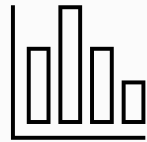


# Rutland Economic Strategy

Insights from the evidence

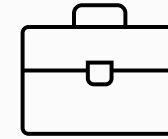


# Rutland's economy



## £706m economy (2020)

The value of Rutland's economy fell by -8.8% between 2015-20 (vs. a -2.2% fall nationally). In 2020, GVA per hour worked was £30.35 compared with £38.29 across England. If we were to compare growth between 2015-2019, there is a fall of -3.1% in Rutland compared to an increase of 8.4% nationally.



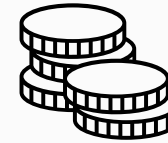
## Falling business base over the last year

There were 1,975 businesses in 2022. Despite growth of 1.3% over the last 5 years, over the last year, the business base has fallen by 225. The business birth rate in 2021 was lower (7.9% vs 12.5% nationally) and the death rate was higher (16.5% vs 11.2% nationally) although the 5 year survival rate was 50%, higher than 38% nationally.



## A population of 41,000 (2021)

The population has grown by 5.4% between 2016-21, with the proportion aged 25-39 growing by 8.3%, and the proportion aged 65 and over growing by 9.6%.



## Average wages of £28,000 (2021)

Despite annual median workplace earnings increasing by 12.2% over the last 5 years, wages remained more than £3,000 lower than the national average.



## Employment falling and economic inactivity increasing

In 2021 there were 16,000 jobs, with an employment of 75%, which is at the national rate but has fallen by -4.3% over the last 5 years compared with an 0.9% increase nationally. Economic inactivity was at 22.7%, increasing by 4.8% over the last 5 years compared with a slight fall nationally.



## 43% qualified to university level (2021)

Those qualified to NVQ level 4+ is at the national rate and the % with no qualifications is 1.1%, much lower than 6.4% nationally. Also, there are a higher proportion employed as top managers and professionals (37.9% vs 35%) and a lower proportion in elementary occupations (7.9% vs 10%).

Sources ONS GVA (2010-20), ONS Population Estimates (2016-21), ONS Annual Population Survey (2016-21), ONS Business Register and Employment Survey (2017-22), ONS Annual Survey of Hours and Earnings (2016-21)

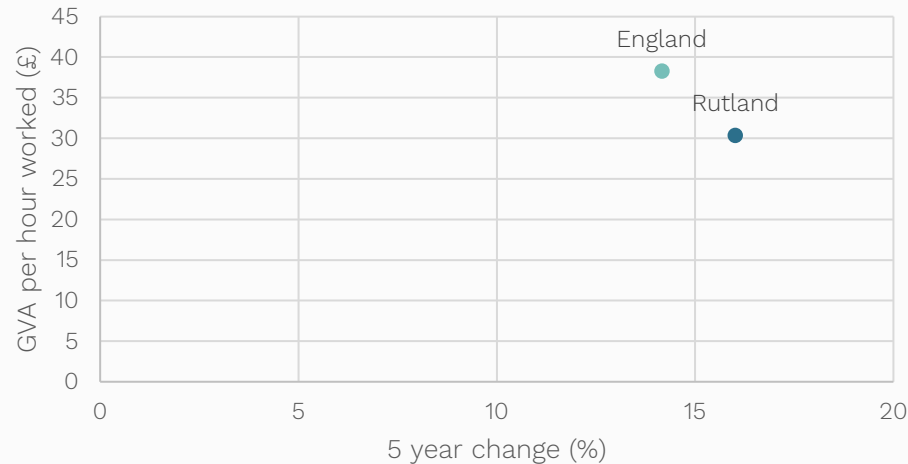
LA Name	Region	2010 (£m)	2019 (£m)	Growth rate (2010-19)
Rutland	East Midlands	817	750	-8.2%
Harlow	East of England	2,437	2,234	-8.3%
Broxbourne	East of England	2,586	2,323	-10.2%
Torbay	South West	2,207	1,981	-10.2%
Havant	South East	3,016	2,629	-12.8%
Epsom and Ewell	South East	2,065	1,789	-13.4%
Fylde	North West	3,172	2,708	-14.6%
Orkney Islands	Scotland	650	553	-14.9%
Reigate and Banstead	South East	8,183	6,150	-24.8%
Mid and East Antrim	Northern Ireland	3,808	2,508	-34.1%

## What's happening in the local economy?

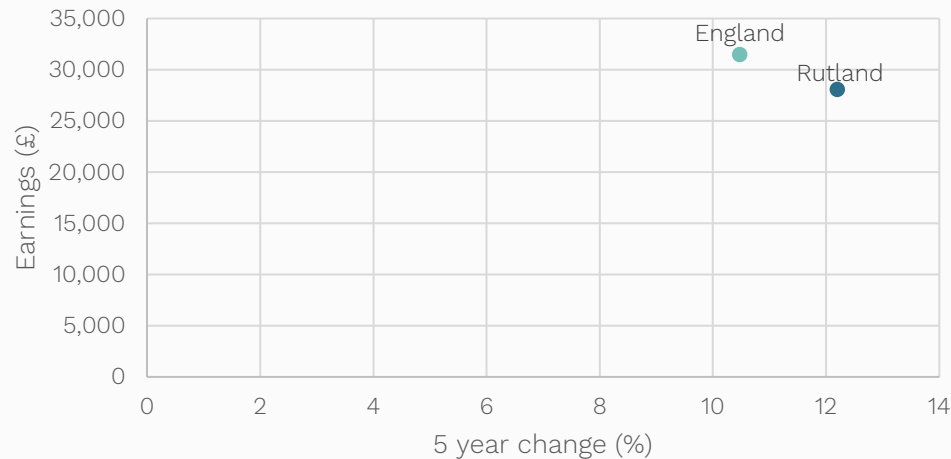
- Rutland ranks among the bottom 10 of all local authorities in the UK in terms of GVA growth between 2010-19
- GVA fell by 8.2% in the county and was the only area in the East Midlands in the bottom 20 areas other than Oadby and Wigston which saw a similar fall of 8.1%
- For comparison, Melton saw a 24% increase over the same period

# Relatively low productivity and wages

GVA per hour worked



Annual median workplace earnings (2021)



- GVA per hour worked in Rutland was £30.35 in Rutland in 2020, lower than the national average of £38.29.
- Median annual workplace earnings are around £3,000 lower than nationally – £28,064 compared to £31,480 nationally.
- In both cases the gap is closing slightly with the national average
- Other than in 2019, resident earnings have been consistently higher than workplace earnings in Rutland. In 2021, resident earnings in Rutland were over £4,500 higher than workplace earnings.

