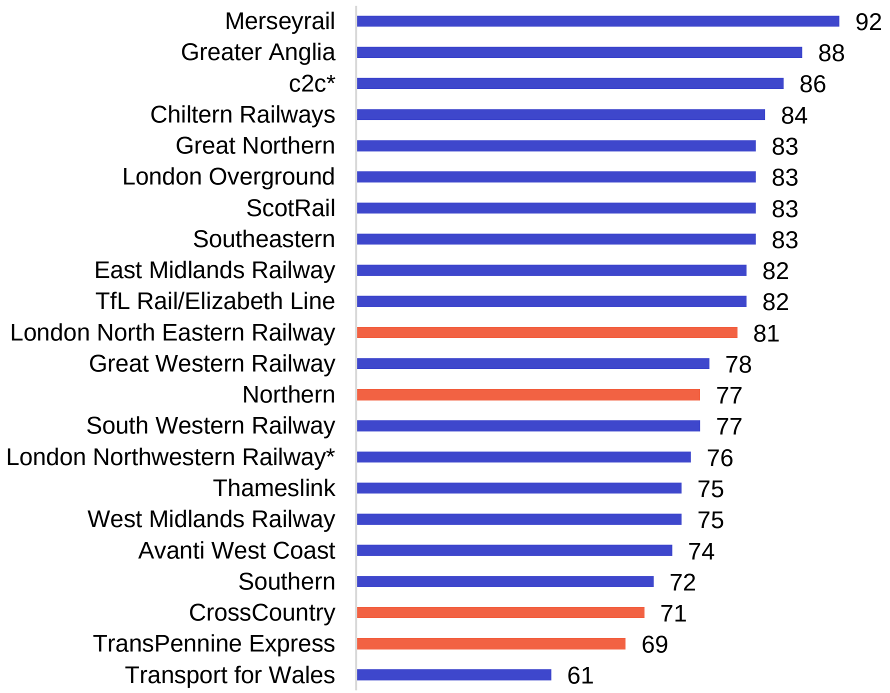


Source: [Transport Focus – Rail User Survey – train operator results]
Sample sizes: Overall satisfaction 379, 341, 219, 256, 250, 529 and 289; punctuality/reliability 378, 340, 219, 255, 250, 259 and 289; value for money 372, 332, 214, 249, 246, 253 and 285; level of crowding 376, 339, 219, 255, 248, 257 and 286; cleanliness 379, 338, 219, 256, 249, 258 and 288; frequency of services 376, 339, 217, 252, 248, 256 and 288; information during journey 368, 330, 211, 242, 236, 246 and 275.

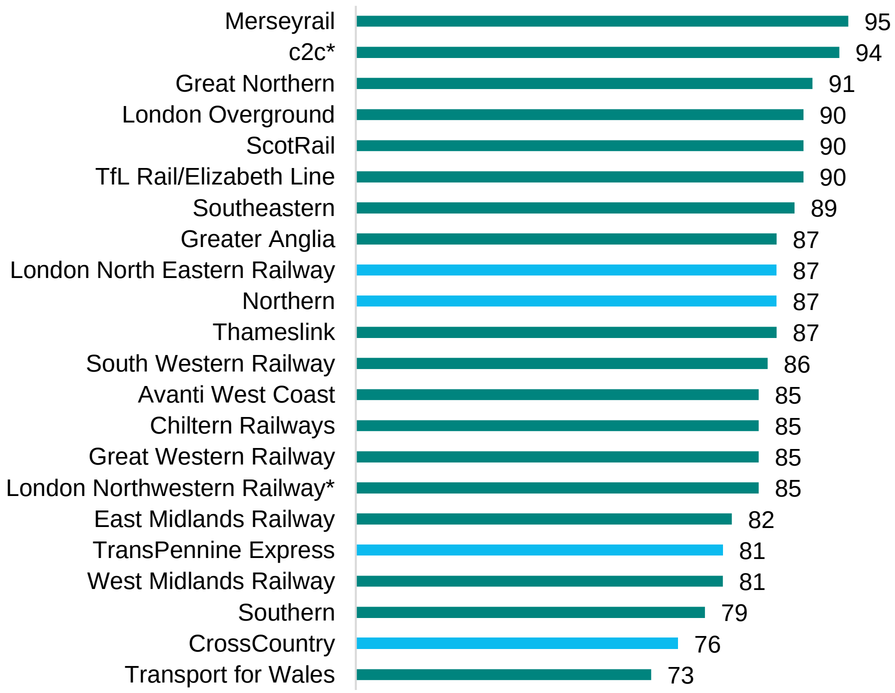
Transport research – Rail User Survey

- CrossCountry were ranked second lowest nationally in terms of overall satisfaction and third lowest in terms of satisfaction with punctuality and reliability. TransPennine Express were ranked second lowest for satisfaction with punctuality and reliability.

