



West Yorkshire Economic & Transport Insights Report

West Yorkshire Research & Intelligence Team

29th November 2022

Executive Summary – Economic Insights

- Employment levels across the region have continued to increase monthly, however, the number of younger people claiming unemployment benefits has increased by 8% between June and October.
- There continues to be a large amount of vacancies across West Yorkshire. Job postings in October 2022 were 23% higher than October 2021, and double October 2020 and 2019. Vacancies across all districts, barring Bradford, increased between September and October.
- The CPI rose to 11.1% in October 2022, primarily driven by energy prices going up onto the Energy Price Guarantee level. Food is also a key contributor which experienced inflation of 16.4%. Fuel prices are starting to fall, but remain 20% higher than October 2021 prices. This will reduce living standards by the sharpest amount since the 1950s, and will leave households with 2013 levels of income.
- 71% of West Yorkshire businesses are concerned about their survival. Debt levels among SMEs were around 50% higher than pre-pandemic levels by the end of 2021, and interest rates have increased significantly since. 37% of businesses are not expecting to increase wages over the next 12 months.

Executive Summary – Transport Insights

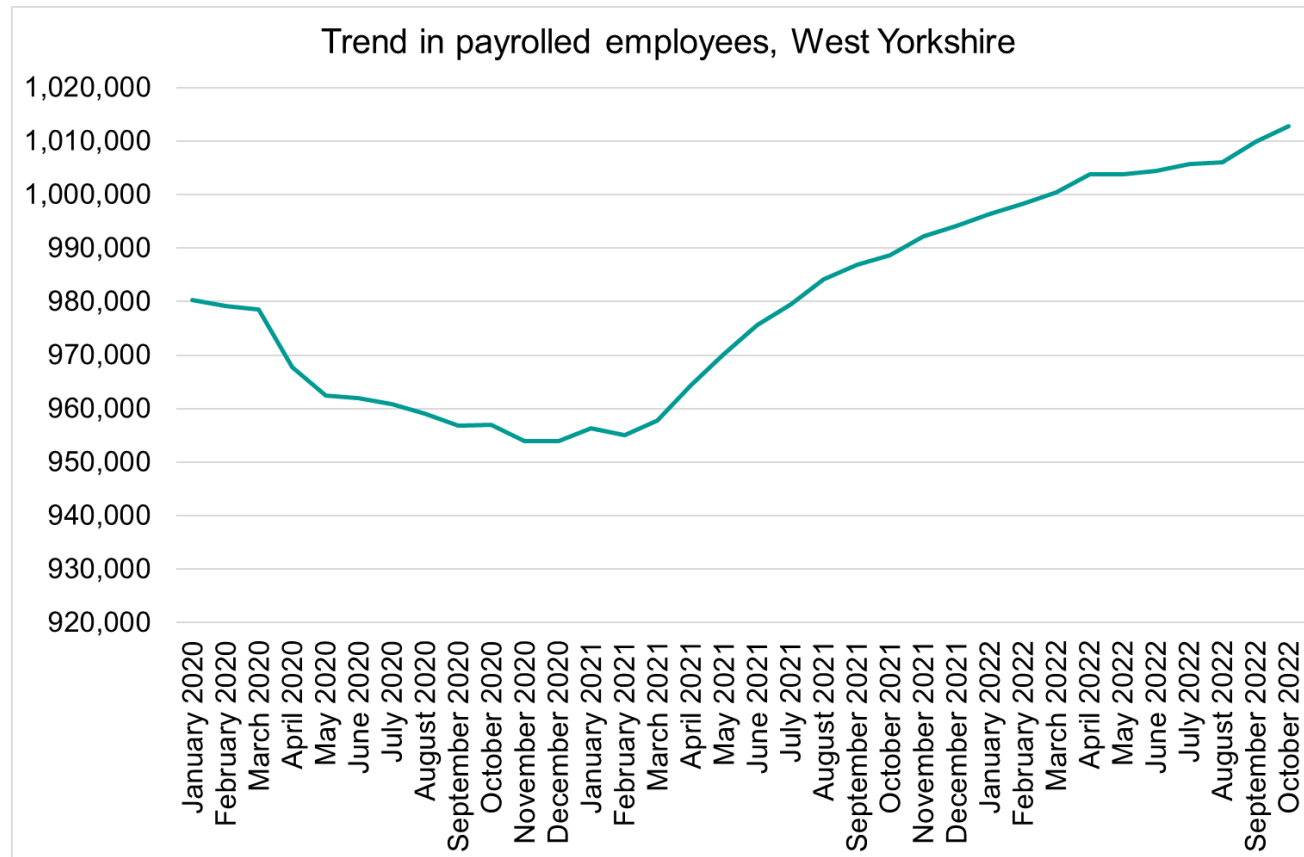
- Nationally, bus use outside London recently reached 90% of pre-pandemic levels over recent weekdays, with weekend spikes exceeding 100% (particularly Sundays).
- Locally, weekday average bus patronage stood at 84% week commencing 14th November, but there is variation with cohorts; Under 19's patronage exceeds pre-pandemic levels. Adult bus patronage reveals continued pandemic recovery, but for the period outside of lockdowns, the year-on-year increase was higher in spring than is now.
- Analysis of bus ticket types indicates preference of 'low commitment' tickets; single and return tickets sales have grown considerably, with day ticket use nearing pre-pandemic levels, whilst sales of weekly and 4 weekly ticket types haven't recovered since a fall in December 2021.
- Park & Ride passenger numbers are recovering, but still below pre-pandemic levels overall (60% at Elland Road).
- Average weekday footfall at Leeds rail station has fallen back from its October peak (81% of baseline); now 76% of baseline levels in the most recent full week.
- Concern about public transport use in relation to COVID-19 has fallen considerably; 62% say they are not at all concerned about using public transport in relation to COVID-19.
- Since April, exclusive home working has fallen whilst exclusive office working has risen, but one third are hybrid working and expect to continue this pattern in the future.
- People expect to walk more and use motorised modes less in response to the cost of living crisis

Economic Insights



West Yorkshire's employee count continues to grow at a steady rate

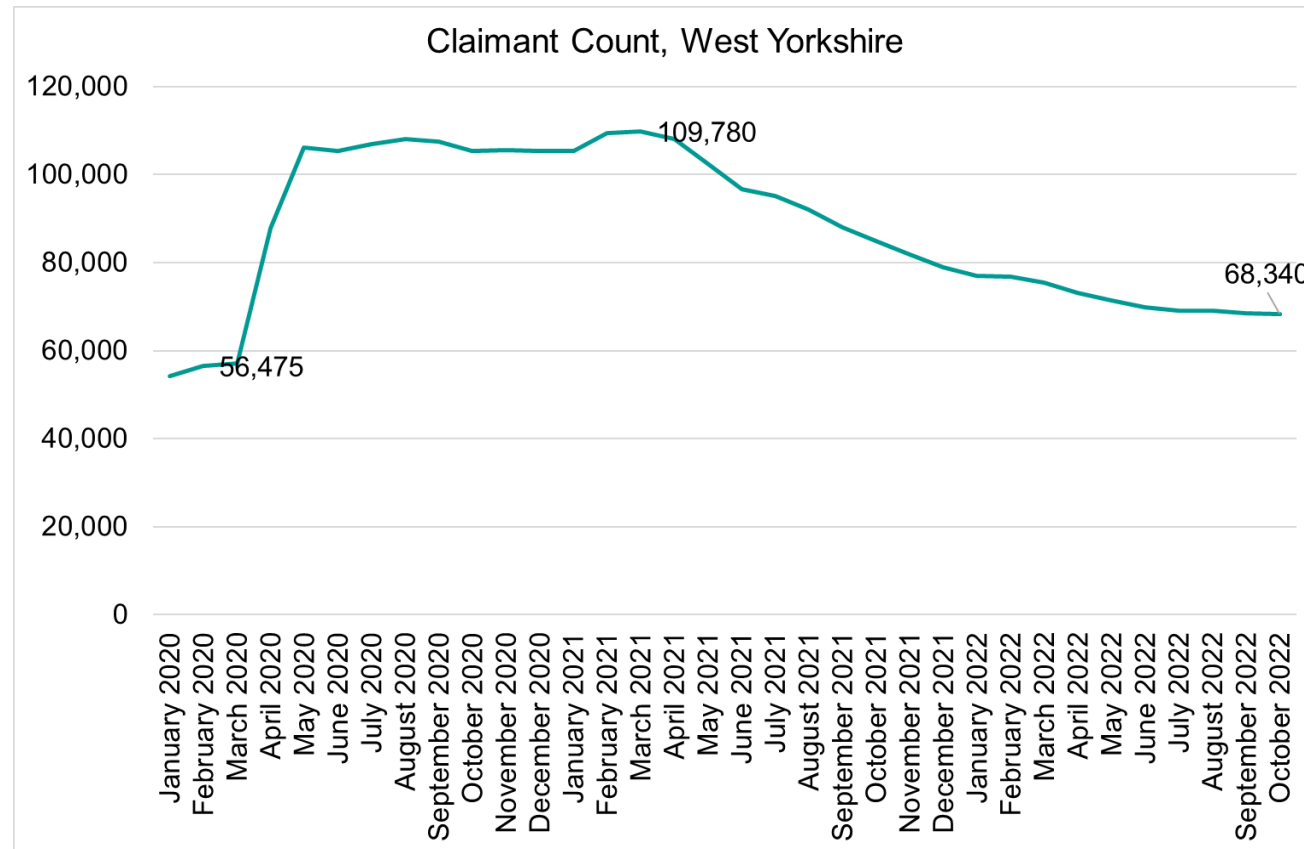
The number of payrolled employees in West Yorkshire increased by around 2,900 (0.3%) between September and October 2022, slightly above the national growth rate. The employee count is now 34,000 (3%) above pre-pandemic levels (Feb 2020), similar to the national position



Source: HMRC

West Yorkshire's unemployed Claimant Count has largely unchanged over last 3 months

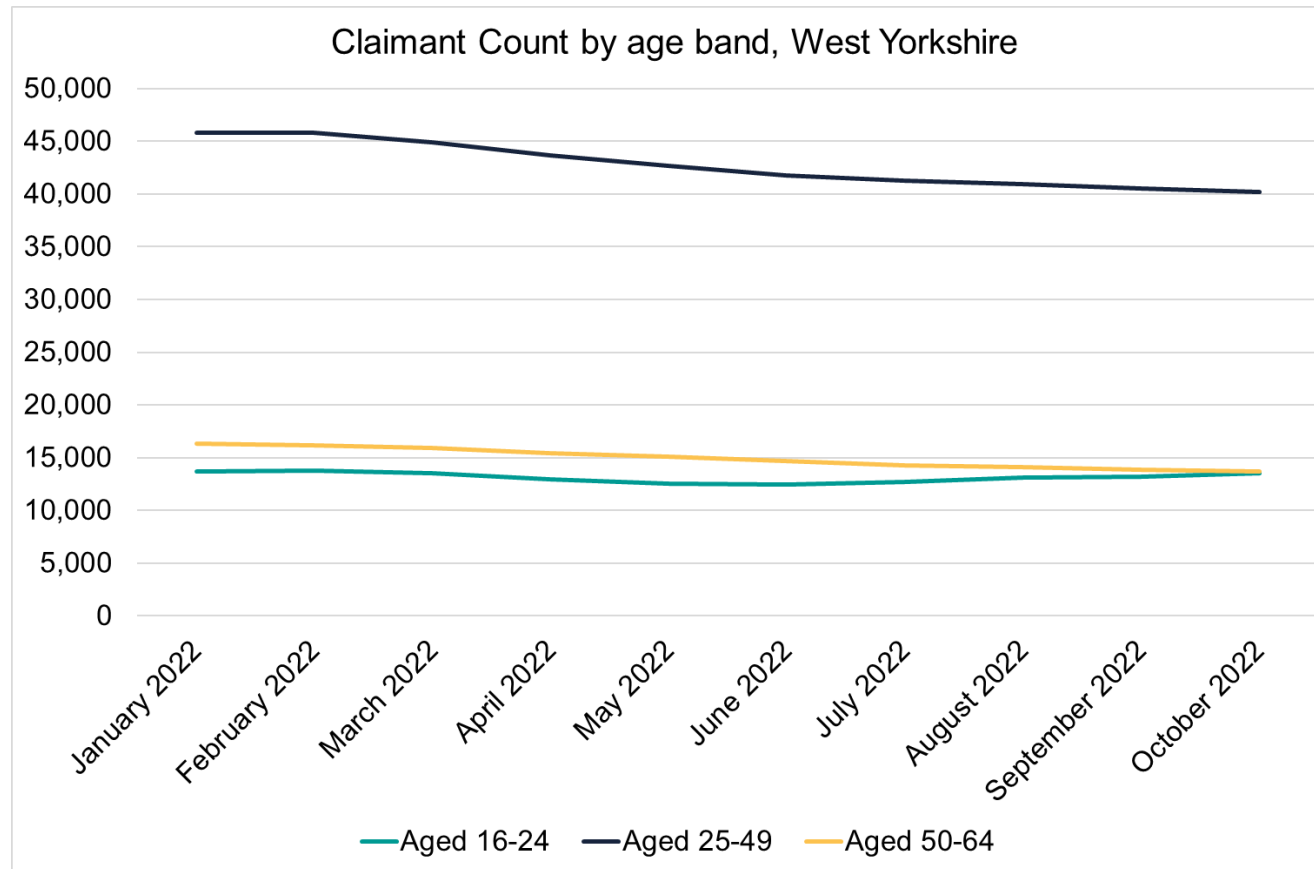
The latest claimant count figures for West Yorkshire, which relate to the number of people on out-of-work benefits, show a continuing flat position between June and October 2022. The count remains 21% (11,900) higher than pre-pandemic (February 2020). West Yorkshire's claimant rate of 4.6% (6.6% in Bradford) is above the national average of 3.7%