M	Rutland		England		Rutland	England	
	Indicator	Total GVA (£m)	GVA per employee	Total GVA (£m)	GVA per employee	5 year growth	5 year growth
	Agriculture, mining, electricity, gas, water and waste	87	120000	52,072	109,625	78%	3%
	Manufacturing	64	42666	160,112	80,136	-55%	4%
	Construction	32	64000	106,958	87,814	-9%	15%
	Wholesale and retail trade; repair of motor vehicles	105	42000	173,917	45,045	48%	13%
	Transportation and storage	16	32000	68,043	50,778	7%	2%
	Accommodation and food service activities	32	18285	48,026	26,044	14%	9%
	Information and communication	14	28000	115,965	97,042	-13%	21%
	Financial and insurance activities	4	40000	115,223	126,341	-50%	-2%
	Real estate activities	133	532000	229,148	484,457	-1%	3%
	Professional, scientific and technical activities	30	30000	133,621	57,645	15%	18%
	Administrative and support service activities	20	40000	90,651	39,345	67%	15%
	Public administration and defence	44	55000	73,646	68,065	-4%	-3%
	Education	91	40444	93,367	40,366	-7%	1%
	Human health and social work activities	34	27200	118,083	34,792	42%	6%
	Arts, entertainment and recreation	6	13333	27,297	47,473	-33%	3%
	Other service activities	9	30000	29,409	58,236	0%	0%
	All industries	725	48739	1,642,550	63,647	0%	7%

Source: ONS  
Regional GVA  
(balanced) by  
industry (2014-  
19)

# A changing sector mix

- The sector mix is changing in Rutland – this is a moment of change
- Need to reverse decline and focus on raising productivity
- Only 2 sectors are significantly more productive than the national average and neither are big employment sectors
- 7 out of 16 sector groups are growing compared to 14 nationally
- Wholesale & retail trade is the largest sector (apart from real estate) followed by education – nationally it is followed by manufacturing and Professional, scientific and technical activities
- Sectors that tend to be higher value – like financial and insurance activities and manufacturing – are getting smaller

# Existing Strengths

## Visitor Economy

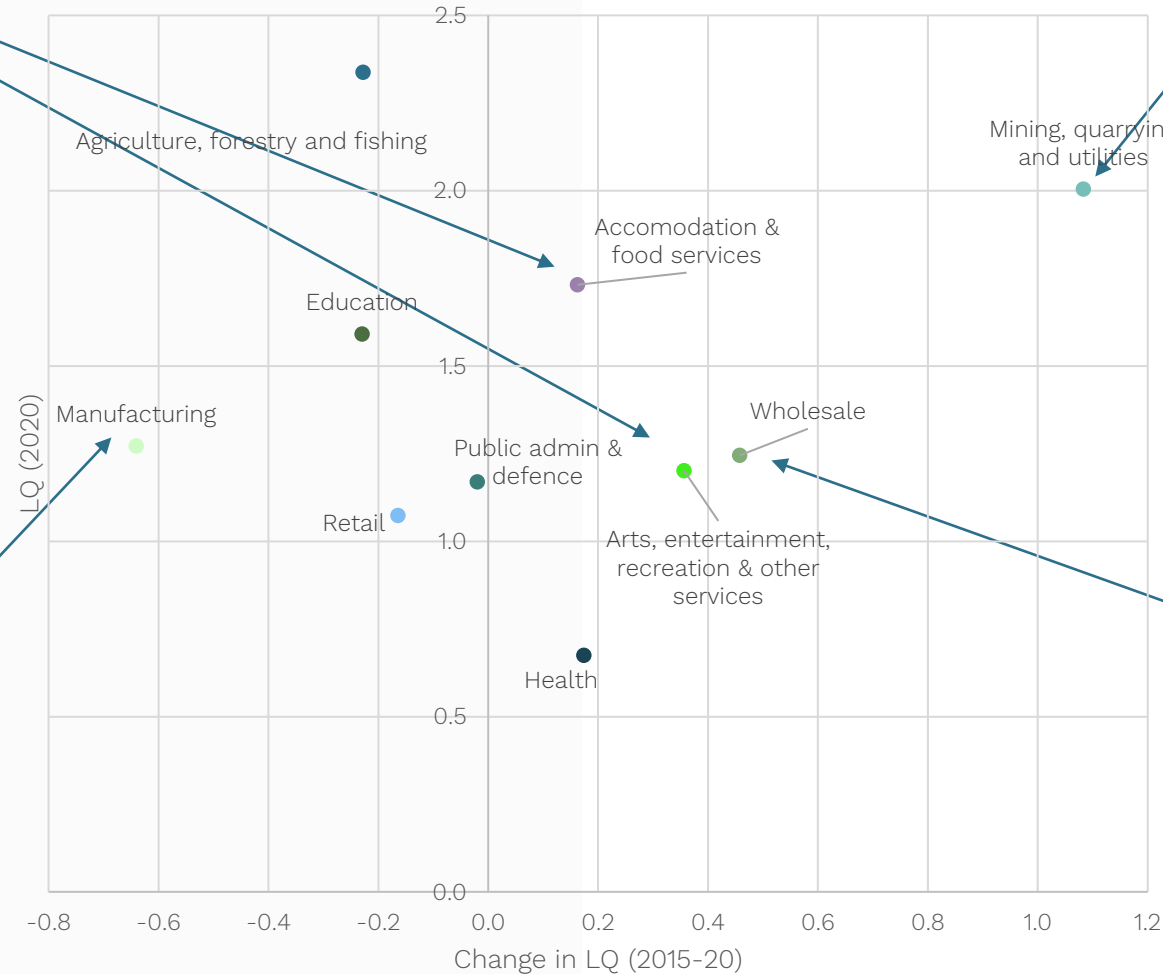
1200 full-time equivalent jobs were supported in the visitor economy, with the largest share in employment from accommodation, although fairly similar between shopping, food & drink and accommodation.

## Manufacturing

Total jobs in manufacturing have fallen from 2250 in 2015 to 1500 in 2020, with the share of total employment falling from 15.5% to 10%.

Output from manufacturing has fallen from £150m in 2015 to £72m in 2019, a fall in the share of total GVA from 19.4% to 9.6%.

Areas of speciality within manufacturing include plastics, where over 550 people are employed, and an LQ of 8.6, with RPC containers and Rutland Plastics being significant employers.



## Quarrying

Quarrying has seen an increase of 280 jobs between 2015-20.

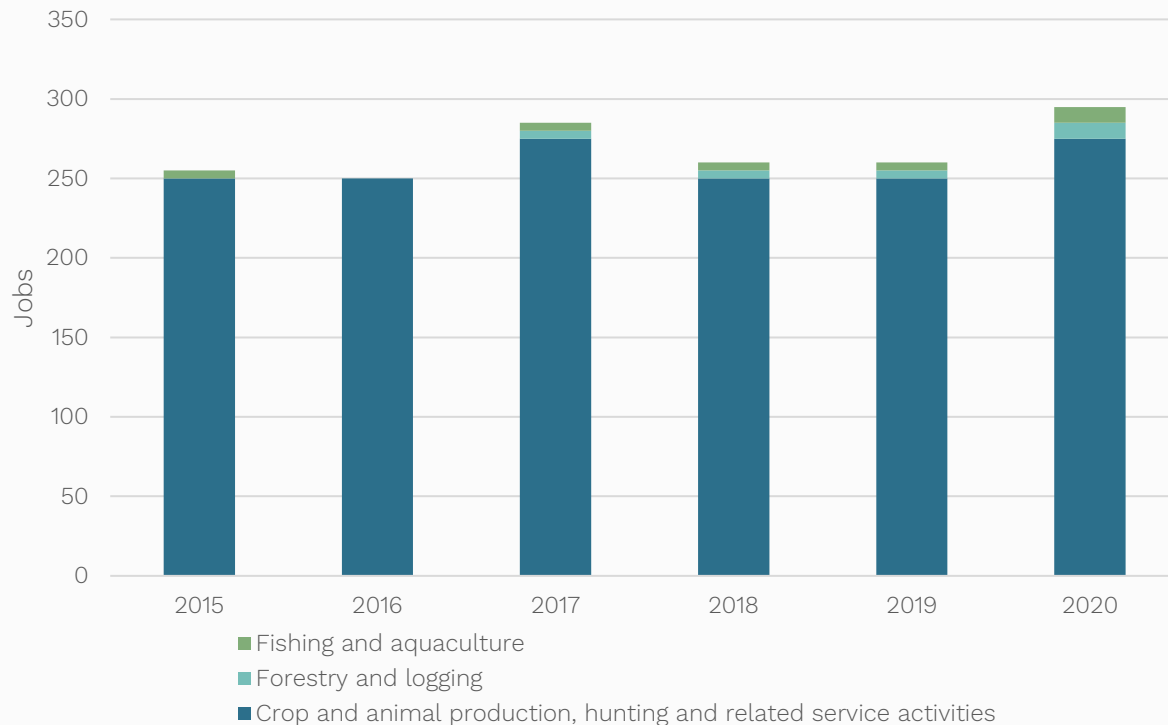
## Wholesale

Employment in the wholesale sector has increased by 56% between 2015-20, increasing to 700 jobs.