Satisfaction with punctuality/ reliability %

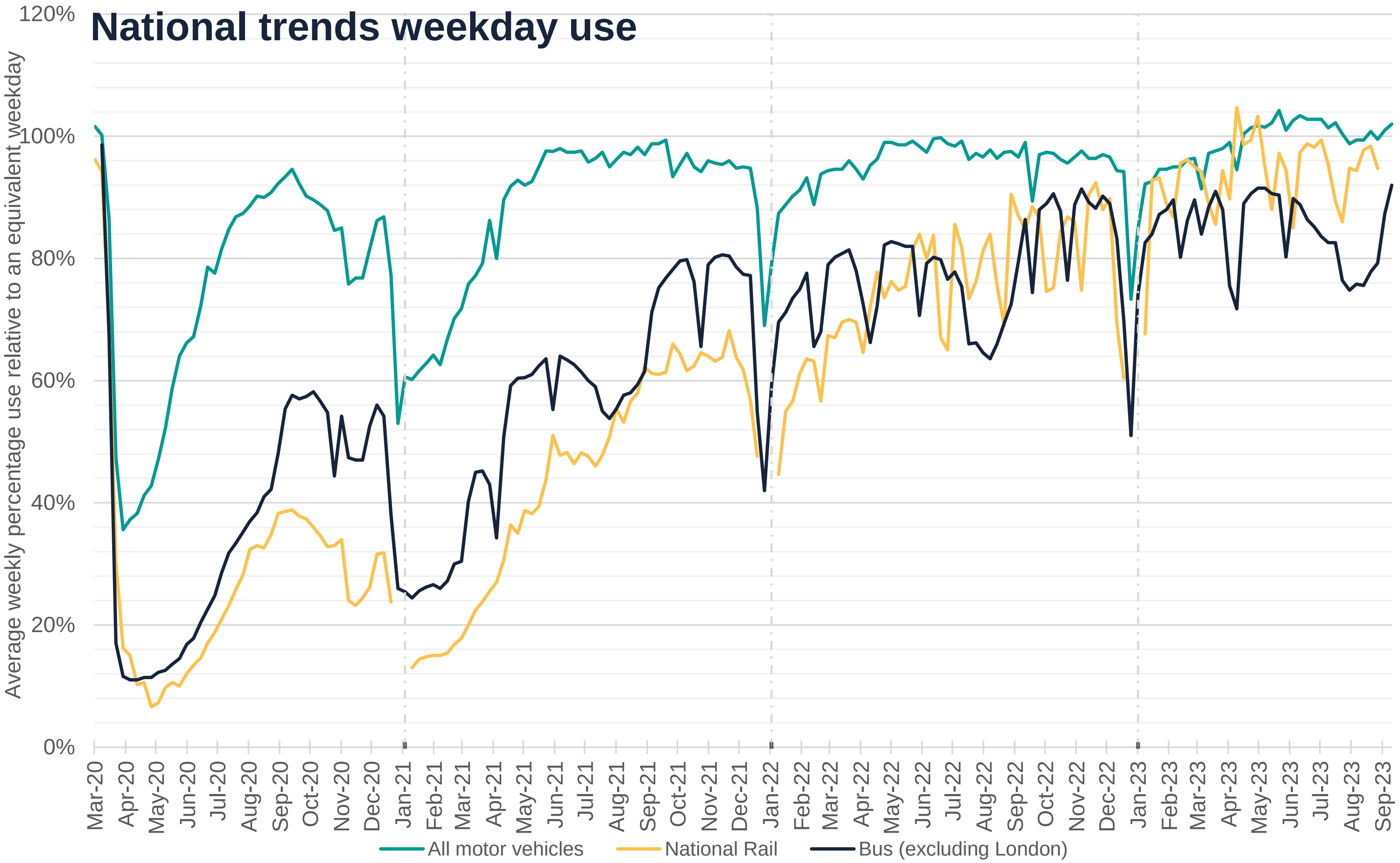


Overall satisfaction %



Source: Transport Focus – Rail User Survey – train operator results
Data from December 2022 to August 2023
Chart axes range from 40% to 100% to show differences
Companies operating substantially in West Yorkshire highlighted
** Sample size is below 100*

National weekday bus use rises to 92% of pre-pandemic levels as the academic year restarts, higher than the equivalent point in 2022



