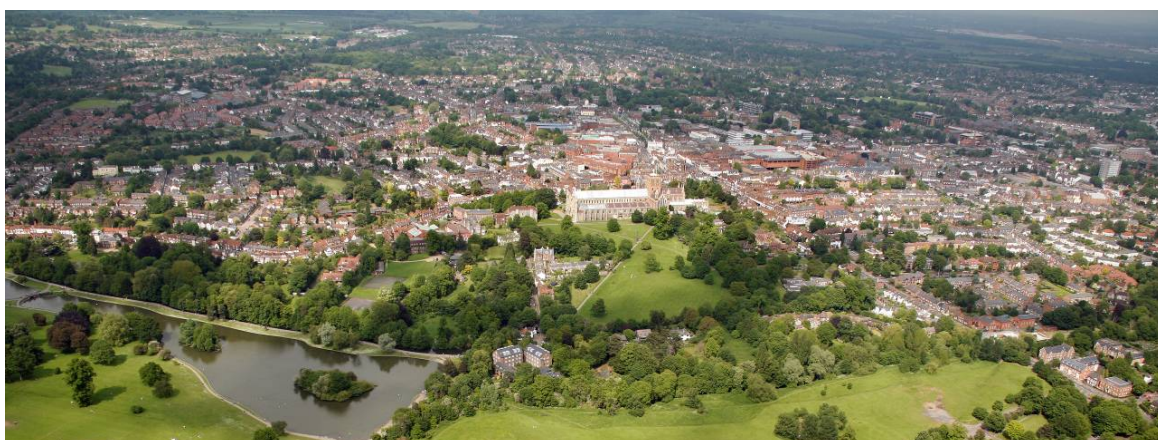


# ST ALBANS CITY & DISTRICT

## THE LOCAL ECONOMY



Sept 2011



## **EXECUTIVE SUMMARY**

The City and District of St Albans has a strong local economy, a highly skilled workforce, an excellent location for rail, road and airports and is seen by many employers as a desirable place to be. The District also benefits from the proximity of the University of Hertfordshire, based close by at Hatfield, which is one of the country's leading business orientated universities.

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.

Most local employment is in the financial and business services, research and development, retail and educational sectors. St Albans is also a significant regional/sub-regional legal centre, including Crown and Magistrates Courts and tourism is an increasingly important local employer. Nearly half of local residents have a degree qualification or above and the majority of residents are employed in professional and managerial occupations, a considerably higher rate than at the county or national level.

## **CONTENTS**

<b>A home to major employers .....</b>	<b>3</b>
<b>A knowledge based economy .....</b>	<b>4</b>
<b>A home to small businesses .....</b>	<b>5</b>
<b>A home to new businesses.....</b>	<b>6</b>
<b>A home to professionals.....</b>	<b>6</b>
<b>Highly skilled residents.....</b>	<b>7</b>
<b>A gap between resident's and local worker's pay .....</b>	<b>7</b>
<b>Half of workers commute out of the district .....</b>	<b>8</b>
<b>Low unemployment .....</b>	<b>10</b>
<b>The City Centre .....</b>	<b>11</b>
<b>Contact Information.....</b>	<b>12</b>

## A home to major employers

St Albans District is made up of employment in research and development, office (including headquarters and financial and business services industries) and retail sectors. Well known companies such as Deloitte, AECOM, PricewaterhouseCoopers, Premier Foods, and Aon Hewitt, all have a large office base in District. 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, Rothamsted Research in Harpenden and The Building Research Establishment (BRE).

<b>Name of Employers</b>	<b>Employee size</b>
AECOM	500 - 700
Premier Foods	500 - 700
Aon 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
PricewaterhouseCoopers	100 - 199
HSBC Management Training Centre	100 - 199

Source: St Albans City and District Council (2011)

