



East Lindsey Economic Baseline 2016

KEY MESSAGES FOR THE STATUTORY SECTOR

Introduction

The East Lindsey Economic Baseline 2016 provides an extensive and detailed overview of the local economy. This concise report captures the key messages arising from that document for a statutory sector audience.



Narrative

The 2016 baseline tells us how many people live in East Lindsey; how many people are employed, seeking work and/or in receipt of benefits; the skills levels of the existing workforce; and levels of deprivation. The baseline also reveals which sections of the population are projected to grow, and considers the implications of this growth on the number of jobs that will need filling.

East Lindsey has the largest population of any District in Lincolnshire – some 136,401 residents. Residents are evenly split between Rural Inland and Coast but sparsely distributed, with 80% living in rural areas. Between 2001 and 2011, East Lindsey's population grew by 4.6%, lower than the growth rate for Lincolnshire (10.4%), the East Midlands and England.

The District has a high proportion of residents aged 65 years and over (28% of the population), reflecting the importance of East Lindsey as a destination for retirees. Between 2015 and 2036 the number of over 65's is expected to increase from 40,000 to 55,000. Over the same period, the working age population is forecast to decline from 79,000 to 77,000. These forecasts have implications for the future of the labour market in East Lindsey. With a net outflow of working age people and a growing retiree population, labour market participation is likely to decline, yet demand for health-related services is likely to increase.

The Indices of Deprivation 2015 is the official measure of the relative deprivation for small areas (or neighbourhoods) in England. Deciles are calculated by ranking the 32,844 small areas in England from most deprived to least deprived and dividing them into 10 equal groups. These range from the most deprived 10% of small areas nationally to the least deprived 10% of small areas nationally. 10% of small areas in East Lindsey (with 1,000–3,000 population) are ranked in the most deprived decile for deprivation overall. The Coastal area scores poorly on measures around employment, health and disability, education and skills, and barriers to housing and services. Rural Inland performs well in all but one domain, barriers to housing and services. East Lindsey is one of ten local authorities with the largest percentage point increase between the 2010 and 2015 Indices of Multiple Deprivation. For the overall rank, East Lindsey stands at 33 out of 326 local authority districts, which is a considerable climb up the rankings from 58 in 2010.

There are issues around connectivity. Data provided by OFCOM in 2013 showed East Lindsey had an average broadband speed of 11.1 to 13.8 mbps. However, this average conceals a significant variation across the District, with some rural areas struggling to achieve a 2 mbps connection. Significant investment has been made by the Government and BT to upgrade broadband lines to households and commercial premises. By August 2015, 52,471 BT lines in East Lindsey had been upgraded. However, reaching the final 5% of premises may involve the use of alternative technologies such as wireless and satellite broadband.



No significant investment in **transport and highways** has been earmarked in the most recent Transport Plan, apart from the Skegness Relief Road. Use of public transport in the District remains low – with a high proportion of workers (64.5%) relying on their own vehicle to travel to work, compared to the national average of 57%.

East Lindsey is polycentric with towns and large villages widely distributed across its geography.

Skegness and Louth, East Lindsey's two largest settlements, were compared to fourteen other settlements in England. These comparator settlements were selected according to the Department for Environment, Food and Rural Affairs (Defra) list of hub towns which identifies settlements with similar functionality. Skegness and Louth perform poorly – ranking 16th and 13th respectively from a total of sixteen settlements.

Seven smaller towns were identified within the District: **Alford, Horncastle, Coningsby, Spilsby, Mablethorpe, Wragby and Wainfleet All Saints**. These were compared with three other settlements: a town in a different Lincolnshire District (Crowland) a town in the South East Midlands (Oundle) and a town in the North East Midlands (Bolsover). Poor levels of functionality were found in all of the smaller towns in East Lindsey compared to the other settlements. Within the District, the best scoring small town identified was Alford and the lowest scoring were Wragby and Wainfleet All Saints. In terms of their economic success, Horncastle and Spilsby are the best performing. However worklessness is a challenge in all of East Lindsey's smaller towns – in Mablethorpe the level of worklessness is three times the national average.