Source: NOMIS

Number of young unemployed claimants is growing in contrast to older groups

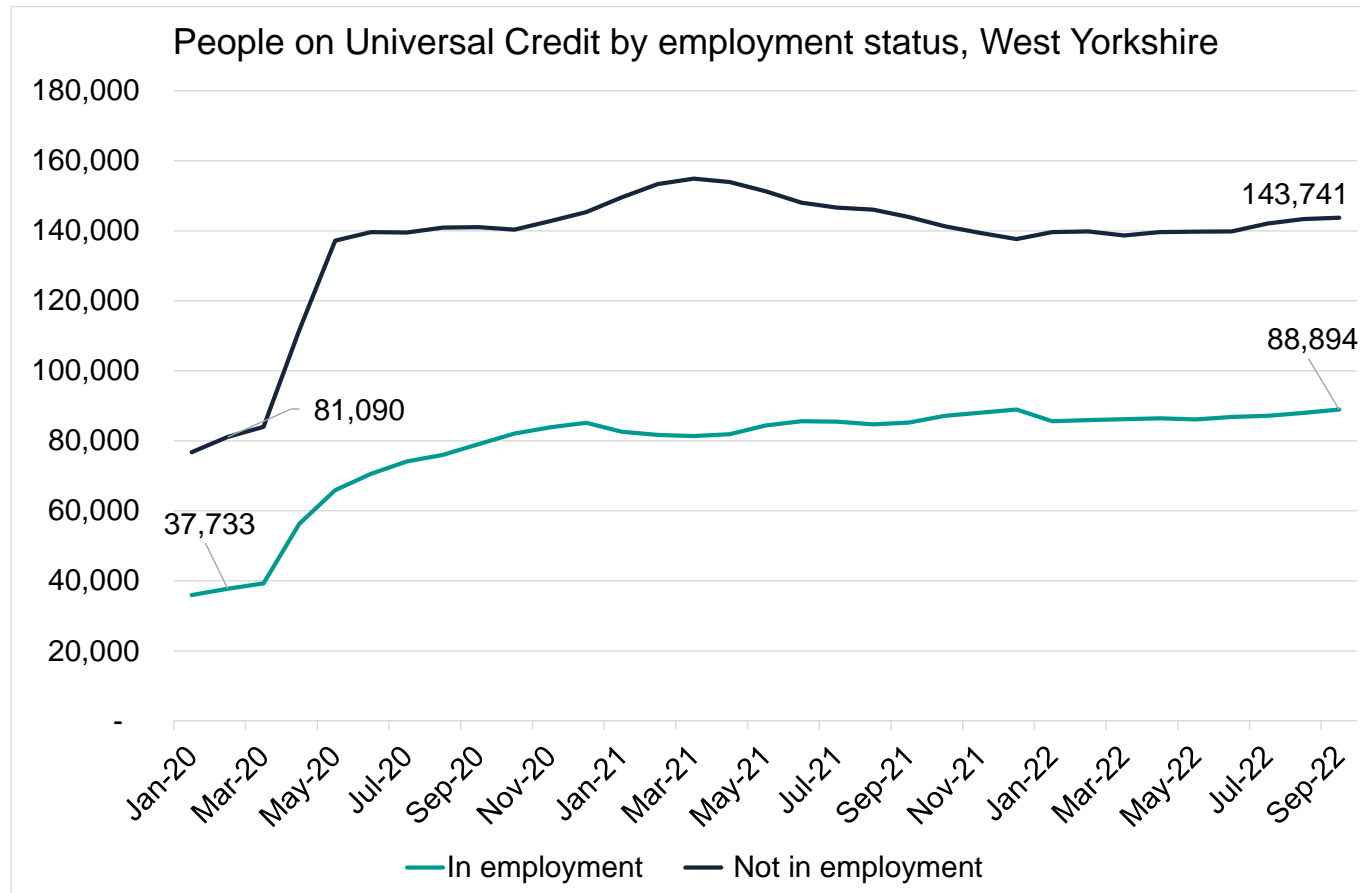
Although the overall claimant count is falling the number of young people out of work and claiming benefits is now increasing, growing by around 1,000, or 8% between June and October. The number of claimants aged 25 and over is still declining. There is a similar trend across West Yorkshire local authorities and at national level.



Source: NOMIS

The number of people on Universal Credit continues to increase, including those in employment

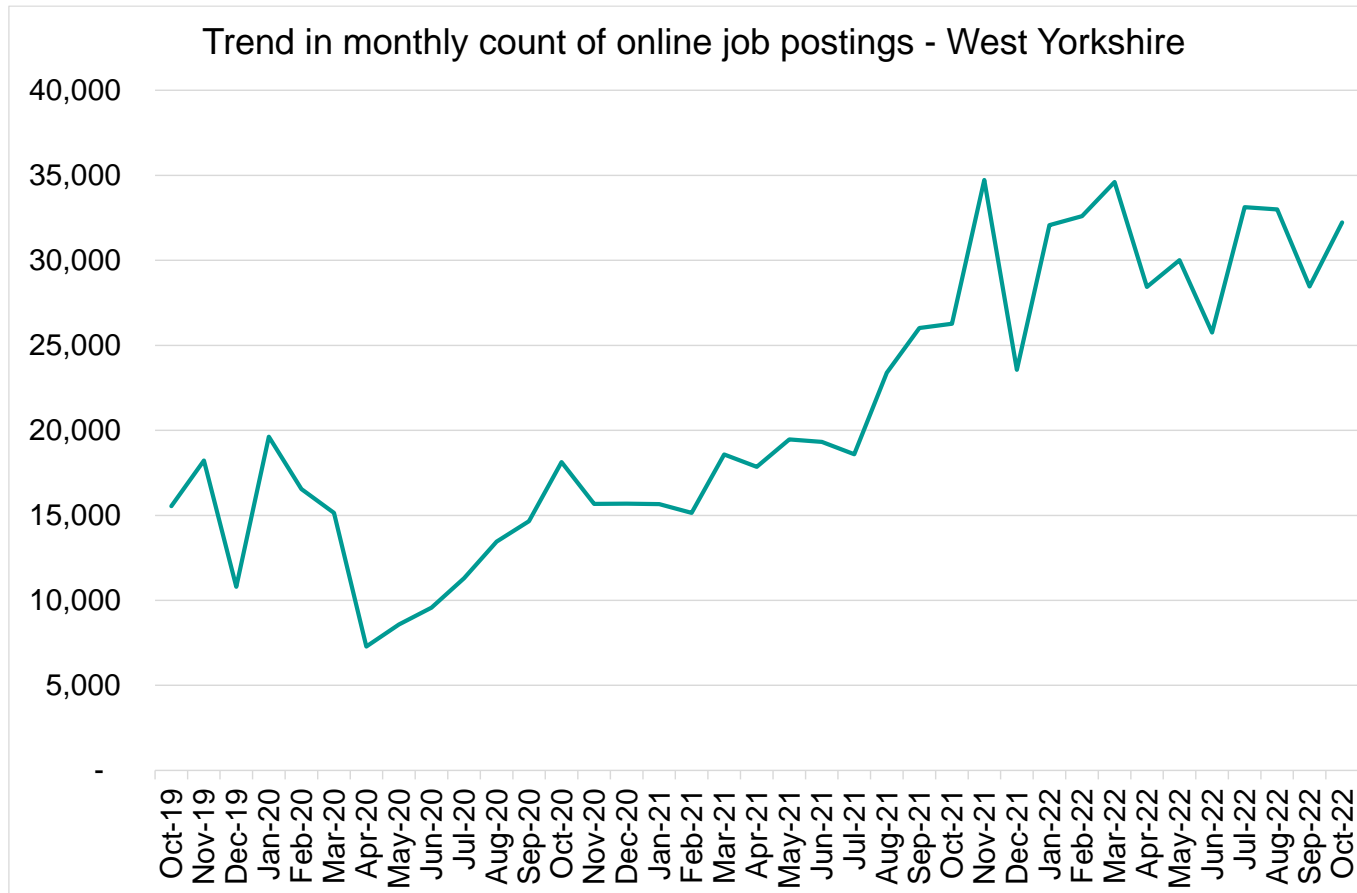
The latest figures for people on Universal Credit (Sept 2022) show that 89,000 claimants are in employment, and this number is on an upward trend as is the number who are not in employment. Of the 233,000 people on Universal Credit, 38% are in a job. It should be noted that changes are partially due to people migrating to Universal Credit from legacy benefits.



Source: Stat-Xplore, DWP

Recruitment activity remained strong in October

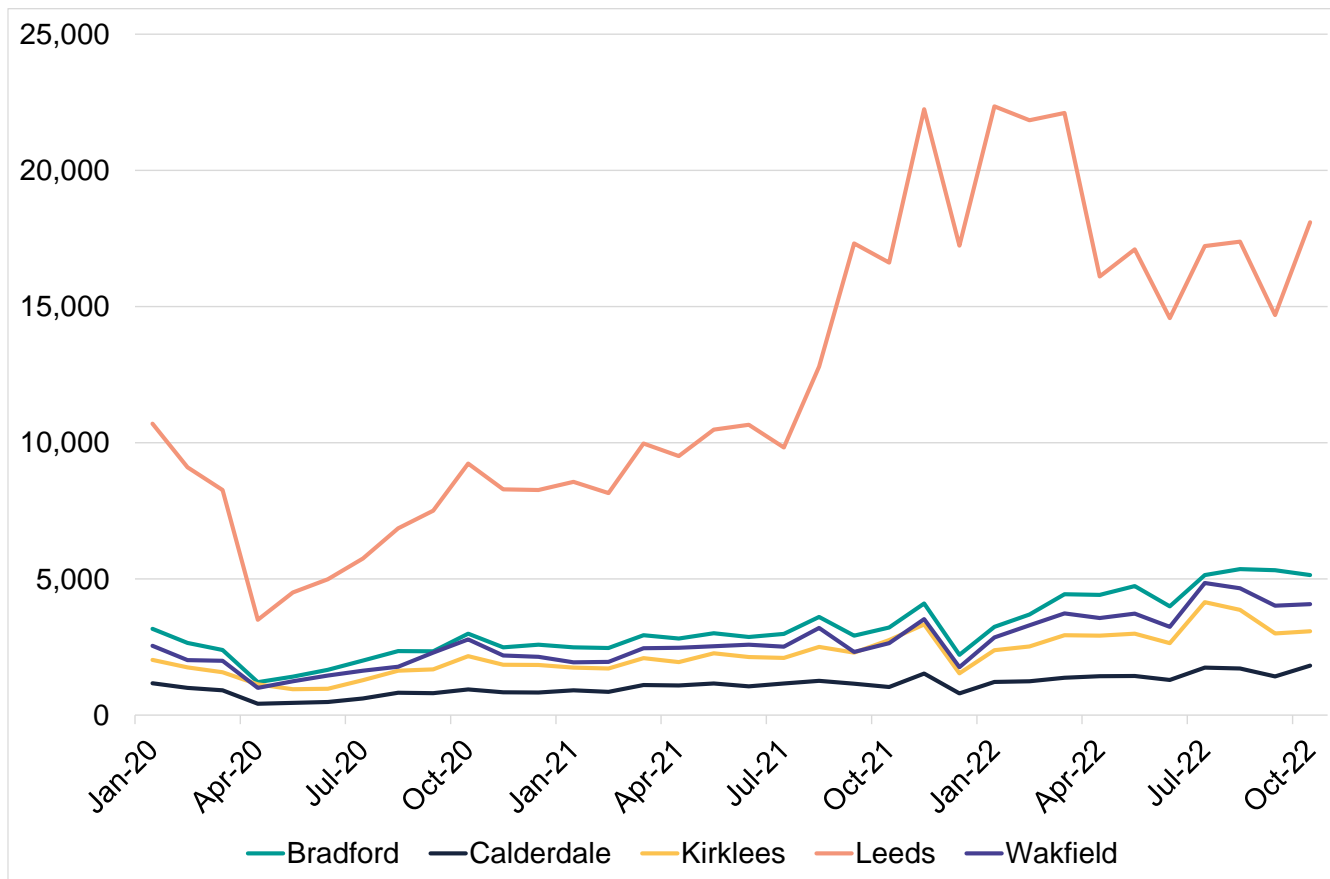
The monthly count of online job postings grew during October 2022, following declines in August and September and the level of postings remains very high in historic terms. There were 32,200 new postings recorded in October 2022, 23% higher than the level for October 2021 and more than double that of October 2019.



Source: Lightcast

Online job postings remain at relatively high levels across the five local authorities

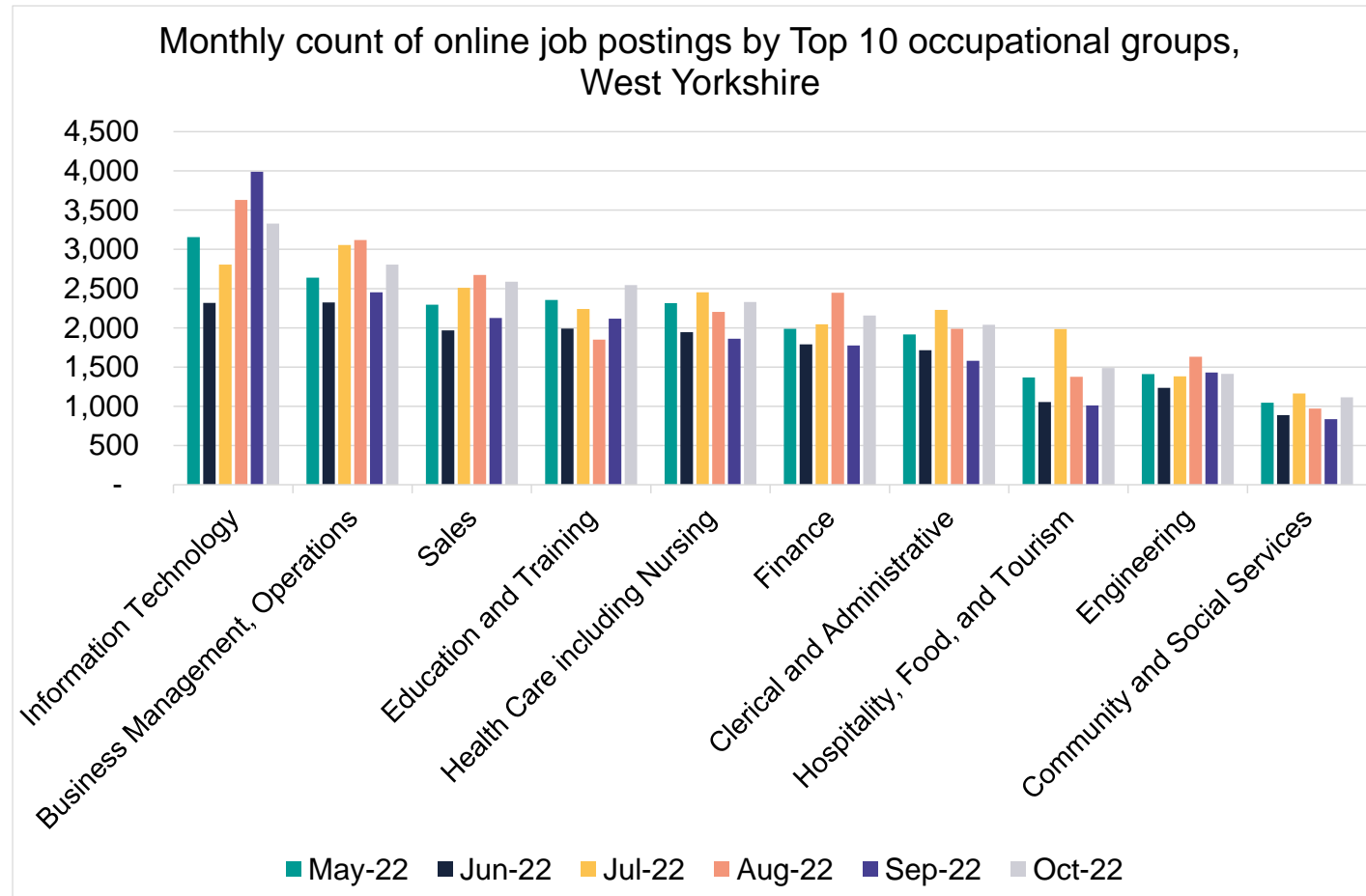
The count of job postings in Leeds is currently a fifth below its peak at the beginning of the year but still high in historic terms. All other local authorities have seen a continuation of growth in the latter part of 2022. The count of postings increased in four out of five local authorities between September and October (small fall in Bradford).