# A knowledge based economy

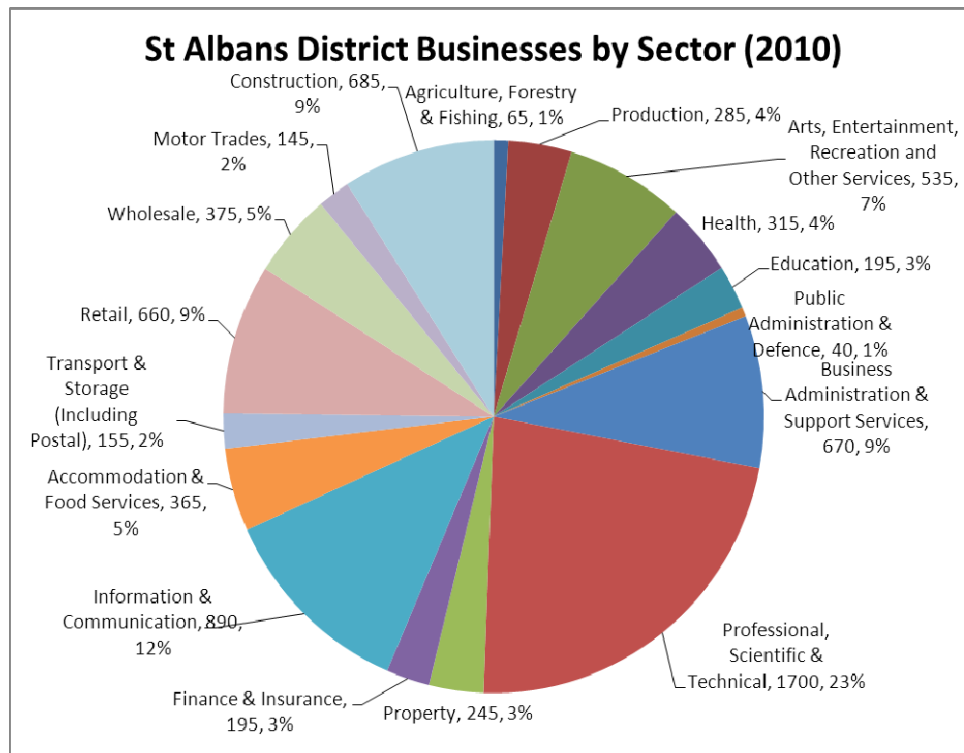
St Albans District has a relatively high proportion of jobs per person of the working age population compared to county and national levels.

## Jobs Density

	Jobs	16-64 year olds Population	Jobs per person of working age
St. Albans	76,000	87,400	0.87
Hertfordshire	597,000	708,600	0.84
England	26,246,000	33,861,400	0.78

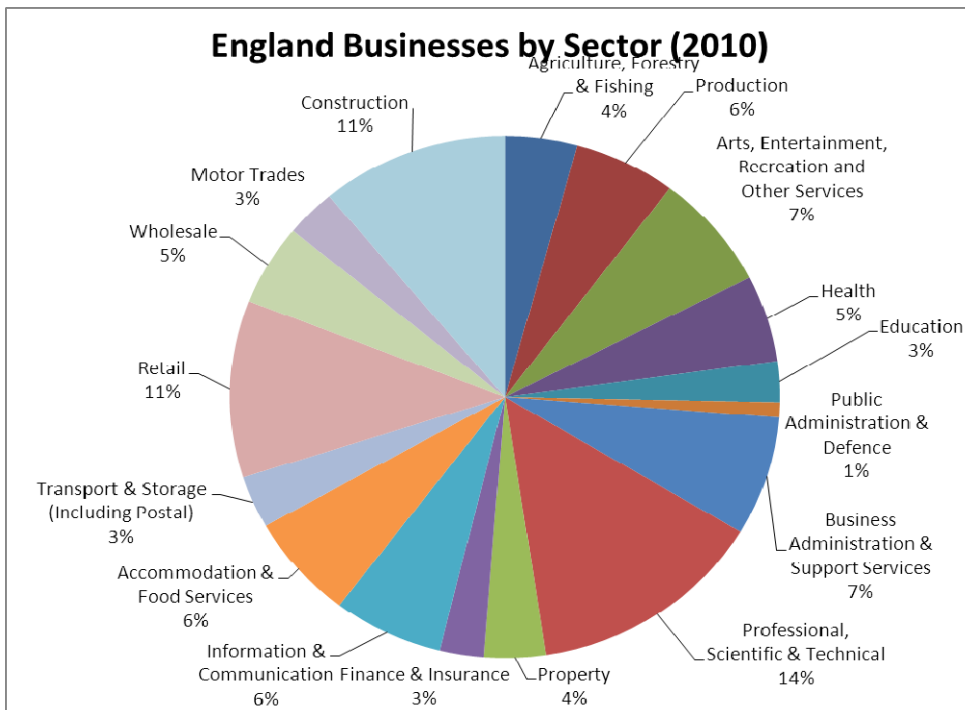
Source: Office of National Statistics (ONS) Jobs Density / Mid 2009 population estimate (2009)

Professional scientific and technical sectors account for 23% of businesses in the District. The information and communication sector accounts for 12% of local businesses.