Making these settlements more attractive places (or 'sustainable communities' where people want to live and work) is important in underpinning the local economy.

Key Messages

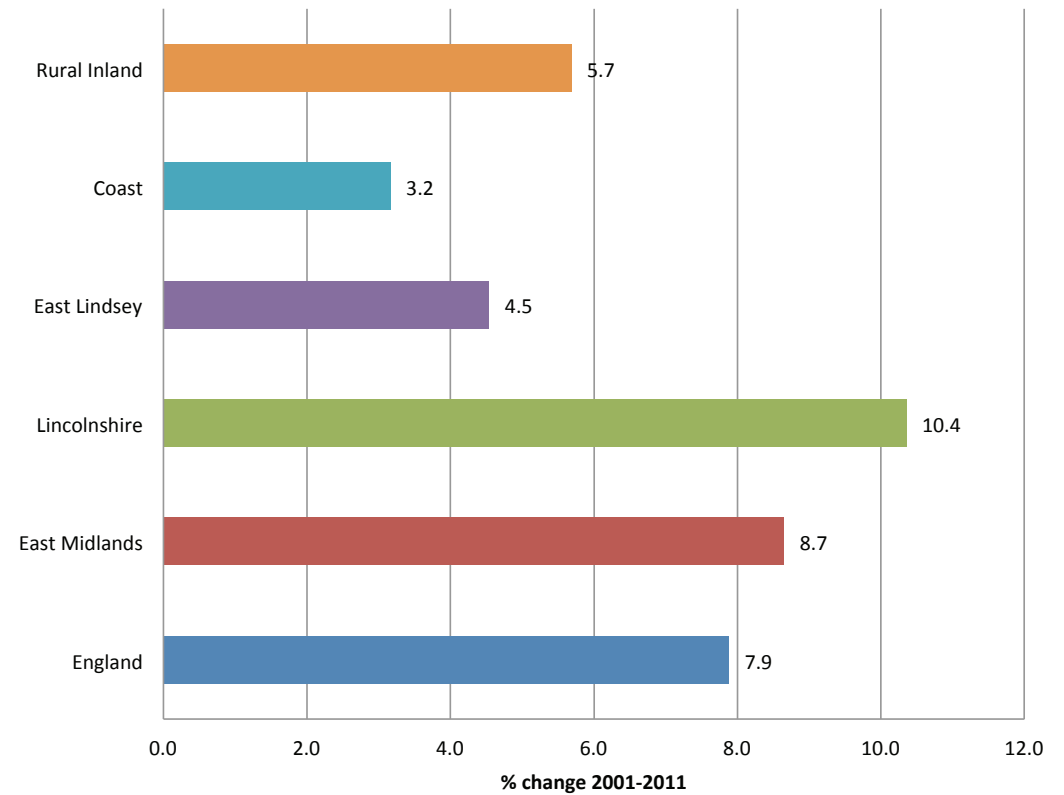
Population

This rate of population growth in East Lindsey has been lower than the rate across Lincolnshire, the region and England overall. The Lincolnshire population grew by 10.4% (2001 to 2011).

Population Change, 2001-2011				
	2001	2011	Change in Population	% Change in Population
Rural Inland	71,033	75,074	4,041	5.7
Coast	59,442	61,327	1,885	3.2
East Lindsey	130,475	136,401	5,926	4.5
Lincolnshire	646,657	713,653	66,996	10.4
East Midlands	4,172,250	4,533,222	360,972	8.7
England	49,138,746	53,012,456	3,873,710	7.9

