

# **ST. ALBANS CITY & DISTRICT**

## **THE LOCAL ECONOMY**



Photograph by Nigel Cox

**September 2010**



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## Overview

The City and District of St Albans is situated in central Hertfordshire, has an area of 161 square kilometres and is situated within the Metropolitan Green Belt, 20 miles from Central London. The estimated population (2009) for the District is 137,200. From the 2001 Census 6.9% of the population is non-white and 13.1% if all ethnic groups are included. (Appendix 1 for detailed ethnic groupings).

The main settlements in the District are the historic cathedral City of St Albans and the town of **Harpenden**. Also within the district are the settlements of **Bricket Wood, Chiswell Green, How Wood, Park Street / Frogmore, Sandridge, London Colney, Colney Heath, Redbourn** and **Wheathampstead**. All these areas make valuable and important contributions to the District's economy.

A number of key transport routes pass through the District, including the M1, M10, and M25 motorways, the A414, A1081, the Thameslink route – between St Albans and Bedford and central London and Brighton. These ensure excellent connections to London and the rest of the country including Heathrow, Luton, Stansted and Gatwick airports. St Albans and Harpenden also have direct rail routes to the Eurostar rail service to Paris and Brussels via St Pancras International. The Abbey Line local branch line railway service links St Albans and Watford and connects trains from Watford to the West Coast Mainline - to the North of England and Scotland. The Abbey Line is currently being considered for a tram service to increase the frequency on this key local route.

A large proportion of the local resident population travel outside the District to work – around 51%, where many residents with high skill levels can command higher paid employment. The District itself hosts 59,300 jobs; around 48% are taken by in-commuting.

The local economy is made up of employment in research and development, office (including headquarters and financial and business services industries) and retail sectors. There is also a large number of small enterprises including freelance and consultancy. Tourism is a key local economic driver.

Well known companies such as Deloitte, AECOM, PricewaterhouseCoopers, KPMG, Premier Foods, and Hewitt, all have a large office base here.

The surrounding area is favoured by the distributive industries, for example NFT Sainsbury's Retail Distribution Centre at London Colney which employs over 600 staff.

Two major world class centres of excellence specialising in environmental issues are located in the District and these are:

**Rothamsted Research** in Harpenden has an international reputation for science in support of sustainable land management and its environmental impact. Its scientific research ranges from studies of genetics, biochemistry, cell biology and soil processes to investigations at the ecosystem and landscape scale.

The **Building Research Establishment (BRE)** has its headquarters in Bricket Wood and is world-renowned for its expertise in sustainable construction, the built environment and associated industries and is pioneering some of the latest developments in areas such as energy efficiency.

The following organisations work very closely with the Council regarding information, intelligence and networking that concern the local economy:

- **St Albans District Chamber of Commerce** ([www.stalbans-chamber.co.uk](http://www.stalbans-chamber.co.uk)).
- **St Albans Enterprise Agency (STANTA)** ([www.stanta.co.uk](http://www.stanta.co.uk))
- **Business Link** ([www.businesslink.gov.uk/east](http://www.businesslink.gov.uk/east))

The **St Albans & District Local Strategic Partnership LSP** (which is a group of key local public, private, voluntary and community sector organisations working together to improve the quality of life for everyone in the District) [www.stalbanslsp.org.uk](http://www.stalbanslsp.org.uk), has established the **Economic Sustainability Partnership (ESP)** to address one of the gaps in the activity to promote sustainable local economic development to deliver the its Sustainable Community Strategy. The key aim of the **Economic Sustainability Partnership's (ESP)** is:

**To create a diverse and sustainable economy for the 21<sup>st</sup> Century**

Partners are:

- **St Albans District Chamber of Commerce** [www.stalbans-chamber.co.uk](http://www.stalbans-chamber.co.uk)
- **St Albans Centre for Voluntary Services-CVS** [www.cvsstalbans.org.uk](http://www.cvsstalbans.org.uk)
- **Oaklands College** [www.oaklands.ac.uk](http://www.oaklands.ac.uk)
- **St Albans District Citizens Advice Bureau (CAB)**, [www.stalbans-cab.org](http://www.stalbans-cab.org)
- **St Albans District Credit Union** [www.stadcu.org](http://www.stadcu.org)
- **Wheathampstead Parish Council** [www.wheathampstead-pc.gov.uk](http://www.wheathampstead-pc.gov.uk)
- **Harpenden Town Council** [www.harpenden.gov.uk](http://www.harpenden.gov.uk)
- **The University of Hertfordshire** [www.herts.ac.uk](http://www.herts.ac.uk)
- **Business Link** [www.businesslink.gov.uk/east](http://www.businesslink.gov.uk/east)
- **St Albans Enterprise Agency (STANTA)**, [www.stanta.co.uk](http://www.stanta.co.uk)
- **Jobcentre Plus** [www.direct.gov.uk](http://www.direct.gov.uk)
- **St Albans City & District Council** [www.stalbans.gov.uk](http://www.stalbans.gov.uk)

The global economic recession has had an impact on the local economy particularly with unemployment increasing from a relatively low base in the last year couple of years by 160%. (April 2008 – April 2010). Many local people in the labour market have been affected and unlike previous recessions senior level personnel have lost jobs. In response to this, the Local Strategic Partnership (LSP) with Oaklands College leading, has set up an

Executive Forum for the district to help local people with job search activities. More recently a local young persons job search forum – Kick-start has also been set up focused on graduates.

An **online local business directory** website has been initiated by; St Albans City & District Council, St Albans Enterprise Agency (STANTA), St Albans District Chamber of Commerce and St Albans Centre for Voluntary Service (CVS) and funded from the St Albans and District Local Strategic Partnership(LSP): [www.stalbansdistrictbusinessdirectory.co.uk](http://www.stalbansdistrictbusinessdirectory.co.uk)

### **Hertfordshire Works**

This is a key county wide economic partnership made up of experts from the public, private and voluntary sectors.