Source: Office of National Statistics (ONS) Information on Businesses (2010) N.B this chart illustrates the number of businesses in each sector, not the number of persons employed

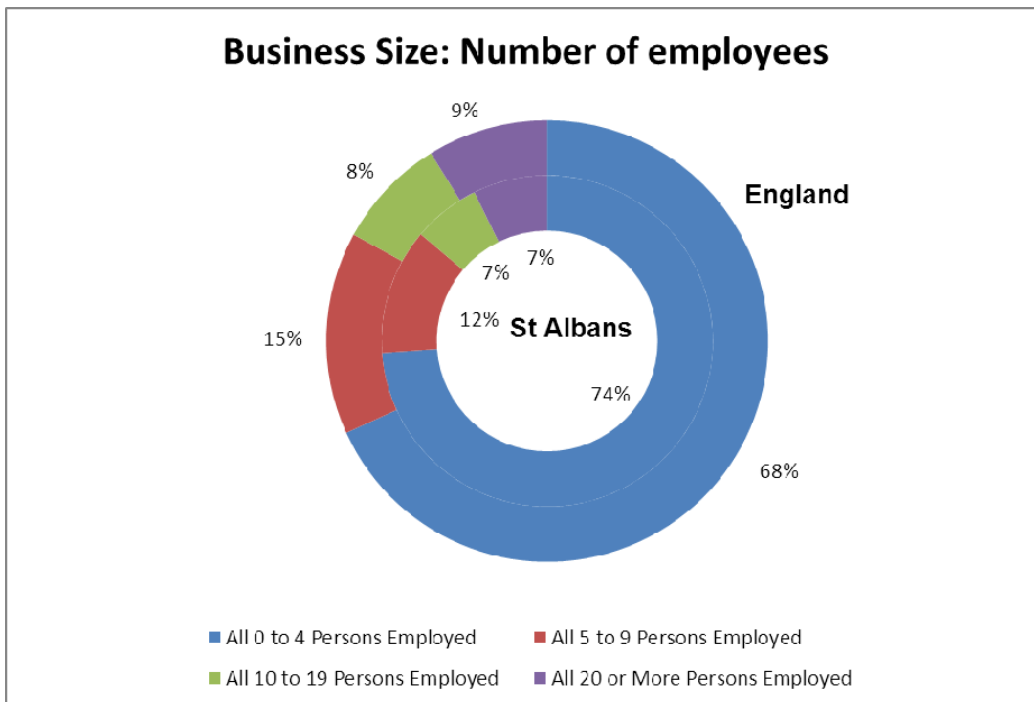
Compared to national sector proportions, St Albans District has a high representation of 9 percentage points more in Professional, Scientific and Technical and 6 percentage points more for Information and Communication sectors.



Source: Office of National Statistics (ONS) Information on Businesses (2010) N.B this chart illustrates the number of businesses in each sector, not the number of individuals employed

## A home to small businesses

As seen below the District has a high number of small businesses – 74% of businesses have less than 5 employees compared to 68% nationally.



Source: Office of National Statistics (ONS) Information on Businesses (2010)

## A home to new businesses

For every 10,000 people there were 58 new businesses created in the District of St Albans in 2010. As can be seen this is the third highest rate in the county and higher than both the county as a whole and nationally. This reflects the entrepreneurial skill base that exists in the local area.

### New Businesses per 10,000 resident adults

	2010
Hertsmere	67.6
East Hertfordshire	59.2
<b>St Albans</b>	<b>58.0</b>
Watford	54.1
Dacorum	52.1
Three Rivers	50.1
North Hertfordshire	48.9
Welwyn Hatfield	44.1
Broxbourne	42.5
Stevenage	34.8
Hertfordshire	51.9
England	33.4

Source: Calculation based on Office of National Statistics (ONS) (2010) Business Demography and Mid Year Population Estimates (2010)

## A home to professionals

A total of 65.1% of residents in employment are categorised as having senior, professional and managerial jobs. This is higher than both the county average (53.4%) and national (45.2%).