Source: Census 2001 and 2011

% Change in Population, 2001-2011



Source: Census 2001 and 2011

Future Population Growth

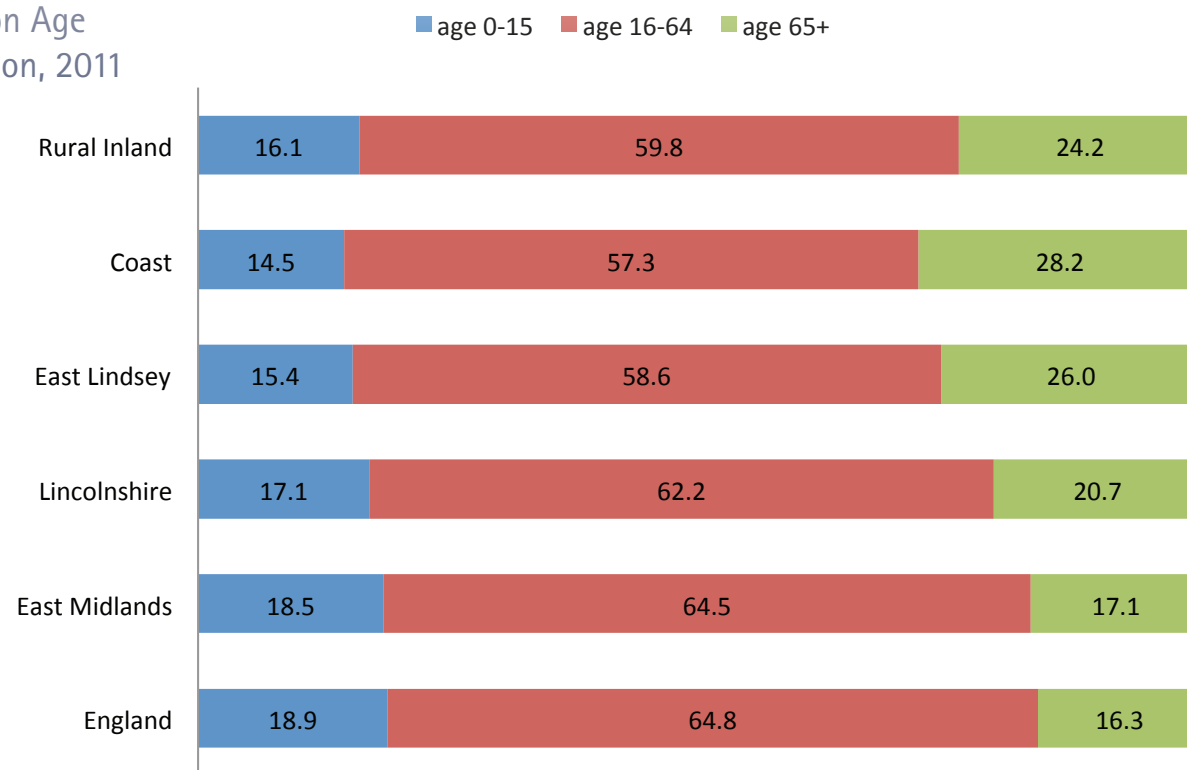
The overall population of East Lindsey is forecast to grow by 12% (or 16,504 residents) between 2012 and 2036. This is lower than the growth rate of 15% projected for both Lincolnshire and England & Wales.

The greatest increase is anticipated in the over 65 age group, which is expected to grow by 49% in East Lindsey and 62% across the country. The working age population is expected to remain static in Lincolnshire, and is forecast to decline by 5% in East Lindsey.

Age

East Lindsey has a high proportion of residents that are aged 65 and over. The Coast has a particularly high proportion of residents in this age group, at 28.2% compared with 26% across East Lindsey. This is in contrast to just 16.3% across England as a whole. This reflects the importance of the Lincolnshire Coast as a destination for retirees. The high and growing number of residents in the over 65 age group also places greater demand on the local Health & Care sector.

