

February 2010 | Issue 8

Recession over - or is it?

On 23 January the Bank of England announced that Britain was officially out of recession - albeit with a puny growth rate of 0.1% Gross Domestic Product (GDP).

The Bank of England Summary report for January 2010 states:

- Over the Christmas period, most retailers had experienced stronger demand than during the same period a year earlier.
- In most parts of the United Kingdom, the gradual pickup in housing market activity had continued.
- While investment intentions remained muted, few firms planned a second round of sharp cuts following last year's sizable reductions in spending.
- An increasing number of contacts had reported growth in exports relative to the same period a year earlier.
- Many contacts planned to maintain their inventories at low levels after a bout of de-stocking earlier in the year.
- Business services and manufacturing output remained down on the same period a year earlier. While there were few reports of further contraction in recent months, there was no consistent sense of robust recovery in activity. Construction remained severely depressed.
- Credit conditions had eased during the second half of 2009, though that loosening had not been experienced uniformly across contacts.
- Few firms were planning actively for further material cuts in employment. But few were looking to recruit significant numbers of permanent staff - the typical response to any growth in activity being to reverse previous cuts to average hours or make use of temporary staff.
- Pay growth was expected to remain subdued through 2010. Inflation in materials costs remained low, but was expected to rise over the next year.
- Consumer goods price inflation remained low, but positive. Looking forward, most retailers planned to pass at least a part of the 1 January 2010 increase in VAT on to their customers.

Statistics from Job Centre Plus for the South West show on 26 January 2010:

- The seasonally adjusted claimant count in the South West decreased for the third month running, now standing at 93,300. This is down 2,100 on the previous month but up 25,300 on the figure for December 2008.
- The monthly decrease of -2.2 % compares with a national decrease of -1.0%.
- The unadjusted claimant count in the Region has seen a decrease this month, experiencing a -1.7% decrease and now stands at 90,035.

The South West should not get carried away with the news that the recession has ended. Nigel Jump, chief economist at the South West Regional Development Agency, gave a cautious welcome to the GDP

growth figures of 0.1%. But he warned that the recovery would be slow and there were still doubts as to whether the growth was sustainable. 'Obviously there is good news in the sense that the number is positive but it's not great because the number is so small.' The question for 2010 is whether the recent pickup in activity is sustainable or whether it is "dead cat" bounce. (Technical term that!) 'I think it will be sustained but it will not be a rapid recovery.' Mr Jump warned that whoever wins the General Election had to time inevitable spending cuts wisely - or the UK would slip back into recession.

Mike Manson

Labour market information from Connexions West of England

Local information sheets - detailed local information on 18 of the most popular career areas. Can be downloaded from:

<http://www.connexionswest.org.uk/professionals/resources-and-publications/articles/local-information-sheets/>

Work Matters - contains local occupational profiles.

http://carbon.focusnewmedia.com/files/publications/30/work_matters_2009-10.pdf

<http://workmatters.connexionswest.org.uk/>

Year 9 LMI sheets

<http://www.connexionswest.org.uk/professionals/resources-and-publications/articles/year-9-labour-market-information-sheets/>

West of England 'in learning' rate continues to increase

Latest figures from Connexions West of England reveal the following:

- The 'in learning' rate has improved by a further 3.3% over the year.
- The overall NEET rate has remained static by comparison with 2008, though we have improvements in two areas, with a third remaining the same.
- We see a percentage point reduction in 'not known' rates 2008 to 2009, with improvements in all areas.
- A 3.3% decrease in the employment without training rate, alongside a 2.3% decrease in the combined NEET/jobs without training group.
- We have an overall improvement in the teenage mother EET rate, but slight decreases in the other two vulnerable groups. Not known rates are better in the teenage mother and LDD groups, but we have a small increase in the care leaver group.

Connexions West of England Performance Report - February 2010

Youth participation in Higher Education reaches 36%

A report by the Higher Education Funding Council into trends in young people's participation in higher education from the mid-1990s to the present has found that overall, young people are 20% more likely to go on to higher education today than in the mid-1990s.