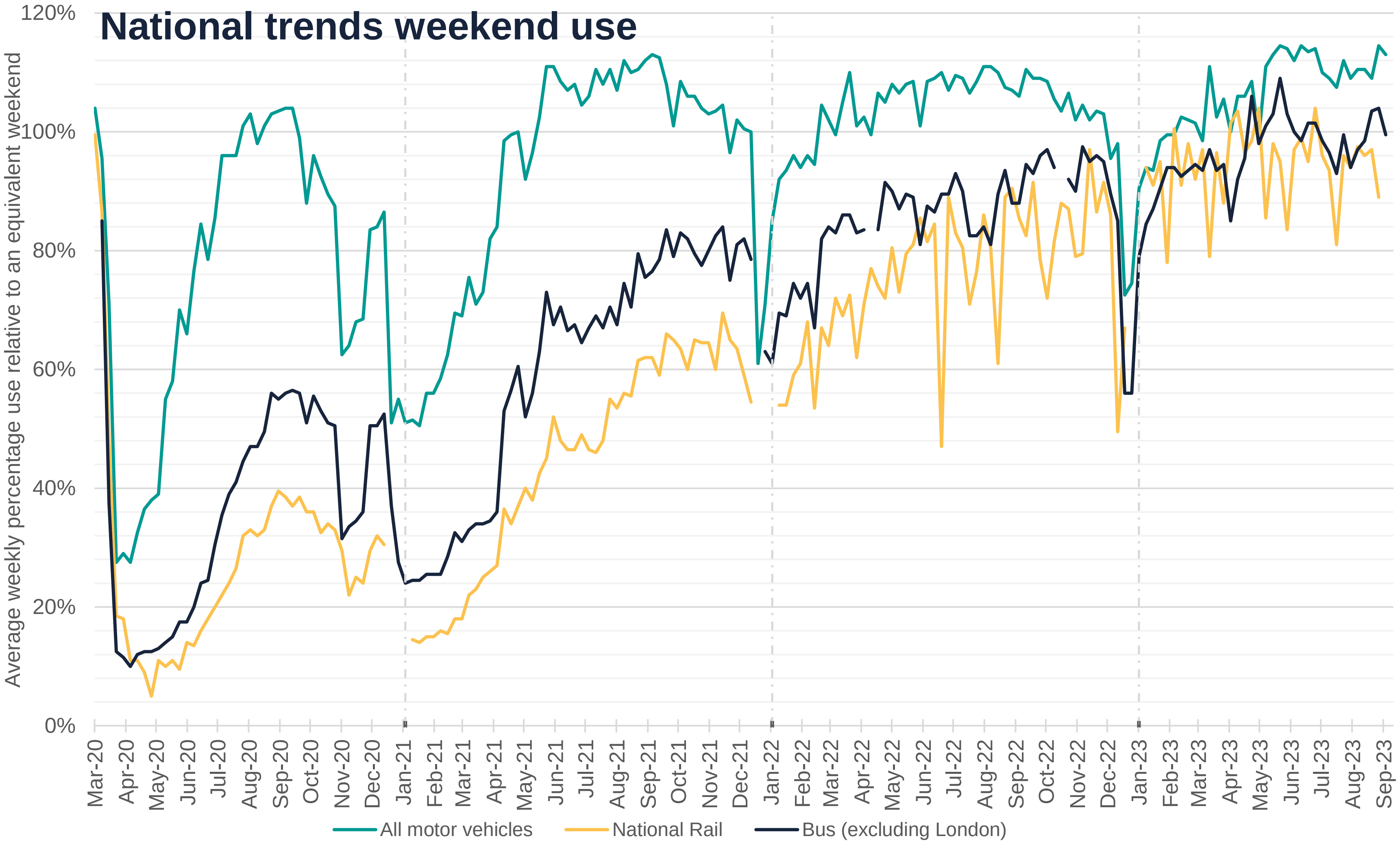
National transport use statistics published by the Department for Transport (DfT) reveal that in the week commencing 11th September, weekday bus use (outside of London) climbed to 92% of pre-pandemic levels, an increase from 79% at the end of August, reflecting travel behaviour change associated with the restart of the academic year. This is notably higher than the same period last year (86% in mid-September 2022).

Weekday motor vehicle use stands at 102% of pre-pandemic levels, slightly higher than the same point last year (99%).

Published data on weekday rail use lags bus and motor vehicle use, but was at 95% of pre-pre-pandemic levels on week commencing 28th August.

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

National weekend bus use continues to show recovery throughout 2023



In last August 2023, national weekend bus use (outside of London) stood at 104% of pre-pandemic levels, higher than the same point last year (88%), indicating a continued recovery trend long after all COVID-19 guidance/restrictions were lifted.

The pattern of weekend rail use over the summer shows considerable fluctuation, reflecting ASLEF overtime bans and RMT strikes in July and August.

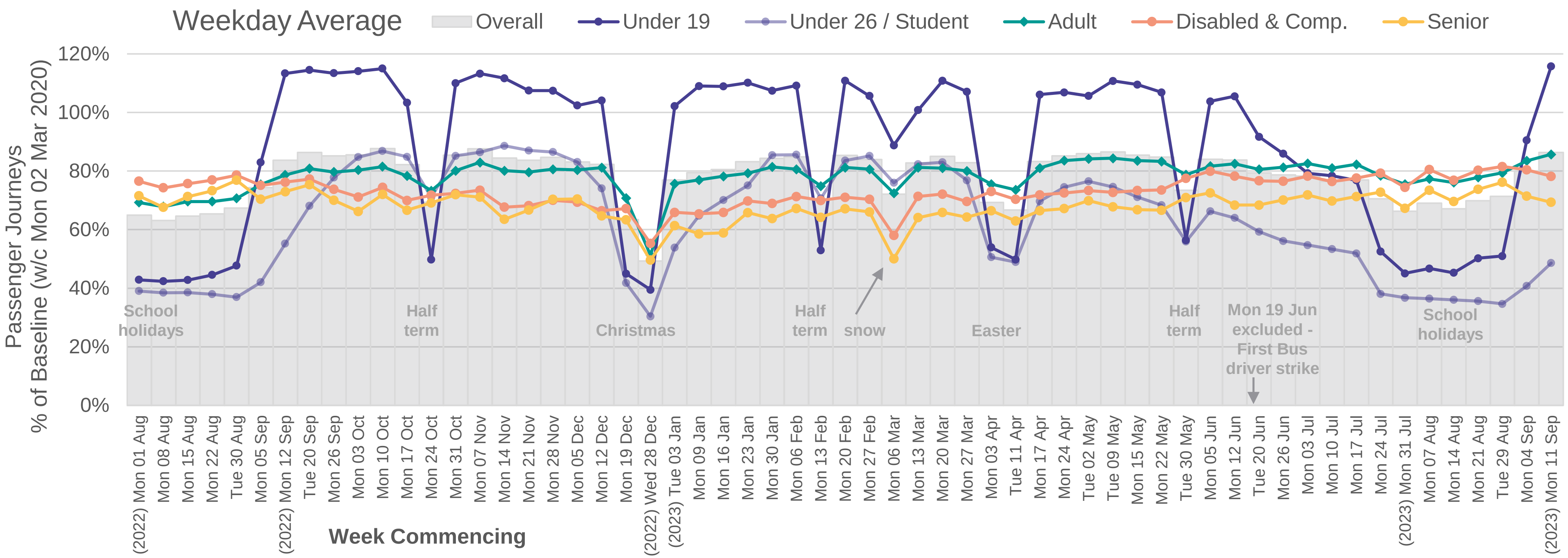
Source: *https://www.gov.uk/government/statistics/transport-use-during-the-coronavirus-covid-19-pandemic*