Source: Lightcast

No sign of slackening in recruitment activity across occupations

The number of job postings for Information Technology posts fell during October, following growth in two previous months but postings grew for most of other occupations, including Hospitality, food and tourism (+35%) and Clerical and admin (+24%)

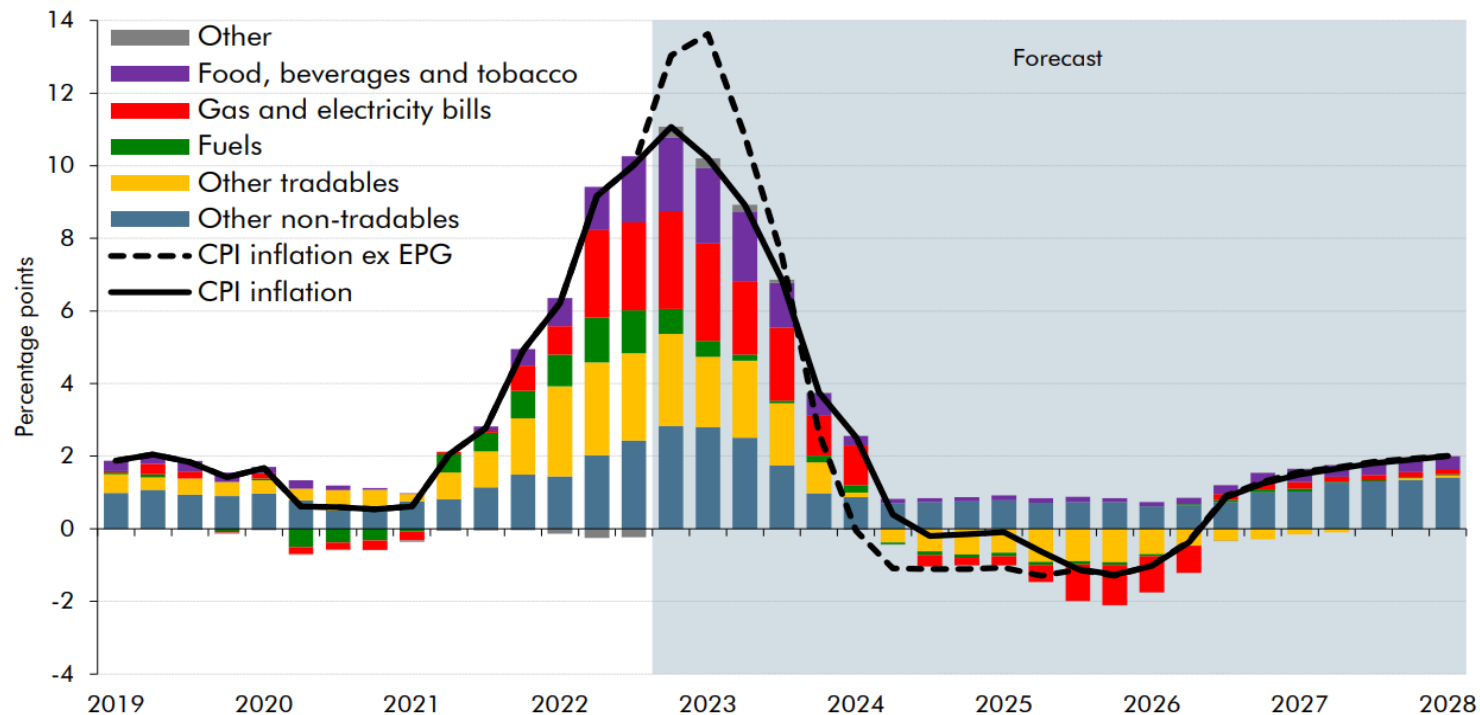


Source: Lightast

The inflation crisis is a necessities crisis with food and energy putting significant upward pressure on CPI

The CPI rose by 11.1% in the 12 months to October 2022. Food prices increased by 16.4% over the previous 12 months. Gas prices have doubled and electricity prices have increased by 89%. Petrol and diesel prices are still over 20% more expensive than October 2021, but are trending downwards.

Chart 4: Contributions to CPI inflation

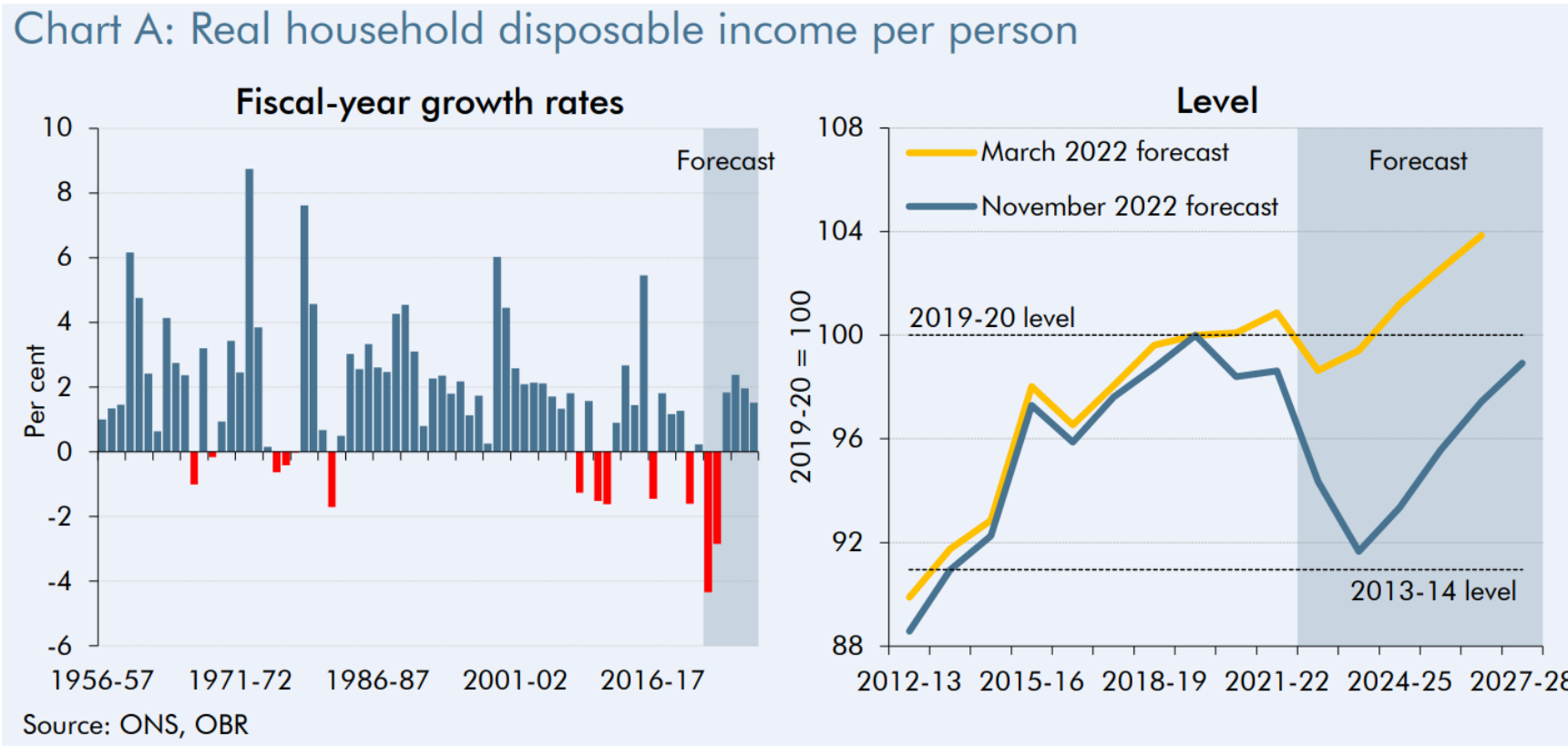


Source: ONS, OBR

Source: Office of Budget Responsibility

Living standards are forecast to be set back 10 years in 2023-24, and even by 2027-28 will still be below pre-pandemic levels

Living standards are expected to fall by 7% by 2024 and is the largest reduction in living standards since the 1950s. The fall in living standards will lead to reduced consumption, thus driving the UK economy into recession.



Source: Office of Budget Responsibility

One in five adults in Yorkshire have no savings

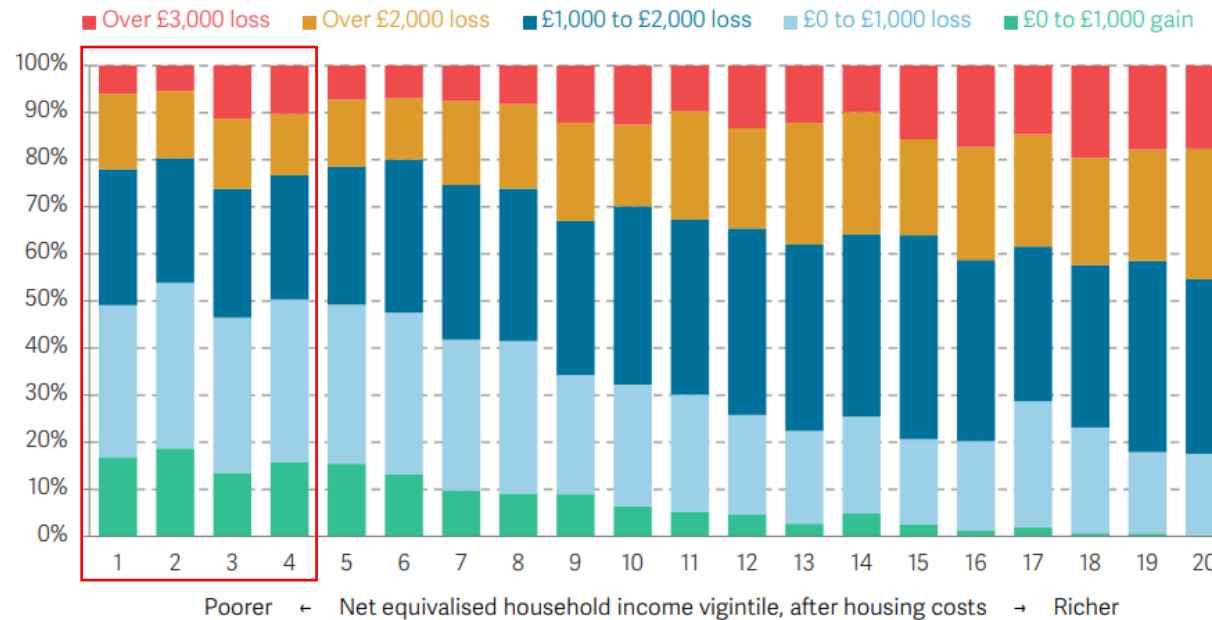
- Overall, around a third of adults in Yorkshire have less than £100 in savings
 - 22% have nothing
 - 10% have £100 or less
- This is greater than the national level where 26% have less than £100 in savings
 - 17% have nothing
 - 9% have £100 or less
- 74% of adult in Yorkshire use a form of credit and 39% of those that do are now anxious about how much they owe
- A further 31% are worried about the number of different products they have

Source: Money and Pensions Service, 2022

The poorest are generally most protected via energy support, however, support in 2023 is less generous than 2022

The Energy Price Guarantee is a cap on unit prices, and for the average household, this would equate to £3,000. The Resolution Foundation are forecasting one-quarter of households to face energy bills in excess of £4,000, which is likely to disproportionately hit the elderly and disabled people.

Combined annual impact of the increase in energy bills from 2021-22 to 2023-24, and the energy bills support in 2023-24: UK



NOTES: Chart assumes Cornwall Insight energy bill forecasts as of 17/11/2022. Energy support in 2023-24 includes the £3,000 Energy Price Guarantee, £900 means-tested benefit payment, £300 pensioner payment, and £150 disability payment.

SOURCE: RF analysis of DWP, Family Resources Survey using the IPPR tax-benefit model; DWP, Households Below Average Income; ONS, Living Costs and Food Survey.