Key points

Young participation has increased for England.

Young participation has increased from 30% in the mid-1990s to 36% at the end of the 2000s, making young people today over +20% more likely to go on to higher education than in the mid-1990s.

Large differences in participation rates by where young people live.

There are large differences in participation rates by where young people live: currently fewer than one in five young people from the most disadvantaged areas enter higher education compared to more than one in two for the most advantaged areas.

Young people from disadvantaged areas substantially more likely to enter higher education since the mid-2000s.

In the most disadvantaged areas there have been substantial and sustained increases in the proportion of young people entering higher education since the mid-2000s.

Young people from advantaged areas are also more likely to enter higher education.

The proportion of young people from the most advantaged areas who enter higher education has also increased, typically by +5% over the past five years and +15% over the past 15 years.

Differences in participation rates between advantaged and disadvantaged neighbourhoods have reduced since the mid-2000s.

Since the mid-2000s the majority of additional entrants to higher education have come from more disadvantaged areas.

Participation rates higher for women, but recent substantial increases for men.

In the mid-2000s young women were +25% more likely to enter higher education than young men, rising to +44% more likely in disadvantaged areas. www.hefce.ac/pub

The high street isn't the same without Woolies

Woolworths, the high street chain, which went to administration last year, left more than 27,000 people jobless and 807 empty retail locations. Around 70 percent of

the Woolworths premises have been let. Discount stores B&M Bargains have taken 45 stores, Poundland have taken 27 stores, 99p Stores snapped up 50 stores and Iceland also managed to secure 50 locations. The Whiteladies Road store in Bristol now houses an indoor market. The disappearance of Woolworths has encouraged the big four supermarkets to expand their non-foods range. However, there is hope that Woolworths could return to the high street under a plan by Shop Direct Group, the owner of Littlewoods. Shop Direct aim to have a chain of 200 stores. They paid £7 million in February for the Woolworths Brand name and Ladybird, its children's wear.

The Times 23 November 2009

Armed forces recruitment up

Figures showing that the UK Armed Forces are currently just under 98% of their full time trained strength requirement have been released by the MOD. This is up from 96.8% a year ago and shows a continued upward trend in both recruitment and retention.

www.mod.uk

Creative graduates ride the recession

Graduates of creative courses are well placed to ride out the recession a new study has revealed. Called Creative Graduates Creative Futures, the study is the largest ever survey of creative graduates' career paths and offers an alternative career model for the 21st century workforce. Led by University of the Arts London and conducted by the Institute for Employment Studies, the research shows how creative graduates' ingenuity and resourcefulness, and their valuing of creativity over wealth makes them well equipped to survive tough economic times.

www.creativegraduates.com

Financial services companies urged to target school leavers

The National Skills Academy for Financial Services (NSAFS) is urging financial services employers that are looking to recruit in the current economic climate to target school leavers who are finishing their A-level or equivalent courses, due to increased funding for younger apprenticeships.

The 'Investing in Young People' initiative will give £8.5bn in 2010-11 in funding to 16-19 year olds. An additional 21,000 apprenticeship places are being made available, giving financial services employers the possibility of benefiting from the funding shift.

The National Skills Academy for Financial Services 29 January 2010

Financial Services Careers Information

Directions is the Financial Services Skills Councils online careers information service, providing specialist and sector approved information on careers in financial services, accounting and finance. With regular updates and new materials released on an ongoing basis, Directions reflects the changing nature of the industry. www.fssc.org.uk

South West Regional Logistics Academy Launched

Logistics is the fifth largest sector in the UK employing around 2.3 million people, many with skills needs. In the South West the sector employs over 140,000 people. The SW Academy, based at Bridgwater College, offers courses across the region.

