



Torbay Economic Strategy 2022 - 2030

Evidence Base 2022



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1. Purpose

1.1 Introduction

TDA on behalf of Torbay Council is developing its revised Torbay Economic Strategy. The Strategy will provide the framework for the future long-term sustainable economic growth.

The starting point for developing the new Strategy is to undertake a review of the existing Evidence Base. The Evidence Base will help shape and inform the Strategy and provide an update on the local economic picture, highlighting emerging issues and opportunities, identify gaps in the data, and secure a better understanding of Torbay's economic performance and drivers of growth.

The revision of the Evidence Base draws upon the latest data to provide a robust foundation and sound understanding on changing circumstances to inform Torbay's economic policies. These policies and actions will form the backbone of the revised Economic Strategy.

1.2 Comparators

To provide a benchmark for Torbay, key data is included on four comparator locations to help indicate in which areas Torbay is performing/under-performing to provide context on some of the local issues.

The following Local Authorities have been chosen due to their coastal locations and similar socio-economic challenges. These are:

- Darlington
- Redcar and Cleveland
- Blackpool
- Isle of Wight

2. Executive Summary

Growth and Economy

- Torbay's total economic output in 2019 was worth £1.98Bn.
- Sectors generating the greatest proportion of output are; real estate activities, human health and social work activities, wholesale and retail trade, repair of motor vehicles, education, and accommodation and food service activities.
- The productivity gap in Torbay is continuing to widen. In 2019 GVA per hour worked was 69.4% of the UK average, while GVA per job filled and GVA per head are 62.6% and 49.4% respectively.
- The gap in Torbay's Gross Disposable Household Income is continuing to widen. In 2019 it was 87.2% of the UK average, down from 90.0% in 2008.

Key Sectors

- In 2020, Torbay's fishing industry landed around 11.7 tonnes, the approximate value of £31.0M and supported 499 jobs.
- In 2020, over 2,240,100 tourists visited Torbay – a decline of over 50.7% compared to 2019.
- GVA per worker in the photonics and microelectronics sector has increased 37.0% from £72,973 in 2015 to £100,000 in 2019.

Infrastructure

- Superfast broadband is available across 95.3% of Torbay compared to 95% nationally and 92.2% regionally.
- 7 out of 8 key services are accessible in Torbay within 45 mins or less via public transport and walking.
- The highest rates of unoccupied employment space across Torbay are in retail, followed by office, industrial, and leisure space.

Business and Innovation

- In 2020, there were 4,485 active businesses across Torbay, with 520 new businesses starting up and around 415 closing down.

- Business survival rates in Torbay falls behind the regional average but remain in line with the national average until the fifth year when they fall 1.4 percentage points below the UK average.
- There are 45 fast growing businesses employing approximately 2,680 people mainly in manufacturing and engineering, and other business and professional services for businesses, mostly linked to eHealth and preventive care sectors.

People

- Torbay has a population of 136,218 people – nearly half of which (49.4%) are aged 50 or over.
- Over the past 10 years, there has been a decline in the proportion of the population aged 49 and under, and equally a greater increase in the proportion of the population aged 50 and above.
- By 2030, Torbay's population is projected to grow by 5.3% reaching 145,120; with those aged 64 and above expected to account for 31.2% of the population.
- 18.7% of Torbay households are classed as 'workless'.
- In 2019, over 27.4% of Torbay's population were classed as living in the bottom 20% of the most deprived areas in England.
- In comparison to the UK average, Torbay has low rates of ethnic diversity, accounting for around 3.0% of the population.

Employment and Skills

- Over the past five years, the number of jobs in Torbay has decreased by 3.0% to 48,000.
- Between 2020 and 2021, Torbay's employment rate increased from 72.5% to 77%.
- In 2021, Torbay's unemployment rate was 2.3% - the lowest it has been for five years.
- At the end of 2021, Torbay's long-term unemployment figure stood at 160, significantly lower than 465, five years ago.
- 4.5% of Torbay's 16- to 17-year-olds are not in education, employment, or training (NEET) compared to 5.5% across the UK.
- Since its peak in August 2020, Torbay's claimant count has fallen by 47% to 3,175.
- The number of job seekers in Torbay has been on a downward trend for the past five years and is currently 234.

- The top employment sectors have remained unchanged and include health, accommodation & food services, retail, education, and business administration & support services.
- Over the past five years, Torbay has seen significant employment growth in business administration & support services, information & communication, public administration & defence, and manufacturing.
- Vacancy rates are at their highest level for five years. The top recruiting occupations are nurses, care workers, chefs, sales and retail assistants, van drivers, and primary and nursery roles.

Workforce

- Over the past five years, there has been a 1.9% decrease in the total working age population, falling to 58,500.
- The workforce in Torbay has decreased by 2.1% since 2015 to 46,500 in 2020.
- Full-time jobs account for 58.1% of all employment, compared to part-time jobs accounting for 41.9% of employment. This is far higher than the regional and national average.
- 9% of the working age population in Torbay have no qualifications, an increase from 6.2% in 2017 and is significantly higher than the regional and national averages.
- 29% of the working age population in Torbay have NVQ4+, some way behind the SW and UK, at 40.4% and 43% respectively.
- In fact, Torbay falls behind the national and regional percentages across NVQ1+ right through to NVQ4
- Over the past three years, the collective performances of Torbay's schools have progressed from below average to above the English average in 2019.
- Average Torbay wages have increased by 30% since 2015, to around £412.70 per week, however, remain far below the national and regional averages.
- Higher earners tend to reside in Torbay but work outside of the area, a theme which also occurs across the comparative areas.
- The overall net migration taken from labour flow out of Torbay and Labour flow into Torbay has increased since 2011.

Environment

- In 2019 Torbay produced 424.1 tonnes of CO2 equating to 3.1 tonnes per person compared to 4.6 tonnes across the region

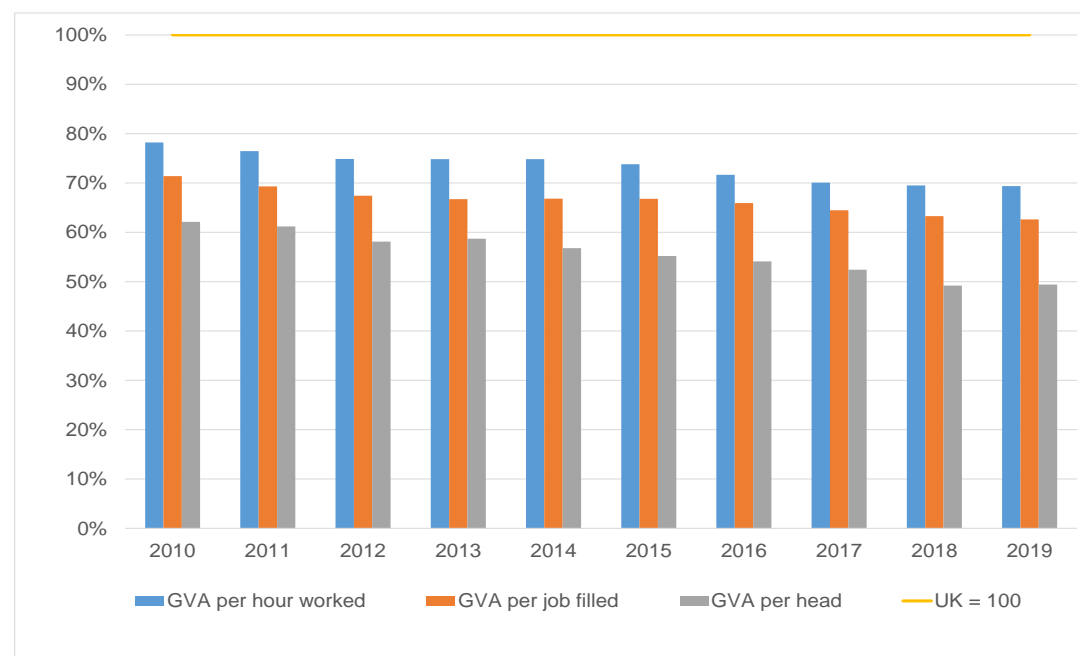
3. Growth and economy

3.1. Productivity

Torbay's total economic output in 2019 was £1.98Bn with the sectors representing the most significant proportion of output (GVA) being:

1.	Real estate activities	19.6%
2.	Human health and social work activities	15.3%
3.	Wholesale and retail trade; repair of motor vehicles	12.4%
4.	Education	9.3%
5.	Accommodation and food service activities	7.9%

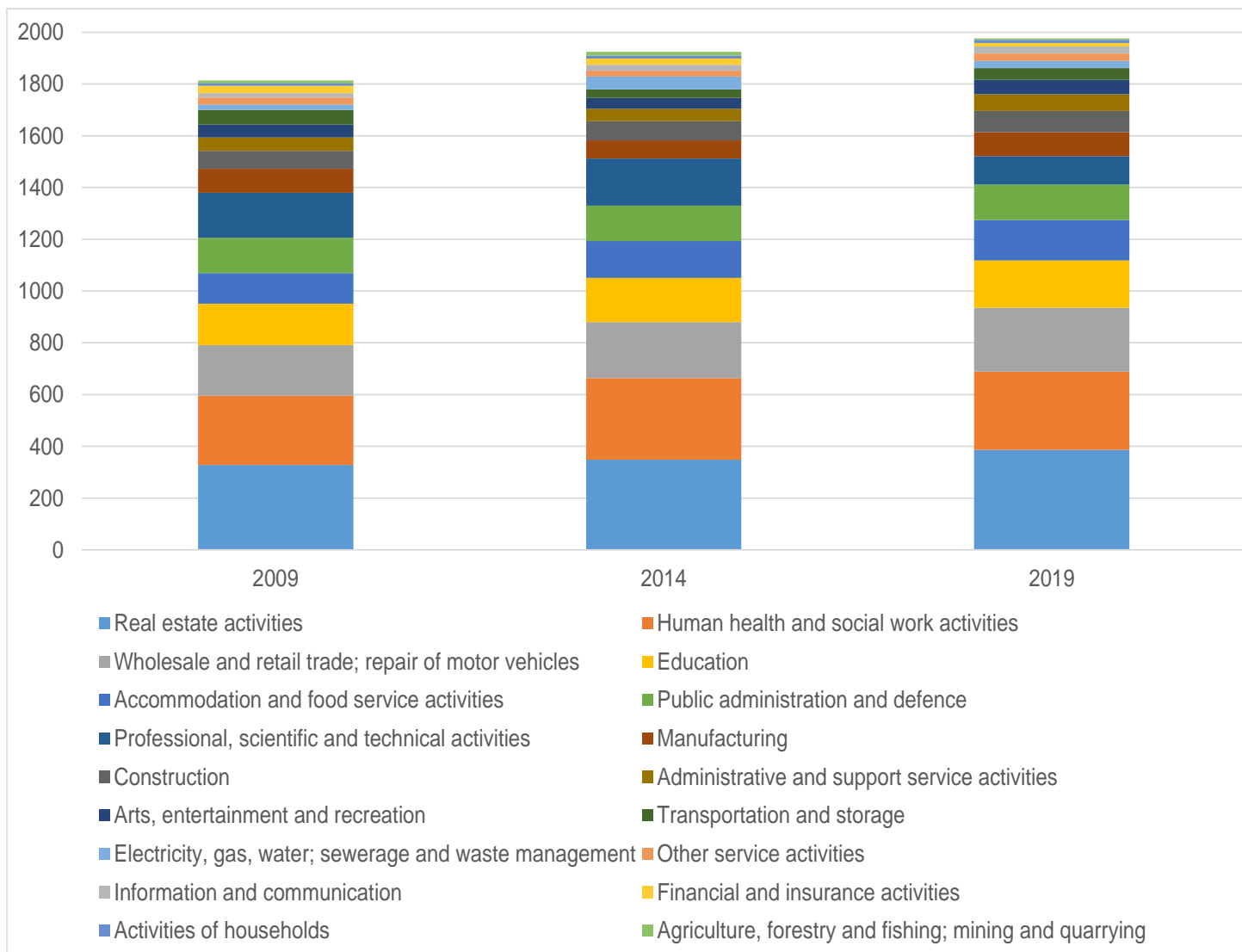
Figure 1: GVA per head, per hour, per job filled indices (2010 – 2019)



Productivity performance in Torbay has continued to fall behind the UK on all three measures. It has been on a steady continual decline for the past decade. In 2019, the economic output (GVA) per hour in Torbay was 69.4% of the UK average, with GVA per job at 62.6% of the UK average and GVA per head at 49.4% respectively. The difference in the figures can be attributed to the higher-than-average proportion of seasonal and part-time jobs in Torbay along with decreasing proportion of Torbay's population which are of working age and a growing proportion of retired people in Torbay.

Source: ONS, Regional GVA, 2021

Figure 2: GVA by sectors (2009, 2014, and 2019)



Since 2009, the size of Torbay's economy has grown by 9.0% from £1.81Bn to £1.98Bn.

Information and communication (58.8%), accommodation and food service activities (32.2%), electricity, gas, water; sewerage and waste management (27.3%), wholesale and retail trade (26.2%) and repair of motor vehicles, and administrative and support service activities (23.1%); have contributed to the biggest increase in Torbay's economic output.

Transportation and storage (-19.6%), professional, scientific, and technical activities (-36.8%), agriculture, forestry, and fishing; mining and quarrying (-45.5%), and financial and insurance activities (-51.7%) have all fallen.

Source: Regional GVA, ONS, 2021

3.2. Gross disposable household income

Figure 3: Gross disposable household income (GDHI) (2010 – 2019)

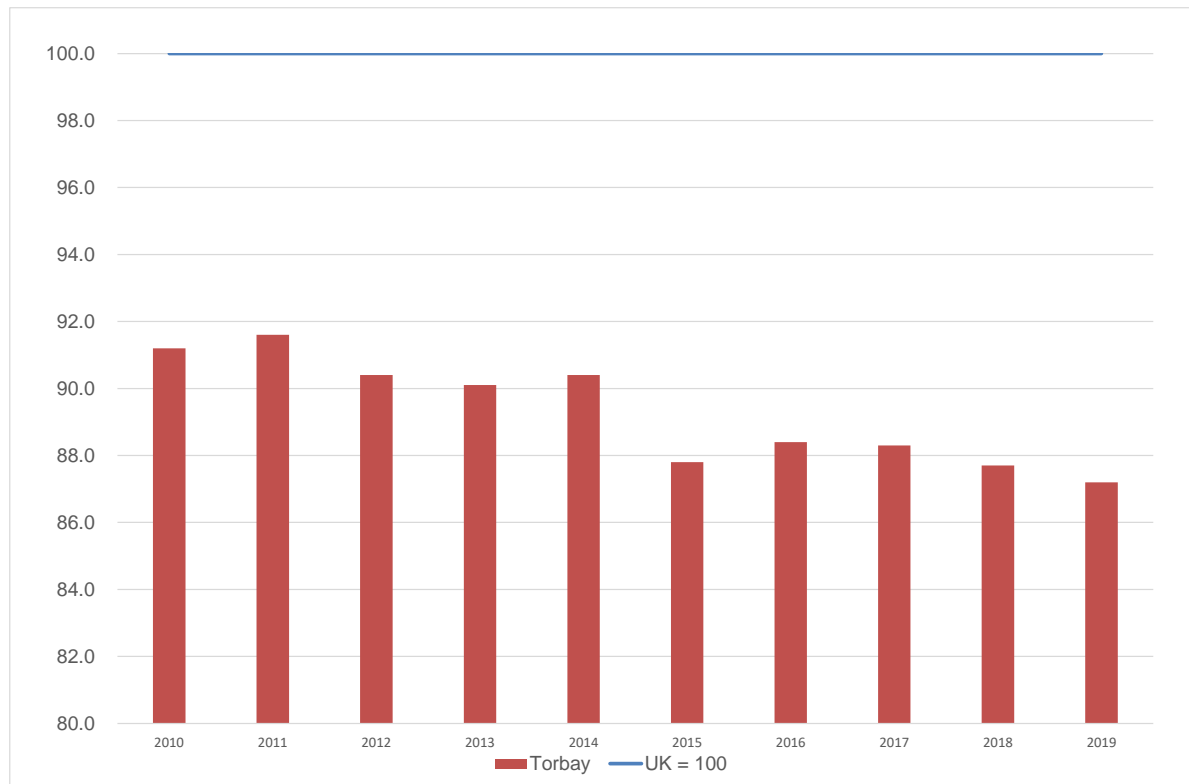


Figure 3 shows the GDHI per head over time relative to the national average. The gross income per household has continued to fall over time compared to the UK average. The gap in GDHI has continued to widen showing the levels of disposable income available to Torbay households and the amount of money to spend in the local economy has fallen relative to the national average.