Source: Resolution Foundation

Regional Business Survey – Dynata

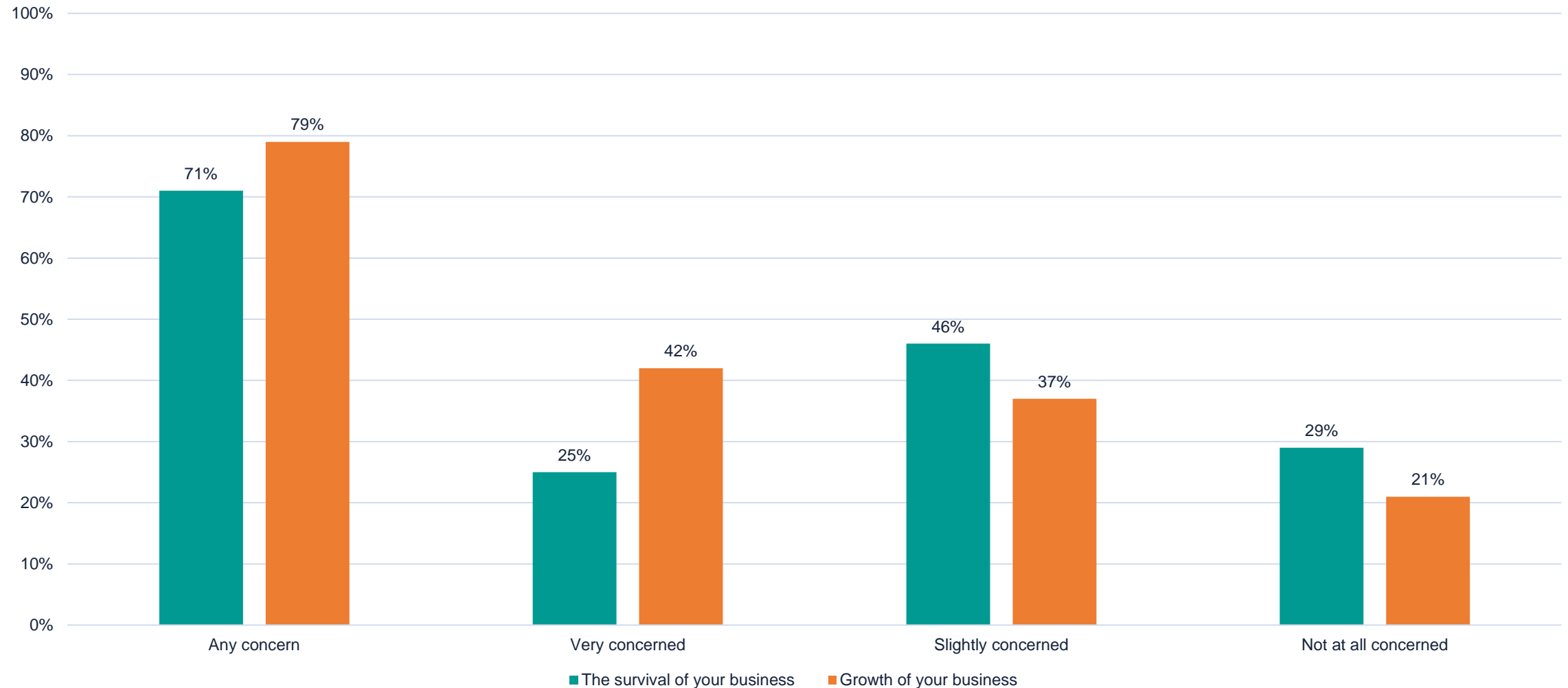
Fieldwork: 21 – 31 October 2022

**West
Yorkshire**
Combined
Authority



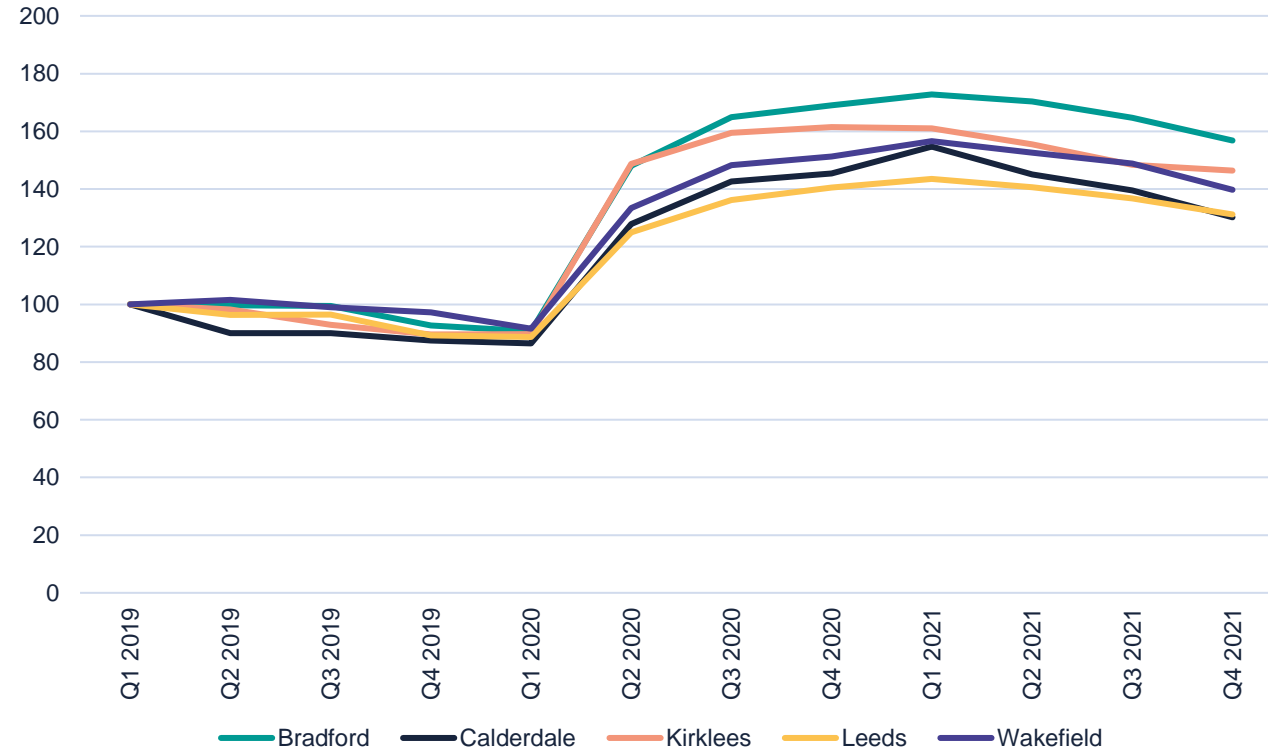
**Tracy Brabin
Mayor**
of West Yorkshire

71% of West Yorkshire businesses are concerned about the survival of their business, with 79% concerned about business growth



SME debt levels across West Yorkshire were 50% higher in Q4 2021 than 2019

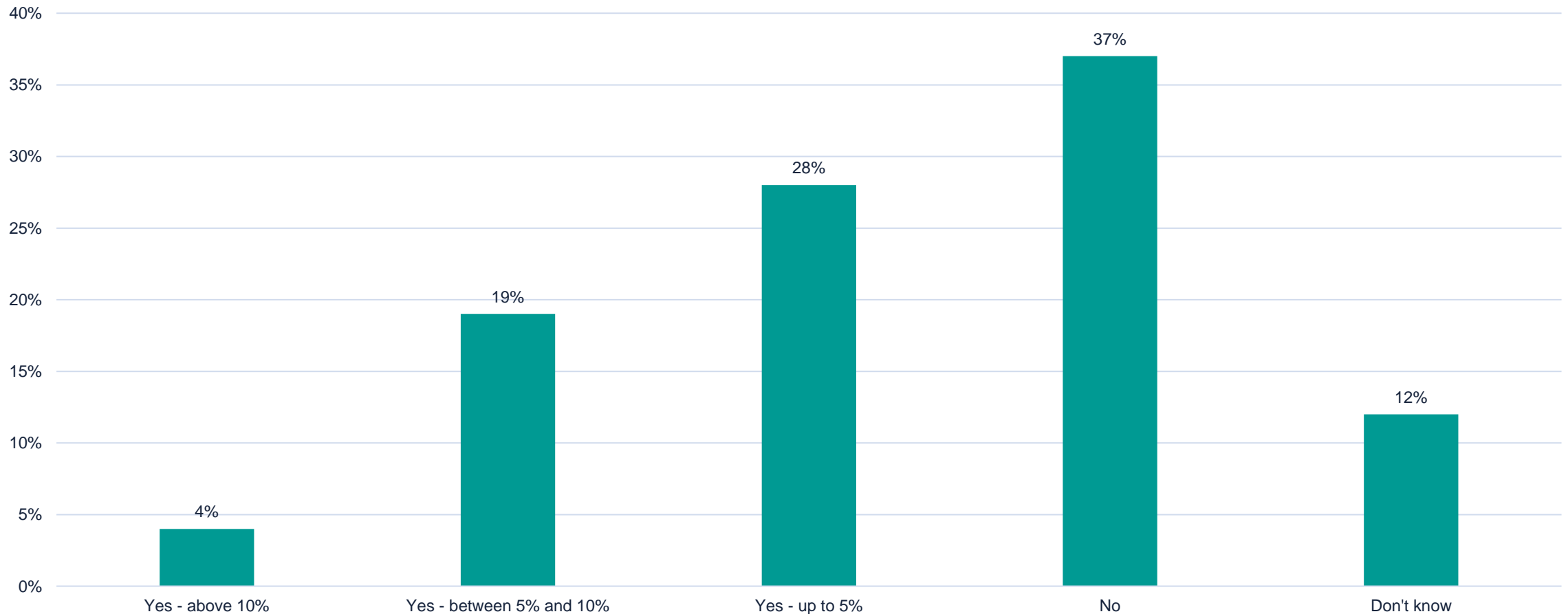
Due to the Covid-19 Pandemic, outstanding debt levels among SMEs increased dramatically. These levels peaked in Q1 2021, before beginning to fall as repayment mechanisms for CBLs and BBLs kicked in. In Q1 2021, debt levels in Bradford had increased the most relative to Q1 2019 (+73%), followed by Kirklees (+61%), Wakefield (+57%), Calderdale (+55%) and Leeds (+43%). Prior to the Pandemic, outstanding debt levels were around £2bn across West Yorkshire. This had increased to £3.4bn by Q1 2021, and fell to £3bn by the end of 2021.



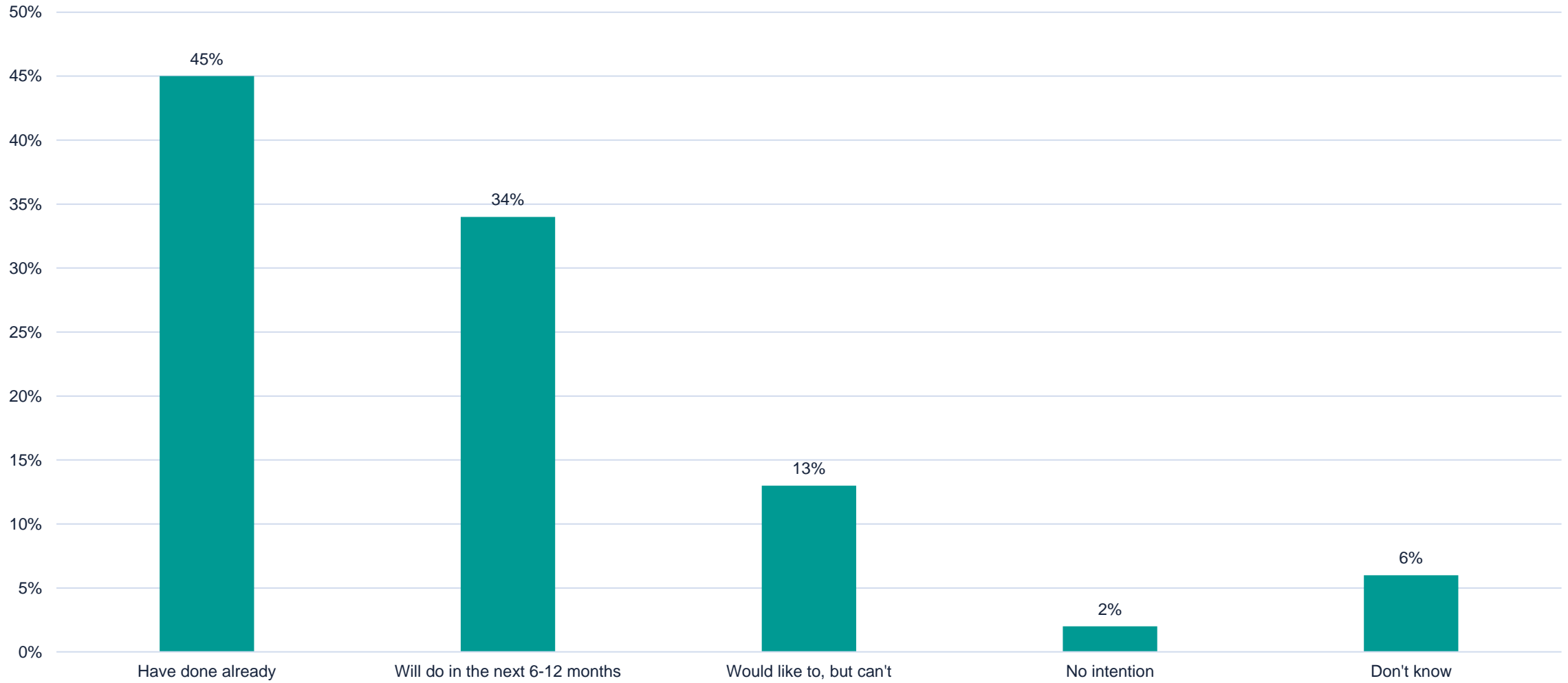
Source: UK Finance, 2022

2 in 5 West Yorkshire businesses are not planning on increasing wages in the next 12 months

Only 4% of West Yorkshire businesses are planning to offer inflation-beating wage increases in the next year.