<http://www.swrla.org.uk>

Wind power jobs

There are plans for two major off-shore wind farms in the South West. Swindon-based RWE npower renewables was the successful bidder for the 1500 MW capacity 'Atlantic Array' in the Bristol Channel zone. This wind farm will be located 14 km off the coast of North Devon. The smaller West of Wight zone, which is located off the coast of Dorset, has been awarded to the Dutch energy company Eneco. Together the South West zones are expected to require capital investment in excess of £5 billion. Both companies will now begin the development process, including stakeholder consultation and the environmental impact assessments needed to obtain planning permission. The levels of investment and potential job creation are comparable with the expansion of offshore gas in the 1990s. Construction is expected to commence in 2014 and last over 5 years. Offshore wind farms have the potential to create thousands of onshore and offshore jobs.

South West Regional Development Agency 8 January 2010

Bristol data profiles

This useful website contains a range of statistical reports and atlases, relating to Bristol at many different geographic levels. Includes ward Labour market profiles with data on population, employment, unemployment, qualifications, earnings, benefit claimants and businesses.

<http://profiles.bristol.gov.uk/>

Over half a million new engineers needed

In order for the UK economy to recover, the manufacturing sector will need to recruit over half a million (587,000) engineering and manufacturing workers with state-of-the-art skills by 2017, according to a report launched by EngineeringUK, the independent organisation that promotes the vital contribution of engineers, engineering and technology in our society.

www.engineeringuk.com

Advanced Engineering in the South West

- The region is home to a significant proportion of the National Advanced Engineering talent. 8% of employment and 9% of engineering establishments are situated in the South West; a workforce of 130,000 people.
- 42% of the workforce is aged 45 to 64 compared with 40% in all sectors in the South West and 38% nationally.
- Only 8% are aged between 16 and 24 compared with 14% for all South West sectors.
- Pre-recession employment projections between 2005 and 2014 see a loss of 12,000 jobs and an average growth rate of -1%.
- Replacement demand between 2005 and 2014 equates to 34,000 employees (3,800 per year).
- Estimated recruitment requirements between 2005 and 2014 are 8,000 Level 3, 7,000 level 4 and 2,000 Level 5 or above.
- Advanced engineering (including Aerospace) accounts for nearly 12% of total Gross Value Added (GVA) in the South West (£2.127bn in 2006) - Aerospace accounted for £712m.
- The average GVA per engineering employee is £50,000 (2005 figures) compared with £33,000 for all sectors.
- Hard to fill vacancies cost the South West economy £76m in lost GVA and 68% of engineering establishments have had to fill vacancies.

SEMTA

Labour market news

Job gains

500 retail jobs in Broadmead, Bristol Currys and PC World superstore

Electrical retailers Currys and PC World have opened a joint superstore at Cribbs Causeway creating 81 jobs.

Bristol Evening Post 18 November 2009

Sales up at John Lewis

Sales at John Lewis at Cribbs Causeway, Bristol rose almost 10% in the week before Christmas as the firm enjoyed its busiest ever festive season. The store employed 1,150 staff over the festive period, including 150 temporary staff.

Bristol Evening Post 6 January 2010

Olympic Deal

Base Structures, on Feeder Road, Bristol, has won a £1.6 million contract to build a cover for the basketball arena, creating 25 new jobs in the process.

Bristol Evening Post 6 January 2010

Morrisons to create 5,000 new jobs across the country

Morrisons, which has branches across the region, has said that it will create 5,000 in-store jobs. The welcome news comes after many workers in Weston lost their jobs, following the closure of Woolworths and Adams, with Whittard due to follow.

Weston Mercury 14 January 2010

IT Merger

A Bath firm which specialises in IT systems has merged with French sister company to create Altran Praxis. The Manvers Street based company plans to expand its 270 strong workforce.

Bath Chronicle 21 January 2010

Developments

Rolls Royce Deal

Rolls Royce has agreed deals for new engines with Air China and Ethiopian Airlines safeguarding jobs at its Bristol plant. The deal which includes service support is worth around £900 million.