Source: ONS, Gross Disposable Household Income, 2021

3.3. Summary

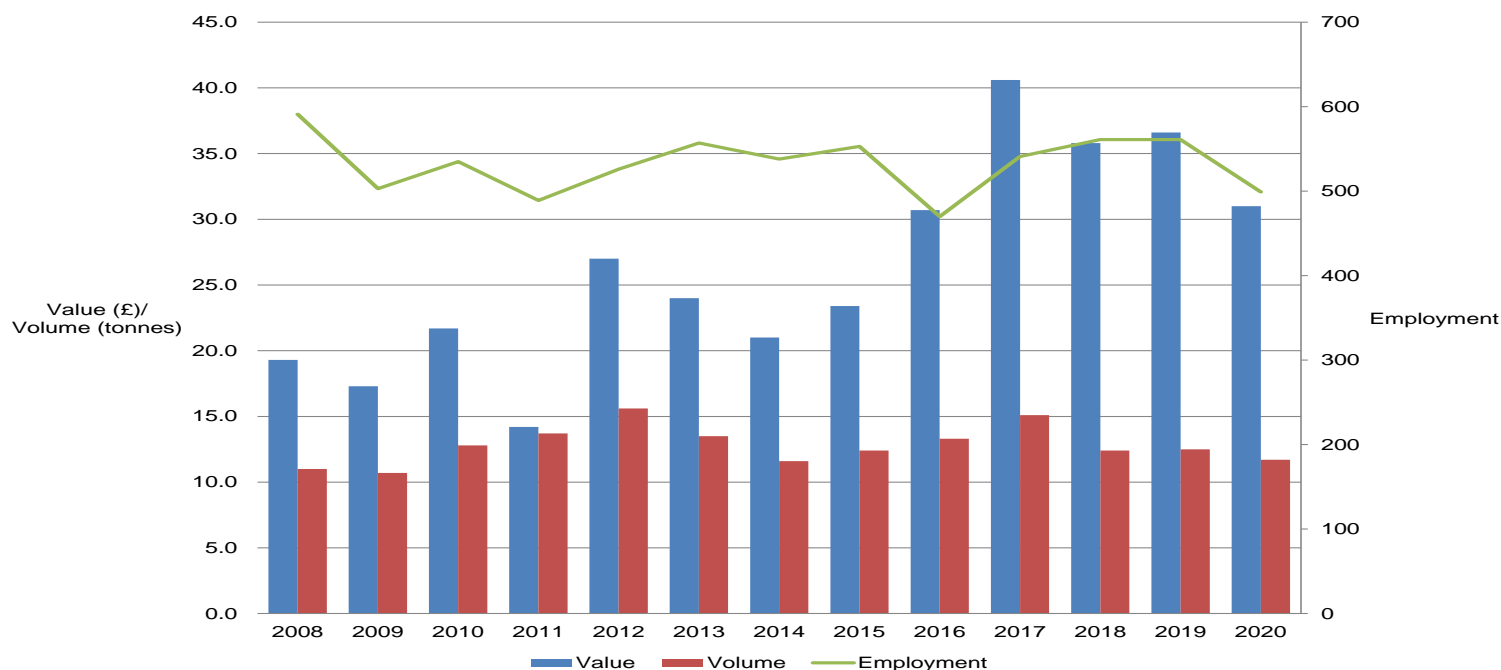
In 2019, Torbay's economy was valued at £1.98Bn, having grown by 9.0% over the past 10 years compared to 40.2% nationally. Torbay's economic competitiveness is far behind the national average. GVA per head is the lowest in England of any local authority and the productivity gap between Torbay and the UK average is continuing to widen on both GVA per job filled and GVA per hour worked measures. This is attributed in part to the sector mark-up of Torbay's economy with reliance upon sectors which are predominantly seasonal and tend to be relatively low value added and low paid.

GDHI is also on a long-term downward trend with the gap between Torbay and the UK average widening, although the gap is not as big compared to the GVA measures. This demonstrates the relatively high number of people across Torbay reliant on benefits and pensions to add to their disposable income and highlights the growing economic inequalities between Torbay and other places.

4. Key sectors

4.1. Fishing

Figure 4: Volume, value, and employment in Torbay's fishing sector (2008 – 2020)



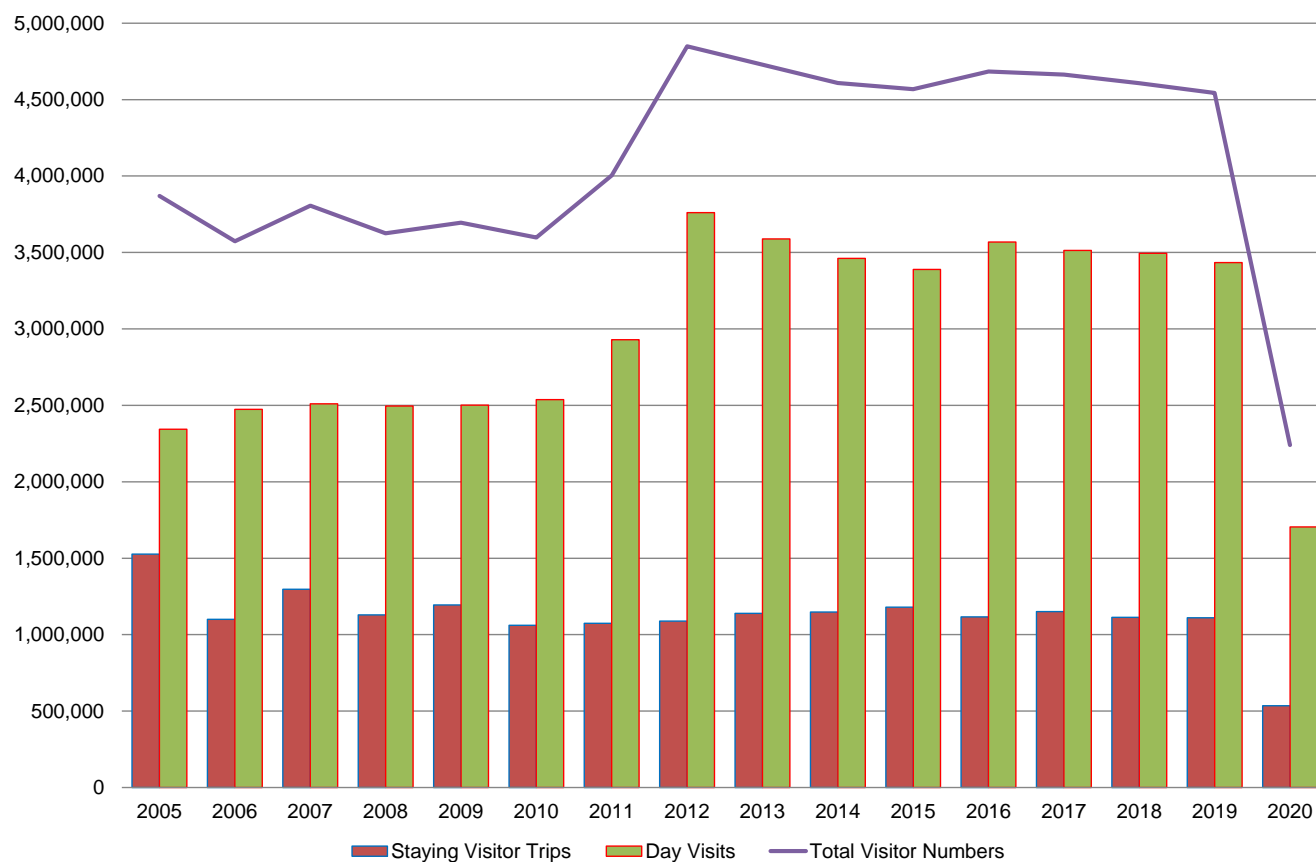
In 2020, the port of Brixham landed the highest value of catch and the second highest volume across England.

The volume of fish caught in Brixham has remained relatively unchanged over the past three years, however the value has declined in the last year along with employment in the sector mainly due to the pandemic.

Source: UK Sea Fisheries Statistics, Gov.uk

4.2. Tourism

Figure 5: Staying visitor, day visitor, and total visitor numbers in Torbay (2005 – 2020)



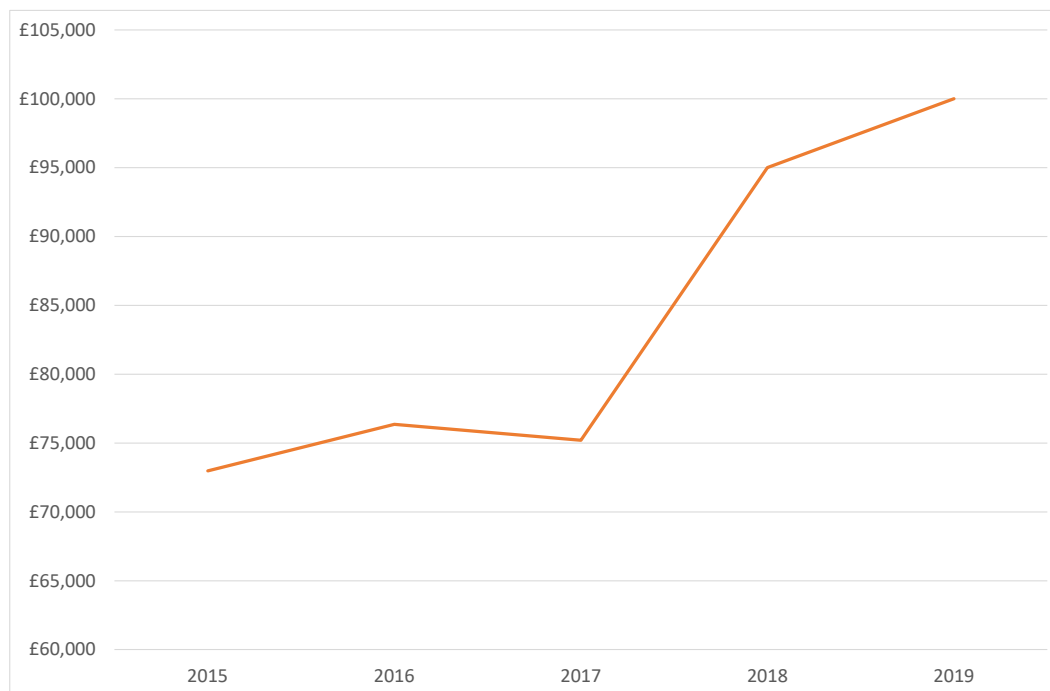
Since 2014 there has not been any significant change in the tourism numbers in Torbay. From 2015 to 2019 the number of visitors has decreased by 1.3% with 3.3.% of the decline in visitor numbers from staying guests.

In 2020 there was a decline of 50.7% in all visitor numbers (-51.8% in day visitors and - 50.3% in staying visitors). Tourism and hospitality was one of the sectors hit hardest and for the longest period of time from the pandemic.

Source: South West Tourism Alliance, Value of Tourism, 2020

4.3. Hi-tech sector

Figure 6: GVA per employee in Torbay's photonics and microelectronics sector (2015 – 2019)



Over the past five years the GVA per worker in the photonics and microelectronics sector has increased 37.0% from £72,973 per worker in 2015 to £100,000 in 2019.

Employment within the sector has increased 24.3% over the period, albeit from a relatively low base, however economic output within the sector has increased at a faster rate by 37% which shows an increase in productivity levels within the sector and the sector's contribution to the local economy.

Source: NOMIS, BRES, 2021 and ONS Regional GVA, 2021

4.4. Summary

Torbay's key sectors have been heavily impacted by the pandemic, with the fishing sector demonstrating greater resilience with the volume of fish caught remaining relatively stable but witnessing a decrease in value compared to the previous year, partly due to Brexit and the increased export administration, and partly due to the lack of demand from overseas markets as their hospitality sectors locked down due to the pandemic. Equally in the UK, both the staying visitor and day visitor numbers substantially declined in 2020 as these parts of the economy were locked down for significantly longer periods of time compared to others, however anecdotally tourism businesses have suggested a strong bounce back in the 'staycation' market over 2020 and 2021.