Adult, Under 19 and Disabled & Companion users contribute to higher overall bus use than this time last year

The chart below shows weekday bus use relative to pre-pandemic conditions. The week commencing 11 September, the first full week of the school year, shows overall use at 86% of baseline which is on a par with mid-May and 3% points higher than the similar week in 2022.

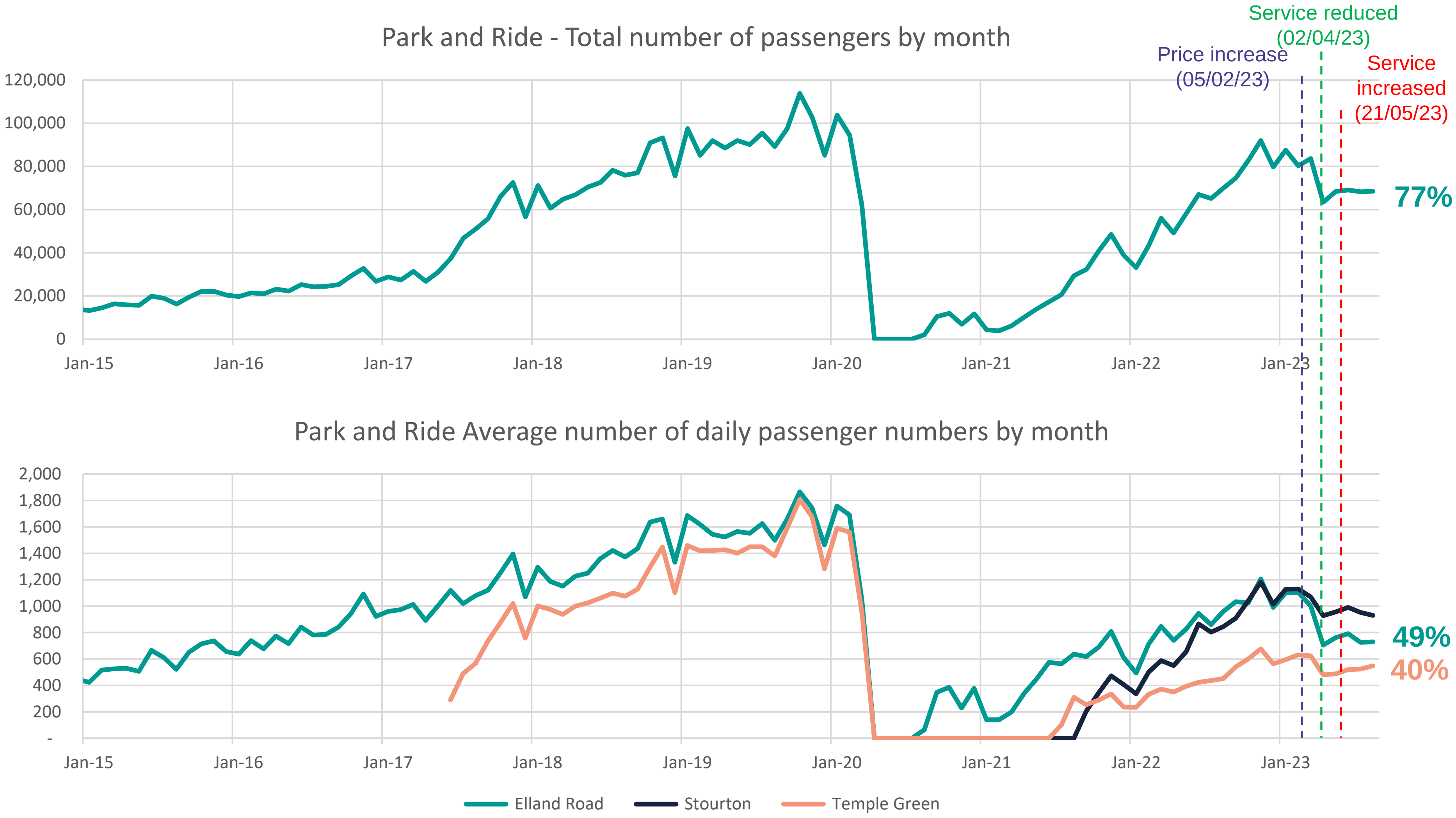
Comparing August and the start of September 2023 against 2022 shows use of Under 19, Adult, and Disabled and Companion products has been higher, use of Under 26 / Student and Disabled & Companion lower, while the use of Senior passes has fluctuated. Use of Adult tickets over these seven weeks was 79.4% of March 2020 baseline, compared with 71.6% of baseline in 2022. This is around 8% increase against baseline or around 10% increase year-on-year.