Bristol Evening Post 16 November 2009

World Cup

The cost of Bristol hosting the world cup could be £17m but it could get £150m back in return.

Bristol Evening Post 16 November 2009

More Power

A new nuclear power station at Hinkley Point could create 700 new jobs.

Bristol Evening Post 16 November 2009

Bath firm commended by Carbon Trust

Bath-based engineering firm Enerfast has been commended by the Carbon Trust in its 2009 annual awards in London for developing a device that prevents leaks of toxic chemicals from oil refineries. Enerfast, based in Larkhall, was set up in 1995, specialising in inventing and prototyping new products.

SW RDA 7 December 2009

Jobs to stay in Weston-super-Mare

North Somerset Council leaders have pledged to keep jobs in Weston-super-Mare despite planning to buy the former Clerical Medical building in Clevedon.

Bristol Evening Post 6 January 2010

Southmead super hospital

Work is expected to start on building the £430-million hospital redevelopment within a few months. The 800-bed hospital will bring all major services from Southmead and Frenchay under one roof.

Bristol Evening Post 6 January 2010

New furniture store

Plans to build a new furniture store in Portishead at Gordano Gate, off Wyndham Way, have been given approval by councillors. The new store is expected to create 38 new full-time and 20 part-time jobs.

Bristol Evening Post 13 January 2010

Weston-super-Mare development scheme now in its third phase

The £29 million Weston-super-Mare development scheme is now in its third phase. The work includes strengthening the original sea wall along the length of the promenade, constructing a secondary splash wall, rebuilding major sections of road and installing modern lighting and street furniture. Meanwhile the £51 million pier is on schedule to open this summer.

Bristol Evening Post 14 January 2010

Biggest distribution park in the West

A distribution park billed as the biggest in the South West is to be built on Severnside. An initial 85 acres will be developed to the west of the M49 between Avonmouth and Severn Beach. Severnside has become a favoured location for the distribution industry because of its position near the motorway network, allowing companies to serve the South West, the Midlands and South Wales. Tesco is about to move into a new regional distribution centre on the Portal West Distribution Park, while companies such as bakery firm Warburtons and Royal Mail operate from the Western Approaches complex.

Bristol Evening Post 21 January 2010

On yer Powabyke!

Bath company Powabyke has been taken over by Metroelectric Plc in a £1 million deal. The London Road based company is now in discussion about the launch of an electric car. *Bristol Evening Post 21 January 2010*

Care worker shortage

North Somerset Council has announced it will spend £50,000 on recruiting social workers from Australia. The South West is facing a shortage of care workers. With a rise in the number of children added to the at-risk register and a drop in the number of trained social workers applying for jobs, councils are being forced to think outside the box. *Bristol Evening Post 25 January 2010*

Ashton Gate superstore plans unveiled

Plans for what could be the largest Sainsbury's store in the South West have been unveiled. Planned for the site currently occupied by Bristol City Football Club's stadium, the store would have almost double the floorspace of the supermarket's existing branch in Winterstoke Road, and have nearly twice as many parking spaces. The existing nearby store which will be demolished employs 388 people. The new store would employ about 400 extra jobs. A number of green features have been put forward, including toilets that use rainwater, lighting that reduces electricity use by piping in sunlight and a woodchip boiler to generate renewable energy. There would also be a restaurant, a petrol station and car wash on site. *Bristol Evening Post 22 January 2010*

Another Sainsbury's store in Bath

Sainsbury's has been granted permission to open its fifth store in Bath, at Odd Down. *Bath Chronicle 21 January 2010*

Bank stays open in Radstock

NatWest bosses have backed down over their plans to shut their Radstock branch. Norton Radstock Town Council was worried about the affect the closure would have on local families but also faced problems of its own as it uses the branch as its local bank. *Bristol Evening Post 28 January 2010*