Population Age Distribution, 2011



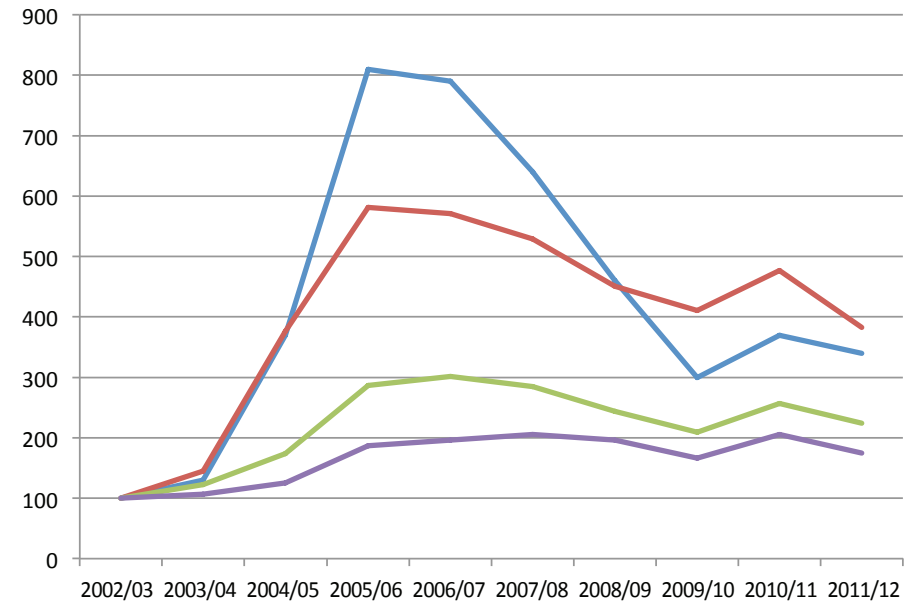
Source: Census 2011

Overseas Migration

East Lindsey experienced a strong growth of overseas migrant workers registering to work between 2002-2003 and again in 2005-2006, when it received 810 registrations. The annual number of registrations declined during the recession, and the latest data shows 340 registrations for 2011-2012.

Compared with other districts in Lincolnshire, however, East Lindsey receives fewer overseas worker registrations. For example, Boston, South Holland, and Lincoln each received more than three times the number of registrations than East Lindsey in 2010-2011. Data published by Lincolnshire Research Observatory in 2011 shows that the majority of overseas workers in Lincolnshire tend to work in factory occupations and farming. The picture in East Lindsey is more diverse, with a high proportion also working in leisure and cleaning occupations, reflecting the importance of the Coastal area and Visitor Economy as a destination for overseas workers.

National Insurance registrations to adult overseas nationals entering the UK by year of registration (2002/03=100)



Source: NINo allocations to adult overseas nationals entering the UK: registrations via ONS, 2012 (note: this data is no longer published after 2012)