Passengers per weekday before COVID
Adult 221,000
Under 19 101,000
Senior 74,000
Under 26 / Student 34,000
Disabled & Companion 29,000
Miscellaneous 9,000
Data from First, Arriva, Yorkshire Tiger and Transdev



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 and Ride journeys (all sites) in August at 77% of 2019 levels



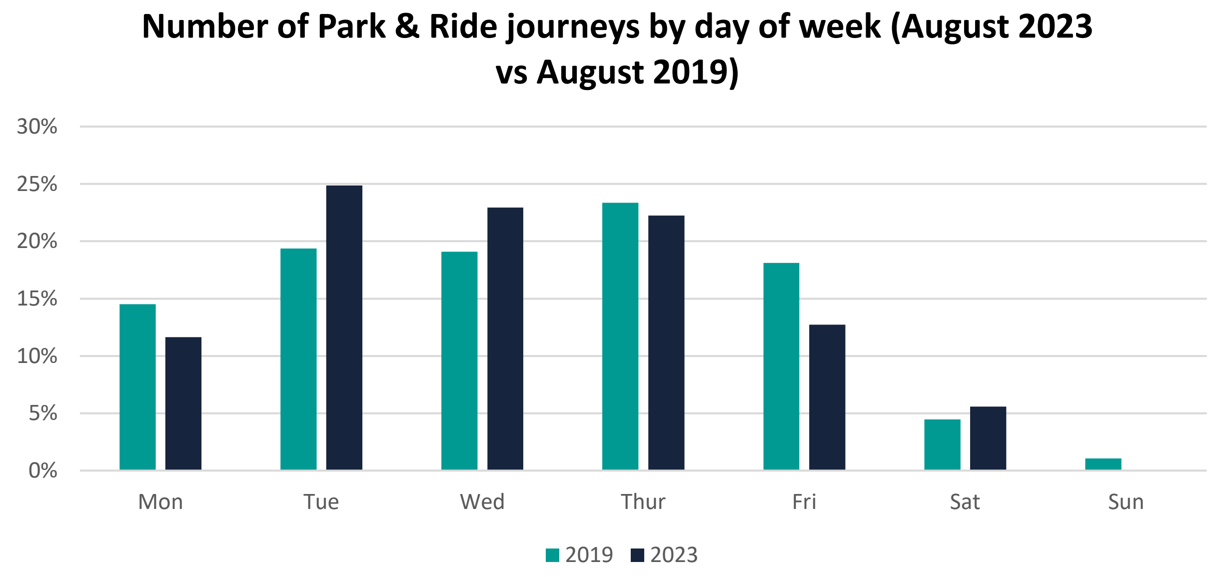
Overall monthly Parks & Ride passenger numbers have remains fairly static over the last 4 months (around 68k per month).

August 2023 total passenger numbers (all sites) were at 77% of the equivalent month's pre-pandemic levels (August 2019)

Looking at individual sites, in August 2023 average passenger numbers at Elland Road Park & Ride were at 49% of the equivalent month's pre-pandemic levels (August 2019) while Temple Green Park & Ride they were at 40% of pre-pandemic levels.

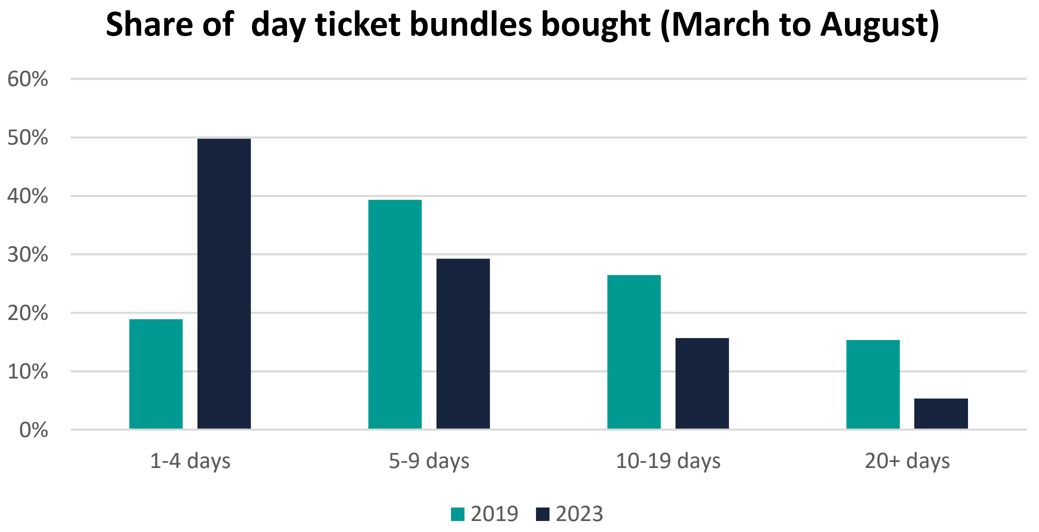
Source: *Park & Ride data from the 3 sites in Leeds: Elland Road, Stourton & Temple Green*