Its key aim is to create a long term vision for the continued prosperity for the county of Hertfordshire

[www.hertslink.org/hertfordshireforward/15communitystrategy/HertfordshireWorks/](http://www.hertslink.org/hertfordshireforward/15communitystrategy/HertfordshireWorks/)

An **inward investment website** has been established for that business wanting to locate to the area [www.hertsdirect.org/investhertfordshire](http://www.hertsdirect.org/investhertfordshire)

The City of St Albans is a significant market town and retail centre featuring a good concentration of small specialist independent retailers, as well as high street multiples along St Peter's Street, in The Maltings and Christopher Place shopping centres. The city has a wide range of restaurants and bars, which contribute to a vibrant evening economy.

**Harpenden** is a residential town with a thriving town centre. It is situated about five miles north of St Albans city. It has a population of about 30,000 people. It has rail connections direct to London, close to the M1 and with easy access to St Albans and London Luton Airport. Main employers in Harpenden include Rothamsted Research, Spire Hospital, Jarvis Group Ltd, J Sainsbury Plc and Waitrose Ltd. Several medium sized to small size employers are located on the industrial areas of Batford Mill, Coldharbour Lane, Southdown Road and Lea Industrial Estate.

[www.harpenden.gov.uk](http://www.harpenden.gov.uk)

**Wheathampstead** is a large village to the north of St Albans and the east of Harpenden with a population of just over 6,000 people including several nearby hamlets.

[www.wheathampstead-pc.gov.uk](http://www.wheathampstead-pc.gov.uk)

**London Colney** is one of the biggest villages in Britain with a population of nearly 10,000 residents. Nearby is Colney Fields shopping centre which hosts Marks and Spencer, a large Sainsbury's and others well known stores.

[www.londoncolney-pc.gov.uk](http://www.londoncolney-pc.gov.uk)

**Redbourn** is located on Watling Street, five miles north west of St Albans and three miles south west of Harpenden. The village has a population of 6,000 people.

[www.redbourn.org.uk](http://www.redbourn.org.uk)

**Colney Heath** the area consists of five small settlements/ hamlets to the east of St Albans city. These are Colney Heath, Smallford, Tyttenhanger Green, Sleapshyde, and Highfield. The population of Colney Heath Parish is about 5, 500 people.

[www.colneyheath.org.uk](http://www.colneyheath.org.uk)

**St Stephen** Parish has a total population of 23,000 people. It includes Bricket Wood (4,000 people), Chiswell Green (2,800 people), Park Street (7,000 people), and How Wood (1,000 people).

[www.ststephenparishcouncil.gov.uk](http://www.ststephenparishcouncil.gov.uk)

**Sandridge.** This area includes Sandridge village, Marshalswick and Jersey Farm and includes rural settlements such as Coleman Green and Sandridgebury Common. The area has a population of about 5,000 people.

[www.sandridgeparishcouncil.org](http://www.sandridgeparishcouncil.org)

In general terms, the City and District of St Albans has a reputation of being an affluent, prosperous area with a highly educated resident population. Nearly 50% of local residents have a degree qualification or above. Within the working population 68% of residents are employed in professional and managerial occupations, compared to 44% nationally. This has been confirmed by a report undertaken by Experian commissioned by the BBC (September 2010), which identifies St Albans District as the second most resilient local authority area in the country (Appendix 4).

However there are pockets of **deprivation** in the District. Analysis of sub-ward areas -*lower super output areas* (LSOAs) of about 1,500 people - show there are four wards in the district that contain LSOAs that rank highly in terms of relative deprivation. These wards are:

- Batchwood
- Sopwell – 2 LSOAs
- Cunningham
- Colney Heath

Three of these LSOAs sit within the 30% most deprived in England and are in Batchwood, Sopwell and Cunningham wards. The other two, one in Sopwell and Colney Heath, sit within in the 40% most deprived in England. In these areas some residents face issues such as low income, low educational attainment and skill levels and limited access to the labour market.

## **Employment in the Local Economy**

St Albans City and District's economy is dominated by a large number of small businesses. The economy has only about 30 employers who employ over 100 staff. Many of these larger employers are well known nationally and globally, especially within the management consultancy, business and financial sectors.

**Table 1: Major Employers in the City & District of St Albans**

<b>Name of Employers</b>	<b>Employee size</b>
AECOM	500 - 700
Premier Foods	500 - 700
Hewitt	500 - 700
J Sainsbury plc (St Albans & London Colney)	500 - 700
NFT Distribution	500 – 700
Herts Partnership NHS Trust	500 – 700
Rothamsted Research	500 – 700
Building Research Establishment (BRE )	500 - 700
District Council	200 – 499
Hertfordshire County Council (area offices & schools )	200 - 499
University of Hertfordshire	200 - 499
Oaklands College	200 - 499
Waitrose Ltd (St Albans & Harpenden)	200 - 499
Wm Morrisons Supermarkets plc	200 - 499
BUPA Hospital	200 - 499
Marks & Spencer plc	200 - 499
Deloitte	100 - 199
KPMG	100 - 199
PricewaterhouseCoopers	100 - 199
HSBC Management Training Centre	100 - 199

Source: St Albans City & District Council (2010)