5. Infrastructure

5.1. Digital infrastructure

Table 1: Broadband coverage and speeds in Torbay (2020)

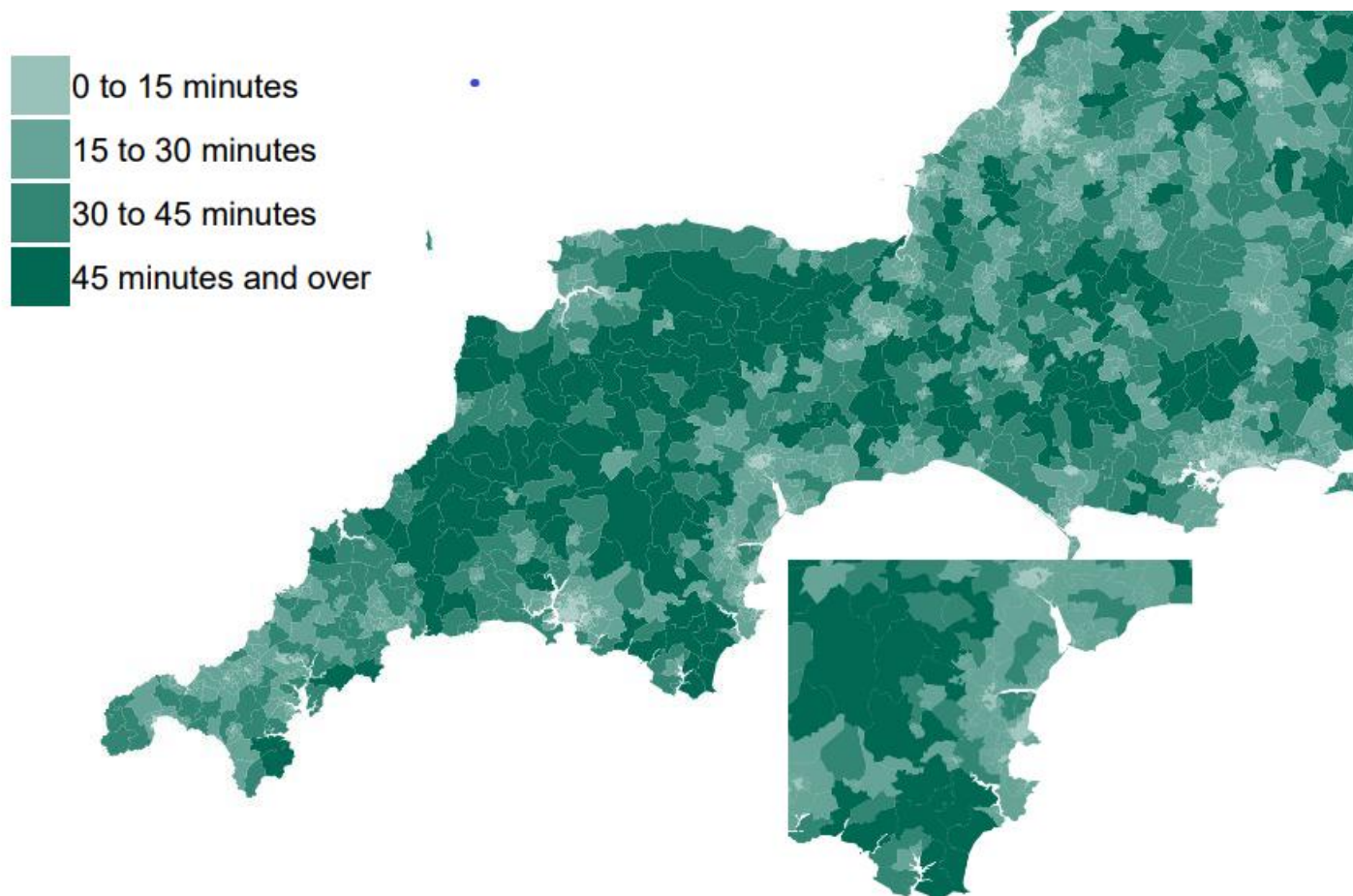
	Average Download Speed (Mbps)	Superfast Availability	Gigabit Availability	Unable to Receive Decent Broadband	Receiving under 10 Mbps	Receiving over 30 Mbps
Torbay	82.0	95.3%	44.4%	0.0%	6.0%	67.9%
South West	76.3	92.2%	37.9%	0.5%	8.8%	72.8%
UK	86.5	95.0%	45.7%	0.4%	7.0%	78.2%

Source: Ofcom, State of the Nation, 2020

Broadband speeds in Torbay are above the South West average and broadly in line with the UK average along with coverage above that nationally. Overall, as measured by the availability of Superfast broadband Torbay has relatively good digital infrastructure provision, albeit Torbay suffers from lower average speeds compared to the national average and only 67.9% of Torbay able to receive over 30 Mbps.

5.2. Connectivity

Figure 7: Average number of key service destinations accessible to users within 45 minutes of public transport or walking (2017)



Torbay is relatively well connected in terms of infrastructure with 7 out of 8 key services¹ accessible within 45 mins or less via public transport and walking. Furthermore, Torbay has good transport connections and links with all 8 key services in Torbay being accessible by car within 45 minutes.

Source: Department for Transport, Journey Time Statistics, 2019

5.3. Employment space

Figure 8: Location of major industrial and business parks across Torbay (2021)

¹ Employment centres, primary schools, secondary schools, further education, GPs, hospitals, food stores, and town centres

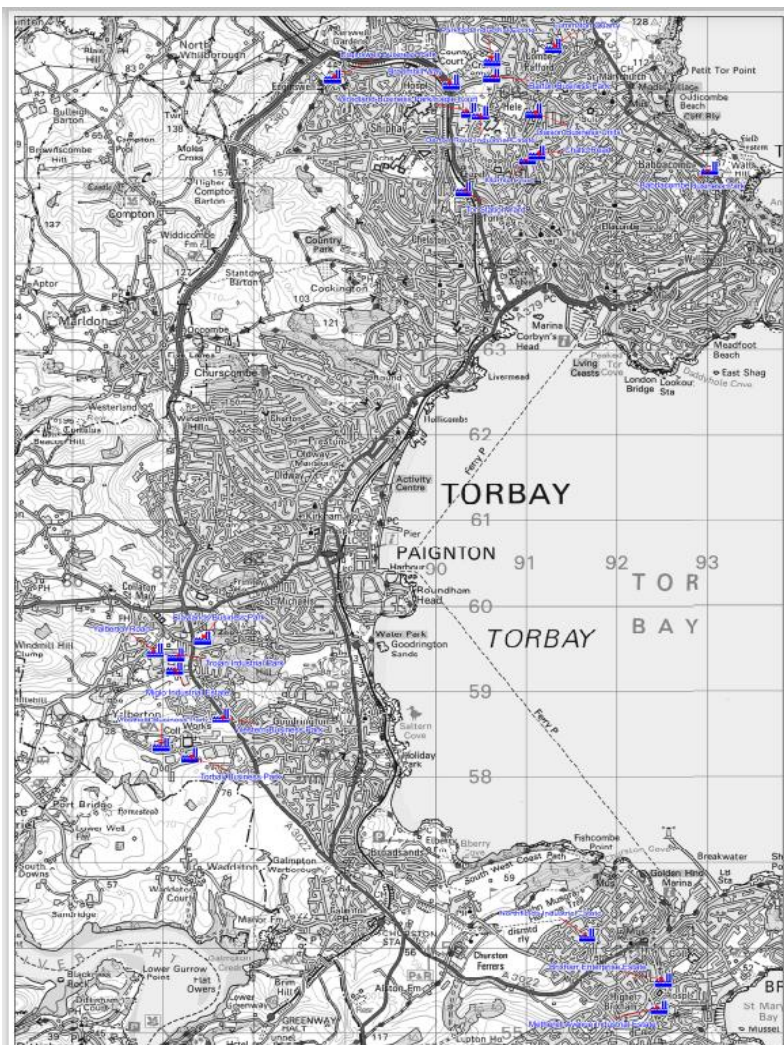


Table 2: Summary of Torbay's commercial space (2020)

	Number of Units	Area (M ²)	Vacancy Rate (%)
Industrial	727	337,465.08	5.4%
Office	591	116,225.92	9.5%
Leisure	1,065	141,584.11	2.6%
Retail	2,397	414,740.64	11.9%

Source: Sqwyre.com

The overarching issue impacting the commercial property market is the lack of capacity for growth, with limited choice of suitable existing premises and lack of vacant employment land. This is impacting on businesses as they are unable to find premises to meet their requirements within Torbay. Despite over 9,940.63M² of new industrial and office space being developed since 2019, there remains over 28,260M² of demand through active inward investment enquiries. The vacancy rates show there is strong demand in Torbay for leisure and industrial premises.

Source: TDA, MapInfo

Over the past five years the majority of new industrial and office across Torbay has been developed with the financial support from the government to address the viability gap and market failure within the local commercial property sector. Despite the need to subsidise such developments, demand for new modern industrial space has been strong, suggesting a miss-match between the local markets price expectations and the cost of development in an area with constrained availability of employment land all of which faces viability challenges.

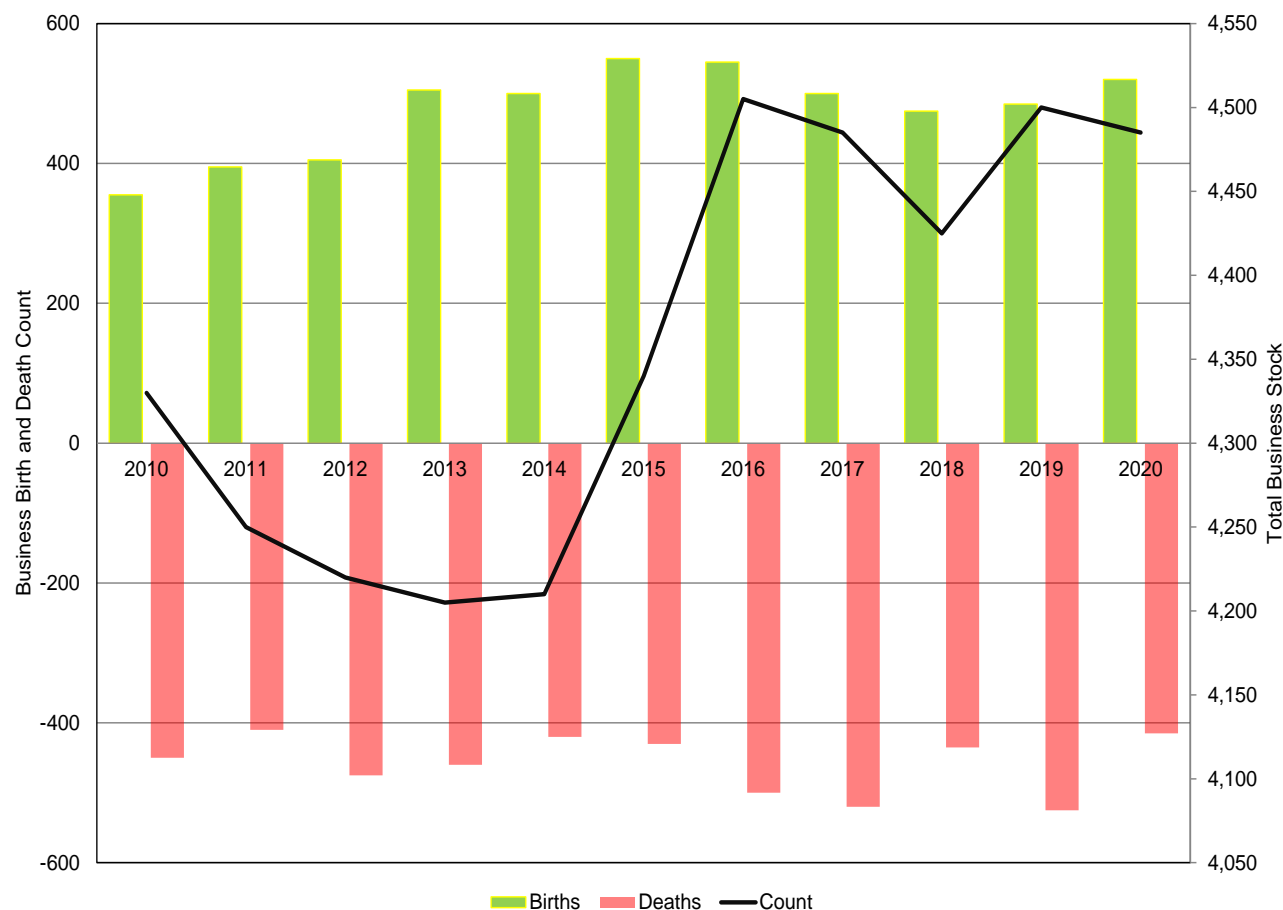
5.4. Summary

Torbay is relatively well connected in terms of digital and physical infrastructure. Access to broadband services and digital infrastructure is in line with the national average, albeit slightly below in terms of speeds. In terms of road and public transport access and connectivity Torbay also fares well with all key services available within a 15 minute drive time and most key services available within a 45 minute walk or via public transport. However, Torbay's commercial space market shows high demand and relatively low vacancy rates for industrial space although the gap in viability of new space due to high development costs and expectations of low rental prices hampers the growth of the economy and ability to support the expansion of local businesses and accommodate inward and foreign direct investments.

6. Business and innovation

6.1. Business demographics

Figure 9: Business births and deaths (2020)

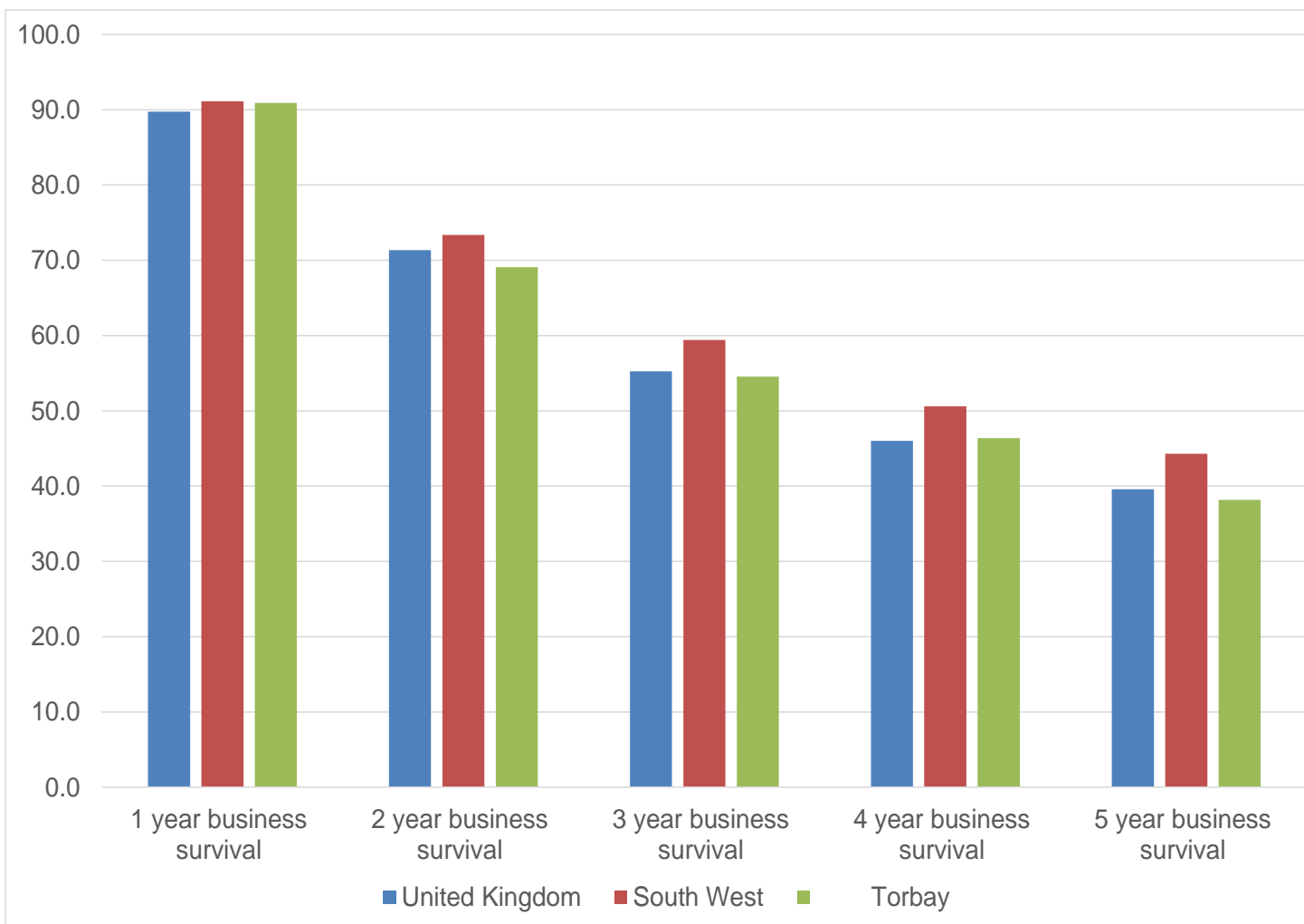


Over the past five years the number of businesses in Torbay has not significantly changed despite minor year-on-year fluctuations. In 2020, there were 4,485 active businesses where around 520 new businesses started up and around 415 ceased trading.