Mid-week Park and Ride use is more popular than Mondays and Fridays relative to pre-pandemic



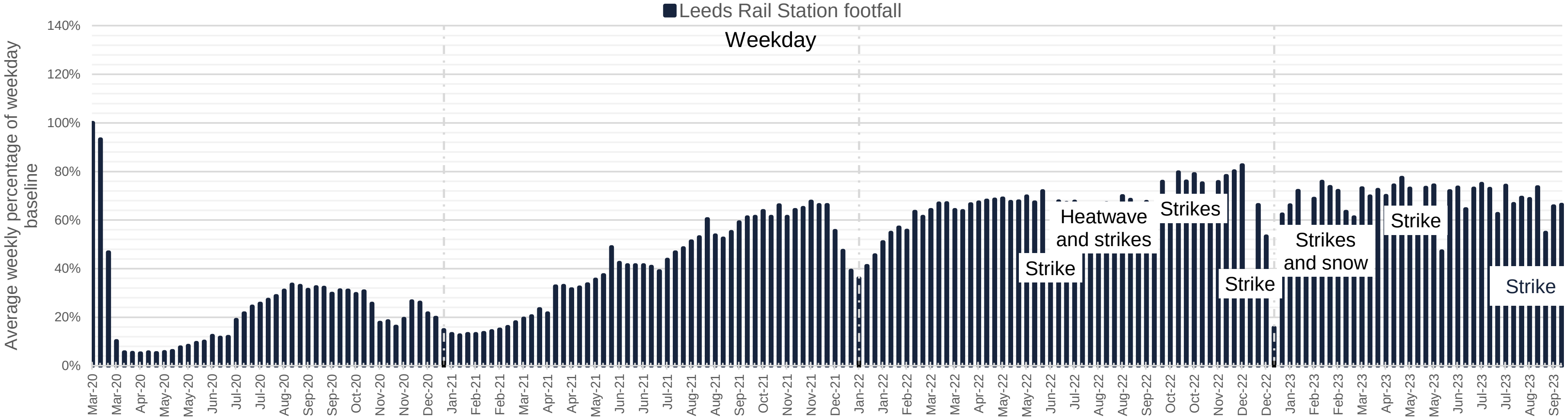
The chart to the left shows Park & Ride journeys (at all sites) through the week in August 2023 vs 2019. Tuesdays were the busiest day in August 2023, accounting for 25% of journeys, whilst Mondays & Fridays have become less popular compared to 2019. This trend aligns with more general travel behaviour patterns which suggest commuting volumes are lower on [Mondays and Fridays].

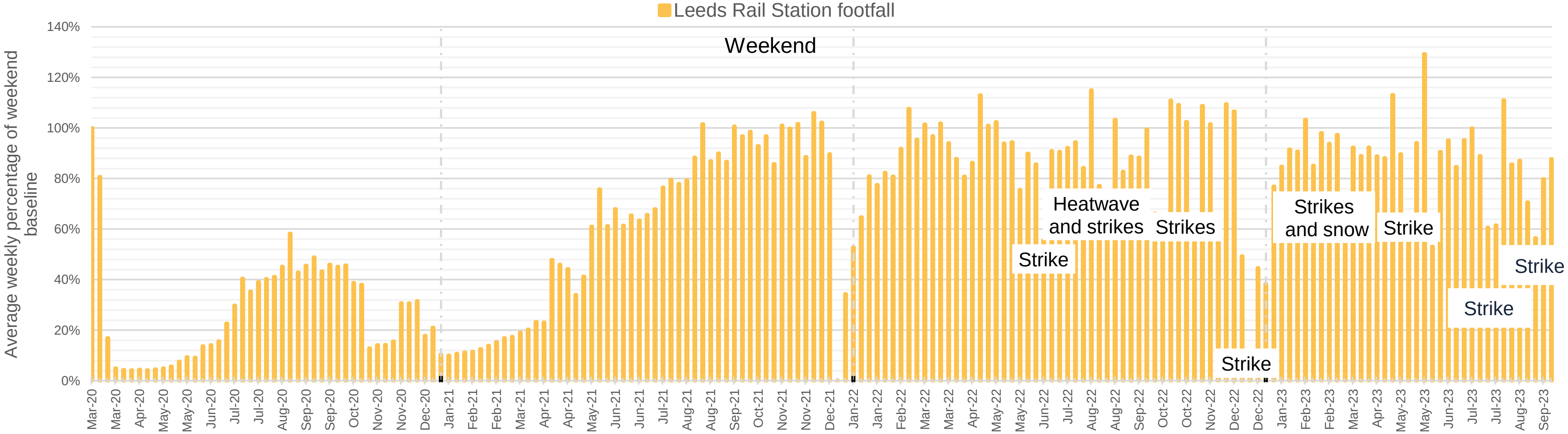
Day tickets for Park and Ride can be bought on the MCard App or Park & Ride smartcard in bundles of 1, 5, 10 or 20 with a discount on the price for buying 5 or more. In March to August 2019, 81% of day ticket purchases were for bundles of 5 or more (right chart). In contrast, between March and August 2023, this has fallen to 50%, which infers reduced commitment to travel plans and reflects the hybrid/flexible working approach adopted since the pandemic.