Employment is made up of 4 main areas. This includes the wholesale of clothing and footwear, with 200 jobs in 2020, doubling over the last 5 years. There were 160 jobs related to the wholesale of machinery and equipment, an increase of 110 jobs.

# Agriculture specialism

Total jobs in agriculture, forestry and fishing (2015-20)

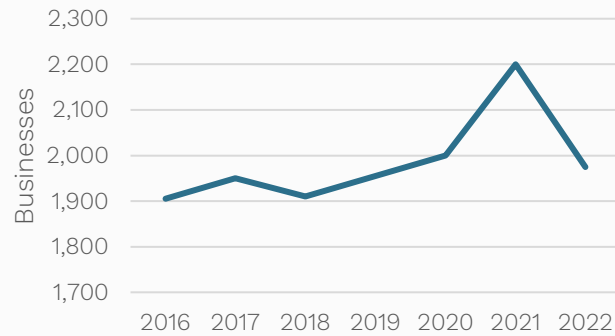


- There were 300 jobs in 2020 across agriculture, forestry and fishing, with almost all of these coming from agriculture
- There has been more jobs within forestry and fishing in Rutland over recent years
- Within agriculture, around a quarter of employment came from support for crop and animal production, which is higher than 12% nationally
- This sub-sector has an LQ of 5.8 which shows a relatively high level of specialisation

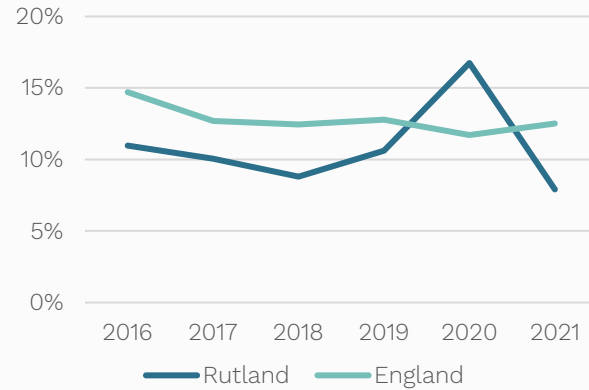


# Falling business base post-Covid

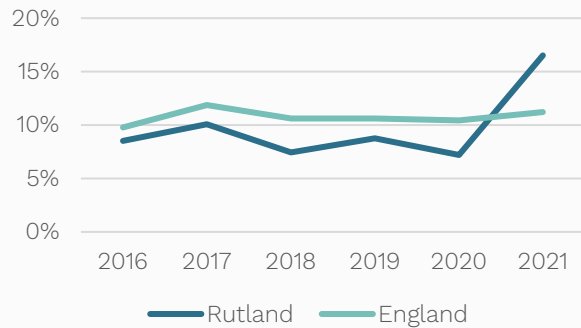
Total businesses in Rutland (2016-2022)



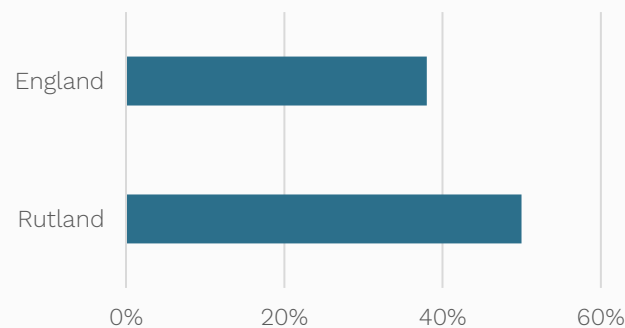
Business birth rate (2016-2021)



Business death rate (2016-2021)



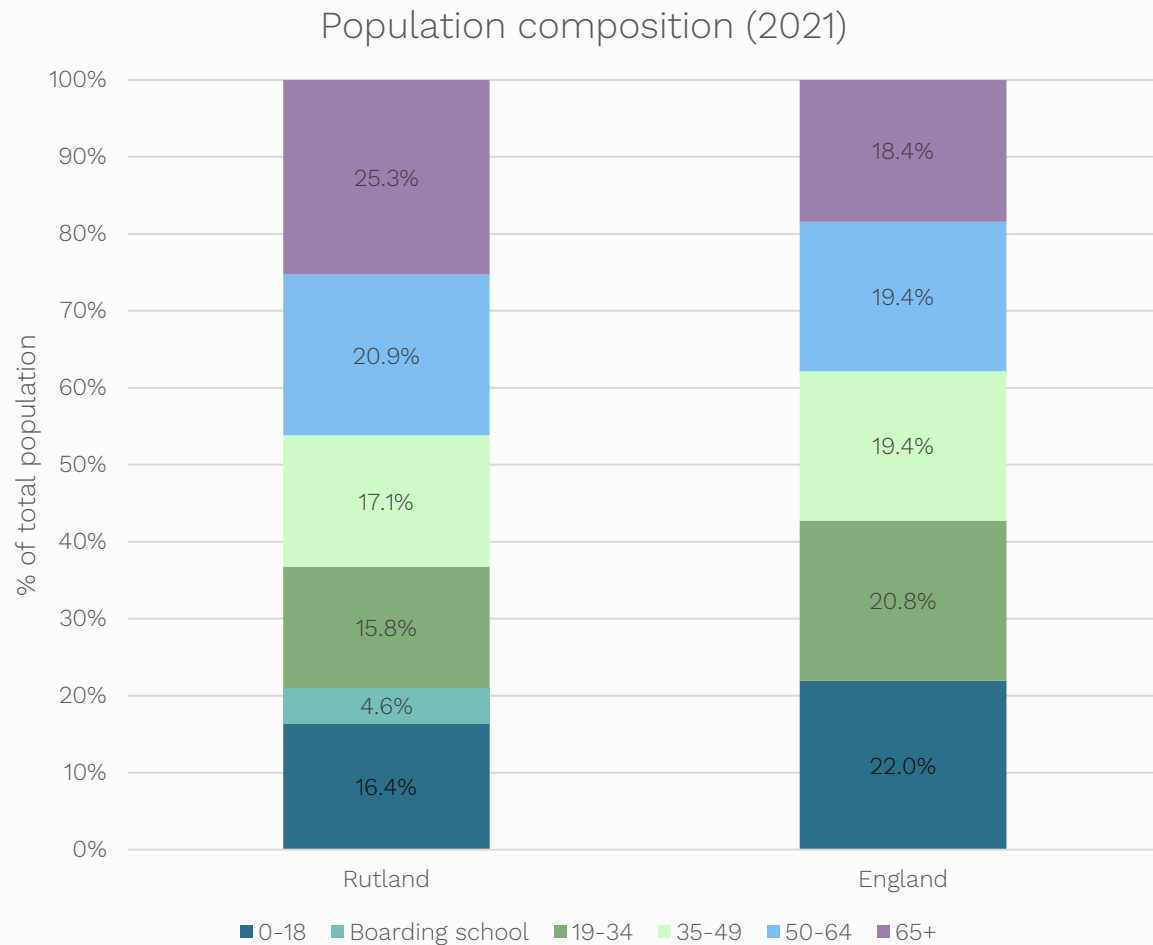
Business 5 year survival rate (2016-2021)