### Residents employment by occupation

	St Albans		Hertfordshire	England
	Number	%		
Managers and senior officials	15,500	22.8%	21%	16.1%
Professional occupations	16,100	23.7%	17.7%	14.3%
Associate professional & technical	12,700	18.6%	14.7%	14.8%
Administrative & secretarial	7,600	11.1%	12.4%	10.7%
Skilled trades occupations	3,500	5.1%	8.9%	10.0%
Personal service occupations	4,600	6.8%	6.3%	8.7%
Sales and customer service occupations	#	#	5.7%	7.3%
Process plant & machine operatives	#	#	4.8%	6.5%
Elementary occupations	4,300	6.4%	8.4%	11.2%

Source: Office of National Statistics (ONS) (Apr 2010- Mar2011) Annual Population Survey (% is proportion of persons in employment)

# figures disclosive so removed by ONS

## Highly skilled residents

Nearly half (48%) of adults living in the District are educated to degree level or above. This is higher than both the county (36.2%) and national (32.2%) levels. This also represents the 16<sup>th</sup> highest proportion of adults educated to higher education qualifications in England, the 6<sup>th</sup> highest outside of London

	St Albans District	Hertfordshire	England
<b>NVQ L4 Qualifications or Above</b> (Higher Education)	48.2%	36.2%	31.2%
<b>NVQ L3 Qualifications or Above</b> (A-level BTEC Level 3)	60.7%	55.1%	50.9%
<b>NVQ L2 Qualifications or Above</b> (GCSE grades A*-C, BTEC Level 2)	73.5%	71.0%	67.2%
<b>NVQ L1 or Above</b> (GCSE grades D-G, BTEC Level 1)	85.2%	84.4%	80.1%
<b>No Qualifications</b>	5.8%	7.3%	11.6%

Source: Office of National Statistics (ONS) (2010) Annual Population Survey  
Please note % is a proportion of resident population aged 16-64

## A gap between resident's and local worker's pay

There is a disparity between weekly earnings by local residents and that of jobs available locally – this is particularly marked when compared to county and national levels.

### 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	£627.20 (65 <sup>th</sup> highest in England)	£878.10 (8 <sup>th</sup> highest in England)
Hertfordshire	£640.00	£729.40
England	£608.60	£609.50

Source: UK National Statistics – Annual Survey of Hours & Earnings 2010

### Average Weekly Pay for Part 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	£167.30	£258.40 (20 <sup>th</sup> highest in England)
Hertfordshire	£184.20	£217.10
England	£200.00	£201.20

Source: UK National Statistics – Annual Survey of Hours & Earnings 2010

## Half of workers commute out of the district – especially the most skilled

Overall the District is a net exporter of labour.

### 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: Office of National Statistics (ONS) (1991/2001) Census

Nearly 50% of the St. Albans District resident workforce commute out of the District for work. Furthermore, 45% of local jobs are taken by in-commuters. In addition annual passenger journeys from St Albans City is 2 million 2009/10.

### Where St Albans Residents Work

Work Destinations	2001	2008
St Albans	49.1%	50.3%
London	22.2%	20.9%
Other Districts in Hertfordshire	19.7%	14%
Neighbouring Counties	6.1%	-
Other	2.8%	14.8%

Source: Office of National Statistics (ONS) (2001 Census / 2008 Annual Population Survey)

### Where Workers in St Albans District Live

Area of Residence	2001	2008
St Albans	58.0%	55%
Other Districts in Hertfordshire	21.2%	22%
Neighbouring Counties	12.7%	4.8%
London	5.1%	2.5%
Other	3.0%	15.7%

Source: Office of National Statistics (ONS) (2001 Census / 2008 Annual Population Survey)

### Commute by occupation type and locally available jobs

<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>
Managers & senior officials	15,073	9,952	4,866	5,086	10,207
Prof. occupations	12,628	8,359	4,650	3,709	7,978
Assoc. professional & 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 occupations	3,674	4,196	2,773	1,423	901
Sales & customer service	3,614	4,072	2,720	1,352	894
Process plant & machine operative	2,410	2,625	1,296	1,329	1,114
Elementary occupations	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: Office of National Statistics (ONS) 2001 Census

The out-commuting is more prevalent among professional and office related jobs, where in some cases local employees commute out of the County on a daily or weekly basis to work. In these jobs out-commuting exceeds in-commuting while the reverse is true for skilled trades, manual jobs and retail based occupations.