Blowing in the wind

Engineering firm Mabey Bridge is planning a £38-million expansion that will lead to the creation of 240 new jobs. The company, based

in Chepstow, specialises in making wind turbine towers. Mabey Bridge already employs 400 people at two sites - at Chepstow and at Lydney in the Forest of Dean. The expansion is planned at the existing Chepstow factory and the company is aiming to become the biggest UK manufacturer of wind turbine towers, for onshore and offshore sites. *Bristol Evening Post 29 January 2010*

Airlines weather the storm

FLYBE, which flies from Bristol International Airport, says it has weathered the recession well despite reporting a significant drop in profits. The Exeter-based airline said its passenger numbers rose by 300,000 to 7.3 million in the 12 months to the end of March last year (*Bristol Evening Post 1 February 2010*). Meanwhile, Bristol International Airport's boss says he expects to 'claw back' passengers who have deserted the airport over the past 12 months by the end of this year (*Bristol Evening Post 28 January 2010*). Budget airline easyJet has announced three new routes from Bristol International Airport. *Bristol Evening Post 2 February 2010*

Bristol Evening Post 2 February 2010

Tesco update in Yate

Tesco supermarket has unveiled plans to replace its current store at Yate Shopping Centre, demolishing the current buildings to make way for the project. *South West Business 2 February 2010*

Bristol School of Performing Arts

Bristol School of Performing Arts - currently based at Bristol Grammar School - is expected to move to new headquarters at what was the White Hart Hotel, Brislington, Bristol. *Bristol Evening Post 2 February 2010*

SouthGate Centre final phase

Fitting out work has started in the new Debenhams store at Bath's SouthGate centre, for what will be the final phase of the £360 million scheme. The three phases of shops will have created 1,500 jobs by the time Debenhams opens. *Bristol Evening Post 2 February 2010*

Fastest growing private company in the UK

Specialist firm Cyclescheme, which runs the Government's Cycle to Work initiative, is the fastest growing private company in the UK, according to the Sunday Times Virgin Fast Track

100. The Bath-based firm employs 27 people and was recently boosted by business from Rolls-Royce, which has bought £1.2 million of bikes for its employees in a single month. *Bath Chronicle 3 February 2010*

Kraft's sweet deal

US food giant Kraft has won its five-month battle for control of Cadbury after shareholders backed its takeover offer. Kraft Chief Executive Ms Rosenfeld has pledged that she will keep open the Somerdale factory at Keynsham. *Bath Chronicle 3 February 2010*

Bath Chronicle 3 February 2010

STOP PRESS: Kraft have now reneged on this pledge.

Football Apprenticeships

Team Bath are inviting applications to join next season's Under-19 Football Apprenticeship. The full-time football and education programme is based at the Team Bath Sports Training Village, Bath, in partnership with Wiltshire College. *Further information: M.Hale@bath.ac.uk*

Job Losses

Hopefully the future isn't Orange

300 orange staff face redundancy when they close their technical support centre at Almondsbury. Orange currently employ 2,165 staff in offices around Bristol. *Bristol Evening Post 21 January 2010*

Bristol Evening Post 21 January 2010

Job cuts at Wessex Water

The recession has forced Wessex Water into a fresh round of job cuts. The Bath firm says it needs to shed another 85 jobs by the end of this year. *Bristol Evening Post 28 January 2010*

Bristol Evening Post 28 January 2010

Walcot Reclamation

Walcot Reclamation has gone into receivership after 32 years of training. The lack of building restoration during the recession has been blamed. *Bath Chronicle 29 January 2010*

Bath Chronicle 29 January 2010

Future of Helphire in doubt

Helphire, one of Bath's biggest employers is to shut a call centre employing hundreds of people in the city. The future of 300 staff at the accident assistance firm is doubt. *Bath Chronicle 3 February 2010*

Bath Chronicle 3 February 2010

Please let us know what you would like to be included in LMI News. If you have any information you would liked featured contact the editor: mike.manson@redbridgesolutions.co.uk. We are grateful for the support of the following in the gathering of information for this digest: LSC West of England; South West Regional Development Agency, SW SLIM; West at Work; Western Intelligence Network.

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