1 in 3 West Yorkshire businesses are planning to make their business more energy efficient in the next 12 months



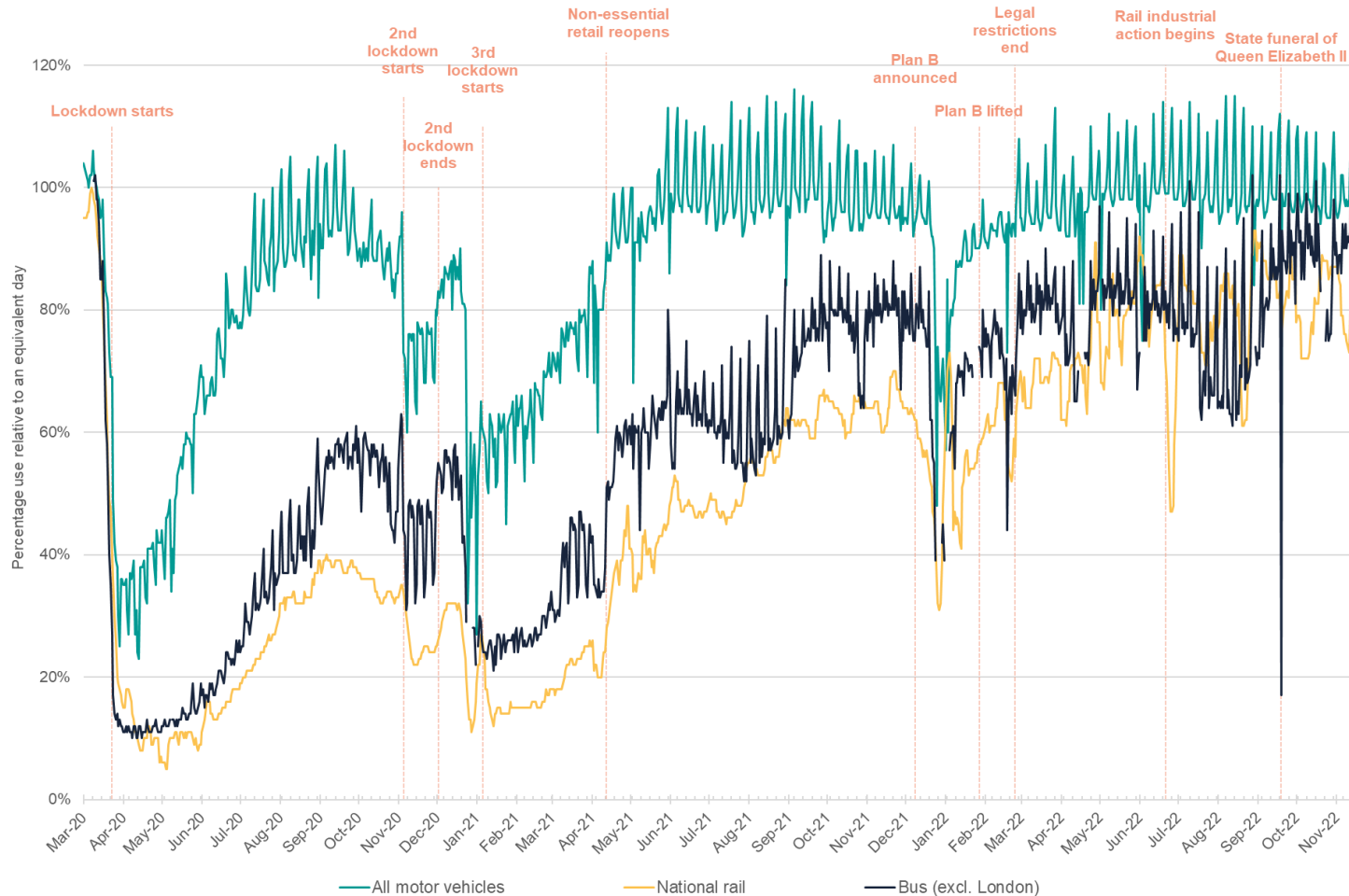
Businesses in West Yorkshire have started to make four changes to improve their energy efficiency

- 47% have altered their energy usage on a day-to-day basis e.g. turning down heating and lighting
- 24% have improved the efficiency of their lighting e.g. switching to LED bulbs
- 13% have improved the insulation of their premises
- 8% have changed working arrangements e.g. more working from home

Transport Insights



National bus use closes in on motor vehicle recovery



Bus use outside London remains around 90% of baseline conditions over recent weekdays, with weekend usage spikes to around 100%, particularly on Sundays.

This is close to motor vehicle levels of recovery.

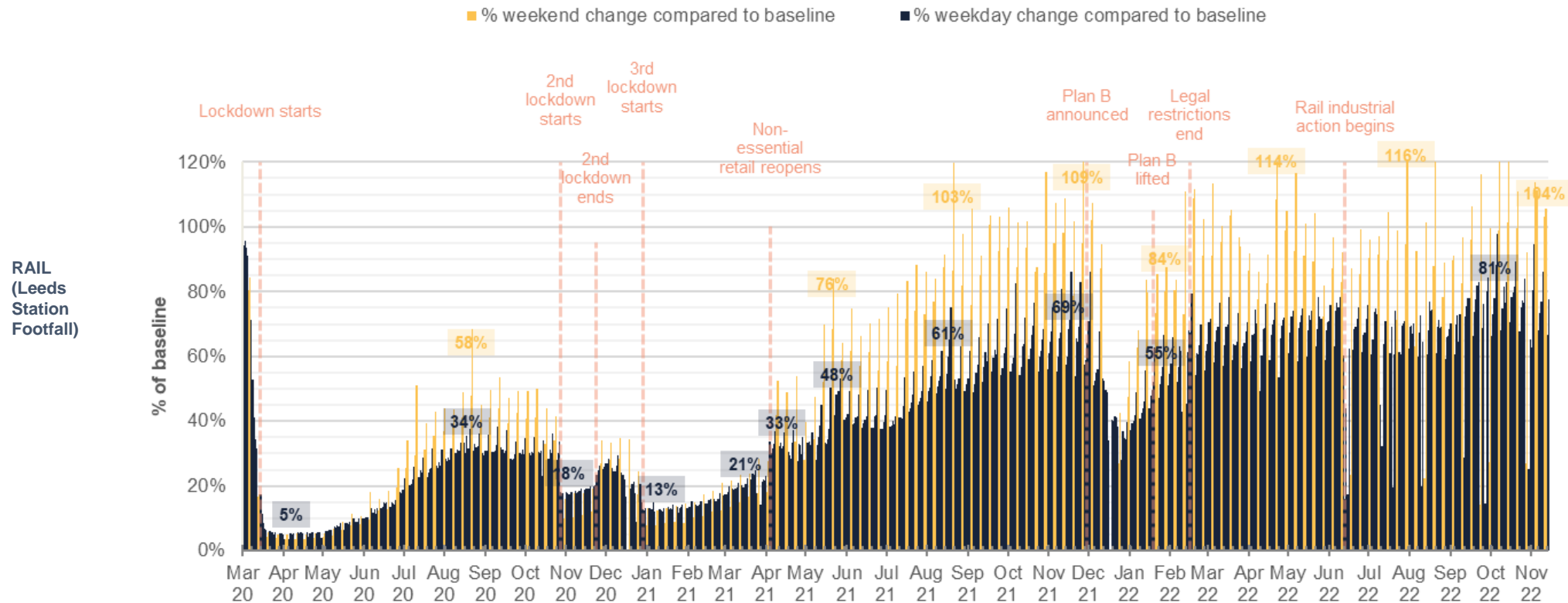
Rail use fluctuates around industrial action. It was around 80% in the most recent weekdays with available data, although the most recent weeks are subject to revision as is normal for this source.

Nationally, motor vehicle use remains just below pre-pandemic levels with weekend usage above baseline.

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

Leeds rail weekday footfall falls slightly

Average weekday footfall at Leeds rail station has fallen back from its October peak, reaching 76% of baseline in the most recent full week. Weekend average levels also dropped to 104%.

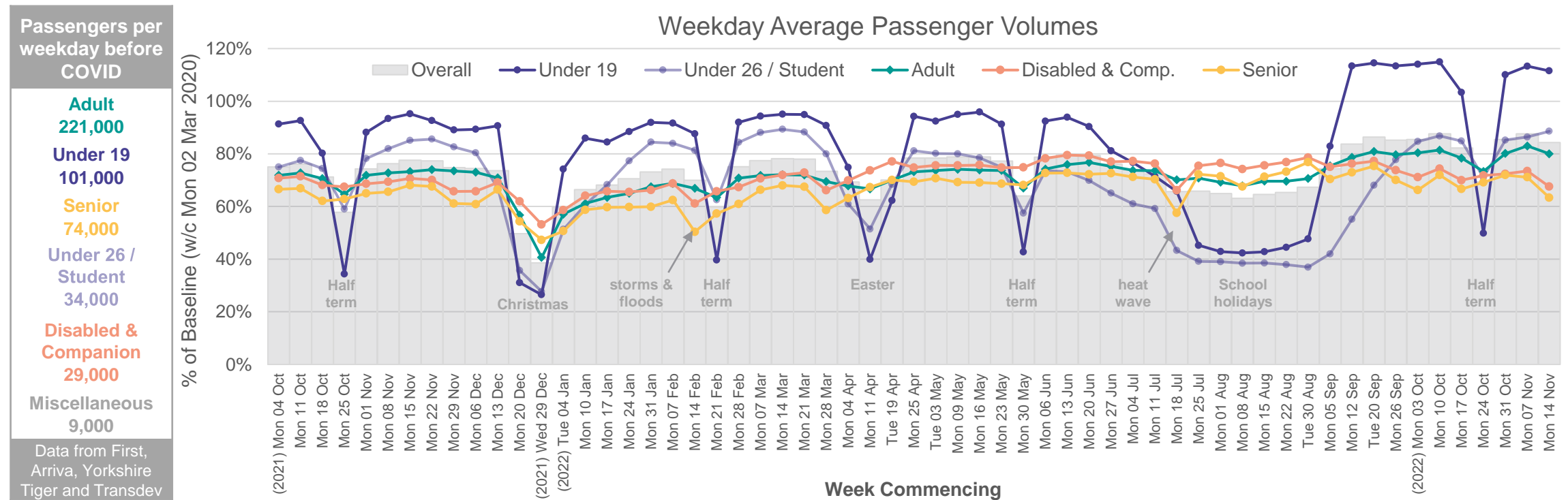


Baseline period is Monday 2nd - Friday 6th March 2020 (weekdays) and 29th Feb -1st March and 6th-7th March (weekends)

Source: Leeds Rail Station Footfall - Network Rail

Overall weekday bus patronage 84% of baseline, but there is considerable variation by passenger cohort

The chart below shows bus use (via ticket machines) relative to pre-pandemic conditions. Use by the senior and disabled cohorts was lower in the latest week than the equivalent week in 2021, this could be a seasonal change happening slightly earlier than last year. Other cohorts show higher patronage than similar weeks in 2021 though each cohort individually follows a similar pattern.



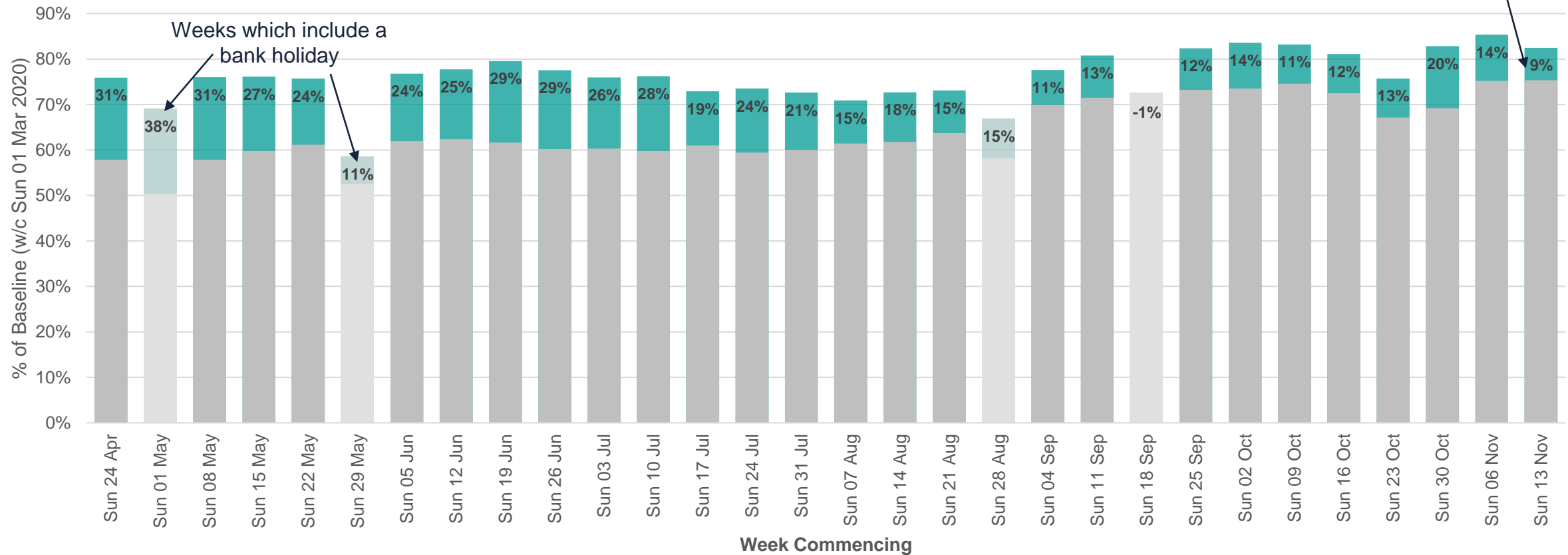
Source: Baseline period is w/c Mon 02 Mar. Source: Bus operators electronic ticket machine data, passenger boarding locations in West Yorkshire. First, Arriva, Yorkshire Tiger and Transdev account for over 90% of bus services in West Yorkshire. Graph shows First, Transdev and Yorkshire Tiger data. Data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

Adult bus patronage shows continued pandemic recovery, but for the period outside of lockdowns, the year-on-year increase was higher in spring than is now

Adult Patronage Changes Year-on-Year

■ 2022 ■ Equivalent week 2021

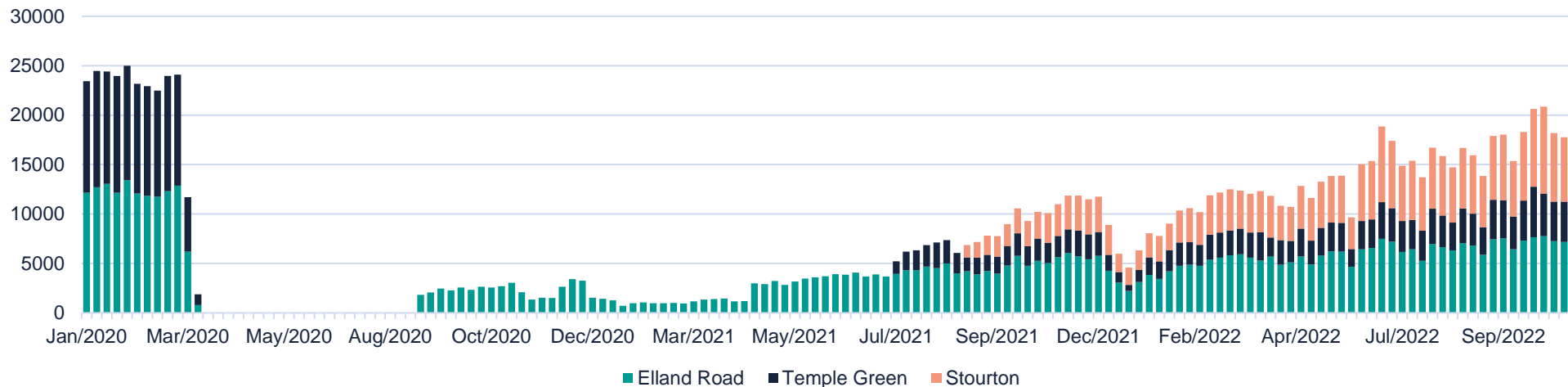
The difference in bus patronage in 2022 vs the equivalent week in 2021



Source: Baseline period is w/c Sun 01 Mar. Source: Bus operators electronic ticket machine data, passenger boarding locations in West Yorkshire. Graph shows First, Transdev and Yorkshire Tiger data. Data is for the adult cohort. Bank holiday weeks in 2022, shown in lighter teal, align with 2021 apart from the State Funeral of September 2022. The numbers above each bar are 2022 change as a percentage of 2021.