### **Jobs in the District**

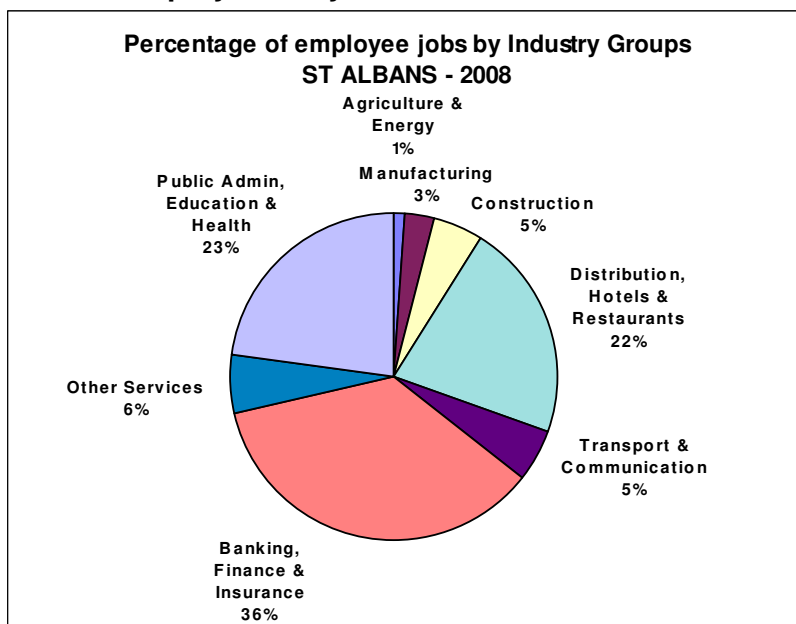
The most recent employment data is 2008 (Annual Business Inquiry - ABI)\*. The data demonstrates that in 2008 there were 67,600 jobs in the District, which is an increase of 5,500 (8.9 %) since 2007.

From these figures Banking and Finance account for 36% of all jobs. This is higher than the proportion for Hertfordshire and East of England. The public sector account for just over a fifth of local jobs (23%). Distribution, which includes retail, hotels and catering accounts for 22% of local jobs.

The manufacturing sector in St Albans District accounted for only 3% of local jobs and was the smallest in any district in Hertfordshire.

\* However these figures must be treated with caution as their veracity for 2008 has been unsuccessfully challenged as they do show a large job growth in the area - particularly in the Banking and Finance sector

**Chart 1: Employment by Sector in St Albans District 2008**



Source: Office of National Statistics (ONS) (2008) Annual Business Inquiry

**Table 2: Employment**

Employment sectors	Total jobs	Employee
Agriculture / Energy		400
Manufacturing		2,100
Construction		3,200
Distribution		15,200
Transport		3,300
Banking		24,200
Other Services		3,800
Public Admin		15,400
<b>Total</b>		<b>67,600</b>

Source: ONS (2008) Annual Business Inquiry

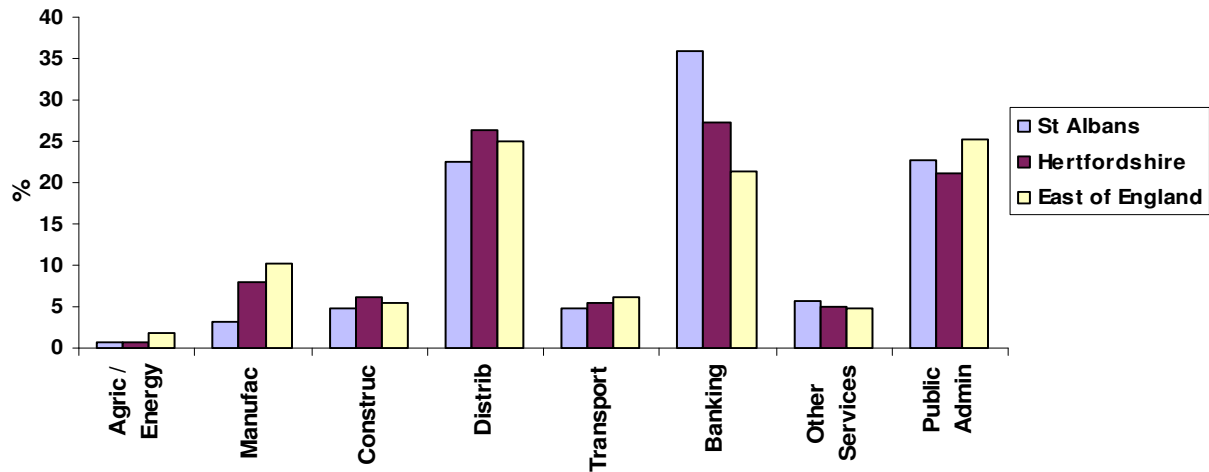
The number of employee jobs in St Albans District in 2008 was 67,600 which is an increase of 5,500 jobs (8.9%) since the previous year in 2007. However as stated above this must be treated with caution.

To a certain extent the high proportion of jobs in Banking and Finance illustrates the fact that the “knowledge sector” is significant in St Albans, as it is for a substantial proportion of Hertfordshire as a whole – Chart 2. (The “knowledge sector”, is seen by the EU and UK Government as a major source of high skilled employment).

The three employment sectors of Finance/ Business, Public Administration and Distribution / Retail combined account for just over 80% of local jobs.