88.4% of businesses are classed as micro (0 – 9 employees), 9.6% are small (10 – 49 employees), 1.6% are medium (50 – 249), and 0.4% are large (250+ employees). Over the past four years, the number of micro businesses has been steadily increasing while the number of small businesses has been steadily decreasing. The number of medium and large businesses has remained broadly unchanged over the same period.

Source: ONS, IDBR, 2020

Figure 10: Business survival rate (2019)



Business survival rates in Torbay are below the South West average over the five year period, and broadly in line with the UK average for the first four years of trading, however then fall marginally behind the national average in 2019.

After their first year of trading in 2014, 90.9% of Torbay businesses survived compared to 91.1% in the South West and 89.7% in the United Kingdom. By 2019 after their fifth year of trading, 38.2% of Torbay businesses had survived compared to 44.3% regionally and 39.6% nationally.

Source: ONS, IDBR, 2020

6.2. High growth businesses

In Torbay, there are 42 fast growing companies² which have a reported turnover in 2020 of £117M, employing around 2,680 people³. Eight of these companies are scaleups⁴ and one is a spin-out from a university/ research institute. Most of the fast-growing companies in Torbay are in manufacturing and engineering, and other business and professional services for businesses, mainly in the eHealth and preventive care arenas. Most of the fast-growing companies in Torbay are in the seed and venture funding stages of their evolution. Over the last 10 years there have been 3 management buy outs (MBO) and two acquisitions.

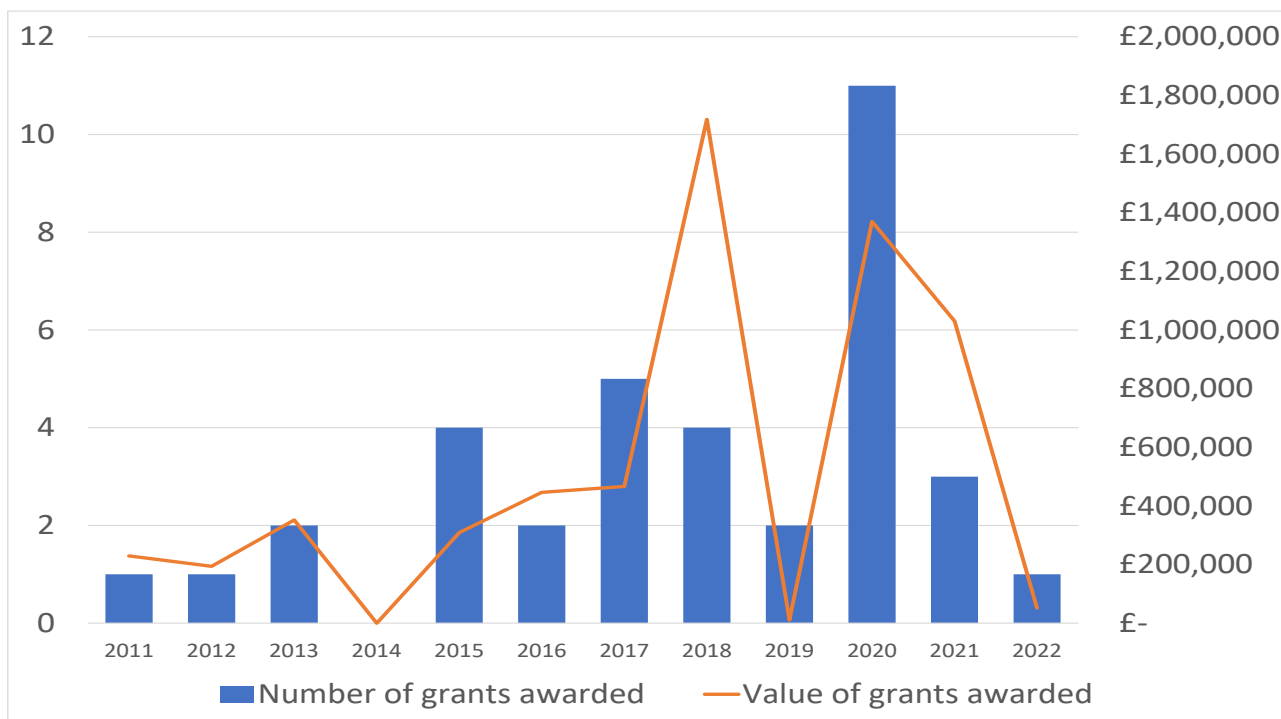
Since 2012, there have been 57 fundraisings totalling over £34.2M and around 36 Innovate UK funding applications totalling £5.9M and five of the companies have benefited from support through an accelerator programme.

Figure 11: Number and value of innovation and research grants across Torbay's fast growing companies (2012 – 2022)

² Growing by at least 15% each year

³ Beauhurst, 2021

⁴ A company that has already validated its product within the marketplace and has proven that the unit economics are sustainable



Since the opening of Torbay's Electronics and Photonics Innovation Centre (EPIC) in late 2019 there has been an increase in both the number and value of innovation and research grants secured by Torbay's fast-growing businesses. In the past three years over 47.2% of the grants and 39.9% of the total funding from the past 10 years has been secured. While the evidence shows not all companies which have secured innovation and research grant funding are in EPIC, there is strong evidence to demonstrate that the Centre has helped to strengthen the local innovation ecosystem.

Source: Beauhurst, 2021

6.3. Summary

Over the past five years, Torbay's business population has not significantly changed, with the proportion of micro businesses growing and proportion of small business declining. Survival rates of Torbay businesses are generally in line with the national average for the first four years to 2018, however in 2019, the business survival rate in Torbay fell below the UK average.

Within Torbay, there are around 45 fast growing businesses employing around 2,680 people mainly in manufacturing and engineering, and other business and professional services for businesses, which are linked to eHealth and preventive care.

7. People

7.1. Population by age structure and sex

Latest population estimates show Torbay is home to 136,218 people, nearly half of which (49.4%) are aged 50 or over. The lowest representation comes from ages 16-24 who make up only 8% of the overall population, highlighting the challenge Torbay faces regarding retaining graduates and supporting the views that many students leave Torbay in pursuit of higher education or stronger career opportunities and do not return until later in life.

Figure 12: Population estimates by age and sex (2020)

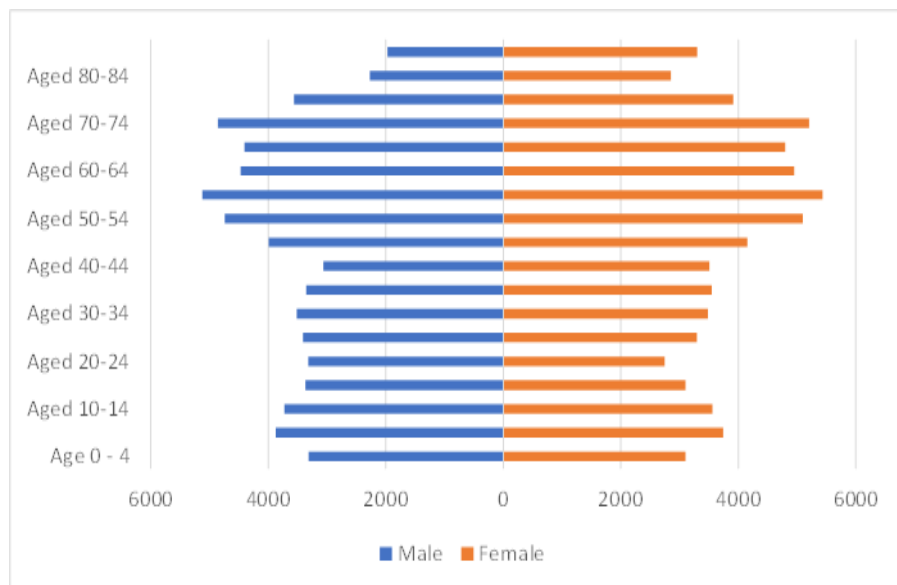
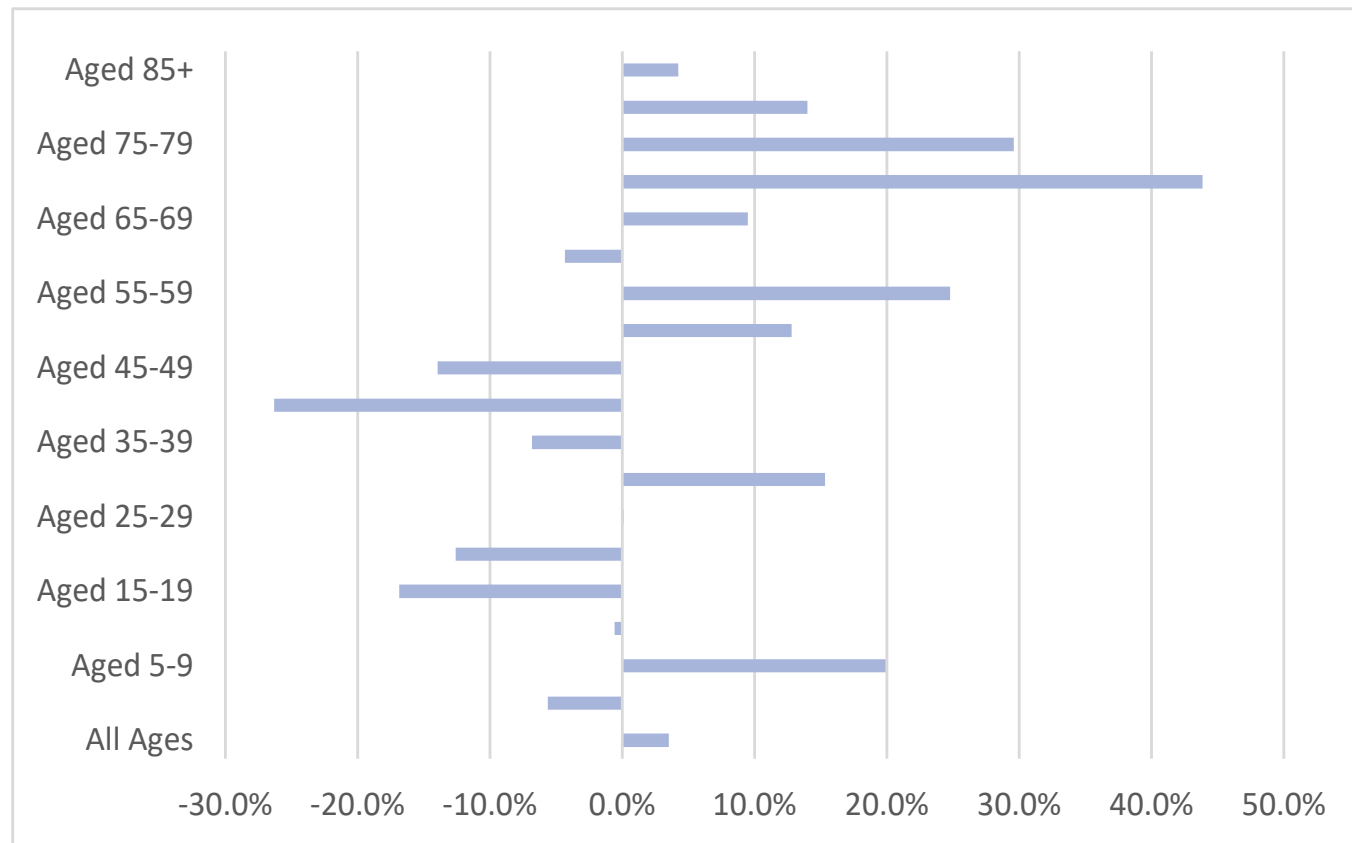


Figure 11 highlights the breakdown of age groups by sex. The graph demonstrates that the population levels of 40 years + are considerably higher. The highest figure for males (5,119) and females (5,443) falls within the 55-59 age bracket.

Source: ONS, Population Estimates, 2020

Figure 13: Change in population by age (2010 – 2020)



Over the past 10 years, Torbay has demonstrated a structural change to its area's demography.

Except for a couple of outliers, the general trend shows that there has been a notable decline in the proportion of 'young talent' – the population under 49, and conversely an increase in the proportion of the population aged 50 and above, suggesting that the population is living slightly longer and/or an increase in the number of retired people and/or those approaching retirement are moving to Torbay. This raises issues with businesses looking to back fill roles and around their succession planning.

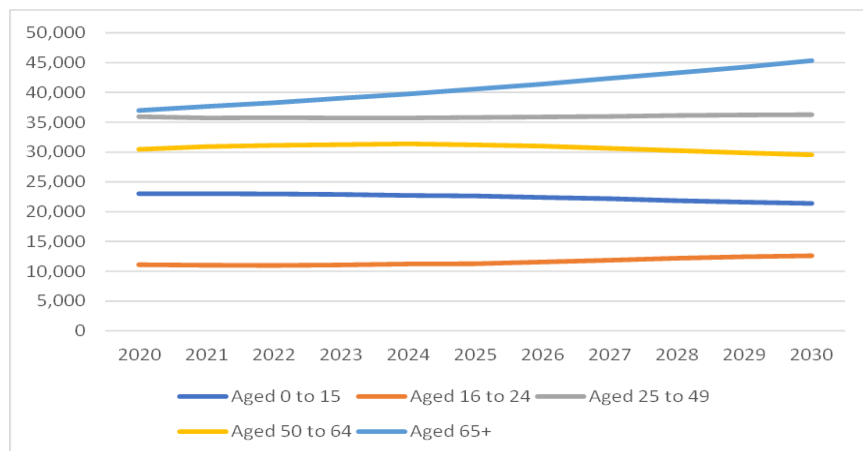
Source: NOMIS, Population Estimates, 2021

7.2. Population and

projections

By 2030, Torbay's population is expected to grow by 5.3%, totalling 145,120 residents. Based on ONS population projections the data shows that ages 16 to 24 and 25 to 49 will see increases (11.8% and 0.9% retrospectively). Ages 0 to 15 and 50 to 64 are likely to see decreases (-7.5% and -3.1%).

Figure 14: Population projections by year and age (2020 – 2030)

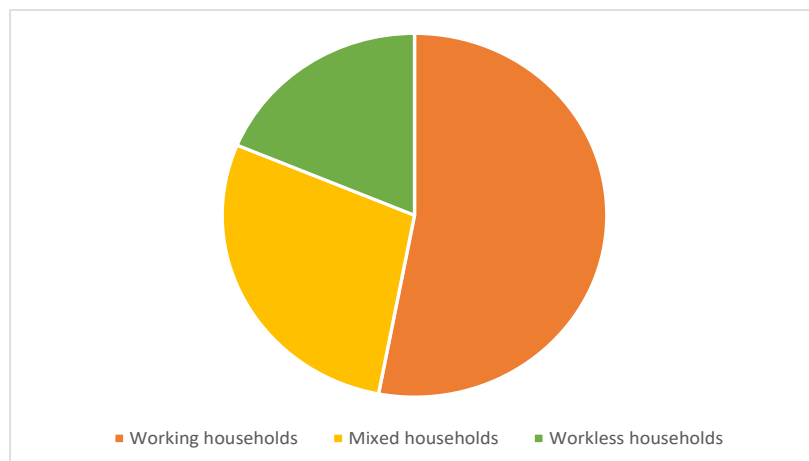


The biggest percentage difference comes from the age 65+ category which is projected to see a 18.4% increase. This is likely to have an impact on Torbay's workforce and potentially an increased demand on health care services, as this age category is often associated with retirement.