- 1,975 businesses in Rutland in 2022. Despite growth of 1.3% over the last five years (3.8% nationally), the business base fell by 225 over the last year, a fall of -10.2%.
- The 5-year survival rate between 2016 and 2021 was 50% in Rutland compared to 38% nationally
- The proportion of high growth businesses per 1000 was slightly higher in the county.
- Rutland has a higher proportion of the working age population who are self employed at 14.8% of employed people vs. 9.5% nationally.
- The high rate of self employment suggests entrepreneurial spirit

Source ONS Business Demography (2022)

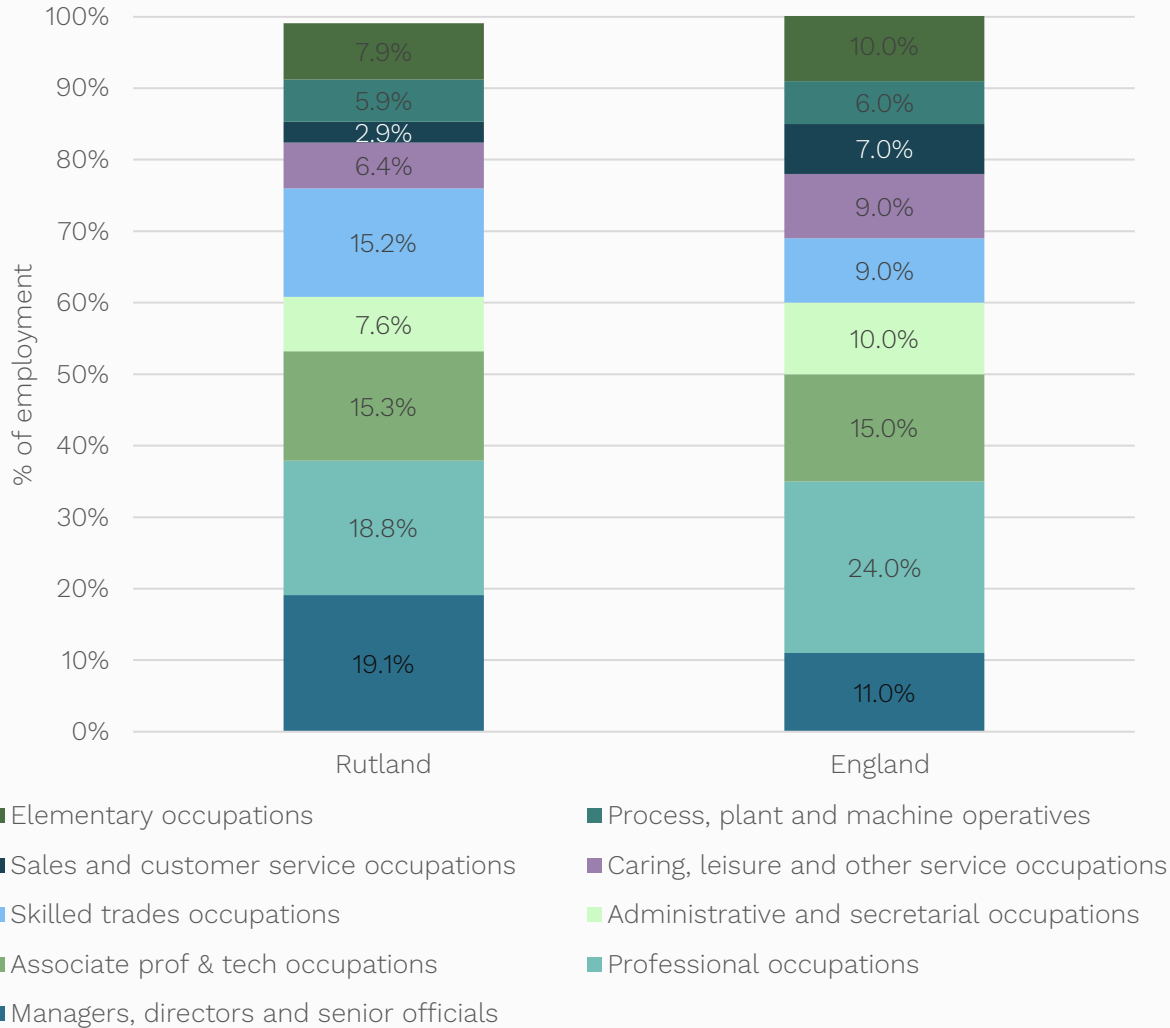
# The population is ageing



Notes: Boarding school numbers are from pupil population data in 2021/22 on [Find school and college performance data in England](#) which are then divided by the total population from ONS population estimates

- Population growing faster overall than the national average
- Higher proportion of the population aged over 65 and growing faster
- A quarter of young people is due to the presence of the boarding schools
- Demand for services are likely to change to adapt to an increasingly older local population.
- Attracting younger people and families to live and stay in Rutland is important in ensuring that the County retains enough skilled labour to support the local economy.

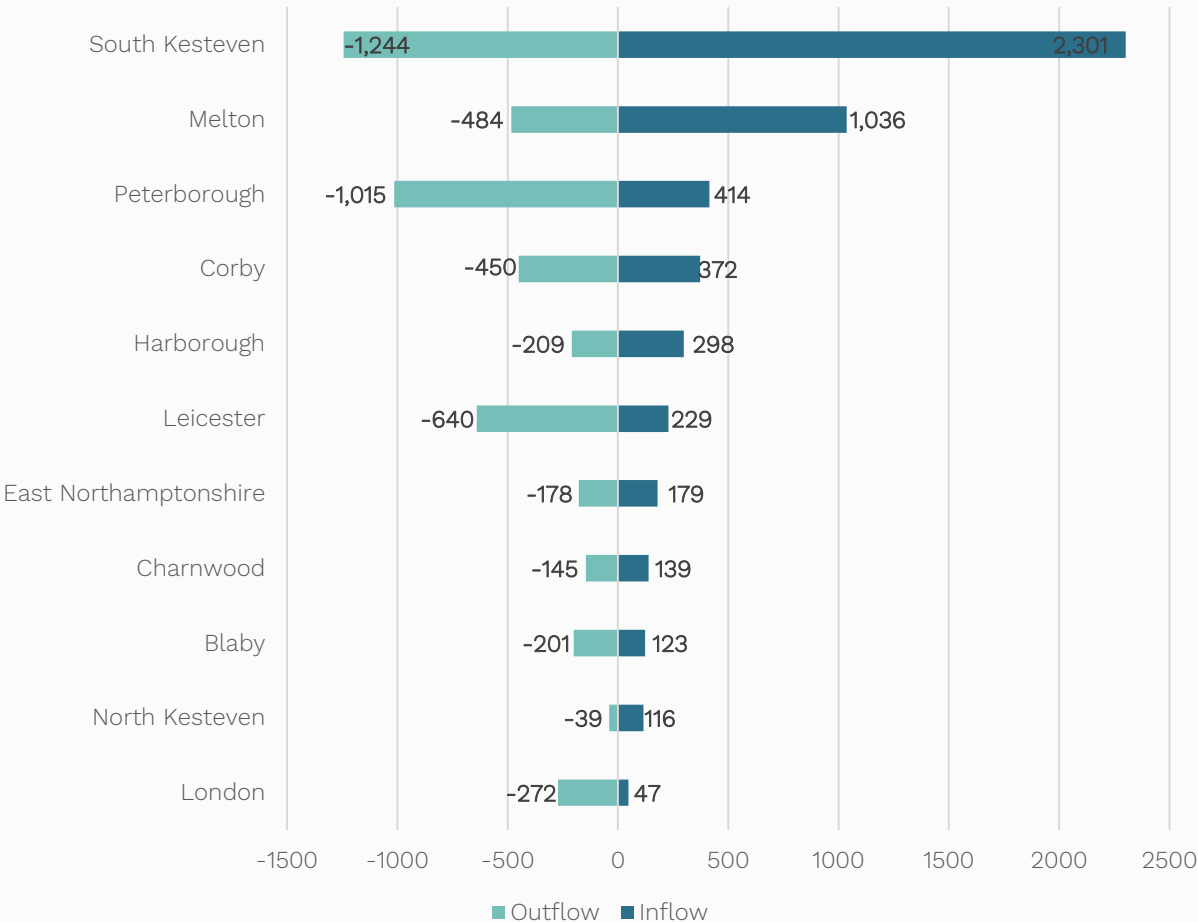
Occupation Composition (2021)