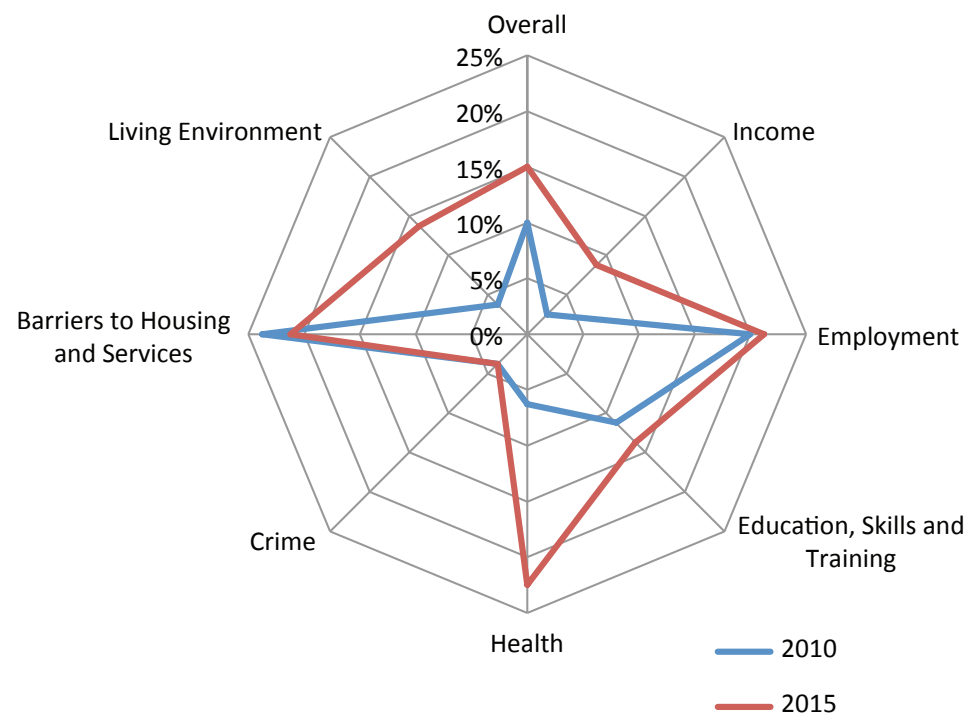
- East Lindsey
- Lincolnshire
- East Midlands
- England

Deprivation

East Lindsey is one of ten local authorities with the largest percentage point increase between the 2010 and 2015 Indices of Multiple Deprivation. For the overall rank, East Lindsey stands at 33 out of 326 local authority districts, which is a considerable climb up the rankings from 58 in 2010. At 33, it falls just outside the 10% most deprived local authority districts in England. It must be stressed, however, that the Indices of Deprivation report relative performance. Since 2010, many London boroughs have moved down the rankings, perhaps driven by the property boom in London. The movement of these local authorities out of the most deprived group implies that other local authorities in the list must take their place, even if their performance on the indices scores has not altered significantly. In effect, local authorities that are 'standing still' can fall down the rankings, if others are experiencing significant economic growth.

The graph opposite shows the change in the percentage of LSOAs that rank in the bottom 10% since 2010. As the graph suggests, many more of East Lindsey's neighbourhoods now rank in the bottom 10% than in 2010. Of particular concern is that 23% of LSOAs now feature in the bottom 10% for health deprivation and disability, compared with just 6% in 2010.

Percentage of East Lindsey LSOAs ranking in the bottom 10% nationally, 2010 and 2015

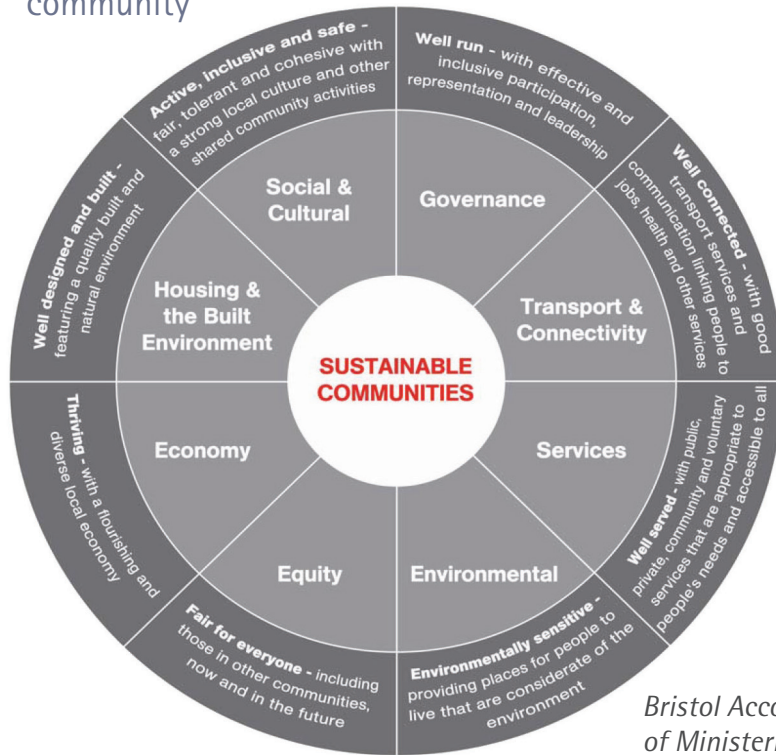


Source: English Indices of Deprivation (DCLG, 2015)