Source: NOMIS, Population Estimates, 2021

7.3. Number of households

Figure 15: Households by combined economic activity status (2021)



Torbay currently has an estimated 37,000 households; 20,000 of which are classified as working households (53%), 10,700 households are classified as mixed households (28.3%), while 7,000 are classified as workless households (18.7%) a figure that has increased 20.7% since 2016.

Source: ONS, Annual Population Survey, 2021

7.4. Deprivation

Table 3: Resident population in top 20% most deprived areas (2004 – 2019)

	2004	2007	2010	2015	2019
--	------	------	------	------	------

Rank of Average Score	66/ 354	71/ 354	61/ 326	46 /326	48 /317
Average Score	23.74	26.42	26.82	28.788	28.104
Population in 20% most deprived wards nationally	18,150	21,800	24,700	42,037	36,691
Proportion of population 20% most deprived wards nationally	13.8%	16.5%	18.8%	32.0%	27.4%

Source: DLUCH, Index of Multiple Deprivations

Torbay is ranked the 48th most deprived local authority out of 317, meaning it continues to be in the bottom 20% nationally. However, it has seen a marginal improvement on its position since 2015 when it was ranked the 46th lowest. Across the South West, Torbay is the second most deprived local authority. The main factors which contribute the most to Torbay's overall multiple deprivations are income, employment, health deprivation, and disability. The number of local people living in the 20% most deprived wards nationally decreased from 32% in 2015 to 27.4% in 2019.

7.5. Diversity

Torbay's ethnic diversity is low, standing at a figure of 4,161. Data⁵ shows the national average based on an area of Torbay's size would be around 20,376 ethnically diverse people. In 2021 97.1% of Torbay's population were classified as white (132,223), with 0.4% Asian or Asian British Indian, 0.5% Asian or Asian British other Asian, 1.2 % for Mixed (a combination of ethnicities), and all other ethnicities accounting for 0.9%.

Torbay is home to 19,708 'millennials' (aged 25 to 39) a figure which again is behind the national average for an area of its size (26,130). On the opposite end of the scale retirement risk is high in Torbay, with approximately 65,345 residents deemed to be of potential retirement age which is significantly higher than the national average for an area of Torbay's size being around 49,307.

⁵ Source: EMSI Analyst Demographics, 2020

7.6. Summary

Nearly 50% of Torbay's population are aged 50 or over. In contrast, the lowest representation comes from ages 16 to 24. This reflects the historical challenge Torbay has long faced, where young people leave the area in pursuit of higher education or stronger career opportunities and do not return until later in life. The data supports this further as the general trend illustrates there has been a decline in the population under 49 and an increase in those aged 50 or above. By 2030, the population is estimated to grow 5.3% which the biggest increase coming from ages 50 to 64.

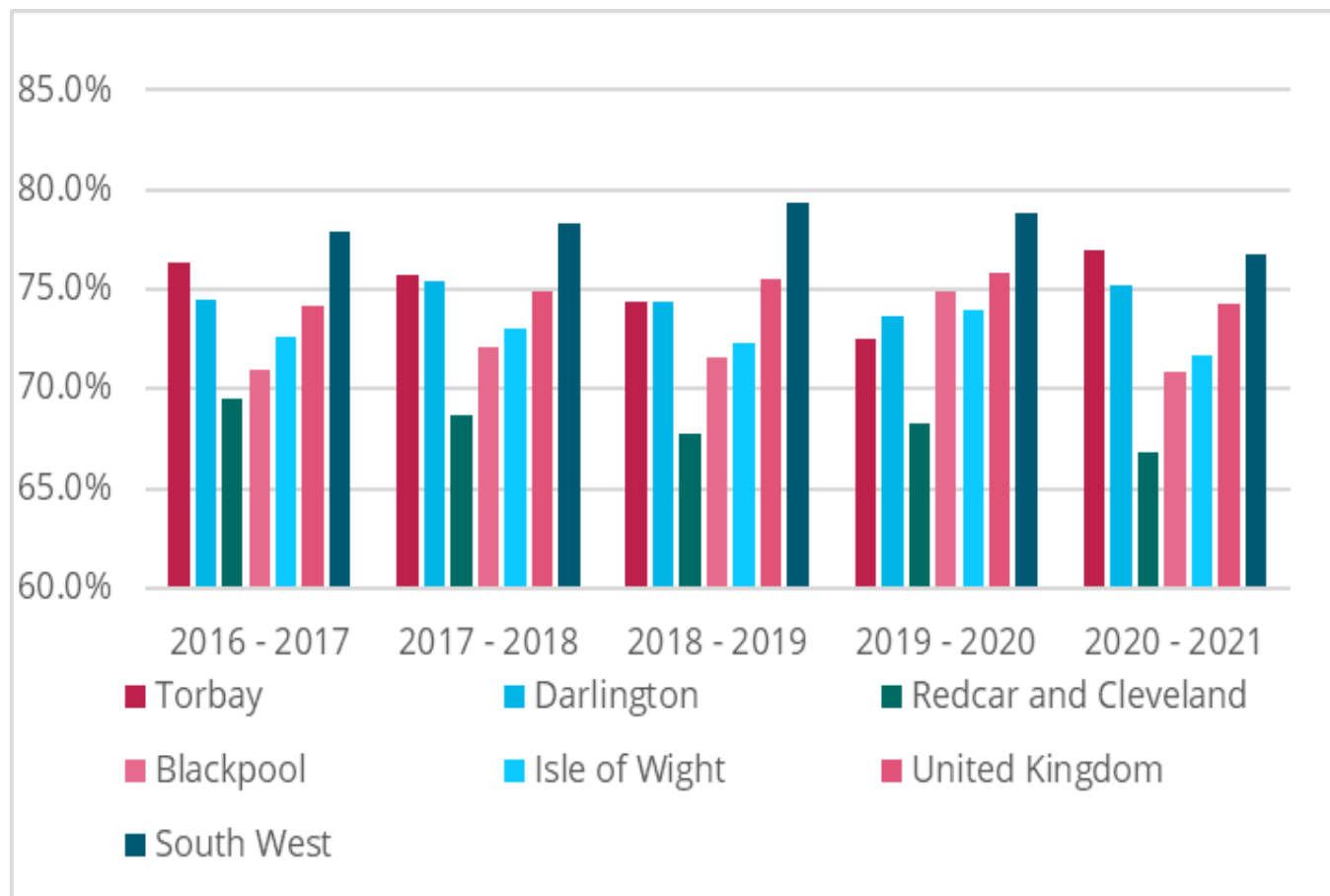
Despite Torbay's proportion of working households being relatively high, making up 53% of the overall households, the workless household's figure continues to rise year-on-year. Deprivation across the area has seen marginal improvements since 2015, particularly in the number of local people living in the 20% most deprived wards, however Torbay remains in the bottom 20% nationally.

Torbay's ethnic diversity is significantly lower than the national average for an area of its size, with 97.1% of its residents classified as White. The number of residents nearing or at retirement age within the area continues to be higher than the national averages.

8. Employment and skills

8.1. Employment & unemployment rates

Figure 16: Employment rates (2016 – 2021)

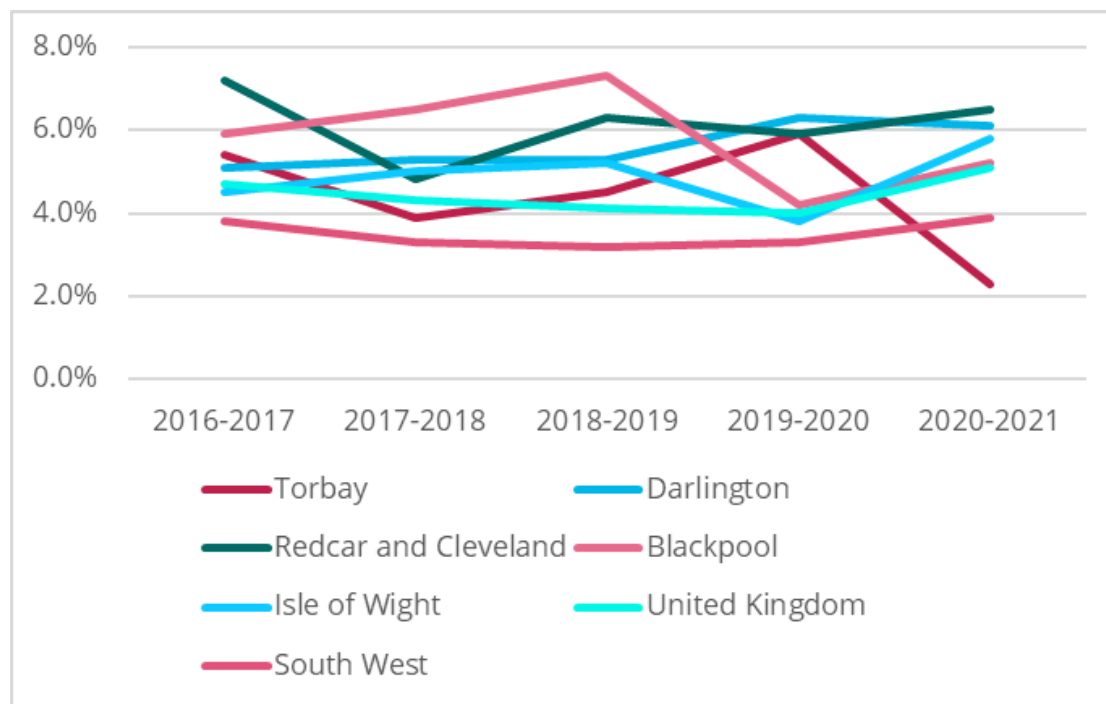


From 2016 to 2020 Torbay's employment rate dropped year-on-year. The lowest being between 2019 and 2020 where the figure was 72.5% (lower than the comparative areas below).

Encouragingly between 2020 and 2021 the figures have increased, rising from 72.5% to 77%. The figure of 77% is higher than its comparators, however this figure may be higher due to a fall in the working age population across Torbay.

Source: NOMIS, Annual Population Survey, 2021

Figure 17: Unemployment rates (2016 – 2021)



Source: NOMIS, Annual Population Survey, 2021

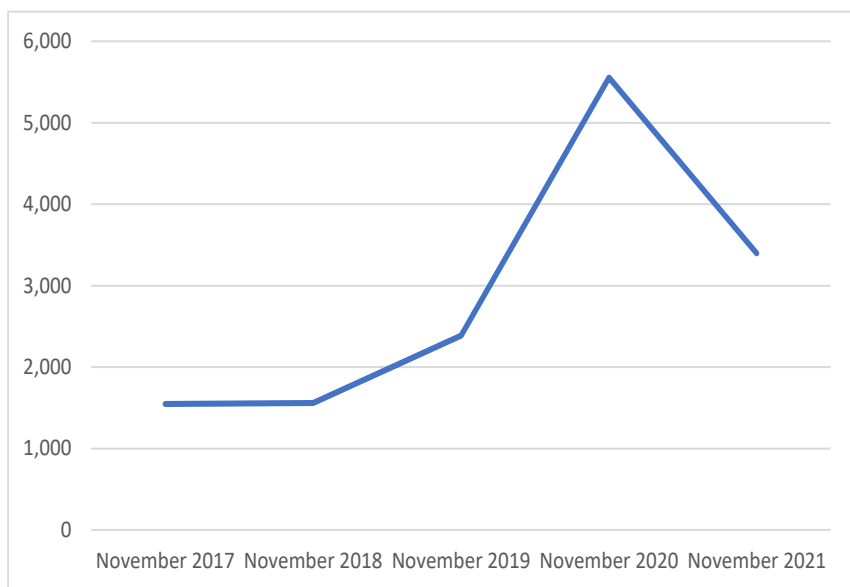
Torbay's unemployment rate is the lowest it has been for five years (2.3%). This is significantly lower than its comparators (Darlington 6.1%, Redcar and Cleveland 6.5%, Blackpool 5.2%, Isle of Wight 5.8%, UK 5.1%, and South West 3.9%). Between 2019 and 2020 the figure jumped significantly from 4.5% to 5.9% which, as above, is likely to be as a direct result of the pandemic, largely due to the makeup of Torbay's economy, particularly affecting those in the face-to-face service industries.

8.2. Claimant count

Claimant count is an administrative count of individuals who are claiming benefits principally for the reason of being unemployed⁶. Between 2019 and 2020 Torbay's figure rose to 5,555, the highest level since official data has been recorded. However, at the end of 2021, Torbay's figure stood at 3,395. The last five years has seen unemployment in Torbay broadly fall in line with national and regional trends. Torbay's claimant count figure is predominately made up by males, accounting for 61.6%.

Figure 18: Claimant count (2017 – 2021)

⁶ Claimant count includes those on low income over 18 with some exceptions for 16- and 17-year old's as well as those eligible for benefits.



Source: Nomis, Claimant Count, 2021

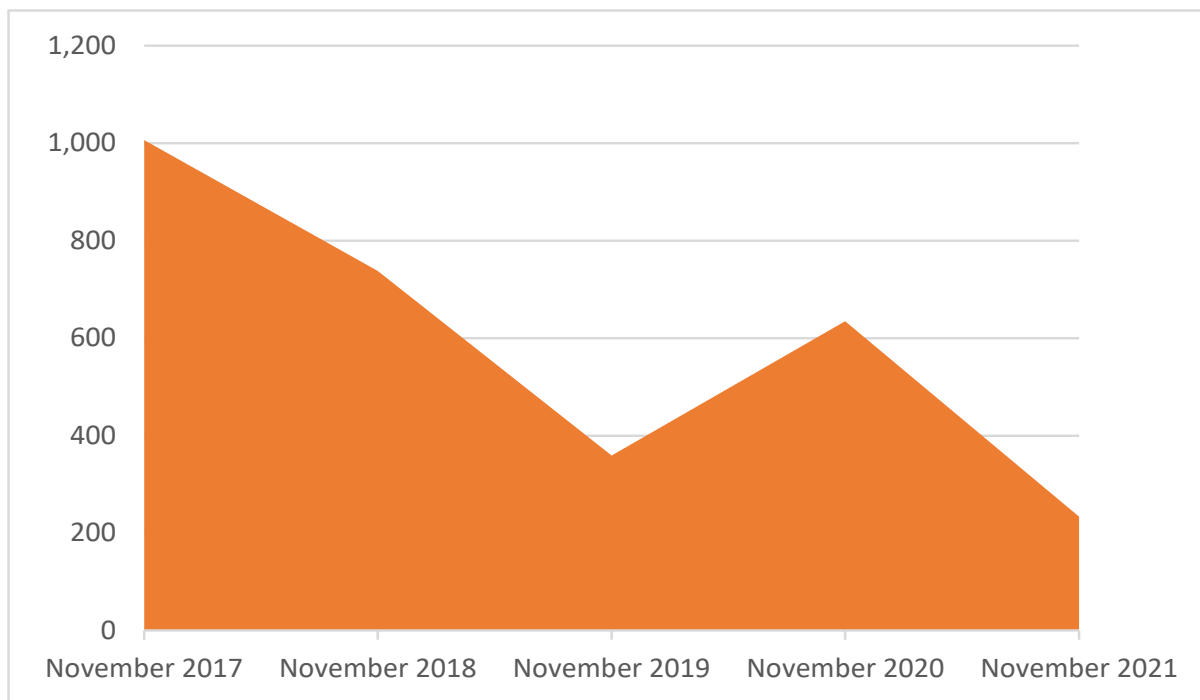
Table 4: Claimant count by sex

	Torbay		Darlington		Redcar and Cleveland		Blackpool		Isle of Wight		South West		United Kingdom	
	No.	%	No.	%	No.	%	No.	%	No.	%	No.	%	No.	%
Male	2,090	61.6%	2,080	60.5%	2,570	62.2%	4,530	63.4%	1,980	58.5%	65,700	58.5%	1,123,020	58.0%
Female	1,305	38.4%	1,360	39.5%	1,560	37.8%	2,610	36.6%	1,405	41.5%	47,625	41.5%	796,080	42.0%

Source: Nomis, Claimant Count 2021

8.3. Job seekers allowance

Figure 19: Job seekers allowance (2017 – 2021)



Outside of an increase from 2019 to 2020, which can be attributed to the pandemic, Torbay's figure has fallen year-on-year for the last five years. Its current figure of 234 is the lowest it has been across this period.