## More employed in higher skilled occupations

- Rutland has a higher proportion of people employed in highly skilled occupations; manager, directors and senior officials, professional occupations and associate professional and technical occupations.
- This matches the high skilled nature of the population in Rutland, with more people qualified up to NVQ levels 3, 2 and 1, and less people having no qualifications.
- This is based on residents – they may not be working in Rutland but commuting out

Commuting patterns for Rutland (2011)



Notes areas are ordered by largest to smallest inflow into Rutland

Source: ONS, Census WU03UK - Location of usual residence and place of work by method of travel to work (2011)

# Overall more people commute into Rutland

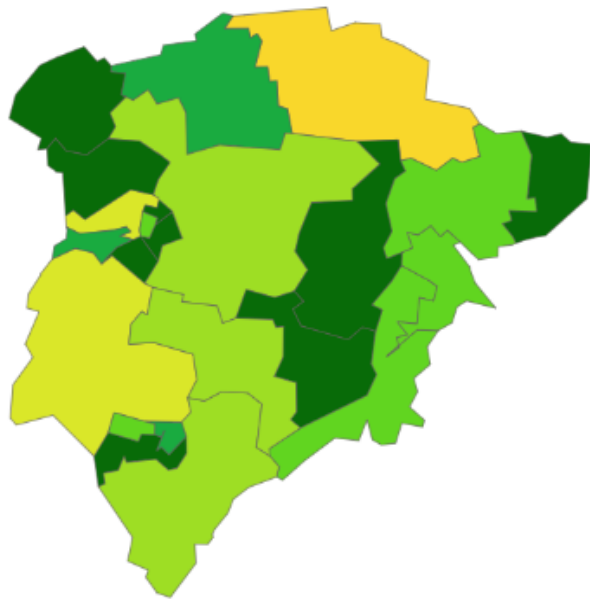
- Net commuting inflow of 278 people.
- Neighbouring areas are important for the County's workforce.
- Large outflows to the urban centres of Peterborough and Leicester and London, likely drawn by the additional employment opportunities of the cities.
- Connectivity will continue to be important to neighbouring places and major urban areas to facilitate travel to work and learn

*\* caveat the data is from the last census and should be updated soon*

# Whilst deprivation is low, there are areas of concern

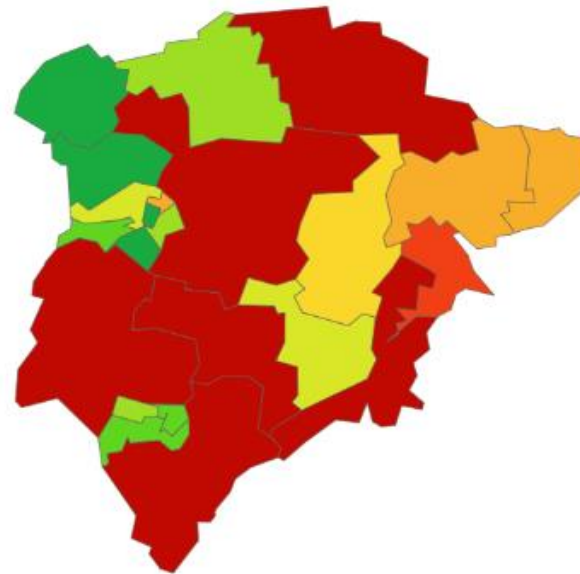
Deprivation decile

Decile 5 6 7 8 9 10



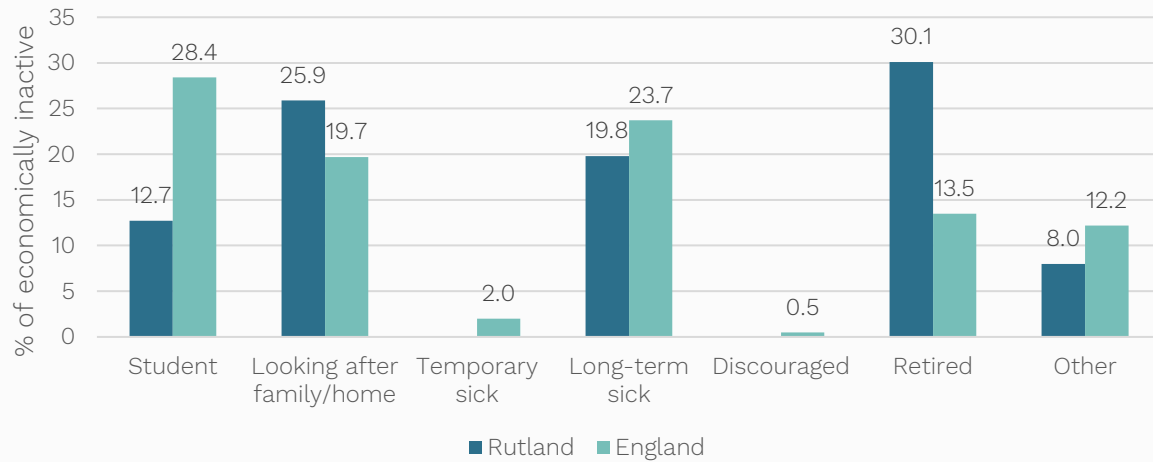
Deprivation decile

Decile 1 2 4 5 6 7 8 9

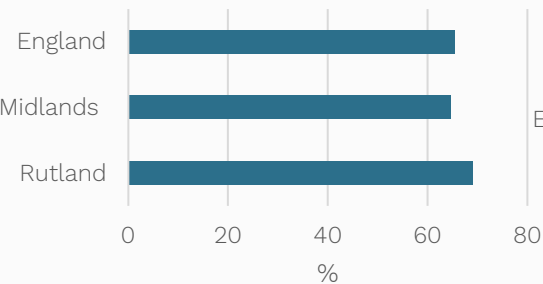


- Overall across domains, more than 50% of neighbourhoods in Rutland are in the least 20% deprived nationally, showing a generally low level of relative deprivation.
- But food bank use has been rising, and once housing costs are factored in, the proportion of children living in poverty is estimated to be 16%.
- Rutland compares poorly in the overall social mobility index, ranking 18<sup>th</sup> worst of all authorities, and is classified as a social mobility coldspot.
- Could focus on building a county where every child has the opportunity to reach their potential