**Chart 2:**

**Percentage of employee jobs by Industry Groups - 2008  
St Albans, Herts & East of England**



Source: ONS (2008) Annual Business Inquiry

**Table 3: Employment in St Albans District between 2001 and 2008**

	2001	2002	2003	2004	2005	2006 (revised)	2007 (revised)	2008	change 2001-08
Agriculture & Energy	800	900	600	400	400	700	800	400	-50.0%
Manufacturing Industries	2,900	2,700	3,500	2,300	2,300	2,100	2,100	2,100	-27.6%
Construction	3,700	2,700	2,300	2,800	2,900	2,600	3,400	3,200	-13.5%
Distribution, Hotels & Restaurants	15,000	14,600	14,900	14,800	15,000	14,700	15,000	15,200	1.3%
Transport and Communications	3,700	3,500	3,100	3,000	3,000	3,300	3,300	3,300	-10.8%
Banking, Finance & Insurance	17,000	15,300	15,000	18,900	19,300	17,000	18,500	24,200	42.4%
Other Service Industries	3,200	3,200	3,200	3,000	3,100	3,500	3,500	3,800	18.8%
Public Admin, Education & Health	12,100	12,500	12,200	13,900	15,500	15,700	15,500	15,400	27.3%
<b>Total</b>	<b>58,400</b>	<b>55,400</b>	<b>54,900</b>	<b>59,000</b>	<b>61,500</b>	<b>59,700</b>	<b>62,100</b>	<b>67,600</b>	<b>15.8%</b>

Source: ONS (2008) Annual Business Inquiry

## Local Business Demography

### Size of Local Business

In 2009 there were 7,540 Business Units in St Albans District. This represents 13.4% of the County total (55,915) – table 4

Nearly 86% of St. Albans businesses employ nine or fewer people and only 0.3% employers employ 250 or more staff

**Table 4: Size of Business**

No. Employees	St Albans		Hertfordshire		East of England		England	
0 – 9	6,475	85.9%	48,045	85.9%	218,440	84.3%	1,861,015	83.2%
10 – 49	860	11.4%	6,265	11.2%	32,865	12.7%	302,150	13.5%
50 – 249	185	2.5%	1380	2.5%	6,815	2.6%	64,225	2.9%
250 – 499	15	0.2%	150	0.3%	690	0.3%	6,600	0.3%
500 Plus	5	0.1%	75	0.1%	315	0.1%	3,565	0.2%
<b>TOTAL</b>	<b>7,540</b>	<b>100.0%</b>	<b>55,915</b>	<b>100.0%</b>	<b>259,125</b>	<b>100.0%</b>	<b>2,237,555</b>	<b>100.0%</b>

SOURCE: ONS (2009) UK Business: Activity, Size and Location

### Enterprise – births deaths & survivals of business

For every 10,000 people there were 86.2 new businesses created in the district of St Albans. As can be seen this is the second highest number in the county and higher than the county as a whole, and the UK. (Table 5 and Chart 3)

This reflects the high number of small businesses in the District and the entrepreneurial skill base that exist in the local area.

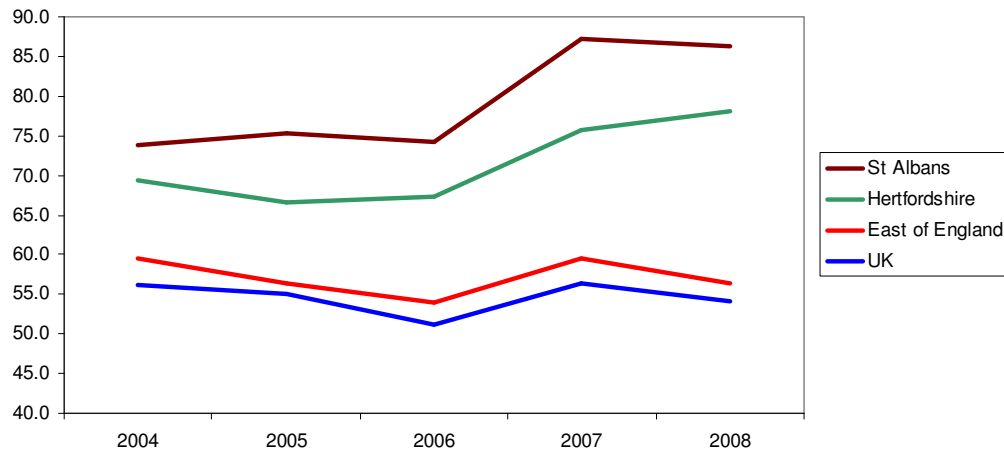
**Table 5: New Businesses per 10,000 resident adults**

	2004	2005	2006	2007	2008
Broxbourne	72.1	71.4	67.3	70.0	84.6
Dacorum	73.3	69.7	65.7	72.8	77.3
East Hertfordshire	85.2	74.5	80.1	83.3	88.9
Hertsmere	68.5	72.3	74.2	78.0	82.5
North Hertfordshire	72.1	66.0	67.5	77.1	74.1
<b>St Albans</b>	<b>73.8</b>	<b>75.2</b>	<b>74.3</b>	<b>87.1</b>	<b>86.2</b>
Stevenage	51.0	46.3	49.5	65.9	68.3
Three Rivers	62.9	65.0	67.1	72.1	73.6
Watford	65.6	68.7	70.2	84.1	76.4
Welwyn Hatfield	57.2	48.1	50.4	60.6	64.0
Hertfordshire	69.4	66.5	67.4	75.6	78.1
East of England	59.5	56.4	54.0	59.5	56.4
UK	56.2	55.1	51.2	56.3	54.2

SOURCE: ONS (2009) Business Demography and Mid Year Population Estimates

**Chart 3**

**NEW BUSINESSES PER 10,000 RESIDENT ADULTS**



**Table 6: Enterprises**

Number of Enterprises	St Albans	Hertfordshire	East of England	England
<b>2004</b>	6,875	48,145	220,265	1,885,265
<b>2005</b>	6,855	48,540	222,500	1,904,490
<b>2006</b>	6,880	49,260	225,140	1,924,485
<b>2007</b>	7,115	51,200	232,185	1,987,590
<b>2008</b>	7,400	53,160	236,355	2,024,990

Source: UK National Statistics (2008)

There has been a growth in the last few years in enterprises at all levels – Table 6.

As can be seen in Table 7 below, the percentage of new businesses in St Albans District has been constantly increasing at a higher proportion than that of the County. Birth County and District percentages are higher than that of the region and England.