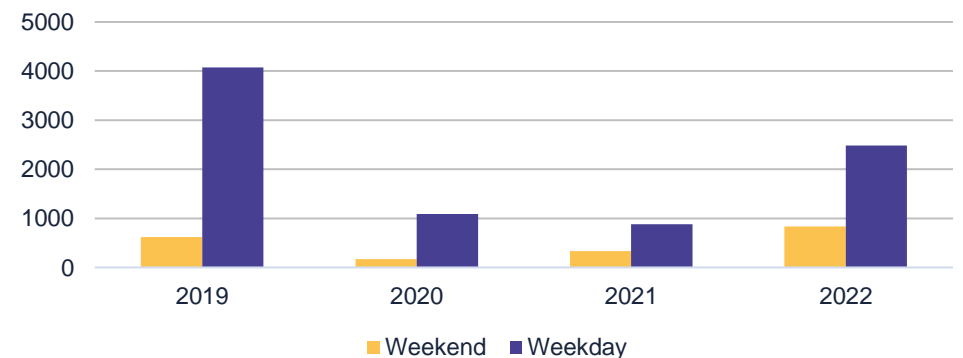
Park & Ride passenger numbers are recovering, but still below pre-pandemic levels

Park and Ride weekly passenger numbers



The number of passengers using park and ride shows a steady recovery over time since reopening, however, despite the opening of the new site at Stourton, numbers are not yet up to pre-pandemic levels. The number of passengers using Elland Road is currently at 60% of the level in comparable weeks in 2019. The average daily number of passengers at weekends is now, however, above pre-pandemic levels.

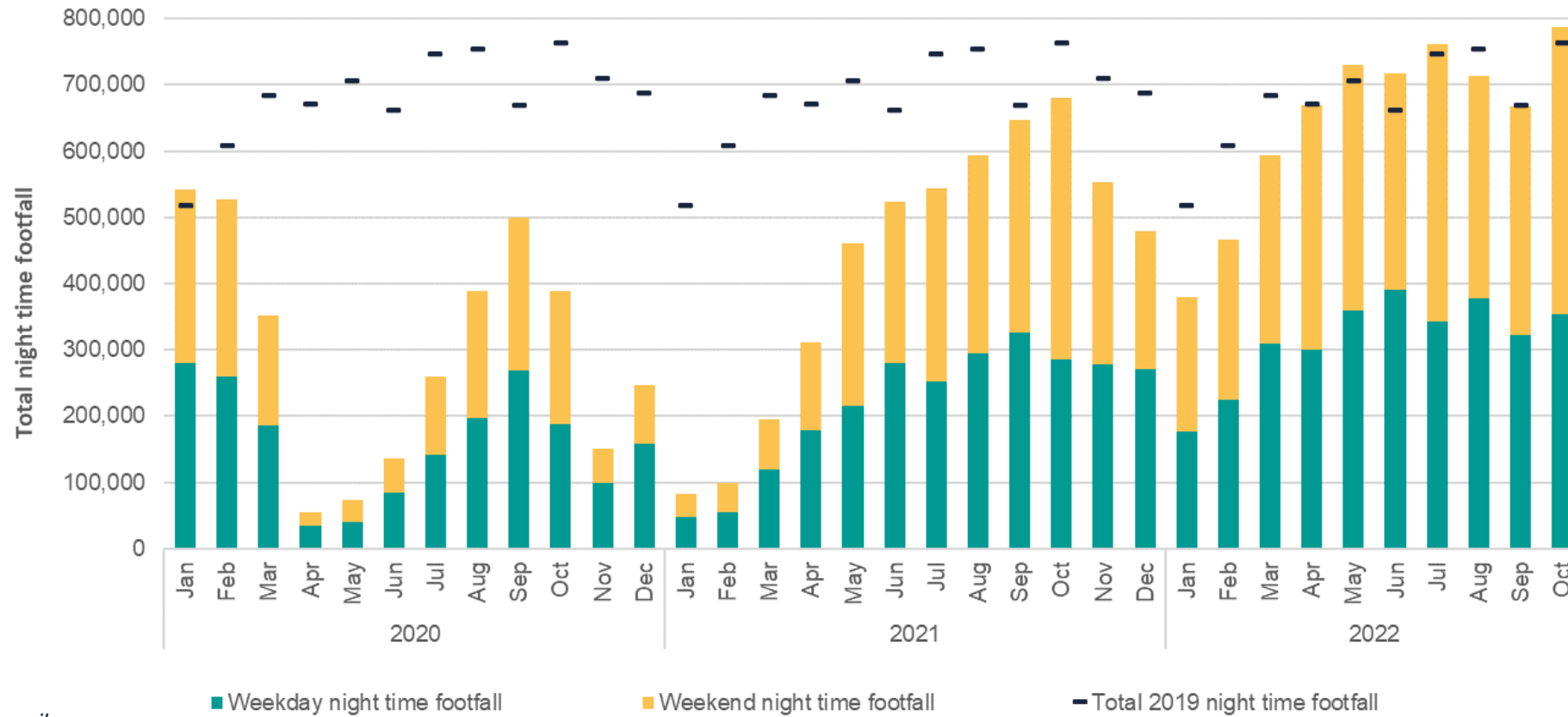
Average daily passengers for weekdays and weekends



Source: First
Weeks beginning 7th, 14th, 21st Oct & 4th Nov 2019 compared with weeks beginning 3rd, 12th, 17th & 31st Oct 2022

Leeds centre night time footfall recovers

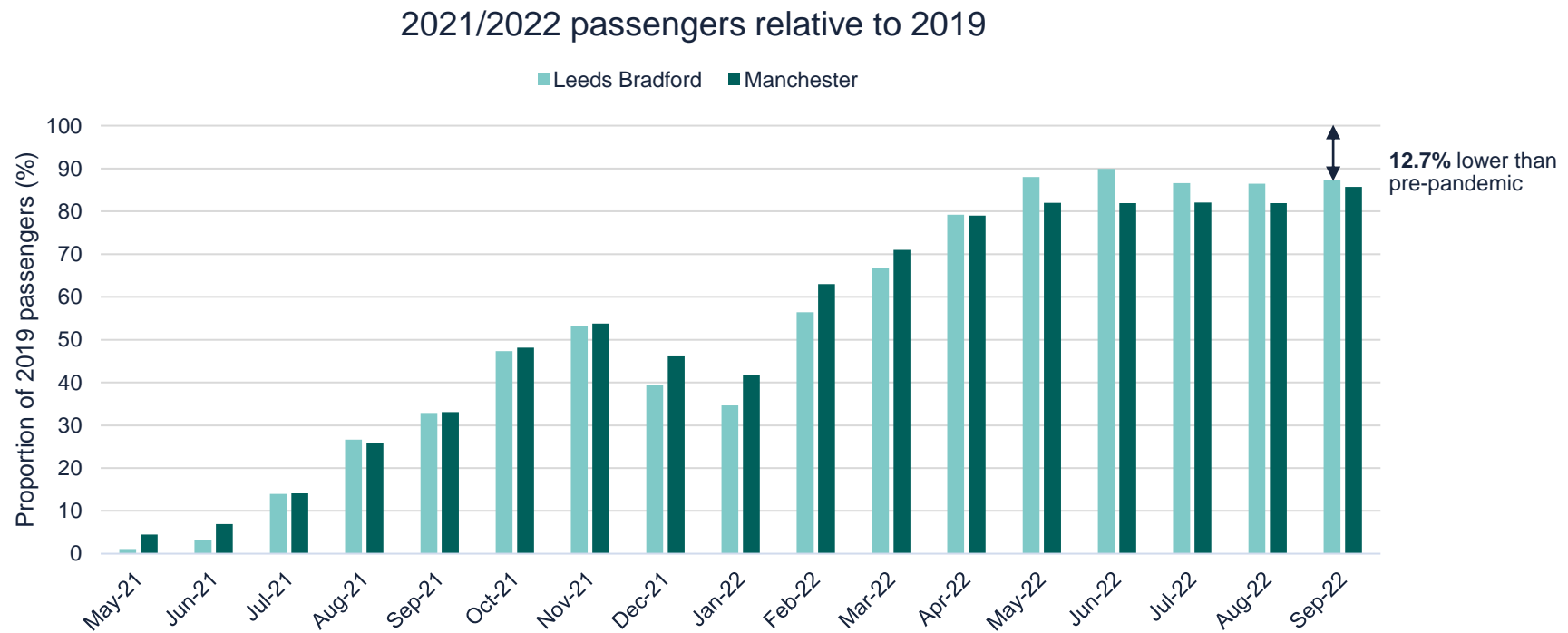
Over recent months, with the exception of August, Leeds city centre night time footfall continues to either match or exceed 2019 levels.



Source: Leeds City Council

Leeds Bradford Airport passenger numbers recover to 87% of pre-pandemic levels in July, August & September 2022

The UK Civil Aviation Authority release monthly passenger figures for all UK airports. The latest data (September 2022) reveals that terminal passengers at Leeds Bradford Airport (LBA) reached 87% of pre-pandemic levels (2019), still slightly down 3% percentage points from the recent high in June. Over the summer months the recovery trend for air travel plateaued. Notably over the summer, LBA passenger recovery was relatively higher than at Manchester Airport (compared to 2019 levels).



Source: UK Civil Aviation Authority (Table 9 – Terminal & Transit Passengers)

COVID-19 Transport Recovery Survey Headlines

Started in June 2020, this survey is aimed at tracking attitudes and behaviours in relation to transport in order to understand COVID-19 recovery trends and challenges

Fieldwork (wave 8):	11 th - 24 th October 2022 (before half term)
Sample:	Representative sample of the West Yorkshire population of 1,000 West Yorkshire residents with quotas for: <ul style="list-style-type: none">- Age- Gender- District- Ethnicity
Survey Method:	10-minute telephone interview
Topics covered	Perceptions of Public Transport Changes in Travel Behaviour (mode shift) Cycling Home Working & Commuting Cost of Living Crisis

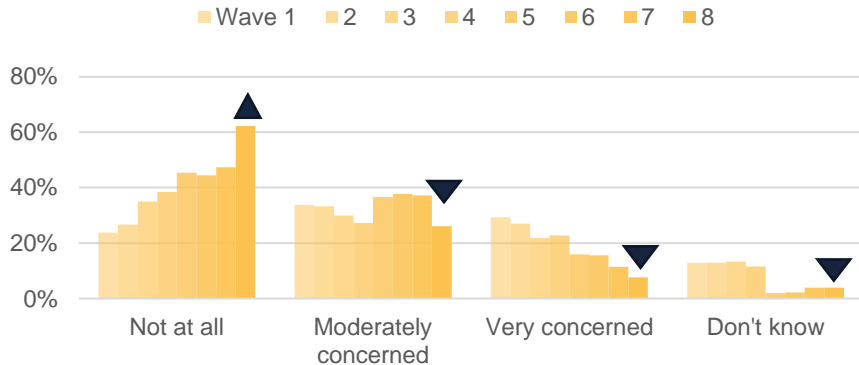
The full results pack is published online here:

<https://www.westyorks-ca.gov.uk/media/9473/covid-19-transport-recovery-survey-wave-8.pdf>

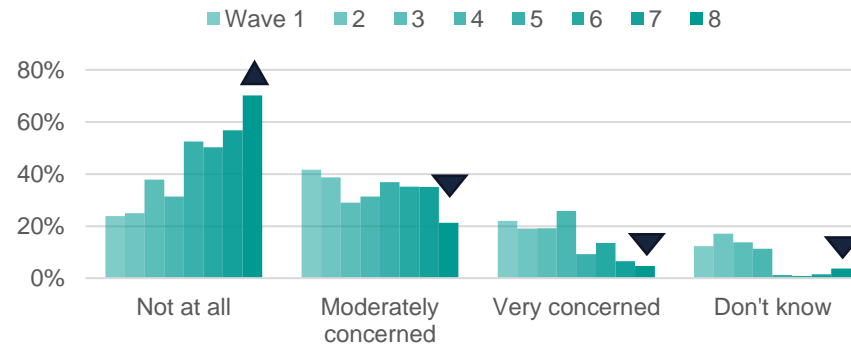
COVID-19 concerns about public transport continue to fall

COVID-19 concerns about using public transport

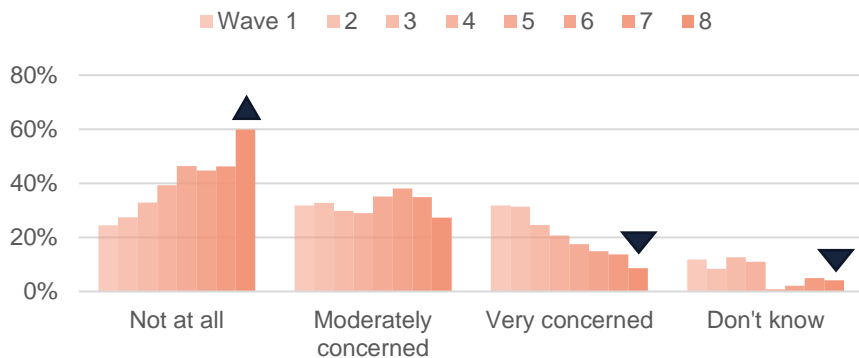
All Ages



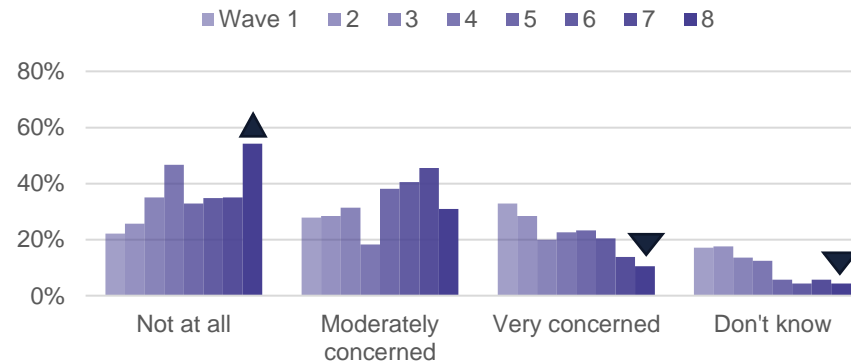
Age 16 to 34



Age 35 to 64



Age over 65



▲ / ▼ denote significant changes in the responses compared to wave 1.