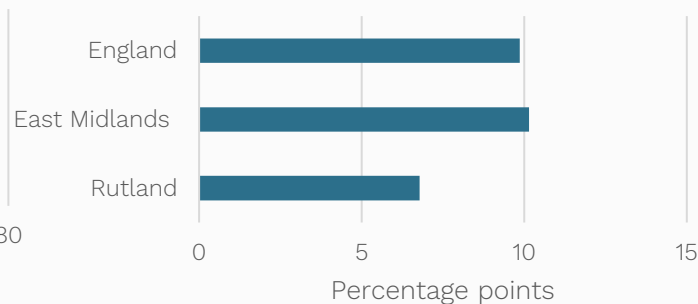
Reasons for economic inactivity (2021)



Percentage with a physical or mental long term health condition in employment (2021/22)



Gap in employment between those with a physical or mental long term health condition and overall employment (2021/22)

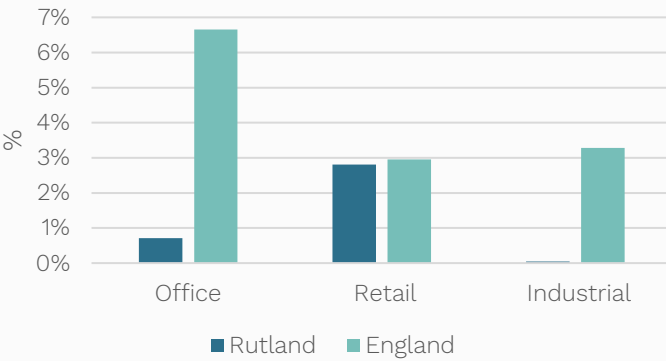


Notes Estimates for temporary sick and discouraged not available in Rutland since the group size is zero or disclosive (0-2)  
 Employment rate for those with a physical or mental long term health condition refers to those aged 16-64

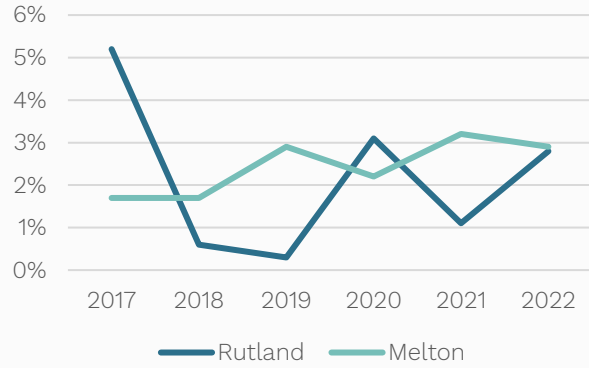
# Supporting residents into employment

- The proportion of the working age population who were economic inactive in 2021 was 22.7% vs 21.2% nationally
- A higher proportion of the economically inactive were retired and looking after family/home. A lower proportion of the economically active were students
- Employment rate for working age males was slightly higher than nationally (79.4% vs 78.5% nationally) but slightly lower for working age females (70.8% vs 71.7% nationally)
- 69% of the working age population in Rutland with a long term physical or mental health condition are in employment. The gap with the overall employment rate is 6.8%

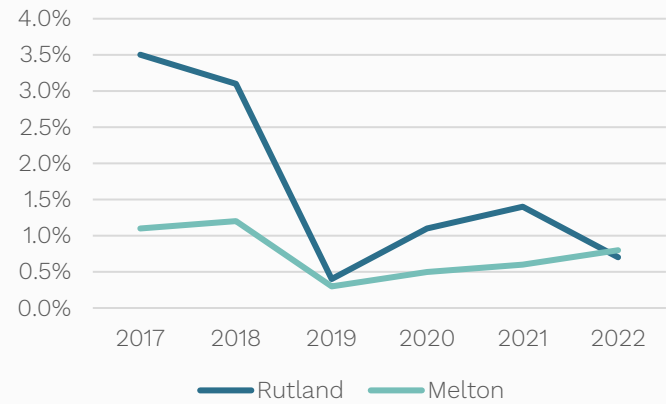
Property vacancy rates (2022 Q3)