**Table 7: New Enterprises**

	St Albans	Hertfordshire	East of England	England
<b>2004</b>	11.27%	12.43%	12.53%	13.18%
<b>2005</b>	11.52%	11.81%	11.77%	12.68%
<b>2006</b>	11.34%	11.78%	11.13%	11.70%
<b>2007</b>	12.86%	12.73%	11.89%	12.41%
<b>2008</b>	12.23%	12.67%	11.07%	11.80%

Source: UK National Statistics (2008) (new enterprises / active enterprises)

**Table 8: Enterprise closures**

	<b>St Albans</b>	<b>Hertfordshire</b>	<b>East of England</b>	<b>England</b>
<b>2004</b>	11.42%	10.98%	10.67%	11.46%
<b>2005</b>	10.80%	10.44%	10.01%	10.62%
<b>2006</b>	10.03%	9.33%	9.11%	9.50%
<b>2007</b>	9.70%	9.78%	9.45%	10.00%
<b>2008</b>	9.26%	9.41%	9.29%	9.53%

Source: UK National Statistics (2008) (enterprises closures / active enterprises)

Businesses folding are also declining at all levels: District, County regionally and at England levels – Table 8.

## The Local Labour Market

Table 9 shows the proportion of people in the labour market, whether they are in work or seeking work. St Albans District mirrors that of Hertfordshire, although for there are more females economically active in St Albans District than other areas.

**Table 9: The Local Labour Market**

	St Albans	St Albans	Hertfordshire	East of England	Great Britain
<b>All people</b>					
Economically active	70,500	80.2%	80.1%	79.4%	76.7%
In employment	67,000	76.6%	75.2%	74.3%	70.7%
Employees	55,100	63.8%	63.3%	63.8%	61.4%
Self employed	11,900	12.7%	11.5%	10.1%	9.0%
Unemployed (model-based)	3,100	4.5%	6.0%	6.3%	7.7%
<b>Males</b>					
Economically active	38,100	86.2%	87.3%	86.3%	83.1%
In employment	34,900	79.6%	80.8%	80.3%	75.8%
Employees	28,000	65.7%	64.0%	65.4%	62.7%
Self employed	6,900	13.9%	16.6%	14.6%	12.7%
Unemployed	#	#	7.3%	6.8%	8.6%
<b>Females</b>					
Economically active	32,400	74.3%	73.0%	72.5%	70.4%
In employment	32,100	73.6%	69.6%	68.2%	65.7%
Employees	27,100	62.0%	62.6%	62.2%	60.0%
Self employed	5,000	11.6%	6.4%	5.6%	5.2%
Unemployed	!	!	4.6%	5.8%	6.6%

SOURCE: ONS (2009) National Population Survey

# source size too small for reliable estimate

! estimate not available

## Highly skilled resident population

St Albans District has a very highly skilled *resident population*. Compared to the region and the country as a whole, the District's residents are employed in a high proportion of professional and managerial positions, nearly 68% compared to 52% at county and 44% nationally - Table 10

**Table 10: Employment by occupation**

	St Albans	St Albans	Hertfordshire	East of England	Great Britain
Soc 2000 major 1-3	45,400	67.8%	52.9%	45.3%	44.1%
1 Managers and senior officials	15,500	23.2%	21.0%	17.5%	15.7%
2 Professional occupations	17,400	25.9%	17.8%	13.5%	13.6%
3 Associate professional & technical	12,500	18.7%	14.0%	14.2%	14.7%
Soc 200 major 4-5	9,400	14.0%	22.2%	22.3%	21.7%
4 Administrative & secretarial	3,500	5.2%	12.1%	11.0%	11.2%
5 Skilled trades occupations	5,900	8.8%	10.1%	11.2%	10.4%
Soc 2000 major group 6-7	5,300	8.0%	11.6%	14.9%	16.1%
6 Personal service occupations	#	#	6.0%	7.9%	8.6%
7 Sales and customer service occupations	#	#	5.6%	7.0%	7.4%
Soc 2000 major 8-9	6,800	10.2%	13.3%	17.5%	18.1%
8 Process plant & machine operatives	#	#	6.2%	6.2%	6.7%
9 Elementary occupations	5,500	8.2%	11.3%	11.3%	11.3%

SOURCE: ONS (2009) National Population Survey  
# figures disclosive so removed

Comparing other employment categories, St Albans District residents also defy national and regional trends, as fewer residents are in the skilled trades and administrative occupations 14% compared to 21% at county and national levels.

## Education & Skills

The Table 11 illustrates the labour market qualifications that local residents in St Albans District hold. It shows that over 50% of those residents in the labour market have NVQ level 4 and above which is equivalent to degree or postgraduate qualification, compared to nearly 34% for Hertfordshire and just under 30% nationally.

**Table 11: Adult Qualifications**

	<b>St Albans District</b>	<b>Hertfordshire</b>	<b>East of England</b>	<b>England</b>
<b>No Qualifications</b>	7.1%	7.7%	11.3%	12.3%
<b>NVQ L1 or Above</b> (GCSE grades D-G, BTEC Level 1)	85.4%	83.8%	79.9%	78.9%
<b>NVQ L2 Qualifications or Above</b> (GCSE grades A*-C, BTEC Level 2)	77.8%	69.1%	64.2%	65.4%
<b>NVQ L3 Qualifications or Above</b> (A-level BTEC Level 3)	66.6%	54.5%	46.9%	49.3%
<b>NVQ L4 Qualifications or Above</b> (Higher Education)	50.7%	34.3%	27.3%	29.9%