Source: Nomis, Jobseekers Allowance 2021

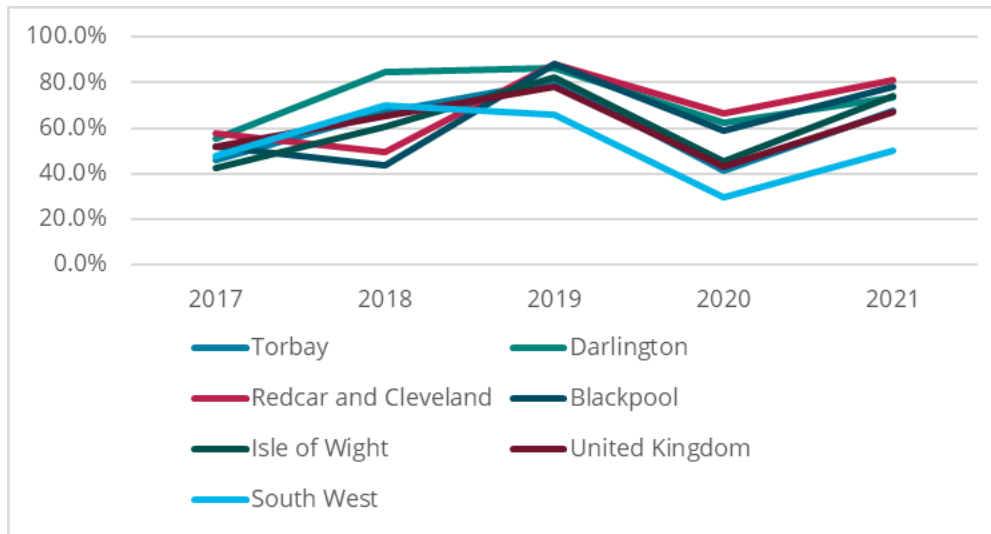
8.4. Long term unemployed

Despite a slight increase from 2017 to 2018 (465 to 495) Torbay's long term unemployed figures, based on those claiming JSA for longer than 12 months, have continued to fall.

At the end of 2021, Torbay's figure was 160, significantly lower than the figure of 465 in 2017. However, percentage wise as a proportion of the overall JSA figure, the current figure of 67.9% is higher than the 2017 percentage (46.3%). This suggests that despite unemployment figures falling, there is still challenges with the long term unemployed who are actively job seeking.

Additionally, percentage wise, Torbay compares favourably with the lowest across the areas of demographic similarities. However, the figure (67.9%) is slightly higher than the national average (67.4%) and significantly higher than the regional average (50%).

Figure 20: Long term unemployed (2017 – 2021)



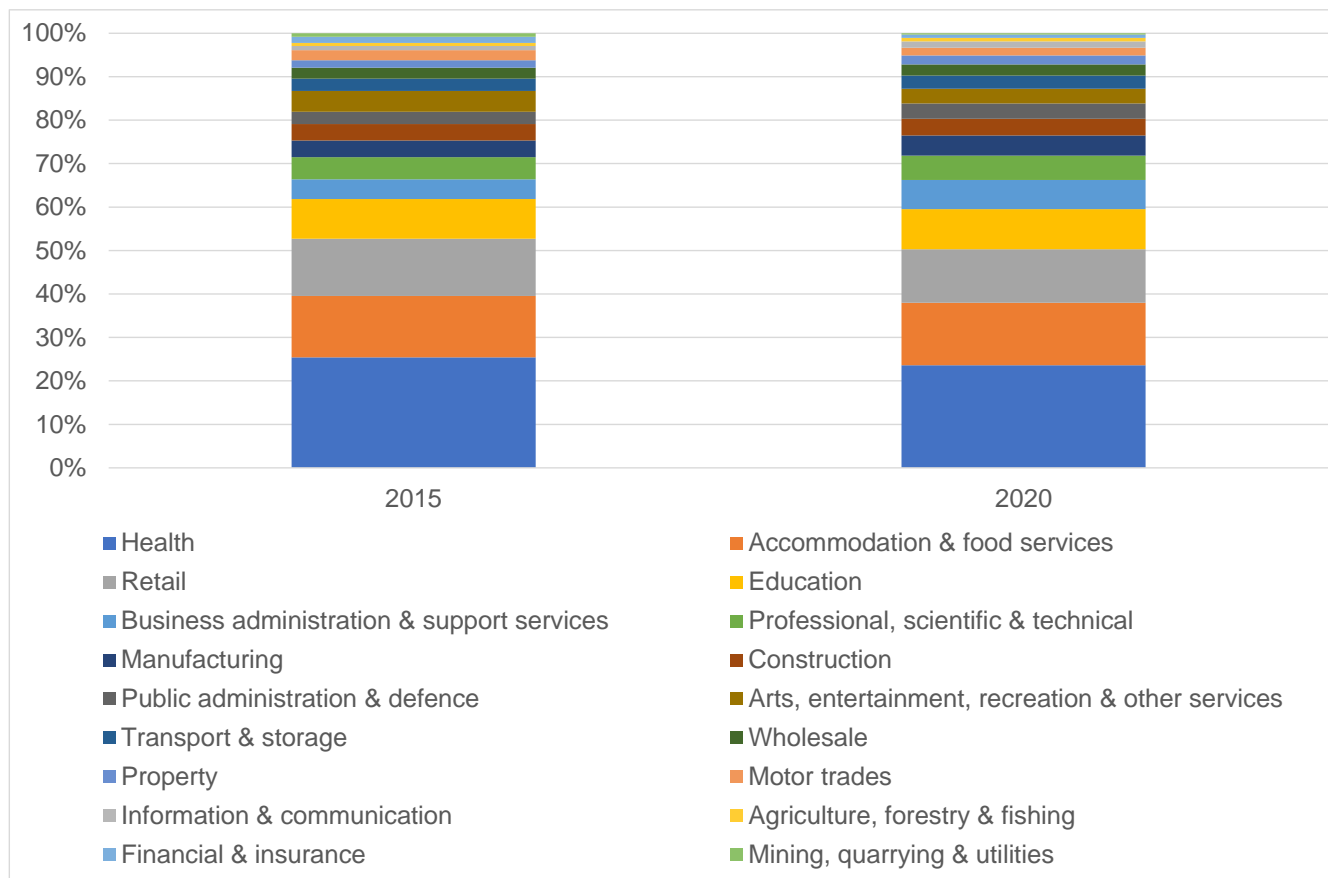
Source: Nomis, Jobseekers allowance by age and duration 2021

8.5. NEET data

In early January 2022 4.5% of Torbay's 16-to-17-year-olds were classified as NEET (Not in Education or Training), a figure 1% percentage lower than the UK average of 5.5%. This figure has improved on the previous year's figure of 5.1%.

8.6. Employment by sector

Figure 21: Employment by sector in Torbay (2015 and 2020)



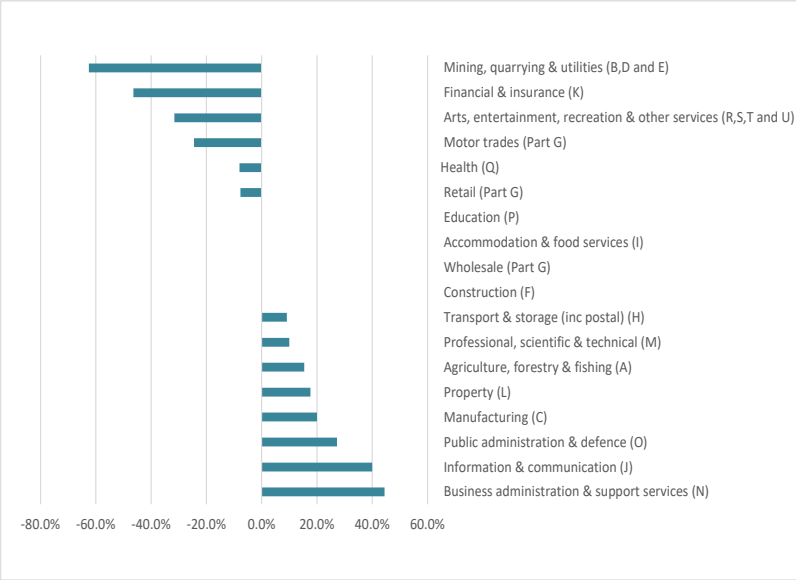
The number of jobs in Torbay has decreased by 3.0% from 49,500 in 2015 to 48,000 in 2020. Over the five-year period, the rankings of the top employment sectors have remained unchanged with; health (24.0%), accommodation & food services (14.6%), retail (12.5%), education (9.4%), and business administration & support services (6.8%).

Source: Business Register and Employment Survey, 2021

8.7. Change in jobs

Figure 21 illustrates the change in the distribution of Torbay's employment over the past five years. Most significantly, during this time Torbay has seen a 44.4% increase in employment in the business administration & support services sector. Other high value-added sectors have also seen increases such as information and communication (40% increase), public administration & defence (27.3% increase) and manufacturing (20% increase).

Figure 22: Percentage change in Torbay’s employment by sector



Sectors which have seen an increase in the number of jobs over the last five years are business administration & support services (44.4%), information & communication (40%), public administration & defence (27.3%) and manufacturing (20%).

On the other hand, some sectors have declined. Financial & insurance (-46.4%), arts, entertainment, recreation & other services (-31.6%), motor trades (-24.4%), and health (-8.0%) have decreased over the last five years. Most sectors employ relatively few people, however, the health sector and retail (-7.7%) are two key employment sectors which have seen significant decrease over the past five years.

Source: Business Register and Employment Survey, 2021

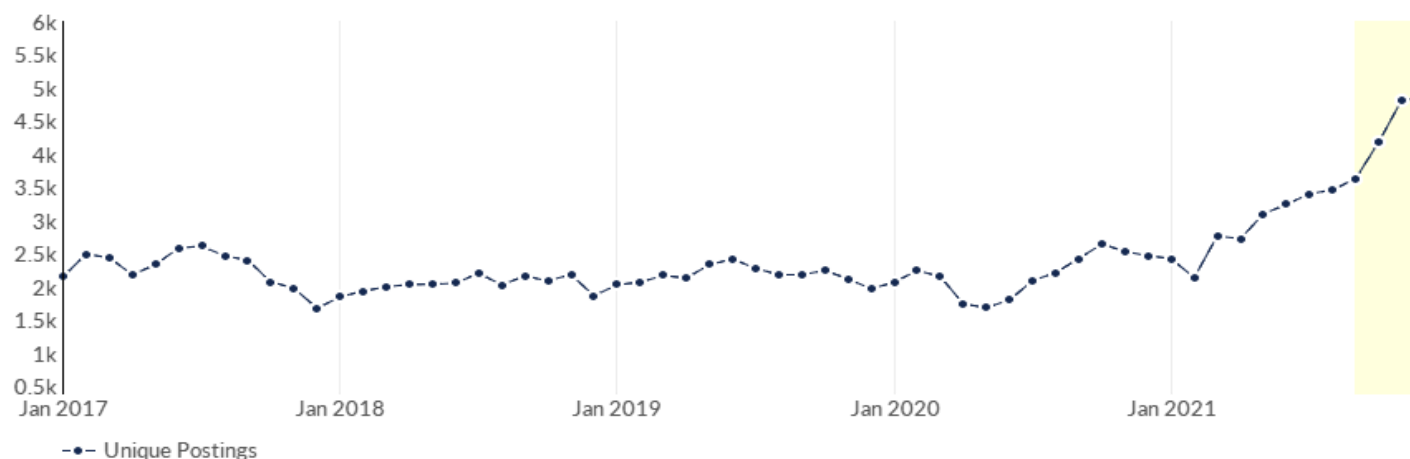
8.8. Apprenticeships

13% of students in Torbay start an apprenticeship after they finish their 16 to 18 studies. This figure is 4% higher than the United Kingdom average (9%).

8.9. Vacancies

Vacancies are currently at the highest level they have been over the last five years. We find ourselves in unprecedented times where there are currently more vacancies than people actively looking for work. Sectors such as retail, tourism and health and social care have significant levels of job vacancies with many businesses struggling to recruit to meet their operational requirements.

Figure 23: Vacancy levels Torbay (2017 – 2021)



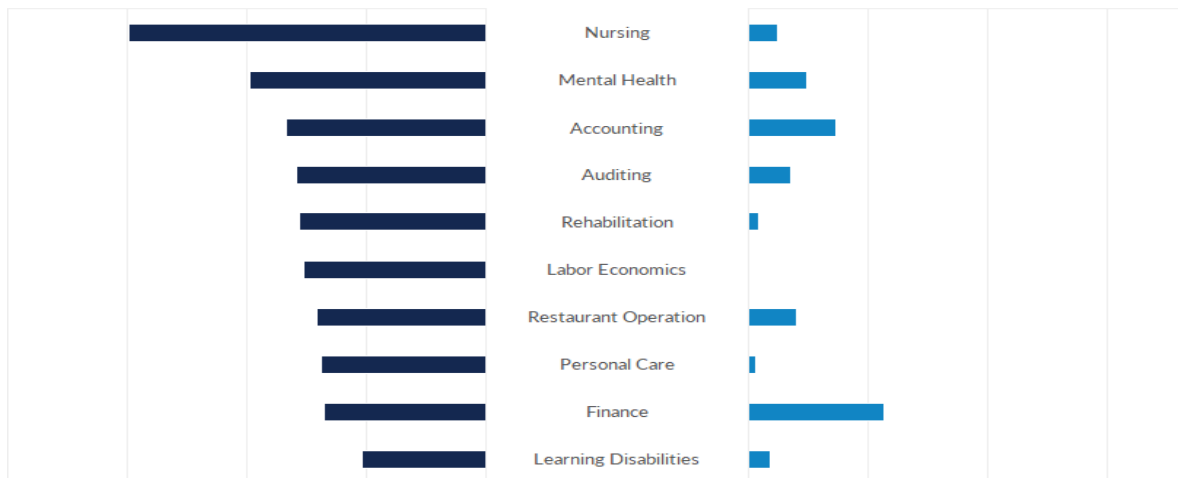
Source: EMSI, Job Postings, 2021

The most common vacancies within Torbay have broadly remained consistent, the level of vacancies have fluctuated as above but the occupations have largely remained the same. Not surprisingly the vacancies sit within sectors of significant importance to Torbay and some within those hard to fill sectors.