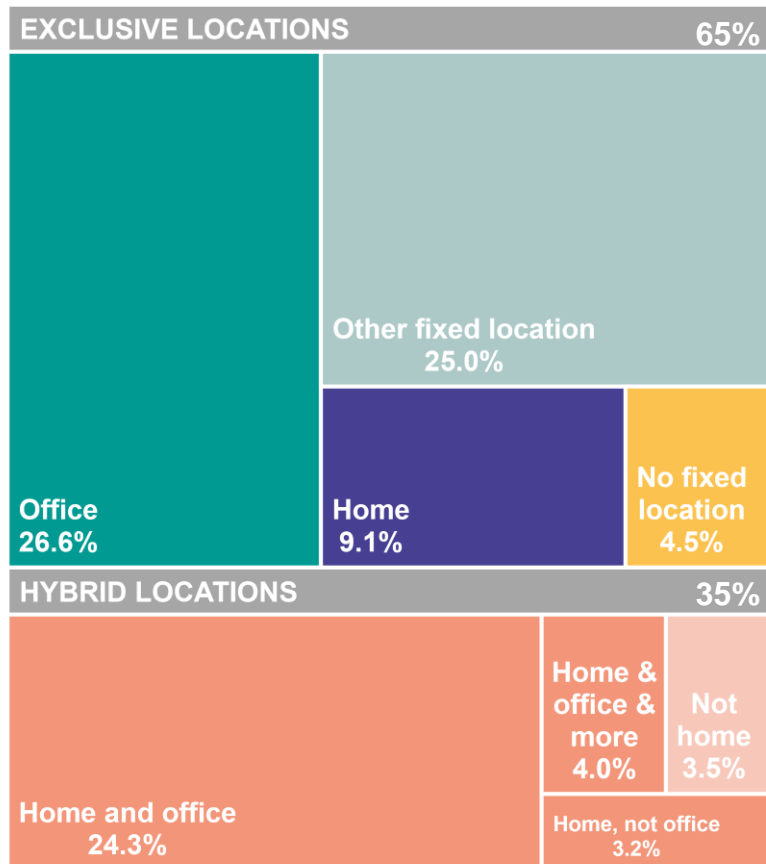
- Concern about public transport use in relation to COVID-19 has fallen *significantly* since survey wave 1 (June 2020); 62% now say they are not at all concerned about using public transport in relation to COVID-19.
- 1 in 13 (8%) still say they are very concerned. Regular public transport users continue to be less concerned than those who do not use public transport.
- The degree of concern about using public transport in relation to COVID-19 increases with age; 70% of 16-34 year olds said they were not at all concerned, but this figure falls to 54% of those aged 65 and over.

Q: In relation to COVID, how concerned are you about using public transport? Base: All Respondents.

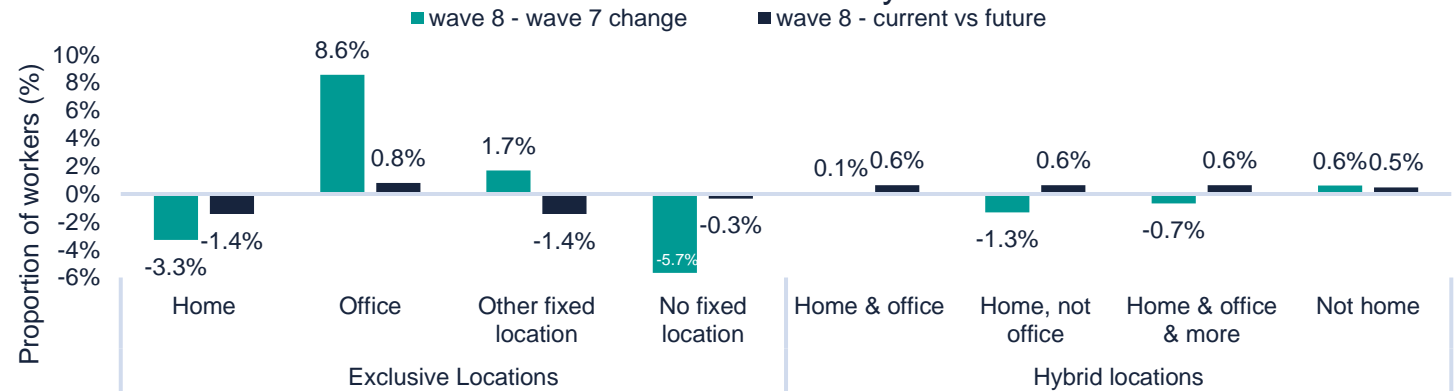
Previous waves asked how concerned would you be about using public transport in the coming weeks, & waves 1 to 4 did not specifically mention COVID in the question.

Exclusive home working falls whilst exclusive office working rises, but one third are hybrid working

Current Work Location
(percentage of respondents)



Working location shift - between wave 8 and wave 7 and from wave 8 to a year's time

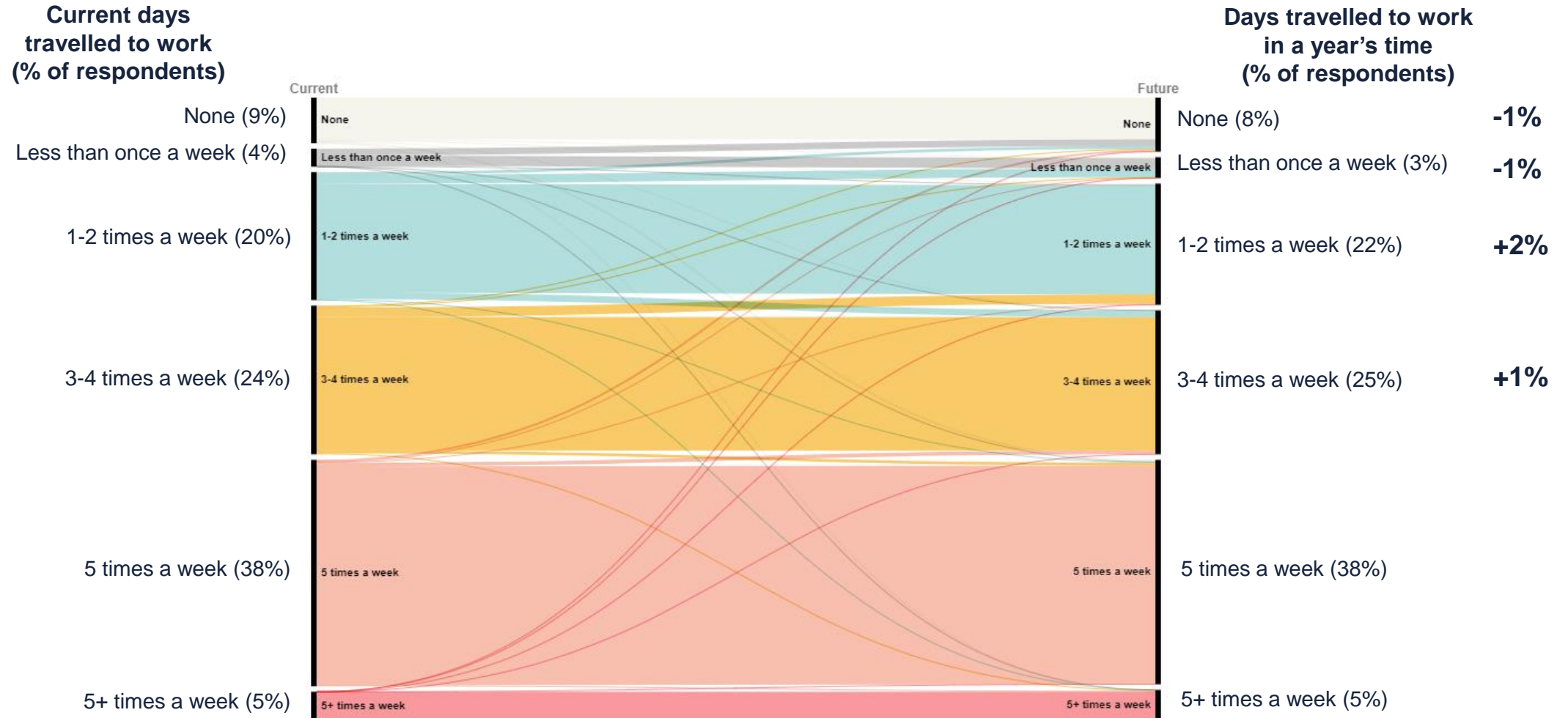


- Fewer than 1 in 10 workers are now working at home exclusively, a significant fall from wave 1 of this survey, conducted in June 2020 (47%).
- Just under 1 in 3 report hybrid working including their home.
- Since the last wave in April/May 2022, 3.3% fewer workers reported exclusively working from home, whilst 8.6% more workers reported exclusively working in the office (top chart).
- Overall respondents anticipate a limited degree of further change in a years time (top chart).

Q. In an average month, where do you spend your time working?

Q. A year from now, assume there are no Covid-related restrictions that affect you and that you stay in the same/ similar role, where do you think you will spend your time working? (Base = 629, each respondent treated equally regardless of the number of days worked)

People don't expect their commuting frequency to change much a year from now



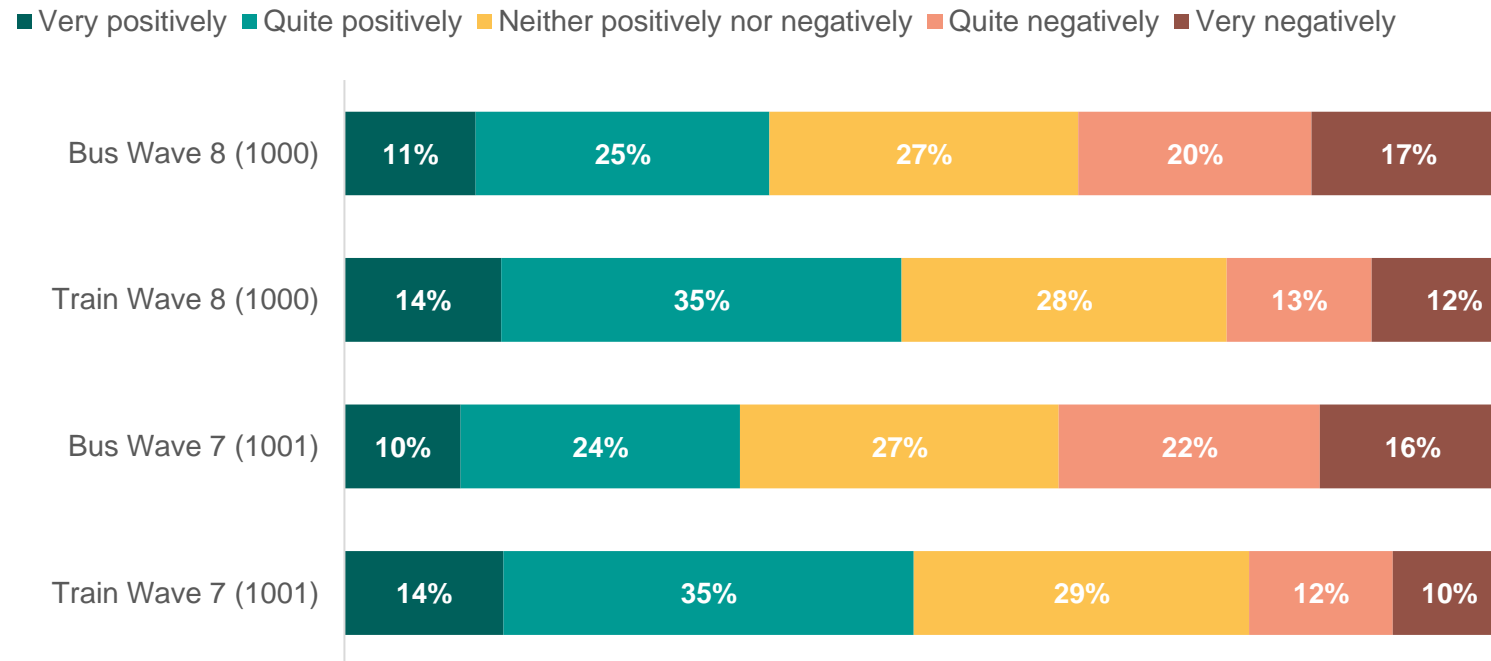
Q: How many days a week do you travel to work?

Q: A year from now, assume there are no Covid-related restrictions that affect you and that you stay in the same/ similar role, where do you think you will spend your time working? (Base = 629, each respondent treated equally regardless of the number of days worked)

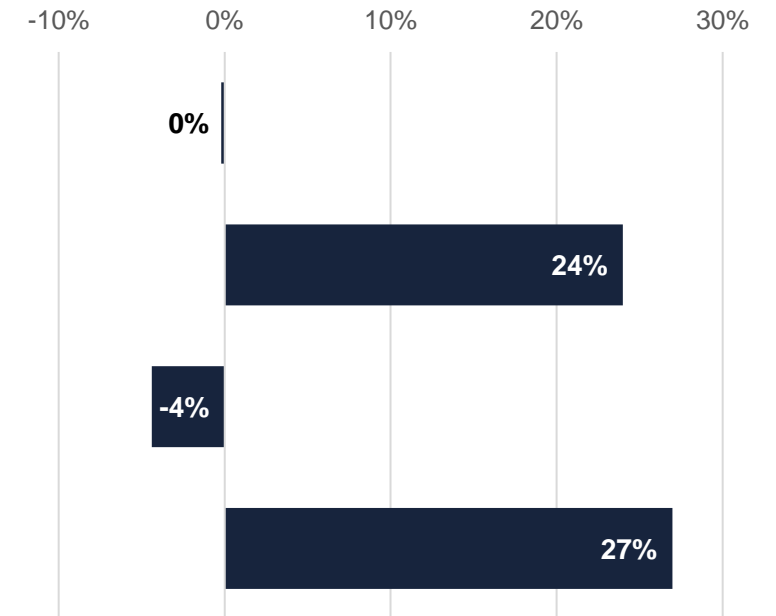
Train is viewed more positively than bus, with stark differences between non-users

1,000 people were asked about how positively or negatively they felt about using the bus or the train and the results show considerable differences between bus and train non-users; overall non-bus users perceive the bus more negatively than positively, whilst the opposite is true for non-train users.