Towns

The functionality of East Lindsey's towns have been analysed according to how sustainable they are. The Bristol Accord sets out eight characteristics of a sustainable community and has been applied across the European Union:

The Bristol Accord – the eight characteristics of a sustainable community



Bristol Accord – Conclusions of Ministerial Informal on Sustainable Communities in Europe, 2005, page 15

Data has been collected for each of these characteristics and been consolidated into the following domains, namely: (1) Well Run, Connected and Served; (2) Well Designed and Built; (3) Environment; (4) Well Connected and Served; (5) Thriving and (6) Active, Inclusive, Safe and Fair. This has enabled us to benchmark the performance of the larger and smaller towns in East Lindsey more widely.

We compared the sustainability of the smaller towns in East Lindsey against each other and 3 external comparators – Oundle, Bolsover and Crowland; chosen to provide potential contrasts.

The analysis of the smaller towns in East Lindsey demonstrates, across a wide population range of almost 2,500 to 13,000, a relative poor level of functionality compared to two of the external benchmarks (Oundle and Crowland) and in relation to most England averages.

Within East Lindsey the small town with the best composite index score is Alford and the settlements with the lowest scores are Wragby and Wainfleet. The very small scale of these two settlements does appear to limit their functionality – particularly in terms of access to key public services.

Active, Inclusive Safe and Fair measures are more contextual than town specific. They do, however, reflect at District level town settings where economic activity and participation in physical activity are lower than the average for Oundle, Crowland and the national average. Only Bolsover, which has significant deprivation arising from its tradition as a coal mining settlement, performs worse in terms of these measures.

The key differentiator in terms of Well Run is IMD rank of barriers to housing and services, where Spilsby and Alford perform particularly well and (owing to their small size) Wragby and Wainfleet are poor performers. Mablethorpe and Horncastle perform relatively well in terms of energy usage within the Environment score. Wragby and Coningsby perform well in terms of the rank of living environment score in relation to the Well Designed and Built domain, with the lowest performers Alford and Mablethorpe. Horncastle and Coningsby perform well in terms of the Well Connected and Served domain, whilst Spilsby performs poorly.

The most pertinent domain for the Baseline, Thriving (a measure of economic success) reveals Horncastle and Spilsby to be the best performing settlements. Wragby has a high proportion of home workers, significantly above the national average. Worklessness is a profound challenge across the majority of towns and considerably higher than the Crowland, Oundle and the national averages. In Mablethorpe it is 3 times the national average.

In terms of Fair for Everyone, the response to the quality of life survey reflects at District level town settings where relative satisfaction is lower than the average for England and all three comparator towns.

In relation to larger towns in the district, Defra has identified three hub towns in East Lindsey: Mablethorpe (referenced in the smaller town section above), Louth and Skegness. In terms of the overall ranking with the fourteen comparator hub towns (chosen to provide a comprehensive range of contrasts) both perform relatively poorly, with Skegness ranking last (16th) and Louth 13th.

Skegness and Louth achieve moderate scores in terms of Well-Run, Connected and Served (the IMD 2010 rank of barriers to housing and services) – with Louth 8th and Skegness 9th in the overall rankings.

Both towns performed poorly in terms of Well Designed and Built, with Skegness 14th and Louth 11th in terms of IMD 2010 living environment score. Louth's ranking was higher than the England average although Skegness scored below the England average.

In terms of Environment, the two towns are at opposing ends of a spectrum. Louth has the lowest electricity consumption across the whole index per household and very low levels of gas consumption. Skegness has much higher levels of electricity and gas consumption.