Nurses	Care Workers	Chefs
Sales and Retail Assistants	Van Drivers	Primary and Nursery Roles

Continuing the theme, the most frequent ‘hard’ skills are largely typically found within the above roles. Figure 23 below provides further insight whilst also alluding to a mismatch between the skills employers are looking for and the skills residents have.

Figure 24: Top Hard Skills (2017-2021)

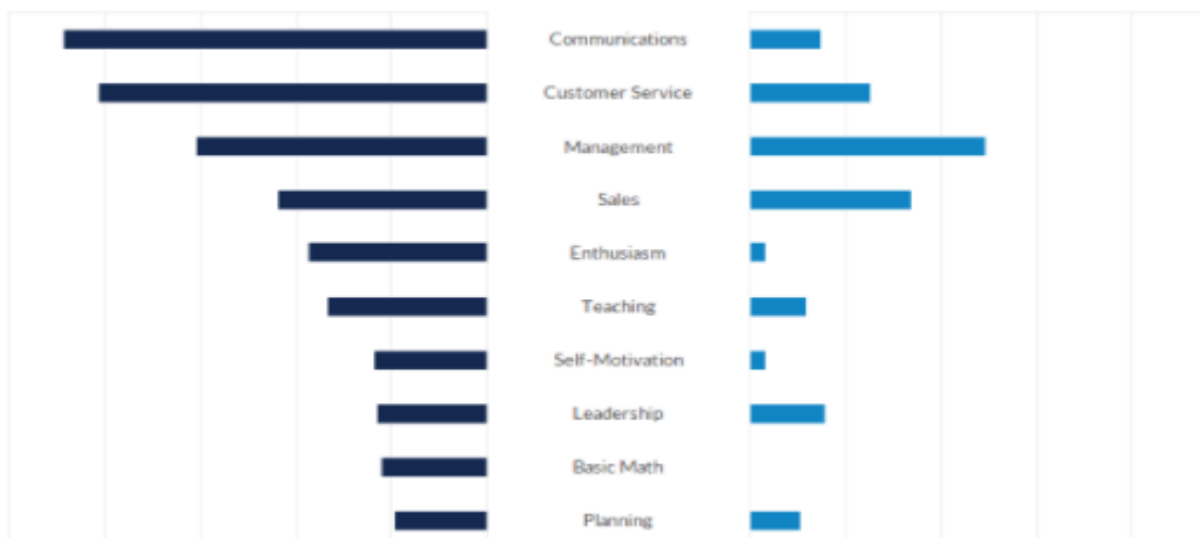


Source: Emsi, Job Postings, 2021

'Soft' skills have become increasingly important to employers⁷ particularly due to the skills often being easier to transfer and replicate across all sectors. Whilst there is an improvement here in comparison to the hard skills, the data still shows disparity amongst the skills residents have, and the skills employers are looking for.

Figure 25: Top Soft Skills (2017-2021)

⁷ The Future of work is now, Exeter University, 2020



Source: Emsi, Job Postings, 2021

4.10 Summary

On the surface the employment landscape across Torbay reads relatively healthily with employment levels higher than they were pre-pandemic. Unemployment rates are the lowest they have been for five years and are lower than both the national and regional averages. There continues to be a reduction in long term unemployment with figures falling year-on-year, with youth unemployment following a similar trend. There are however underlying issues, the area has a reducing number of jobs, high levels of part time employment and an ageing workforce. This suggests there are other challenges and issues preventing people either from working or from moving from part time to full time work. Anecdotal evidence highlights individuals' perceptions of certain roles and sectors, complex personal circumstances, volatility across employment programmes and multi-generational welfare dependency all to be barriers to employment.

Vacancies are at the highest levels they have been since LMI data⁸ has been recorded, following the same pattern as the region and nationally. Torbay has more vacancies than people actively seeking work suggesting that employers across all sectors are struggling to recruit and fill vacancies with the employment market becoming 'tight'

Across the vacancies there are large levels of disparity amongst the skills employers are looking for and the skills residents have.

Torbay has seen a significant increase in employment within the business and administration sector (44.4%). Encouragingly other high value-added sectors such as information and communication and manufacturing have also seen notable increases. Key sectors which have typically accounted for large numbers of employment have seen decreases and have high levels of vacancies. This could be explained by a combination of factors such as Brexit, the pandemic, and the challenges of attracting individuals to certain roles.

9. Workforce

9.1. Working age population

Between 2017 and 2021, the data shows there has been a 1.9% decrease of the total working age population, falling from 60,600 to 58,500. Over the same period, there has been a slight increase in the proportion that is economically active, rising from 76.3% to 77%.

⁸ It is worth mentioning that Labour Market Intelligence (LMI) such as EMSI struggles for data within certain sectors. An example being construction, which local intelligence informs us there are a plethora of vacancies locally within this sector.

9.2. Distribution of full-time and part-time workers

Since 2015, Torbay's workforce has reduced, falling from 47,500 to 46,500 in 2020.

Distribution wise, 58.1% of employees are full-time whereas 41.9% are part-time. Despite the decrease in total workers, both Torbay's full-time and part-time proportions have remained broadly consistent since 2015.

Across Torbay the statistics demonstrate that there remains a stronger prevalence of part-time work as the 41.9% figure is higher than all its comparators. This prevalence is indicative of Torbay's economic make-up with its dominance in tourism and hospitality, social care, and retail.

Table 5: Proportion of full-time and part-time workers (2021)

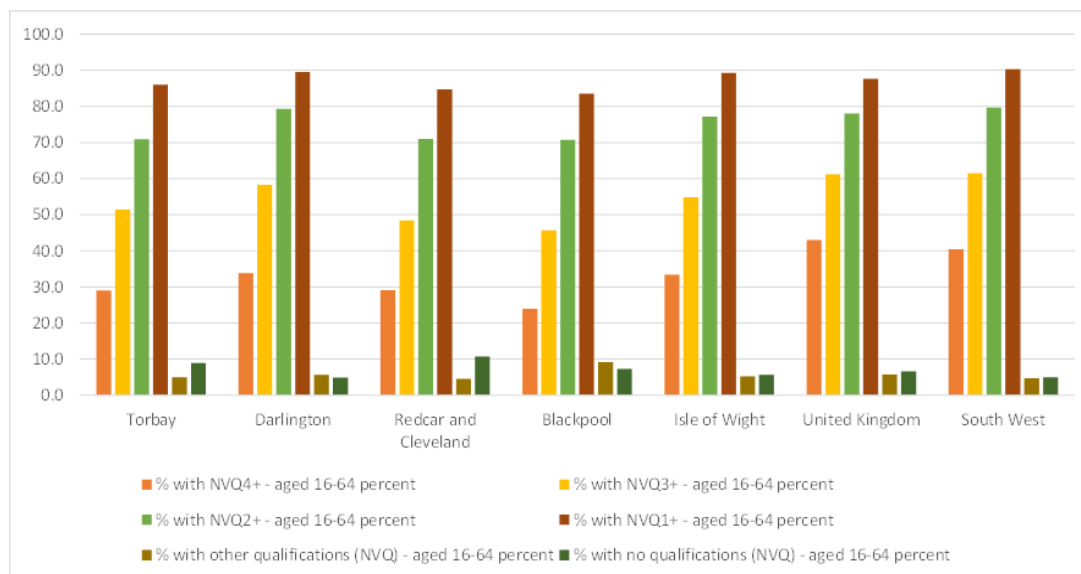
	Workforce (Number)	Full-time (%)	Part-time (%)
Torbay	46,500	58.1%	41.9%
Darlington	51,000	67.6%	32.4%
Redcar and Cleveland	37,000	63.5%	36.5%
Blackpool	63,500	60.6%	39.4%
Isle of Wight	49,000	62.2%	37.8%
South West	2,475,000	65.0%	35.0%
United Kingdom	29,508,500	67.9%	32.1%

Source: Nomis, Business Register and Employment Survey, 2021

9.3. Qualification levels

Figure 25 provides a proportional break down of qualifications across the working age population in 2020. . 9.0% of the working population in Torbay have no qualifications, a figure which has increased since 2017, leaping from 6.2% to 9.0%. the largest increase came from 2019 to 2020 (6.6% to 9.0%). The figure of 9.0% is second only to Redcar and Cleveland (10.7%) and is significantly higher than the South West (5.0%) and United Kingdom (6.6%).

Figure 26: Proportion of working age population by qualification (2020)



Torbay also compares poorly across the working age population for residents with NVQ4+. The figure of 29.0% is the second lowest, (Blackpool is the lowest with 23.9%) a figure some way behind the South West (40.4%) and United Kingdom (43.0%) totals. In fact, Torbay falls behind the national and regional percentages across NVQ1+ right through to NVQ4+.

Source: Nomis, Annual Population Survey, 2020

9.4. School performance

Table 6: Local authority schools rankings (2017 – 2019)

	2017	2018	2019
Torbay	-0.1	0.3	0.7
England	0.0	0.0	0.0

Source: Department of Education, 2021

Over the past three years, the collective performances of Torbay's schools have progressed from being below average in 2017 to above average in 2019. However, despite the relative improvement in the performance of Torbay's schools the level of NEETs in Torbay remain 0.8 percentage points higher than the England average.

Figure 27: Attainment gap between disadvantaged and non-disadvantaged pupils

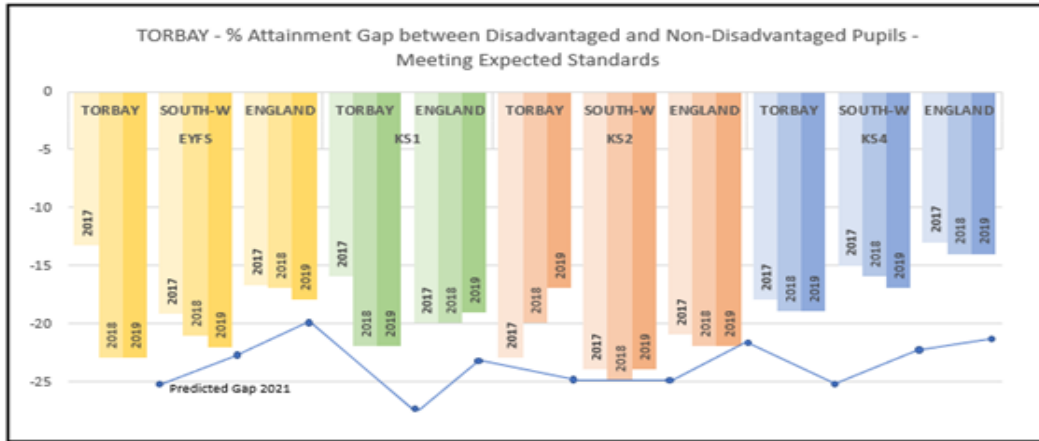
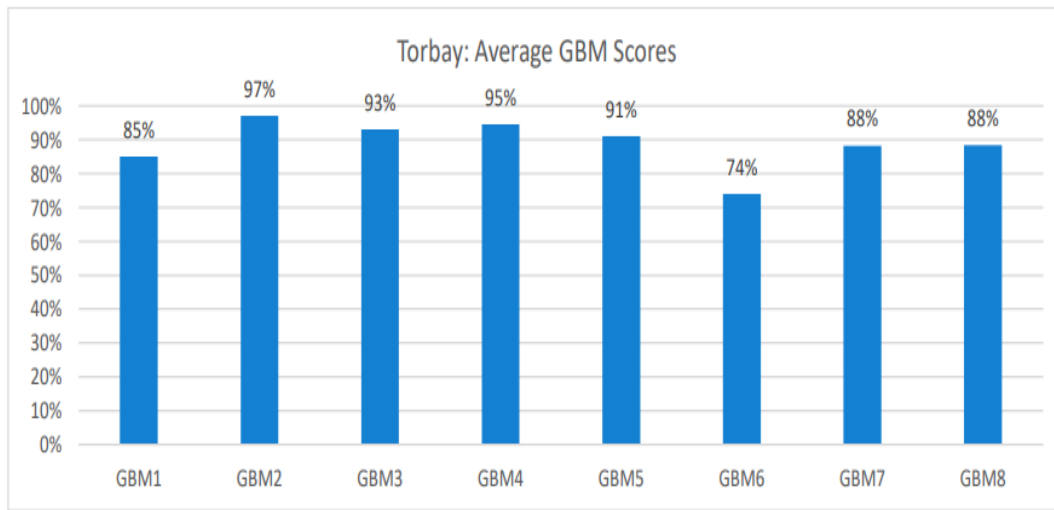


Figure 28: Gatsby Benchmark average scores across Torbay



Since 2017 attainment gaps between disadvantaged and non-disadvantaged pupils are worsening across multiple school stages. EFYS has had the most significant increase, both KS1 and KS4 have also seen slight increases. KS2 attainment gap has improved.

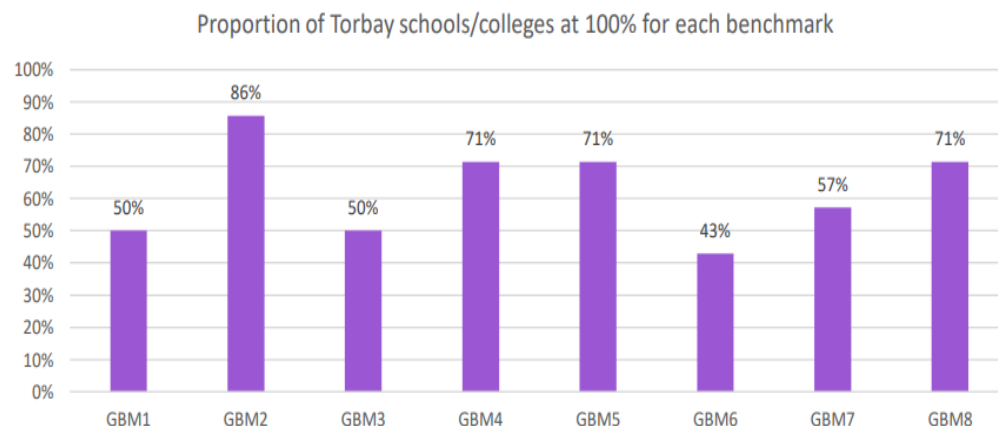
Source: Keyphas – internal Torbay systems matched to national pupil deprivation data 2022

Torbay ranks relatively strongly against most of the Gatsby benchmarks, the benchmarks act as a framework for good, robust careers advice and guidance in schools. The area which currently requires the most support is benchmark 6, experiences of employers and the workforce within school's career programmes.

Figure 29 below highlights the proportion of Torbay schools or colleges that are at 100% for every benchmark.