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.

## Low unemployment

Unemployment levels in the district are low, 1 percentage point lower than the county level and 3.3 percentage points lower than the national average.

### Low levels of unemployment

All persons	St Albans		Hertfordshire	England
	Number	%	%	%
In employment	68,000	74.6%	74.6%	70.6%
Unemployed	3,400	4.8%	5.8%	8.1%

Source: Office of National Statistics (ONS) annual population survey (Apr 2010 – Mar 2011)  
% is the % of the 16 – 64 year old population

Unemployment – the largest group of claimants is those aged 18 to 24 years but this is still under the county and national level.

### Job seeker allowance claimants

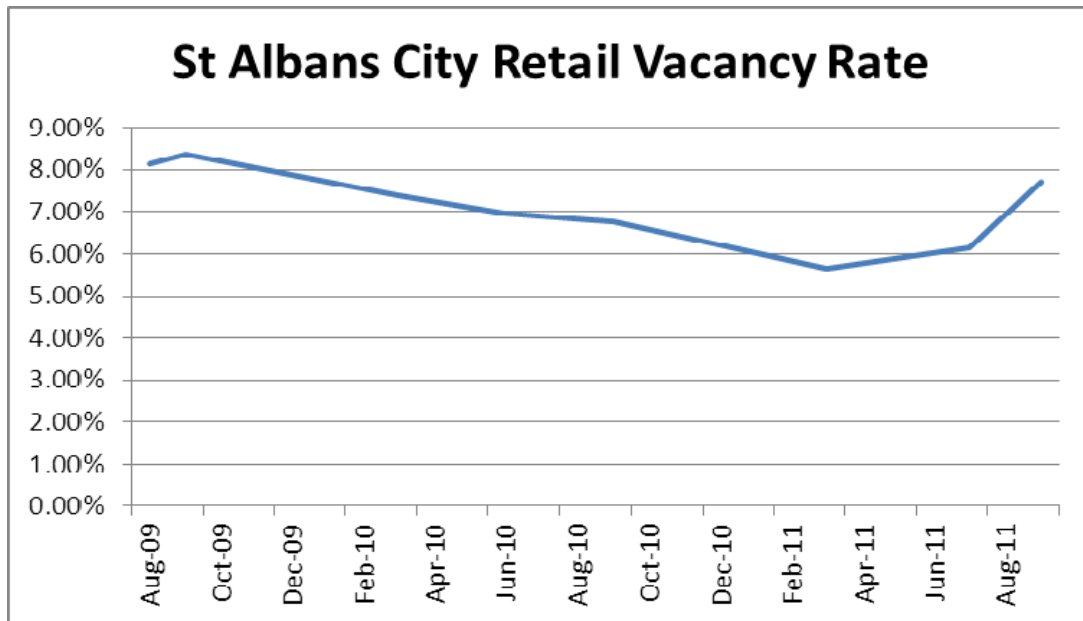
	St. Albans District	Hertfordshire	England
<b>Aged 18 to 24</b>	5.4%	5.8%	8.0%
<b>Aged 25 to 49</b>	1.6%	2.5%	3.9%
<b>Aged 50 to 64</b>	1.2%	1.7%	2.1%
<b>TOTAL</b>	1.8%	2.6%	4.8%

Source: Office for National Statistics Claimant Count (September 2011)  
% is number of persons claiming JSA as a proportion of resident population of the same age

## The City Centre

### Vacant city centre retail units

The latest survey of City Centre vacant retail units in September 2011 showed a vacancy rate of 7.72% - 40 units out of 518. This compares to 6.78% in September 2010 (Source: St Albans City & District Council). The national shop vacancy rate is 13.2% (source: Experian Goad Sept 2011)



Although the number of vacant units has increased, there have been many of new lettings and an increase in refurbishments. 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 2011) in City centre showed footfall as decreased by 11.4% from July 2010. The weekend of the count was hampered by extreme levels of rainfall.

## **Contact Information**

For further information on any aspects of this report contact:

Policy and Partnerships  
St Albans City & District Council  
St Peters Street  
St Albans  
Hertfordshire  
AL1 3JE

Tel 01727 819243

**October 2011**