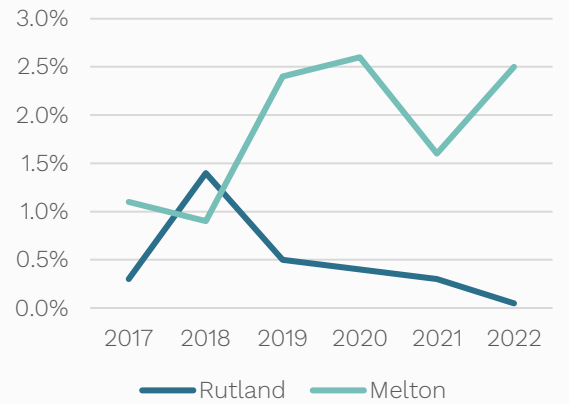
Retail vacancy rate



Office vacancy rate



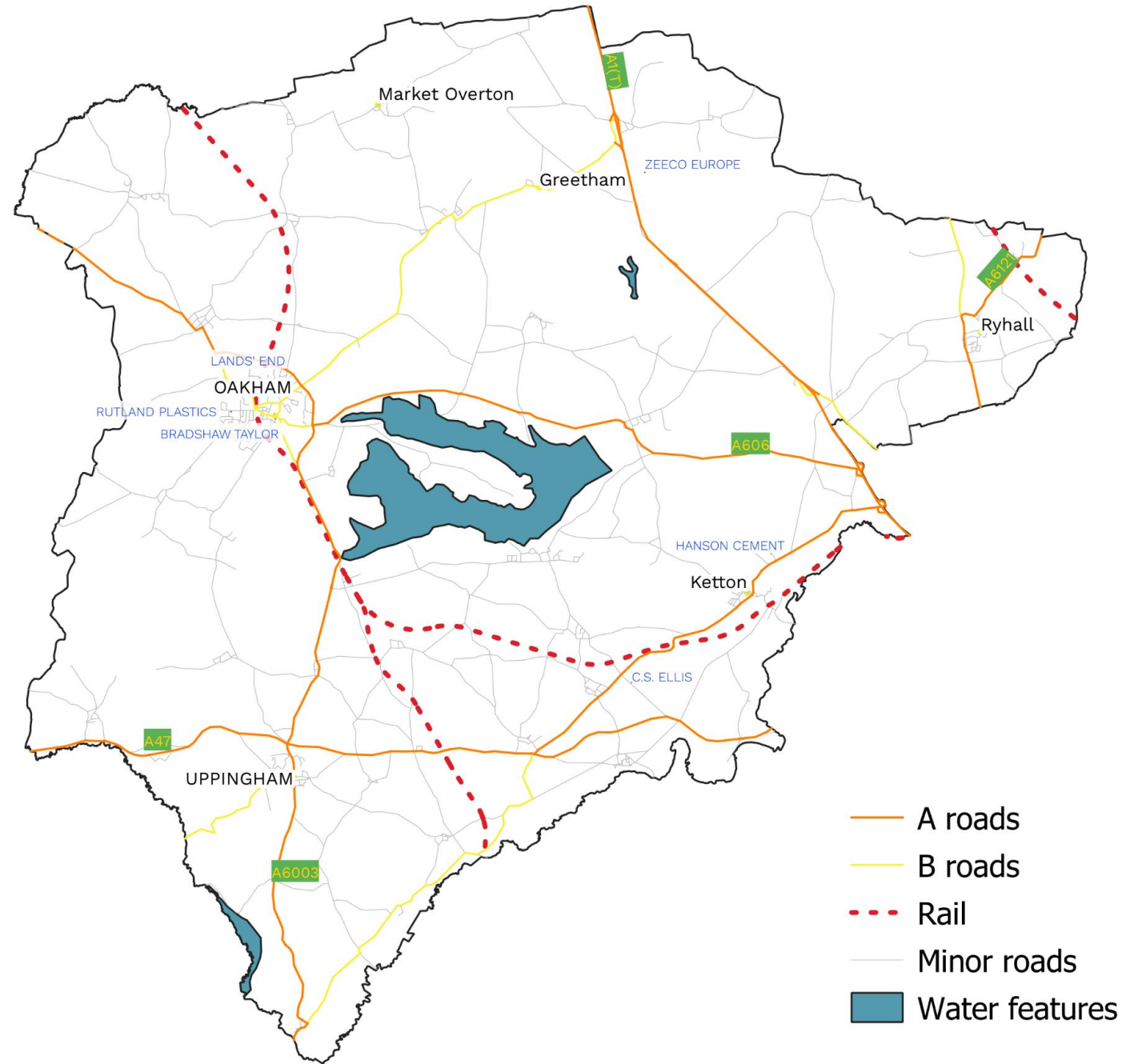
Industrial vacancy rate



# A need for employment space

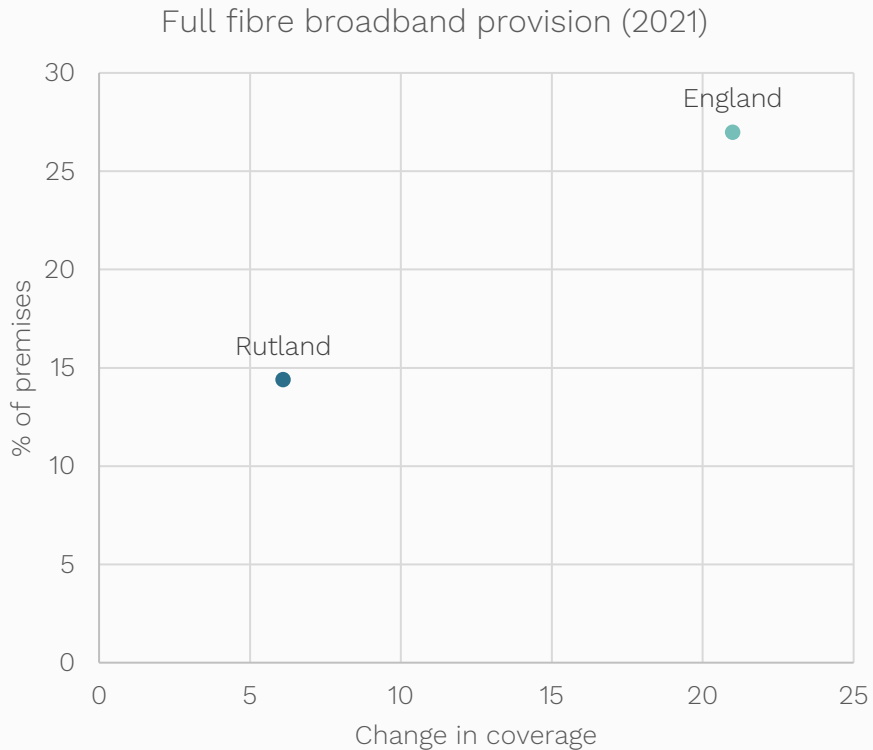
- For office and industrial space Rutland has very little vacant property, both have seen consistently low rates of vacancy since 2019
- Potential lack of industrial space is highlighted by vacancies in Melton
- Retail market has been more volatile, varying from 5% to under 1% vacancy since 2017.
- For businesses to start, move or grow in Rutland will require a variety of employment space
- With no science park or university, there is an opportunity to think about how and where businesses cluster and how to foster innovation and business interaction

# Importance of A road connectivity for businesses



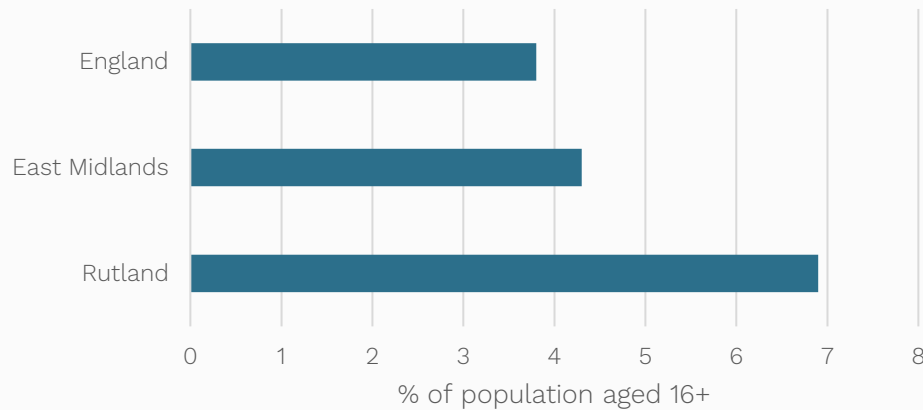


# Digital connectivity is an infrastructure priority

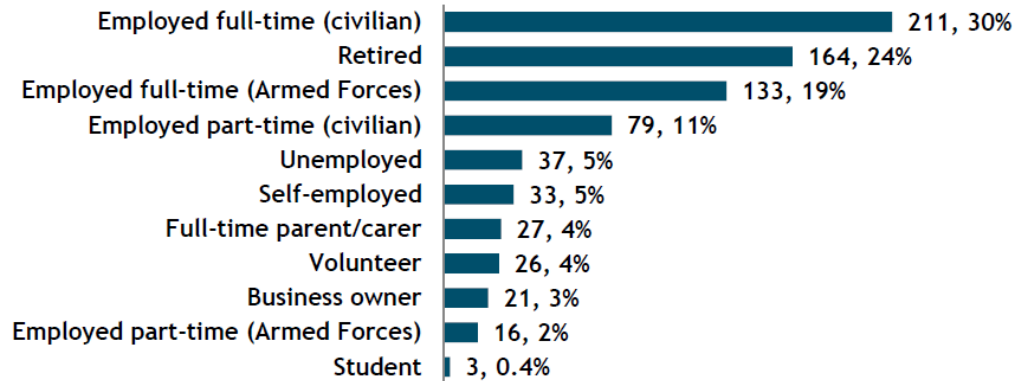


- Improving and accelerating broadband infrastructure will be vital to attract more entrepreneurs and tech based businesses
- Broadband was the 4<sup>th</sup> highest concern for businesses in the recent survey – behind Covid, Brexit and recession.
- Full fibre coverage in 2021 was 14%, lower than the national average of 27% and download speeds are slower than elsewhere
- Rollout has also been slower in Rutland, with an increase in coverage of 6% over the last 3 years compared to 21% nationally over the last 5 years.