How do you feel about travelling using the...



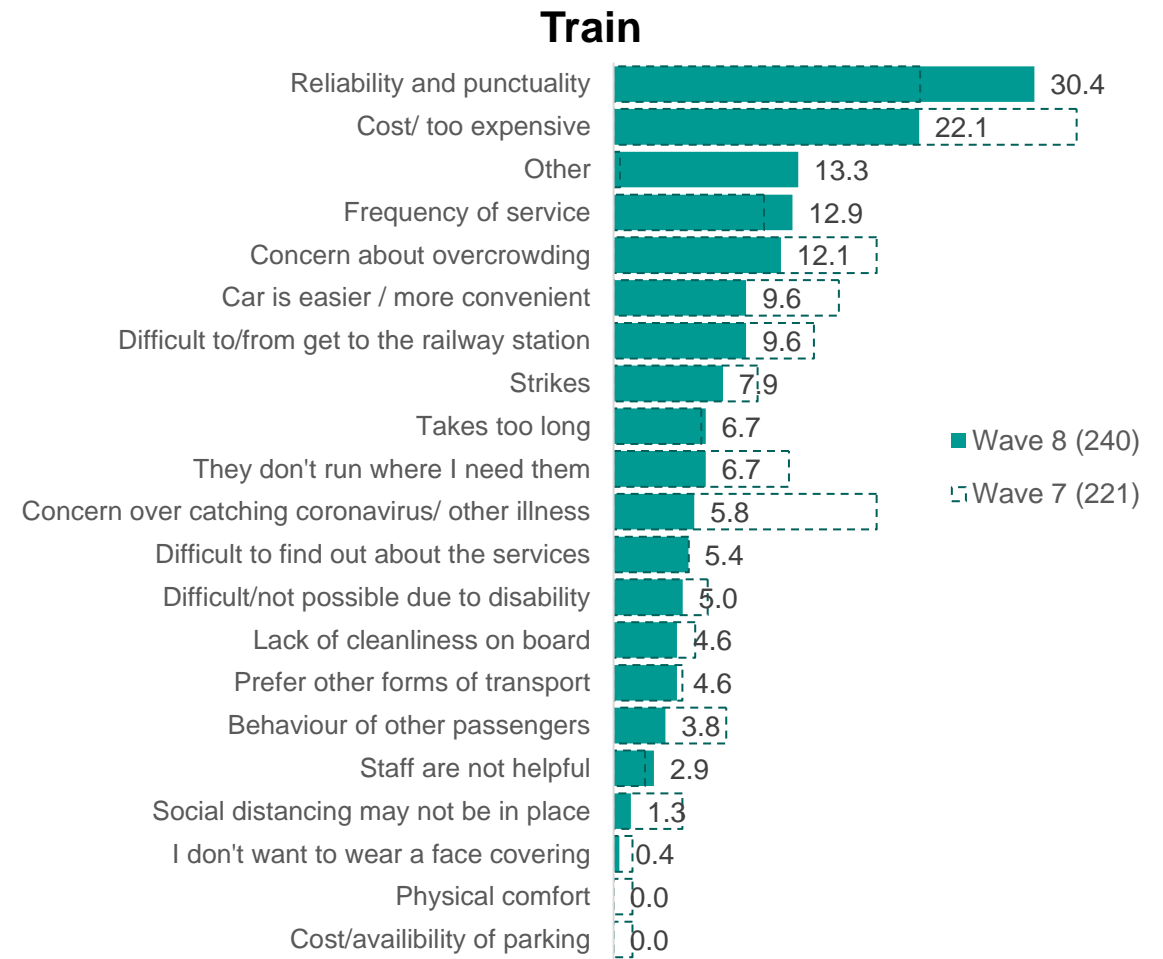
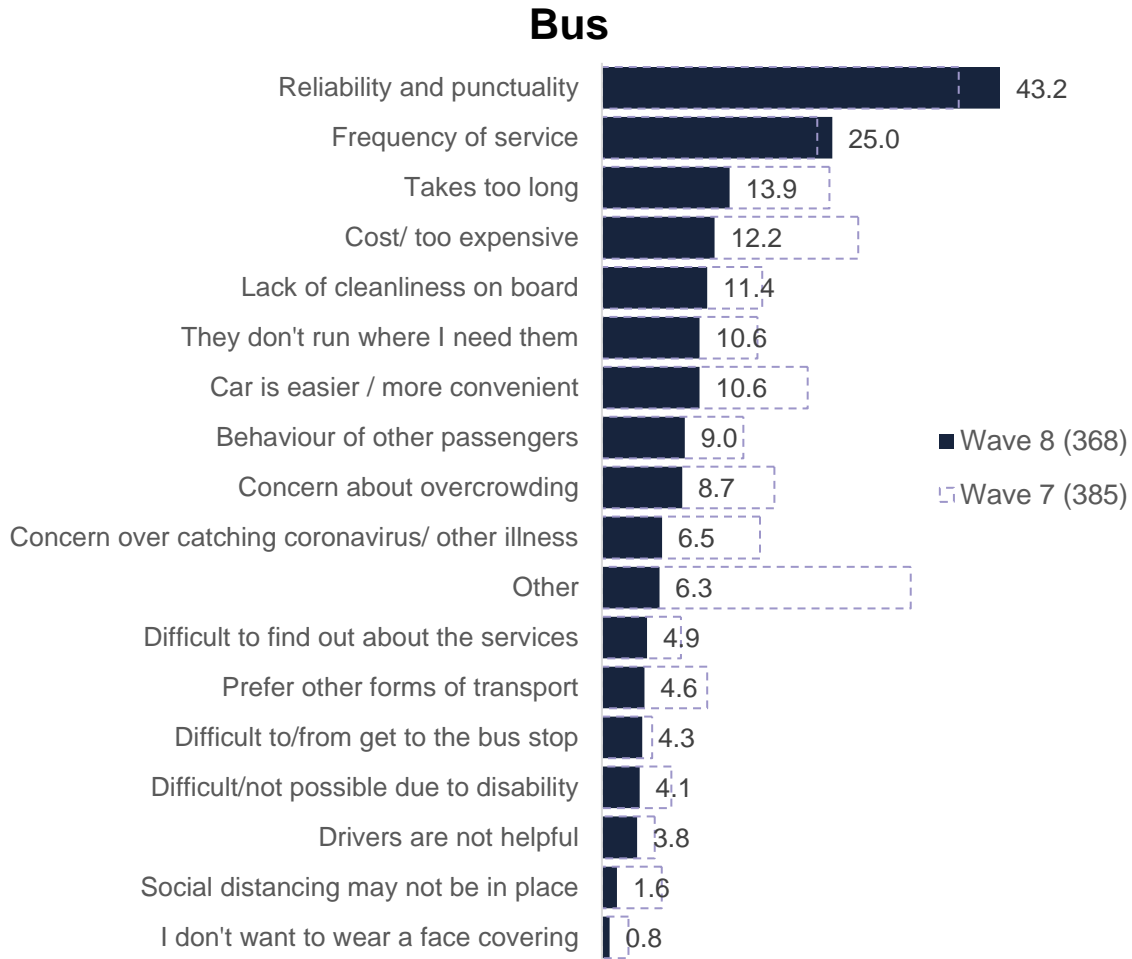
Net positive feeling



Q: Currently how positively or negatively do you feel about travelling using the following modes (Bus, Train)? Base in brackets

Reliability & punctuality is the #1 reason for negative views

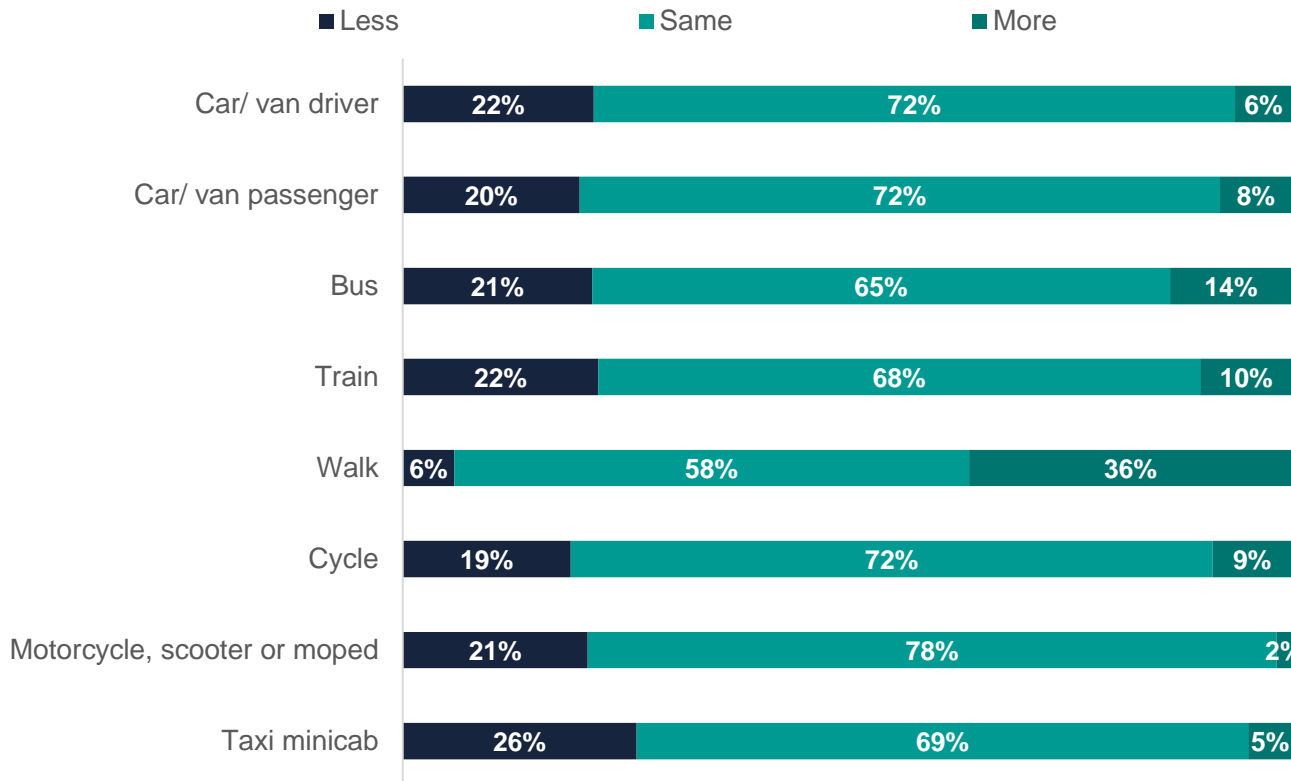
When asked the reasons for negative views, the stand-out reason for both bus and train was reliability and punctuality.



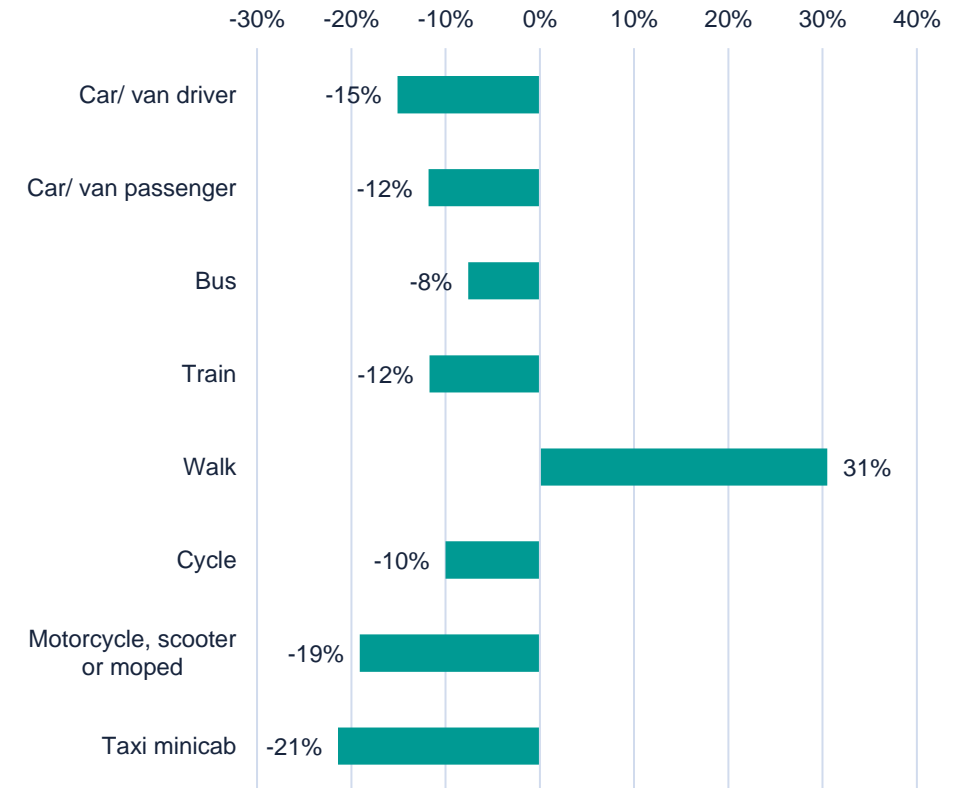
Q: Why do you feel negative towards travelling by Bus / Train? Base: Respondents who felt quite or very negatively about the mode (in brackets)

People expect to walk more and use motorised modes less in response to the cost of living crisis

Change in transport mode choice as a result of the cost of living crisis



Net change in transport mode choice



Q: In response to the current cost-of-living crisis, do you expect to use any of the following modes of transport more/same/less (base 1,000)