SOURCE: ONS (2009) National Population Survey

### **Wages and Salaries of Local Workers in the District**

The highly skilled nature of St. Albans District's resident workforce does not necessarily benefit local businesses. The evidence, presented below, indicates that a significant proportion of professional and managerial workers commute out of the District for work and can command much higher pay levels than local firms pay. For example whilst the average weekly pay for full time workers **living** in St. Albans District was £878.60 in 2009 the equivalent figure for jobs **based** in the District was £627.30 - Table12

**Table 12: Average Weekly Pay for Full Time Workers**

	<b>Earnings by Workplace</b> <i>i.e. for jobs based in the area</i>	<b>Earning by Residence</b> <i>i.e. for people living in the area</i>
St. Albans	£627.30	£878.60
Hertfordshire	£626.30	£718.10
East of England	£569.00	£616.70
England	£597.40	£598.30

Source: UK National Statistics – Annual Survey of Hours & Earnings 2009

## Earnings by workplace

**Table 13: Gross weekly pay**

	St Albans	Hertfordshire	East	Great Britain
Full-time workers	£488.7	£577.5	£479.1	£490.2
Male full-time workers	£584.2	£645.4	£524.3	£533.8
Female full-time workers	£421.7	£493.5	£409.4	£426.6
<b>Hourly pay</b>				
Full-time workers	£12.14	£15	£11.89	£12.46
Male full-time workers	£14.27	£16.16	£12.64	£13.14
Female full-time workers	£11.06	£13.18	£10.73	£11.44

SOURCE: ONS (2009) annual survey of hours & earnings – workplace analysis

Table 13 illustrates the relatively low wage rates of local jobs in St Albans District, especially compared to Hertfordshire as a whole.

## Commuting

The numbers of out-commuting and in commuting have increased since 1991. Overall the District is a net exporter of labour – Table 14

**Table 14: Commuting patterns**

	1991	2001
Out- commuting	31, 000	33,436
In - commuting	22, 560	23, 340
<b>Net out commuting</b>	<b>8, 440</b>	<b>10, 096</b>

Source ONS (1991/2001) Census

Data from the **2001 Census of Population** show that nearly 51% of St. Albans District resident workforce commuted out of the District for work - Table 15. Furthermore, 42% of local jobs are taken by in-commuters - Table 16

**Table 15: Where St Albans Residents Work**

Work Destinations	% of Resident Workforce
St Albans	49.1%
London	22.2%
Other Districts in Hertfordshire	19.7%
Neighbouring Counties	6.1%
Other	2.8%

Source ONS (2001) Census

**Table 16: Where Workers in St Albans Live**

<b>Area of Residence</b>	<b>% St Albans &amp; District Workforce</b>
St Albans	58.0%
Other Districts in Hertfordshire	21.2%
Neighbouring Counties	12.7%
London	5.1%
Other	3.0%

Source ONS (2001) Census.

The out-commuting is more prevalent among professional and white-collar jobs, where in some cases local employees commute out of the Country on a weekly basis to work. In these jobs out-commuting exceeds in-commuting while the reverse follows for skilled trades, manual jobs and retail based occupations. See Table 17

St Albans District area has low self-containment and a negative commuting balance. As shown many of its residents out-commute to work, mainly to London. Furthermore the offsetting flow of in-commuters is smaller. In net terms, St Albans District area is dependent on other places for its resident's jobs and incomes especially for the better paid jobs and higher incomes, as people who work in the area earn much less on average than people who live there, but work elsewhere.

**Table 17: Commuting by Occupation**

<b>Occupation</b>	<b>Resident Working Population</b>	<b>Jobs in area</b>	<b>Live and work in area</b>	<b>In-commuters</b>	<b>Out-commuters</b>
Mangers. & Snr. Officials	15,073	9,952	4,866	5,086	10,207
Prof. Occs.	12,628	8,359	4,650	3,709	7,978
Assoc. prof. & technical	10,904	7,953	4,442	3,511	6,462
Admin & Secretarial	8,203	8,075	4,849	3,226	3,354
Skilled trades	4,704	5,053	3,208	1,845	1,496
Personal Service Occs.	3,674	4,196	2,773	1,423	901
Sales & Customer Serv.	3,614	4,072	2,720	1,352	894
Process, plant & mach.	2,410	2,625	1,296	1,329	1,114
Elementary occs.	4,466	5,301	3,429	1,872	1,037
<b>TOTAL</b>	<b>65,676</b>	<b>55,586</b>	<b>32,233</b>	<b>23,353</b>	<b>33,443</b>

Source: ONS (2001) Census

## Young People

Youth Connections Hertfordshire undertakes a “Destination Survey” to find out what activities students are engaged in after leaving school. The survey reflects settled activity i.e. that on 1<sup>st</sup> November 2009 not activity immediately after leaving school.

This survey is a good source of information for identifying NEETS rates (i.e. young people who are Not in Employment, Education or Training).

The table below shows the Destinations results for Year 11 students in the St Albans and Harpenden Strategic Area Planning Group (as defined by Herts Youth Connexions).

The NEETS rate of 1.6 % is one the lowest in the county. The table also shows that over 95.5% of young people stay on in education (6<sup>th</sup> Form or FE College). This compares to 94.4% county wide and 92.8% nationally. .

**Table 18: Year 11 leaver destinations**

Destination % response	St. Albans & Harpenden SPAG
School 6 <sup>th</sup> Form	66.6%
Further Education College	26.5%
Training - non employed	1.0 %
Employment with training	1.9%
Employment without training	0.3%
Voluntary & Part Time Activities	0.3%
NEET - available to the labour market	1.3%
NEET - not available to the labour market	0.3%
Information not available – moved away	1.7%
<b>Total number of responses</b>	<b>2176</b>

Source: Youth Connections Hertfordshire (Nov 2009) (school based data)

## **Unemployment and Vacancies**

### **Unemployment:**

Latest figures for unemployment in St Albans District (July 2010) is 1.8% compared to a county rate of 2.5% and a national rate of 3.6%. (July 2010).