Proportion of veterans of total population (2021)



**Overall: Employment status**



# Armed forces population

- The armed forces community in Rutland is currently across two sites – Kendrew Barracks and St Georges Barracks
- St Georges is due to close by 2024, with most personnel based at Kendrew. As of 1st April 2021, 1,580 personnel were based in Rutland, of which 1,490 are Military and 90 Civilians.
- Rutland has 13<sup>th</sup> highest veteran population in England and Wales. Other areas which have a high proportion generally contain or are located near military establishments, such as Gosport
- 5% of those surveyed as part of the Armed Forces Covenant Survey for Rutland, South Kesteven and Harborough were unemployed. This is 1% for those serving, 13% for spouses of those serving, 5% for veterans and 10% for spouses of veteran
- In 2019, 2.4% in Rutland, 2.6% in Harborough and 2.0% of those aged 16+ were unemployed

Sources: Ministry of Defence, Location of UK regular service and civilian personnel annual statistics (2021)  
 Connected Together CIC, Armed Forces Covenant Survey for Rutland, South Kesteven and Harborough (2019)

# Armed force survey

- 59% of respondents were from Rutland. Over half (56%) of those who completed the survey were veterans, i.e. someone that had previously served in the British Armed Forces. One quarter were currently serving (19%) and/or a reservist (6%)
- 14% of veterans and those currently serving said they always or often felt lonely or isolated, rising to 29% for people married to someone serving
- Mental health services were selected as most difficult to access by respondents – 28% overall and 43% of veterans. This was followed by housing support (23% of respondents)
- PTSD, depression and anxiety were the most mentioned issues for both veterans and those currently serving.
- 47 people felt that there was not enough support for people, either with the transition to civilian life, support for the family of serving personnel, mental health support, or support with housing
- 21% said they did have physical health needs directly relating to their military service, rising to 29% of veterans

# Discussion

## Discussion questions

- Does the scope of evidence and insights feel broadly right? What is missing?
- What do we think should be the priorities for the economic strategy?
- How can we ensure this work complements and supports the Local Plan and other plans and strategies?

# A vision for Rutland

# Rutland in 2022

Rutland is a small and successful rural economy providing great quality of life.

The County is growing faster than average in population. But economic output is shrinking and business numbers have fallen since Covid, particularly in sectors like manufacturing, and productivity and workplace wages are low.

This economic strategy is an opportunity to set the direction for the future of the economy.

What do we want for Rutland's future?

# Rutland as a place to live

With a highly-skilled population, attractive market towns and beautiful natural spaces, Rutland is known for producing excellent social outcomes.



In particular this is an area with very good education outcomes and low unemployment  
Residents tend to have high skill levels and occupations, travelling to nearby cities for work



There are challenges around the ageing population; pockets of deprivation and inequality; housing affordability; social mobility; and lack of high quality digital infrastructure.



The county has far more untapped potential. An education & skills powerhouse, more can be done to attract and retain talent in the county and ensure everyone reaches their potential.



# Rutland as a place to work

This is a small area, with a changing economy. The business base has suffered post-Covid after a period of fast growth.



Rutland doesn't rely on one sector, but has a broad range of sectors in the county. Existing strengths include the visitor economy, quarrying, education, wholesale, and certain manufacturing.



But wages are lower here with fewer opportunities in high value sectors eg Financial and Professional services and high value manufacturing, and a lack of available employment land. This is a turbulent time - top 3 concerns of local businesses are Covid, Brexit and recession.



The changing economic base is an opportunity to grip. Supporting the existing business base to thrive, whilst also attracting and growing new businesses, linked to our strong skill base, and creating new clusters linked to some of our existing major businesses and sectors.

# Rutland as a place to visit

The visitor economy is an important part of Rutland's economy and has been growing in employment.



Rutland's characterful towns and villages and natural assets must be nurtured and promoted widely with a strong brand. Footfall recovered quickly post covid and residents are a core market alongside visitors for leisure, events and retail.



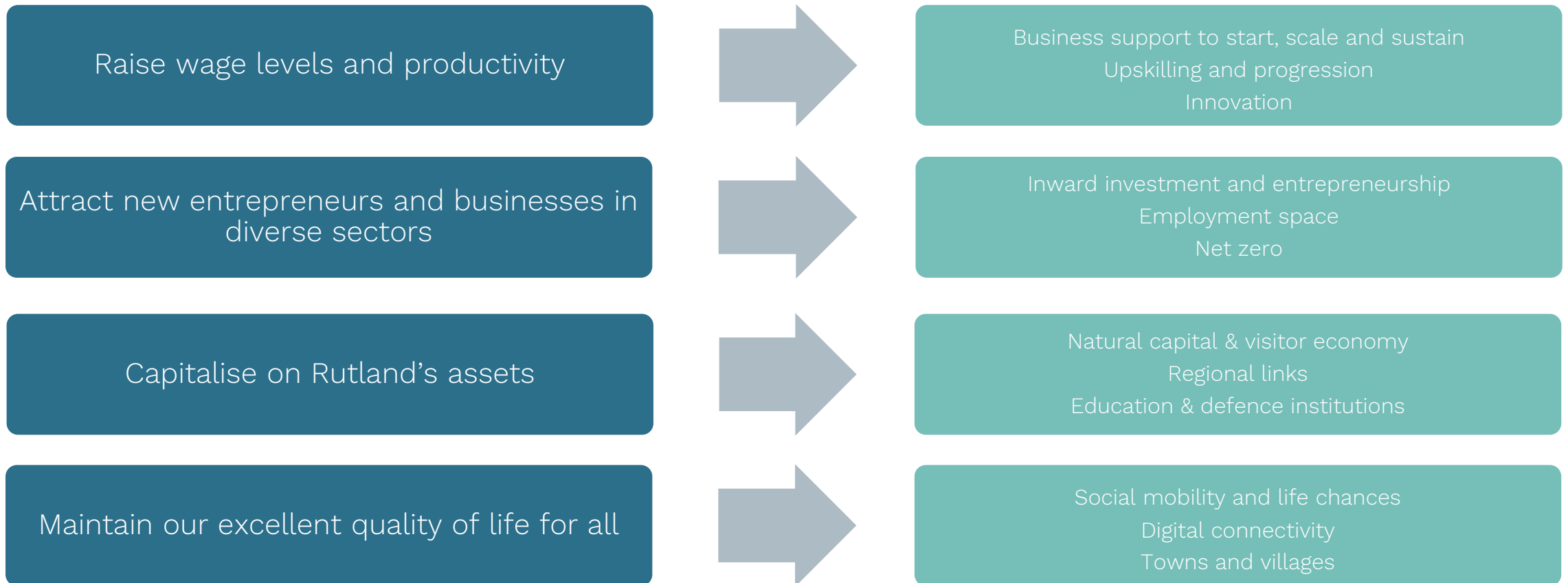
Feedback from residents and visitors suggests more investment is needed in attraction, events, and high streets. However, Arts, entertainment and recreation has shrunk by a third in the past 5 years and the sector is over a third less productive than the national average (likely reflecting lower wages)



Boosting tourism, retail and leisure is an opportunity for both visitors and residents, ensuring those who live in Rutland but maybe work elsewhere, or are retired, spend their money on Rutland high streets and attractions, creating a strong Rutland brand and local offers.

# So what are we going to do differently?

This economic strategy will focus on a small number of areas where Rutland County Council and partners can make a difference. We suggest four objectives to ensure that we continue to be a great place to live and visit, and that we build a stronger business base with diversified and growing opportunities as a place to work



At Metro Dynamics, we **care** about places, our clients, and our colleagues.

We are an **independent** organisation, **curious** about our work, and **collaborative** in our approach. We strive to **make a difference** in all that we do.

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