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

Weekday Leeds railway station footfall at 66% of pre-pandemic levels while weekend footfall at 88% following August rail strike





Average **weekday** footfall at Leeds railway station increased from 55% to 66% of baseline levels in the most recent full week following August rail strike.

Average **weekend** footfall at Leeds railway station rises from 56% to 88% in the most recent week following August rail strike.

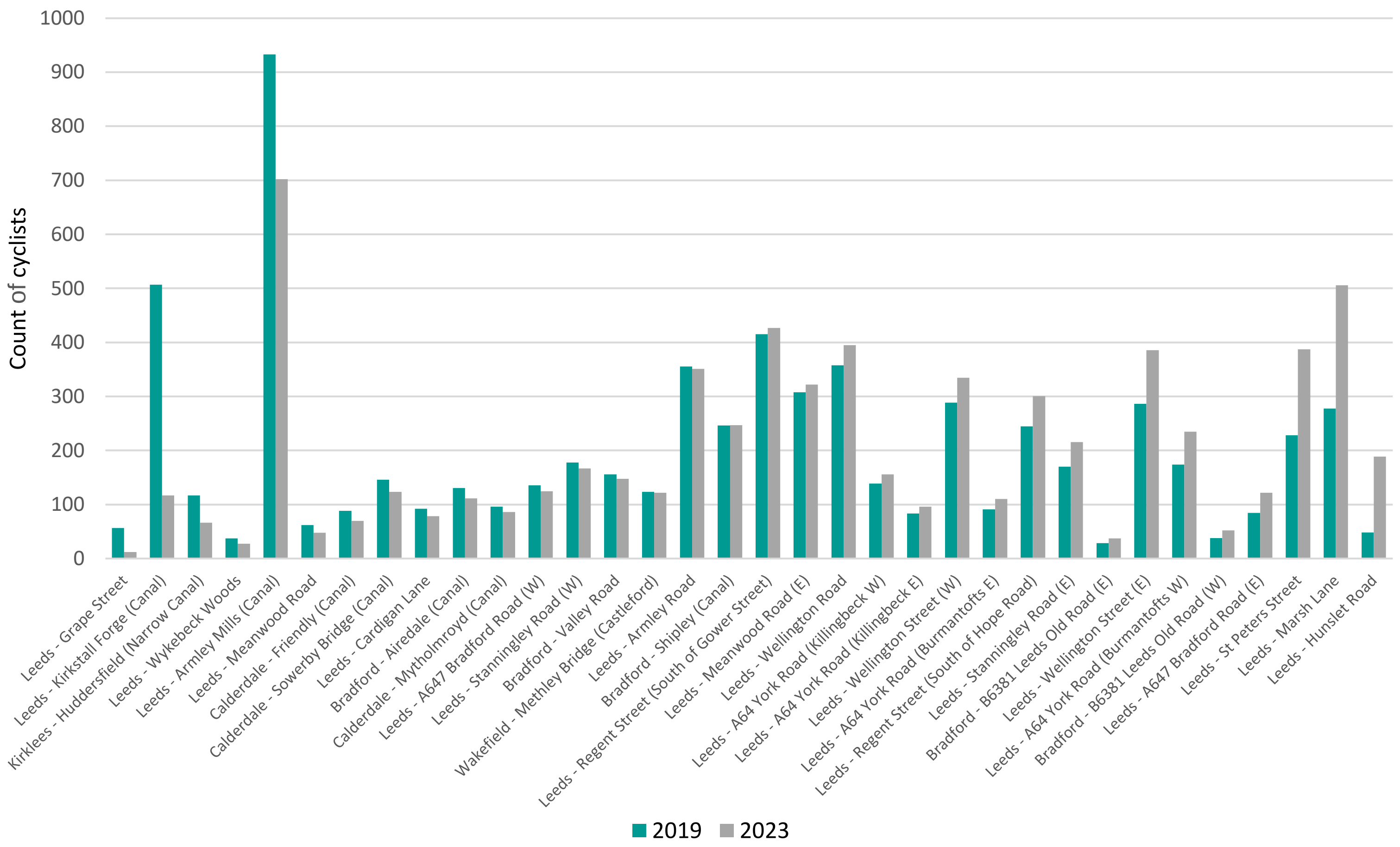
When compared to weekday levels this data suggests recovery is being driven by weekend activity.

These figures (from network rail) are not directly comparable with DfT national figures due to substantial methodology differences.