However these figures mask the fact that unemployment has increased from a low base, by over 100 % in the last two years in the District.

The recession has had an impact in the District particularly on high earners and middle managers in the finance, property, electronics, ICT and pharmaceutical industries, which make up a high proportion of the local workforce and those who were commuting out of the area, into London.

Many of those affected have never been unemployed and find it difficult to cope with the major changes that unemployment placed on their lives and the lives of their families. They are also unused to having to present themselves to prospective employers in a competitive environment. There is little relevant job search support available to them, as they do not fall into any of the Job Centre Plus priority areas. Therefore Local Strategic Partnership (LSP) led by Oaklands College, have set up An **Executive Forum**.

More recently through the Local Strategic Partnership (LSP) a young persons job forum – Kick-start mainly aimed at graduates has been set up led by Oaklands College to help with job search skills.

For unemployment rates at ward level within the District – see Appendix 2.

### **Jobcentre Plus Vacancies**

Vacancy figures at Jobcentres can fluctuate considerably and can be influenced by seasonal factors. Such vacancies reflect about one third of all local vacancies. However these figures give an indication of the *supply* of local jobs. It is interesting to note that in St Albans has a higher percentage of jobs available in sales and customers services compared to county and national percentages – Table 19. See Appendix 3 for vacancy levels in previous years.

**Table 19: Vacancies (by occupation)**

	<b>St Albans</b>	<b>Hertfordshire</b>	<b>East of England</b>	<b>England</b>
1 : Managers and Senior Officials	3.3%	4.5%	4.3%	4.2%
2 : Professional Occupations	3.3%	2.9%	3.5%	3.8%
3 : Associate Professional and Technical Occupations	15.7%	13.8%	14.1%	13.9%
4 : Administrative and Secretarial Occupations	6.4%	6.6%	7.8%	8.9%
5 : Skilled Trades Occupations	9.6%	9.0%	9.2%	8.0%
6 : Personal Service Occupations	13.0%	12.7%	13.8%	11.3%
7 : Sales and Customer Service occupations	18.4%	15.6%	14.7%	17.1%
8 : Process, Plant and Machine Operatives	7.2%	8.0%	9.2%	9.9%
9 : Elementary Occupations	23.1%	26.9%	23.4%	23.0%

SOURCE: Jobcentre Plus Vacancies (2009)

**Table 20: Jobcentre Plus Live Unfilled Vacancies**

<b>DISTRICT</b>	<b>APR 2008</b>	<b>APR 2009</b>	<b>APR 2010</b>
Broxbourne	398	260	<b>349</b>
Dacorum	898	337	<b>515</b>
East Hertfordshire	485	319	<b>362</b>
Hertsmere	554	255	<b>278</b>
North Hertfordshire	559	263	<b>288</b>
St Albans	776	375	<b>423</b>
Stevenage	657	312	<b>430</b>
Three Rivers	224	158	<b>162</b>
Watford	549	305	<b>564</b>
Welwyn Hatfield	818	284	<b>500</b>
<b>Total</b>	5,918	2,868	<b>3,880</b>

Source: NOMIS/ Community Information Unit: Hertfordshire County Council (2010)

In Hertfordshire there was a total of 3,880 unfilled vacancies during April 2010.

## **Disadvantaged Areas in St Albans District**

The Index of Multiple Deprivation 2007 (IMD 2007) identifies sub-ward areas called Lower Super Output Areas (or LSOAs). LSOAs have between 1000 and 3000 people living in them with an average population of 1500 people. LSOAs are a useful tool in allowing the identification of small pockets of deprivation especially when they exist in an otherwise affluent area. In relation to the national picture, St Albans is not a district with a concentration of high ranked LSOAs – i.e. the District does not contain a large number of relatively deprived areas. However three LSOAs rank in the 30% most deprived in England with another two ranking close to this.

The deprivation levels are measured by looking at the following issues (or domains):

- Income
- Employment
- Health and disability
- Education, skills and training
- Barriers to Housing and Services
- Living Environment
- Crime

The five most deprived LSOAs in St Albans are as follows:

**Table 21: Five most deprived LSOA's in the District.**

<b>SOA / Ward</b>	<b>IMD 2007 Rank (Out of 32,482 nationally)</b>	<b>St Albans Rank (Previous rank)</b>
Batchwood	8016	1 (1)
Cunningham	9310	2 (4)
Sopwell 1	9703	3 (2)
Sopwell 2	9885	4 (3)
Colney Heath	11690	5 (5)

There are two high ranking SOA's in Sopwell ward as shown in the tables. It is possible to break down the IMD data to identify the factors (domains) that contribute to the deprivation levels in each of these areas. The top two factors (domains) for each area are shown in the table below:

**Table 22: Factors which contribute in five most deprived LSOA's in the District.**

<b>SOA / Ward</b>	<b>Highest Ranked Domain</b>	<b>Next highest</b>
Batchwood	Crime	Income
Cunningham	Employment	Income
Sopwell 1	Crime	Income
Sopwell 2	Income	Health
Colney Heath	Barriers to Ho & Services	Income

This table shows clearly that income (or lack of) is a very significant contributor to the deprivation levels in these areas.

### **Other local indicators – St Albans City Centre**

#### **Vacant city centre retail units**

The latest survey of City Centre vacant retail units in September 2010 showed a vacancy rate of 5.6% - 30 units out of 531. This compares to 6.4% in both June and March 2010 and 7.58% in August 2009 (Source: St Albans City & District Council). The national rate is 12.5% (source: Goad Plan Feb 2010)

Although the number of vacant units has not changed much, there have been plenty of new lettings to balance out new closures. The ones that have remained empty for longer periods are generally the larger units and those on the fringes of the survey area.