Source: HotSW Careers Hub, Torbay Report 2022

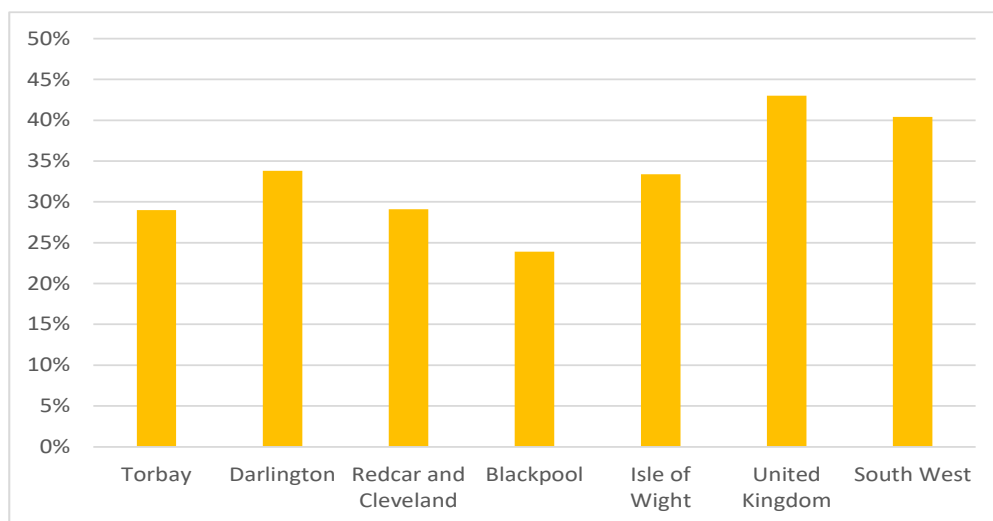
Figure 29: Proportion of Torbay schools/colleges at 100% for each benchmark



Source: HotSW Careers Hub, Torbay Report 2022

9.5. Graduates in the workforce

Figure 30: Percentage of working age population with NVQ4+



29.0% of Torbay's working age population are graduates. Amongst its comparators, this is the second lowest figure (behind only Blackpool 23.9%), demonstrating the challenges Torbay has with retaining talent, who often leave the area in search of higher education opportunities and enhanced career prospects. Torbay's figure is significantly lower than both the regional and national figures. (43.0% and 40.4%).

Source: Nomis, Annual Population Survey, 2021

9.6. Earnings

Despite a 30% increase in wages for people working in Torbay since 2015, income remain below the average. From 2015 to 2021, people working in Torbay earned less than the comparator locations as well as the national and regional averages. In 2021, people working in Torbay earned on average⁹ £412.70, compared to regional and national averages of £464.10 and £540.40.

Additionally, those living in Torbay but work outside of the area in 2021 on average earned around £452.56, a figure £39.60 higher than people working and living in Torbay, suggesting better salaries can be achieved working outside of Torbay, a pattern that is also replicated by some of the areas below.

Table 7: Average full-time gross weekly wages (2015 – 2021)

Resident							
	Torbay	Darlington	Redcar and Cleveland	Blackpool	Isle of Wight	United Kingdom	South West
2015	339.5	402.0	381.0	318.2	369.4	425.1	398.4
2016	361.4	437.2	385.0	332.1	378.4	438.4	410.6
2017	366.0	385.0	387.6	338.8	405.8	448.5	419.3
2018	354.3	332.1	393.7	351.0	402.5	460.0	430.8
2019	392.0	378.4	397.2	379.1	416.2	479.1	444.9
2020	383.2	438.4	417.2	369.7	417.0	479.1	443.8
2021	452.6	410.6	439.2	402.7	422.0	504.4	469.9

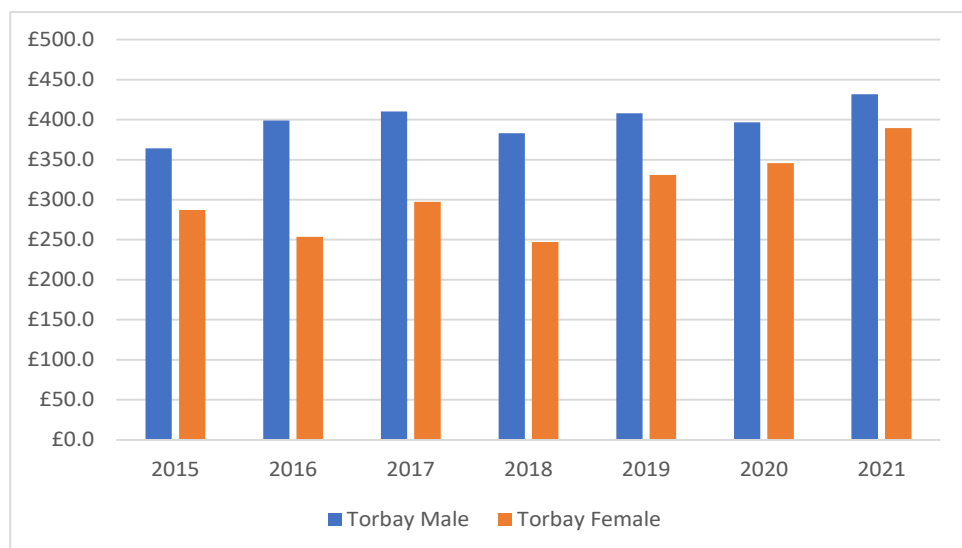
Workplace

⁹ Part-time and full-time average workplace-based earnings

	Torbay	Darlington	Redcar and Cleveland	Blackpool	Isle of Wight	United Kingdom	South West
2015	364.2	523.5	517.4	383.1	446.1	517.5	482.7
2016	398.8	499.5	465.4	430.0	463.5	530.4	498.4
2017	410.2	490.5	497.3	437.1	442.5	540.6	513.1
2018	382.9	506.0	542.2	424.4	470.6	554.6	518.9
2019	408.1	522.6	467.2	435.2	475.6	574.9	536.5
2020	396.7	501.2	534.0	427.0	525.9	568.4	524.7
2021	431.9	567.7	511.4	504.6	480.7	594.1	555.8

Source: Nomis, Annual Survey of Hours and Earnings, 2021

Figure 31: Average weekly workplace earnings between male and female (2015 – 2021)



Both male and female work-based earnings have shown similarities in across 2015 to 2021 in terms of growth and slight falls. However, figure 16 shows that weekly wages for males have consistently been higher than their female counterparts, there is a significant gap but one which is narrowing.

Source: NOMIS, Annual Survey of Hours and Earnings, 2021

9.7. Flows of labour

Table 8: Inflows and outflows of labour in Torbay (2011)

	Labour Flow Out of Torbay	Labour Flow Into Torbay	Net Impact
Teignbridge	5,192	4,736	-456
South Hams	2,668	1,896	-772
Exeter	2,127	385	-1,742
Plymouth	784	675	-109
East Devon	415	161	-254
Cornwall and Isles of Scilly	99	86	-13
Mid Devon	91	84	-7
Bristol, City of	65	11	-54
West Devon	60	40	-20
Taunton Deane	42	0	-42
South Somerset	35	0	-35
South Gloucestershire	33	0	-33
North Devon	30	18	-12
Wiltshire	30	0	-30
Sedgemoor	25	0	-25
North Somerset	22	23	1
Swindon	22	0	-22
Mendip	12	0	-12
Torridge	11	0	-11
Offshore Installation	100	0	-100
Outside UK	82	0	-82

Other	1,032	476	-556
Total	12,977	8,591	-4,386

Source: NOMIS, Census 2011

Table 8 shows the breakdown by area of labour flows in and out of Torbay in 2011, which is still the most recent data as the dataset will not be updated until 2021. Of the total 47,804 employees that worked in Torbay in 2011, around 18% travelled from outside of the area. Of the 52,000 people who live in Torbay and are employed, it is estimated that around 10.8% work outside of the area. Official data¹⁰ from 2019 does indicate that the net migration out of Torbay could be closer to around 5,625.

9.8. Summary

Torbay has seen a small decrease in the working age population over the past five years (1.9%). In addition, the total worker's figure has fallen too. The number of full-time and part-time workers has broadly remained consistent over the same period however Torbay's part-time figure of 41.9% of the workforce is higher than most of its comparators. This prevalence is indicative of Torbay's economic make-up.

9.0% of Torbay's working population have no qualifications, a figure that is increasing. Unsurprisingly this figure has worsened because of the pandemic and although NEET figures are relatively stable these too are above the English average and showing signs of a small increase. At the other end, Torbay continues to fare poorly across the working age population for NVQ+4. 29% are classified as graduates, a figure lower than comparators and the national and regional averages, reiterating further that the challenge Torbay faces is retaining talent. Overall, Torbay lags the national and regional qualification percentages across NVQ1+ right through to NVQ4.

The overall net migration taken from labour flow out of Torbay and Labour flow into Torbay has increased since 2011.

Wages across Torbay have seen an increase over the last five years but remain below the national and regional averages. Additionally, the data shows that higher earners tend to reside in Torbay, but work outside of the area, backing up the evidence that higher skilled and paid jobs come

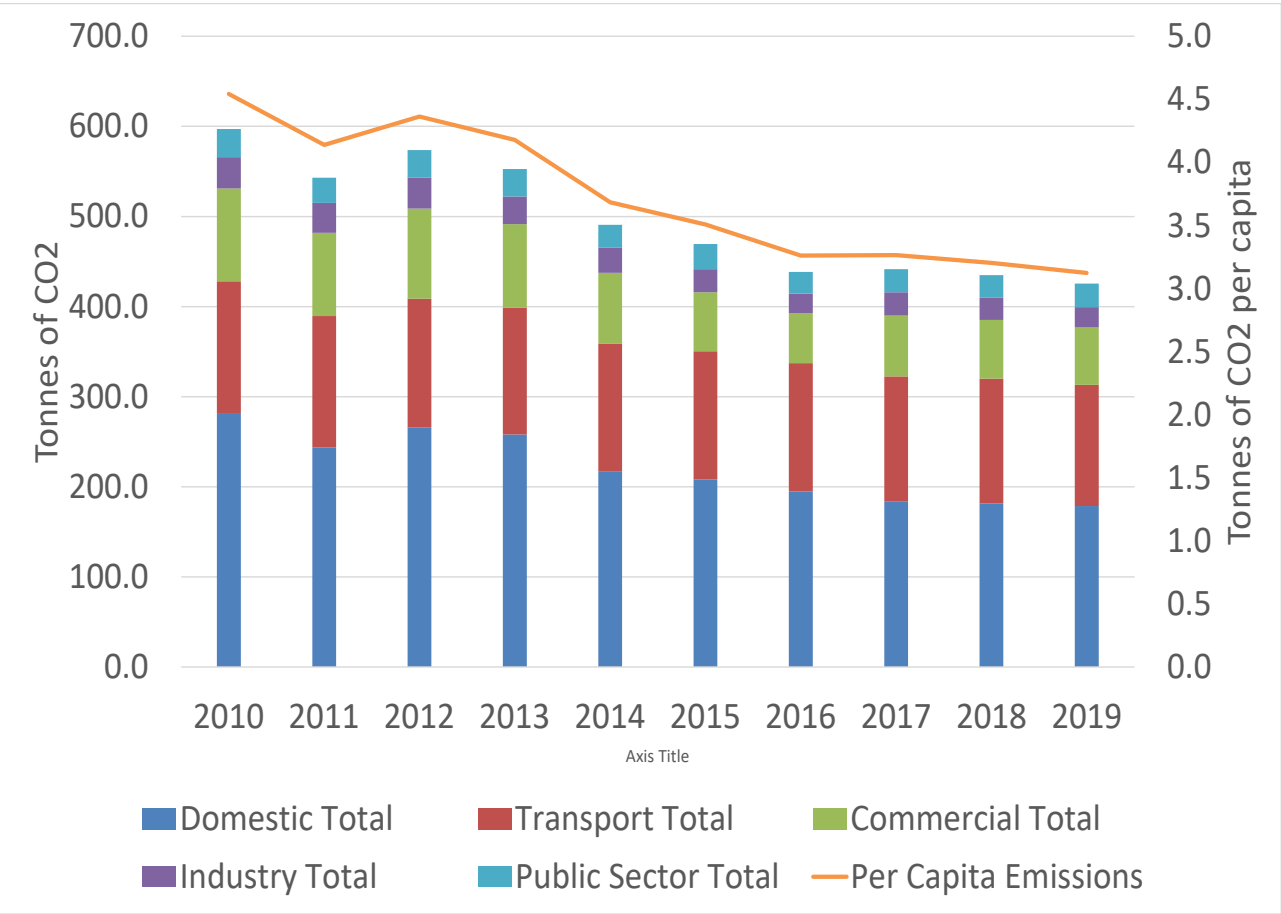
¹⁰ Combination of Business Register and Employment Survey / Annual Population Survey, 2019

from its neighbouring areas. Average wages for males and females have followed similar trends over the last five years with the average wage for males being continuously higher than females with a relatively sizeable gap.

10. Environment

10.1. Carbon Dioxide Emissions

Figure 32: CO2 emissions in Torbay by category (2009 – 2019)



In 2019 Torbay produced 424.1 tonnes of CO2 equating to 3.1 tonnes per person compared to 4.6 tonnes across the region. Torbay’s CO2 per capita decrease 29.6% over the past 10 years from 4.4 tonnes per person.

Around 41.9% of Torbay’s total CO2 emissions were from domestic sector compared to 31.6% from transport, 15% from commercial, and 5.3% from industry, and 6.2% from the public sector.

Since 2009 CO2 emissions in Torbay have decreased across all sectors with commercial and industrial sectors accounting for the largest decreases at 38.5% and 36.9% respectively. Transport which is the second largest contributor to CO2 emissions in Torbay has decreased by least (10.8%) over the past 10 years.

Source: DBEIS, UK local authority and regional carbon dioxide emission, 2021

11. Appendix 1: Comparators

Table 9: Comparison indicators

Local Authority	GVA per Head Index (2019) ¹¹	GVA per Hour Index (2019) ¹²	Total Population (2020) ¹³	% of population aged 16 – 64 (2020) ¹⁴	% of population aged 65+ (2020) ¹⁵	Economic Activity Rate (2020) ¹⁶	Employment Rate 16 – 64 (2020) ¹⁷	% with No Qualifications (2020) ¹⁸	Full-time Employment Rate (2020) ¹⁹	Part-time Employment Rate (2020) ²⁰	% of population living in 20% most deprived areas (IMD 2019) ²¹
Blackpool	68.7%	77.1%	138,381	60.6%	20.5%	76.3%	72.8%	7.3%	60.6%	39.4%	56.7%
Darlington	83.3%	93.0%	107,402	60.7%	20.6%	78.8%	74.1%	4.9%	67.6%	32.4%	30.2%
Isle of Wight	64.3%	84.2%	142,296	55.9%	28.7%	77.7%	73.2%	5.6%	62.2%	37.8%	13.8%
Redcar and Cleveland	-	75.5%	137,228	59.2%	22.8%	72.6%	68.5%	10.7%	63.5%	36.5%	36.0%
Torbay	49.4%	69.4%	136,218	56.0%	27.3%	76.1%	72.1%	9.0%	58.1%	41.9%	27.5%
South West	87.4%	-	5,659,143	60.0%	22.4%	81.3%	78.0%	5.0%	65.0%	35.0%	-
United Kingdom	100.0%	100.0%	67,081,234	62.4%	18.6%	78.8%	75.1%	6.6%	67.9%	32.1%	-

- Data not available

¹¹ Source: ONS, Regional GVA, 2021

¹² Source: ONS, Regional GVA, 2021

¹³ NOMIS, Population Estimates, 2021

¹⁴ NOMIS, Population Estimates, 2021

¹⁵ NOMIS, Population Estimates, 2021

¹⁶ Source: NOMIS, Annual Population Survey, 2021

¹⁷ Source: NOMIS, Annual Population Survey, 2021

¹⁸ Source: NOMIS, Annual Population Survey, 2021

¹⁹ Source: NOMIS, BRES, 2021

²⁰ Source: NOMIS, BRES, 2021

²¹ Source: DLUCH, IMD 2019