Source: *Leeds Rail Station Footfall - Network Rail*

From June to August 2023 cycle counters recorded an average increase in weekday cyclists relative to pre-pandemic

Average daily count of cyclists June – August (Weekday)



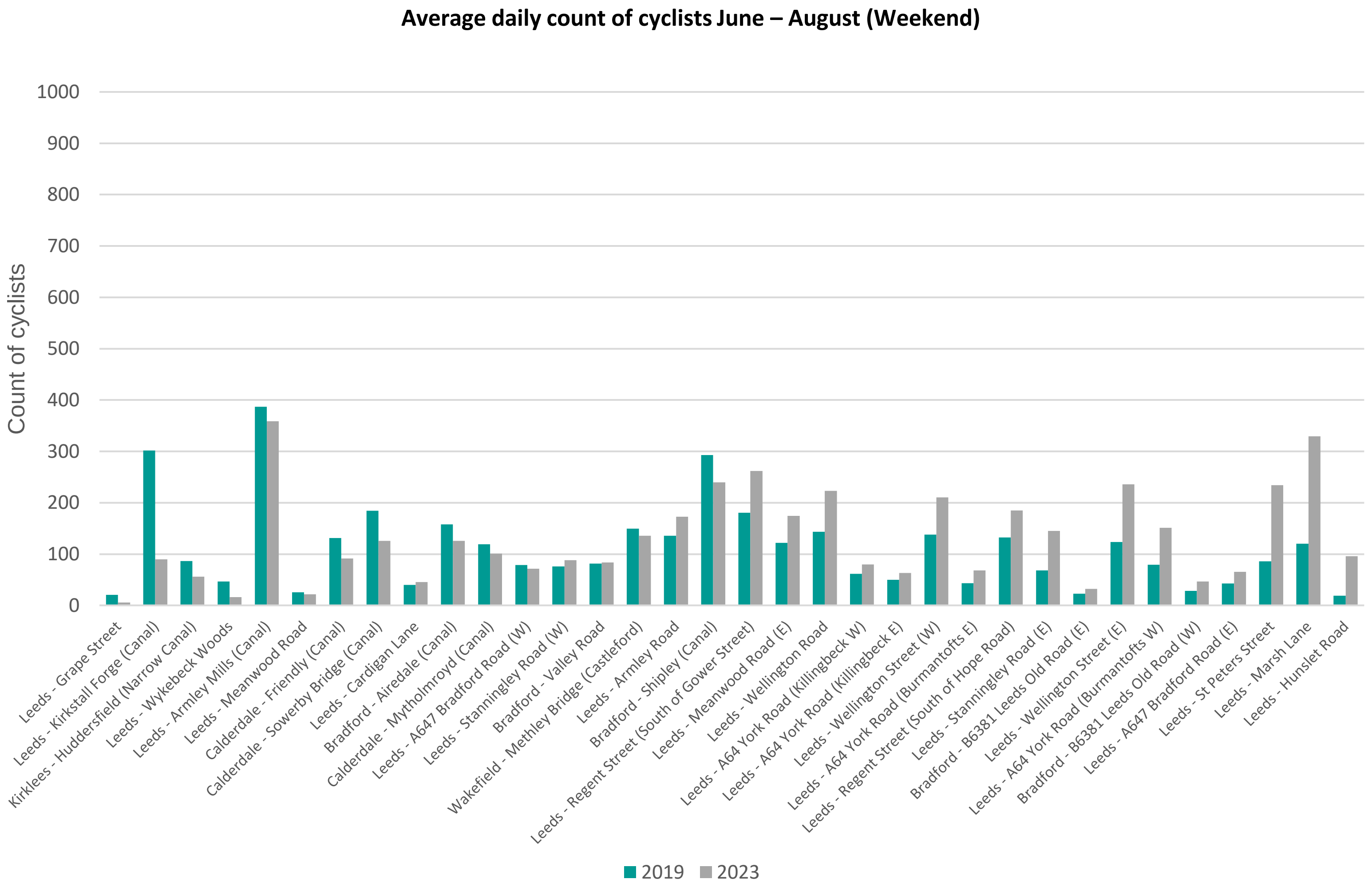
Across June, July and August 2023 there has been a marginal increase of 2% in the average number daily commuters on weekdays when compared to the same period in 2019. The increase is not uniform across the counter sites with 17 of 34 sites with data showing growth, with large increases at Marsh Lane and St Peters Street in Leeds.

The highest weekday daily average was at Armley Mills (Leeds) with 702 cyclists averaged across June to August 2023.

Weekday 2019 total = 6,723
Weekday 2023 total = 6,871 **(+2.2%)**

Source: *Data collected from Drakewell - https://drakewell02.drakewell.com/* Please note the report only contains results where sites had counts in June to August 2019 and 2023.

From June to August 2023 cycle counters recorded an average increase in weekend cyclists relative to pre-pandemic



Across June, July and August 2023 there has been an increase in cycle use of 17% at weekends with 21 of 34 sites with data showing growth relative to 2019 levels.

The highest weekend daily average was at Armley Mills (Leeds) with 359 cyclists per day across June to August 2023.

Weekend 2019 total = 3,777
Weekend 2023 total = 4,432 **(+17.3%)**

Source: *Data collected from Drakewell - https://drakewell02.drakewell.com/* Please note the report only contains results where sites had counts in June to August 2019 and 2023.