#### **Pedestrian Footfall**

A recent survey of pedestrian footfall (July 2010) in City centre showed footfall up by 10.8% from February 2010. This latest figure is the highest for 6 years.

## **Conclusions and Commentary**

The City and District of St Albans has many key advantages in terms of a strong local economy, good location and the skills and qualifications that many of the local population possess. The District is seen by many employers as a desirable place to be and the District Council with key partners, such as the St Albans District Chamber of Commerce and through the Economic Sustainability Partnership, seeks to continually encourage entrepreneurial activity in the local area.

This report has highlighted the following **issues** which will be addressed in part through the **Local Development Framework (LDF)** process.

- **High level of out-commuting**
- **Relatively low paid local jobs**
- **Local mismatch of jobs available to people seeking employment**
- **Pockets of deprivation in small local areas**
- **Identification of new emerging business sectors** including those with a “high knowledge base” that will enhance and sustain the local economy.

By 2021 to “**Create a diverse and sustainable economy for the 21<sup>st</sup> Century**”, the District, through the Local Strategic Partnership – LSP, will aim to:

- **Have a healthy, diverse and strong local economy including a new focus on creative and knowledge industries, tourism and the green/ environmental sustainability sectors.**
- **Offer employers a highly skilled and flexible workforce**
- **Lead the way for innovative business development**

## **Contact Information**

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**September 2010**

## APPENDICIES

### Appendix 1: Ethnic Groupings of the total Population of 129,005 people

<b>Ethnic Grouping from 2001 Census</b>	
British	86.85%
Irish	1.97%
Other White	4.27%
White & Black Caribbean	0.45%
White & Black African	0.15%
White & Asian	0.53%
Other mixed	0.45%
Indian	0.89%
Pakistani	0.56%
Bangladeshi	1.26%
Other Asian	0.60%
Caribbean	0.62%
African	0.28%
Other Black	0.10%
Chinese	0.51%
Other ethnic group	0.49%

Source Census of Population 2001

**Appendix 2: Unemployment Numbers and Rates by Ward in St Albans City & District and annual percentage change in last year**

Ward Name	District	Claimant count (April 2009)	Claimant count (April 2010)	Annual Increase
Ashley	St Albans	105	111	5.7%
Batchwood	St Albans	113	142	25.7%
Clarence	St Albans	65	67	3.1%
Colney Heath	St Albans	72	74	2.8%
Cunningham	St Albans	130	126	-3.1%
Harpenden East	St Albans	82	78	-4.9%
Harpenden North	St Albans	55	59	7.3%
Harpenden South	St Albans	55	49	-10.9%
Harpenden West	St Albans	47	54	14.9%
London Colney	St Albans	168	178	6.0%
Marshalswick North	St Albans	78	69	-11.5%
Marshalswick South	St Albans	71	77	8.5%
Park Street	St Albans	97	116	19.6%
Redbourn	St Albans	59	62	5.1%
Sandridge	St Albans	57	48	-15.8%
Sopwell	St Albans	137	134	-2.2%
St Peters	St Albans	137	135	-1.5%
St Stephen	St Albans	66	71	7.6%
Verulam	St Albans	52	61	17.3%
Wheathampstead	St Albans	61	74	21.3%

SOURCE: ONS Claimant Count (2009-10) [taken from Herts Observatory]

**Appendix 3: Vacancies**

Date	St Albans	Hertfordshire	East of England	Great Britain
Apr-06	769	6,644	35,740	493,291
Apr-07	590	5,111	30,176	366,460
Apr-08	776	5,918	28,818	385,082
Apr-09	375	2,868	16,475	212,718
Apr-10	423	3,880	23,204	244,241

SOURCE: Jobcentre Plus Vacancies

## **Appendix 4: BBC Resilience Research conducted by Experian**

The research<sup>†</sup> was conducted by Experian, a global information services company, to illustrate the 'resilience rankings' of English local authority areas to economic shock.

Overall, St Albans City and District was rated as the 2<sup>nd</sup> most resilient<sup>‡</sup> – second to Elmbridge. This is attributed to the mix of sectors, not dependents on vulnerable sectors (such as construction and the public sector), high proportion of high growth sectors and a high business density and export rates.

The research was split into four groups and ranked independently also; these were Business, Community, People and Place.

### **Business**

How strong is the local business base? Is it dependent on sectors that have been hit by recession? Does it have a high number of firms proven to adapt to difficult economic conditions? Have many firms gone out of business? Are businesses dependent on only local markets, or do they export?

St Albans City and District was ranked top in the country.

### **Community**

How high is life expectancy? Do neighbours look out for each other? How many people claim benefits? Does the area suffer from deprivation? How many households are vulnerable to long-term unemployment? How many households are vulnerable to declines in disposable income?

St Albans City and District was ranked 85<sup>th</sup> in the country.

### **People**

Is there a large working age population that can contribute to the economy? How many people have high skills levels? How many people work as managers and how many people work in elementary roles such as cleaners and refuse workers? How much do locals earn on average?

St Albans City and District was ranked 14<sup>th</sup> in country.

### **Place**

What are GCSE attainment rates like? Are house prices high? How high is the local crime rate? Is there a lot of green space for people to enjoy?

St Albans City and District was ranked 8<sup>th</sup> in the country.

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<sup>†</sup> BBC, Spending Review – Resilience rankings explained, <http://www.bbc.co.uk/news/business-11233799> [accessed 22 September 2010]

<sup>‡</sup> BBC, Spending cuts 'to hit north harder', <http://www.bbc.co.uk/news/business-11233799> [accessed 22 September 2010]