The towns perform modestly or poorly against all the measures in the Thriving domain. Modest rankings are achieved in terms of home workers, business survival rates and job density but poor rankings for claimant levels. Growth in business floor space (in both towns) and levels of business survival (in Skegness) are however better than the national average.

In terms of Active, Inclusive, Safe and Fair, Skegness and Louth perform towards the bottom of the index on all measures.

Collectively, this analysis suggests Skegness and Louth have poor levels of sustainability as they rank below other settlements for many of the domains – although the analysis also identifies opportunities around increasing floor space and supporting business survival rates (which are currently at national norms in both settlements).

Analysis – What This Means For Us

It is clear that some focused and partnership based interventions are required by the statutory sector if the challenges facing East Lindsey are to be addressed. We have set out two possible scenarios for the nature of the area in 20 years time. Public Sector bodies need to consider how they can work together to ensure scenario 2, rather than scenario 1, prevails:

Scenario 1: If the current trajectory continues...

There is parity between over 65's and those aged 16-64 years in the workforce; even though people are retiring later and despite benefit reform.

The overall stock of jobs has increased but the number of jobs in manufacturing has decreased.

Levels of unemployment and ill-health continue to be above the national average. At the same time, there is a surplus of jobs compared to the economically active workforce. This is now leading to significant in-commuting of workers, particularly to fill health and social care vacancies driven by the District's ageing population. Alongside this, residents with higher level skills continue to commute out of the District for work.

Climate change leaves 30% of the District affected by rapid inundation flood risk. Increasing challenges around defences ('hold the line') are having a material impact on communities and businesses – reflected in land and property values.

No significant investments in physical infrastructure (i.e., broadband, mobile, road, rail) required to drive productivity have taken place.

Tourism continues to be an important sector and has diversified to take account of new trends (e.g. the staycation market).

Skegness and Louth are increasing their critical mass, opening up new growth opportunities – from making the case for new local facilities (e.g. indigenous FE college provision) and enhanced retail through to investments in health and social care and improved access to services. In contrast, the smaller towns, are increasingly challenged as they seek to serve a hinterland with a higher proportion of people with social needs (in terms of health and getting into employment).

Agriculture continues to perform above national averages (in terms of employment and productivity) but the number of jobs available continues to modestly decline.

The contrast between Rural Inland and Coast is exacerbated – with the Coastal area more challenged in terms of health, employment and flood risk.

Overall, East Lindsey's economy isn't fluctuating and it remains in a low wage, low skill equilibrium.

Scenario 2: If a range of interventions are undertaken to address current and projected trends...

Improvements in public health and a pool of higher skilled jobs enable the economy to retain enough of its workforce to fill all the additional jobs needed.

Actions taken to address a decline in manufacturing jobs and support the growth and diversification of the tourism sector are driving up investment and wage levels.

A very clear agenda setting out long term flood protection has been agreed and an Investment Plan produced. This has led to developer certainty and provided the Coastal area with a template for its future economic development.

Skegness and Louth have strategies for economic growth, exploiting their strengths and based upon attractive branding: Skegness as a centre of excellence for all-year round tourism and Louth an attractive and vibrant market town. The Wolds AONB designation has been used to bring investment into Rural Inland area.

Improvements to broadband and mobile connectivity have enabled smaller towns to serve a larger and more complex hinterland. Investments in physical infrastructure (road and rail) have connected up settlements along the Coastal area.

Significant investments in access to and the range of Further Education available in the District is enabling employers to meet their skills needs as well as increasing the aspirations of young people. In addition, links between businesses and schools are promoting local job opportunities.

Overall, East Lindsey's economy is growing and the gap between Coast and Rural Inland has closed.

If you would like this information in another language, large print or Braille, please contact us on 01507 601111.





East Lindsey Economic Baseline 2016 - Key Messages for the Statutory Sector

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